



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

Tuesday, December 14, 2021 | 1:30 PM

A virtual convening via MS Teams, made available to the public.

MINUTES

CALL TO ORDER:

FHRA STAFF:

Jill Elliott
Chris Brungardt
Jill Liebelt
Tom Keller
Tawnya Taylor
Tamara Spry
Kayla Evenson

BOARD OF COMMISSIONERS:

Michael Leier
Cody Schuler
Thomas Jefferson
Tonna Horsley
Bryce Johnson

OTHER PRESENT:

Noah Harvey,
Architect
John Strand,
Fargo Commissioner
Yvannah Marshall,
LDG Scholar

*All motions are unanimous unless otherwise noted.

MINUTES

Resolution #2021-12-1:

Resolved; the Fargo Housing Meeting Minutes from November 9, 2021, are approved.
Schuler/Horsley

AGENDA

Change in agenda Mr. Brungardt would like to add a non-agenda item, a review of the FHRA inspection policy under new business.

Resolution #2021-12-2:

Resolved; The Fargo Housing December consent agenda approved.

Horsley/Schuler

STAFF REPORTS

Executive Director

Jill wanted to first recognize our special guest Yvannah Marshall who is the LDG Scholar. Tamara introduced Yvannah and went over her all of her accomplishments. Yvannah discussed working for her medical administration degree in college and what she wishes to do when she is done with college.

Jill gave kudos to Tamara and Kayla for all their work on getting people moved out of the High Rise with only a few individuals left.

Anticipate getting the ND Human Services Scope of service next week for Cooper House Supportive services budget of half a million. We will work with Corp for Supportive Housing to write RFP for more robust services, with execution date of May-June 2022.

Jill was awarded the "Vision and Dedication to Ending Homelessness" award at the annual FM Homeless Coalition. The Commissioners would like to say how proud they are of Jill to have been awarded the Vision and Dedication to Ending Homelessness.

Multi-family transfer has officially started paying after 20 months for 220, Herald and Church townhomes.

Met with community leaders at Sanford about the 300 international nurses that will be coming to Fargo along with the LISR Director that is hosting 250 New American families.

Operations and Facilities

Public Housing

- Starting January 2022 quarterly unit inspection for all units,
- Capital Fund Program
 - Completed 4 properties
 - Currently have 8 properties in Modernization status with HUD
 - 2 properties with plans and specifications are being prepared.
- Maintenance staff has:
 - flipped 3 properties
- Started the Demo/Disposition application with HUD for repositioning of 14 duplexes on 3 acres in 14-4 (18th St & 25th Ave S).
 - Have contracted for:
 - Environmental Phase 1,
 - NEPA review documentation.
 - Received letter from Mayor Mahony in support of the project.
 - Need to schedule meeting with current residents

Non-Public Housing Properties

- Burrell fire escape has been installed and completed,
 - Final installation cost \$29,000 using time and materials,

- Original bid was \$89,000
- Herald Square had REAC inspection
 - 2 vacant rent ready and tenets are being vetted.
 - foundation cracks found not to be structural and will be repaired using epoxy cement,
- Church Townhomes
 - Status quo
- New Horizons
 - New Property Manager, Ted Wahl
- SRO building
 - Discussions with City regarding disposition of this property.
 - 5% Operations and Maintenance (O&M) plan, summary of expenses, report on condition of building being written,

Development

Elliott Place (84 Unit Senior Housing)

- BC Contracting (General Contractor) has mobilized to the site,
 - Underground parking and foundations are complete,
 - Foundations backfilled and compacted,
- Underground utilities and tie into street mains
 - Framing has started
- Numerous approvals for shop drawings and Requests for Information (RFI)
- Project on schedule and on budget.
 - 7-day weather delay – all time accounted for in schedule
- Completion date scheduled for August 13, 2022

Lashkowitz Riverfront (110 Unit Residential)

- Modification of Section 18 Disposition Application to include Demolition nearly complete
 - NEPA Environmental Assessment Document completed and out for review,
 - Will submit to City of Fargo and HUD Denver field office in anticipation for a Finding of No Significant Impacts (FONSI),
 - When complete will return to FHRA board for Resolution to HUD to modify the application.
 - NDHFA 4% Low Income Housing Tax Credits (LIHTC) available once project is fully funded,
 - Lashkowitz not selected for HTF (top 2 were funded we scored #3) nor HIF (top 5 were funded we scored #6) funding from NDHFA,
 - This creates a \$3.5 Million gap in funds to fiscally constrain the project,
 - This gap includes existing \$1.0 Million Capital Fund commitment.
 - Realized the availability of Disposition and Demolition Transition Funding (DDTF),

- 5-year transition providing full Capital Funds for Lashkowitz,
- May generate additional \$2.0 to \$2.5 Million in Capital Funding
 - Need to investigate Capital Fund Financing Plan (CFFP)
- Program allowing PHA's to secure a loan against future Capital Funds
- Plan to Fund existing \$3.5M Gap for Lashkowitz
 - Increase Capital Fund commitment by \$750,000 to total \$1.75 Million,
- Existing Capital Fund Balance \$2.1 Million
 - Estimated \$150,000 in outstanding projects
 - Commit \$500,000 of 2022 Capital Fund
 - Utilize CFFP to secure \$1.75 Million load for 6-year term
- Funded by Lashkowitz DDTF,
- City of Fargo working with Bank of North Dakota and 2% loan
 - Submitted EPA Brownfield Grant application for \$650,000 with a \$130,000 match
- Meeting Scheduled with HUD for technical assistance for CFFP process on Monday December 13, 2021

Capital Fund

RESOLUTION #2021-12-03

WHEREAS the FHRA has resolved to modify its application to dispose of the Lashkowitz High-rise to demolition and disposition of the Lashkowitz, and

WHEREAS the need of additional funding sources is required to ensure the successful redevelopment of the Lashkowitz High Rise and modification of the original disposition application to demolition and disposition will allow access to other sources of HUD funding, and

WHEREAS the FHRA Capital Fund balance is \$2.1 Million. And it is estimated FHRA will receive a its Capital Fund Grant estimated \$1.06 Million each year through in 2028 with use of the Demolition and Disposition Transitional Funding, and

WHEREAS, the Lashkowitz has accrued unspent capital fund allocations in the current 5-year plan, therefore it is

RESOLVED by the FHRA Board of Commissioners to authorize an amount not to exceed \$1.75 Million for the redevelopment of the Lashkowitz High-rise.

Schuler/Jefferson

Capital Fund Financing Plan

RESOLUTION #2021-12-04

WHEREAS the FHRA has resolved to demolish and dispose of the Lashkowitz High-rise, and

WHEREAS the need of additional funding sources is required to ensure the successful redevelopment of the Lashkowitz High Rise and modification of the original disposition application to demolition and disposition will allow access to other sources of HUD funding, and

WHEREAS the FHRA Capital Fund will continue to receive full Capital Funding for the Lashkowitz through Demolition and Disposition Transitional Funding (DDTF) in the amount in excess of \$400,000 per year until 2028, and

WHEREAS the Lashkowitz will generate an estimated \$2.0 to \$2.5 Million in Capital Funds, and,

WHEREAS FHRA through the Capital Fund Financing Plan (CFFP) would have the capacity to secure a loan using future Capital Fund disbursements to service the loan, therefore it is

RESOLVED by the FHRA Board of Commissioners to authorize the Executive Director or her designee to negotiate not execute a possible loan using the CFFP an amount not to exceed the debt service provided by the Lashkowitz Demolition and Disposition Transitional Funding for the redevelopment of the Lashkowitz High-rise

Johnson/Horsley

Finance

The affordable side is getting ready for year end. Multi-family properties have finally received their first payments since starting with the Multi-family part of HUD about 20 months ago. Public Housing is prepping for year end. Everything is running smoothly.

OLD BUSINESS

Disposition of FHRA/BSI: attorneys are quantifying the financial aspects of what it would take to make BSI "whole." After that there will be a framework on how to apply that to all of the properties.

- Sisters Path indemnification was signed and recorded. FHRA has given it to BSI so that ShareHouse can purchase the property.

The FHRA team had a second PHARS meeting with the new HUD Regional Director, Leslie Torgerson, and discussed our "Troubled Housing" status.

- Started out with having 10 issues and the FHRA is down to only 2 issues.
- HUD provided positive feedback on the succession planning of the ED position. The proposed organizational chart was presented last month that included how the ED position would be broken up and the roles staff would have.

- The last open issue is doing a physical needs assessment to identify and prioritize necessary improvements to the physical units.
- REAC inspectors are supposed to start working in 2022 and “troubled” housing authorities are supposed to be some of the first to be inspected.
- The board reviewed the Inspection Policy.

RESOLUTION #2021-12-05

WHEREAS the FHRA has noted a need to plan for succession for all levels of its organization, safeguard stability of its senior leadership, ensure resiliency of staffing, and the continuity of operations, and

WHEREAS the creation of separate Executive Director and Chief Executive Officer will would be beneficial allowing for greater expertise and concentration of differing portions of FHRA portfolio, and

WHEREAS this succession plan would allow for resiliency and continuity of two positions each familiar with operations of the other, additionally will allow for transfer of institutional knowledge of the current Executive Director during the transitional year, and

WHEREAS, HUD Denver Field Office has endorsed and lends its support to this succession plan as part of FHRA’s troubled housing recovery agreement, therefore it is

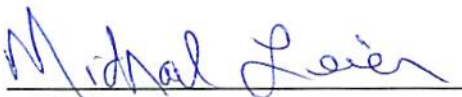
RESOLVED by the FHRA Board of Commissioners to authorize the institution of the reorganization effective March 1, 2022

Schuler/Johnson

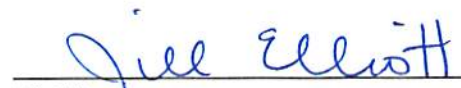
ND Human Services Grant for Supportive Services just sent out the grant information for Cooper House that has been awarded to FHRA. This is a tentative and are looking for suggestions before the grant is finalized.

ADJOURNED

Next meeting will be January 11th at 1:30pm.



Michael Leier
Chair



Jill Elliott
Secretary