

**MINUTES**  
**OWATONNA HOUSING AND REDEVELOPMENT AUTHORITY**  
**REGULAR MEETING on June 24, 2019**

The regular meeting of the Owatonna Housing and Redevelopment Authority was called to order at 4:00 pm in the meeting room at the City Administration Building by Vice Chairman Jerry Atkinson.

Members present were Jerry Atkinson, Vicki Olivo, Shari Kropp and Cate Schnitzler (4:06 pm). Also present were Ghassan Madkour, Housing Manager, Troy Klecker, Community Development Director, and Kristen Kopp, Administrative Technician.

**Auditor's Report.** Mary Reedy was present representing Clifton Larson Allen. She reported on the annual audit. She said it was a clean audit with no major findings and no concerns.

**Approval of the Minutes:** Chairman Schnitzler called for a motion to approve the minutes of the May 20, 2019 meeting. A motion was made by Olivo and seconded by Kropp to approve the minutes. All Ayes, motion carried.

**Executive Director's Report:** Troy Klecker presented the Executive Director's Report. He said that they are working on the preliminary budget for 2020. The last Housing Study was done in 2016, and they like to do one every three years. Since it was late 2016, they are planning to do the next one early 2020, which will increase consulting fees. It will be in the \$15,000 range. They also set aside dollars for land projects. This year they will be starting the tax credit apartments behind Dominos which requires City participation of 5% of the project cost. Last year they levied for \$175,000 and this year will be levying for \$185,000. This falls into the 5.5% increase, which is in line with the rest of the budget. He said it's good to keep this increase consistent on an annual basis. He explained that there are two budgets: the HRA Admin Operation Budget and the Section 8 Budget, which is Federal money that comes in and goes out and has no impact on taxpayers. Atkinson asked who makes the decision about vouchers. Klecker explained that they are authorized a certain number of vouchers and the opportunity to get vouchers is over, so what they have is what they have. The dollars are not supportive to utilize the total number of vouchers. Madkour said that they are utilizing 91 of the 113 vouchers because they're at the maximum dollar amount.

**Old Business:** The Housing Choice Voucher program monthly report was presented by Madkour, including the City of Owatonna monthly balance sheet and revenue/expense report. Program utilization: the Housing Voucher program for May totaled 92. Total year to date assistance and administration costs were \$311,786.92 and revenues were \$315,052.78. The Housing Choice Voucher Program fund balance at May month end is \$62,600.37. Madkour provided City of Owatonna HRA monthly balance sheet and revenue/expense reports for the HRA General Fund including the Bridges Programs. The HRA Revenues year to date total is \$203,760.53 and the expenses total \$207,172.99. The HRA General Fund balance is \$328,345.54. Program utilization for both Bridges programs totaled 47 households.

Madkour said that he sent out Zero Income Statements and has already received results. He has at least two families who have a repayment agreement over the next six to eight months. Klecker said that this may allow them to do another voucher. Madkour said that he hopes the word spreads.

A motion was made by Kropp and seconded by Atkinson to approve the reports as presents. All Ayes, motion carried.

**New Business:** Madkour said that he is doing a waitlist purge and sent out 480 letters last Friday. If they don't have an address or if the letter is returned to sender or he doesn't get a response by July 5<sup>th</sup>, they will be off the list. He said that he hopes this encourages people and will eliminate phone calls. He said there are people who are no longer utilizing their HAP. Two have moved away, one of who was absorbed by their new community. This will free up close to \$2,400 HAP dollars. He said that one person is over

income and no longer needs assistance as their family income is over \$70,000. Madkour said he's thankful for the program and is hoping he can free up dollars to help another family. Madkour said that he believes he will be able to take another two to five clients. Atkinson suggested writing a letter to the editor about the success stories as people don't usually hear those good stories.

Klecker said that the Fremont tenant moved out and they are working with Transitional Housing, who hope to move in by August 1<sup>st</sup>.

He said that their total number of housing units for Owatonna Forward this first 1.5 years is around 203. They are tracking well, and if they keep this up will be on target to hit 500 units.

Chairman Schnitzler gave an update on Owatonna Forward and said that they recently had a meeting about Opportunity Zones.

**Adjournment:** There being no further business, a motion to adjourn was made by Atkinson, seconded by Kropp. All Ayes, motion carried. The meeting adjourned at 5:17 pm.

Respectfully Submitted,

Ghassan Madkour  
Housing Manager