



**City of North St. Paul
Housing & Redevelopment Authority
Immediately Following Regular Meeting**

**July 18, 2023
6:30 PM**

The Housing and Redevelopment Authority meeting will be conducted on **July 18, 2023** following the City Council meeting. The meeting location is the City Council Chambers of City Hall, located at 2400 Margaret St., North St. Paul.

The City Council will also be meeting by interactive TV under Minn. Stat. 13D.02. Members of the public are permitted to attend the meeting in person, however, it is encouraged to participate in the meeting remotely. Instructions can be found below.

The **July 18, 2023** Zoom meeting can be accessed via

<https://tinyurl.com/NSPCityCouncil>

(from a PC, Mac, tablet, iPhone or Android device)

or by phone at 1-929-205-6099, meeting ID 821 4097 2224, password 362656.

You can also watch the meeting on our YouTube channel here tinyurl.com/NSPYoutube

I. Call to Order

II. Roll Call

John Monge, Chair
Tim Cole, Commissioner
Cassidy Schweer, Commissioner
Lisa Wong, Commissioner
Jason Nordby, Commissioner
Brian Frandle, Executive Director

III. HRA Action Items & Recommendations

A. 2024 Budget Discussion

IV. Adjournment

The next regularly scheduled Housing & Redevelopment Authority meeting is TBD



To	Date
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Housing and Redevelopment Authority Executive Director and Commissioners	July 18, 2023
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Agenda Placement # III.A

HRA Action Items & Recommendations

Subject

2024 Budget Discussion

Background/Facts

Refer to enclosed staff report.

Recommended Action

N/A

Attachments

1. NSP HRA 2024 Budget Discussion
2. DRAFT HRA Fund 07-05-2023

Respectfully submitted,
Brandy Howe, Community Development Director

City of North St. Paul

Housing and Redevelopment Authority Report

From: Brandy Howe, Community Development Director
Meeting Date: July 18, 2023
Agenda Item: NSP HRA 2024 Levy Discussion



INTRODUCTION

The predominant method of administering housing and redevelopment programs in Minnesota is through an HRA. Per statute, an HRA is primarily responsible for the planning and implementation of redevelopment and/or low-rent housing assistance programs within its area of operation. An HRA has the following powers:

- To employ staff and an executive director.
- To undertake projects within its area of operation and to provide for the construction, reconstruction, improvement, extension, alteration, or repair of any project or part of a project.
- To sell, buy, own, and lease property by any means necessary, including the power of eminent domain.
- To cooperate with and use state and federal financial assistance programs.
- To develop rehabilitation and code enforcement techniques.
- To issue bonds for any of its corporate purposes backed by the pledge of revenues, grants, or other contributions.
- To implement renewal or redevelopment programs using tax increment financing.
- To own, hold, improve, lease, sell, or dispose of real or personal property.
- To designate substandard, slum, or deteriorating areas needing redevelopment, and unsafe, unsanitary, and overcrowded housing.
- To make necessary expenditures to carry out the purposes of the HRA law.
- To develop and administer an interest reduction program to assist the financing of the construction, rehabilitation, or purchase of low- or moderate-income housing.

An HRA's power to levy and collect taxes is limited to the power provided in state law. Subject to a resolution of consent from the city council, an HRA may levy a tax upon all taxable property within the city. The maximum general allowable operational levy of HRAs is 0.0185% of the previous year's estimated market value of all property in the city. Levies collected by an HRA must be used only for purposes listed in the HRA Act, which include:

- 1) To provide a sufficient supply of adequate, safe, and sanitary dwellings in order to protect the health, safety, morals, and welfare of the citizens of this state;
- 2) To clear and redevelop blighted areas;
- 3) To perform those duties according to comprehensive plans;
- 4) To remedy the shortage of housing for low- and moderate-income residents, and to redevelop blighted areas, in situations in which private enterprise would not act without government participation or subsidies; and
- 5) In cities of the first class, to provide housing for persons of all incomes.

While HRAs have the legal authority to "do whatever is necessary and convenient" to implement redevelopment, they are subject to the ordinances and laws of the city. The city council must approve HRA plans before the HRA may begin implementation.

Minnesota Statute §275.065 requires the City to adopt and certify a preliminary tax levy for housing related purposes as determined by the North St. Paul HRA by September 15 each year.

NORTH ST. PAUL HOUSING AND REDEVELOPMENT AUTHORITY

The North St. Paul Housing and Redevelopment Authority (NSP HRA) was established in June 1971. The mission of the NSP HRA Authority is to support its homeowners throughout all cycles of life by providing a variety of quality housing options. Over its life, the HRA has supported the following programs:

GHMC Home Program - This program, established in 2015, assisted homeowners maintain and improve their properties by offering flexible, below-market rate financing. The program is administered by the Greater Metropolitan Housing Corporation (GMHC). The minimum loan amount was \$2,000 up to \$50,000. Interest rates were set at 3 percent with no income limit. The program is no longer offered by the HRA.

Emergency Repairs - This loan program, established in 2015, assisted low-income homeowners correct a condition that makes their home uninhabitable, extremely dangerous to the occupants, or cause serious health problems. The minimum loan amount was \$1,000 up to \$8,000. The loan carried no interest and the recipient's household income must meet the 80% AMI threshold by US HUD, adjusted for household size. The program is no longer offered by the HRA.

Student Built Housing Program - The City of North St. Paul, Northeast Metro 916 Career and Technical Center along with Saint Paul College Cabinetmaking Program have partnered to help build and remodel homes since 2009. The constructed homes are designed to complement existing homes within the neighborhood and are sold at market value. The partnership allows an opportunity to improve the City's housing stock, add to the tax base, while giving high school students the opportunity to explore career paths in the construction and building trades.

The following activities have been funded by the HRA in recent years:

- Student built housing program
- Monitoring remaining Home Improvement & Emergency Loans
- Acquisition of real estate for development
- Personnel and overhead expenses to administer the fund

RECOMMENDATION

There was no levy increase in 2023 for the NSP HRA. In its decision making, the HRA planned to utilize the existing fund balance over other revenue to support its activities. As of May 31, 2023, the cash balance in the HRA fund was \$427,599.77. Staff recommends no levy increase for the NSP HRA in 2024.



CITY OF NORTH ST. PAUL, MINNESOTA
 HOUSING AND REDEVELOPMENT AUTHORITY
 SUMMARY OF REVENUES, EXPENDITURES, AND CHANGES IN NET POSITION
 2024 BUDGET

	2020 Actual	2021 Actual	2022 Actual	2023 Budget	2024 Proposed Budget	Variance from 2023 Budget to 2024 Budget Positive	
REVENUES							
CHARGES FOR SERVICES	-	-	-	-	-	-	0%
AD VALOREM TAXES	168,207	189,845	203,793	-	-	-	0%
OTHER FINANCING SOURCES	-	-	-	-	-	-	0%
INTERGOVERNMENTAL	-	-	-	-	-	-	0%
OTHER	70,708	87,279	100,351	382,618	391,231	8,613	2%
OTHER TAXES	-	-	-	-	-	-	0%
PERMITS	-	-	-	-	-	-	0%
SPECIAL ASSESSMENTS	-	-	-	-	-	-	0%
FINES	-	-	-	-	-	-	0%
LICENSES	-	-	-	-	-	-	0%
TOTAL REVENUES	238,915	277,124	304,143	382,618	391,231	8,613	2%
EXPENDITURES							
PERSONNEL	67,315	25,449	36,024	76,366	72,808	(3,558)	-5%
SUPPLIES	-	-	-	-	-	-	0%
CONTRACTURAL SERVICES	57,997	10,358	9,966	13,871	14,678	807	6%
CAPITAL	47,433	14,287	-	272,381	280,000	7,619	3%
TRANSFERS	20,000	20,000	20,000	20,000	20,000	-	0%
TOTAL EXPENDITURES	192,745	70,095	65,990	382,618	387,486	4,868	1%
CHANGE IN NET POSITION	46,170	207,030	238,153	-	3,745		



CITY OF NORTH ST. PAUL, MINNESOTA
HOUSING AND REDEVELOPMENT AUTHORITY
REVENUES - LINE ITEM DETAILS
2024 BUDGET

GENERAL LEDGER CODE	2020 Actual	2021 Actual	2022 Actual	2023 Budget	2024 Proposed Budget
TOTAL CHARGES FOR SERVICES	-	-	-	-	-
CURRENT PROPERTY TAX 101 R 3011	167,678	189,118	204,862	0	0
DELINQUENT PROPERTY TAX 101 R 3012	561	847	-956	0	0
PENALTY & INTEREST 101 R 3013	-32	-120	-113	0	0
TOTAL AD VALOREM TAXES	168,207	189,845	203,793	-	-
TOTAL OTHER FINANCING SOURCES	-	-	-	-	-
TOTAL INTERGOVERNMENTAL	-	-	-	-	-
MARKET VALUE ADJUSTMENT 101 R 3800	1,320	-2,120	-15,362	0	0
INVESTMENT INCOME 101 R 3801	2,983	1,830	7,272	0	2,500
SALE OF GOODS & PROPERTY 101 R 3804	0	53,325	78,218	382,618	388,731
REFUNDS & REIMBURSEMENTS 101 R 3865	66,406	34,244	30,223	0	0
TOTAL OTHER	70,708	87,279	100,351	382,618	391,231
TOTAL OTHER TAXES	-	-	-	-	-
TOTAL PERMITS	-	-	-	-	-
TOTAL SPECIAL ASSESSMENTS	-	-	-	-	-
TOTAL FINES	-	-	-	-	-
TOTAL LICENSES	-	-	-	-	-
TOTAL	238,915	277,124	304,143	382,618	391,231



**CITY OF NORTH ST. PAUL, MINNESOTA
HOUSING AND REDEVELOPMENT AUTHORITY
EXPENDITURES - LINE ITEM DETAILS
2024 BUDGET**

GENERAL LEDGER CODE			2020 Actual	2021 Actual	2022 Actual	2023 Budget	2024 Proposed Budget
Full-Time Employees - Regular	101	0 4010	13,025	13,602	26,308	54,390	54,880
Full-Time Employees - Overtime	101	0 4011	183	0	172	0	0
Part-Time Employees	101	0 4020	38,054	5,863	0	0	0
Deferred Compensation	101	0 4030	1,240	554	152	2,040	2,043
PERA Contribution	101	0 4031	9,107	901	1,946	4,075	4,111
FICA Contribution	101	0 4032	3,221	906	1,651	3,368	3,399
Medicare Contribution	101	0 4033	753	212	387	788	795
Health Insurance	101	0 4040	1,436	767	2,546	11,308	7,180
Worker's Compensation Insurance	101	0 4050	295	2,643	2,862	397	400
TOTAL PERSONNEL SERVICES			67,315	25,449	36,024	76,366	72,808
TOTAL SUPPLIES			-	-	-	-	-
General Contract/Consulting Services	101	0 4300	42,860	1,235	1,263	0	0
Legal Services	101	0 4302	9,267	0	0	5,000	5,000
Postage	101	0 4330	47	0	0	0	0
General Liability Insurance	101	0 4400	1,018	1,200	1,278	1,278	1,406
Property Insurance	101	0 4410	1,272	5,429	4,793	4,793	5,272
Utilities	101	0 4500	3,532	2,494	2,632	2,800	3,000
TOTAL CONTRACTUAL SERVICES			57,997	10,358	9,966	13,871	14,678
Land	101	0 4730	47,436	14,287	0	272,381	280,000
Buildings & Structures	101	0 4740	-2	0	0	0	0
TOTAL CAPITAL			47,433	14,287	-	272,381	280,000
Transfer to other Funds	101	0 4992	20,000	20,000	20,000	20,000	20,000
TOTAL TRANSFERS			20,000	20,000	20,000	20,000	20,000
TOTAL			192,745	70,095	65,990	382,618	387,486