

**MOUND HOUSING AND REDEVELOPMENT AUTHORITY  
MARCH 12, 2014**

The Mound Housing and Redevelopment Authority in and for the City of Mound, Minnesota, met in regular session on Tuesday, March 12, 2014, at 6:45 p.m. in the council chambers of the Centennial Building.

Members present: Chair Mark Hanus; Commissioners Ray Salazar, Kelli Gillispie, Heidi Gesch, and Mark Wegscheid.

Members absent: None.

Others present: Executive Director Kandis Hanson, Community Development Director Sarah Smith, Finance Dir/Clerk/Treasurer Catherine Pausche, City Attorney Melissa Manderschied

**1. Open meeting**

Chair Mark Hanus called the meeting to order at 6:44 p.m.

**2. Approve agenda**

MOTION by Wegscheid, seconded by Gesch, to approve the agenda. All voted in favor. Motion carried.

**3. Approve minutes**

MOTION by Gillispie, seconded by Gesch, to approve the minutes of the February 25, 2014 regular meeting. All voted in favor. Motion carried.

**4. Approve claims**

MOTION by Gesch, seconded by Gillispie, to approve the claims in the amount of \$16,294.47. All voted in favor. Motion carried.

**5. Action on a Resolution Authorizing the Executive Director to execute a Rental Assistance Demonstration (RAD) Program Application with the US Department of Housing and Urban Development (HUD)**

Catherine Pausche, Finance Director/Clerk/Treasurer, gave background on the Mound HRA's efforts to study alternatives to ownership of Indian Knoll Manor Public Housing. Pausche stated that the RAD program allows Public Housing Authorities (PHAs) to convert public housing subsidies into a long-term Project Based Section 8 rental assistance subsidy. This is beneficial to PHAs because, historically, public housing subsidies and funding for capital projects have been unpredictable and can fluctuate annually due to changes to the federal budget. Project-Based Section 8 Vouchers provide a stable and predictable annual subsidy, have less strings attached/administrative requirements, and will allow flexibility in ownership if the right partner can be found who is committed to preserving the project as affordable housing.

Pausche stated that the application was prepared with the assistance of HUD staff who stated that HUD is accepting applications for RAD conversions but that there is currently a cap on the number that can be approved at this time. HUD staff still encourages submission as they are working with lawmakers in an effort to lift the cap.

MOTION by Hanus, seconded by Gesch, to adopt the following resolution. All voted in favor. Motion carried.

**RESOLUTION NO. 14-03H. RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A RENTAL ASSISTANCE DEMONSTRATION (RAD) PROGRAM APPLICATION WITH THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) AND CERTIFYING AN AGREEMENT TO COMPLY WITH ALL REQUIREMENTS OF THE PROGRAM AND PIH NOTICE 2012-32.**

Commissioner Salazar arrived at 6:54 pm.

**4. Update on Mound Special Legislation Request**

Sarah Smith, Community Development Director, gave an update on the Mound special legislation request that has been submitted to the Minnesota State Legislature. Minnesota Statutes Sec. 469.1763, subd. 3 includes a provision called the Five Year Rule which requires that certain development activities be commenced within five years of certification of a TIF District in order to use tax increment to finance development within the TIF District. The first five year extension was granted in 2009 which makes the current deadline May 5, 2015. Mound's request will expand the Five Year Rule for the MH TIF District, through legislative efforts, from May 5, 2015 to May 5, 2020. Smith stated the Mayor attended a hearing earlier that day and that Council representatives and Staff would attend another hearing in the Senate the following morning in an attempt to advance the legislation with the cooperation of Senator David Osmeck.

**6. Adjourn**

MOTION by Gesch, seconded by Wegscheid, to adjourn at 6:58 p.m. All voted in favor. Motion carried.



Attest: Catherine Pausche, Clerk

  
Chair Mark Hanus

**MOUND HOUSING AND REDEVELOPMENT AUTHORITY  
RESOLUTION NO. 14-03H**

**RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A  
RENTAL ASSISTANCE DEMONSTRATION (RAD) PROGRAM APPLICATION WITH  
THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) AND  
CERTIFYING AN AGREEMENT TO COMPLY WITH ALL REQUIREMENTS OF THE  
PROGRAM AND PIH NOTICE 2012-32**

**WHEREAS**, the Rental Assistance Demonstration (RAD) program is authorized by the Consolidated and Further Continuing Appropriations Act of 2012 (Public Law 112-55, approved November 18, 2011), which provided fiscal year 2012 appropriations for HUD to support this program; and

**WHEREAS**, the RAD Program allows Public Housing Authorities (PHAs) to convert public housing subsidies into a long-term, Project Based Section 8 rental assistance subsidy that provides a stable and predictable annual subsidy; and

**WHEREAS**, stable and predictable revenues allow the owner to apply for Low-Income Housing Tax Credits and other sources of financing to fund public housing renovations; and

**WHEREAS**, the Mound HRA has determined that submitting a RAD application is financially feasible and would facilitate a potential transfer to a responsible owner committed to perseverance of affordable housing; and

**WHEREAS**, the Mound HRA held two resident meetings as required to inform the residents of the Mound HRA's plan to apply for the RAD program.

**NOW, THEREFORE, BE IT RESOLVED** by the Housing and Redevelopment Authority of and for the City of Mound, Minnesota thereby authorizes the Executive Director to execute a Rental Assistance Demonstration (RAD) Program Application with the U.S. Department of Housing and Urban Development (HUD) and certifying an agreement to comply with all requirements of the program and PIH Notice 2012-32.

Adopted this 12<sup>th</sup> day of March, 2014.

  
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Chair Mark Hanus

  
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Attest: Catherine Pausche, Clerk