

**HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF FARGO
MINUTES OF THE REGULAR MEETING
May 15, 2012**

The regular meeting of the Board of Commissioners for the Housing and Redevelopment Authority of the City of Fargo, North Dakota was held May 15, 2012 at 1:30 p.m. in the Administrative Office Conference Room, 325 Broadway, Fargo, North Dakota.

COMMISSIONERS PRESENT

Karen Moore
Thomas Jefferson
Ken Krajsa

Bryce Johnson
Tonna Horsley

ABSENT

Michael Leier

FHRA STAFF PRESENT

Lynn Fundingsland, Executive Director
Jill Elliott, Deputy Director
Heather Struxness, Administrative Assistant
Lori Westbrook, Finance Manager
Steve Eickhoff, Capital Improvements Coordinator
Meliha Cavkusic, Project Manager
Marguerite Ronsberg, Accountant

ABSENT

ADDENDUM TO AGENDA

N/A

CONSENT AGENDA

M/S/P

Krajsa/Jefferson

To approve consent agenda

REPORTS

Financial statements

Ms. Westbrook reported on the April Financials. On the Balance Sheet; under Low Rent, an architectural fee was paid out of the reserve funds for the High Rise. In General Fund; the 1998 Dodge Van was sold. Under Section 8; HUD held the SRO/Section 8 program payment for the month of April. No significant activity was reported under Business Activities or Grants. On the Operating Statement; Low Rent had budgeted \$47,680 income and actual income is \$111,206; due to the Maintenance Expense coming in under budget. General Fund had budgeted \$3,852 income and actual income is \$47,897; due to Maintenance and Administrative Expense being under budget. In Business Activities, income was budgeted at \$13,210 and actual income is \$31,351; due to the Maintenance Expense being under budget. Section 8 was scheduled to make -\$1,527 and actual income is -\$42,405; due to the HAP Expense coming in over budget and the Admin Expense being under budget.

Workforce Safety Update

No new incidents were reported from October 1, 2011 through April 30, 2012. Staff will be attending a 4-hour defensive driving course within the next couple weeks as one of the requirements of the Workforce Safety Program the HA has implemented.

OLD BUSINESS

Crossroads

Contractors are still working on the heating issues that persist. Mr. Fundingsland reported that the retention pond on the property has been pumped out and staff will meet with the City to review the specs that were initially drawn up to see the reason why the pond retains water for such a long period of time. He stated that the bottom 3 feet of sod in the pond may need to be removed and covered with rock due to the standing water that has killed the grass in that area.

ND/SD NAHRO Conference Report

Ms. Elliott stated that the ND/SD NAHRO Conference was an overall success with 185 participants. Sessions included six speakers from HUD, a maintenance track and a ROSS Service Coordinator track.

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Strategic Planning

A one-day strategic planning session is expected to be held in October. Mr. Fundingsland has had contact with two prospective facilitators on their availability. An email will be sent to Board members to coordinate an exact date after a facilitator is lined up.

NEW BUSINESS

Amend High Rise Penthouse Lease Agreement

Mr. Fundingsland asked that the Board agree to terminate the Joint Powers Agreement between the City of Fargo and the HRA because the purpose for the agreement—ownership, operation and maintenance of a backup electrical generator to be located at the High Rise building; is no longer necessary because said generator is to be sold with the proceeds to be applied towards a generator owned and operated solely by HRA; and, the parties wish to enter into a second amendment of the said Lease Agreement to address the change in ownership, operation and maintenance and provide backup power for the radio and communication equipment and facilities of the City/County as no additional cost.

M/S/P	Krajsa/Johnson	To terminate the Joint Powers Agreement and agree to an amendment of the Lease Agreement between the City of Fargo and the HRA.
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Lashkowitz High Rise Asbestos Lawsuit

Southpaw Koufax LLC has approached the HA to buy out the portion in the lawsuit against W.R. Grace, which initiated in 2004, due to asbestos in the Lashkowitz High Rise. The general unsecured claim in the amount of \$810,164 is subject to a contingency fee in favor of Motley Rice LLC, the firm representing the HRA. Southpaw Koufax has agreed to assume the balance of the HA's entitlement for a (confidential amount) fee. The HA would then net proceeds after fees within 30 days if the offer is accepted.

M/S/P	Jefferson/Krajsa	To accept the offer from Southpaw Koufax LLC.
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Discrimination Complaint

Former clients of the HRA have filed a discrimination lawsuit with the Department of Labor after the family was recently terminated from the housing assistance program due to repeated unreported income. Ms. Elliott is assembling supporting documents to appeal this suit which is due by the end of the week. The Board will remain updated on any further information that arises.

4th Avenue Community Garden Project

Mr. Fundingsland asked the Board to consider converting the two vacant lots west of Cooper House into a community garden for a commitment up to five (5) years. The City of Fargo has agreed to coordinate the project.

M/S/P	Johnson/Jefferson	
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It was then asked that the Board consider paying up to half of the cultivation fee for the initial start-up process.

M/S/P	Jefferson/Krajsa	To pay up to half of the cultivation fee.
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Commissioner Johnson requested that the HRA maintain a written record of the agreement with the City on file in order to prevent any future misunderstandings regarding ownership or responsibilities.

PHAS and SEMAP

Ms. Elliott stated that the FHRA has received the 2011 scoring results with PHAS receiving 90/100, which is a High Performer status, and SEMAP at 100%.

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PHADA Conference Report

Mr. Fundingsland attended the PHADA conference held in Seattle, WA, May 7th – 9th. He reported that presenters identified several different sources of funding that may be eligible to utilize towards the renovation of the Lashkowitz High Rise.

New Staff Addition

Mr. Fundingsland announced that Mr. Steve Eickhoff has been hired as the new Capital Improvements Coordinator and Lori Westbrook will be resigning her position with the HA and transferring to BSI as their new Finance Manager beginning June 1st. An ad has been posted for her current position with a new hire expected to start in June. Ads have also been posted for a maintenance and part-time cleaning position at Crossroads due to the relocation of two current employees.

MP NAHRO Conference

The MP NAHRO Conference will be held in Cody, WY, June 20-22, 2012. Ms. Struxness will review travel costs before a decision is made on attendance.

Adjourn

There being no further business to come before the Board, the meeting adjourned. The next meeting will be held June 12, 2012.

Karen Moore
Chairperson

Lynn Fundingsland
Secretary