



THREE RIVERS COMMUNITY ACTION, INC.  
Board of Director's Meeting Minutes  
Wednesday, February 19, 2020  
Three Rivers Community Action, Inc.  
1414 North Star Drive, Zumbrota MN  
9:00 to 10:15

**Members Participating:** Ruth Boudet, Paul Drotos, Meredith Erickson, Brian Goihl, Jodi Johnson, Jo Anne Krier, Erick Maki, Galen Malecha, Martiza Navarro, Heather Robins, Julie Steberg, Mark Thein

**Staff Attending:**

Jennifer Larson, Executive Director  
Kindra Papenfus, Chief Financial Officer  
Leah Hall, Community Development Director  
Tracy Holguin, Transportation Director  
Jennifer Prins, Planning Director  
Vicki McKay, Human Resources Director  
Donna Stamschror, Administrative Support Manager  
Krystal Dube, Administrative Assistant

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Rochester, MN 55901

**Wabasha Office**  
611 Broadway Avenue  
Suite 120  
Wabasha, MN 55981

**Members Excused:** Abdullah Hared, Dave Windhorst

**Call to Order:** Meeting was called to order at 9:00 am by Chair Galen Malecha.

**Determination of a Quorum –** Quorum was met.

**Approval of the January 15, 2020 Meeting Minutes**

Mark Thein made a motion to approve the January 15, 2020 meeting minutes, Brian Goihl seconded, motion unanimously approved.

**Approval of the February 19, 2020 Agenda**

Heather Robins made a motion to approve the February 19, 2020 meeting agenda, Julie Steberg seconded, motion unanimously approved.

**Case of the Month –** Dianne Ford, HART and Community Outreach Manager

Dianne shared a story about a Hiawathaland Transit rider from Northfield. She uses route and Dial-A-Ride for transportation. She moved here from a big city so public transit has always been something she has relied on. The drivers love to see her get on their bus. She is appreciative of our program and said "The drivers are excellent, well informed, personable, easy to approach, and just good people."

## **Directors Report**

Bids are due today on the Zumbrota office space addition. We are also expecting to hear this month about a grant that we submitted to the Otto Bremer Trust to help fund the addition. We will bring the final financing package to the next board meeting for approval, with the intent of a spring construction start.

Transit lawsuit settled. We have been notified that the ongoing lawsuit from a bus accident in 2015 has finally settled. The insurance company will be paying the settlement to the plaintiff.

Save the Date for Poverty Simulation. On Friday, April 17, we will be hosting a poverty simulation at our all-staff training in Zumbrota. Jenny would like to invite any board member who is interested to participate in the training. If you are interested let Jenny or Donna know. More information to come regarding the exact schedule.

Training for Board Members. Propel Nonprofits is holding a free webinar for board members entitled "What's My Role as a Nonprofit Board Member?" It is being held on Wednesday, February 26, from 12:00 – 1:00 p.m. You can register at: <https://www.propelnonprofits.org/trainings/whats-my-role-as-a-nonprofit-board-member-3/>

Reminder that Donna has given everyone a login to our server where you can find the board packet and documents that you may need as a board member. If you need help accessing the site, please see Donna or Krystal after the meeting. If you want to go paperless, we are able to order tablets. We have also been trying out Zoom for video meetings. The trials with staff have been going well, and we anticipate that we will be able to use this for board meetings as well.

Our Head Start classes participated in the "Valentines for Veterans" initiative of Congresswoman Angie Craig's office. The veterans were excited to receive the valentines and sent us pictures holding the valentines.

### **\*Policy Action Items**

#### **Consent Agenda Items**

- January Financial Reports
- Mutual of America – January Statement
- Head Start Credit Card Expenses Summary – **Share at Meeting**

#### ***Contracts, Awards & Contributions Received***

- Department of Housing and Urban Development - \$134,047 - renewal of funds to support the CoC's coordinated entry referral system and navigation services
- Department of Housing and Urban Development - \$64,998 - renewal of funds to support the planning of Continuum of Care activities in our 20 county region
- Department of Housing and Urban Development - \$168,692 - renewal of funds to provide long term housing and support services for five homeless clients in

Prairiewood Townhomes, and support services for four clients in Fox Pointe townhomes

- Department of Housing and Urban Development - \$175,115 - renewal of rapid rehousing program, providing deposits, rent and supportive services to homeless families and individuals throughout the region
- Department of Housing and Urban Development - \$52,280 - expansion of rapid rehousing program, to provide additional rehousing services to households in Olmsted and Goodhue Counties
- Department of Housing and Urban Development - \$69,263 - additional funds to expand housing navigation services to western half of Region
- Department of Housing and Urban Development - \$25,000 - expansion of housing navigation services for domestic violence victims
- Greater Minnesota Housing Fund - \$28,000 - Achieve Homeownership operating and outreach funds

### **Not Received**

- None

### ***Grants & Requests Submitted or to be Submitted***

- Somali Community Resettlement Services - two year grant to train and employ one Somali speaking Early Head Start Home Visitor

### ***Monitoring Reports & Responses***

- MnDOT Audit Certificate, dated 11/19/2019 – preliminary results of 2016 program audit
- Three Rivers letter dated 1/29/2020 – response to preliminary MnDOT 2016 audit
- Office of Head Start letter dated 1/24/2020 – results of recent monitoring review
- Three Rivers letter dated 1/23/2020 – response to risk management survey results

### ***Approved Purchases between \$10,000 and \$150,000***

- None

Jenny reviewed the items on the consent agenda.

Ruth Boudet made a motion to approve the consent agenda, Mark Thein seconded, motion unanimously approved.

### **\*Individual Action Items**

- a) Seating New Board Members
  - i. Maritza Navarro, Head Start Policy Council Representative
  - ii. ReJean Schulte, Early Childhood
  - iii. Paul Drotos, Goodhue County Commissioner

Jenny introduced Maritza Navarro. Maritza is here representing Head Start Policy Council and serving as the liaison between the Policy Council and the Board of

Directors. Maritza works at Health Finders in Faribault. She works on a daily basis with many of the clients we see in our offices.

Head Start requires that we have an early childhood expert on our board. ReJean Schulte's bio was included in the agenda packet. She has retired to Northfield. In her career she taught early childhood at a community college and ran a curriculum for Head Start staff working toward getting their degrees. She is very familiar with Head Start and early childhood programming. She will attend in March.

Jenny introduced Goodhue County Commissioner Paul Drotos. We have a commissioner from each one of our four counties on our board.

Mark Thein made a motion to approve seating Paul Drotos, ReJean Schulte and Maritza Navarro to the Three Rives board of directors, Meredith Erickson second, motion unanimously approved.

- b) GMHF (Greater Minnesota Housing Fund) - up to \$350,000 - Pre-Development Loan Proposal for Spring Creek II. Summary and Resolution number 2020-1

Leah reviewed the Spring Creek II project document. This project will contain 32 units, including four units for families that have experienced homelessness and four units for persons with developmental disabilities, located next to our existing Spring Creek Townhomes in Northfield. The project was selected for funding in November. On February 6, 2020 the Spring Creek II project launch meeting occurred with Minnesota Housing and now the closing process will begin. Leah went over the terms of the loan proposal. The funding will bridge project expenses from now until closing (estimated to be September).

Heather Robins made a motion to approve Resolution # 2020-1, allowing staff to accept the pre-development loan from GMHF for the Spring Creek II project, as described and authorize Jenny Larson to execute loan documents required by GMHF, Ruth Boudet seconded, motion unanimously approved.

- c) MHFA (Minnesota Housing Finance Agency) - \$1,000,000 - Homework Starts with Home

MHFA launched an initiative to encourage service providers like Three Rivers, that provide rapid rehousing and homeless prevention services, to partner with school districts and counties to make an effort to identify and assist families with children in the school district as soon as they are facing a housing crisis. Minnesota Housing is expected to award three to five entities across the state. We discussed what a proposal would look like and who should lead it with the Continuum of Care and several providers. It is proposed that Three Rivers be the lead applicant, working closely with several partners including Public School District Staff from Rochester, Mankato, and Owatonna, Olmsted County (including the HRA), Blue Earth County, Steele County, Minnesota Prairie County Alliance, LSS Youth Services in Rochester, SEMCAC and MVAC.

Brian Goihl made a motion to approve Three Rivers' staff to apply for up to \$1,000,000 in Homework Starts with Home grant funds to cover a three-year program period. Jodi Johnson seconded, motion unanimously approved.

### **Policy Discussion Items**

a) Hiawathaland Public Transit Annual Report and Ridership Stats

Jenny introduced Tracy Holguin, Transportation Director. Tracy's last day is February, 21, 2020. Jenny said she appreciates everything Tracy has done, assured the board that we have a strong team, and that we will be fine during the transition. Tracy has great systems in place and a succession plan we will execute. Jenny thanked Tracy for all of her work at Three Rivers.

Tracy did an overview of how our transit program compares to others in the state. There are 40 public transit systems servicing in 87 different counties. We are a 5311, rural area program for populations less than 50k. In 2019 we had 502,244 riders, 20 buses on the road every day, and 59 employees.

We received over 700 responses to our unmet needs survey. Based on results of the survey, we successfully applied for expansion funding and now offer Saturday service in Faribault, are starting a Faribault – Northfield connect service, and changed the Faribault Dial-A-Ride hours. Faribault has been rerouted and revised route services will begin on March 2<sup>nd</sup>.

Also newly funded, we will be hiring a Mechanic and a Spanish Travel Trainer. The Lead Driver positions are filled and we hired an Operations Manager. Our Compliance Manager has been certified in all five required training areas, and is responsible for training our drivers.

Tracy went over the outreach we did in 2019. We spent a lot of time at events and individual meetings. We also worked with industries who face an employee parking problem. Our pool routes in the summer are always popular and appreciated.

The HART (Hiawathaland Auxiliary Regional Transit) volunteer driver program had 39 volunteers in 2019. They made 4,068 one way trips, volunteered 7,604 hours, and drove 169,003 miles. We are grateful for our volunteers and are always looking for more.

Galen said on behalf of the Board he would like to thank Tracy for the services she provided. He said she did some really awesome things for us and she will be missed.

The board discussed the slowness of MnDOT reimbursement. Board members asked Jenny to work directly with MnDOT, but also to correspond to higher level MnDOT staff and elected officials if reimbursements continue to lag.

## b) Summary of Community Development

Jenny said we have a lot of housing development activity right now, all at various stages. We talk about them all with the board, but do not have them in one spot. This is a new report we are testing out. Housing does not have an advisory committee like Transit and Head Start so there are not minutes or reports to give the board.

Leah reviewed the Community Development Department Project updates document provided to the board. She asked the board to let her know if it is helpful, if there is other information you would like included, or would prefer a different format.

### New Project Concepts Being Explored:

- Lake City: Staff have been working in partnership with the Lake City EDA to create an opportunity to develop affordable workforce housing on the City-owned "Cemstone Site".
- People of Hope Parcel: The People of Hope Lutheran Church located on County Club Road off of West Circle Drive in Rochester published an RFP to find a housing developer to create an affordable housing project on a 2+ acre parcel next door to their church.

### Project Applications:

- Ridgley Park Apartments, Kasota: After Board approval in the fall of 2019, an application was assembled and submitted to MHFA by January 31<sup>st</sup> to acquire and rehabilitate this 24-unit USDA RD property.
- Brewery Creek Apartments, Duluth: This new construction affordable housing project was not selected through the June 2019 MHFA RFP. Staff are working with our co-developer partner to re-design the project and prepare a competitive application for the June 2020 round.
- Knollwood Apartments, Pine Island: At the November 2019 Board meeting, staff was approved to enter into a purchase agreement to acquire a USDA RD-funded property, Knollwood Apartments, contingent on a successful application to MHFA in June 2020.
- 4<sup>th</sup> St Southeast Redevelopment Project: Over the last 10+ years, Three Rivers has been working to assemble a site for an affordable multifamily project on 4<sup>th</sup> St SE, between 7<sup>th</sup> and 8<sup>th</sup> Avenue, close to downtown. A neighborhood wide meeting will occur in March.

### Funded Projects in the Closing Phase:

- Riverwood Apartments, Cannon Falls: This 39-unit USDA Rural Development acquisition/rehabilitation project was awarded about \$3 million in the form of an affordable first mortgage and deferred loans through MHFA. Closing should occur in late spring.
- Spring Creek II, Northfield: This 32-unit new construction townhome project was awarded funding in November 2019. The closing should occur in September.
- Fox Pointe Townhomes, Austin: Fox Pointe, a new construction 40-unit townhome project in Austin was complete and fully occupied in the fall of 2019. The final closing on the permanent financing occurred in January 2020.

Key Updates: Projects Currently Owned by Three Rivers:

- Clover Patch Apartments, Saint Charles: This 32-unit rental property is a USDA Rural Development constructed in 1980. We have been awarded funds for rehab from USDA and Minnesota Housing. Rehabilitation is scheduled to begin in the spring.
- Northern Oaks, Northfield: Northern Oaks is an eight-unit rental townhome development that is owned directly by Three Rivers. The original first mortgage has been paid off, triggering the need to repay the second mortgage. As approved by the Board, Three Rivers took out a first mortgage to pay off the second mortgage, and closing on the new mortgage occurred on February 7<sup>th</sup>. In addition, CDBG dollars secured through the Northfield HRA in 2019 supported a modest rehab project at the property that includes new doors, exterior improvements and unit improvements.

c) Strategic Plan Update

Three Rivers contracted with consultant in 2017 to guide a strategic planning process built around identifying and responding to key strategic opportunities that could best leverage Three Rivers' unique strengths. Instead of creating a five year plan, we created a screening tool for staff to use when making decisions. Jenny reviewed the strategy screen questions and provided a detailed update to the Board on key strategic planning issue areas.

Under the Head Start section we have "How can Head Start Classroom locations be most accessible and efficient for families in the agency?" Wabasha County Head Start enrollment is down and the children that attend that location are not from Wabasha. We are bussing them in from Lake City and Plainview. The Lake City Superintendent has asked if we would be interested in opening a classroom in the new early childhood wing. We will continue to work on this issue in 2020.

Jenny reviewed the rest of the plan and highlighted how it was used to start the Northfield Childcare and Early Childhood Home Visiting Program. The planning process allowed us to successfully provide more diverse housing options for persons with developmental disabilities by setting aside some units in our Spring Creek II project, in partnership with the Laura Baker School in Northfield. We revamped and expanded the work we do with homeless prevention and assistance programs, including adding new partnerships. Transit operations were restructured and funding for a Spanish Travel Trainer was secured after the planning work. Office space options were evaluated in Zumbrota and Faribault. Communications, both internal and external, are being handled by a newly created communications team of staff from across the agency.

In 2020 we will be working on the community needs assessment that we do every three years. The results will feed future strategic planning.

d) CSBG (Community Services Block Grant) 2019 Annual Report

Jenny reviewed the CSBG annual report that was submitted in January. This is our Community Action federal funding. The money we get is flexible and we decide how we want to use it to address poverty issues in our four counties. This report is done once a year and is a comprehensive report on everything we do. We serve about 14,000 people every year and about 5,500 households. Jenny walked the board through outcomes and program numbers. The same information is gathered from 1,000 Community Action agencies across the country. In Minnesota, DHS combines the report into a statewide report.

e) Winona Transit Update

The city has issued an RFP for a vendor to provide the transit service. The new provider will take over on May 1, 2020. We will do everything possible for a smooth transition.

**Advisory Committee**

- a) Head Start Policy Council – Minutes from January 28, 2020 were included in agenda packet

Ruth asked Maritza to find out from Jane what the annual budget for Head Start parent involvement.


- b) Hiawathaland Transit Advisory Committee – Minutes from February 6, 2020 were included in agenda packet

**Comments from the public:** None

**Date, Time and Location of Next Meeting:** 9:00 a.m., March 18, 2020, Three Rivers Community Action Conference Room, 1414 North Star Drive, Zumbrota MN

**Adjournment**

Brian Goihl made a motion to adjourn, Mark Thein seconded, unanimously approved.

  
Chair

March 18, 2020  
Date