



Red Wing Housing and Redevelopment Authority Equal Opportunity Housing/Equal Opportunity Employment

Our Mission

To provide quality, affordable, sustainable housing and community redevelopment programs utilizing resources that develop public and private partnerships.

Statement of Intent

We gather today in this room as one people to discuss and attend to the matters of Red Wing. Together, as a government body and as community members, we agree to treat everyone with courtesy, dignity, and respect. We will listen to all sides of an issue, encourage participation, support each other, act with honor and accountability, and inspire pride in our community. This we commit as we open this meeting.

Meeting Announcement and Agenda Housing & Redevelopment Authority Board Regular Meeting City Council Chambers, 315 West 4th Street, Red Wing, MN & Virtually Tuesday, July 9, 2024, at 3:30 PM

This meeting will be held in the City Hall Council Chambers and virtually via Webex at the same time. Members of the public can join this meeting either in person at City Hall or virtually. To join this meeting via Webex, [click this link](#). To join via telephone, please dial (415) 655-0001. Enter access code 2559 127 7149 and password 2024 when prompted.

1. **Call to Order**
2. **Pledge of Allegiance**
3. **Roll Call**
4. **Approval of Agenda**
5. **Public Comment**

We now invite anyone to share their thoughts on a topic that is not on the agenda. We welcome all opinions and ideas. We appreciate you stating your name at the lectern, and please remember that personal attacks may be ruled out of order. You will have up to three minutes to comment, and we appreciate your time in coming tonight.

6. **Consent Agenda (Roll Call Required *)**

The Consent Agenda consists of items that often don't require Council discussion. These items are usually routine business, non-controversial, or have been discussed publicly in the past. These items can be approved by the Council all at once unless a Council member or a member of the public acknowledges they would like to comment or have a discussion on any of these items at this meeting. To speak on one of these items, members of the public can fill out the sign-up sheet in the Council Chambers lobby before the meeting or raise their hands in person or virtually at this time. If no one has a concern or comment on any of the consent agenda items, the Council will approve them all at the same time. Approval of the Consent Agenda constitutes approval of the following Consent Agenda items:

- 6.A. Motion to Approve June 11, 2024 Regular and Workshop Minutes.
- 6.B. Motion to Approve Bills (Warrant #51565-51630, totaling \$123,406.74).
 - a. Public Housing: \$44,131.35
 - b. Housing Choice Voucher: \$3,853.32
 - c. Jordan Tower II: \$55,466.78
 - d. Redevelopment: \$19,955.29
 - e. Small Cities: \$
 - f. TIF: \$0
 - g. AHTF: \$0

7. Motions & General Business

- 7.A. Approval of the updated AHTF Construction Loan Terms - Revisions

8. Communication Items

- 8.A. Director's Report
- 8.B. Finance Report
- 8.C. Housing Report
- 8.D. Community Redevelopment Report
- 8.E. Resident Council Report
- 8.F. Hope Coalition Liaison Report
- 8.G. City Council Liaison Report
- 8.H. Announcements

9. Adjournment

Accommodations for signing interpreter, Braille, large print, etc. can be made. Call City Hall at 385.3600 seven days prior to the need. Hearing assistance devices are available during meetings.

Red Wing Housing and Redevelopment Authority
HRA Board Regular Meeting
Tuesday, June 11, 2024 at 3:30 PM

Board Members Present: Board Chair, Dana Borgschatz; Commissioners: Jason Jech, Sara Hoffman, Jackie Luikart, Glen Witham, and Kristi Reuter.

Others Present: Kurt Keena, Executive Director; Jennifer Cook, Housing Director; Corrine Stockwell, Finance Director, RyAnne Schutz, Finance Administrative Assistant.

Absent: Abby Villaran, Evan Brown

A. Call to Order

The meeting was called to order at 3:30 p.m. by Board Chair Dana Borgschatz.

B. Pledge of Allegiance

C. Roll Call

Roll Call was taken with all members present with the exception of Villaran.

D. Approval of Agenda

A motion to approve the agenda was made by Witham and seconded by Jech. Motion carried.

E. Public Comment

There were no public comments.

F. Consent Agenda (Roll Call Required*)

A. Motion to Approve May 2024 Meeting Minutes

B. Motion to Approve Bills (Checks #51498-51564, totaling \$175,065.63)

- a. Public Housing: \$103,358.37
- b. Housing Choice Voucher: \$5,001.82
- c. Jordan Tower II: \$38,298.28
- d. Redevelopment: \$23,007.16
- e. Small Cities: \$0
- f. TIF: \$5,400.00
- g. AHTF: \$0

A motion to accept the Consent Agenda was made by Reuter and seconded by Hoffman. Roll call was taken and all board members were in favor.

G. Communication Items

A. Executive Director Report

Keena reported nothing new to report at Federal level and at the State level, there is no new funding. We are watching a couple of opportunities they passed the year before. State legislature passed a couple of bills including new landlord/tenant provisions with more tenant protections. Infrastructure grant was expanded with an increase of the maximum grant amount. Uses of SAHA expanded with more discretion for the City. Staffing update – Jessica Kitzmann, our Senior Resident Service Coordinator has resigned. We are sorry to lose her but appreciate her 11 years.

B. Finance Report

Stockwell explained Public Housing drastic change and variances including shortfall funding, revenue recapture, and tax levy. Office closed June 19th. We will be meeting with new software providers. Stockwell reported that she is in the beginning stages of the 2025 preliminary budget and she will present in August.

C. Housing Report

Cook reports that numbers are about the same and occupancy is still in the high 90's. Voucher program is being fully utilized drawing down HAP funds. Bridges program we added one with possibly another. Cook is currently working on the closing paperwork for JI Electrical project. Family units concrete project to begin in August. We are waiting on applications submitted and working through paperwork.

D. Community Development Report

Keena shared MN NAHRO handbook that was provided to commissioners as a reference. We have two Small Cities applications coming in. AHTF has no pending applications. TIF #8 is working slowly towards completion. We continue to work with Community Development and the Council on any multi-family development with the Planning Commission looking into land. City Council agreed to be the applicant for Habitat. Hoffman asked about the one site that is zoned. Keena explained it is under private control and not for sale in the area by Menards.

E. Resident Council Report

Luikart reports that there is an ice cream social this month. Resident Council provides many activities such as bingo, beanbags, art, and music. Luikart mentioned how tough it is going to be with Kitzmann leaving and how good she was at her job.

F. Hope Coalition Report

No updates.

G. City Council Liaison Report

Brown absent.

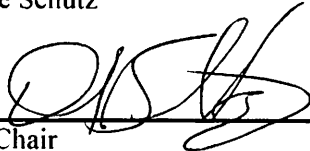
G. Announcements

- a. The next HRA Board Meeting will be on July 9th, 2024, at 3:30 p.m. in the City Council Chambers.

H. **Adjourn**

The meeting was adjourned at 3:49 p.m. by Board Chair Borgschatz.

Respectfully Submitted By,
RyAnne Schutz



Board Chair

Red Wing Housing and Redevelopment Authority
HRA Board Workshop Meeting
Tuesday, June 11, 2024 at 4:00 PM

Board Members Present: Board Chair, Dana Borgschatz; Commissioners: Jason Jech, Sara Hoffman, Jackie Luikart, Glen Witham, and Kristi Reuter.

Others Present: Kurt Keena, Executive Director; Jennifer Cook, Housing Director; Corrine Stockwell, Finance Director; RyAnne Schutz, Finance Administrative Assistant.

Absent: Abby Villaran

A. Call to Order

The meeting was called to order at 4:00 p.m. by Board Chair Dana Borgschatz.

B. Workshop Purpose Statement

The purpose of this meeting is to discuss the terms of the Affordable Housing Trust Fund loans.

C. Communication Items

Keena explained that this workshop is focusing on the AHTF terms, what he provided for information, and the background. Currently we provide \$25K per unit with 0% interest forgivable after 15 years with half of the units subject to 30% of gross income limit.

Reuter asked how much is involved from the builder's perspective to apply for funds.

Keena explained that himself, Stockwell, and Mitch Massman from CEDA all work on the applications. They look to see if it fits and for enough information about the borrower and enough for Mitch to test. Mitch uses a conservative approach. Stockwell explained that most of the work comes from Mitch and they receive a percentage of the grant for processing fee. Hoffman asked about keeping track of compliance. Stockwell stated that each year they have to certify rent amounts as well as income of tenants. Discussion was held with concerns for the size of the project, interest rate, options to get money back, and restrictions on the units. Suggestions for 100% of the units subject to affordable housing with having 15-year loan with ½ payback or 25 years with full forgiveness. Keena summarized and stated he will put in his report for July Board and Council.

D. Adjourn

The meeting was adjourned at 5:10 p.m. by Board Chair Borgschatz.

Respectfully Submitted By,
RyAnne Schutz



Board Chair

6/5/2024	51585	\$17.98	RUNNINGS FARM & FLEET
6/5/2024	51586	\$256.00	RED WING PLUMBING & HEATING
6/5/2024	51587	\$6,000.00	SMITH SCHAFFER & ASSOCIATES
6/5/2024	51588	\$270.00	STARTECH COMPUTING INC
6/5/2024	51589	\$178.75	VICKIS FOOT AND NAIL CARE PLLC
6/5/2024	51590	\$200.00	LESLIE WILBURN
6/5/2024	51591	\$500.34	XCEL ENERGY
6/12/2024	51592	\$154.35	ACE HARDWARE
6/12/2024	51593	\$20.00	IRENE ALGER
6/12/2024	51594	\$20.00	JOANNE BUNDY
6/12/2024	51595	\$450.00	CSC SERVICEWORKS INC
6/12/2024	51596	\$10.00	PATRICIA DONALDSON
6/12/2024	51597	\$1,339.23	FINN DANIELS ARCHITECTS
6/12/2024	51598	\$30.00	JEANELLE FOSBERG
6/12/2024	51599	\$30.00	TODD HALLAHAN
6/12/2024	51600	\$387.83	HIAWATHA BROADBAND
6/12/2024	51601	\$60.00	KEYS ETC LOCKSMITH SERVICE
6/12/2024	51602	\$30.00	CHERYL LUND
6/12/2024	51603	\$20.00	ROMELIA MORENO
6/12/2024	51604	\$20.00	CHRISTINE RADTKE
6/12/2024	51605	\$564.70	VIOLET HAZEMAN
6/12/2024	51606	\$30.00	BARBARA RIETMANN
6/12/2024	51607	\$30.00	LINDA ROWAN
6/12/2024	51608	\$1,306.88	SCHUMACHER ELEVATOR COMPANY
6/12/2024	51609	\$540.00	STARTECH COMPUTING INC
6/12/2024	51610	\$30.00	JOYCE THOMPSON
6/12/2024	51611	\$30.00	BETTY TWITCHELL
6/12/2024	51612	\$11.41	XCEL ENERGY
6/18/2024	51613	\$227.85	ALLEGRA
6/18/2024	51614	\$135.00	CITY OF RED WING OTHER UTILITIES
6/18/2024	51615	\$108.70	CULLIGAN WATER CONDITIONING
6/18/2024	51616	\$438.00	RED WING PLUMBING & HEATING
6/18/2024	51617	\$2,472.77	VISA
6/26/2024	51618	\$269.73	CITY OF RED WING OTHER UTILITIES
6/26/2024	51619	\$1,827.20	DIRECT TV
6/26/2024	51620	\$100.00	PATRICK GARZA
6/26/2024	51621	\$708.67	GORMAN & LODERMEIER PLC
6/26/2024	51622	\$425.00	P HANSON MARKETING INC
6/26/2024	51623	\$1,477.68	HD SUPPLY FACILITIES MAINTENANCE
6/26/2024	51624	\$2,456.95	STEVE JUNGE INSTALLATIONS INC
6/26/2024	51625	\$50.87	MARCO TECHNOLOGIES LLC
6/26/2024	51626	\$387.60	MENARDS RED WING
6/26/2024	51627	\$239.00	NAN MCKAY & ASSOCIATES INC
6/26/2024	51628	\$918.00	RED WING PLUMBING & HEATING
6/26/2024	51629	\$1,304.34	STORTZ SATELLITE
6/26/2024	51630	\$175.26	XCEL ENERGY

\$123,406.74

Red Wing Housing & Redevelopment Authority
Checks Written Report

June 1, 2024 - June 30, 2024

Payment Date	Payment Number	Payment Amount	Payee Name
6/5/2024	1431	\$50.00	DANA BORGSCHATZ
6/5/2024	1432	\$155.84	CARASOFT TECHNOLOGY CORPORATION
6/5/2024	1433	\$30.00	JENNIFER COOK
6/5/2024	1434	\$283.34	ESI HOSTED SERVICES
6/5/2024	1435	\$231.00	FILEVISION USA
6/5/2024	1436	\$50.00	JASON JECH
6/5/2024	1437	\$140.00	RENEE LAVIGNE
6/5/2024	1438	\$490.00	MAIDS IN MINNESOTA
6/5/2024	1439	\$200.00	BARRY PREBLE
6/5/2024	1440	\$50.00	KRISTI REUTER
6/5/2024	1441	\$66.73	CORRINE STOCKWELL
6/5/2024	1442	\$50.00	ABBY VILLARAN
6/12/2024	1443	\$193.10	HUEBSCH LAUNDRY CO
6/12/2024	1444	\$264.83	INNOVATIVE OFFICE SOLUTIONS LLC
6/12/2024	1445	\$1,255.70	MRI SOFTWARE LLC
6/12/2024	1446	\$30.00	BARRY PREBLE
6/18/2024	1447	\$144.49	INNOVATIVE OFFICE SOLUTIONS LLC
6/26/2024	1448	\$215.79	CARASOFT TECHNOLOGY CORPORATION
6/26/2024	1449	\$193.10	HUEBSCH LAUNDRY CO
6/26/2024	1450	\$200.58	INNOVATIVE OFFICE SOLUTIONS LLC
6/26/2024	1451	\$23,372.15	MINNESOTA HOUSING FINANCE AGENCY
6/26/2024	1452	\$297.95	THEIPGUYS NET LLC ONENET GLOBAL
6/5/2024	51565	\$142.53	ALLEGRA
6/5/2024	51566	\$225.82	CITY OF RED WING OTHER UTILITIES
6/5/2024	51567	\$0.00	Void / CITY OF RED WING WATER & SEWER
6/5/2024	51568	\$0.00	Void / CITY OF RED WING WATER & SEWER
6/5/2024	51569	\$14,041.11	CITY OF RED WING WATER & SEWER
6/5/2024	51570	\$437.53	CULLIGAN WATER CONDITIONING
6/5/2024	51571	\$180.00	CUSTOM ALARM
6/5/2024	51572	\$200.00	CANDIS FLECK
6/5/2024	51573	\$100.00	PATRICK GARZA
6/5/2024	51574	\$8,500.00	GERLACH OUTDOOR POWER EQUIPMENT INC
6/5/2024	51575	\$2,996.00	HAWKINS ASH CPAS LLP
6/5/2024	51576	\$97.95	HD SUPPLY FACILITIES MAINTENANCE
6/5/2024	51577	\$50.00	SARA HOFFMAN
6/5/2024	51578	\$40,640.00	HOUSING INSURANCE SERVICES INC
6/5/2024	51579	\$200.00	DEBORAH MARSON
6/5/2024	51580	\$632.86	MENARDS RED WING
6/5/2024	51581	\$78.00	AMANDA MEWES
6/5/2024	51582	\$500.00	QUADIENT FINANCE USA INC
6/5/2024	51583	\$29.00	JASMINE LANE
6/5/2024	51584	\$131.25	THE ESTATE OF MARGARITA SUAREZ



Red Wing Housing & Redevelopment Authority

428 West Fifth Street
Red Wing, MN 55066
TDD/TTY 7-1-1

Telephone (651) 388-7571
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www.redwinghra.org

July 9, 2024

To: Red Wing HRA Board of Commissioners

From: Kurt Keena, Executive Director

Re: Affordable Housing Trust Fund Construction Loan Terms - Revisions

Background:

During the June 2024 Board Workshop commissioners and staff engaged in a discussion about the current terms of the construction loans issued from the AHTF and what potential adjustments the HRA might wish to make. We talked about the activity that has happened to date and what it is we wished to accomplish with the program going forward. During that discussion a couple of items emerged as goals for the funds that included getting more of the units funded as affordable and the potential for recycling at least a portion of the funds.

Recommendation:

Based on the discussion and input of the commissioners, staff is recommending modifying the current terms of the construction loans issued from the AHTF to include the following:

- Up to \$25K per unit
- 0% interest
- **25-year term**
- Rent restricted to 30% of income
- Income restricted to 60% of Goodhue County AMI
- **100% of funded units subject to the rent and income restrictions**
- Repayment is deferred for 15 years as long as compliance with the rent and income restrictions are met.
- **Repayment of 50% of loan amount begins in year 16 if rent and income restrictions are removed**
- **Entire loan amount can be deferred and forgiven if rent and income restriction remain in place for the entire 25-year term**

Attachments

AHTF Loan Terms Discussion Sheet from June Board Workshop

AHTF Loan Terms Discussion Sheet

Current Terms

- \$25K per unit
- 0% interest
- 15 Year Term
- 100% Forgivable at end of term if compliance maintained
- Rent restricted to 30% of gross monthly income
- Income restricted to 60% of Goodhue County AMI
- 50% of funded units subject to rent and income restrictions

Possible Adjustments

- \$ amount per unit
- Interest Rate
- Forgivable vs. Repayable
 - What % is repayable
 - When repayment starts – deferral period
- Length of Term
- Rent Restriction Percentage
- Income Restriction Percentage
- Percent of units subject to rent and income restrictions
- Other

Considerations

- What do we wish to achieve with our resources?
- Do we prioritize quantity of units or affordability of units?
- Is recycling of our funds desired? If so, what percentage?
- Owners/developers will determine if terms are acceptable or not.
- The project proforma determines the rent levels that are needed. The amount of debt that needs to be serviced is typically a large driver of revenue needed and therefor, rents that need to be achieved.

Background Information

- Goodhue County AMI = \$106,700
- Red Wing AMI = \$65,107
- Red Wing 1BR gross median rent = \$800
- Red Wing 2BR gross median rent = \$1008
- Gross Rent = Rent + Utilities
- HCV Payment Standard
 - Eff = \$884
 - 1BR = \$1048
 - 2BR = \$1255



RED WING HOUSING & REDEVELOPMENT AUTHORITY

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July 9, 2024

To: Red Wing HRA Board of Commissioners

From: Kurt Keena, Executive Director

Re: Executive Director's Report

Federal, State & Local Funding

The House version of the HUD funding bill contains steady to slightly declining funding for programs we administer. The Senate has yet to release their spending targets for HUD programs.

The big news is that we have been selected by MHFA for over \$7.75M in POHP funding for Jordan Tower I and our family PH units! These funds will allow us to make extensive and significant capital improvements to our public housing properties over the next couple of years.

No change. We continue to monitor other opportunities at the State level for additional funding for our properties and will be applying as soon as they are announced. Two that we know we will be applying for are the Housing Trust Fund match and the Naturally Occurring Affordable Housing (NOAH) for our Bluff View property.

There are starting to be some more details about the State funded voucher program coming out. We won't have the complete picture of how the program will work until they publish their program guidelines but it looks fairly promising at this point.

Statewide Affordable Housing Aid (SAHA)

I will be participating in a Council meeting, possibly in July, as the City Council discusses what they wish to do with the SAHA funds they receive from the State. The funds must be used on affordable housing projects and must be expended within 4 year of receipt. One option may be to place it in the AHTF if certain conditions are met.

Staffing

We are currently in the process of filling the vacant Service Coordinator position for Jordan Tower I. We expect to have that completed in July.



RED WING HOUSING & REDEVELOPMENT AUTHORITY

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July 9, 2024

To: Red Wing HRA Board of Commissioners

From: Corrine Stockwell, Finance Director

Re: Finance Report

Reserves Adjusted

Program	April 2024	May 2024
Public Housing	\$418,682	\$411,871
Housing Choice Vouchers (FSS and restricted included)	\$9,066	\$5,585
Redevelopment	\$777,986	\$731,975
AHTF	\$416,272	\$416,812
Bridges	\$0	\$0
Small Cities Program	\$362,797	\$362,981
Jordan Tower II	\$1,194,573	\$1,220,212
Total	\$3,179,377	\$3,149,438

Operating Budget Update

Category	YTD (May)	Budgeted	Variance
Revenues	\$1,731,949	\$2,236,332	-23%
Expenses	\$1,628,919	\$2,116,124	-23%
Net Income	\$103,031		

Notes to Financial Statements

Other Business

- Currently working on 2025 Preliminary Budget. This will be presented in August to the Board

Committee Reports

No Finance Committee meeting in June

RED WING HRA RESERVE ACCOUNTS
May 31, 2024 Month End

Program	Fund Account	30-Apr-2024	31-May-2024	31-May-2023
Jordan Tower I & Family Units	Unrestricted - CDs	\$ 44,573	44,573	42,925
	Unrestricted	\$ 323,885	319,332	282,890
	Restricted - Sec Dep	\$ 51,132	48,874	48,405
	Total	\$ 419,590	412,779	374,220
	Due to/from Redevelopment	907.85	907.85	7,995.91
Sec 8 Voucher	Unrestricted Cash	\$ 13,462	12,269	4,549
	FSS Escrow	\$ 0	0	20,302
	HAP Reserve Acct	\$ 8,139	5,852	-3,070
	Total	\$ 21,601	18,120	21,781
	Due to/from Redevelopment	12,534.86	12,534.86	5,298.47
Redevelopment	MURL Investments	\$ 117,067	117,265	112,746
	Transitional Housing	\$ 0	0	0
	Bluff View	\$ 76,343	77,743	65,493
	Twin Homes	\$ 12,368	12,368	13,500
	Hill Street	\$ 13,048	14,230	1,266
	Restricted - Sec Dep	\$ 14,062	14,062	12,855
	Restricted - CDG	\$ 36,000	31,000	36,000
	ILSP	\$ -1,154	2,342	-3,417
	Unrestricted	\$ 485,446	437,518	280,751
	Total	\$ 753,180	706,528	519,194
Bridges	Unrestricted	11,144	11,784	14,316
	Front Funded HAP	\$ 0	0	0
	Total	\$ 11,144	11,784	14,316
	Due to/from Redevelopment	11,144.39	11,784.39	14,316.39
AHTF	Unrestricted AHTF	\$ 416,272	416,812	344,083
	Program Income	0	0	0
	Total	\$ 416,272	416,812	344,083
	Due to/from Redevelopment	0.00	0.00	0.00
Small Cities	Small Cities Program	\$ 362,797	362,981	347,242
	Program Income	0	0	0
	Total	\$ 362,797	362,981	347,242
	Due to/from Redevelopment	0.00	0.00	0.00
Jordan II Tower	Unrestricted	\$ 1,155,055	1,180,694	1,157,394
	Restricted - Sec Dep	\$ 39,738	39,738	38,969
	City Bond Debt Escrow	\$ 0	0	0
	Total	\$ 1,194,793	1,220,432	1,196,363
	Due to/from Redevelopment	219.53	219.53	-54,233.20
Total Cash Reserves		3,179,377	3,149,438	2,817,200

Financial Institution	Funds	Funds	Funds
Associated Bank	2,475,555	2,452,427	2,164,367
Edward D Jones	107,813	107,813	106,738
First Minnesota	151,997	151,997	147,844
Merchant's Bank	444,012	437,201	398,251
	\$3,179,377	\$3,149,438	\$2,817,200

2023 MCPP Usage Report 1.16.2024 - 11.30.2024 (Applies to Start Up Program Loans Only)

Applicant Name	Allocation		Committed		Test	% of Usage	**Additional Start Up Loans		Step Up Loans		Total Loan Activity		Nonpayment and Closing Cost	
	Amount	Loans	Amount	Loans			Committed	Amount	Committed	Loans	Committed	Amount	Loans	Committed
Arlin	\$ 300,526	3	\$413,231	3	138%		0	1	1	1	1	1	1	1
Alexandria	\$ 276,088	3	\$510,650	3	185%		0	2	2	2	2	2	2	2
Anoka	\$ 6,661,718	120	\$32,472,098	188	490%		39	29	29	29	29	29	29	29
Becker	\$ 646,655	3	\$857,420	3	133%		0	1	1	1	1	1	1	1
Benton	\$ 275,075	1	\$275,500	1	100%		0	0	0	0	0	0	0	0
Blue Earth - City of	\$ 1,000,000	1	\$55,159	1	5%		0	0	0	0	0	0	0	0
Blue Earth - County of	\$ 1,285,114	16	\$2,859,559	23	228%		3	4	4	4	4	4	4	4
Blue Earth - County HRA	\$ 739,069	11	\$1,911,628	25	259%		1	2	2	2	2	2	2	2
Breckenridge	\$ 100,000	1	\$170,400	1	170%		0	0	0	0	0	0	0	0
Carver	\$ 1,992,221	13	\$3,418,582	21	172%		2	8	8	8	8	8	8	8
Chippewa	\$ 230,649	4	\$520,850	4	226%		1	1	1	1	1	1	1	1
Chippewa - City	\$ 1,068,230	16	\$4,218,104	26	245%		8	5	5	5	5	5	5	5
Clay	\$ 1,226,669	19	\$3,605,378	29	236%		2	5	5	5	5	5	5	5
Cloquet	\$ 237,693	6	\$1,078,610	6	466%		2	3	3	3	3	3	3	3
Crow Wing	\$ 1,253,115	24	\$4,599,753	36	287%		6	4	4	4	4	4	4	4
Fergus Falls & Fremont HRAs	\$ 319,590	10	\$1,351,798	10	423%		1	1	1	1	1	1	1	1
Foley	\$ 100,000	3	\$490,427	3	490%		0	0	0	0	0	0	0	0
Freeborn County (Albert Lea Admin)	\$ 359,024	26	\$1,540,657	26	430%		4	3	3	3	3	3	3	3
Grant	\$ 111,862	2	\$250,028	2	224%		0	1	1	1	1	1	1	1
Headwaters Regional Dev. Commis.	\$ 1,591,356	7	\$998,228	7	63%		3	2	2	2	2	2	2	2
Hennepin	\$ 15,436,924	215	\$2,709,883	215	18%		51	60	60	60	60	60	60	60
Hennepin - City	\$ 776,224	22	\$5,363,673	22	688%		3	3	3	3	3	3	3	3
Hamlin	\$ 819,189	17	\$2,211,060	17	271%		2	1	1	1	1	1	1	1
Hazelwood	\$ 860,265	14	\$3,376,939	14	391%		2	2	2	2	2	2	2	2
Hawker	\$ 432,502	4	\$2,306,046	4	534%		1	2	2	2	2	2	2	2
Hawker - City of	\$ 140,493	4	\$1,756,807	4	1252%		0	1	1	1	1	1	1	1
New Prague	\$ 356,892	2	\$258,861	2	73%		0	2	2	2	2	2	2	2
North Mankato	\$ 775,373	4	\$793,500	4	103%		0	1	1	1	1	1	1	1
NW MN Multi-Co. HRA	\$ 1,541,124	11	\$1,649,190	11	107%		2	3	3	3	3	3	3	3
Dakota	\$ 503,916	14	\$3,305,240	14	656%		3	2	2	2	2	2	2	2
Dismal	\$ 3,039,902	33	\$7,899,281	33	260%		11	10	10	10	10	10	10	10
Osaka	\$ 100,000	2	\$307,040	2	307%		0	0	0	0	0	0	0	0
Other Tail	\$ 775,373	5	\$521,804	5	67%		0	1	1	1	1	1	1	1
Pine County HRA	\$ 500,841	9	\$1,676,136	9	335%		2	2	2	2	2	2	2	2
Ramsey	\$ 4,344,968	68	\$15,674,794	68	361%		16	9	9	9	9	9	9	9
Red Wing	\$ 305,211	3	\$593,415	3	194%		1	1	1	1	1	1	1	1
Rice	\$ 1,239,530	16	\$3,493,484	16	282%		9	5	5	5	5	5	5	5
Sandstone	\$ 100,000	1	\$130,500	1	131%		0	0	0	0	0	0	0	0
Sartell	\$ 354,648	4	\$947,421	4	267%		2	2	2	2	2	2	2	2
Sauk Rapids	\$ 245,265	2	\$360,744	2	147%		3	3	3	3	3	3	3	3
Scott	\$ 2,707,485	24	\$7,243,001	24	268%		11	13	13	13	13	13	13	13
SE MN Multi-Co. HRA	\$ 1,405,513	13	\$2,358,923	13	168%		4	10	10	10	10	10	10	10
Shelburne	\$ 1,713,527	20	\$5,264,233	20	307%		8	6	6	6	6	6	6	6
St Cloud	\$ 1,286,507	48	\$9,265,171	48	720%		7	7	7	7	7	7	7	7
St James	\$ 100,000	1	\$124,650	1	125%		0	0	0	0	0	0	0	0
St Joseph	\$ 128,738	1	\$224,000	1	174%		0	2	2	2	2	2	2	2
St Louis	\$ 3,634,316	78	\$11,147,752	78	307%		16	23	23	23	23	23	23	23
Owatonka/Steele County	\$ 701,391	14	\$3,122,670	14	445%		2	4	4	4	4	4	4	4
Stevens County HRA	\$ 170,052	1	\$135,940	1	79%		1	1	1	1	1	1	1	1
SW Regional Dev. Commission	\$ 2,134,615	25	\$3,480,784	25	163%		5	3	3	3	3	3	3	3
Swift	\$ 181,864	3	\$392,246	3	216%		0	0	0	0	0	0	0	0
Washington	\$ 4,463,051	49	\$3,054,549	49	68%		16	14	14	14	14	14	14	14
Whitona - City of	\$ 470,217	2	\$1,253,800	2	267%		1	1	1	1	1	1	1	1
Whitton	\$ 2,756,460	28	\$7,639,392	28	278%		10	17	17	17	17	17	17	17
Total	\$ 73,356,369	1,116	\$241,206,860	1,116	328%		274	288	288	288	288	288	288	288

*Participant must use at least 50% of their allocation by the end of the program year in order to participate next year.

**Not MCPP Eligible - Borrower income is above 80% of Area Median Income

Housing Board Report

Month Ending June 2024

Waiting List Numbers

	Jordan Tower I	Jordan Tower II	Family Public Housing	Housing Choice Voucher
May 2024	136	60	45	266
June 2024	140	48	47	280

HRA Owned Properties

	Jordan Tower I	Jordan Tower II	Family Public Housing Units	Market Rate Rentals (13)
Move-outs	1	0	0	0
Move-ins	5	0	0	0
Lease Terminations or Evictions this month	0	0	0	0
Occupancy Rate	98%	100%	100%	100%

Voucher Programs

Housing Choice Voucher		Monthly HAP Received	\$88,557
Allocated Vouchers	169	Monthly HAP Paid	\$103,159
Funded Vouchers	128	HAP Reserves	\$23,311
Leased Vouchers	145	Per Unit Cost	\$707
Utilization Rate for Vouchers	113%	Utilization Rate for Monthly Funding	117%
Move-ins	2	Shopping (includes PO)	14
Move-outs	0	Processing Applications	0

Bridges Rental Assistance	GY 2023-2025	Total Grant Awarded	\$225,792
Vouchers Leased	12	Available Balance	\$144,721
Awarded Vouchers	12	Grant Months remaining	12
Utilization of Vouchers	100%	Grant Funds Utilization	36%
Move-ins	1	Shopping	3
Move-outs	0	Processing Applications	1

Program/Project Updates

- Kudos to Staff!
 - Staff have done a great job with occupancy and turning over vacant units. Staff have also been doing a great job utilizing funding for the voucher program.
- Haven of Hope Radon Mitigation
 - Bids are due on July 16, 2024 at 2:00pm. There was a mandatory pre-bid meeting held and two contractors had attended. The bids will be brought to August Board meeting.
- Haven of Hope Flooring/Security Door Project
 - Invitations to bid are going out in July and staff plan to bring the bids to September Board meeting.
- POHP 2024 Application
 - The HRA has been approved to receive \$7.75 million dollars from the first round of funding. This funding is for Jordan Tower I and the scattered family units. We are waiting to hear what was funded and the details.
- Hill Street Improvements
 - The HRA has received the Congressionally Directed Spending FY 2024. The first step staff is working on is obtaining a quote to have a structural engineer come assess the building. After that is completed, staff will be working on the environmental review which is required before any construction can begin.

Homeless & Supportive Housing Updates

- Hope & Harbor Shelter
 - <http://www.rwhopeandharbor.com/>
 - 651-764-4294
- Monthly meetings staff attend to review and update on local resources
 - Homeless Response Team
 - Continuum of Care



RED WING HOUSING & REDEVELOPMENT AUTHORITY

428 WEST FIFTH STREET, RED WING, MN 55066

TELEPHONE (651) 388-7571
TDD/TTY 711

FAX (651) 385-0551
WWW.REDWINGHRA.ORG

July 9, 2024

To: Red Wing HRA Board of Commissioners

From: Kurt Keena, Executive Director
Corrine Stockwell, Finance Director

Re: Community Redevelopment Report

Small Cities Program Income Notes Receivable and Cash Reserves

Category	May 2024
Notes Receivable	\$1,525,455
Forgivable	\$747,936
Reserves	\$359,984

Small Cities Loan Servicing and Activities

We have two potential applications pending at this time.

We closed on the loan for the former Boxrud’s building.

Affordable Housing Trust Fund Activities and Reserves

We have closed on the loan for the former Boxrud’s building.

May reserves for AHTF are \$478,240.

TIF (Housing) District No. 8

No change. The certification process for the last phase continues slowly. We hope to have that wrapped up in the next couple of months and then transition to ongoing monitoring of the district.

Keller-Bartmann is planning to appeal the valuation of the townhome phase with the County. We will monitor that process and determine the impact on the TIF payments.

Housing & Redevelopment Related Update

We continue to work with City staff on identifying a potential site for future multi-family tax credit development. The challenge is finding appropriately zoned parcels of sufficient size.

The HRA provided a letter of support to the City for their application to MN DEED for an Energy Transition Grant that would assist them in planning for a future when the nuclear plant is no longer operational.

The HRA has been identified as a key partner with the City in the housing goal portion of the strategic plan the Council is currently working to complete. We will be working closely with the Community Development Department to implement plan items once they are finalized.



Increase Housing

Housing is one of the most significant policy issues facing governments of all levels in our country. Red Wing is no exception. The City is committed to addressing this issue.

The construction of housing in Red Wing has not kept up with the demand for housing units across all income levels. Employers tell us they are having a difficult time finding and recruiting new employees because it's hard for prospective employees to find places to live here. The City is also facing issues with housing affordability, as construction costs and rents have increased significantly over the last few years. The available homes for sale tend to be on the upper or lower end of the valuation spectrum, and homes and rental units in the middle of the price range (often referred to as the "missing middle") are difficult to find.

Red Wing also has an aging housing stock, and housing conditions are deteriorating in areas throughout town. Many of the City's homes were built in the early 1900s, with another larger subset built between 1940 to 1970. Many younger homebuyers do not have the financial capability or desire to purchase an older home that needs significant maintenance.

Another obstacle to the creation of new housing has been the lack of sites zoned for multi-family units. There is only a small amount of land with proper zoning in place for new apartment construction, and almost every new housing project must go through an extensive zoning and subdivision review process. This is extremely detrimental when trying to attract new housing developers to the community. The supply of available flat land in Red Wing is limited, and many of the available buildable sites are owned by local builders and land-holding companies. Neighborhood opposition to new housing projects has led to developers walking away from much-needed projects. The lack of new housing projects hurts the City as it tries to diversify its tax base.

Today, the City faces major factors that impact local housing:

- General economic conditions and high interest rates.
- Lack of larger buildable sites, especially acreages with flat land and public utilities installed.
- The Red Wing housing market is different than the markets in nearby metropolitan areas; regional and national home builders have told us our local economics do not work for them.
- Age of our housing stock.
- Lack of supply in the rental housing market, and the age of current rental housing units.
- Loss of naturally occurring affordable housing to other uses like short-term rentals.
- Neighborhood bias against density and against housing that's affordable to all income levels.
- Zoning that does not support density or infill development.
- Lack of builders willing to build spec housing or moderately priced housing in the Red Wing market.
- Lower incomes in Red Wing compared to surrounding areas.

Achieving success will include the following: (a) more housing across all spectrums; (b) job growth and retention of employees citywide; (c) role clarity among the Port Authority, HRA, and City; (d) strategies, policies, and action steps that produce results; and (e) code and ordinance updates that address the housing barriers in Red Wing.

Increase Housing

Goal #1

	Action Steps	Assigned	Deadline
Understand the Issues and Amount of Need for Housing	a. Conduct a Red Wing-focused housing study to better learn how much housing is needed per year in Red Wing to meet demand.	CDD/ HRA	Late 2025
	b. Co-host a housing summit with the HRA to investigate how to encourage new housing construction in Red Wing.	CDD/ HRA	2024
	c. Clarify the roles of the City, HRA, and Port Authority to increase efficiency and effectiveness and build collaboration on initiatives.	CDD/ HRA	Early 2025

Goal #2

	Action Steps	Assigned	Deadline
Remove Barriers to New Housing	a. Identify and target sites for rezoning to multi-family residential.	CDD/ Planning	Early 2025
	b. Review and consider updating the Zoning Ordinance to provide more opportunities for all types of housing. <ul style="list-style-type: none"> ▪ Consider amendments to allow accessory dwelling units and tiny homes in residential districts. ▪ Expand opportunities for construction of duplex, triplex, and quad units in R-1 and R-2 zoning districts. ▪ Allow duplexes in A and AR districts. ▪ Increase maximum density in RM-1 and RM-2 districts. ▪ Review maximum density requirements in residential districts (lot size, lot width, units per acre, maximum coverage, etc.). ▪ Consider reduced parking requirements for residential uses. 	Planning	Late 2025
	c. Develop incentives for housing developers and builders to construct new housing, including fee waivers, grants, infrastructure relief, and other options.	CDD	Late 2025

d. Compare building- and housing-related development fees in Red Wing to other peer cities.	CDD	Early 2025
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Goal #3

Create More Opportunities for New Housing Across All Affordability Levels	Action Steps	Assigned	Deadline
	a. Complete rezoning and PUD amendment for Briarwood to move multi-family area closer to Tyler Road South.	CDD/ Planning	2024
	b. Acquire or donate land for a housing tax-credit project (Three Rivers).	CDD HRA	Late 2025
	c. Collaborate with Habitat for Humanity on grant applications for Hope Heights infrastructure (located on the former St. John's Hospital site).	CDD	2024
	d. Identify key sites in downtown and the West End District for future housing and to promote redevelopment.	CDD	2026
	e. Work with MN State College SE to target college-owned land for housing development.	CDD	Late 2025
	f. Include housing in annexation discussions to understand the housing potential in areas outside the current city limits.	CDD	2026
g. Determine how to allocate Statewide Affordable Housing Aid.	CDD/ HRA	Early 2025	

Goal #4

Improve and Maintain Existing Housing	Action Steps	Assigned	Deadline
	a. Develop strategies and programs to improve and maintain existing housing.	HRA	Late 2025
	b. Consider minimum design standards for new residential housing and accessory buildings.	Planning	Late 2025

CDD = Community Development Department/Port Authority
HRA = Red Wing Housing and Redevelopment Authority
Planning = Red Wing Planning Department