



Red Wing Housing and Redevelopment Authority Equal Opportunity Housing/Equal Opportunity Employment

Our Mission

To provide quality, affordable, sustainable housing and community redevelopment programs utilizing resources that develop public and private partnerships.

Statement of Intent

We gather today in this room as one people to discuss and attend to the matters of Red Wing. Together, as a government body and as community members, we agree to treat everyone with courtesy, dignity, and respect. We will listen to all sides of an issue, encourage participation, support each other, act with honor and accountability, and inspire pride in our community. This we commit as we open this meeting.

Meeting Announcement and Agenda Housing & Redevelopment Authority Board Regular Meeting City Council Chambers, 315 West 4th Street, Red Wing, MN & Virtually Tuesday, August 12, 2025, at 3:30 PM

This meeting will be held in the City Hall Council Chambers and virtually via Webex at the same time. Members of the public can join this meeting either in person at City Hall or virtually. To join this meeting via Webex, [click this link](#). To join via telephone, please dial (415) 655-0001. Enter access code 2555 573 2565 and password 2025 when prompted.

- 1. Call to Order**
- 2. Pledge of Allegiance**
- 3. Roll Call**
- 4. Approval of Agenda**
- 5. Public Comment**

We now invite anyone to share their thoughts on a topic that is not on the agenda. We welcome all opinions and ideas. We appreciate you stating your name at the lectern, and please remember that personal attacks may be ruled out of order. You will have up to three minutes to comment, and we appreciate your time in coming tonight.

6. Consent Agenda (Roll Call Required *)

The Consent Agenda consists of items that often don't require Council discussion. These items are usually routine business, non-controversial, or have been discussed publicly in the past. These items can be approved by the Council all at once unless a Council member acknowledges they would like to comment or have a discussion on any of these items at this meeting. If no Council member has a concern or comment on any of the consent agenda items, the Council will approve them all at the same time.

- 6.A. Motion to Approve July 10, 2025 Regular Meeting Minutes**
- 6.B. Motion to Approve July 29, 2025 Board Tour Minutes**

- 6.C. Motion to Approve Bills (Checks 52451 - 52519, totaling \$463,630.23).
 - Public Housing: \$141,354.16
 - Housing Choice Voucher: \$1,788.89
 - Jordan Tower II: \$49,777.81
 - Redevelopment: \$46,475.05
 - Small Cities: \$13,385.45
 - TIF: \$23.50
 - AHTF: \$210,8254.37

7. Motions & General Business

- 7.A. Motion to Approve American Legion Post 54 SCLF Loan
- 7.B. Motion to Approve RWVC LLC SCLF Loan
- 7.C. Motion to Approve BAR Properties RW LLC SCLF Loan
- 7.D. Motion to Adopt Resolution No. 1462-25 2026 Tax Levy Request
- 7.E. Motion to Adopt Resolution No. 1463-25 2026 Preliminary Operating Budget
- 7.F. Motion to Adopt Resolution No. 1461-25 Updates to the Tenant Selection Plan for Multi-Family Section 8 New Construction Program Effective August 12, 2025
Public Hearing
Consider Motion to Adopt Resolution No. 1461-25 Approving Updates to the Tenant Selection Plan for Multi-Family Section 8 New Construction Program Effective August 12, 2025

8. Communication Items

- 8.A. Director's Report
- 8.B. Finance Report
- 8.C. Housing Report
- 8.D. Community Redevelopment Report
- 8.E. Resident Council Report
- 8.F. Hope Coalition Liaison Report
- 8.G. City Council Liaison Report
- 8.H. Announcements
The next regular Board Meeting will be September 9, 2025, at 3:30 p.m. in the City Council Chambers

9. Adjournment

Accommodations for signing interpreter, Braille, large print, etc. can be made. Call City Hall at 385.3600 seven days prior to the need. Hearing assistance devices are available during meetings.

Red Wing Housing and Redevelopment Authority
HRA Board Regular Meeting
Tuesday, July 8, 2025, at 3:30 PM

Board Members Present: Abby Villaran, Kristi Reuter, Nic Abney, Liz Magill, Jackie Luikart, and Sara Hoffman.

Others Present: Kurt Keena, Executive Director; Corrine Kulseth, Finance Director; Jennifer Jacobson, Housing Director

1. Call to Order

The meeting was called to order at 3:30 p.m. by Vice Chair Abby Villaran

2. Pledge of Allegiance

3. Roll Call

Roll Call was taken with all members present except Jech.

4. Approval of Agenda

A motion to approve the agenda was made by Reuter and seconded by Luikart. Motion carried.

5. Public Comment

There were no public comments.

6. Consent Agenda (Roll Call Required*)

A. Motion to Approve June 10, 2025, Regular Meeting Minutes

B. Motion to Approve Bills (Checks 52367 - 52450, totaling \$232,832.40)

- i. Public Housing: \$86,904.03
- ii. Housing Choice Voucher: \$4,864.42
- iii. Jordan Tower II: \$85,169.29
- iv. Redevelopment: \$32,327.66
- v. Small Cities: \$23,567.00
- vi. TIF \$0
- vii. AHTF: \$0

A motion to accept the Consent Agenda was made by Hoffman and seconded by Abney. Roll call was taken and all board members were in favor.

7. Motions and General Business

A. Resolution No. 1460-25 Admissions and Continued Occupancy Policy (ACOP) for Public Housing.

Jacobson explained each Public Housing Authority (PHA) must adopt a written Admissions and Continued Occupancy Policy (ACOP) for the Public Housing Program. The U.S. Department of Housing and Urban Development's (HUD) final rules are published in the Federal Register which are mandatory to be implemented by Public Housing Authorities (PHAs), Owners and Management Agents.

- i. Public Hearing – Villaran opened a Public Hearing at 3:34pm. There were no comments. Public Hearing was closed at 3:34pm.
- ii. Consider Motion to Adopt Resolution No. 1460-25 Admissions and Continued Occupancy Policy (ACOP) for Public Housing.

A Motion to Adopt Resolution No. 1460-25 Admissions and Continued Occupancy Policy (ACOP) for Public Housing was made by Reuter and seconded by Luikart. Roll call was taken and all were in favor. Motion carried.

B. Introduction to the Tenant Selection Plan (TSP) for Multi-Family Section 8 New Construction (Jordan Tower II).

Jacobson explained Jordan Tower II is a HUD-subsidized multifamily property, under Section 8 New Construction Program. The Red Wing HRA purchased a subscription from Nan McKay of

their model policies and updates. Staff has gone through the entire policy to ensure our policy is accurate and up to date. The HRA Board of Commissioners must adopt the TSP. HRA staff will attend the Resident Council meeting on July 15, 2025 to go over the policy and seek comments from the council. A public hearing is scheduled for August 12, 2025 during the Red Wing Housing and Redevelopment Authority Board meeting at 3:30 pm in the City Council chambers. No action by the Board of Commissioners was required at this meeting.

- C. Agreement with Goodhue County Habitat for Humanity to use AHTF resources to support the creation of affordable home-ownership units.

Keena stated in January of 2021, the HRA and Goodhue County Habitat for Humanity (GCH4H) entered into an agreement whereby GCH4H would build three new affordable homes in three different areas of the city. GCH4H is requesting consideration of amending and extending the original agreement. The request is to enter into a 5-year agreement for the completion of up to six affordable home-ownership units, including the two homes nearing completion on 5th Street.

A motion was made by Reuter and seconded by Luikart to enter into a 5-year agreement for completion of five affordable home-ownership units instead of six. Abney and Magill had further questions on the possibility of using Community Land Trusts, a 5-year plan with GCH4H regarding infrastructure, Building permits and fiscally secure buyers. After further discussion, Reuter changed her motion to accept the recommended 5-year agreement for the completion of up to six affordable home-ownership units, including the two homes nearing completion on 5th Street. Motion was seconded by Luikart. Roll call was taken and all were in favor. Motion carried.

8. Communication Items

- A. Executive Director Report

Keena updated the Board regarding State and Federal funding. At the State level, the Red Wing HRA is awaiting word from MHFA on our Bring it Home voucher program application and our 2025 POHP application. They expect to hear on both requests sometime later this summer or early fall. At the Federal level, the HRA continues to watch the 2026 budget process to see what Congress decides to fund as opposed to what the President has proposed. The HRA and Verizon are close to reaching a final lease agreement of the cellular site on top of Jordan Tower II. The final agreement will be brought to the Board for consideration and approval at a future meeting. The Board Property tour is set for July 29th and 3:00p.m.

- B. Finance Report

Kulseth discussed the financials for May. Revenue and Expenses will still reflect negative variances due to timing of paying annual contracts, not receiving tax levy yet and payments made toward 2024 POHP before reimbursement. She also stated she has begun to prepare the 2026 Preliminary Budget for August Board meeting.

- C. Housing Report

Jacobson presented waitlist, move out and Voucher program numbers ending June 2025. Jacobson also shared the results of HUD'S performance measurement tool for the Housing Choice Voucher Program SEMAP, which occurs every two years. Jacobson was pleased to announce the Red Wing HRA SEMAP score for 2024 was 100%.

- D. Community Development Report

Keena presented the Small Cities Program Income Notes Receivable and Cash Reserves. Also stated the HRA has three potential pending Small Cities Loan applications, two of which may be used as leverage for the DTMS DEED grant. May reserves for the AHTF are \$311,361.00. Keena discussed the Housing TIF District No.8 and stated Keller Baartman was successful in

challenging the valuation of the earlier phases in Tax Court and as a result will see their property taxes lowered. This will also lower the amount of TIF available to them and the HRA. If the TIF proceeds are not sufficient to repay the notes, the developers are the ones who incur the risk, not the HRA.

E. Resident Council Report

Luikart stated they celebrated the Fourth of July with sandwiches and lemonade.

F. Hope Coalition Report

Villaran stated Hope Coalition is working on fundraising opportunities. First Farmers and Merchants held a Hygiene Drive at their locations in Red Wing, Cannon Falls and Goodhue the end of June. She also stated they are having agencies or groups sponsor shelters to offset costs of supplies. Hope Coalition is in the process of planning a 35-year celebration. They have one employee that has been employed for 22 years and the other for 25 years, which speaks for their work environment and their ability to keep employees for long periods of time.

G. City Council Liaison Report

Liaison was not in attendance so no report was given.

H. Announcements

- a. The next HRA Board Meeting will be on August 12, 2025, at 3:30 p.m. in the City Council Chambers.

I. **Adjourn**

The meeting was adjourned at 4:35 p.m. by Vice Chair Abby Villaran.

Respectfully Submitted By,
Dawn Gielau

Board Chair



Red Wing Housing and Redevelopment Authority
Meeting Announcements and Agenda
HRA Board Special Meeting
Tuesday, July 29, 2025, at 3:00 PM

Board Members Present: Board Chair, Jason Jech; Vice Chair, Abby Villaran; Commissioners: Sara Hoffman, Liz Magill, Nic Abney, and Kristi Reuter.

Others Present: Kurt Keena, Executive Director; Corrine Kulseth, Finance Director; Jennifer Jacobson, Housing Director; Erick Johnson, Maintenance Supervisor; Beth Snyder, City Council Liaison.

- 1. Purpose:** The Board-Workshop Property tour left Jordan Towers II, 440 West 5th Street, at 3:00 p.m. This tour was an opportunity to visit HRA property sites to share the history of the properties, recent improvements, and capital needs.

The tour consisted of the following properties.

1. HRA OFFICE, 428 West 5th Street
2. TWIN HOMES, 119/121 West 5th Street
3. HABITAT FOR HUMANITY HOUSE – 209 East 5th Street
4. BLUFFVIEW TOWNHOMES, 515 East 5th Street
5. DEER RUN TOWNHOMES, 613 21st Street
6. PIONEER PLACE TOWNHOMES, 341 Pioneer Road
7. HALLSTROM HOUSE, 813 Hallstrom Drive
8. FEATHERSTONE TOWNHOMES, 861 Featherstone Road
9. HILL STREET, 420-422-422 ½ Hill Street
10. JORDAN TOWERS I, 433 West 4th Street
 - a. Participants toured the inside of this property
11. JORDAN TOWERS II, 440 West 5th Street
 - a. Participants toured the inside of this property

*Note the properties that were not toured from the inside had all units tenant occupied.

- 2. Adjourn**

Meeting was adjourned at 4:23 p.m. when the tour was complete.

Respectfully Submitted By,
Dawn Gielau

Board Chair

Red Wing Housing & Redevelopment Authority

Checks Written Report

July 1, 2025 thru July 31, 2025

Payment Date	Payment Number	Payment Amount	Payee Name
7/3/2025	1752	\$50.00	NICHOLAS ABNEY
7/3/2025	1753	\$295.64	ESI HOSTED SERVICES
7/3/2025	1754	\$243.00	FILEVISION USA
7/3/2025	1755	\$50.00	JASON JECH
7/3/2025	1756	\$2,600.00	MKC INC
7/3/2025	1757	\$160.00	RENEE LAVIGNE
7/3/2025	1758	\$15.94	AMY LEACH
7/3/2025	1759	\$214.99	MAIDS IN MINNESOTA
7/3/2025	1760	\$94.00	MRI SOFTWARE LLC
7/3/2025	1761	\$200.00	BARRY PREBLE
7/3/2025	1762	\$50.00	KRISTI REUTER
7/3/2025	1763	\$52.99	SHRED-IT USA LLC
7/3/2025	1764	\$50.00	ABBY VILLARAN
7/9/2025	1765	\$198.73	CINTAS CORPORATION
7/17/2025	1766	\$407.46	ADAMS PEST CONTROL
7/17/2025	1767	\$501.55	BALLARD SPAHR LLP
7/17/2025	1768	\$14.99	CARAHSOFT TECHNOLOGY CORPORATION
7/17/2025	1769	\$450.00	CSC SERVICEWORKS INC
7/17/2025	1770	\$309.39	INNOVATIVE OFFICE SOLUTIONS LLC
7/17/2025	1771	\$4,685.67	STEVE JUNGE INSTALLATIONS INC
7/17/2025	1772	\$800.00	MINNESOTA HOUSING FINANCE AGENCY
7/22/2025	1773	\$62,438.70	ASLAKSON'S SERVICES INC
7/22/2025	1774	\$198.73	CINTAS CORPORATION
7/30/2025	1775	\$132.92	INNOVATIVE OFFICE SOLUTIONS LLC
7/30/2025	1776	\$23,372.15	MINNESOTA HOUSING FINANCE AGENCY
7/30/2025	1777	\$302.95	THEIPGUYS NET LLC ONENET GLOBAL
7/30/2025	1778	\$52.99	SHRED-IT USA LLC
7/3/2025	52451	\$900.00	CHANDLER ROOFING COMPANY
7/3/2025	52452	\$0.00	Void / CITY OF RED WING WATER & SEWER
7/3/2025	52453	\$0.00	Void / CITY OF RED WING WATER & SEWER
7/3/2025	52454	\$13,405.17	CITY OF RED WING WATER & SEWER
7/3/2025	52455	\$497.42	CULLIGAN WATER CONDITIONING
7/3/2025	52456	\$14,584.40	FINN DANIELS ARCHITECTS
7/3/2025	52457	\$200.00	CANDIS FLECK
7/3/2025	52458	\$1,812.00	GORMAN & LODERMEIER PLC
7/3/2025	52459	\$3,019.00	HAWKINS ASH CPAS LLP
7/3/2025	52460	\$376.68	HD SUPPLY FACILITIES MAINTENANCE
7/3/2025	52461	\$50.00	SARA HOFFMAN
7/3/2025	52462	\$125.00	KNIGHT BARRY TITLE UNITED LLC
7/3/2025	52463	\$700.00	LANDRUM DOBBINS LLC
7/3/2025	52464	\$50.00	JACKIE LUIKART
7/3/2025	52465	\$50.00	ELIZABETH MAGILL

7/3/2025	52466	\$1,070.49	MENARDS RED WING
7/3/2025	52467	\$45.00	AMANDA MEWES
7/3/2025	52468	\$31.00	MN MULTI HOUSING ASSOCIATION
7/3/2025	52469	\$30.13	OROURKE MEDIA GROUP
7/3/2025	52470	\$200.00	STEPHEN JOHN PRINGLE
7/3/2025	52471	\$50.00	Samantha Short
7/3/2025	52472	\$274.56	Judy Ryan
7/3/2025	52473	\$644.91	RUNNINGS FARM & FLEET
7/3/2025	52474	\$465.00	RED WING PLUMBING & HEATING
7/3/2025	52475	\$1,337.98	SCHUMACHER ELEVATOR COMPANY
7/3/2025	52476	\$100.00	SMITH SCHAFFER & ASSOCIATES
7/3/2025	52477	\$230.00	STARTECH COMPUTING INC
7/3/2025	52478	\$1,728.53	STORTZ SATELLITE
7/3/2025	52479	\$2,212.51	VISA
7/3/2025	52480	\$200.00	LESLIE WILBURN
7/3/2025	52481	\$24.28	XCEL ENERGY
7/9/2025	52482	\$379.66	HIAWATHA BROADBAND
7/9/2025	52483	\$62.90	MENARDS RED WING
7/9/2025	52484	\$150.00	NATHAN MEWES
7/9/2025	52485	\$2,651.29	PLUNKETTS PEST CONTROL INC
7/9/2025	52486	\$500.00	QUADIENT FINANCE USA INC
7/9/2025	52487	\$2,037.50	RED WING PLUMBING & HEATING
7/9/2025	52488	\$40.71	XCEL ENERGY
7/17/2025	52489	\$623.74	CITY OF RED WING OTHER UTILITIES
7/17/2025	52490	\$259.49	CULLIGAN WATER CONDITIONING
7/17/2025	52491	\$2,856.56	DIRECT TV
7/17/2025	52492	\$11,573.45	EMPIRE EXTERIORS, INC
7/17/2025	52493	\$953.49	HD SUPPLY FACILITIES MAINTENANCE
7/17/2025	52494	\$38.00	JOHNSON TIRE SERVICE
7/17/2025	52495	\$1,716.32	MENARDS RED WING
7/17/2025	52496	\$540.00	STARTECH COMPUTING INC
7/17/2025	52497	\$551.00	TEE JAY NORTH INC
7/17/2025	52498	\$0.00	Void / MINNESOTA HOUSING FINANCE AGENCY
7/22/2025	52499	\$205.00	CITY OF RED WING OTHER UTILITIES
7/22/2025	52500	\$862.00	LITURGICAL PUBLICATIONS INC
7/22/2025	52501	\$79.50	MARCO TECHNOLOGIES LLC
7/22/2025	52502	\$552.23	MENARDS RED WING
7/22/2025	52503	\$1,235.00	MINNESOTA NAHRO
7/22/2025	52504	\$4,242.41	MUTUAL OF OMAHA
7/22/2025	52505	\$742.50	RED WING PLUMBING & HEATING
7/22/2025	52506	\$1,728.53	STORTZ SATELLITE
7/30/2025	52507	\$707.71	CITY OF RED WING OTHER UTILITIES
7/30/2025	52508	\$0.00	Void / CITY OF RED WING WATER & SEWER
7/30/2025	52509	\$0.00	Void / CITY OF RED WING WATER & SEWER
7/30/2025	52510	\$13,888.95	CITY OF RED WING WATER & SEWER
7/30/2025	52511	\$206.18	CULLIGAN WATER CONDITIONING
7/30/2025	52512	\$48,313.54	FINN DANIELS ARCHITECTS

7/30/2025	52513	\$425.00	P HANSON MARKETING INC
7/30/2025	52514	\$241.90	HD SUPPLY FACILITIES MAINTENANCE
7/30/2025	52515	\$109,757.97	KELLER BAARTMAN PROPERTIES V LLC
7/30/2025	52516	\$101,067.40	KELLER BAARTMAN PROPERTIES VI LLC
7/30/2025	52517	\$1,275.46	MENARDS RED WING
7/30/2025	52518	\$100.00	SMITH SCHAFFER & ASSOCIATES
7/30/2025	52519	\$10,707.99	XCEL ENERGY

\$463,630.23



Red Wing Housing & Redevelopment Authority

428 West Fifth Street
Wing, MN 55066
DD/TTY 7-1-1

Telephone (651) 388-7571
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www.redwinghra.org

August 5, 2025

To: Red Wing HRA Board of Commissioners

From: Corrine Kulseth, Finance Director
Mitch Massman, CEDA

Re: Approval of SCLF Loan for Leo C. Peterson American Legion Post 54

Background

The American Legion Post 54 has applied for HRA SCLF commercial loan funds. American Legion Post 54 is the owner of the real estate located at 218 W 4th St. Red Wing, Minnesota. American Legion Post 54 has been registered with the State of Minnesota since April 19, 2019.

The business model focuses on serving veterans, engaging in youth and scholarship programs and supporting community initiatives while generating revenue to sustain operation. The American Legion is responsible for all operational expenses; however, they receive a healthy amount of donations. There are no current mortgages on the property so the Red Wing HRA, would be in the first lien position if approved. After analyzing the expenses and revenues, there is sufficient income to make all necessary payments.

The application submitted by the American Legion Post 54, if approved, will allow them to make the necessary roofing upgrade to the building. The project will ensure that the building is up to code, improve energy efficiency, and enhance structural lifespan.

The total cost for the project is \$57,100. American Legion Post 54 is requesting \$50,000 in Commercial Rehabilitation funds from the HRA. American Legion Post 54 will cover the remaining costs of \$7,100.

Sources and Uses of Funds

Use of Funds		Source of Funds	
Roofing	\$57,100	Small Cities- Loan	\$25,000
		Small Cities Deferred	\$25,000
		American Legion Post 54	\$7,100
Total		Total	\$57,100

Development Team

Team member	
Roofing	Chandler Roofing & Construction

Analysis

This project will continue improving the efficiency and longevity of the commercial properties in the Red Wing area. The current value of the building according to Goodhue County Assessor is \$515,400.



Red Wing Housing & Redevelopment Authority

428 West Fifth Street
Wing, MN 55066
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Upon approval for the commercial rehabilitation loan request, American Legion Post 54 will have a total lien position of \$50,000 from the HRA as the building has no liens from traditional lenders. The total lien position will be approximately 10% loan to value of the current assessed value. This loan to value is in an exceptional range for an HRA commercial rehabilitation loan. While examining the financial statements, we see that American Legion Post 54 has expected revenues that will greatly exceed its total expenses. While we predict expenses to grow at 3% annually, there is a possibility that they increase at a faster rate. If that were to occur, there is sufficient revenues to pay for the added expenses. We project their debt servicing coverage ratio of 6 or greater for the duration of the loan terms. This is an Adequate DSC.

Recommendation

Staff and the Finance Committee give a favorable recommendation to the HRA Board Of Commissioners to approve a SCLF commercial loan for the American Legion Post 54, for \$50,000. The term of this loan is \$25,000 at 0% interest for 10 years, with payments of \$2,500 due annually and \$25,000 forgiven after 10 years. Collateral is recommended as a lien on their mortgage.

American Legion Post 54

<i>Project Sources and Uses of Funds</i>							
Uses of Funds		Sources of Funds					
Use	Amount	Lender	Term	Rate	Collateral	Amount	Annual D/S
Roofing	\$ 57,100.00	Red Wing - HRA	10	0.00%		\$ 25,000	\$ 2,500
		Red Wing Deferred	10	0.00%		\$ 25,000	\$ -
		American Legion Post 54				\$ 7,100.00	
							\$ -
Total Uses of Funds	\$57,100.00	Total Sources of Funds				\$ 57,100.00	\$ 2,500

**Addendum to Leo C. Peterson Post 54 American Legion Proforma
Description of Income**

American Legion Post 54 owns the property located at 218 W 4th St. Red Wing, Minnesota. If approved for the HRA loan, the funds will give American Legion Post 54 the ability to complete the necessary upgrade on the roof, improving the overall maintenance and code of the building.

American Legion Post 54 is the primary owner of the property. Revenue for American Legion Post 54 is generated from a combination of donations, membership dues, facility rental income, food and beverage, and proceeds from licensed gambling activities. These revenues are used to cover the operational expenses incurred by the American Legion.

There is no current mortgage on the property that is owned by the American Legion Post 54, which leads to significantly higher debt service coverage than other projects. The absence of mortgage obligations enhances overall financial stability and reduces risk to lenders. After expenses are paid there is considerable cash flow for an additional payment for the HRA loan of \$2,500 per year.

The HRA loan will support roofing improvements that enhance the building's energy efficiency, ensure compliance with current building codes, and extend the overall structural lifespan.

Cash Flow													
			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
Revenue													
Receipts			38,615	94,530	96,420	98,349	100,316	102,322	104,368	106,456	108,585	110,757	112,972
Gambling Deposits			16,366	16,366	16,366	16,366	16,366	16,366	16,366	16,366	16,366	16,366	16,366
Total Revenue		-	54,981	110,896	112,786	114,715	116,682	118,688	120,734	122,822	124,951	127,123	129,338
Expenses													
Disbursements			29,250	72,305	73,751	75,226	76,731	78,265	79,830	81,427	83,056	84,717	86,411
Gambling Withdrawals			15,957	15,957	15,957	15,957	15,957	15,957	15,957	15,957	15,957	15,957	15,957
Taxes			3,716	7,655	7,885	8,121	8,365	8,616	8,874	9,140	9,415	9,697	9,988
Total Expenses			48,923	95,917	97,593	99,304	101,052	102,838	104,662	106,525	108,427	110,371	112,356
Available for Debt Servicing			6,059	14,979	15,194	15,410	15,629	15,850	16,073	16,297	16,524	16,752	16,982
First Mortgage			-	-	-	-	-	-	-	-	-	-	-
Grant Payback				2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Debt Service			-	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Debt Servicing Coverage Ratio			#DIV/0!	6.0	6.1	6.2	6.3	6.3	6.4	6.5	6.6	6.7	6.8
Cash			6,059	12,479	12,694	12,910	13,129	13,350	13,573	13,797	14,024	14,252	14,482
Cumulative cash			6,059	18,537	31,231	44,141	57,271	70,621	84,194	97,991	112,014	126,266	140,748
Assumptions													
Revenue	Growth to occur at roughly 2% per annum.												
Expenses	Assuming a 3% annum increase on all expenses. Property taxes may increase at a faster rate. There is no mortgage on this property and therefore very limited expenses.												
Please see attached addendum for further explanation													

Starting Balance \$32,906.21
Starting Balance Lottery \$224.36

Year (2024)	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Totals
Receipts	\$ 2,685.00	\$ 5,441.50	\$12,800.00	\$ 3,595.00	\$ 795.00	\$ 3,598.38	\$ 1,325.00	\$ 1,528.25	\$ 1,565.00	\$ 11,051.25	\$ 33,403.70	\$ 13,071.00	\$ 90,859.08
Deposits	\$ 1,127.45	\$ 800.11	\$ 1,879.13	\$ 634.78	\$ 2,975.00	\$ 727.97	\$ 1,470.81	\$ 1,007.04	\$ 2,418.09	\$ 1,466.50	\$ 1,455.48	\$ 403.32	\$ 16,365.68
Totals	\$ 3,812.45	\$ 6,241.61	\$14,679.13	\$ 4,229.78	\$ 3,770.00	\$ 4,326.35	\$ 2,795.81	\$ 2,535.29	\$ 3,983.09	\$ 12,517.75	\$ 34,859.18	\$ 13,474.32	\$ 107,224.76
Disbursements	\$ 10,380.00	\$ 3,485.93	\$10,619.30	\$ 1,477.74	\$ 3,492.43	\$ 7,036.41	\$ 4,732.84	\$ 6,164.97	\$ 8,483.43	\$ 1,320.56	\$ 1,541.35	\$ 9,419.38	\$ 68,154.34
Withdrawals	\$ 464.01	\$ 161.00	\$ 1,984.43	\$ 1,553.48	\$ 2,706.34	\$ 1,031.55	\$ 940.73	\$ 1,505.94	\$ 2,192.50	\$ 1,636.75	\$ 1,575.95	\$ 203.87	\$ 15,956.55
Totals	\$ 10,844.01	\$ 3,646.93	\$12,603.73	\$ 3,031.22	\$ 6,198.77	\$ 8,067.96	\$ 5,673.57	\$ 7,670.91	\$ 10,675.93	\$ 2,957.31	\$ 3,117.30	\$ 9,623.25	\$ 84,110.89
Total Revenue	\$ (7,031.56)	\$ 2,594.68	\$ 2,075.40	\$ 1,198.56	\$ (2,428.77)	\$ (3,741.61)	\$ (2,877.76)	\$ (5,135.62)	\$ (6,692.84)	\$ 9,560.44	\$ 31,741.88	\$ 3,851.07	\$ 23,113.87

no lottery total \$ 22,704.74
just lottery revenue \$ 409.13

Starting Balance \$21,085.43
Starting Balance Lottery \$1,548.98

Year (2024)	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Totals
Receipts	\$ 1,600.00	\$ 7,160.00	\$ 3,400.00	\$ 840.00	\$ 3,085.00	\$ 4,095.00	\$ 32,908.17	\$ 955.00	\$ 5,744.98	\$ 2,180.00	\$ 790.00	\$ 30,011.18	\$ 92,769.33
Deposits	\$ 1,207.16	\$ 795.00	\$ 2,408.16	\$ 610.66	\$ 2,567.00	\$ 2,148.76	\$ 992.93	\$ 1,294.72	\$ 1,394.35	\$ 1,810.05	\$ 1,976.40	\$ 1,351.00	\$ 18,556.19
Totals	\$ 2,807.16	\$ 7,955.00	\$ 5,808.16	\$ 1,450.66	\$ 5,652.00	\$ 6,243.76	\$ 33,901.10	\$ 2,249.72	\$ 7,139.33	\$ 3,990.05	\$ 2,766.40	\$ 31,362.18	\$ 111,325.52
Disbursements	\$ 2,701.51	\$ 1,629.59	\$ 7,854.70	\$ 1,402.14	\$ 2,679.47	\$ 4,735.22	\$ 6,807.65	\$ 28,935.91	\$ 6,142.40	\$ 2,367.43	\$ 1,695.19	\$ 14,447.36	\$ 81,398.57
Withdrawals	\$ 1,924.22	\$ 1,581.19	\$ 1,795.56	\$ 375.86	\$ 3,447.52	\$ 2,152.43	\$ 491.15	\$ 1,379.45	\$ 1,636.91	\$ 1,796.63	\$ 1,717.63	\$ 1,582.29	\$ 19,880.84
Totals	\$ 4,625.73	\$ 3,210.78	\$ 9,650.26	\$ 1,778.00	\$ 6,126.99	\$ 6,887.65	\$ 7,298.80	\$ 30,315.36	\$ 7,779.31	\$ 4,164.06	\$ 3,412.82	\$ 16,029.65	\$ 101,279.41
Total Revenue	\$ (1,818.57)	\$ 4,744.22	\$ (3,842.10)	\$ (327.34)	\$ (474.99)	\$ (643.89)	\$ 26,602.30	\$ (28,065.64)	\$ (639.98)	\$ (174.01)	\$ (646.42)	\$ 15,332.53	\$ 10,046.11

no lottery total \$ 11,370.76
just lottery reven \$ (1,324.65)



Red Wing Housing & Redevelopment Authority

428 West Fifth Street
Wing, MN 55066
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August 5, 2025

To: Red Wing HRA Board of Commissioners

From: Corrine Kulseth, Finance Director
Mitch Massman, CEDA

Re: Approval of SCLF Loan to RWVC Properties

Background

RWVC Properties, owned by Paul and Tracy Cardinal has applied for HRA SCLF commercial loan funds. RWVC Properties is the owner of the real estate located at 427 3rd St W along with 3 other properties, which are not part of this application. RWVC Properties has been registered with the State of Minnesota since July 19, 2011. This property is currently the home of The Creative Hand.

The application submitted by RWVC Properties, if approved, will allow them to make necessary improvements to the roof to maintain the integrity of the building over the long term. This project aligns with the goals of the Commercial Rehabilitation Program of creating a more vibrant and sustainable downtown area for residents and visitors.

The total project cost for the project is \$56,304. **RWVC Properties is requesting \$50,000 in Commercial Rehabilitation funds** from the HRA. RWVC Properties will cover the remaining costs of \$6,304.

Sources and Uses of Funds

Use of Funds		Source of Funds	
Roofing	\$56,304	Small Cities- Loan	\$25,000
		Small Cities Deferred	\$25,000
		RWVC Properties	6,304
Total	\$56,304	Total	\$56,304

Development Team

Team member	
Roofing Repair	Fischer Co.

Analysis

This project will continue improving the vibrancy and resiliency of retail properties in the Downtown Red Wing Market. The current value of the building according to the Goodhue County Assessor is \$315,400.

Upon approval for the commercial rehabilitation loan request, RWVC Properties will have a total lien position of \$50,000, which includes the \$50,000 HRA loan with no other liens against the property. The total lien position will be approximately 15.6% loan to value of the current assessed value. This loan to value is in an acceptable range for an HRA commercial rehabilitation loan.



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While examining the financial statements of RWVC Properties, we see that its expected revenues will exceed their total expenses. Additionally, any rising costs such as taxes will be covered by subsequent increases in revenue derived from rental income. We project their debt servicing coverage ratio to be 4.5 or greater for the duration of the loan terms. This is adequate DSC.

Recommendation

Staff and Finance Committee to give a favorable recommendation to the HRA Board of Commissioners to approve a SCLF commercial loan for RWVC Properties for \$50,000. The term of this loan is \$25,000 at 0% interest for 10 years, with payments of \$2,500 due annually, and \$25,000 forgiven after 10 years. Collateral is recommended as a lien on their mortgage. The Board should consider a personal guaranty as well.

Sources of Funds		
Collateral	Amount	Annual D/S
	\$ 25,000	\$ 2,500
	\$ 25,000	
	\$ 6,304	\$ -
		\$ -
	\$ 56,304.00	\$ 2,500

Addendum to RWVC Properties Proforma Description of Income

RWVC Properties owns the property located at 427 3rd St W. RWVC Properties does not have any current liens against the property. If approved for the HRA loan, the funds will give RWVC Properties the ability to complete necessary repairs to the roof of the building.

RWVC Properties owns multiple properties with various revenue streams. We anticipate these revenues will increase over time to match inflation and cover the increased costs of the properties. Over time, we anticipate an increase of 2% annually. However, this increase is subject to change based on the increased costs to maintain the property and pay insurance and taxes.

While analyzing the financial data provided, the expenses for the properties are consistent with similar properties. However, repairs and maintenance over the timeframe provided are extraordinarily high. That said, we do not anticipate these costs remaining high over the long term. Rather, we anticipate an annually adjusted repairs and maintenance budget of 5% of revenues with some years higher than others.

RWVC Properties does not have a mortgage against the property. The HRA will be the only loan outstanding. Therefore, based on the current revenues and expenses, we find a debt service ratio of 4.5 or higher for the years the business will be repaying the HRA. This is more than adequate.

The HRA loan will provide them with the necessary funds for improvements to prolong the life of the building.

Cash Flow												
Revenue		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
Rental Income 2765 Ridgeview		7,150	17,500	17,850	18,207	18,571	18,943	19,321	19,708	20,102	20,504	20,914
Rental Income 405 Main #208		4,900	12,000	12,240	12,485	12,734	12,989	13,249	13,514	13,784	14,060	14,341
Rental Income Cardinal Building		11,250	27,540	28,091	28,653	29,226	29,810	30,406	31,015	31,635	32,267	32,913
Rental Income Cardinal East		11,750	28,800	29,376	29,964	30,563	31,174	31,798	32,433	33,082	33,744	34,419
Total Revenue	-	35,050	85,840	87,557	89,308	91,094	92,916	94,774	96,670	98,603	100,575	102,587
Expenses												
Association Fees		2,230	5,459	5,568	5,680	5,793	5,909	6,027	6,148	6,271	6,396	6,524
Bank Fees		405	982	1,001	1,021	1,042	1,063	1,084	1,106	1,128	1,150	1,173
Building Expense		3,320	8,127	8,290	8,456	8,625	8,797	8,973	9,153	9,336	9,522	9,713
Building Supplies		1,110	2,717	2,772	2,827	2,884	2,941	3,000	3,060	3,121	3,184	3,247
Business Licenses and permits		100	245	250	255	260	265	270	276	281	287	293
Computer and internet expense		250	612	624	637	649	662	676	689	703	717	731
Insurance Expense		3,530	8,641	8,814	8,991	9,170	9,354	9,541	9,732	9,926	10,125	10,327
Interest Expense		5	12	12	13	13	13	14	14	14	14	15
Landscaping and groundskeeping		2,080	5,092	5,194	5,298	5,404	5,512	5,622	5,734	5,849	5,966	6,085
Meals and Entertainment		20	49	50	51	52	53	54	55	56	57	59
Office Expense		1,555	3,807	3,883	3,960	4,040	4,120	4,203	4,287	4,373	4,460	4,549
Postage and Delivery		115	282	287	293	299	305	311	317	323	330	336
Professional Fees		95	233	237	242	247	252	257	262	267	272	278
Property Management fees		730	1,787	1,823	1,859	1,896	1,934	1,973	2,012	2,053	2,094	2,136
Repairs and Maintenance		1,753	4,290	4,376	4,463	4,553	4,644	4,737	4,831	4,928	5,027	5,127
Property Taxes		10,430	25,533	26,043	26,564	27,095	27,637	28,190	28,754	29,329	29,916	30,514
Utilities		2,780	6,805	6,942	7,080	7,222	7,366	7,514	7,664	7,817	7,974	8,133
Total Expenses		30,508	74,673	76,166	77,689	79,243	80,828	82,445	84,094	85,775	87,491	89,241
Available for Debt Servicing		4,543	11,167	11,391	11,619	11,851	12,088	12,330	12,576	12,828	13,084	13,346
First Mortgage		-	-	-	-	-	-	-	-	-	-	-
Grant Payback		-	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Debt Service		-	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Debt Servicing Coverage Ratio		#DIV/0!	4.5	4.6	4.6	4.7	4.8	4.9	5.0	5.1	5.2	5.3
Cash		4,543	8,667	8,891	9,119	9,351	9,588	9,830	10,076	10,328	10,584	10,846
Cumulative cash		4,543	13,210	22,101	31,219	40,570	50,158	59,988	70,064	80,392	90,976	101,822
Assumptions												
Revenue	Growth to occur at roughly 2% per annum.											
Expenses	Assuming a 2% annum increase on all expenses. Property taxes may increase at a faster rate.											
Please see attached addendum for further explanation												



Red Wing Housing & Redevelopment Authority

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August 5, 2025

To: Red Wing HRA Board of Commissioners
From: Corrine Kulseth, Finance Director
Mitch Massman, CEDA
Re: BAR Properties, LLC (Mississippi Laundry) SCLF Loan

Background

BAR Properties RW LLC, owned by Rachel Siewert and Blake Siewert, has applied for HRA SCLF commercial loan funds. BAR Properties RW, LLC (Mississippi Laundry) is the owner of the real estate located at 425 Plum St. Red Wing, Minnesota. BAR Properties RW LLC has been registered with the State of Minnesota since August 14, 2024.

Rachel and Blake have been operating BAR Properties RW LLC as a real estate investment property since 2024. The business model is to own the building which has Mississippi Laundry and two residential suites. The only expense BAR Properties RW LLC is responsible for is property taxes, insurance, and mortgages on the property that total \$4,753.35 per month. The Red Wing HRA, if approval for the loan is given, would not be in first lien position. Additionally, BAR Properties RW LLC would be taking on another mortgage through First Farmers and Merchants Bank of \$25,000. After analyzing the expenses and revenues, there is sufficient income to make all necessary payments with high risk involved.

The application submitted by Rachel and Blake Siewert, if approved, will allow them to make necessary improvements to upgrade the exterior of the laundromat and critical updates to the upstairs rental units. The project will ensure the building is up to code and more efficient with the renovations as well as make improvements to the visual appeal with landscaping, tree removal, and tuckpointing.

The total cost for the project is \$105,224.00. BAR Properties RW LLC is requesting \$50,000 in Commercial Rehabilitation funds from the HRA. First Farmers and Merchants Bank loan of \$25,000 and Red Wing Downtown Main Street Grant of \$30,224 will cover the remaining costs.

Sources and Uses of Funds

Use of Funds		Source of Funds	
Renovations	\$91,000	Small Cities-Loan	\$25,000
		Small Cities Deferred	\$25,000
Landscaping	\$2,792	First Farmers & Merchants	\$25,000
Tree Removal	\$630	Red Wing DTMS Grant	\$30,224
Tuckpointing	\$6327		
Contingency	\$4,475		
Total	\$105,224.00	Total	\$105,224.00



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Development Team

Team member	
Renovations	Caverly Construction Inc.
Landscaping	Start to Finish Landscaping
Tree Removal	Blitz Tree Service
Tuckpointing	BHO Chimney Sweep

Analysis

The project will continue improving the efficiency and longevity of commercial properties in the Downtown Red Wing area. The current value of the building according to Goodhue County Assessor is \$529,600.

Upon approval for the commercial rehabilitation loan request, BAR Properties RW LLC will have a total lien position of \$539,290. \$50,000 from the HRA, \$25,000 from First Farmers and Merchants Bank, and a mortgage of \$464,290. The total lien position of \$539,290 will be approximately 102% loan to value of the current assessed value. The loan to value is high and in the event of default, it is likely the HRA will be unable to recover all of their funds through the sale of the building.

While examining the financial statements, we see that BAR Properties RW LLC has expected revenues that will greatly exceed the total expenses. While we predict expenses to grow at 3% annually, there is a possibility that they increase at a faster rate. If that were to occur, there is sufficient revenue to pay for added expenses with high risk involved. We project their debt servicing coverage ratio of 1.1 or greater for the duration of the loan terms.

Recommendations:

Staff and the Finance Committee to give a favorable recommendation to the HRA Board of Commissioners to approve a SCLF commercial loan for BAR Properties RW, LLC for \$50,000. The term of this loan is \$25,000 at 0% interest for 10 years, with payments of \$2,500 due annually, and \$25,000 forgiven after 10 years. Collateral is recommended as a lien on their mortgage. The Board should consider a personal guaranty as well.

<i>Project Sources and Uses of Funds</i>								
Uses of Funds		Sources of Funds						
Use	Amount	Lender	Term	Rate	Collateral	Amount	Annual D/S	
Renovation/Rehabilitation	\$ 91,000.00	Red Wing HRA	10	0.00%		\$ 25,000.00	\$ 2,500	
Landscaping	\$ 2,792.00	Red Wing HRA - deferred	10	0.00%		\$ 25,000.00	\$ -	
Tree Removal	\$ 630.00	First Farmers & Merchants	10	7.50%		\$ 25,000.00	\$ 3,600	
Tuckpointing	\$ 6,327.00	Red Wing DTMS Grant				\$ 30,224.00	\$ -	
Contingency	\$ 4,475.00							
							\$ -	
Total Uses of Funds	\$105,224.00	Total Sources of Funds					\$ 105,224.00	\$ 6,100

Addendum to Bar Properties RW LLC Proforma Description of Income

BAR Properties RW LLC owns the property located at 425 Plum Street Red Wing, Minnesota. If approved for the HRA loan, the funds will give BAR Properties RW LLC the ability to complete necessary upgrades to the exterior of the laundromat and critical updates to the upstairs rental units to improve the safety, efficiency and curb appeal of the historic downtown building.

BAR Properties RW LLC is the property owner which leases the property to Mississippi Laundry and two residential units. The revenues for BAR properties RW LLC are generated from rental agreements with the aforementioned entities. These revenues are used to pay the property taxes and insurance with all other bills such as utilities being the responsibility of the tenants.

Staff projects that any increases in taxes and insurances will be covered by rent generated.

The property owned by BAR Properties RW LLC is currently subject to the following mortgages: A mortgage loan for the laundromat, with monthly payments of \$3701.09 to the bank and an unsecured note with a monthly payment of \$1052.26. Additionally, the owner holds a Contract of Deed on a separate tri-plex property with monthly payments of \$833.09. After accounting for all mortgage obligations and expenses, there is sufficient cash flow to support an additional payment of \$2,500 toward the HRA loan per year.

The HRA loan will provide them with the necessary funds for improvements that will increase the efficiency, code, and longevity of the building.

Cash Flow													
Revenue			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
Commercial Rent			18,738	94,400	96,288	98,214	100,178	102,182	104,225	106,310	108,436	110,605	112,817
Total Revenue		-	18,738	94,400	96,288	98,214	100,178	102,182	104,225	106,310	108,436	110,605	112,817
Expenses													
Taxes			6023	12,407	12,780	13,163	13,558	13,965	14,384	14,815	15,260	15,717	16,189
Insurance			1,116	2,759	2,841	2,927	3,014	3,105	3,198	3,294	3,393	3,495	3,599
Total Expenses			7,139	15,166	15,621	16,090	16,572	17,069	17,582	18,109	18,652	19,212	19,788
Available for Debt Servicing			11,599	79,234	80,667	82,124	83,606	85,112	86,644	88,201	89,784	91,393	93,029
First Mortgage (FFM)			1,500	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600
Grant Payback			-	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Laundromat Mortgage			18,505	44,413	44,413	44,413	44,413	44,413	44,413	44,413	44,413	44,413	44,413
Unsecured Note			5,261	12,627	12,627	12,627	12,627	12,627	12,627	12,627	12,627	12,627	12,627
Contract for DEED			4,165	9,997	9,997	9,997	9,997	9,997	9,997	9,997	9,997	9,997	9,997
Debt Service			29,432	73,137	73,137	73,137	73,137	73,137	73,137	73,137	73,137	73,137	73,137
Debt Servicing Coverage Ratio			0.4	1.1	1.1	1.1	1.1	1.2	1.2	1.2	1.2	1.2	1.3
Cash			(17,834)	6,097	7,530	8,987	10,468	11,975	13,506	15,063	16,646	18,256	19,891
Cumulative cash			(17,834)	(11,737)	(4,207)	4,780	15,248	27,223	40,729	55,793	72,439	90,695	110,586
Assumptions													
Revenue			Growth to occur at roughly 2% per annum.										
Expenses			Assuming a 3% annum increase on all expenses. Property taxes may increase at a faster rate.										
Please see attached addendum for further explanation													



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August 5, 2025

To: Red Wing HRA Board of Commissioners

From: Corrine Kulseth, Finance Director

Re: Resolution No. 1462-25 Approving the 2026 Tax Levy Request
Resolution No. 1463-25 Approving the 2026 Preliminary Operating Budget

Background:

In order to receive our annual levy, the City of Red Wing requires the HRA to present a 2026 Preliminary Agency Operating Budget to the City in August of each year.

Analysis – Levy Funds:

Levy funds are very important for the HRA and the City. We need to use these funds with great care, as they require an annual City Council approval. The HRA must show that we are good stewards in our use of the levy funds.

Staff recommends that the HRA requests \$545,000 from the 2026 tax levy. This is a 3% increase over the 2025 levy amount of \$530,000. The HRA levy is limited to .0185% of the Estimated Taxable Value of property in the City.

The following table is how we would allocate levy funds:

Budget Item	2026 Levy Request	2025 Levy
Affordable Housing Trust Funds (AHTF)	\$100,000	\$125,000
Independent Living Services Program (ILSP)	\$10,000	\$10,000
Administration & Operations:		
HCV/Bridges	\$128,000	\$115,500
General Redevelopment	\$307,000	\$279,500
Total Costs	\$545,000	\$530,000

Analysis – 2026 Preliminary Agency Operating Budget:

The 2026 Preliminary Operating Budget is based upon the approved 2025 Final Operating Budget, 2024 year-end financials, and June 2025 monthly financials.

All salaries and benefits were increased for anticipated adjustments recommended with Compensation Study. Benefits also reflect the state required Paid Family Medical Leave contributions.

LRPH



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- Dwelling rental revenue is decreased due to vacant units for tenant relocation for POHP project.
- Excess utilities were decreased for vacant units
- Since reserves are building in accordance with HUD requirements, we were not eligible for additional shortfall funding
- Salaries increased to reflect adjustment from Compensation Study and loss of ROSS grant
- Benefits increased to include new state mandated Paid Family Medical Leave program
- No office rent will be paid from PH this year since we are expecting a loss in income with unit vacancies
- Maintenance materials, Heating/Cooling contracts, Unit Turnaround, and Contract Costs decreased due to POHP project

- ❖ Not reflected in Budget due to Grants reimbursement process
 - POHP funding of \$7.75 million will begin in 2025. This will involve both Jordan Tower I and Family Units. CFP funds will be used as leverage to assist with the project.
 - Jordan Tower I - \$6,275,500
 - Family Units - \$1,509,700
 - HAI Group-Loss Prevention Fund application for the courtyard between the Towers, railings in JI, ramp for JII. Application amount \$470,271

HCV

- Housing Choice Voucher HAP is based on projected HAP contract through the Two-Year Tool. Slight decrease in HAP anticipated for 2026
- Salaries increased to reflect adjustment from Compensation Study
- Benefits increased to include new state mandated Paid Family Medical Leave program
- Levy amount increased to help support the program that provides a tremendous amount of support to our community. Administrative fees help, but is not enough to fully support the program

- ❖ We are anticipating the creation of the State Voucher Program to begin in late 2025. At this time we are not certain of number of vouchers and amount of funding. We are hopeful this will be beneficial to our community by adding over \$200,000 annually for housing and the admin fee potentially lessening the amount of levy funds needed to support the various voucher programs

Jordan Tower II

- Dwelling rental revenue is increased by 2%
- Increase in Other Income reflects the anticipated increase in cell tower lease
- Salaries increased to reflect adjustment from Compensation Study and loss of ROSS grant
- Benefits increased to include new state mandated Paid Family Medical Leave program
- Decrease in Heating/Cooling Contracts as staff have been trained in the boiler system



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- PARIF principle amount reflects \$31,200 held in reserves each year. These funds can be used for larger capital improvements throughout the life of this loan to 2047
- SCMF grant is anticipated to increase by COLA, but we can request additional funding since our Senior Resident Service Coordinator is now under this grant.
- ❖ HAI Group-Loss Prevention Fund application for the courtyard between the Towers, railings in II, ramp for III. Application amount \$470,271

Bridges

- HAP increased to reflect the additional vouchers we were awarded in 2025 renewal process

General Redevelopment

- TIF increment of \$600,000 expected with 20%, or \$120,000 used for administrative expenses and transferred to AHTF
- AHTF to receive \$100,000 from levy. These funds are used for New Unit Construction (both owner occupied and rental), Homebuyer Assistance, and new Owner-Occupied rehab in partnership with Habitat for Humanity and the City
- State Matching funds for AHTF of \$150,000 should be received in 2026
- Bluffview rents will increase by 5% to \$1,050 monthly. This is getting us closer to Fair Market rents for our area. There is potential to project base new State vouchers at this property to assist residents with their rents.
- ❖ The retaining wall at Bluffview Townhomes needs repair/replacement. Funding will come from reserves. We applied for State funds to do an extensive renovation at this property and should learn about any award in late 2025
- ❖ Upgrading housing software for staff to a new platform will incur up to \$20,000 in charges
- ❖ The HRA will contract with a third-party to audit the TIF to ensure compliance

Recommendation:

Staff and the Finance Committee give a favorable recommendation to the HRA Board of Commissioners to adopt Resolution No. 1462-25 Approving the 2026 Tax Levy request of \$545,000.

Staff and the Finance Committee give a favorable recommendation to the HRA Board of Commissioners to adopt Resolution No. 1463-25 Approving the 2026 Preliminary Operating Budget and forward the Levy request and Preliminary Operating Budget the Red Wing City Council for approval of the Levy Fund request.



Red Wing Housing & Redevelopment Authority

428 West Fifth Street
Wing, MN 55066
DD/TTY 7-1-1

Telephone (651) 388-7571
FAX (651) 385-0551
www.redwinghra.org

August 12, 2025

To: Red Wing HRA Board of Commissioners

From: Corrine Kulseth, Finance Director

Re: AHTF Budget

Background:

The Affordable Housing Trust Fund (AHTF) is used to create new housing units, assist low-income families to purchase homes, low-income homeowners to remain housed in their current homes, and assist the community with housing needs.

Current status of the AHTF account:

2025	
Balance as of 6/30/2025	\$311,655
Approved loans pending pay out	-\$0
Approximate amount added from TIF	+\$75,000
2025 Tax Levy Contribution	+\$125,000
Remaining Balance	\$511,655

Budget for 2026:

Budget for 2026	
Balance	\$511,655
Allocated for New Unit Construction	-\$150,000
Allocated for Homebuyer Assistance Loans	-\$45,000
Allocated for Habitat for Humanity Programs	-\$70,000
Sate AHTF Match	+\$150,000
Estimated amount added from TIF	+\$75,000
2026 Tax Levy Contribution	+\$100,000
Balance remaining	\$571,655

Recommendation:

Staff and the Finance Committee give a favorable recommendation to the HRA Board of Commissioners to approve the 2026 AHTF Budget.

RESOLUTION No. 1462-25

**Certifying the Red Wing Housing and Redevelopment Authority's
Property Tax Levy for Taxes Payable in 2026**

WHEREAS, The Red Wing Housing and Redevelopment Authority receives tax levy funds pursuant to the provisions of the Municipal Housing and Redevelopment Act, Minnesota Statutes 469.001, and

WHEREAS, such levy may be in an amount not to exceed .0185 percent of taxable market value of the City, and

WHEREAS, the proposed levy is to be at or less than the statutory limit, and

WHEREAS, the Red Wing Housing and Redevelopment Authority has indicated how it will allocate the use of the levy funds.

THEREFORE, BE IT RESOLVED that the Red Wing Housing and Redevelopment Authority Board of Commissioners adopts Resolution 1462-25 Approving the 2026 Tax Levy Request in the amount of \$545,000 and forward a favorable recommendation to the City Council to accept this levy amount.

Dated: August 12, 2025

Board Chair

Secretary/Treasurer

RESOLUTION No. 1463-25

APPROVING 2026 PRELIMINARY AGENCY OPERATING BUDGET

WHEREAS, the Red Wing Housing and Redevelopment Authority Preliminary Agency Operating Budget has been developed to meet anticipated revenues and expenditures for Fiscal Year 2026, and

WHEREAS, in order to receive our annual tax levy, the Agency's 2026 Preliminary Operating Budget must be submitted to the City of Red Wing before the end of August, 2025, and

WHEREAS, individual Program Budgets are also included as part of this Resolution.

THEREFORE BE IT RESOLVED, that the Red Wing Housing and Redevelopment Authority Board of Commissioners adopt Resolution No. 1463-25 approving the Agency's 2026 Preliminary Operating Budget as identified in this Resolution.

Dated: August 12, 2025

Board Chair

Secretary/Treasurer

Red Wing Housing and Redevelopment Authority 2026 Preliminary Budget								
	LRPH	CFP	HCV	Jordan II	Gen Red	Bridges	Small Cities	Total
Total Operating Income	\$849,500	\$636,715	\$1,185,900	\$1,395,000	\$1,713,313	\$164,000	\$75,100	\$6,019,528
Total Expenditures	\$964,905	\$490,000	\$1,288,100	\$1,304,430	\$1,452,802	\$189,000	\$116,500	\$5,805,737
Net Income (Loss)	-\$115,405	\$146,715	-\$102,200	\$90,570	\$260,511	-\$25,000	-\$41,400	\$213,791
Use of Cash Reserves	\$115,405						\$41,400	\$156,805
Use of Levy Funds			\$103,000			\$25,000		\$128,000

Red Wing Housing and Redevelopment Authority 2025 Final Budget								
	LRPH	CFP	HCV	Jordan II	Gen Red	Bridges	Small Cities	Total
Total Operating Income	\$1,020,450	\$441,400	\$1,215,860	\$1,312,000	\$1,511,218	\$135,500	\$85,200	\$5,721,628
Total Expenditures	\$1,042,855	\$359,400	\$1,304,000	\$1,214,430	\$1,453,597	\$161,000	\$113,200	\$5,648,482
Net Income (Loss)	-\$22,405	\$82,000	-\$88,140	\$97,570	\$57,621	-\$25,500	-\$28,000	\$73,146
Use of Cash Reserves	\$22,405						\$28,000	\$50,405
Use of Levy Funds			\$90,000			\$25,500		\$115,500

Red Wing Housing and Redevelopment Authority 2026 Preliminary Low Rent Public Housing Budget					
	2026 Preliminary Budget	2026 Preliminary Final	2025 Final ROSS	2025 Final Budget	2025 Final Total
Income					
Dwelling Rental	\$580,000	\$580,000		\$680,000	\$680,000
Excess Utilities	\$9,500	\$9,500		\$13,000	\$13,000
Nondwelling Rental	\$2,500	\$2,500		\$2,500	\$2,500
Total Rental Income	\$592,000	\$592,000	\$0	\$695,500	\$695,500
Interest Income	\$6,500	\$6,500		\$7,000	\$7,000
CFP 2026 Grant-Operating	\$101,000	\$101,000		\$101,000	\$101,000
Shortfall Funding	\$0	\$0		\$35,000	\$35,000
ROSS Grant	\$0	\$0	\$81,950		\$81,950
Other Tenant Income	\$25,000	\$25,000		\$25,000	\$25,000
Operating Subsidy	\$125,000	\$125,000		\$75,000	\$75,000
Total Other Income	\$257,500	\$257,500	\$81,950	\$243,000	\$324,950
Total Operating Income	\$849,500	\$849,500	\$81,950	\$938,500	\$1,020,450
Expenses					
Administrative Salaries	\$200,000	\$200,000	\$56,000	\$175,000	\$231,000
Administrative Employee Benefits	\$86,000	\$86,000	\$17,000	\$60,000	\$77,000
Advertising & Marketing	\$5,000	\$5,000		\$5,000	\$5,000
Legal	\$2,000	\$2,000		\$2,000	\$2,000
Travel	\$1,000	\$1,000		\$1,500	\$1,500
Training	\$5,000	\$5,000	\$2,500	\$5,000	\$7,500
Accounting	\$11,000	\$11,000		\$11,000	\$11,000
Audit	\$5,500	\$5,500		\$5,000	\$5,000
Office Rent	\$0	\$0		\$10,500	\$10,500
Rental License Fees	\$2,380	\$2,380		\$2,380	\$2,380
Office Expenses	\$8,000	\$8,000	\$750	\$8,000	\$8,750
Sundry	\$12,000	\$12,000	\$5,700	\$15,000	\$20,700
Telephone	\$2,000	\$2,000		\$2,000	\$2,000
Total Administrative Expense	\$339,880	\$339,880	\$81,950	\$302,380	\$384,330

Resident Council	\$4,000	\$4,000		\$4,000	\$4,000
Tenant Participation	\$2,925	\$2,925		\$2,925	\$2,925
Total Tenant Services	\$6,925	\$6,925	\$0	\$6,925	\$6,925
Water & Sewer	\$60,000	\$60,000		\$60,000	\$60,000
Electricity	\$40,000	\$40,000		\$35,000	\$35,000
Gas	\$40,000	\$40,000		\$40,000	\$40,000
Rubbish/Recycling	\$20,000	\$20,000		\$23,000	\$23,000
Total Utilities	\$160,000	\$160,000	\$0	\$158,000	\$158,000
Maintenance Salaries	\$157,500	\$157,500		\$150,000	\$150,000
Maintenance Employee Benefits	\$70,000	\$70,000		\$58,000	\$58,000
Maintenance Materials	\$20,000	\$20,000		\$40,000	\$40,000
Uniforms	\$600	\$600		\$600	\$600
Replace Equipment	\$5,000	\$5,000		\$9,000	\$9,000
Elevator Contract	\$9,000	\$9,000		\$9,000	\$9,000
Exterminating	\$1,000	\$1,000		\$2,000	\$2,000
Heating/Cooling Contracts	\$1,000	\$1,000		\$5,000	\$5,000
Plumbing Contracts	\$5,000	\$5,000		\$5,000	\$5,000
Unit Turnaround	\$10,000	\$10,000		\$30,000	\$30,000
Contract Services	\$20,000	\$20,000		\$30,000	\$30,000
Extraordinary Expenses	\$5,000	\$5,000		\$5,000	\$5,000
Total Maintenance Expense	\$304,100	\$304,100	\$0	\$343,600	\$343,600
Property Insurance	\$70,000	\$70,000		\$67,000	\$67,000
Liability Insurance	\$12,000	\$12,000		\$11,000	\$11,000
Work Comp Insurance	\$10,000	\$10,000		\$10,000	\$10,000
Misc. Insurance	\$5,000	\$5,000		\$5,000	\$5,000
PILOT	\$48,000	\$48,000		\$48,000	\$48,000
Software Maintenance	\$11,000	\$11,000		\$11,000	\$11,000
Collections/Losses	-\$2,000	-\$2,000		-\$2,000	-\$2,000
Total General Expense	\$154,000	\$154,000	\$0	\$150,000	\$150,000
Total Expenses	\$964,905	\$964,905	\$81,950	\$960,905	\$1,042,855
Net Operating Income (Loss)	-\$115,405	-\$115,405	\$0	-\$22,405	-\$22,405

Red Wing Housing and Redevelopment Authority 2026 Preliminary Capital Funds Program		
	2026 Preliminary	2025 Final
Income		
CFP 2023 Grant		
CFP 2024 Grant		
CFP 2025 Grant	\$326,715	\$131,400
CFP 2026 Grant	\$310,000	\$310,000
Total Income	\$636,715	\$441,400
PH Operating	\$101,000	\$101,000
POHP Leverage	\$389,000	\$258,400
Tenant Damages		
Total Expenses	\$490,000	\$359,400
Funds Remaining	\$146,715	\$82,000

Red Wing Housing and Redevelopment Authority 2026 Preliminary Housing Choice Voucher Budget						
	2026 Preliminary Admin	2026 Preliminary HAP	2026 Preliminary Total	2025 Final Admin	2025 Final HAP	2025 Final Total
Income						
HAP Disbursement		\$1,070,000	\$1,070,000		\$1,100,000	\$1,100,000
Administrative Fees	\$115,000		\$115,000	\$115,000		\$115,000
Fraud Recovery - HAP		\$200	\$200		\$180	\$180
Fraud Recovery - Admin	\$200		\$200	\$180		\$180
Interest	\$500		\$500	\$500		\$500
Operating Transfer In	\$103,000		\$103,000	\$90,000		\$90,000
Total Income	\$218,700	\$1,070,200	\$1,288,900	\$205,680	\$1,100,180	\$1,305,860
Expenses						
Administrative Salaries	\$120,000		\$120,000	\$115,000		\$115,000
Employee Benefits	\$52,000		\$52,000	\$48,000		\$48,000
Accounting	\$7,000		\$7,000	\$6,500		\$6,500
Audit	\$5,500		\$5,500	\$5,000		\$5,000
Training	\$3,000		\$3,000	\$3,000		\$3,000
Travel	\$600		\$600	\$500		\$500
Sundry	\$5,000		\$5,000	\$5,000		\$5,000
Telephone	\$2,000		\$2,000	\$2,000		\$2,000
Office Expenses	\$7,000		\$7,000	\$8,000		\$8,000
Software Maintenance	\$10,000		\$10,000	\$6,000		\$6,000
Port Fees	\$6,000		\$6,000	\$5,000		\$5,000
HAP Payments		\$1,070,000	\$1,070,000		\$1,100,000	\$1,100,000
Total Operating Expense	\$218,100	\$1,070,000	\$1,288,100	\$204,000	\$1,100,000	\$1,304,000
Net Operating Income (Loss)	\$600	\$200	\$800	\$1,680	\$180	\$1,860

Red Wing Housing and Redevelopment Authority 2026 Preliminary Jordan Towers II Budget						
	2026 Preliminary SCMF	2026 Preliminary Jordan Tower II	2026 Preliminary Total	2025 Final SCMF	2025 Final Jordan Tower II	2025 Final Total
Income						
Dwelling Rental		\$550,000	\$550,000		\$540,000	\$540,000
HAP Subsidy		\$650,000	\$650,000		\$615,000	\$615,000
Interest Income		\$20,000	\$20,000		\$17,000	\$17,000
Other Income	\$95,000	\$80,000	\$175,000	\$90,000	\$50,000	\$140,000
Total Operating Income	\$95,000	\$1,300,000	\$1,395,000	\$90,000	\$1,222,000	\$1,312,000
Expenses						
Administrative Salaries	\$58,500	\$220,000	\$278,500	\$55,000	\$155,000	\$210,000
Administrative Employee Benefits	\$23,400	\$86,000	\$109,400	\$21,000	\$62,000	\$83,000
Advertising & Marketing		\$5,000	\$5,000		\$5,000	\$5,000
Legal		\$0	\$0		\$500	\$500
Travel	\$1,500	\$1,000	\$2,500	\$1,500	\$2,000	\$3,500
Training	\$1,500	\$5,000	\$6,500	\$1,500	\$5,000	\$6,500
Accounting		\$8,500	\$8,500		\$8,500	\$8,500
Audit		\$5,500	\$5,500		\$5,000	\$5,000
Office Rent		\$10,500	\$10,500		\$10,500	\$10,500
Rental License Fees		\$2,080	\$2,080		\$2,080	\$2,080
Office Expense	\$1,500	\$8,000	\$9,500	\$1,500	\$11,000	\$12,500
Sundry	\$1,000	\$14,000	\$15,000	\$2,300	\$12,000	\$14,300
Telephone		\$2,000	\$2,000		\$2,000	\$2,000
Admin Fee to HRA	\$7,600		\$7,600	\$7,200		\$7,200
Total Administrative Expense	\$95,000	\$367,580	\$462,580	\$90,000	\$280,580	\$370,580
Water & Sewer		\$42,000	\$42,000		\$40,000	\$40,000
Electricity		\$35,000	\$35,000		\$36,000	\$36,000
Gas		\$40,000	\$40,000		\$37,000	\$37,000
Rubbish/Recycling		\$12,000	\$12,000		\$11,000	\$11,000
Total Utilities Expense	\$0	\$129,000	\$129,000	\$0	\$124,000	\$124,000

Maintenance Salaries		\$115,000	\$115,000		\$115,000	\$115,000
Maintenance Employee Benefits		\$49,000	\$49,000		\$47,000	\$47,000
Maintenance Materials		\$25,000	\$25,000		\$35,000	\$35,000
Uniforms		\$600	\$600		\$600	\$600
Replace Equipment		\$5,000	\$5,000		\$9,000	\$9,000
Elevator Contract		\$9,500	\$9,500		\$9,000	\$9,000
Exterminating		\$3,000	\$3,000		\$3,000	\$3,000
Heating/Cooling Contract		\$2,000	\$2,000		\$10,000	\$10,000
Plumbing Contract		\$7,000	\$7,000		\$5,000	\$5,000
Unit Turnaround		\$16,000	\$16,000		\$12,000	\$12,000
Contract Services		\$45,000	\$45,000		\$50,000	\$50,000
Extraordinary Expenses		\$5,000	\$5,000		\$5,000	\$5,000
Total Maintenance Expense	\$0	\$282,100	\$282,100	\$0	\$300,600	\$300,600
Property Insurance		\$61,000	\$61,000		\$58,000	\$58,000
Liability Insurance		\$10,000	\$10,000		\$10,000	\$10,000
Work Comp Insurance		\$10,000	\$10,000		\$9,000	\$9,000
Misc. Insurance		\$5,000	\$5,000		\$4,000	\$4,000
PILOT		\$48,000	\$48,000		\$45,000	\$45,000
Software Maintenance		\$11,000	\$11,000		\$9,500	\$9,500
HOME Loan Repayment		\$56,000	\$56,000		\$56,000	\$56,000
PARIF Interest Payment		\$119,000	\$119,000		\$122,000	\$122,000
PARIF Principle Payment		\$110,000	\$110,000		\$105,000	\$105,000
Paying Agent Fee		\$750	\$750		\$750	\$750
Total General Expense	\$0	\$430,750	\$430,750	\$0	\$419,250	\$419,250
Total Expenses	\$95,000	\$1,209,430	\$1,304,430	\$90,000	\$1,124,430	\$1,214,430
Net Operating Income (Loss)	\$0	\$90,570	\$90,570	\$0	\$97,570	\$97,570

Red Wing Housing and Redevelopment Authority 2026 Preliminary Bridges Budget		
	2026 Preliminary Budget	2025 Final Budget
Income		
Grant Funds	\$150,000	\$125,000
Administrative Fees Earned	\$14,000	\$10,500
Transfer in from Redevelopment	\$25,000	\$25,500
Total Income	\$189,000	\$161,000
Expenses		
Administrative Salaries	\$27,000	\$25,000
Employee Benefits	\$11,000	\$10,000
Sundry	\$1,000	\$1,000
HAP Payments	\$150,000	\$125,000
Total Expenses	\$189,000	\$161,000
Net Operating Income (Loss)	\$0	\$0

Red Wing Housing and Redevelopment Authority 2026 Preliminary Small Cities Budget		
	2026 Preliminary Budget	2025 Final Budget
Income		
Interest	\$100	\$200
Loan Payments	\$75,000	\$85,000
Fees Earned		
Total Income	\$75,100	\$85,200
Expenses		
Administrative Salaries	\$5,000	\$1,000
Employee Benefits	\$1,500	\$200
Contract Costs	\$10,000	\$12,000
Funds Expended in Loans	\$100,000	\$100,000
Total Expenses	\$116,500	\$113,200
Net Income (Loss)	-\$41,400	-\$28,000
Use of Reserves	\$41,400	\$28,000

Red Wing Housing and Redevelopment Authority
2026 Preliminary General Redevelopment Budget

	2026 Prelim Total	2026 Prelim General	2026 Prelim AHTF	2026 Prelim Bluffview	2026 Prelim Women's Center	2026 Prelim Hill Street	2026 Prelim Twin Home	2025 Final Total	2025 Final General	2025 Final AHTF	2025 Final Bluffview	2025 Final Women's Center	2025 Final Hill Street	2025 Final Twin Home
Income														
City of RW Tax Levy	\$545,000	\$445,000	\$100,000		\$0	\$0	\$0	\$530,000	\$405,000	\$125,000		\$0	\$0	\$0
TIF Tax Increment	\$675,000	\$600,000	\$75,000					\$450,000	\$40,000	\$410,000				
Rental Income	\$198,313			\$140,420	\$15,322	\$27,052	\$15,519	\$189,218			\$131,396	\$15,034	\$27,269	\$15,519
Office Rent	\$10,500	\$10,500						\$21,000	\$21,000					
DirecTV	\$100,000	\$100,000						\$99,000	\$99,000					
AHTF Match	\$150,000		\$150,000					\$0	\$0					
Interest Income	\$11,000	\$7,000	\$4,000				\$0	\$14,000	\$9,000	\$5,000				\$0
Other Income	\$23,500	\$22,000		\$1,500	\$0	\$0		\$208,000	\$32,000		\$1,000	\$0	\$175,000	
Total Income	\$1,713,313	\$1,184,500	\$329,000	\$141,920	\$15,322	\$27,052	\$15,519	\$1,511,218	\$606,000	\$540,000	\$132,396	\$15,034	\$202,269	\$15,519
Expenses														
Administrative Salaries	\$194,500	\$180,000	\$0	\$5,000	\$4,000	\$5,000	\$500	\$196,500	\$170,000	\$10,000	\$5,000	\$6,000	\$5,000	\$500
Admin Employee Benefits	\$82,725	\$77,000	\$0	\$2,000	\$1,600	\$2,000	\$125	\$68,025	\$62,000	\$2,500	\$1,000	\$1,200	\$1,200	\$125
Advertising & Marketing	\$200	\$100		\$100				\$200	\$100		\$100			
Legal	\$2,000	\$2,000		\$0	\$0	\$0	\$0	\$1,000	\$1,000		\$0	\$0	\$0	\$0
Travel	\$5,000	\$5,000						\$4,000	\$4,000					
Training	\$12,400	\$12,400						\$12,400	\$12,400					
Accounting	\$14,000	\$14,000						\$15,000	\$15,000					
Audit	\$5,500	\$5,500						\$5,000	\$5,000					
Rental License Fees	\$320			\$240		\$60	\$20	\$320	\$0		\$240		\$60	\$20
Office Expenses	\$10,000	\$10,000						\$14,000	\$14,000					
Sundry	\$22,200	\$20,000		\$1,500	\$0	\$500	\$200	\$19,450	\$18,000		\$750	\$0	\$500	\$200
Telephone	\$2,000	\$2,000						\$2,000	\$2,000					
Board Stipends	\$4,500	\$4,500						\$4,500	\$4,500					
ILSP	\$10,000	\$10,000						\$10,000	\$10,000					
Software Upgrades	\$20,000	\$20,000						\$20,000	\$20,000					
Consultant-TIF	\$20,000	\$20,000						\$5,000	\$5,000					
Memberships	\$4,000	\$4,000						\$4,000	\$4,000					
DirecTV	\$56,000	\$56,000						\$49,000	\$49,000					

Total Administrative Expense	\$465,345	\$442,500	\$0	\$8,840	\$5,600	\$7,560	\$845	\$430,395	\$396,000	\$12,500	\$7,090	\$7,200	\$6,760	\$845
Water & Sewer	\$15,100	\$2,000		\$10,000		\$2,100	\$1,000	\$13,600	\$1,600		\$9,000		\$2,100	\$900
Electricity	\$5,200	\$3,500		\$200		\$1,500	\$0	\$7,600	\$6,700		\$200		\$500	\$200
Gas	\$11,000	\$3,500		\$7,500				\$8,000	\$3,000		\$5,000			
Rubbish/Recycling	\$5,450	\$1,000		\$2,750		\$1,400	\$300	\$5,200	\$1,500		\$2,500		\$1,000	\$200
Total Utilities Expense	\$36,750	\$10,000	\$0	\$20,450	\$0	\$5,000	\$1,300	\$34,400	\$12,800	\$0	\$16,700	\$0	\$3,600	\$1,300
Maintenance Salaries	\$15,500	\$2,000		\$9,000	\$1,500	\$2,500	\$500	\$18,000	\$5,000		\$9,000	\$1,000	\$2,500	\$500
Maintenance Employee Benefits	\$6,575	\$850		\$4,000	\$600	\$1,000	\$125	\$4,370	\$1,000		\$2,000	\$250	\$1,000	\$120
Maintenance Materials	\$13,700	\$5,000		\$7,000	\$500	\$1,000	\$200	\$13,700	\$5,000		\$7,000	\$500	\$1,000	\$200
Exterminating	\$600					\$600		\$500					\$500	
Heating/Cooling Contracts	\$750			\$750	\$0	\$0	\$0	\$700			\$500	\$0	\$200	\$0
Plumbing Contracts	\$500			\$500	\$0	\$0	\$0	\$700			\$500	\$0	\$200	\$0
Unit Turnaround	\$2,500			\$1,500		\$1,000	\$0	\$5,500			\$3,500		\$2,000	\$0
Contract Costs	\$23,500	\$10,000		\$10,000	\$1,000	\$2,000	\$500	\$221,500	\$15,000		\$28,000	\$1,000	\$177,000	\$500
Total Maintenance Expenses	\$63,625	\$17,850	\$0	\$32,750	\$3,600	\$8,100	\$1,325	\$264,970	\$26,000	\$0	\$50,500	\$2,750	\$184,400	\$1,320
Property Insurance	\$22,500	\$8,000		\$7,500	\$4,200	\$1,400	\$1,400	\$19,200	\$6,000		\$7,000	\$3,800	\$1,400	\$1,000
Liability Insurance	\$3,950	\$1,000		\$1,300	\$900	\$500	\$250	\$3,650	\$1,000		\$1,200	\$750	\$500	\$200
Work Comp Insurance	\$10,000	\$10,000						\$10,000	\$10,000					
Misc. Insurance	\$1,750	\$1,200		\$550				\$1,700	\$1,200		\$500			
PILOT/Real Estate Taxes	\$16,882			\$13,000		\$382	\$3,500	\$15,782			\$12,000		\$382	\$3,400
Software Maintenance	\$24,000	\$24,000						\$22,000	\$22,000					
Replace Equipment	\$5,000	\$5,000						\$5,000	\$5,000					
Levy Transfer Out	\$128,000	\$128,000						\$121,500	\$121,500					
Payment to TIF #8	\$450,000	\$450,000						\$375,000		\$375,000				
Transfer to AHTF from TIF	\$75,000	\$75,000												
Community Development	\$150,000		\$150,000					\$150,000		\$150,000				
Total General Expense	\$887,082	\$702,200	\$150,000	\$22,350	\$5,100	\$2,282	\$5,150	\$723,832	\$166,700	\$525,000	\$20,700	\$4,550	\$2,282	\$4,600
Total Expenses	\$1,452,802	\$1,172,550	\$150,000	\$84,390	\$14,300	\$22,942	\$8,620	\$1,453,597	\$601,500	\$537,500	\$94,990	\$14,500	\$197,042	\$8,065
Net Operating Income (Loss)	\$260,511	\$11,950	\$179,000	\$57,530	\$1,022	\$4,110	\$6,899	\$57,621	\$4,500	\$2,500	\$37,406	\$534	\$5,227	\$7,454

SUPPORTING BUDGETS

Bluffview
Women's Center
Hill Street
Twin Homes

**Red Wing Housing and Redevelopment Authority
2026 Preliminary Bluffview Budget**

	2026	2025
Income		
Dwelling Rental	\$140,420	\$131,396
Non rental Income	\$1,500	\$1,000
Total Operating Income	\$141,920	\$132,396
Expenses		
Administrative Salaries	\$5,000	\$5,000
Administrative Employee Benefits	\$2,000	\$1,000
Rental License Fees	\$240	\$240
Advertising & Marketing	\$100	\$100
Legal	\$0	\$0
Sundry	\$1,500	\$750
Total Administrative Expense	\$8,840	\$7,090
Water & Sewer	\$10,000	\$9,000
Electricity	\$200	\$200
Gas	\$7,500	\$5,000
Rubbish/Recycling	\$2,750	\$2,500
Total Utilities Expense	\$20,450	\$16,700
Maintenance Salaries	\$9,000	\$9,000
Maintenance Employee Benefits	\$4,000	\$2,000
Maintenance Materials	\$7,000	\$7,000
Heating/Cooling Contracts	\$750	\$500
Plumbing Contracts	\$500	\$500
Unit Turnaround	\$1,500	\$3,500
Contract Costs	\$10,000	\$28,000
Total Maintenance Expense	\$32,750	\$50,500
Property Insurance	\$7,500	\$7,000
Liability Insurance	\$1,300	\$1,200
Misc. Insurance	\$550	\$500
PILOT	\$13,000	\$12,000
Total General Expense	\$22,350	\$20,700
Total Expenses	\$84,390	\$94,990
Net Operating Income (Loss)	\$57,530	\$37,406
Less to General Redevelopment	\$40,730	\$20,606
Net to Reserves	\$16,800	\$16,800

Capital Improvements	
Uses	
Sources	
Reserves	\$104,000
	\$16,800
Net to Reserve	\$120,800

Rent	
2026 - 6/12 units	\$1,000
2026 - 6/12 units	\$1,050

**Red Wing Housing and Redevelopment Authority
2026 Preliminary Women's Center Budget**

	2026 Preliminary Budget	2025 Final Budget
Income		
Dwelling Rental	\$15,322	\$15,034
Non rental Income	\$0	\$0
Transfer in from Redevelopment	\$0	\$0
Total Operating Income	\$15,322	\$15,034
Expenses		
Administrative Salaries	\$4,000	\$6,000
Administrative Employee Benefits	\$1,600	\$1,200
Legal	\$0	\$0
Sundry	\$0	\$0
Total Administrative Expense	\$5,600	\$7,200
Maintenance Salaries	\$1,500	\$1,000
Maintenance Employee Benefits	\$600	\$250
Maintenance Materials	\$500	\$500
Heating/Cooling Contracts	\$0	\$0
Plumbing Contracts	\$0	\$0
Contract Costs	\$1,000	\$1,000
Total Maintenance Expense	\$3,600	\$2,750
Property Insurance	\$4,200	\$3,800
Liability Insurance	\$900	\$750
Total General Expense	\$5,100	\$4,550
Total Expenses	\$14,300	\$14,500
Net Operating Income (Loss)	\$1,022	\$534

Capital Improvements	
Uses	
Sources	
Reserves	\$0
Grant/Tax Levy	
Net to Reserve	

Rent Calculation	
2025	
Two Months - \$1,232	\$2,464
Ten Months - \$1,256	\$12,560
Total	\$15,024
2026	
2% increase March 1	
Two Months - \$1,256	\$2,512
Ten Months - \$1,281	\$12,810
Total	\$15,322

**Red Wing Housing and Redevelopment Authority
2026 Preliminary Hill Street Budget**

	2026 Preliminary Budget	2025 Final Budget
Income		
Dwelling Rental	\$27,052	\$27,269
CDS Grant	\$0	\$175,000
Transfer in from Redevelopment	\$0	\$0
Total Operating Income	\$27,052	\$202,269
Expenses		
Administrative Salaries	\$5,000	\$5,000
Administrative Employee Benefits	\$2,000	\$1,200
Rental License Fees	\$60	\$60
Legal	\$0	\$0
Sundry	\$500	\$500
Total Administrative Expense	\$7,560	\$6,760
Water & Sewer	\$2,100	\$2,100
Electricity/Gas	\$1,500	\$500
Rubbish/Recycling	\$1,400	\$1,000
Total Utilities	\$5,000	\$3,600
Maintenance Salaries	\$2,500	\$2,500
Maintenance Employee Benefits	\$1,000	\$1,000
Maintenance Materials	\$1,000	\$1,000
Extermination	\$600	\$500
Heating/Cooling Contracts	\$0	\$200
Plumbing Contracts	\$0	\$200
Unit Turnaround	\$1,000	\$2,000
Contract Costs	\$2,000	\$177,000
Total Maintenance Expense	\$8,100	\$184,400
Property Insurance	\$1,400	\$1,400
Liability Insurance	\$500	\$500
PILOT	\$382	\$382
Total General Expense	\$2,282	\$2,282
Total Expenses	\$22,942	\$197,042
Net Operating Income (Loss)	\$4,110	\$5,227

Capital Improvements	
Uses	
Sources	
Reserves	\$8,500
	\$1,954
Net to Reserve	\$10,454

Rent	
2025	
One Bedroom	\$748
Two Bedroom	\$877
Total	\$28,476
2026	
One Bedroom	\$748
Two Bedroom	\$877
Total	\$28,476

**Red Wing Housing and Redevelopment Authority
2026 Preliminary Twin Home Budget**

	2026 Preliminary Budget	2025 Final Budget
Income		
Dwelling Rental	\$15,519	\$15,519
Interest Income	\$0	\$0
Transfer in from Redevelopment	\$0	\$0
Total Operating Income	\$15,519	\$15,519
Expenses		
Administrative Salaries	\$500	\$500
Administrative Employee Benefits	\$125	\$125
Rental License Fees	\$20	\$20
Legal	\$0	\$0
Sundry	\$200	\$200
Total Administrative Expense	\$845	\$845
Water & Sewer	\$1,000	\$900
Electricity/Gas	\$0	\$200
Rubbish/Recycling	\$300	\$200
Total Utilities	\$1,300	\$1,300
Maintenance Salaries	\$500	\$500
Maintenance Employee Benefits	\$125	\$120
Maintenance Materials	\$200	\$200
Heating/Cooling Contracts	\$0	\$0
Plumbing Contracts	\$0	\$0
Unit Turnaround	\$0	\$0
Contract Costs	\$500	\$500
Total Maintenance Expense	\$1,325	\$1,320
Property Insurance	\$1,400	\$1,000
Liability Insurance	\$250	\$200
Real Estate Taxes	\$3,500	\$3,400
Total General Expense	\$5,150	\$4,600
Total Expenses	\$8,620	\$8,065
Net Operating Income (Loss)	\$6,899	\$7,454

Capital Improvements	
Uses	
Sources	
Reserves	\$12,000
Net to Reserve	\$12,000

Rent			
2025			
Rent	Months	Gross	
\$1,348	8	\$10,784	
\$1,388	4	\$5,552	
Total Rent		\$16,336	
	2026		
Rent	Months	Gross	
\$1,388	8	\$11,104	
\$1,430	4	\$5,720	
Total Rent		\$16,824	



Red Wing Housing & Redevelopment Authority

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August 12, 2025

To: Red Wing Board of Commissioners
From: Jennifer Jacobson, Housing Director
Re: Approval of Tenant Selection Plan (TSP) for Multi-Family Section 8 New Construction (Jordan Tower II)
Resolution #1461-25

Background

Jordan Tower II is a HUD-subsidized multifamily property, under the Section 8 New Construction Program. There are 104 units in Jordan Tower II. The Tenant Selection Plan (TSP) is to ensure that tenants are selected for occupancy in accordance with HUD requirements and established management policies and procedures.

Nan McKay publishes a model TSP for the Multi-Family program and provides, as needed, revisions to the policy as HUD regulations change. The Red Wing HRA purchases a subscription to their model policies and updates. Over the last several months, staff have gone through the entire policy to ensure that our policy is accurate and up to date.

For many HUD regulations, the PHA does not have a choice on how it will implement the policy, but for some regulations, the PHA has a choice for what they would like their policy to be as long as it is within HUD guidelines. Nan McKay provides a guide along with the model plan that, in most cases, gives a “safe harbor” choice or says option two, PHA’s own policy.

Summary of TSP Updates

The Housing Opportunity through Modernization Act (HOTMA) of 2016 amended several regulations that will bring substantial changes to federal housing programs. Some changes are not in effect due to a delay in software compatibility with the HUD system for reporting. There are similar HOTMA and NSPIRE changes for this program as there have been with the other programs. In the TSP, it focuses more on the procedures for selecting residents from the waiting list.

The chapter included in the TSP are:

- Nondiscrimination
- The Application Process
- Waiting List Procedures
- Project Eligibility
- Program Eligibility
- Screening Criteria
- Unit Transfer Policy
- The Violence Against Woman Act (VAWA)
- Provision Required Under HOTMA

Steps for TSP Approval

A copy of the draft TSP is available for review at the Red Wing HRA main office and at the Resident Social Service offices in Jordan Tower I & II. HRA staff have a hard copy of the plan for each Board Member.



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The PHA Board of Commissioners must formally adopt the TSP. Additionally, current Multi-Family tenants must be given a sixty-day notice, which includes a thirty-day comment period. Notice of the revised policy was sent to current tenants on June 9, 2025. HRA Staff will attend the Resident Council meeting on July 15 2025 to go over the policy and seek comments from the council.

A public hearing is scheduled for August 12, 2025 during the Red Wing Housing and Redevelopment Authority Board meeting at 3:30pm in City Council chambers. At that time, any comments on the TSP will be considered. After the public hearing, the Board of Commissioners will be asked to consider approval of the revised TSP.

Recommendation

Staff requests the HRA Board of Commissioners to adopt Resolution #1461-25 approving: 1) the revised and updated Tenant Selection Plan and 2) make the policy effective August 14, 2025.

Attachment A

**Tenant Selection Plan (TSP)
Public Hearing Comments
Public Hearing on August 12, 2025**

On June 9, 2025, a letter was sent out to all Jordan Tower II Participants about the updated Tenant Selection Plan. The directions on how to comments on the revision were included in the letter.


No comments received.

HRA staff attended the Resident Council meeting held on July 15, 2025 at 1:00 p.m. to review the TSP and seek any comments.

No comments received

A Public Hearing Notice was published in the Republican Eagle on June 6, 2025, which described how to review the TSP and how to submit comments.

No comments received



Jennifer Jacobson
Housing Director

RESOLUTION #1461-25
UPDATES TO THE TENANT SELECTION PLAN POLICY FOR MULTI-FAMILY
SECTION 8-NEW CONSTRUCTION (JORDAN TOWER II) PROGRAM

WHEREAS, Each PHA must adopt a written Tenant Selection Plan (TSP) for the Multi-Family Section 8-New Construction Program. The U.S. Department of Housing and Urban Development's (HUD) final rules are published in the Federal Register which are mandatory to be implemented by Public Housing Authorities (PHAs), Owners and Management Agents; and

WHEREAS, A copy of the draft TSP was available for review at the Red Wing HRA main office and at the Resident Service Offices in Jordan Tower I & II. HRA Staff presented the TSP for the Red Wing HRA Board of Commissioners at the meeting on July 8, 2025; and

WHEREAS The current Jordan Tower II participants must be given a sixty-day notice, which includes a thirty day comment period. Notice of the revised policy was sent to current participants on June 9, 2025; and

WHEREAS, A public hearing was held on August 12, 2025 at the regular Board of Commissioners meeting. All public comments were presented. The effective date of these policy changes will be August 12, 2025; and

Therefore, let it be resolved that the HRA Board of Commissioners adopts Resolution #1461-25 approving updates to the Tenant Selection Plan for Multi-Family Section 8- New Construction Program effective August 12, 2025.

Dated: August 12, 2025

Board Chair

Secretary/Treasurer



RED WING HOUSING & REDEVELOPMENT AUTHORITY

428 WEST FIFTH STREET, RED WING, MN 55066

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WWW.REDWINGHRA.ORG

August 12, 2025

To: Red Wing HRA Board of Commissioners

From: Kurt Keena, Executive Director

Re: Executive Director's Report

Federal, State & Local Funding

At the State level we have been awarded \$440,000 for a 2-year period for the Bring it Home voucher program. This amount includes one-time start up fees, administrative fees and housing assistance payments. We expect to be able to serve between 15 and 20 families with this new funding. The admin fees earned from this program are much higher than for our other voucher programs and will help reduce the amount of HRA levy funds needed to support them.

We should hear from MHFA later this month about our 2025 POHP application. We applied for approximately \$4M to continue to make capital improvements to Jordan Tower 1 and our family public housing units.

We applied to MHFA for \$2.5M in NOAH funds to make extensive capital improvements at our Bluff View property. We should learn if we are awarded any funding from this application later this year sometime.

At the Federal level, we continue to watch the 2026 budget process to see what Congress ultimately decides to fund. The House budget provides more funding than the President's proposal but still cuts core HUD programs that we administer. The Senate proposed budget is much better than the House's in that it mostly provides steady to slightly increased funding save for the Public Housing Operating fund. The House and Senate now have to reconcile their budgets so we wait and see what actual funding levels will be. I will not be surprised if we have a Continuing Resolution for at least part of the year while Congress wrangles with the budget process. A CR is likely the best possible outcome for us.

Cellular Site Lease Negotiations

The original 20-year lease we have with Verizon for a cellular site on top of Jordan Tower II is expiring at the end of this year. We are close to a final agreement with them and are waiting to receive a proposed agreement extension from them. We will bring the final proposed agreement to you for your consideration and approval at a future meeting once negotiations are complete.

Compensation Study

We continue to work with DDA Human Resources on the completion of this project. They should have the work wrapped up soon and we plan to bring their findings and recommendations to the Personnel Committee and Board in September barring any unforeseen delays. We have used preliminary findings in our preparation of the 2026 budget.

Downtown Mainstreet DEED Grant

I participated on the review committee that was part of the process of awarding the \$720,000 DEED grant that DTMS received. Nine applications were selected for funding by the DTMS Board. The HRA has other funding in 4 of the selected recipients and this additional funding will

help bring those projects to fruition. One of the funded applicants is seeking a SCLF loan from us and two of the non-selected applicants are also requesting a SCLF loan in order to complete their project.



Red Wing Housing & Redevelopment Authority

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August 12, 2025

To: Red Wing HRA Board of Commissioners

From: Corrine Kulseth, Finance Director

Re: Finance Report

Reserves Adjusted

Program	May 2025	June 2025
Public Housing	\$403,585	\$446,076
Housing Choice Vouchers (FSS and restricted included)	\$15,539	\$17,025
Redevelopment	\$711,457	\$691,178
AHTF	\$311,361	\$311,655
Bridges	-\$23,251	-\$23,251
Small Cities Program	\$412,573	\$397,190
Jordan Tower II	\$1,498,817	\$1,501,312
Total	\$3,330,081	\$3,341,187

Operating Budget Update

Category	YTD 2025 (June)	Budgeted	Variance
Revenues	\$2,120,093	\$2,655,264	-20%
Expenses	\$2,097,079	\$2,584,716	-19%
Net Income	\$23,015		

Notes to Financial Statements

- Public Housing increase is due to receiving Operating Subsidy funds from CFP
- Bridges will reflect better balance next month. Payments are getting caught up
- Small Cities decrease is payment made on recent loan
- Tax Levy - \$274,394.48
- Tax Increment - \$263,531.71
 - Keller Baartman - \$210,825.37
 - HRA - \$52,706.34

Other Business

- Renewal for the SCMF (service coordinator) grant is complete. 2025 approved amount is \$91,058, but requesting increase of \$17,955.
- HUD has accepted our 2024 Audit
- 2025 Amended Budget will be presented in October
- 2026 Final Operating Budget presented in November

Committee Reports

Finance Committee summary attached to this report

RED WING HRA RESERVE ACCOUNTS
June 30, 2025 Month End

Program	Fund Account	31-May-2025	30-Jun-2025	30-Jun-2024
Jordan Tower I & Family Units	Unrestricted - CDs	\$ 45,542	45,542	49,746
	Unrestricted	\$ 308,906	352,693	410,573
	Restricted - Sec Dep	\$ 49,137	47,842	49,672
	Total	\$ 403,585	446,076	509,991
	Due to/from Redevelopment	0.00	0.00	907.85
Sec 8 Voucher	Unrestricted Cash	\$ -1,462	-2,160	10,905
	FSS Escrow	\$ 0	0	0
	HAP Reserve Acct	\$ 17,001	19,186	7,922
	Total	\$ 15,539	17,025	18,827
	Due to/from Redevelopment	0.00	0.00	12,534.86
Redevelopment	MURL Investments	\$ 118,372	-9	116,763
	Transitional Housing	\$ 0	0	0
	Bluff View	\$ 94,543	95,946	79,143
	Twin Homes	\$ 12,368	12,368	12,368
	Hill Street	\$ 8,432	8,499	15,353
	Restricted - Sec Dep	\$ 11,561	13,261	14,062
	Restricted - CDG	\$ 31,000	31,000	31,000
	ILSP	\$ 833	833	554
	Unrestricted	\$ 400,641	486,396	406,163
	Total	\$ 677,750	648,294	675,406
Bridges	Unrestricted	10,456	13,633	12,424
	Front Funded HAP	\$ 0	0	0
	Total	\$ 10,456	13,633	12,424
	Due to/from Redevelopment	33,707.39	36,884.39	12,424.39
AHTF	Unrestricted AHTF	\$ 311,361	311,655	417,376
	Program Income	0	0	0
	Total	\$ 311,361	311,655	417,376
	Due to/from Redevelopment	0.00	0.00	0.00
Small Cities	Small Cities Program	\$ 412,573	403,190	368,166
	Program Income	0	0	0
	Total	\$ 412,573	403,190	368,166
	Due to/from Redevelopment	0.00	6,000.00	0.00
Jordan II Tower	Unrestricted	\$ 1,458,569	1,460,641	1,198,274
	Restricted - Sec Dep	\$ 40,248	40,671	40,325
	City Bond Debt Escrow	\$ 0	0	0
	Total	\$ 1,498,817	1,501,312	1,238,599
	Due to/from Redevelopment	0.00	0.00	219.53
Total Cash Reserves		3,330,081	3,341,187	3,240,787

Financial Institution	Funds	Funds	Funds
Associated Bank	2,634,435	2,603,016	2,446,501
Edward D Jones	108,660	108,797	108,085
First Minnesota	154,380	154,380	151,997
Merchant's Bank	432,606	474,994	534,204
	\$3,330,081	\$3,341,187	\$3,240,787

Red Wing Housing and Redevelopment Authority
Income and Expense Report
6/30/2025

	Public Housing			Housing Choice Voucher			Jordan Tower II			Redevelopment			Bridges			All Programs		
	YTD	Budget	Variance	YTD	Budget	Variance	YTD	Budget	Variance	YTD	Budget	Variance	YTD	Budget	Variance	Total	Budget	Variance
REVENUES																		
Rental Income	\$336,924	\$347,750	-3%	\$499,887	\$550,090	-9%	\$216,818	\$207,500	6%	\$87,451	\$94,609	-8%	\$67,207	\$62,500	8%	\$684,903	\$713,359	-4%
Subsidy	\$73,745	\$37,500	97%	\$100	\$250	-24%	\$10,901	\$8,500	28%	\$3,658	\$7,000	-48%				\$3,726	\$12,500	-70%
Other Income: Tenants	\$4,132	\$3,500	18%	\$100	\$250	-24%	\$28,130	\$25,000	13%	\$60,868	\$104,000	-41%				\$18,881	\$19,250	-7%
Other Income	\$110,357	\$68,000	62%	\$58,043	\$57,590	1%	\$39,515	\$45,000	-12%	\$0	\$165,000	-100%	\$5,248	\$5,250	0%	\$199,355	\$197,000	1%
Grants/Admin Fees	\$28,841	\$40,975	-30%							\$48,022	\$49,500	-3%				\$0	\$265,000	-100%
Tax Levy										\$10,500	\$10,500	0%				\$48,022	\$49,500	-3%
Direct TV										\$10,500	\$10,500	0%				\$10,500	\$10,500	0%
Office Rent				\$40,471	\$45,000	-10%				\$3,611	\$225,000	-98%				\$3,611	\$225,000	-98%
Tif Tax Increment				\$598,591	\$632,930	-8%				\$214,110	\$753,609	-72%	\$11,310	\$12,250	-11%	\$51,782	\$57,750	-10%
Operating Transfer In	\$557,735	\$510,215	9%				\$665,902	\$656,000	2%	\$214,110	\$753,609	-72%	\$83,765	\$80,200	4%	\$21,120,093	\$2,655,764	-20%
EXPENSES																		
Administrative																		
Salaries	\$90,873	\$87,500	4%	\$54,533	\$57,500	-5%	\$77,519	\$77,500	0%	\$72,264	\$88,250	-28%	\$11,205	\$12,200	-6%	\$306,894	\$333,250	-8%
Employee Benefits	\$37,360	\$30,000	25%	\$29,585	\$31,000	-5%	\$29,585	\$31,000	-7%	\$36,455	\$34,013	7%	\$5,573	\$5,000	11%	\$134,595	\$124,013	9%
Advertising & Marketing	\$2,872	\$2,500	15%	\$1,818	\$2,500	-28%				\$0	\$100	-100%				\$5,689	\$5,100	12%
Memberships/Publications	\$1,302	\$1,000	30%							\$1,846	\$2,000	-92%				\$1,846	\$2,000	-92%
Travel	\$174	\$750	-77%	\$67	\$250	-73%	\$174	\$1,000	-83%	\$1,388	\$500	180%				\$2,700	\$1,500	80%
Training	\$2,401	\$2,500	-4%	\$1,900	\$1,500	27%	\$1,006	\$2,500	-60%	\$1,679	\$6,200	-73%				\$1,206	\$4,000	-70%
Accounting	\$4,883	\$5,500	-11%	\$3,266	\$3,250	0%	\$1,865	\$4,250	-56%	\$3,644	\$7,500	-51%				\$8,986	\$12,200	-29%
Audit	\$5,250	\$5,250	0%	\$4,575	\$5,500	-18%	\$4,575	\$5,500	-18%	\$4,575	\$7,500	-39%				\$18,300	\$20,500	-11%
Office Rent	\$5,250	\$5,250	0%	\$0	\$375	-100%	\$5,250	\$5,250	0%	\$5,250	\$7,000	-24%				\$10,500	\$10,875	-3%
Office Supplies/Paper	\$2,460	\$4,000	-39%	\$2,219	\$4,000	-45%	\$2,460	\$5,500	-55%	\$1,854	\$7,000	-74%				\$10,991	\$20,500	-46%
Supplies	\$6,153	\$8,000	-24%	\$1,724	\$1,500	15%	\$6,684	\$7,040	-5%	\$21,895	\$12,135	80%				\$36,456	\$30,665	18%
Telephone	\$876	\$1,000	-12%	\$876	\$1,000	-12%	\$876	\$1,000	-12%	\$876	\$1,000	-12%	\$0	\$500	-100%	\$1,506	\$4,000	-62%
Total Admin Expenses	\$150,179	\$151,190	-5%	\$98,782	\$96,875	2%	\$134,819	\$140,040	-4%	\$153,176	\$173,198	-10%	\$17,278	\$18,000	-4%	\$561,334	\$375,303	3%
Tenant Services																		
Social Service Coordinator	\$28,948	\$40,975	-29%	\$39,515	\$45,000	-12%	\$39,515	\$45,000	-12%	\$39,515	\$45,000	-12%				\$68,463	\$85,975	-20%
Resident Activities	\$2,330	\$3,463	-33%													\$2,330	\$3,463	-33%
Total Tenant Services Exp.	\$31,278	\$44,438	-30%	\$39,515	\$45,000	-12%	\$39,515	\$45,000	-12%	\$39,515	\$45,000	-12%				\$70,793	\$89,438	-21%
Utilities																		
Water & Sewer	\$29,263	\$30,000	-2%	\$17,247	\$20,000	-14%	\$7,439	\$6,800	9%	\$7,439	\$6,800	9%				\$53,949	\$56,800	-5%
Electricity	\$19,776	\$17,500	13%	\$17,199	\$18,000	-4%	\$3,803	\$3,700	3%	\$3,803	\$3,700	3%				\$40,778	\$39,200	4%
Gas	\$22,278	\$20,000	11%	\$33,485	\$18,500	77%	\$5,221	\$4,000	31%	\$5,221	\$4,000	31%				\$50,964	\$47,500	7%
Rubbish/Recycling	\$9,478	\$11,500	-18%	\$4,964	\$5,500	-10%	\$2,191	\$2,600	-16%	\$2,191	\$2,600	-16%				\$16,583	\$19,600	-15%
Total Utilities Exp.	\$80,744	\$79,000	2%	\$62,874	\$62,000	1%	\$18,655	\$17,100	9%	\$18,655	\$17,100	9%				\$162,274	\$158,100	3%
Maintenance Expenses																		
Salaries	\$68,949	\$75,000	-8%	\$33,250	\$37,500	-7%	\$33,250	\$37,500	-7%	\$33,250	\$39,000	-14%				\$33,250	\$39,000	-14%
Benefits	\$30,579	\$29,000	5%	\$21,344	\$23,500	-9%	\$21,344	\$23,500	-9%	\$21,344	\$23,500	-9%				\$21,344	\$23,500	-9%
Materials	\$7,572	\$20,000	-62%	\$6,084	\$17,500	-65%	\$5,563	\$6,650	-15%	\$5,563	\$6,650	-15%				\$19,169	\$44,350	-57%
Uniforms	\$505	\$300	68%	\$505	\$300	68%	\$505	\$300	68%	\$505	\$300	68%				\$1,010	\$600	68%
Equipment Contract	\$1,545	\$4,500	-66%	\$1,545	\$4,500	-66%	\$1,545	\$4,500	-66%	\$1,545	\$4,500	-66%				\$7,050	\$20,000	-65%
Estimating	\$30	\$1,000	-97%	\$755	\$1,500	-50%	\$755	\$1,500	-50%	\$682	\$350	95%				\$783	\$1,900	-69%
Heating/Cooling Contracts	\$0	\$7,500	-100%	\$0	\$5,000	-100%	\$0	\$5,000	-100%	\$0	\$350	-100%				\$682	\$7,850	-91%
Plumbing Contracts	\$5,146	\$7,500	-31%	\$3,448	\$2,500	38%	\$3,448	\$2,500	38%	\$3,448	\$2,500	38%				\$6,594	\$5,350	23%
Unit Turnaround	\$389	\$15,000	-96%	\$6,377	\$6,000	6%	\$100	\$7,500	-98%	\$100	\$7,500	-98%				\$9,016	\$27,750	-67%
Contract Costs	\$12,572	\$15,000	-17%	\$3,450	\$25,000	-86%	\$1,844	\$10,750	-83%	\$1,844	\$10,750	-83%				\$7,816	\$50,750	-75%
Capital Improvements	\$0	\$0	#DIV/0!	\$120,708	\$143,300	-16%	\$46,391	\$132,733	-65%	\$46,391	\$132,733	-65%				\$2,353	\$100,000	-98%
Total Maintenance Exp.	\$179,337	\$164,800	2%	\$120,708	\$143,300	-16%	\$46,391	\$132,733	-65%	\$46,391	\$132,733	-65%				\$798,436	\$440,335	31%
General Expenses																		
Property Insurance	\$35,852	\$33,000	7%	\$30,509	\$29,000	5%	\$30,509	\$29,000	5%	\$30,509	\$29,000	5%				\$76,905	\$72,100	7%
Auto Insurance	\$5,271	\$5,500	-4%	\$4,446	\$5,000	-11%	\$4,446	\$5,000	-11%	\$4,446	\$5,000	-11%				\$11,215	\$12,325	-9%
Life Insurance	\$8,381	\$5,000	68%	\$8,381	\$5,000	68%	\$8,381	\$5,000	68%	\$8,381	\$5,000	68%				\$23,330	\$14,500	61%
Fire Insurance	\$0	\$1,500	-100%	\$0	\$2,000	-100%	\$0	\$2,000	-100%	\$0	\$2,000	-100%				\$2,568	\$5,350	-95%
PICU	\$26,618	\$24,000	11%	\$19,265	\$22,500	-14%	\$19,265	\$22,500	-14%	\$19,265	\$22,500	-14%				\$55,013	\$54,191	1%
Software Maintenance	\$5,095	\$5,500	-7%	\$4,457	\$5,000	-11%	\$4,457	\$5,000	-11%	\$4,457	\$5,000	-11%				\$26,997	\$24,250	11%
Communications	\$0	\$1,000	-100%	\$0	\$1,000	-100%	\$0	\$1,000	-100%	\$0	\$1,000	-100%				\$3,760	\$3,875	-88%
Other General Expense	\$0	\$7,000	-100%	\$0	\$7,235	-100%	\$0	\$7,235	-100%	\$0	\$15,000	-100%				\$8,071	\$61,500	-87%
Total General Exp.	\$129,683	\$150,000	-13%	\$120,708	\$143,300	-16%	\$46,391	\$132,733	-65%	\$46,391	\$132,733	-65%				\$66,487	\$62,500	6%
Other																		
ISP																		
HOME loan repayment																		
PAID Interest																		
PAID Principal																		
Operating Transfer out																		
Tif Payment																		
Transfer to A/E/T																		
Total General Expenses	\$80,218	\$82,000	-2%	\$28,470	\$216,625	-4%	\$28,470	\$40,718	-70%	\$28,470	\$40,718	-70%	\$66,487	\$62,500	6%	\$1,006,242	\$1,317,541	-24%
TOTAL EXPENSES	\$480,757	\$571,428	-8%	\$423,701	\$637,375	-4%	\$423,701	\$637,375	-4%	\$423,701	\$637,375	-4%	\$33,765	\$60,500	-4%	\$2,097,079	\$2,584,716	-19%
NET INCOME/LOSS	\$16,969	-\$11,003	-78%	-\$25,110	\$155	-462%	-\$25,110	\$155	-462%	-\$25,110	\$155	-462%	\$0	\$0	#DIV/0!	\$23,015	\$70,548	-67%



Red Wing Housing & Redevelopment Authority

428 West Fifth Street
Red Wing, MN 55066

Telephone & TDD (651) 388-7571
FAX (651) 385-0551

Website: www.redwinghra.org

SUMMARY

Finance Committee Meeting
HRA Office Conference Room
Tuesday, August 5, 2025 at 3:30pm
Agenda

In attendance: Kristi Reuter, Liz Magill, Abby Villaran, Kurt Keena, Corrine Kulseth

3:30 pm Approval of Agenda 3:30 p.m.

Approval of SCLF Loan for Leo C. Peterson American Legion Post 54

Recommend to Board of Commissioners

Approval of SCLF Loan to RWVC Properties

Recommend to Board of Commissioners

Approval of SCLF Loan to BAR Properties RW, LLC

Recommend to Board of Commissioners

Approval of 2026 Tax Levy Request and Preliminary Budget

Recommend to Board of Commissioners

4:30 pm Adjourn 4:37 p.m.

Next Finance Committee Meeting; **Tuesday, September 2, 2025** at 3:30 p.m.

2025 MCPP Usage Report 1.16.2025 - 11.30.2025 (Applies to Start Up Program Loans Only)

For Informational Purposes Only

Applicant Name	Allocation Amount	Committed Loans	Committed Amount	*Usage Test	% of Usage	**Additional Start Up Loans		Step Up Loans		Fix Up Loans		Total Loan Activity		Downpayment and Closing Cost Loans	
						Committed Loans	Committed Amount	Committed Loans	Committed Amount	Committed Loans	Committed Amount	Committed Loans	Committed Amount	% of First Mortgage	Total Amount of Downpayment
Aitkin	\$ 303,410	5	\$810,437	MET	267%	0	\$ -	0	\$ -	2	\$ 37,520	7	\$847,957	71%	\$ 76,500
Alexandria	\$ 282,610	3	\$540,960	MET	191%	0	\$ -	0	\$ -	0	\$ -	3	\$540,960	100%	\$ 44,500
Anoka	\$ 6,994,947	73	\$19,858,627	MET	284%	12	\$ 3,569,331	21	\$ 6,698,846	17	\$ 659,091	123	\$30,785,895	85%	\$ 1,578,050
Becker	\$ 664,849	2	\$355,199	MET	53%	1	\$ 240,562	1	\$ 147,184	2	\$ 15,152	6	\$758,097	67%	\$ 57,000
Benton	\$ 297,758	1	\$262,200	MET	88%	1	\$ 271,503	0	\$ -	0	\$ -	2	\$533,703	100%	\$ 29,200
Blue Earth - City of	\$ 1,324,177	0	\$0	NOT MET	0%	0	\$ -	0	\$ -	0	\$ -	0	\$0	0%	\$ -
Blue Earth - County of	\$ 100,000	7	\$1,242,962	MET	1243%	1	\$ 221,350	4	\$ 1,047,024	3	\$ 95,613	15	\$2,606,949	80%	\$ 172,321
Bluff Country HRA	\$ 755,623	1	\$173,687	NOT MET	23%	0	\$ -	1	\$ 227,853	3	\$ 97,330	5	\$498,870	40%	\$ 30,500
Breckenridge	\$ 100,000	1	\$169,866	MET	170%	0	\$ -	0	\$ -	1	\$ 9,942	2	\$179,808	50%	\$ 14,000
Carver	\$ 2,135,248	10	\$2,499,569	MET	117%	0	\$ -	2	\$ 679,867	0	\$ -	12	\$3,179,436	92%	\$ 168,500
Chippewa	\$ 532,606	11	\$1,618,484	MET	304%	0	\$ -	1	\$ 200,690	2	\$ 17,866	14	\$1,837,040	86%	\$ 169,100
Chisago	\$ 1,102,856	12	\$3,314,957	MET	301%	5	\$ 1,360,364	2	\$ 536,125	0	\$ -	19	\$5,211,446	100%	\$ 286,600
Clay	\$ 1,248,343	20	\$3,493,367	MET	280%	3	\$ 659,089	2	\$ 485,082	2	\$ 25,449	27	\$4,662,987	93%	\$ 337,350
Cloquet	\$ 238,654	7	\$1,284,192	MET	538%	1	\$ 187,210	2	\$ 549,048	0	\$ -	10	\$2,020,450	100%	\$ 137,622
Crow Wing	\$ 1,286,929	14	\$2,529,070	MET	197%	2	\$ 475,106	2	\$ 501,705	1	\$ 20,830	19	\$3,526,711	95%	\$ 261,500
Fairmont	\$ 193,870	6	\$699,963	MET	361%	1	\$ 265,109	0	\$ -	0	\$ -	7	\$965,072	100%	\$ 100,060
Fergus Falls & Perham HRAs	\$ 334,648	3	\$534,270	MET	160%	1	\$ 215,033	1	\$ 140,650	4	\$ 54,599	9	\$944,552	56%	\$ 66,700
Foley	\$ 100,000	2	\$358,652	MET	359%	0	\$ -	0	\$ -	0	\$ -	2	\$358,652	100%	\$ 27,000
Freeborn County (Albert Lea admin)	\$ 574,885	10	\$1,334,920	MET	232%	0	\$ -	2	\$ 187,715	0	\$ -	12	\$1,522,635	100%	\$ 165,550
Grant	\$ 115,663	5	\$630,565	MET	545%	0	\$ -	0	\$ -	0	\$ -	5	\$630,565	100%	\$ 73,500
Headwaters Regional Dev. Commis	\$ 1,630,752	5	\$900,707	MET	55%	2	\$ 295,718	1	\$ 62,250	13	\$ 400,546	21	\$1,659,221	38%	\$ 96,270
Hennepin	\$ 16,282,349	130	\$32,107,846	MET	197%	14	\$ 4,164,378	30	\$ 9,772,194	29	\$ 955,912	203	\$47,000,330	86%	\$ 2,609,737
Isanti	\$ 813,577	15	\$4,096,343	MET	503%	0	\$ -	3	\$ 968,280	0	\$ -	18	\$5,064,623	100%	\$ 268,399
Kandiyohi	\$ 825,465	15	\$2,418,426	MET	293%	0	\$ -	2	\$ 559,970	9	\$ 190,210	26	\$3,168,606	62%	\$ 242,600
McLeod	\$ 694,881	9	\$1,724,816	MET	248%	1	\$ 191,468	0	\$ -	1	\$ 75,000	11	\$1,991,284	91%	\$ 129,470
Meeke	\$ 442,567	8	\$1,444,648	MET	326%	1	\$ 294,566	2	\$ 520,301	2	\$ 14,314	13	\$2,273,829	85%	\$ 151,400
Mower	\$ 754,285	27	\$4,197,347	MET	556%	0	\$ -	5	\$ 1,213,895	2	\$ 23,990	34	\$5,435,232	91%	\$ 450,582
New Prague	\$ 156,057	1	\$222,250	MET	142%	0	\$ -	0	\$ -	0	\$ -	1	\$222,250	100%	\$ 14,000
New Ulm	\$ 265,333	1	\$102,600	NOT MET	39%	0	\$ -	0	\$ -	3	\$ 175,151	4	\$277,751	25%	\$ 9,950
Nortn Mankato	\$ 269,968	3	\$578,365	MET	214%	0	\$ -	0	\$ -	2	\$ 108,759	5	\$687,124	60%	\$ 33,200
NW MN Multi-Co. HRA	\$ 1,554,052	19	\$2,822,706	MET	182%	2	\$ 290,800	2	\$ 442,121	7	\$ 139,764	30	\$3,695,391	73%	\$ 225,020
Oakdale	\$ 530,722	8	\$1,993,770	MET	376%	4	\$ 1,030,720	2	\$ 739,689	0	\$ -	14	\$3,764,179	100%	\$ 215,000
Olmsted	\$ 3,104,656	31	\$7,006,573	MET	226%	5	\$ 1,462,717	6	\$ 1,654,818	5	\$ 131,025	47	\$10,255,133	89%	\$ 637,350
Osakis	\$ 100,000	1	\$164,000	MET	164%	0	\$ -	0	\$ -	0	\$ -	1	\$164,000	100%	\$ 16,500
Otter Tail	\$ 807,717	7	\$1,078,050	MET	133%	0	\$ -	0	\$ -	2	\$ 62,678	9	\$1,140,728	78%	\$ 95,100
Pine County HRA	\$ 520,868	11	\$2,067,905	MET	397%	1	\$ 255,208	1	\$ 320,150	0	\$ -	13	\$2,643,263	100%	\$ 196,000
Ramsey	\$ 4,567,198	29	\$6,623,617	MET	145%	8	\$ 2,523,478	9	\$ 2,667,292	6	\$ 238,498	52	\$12,052,885	88%	\$ 646,745
Red Wing	\$ 314,168	1	\$267,720	MET	85%	0	\$ -	0	\$ -	0	\$ -	1	\$267,720	100%	\$ 13,500
Rice	\$ 1,280,146	11	\$2,374,377	MET	185%	2	\$ 464,951	4	\$ 1,025,824	1	\$ 10,261	18	\$3,875,413	94%	\$ 245,790
Sandstone	\$ 100,000	0	\$0	NOT MET	0%	0	\$ -	0	\$ -	0	\$ -	0	\$0	0%	\$ -
Sartell	\$ 370,652	0	\$0	NOT MET	0%	1	\$ 266,091	3	\$ 1,019,960	0	\$ -	4	\$1,286,051	75%	\$ 42,000
Sauk Rapids	\$ 260,660	4	\$887,387	MET	340%	2	\$ 412,600	0	\$ -	0	\$ -	6	\$1,299,987	100%	\$ 95,500
Scott	\$ 2,860,726	15	\$4,169,986	MET	146%	4	\$ 1,100,641	7	\$ 2,005,846	0	\$ -	26	\$7,276,473	100%	\$ 397,100
SE MN Multi-Co. HRA	\$ 1,447,414	14	\$2,690,831	MET	186%	8	\$ 1,025,841	8	\$ 1,916,930	1	\$ 24,999	27	\$5,658,601	96%	\$ 369,100
Sherburne	\$ 1,785,321	20	\$5,676,529	MET	318%	2	\$ 592,995	8	\$ 2,707,758	9	\$ 340,035	39	\$9,317,317	77%	\$ 471,900
St Cloud	\$ 1,343,734	46	\$8,894,178	MET	662%	10	\$ 2,172,614	9	\$ 2,131,004	3	\$ 75,006	68	\$13,272,802	96%	\$ 954,630
St Joseph	\$ 131,300	0	\$0	NOT MET	0%	0	\$ -	0	\$ -	0	\$ -	0	\$0	0%	\$ -
St Louis	\$ 3,777,851	57	\$8,887,206	MET	235%	6	\$ 1,370,462	23	\$ 3,897,751	8	\$ 161,579	94	\$14,316,998	90%	\$ 1,189,401
Owatonna/Steele County	\$ 705,055	10	\$2,001,921	MET	284%	3	\$ 764,704	3	\$ 698,464	1	\$ 30,000	17	\$3,495,089	94%	\$ 226,600
Stevens County HRA	\$ 183,263	2	\$220,065	MET	120%	0	\$ -	0	\$ -	0	\$ -	2	\$220,065	100%	\$ 28,000
SW Regional Dev. Commission	\$ 2,186,457	28	\$4,122,699	MET	189%	3	\$ 543,846	8	\$ 1,258,550	6	\$ 183,186	45	\$6,108,281	84%	\$ 505,498
Swift	\$ 183,075	6	\$1,087,409	MET	594%	0	\$ -	0	\$ -	2	\$ 30,040	8	\$1,117,449	75%	\$ 82,170
Washington	\$ 4,752,402	29	\$8,004,955	MET	168%	11	\$ 3,394,713	14	\$ 4,331,296	5	\$ 257,450	59	\$15,988,414	90%	\$ 794,400
Watonwan	\$ 208,698	5	\$565,085	MET	271%	0	\$ -	0	\$ -	2	\$ 94,539	7	\$659,624	71%	\$ 74,500
Winona - City of	\$ 488,783	12	\$2,099,878	MET	430%	3	\$ 669,658	1	\$ 194,750	0	\$ -	16	\$2,964,286	100%	\$ 234,310
Wright	\$ 2,847,745	25	\$6,219,585	MET	218%	7	\$ 2,173,333	7	\$ 2,322,263	2	\$ 46,093	41	\$10,761,274	93%	\$ 562,000
Totals	\$ 77,234,969	798	\$169,431,727		219%	124	\$ 32,926,159	199	\$ 53,833,145	158	\$ 4,802,427	1,279	\$260,993,458	87%	\$ 16,119,275

*Participants must use at least 50% of their allocation by the end of the program year in order to participate next year.

**Not MCPP Eligible. Borrower income is above 80% of Area Median Income.



Red Wing Housing & Redevelopment Authority

428 West Fifth Street
Wing, MN 55066
DD/TTY 7-1-1

Telephone (651) 388-7571
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www.redwinghra.org

August 14, 2025

To: Red Wing HRA Board of Directors
From: Jennifer Jacobson, Housing Director
Re: Housing Board Report for month ending July 2025

HRA Owned Properties

	Jordan Tower I	Jordan Tower II	Family Public Housing Units	Market Rate Units (13)
Waiting List Numbers	130	80	59	n/a
Move-outs	0	0	0	0
Move-ins/Offline*	11*	1	0*	0
Lease Terminations or Evictions this month	0	0	0	0
Occupancy Rate	100%*	99%	100%*	100%

Voucher Programs

Housing Choice Voucher

Waiting List Numbers	411	Monthly HAP Received	\$87,285
Allocated Vouchers	169	Monthly HAP Paid	\$88,683
Funded Vouchers	132	HAP Reserves	\$120,117
Leased Vouchers	121	Per Unit Cost	\$715
Utilization Rate for Vouchers	92%	Utilization Rate for Monthly Funding	102%
Move-ins	3	Shopping (includes PO)	8
Move-outs	4	Processing Applications	20

Bridges Rental Assistance

Grant Years	2025-2027	Total Grant Awarded	\$368,280
Awarded Vouchers	16	Available Balance	\$358,346
Vouchers Leased	12	Grant Months remaining	23
Utilization of Vouchers	75%	Grant Funds Utilization	3%
Move-ins	0	Shopping	0
Move-outs	1	Processing Applications	5



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Program/Project Updates

- Naturally Occurring Affordable Housing (NOAH)
 - Staff submitted an application for funding for approximately \$2.5 million. The funds will be used for improvements to the Bluffview Townhomes.
- Bring It Home Rental Assistance
 - Minnesota Housing approved at their July board meeting to award the Red Wing HRA a total grant amount of \$440,156. The startup costs of \$27,000 are to be used in the first twelve months and the HAP/Administrative fees of \$413,156 is to be used during the two year contract term. Staff will be attending a due diligence webinar in August. There will be further information brought to next board meeting.
- Hill Street- 2024 Congressionally Directed Spending (CDS)
 - Mike Hegna with Finn Daniels Architects has completed 80% of the scope of work and plans for the project. Staff, Mike Hegna and the structural engineer will be having a meeting to go over the scope of work and design.
- POHP 2024 Updates
 - The plans are 65% completed. Next step is to get the scoping of the underground plumbing lines and opening the walls. Once plans are at 75% completed, they are sent to Minnesota Housing staff for them to start reviewing them.



Minnesota Housing
400 Wabasha St. N
Suite 400
St. Paul, MN 55102

July 31, 2025

Jennifer Jacobson
Red Wing Housing and Redevelopment Authority
428 West 5th Street
Red Wing, MN 55066

Sent via email

RE: Bring It Home Rental Assistance Program funding to Red Wing Housing and Redevelopment Authority

Dear Jennifer Jacobson,

We are pleased to inform you that your application was approved for funding by Minnesota Housing on July 24, 2025.

Your organization will be awarded up to a total grant amount of **\$440,156.00**. This is made up of **\$27,000.00** in startup costs to be used in the first twelve months of contracting and **\$413,156.00** in Housing Assistance Payments (HAP) and Administrative Fees intended to be used during the full two-year contract term.

The grant term will start upon execution of the Grant Contract Agreement by both parties and will end two years after execution. Funding is contingent upon satisfactory completion of all due diligence items, approval of which is at the sole discretion of Minnesota Housing.

Enclosed with this letter is the Due Diligence Checklist. All items listed in the Due Diligence Checklist must be returned to, and approved by, Minnesota Housing prior to the execution of the Grant Contract Agreement.

An informative webinar detailing the Due Diligence Checklist will be held on August 18th at 1:00pm. Registration link to follow.

If you have program specific questions, contact Dani Salus at: danielle.salus@state.mn.us

Thank you for your continued commitment to providing rental assistance to low-income households in Minnesota.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Jennifer Bergman', with a long horizontal stroke extending to the right.

Jennifer Bergman

Director of Local Government Housing Programs



RED WING HOUSING & REDEVELOPMENT AUTHORITY

428 WEST FIFTH STREET, RED WING, MN 55066

TELEPHONE (651) 388-7571

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TDD/TTY 711

WWW.REDWINGHRA.ORG

August 12, 2025

To: Red Wing HRA Board of Commissioners

From: Kurt Keena, Executive Director

Re: Community Redevelopment Report

Small Cities Program Income Notes Receivable and Cash Reserves

Category	June 2025
Notes Receivable	\$1,346,388
Forgivable	\$661,405
Reserves	\$397,190

Small Cities Loan Servicing and Activities

We have three applications for consideration and approval as an earlier agenda item at this meeting. We have two more applications pending for potential action at our September or October meetings.

Affordable Housing Trust Fund Activities and Reserves

The City Council approved our use of AHTF resources to assist Goodhue County Habitat for Humanity with the production of affordable homeownership units in the City of Red Wing.

We have begun to see interest in our homebuyer assistance program again and currently have 4 potential applications pending.

June reserves for the AHTF are \$311,655.

Housing TIF District No. 8

Certification of the final phase is not yet complete. The developer needs to complete some tree planting before they can get a final Certificate of Occupancy from the City. Once they have that we can issue the TIF note for this phase. We now expect that to happen in the next month or two.

Upon the issuance of the TIF note for this final phase we will transition into the long-term monitoring phase of the district. We will be using a third party to assist us in the verification of the required affordability conditions of the agreements. That will include a 100% file review of the 2025 reporting period.

Red Wing Housing Summit

I am currently working with City staff on the planning of a housing summit that will leverage the information contained in the recently completed housing study to provide information and education as well as focus efforts to increase the supply of housing for the City. We are tentatively planning for the event to take place in early November and all members of the HRA Board will be invited to participate.



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Owner Occupied Rehab Program

We had our first quarterly check-in meeting with the City and GCH4H regarding our new owner-occupied rehab program. GCH4H has received 7 applications so far from Red Wing homeowners. One project has been completed with another one set to start soon. They are continuing to do outreach about the program and process the other applications they have. This seems like a very promising start to a new program.

Housing & Redevelopment Related Update

The contractor hired by HUD to oversee the former Bayview Care Center site has recently done some grounds maintenance. At some point in the future HUD will conduct a note sale of the site but no date has been set that I am aware of.

The school conducted an RFP for the Jefferson school site but I have not learned the results of that RFP or what the next steps are concerning the property.