



Agenda
City Council/ HRA Special Meeting
Wednesday, July 28, 2021 5:00 PM
Mora City Hall 101 Lake Street South
Mora, MN 55051



- 1. Call to Order** *(Each board will call their meeting to order.)*

- 2. Roll Call** *(Each board will conduct roll call.)*

- 3. Adopt Agenda** *(No items of business shall be considered unless it appears on the agenda for the meeting. Board members may add items to the agenda prior to adoption of the agenda. Each board will adopt their agenda.)*

- 4. Housing & Redevelopment Authority of Mora (HRA)**
 - a. Financial Management Plan

- 5. Adjournment** *(Each board will adjourn their meeting.)*

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4. **Housing & Redevelopment Authority of Mora (HRA)**

Financial Management Plan: The Mora City Council and HRA Board hired Ehlers to complete a long-term financial management plan for the HRA. This is a ten-year financial projection for all HRA funds and projects. This tool will assist the Council and Board in determining the long-term needs of the HRA and measure the financial impacts of possible decisions made.

Ehlers will be in attendance at the meeting to present the financial management plan and answer questions the boards may have.

5. **Adjournment** *(Each board will adjourn their meeting.)*

MEMORANDUM

TO: Mora City Council and Mora HRA Board
FROM: Rebecca Kurtz, Jessica Cook, and Jeanne Vogt
DATE: July 22, 2021
SUBJECT: Mora HRA Financial Management Plan

The Mora City Council hired Ehlers to complete a long-term financial plan for the HRA. The genesis of this Financial Management Plan was concerns about the financial performance of Eastwood Senior Living Community. Financial shortfalls in this project have been looked at on a year-by-year basis and the HRA and City have been forced to react to yearly financial crises with ongoing financial commitments to the project. By looking at the project over a longer planning period, the City and HRA can better understand the scope of the problems and make decisions about longer-term solutions.

As the Council and Board are aware, Eastwood was financed in 2009 with bonds backed by a general obligation pledge from the City. This means that the City has pledged to levy property taxes if project revenues (after expenses) are insufficient to pay debt service. To date, the City has provided \$360,000 in loans to the HRA to avoid having to levy for the shortfalls the project has experienced.

Under state statute, the City needs to certify its maximum Pay 2022 tax levy in September. Therefore, our discussion next week about whether to levy for the debt on the Eastwood project is timely.

In addition to evaluating Eastwood, the Financial Management Plan looks at each of the HRA's funds to project what resources are available and what other financial stresses will show up in the future. We will present our findings at the joint special meeting on July 28 with a set of options and recommendations for the Council and HRA to consider.