



**Housing and Redevelopment Authority Meeting Agenda
December 9, 2020 | 7:10 p.m.**

Please note: Due to COVID-19, the December 9 HRA meeting is taking place virtually and at Woodbury City Hall in the Council Chambers.

Members of the public may attend the meeting but will be required to comply with social distancing parameters as determined by the City. Members of the public may also join the meeting using a PC, Mac, iPad, iPhone or Android device.

[Watch the Live Meeting](#)

Public comments will be accepted during the meeting both in person and by using the link to the virtual meeting to join the meeting and then submit your questions via the online Q&A feature within the meeting.

Questions regarding the meeting will also be taken between the hours of 8:00 a.m. to 4:30 p.m. via email council@woodburymn.gov or call 651-714-3524 and leave a voicemail message.

Please note that all agenda times are estimates.

7:10 p.m. 1. Call to Order

7:11 p.m. 2. Roll Call

7:12 p.m. 3. Consent Agenda

All items listed under the consent agenda are considered to be routine by the HRA Board and will be enacted by one motion and an affirmative vote by roll call of a majority of the members present. There will be no separate discussion of these items unless a Commissioner or citizen so requests, in which event, the items will be removed from the consent agenda and considered a separate subject of discussion by the Board.

A. Approval of November 10, 2020 HRA Meeting Minutes

B. Approval of 2021 Management Agreement 20-14

Staff recommends the HRA adopt the attached HRA Resolution 20-11 approving the 2021 Management Agreement between the HRA and the City of Woodbury.

7:14 p.m. 4. Public Hearings – No items

7:15 p.m. 5. Discussion Agenda

A. Adoption of 2021 HRA Budget 20-15

Staff recommends the HRA adopt the attached HRA Resolution 20-12 adopting the 2021 HRA Budget.

7:25 p.m. 6. Adjournment

The City of Woodbury HRA is subject to Title II of the Americans with Disabilities Act which prohibits discrimination on the basis of disability by public entities. The HRA is committed to full implementation of the Act to our services, programs, and activities. Information regarding the provision of the Americans with Disabilities Act is available from the Executive Director's office at 651-714-3523. Auxiliary aids for disabled persons are available upon request at least 72 hours in advance of an event. Please call the ADA Coordinator, Clinton P. Gridley at 651-714-3523 (TDD 651-714-3568) to make arrangements.

MINUTES

WOODBURY HOUSING AND REDEVELOPMENT AUTHORITY

November 10, 2020

3A

Pursuant to the due call and notice thereof, a regular meeting of the Woodbury Housing and Redevelopment Authority was duly held virtually and at the Woodbury City Hall, 8301 Valley Creek Road, on the 10th day of November, 2020.

Call to Order

Chair Anne Burt called the meeting to order at 7:00 p.m.

Chair Burt welcomed those listening and attending. She said members of the public may attend the meeting but will be required to comply with social distancing parameters as determined by the City. Members of the public may also join the meeting using a PC, Mac, iPad, iPhone or Android device. Public comments will be accepted during the meeting both in person and by using the link to the virtual meeting to join the meeting and then submit your questions via the online Q&A feature within the meeting. Questions regarding the meeting will also be taken between the hours of 8:00 a.m. to 4:30 p.m. via email council@woodburymn.gov or call 651-714-3524 and leaving a voicemail message.

Roll Call

Upon roll call the following were present: Chair Anne Burt, Andrea Date, Amy Scoggins, Steve Morris, Jennifer Santini. Absent: None.

Others Present: Janelle Schmitz, HRA Clerk; Clinton Gridley, HRA Executive Director; Sofia Lykke, Bond Counsel; and Karl Batalden, Community Development Coordinator.

Consent Agenda

All items listed under the consent agenda are considered to be routine by the HRA Board and will be enacted by one motion and an affirmative vote by roll call of a majority of the members present. There will be no separate discussion of these items unless a Commissioner or citizen so requests, in which event, the items will be removed from the consent agenda and considered a separate subject of discussion by the Board.

Item A Approval of Minutes – September 30, 2020 HRA Meeting Minutes

Item B To appoint Judith Afdahl as HRA Treasurer

Item C To adopt the following resolution

Resolution 20-09

Resolution of the Housing and Redevelopment Authority of the City of Woodbury, Washington County, Minnesota approving the updated program guidelines for the Woodbury First-Time Homeownership Program and the Neighborhood Reinvestment Fund

Member Date moved, seconded by Member Scoggins, to approve the Consent Agenda items.

Voting via voice:

Andrea Date – aye
Amy Scoggins – aye

MINUTES

WOODBURY HOUSING AND REDEVELOPMENT AUTHORITY

November 10, 2020

Steve Morris – aye
Jennifer Santini - aye
Anne Burt – aye

Public Hearings

No items scheduled

Discussion

A. Authorization of Application to Minnesota Management and Budget for Allocation of Bonding Authority Benefitting the Settlers Ridge Apartments Project

Community Development Coordinator Karl Batalden shared that Common Bond Communities, A Minnesota-based non-profit, is proposing to develop and construct an 84-unit affordable housing project in the northeast area. The project would be primarily funded by federal low-income housing tax credits which require 50% of the project to be financed by private activity bonds. Common Bond's intention is to serve households earning not more than 50% of the Twin Cities metropolitan statistical area's median income. Project rents are significantly less than market rents and are established preliminarily at: one bedroom - \$970 per month, two bedrooms - \$1,163 per month, and three bedrooms – \$1,344 per month.

Mr. Batalden explained that \$13 million in private activity bonds are required for the project to move forward. This is a conduit bond issuance. There is more demand for bonds than availability in Minnesota. The Woodbury Housing and Redevelopment Authority must apply to the State for an allocation of bonding authority via a competitive lottery. The main source of revenue for the project is equity from the low-income housing tax credit tool. The low-income housing tax credit tool requires that 50% of the project be financed by private activity bonds; however, there is a volume cap in Minnesota and they are only available via an allocation process from the State. Woodbury has a lengthy history of issuing conduit bonds, mostly to private schools, charter schools, and non-profit senior housing projects. Those examples are not private activity bonds. Affordable housing projects such as the Legends of Woodbury and The Glen at Valley Creek were funded via private activity bonds. The bond allocation lottery is in January. If successful in receiving an allocation, a public hearing would be held to approve a bond issuance within six months. Bond issuance by the Woodbury Housing and Redevelopment Authority is conditional on completion of a development review process. Staff recommends the Housing and Redevelopment Authority adopt HRA Resolution 20-10.

Chair Burt opened opportunity for discussion and questions. There were none.

Member Scoggins moved, seconded by Member Date,

To adopt the following resolution

Resolution 20-10

Resolution of the Housing & Redevelopment Authority of the City of Woodbury, Washington County, Minnesota granting Preliminary Authorization to the Issuance of Revenue Bonds or Other Obligations under Minnesota Statutes, Chapter 462C, as amended, to Finance the Costs of a Multifamily Housing Development; Approving the Preparation and Submission of a Housing Program with Respect Thereto; Approving the Submission of an Application for an Allocation of Bonding Authority; Establishing Compliance with Certain Reimbursement Regulations under the Internal Revenue Code of 1986, as Amended; and Taking Certain Other Actions.

MINUTES

WOODBURY HOUSING AND REDEVELOPMENT AUTHORITY

November 10, 2020

Voting via voice:

Andrea Date – aye
Amy Scoggins – aye
Steve Morris – aye
Jennifer Santini - aye
Anne Burt – aye

Adjournment

Chair Burt moved, seconded by Member Scoggins, to adjourn the November 10, 2020 Housing & Redevelopment Authority meeting.

Voting in Favor: Date, Scoggins, Morris, Santini, Burt
Absent: None

Chair Burt adjourned the meeting at 7:15 p.m.

Anne W. Burt, Chair

Approved by the Woodbury Housing and Redevelopment Authority on December 9, 2020.

**City of Woodbury, Minnesota
Office of the HRA Executive Director**

HRA Letter 20-14

December 9, 2020

To: Woodbury Housing and Redevelopment Authority

From: Clinton P. Gridley, Executive Director

Subject: Approval of 2021 Management Agreement

Summary

The City of Woodbury receives Community Development Block Grant (CDBG) and HOME Investment Partnerships Program (HOME) funds from the Department of Housing and Urban Development (HUD). The City's 2020 Annual Action Plan (2020 AAP) allocated \$68,000 of CDBG and \$94,302 in HOME as a source of funds for the Woodbury First-Time Homeownership Program as operated by the Woodbury Housing and Redevelopment Authority (HRA). Given that the HRA is a separate unit of government from the City of Woodbury, a Management Agreement is entered into that identifies the manner in which the HRA may use these HUD funds that are available to the City.

Recommendation

Staff recommends the HRA adopt the attached HRA Resolution 20-11 approving the 2021 Management Agreement between the HRA and the City of Woodbury.

Fiscal Implications

This item is consistent with both the 2020 Annual Action Plan as well as the 2021 HRA budget and 2021 HUD Fund budget.

Policy

With regard to CDBG, the City is a responsible entity for funds received from the United States Government under Title I of the Housing and Community Development Act of 1974, Public Law 93-383, as an Entitlement Community under the Community Development Block Grant Program.

With regard to HOME, the City is a direct subrecipient of Dakota County HOME Investment Partnerships Program (HOME) funds as governed by Title II of the Cranston Gonzales National Affordable Housing Act, Public Law No. 101-625.

Public Process

1. The 2020 Annual Action Plan was adopted on May 13, 2020.
2. Both the 2021 HRA budget and the 2021 HUD Fund budget are scheduled to be adopted on December 9, 2020.

Background

The City is the recipient of CDBG and HOME rather than the HRA and it is necessary for the City to enter into a management agreement with the HRA regarding the roles and responsibilities of these funds. This Agreement was originally adopted by the City Council on December 8, 2010 and this year's annual update incorporates procedural updates regarding budgetary considerations, timing and dates.

Written By: Karl Batalden, Community Development Coordinator
Approved Through: Janelle K. Schmitz, Community Development Director and HRA Clerk
Attachments: 1. HRA Resolution 20-11
2. 2021 Management Agreement

HRA Resolution 20-11

**Resolution of the Board of Commissioners of the
Housing and Redevelopment Authority in and for the City of Woodbury,
Washington County, Minnesota**

**Approving the 2021 Management Agreement between the City of Woodbury and the
Housing and Redevelopment Authority in and for the City of Woodbury**

WHEREAS, Woodbury is a direct recipient of Community Development Block Grant (CDBG) funds from the US Department of Housing and Urban Development (HUD); and

WHEREAS, Woodbury is a subrecipient of HOME Investment Partnerships Program (HOME) dollars from HUD as a member of the Dakota County HOME Consortium; and

WHEREAS, the 2020 Annual Action Plan as adopted on May 13, 2020 allocates \$68,000 of CDBG and \$94,302 of HOME as sources of funds for the Woodbury First-Time Homeownership Program as operated by the Housing and Redevelopment Authority in and for the City of Woodbury (HRA); and

WHEREAS, the City Attorney's office has reviewed and approved the updates to the existing Management Agreement by and between the City and the HRA identifying the roles and responsibilities regarding the funding of these loan programs.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the HRA, that the HRA Chair and HRA Executive Director are hereby authorized to execute the above-referenced 2021 Management Agreement.

This Resolution was declared duly passed and adopted and was signed by the HRA Chair and attested to by the HRA Executive Director this 9th day of December, 2020.

Attest:

Anne W. Burt, HRA Chair

Clinton P. Gridley, HRA Executive Director

**2021 MANAGEMENT AGREEMENT
BY AND BETWEEN THE CITY OF WOODBURY AND THE HOUSING AND
REDEVELOPEMENT AUTHORITY OF THE CITY OF WOODBURY**

THIS AGREEMENT, entered into this ____ day of December, 2020 by and between the Housing and Redevelopment Authority in and for the City of Woodbury, a Minnesota public corporation (the HRA), and the City of Woodbury, a Minnesota municipal corporation (the City):

WITNESSETH THAT:

IN CONSIDERATION of the mutual covenants hereinafter set forth, the parties hereto do hereby agree to engage the City to manage programs and policies of the City of Woodbury Housing and Redevelopment Authority as to its low and moderate income housing programs as follows; and

FURTHERMORE the City is a Responsible Entity for funds received from the United States Government under Title I of the Housing and Community Development Act of 1974, Public Law 93-383, as an Entitlement Community under the Community Development Block Grant (CDBG) Program; and

FURTHERMORE, as a member of the Dakota County HOME Consortium consisting of Anoka, Dakota, Ramsey, and Washington Counties as well as the Cities of Coon Rapids and Woodbury, the City is a direct subrecipient of HOME Investment Partnerships Program (HOME) funds as governed by Title II of the Cranston Gonzales National Affordable Housing Act, Public Law No. 101-625; and

FURTHERMORE the City wishes to engage the HRA in calendar year 2021 to assist the City in utilizing such CDBG and HOME funds by allocating \$68,000 in Program Year 2020 CDBG funds and \$94,302 in Program Year 2020 HOME funds as well as program income earned from loan repayments to supplement the existing HRA loan program known as the Woodbury First-Time Homeownership Program. This allocation of funds is consistent with the City of Woodbury's 2020 Annual Action Plan as approved via Council Resolution on May 13, 2020. Should CDBG and/or HOME funds be appropriated to the Woodbury First-Time Homeownership Program as part of the forthcoming 2021 Annual Action Plan, this Agreement would govern those funds as well. In all cases, the expenditures of CDBG and HOME shall be governed by and comply with the City of Woodbury 2020-2024 Consolidated Plan as well as the 2020 Annual Action Plan and the forthcoming 2021 Annual Action Plan.

PART I

1. THE PROGRAMS

- a) The HRA Board, in regular meeting assembled, on November 10, 2020 in furtherance of the public health, safety and welfare of the City, re-affirmed the attached agreements:

HRA Loan Program Guidelines for the Woodbury First-Time Homeownership Program (see attached)

If there occurs a conflict between the provisions of this Agreement and the HRA programs, this Agreement shall control.

- b) The City also agrees, in furtherance of the Programs, that any income generated by the repayment of CDBG- or HOME-funded loans or any other source of repayment by participants in which CDBG or HOME program income is generated and repaid to the City under these programs in compliance with program income regulations of the Department of Housing and Urban Development (HUD), shall be allocated back to the appropriate Programs to be used for additional program expenditures unless otherwise directed by the City Council as part of an Annual Action Plan amendment process. The City and the HRA agree to follow all applicable CDBG and HOME program regulations of HUD concerning program income as set forth in 24 CFR 570.504 (c) and 24 CFR 92.503, as applicable.
- c) The City and HRA agree to use CDBG and HOME funds to fund loan programs according to the program guidelines and underwriting criteria established by the HRA. Both recognize that when using CDBG or HOME as a funding source, the income limit for a borrower is currently 80 percent of area median income. Both recognize that the income verification process for CDBG- and HOME-funded loans must follow the process as established according to “Section 8 Part 5” as defined in 24 CFR 5.609 until and unless otherwise changed, amended or repealed.
- d) The City and HRA agree that when CDBG or HOME funds are used by the City to fund the HRA loans the federal funding source shall not be commingled with the municipal HRA levy or other municipal funding sources.
- e) The City agrees to honor the terms of the Loan Servicing Agreement between the HRA and Community Reinvestment Fund when CDBG or HOME funds are used to fund these loans.
- f) The City agrees to honor the terms of the HRA Loan Administrator Agreement between the HRA and Community Neighborhood Housing Services dba NeighborWorks Home Partners when CDBG or HOME funds are used to fund these loans.
- g) The City will allow the HRA to market all of its programs together rather than splitting out CDBG- or HOME-funded programs from HRA levy-funded programs.
- h) The provisions of 24 CFR 570.503 and 570.504 (4-1-07 Edition) are incorporated herein by reference and shall be adhered to as applicable, by the City and HRA in the administration of this Management Agreement. The provisions of 24 CFR 507.503 and 570.504 shall not apply to City or HRA operations outside of the scope of this Agreement.

PART II

1. NONDISCRIMINATION IN HOUSING

(a) Neither the City nor the HRA shall, in the selection or approval of participants in the Programs, in the provision of services, or in any other manner, discriminate against any person on the grounds of race, color, religion, sex, national origin or on the basis of disability. No person shall be automatically excluded from participation in or be denied the benefits of the Programs because of membership in a class such as unmarried mothers, recipients of public assistance, etc.

(b) The City and the HRA shall comply with all requirements imposed by Title VIII of the Civil Rights Act of 1968, and any rules and regulations pursuant thereto.

(c) The City and the HRA shall comply with all requirements imposed by Title VI of the Civil Rights Act of 1964, Public Law 88-352, Public Law 90-284; the regulations of HUD issued thereunder, 24 CFR, Subtitle A, Part 1, Section 1.1, et. seq.; the requirements of HUD pursuant to said regulations; and Executive Order 11063 to the end that, in accordance with that Act, the regulations and requirements of HUD thereunder, and said Executive Order, no person in the United States shall, on the ground of race, color, creed, religion, national origin, or disability, be excluded from participation in, or be denied the benefits of, the Programs, or be otherwise subjected to discrimination. This provision is included pursuant to the regulations of HUD, 24 CFR, Subtitle A, Part 1, Section 1.1, et. seq.; issued under Title VI of the said Civil Rights Act of 1964, and the requirements of HUD pursuant to said regulations; and the obligation of the HRA to comply therewith insured to the benefit of HUD and the City, either of which shall be entitled to invoke any remedies available by law to redress any breach thereof or to compel compliance therewith by the HRA.

2. EQUAL EMPLOYMENT OPPORTUNITY

During the performance of this Agreement, the City agrees as follows:

(a) The City will not discriminate against any employee or applicant for employment because of political affiliation, race, marital status, religion, sex, sexual orientation, creed, color, age, national origin, disability status or status with regard to public assistance. The City will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their political affiliation, race, marital status, religion, sex, sexual orientation, creed, color, age, national origin, disability status or status with regard to public assistance.. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The City agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the City setting forth the provisions of this nondiscrimination clause.

(b) The City will, in all solicitations or advertisements for employees placed by or on behalf of the City, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, national origin or disability.

(c) The City will cause the foregoing provisions to be inserted in all subcontracts for any work covered by this Agreement so that such provisions will be binding upon each subcontractor, provided that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.

(d) No person employed on the work covered by the City shall be discharged or in any way discriminated against, because he/she has filed any complaint or instituted or caused to be instituted any proceeding or has testified or is about to testify in any proceeding under or relating to the labor standards applicable hereunder to his employer.

3. COMPLIANCE WITH OTHER REQUIREMENTS

In addition to Section II.1 and Section II.2 of this agreement, the City and the HRA shall carry out each CDBG- and HOME-funded activity in compliance with all Federal laws and regulations described in 24 CFR 570, Subpart K; which includes but is not limited to compliance with:

(a) Labor Standards under the Davis-Bacon Act as amended;

(b) Section 202 (a) of the Flood Disaster Protection Act of 1973;

(c) General policy for minimizing displacement and the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970;

(d) Executive Order 11246 as amended by Executive Order 12086, and the regulations issued pursuant thereto which pertain to equal employment and contracting opportunities;

(e) Section 401 (b) of the Lead Based Paint Poisoning Prevention Act and associated regulations;

(f) Uniform administrative requirements and cost principals as applicable under section 24 CFR part 85 and OMB Circular A-110 set forth in section 570.502; and

(g) Conflict of interest provisions in 24 CFR 85.36 and OMB Circular A-110 in addition to section 570.611;

In compliance with 24 CFR 570, Subpart K, the HRA does not assume the City's environmental responsibilities described in section 570.604 or the responsibilities of the City for initiating the review process under the provisions of Part 52

4. COOPERATION IN EQUAL OPPORTUNITY COMPLIANCE REVIEWS

The HRA and the City shall cooperate with HUD in the conducting of compliance reviews and complaint investigations pursuant to all applicable civil rights statutes, Executive Orders, and rules and regulations pursuant thereto.

5. CITY AND HUD ACCESS TO PREMISES AND AUTHORITY RECORDS

(a) The HRA shall furnish such information and reports pertinent to the Agreement as may be reasonably required from time to time by the City in order to assist the City in meeting its record keeping requirements established under its policies and those of HUD for the administration of CBDG and HOME funds.

(b) The HRA shall permit the City, HUD, or any of their duly authorized representatives to have access to the premises and, for the purpose of audit and examination, to have access to any books, documents, papers and records of the HRA that are pertinent to compliance with this Agreement.

6. RIGHTS OF CITY IF HRA DEFAULTS

(a) A default by the HRA under this Agreement shall result if:

i. The HRA has violated or failed to comply with any provision of, or obligation under, this Agreement; or

ii. The HRA has asserted or demonstrated an overt intention not to perform some or all of its obligations under this Agreement.

(b) Upon a determination by the City that a default has occurred, the City shall notify the HRA in writing, of (i) the nature of the default, (ii) the actions required to be taken and the remedies to be applied on account of the default, and (iii) the time within which the HRA shall respond with a showing that it has taken all the actions required of it. If the HRA fails to respond or take action to the satisfaction of the City, the City shall have the right to terminate this Agreement in whole or in part or to take other corrective action to achieve compliance at its discretion.

7. TERMINATION FOR CONVENIENCE

The City and the HRA each has the right to initiate, in writing, action to terminate this agreement or a program covered by this agreement upon 60 days written notice by one to the other.

8. REMEDIES NOT EXCLUSIVE AND NON-WAIVER OF REMEDIES

The availability of any remedy under this Agreement shall not preclude the exercise of any other remedy under this Agreement or under any provisions of law, nor shall any action taken in the exercise of any remedy be deemed a waiver of any other rights or remedies. Failure to exercise any right or remedy shall not constitute a waiver of the right to exercise that or any other right or remedy at any time.

9. DISPUTES

(a) Except as otherwise provided herein, any dispute concerning a question of fact arising under this Agreement which is not disposed of by agreement of the City and HRA may be submitted by

either party to the HUD Field Office Director who shall make an advisory non-binding decision and shall mail or otherwise furnish a written copy thereof to the HRA and the City.

(b) If the parties do not agree with the advisory decision of HUD they shall engage in mediation to resolve the matter.

(c) This Section does not preclude consideration of questions of law in connection with decisions rendered under paragraphs (a) and (b) of this Section; provided, however, that nothing herein shall be construed as making final the decision of any administrative official, representative, or board on a question of law.

10. INTEREST OF MEMBERS, OFFICERS, OR EMPLOYEES OF THE HRA AND THE CITY, MEMBERS OF CITY COUNCIL, OR OTHER PUBLIC OFFICIALS

No member, officer or employee of the City or the HRA, or member of the City Council or other public official who exercises any functions or responsibilities with respect to the Programs during his tenure or for one year thereafter, shall have any direct interest in this Agreement or any proceeds or benefits arising therefrom.

11. INTEREST OF MEMBER OF OR DELEGATE TO CONGRESS

No board member of the HRA or member of the City Council or delegate to the Congress of the United States of America shall be admitted to any share or part of this Agreement or to any benefits which may arise therefrom.

12. NONASSIGNABILITY

The HRA agrees that it has not made, and will not make any sale, assignment or conveyance or transfer in any other form, of this Agreement, or any of its interest therein, except with the prior consent of the City.

13. COMPLIANCE WITH LAWS

The HRA and City shall comply with all applicable laws, regulations, ordinances, and codes of Federal, State of Minnesota and local governments, and shall commit no trespass on any public or private property in performing any of the work embraced by this Agreement. Nothing herein shall impose responsibility on the HRA for any representations made by the City in its application for CDBG funds pursuant to the Housing and Community Development Act of 1974, Public law 93-383, or for HOME funds pursuant to the Cranston Gonzales National Affordable Housing Act, Public Law No. 101-625 so long as the HRA administers the Program within the parameters of those representations.

14. EXPIRATION DATE

This Agreement shall expire on December 31, 2021. Unless otherwise extended, any unobligated funds, including program income as defined by HUD, shall then revert to the City in accordance with 24 CFR section 570.503 (b)(8).

IN WITNESS WHEREOF, the parties hereto have respectfully signed this Agreement and have caused their seals to be affixed and attested to as of the day and year first above written.

CITY OF WOODBURY

**HOUSING AND REDEVELOPMENT
AUTHORITY IN AND FOR THE CITY
OF WOODBURY**

By: _____
Anne W. Burt
Its Mayor

By: _____
Its Chair

By: _____
Clinton Gridley
Its City Administrator

APPROVED AS TO FORM:

City Attorney
CITY OF WOODBURY

EXHIBITS

**CITY OF WOODBURY HOUSING AND REDEVELOPEMENT AUTHORITY
LISTING OF PROGRAMS AND POLICIES**

Woodbury First-Time Homeownership Program

**City of Woodbury, Minnesota
Office of the HRA Executive Director**

HRA Letter 20-15

December 9, 2020

To: Woodbury Housing and Redevelopment Authority

From: Clinton P. Gridley, Executive Director

Subject: Adoption of 2021 HRA Budget

Summary

The proposed 2021 Housing and Redevelopment Authority (HRA) budget will appropriate \$744,900 with expenditures consisting of \$550,000 in loan pool disbursements, \$115,000 in labor reimbursement of associated General Fund – Planning Division staff salary and benefit costs and \$79,900 in operating expenditures. The revenue sources for these expenditures include \$303,350 in fund balance, \$250,000 from the HRA levy less \$2,500 in estimated property tax delinquencies and refunds for tax court petitions, \$183,000 in loan principal and interest payments, \$11,000 in investment income and \$50 from LMCIT dividends.

Recommendation

Staff recommends the HRA adopt the attached HRA Resolution 20-12 adopting the 2021 HRA Budget.

Budget Impact

This letter and the attached resolution adopts the HRA budget for 2021.

Public Process

The 2021 HRA budget was discussed at the City Council budget workshop on September 16, 2020. Subsequently, the HRA discussed this item at its September 30, 2020 meeting and adopted HRA Resolution 20-07 adopting a not-to-exceed levy amount of \$250,000 for truth-in-taxation purposes.

Background

The HRA was formed on December 13, 2006. Prior to its formation, the Woodbury Economic Development Authority, pursuant to the authority granted in Minnesota Statutes, Section 469.033, Subdivision 6, first levied a special benefit tax for housing purposes in 2002. This levy has continued for several years. Funds from the levy are deposited in a separate fund and shall be expended only for the purpose of addressing affordable housing and preventing or eliminating community blight. The housing fund and budget were transferred to the newly formed HRA effective April 25, 2007.

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The proposed 2021 HRA Budget includes a \$250,000 levy which represents a zero percent change from the 2020 approved budget. The annual \$250,000 levy amount has not been increased since 2010. The annual property tax impact from the HRA levy on the median-valued home in 2021 is estimated to be \$6.91, a 0.86 percent decrease from the 2020 impact of \$6.97.

The purpose of the HRA is to assist in the development or creation of affordable housing in Woodbury and to reduce or eliminate blight. In 2021, staff proposes to use these monies to help implement Woodbury's affordable housing strategies, and as such will focus on the loan programs that the HRA operates. Staff anticipates that the work on Woodbury's 2021 Housing Action Plan and an HRA Fund Balance Policy with the Audit and Investment Commission will lead to a medium-term HRA financial planning document that will give greater clarity regarding what the needs are for future HRA levies.

The HRA budget attempts to balance the funding of programs important to the City with maintaining as small of a tax burden as feasible. State statutes mandate that an HRA levy may not exceed 0.0185 percent of taxable market value in the City. The 2021 taxable market value of the City of Woodbury is estimated to be \$10,501,425,300 which would allow for a maximum 2021 HRA property tax levy of \$1,942,763. As such, the 2021 HRA levy represents about 12.9 percent of the potential HRA property tax levy.

Written By: Karl Batalden, Community Development Coordinator
Approved Through: Janelle K. Schmitz, Community Development Director and HRA Clerk
Attachments: HRA Resolution 20-12

HRA Resolution 20-12

**Resolution of the
Housing and Redevelopment Authority,
in and for the City of Woodbury, Washington County, Minnesota**

Adopting the 2021 HRA Budget

BE IT RESOLVED by the Housing and Redevelopment Authority in and for the City of Woodbury, Washington County, Minnesota, that the appropriations for the HRA Fund for the calendar year 2021 be as follows:

Operating Expenditures	\$79,900
Loan Pool Disbursements	550,000
Labor Reimbursement to General Fund for Staff Salary and Benefit Costs	<u>115,000</u>
Total Appropriations	\$ <u>744,900</u>

BE IT FURTHER RESOLVED by the Housing and Redevelopment Authority in and for the City of Woodbury, Washington County, Minnesota that the sources of financing the sums appropriated shall be:

General Property Taxes	\$ 250,000
Less Estimated Property Tax Delinquencies and Refunds for Tax Court Petitions	(2,500)
Investment Income	11,000
Loan Interest	75,000
Loan Principal	108,000
LMCIT Dividends	50
Use of Fund Balance	<u>303,350</u>
Total Sources of Financing	\$ <u>744,900</u>

This Resolution was declared duly passed and adopted and was signed by the Chair of the HRA and attested to by the HRA Executive Director this 9th day of December, 2020.

Attest:

Anne W. Burt, Chair

Clinton P. Gridley, Executive Director