



**FARGO HOUSING AND REDEVELOPMENT AUTHORITY
BOARD OF COMMISSIONERS REGULAR MEETING**

Tuesday, October 13, 2020 1:30 PM

Please join via computer or smartphone.

<https://www.gotomeet.me/fargohousing/october-board-of-commissioners-meeting>

You can also dial in using your phone.

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1. CALL TO ORDER
2. ADDITIONS OR CORRECTIONS TO AGENDA
3. APPROVE MINUTES OF SEPTEMBER 2020 **(action needed)**
4. CONSENT AGENDA **(action needed)**
 - A. Occupancy (p. 4)
 - B. Bills – *available upon request*
5. REPORTS
 - A. Chief Deputy Director, Jill Elliott (p. 5)
 - B. Director of Facilities & Operations, Chris Brungardt (p. 14)
 - C. Directors of Finance, Jill Lieblet & Tom Keller (p. 15)
6. OLD BUSINESS
 - A. Strategic planning goals
 - B. Development updates
 - Elliott Place
 - Resolution re. Project Based Vouchers **(action needed)**
 - Lashkowitz High Rise
 - C. COVID-19 update
7. NEW BUSINESS
 - A. Beyond Shelter Inc. request regarding re. The Graver loan forgiveness (p. 27) **(action needed)**
8. ADJOURN

The next meeting date will be on November 10, 2020.



**FARGO HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF FARGO
MINUTES OF THE REGULAR MEETING**

September 15, 2020

The regular meeting of the Board of Commissioners for the Housing and Redevelopment Authority of the City of Fargo, North Dakota was held on September 15, 2020, at 1:30 PM via conference call.

Note: All action items passed unanimously, unless otherwise noted.

FARGO HOUSING STAFF PRESENT

Jill Elliott
Jill Liebelt
Tom Keller
Caleb H.
Matthew Pike
Chris Brungardt
Kirsten Stave

FARGO HOUSING BOARD MEMBERS PRESENT

Karen Moore
Thomas Jefferson
Tonna Horsley
John Strand, City of Fargo Housing Liaison
Michael Leier
Bryce Johnson

MINUTES

RESOLUTION #2020-09-01

Johnson/Leier

RESOLVED; the Fargo Housing August 2020 minutes are approved.

CONSENT AGENDA

RESOLUTION #2020-09-02

Johnson/Horsley

RESOLVED; the Fargo Housing September 2020 Consent Agenda is approved.

REPORTS

Chief Deputy Director

Jill Elliott, Chief Deputy Director, presented her report as submitted. Caleb, Fargo Housing's Relocation Specialist, will provide an update to the relocation progress of Lashkowitz High Rise tenants later in the meeting. Ms. Elliott completed and sent in the PHARS review. COVID-19 testing will be available to staff and residents at the Lashkowitz High Rise later this week.

Directors of Finance

Tom Keller, Director of Finance – Programs and Grants, and Jill Liebelt, Director of Finance – Affordable Housing and Development, presented the financial reports as submitted. Mr. Keller and Ms. Liebelt presented financial reports for all accounts and provided context for questions raised.

OLD BUSINESS

Strategic Planning goals

Mr. Pike noted the formation of a strategic planning committee, comprised of senior directors and several commissioners. An update will be provided monthly.

Development updates

Elliott Place

The development of the senior housing complex, Elliott Place, continues with due diligence compliance activities and predevelopment financing components.

Lashkowitz High Rise

Request for Proposals (RFP) for co-development services of Lashkowitz High Rise submissions are due November 16th, 2020.

2021 budget

Mr. Pike noted the work of the Budget and Finance Committee, which will reconvene in November.

COVID-19 update

Mr. Pike provided an update of COVID-19 operational protocols. All established protocols remain in place.

Lashkowitz tenant relocation update

Caleb, Fargo Housing's Relocation Specialist, provided an update involving the relocation of Lashkowitz tenants. Twenty-nine households have been successfully relocated. Caleb noted the process by which tenants receive their Tenant Protection Voucher (TPV), search for a unit, complete an inspection, and undergo relocation with the assistance of Fargo Housing staff. Additionally, each tenant participates in a Tenant Education Class.

NEW BUSINESS

Human Resources update

Mr. Keller provided an update on human resources activities and noted that Fargo Housing will be hiring a third-party payroll and human resources provider. This opportunity presents significant cost-savings and value to staff morale.

The next meeting is scheduled for October 13, 2020, at 1:30pm.

Karen Moore
Chairperson

G. Matthew Pike
Secretary

Occupancy Rates

Public Housing

Month	141	146	143	144	145	147
January	79.03%	97.83%	100.00%	85.19%	92.31%	92.50%
February	79.44%	97.83%	100.00%	88.89%	100.00%	90.00%
March	79.44%	97.83%	97.73%	88.89%	100.00%	92.50%
April	79.03%	100.00%	93.18%	88.89%	100.00%	92.50%
May	77.82%	100.00%	93.18%	88.89%	100.00%	92.50%
June	77.42%	97.83%	92.05%	92.59%	100.00%	95.00%
July	73.79%	97.83%	92.05%	96.30%	100.00%	95.00%
August	68.95%	97.83%	90.91%	92.59%	92.31%	90.00%
September	65.32%	93.48%	89.77%	96.30%	96.15%	90.00%

Note: Without including the Lashkowitz High Rise (141 above), Public Housing occupancy was at 92.07% for August

Affordable Housing / Tax Credit

Month	Burrel	Colonial	220B	Herald	Church	New Horizon
January	80.00%	91.67%	71.43%	83.33%	87.50%	100.00%
February	80.00%	91.67%	85.71%	83.33%	100.00%	99.01%
March	73.33%	91.67%	85.71%	75.00%	100.00%	99.01%
April	73.33%	91.67%	85.71%	75.00%	87.50%	98.00%
May	76.66%	91.67%	85.71%	75.00%	87.50%	99.01%
June	76.66%	91.67%	85.71%	75.00%	87.50%	99.01%
July	73.33%	100.00%	85.71%	75.00%	87.50%	100.00%
August	73.33%	100.00%	71.42%	75.00%	87.50%	100.00%
September	73.33%	100.00%	71.42%	91.66%	87.50%	96.00%

Chief Deputy Director's Report – October 2020

This month has been committed with work on the 2021 Annual Plan. COVID waivers have allowed for an extension until 1/16/2021. We are working on new resident advisor board members and how to educate them without having face to face meetings.

Annual Plan 2021 Elements:

- Project Based Voucher (up to 20% of our budget authority)

At our October meeting we need to vote on Project Based Voucher for 2021 upon completion of subsidy layering review; Elliott Place (84 PBV), Silver Linings (6 Veterans PBV), and 110 Vouchers to supplement the High-Rise Disposition. The subsidy layering review for Elliott Place will be done by North Dakota Finance Agency next week. This needs to be finished prior to signing AHAP for all properties that are awarded on a previously awarded competitive basis such as LIHTC or HOME funds.

Annual Plan Elements:

- Payment Standards, Flat Rents, and Utility Allowance

We met with the other area housing authorities and set payment standards for the voucher program, which are included for approval. We also are using small area Fair Market Rents for zip codes 58104, where Elliott Place will be built. This follows our goal of deconcentrating poverty and moving into higher areas of rents such as Urban Plains. 2021 Flat Rents for Public Housing are included and for your interest a HUD formula based on 80% of the areas Fair Market Rents. We have contracted with Nelrod to complete the 2021 Utility Allowance Schedule for all of vouchers and properties.

- Approve new Public Housing lease.

Other News:

- COVID testing at the High-Rise resulted in 100% negativity or 0% Positivity 😊
- Updated relocation results are attached.
- New CHAS numbers for the City of Fargo Annual Plan, FHRA unit numbers of affordable housing attached.

2021 Payment Standards

Effective 1/1/2021

0 bedroom = \$ 570

1 bedroom = \$ 680

2 bedroom = \$ 840

3 bedroom = \$1200

4 bedroom = \$1450

5 bedroom = \$1600

6 bedroom = \$1840

2021 Exception Payment Standards

Effective 1/1/2021

0 bedroom = \$ 652

1 bedroom = \$ 783

2 bedroom = \$ 960

3 bedroom = \$1373

4 bedroom = \$1663

5 bedroom = \$1911

6 bedroom = \$2198

2021 Flat Rents

Effective 1/1/2021

	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
141	569			
143		513	783	953
144		487	744	
145		487	744	
146	475			
147		526	797	

2021 Utility Allowances

	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
141	0			
143		154	179	218
144		180	218	
145		180	218	
146	65			
147		141	165	

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**Jill Elliott
(M63240)**

PIC Main

Housing Agency

Development

Inventory Removals

Logoff

- Housing Authority
List
- HUD Staff
Details
- HA Contacts
Address
- Temporary Office
Inventory
- HA History
Performance
- Reports
Funding
- Trans. to New Dev Nos

Field Office: **8APH DENVER HUB OFFICE**

Housing Authority Details

Modification Type:

HA Code: **ND014**

Name: **FARGO**

Formal Name: **Fargo Housing and Redevelopment Authority**

Activity Status: **Active**

HA Program Type: **Combined**

HA FY End: **12/31**

Phone Number: **(701) 293- 6262**

Fax Number: **(701) 293- 6269**

TTY Number: **(701) 293- 6262**

Web Page Address: fargohousing.org

Email Address: matthew@fargohousing.org

Executive Director: [G.Matthew Pike](#)

Board Chairperson: [Karen Moore](#)

Last Modified User:

Last Modified Date: **09/21/2020**

Housing Authority Unit Summary Information

Approved as of : **06/30/2020**

ACC Units						
General Occupancy	Elderly/Disabled	Non-Dwelling	Other	Total ACC Units	Non ACC Units	Total Units
475	0	4	0	479	0	479

Unit Designation	0 Bedroom	1 Bedroom	2 Bedrooms	3 Bedrooms	4 Bedrooms	5+ Bedrooms	Total
Elderly/Disabled Units	0	0	0	0	0	0	0
General Occupancy	0	292	90	70	23	0	475
Total	0	292	90	70	23	0	475

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Jill Elliott
(M63240)

PIC Main

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List

Select View: Field Office HA
Field Office: 8APH DENVER HUB OFFICE

Housing Authority Search Filters

Program Type:

Activity Status:

LR Size:

Records 1 to 1 of 1

HA Code ▲	HA Name	Temp Office	Program Type	FYE	Low Rent Units	Section 8 Units	Activity Status
ND014	FARGO		Combined	12/31	479	1746	Y

Tawnya Taylor

From: Caleb H
Sent: Thursday, October 08, 2020 10:14 AM
To: Tawnya Taylor
Subject: Relocation Update

Hello,

The Relocation Spreadsheet should be up to date with yesterday's voucher issue. Some of the notes throughout need updating, but the groups and the voucher issue dates are accurate. Breakdown:

- **25 – Tenant protection vouchers issued that we are paying on (Resident moved into new home and we approved assistance for the household)**
- **3 - Moved in with another resident taking a voucher (Additional household member, another resident has voucher)**
- 4 – Moved to project-based voucher location or another public housing location
- 8 - Moved out without taking voucher (Over-income, moving into residence not eligible for voucher, skipped, etc.)
 - **40 – Total Completely Moved Out Residents**

- **4 – Approved for TPV assistance and awaiting move-in date to start paying on voucher**
- **2 – Approved by landlord and selecting unit or completing items for assistance approval**
- 2 – Approved for PBV or public housing options and awaiting move-in
- **26 – Voucher issued and currently applying with landlords or needing to complete more paperwork**
- 2- Looking into PBV or public housing options (refused to take TPV in the meantime) or awaiting case conference for public housing approval
 - **36 – Total Pending Residents**

Thanks,

Caleb Hendershot
Relocation Assistant
Fargo Housing & Redevelopment Authority
101 2nd St S Fargo, ND 58103
Direct: 701-478-2603
Office: 701-293-6262
calebh@fargohousing.org

Empowering People to Achieve Independence Through Housing



Please consider the environment before printing this e-mail

Jill E

From: Jill E
To: Karin Flom
Subject: 2020 Voucher Counts for CHAS
Attachments: 2020 Voucher Counts .pdf

Hi Karin,

This is a follow up from my message last week for CHAS numbers. I will send PIC numbers also for breakdown of PH units.

97 units at New Horizons were converted through the RAD process from Public Housing to PBV.

247 units at the Lashkowitz High Rise are presently converting from Public Housing to Tenant Protection Vouchers . 150 issued in 2020 and 97 remaining in 2021.

Attached is the breakdown for Section 8 Assistance from Fargo HRA... We have increased our numbers since 2018 using all three divisions of HUD.

Let me know if you have questions...

In Partnership,
Jill Elliott

Jill E

From: Karin Flom <KFlom@FargoND.gov>
Sent: Wednesday, September 02, 2020 3:10 PM
To: Jill E
Subject: Fargo Housing Updated Numbers for Fargo CDBG/HOME report

Follow Up Flag: Follow up
Flag Status: Flagged

Hi Jill,

I have a request – the City of Fargo is working on our annual report to HUD for CDBG and HOME activities. There is a section on Public Housing in the report. We tend to keep the same template every year and note the highlights. But I wanted to double check some numbers for vouchers and units so that we make sure we have the most up to date. I was able to get some information from the high rise RFP, but some I couldn't.

- The RFP says Fargo Housing has 225 project-based voucher units. In the past, we have provided data on the unit types (e.g., X number of efficiencies, X number of 1 bedroom, etc.). Would you be able to let me know the unit types for the PBVs?
- This is how last year's report discussed public housing and Housing First units – are there any updates to these numbers? "FHRA also has 480 public housing units: 292 1-bedroom units, 90 2-bedroom units, 70 3-bedroom units, and 23 4-bedroom units. It also manages 107 Housing First supportive housing units."
- Does FHRA still have 4 CoC Projects?
- In 2019, did FHRA have any Voucher Homeownership units or Public Housing units sold to the tenants? (2018 numbers said 8 voucher homeownership and 59 public housing units)

Let me know if there's anything you would like clarified. If there's something else to note as far as data points or narrative, I'm happy to include. We're of course covering the high rise and tenant protection vouchers but I'm open to other highlights.

Thank you!

Karin Flom
Assistant Planner
City of Fargo
Department of Planning & Development
225 4th St N, Fargo, ND 58102
Phone: 701-241-1322
Email: kflom@fargond.gov

Director of Facilities and Operations Report – October 2020

With the start of my second month with FHRA I feel that I have increased my total depth of knowledge. However, the more I learn the more I discover how much I don't know. We have been working along several parallel lines; addressing deferred maintenance, working with both property management & maintenance staff on current priorities, and meeting with senior leadership. Working on Capital Needs will soon follow.

With the change of season comes many changes in activities. Our staff have been working to prepare for winter. Most of these activities are standard fare such as checking boilers, generators, sump pump discharges, hose bibs, etc. We have also received bids for snow removal, and I feel that we are ready for the winter.

Lastly, following is a list of the chief property issues that I feel you should be aware of:

Property Maintenance/Construction

- **Pioneer Manor**
 - Fire service pumps are still serviceable. However, it has reached expected life and needs to be scheduled for replacement.
- **Scattered Sites**
 - Currently have 7 single family houses waiting to be rehabilitated/remodeled.
 - New standard specifications have been prepared.
 - Bid packages have been completed for the three 4-bedroom houses,
 - Anticipated completion in January.
 - Working on bid packages for remaining properties
- **Burrell Building (409 N 4th St)**
 - Repair fire damage to unit #12
 - Contractor withdrew their bid,
 - Bid package completed and will be posted
 - Fire escape code compliance
 - JLG completed the analysis of existing fire escapes for code compliance,
 - Study determined and City Inspections concurred that only 1 fire escape (south) needs to be maintained.
 - Design, construction documents, and estimate are in process.

Affordable Aging Detail
 For Selected Properties
 Post To(MM/YY): 08/2020

Property	Current	0-30	31-60	61-90	Over 90
Name	Owed	Owed	Owed	Owed	Owed
Lashkowitz High Rise (141)	27,166.39	10,552.56	305.00	6,225.07	10,083.76
Madison/Mccormick Park (143)	18,116.86	10,409.93	-	4,647.50	3,059.43
18th Street and 25th Avenue So. (144)	3,344.10	843.00	-	319.10	2,182.00
30th Ave. and 22 Street So. (145)	5,413.23	3,072.00	-	1,544.00	797.23
Pioneer Manor (146)	4,663.50	2,778.00	-	1,280.50	605.00
34th Avenue South (147)	13,951.25	4,190.00	-	3,128.00	6,633.25
Burrel (burrel)	2,317.00	1,930.00	-	117.00	270.00
Colonial Manor II (colonial)	759.00	516.00	-	111.00	132.00
Fargo New Horizons, LLLP (horizon)	8,453.00	4,131.00	400.00	1,354.00	2,568.00
220 Broadway - FHRA (n220b)	3,466.15	3,406.00	-	60.15	-
Church Townhomes -FHRA (nchurch)	-	-	-	-	-
Herald Square -FHRA (nherald)	2,264.00	2,264.00	-	-	2,504.44
Grand Total	89,914.48	44,092.49	705.00	18,786.32	28,835.11

By Property Type	
PH	Affordable
80.80%	19.20%
72,655.33	17,259.15

Total Owed	
% of AR from Rent Collections	78.87%
% of AR from Misc. Tenant Charges	18.05%
% of AR from Repayments	2.89%

Affordable Aging Detail
 For Selected Properties
 Post To(MM/YY): 09/2020

Property	Current	0-30	31-60	61-90	Over 90
Name	Owed	Owed	Owed	Owed	Owed
Lashkowitz High Rise (141)	24,096.68	6,864.95	4,970.50	185.00	12,076.23
Madison/Mccormick Park (143)	17,886.86	8,000.43	5,048.43	0.00	4,838.00
18th Street and 25th Avenue So. (144)	6,436.10	1,601.00	984.00	0.00	3,851.10
30th Ave. and 22 Street So. (145)	4,824.52	1,604.00	1,695.00	0.00	1,525.52
Pioneer Manor (146)	3,813.50	1,423.00	1,182.00	0.00	1,208.50
34th Avenue South (147)	9,904.25	3,180.00	776.00	0.00	5,948.25
Burrel (burrel)	2,331.00	1,781.00	168.00	0.00	382.00
Colonial Manor II (colonial)	635.00	377.00	149.00	0.00	109.00
Fargo New Horizons, LLLP (horizon)	8,693.50	3,891.50	1,918.00	315.00	2,569.00
220 Broadway - FHRA (n220b)	3,466.15	3,406.00	60.15	0.00	0.00
Church Townhomes -FHRA (nchurch)	729.00	729.00	0.00	0.00	0.00
Herald Square -FHRA (nherald)	4,340.00	2,340.00	2,000.00	0.00	0.00
Grand Total	87,156.56	35,197.88	18,951.08	500.00	32,507.60

By Property Type	
PH	Affordable
76.83%	23.17%
66,961.91	20,194.65

Total Owed	
% of AR from Rent Collections	77.58%
% of AR from Misc. Tenant Charges	19.26%
% of AR from Repayments	3.17%

COCC

	<u>2020 Actual (Jan. - August)</u>	<u>2020 Budgeted (Jan. - August)</u>	<u>Variance</u>
Revenue			
PH Fee Income	274,074	266,344	7,730
Voucher Fee Income	220,837	214,357	6,480
Other Revenue	13,819	667	13,152
Total Revenue	<u>508,730</u>	<u>481,368</u>	<u>27,362</u>
Expenses			
Administrative Salaries, Benefits, & Taxes	490,541	506,469	(15,928)
Other Administrative Expenses	99,888	50,000	49,888
Total Administrative Expenses	<u>590,429</u>	<u>556,469</u>	<u>33,960</u>
Utility Expenses	-	-	-
Maintenance and Operation Expenses	2,991	3,667	(676)
General Expenses	7,241	12,333	(5,092)
Total Maintenance, Operation, & General Expenses	<u>10,232</u>	<u>16,000</u>	<u>(5,768)</u>
Total Expenses	<u>600,661</u>	<u>572,469</u>	<u>28,192</u>
Net Income (Loss)	<u>(91,931)</u>	<u>(91,100)</u>	<u>(831)</u>

Notes on Revenue: Currently showing a net loss of \$89,369 through eight months of 2020 due to salaries and additional administrative expenses being considerably higher than fee income being generated. Actual fee income is higher and very consistent with budgeted, noting no unusual or significant items to be expected going forward.

Notes on Expenses: Actual administrative expenses through August total \$590,429 which is \$33,960 greater than the budgeted amount of \$556,469. Actual administrative salaries align with the budgeted amounts, however, significant administrative office costs are higher than budgeted. We are continuing to monitor and reduce these costs by charging more to AMPs/Programs when applicable, and cutting certain costs altogether.

Of the \$91,931 loss that we are showing through the end of August, \$76,127 was from January through April. That comes out to an average loss for the first four months of the year of \$19,000 per month.

Since April and the reorganization, we have seen a \$15,804 loss from May through August. For those four months, our months average loss was corrected to \$3,950 per month

Low Rent Public Housing

	<u>2020 Actual (Jan. - August)</u>	<u>2020 Budgeted (Jan. - August)</u>	<u>Variance</u>
Revenue			
Total Rental Income	932,378	955,756	(23,378)
Total Other Income	25,776	78,075	(52,299)
Operating Fund Subsidy	620,238	704,277	(84,039)
Total Revenue	1,578,392	1,738,108	(159,716)
Expenses			
Operating Expenditures - Administration			
Administrative Salaries/Benefits/Payroll Taxes	273,740	323,559	(49,819)
Other Administrative Expenses	96,764	115,018	(18,254)
Total Administrative Expenses	370,504	438,577	(68,073)
Total Tenant Services Expenses	55,354	38,267	17,087
Total Utilities Expenses	185,413	255,587	(70,174)
Maintenance Salaries/Benefits/Payroll Taxes	270,930	260,300	10,630
Other Maintenance Expenses	334,896	289,638	45,258
Total Maintenance Expenses	605,826	549,938	55,888
PILOT @ 5% of Rental Income Less Utilities	37,348	35,008	2,340
Total Other Operating Expenses	34,013	97,358	(63,345)
Total Property Mgmt., Bookkeeping, Asset Mgmt. Fee Expenses	274,074	266,344	7,730
Total Expenses	1,562,532	1,681,079	(118,547)
Net Income (Loss)	15,860	57,029	41,169

Notes on Revenue: Currently showing net income of \$15,860 through eight months of 2020 which is lower but consistent with budgeted numbers. We will continue to monitor our operating fund subsidy and capital fund subsidy to ensure we expend all funds in an allowable and timely manner.

Notes on Expenses: Actual expenses through eight months total \$1,562,532 which is \$118,547 less than the budgeted total of \$1,681,079. No significant expenses or anything unusual that stands out as a concern through August.

General Fund

	2020 Actual (Jan. - Aug)	2020 Budgeted (Jan. - Aug)	Variance
Revenue			
Commercial Income	19,600	18,133	1,467
Management Fee Income	160,212	92,882	67,330
Other Income	17,079	6,000	11,079
Total Revenue	196,891	117,015	79,876
Expenses			
Administrative Salaries, Benefits, & Taxes	175,011	164,581	10,430
Other Administrative Expenses	71,343	50,000	21,343
Total Administrative Expenses	246,354	214,581	31,773
Utility Expenses	12,317	15,867	(3,550)
Maintenance and Operation Expenses	26,533	8,000	18,533
General Expenses (Insurance, PILOT, Predevelopment, etc)	652,232	15,000	637,232
Total Maintenance, Operation, & General Expenses	691,082	38,867	652,215
Total Expenses	937,436	253,447	683,989
Net Income (Loss)	(740,545)	(136,432)	(604,113)
Insurance Dividends	230,602		
New Horizons Permanent Financing Proceeds	2,492,531		
Net Income (Loss) with Insurance Dividends	2,400,565		

Note: Management Fee Income is higher due to receiving 8% instead of 5% from New Horizons

Note: Administrative Expenses are higher due to the corrections we have been making to the gen fund and COCC

Note: General Expenses are higher due to the predevelopment costs of Elliott Place

Main

	2020 Actual (Jan. - Aug)	2020 Budgeted (Jan. - Aug)	Variance
Revenue			
Office Space Rental Income	52,555	58,614	(6,059)
Parking Lot Income	-	4,667	(4,667)
Total Revenue	<u>52,555</u>	<u>63,281</u>	<u>(10,726)</u>
Expenses			
		-	-
Administrative Expenses	4,966	3,333	1,633
Utility Expenses	15,732	17,467	(1,735)
Repairs & Maintenance Supplies	5,029	1,000	4,029
Janitorial Supplies	342	1,067	(725)
Janitorial Services	3,337	10,000	(6,663)
Contract Services	3,800	3,333	467
Elevator Maintenance	2,760	18,667	(15,907)
Snow Removal	1,580	1,000	580
Property Protection	399	667	(268)
General Expenses (Insurance, PILOT, etc)	4,300	3,333	967
Total Maintenance & Operation Expenses	<u>42,245</u>	<u>59,867</u>	<u>(17,622)</u>
Total Expenses	<u>42,245</u>	<u>59,867</u>	<u>(17,622)</u>
Net Income (Loss)	<u>10,310</u>	<u>3,414</u>	<u>6,896</u>

Note: Administrative Servies (IT Services) are higher due to the SonicWall upgrade that had to be done at the Main office

Note: Contract Services and Repair & Maintenance Supplies are higher due to issues with boiler in the office

New Horizons

	<u>2020 Actual (Jan. - Aug)</u>	<u>2020 Budgeted (Jan. - aug)</u>	<u>Variance</u>
Revenue			
Rental Income	492,664	430,048	62,616
Other Income	32,571	8,067	24,504
Total Revenue	<u>525,235</u>	<u>438,115</u>	<u>87,120</u>
Expenses			
Administrative Salaries, Benefits, & Taxes	35,994	42,891	(6,897)
Other Administrative Expenses	76,121	46,712	29,409
Total Administrative Expenses	<u>112,115</u>	<u>89,603</u>	<u>22,512</u>
Utility Expenses	65,969	62,399	3,570
Maintenance / Custodial Salaries, Benefits & Taxes	56,781	59,295	(2,514)
Maintenance and Operation Expenses	14,317	20,043	(5,726)
General Expenses (Insurance, PILOT, Interest etc)	57,661	39,021	18,640
Total Maintenance, Operation, & General Expenses	<u>194,728</u>	<u>180,759</u>	<u>13,969</u>
Total Expenses	<u>306,843</u>	<u>270,361</u>	<u>36,482</u>
Net Income (Loss)	<u>218,392</u>	<u>167,753</u>	<u>50,639</u>

Burrel

	2020 Actual (Jan. - Aug.)	2020 Budgeted (Jan. - Aug)	Variance
Revenue			
Rental Income	125,861	142,667	(16,806)
Other Income	22,783	1,667	21,116
Total Revenue	148,644	144,333	4,311
Expenses			
Administrative Salaries, Benefits, & Taxes	8,975	11,333	(2,358)
Other Administrative Expenses	19,270	18,667	603
Total Administrative Expenses	28,245	30,000	(1,755)
Utility Expenses	17,413	16,000	1,413
Maintenance Salaries, Benefits & Taxes	17,551	22,000	(4,449)
Maintenance and Operation Expenses	28,423	23,333	5,090
General Expenses (Insurance, PILOT, etc)	7,250	11,333	(4,083)
Total Expenses	70,637	72,667	(2,030)
Total Operating Expenses	98,882	102,667	(3,785)
Net Income (Loss)	49,762	41,667	8,095

Colonial

	<u>2020 Actual (Jan. - August)</u>	<u>2020 Budgeted (Jan. - August)</u>	<u>Variance</u>
Revenue			
Rental Income	53,840	52,157	1,683
Other Income	-	-	-
Total Revenue	53,840	52,157	1,683
Expenses			
Administrative Salaries, Benefits, & Taxes	4,491	5,333	(842)
Other Administrative Expenses	7,844	6,667	1,177
Total Administrative Expenses	12,335	12,000	335
Utility Expenses	3,006	3,155	(149)
Maintenance Salaries, Benefits & Taxes	7,004	10,000	(2,996)
Maintenance and Operation Expenses	4,342	3,917	425
General Expenses (Insurance, PILOT, etc)	6,038	4,734	1,304
Total Expenses	20,390	21,805	(1,415)
Total Operating Expenses	32,725	33,805	(1,080)
Net Income (Loss)	21,115	18,352	2,763

220 Broadway

	2020 Actual (Jan. - Aug.)	2020 Budgeted (Jan. - Aug.)	Variance
Revenue			
Rental Income	10,244	14,900	(4,656)
Commercial Income	26,312	20,667	5,645
Total Revenue	36,556	35,567	989
Expenses			
Administrative Salaries, Benefits, & Taxes	3,280	1,993	1,287
Other Administrative Expenses	3,979	3,000	979
Total Administrative Expenses	7,259	4,993	2,266
Utility Expenses	7,387	6,333	1,054
Maintenance Salaries, Benefits, & Taxes		643	(643)
Maintenance and Operation Expenses	2,042	6,000	(3,958)
General Expenses (Insurance, PILOT, etc)	8,505	12,000	(3,495)
Total Maintenance, Operation, & General Expenses	17,934	24,977	(7,043)
Total Expenses	25,193	29,970	(4,777)
Net Income	11,363	5,597	5,766

Herald Square

	2020 Actual (Jan. - August.)	2020 Budgeted (Jan. - August.)	Variance
Revenue			
Rental Income	11,011	33,333	(22,322)
Commercial Income	18,992	20,000	(1,008)
Total Revenue	<u>30,003</u>	<u>53,333</u>	<u>(23,330)</u>
Expenses			
Administrative Salaries, Benefits, & Taxes	5,468	3,323	2,145
Other Administrative Expenses	5,757	5,000	757
Total Administrative	<u>11,225</u>	<u>8,323</u>	<u>2,902</u>
Utility Expenses	11,376	9,733	1,643
Maintenance Salaries, Benefits, & Taxes	-	1,100	(1,100)
Maintenance and Operation Expenses	14,292	22,000	(7,708)
General Expenses (Insurance, PILOT, etc)	10,580	16,033	(5,453)
Total Maintenance, Operation, & General Expenses	<u>36,248</u>	<u>48,867</u>	<u>(12,619)</u>
Total Expenses	<u>47,473</u>	<u>57,189</u>	<u>(9,716)</u>
Net Income (Loss)	<u>(17,470)</u>	<u>(3,856)</u>	<u>(13,614)</u>

Church Townhomes

	<u>2020 Actual (Jan. - August)</u>	<u>2020 Budgeted (Jan. - August.)</u>	<u>Variance</u>
Revenue			
Rental Income	29,390	46,667	(17,277)
Total Revenue	<u>29,390</u>	<u>46,667</u>	<u>(17,277)</u>
Expenses			
Administrative Salaries, Benefits, & Taxes	2,915	1,772	1,143
Other Administrative Expenses	2,394	5,667	(3,273)
Total Administrative	<u>5,309</u>	<u>7,439</u>	<u>(2,130)</u>
Utility Expenses	9,626	9,733	(107)
Maintenance Salaries, Benefits, & Taxes	-	583	(583)
Maintenance and Operation Expenses	6,841	6,000	841
General Expenses (Insurance, PILOT, etc)	<u>13,315</u>	<u>19,333</u>	<u>(6,018)</u>
Total Maintenance, Operation, & General Expenses	<u>29,782</u>	<u>35,650</u>	<u>(5,868)</u>
Total Expenses	<u>35,091</u>	<u>43,089</u>	<u>(7,998)</u>
Net Income (Loss)	<u>(5,701)</u>	<u>3,578</u>	<u>(9,279)</u>

From: Dan Madler <DMadler@beyondshelterinc.com>
Sent: Tuesday, October 6, 2020 7:15 PM
To: Matthew Pike <matthew@fargohousing.org>
Subject: The Graver FHRA Loan

Hello Matthew,

Thank you for your time on the phone earlier today.

As discussed, Beyond Shelter, Inc. (BSI) is at the beginning stages of reaching out to several community partners/stakeholders to help determine “what is next for The Graver?” It may take 1-3 years answer this question and with this said, BSI is requesting:

1. That the Fargo Housing and Redevelopment Authority (FHRA) subordinate its current loan with The Graver Limited Partnership (the “Partnership”) to a new first mortgage lender, Bell Bank
2. Execute a Subordination Agreement on/before November 1, 2020, which is the current US Bank first mortgage loan maturity date

Too, subordination would result in the following:

1. Maintaining the current status que (i.e. currently the FHRA loan is subordinated to the US Bank first mortgage loan)
2. No changes to the existing terms/conditions of the FHRA loan documents
3. Allow BSI and several community partners/stakeholders up to 3-years, the term of the new Bell Bank first mortgage loan, to put together a redevelopment plan in place that not only addresses/answers the question of “what is next for The Graver,” but also allows time for the FHRA and BSI to work together/discuss solutions related to the FHRA loan to the Partnership





Please let me know if you have any questions and/or if anything else is needed for the FHRA Board to consider BSI’s request?

Thank you for your time and consideration!

Dan



Dan Madler
CEO
Beyond Shelter inc.

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