



2019-2020 HRA BUDGET



HRA Staffing

The HRA pays more than 1/3 of the salary of ten employees

HRA Staffing (and the percentage of their time covered by the HRA)

- ✓ Executive Director, John Stark (62%)
- ✓ Assistant CD Director, Melissa Poehlman (37.5%)
- ✓ Housing Manager, Julie Urban (85%)
- ✓ Housing Specialists, Kate Aitchison & Celeste McDermott – Job Share (90%)
- ✓ Accountant, Myrt Link (80.5%)
- ✓ Administrative Assistant, LaTonia DuBois (73.5%)
- ✓ Multifamily Housing Administrator, Lynnette Chambers (69%*)
- ✓ Section 8 Tech's, Cindy Veldey and Talisa Parson – Job share (100%*)

**primarily funded by the Federal government*

HRA Budget History

- ✓ 2020 Proposed: \$3,148,170
- ✓ 2019 Revised: \$5,083,610
- ✓ 2019 Approved: \$2,931,960
- ✓ 2018 Revised: \$3,969,610 Expended: \$4,681,228 (118%)
- ✓ 2017 Revised: \$4,062,410 Expended: \$4,374,928 (108%)
- ✓ 2016 Revised: \$5,328,050 Expended: \$3,709,231 (70%)
- ✓ 2015 Revised: \$4,976,220 Expended: \$3,353,267 (67%)
- ✓ 2014 Revised: \$5,378,030 Expended: \$2,374,136 (44%)
- ✓ 2013 Revised: \$5,636,870 Expended: \$3,202,189 (57%)
- ✓ 2012 Revised: \$4,896,370 Expended: \$5,020,195 (103%)

Community Development/HRA

The overall HRA budgets are as follows:

- ✓ 2019 Approved: \$2,931,960
- ✓ 2019 Revised: \$5,083,610
- ✓ 2020 Proposed: \$3,148,170

The 2019 Revised Budget includes an \$2,151,650 increase over the 2019 Approved Budget

This increase is due primarily to pass-through Metropolitan Council LCDA Grant Funds for the construction of Richfield Parkway and approved costs for the Cedar Point II Housing project.

The 2020 Proposed Budget is \$1,935,440 less than the 2019 Revised Budget

Represents a \$216,210 increase over 2019 Approved Budget

Community Development/HRA

| | 2019 Approved | 2019 Revised | % increase | 2020 Proposed | % increase |
|--|---------------------|---------------------|---------------|---------------------|--------------|
| HRA Admin | 491,590 | 428,660 | -12.8% | 509,220 | 3.6% |
| Marketing | 12,150 | 12,150 | 0.0% | 12,150 | 0.0% |
| Rental Housing Support | 5,000 | 106,600 | 2032.0% | 25,000 | 400.0% |
| RR/HF | 6,500 | 6,500 | 0.0% | 6,500 | 0.0% |
| Capital Improvement Fund | - | - | 0.0% | - | 0.0% |
| New Home | 121,060 | 156,560 | 29.3% | 148,250 | 22.5% |
| Rehab Loans | 60,700 | 60,700 | 0.0% | 62,880 | 3.6% |
| Dev Opps | 33,060 | 30,330 | -8.3% | 31,780 | -3.9% |
| Lakes at Lyndale | 70,920 | 70,920 | 0.0% | 40,950 | -42.3% |
| Lyndale Garden Ctr | 24,970 | 4,500 | -82.0% | 4,500 | -82.0% |
| Cedar Point Commons | 1,030 | 1,030 | 0.0% | 1,030 | 0.0% |
| Cedar Corridor | 73,460 | 2,163,900 | 2845.7% | 226,250 | 208.0% |
| Penn Corridor | 28,600 | 40,730 | 42.4% | 33,320 | 16.5% |
| Housing & Redevelopment Fund | 415,000 | 403,000 | -2.9% | 403,000 | -2.9% |
| Non-Section 8 HRA | \$ 1,344,040 | \$ 3,485,580 | 159.3% | \$ 1,504,830 | 12.0% |
| Section 8 -HAP | 1,360,000 | 1,360,000 | 0.0% | 1,395,000 | 2.6% |
| Section 8 -ADMIN | 227,920 | 238,030 | 4.4% | 248,340 | 9.0% |
| | \$ 1,587,920 | \$ 1,598,030 | 0.6% | \$ 1,643,340 | 3.5% |
| Total HRA w/ Section 8 | \$ 2,931,960 | \$ 5,083,610 | 73.4% | \$ 3,148,170 | 7.4% |
| Total HRA excluding large one-time grants | \$ 2,931,960 | \$ 4,983,610 | 70.0% | \$ 3,148,170 | 7.4% |

2019/20 Budget Highlights

- Significant progress accomplished in several major Redevelopment Projects:
 - The Chamberlain: Rehabilitation of 33 units at 6720, 6730 & 6744 Cedar is complete. The first new building will open on 9/1, the second in the fall and the final building will be completed next spring resulting in 283 new units (the east side's first in decades).
 - The Lakeside at Lyndale condominiums and The Henley apartments are under construction at the former Lyndale Garden Center Site. The 66-unit Henley building is expected to open late this year; the rental townhomes (7) and condominiums (30) will open in 2020.

2019/20 Budget Highlights

- Redevelopment Projects (continued)
 - RF64: construction has begun on 72 affordable for-sale townhomes, 218 market-rate apartments to be under construction next spring.
 - City Garage Site: Approved Development Agreement for 55 work-force apartments including 46 accessible units.
 - 6501 Penn (former Bumper to Bumper site): two proposals will be presented to the HRA in September.
 - Additionally, several new private developments that did not require HRA involvement have been approved or proposed:
 - The EMI – 31 market-rate apartments and 6,000 sq. ft. of retail space
 - The Novo – 183 market-rate apartment units
 - Housing at Lunds – 6-story market-rate apartments

2019/20 Budget Highlights

- Awarded the first five loans under the new Downpayment Assistance Program.
- Awarded the first three loans under the Apartment Remodeling Program.
- Started a pilot program under the new “Rental Housing Support” budget for evaluating the needs of Richfield Towers community.
- Sold two lots to Habitat for Humanity for the construction of new affordable homes (one with accessible features).

2019/20 Budget Highlights: New Initiatives

- In addition to the Penn Avenue façade improvement program, there are a couple of initiatives aimed at improving our business districts:
 - \$85,000 for “Lakes at Lyndale” pedestrian improvements, wayfinding signage & kiosks and other streetscape improvements.
 - \$15,000 for refreshing Penn Avenue Banners.
- Will expand the scope of the Rental Housing Support program.

Community Development/HRA

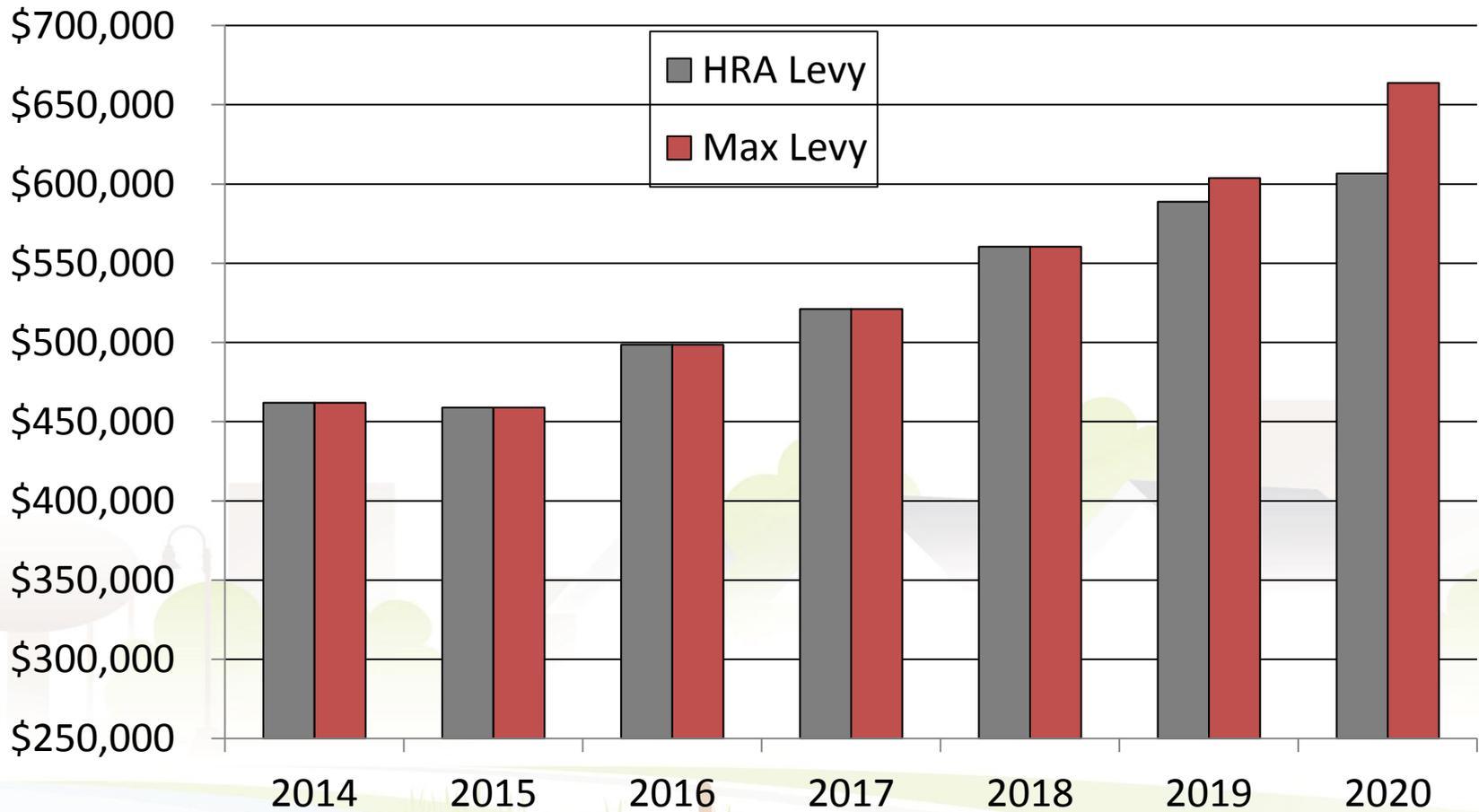
Funding Sources from the HRA Budget

| | <u>2019A</u> | <u>2019R</u> | <u>2020P</u> |
|------------------------|---------------------|---------------------|---------------------|
| Taxes | \$ 588,830 | \$ 588,830 | \$ 606,520 |
| Intergovernmental Rev. | \$ 1,650,000 | \$ 3,817,580 | \$ 1,915,000 |
| Miscellaneous Revenues | \$ 275,310 | \$ 228,260 | \$ 245,510 |
| Transfers | \$ 400,230 | \$ 483,160 | \$ 401,900 |
| Total | \$ 2,914,370 | \$ 5,117,830 | \$ 3,168,930 |

Expenditures from the HRA Budget

| | <u>2019A</u> | <u>2019R</u> | <u>2020P</u> |
|--------------------------|---------------------|---------------------|---------------------|
| Personnel | \$ 493,370 | \$ 405,420 | \$ 485,300 |
| Other Services & Charges | \$ 1,846,720 | \$ 2,079,280 | \$ 1,922,600 |
| Capital Outlay | \$ 520,600 | \$ 2,526,930 | \$ 659,800 |
| Transfers | \$ 71,270 | \$ 71,980 | \$ 80,470 |
| Total | \$ 2,931,960 | \$ 5,083,610 | \$ 3,148,170 |

HRA Levy History



Questions & Discussion



Economic Development Authority

- ❑ 2019 Levy: \$561,600
- ❑ 2020 Proposed Levy: \$548,440 (\$13,160 decrease)
- ❑ Max Levy Permitted by Law: \$650,457

| | 2019 Approved | 2019 Revised | 2020 Proposed |
|----------------------------|---------------|--------------|---------------|
| Salaries & Benefits | \$ 60,130 | \$ 59,500 | \$ 64,780 |
| Kids @ Home | 135,150 | 115,300 | 135,850 |
| Transformation Home Loans | 131,000 | 161,000 | 131,000 |
| Apartment Rehab Loan/Grant | 100,000 | 100,000 | 100,000 |
| Business Development | 95,000 | 95,000 | 95,000 |
| Open to Business | 5,000 | 6,250 | 6,250 |
| Professional Services | 7,620 | 3,400 | 7,500 |
| Misc. | 2,140 | 1,440 | 1,690 |
| Operating Reserves | 25,560 | 19,710 | 6,370 |
| | \$ 561,600 | \$ 561,600 | \$ 548,440 |