



# Housing and Redevelopment Authority

Monday, April 7, 2025

5:30 PM

Elk River City Hall

## Regular Meeting Agenda

- Regular meeting in Council Chambers
  - Work Session meeting in Upper Town Conference Room immediately following regular meeting
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### 1. CALL MEETING TO ORDER

### 2. PLEDGE OF ALLEGIANCE

### 3. CONSIDER AGENDA

### 4. CONSENT AGENDA

Considered to be routine and noncontroversial and will be approved by one motion. There will be no separate discussion of these items unless there is a request to remove the item from the consent agenda to the regular agenda.

#### 4.1 Draft Minutes - March 3, 2025

#### 4.2 Check Register

#### 4.3 Balance Sheet

#### 4.4 Revenue/Expenditure Reports

### 5. OPEN FORUM

An opportunity to provide comments and feedback regarding items not on the agenda. Information provided in Open Forum will not be discussed at this meeting; rather, the information will be referred to staff and/or scheduled for discussion at a future meeting.

### 6. GENERAL BUSINESS

Items in which the information is presented by city staff or consultants, then deliberation and action occur. General Business items are not opportunities to receive or provide public input. However, the presiding officer may, at its sole discretion, solicit public feedback.

#### 6.1 Housing Rehabilitation Loan Program Update

#### 6.2 Commissioner Compensation

#### 6.3 State Affordable Housing Aid Disbursement Framework

#### 6.4 General Updates

### 7. MOTION TO ADJOURN REGULAR MEETING



**Meeting of the Housing and  
Redevelopment Authority  
Held at the Elk River City Hall  
Monday, March 3, 2025**

Members Present: Commissioner Dennis Chuba, Commissioner Nate Ovall, Commissioner Lynn Caswell, Commissioner Mel Beaudry, Mayor John Dietz

Members Absent: None

Staff Present: Economic Development Director Brent O'Neil, Economic Development Specialist Joshua Mollan, and Recording Secretary Jennifer Green

1. CALL MEETING TO ORDER

Pursuant to due call and notice thereof, the meeting was called to order at 5:30 p.m.

2. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

3. CONSIDER AGENDA

**Moved by Commissioner Ovall and seconded by Commissioner Dietz to approve the agenda. Motion carried 5-0.**

4. CONSENT AGENDA

**Moved by Commissioner Dietz and seconded by Commissioner Caswell to approve the following consent items as outlined in their respective staff reports. Motion carried 5-0.**

4.1 Draft Minutes - February 3, 2025

4.2 Check Register

4.3 Balance Sheet

4.4 Revenue/Expenditure Reports

5. OPEN FORUM

No one appeared for Open Forum.

6. GENERAL BUSINESS

6.1 Housing Rehabilitation Loan Program Update

Mr. Mollan presented the staff report. He stated that the staff are considering another marketing mailer inserted in ERMU bills along with a Star News spring home improvement ad. He explained to Commissioner Ovall the figures from 2024 loans issued, which was presented at the February meeting.

6.2 General Updates

Mr. O'Neil stated the downtown study is nearing completion. He noted that one thing among the discussion is public amenities such as a public restroom and that the HRA commission may need to be part of that future planning, including financial participation requests.

Mr. O'Neil asked the commission to think about the next big project the HRA should take on.

Mr. O'Neil reported that Sherburne County is considering a similar loan program as the HRA's rehab loan program; the term would be shorter, and it would likely be geared towards bringing a house into salable condition. Eligibility would be county-wide and could serve those properties outside Elk River's urban service district. He indicated available funds are anticipated to be around \$150,000 for the first year with the county applying for a state program loan match.

7. MOTION TO ADJOURN REGULAR MEETING

**Moved by Commissioner Caswell and seconded by Commissioner Dietz to adjourn the regular meeting at 5:40 p.m. and go into worksession. Motion carried 5-0.**

8. WORK SESSION

Chair Chuba called the work session to order at 5:45 p.m.

8.1 Summary of Sherburne County Housing Study

Mr. Mollan presented the commission with a handout and excerpts from the 2024 Sherburne County Housing Study. He stated staff will also provide a brief presentation to the city council at a future meeting.

Some of the staff's takeaways were regarding senior housing needs and the rental market, noting neither required the HRA to take any action at this time.

8.2 Discuss Statewide Affordable Housing Aid Program

Mr. O'Neil presented the staff report and discussed the options the HRA could take with regard to allocating the city's allowed funds from the Statewide Affordable Housing Aid program. He noted the city of Big Lake has decided to partner with Sherburne County Social Services and supplement the budgets of their programs, specifically towards funds for emergency rental assistance. Mr. O'Neil stated the option to also partner with Sherburne County is a possibility if we aren't able to find or create our own program for these funds.

Commissioner Ovall wondered if these funds could be used to aid first-time home buyers, providing more affordable housing opportunities and incentivizing builders to offer lower-cost options for new home buyers. He also wondered if the funds could be used for updating sewer pipes and electrical wiring to improve a home's safety and increase housing stock by bringing older homes onto the market.

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Commissioner Caswell suggested the funds be used to assist the homeless population in finding temporary or permanent housing, and if the county could use these funds for homelessness.

Mr. O'Neil indicated staff would research those suggestions.

9. MOTION TO ADJOURN

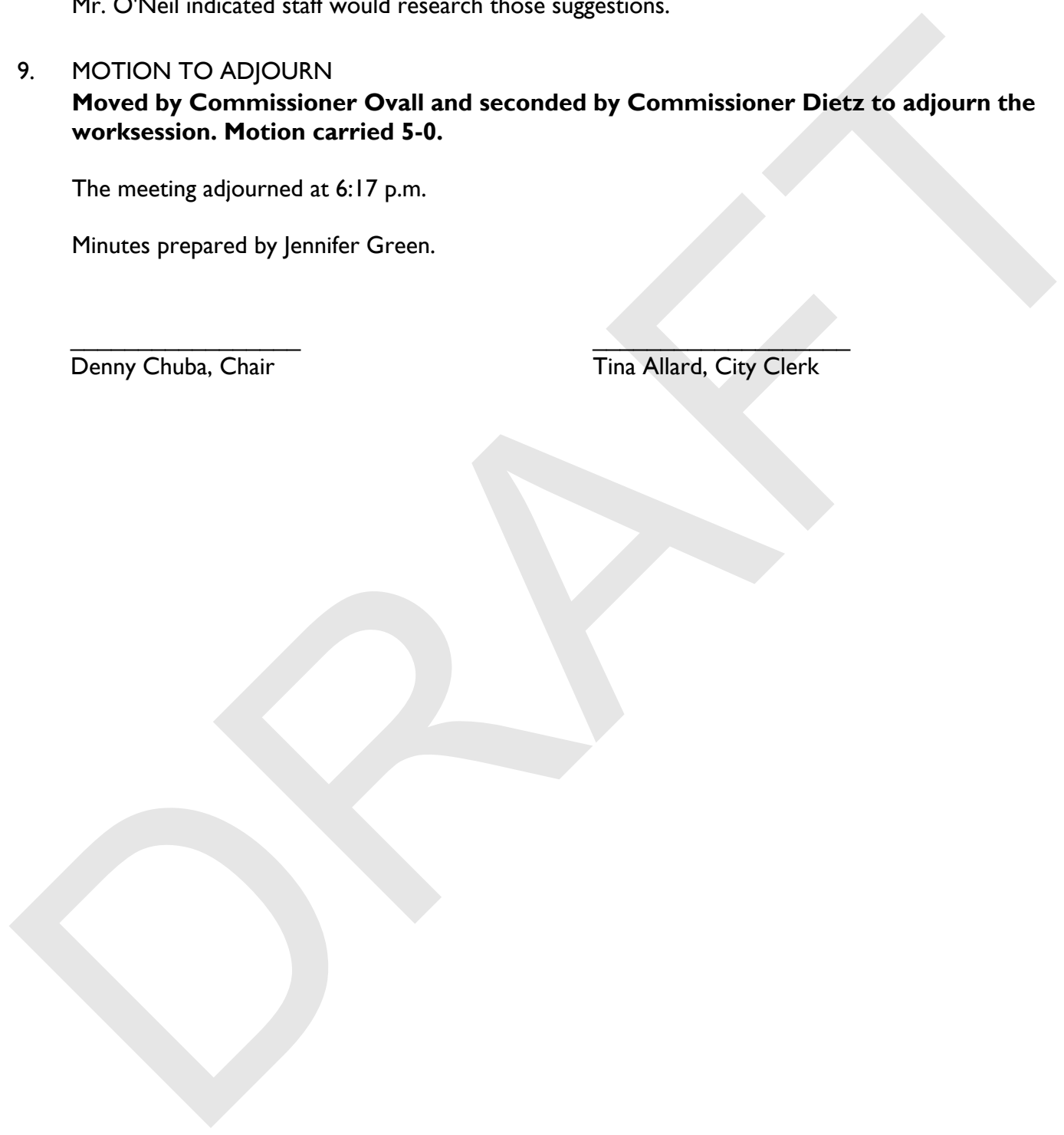
**Moved by Commissioner Ovall and seconded by Commissioner Dietz to adjourn the worksession. Motion carried 5-0.**

The meeting adjourned at 6:17 p.m.

Minutes prepared by Jennifer Green.

\_\_\_\_\_  
Denny Chuba, Chair

\_\_\_\_\_  
Tina Allard, City Clerk



Report Criteria:

Invoice Detail.GL account = {>=} "910"  
Invoice Detail.GL account = {<=} "920"

Invoice Number	Sequence Number	Description	Type	Invoice Date	Due Date	Invoice Amount	Net Invoice Check Amount	GL Account Number
<b>CITY OF ELK RIVER</b>								
<b>910</b>								
02-2025 HRA	1	HRA SALARIES - FEB 2025	Invoice	03/31/2025	04/07/2025	6,652.73	6,652.73	910-4-6100-4101
03-2025 HRA	1	HRA SALARIES - MAR 2025	Invoice	03/31/2025	04/07/2025	6,652.74	6,652.74	910-4-6100-4101
02-2025 HRA	2	HRA SALARIES - FEB 2025	Invoice	03/31/2025	04/07/2025	498.95	498.95	910-4-6100-4104
03-2025 HRA	2	HRA SALARIES - MAR 2025	Invoice	03/31/2025	04/07/2025	498.96	498.96	910-4-6100-4104
02-2025 HRA	3	HRA SALARIES - FEB 2025	Invoice	03/31/2025	04/07/2025	412.47	412.47	910-4-6100-4105
03-2025 HRA	3	HRA SALARIES - MAR 2025	Invoice	03/31/2025	04/07/2025	412.47	412.47	910-4-6100-4105
02-2025 HRA	4	HRA SALARIES - FEB 2025	Invoice	03/31/2025	04/07/2025	96.46	96.46	910-4-6100-4107
03-2025 HRA	4	HRA SALARIES - MAR 2025	Invoice	03/31/2025	04/07/2025	96.46	96.46	910-4-6100-4107
02-2025 HRA	5	HRA SALARIES - FEB 2025	Invoice	03/31/2025	04/07/2025	963.60	963.60	910-4-6100-4108
03-2025 HRA	5	HRA SALARIES - MAR 2025	Invoice	03/31/2025	04/07/2025	963.60	963.60	910-4-6100-4108
02-2025 HRA	6	HRA W/C JAN/MAR 2025	Invoice	03/31/2025	04/07/2025	87.00	87.00	910-4-6100-4109
03-2025 HRA	6	HRA W/C APR/JUN 2025	Invoice	03/31/2025	04/07/2025	87.00	87.00	910-4-6100-4109
Total 17440 CITY OF ELK RIVER:						17,422.44	17,422.44	
Total 910:						17,422.44	17,422.44	
Total :						17,422.44	17,422.44	
Grand Totals:						17,422.44	17,422.44	

Summary by General Ledger Account Number

GL Account Number	Debit	Credit	Net
910-4-6100-4101	13,305.47	.00	13,305.47
910-4-6100-4104	997.91	.00	997.91
910-4-6100-4105	824.94	.00	824.94
910-4-6100-4107	192.92	.00	192.92
910-4-6100-4108	1,927.20	.00	1,927.20
910-4-6100-4109	174.00	.00	174.00
Grand Totals:	17,422.44	.00	17,422.44

Summary by General Ledger Posting Period

GL Posting Period	Debit	Credit	Net
00/00	17,422.44	.00	17,422.44
Grand Totals:	17,422.44	.00	17,422.44

**CITY OF ELK RIVER**

**BALANCE SHEET**

**MARCH 31, 2025**

**FUND 910 - HRA**

<u>ASSETS</u>		
910-1000	CASH - HRA	1,420,460.52
910-1010	HRA FUND CASH	( 1,393.19)
910-1190	LOANS RECEIVABLE	192,957.17
910-1193	FORGIVABLE LOAN	75,000.00
910-1194	ALLOW FOR FORGIVABLE LOAN	( 75,000.00)
910-1195	NOTE RECEIVABLE	400,000.00
910-1310	DUE FROM OTHER FUNDS	152,710.43
		<hr/>
	TOTAL ASSETS	2,164,734.93
		<hr/> <hr/>
<u>LIABILITIES AND EQUITY</u>		
<u>FUND EQUITY</u>		
910-2400	FUND BALANCE	2,176,896.63
	REVENUES OVER EXPENDITURES - YTD	( 12,161.70)
		<hr/>
	TOTAL FUND EQUITY	2,164,734.93
		<hr/>
	TOTAL LIABILITIES & EQUITY	2,164,734.93
		<hr/> <hr/>

CITY OF ELK RIVER  
 REVENUES WITH COMPARISON TO BUDGET  
 FOR THE 3 MONTHS ENDING MARCH 31, 2025

HRA

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT
<u>DEPARTMENT 0000</u>					
910-3-0000-3111	.00	.00	439,950.00	439,950.00	.0
910-3-0000-3621	717.84	1,525.58	5,000.00	3,474.42	30.5
TOTAL DEPARTMENT 0000	717.84	1,525.58	444,950.00	443,424.42	.3
TOTAL FUND REVENUE	717.84	1,525.58	444,950.00	443,424.42	.3

CITY OF ELK RIVER  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 3 MONTHS ENDING MARCH 31, 2025

HRA

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT	
<u>HOUSING &amp; DEVELOPMENT</u>						
910-4-6100-4101	REGULAR PAY	.00	5,987.47	87,200.00	81,212.53	6.9
910-4-6100-4104	PERA	.00	449.06	6,550.00	6,100.94	6.9
910-4-6100-4105	FICA	.00	389.95	5,400.00	5,010.05	7.2
910-4-6100-4107	MEDICARE	.00	91.20	1,250.00	1,158.80	7.3
910-4-6100-4108	INSURANCE	.00	1,683.60	17,000.00	15,316.40	9.9
910-4-6100-4109	WORKERS COMP	.00	.00	450.00	450.00	.0
910-4-6100-4201	OFFICE SUPPLIES	.00	.00	50.00	50.00	.0
910-4-6100-4219	OPERATING SUPPLIES	.00	.00	500.00	500.00	.0
910-4-6100-4304	LEGAL FEES	.00	.00	6,500.00	6,500.00	.0
910-4-6100-4319	PROFESSIONAL SERVICES	.00	.00	27,000.00	27,000.00	.0
910-4-6100-4322	POSTAGE	.00	.00	50.00	50.00	.0
910-4-6100-4331	TRAVEL, CONFERENCES & SCHOOLS	.00	.00	200.00	200.00	.0
910-4-6100-4349	ADVERTISING/MARKETING	.00	.00	9,500.00	9,500.00	.0
910-4-6100-4359	PUBLISHING	.00	86.00	300.00	214.00	28.7
910-4-6100-4401	BLDG REPAIR/MAINT SERVICES	.00	.00	4,000.00	4,000.00	.0
910-4-6100-4404	SOFTWARE SERVICES	.00	.00	6,500.00	6,500.00	.0
910-4-6100-4409	CONTRACTUAL SERVICES	66.00	5,000.00	27,000.00	22,000.00	18.5
910-4-6100-4433	DUES & SUBSCRIPTIONS	.00	.00	2,500.00	2,500.00	.0
910-4-6100-4440	MISCELLANEOUS	.00	.00	200,000.00	200,000.00	.0
910-4-6100-4721	TRANSFER-GENERAL FUND	.00	.00	39,000.00	39,000.00	.0
910-4-6100-4735	TRANSFER-EDA	.00	.00	4,000.00	4,000.00	.0
	TOTAL HOUSING & DEVELOPMENT	66.00	13,687.28	444,950.00	431,262.72	3.1
	TOTAL FUND EXPENDITURES	66.00	13,687.28	444,950.00	431,262.72	3.1
	NET REVENUE OVER EXPENDITURES	651.84	( 12,161.70)	.00	12,161.70	.0



# Request for Action

**To**  
Housing and Redevelopment Authority

**Item Number**  
6.1

**Meeting Date**  
April 7, 2025

**Prepared By**  
Joshua Mollan, Economic Development Specialist

**Item Description**  
Housing Rehabilitation Loan Program Update

**Reviewed by**  
Brent O'Neil  
Cal Portner

**Action Requested**  
Receive updates on the Housing Rehabilitation Loan Program.

## Background/Discussion

CEE reports that all accounts are current, and the HRA's portfolio is performing as expected with no delinquencies or late payments. There have been no new loans issued during this period, and \$150,000 is available for new loan disbursements in 2025.

Staff plans to run an ad for the program in the Spring Home Improvement section of the Star News.

Staff will visit the CEE office later this month to coordinate with CEE staff, review the current program, and discuss marketing collaboration efforts.

**Financial Impact**  
N/A

## Mission/Policy/Goal

Improve housing stock by offering incentives or programs to repair or maintain residential properties.

**Attachments**  
None

## The Elk River Vision

*A welcoming community with revolutionary and spirited resourcefulness, exceptional service, and community engagement that encourages and inspires prosperity*





# Request for Action

**To**  
Housing and Redevelopment Authority

**Item Number**  
6.2

**Meeting Date**  
April 7, 2025

**Prepared By**  
Brent O'Neil, Economic Development Director

**Item Description**  
Commissioner Compensation

**Reviewed by**  
Brent O'Neil  
Cal Portner

## Action Requested

Approve, by motion, a resolution authorizing commissioner compensation.

## Background/Discussion

During its review of governing documents at the annual meeting in February, the HRA recommended that commissioners begin receiving compensation for serving on the HRA. Staff was asked to research and finalize the necessary actions to implement commissioner pay. Guidance from the board centered around monthly compensation of \$75, or \$900 annually.

Upon our review with counsel, it is advised that compensation be linked to meeting attendance to align with the statute on HRA pay. As the board supported \$900 in annual payments, the recommendation is to pay commissioners \$75 per meeting attended, regular or special, up to \$900 per year.

As HRA funds will be the sole source of pay, counsel has advised that the HRA can initiate and authorize this expenditure without further action needed by the City Council.

## Financial Impact

Up to \$3,500 in expenditures from the current fund balance for 2025, and a projected budget item of \$4,500 going forward.

## Mission/Policy/Goal

Support the growth and development of the community.

## Attachments

- I. Resolution Approving Compensation for HRA Commissioners

## The Elk River Vision

*A welcoming community with revolutionary and spirited resourcefulness, exceptional service, and community engagement that encourages and inspires prosperity*



**City of Elk River  
Housing and Redevelopment Authority**

**Resolution 25-\_\_**

**A Resolution Approving Compensation for HRA Commissioners**

**WHEREAS**, pursuant to the authority granted in Minnesota Statutes, Chapter 469, the City of Elk River, Sherburne County, Minnesota (the “City”) established the Housing and Redevelopment Authority in and for the City of Elk River, Minnesota (“HRA”) to serve the City for the purposes as prescribed in Minnesota Statutes, Section 469.001, as amended; and

**WHEREAS**, Minnesota Statutes, Section 469.011, Subdivision 4 provides that each commissioner of a housing and redevelopment authority “may be paid up to \$75.00 for attending each regular and special meeting of the authority”; and

**WHEREAS**, the HRA desires to pay its commissioners; and

**WHEREAS**, commencing May 1, 2025, commissioners of the HRA will begin receiving payment at the rate of \$75.00 for attending each regular and special meeting of the HRA, in an amount not to exceed \$900 per year; and

**WHEREAS**, adoption of this resolution will formally approve payment of compensation to the HRA Commissioners.

**NOW, THEREFORE BE IT RESOLVED** by the Housing and Redevelopment Authority in and for the City of Elk River, Minnesota that commencing May 1, 2025, HRA commissioners shall be paid at the rate of \$75.00 for attending each regular and special meeting of the authority, in an amount not to exceed \$900 per year.

Passed and adopted this 7<sup>th</sup> day of April, 2025.

\_\_\_\_\_  
Denny Chuba, President

ATTEST:

\_\_\_\_\_  
Brent O’Neil  
Executive Director



# Request for Action

**To**  
Housing and Redevelopment Authority

**Item Number**  
6.3

**Meeting Date**  
April 7, 2025

**Prepared By**  
Brent O'Neil, Economic Development Director

**Item Description**  
State Affordable Housing Aid Disbursement Framework

**Reviewed by**  
Cal Portner

## Action Requested

This item is presented for information and discussion purposes.

## Background/Discussion

Following recent board discussions on how to best utilize the city's allotment of funds awarded under the Statewide Affordable Housing Aid program, staff have developed a draft framework for utilizing the funds. To date, \$188,126 has been received by the city, and a smaller receipt of \$42,592 has been confirmed for 2025. While future ongoing annual allocations of approximately \$45,000 are expected, the distributions are determined annually by the state. This framework focuses on funds that have been certified by the state for disbursement to cities, and the HRA can maintain the flexibility to adjust the plan as future allocations come in.

Through the current horizon of funding secured, and with the intent of disbursing these funds in a relatively balanced way over the next three to four years, the draft framework is proposed as follows:

- \$25,000 to Habitat for Humanity to fund a portion of lot acquisition. Habitat would secure the lot with additional funding sources.
- \$58,126 to supplement Sherburne County's Health and Human Services programs for eligible expenses and housing needs which occur within Elk River, which may include emergency homelessness aid.
- \$75,000 to HRA-initiated programs such as emergency repairs or expansion of the home rehabilitation program.
- \$72,592 to be held for a determination on disbursement at a later time, allowing for adaptability as needed, which may include future Habitat lots.

Upon feedback and consensus from the board, approvals will be presented to the HRA in May for the Habitat and Sherburne County items, with refinements on HRA-led programs to be considered by July for implementation in the second half of 2025.

## The Elk River Vision

*A welcoming community with revolutionary and spirited resourcefulness, exceptional service, and community engagement that encourages and inspires prosperity*



**Financial Impact**

N/A

**Mission/Policy/Goal**

Provide and support suitable housing for the community.

**Attachments**

- I. SAHA Framework Draft

### **Proposed Spending Plan Based on Expense**

Habitat: \$25,000 to Habitat for Humanity to acquire a lot for a new home, with home being built in partnership with the school district. Habitat typically provides housing to a family in the 30-80% AMI range. As much as a two-year lead time is needed between securing a lot and placing the home. Also consider a multi-year arrangement to fund additional lots and homes.

County Partnership: \$58,126 agreement with Sherburne County for to be modeled on Big Lake's agreement with Sherburne County. These funds would supplement existing Health and Human Services department programs.

HRA Programming: \$75,000 to be reserved for HRA-led programming. Specific program parameters will need to be further developed by the board. The funding could be marked for expensing over multiple years so there is a relatively equal distribution of funds per year, potentially up to \$20,000 per year through 2028. Some ideas the board has focused on are expanding the Rehab Loan program, providing support to first-time homebuyers, offsetting costs of emergency repairs, safety improvements, rental housing improvements, development grants.

Unallocated: A portion of the total funds, \$72,592, would be unallocated to allow for flexibility and/or to supplement existing spending areas. As the spending deadline approaches for each allocation of funding (ie Dec. 31, 2027 for 2023 allocations), the city and HRA may return unspent funds to the state or turn them over to a housing trust fund, in which case those funds will be considered spent per statute.

### **Proposed Source Year Funds Based on Funding Year Deadline**

#### Funds deadline of December 31, 2027 - \$94,063 (2023 allocation)

\$25,000 to Habitat for Humanity for 2025/2026 property acquisition

\$29,063 to Sherburne County Social Services Housing

\$40,000 to HRA-related initiatives/programming

#### Funds deadline of December 31, 2028 - \$94,063 (2024 allocation)

\$29,063 to Sherburne County Social Services Housing

\$35,000 to HRA-related initiatives/programming

\$30,000 deferred/unallocated for flexibility through 2028

#### Funds deadline of December 31, 2029 - \$42,592 (2025 allocation)

\$42,592 deferred/unallocated for flexibility through 2029



# Request for Action

**To**  
Housing and Redevelopment Authority

**Item Number**  
6.4

**Meeting Date**  
April 7, 2025

**Prepared By**  
Brent O'Neil, Economic Development Director

**Item Description**  
General Updates

**Reviewed by**  
Cal Portner

**Action Requested**  
This item is presented for information and discussion purposes.

**Background/Discussion**  
This item is an opportunity to discuss relevant topics and other non-action items of the board.

**Financial Impact**  
N/A

**Mission/Policy/Goal**  
The goal of the HRA is to promote certain housing and redevelopment projects.

**Attachments**  
None

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