

HOUSING & REDEVELOPMENT AUTHORITY OF CLAY COUNTY
Regular Meeting of December 18, 2025

BOARD MEMBERS PRESENT:

Anthony Dillard, Tia Braseth-via Zoom, Bethany Peterson-via Zoom, and Paul Krabbenhoft-Clay County Commission Liaison.

MEMBERS ABSENT:

Cecil Johnson, Greg Lemke

STAFF PRESENT:

Dara Lee, Dawn Bacon, Jill Cossette

9:30 A.M. REGULAR MEETING CALLED TO ORDER:

AGENDA:

Commissioner Dillard made a motion to approve the agenda. Commissioner Peterson seconded the motion, and it carried unanimously.

MINUTES FROM THE DECEMBER 18, 2025, REGULAR MEETING:

Commissioner Dillard made a motion to approve December 18, 2025, regular minutes. Commissioner Peterson seconded the motion, and it carried unanimously.

CITIZENS TO BE HEARD:

NA

TRESURER'S REPORT

Director Lee reviewed September and October budget reviews. All projects are performing as expected based on previous months.

RECOMMENDED UTILITY ALLOWANCES FOR JANUARY 1, 2026

At least once every 12 months, the Clay County HRA must review the utility allowances for the Housing Choice Voucher (HCV) program. The allowances are based on average consumption and cost information. Changes must be made to the utility allowances if a change of more than 10% in utility rates has occurred.

From 2018-2024 the HRA contracted with Housing Authority Services of Akron, OH, to update our utility allowances. After receiving no response from them this year, it contracted with Zeffert & Associates to conduct the 2025 analysis for 2026.

The utility allowances changes for 2026 are a very slight increase (\$1-\$11 per month for many households.)

Commissioner Dillard made a motion to approve the new utility allowances for 2026. Commissioner Peterson seconded the motion, and it carried unanimously.

PERSONNEL POLICY UPDATES

Staff proposed a number of updates to the Personnel Policy. The primary changes were the inclusion of Minnesota Paid Leave, elimination of federal FMLA, and changes to the PTO maximum accrual amounts.

Since the requirements of the Minnesota Paid Leave Act and the Family Medical Leave Act (FMLA) are very similar, the FMLA provisions were proposed to be removed. The HRA has no FMLA-eligible employees since it employs fewer than 50 people. If the HRA increases the number of employees to 50 or more, the FMLA provisions will apply. The FMLA leave was originally included in the HRA Personnel Policy to cover the situations now covered by Minnesota Paid Leave.

The other significant change is limiting the amount of PTO that can be accumulated from a flat 800 hours for all employees to a limit of 3 times the annual number of PTO hours accrued. The accruals range from 504 hours to 864 hours based upon length of service.

We currently have two staff members who have more than the allowed limits for their length of service. Director Lee recommended that these staff members be given until December 31, 2026, to reduce their PTO to the new maximums. All but one staff member will see a reduction in the maximum PTO they may accrue. The maximum increases to 864 hours for employees who have been with the agency 25 years or more. The overall reductions will reduce the potential HRA liability for compensated absences.

Other proposed changes to the Personnel Policy were meant to provide added clarity to existing policies and procedures. These include the prohibition on intimate relationships between employees and HRA participants/tenants, removing the references to Clay County benefits, and correcting clerical errors.

Pages with the most substantial changes were provided to each member. A complete copy of the policy which includes all proposed changes was available at the board meeting for review.

Commissioner Dillard made a motion to approve the proposed changes to the Personnel Policy effective 1/1/2026. This included the recommendation to allow the two existing staff members who are currently over the new maximum to reduce their PTO until 12/31/26 to reduce it to the new maximum amounts. Commissioner Peterson seconded the motion, and it carried unanimously.

CAFETERIA PLAN UPDATES

The HRA Cafeteria and Flexible Spending Plan is updated. Our Plan Administrator is WEX Health, Inc. The draft plan was discussed. The proposed effective date is 1/1/26.

Commissioner Peterson made a motion to approve the resolution adopting the plan and the delegation of final plan approval to Chair Braseth in consultation with Director Lee. 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. It is located along Highway 10 in Dilworth.

As of December 1, there was 1 vacant unit. One person moved in on December 3. One of the remaining two is being rehabbed due to fire damage this July. Staff are processing applications for the remaining unit.

The waiting list re-opened on October 20, 2025, and closed on December 15, 2025. There were 67 households on the waiting list. A service coordinator is present at the property full-time, and a property manager is on-site as scheduled. Minnesota Housing completed a Management and Occupancy Review on December 10, 2025, and all went very well.

Agassiz Apartments

Agassiz Apartments is a 12-unit apartment building for people who are elderly or disabled. The HUD subsidy contract terminated at the HRA request on October 1. Residents now receive a Housing Choice Voucher to subsidize their rent. HUD awarded the HRA 12 more Housing Choice Vouchers to replace the existing subsidy.

As of December 1, there are two vacancies. One tenant passed away, and the other moved due to an emergency situation. The waiting list was open February 20-July 31, 2025. There are 47 households on the waiting list.

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 December 1, there were 4 vacant units, and we have received notice from one more household that they will move at the end of December. One applicant has been approved, and other applications are being processed for the openings.

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

Fieldcrest Townhomes consist of forty 2 and 3-bedroom units. All units are subsidized. The development was rehabilitated in 2023.

As of December 1, there are no vacant units. There are 135 households on the waiting list, which was open from October 1, 2024, to January 2, 2025.

Property management personnel and administrative staff moved to the office at this location in September. CAPLP provides on-site supportive services and is now planning to hold events in the community room.

Gateway Gardens

Gateway Gardens is a 24-unit permanent supportive housing apartment building. It also has a front desk that is always staffed. The HRA has staff at 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, Boyer Apartments, and Fieldcrest Townhomes. The HRA provides on-site supportive services to the tenants.

As of December 1, there were 2 vacancies. One tenant moved in on December 4. The other unit is vacant due to water damage and on-going insurance work. The contractor is currently working in the unit. There are two pending lease terminations, and we have received a move out notice for December 31. Tenants must be long-term homeless to be eligible to live at the development.

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 December 1, there is one vacancy. An applicant was denied, and we are now screening another household. Tenants must be long-term homeless to be eligible to live at the development.

River View Heights (Moorhead Public Housing Agency)

River View Heights is a 14-story apartment building with 104 units. There are currently 16 vacancies. HUD has approved 12 to be taken offline to aid with temporary relocation and repairs following a kitchen fire that activated a sprinkler head. All four of these openings are due to households being terminated or evicted. Staff have reached out to 30 applicants about the openings.

There are currently 72 people on the public housing waiting list which is shared with Sharp View. The waiting list re-opened on September 15 for households that need accessible units and/or who need a two-bedroom unit and on December 1 for all households.

The development was awarded \$1.4 million in POHP funding from Minnesota Housing and \$150,000 in SAHA funding from Moorhead. The funds are to replace all windows in the building, the glass entry doors, and the back-up generator.

Sharp View (MPHA)

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

As of December 1, Sharp View has 9 vacancies which have been approved by HUD to remain vacant due to the upcoming rehabilitation. There are two upcoming openings due to evictions. These will remain off-line as well due to the rehab. The waiting list is shared with the River View Heights waiting list.

The development received \$1.4 million in POHP funding to complete significant updates to the building's plumbing system as well as kitchen and bathroom cabinetry. Work is underway.

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 December 1, there is one vacant unit due to a tenant abandoning the unit. An applicant is being screened for the opening.

Maple Court Town Homes (MPHA and City of Moorhead)

Maple Court Townhomes consists of 34 units of two, three, and four-bedroom townhomes. Moorhead Public Housing Agency owns one 17-unit parcel, and the City of Moorhead owns one 17-unit parcel. MPHA/Clay HRA manages all the units. This property uses on-site caretakers.

As of December 1, there are no vacancies.

Housing Choice Vouchers

The Housing Choice Voucher Program consists of 526 "regular" units, 30 VASH units, 2 Foster Youth to Independence units, 5 Housing Stability units, 13 Emergency Housing Voucher units and 187 Mainstream units. Twelve of these units were awarded to the agency on October 1 to replace the subsidy at Agassiz Apartments.

As of December 1, 2025, there were a total of 696 out of 763 units leased in the Housing Choice Voucher program.

- 25 of the 30 VASH units are leased, and 4 have been issued. (**One available.**)
- 2 of 2 FYI vouchers are leased. (**None available.**)
- 3 of 5 Housing Stability units are leased, and one voucher has been issued. (**One available.**)
- 13 of 13 EHV vouchers are leased. (**None available.**)

- 157 of 187 Mainstream vouchers are leased. 10 vouchers are issued. (**Twenty** vouchers are open.)
- 496 of the 526 regular units are leased. 32 vouchers are issued/allocated for new households. (None available.)
- 2 households are moving to Clay County with assistance from other housing authorities. These households will be transferred into our programs if they are able to find a unit.
- Staff are working with 8 households, and an additional 21 households are scheduled to meet with staff to determine eligibility for a voucher. We issue more vouchers than are available since not everyone finds a place to rent, and people exit the programs each month.

As of December 1, there were 68 additional households on the waiting list. The waiting list was open August 4-28 for Clay County families.

We have 63 individuals enrolled in our Family Self-Sufficiency program and have had 78 FSS participants in the past 12 months. We have 70 people on the FSS waiting list and are working with 5 other households. Since we had over 75 participants in the past year, we were able to apply for one more FSS Coordinator staff position.

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 are authorized to serve 35 households per month. As of December 1, we are serving 33 participants. Fourteen more vouchers have been issued, and we are working with 12 people to determine eligibility. There are 32 remaining households on the waiting list which is now closed.

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. We provide supportive services to sixty-four households with these funds.

The current grant is funded through December 31, 2025. The grant agreement has also been executed for 1/1/26 to 12/31/26.

In November, HUD released the new NOFA for our grant year 1/1/27-12/31/27. It includes the most significant changes to this program that have ever occurred. Our grant cannot be renewed in its current form. CoCs are limited to having 30% of their funding in permanent supportive housing. Our permanent supportive housing grant is 48% of the CoCs total funding. The permanent supportive housing projects administered by CAPLP and West Central MN Communities Action Agency have 28% of the funding. It makes sense to protect these two

programs that provide both rental assistance and supportive services to participants. There are a number of lawsuits pending, but we must continue following the current HUD requirements.

Director Lee has offered to convert the HRAs grant to a Supportive Services Only grant instead of a Permanent Supportive Housing grant. Instead of competing primarily within our CoC, we will now be competing on a nationwide level. We will only need to make modifications for the new requirements – formal agreements with law enforcement, substance abuse, and mental health providers. We have most of these things in place but will need to strengthen them. Initial applications are due by December 12, so the timeline is very condensed. HUD withdrew the NOFA on December 8, but the CoC proceeded with the December 12 deadline.

We are currently serving 63 households. We only provide supportive services to these households, and their rental assistance is provided through a different funding source. Three of these households are searching for units and the other 60 are housed.

Of the 63 households, 55 are in Clay, 2 are in Otter Tail, and 2 are in Douglas Counties, MN; and there are 6 in Fargo, ND. There are 31 singles and 32 families being served. Three of the households live at Bright Sky.

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.

We were renewed for the 2025-2027 grant period to serve 63 households per month, a decrease from 85. The renewal amount is \$1,695,000 and includes rental assistance and housing navigation.

As of December 1, we are serving 78 households. There are 18 singles and 60 families being served. The grant targets families and youth-headed households. Leased households are from Clay (65) and Douglas (13) Counties. Openings are filled through the coordinated entry process.

Current participants were notified that they may be eligible to apply for the HCV waiting list. This should allow us to transition the households down to the 63 units that our new grant funding will support. Two have already transitioned.

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 four 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.

Our grant for October 1, 2025, to September 30, 2027, is \$874,000. We will be able to serve a total of approximately 40 households with an average of about 30 households per month.

As of December 1, we are serving 37 households. Sixteen letters were sent out to households who may be eligible to apply for the HCV program and eight applied. One household has transferred to a project-based assistance unit, and one has been terminated due to no longer having eligible children in the household.

Households are from Becker (4), Clay (16), Douglas (3), Pope (1), Otter Tail (11), 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-one 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.

Clay County Social Services prefers we keep our total at 175 for the scattered sites and Gateway Gardens. We can serve as many added households as needed at Bright Sky and Silver Linings.

As of December 1, a total of 190 households were being served by the HRA Housing Supports program. Eighteen of the households live at Gateway Gardens, and 131 in other units throughout the county for a total of 149 of the 175 available. In addition, the HRA is serving 22 households at Bright Sky and 19 at Silver Linings. Services are provided by the following: 70 by the HRA (17 at Gateway Gardens, 20 at Bright Sky Apartments, 19 at Silver Linings, and 14 in scattered sites); 14 by CAPLP; 7 by the Presentation Partners in Housing; 3 by LMHC; 5 by Metro Behavioral Health; 10 by the Lotus Center; 70 with Greater Minnesota Community Services; and 11 by CCRI. Eleven households are searching for units. There are 15 households on the waiting list.

Minnesota DHS Community Living Infrastructure Grant

The Community Living Infrastructure Grant began in 2018. Clay County is the grant recipient and the HRA provides the Housing Resource Specialist. 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 is no longer a sub-recipient for the grant.

Clay County Social Services submitted a renewal grant application, and the grant was renewed at \$200,000 for the two-year term. This marks a significant reduction. The original contract award totaled \$585,155. The HRA's portion is \$10,000 per year. The grant is funding a 0.82 FTE which will be decreased to a 0.07 FTE. We designated some 2025 HRA Levy funds for this program in case the funding was cut. We also designated 2026 levy funds for this purpose. Even with those funds, we will only be able to fund a 0.15 FTE.

Owner-Occupied Rehab Program

The HRA 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 and administer a \$1.198 million grant from DEED to rehabilitate 21 homes and 13 businesses. Barnesville's application was successful. Staff are publishing the environmental review information on December 15 and have prepared all policies and procedures to be presented to the Barnesville City Council in January. In January, all people who expressed interest in the program will be sent applications for the funding.

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, 2026.

To date, 22 homeowner projects are complete, and 2 projects are under construction. The final loan was closed on September 30. All DEED owner-occupied home rehabilitation funds were used.

The grant has funded the rehabilitation of 7 commercial properties. Six projects are complete, and one is under construction. There are enough funds remaining to help three more businesses. This is due to businesses not using the maximum dollar amount they were eligible for on their projects.

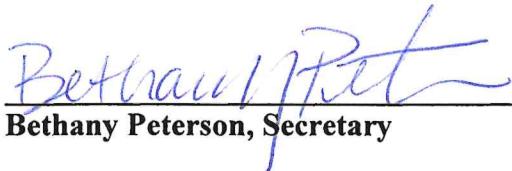
RLP (Minnesota Housing Rehabilitation Loan Program)

The Minnesota Housing Rehabilitation Loan Program is funded by the state. The program has received a number of applications, but little follow-through. Three home rehabilitations are under construction; one is bidding; and six are in the eligibility stage.

UPDATES AND OTHER

- a. Staffing Updates
 - Samantha Peterick joined the HRA in December as an Assistant Housing Manager.
 - Ginny Stoe joined the HRA in December as a Supportive Services Specialist.
- b. MCPP year-end report was reviewed. 34 households in Clay County received homeownership assistance through this program.
- c. Other
 - a. **December Staff Meeting**-Staff indicated they are happy with who they are working with and for the difference they are making in the community. They like to focus better utilizing technology in coming year.
 - b. **Barnesville HRA**-Director Lee and Deputy Director Bacon requested approval to provide assistance to the Barnesville HRA. Hiring the extra Property Manager allows us the ability to provide extra support to Barnesville at this time.

MEETING WAS ADJOURNED AT 10:36 A.M.


Bethany Peterson, Secretary

1/15/26
Date