

**Goodhue County**  
**Outside Agency Funding Request Form**

<b>Budget</b>		<b>2025</b>
<b>Revenues</b>		
	Fees:	
	Grants:	
	State/Federal Funding:	
	Other Revenue:	
<b>Total Revenues:</b>		\$ -
<b>Expenses</b>		
a)	Salaries:	\$ 42,761
b)	Benefits:	\$ 20,962
c)	Perfessional Services:	\$ 2,915
d)	Services & Charges:	\$ 12,262
e)	Supplies & Materials:	\$ 28,856
f)	Other Expenses:	\$ 486,305
g)	Capital:	\$ 10,362
<b>Total Expenses:</b>		\$ 604,423
<b>Requested Funding From County Option B:</b>		\$ 604,423
<b>Number of Staff</b>		<b>0.59</b>



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To: Budget Committee

From: Patty Heraty, Accountant and Buffy Beranek, Executive Director

Date: May 24, 2024

**RE: 2025 HRA Levy Budget Request**

SEMMCHRA's mission is to enhance and strengthen communities through advocacy, collaboration and promotion of self-reliance, housing, and community development. Our goal is to continue to be a recognized advocate and leader in creating housing opportunities and community development solutions. Annually, our Board sets agency standards to ensure we realize that vision and grow our mission.

Our HRA levy is critical for continuing our currently funded programs with baseline customer service. The HRA levy request addresses the economic and housing issues facing our federal, state, and local governments. The need for affordable housing has impacted individuals, families, and businesses. The increasing costs and staffing challenges are resulting in a "survival of the fittest" business model for those trying to obtain and provide our services. The details of our request are attached.

The following is a summary of SEMMCHRA's program accomplishments through 2024 and new plans for 2025. The current average return on investment for each county of the SEMMCHRA levy is included in the itemized levy request. It varies by county depending on the number of programs and services provided. There is also intrinsic value in the housing stability we have created for families in Southeast Minnesota through our work and services. The average cost of the HRA levy to a taxpayer is less than \$12. The HRA levy for SEMMCHRA is amongst the lowest in the State. We manage this organization with financial diligence and transparency with our goal of premier public service to those in need of affordable housing solutions.

**Section 8 – Rental Assistance**

The average number of households currently being served is 455 with an average assistance of \$7,440 per household or \$3,270,000 regionwide. The average household income for participants is \$16,870. Seventy-two percent of all families served by SEMMCHRA's voucher program have been on our program for ten years or less.

As we await the State Rental Assistance program guidelines later in 2024, SEMMCHRA is prepared to administer it only if the administrative funding from the State will provide for additional staffing support. Current rental assistance staffing levels are maximized and operate with a budget we currently do not have to levy for from the counties.

**Public Housing, Rural Development, Low to Moderate, Senior and Market Rate Housing**

The number of people served in 2023 in our rental housing units was 930. The approximate number of elderly or disable households totaled 440. We served 125 households with children and approximately 260 children total. The average household income was \$23,430.

Maintaining our existing housing stock is instrumental in preserving affordable options. SEMMCHRA continues to pursue local, state, and federal funding options that require county and/or city's support to accomplish preservation and affordability goals. SEMMCHRA is working to identify funding solutions and programs to assist with the necessary improvements through the recent, substantial State housing program announcement of \$1.3B. To date, SEMMCHRA has secured funding through the Rochester Coalition and MHFA totaling almost \$1.0 million. In addition, SEMMCHRA has applied for over \$2.0 million for publicly owned housing projects through MHFA and \$280,000 through local housing trust funds. SEMMCHRA will apply for matching funds for trust funds too.

Maintaining high quality facilities for our properties is a priority as well. SEMMCHRA will continue to update and enhance through capital improvements through available funds on hand and through leverage as well as refinancing when and where possible. Over \$1,218,000 in capital improvements were completed in 2023 and an additional \$681,000 is planned for 2024.

Overall, SEMMCHRA pays approximately \$190,000 annually for property taxes on the rental properties it owns and operates in the region.

### **Single-Family Housing Rehabilitation – 11 Cities and 4 more planned**

SEMMCHRA staff are working hard to finalize open grants in Kasson, West Concord/Claremont, Cannon Falls, Goodhue/Dennison, Pine Island, Lake City, Mazeppa, Wabasha, Goodview, Rollingstone/Altura and St. Charles. These grants total approximately \$6,460,000.

We are awaiting award announcements totaling approximately \$1.2 million for the City of Zumbrota and Mantorville. SEMMCHRA will be applying for additional grants in 2024/2025 for the City of Wanamingo and Plainview totaling about \$600,000 each.

### **Housing Developments – TIF Districts**

Countryside Meadow in the City of Kenyon continues to build out the remaining 12 buildable lots. SEMMCHRA has worked diligently with a for-profit developer to strategically build out this development with options for single-family and potential twin homes building sites. SEMMCHRA will not be levying for this TIF district in 2025!

Southfork in the City of St. Charles continues to be built out by Habitat for Humanity of Winona County. SEMMCHRA will not be levying for this TIF district in 2025!

Wabasha Eagles Basin in the City of Wabasha continues to build out the remaining lots for single-family and potentially twin home building sites in 2024. SEMMCHRA will not be levying for this TIF district in 2025!

### **First Time Homebuyers, Family Self-Sufficiency (FSS) Education**

SEMMCHRA will continue to apply for First Time Homebuyer 30-year mortgages and provide opportunities for working families to own their own homes. SEMMCHRA serves 40-50 families annually on the FSS program which enables HUD-assisted families to increase their earned income and reduce their dependency on welfare assistance and rental subsidies.

Please let us know if you have any questions. Thank you for your support through the HRA levy.

**SEMMCHRA**  
**2025 Levy Budget Request**  
**Goodhue County**

**Total Request: OPTION A: \$379,424 Total Levy Requested for 2025**

- *The estimated cost of the 2025 request to a taxpayer with a \$300,000 taxable market value is \$15.81*
- **OPTION B: \$604,424 Total Levy Requested for 2025**
- *The estimated cost of the 2025 request to a taxpayer with a \$300,000 taxable market value is \$25.19*

**Uses of Funds:**

**OPTION A:**

- \$75,424 for General Fund Expenditures
  - This represents \$1,989 increase which is attributed to the allocation between the counties and the total levy overhead budget operating at an increase of 2.8% from 2024.
- \$30,000 for Community Development
  - Rental preservation and rehabilitation program for Goodhue County
  - \$10,000 Housing rehabilitation grant leverage – 2025/26 Funding round
- \$40,000 for Housing Services & Development
  - \$30,000 – Housing development, preservation, and trust fund administration for Goodhue County
  - \$10,000 – Housing stabilization and preservation services
- \$124,000 for existing Housing Developments
  - \$124,000 Goodhue Housing Development rental assistance and debt coverage
- \$100,000 – Housing Trust Fund
  - Includes funding for new construction; down payment assistance; and rural housing rehabilitation.
- \$10,000 – Emergency Housing for homelessness
  - Includes short-term immediate shelter and security deposit assistance.

**OPTION B:**

- Items above plus:
- \$25,000 Additional funding to the Housing Trust Fund from the Countryside Meadow TIF debt service reserve special benefit tax
- \$200,000 – Housing Trust Fund to be used as local leverage when writing grants for housing development. Unused dollars remain in trust fund with local County control.

**Levy/Funding Additional Information:**

- Return on Levy Investment: 10-year average is \$1.00: \$2.36 or \$900,000 annually.
- SEMMCHRA pays property taxes to Goodhue County of approximately \$50,000 annually.
- Total HRA levy capacity is approximately \$1,331,922 and 28.5% of maximum for option A and 45% of maximum for option B is being requested.

**SEMMCHRA**  
**2024 General Overhead Budget (Levy/Program Funded)**

			2025			
			TOTAL			
			General Overhead	Levy	Program	
1	Other government Revenue	40-1-000-000-70800	(a)	375,375	375,375	
2	Levy Funds Transferred to Projects	40-1-000-000-70810	(a)	(139,000)	(139,000)	
3	Investment income - unrestricted - (interest income)	40-1-000-000-71100		113,875		113,875
4	Indirect Cost Reimbursement	40-1-000-000-71500		138,450		138,450
5	Car Reimbursement			10,000		10,000
6	Copy Reimbursement			6,029		6,029
7	Subordination Fees			100		100
8	Recording Fees			160		160
9	Admin Fees			4,000		4,000
10	Investment income - restricted	40-1-000-000-72000		-		-
11	Administrative salaries	40-1-000-000-91100		(81,800)	(48,299)	(33,501)
12	Audit	40-1-000-000-91200		(5,649)	(3,335)	(2,314)
13	Marketing	40-1-000-000-91400		(629)	(371)	(258)
14	Employee benefit contributions - administrative	40-1-000-000-91500		(48,021)	(28,354)	(19,667)
15	Telephone			(2,071)	(1,223)	(848)
16	Internet			(2,100)	(1,240)	(860)
17	Sundry			(1,500)	(886)	(614)
18	Other Admin. Expenses			(1,500)	(886)	(614)
19	Copies			(8,000)	(4,724)	(3,276)
20	Office Supplies			(12,000)	(7,085)	(4,915)
21	Printing Expense			-	-	-
22	Postage			(2,500)	(1,476)	(1,024)
23	Computer software Maintenance			(4,000)	(2,362)	(1,638)
24	Computer Equipment			(3,501)	(2,067)	(1,434)
25	Computer Software License			(31,000)	(18,304)	(12,696)
26	Legal Expense	40-1-000-000-91700		(5,822)	(3,438)	(2,384)
27	Staff Training Travel	40-1-000-000-91800		(10,000)	(5,905)	(4,096)
28	Other	40-1-000-000-91900		(379)	(224)	(155)
29	Water/Sewer (5%)	40-1-000-000-93100		(679)	(401)	(278)
30	Electricity (5%)	40-1-000-000-93200		(4,515)	(2,666)	(1,849)
31	Gas (7%)	40-1-000-000-93300		(2,291)	(1,353)	(938)
32	Ordinary maintenance and operations - materials and other	40-1-000-000-94200		(2,250)	(1,329)	(921)
33	Protective services - other contract costs	40-1-000-000-95200		-	-	-
34	Protective services - other	40-1-000-000-95300		-	-	-
35	Property Insurance (12%)	40-1-000-000-96110		(6,458)	(3,813)	(2,645)
36	Liability Insurance	40-1-000-000-96120		(4,941)	(2,917)	(2,024)
37	Workmen's Compensation	40-1-000-000-96130		(25,131)	(14,839)	(10,292)
38	All other Insurance	40-1-000-000-96140		(5,407)	(3,193)	(2,214)
39	Travel Mileage			(4,300)	(2,539)	(1,761)
40	Maint. Mileage			(625)	(369)	(256)
41	Travel Meals			-	-	-
42	Travel Per Diem - Board Meeting			(8,000)	(8,000)	-
43	Travel Mileage Board Meeting			(1,500)	(1,500)	-
44	Travel Lodging			-	-	-
45	Computer software			(9,375)	(5,536)	(3,840)
45	Advertising			(1,000)	(590)	(410)
46	Memberships & Subscriptions			(5,164)	(3,049)	(2,115)
47	Computer Support Services			(4,000)	(2,362)	(1,638)
48	Other General			(1,500)	(886)	(614)
49	Compensated absences	40-1-000-000-96210		-	-	-
48	Property Taxes	40-1-000-000-96300		(0)	(0)	(0)
49	Interest of Mortgage (or Bonds) Payable	40-1-000-000-96710		(1,879)	(1,879)	-
51	Extraordinary Maintenance/Satellite Offices	40-1-000-000-97100		(4,500)	(2,657)	(1,843)
50	Ordinary Maintenance and Operations Contracts - Garbage a	40-1-000-000-94300-010		(2,454)	(1,449)	(1,005)
51	Ordinary Maintenance and Operations Contracts - Landscape	40-1-000-000-94300-050		(1,300)	(768)	(532)
52	Ordinary Maintenance and Operations Contracts - Extermina	40-1-000-000-94300-090		(254)	(150)	(104)
53	Ordinary Maintenance and Operations Contracts - Routine M	40-1-000-000-94300-110		(4,500)	(2,657)	(1,843)
54	Ordinary Maintenance and Operations Contracts - Misc Contr	40-1-000-000-94300-120		(802)	(474)	(328)
<b>55 CASH AVAILABLE FROM OPERATIONS</b>				<b>183,423</b>	<b>40,824</b>	<b>144,869</b>
56	Principal Bond/Loan Payment	40-0-000-000-		(14,141)	(8,349)	(5,791)
57	Interest Income Accrual to Cash Adj (TIFs)	40-0-000-000-		(87,160)		(87,160)
58	WEB TIF DSR Reserve Transfer Out of Operations		(a)	-	-	-
59	SF TIF DSR Reserve Transfer Out of Operations		(a)	-	-	-

60 CSM TIF DSR Reserve Transfer Out of Operations		(a)	-	-	-
61 Voucher Program Shortfall Funding			(16,000)	-	(16,000)
62 Capital Reserve Transfers	40-0-000-000-		(55,000)	(32,475)	(22,525)
63 CASH USED FOR FINANCING & RESERVES			<b>(172,301)</b>	<b>(40,824)</b>	<b>(131,477)</b>
<b>64 BUDGETED CASH FLOW</b>			<b>11,122</b>	<b>(0)</b>	<b>13,392</b>

<b>65 Total Expenses/Levy Funded/Program Funded</b>			<b>\$ (408,438)</b>	<b>\$ (236,375)</b>	<b>\$ (172,063)</b>
				58%	42%

NOTES:  
(a)

NET General Fund Levy Allocation (rounded):				<u>2025</u>	<u>2024</u>
Dodge	21.6%			51,042	49,646
Goodhue	31.9%			75,424	73,435
Wabasha	22.2%			52,482	51,248
Winona	24.3%			57,427	55,640

<b>MAXIMUM LEVY CAPACITY - COUNTY</b>	<b>Taxable Market Value *</b>	<b>Max HRA Levy</b>	<b>SEMMCHRA Total Request</b>
Dodge	4,982,501,200	921,763	55,542
Goodhue	7,199,577,296	1,331,922	604,424
Wabasha	4,710,284,900	871,403	131,982
Winona	4,422,949,900	818,246	161,927
	20,716,093,296		

<b>MAXIMUM LEVY CAPACITY - RESIDENTIAL</b>			
Dodge	300,000	55.50	3.34
Goodhue	300,000	55.50	25.19
Wabasha	300,000	55.50	8.41
Winona	300,000	55.50	10.98

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION APPROVING PRELIMINARY SPECIAL BENEFIT TAX LEVY OF  
SOUTHEASTERN MINNESOTA MULTI-COUNTY HOUSING AND REDEVELOPMENT  
AUTHORITY PURSUANT TO MINNESOTA STATUTES, SECTION 469.033, SUBD. 6, AND  
APPROVING A BUDGET FOR FISCAL YEAR 2025.**

**WHEREAS**, the Southeastern Minnesota Multi-County Housing and Redevelopment Authority (the "Authority") was created by action of the Boards of Commissioners of Dodge, Goodhue, Wabasha and Goodhue Counties (collectively referred to as the "Counties") pursuant to Minnesota Statutes, Section 469.004; and

**WHEREAS**, pursuant to such action on the part of the Counties and Minnesota Statutes, Sections 469.001 to 469.047 (the "Act"), the Authority was granted all of the same functions, rights, powers, duties, privileges, immunities and limitations as are provided for housing and redevelopment authorities created for cities under the Act; and

**WHEREAS**, Section 469.033, subd. 6, of the Act permits the Authority to levy and collect a special benefit tax of up to .0185% of taxable market value upon all taxable property, both real and personal, within the Authority's area of operation; and

**WHEREAS**, the Authority has requested that the Board of Commissioners of Goodhue County approve the levy of such a preliminary special benefit tax in the amount of \$\_\_\_\_\_ to be levied upon all taxable market value of taxable property within the Authority's area of operation contained within Goodhue County; and

**WHEREAS**, the Board of Commissioners of Goodhue County has considered such request by the Authority and believes that consenting to such a preliminary special benefit tax levy by the Authority is in the best interests of Goodhue County and its residents; and

**WHEREAS**, the Authority is also required pursuant to Section 469.033, subd. 6, of the Act to, in connection with the levy of such a special benefit tax, formulate and file a budget in accordance with the budget procedures of the Counties in the same manner as required of executive departments of the Counties and the amount of the tax levy for the following year shall be based upon that budget and approved by the Counties; and

**WHEREAS**, the Authority has presented to the Board of Commissioners of Goodhue County a copy of a proposed budget for its operations for fiscal year 2025.

**NOW, THEREFORE**, be it resolved by the Board of Commissioners of Goodhue County as follows:

Section 1. That the budget for fiscal year 2025 for the operations of the Authority as presented for consideration by the Board of Commissioners of Goodhue County is hereby in all respects approved.

Section 2. That the levy of a preliminary special benefit tax pursuant to Minnesota Statutes, Section 469.033, subd. 6, is hereby consented to with respect to taxes payable in calendar year 2025 in the amount of \$\_\_\_\_\_ to be levied upon all taxable market value of taxable property within the Authority's area of operation within Goodhue County.

The above resolution was adopted this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

GOODHUE COUNTY BOARD OF COMMISSIONERS

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Todd Greseth  
Board Chair

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Attest:

Scott Arneson  
County Administrator