

OLMSTED COUNTY HOUSING & REDEVELOPMENT AUTHORITY

AGENDA

**January 10, 2011, at 12:00 Noon
2122 Campus Drive SE, Conference Room A/B
Rochester, MN 55904**

Contents

I.	CALL MEETING TO ORDER	3
II.	COMMISSIONER OATHS	3
III.	APPROVAL OF MINUTES.....	3
IV.	COMMUNICATIONS.....	6
1.	Flood Home – 504 NW 11 Street	6
2.	New Projects – Homeless Youth.....	6
3.	OCHRA – Agreements.....	6
4.	OCHRA – Attorney.....	6
5.	OCHRA – Insurance	6
6.	OCHRA Properties – Smoke Free	6
7.	OCHRA - Development Partnering Guidelines.....	6
8.	OCHRA – Disclosure, Code of Conduct, Photo’s	7
9.	OCHRA Properties – Ice Dams.....	7
10.	OCHRA Properties – Utilization	7
11.	POTH – 912 SW 14 Ave	7
12.	Richards House – Condition	7
13.	Rolling Heights – Management Agreement.....	7
14.	Staffing – Housing Secretary	7
15.	Staffing – Faribault.....	7
16.	Staffing – Rental Assistance Coordinator.....	8
V.	CONSENT ITEMS	8
	OCHRA - 2010 Budget – Changes #7-15.....	8
	OCHRA - Billing Abstract.....	9
	OCHRA - Low Income Public Housing – PARIF	9
	Rental Property Fund - 2010 Reserve Replacement Budget	10
	Silver Creek Corner – Memo Agreement.....	10
	The Francis – After Hours Calls.....	11
VI.	UNFINISHED BUSINESS	11

	None	11
VII.	NEW BUSINESS	12
	OCHRA - Bylaws.....	12
VIII.	ADJOURN	12
	OCHRA – Adjourn.....	12

I. CALL MEETING TO ORDER

II. COMMISSIONER OATHS

REQUESTED ACTION: Judy Ohly – County Board and Bruce Snyder – City Council, have been appointed to the OCHRA replacing Mike Podulke and Michael Wojcik respectively, and will take the following oath.

I, _____, do solemnly swear that I will support the Constitution of the United States and the State of Minnesota and will faithfully discharge the duties of the office of Commissioner of the Olmsted County Housing & Redevelopment Authority of Olmsted County, Minnesota according to law and to the best of my judgment and ability, so help me God.

I do further swear that I am, and was at the time of my appointment, a resident of Olmsted County, Minnesota.

GENERAL COMMENTS:

HOUSING ADMINISTRATOR’S COMMENTS: Approve as requested.

III. APPROVAL OF MINUTES

**Minutes
OLMSTED COUNTY HOUSING & REDEVELOPMENT AUTHORITY
December 13, 2010**

Proceedings of the Olmsted County Housing & Redevelopment Authority held on December 13, 2010, at 12:00 p.m., at 2122 Campus Drive SE, Public Works Conference Room, Rochester, Minnesota 55904

I. **CALL MEETING TO ORDER:** The meeting was called to order by Groteluschen.

Present: Groteluschen, Podulke (late), Wojcik, Youmans, Welch.

II. **APPROVAL OF MINUTES:**

Wojcik moved, Youmans seconded, to approve the minutes of November 8, 2010.

Motion: 4 Ayes, 0 Nays

III. **COMMUNICATIONS:** The communications for the December 13, 2010 meeting can be found in the agenda and are not included in the minutes for the December 13, 2010 meeting.

IV. **CONSENT ITEMS:**

OCHRA Properties – Service Contracts. Welch moved, Wojcik seconded to approve the following contracts to be effective Jan 1 2011 – Dec 31 2011.

Type of Service	Contractor
Ceramic Tile	LS Tile Woodmun
Cleaning	Arnold's Supply and Kleenit Co – 825 NW 38 Street, Rochester
Counter Tops	Top Shop – 235 Woodlake Drive SE, Rochester
Electric	Winkels – 111 SE 21 Street, Rochester
Flooring – Vinyl Composition Tile	Hiller's Flooring – 2909 South Broadway, Rochester
Flooring – Wood	Advanced Hardwood Floor Inc – 2601 Elmcroft Drive Rochester
Lawn – Weed/Feed	American Turf Technicians
Painting	Brian Kraushaar, Pure Painting HD Drywall
Pest Control	Absolute Pest
Plumbing	Action Plumbing
Snow	HD Drywall
Taping Sheetrock	HD Drywall
Waste	Veolia

Motion: 4 Ayes, 0 Nays.

Wojcik moved, Youmans seconded, to approve the rest of the following consent items:

Flood Homes – 504 NW 11 Street – Soils. Ratified Commissioner Ryan's approval of spending \$1,100 for soils tests at 504 NW 11 Street, with McGhie and Betts, Inc, 1648 SE 3 Ave, Rochester, with the testing to be completed in the next couple of weeks.

OCHRA – Legal Counsel. Recommended, by Commissioner Ryan, a contract (Attachment A) with Mary G. Dobbins, Landrum Dobbins LLC 7400 Metro Boulevard Suite 100 Edina, MN 55439 to provide legal counsel to the OCHRA beginning January 1, 2011 for a flat monthly fee of \$1,500 and an hourly rate of \$150/hour, and to be available via phone for the meetings if needed.

Rental Assistance Programs – HQS Local Conditions. removing the following local standards when determining if a rental property in which a household participating in a rental assistance program administered by the OCHRA will/is residing meets the Housing Quality Standards.

1. A rental certificate must be issued by the City of Rochester Building Safety Department, on all rental units within the City of Rochester.
4. Screens. Screens are required on all openable windows in habitable rooms during the warm months (May 1st to September 30).

Podulke entered the meeting

Silver Creek Corner – Borrowing Resolution. Ratified the Housing Administrator's execution of a borrowing resolution (Attachment B) for Silver Creek Corner that was contained a few changes of the resolution that was adopted at the November 8th meeting which authorizes the Chair and Secretary/Treasurer to sign documents on behalf of the OCHRA for this project.

Staffing – Faribault Proposal. Arrangement (Attachment C) with the City of Faribault in which their staff will update the policies for three programs: Low Income Public Housing, Housing Voucher and Shelter Plus for \$2,200 per policy and for the work to begin about Jan 1st and to have all policies completed by September 30, 2011.

The Francis – Continuum of Care – MOU. Ratified Commissioner Youmans approval (Attachment D) to pay Three River's Community Action, 1414 North Star Drive, Zumbrota, \$2,555 as part of the process for renewing the 16 units of rental assistance provide by the U. S. Department of Housing & Urban Development through the Shelter Plus Care program.

Motion: 5 Ayes, 0 Nays

V. **UNFINISHED BUSINESS:**

None

VI. **NEW BUSINESS:**

OCHRA – Budget 2011. Welch moved, Podulke seconded to approve the 2011 budget (Attachment E) that was reviewed in detail by Secretary/Treasurer Larson.

Wojcik left the meeting.

Motion: 4 Ayes, 0 Nays

OCHRA – 2011 Officers. Welch moved, Youmans seconded, to nominate the following commissioners to serve as officers for 2011: Chair – Groteluschen, Vice Chair – Welch, Secretary/Treasurer – Larson.

Motion: 4 Ayes, 0 Nays.

Youmans moved, Podulke seconded to move to approve the officers for 2011 as nominated.

Motion 4 Ayes, 0 Nays.

OCHRA – Attorney Services. Tom Canan's role as legal counsel for the OCHRA ends 12/31/10. The OCHRA expressed their appreciation for the service Tom has provided to them and staff over the past 16 years.

VII. **ADJOURN:**

Youmans moved, Welch seconded, to adjourn the meeting until 12:00 p.m., Monday, January 10, 2011.

OLMSTED COUNTY HOUSING &
REDEVELOPMENT AUTHORITY COMMISSIONERS

Dave Groteluschen, Chairperson

Gary Lueders, Housing Administrator

IV. COMMUNICATIONS

1. **Flood Home – 504 NW 11 Street.** The house is set on the piers. Propane tank placed and fueling the furnace to save the \$1,500 winter digging fee that would have been charged by Minnesota Energy. Staff is marketing the property. The property will be available for you to walk through either before or after the meeting. The 504 house number has been retired because the previous structure was removed and a new number is being issued.
2. **New Projects – Homeless Youth.** Some progress on securing funds – more needed.
3. **OCHRA – Agreements.** Nothing new to report about the following six agreements that were submitted to the County Administrator's office for review, approval in Oct. Low Income Public Housing. Housing Choice Voucher. Cash Management. General Depository. Accounting Service. Administrative Services. It was hoped the agreements could be reviewed while our present attorney was serving the OCHRA.
4. **OCHRA – Attorney.** Mary Dobbins is planning to attend the January meeting and will be available via phone for other monthly meetings.
5. **OCHRA – Insurance.** Staff is obtaining information and will request approval – perhaps at the February meeting. The properties, etc are insured – staff is obtaining the information.
6. **OCHRA Properties – Smoke Free.** With one exception, the OCHRA's position on this has been to not make their properties smoke free. With the policies being updated in the near future – this should be a matter to be considered again. The following is from promotional information for a training to be held in Faribault next month:

Did you know that over 50% of renters would consider moving in order to live in a smoke-free apartment building? Did you know that you can increase your occupancy and bottom line by going smoke-free in your existing building(s)? Learn how you can adopt a smoke-free policy that will save you time, money and frustration. This session will have plenty of time to “ask the expert” so that you can walk away with answers to all of your questions and practical steps to adopt smoke-free policies for your buildings.
7. **OCHRA - Development Partnering Guidelines.** Michael Wojcik has been requested to share his intent, expectation as to the future of this matter.

8. **OCHRA – Disclosure, Code of Conduct, Photo’s.** These items are needed for 2011 and the following check list will track the receipt of the items.

	Dave	Tripp	Janice	Chris	Jay	Judy	Bruce
Disclosure		x		x	x		
Code				x	x		
Photo		x		x	x		

9. **OCHRA Properties – Ice Dams.** 708 SE 9 Ave incurred damage by ice dams recently. Staff worked on and around Christmas Day to minimize damage to other properties. Staff was hired from Labor Ready to help with the process.
10. **OCHRA Properties – Utilization.** Not attached. Maybe distributed at the meeting or provided for the Feb meeting.
11. **POTH – 912 SW 14 Ave.** Mission 21 is interested in the leasing the property. A conference call was held with Minnesota Housing Finance Agency staff 12/30. There was – will be a further exchange of information. All parties expressed a desire to try to make this work.
12. **Richards House – Condition.** Staff is beginning the process of developing a plan for the future of the property – given its condition. Background: In May 2010 a structural engineer identified some major problems with the porch and foundation. At this time, it appears its cost prohibitive to correct the conditions so the plan would be to monitor the condition, use the property as long as it’s safe and then have it demolished. The house contains 3 rental units.
13. **Rolling Heights – Management Agreement.** It was learned in preparing the agreements referred to above that the agreement between the OCHRA and Bessler Management for this property expired a few years ago. Craig from Bessler Management wants/needs to have the management plan approved by Rural Development prior to working on the management agreement and expects the plan to be approved in the next few months.
14. **Staffing – Housing Secretary.** Eight applicants were interviewed for the position. It’s expected they could begin by late January – early February. This position is part of the Administrative Division but spends about 80% of their time on matters pertaining to housing. The position will be located in an office with housing staff – which will help with the process of their learning the tasks of the position. We’re very fortunate that we were allowed to fill this position.
15. **Staffing – Faribault.** Staff is expecting to begin the process this month of having staff from the City of Faribault revise the Low Income Public Housing polices.

16. **Staffing – Rental Assistance Coordinator.** Judy Plank left the division and county effective 12/31/10. Judy will continue as the staff person for the Rochester-Olmsted Community Housing Partnership. Their offices are in the United Way building on West Center Street. Judy spent about 40%-50% of her time on OCHRA tasks (the balance on ROCHP tasks) and most of Judy's duties (reports, complaints, and policies) will be shifted to the Housing Administrator.

V. CONSENT ITEMS

Consent	OCHRA - 2010 Budget – Changes #7-15	Stephanie
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REQUESTED ACTION:

Approve as requested.

Change #	Program	Description	Revenue	Expense	Net	Source
7	Quick Start Flood Recovery	10/25/10 - 1 Participant	30,700	30,000	700	MHFA
8	Quick Start Flood Recovery	11/08/10 - 1 Participant	30,700	30,000	700	MHFA
9	Flood Homes/POTH	Reserve replacement for Flood Homes - see detail on other board action	-	4,630	(4,630)	Reserves
10	MHFA Flood Recovery	11/15/10 - 2 Participant	47,250	45,850	1,400	MHFA
11	MHFA Flood Recovery	11/22/10 - 2 Participant	21,600	20,200	1,400	MHFA
12	MHFA Flood Recovery	11/29/10 - 3 Participant	86,900	84,800	2,100	MHFA
13	MHFA Flood Recovery	12/06/10 - 1 Participant	22,900	22,200	700	MHFA
14	Housing Choice Vouchers	Average HAP is higher than the budgeted amount, the increase will come from held HUD reserves that are only be used for HAP. - Commissioner Larson approved this in Decmeber.	-	91,000	(91,000)	Reserves
15	MHFA Flood Recovery	01/03/10 - 2 Participant	60,100	58,700	1,400	MHFA
		Grand Total	300,150	387,380	(87,230)	
		Adopted Budget Net Income (loss)			(105,272)	
		Budget Changes #1-6			(220,824)	
		Revised Budget			(413,326)	

GENERAL COMMENTS:

None.

HOUSING ADMINISTRATOR'S COMMENTS: Approve as requested.

Consent	OCHRA - Billing Abstract	Stephanie
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REQUESTED ACTION:

Move to ratify Commissioner Larson's approval of the Billing Abstracts from September 1, 2010 thru December 31, 2010 as summarized in the following table:

Billing Abstracts

Fund	Description	2010				Totals
		September	October	November	December	
900	State & Local	\$ 48,895.25	\$ 95,360.91	\$172,260.16	\$176,591.81	\$ 493,108.13
905	Mortgage Revenue Bonds	-	-	-	-	-
908	Rolling Heihgts	-	-	-	-	-
909	The Francis	6,655.79	6,842.35	7,480.64	6,717.77	27,696.55
910	Low Income Public Housing	12,830.89	19,069.57	13,002.58	10,137.37	55,040.41
925	Section 8 Vouchers	273,004.29	260,233.00	271,085.51	273,455.16	1,077,777.96
930	Rental Property	7,300.65	75,228.49	2,101.30	2,883.93	87,514.37
935	Castle View - Shelter Plus Care	3,226.00	3,226.00	3,746.00	3,746.00	13,944.00
940	River's Edge	9,815.81	8,967.65	6,353.93	10,633.84	35,771.23
	Total	\$361,728.68	\$468,927.97	\$476,030.12	\$484,165.88	\$1,790,852.65

GENERAL COMMENTS:

Detailed reports were reviewed by Commissioner Larson. She will advise you of any unusual bills, etc.

The billing abstract is a complete list of payments made for the designated period.

HOUSING ADMINISTRATOR'S COMMENTS: Approve as requested.

Consent	OCHRA - Low Income Public Housing – PARIF	Gary
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REQUESTED ACTION:

Move to approve submitting the completion certificate to Minnesota Housing Finance Agency for the Preservation Affordable Rental Investment Fund (PARIF) Public Housing Grant D-6187 for \$124,000 approved Oct 2008.

GENERAL COMMENTS:

The funds were used for staffing (\$79,000) and removing basement windows and installing patios at Westwood apartments (\$45,000).

HOUSING ADMINISTRATOR'S COMMENTS: Approve as requested.

Consent	Rental Property Fund - 2010 Reserve Replacement Budget	Stephanie
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REQUESTED ACTION:

Move to approve the current Reserve Replacement improvements for the 2010 budget.

	<u>Reserve Balance</u>	
2009 Carryover	40,038.73	
2010 Contributions	25,200.00	
2009 MHFA Deferred Loan	46,000.00	
Transfer from RPF operating reserve	63,650.00	
Loan from Mortgage Revenue Bonds	60,500.00	
Additional - Loan from Mortgage Revenue Bonds	<u>4,630.00</u>	
Total Available	240,018.73	
<u>Address</u>	<u>Project Description</u>	<u>Budget</u>
712 9th Ave SE	Remove Chimney, repair roof, fix gable end, install door	1,305.00
1123 NW 4th Ave	Add on to contract	2,100.00
1119 7th Ave SW	Olson Tree Service	<u>1,225.00</u>
Total Request		4,630.00
Prior Requests		235,324.00
Amount Still Available		<u><u>64.73</u></u>

GENERAL COMMENTS:

This is the reserve replacement account for the Rental Property Fund that includes the Flood Homes, POTH, and Richards House. These funds are used for large improvements as unit turn over happens. Similar items will be brought back to the board monthly as more decisions are made throughout the year.

HOUSING ADMINISTRATOR'S COMMENTS: Approve as requested.

Consent	Silver Creek Corner – Memo Agreement	Gary
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REQUESTED ACTION:

Move to approve a Memo Agreement with Silver Creek Corner that states the following:

All acts stated in the loan documents to be undertaken by OCHRA that relate to the maintenance, use of or operation of the facilities to be constructed are, so long as the Management and Use Agreement is in effect, the responsibility of Silver Creek including: Insurance matters. Operation in accordance with the covenants. Construction to include reconstruction in the event of damage or destruction whether during or after the original construction, provided that such reconstruction shall require the agreement of Silver Creek, OCHRA, and the Minnesota Housing Finance Agency. All costs of insurance relating to the aforesaid facility shall be payable by Silver Creek in

accordance with its discharge of its responsibilities under the Management and Use Agreement

GENERAL COMMENTS:

This was prepared by Tom Canan and the attorney representing Silver Creek Corner.

HOUSING ADMINISTRATOR’S COMMENTS: Approve as requested.

Consent	The Francis – After Hours Calls	Gary
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REQUESTED ACTION:

Move to approve an agreement with Paramark Real Estate, 7392 Airport View Drive SW, Rochester, MN 55902, in which Paramark will respond to after-hours calls to reset the alarm and the OCHRA will pay Paramark \$100/per call for this service.

A copy of the agreement will be attached to the minutes.

GENERAL COMMENTS:

Staff. Staff is trying to find an arrangement involving staff that’s fair to them, compliant with the association agreement, fair to the OCHRA and responsive to the needs of the property pertaining to after business hours calls.

Number of Calls. In 2010 staff estimates they went to The Francis to reset the alarm 6 times.

Master Key. The master key referred to in the agreement operates locks for doors in the common areas (office, basement, roof, rear stair). There is another master key for the apartments.

Attorney. Mary Dobbins, Attorney, reviewed the agreement.

Commissioner. Jay is the lead Commissioner and was provided a copy of the agreement.

HOUSING ADMINISTRATOR’S COMMENTS: Approve as requested.

VI. UNFINISHED BUSINESS

Unfinished Business	None	
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VII. NEW BUSINESS

New Business	OCHRA - Bylaws	Gary
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REQUESTED ACTION:

Move to adopt the three changes shown in the attached bylaws pertaining to eliminating the Finance Committee, defining excused absences and making the Housing Administrator responsible for the disclosure statements.

GENERAL COMMENTS:

Bylaws. This seemed like an opportune time for all to be able to review the bylaws.

Term Limits. The bylaws are silent about term limits as the OCHRA doesn't have the authority to address the matter. This is a matter for the entities responsible for making the appointments – the Rochester City Council and Olmsted County Board. That being said, it appears that a Commissioner can serve indefinitely.

Attorney. Both Tom and Mary were involved in making these revisions.

HOUSING ADMINISTRATOR'S COMMENTS: Approve as requested.

VIII. ADJOURN

Adjourn	OCHRA – Adjourn	Gary
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REQUESTED ACTION:

Move to adjourn until February 14, 2011.

GENERAL COMMENTS:

None.

HOUSING ADMINISTRATOR'S COMMENTS: Approve as requested.