

HOUSING & REDEVELOPMENT AUTHORITY OF CLAY COUNTY
Regular Meeting of March 20, 2025

BOARD MEMBERS PRESENT:

Tia Braseth, Anthony Dillard, Greg Lemke, Bethany Peterson, Cecil Johnson and Clay County Commission Liaison, Paul Krabbenhoft

MEMBERS ABSENT:

None

STAFF PRESENT:

Dara Lee and Dawn Bacon.

9:36 A.M. REGULAR MEETING CALLED TO ORDER:

AGENDA:

Commissioner Lemke made a motion to approve the agenda. Commissioner Johnson seconded the motion, and it carried unanimously.

MINUTES FROM THE FEBRUARY 20, 2025, MEETINGS:

Commissioner Dillard made a motion to approve February 20, 2025, regular and annual meeting minutes. Commissioner Johnson seconded the motion, and it carried unanimously.

CITIZENS TO BE HEARD:

None

TREASURER REPORT:

Director Lee reviewed the budgets through January.

Commissioner Lemke made a motion to accept and file the Treasurer's report. Commissioner Dillard seconded the motion, and it carried unanimously.

PROJECT UPDATES:

Director Lee provided project updates.

Houge Estates

Houge Estates is a 60-unit building for people who are elderly or disabled. There is an approximately \$750,000 mortgage on the property. The HUD subsidy contract is scheduled for renewal in 2026. Staff are exploring options regarding re-financing the loan and terminating the HUD contract with assistance replaced with Housing Choice Vouchers. The Houge Estates Service Coordinator grant will need to be considered as well.

As of March, there were 7 vacant units. Staff are processing two applications. Ten additional households have been contacted. Due to staff turnover, there was a delay in processing applications during January. Our new Assistant Housing Manager started on January 21, and we are back on track.

The waiting list re-opened on October 1, 2024, and closed February 14, 2025. There are 88 applicants on the waiting list. The on-line application process went fairly smoothly. The number of applicants during this 4-month period highlights the strong demand due to a shortage of affordable housing.

Both the Management and Occupancy Review (MOR) by Minnesota Housing and the audit have gone very well. The audit must be submitted to HUD by March 31, 2025.

Agassiz Apartments

Agassiz Apartments is a 12-unit apartment building for people who are elderly or disabled. The HUD subsidy contract on this property is scheduled for renewal on October 1, 2025. To keep all options open, staff held a meeting and gave tenants a one-year notice of subsidy cancellation. This cancellation can be revoked at ANY time prior to September 30 of next year. Cancelling the contract would result in significantly less administrative burdens and increased income. Tenants would continue to pay the same amount for rent through the Housing Choice Voucher program. This is a topic for on-going board discussion. If the Continuing Resolution is funded for 2025, it may be best to proceed during this fiscal year.

Clay County awarded SAHA funding for both roof replacement and security upgrades. Both activities are now complete.

As of March 1, there is one vacancy due to an eviction. The unit will need substantial repairs. We have received notice from another long-term resident for the end of March. Three applicants have been contacted for the opening. The waiting list is re-opened February 20, 2025, and six households have applied.

The Management and Occupancy Review was completed in March. A debriefing call with the MOR reviewer indicated that the review resulted in the fewest number of compliance issues he has ever noted.

Clay County Affordable Housing LLC/Boyer Apartments

The Clay County Affordable Housing units are in Dilworth, Ulen, and Hawley; and the Boyer Apartments in Moorhead. The CCAH units are composed of twelve duplexes located in neighborhood settings. The Boyer Apartments are two 4-unit buildings that are next to each other and have a total of six 2-bedroom units and two 1-bedroom units.

As of March 1, there are no vacant units and 10 people on the waiting list. The waiting list only opens when there are vacancies.

There is no specific subsidy tied to these units. Residents of these units receive a preference for a Housing Choice Voucher if their family size fits the available unit.

Fieldcrest Townhomes

As of March 1, there are 2 vacant units. One must be filled with a household meeting the high priority homeless definition. The units are ready for occupancy. Staff and the supportive services provider are processing households.

There are 197 households on the waiting list, which was open from October 1, 2024, to January 2, 2025. Once again, the need for affordable housing in our community was clearly demonstrated by the number of families applying over a 3-month period.

Both the audit and the MOR went well. The audit was submitted to Minnesota Housing on time with no findings.

Gateway Gardens

Gateway Gardens is a 24-unit permanent supportive housing apartment building. It also has a 24-hour staffed front desk. The HRA staffs the front desk from 8 a.m. to 8 p.m. each day. From 8 p.m. to 8 a.m., security company staff are at the front desk. The security company monitors the cameras for Gateway Gardens, River View Heights, Houge Estates, Agassiz Apartments, and Fieldcrest Townhomes.

SAHA funds were received from Moorhead to update the Gateway Gardens security system which is complete. The 2025 budget included \$75,000 in repurposed SAHA funds and tax levy funds to support building operations.

As of March 1, there were 3 vacancies, and one move out scheduled for 3/17/25 due to an eviction. One tenant moved in on March 3. New tenants are selected from the community Coordinated Entry list.

Prairie Horizons Townhomes

Prairie Horizons Townhomes are eight townhome permanent supportive housing units for families located in south Moorhead, across from Fieldcrest Townhomes. Supportive services are provided and funded through the HRA Cares program.

As of March 1, there is one vacancy due to a decrease in household size, and the tenant transferring to a one-bedroom unit. Another household whose family size has increased may move into the unit. There was another move-out on March 3 due to an eviction. Tenants are selected from the community Coordinated Entry list, so a waiting list is not kept.

River View Heights (MPHA)

River View Heights is a 14-story apartment building with 104 units.

As of March 1, there were 6 vacancies and 2 pending evictions. Two applicants have been approved. Fifteen applicants have been contacted.

There are currently 193 people on the public housing waiting list which is shared with Sharp View. It closed on October 30, 2024.

Staff are preparing an application for a Publicly Owned Housing Program loan to replace the windows. Funding will be extremely competitive.

Sharp View (MPHA)

Sharp View Apartments is a two-story, 47-unit apartment building designated for seniors aged 62 and over.

As of March 1, Sharp View has 5 vacancies which will remain offline due to the upcoming rehabilitation. The waiting list is shared with the River View Heights waiting list.

The development has been selected to receive over \$1.4 million in bond funding to complete significant updates to the building's plumbing system as well as kitchen and bathroom cabinetry. The bid has been awarded, and the architect is finalizing the plans.

Moorhead Affordable Housing LLC (MPHA)

The Moorhead Affordable Housing LLC consists of 30 units ranging from single family homes, duplexes, and town homes. Most of the units are three bedrooms and primarily house families with children.

As of March 1, there are two vacancies. One applicant is being processed, and one applicant has been contacted.

Maple Court Town Homes (MPHA and City of Moorhead)

Maple Court Townhomes consists of 34 units of two, three, and four-bedroom townhomes. One parcel is owned by the City of Moorhead and the other parcel is owned by Moorhead Public Housing Agency. MPHA/Clay HRA manages all the units. This property uses on-site caretakers.

As of March 1, there are 2 vacant units. Four applicants have been contacted. The waiting list is closed due to an over yearlong applicant waiting time.

Moorhead and the Cass-Clay Community Land Trust are actively working with renters in the 17 units Moorhead owns to figure out their interest in homeownership. Staff have met with CCLT and city staff as we decide how this may look.

Housing Choice Vouchers

The Housing Choice Voucher Program consists of 514 “regular” units, 30 VASH units, 3 Foster Youth to Independence units, 5 Housing Stability units, 187 Mainstream units, and 14 Emergency Housing Voucher units.

As of March 1, 2025, there were a total of 700 out of 753 units leased in the Housing Choice Voucher program. We have the following HCV vouchers available: 18 regular vouchers (6 vouchers have been issued to families who are searching), 11 VASH vouchers (7 vouchers have been issued to individuals searching for units); 2 Stability vouchers (one voucher has been issued); and 22 Mainstream vouchers (9 vouchers have been issued and staff are working with 3 households) available to lease. We are working with 10 more households from other housing authorities. We will add 5 of these households to our regular vouchers.

As of March 1, there are 38 people on our waiting list. In March we contacted all these households to begin processing them for assistance.

We have 67 individuals enrolled in our Family Self-Sufficiency program and have had 80 FSS participants in the past 12 months. We can serve up to 75 households. HUD audited the FSS program in January. It was a clean audit with no programmatic findings. There is a waiting list for this program so staff is recommending that the policy we modified to increase the number of participants who can be placed on this program. HUD no longer requires a limit.

Becker-Clay-Otter Tail-Wilkin (BCOW)

Adult Mental Health Initiative (AMHI) Rental Assistance

The contract with the BCOW AMHI provides funding for rental assistance and administrative fees to help households who have a member who has a serious mental illness and is leaving an institution or is currently homeless.

The grant was renewed for 2025 with a significant increase in funding. We plan to serve 35 households per month in 2025. As of March 1, we are serving 23 participants. Due to staff reductions, we have been unable to add additional households to the program.

HRA Cares

HRA Cares is a HUD-funded Continuum of Care program. It is for individuals and families who are literally homeless and have a family member with a disabling condition. There are no time limits on the supportive services. We provide supportive services at the two Prairie Horizons Townhomes developments and in forty-eight scattered-site units. We are authorized to serve sixty-four households with these funds.

The current grant is funded through December 31, 2025. The grant was approved for renewal from January 1, 2026, to December 31, 2026. The grant awards were announced at the end of the last administration and no action has been taken by the new administration to execute the new grant agreements. The language modifications to the grant awards were recently released by HUD. It is anticipated that the grant awards will be ready in March or April with the modified language.

We are currently serving 68 households. Six of these households are still searching for units. Of the 68 households, 57 are in Clay, 3 are in Otter Tail, and 2 are in Douglas Counties, MN; and there are 6 in Fargo, ND. There are 36 singles and 32 families being served. Six of these households currently live at Bright Sky Apartments.

It is expected that the grant will fund a 0.25 FTE at Bright Sky to help those households.

Homeless to Housed Rental Assistance

Homeless to Housed is a Minnesota-funded rental assistance program for high priority homeless families, youth, and singles across the counties of Clay, Douglas, Grant, Pope, Stevens, Traverse, and Wilkin.

Our current grant is to serve 85 households through September 30, 2025. The 2025-2027 application was submitted December 17, 2024.

We are serving 86 households now. Sixteen households are searching for units. One has been approved for a unit and is waiting to move in. There are 17 singles and 69 families being served. The grant targets families and youth-headed households. Leased households are from Clay (72) and Douglas (14) Counties. We can serve approximately 100 households per month through the end of the grant term due to lower-than-expected spending at the beginning.

Openings are filled through the coordinated entry process. We believe we will be at maximum capacity after the households who are searching find units.

Homework Starts with Home

Homework Starts with Home is a program offered by Minnesota Housing. In 2014, the HRA was one of three initial pilot locations for a rental assistance program that focused on families with school-age children. We took part in the pilot until it ended in 2018. At the end of the pilot, Minnesota developed Homework Starts with Home. The HSWH program was based primarily upon the pilot run by the HRA.

The HRA was funded in each of three rounds of competitive funding. Throughout this time, the HRA has been the lead agency in a partnership that is working towards ending child homelessness. The first pilot partners were Churches United for the Homeless, Moorhead Public Schools, and Lakes & Prairies Community Action Partnership (CAPLP). We now have forty-five partner agencies including fourteen school districts across seven counties.

The current grant term runs from 10/1/2023-9/30/2025. We predicted serving a total of thirty-two households during that time. The renewal application was submitted in January.

As of March 1, we are serving 42 households. Four households are searching for a unit. The program can serve approximately 45 households for the rest of the grant.

Households are from Becker (3), Clay (19), Douglas (3), Pope (1), Otter Tail (14), and Wadena (2) Counties. Homework Starts with Home families also live at Fieldcrest and receive services through CAPLP. They are not included in these totals.

Housing Supports (formerly GRH) in Scattered-Site Units

Housing Supports is a Minnesota-funded program run through the Department of Human Services. It provides room and board payments (which we refer to as Rate 1) and supplemental services payments (which we refer to as Rate 2). Rate 1 pays for rent, utilities, telephones, transportation, and all basic needs items. Rate 2 pays for supportive services. We have a contract with Clay County Social Services to provide this program. We began providing it when we opened Gateway Gardens in 2010. Twenty of the twenty-four units in the building use this funding source.

In 2016, we added a community option and started subcontracting for service provision with several area non-profit partners. The HRA does all program administration, administers all Rate 1, and provides some of the Rate 2 services. It is an extremely complex program to administer.

As of March 1, a total of 136 households were being served by the Housing Supports program in Clay County. Twenty of the households reside at Gateway Gardens, 17 at Bright Sky, and 99 in other units throughout the county. Services are provided by the following: 30 by the HRA (17 at Bright Sky Apartments and 13 in scattered sites); 16 by CAPLP; 6 by the Presentation Partners in Housing; 3 by LMHC; 4 by Metro Behavioral Health; 10 by the Lotus Center; 39 with Greater Minnesota Community Services; and 28 by CCRI (20 at Gateway Gardens and 8 in scattered sites.) Nine households are searching for units.

Silver Linings is expected to open this June. The Clay County HRA will provide services to approximately 20 additional households at this location. Since this will be a full case load, the HRA needs to hire an additional supportive services staff to assist these individuals.

It appears that the number of eligible individuals who are residing in the scattered site units has stabilized. There are about as many individuals entering the program as are exiting. It is possible that some of the current scattered site participants may move into Silver Linings.

Minnesota DHS Community Living Infrastructure Grant

The Community Living Infrastructure Grant began in 2018. Clay County is the grant recipient and the HRA is the project manager and provides the Housing Resource Specialist. The funds were distributed to help communities build the necessary infrastructure so that individuals with disabilities can live fully integrated into the communities of their choice. The grant funds outreach workers, housing resource specialists, and administration. The original grant covered all ten counties in West Central Minnesota and the three Community Action Programs serving the counties who each performed outreach. Mahube-Otwa has chosen to still be a partner but not be a sub-recipient for the grant.

Funding for the current grant was extended until 6/30/25. The funding for the HRA supports 0.82 FTE. The grant provides funding for administration of the Housing Supports program for Clay County Social Services. The new grant application was released in the second week in March.

Minnesota DHS Housing Stabilization Services

Housing Stabilization Services are a Medicaid benefit available in Minnesota. It became available July 1, 2020. The HRA was the second agency in West Central Minnesota to become an approved provider. The HRA was approved to provide Housing Stabilization Services – both Housing Consultation and Transition & Sustaining Services effective July 2020.

Staff began Housing Consultations in 2020. Due to losing over \$50,000 in the initial operations of this program, we began doing limited housing consultations only. Payment is still pending on 6 consultations with approvals taking more than 100 days. Staff attended a training course on billing through the Managed Care Organizations (MCOs) for better reimbursement outcomes. It is a state-wide issue. With proposed federal cuts to Medicaid, it is unknown whether this will be a continuing program.

Owner-Occupied Rehab Program

The HRA has operated and operates several distinct programs under the Owner-Occupied Rehab umbrella. The largest program is the Minnesota Department of Employment and Economic Development (DEED) Small Cities Development Program (SCDP). Funds used for this program are federal HUD Community Development Block Grant (CDBG) that are distributed to the state for Greater Minnesota. DEED then holds annual competitive application rounds to award these funds to non-entitlement communities.

Barnesville

Barnesville requested our services to apply for \$1.2 million from DEED to rehabilitate 21 homes and 13 businesses. The pre-application was submitted November 27. Preliminary decisions have been made, and Barnesville has been invited to submit a full application which is due April 16, 2025. 2025 federal funding for the CDBG program is unknown and could be eliminated. If this occurs, there will be no funding to apply for.

Dilworth

The HRA staff is administering a \$922,000 DEED grant for the City of Dilworth. It received funding to rehabilitate 21 homes and 7 businesses. DEED has approved an extension of the grant from September 30, 2024, until September 30, 2025.

To date, 18 homeowner projects are complete; and 5 projects are under construction. There is \$11,274 remaining in this budget line. There are 10 applicants on the waiting list who will not receive assistance.

The grant funded the rehabilitation of 7 commercial properties. Nine applications were received. Only 5 of the applicants decided to follow-through. Four projects are complete, and one is under construction. An additional application is being processed. There are sufficient funds to fully fund three projects so additional outreach is occurring.

RLP (Minnesota Housing Rehabilitation Loan Program)

The Minnesota Housing Rehabilitation Loan Program is funded by the state. One loan should close in March; one project is bidding; three are in the scope of work phase, and one application is being processed.

POTENTIAL BENEFITS CHANGES

Director Lee discussed potential changes to benefits in 2026. This includes the role of the county administering benefits as well as the soon-to-be implemented MN Paid Family Leave. The board expressed agreement with an internal staff committee to further review options.

UPDATES AND OTHER

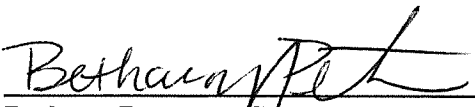
- a. **Commissioner Opening-** To date, we have received one application. Board direction to continue efforts to recruit for the position, with a focus on Glyndon/Dilworth representation.

- b. **Updates on federal and state budget impacts-** Director Lee recently attended the NAHRO Washington DC Conference along with Commissioner Krabbenhoft. The Continuing Resolution (as well as averting a federal government shutdown) provides stability and maintenance of funding for many of the programs that the HRA operates.

- c. **Updates on Bright Sky and Silver Linings-** Successful transition work has been underway for the Clay County HRA staff to provide Housing Supports at Bright Sky in collaboration with Churches United and Arriving Home. We will be hiring for a position to provide services at Silver Linings, which will be opening June 1.

- e. **Staffing Updates-** The rental assistance team has had positions that have gone unfilled for an extended period due to budgetary uncertainty. This has placed a lot of strain on current staff. Fortunately, the HRA was able to recently post those two positions in addition to a couple of positions in our supportive services area. The HRA also continues to work on filling one open position in maintenance.

MEETING WAS ADJOURNED AT 10:46 A.M.


Bethany Peterson, Secretary

4/24/25
Date