



Housing & Redevelopment Authority

Regular Meeting

September 07, 2023

8:00 PM

Fridley City Hall, 7071 University Avenue N.E.

Agenda

Call to Order

Roll Call

Action Items

- [1.](#) Approval of Expenditures
- [2.](#) Approval of the Minutes from the HRA Meeting of August 3, 2023
- [3.](#) HRA Resolution No. 2023-13 Adopting a 2023 Tax Levy Collectible in 2024
- [4.](#) HRA Resolution No. 2023-14 Authorizing Transfer of Loan Portfolio from Community Reinvestment Fund (CRF) to the Center for Energy & Environment (CEE) for the Purpose of Servicing Loan Portfolio

Informational Items

- [5.](#) Update on Housing Programs

Adjournment

Upon request, accommodation will be provided to allow individuals with disabilities to participate in any City of Fridley services, programs, or activities. Hearing impaired persons who need an interpreter or other persons who require auxiliary aids should contact the City at (763) 571-3450.



AGENDA REPORT

Meeting Date: September 7, 2023

Meeting Type: Housing & Redevelopment Authority

Submitted By: Paul Bolin, Assistant Executive Director

Title

Approval of Expenditures

Background

Attached are the check reports for the month of August 2023.

Recommendation

Staff recommend the HRA approve the expenditures for the period August 1 through August 30, 2023.

Attachments and Other Resources

- Check Report

Vision Statement

We believe Fridley will be a safe, vibrant, friendly and stable home for families and businesses.



City of Fridley, MN

Check Report

Item 1.

By Check Number

Date Range: 07/28/2023 - 08/31/2023

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
Bank Code: APBNK-HRA-APBNK-HRA						
HRA-543	CAMERON, KENDRA	08/16/2023	Regular	0.00	850.00	31005
hra-311	CENTER FOR ENERGY & ENVIRONMENT (CEE)	08/16/2023	Regular	0.00	111,436.78	31006
hra-1113	MONROE MOXNESS BERG PA	08/16/2023	Regular	0.00	4,225.00	31007
HRA-542	MURPHY, CHRISTY WOOD	08/16/2023	Regular	0.00	3,226.00	31008
HRA-2653	NORTH STATE ADVISERS & ASSOCIATES	08/16/2023	Regular	0.00	2,000.00	31009
HRA-438	NORTHLAND SECURITIES INC	08/16/2023	Regular	0.00	1,902.00	31010
hra-1601	PASSAU LANDCARE INC	08/16/2023	Regular	0.00	510.00	31011
HRA-406	PIERCE, THERESA	08/16/2023	Regular	0.00	5,000.00	31012
HRA-544	THUNBERG, ALLEN	08/16/2023	Regular	0.00	5,000.00	31013
hra-1404	XCEL ENERGY	08/16/2023	Regular	0.00	24.85	31014
HRA-2635	BOLTON & MENK	08/22/2023	Regular	0.00	81.50	31015
hra-1601	PASSAU LANDCARE INC	08/22/2023	Regular	0.00	510.00	31016
HRA-2614	HYDE DEVELOPMENT LLC	07/31/2023	Bank Draft	0.00	24,937.07	DFT0004476
HRA-2612	FRIDLEY SENIOR APARTMENTS	07/31/2023	Bank Draft	0.00	125,734.05	DFT0004477
hra-2618	FRIDLEY MARKET APARTMENTS	07/31/2023	Bank Draft	0.00	111,489.96	DFT0004478
HRA-2624	FRIDLEY CITY APARTMENTS LP	07/31/2023	Bank Draft	0.00	61,584.15	DFT0004480

Bank Code APBNK-HRA Summary

	Payable Count	Payment Count	Discount	Payment
Payment Type				
Regular Checks	18	12	0.00	134,766.13
Manual Checks	0	0	0.00	0.00
Voided Checks	0	0	0.00	0.00
Bank Drafts	4	4	0.00	323,745.23
EFT's	0	0	0.00	0.00
	22	16	0.00	458,511.36

All Bank Codes Check Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	18	12	0.00	134,766.13
Manual Checks	0	0	0.00	0.00
Voided Checks	0	0	0.00	0.00
Bank Drafts	4	4	0.00	323,745.23
EFT's	0	0	0.00	0.00
	22	16	0.00	458,511.36

Fund Summary

Fund	Name	Period	Amount
099	Pooled Cash - HRA	7/2023	323,745.23
099	Pooled Cash - HRA	8/2023	134,766.13
			458,511.36



AGENDA REPORT

Meeting Date: September 7, 2023

Meeting Type: Housing & Redevelopment Authority

Submitted By: Paul Bolin, Assistant Executive Director

Title

Approval of the Minutes from the HRA Meeting of August 3, 2023

Background

Recommendation

Staff recommends the HRA approve the minutes from the meeting of August 3, 2023.

Attachments and Other Resources

- HRA Minutes – August 3, 2023

Vision Statement

We believe Fridley will be a safe, vibrant, friendly and stable home for families and businesses.



Housing and Redevelopment Authority

August 3, 2023

7:00 PM

Fridley City Hall, 7071 University Avenue NE

Minutes

Call to Order

Chairperson Showalter called the Housing and Redevelopment Authority meeting to order at 7:00 p.m.

Present

Elizabeth Showalter
Gordon Backlund
Troy Brueggemeier
Rachel Schwankl
Kyle Mulrooney

Others Present

Paul Bolin, HRA Assistant Executive Director

Action Items

1. Approval of Expenditures

Motion by Commissioner Brueggemeier to approve the expenditures. Seconded by Commissioner Mulrooney.

Upon a voice vote, all voting aye, Chair Showalter declared the motion carried unanimously.

2. Approval June 1, 2023, Meeting Minutes

Motion by Commissioner Backlund to approve the meeting minutes of June 1, 2023 as presented. Seconded by Commissioner Schwankl.

Upon a voice vote, all voting aye, Chair Showalter declared the motion carried unanimously.

3. Approval of Resolution No. 2023-12, Purchase of 6421 Central Avenue (Lot 19, Block 1, Spring Valley Addition)

Paul Bolin, HRA Assistant Executive Director, provided background on the area noting that in recent years the HRA has accumulated five parcels and this purchase would be the sixth and final piece of that puzzle. He stated that an agreement of \$250,000 for one acre has been reached and this would allow them to move forward with redevelopment of this area. He noted that this would close in August and reviewed the next steps that would follow to prepare the site for redevelopment.

Commissioner Schwankl asked the approximate size of all the properties. Mr. Bolin replied that the total with roadways would be a little over five acres. Commissioner Brueggemeier asked if the plan for redevelopment has already been decided. Mr. Bolin stated that those conversations would follow between the Council and HRA, noting that different housing concepts had been discussed thus far.

Motion by Commissioner Mulrooney to approve HRA Resolution No. 2023-12 Approving the Purchase Agreement and Authorizing the Assistant Executive Director to Sign Documents Needed to Close on the Property Legally Described as Lot 19, Block 1, Spring Valley Addition, Anoka County, Minnesota. Seconded by Commissioner Schwankl.

Upon a voice vote, all voting aye, Chair Showalter declared the motion carried unanimously.

Informational Items

4. Update on Housing Programs

Mr. Bolin provided an overview of the recent activity of the housing programs, as well as year to date data.

Adjournment

Motion by Commissioner Brueggemeier to adjourn the meeting. Seconded by Commissioner Backlund.

Upon a voice vote, all voting aye, Chairperson Showalter declared the motion carried and the meeting adjourned at 7:08 p.m.

Respectfully submitted,

Melissa Moore
City Clerk



AGENDA REPORT

Meeting Date: September 7, 2023

Meeting Type: Housing & Redevelopment Authority

Submitted By: Paul Bolin, Assistant Executive Director

Title

Approval of HRA Tax Levy for Taxes Payable in 2024

Background

Since 1996, the HRA has utilized a tax levy to help support its housing rehabilitation programs. In accordance with Minnesota Statute, 469.033, the Authority is seeking to levy the statutory maximum, equal to .0185% of the estimated market value of all real estate and personal property.

The tax levy will allow the Authority to collect approximately \$752,679 based on an estimated market value of \$4,068,533,300, an increase of approximately \$119,100 more than last year. In terms of the impact on taxpayers, the levy would cost approximately \$53 per year for the average homeowner (average home valued at \$283,100) and \$185 per year for a commercial property valued at \$1,000,000. The revenues raised by the levy are directed towards ongoing and future redevelopment priorities.

State Statutes require the consent of the City Council, prior to the tax levy becoming effective. The City Council will act on this item on September 25th. As a final note, the HRA tax levy will be certified to the County Auditor by September 30, 2023.

Recommendation

Staff recommends the Authority approve the attached resolution, adopting a 2023 Tax Levy, collectible in 2024.

Attachments and Other Resources

- HRA Resolution No. 2023-13 Adopting a 2023 Tax Levy Collectible in 2024

Vision Statement

We believe Fridley will be a safe, vibrant, friendly and stable home for families and businesses.

RESOLUTION ADOPTING A 2023 TAX LEVY COLLECTIBLE IN 2024

BE IT RESOLVED by the Board of Commissioners (the "Commissioners") of the Housing and Redevelopment Authority in and for the City of Fridley, Minnesota (the "Authority"), as follows:

Section 1. Recitals.

- 1.01. The Authority is authorized by Minnesota Statutes Section 469.033 to adopt a levy on all taxable property within its area of operation, which is the City of Fridley, Minnesota (the "City").
- 1.02. The Authority is authorized to use the amounts collected by the levy for the purposes of Minnesota Statutes Sections 469.001 to 469.047 (the "General Levy").

Section 2. Findings.

- 2.01. The Authority hereby finds that it is necessary and in the best interests of the City and the Authority to adopt the General Levy to provide funds necessary to accomplish the goals of the Authority.

Section 3. Adoption of General Levy.

- 3.01. The following sums of money are hereby levied for the current year, collectible in 2024, upon the taxable property of the City for the purposes of the General Levy described in Section 1.02 above:

Total General Levy: .0185% of Estimated Market Value
Amount: Maximum Allowed by Law

Section 4. Report to City and Filing of Levies.

- 4.01. The Executive Director of the Authority is hereby instructed to transmit a certified copy of this Resolution to the City Council for its consent to the General Levy.
- 4.02. After the City Council has consented by resolution to the General Levy, the Executive Director of the Authority is hereby instructed to transmit a certified copy of this Resolution to the County Auditor of Anoka County, Minnesota.

Passed and adopted by the Housing and Redevelopment Authority in and for the City of Fridley this 7th day of September, 2023.

Attest:

Elizabeth Showalter - Chairperson

Walter T. Wysopal – Executive Director



AGENDA REPORT

Meeting Date: September 7, 2023

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Submitted By: Paul Bolin, Assistant Executive Director

Title

Center for Energy and Environment Loan Servicing

Background

Since 1996, the HRA has contracted the servicing of its loan portfolio to the Community Reinvestment Fund (CRF). Over the past few years, the quality of the service they provide has been rapidly declining and they have now informed us that they will not service consumer loans after 2023. CRF's decision to exit the loan servicing business is not surprising as several cities, Fridley included, started to move away from CRF over the past 3-4 years. In 2019, the Authority made the decision to use the Center for Energy and Environment (CEE) to service all loans made after January 1, 2020. The existing loans were left in CRF's portfolio and currently number 175 loans.

The Center for Energy and Environment (CEE) is the non-profit agency responsible for administering the HRA's housing rehabilitation programs. The Authority has contracted with CEE since 1996 to oversee the housing programs. Partnering with CEE, allows the HRA to outsource most of the administrative functions, including program marketing, loan processing, underwriting, loan closing, fund disbursements to the contractors and loan servicing.

There are efficiencies in having our loans underwritten, issued and serviced by the same group. There are also efficiencies with transferring the CRF portfolio to CEE. As CEE was the group that underwrote and closed the loans, they have copies of many of the documents needed to service the portfolio. For a fee of \$5,000 CEE will transfer the 175 loans into their servicing platform. The transfer of the loans is expected to take a few weeks, but CEE anticipates servicing our loans prior to November 1.

Recommendation

Staff recommends the Authority approve the attached resolution, transferring CRF's loan portfolio to the Center for Energy and Environment for loan servicing.

Attachments and Other Resources

- HRA Resolution No. 2023-14

Vision Statement

We believe Fridley will be a safe, vibrant, friendly and stable home for families and businesses.

Resolution No. 2023 – 14**Authorizing Transfer of Loan Portfolio from Community Reinvestment Fund (CRF) to the Center for Energy & Environment (CEE) for the Purpose of Servicing Loan Portfolio**

Whereas, the Housing and Redevelopment Authority in and for the City of Fridley ("Authority") established a Revolving Loan Fund (RLF) in 1996; and

Whereas, the Authority entered into an agreement with the Center for Energy & Environment to process loan applications, underwrite, close on loans, and disburse loan funds; and

Whereas, the Authority entered into an agreement with the Community Reinvestment Fund (CRF) to service the loans; and

Whereas, the Community Reinvestment Fund (CRF) provided notice to the Authority that their organization will no longer be servicing loans; and

Whereas, the Center for Energy & Environment has the ability and capacity to service the Authority's revolving loan fund portfolio.

Now, therefore be it resolved, that the Authority hereby approves and authorizes the transfer of their loan portfolio to the Center for Energy and Environment for the purpose of servicing the loans.

Passed and adopted by the Housing and Redevelopment Authority in and for the City of Fridley this 7th day of September, 2023.

Elizabeth Showalter – Chairperson

Attest:

Walter T. Wysopal – Executive Director



AGENDA REPORT

Meeting Date: September 7, 2023

Meeting Type: Housing & Redevelopment Authority

Submitted By: Paul Bolin, Assistant Executive Director

Title

Update on Housing Programs

Background

On a monthly basis, staff will provide updates from CEE on the past month's activity for the Authority's loan programs and remodeling advisor visits.

Attachments and Other Resources

Chart of Loans Issued and Remodeling Advisor Visits

Vision Statement

We believe Fridley will be a safe, vibrant, friendly and stable home for families and businesses.

Fridley Loan Summary Report

Activity for Period 7/16/2023 - 8/15/2023

Item 5.



Application packets requested/mailed:	This period:	0	Year-to-Date:	5
Residential Advisor Visits:	This period:	1	Year-to-Date:	19
Loans currently in process for residents in your City/Neighborhood:			42	

Closed Loans

This period:

Year-to-Date:

FHF

2-4 Unit Revolving

Units

Units

Total

Fridley

Units

Units

Closed End

56,420.00

2

575,492.56

21

Down Payment Assistance Last Resort

5,000.00

1

25,000.00

5

Last Resort

0.00

0

0.00

0

Last Resort Emergency Deferred

0.00

0

0.00

0

Mobile Home Closed End

0.00

0

0.00

0

Multi Family Exterior Closed End

0.00

0

0.00

0

Senior Deferred

0.00

0

189,660.72

9

Total

61,420.00

3

790,153.28

35

Leveraged Funds

This period:

Year-to-Date:

CEE

0.00

Units

0

17,979.00

Units

1

MHFA FUF

44,493.00

1

240,377.00

9

Total

44,493.00

1

258,356.00

10

Types of Improvements Financed YTD	# of Projects	% of Total
Additions/Finishing off unused space	4	5.00
Air Conditioning	4	5.00
Asbestos	1	1.25
Asbestos/Vermiculite	1	1.25
Bathrooms	2	2.50
Deck	1	1.25
Down Payment Assistance	5	6.25
Driveways	4	5.00
Duct Work	1	1.25
Duct Work/Venting	1	1.25
Electrical	6	7.50
Fence	1	1.25
Flooring/Carpet/Tile	2	2.50
Foundations/Basement	1	1.25
Heating System	6	7.50
Insulation	1	1.25
Interior Painting/Repairs	3	3.75
Kitchens	3	3.75
Landscaping	3	3.75
Other Exterior Improvements	7	8.75
Other Interior Improvements	6	7.50
Plumbing	2	2.50
Roof	2	2.50
Sidewalks, Steps	1	1.25
Siding, Stucco, Exterior Paint	3	3.75
Solar-PV	2	2.50
Water Heater	2	2.50
Windows, Doors, Storm Windows, Storr	5	6.25

Types of Properties Financed YTD	#	% of Total
Single Family Residence	41	88.89
Townhouse	4	8.89

Item 5.