



Crosby HRA Board Meeting
Tuesday, July 9, 2019
11:00 a.m.
300 Third Ave. NE, Crosby, MN

AGENDA

- 1. Call to Order**
- 2. Roll Call**
- 3. Reading and Approval of Minutes** (*Attachment 1*)
- 4. Bills and Communications**
 - a. Financial Report (*Attachment 2*)
 - b. Housing Manager Report (*Attachment 3*)
- 5. Unfinished Business**
- 6. New Business**
 - a. Adopt Resolution No. 2020-01 Supporting the MN NAHRO Technical Assistance for Repositioning Public Housing (*Attachment 4*)
 - b. Approve Resolution No. 2020-02 Authorizing POHP Loan Document Execution (*Attachment 5*)
- 7. Adjournment**

Next Meeting: Tuesday, August 13, 2019

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Minutes of the June 11, 2019, Board Meeting

The regular meeting of the commissioners of the Housing and Redevelopment Authority of Crosby was held at 11:00 a.m., Tuesday, June 11th, 2019, at 300 3rd Ave NE in Crosby, Minnesota.

1. **CALL TO ORDER:** Chair Peeples called the meeting to order at 11:02 a.m.
2. **ROLL CALL:** Present at the meeting were Chair Linda Peeples and Commissioners Renae Marsh, Buzz Neprud, Julie McGinnis, and Bill Small. Also present were Executive Director Jennifer Bergman, Housing Manager Shannon Fortune, Housing Specialist Mallory Smith, and Executive Assistant LeAnn Goltz.

3. **READING AND APPROVAL OF MINUTES FROM PREVIOUS MEETING:**

Commissioner Neprud made a motion to approve the minutes from the May 14, 2019, board meeting. Commissioner Marsh seconded the motion. All commissioners voted in favor of the motion and none were opposed. The minutes were approved.

4. **BILLS AND COMMUNICATIONS:**

- a. **Financial Report:** The 2019 audit with CliftonLarsonAllen (CLA) is taking place this week of June 10th. The unaudited REAC information was submitted by the May 31st due date.

Commissioner Neprud made a motion to approve May checks numbered 117260 through 117293. Commissioner McGinnis seconded the motion. All commissioners voted in favor of the motion and none were opposed. The motion was approved.

- b. **Housing Manager Report:** Mallory began her first week solo in the office on Monday, June 3rd. Her schedule is Monday to Thursday, 7AM–4:30PM, with open/walk-in office hours from 9AM–12PM daily. Tenants were made aware of this change via a memo posted on the door and the phone message has been changed to reflect this information as well.

The Management & Occupancy Review (MOR) took place on June 6th. The reviewer looked at the waiting list and current files and provided some suggestions. There were some findings, which will be included a report. We will then be able to make corrections and resubmit.

Mallory will be out of the office the week of June 24th for her Public Housing Occupancy training and certification test. Shannon will provide office coverage during this time.

Tony has been steadily completing annual inspections and typically gets through about 12 units per month. For the most part, tenants have been turning in necessary maintenance requests as they arise throughout the year, which means that the inspections typically don't generate a lot of unexpected repair work.

For the month of May, there was only one vacancy in Edgewood.

5. **UNFINISHED BUSINESS:** Nothing to report.

6. **NEW BUSINESS:**

- a. **Discussion on Repositioning Public Housing:** HUD staff from the Minneapolis Field Office has been reaching out to housing authorities across Minnesota asking if the Crosby HRA has considered repositioning its public housing. Bergman explained that it appears HUD's initiative is to eliminate public housing and transition into another form of subsidy.

Several of our staff attended a repositioning public housing training at the Minnesota NAHRO conference the week of May 20th. There are several options and each one is complicated. Bergman provided the Board with a presentation from the conference that summarized the options. She explained that staff is still in researching mode and also trying to learn it. At this point conversion is optional and strongly encouraged, but she anticipates it becoming mandatory at some point.

There will be additional training opportunities at the MN NAHRO fall conference in Duluth that will be held September 11–13, 2019. Bergman encouraged the Board to attend.

7. **NEXT MEETING:** Tuesday, July 9th, 2019.

8. **ADJOURNMENT:**

Commissioner Neprud made a motion to adjourn the meeting. Commissioner McGinnis seconded the motion. All commissioners voted in favor of the motion and none were opposed. The motion was approved and meeting was adjourned at 11:45 a.m.



To: Crosby HRA Board Members
From: Karen Young, Finance Director
Date: July 1, 2019
Re: July Financial Report

Please find attached the financial information for June 2019.

2019 Audit

The 2019 audit fieldwork was completed by our auditors at CliftonLarsonAllen (CLA) during the week of June 10th. The audit was clean and there were no findings.

ACH Payment Approval

Each month included in the attached Payment Summary Report are the ACH payments that are made. We have added the ACH numbers below for approval along with the actual checks that were issued.

Action Requested: Approval of June checks numbered 117294 through 117322 and June ACH payments numbered 87 through 92 and 1297 through 1303.

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Crosby Housing & Redevelopment Authority

2019 Ratios

FASS Ratios	Max Pts	Scoring	Apr	May	June
Quick Ratio	12	QR <1 =0-, QR >2 =12	12.00	12.00	12.00
Months Expendable Net Assets	11	MENA <1.0= 0, ME >4 =11	11.00	11.00	11.00
Debt Svc Coverage	2	DSC < 1 = 0, DSC >1.25 =2	2.00	2.00	2.00
Total Points	25		25.00	25.00	25.00

MASS Ratios	Max Pts	Scoring	Apr	May	June
Occupancy	16	O <90% =0, O >98% =16	4.00	12.00	12.00
Tenant Accounts Receivable	5	TAR <1.5%=5 , TAR >2.5% =0	0.00	5.00	0.00
Accounts Payable	4	AP < .75 = 4, AP >1.5 =0	4.00	4.00	4.00
Total Points	25		8.00	21.00	16.00

Total of Above Ratios	50		33	46	41
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MASS Ratios	Max Pts	Scoring	Apr	May	June
Timeliness of Obligation	5	>90% at OED = 5 <90% at OED = 0	5.00	5.00	5.00
Occupancy Rate	5	OR <93% = 0, OR >96% =5 Must have 5 points or Capital Fund Troubled	5.00	5.00	5.00
Total Points	10		10.0	10.0	10.0

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**PH Operating - Board
 Public Housing Operating - Board
 June, 2019**

	Current Period	Current Year	Year To Date Budget	Variance
Income				
100-000-3110.000 Dwelling Rental	-16,536.00	-50,399.00	-49,870.26	-528.74
100-000-3120.000 Excess Utilities	-544.00	-544.00	-162.51	-381.49
100-000-3401.000 Operating Subsidy	-10,677.00	-20,090.00	-16,006.26	-4,083.74
100-000-3610.000 Interest Revenue	0.03	-1.74	0.00	-1.74
100-000-3690.000 Other Income	0.00	-279.35	-4,212.51	3,933.16
100-000-3691.000 Other Tenant Revenue	-583.00	-2,833.88	-2,499.99	-333.89
100-000-3695.000 Laundry Revenue	0.00	-387.00	-575.01	188.01
100-000-3699.000 POHP Grant Revenue	0.00	-2,236.57	0.00	-2,236.57
Total Income	-28,339.97	-76,771.54	-73,326.54	-3,445.00
Expense				
100-000-4110.000 Administration Salaries	3,891.77	8,495.99	5,422.50	3,073.49
100-000-4130.000 Legal	0.00	86.00	375.00	-289.00
100-000-4140.000 Staff Training	1,100.00	1,100.00	150.00	950.00
100-000-4150.000 Travel	37.21	74.33	202.50	-128.17
100-000-4190.000 Sundry-Other Admin	12.50	42.50	60.00	-17.50
100-000-4191.000 Management Fees	2,167.00	6,501.00	6,500.01	0.99
100-000-4194.000 Office Supplies	64.33	444.82	162.51	282.31
100-000-4195.000 Membership Dues	0.00	0.00	67.50	-67.50
100-000-4196.000 Telephone	82.43	245.46	275.01	-29.55
100-000-4198.000 Advertising	0.00	0.00	31.26	-31.26
100-000-4199.000 Postage	0.00	0.00	75.00	-75.00
100-000-4210.000 Tenant Svcs Salaries	305.56	955.95	1,048.74	-92.79
100-000-4230.000 Tenant Services Other	16.09	48.27	50.01	-1.74
100-000-4310.000 Water	972.56	2,028.00	2,942.49	-914.49
100-000-4315.000 Sewer	1,658.46	3,465.46	4,837.50	-1,372.04
100-000-4320.000 Electricity	290.43	290.43	5,103.75	-4,813.32
100-000-4330.000 Gas	661.12	661.12	2,347.50	-1,686.38
100-000-4431.000 Garbage & Trash	518.84	1,161.62	1,974.99	-813.37
100-000-4410.000 Maintenance Labor	3,163.20	9,549.16	10,230.00	-680.84
100-000-4420.000 Materials	1,252.78	2,348.01	3,249.99	-901.98
100-000-4430.000 Contracts Costs	1,176.82	2,058.68	4,050.00	-1,991.32
100-000-4432.000 Decorating Contract	96.46	5,285.34	2,250.00	3,035.34
100-000-4435.000 Grounds Contract	0.00	21.42	249.99	-228.57
100-000-4440.000 Repairs Contract	0.00	0.00	62.49	-62.49
100-000-4445.000 Elevator Maintenance	2,359.62	2,359.62	735.00	1,624.62
100-000-4450.000 Plumbing/Heating	300.00	554.50	1,250.01	-695.51
100-000-4455.000 Snow Removal	0.00	91.00	462.51	-371.51
100-000-4456.000 Exterminating	20.00	40.00	309.99	-269.99
100-000-4457.000 Janitor/Cleaning	525.19	1,411.64	1,700.01	-288.37
100-000-4510.000 Insurance	1,545.26	4,635.78	5,011.23	-375.45
100-000-4520.000 Property Tax	648.93	3,273.05	1,962.51	1,310.54
100-000-4540.000 Employee Benefits	2,929.52	7,725.27	7,706.28	18.99
Total Expense	25,796.08	64,954.42	70,856.28	-5,901.86
Net Income(-) or Loss	-2,543.89	-11,817.12	-2,470.26	-9,346.86

Crosby HRA
Edgewood Operating Stmt - Board
June, 2019

	Current Period	Current Year	Year To Date Budget	Variance
Income				
700-000-3110.000 Dwelling Rental	-18,636.00	-55,951.00	-56,533.50	582.50
700-000-3120.000 Excess Utilities	-1,637.00	-1,667.00	-474.99	-1,192.01
700-000-3404.000 Other Government Grant	-8,944.00	-25,055.00	-25,539.99	484.99
700-000-3610.000 Interest Revenue	-11,246.32	-11,957.21	-375.00	-11,582.21
700-000-3690.000 Other Income	0.00	-299.33	-24.99	-274.34
700-000-3691.000 Other Tenant Revenue	0.00	-1,996.92	-1,500.00	-496.92
700-000-3695.000 Laundry Revenue	0.00	-1,361.50	-2,075.01	713.51
Total Income	-40,463.32	-98,287.96	-86,523.48	-11,764.48
Expense				
700-000-4110.000 Administration Salaries	12,572.18	19,878.51	8,820.00	11,058.51
700-000-4130.000 Legal	0.00	0.00	249.99	-249.99
700-000-4140.000 Staff Training	0.00	0.00	225.00	-225.00
700-000-4150.000 Travel	37.20	74.32	187.50	-113.18
700-000-4190.000 Sundry-Other Admin	62.50	92.50	65.01	27.49
700-000-4191.000 Management Fees	5,333.00	15,999.00	15,999.99	-0.99
700-000-4194.000 Office Supplies	64.34	450.41	212.49	237.92
700-000-4195.000 Membership Dues	0.00	0.00	50.01	-50.01
700-000-4196.000 Telephone	82.45	245.50	275.01	-29.51
700-000-4198.000 Advertising	0.00	0.00	24.99	-24.99
700-000-4199.000 Postage	0.00	0.00	75.00	-75.00
700-000-4210.000 Tenant Svcs Salaries	458.36	1,433.93	1,572.51	-138.58
700-000-4230.000 Tenant Services Other	16.09	48.28	50.01	-1.73
700-000-4310.000 Water	419.32	925.26	1,668.75	-743.49
700-000-4315.000 Sewer	784.31	1,723.87	2,942.49	-1,218.62
700-000-4320.000 Electricity	345.15	345.15	6,883.74	-6,538.59
700-000-4330.000 Gas	963.86	963.86	2,527.50	-1,563.64
700-000-4431.000 Garbage & Trash	135.65	284.24	500.01	-215.77
700-000-4410.000 Maintenance Labor	3,265.20	9,855.14	10,535.01	-679.87
700-000-4420.000 Materials	1,611.95	1,717.62	2,150.01	-432.39
700-000-4430.000 Contracts Costs	590.93	1,769.26	3,249.99	-1,480.73
700-000-4432.000 Decorating Contract	114.48	1,874.97	2,750.01	-875.04
700-000-4435.000 Grounds Contract	0.00	32.13	150.00	-117.87
700-000-4440.000 Repairs Contract	0.00	0.00	37.50	-37.50
700-000-4445.000 Elevator Maintenance	2,359.62	2,359.62	735.00	1,624.62
700-000-4450.000 Plumbing/Heating	2,103.10	2,103.10	3,624.99	-1,521.89
700-000-4455.000 Snow Removal	0.00	136.50	692.49	-555.99
700-000-4456.000 Exterminating	30.00	60.00	375.00	-315.00
700-000-4457.000 Janitor/Cleaning	675.29	1,357.17	2,049.99	-692.82
700-000-4510.000 Insurance	1,735.26	5,205.78	5,008.74	197.04
700-000-4520.000 Property Tax	1,040.34	2,459.76	2,075.01	384.75
700-000-4540.000 Employee Benefits	3,531.64	8,987.41	8,883.78	103.63
Total Expense	38,332.22	80,383.29	84,647.52	-4,264.23
Net Income(-) or Loss	-2,131.10	-17,904.67	-1,875.96	-16,028.71

Housing and Redevelopment Authority of Crosby
Payment Summary Report
June 2019

Payment Date	Payment Number	Remit to Vendor	Total Check Amt
6/10/2019	87	Tenant ACH Error Refund	\$42.00
6/10/2019	88	Tenant ACH Error Refund	\$42.00
6/10/2019	89	Tenant ACH Error Refund	\$32.00
6/10/2019	90	Tenant ACH Error Refund	\$42.00
6/12/2019	91	Christine Carlson	\$18.73
6/12/2019	92	Shannon Fortune	\$55.68
6/6/2019	1297	Lincoln Financial Group	\$8,850.00
6/6/2019	1298	Lincoln Financial Group	\$2,558.96
6/6/2019	1299	Electronic Federal Tax Payment System	\$3,587.22
6/6/2019	1300	Minnesota Dept Of Revenue	\$347.00
6/20/2019	1301	Lincoln Financial Group	\$473.64
6/20/2019	1302	Electronic Federal Tax Payment System	\$1,205.64
6/20/2019	1303	Minnesota Dept Of Revenue	\$142.94
6/11/2019	117294	Adams Pest Control	\$50.00
6/11/2019	117295	City Of Crosby	\$4,263.05
6/11/2019	117296	Climate Makers	\$2,081.26
6/11/2019	117297	Crosby Ace Hardware	\$218.53
6/11/2019	117298	Ctcit	\$200.00
6/11/2019	117299	Dacotah Paper Co.	\$289.03
6/11/2019	117300	Gravelle Plumbing & Heating	\$321.84
6/11/2019	117301	Handyman's Inc.	\$260.77
6/11/2019	117302	Hd Supply Facilities Maint	\$1,999.88
6/11/2019	117303	Healthpartners	\$3,476.41
6/11/2019	117304	Judy Robinson	\$900.00
6/11/2019	117305	Mei Elevator Solutions	\$4,719.24
6/11/2019	117306	Minnesota Energy Resources	\$1,624.98
6/11/2019	117307	Minnesota Power	\$635.58
6/11/2019	117308	Minnesota Secretary of State-Notary	\$120.00
6/11/2019	117309	Nan Mckay & Associates Inc.	\$1,100.00
6/11/2019	117310	Nisswa Sanitation Inc	\$226.09
6/11/2019	117311	Northland Fire Protection	\$988.95
6/11/2019	117312	Rental History Reports	\$175.00
6/11/2019	117313	Terry Quick	\$19.14
6/11/2019	117314	The Office Shop	\$8.67
6/11/2019	117315	Timber Building Supply	\$170.53
6/11/2019	117316	Verizon Wireless	\$130.46
6/11/2019	117317	Visa-Unity	\$437.41
6/11/2019	117318	Wells Fargo Credit Card	\$24.00
6/20/2019	117319	Void	\$0.00
6/20/2019	117320	Ctc	\$427.26
6/20/2019	117321	Void	\$0.00
6/20/2019	117322	Minnesota Power	\$93.00
		Report Total	\$42,358.89

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To: Crosby HRA Board Members
From: Shannon Fortune, Housing Manager
Date: July 2, 2019
Re: Housing Manager Report

- Mallory completed her week-long Public Housing Specialist training and is awaiting the results of her certification test. She came back with an extensive training manual on public housing regulations, requirements, and procedures. We are eager to begin comparing our current policies and processes and making updates as necessary.
- Mallory began the process of ordering business cards but was unable to find a template for previous staff cards that could be updated with her information. She decided to delay an order and ask for Board feedback on including a logo for Crosby HRA on her new cards. We would like to bring options to the August meeting for the Board to review and provide feedback.
- The annual audit was completed by Clifton Larson Allen the week of June 10th. As part of the audit process, staff and board members participated in interviews to help highlight gaps or potential weak areas where fraud could occur. During her interview, Mallory noted the amount of cash that comes through the office, not just for rent payments but also through the sale of individual postage stamps, copies made, faxes sent, and change given for laundry. Handling non-rent related cash was also an item discussed during the Management & Occupancy Review (MOR) in June. After these interviews, it is our recommendation that a change machine be installed in the laundry room and no further sales of items be handled in the office.
- On June 13th, we were notified by the MN Department of Revenue that Crosby HRA had been selected for a regular audit of five Revenue Recapture files. The audit process is being rolled out state-wide and was not in response to any concerns or complaints. After a brief conference call with our auditor, we uploaded the completed audit questionnaire about our Revenue Recapture procedures and the five files selected for review. The uploaded documents were due July 3rd and we were advised that it could be several weeks before we get any comments back.
- After the June board meeting, a neighbor of the Edgewood/Dellwood property approached two board members with concerns about loud music and barking dogs. At the request of the Board, we are including a copy of the current lease so sections relevant to these complaints can be reviewed. (See Attachment 3a.)
- During the recent Management & Occupancy Review (MOR), our reviewer noted that we have not been using the approved HUD model lease (HUD-90105). She also noted that we are not making use of a handbook, which is strongly suggested as it can be helpful in more clearly outlining tenant rights and responsibilities and can be tailored to specific scenarios that may arise at a property.

- » Having a Crosby HRA handbook will help address several issues we are dealing with currently such as the noise complaints, late or partial rent payments, inconsistent air conditioner rental fees, improper storage of personal items in hallways, use of common space, and availability of items for sale in the office (stamps, copies, faxes, quarters, etc.).
 - » We have acquired examples of handbooks in use at other area PHAs and will be reviewing them, along with the suggestions received during the MOR, to create a handbook for Crosby HRA tenants. We hope to have a draft ready for review at the August Board meeting.
 - » To prevent tenants from feeling overwhelmed with several rounds of “new” documents, we will present the approved HUD lease (HUD-90105) and the Crosby HRA Handbook at the same time. If helpful, we will organize an open tenant “Q & A” meeting, in addition to meeting with tenants individually to answer questions or concerns.
 - » The process for implementing a handbook includes an opportunity for current tenants to review the guidelines and choose to either sign the handbook or to give proper notice to vacate without penalty.
- Mallory has drafted a summer letter for Crosby HRA tenants that will remind tenants of the rules related to fire pits, swimming pools, trampolines, grills, and expectations for yard maintenance. It also has some information about timely rent payment, maintenance requests, and recertifications that were brought to our attention during our MOR. The letter is included for you to review and will be mailed and posted on Wednesday, July 3rd. (See Attachment 3b.)

June Vacancies

Edgewood – 1

Dellwood – 1

Family Units – 0

No Action Requested; Discussion Items

Number of Bedrooms 1

Annual Recertification
Date: 5/01/2020

For
LOW RENT PUBLIC HOUSING
and
LOW RENT NEW CONSTRUCTION SECTION 8 HOUSING

1. **PARTIES AND DWELLING UNIT:** The parties to this Lease are The Housing and Redevelopment Authority of Crosby, Minnesota, (HRA), referred to as Landlord, and XXXXX XXXXX, referred to as the Tenant. The Landlord leases to the Tenant, dwelling unit number #XXX located at 300 3rd Ave NE, Crosby, MN.

The premises leased are for the exclusive use and occupancy of the Tenant's household consisting of the following named persons who will live in the dwelling unit:

XXXXX XXXXX

2. **LEASE TERM AND RENT PAYMENT:** This Lease shall begin on May 31, 2019 and end on May 1, 2020 after this the term will be renewed in one year increments, unless terminated as provided by this Lease. If the Tenant is leasing the dwelling unit after the first of the month, the rent for the partial month is -0- prorated from ----- to -----.

(Check one)

This rent is based on the Authority-determined flat rent for this unit.

This rent is based on the income and other information reported by the Resident.

Families may change rent calculation methods at any recertification. Families who have chosen the flat rent option may request a reexamination and change to the formula-based method at any time if the family's income has decreased, their on-going expenses for such purposes as child care and medical care have changed or any other circumstances that create a hardship for the family that would be alleviated by a change.

Tenant shall pay monthly rent of \$221.00 this amount is due on the first day of each month at the HRA office located at 300 3rd Ave NE, Crosby, MN, 56441-1642. This same monthly rent amount shall remain in effect until adjusted in accordance with the provisions of Section 7 or 8 of this lease.

If the Tenant's rent payment cannot be made on or before the first of each month, it is the Tenant's responsibility to contact the Landlord prior to the first of the month to request an extension of the due date. If the Landlord agrees to the extension, a written agreement will be signed by the Tenant indicating the date on which the Tenant will make full payment of rent due.

If Tenant fails to make the rent payment by the fifth day of the month, and the Landlord has not agreed to accept payment at a later date, a notice to vacate will be issued to Tenant in accordance with Section 16 of this Lease.

A \$5.00 late charge will be assessed to cover the added costs of this late rent payment. An additional penalty of \$1.00 per day after the sixth of the month will be charged for every consecutive day that rent is received late.

A check returned for non-sufficient funds will constitute non-payment of rent and in addition to the \$5 late charge a \$10 returned check fee will be charged. Any time utilities are discontinued for non-payment a notice to vacate may be issued.

In the event legal proceedings are required to recover possession of the premises, the tenant will be charged with the actual cost of such proceedings.

3. **SECURITY DEPOSIT**: The tenant has deposited 100.00 with the landlord. With the approval of the Landlord, the Security Deposit may be made in monthly payments of \$20.00 for a period of 5 months payable on the first day of each month beginning on June 1, 2019. The Landlord will hold this security deposit for the period the Tenant occupies the dwelling unit. The Landlord shall not use the Security Deposit for rent or other charges while the Tenant is living in the dwelling unit.

Within 21 days after the Tenant has permanently moved out of the dwelling unit, the Landlord shall return the Security Deposit with interest at the rate provided by Minnesota State Law minus whatever amount is needed to pay the cost of:

- a. unpaid rent;
- b. repair of damages that exceed normal wear and tear as listed on the Move-Out Inspection Report; and
- c. other charges due under the Lease.

Interest begins on the first day of the month following the full payment of the Security Deposit and runs to the last day of the month in which the Landlord returns the Security Deposit.

The Landlord shall provide the Tenant with a written list of any charges made against the Security Deposit. If the Tenant disagrees with the amounts deducted, the Landlord agrees to meet with the Tenant to discuss the charges.

4. **OCCUPANCY**: The Tenant must live in the dwelling unit and the dwelling unit must be the only place of residence. The Tenant shall use the premises solely as a private dwelling for himself or herself and the persons named in Section 1 of this Lease, with the exception of minor children born into the household during this tenancy, and shall not permit its use for any other purpose.

With Landlord consent, members of the household may engage in legal profit-making activities in the dwelling unit, where the Landlord determines that such activities are incidental to primary use of the leased unit for residence by members of the household.

The Tenant Shall Not:

- a. permit any persons other than those listed above and minor children which are born into the household during this tenancy, to reside in the dwelling unit without obtaining the prior written approval of the Landlord;
- b. sublet or assign the unit, or any part of the unit;
- c. engage in or permit unlawful activities in the unit, in the common areas, or on the project grounds;
- d. have pets or animals of any kind in the dwelling unit without the prior execution of a Lease Addendum with the Landlord permitting pets; or
- e. act or allow household members or guests to act in a manner that will disturb the rights or comfort of neighbors. The Tenant agrees to keep the volume of any radio, phonograph, television, or musical instrument at a level that will not disturb the neighbors.
- f. permit any member of the household, a guest, or another person under the tenants control to engage in any criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises by other residents or employees.
- g. permit any member of the household, a guest, or another person under the tenants control to engage in any drug related criminal activity on or near the premises.

The Tenant has the right to exclusive use and occupancy of the dwelling unit, which includes reasonable accommodation of the Tenant's guests, visitors and, with the consent of the Landlord, foster children and the live-in care giver of the Tenant's family.

5. **CONDITION OF DWELLING:** By signing this Lease and the Unit Inspection Report, the Tenant acknowledges that the dwelling unit is safe, clean and in good condition, and that all appliances and equipment in the dwelling unit are in good working order as described on the Move-in Unit Inspection Report. This report, signed by both the Tenant and Landlord is Attachment #2 of this Lease.

At the time of move out, the Landlord shall complete another inspection of the dwelling unit. When the Tenant notifies the Landlord of his or her intent to vacate, the Landlord shall advise the Tenant of their opportunity to participate in the move-out inspection.

6. **UTILITIES.** The Landlord shall furnish the following utilities, services and equipment in elderly housing: heat, lights, hot and cold water, trash removal, and customary snow removal from driveways and sidewalks. The Landlord will not be responsible for failure to furnish utilities by reason of any cause beyond the Landlord's control.

The Landlord shall bill tenants in elderly housing for excess utility consumption in the manner described below for the following appliances and/or services. These charges are posted in the HRA office.

Auto Plug-in- \$18 annually or
\$6 monthly during December, January, February
Air Conditioner-\$30 annually or
\$10 monthly during June, July, August
Freezer- \$60 annually or \$5 per month.

The Tenant shall supply the following utilities in family housing: electricity and gas. A Utility Allowance Schedule for these utilities is posted in the HRA office. The Landlord shall furnish the following in the family housing: water, sewer and trash removal and a stove, refrigerator, and window coverings for bedroom windows.

The Utility Allowance Schedule for Tenant Paid Utilities and the Schedule of Excess Utility Surcharges is posted in the Landlord's office. The Landlord shall provide the Tenant with no less than 60 days notice prior to the proposed effective date of scheduled revisions to these items.

The notice shall:

- a. describe the basis for the allowance or revision.
- b. include a statement of specific items included in determining the utility consumption and dollar amounts in the allowance or revision.
- c. advise Tenants where they may review the Landlord's records which document the basis for the allowance or revision.
- d. provide Tenants an opportunity to submit written comments within a 30 day period. This comment period will expire no less than 30 days prior to the proposed effective date of the allowance or revision.

7. **ANNUAL RENT RECERTIFICATIONS:** Each year, by the date specified by the Landlord, the Tenant shall provide accurate statements regarding income, assets, expenses, and family composition. The Landlord shall verify the information supplied by the Tenant and use the verified information to establish the amount of the Tenant's rent.

In cases where Annual Income cannot be projected for a twelve-month period, the Landlord shall pre-schedule Special Interim Rent Reviews between the Annual Rent Recertifications. The Tenant may meet with the Landlord to discuss any change in rent resulting from the recertification process, and if the tenant does not agree with the determination of tenant rent, the tenant may request a hearing in accordance with the landlord's grievance procedures.

8. **INTERIM RENT ADJUSTMENTS:** The Tenant should promptly report to the Landlord any of the following changes in household circumstances when they occur between Annual Rent Recertifications:

- a. A decrease in Annual Income;
- b. Child Care expenses for children under the age of 12 which are necessary to enable a member of the household to be employed or to go to school;
- c. Handicapped Assistance Expenses, which enable a family member to work;
- d. Medical expenses of Elderly, Disabled, or Handicapped Headed Households which are not covered by insurance;
- e. The addition of a dependent member to the household (excluding foster children) who is under 18 years of age or is a Disabled or Handicapped Person or a full-time student; or
- f. Any increase in monthly income in excess of \$20 per month.

The Landlord shall then verify the information provided by the Tenant to determine if a decrease in the rent is warranted.

9. **EFFECTIVE DATE OF RENT CHANGE:** The Landlord shall give the Tenant written notice of any change in the Tenant's rent. The notice shall be signed by the Landlord, state the new amount the Tenant is required to pay, and the effective date of the new rental amount.
- a. Rent Decreases: The Landlord shall process rent decreases so that the lowered rent amount becomes effective on the first day of the month after the Tenant reports the change in household circumstances. This rent change may be backdated to the appropriate date if less than five (5) working days have been given to the Landlord to process this change.
 - b. Rent Increases: The Landlord shall process rent increases so that the Tenant is given no less than 30 days advance written notice of the amount due.

Once the rental rate is established, it shall remain in effect until the effective date of the next Annual Rent Recertification, prescheduled Special Interim Rent Review, or Interim Rent Adjustment.

10. **TENANT OBLIGATION TO REPAY:** Tenant shall reimburse the Landlord for the difference between the rent which was paid and the rent which should have been charged if proper notice had been given and if the following circumstances occur:
- a. Tenant does not submit Rent Recertification information by the date specified in the Landlord's request; or
 - b. Tenant submits false information at Admission or at Annual, Special, or Interim Rent Adjustment.

Tenant is not required to reimburse the Landlord for undercharges caused solely by the Landlord's failure to follow U.S. Department of Housing and Urban Development's procedures for computing rent.

11. **MAINTENANCE:**

Tenant Agrees To:

- a. keep the dwelling unit and any other areas assigned for the Tenant's exclusive use in a clean and safe condition;
- b. use all appliances, fixtures and equipment in a safe manner and only for the purposes for which they are intended;
- c. not litter the grounds or common areas of the project;
- d. not undertake, or permit his or her family or guests to undertake any hazardous acts or do anything that will damage the property;
- e. not destroy, deface, damage or remove any part of the dwelling unit, common areas, or project grounds;
- f. give the Landlord prompt notice of any defects in the plumbing, fixtures, appliances, heating equipment or any other part of the unit or related facilities;
- g. remove garbage and other waste from the dwelling unit in a clean and safe manner;
- h. pay reasonable charges (other than for normal wear and tear) for the repair of damages to the premises, project buildings, facilities or common areas caused by the Tenant, his or her household or guests, and to do so within 30 days after the receipt of the Landlord's itemized statement of the repair charges. The Damage and Service Charge Schedule is posted in the Landlord's office; and
- i. Other: _____.

The Landlord Agrees To:

- a. maintain the premises and the project in decent, safe and sanitary condition;
- b. comply with requirements of applicable building codes, housing codes materially affecting health and safety, and U.S. Department of Housing and Urban Development regulations;
- c. make necessary repairs to the premises;
- d. keep project buildings, facilities and common areas, not otherwise assigned to the Tenant for maintenance and upkeep, in a clean and safe condition;
- e. maintain in good and safe working order and condition electrical, plumbing, sanitary, heating, ventilating, and other facilities and appliances, including elevators, supplied or required to be supplied by the Landlord;
- f. provide and maintain appropriate receptacles and facilities for the deposit of garbage, rubbish, and other waste removed from the premises by the Tenant; and
- g. supply running water and reasonable amounts of hot water and heat at appropriate times of the year (according to local customs and usage) except where heat or hot water is generated by an installation within the exclusive control of the Tenant and supplied by a direct utility connection.

Defects Hazardous to Life Health or Safety:

- a. The Tenant shall immediately notify the Landlord if the dwelling unit is damaged to the extent that conditions are created which are hazardous to life, health, or safety of the occupants.
- b. The Landlord shall be responsible for repair of the unit within a reasonable time. If the Tenant, Tenant's household or guests caused the damage, the reasonable cost of the repairs shall be charged to the Tenant.
- c. The Landlord shall offer standard alternative accommodations, if available, where necessary repairs cannot be made within a reasonable time.
- d. The Landlord shall make a provision for rent abatement in proportion to the seriousness of the damage and loss in value if repairs are not made within a reasonable time. No abatement of rent shall occur if the Tenant rejects the alternative accommodations or if the Tenant caused the damage, Tenant household, or guests.

12. **RESTRICTION ON ALTERATIONS:** The Tenant shall not do any of the following without first obtaining the Landlord's written permission:

- a. dismantle, change or remove any part of the appliances, fixtures or equipment in the dwelling unit;
- b. paint or install wallpaper or contact paper in the dwelling unit;
- c. attach awnings or window guards in the dwelling unit;
- d. attach or place any fixtures, signs, or fences on the building(s), the common areas, or the project grounds;
- e. attach any shelves, screen doors, or other permanent improvements in the dwelling unit;
- f. install or alter carpeting, resurface floors or alter woodwork;
- g. install washing machines, dryers, fans, heaters, or air conditioners in an elderly dwelling unit;
- h. place any aerials, antennas or other electrical connections on the dwelling unit; or
- i. install additional or different locks or gates on any doors or windows of the dwelling unit.
- j. Other: _____.

13. **ACCESS BY LANDLORD:** The Landlord shall provide two days written advance notice to the Tenant of his or her intent to enter the dwelling unit for the purpose of performing routine inspections and maintenance, for making improvements or repairs, or to show the dwelling unit for re-renting. The notice shall specify the date, time, and purpose for the entry. The Tenant shall permit the Landlord, his or her agents, or other persons, when accompanied by the Landlord, to enter the dwelling unit for these purposes. In the event that the Tenant and all adult members of the household are absent from the dwelling unit at the time of entry, the Landlord shall leave a card stating the date, time and name of the person entering the dwelling unit and the purpose of the visit.

The Landlord may enter the dwelling unit at any time without advance notice when there is reasonable cause to believe an emergency exists.

14. **SIZE OF DWELLING**: The Tenant understands that the Landlord assigns dwelling units according to the Occupancy Standards published in the Occupancy Policy. The Standards consider the type (such as dwelling units designed for the elderly or handicapped) and size of the dwelling unit required by the household members. If the Tenant is or becomes eligible for, a different type or size dwelling unit and an appropriate dwelling unit under this program becomes available, the Tenant shall be given a reasonable period of time to move. This time shall not exceed sixty (60) days unless an unusual hardship condition exists. If the Tenant fails to move to the designated dwelling unit within the notice period specified by the Landlord, the Landlord may terminate this lease as provided in Sections 15 and 16.

If the Landlord determines that a Tenant must transfer to another unit based on family composition, the Landlord shall notify the Tenant. The Tenant may ask for an explanation stating the specific grounds of the determination, and if the Tenant does not agree with the determination, the Tenant may request a hearing in accordance with the Landlord's grievance procedures.

15. **LEASE TERMINATION BY LANDLORD**: Any termination of this Lease shall be carried out in accordance with U.S. Department of Housing and Urban Development regulations, State and local law, and the terms of this Lease.

The Landlord shall not terminate or refuse to renew the Lease other than for serious or repeated violation of material terms of the Lease, such as, but not limited to, the following:

- a. nonpayment of rent or other charges due under the Lease, or repeated chronic late payment of rent consisting of late payment of rent for four (4) consecutive months or late payment of rent for any six (6) months in any twelve (12) month period;
- b. failure to provide timely and accurate statements of income, assets, expenses and family composition at Admission, Interim, Special or Annual Rent Recertifications;
- c. assignment or subleasing of the premises or providing accommodation for boarders or lodgers;
- d. use of the premises for purposes other than solely as a dwelling unit for the Tenant and Tenant's household as identified in this Lease, or permitting its use for any other purpose;
- e. failure to abide by necessary and reasonable rules made by the Landlord for the benefit and well being of the housing project and the Tenants;
- f. failure to abide by applicable building and housing codes materially affecting health or safety;
- g. failure to dispose of garbage, waste and rubbish in a safe and sanitary manner;
- h. failure to use electrical, plumbing, sanitary, heating, ventilating, air conditioning and other equipment, including elevators, in a safe manner;

- i. acts of destruction, defacement or removal of any part of the premises, or failure to cause guests to refrain from such acts;
- j. failure to pay reasonable charges (other than for normal wear and tear) for the repair of damages to the premises, project buildings, facilities or common areas;
- k. any **activity not just** criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises **by other tenants or employees of the HA;**
- l. **any drug-related criminal activity on or off the premises, not just on or near the premises;**
- m. **alcohol abuse that the HA determines interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents; or**
- n. failure to perform required community service or be exempted therefrom;
- o. any other good cause.

16. **NOTICE OF LEASE TERMINATION:** If the Landlord proposes to terminate this Lease, the Tenant shall be given written notice of the proposed termination, as listed below:

- a. failure to pay rent, at least fourteen (14) days;
- b. creation or maintenance of a threat to health or safety of other Tenants or Landlord's employees, a reasonable time based on the urgency of the situation; or
- c. all other cases, at least thirty (30) days.

The notice to vacate required by State or local law may be combined with or run concurrently with a notice of Lease termination.

The notice of Lease termination from the Landlord shall be either personally delivered to the Tenant or to an adult member of the Tenant's family residing in the dwelling unit, or sent to the Tenant by First Class Mail, properly addressed, postage pre-paid. The notice shall:

- a. specify the date the Lease shall be terminated;
- b. state the grounds for termination with enough detail for the Tenant to prepare a defense. The Landlord shall rely solely on the grounds stated in the Notice of Lease Termination in the event eviction action is initiated;
- c. advise the Tenant of the right to reply as he or she may wish, to examine the Landlord's documents directly relevant to the termination or eviction, and to request an Informal Hearing (as described in d. below) in accordance with the Landlord's Grievance Policy, and/or to defend the action in court;
- d. advise the Tenant of the right to request an Informal Grievance Hearing within ten (10) working days. The notice period shall begin on the earlier of the date the notice was hand-delivered or the day after the notice was mailed. The purpose of the informal hearing is to attempt to resolve the issue(s) without resorting to the Formal Grievance Hearing and/or Court Eviction;

- e. state to the Tenant they are not entitled to a grievance hearing on the termination, and the judicial eviction procedure provides the opportunity for a hearing in court that contains the basic element of due process as defined in HUD regulations; and
- f. advise the Tenant of any proposed adverse actions by the Landlord.

17. **LEASE TERMINATION BY TENANT:** The Tenant shall give the Landlord one month plus one day written notice before moving from the dwelling unit. If the Tenant does not give the full notice, the Tenant shall be liable for rent to the end of the notice period or to the date the dwelling unit is re-rented, whichever date comes first.
18. **TERMINATION OF LEASE UPON DEATH OF TENANT:** Upon the death of the Tenant, or if there is more than one Tenant, upon the death of all Tenants, either the Landlord or the personal representative of the Tenant's estate may terminate this Lease upon at least one month plus one day written notice, to be effective on the last day of a calendar month. If full notice is not given, the Tenant's estate shall be liable for rent to the end of the notice period or to the date the unit is re-rented, whichever date comes first. The termination of a Lease under this section shall not relieve the Tenant's estate from liability either for payment of rent or other amounts owed prior to or during the notice period, or for the payment of amounts necessary to restore the premises to their condition at the beginning of the Tenant's occupancy, normal wear and tear excepted.
19. **PROPERTY ABANDONMENT:** If a Tenant abandons the dwelling unit, the Landlord shall take possession of the Tenant's personal property remaining on the premises, and shall store and care for the property. The Landlord has a claim against the Tenant for reasonable costs and expenses incurred in removing the property and in storing and caring for the property, and the Landlord can collect from the Tenant all moving and storage costs.

The Landlord may sell or otherwise dispose of the property 60 days after the Landlord receives actual notice of abandonment or 60 days after it reasonably appears to the Landlord that the Tenant has abandoned the premises, whichever date occurs last. At least 14 days prior to the sale, the Landlord agrees to make reasonable efforts to notify the Tenant of the sale by sending written notice of the sale by certified mail, return receipt requested, to the Tenant's last known address or likely living quarters if that is known by the Landlord. The Landlord shall also post a notice of sale in a clearly visible place on the premises for at least two weeks before the sale. The Landlord may use the money from the sale to pay off any debts the Tenant owes the Landlord. Any amount above this belongs to the Tenant, if the Tenant has written and asked for it.

20. **DELIVERY OF NOTICES:**

Notice by Landlord: Any notice from the Landlord shall be in writing and either personally delivered to the Tenant or to an adult member of the Tenant's family residing in the dwelling unit,

or sent to the Tenant by Certified Mail, return receipt requested, properly addressed, postage pre-paid.

Notice by Tenant: Any notice to the Landlord shall be in writing, and either personally delivered to the Landlord at the Landlord's Office, or sent to Landlord by first-class mail, postage pre-paid and addressed to: The Housing and Redevelopment Authority, 300 3rd Ave NE, Crosby, MN, 56441-1642.

If the Tenant is visually impaired, notices shall be in accessible format.

21. **GRIEVANCES**: All individual grievances or appeals, with the exception of those cases concerning eviction or termination of tenancy which are based upon a Tenant's creation or maintenance of a threat to health or safety of other Tenants or Landlord employees, shall be processed under the Landlord's Grievance Policy. This policy is posted in the Management Office where copies are available upon request.

Before the Landlord shall schedule a Grievance Hearing for any grievance concerning the amount of rent the Landlord claims is due, the Tenant must first bring his or her rent account current by paying to the Landlord an amount equal to the amount of rent due and payable as of the first of the month preceding the month in which the act or failure to act took place. After the hearing is scheduled, the Tenant shall continue to deposit this same monthly rent amount into the Landlord's escrow account until the complaint is resolved by the decision of the hearing officer or panel.

When the HRA is required to afford the Tenant the opportunity for a hearing in accordance with the HRA's grievance procedure for a grievance concerning the Lease termination, the tenancy shall not terminate (even if any notice to vacate under State or local law has expired) until the time for the tenant to request a grievance hearing has expired, and (if a hearing was timely requested by the Tenant) the grievance process has been completed.

22. **CHANGE IN LEASE AGREEMENT**: The Landlord may change the provisions of this Lease. The Landlord shall provide the Tenant with at least 60 days advance written notice before the Lease change becomes effective. The Landlord's notice shall:

- a. advise the Tenant of the proposed change to the Lease; and
- b. provide the Tenant with the opportunity to submit written comments within a 30 day period.

If, after considering the Tenant's comments, the Lease Agreement is to be modified, the Landlord shall notify the Tenant and offer the Tenant a new Lease or an addendum to the existing Lease. The Tenant may accept the changed provisions by signing the new Lease and returning it to the Landlord, or the Tenant may reject the changed provisions by giving the Landlord written notice of intent to terminate the tenancy as specified in Section 17 of this Lease.

If the Tenant does not accept the amended Lease, the Landlord may terminate the Tenancy, as provided in Sections 15 and 16 of this Lease.

23. **HOUSE RULES**: The Tenant agrees to obey any House Rules, which are reasonably related to the safety, care and cleanliness of the building and the safety, comfort and convenience of the Tenants. Such rules may be modified by the Landlord from time to time provided that the Tenant receives written notice of the proposed change, reasons for the change and an opportunity to submit written comments during a 30 day comment period at least 30 days before the proposed effective date of the change in the Rule. Existing House Rules, if any, are posted in the project and are Attachment #4 of this Lease.
24. **DISCRIMINATION PROHIBITED**: The Landlord shall not discriminate based upon race, color, creed, religion, national origin, sex, martial status, age, handicap or disability, familial status, or recipients of public assistance and shall comply with all nondiscrimination requirements of Federal, State and local law.
25. **ATTACHMENTS TO THE LEASE**: The Tenant certifies that he/she has received a copy of this Lease and the following Attachments to this Lease, and understands that these Attachments are part of this Lease.

- #1 A completed copy of the Application for Admission or Continued Occupancy Form, including income and rent calculations.
- #2 Unit Inspection Report.
- #3 Utility Allowance Schedule and Schedule of Excess Utility Surcharges.
- #4 Pet Rules and House Rules, if any

Signatures:

<u>TENANT</u> :	1) _____	_____ / / (Date Signed)
	2) _____	_____ / / (Date Signed)
<u>LANDLORD</u> :	1) _____	_____ / / (Date Signed)

I acknowledge receipt of the following keys and understand that the following charges will be assessed:

Lost Schlage Primus key \$50 per key
Extra Schlage Primus key \$25 per key
Lost regular Schlage key is \$3 per key
Lost key fob \$15.

Dwelling unit key

Number of keys _____
Symbol _____

Front door key Fob _____

TENANT: 1) _____
2) _____

_____/_____/_____
(Date Signed)
_____/_____/_____
(Date Signed)

HRA of Crosby Smoke-Free Lease Agreement

Tenant and all members of Tenant's family or household are parties to a written lease with the HRA of Crosby Minnesota (the Lease). This Addendum states the following additional terms, conditions and rules that are hereby incorporated into the Lease. A breach of this Lease Addendum shall give each party all the rights contained herein, as well as the rights in the Lease.

1. Purpose of No-Smoking Policy. The parties desire to mitigate (i) the irritation and known health effects of secondhand smoke; (ii) the increased maintenance, cleaning, and redecorating costs from smoking; (iii) the increased risk of fire from smoking; and (iv) the higher costs of fire insurance for a non-smoke-free building;

2. Definition of Smoking. The term "smoking" means inhaling, exhaling, breathing or carrying any lighted cigar, cigarette or other tobacco product or similar lighted product in any manner or in any form.

3. Smoke-Free Complex. Tenant agrees and acknowledges that the premises to be occupied by Tenant and members of Tenant's household have been designated as a smoke-free living environment. Tenant and members of Tenant's household shall not smoke anywhere in the unit rented by Tenant or the building where the Tenant's dwelling is located or in any of the common areas or adjoining grounds of such building or other parts of the rental community, nor shall Tenant permit any guests or visitors under the control of Tenant to do so.

4. Tenant to Promote No-Smoking Policy and to Alert the HRA of Crosby Minnesota of Violations. Tenant shall inform Tenant's guests of the no-smoking policy. Further, Tenant shall promptly give the HRA of Crosby Minnesota a written statement of any incident where tobacco smoke is migrating into the Tenant's unit from sources outside of the Tenant's apartment unit.

5. The HRA of Crosby Minnesota to Promote No-Smoking Policy. The HRA of Crosby Minnesota shall post no-smoking signs at entrances and exits, common areas, hallways and in conspicuous places adjoining the grounds of Dellwood, Edgewood and the family units.

6. The HRA of Crosby Minnesota Not a Guarantor of Smoke-Free Environment. Tenant acknowledges that the HRA of Crosby Minnesota's adoption of a smoke-free living environment and the efforts to designate the rental complex as smoke-free, do not make the HRA of Crosby Minnesota or any of its managing agents the guarantor of Tenant's health or of the smoke-free condition of the Tenant's unit and the common areas. However, the HRA of Crosby Minnesota shall take reasonable steps to enforce the smoke-free terms of its leases and to make the complex smoke-free. The HRA of Crosby Minnesota is not required to take steps in response to smoking unless the HRA of Crosby Minnesota knows of said smoking or has been given written notice of said smoking.

7. Other Tenants are Third-Party Beneficiaries of Tenant's Agreement. Tenant agrees that the other Tenants at the properties owned by the HRA of Crosby are the third-party beneficiaries of Tenant's smoke-free addendum agreements with the HRA of Crosby Minnesota. (In layman's terms, this means that Tenant's commitments in this Addendum are made to the other Tenants as well as to The HRA of Crosby Minnesota.) A Tenant may sue another Tenant for an injunction to prohibit smoking or for damages, but does not have the right to evict another Tenant. Any suit between Tenants herein shall not create a presumption that the HRA of Crosby Minnesota breached this Addendum.

8. Effect of Breach and Right to Terminate Lease. A breach of this Lease Addendum shall give each party all the rights contained herein, as well as the rights in the Lease. A material breach of this Addendum shall be a material breach of the lease and grounds for immediate termination of the Lease by the HRA of Crosby Minnesota.

9. Disclaimer by the HRA of Crosby Minnesota. Tenant acknowledges that the HRA of Crosby Minnesota's adoption of a smoke-free living environment and the efforts to designate

the rental complex as smoke-free do not in any way change the standard of care that the HRA of Crosby Minnesota or managing agent would have to a Tenant household to render buildings and premises designated as smokefree any safer, more habitable or improved in terms of air quality standards than any other rental premises. The HRA of Crosby Minnesota specifically disclaims any implied or express warranties that the building, common areas or Tenant's premises will have any higher or improved air quality standards than any other rental property. The HRA of Crosby Minnesota cannot and does not guarantee or promise that the rental premises or common areas will be free from secondhand smoke. Tenant acknowledges that the HRA of Crosby Minnesota's ability to police, monitor or enforce the agreements of this Addendum is dependent in significant part on voluntary compliance by Tenant and Tenant's guests. Tenants with respiratory ailments, allergies or any other physical or mental condition relating to smoke are put on notice that the HRA of Crosby Minnesota does not assume any higher duty of care to enforce this Addendum than any other landlord obligation under the Lease.

THE HRA OF CROSBY MINNESOTA

TENANT

Apartment

Date

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Housing and Redevelopment Authority

300 Third Avenue N.E.
CROSBY, MINNESOTA 56441-1642



Telephone (218) 546-5088
FAX (218) 546-5041
TTY (218) 546-7351



2019 SUMMER LETTER

Dear Residents of the Crosby HRA Communities,

The much-anticipated arrival of summer is finally here! Please take a few minutes to review the following information about staff changes, some policy reminders, and other helpful information.

Staff Changes & Office Hours:

Deanna Heglund retired from the Crosby HRA on May 31, 2019 and Mallory Smith is the new Housing Specialist. Mallory's email is mallory@crosbyhra.org and her phone number is 218-546-5088. Along with the staff change, the office hours at the leasing office in the Dellwood Apartments have changed to:

Monday-Thursday Tenant Walk-In Hours 9:00am-12:00pm
Monday-Thursday Staffed Office Hours 7:00am-4:30pm
Friday-Sunday Closed

Re-Certifications:

Our office had a HUD audit on June 5, 2019 and found out that some of the paperwork we were requiring from tenants during annual and interim re-certifications has not been in line with HUD requirements. As a result, you may notice some changes in the types or number of documents we are requesting. Mallory will do her best to inform you of the paperwork that you will be required to provide at the time of your meeting to start the recertification process. If you have any type of increase OR decrease in your income, please call the office to discuss whether or not a re-certification is needed and to schedule a time to come meet with Mallory to complete the required paperwork.

Late Rent:

Please remember that rent is due on the 1st of each month. You may pay up to the 5th with no late penalty. After that, late fees are automatically applied to your account. If you are at all unclear about this policy or have any questions, please feel free to contact the office for clarification.

Work Orders:

Non-Emergency Work Orders- **Please call Mallory at 218-546-5088 to place any work orders.** You can leave a message after business hours on Mallory's voicemail for any non-emergency work orders.

Emergency Work Orders- If you have an emergency work order (no heat, you have a water leak, your refrigerator quits working), you can call the office during business hours, or you can call the caretaker Rod at 218-232-1419 after office hours. Please make sure that if you get a voicemail message on this number – **LEAVE A MESSAGE** that includes your name, your telephone number, and where you live. Your call will be returned promptly.

Smoking:

Smoking is not allowed in any area of any building, any apartment units or any scattered site house or garage. If evidence of you smoking in your unit is found, a lease violation will occur. Multiple violations for smoking could lead to the possible termination of your lease. Please adhere to the Crosby HRA policies and smoke only where you are permitted.

Trampolines and Swimming Pools (Applicable sites only):

Trampolines and swimming pools are not allowed on any of the scattered site properties because of insurance restrictions. Some of these restricted items have been observed and they will need to be stored in your garage or removed from the property.

Grilling (Applicable sites only):

Please be aware that it is against local and state fire codes to grill within a multi-family residential area less than 15 feet from any building. This means that no grilling will be permitted, whether it is charcoal or gas, within fifteen feet of your unit. In order to properly use your grill, wheel it away from the building during use, never leave it unattended, and make sure it has completely cooled off before placing it back on your patio or in your garage. Absolutely no grilling is permitted in the garages.

Fire Rings (Applicable sites only):

Please be aware that it is against local and state fire codes to have a fire ring within a multi-family residential area less than 25 feet from any building. This means that no fire ring will be permitted within twenty five feet of your unit. Any wood that you store for use in your fire pit may not be stacked against your unit or the stairs. This is a code violation and you will receive a lease violation if this occurs.

Grass (Applicable sites only):

If you live in one of our family units, it is your responsibility to maintain the cutting and trimming of the grass in your yard. If this is not kept up, you could receive a warning notice, lease violation or possible termination of your lease.

Noise/Music:

With the nicer weather, more windows are being left open and more people are sitting outside of the buildings/houses to take advantage of the fresh air. However, this also tends to contribute to more noise violations. Please note, when you live in a multi-family setting, you need to realize that many things contribute to the invasion of your neighbor's quiet enjoyment. Loud music or television, or even conversation, can carry a long way. Please remember to respect your neighbors.

When you signed your lease, you agreed to adhere to specific policies; they are in place for everyone's benefit. We ask that you follow these rules in the future to keep our community attractive, safe, and comfortable for the enjoyment and well-being of all who live here. Thank you in advance for your prompt attention to these matters and if you have any questions, please feel free to call your Housing Specialist, Mallory, at 218-546-5088.

HAVE A GREAT SUMMER!

Crosby HRA Management



To: Crosby HRA Board Members
From: Shannon Fortune, Housing Manager
Date: July 2, 2019
Re: Adopt Resolution No. 2020-01 Authorizing the Submission of the MN NAHRO Technical Assistance Grant Application for Repositioning Public Housing

On July 1st, Jennifer and Shannon met with Teresa Smude (Aitkin HRA Executive Director), Tamra Lanning (Pequot Lakes HRA Executive Director), and Lynn Katzenberger (Pequot Lakes HRA Assistant Director) to discuss collaborating on the NAHRO technical assistance grant to explore repositioning public housing.

Working together would make a greater pool of dollars available (\$24,000, plus any match and additional external sources) and allow us to share resources to issue a joint RFP for a consultant. The technical assistance grant application is due July 31st. As part of the application packet, we need a resolution from the Board supporting the application.

Action Requested: Adopt Resolution No. 2020-01, authorizing the submission of the Minnesota NAHRO Technical Assistance Grant Application for repositioning public housing.

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HOUSING AND REDEVELOPMENT AUTHORITY OF CROSBY
RESOLUTION NO. 2020-01

AUTHORIZING THE SUBMISSION OF THE MN NAHRO TECHNICAL ASSISTANCE
GRANT APPLICATION FOR REPOSITIONING PUBLIC HOUSING

WHEREAS, Minnesota NAHRO has received funding from the Minnesota Housing Partnership to provide technical assistance to HRA's to explore options of repositioning public housing;

WHEREAS, the Minneapolis Field Office of HUD has reached out to the Crosby HRA to inquire about the repositioning of Crosby's public housing;

WHEREAS, the Crosby HRA is interested in exploring these options; and,

WHEREAS, the Crosby HRA has partnered with the Aitkin County HRA and the Pequot Lakes HRA to pool grant funds, if awarded, to hire a consultant to assist all three agencies at once.

NOW, THEREFORE BE IT RESOLVED that the Board of Commissioners of the Crosby HRA authorizes the submission of the Minnesota NAHRO Technical Assistance grant for repositioning public housing.

I CERTIFY THAT the above resolution was adopted by the Housing and Redevelopment Authority of Crosby.

Dated: _____

Linda Peebles, Board Chair

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To: Crosby HRA Board Members
From: LeAnn Goltz, Executive Assistant
Date: July 2, 2019
Re: Approve Resolution No. 2020-02 Authorizing POHP Loan Document Execution

The Crosby HRA is preparing the final documentation required to close on the construction loan for the Dellwood improvements project. Minnesota Housing Finance Agency has a number of documents that must be submitted, one of which includes a copy of the resolution adopted by the Authority's governing board that provides authorization to execute any and all Minnesota Housing loan documents (see Attachment 5a).

Action: Approve Resolution No. 2020-02 by authorizing the HRA Board Chair and Executive Director to execute any and all loan documents for the Publicly Owned Housing Program (POHP).

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CERTIFIED COPY OF THE RESOLUTIONS ADOPTED BY ALL OF THE MEMBERS OF
THE HOUSING & REDEVELOPMENT AUTHORITY
IN AND FOR THE CITY OF CROSBY

Resolution No. 2020-02

I, Linda Peebles, **HEREBY CERTIFY** that I am the duly elected Chair of Housing & Redevelopment Authority of Crosby, Minnesota, a public body corporate and politic of the City of Crosby, which is a political subdivision of the State of Minnesota (the “HRA”), that the following is a true and correct copy of the Resolutions duly and unanimously adopted by all of the members of the HRA present on July 9, 2019, _____ of the _____ members of the HRA being present and constituting a quorum for the transaction of business; further, that such meeting was called in compliance with all applicable laws of the HRA; that such Resolutions do not conflict with any laws of the HRA nor have such Resolutions been in any way altered, amended or repealed and are in full force and effect, unrevoked and unrescinded as of this day, and have been entered upon the regular minute book of the HRA, as of the aforementioned date, and that all of the members of the HRA have and at the time of adoption of such Resolution, had full power and lawful authority to adopt such Resolutions and to confer the powers thereby granted to the officer(s) therein named who has (have) full power and lawful authority to exercise the same:

WHEREAS, on this 9th day of July 2019, there has been presented to the meeting of the HRA a proposal for the HRA to borrow a zero-interest forgivable loan from the Minnesota Housing Finance Agency, a public body corporate and politic of the State of Minnesota, 400 Wabasha Street North, Suite 400, St. Paul, Minnesota 55102, (the “Agency”) in an amount not to exceed \$453,366.00, (the “Loan”) that will be forgiven in twenty (20) years, which Loan will be evidenced by a Deferred Loan Repayment Agreement. Further, a General Obligations Bonds Declaration of Covenants, Conditions and Restrictions (the “G.O. Declaration”) and a Publicly Owned Housing Program Declaration of Covenants, Conditions and Restrictions (the “POHP Declaration”) shall be executed in connection with the Loan, the terms of which require that (i) the HRA’s retain ownership of the Development located in the County of Crow Wing, State of Minnesota and more fully described in Exhibit A attached hereto and made a part hereof, and (ii) provides public housing for a term of thirty-five (35) years. The Deferred Loan Repayment

Agreement, the G.O. Declaration and the POHP Declaration are referred to collectively as the “Loan Documents.”

NOW THEREFORE, be it resolved by all members of the HRA or that the Chair and Executive Director of the HRA be and they hereby are, authorized on behalf of the HRA, at any time hereafter and without further action by or authority or direction from the HRA, to execute and deliver to the Agency in such form as may be required by the Agency, the Loan Documents evidencing the indebtedness.

BE IT FURTHER RESOLVED, that the Chair Linda Peoples and Executive Director Jennifer Bergman of the HRA be, and they hereby are, authorized and directed on behalf of the HRA, at any time and from time to time hereafter and without further action by or authority or direction from the HRA, to execute and deliver or cause to be executed and delivered, all such other further agreements, assignments, statements, instruments, certificates and documents and to do or cause to be done all such other and further acts and things as they may determine to be necessary or advisable under or in connection with such borrowing, and that their execution of any such agreement, assignment, statement, instrument, certificate or document, or the doing of any such act or thing, shall be conclusive evidence of their determination in that respect; and

BE IT FURTHER RESOLVED, that Minnesota Housing Finance Agency is authorized to rely on the continuing force and effect of the Resolution until receipt by the Commissioner of Minnesota Housing, at its principal office, of notice in writing from the HRA any amendments or alterations thereof.

ATTEST:

Crosby HRA Board Chair

Crosby HRA Executive Director

Dated: _____, 2019
(SEAL, if applicable)

EXHIBIT A: D3266 Crosby HRA Dellwood Apartments

Physical Address:

Crosby HRA Dellwood Apartments
300 Third Avenue NE
Crosby, MN 56441

Legal Description:

(See next page.)