

SCOTT COUNTY COMMUNITY DEVELOPMENT AGENCY

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BOARD OF COMMISSIONERS

MINUTES - REGULAR MEETING

May 8, 2018

(1) CALL TO ORDER AND PLEDGE

Chair Croatt called the meeting to order at 1:57 p.m. and led the Pledge of Allegiance.

(2) ROLL CALL

Commissioners present:

District I, DeAnn Croatt
District II, Ben Zweber
District III, Kent Robbins
District IV, Patti Sotis
District V, Barry Stock

Staff present:

Bill Jaffa, Executive Director
Terri Gulstad, Finance Director
Julie Siegert, Housing Director
Linda Janovsky, Recording Secretary

Others present:

Jon Ulrich, Scott County Commissioner
Kayla Schuchman, Project Manager, CommonBond
Faith Cable Kumon, Project Manager, Project for Pride in Living

(3) MINUTES SUBMITTED FOR APPROVAL

3.1) CDA Regular Meeting – April 10, 2018

Commissioner Zweber made a motion to approve the minutes of April 10, 2018.
Commissioner Sotis seconded the motion. Unanimous voice vote followed. Motion carried.

(4) AGENDA ACTION(S)

4.1) Agenda Modifications

None requested.

4.2) Consent Agenda (5.2, 5.5, 6.11, 6.12, 6.21, 6.51, 6.6, 6.7, 6.8)

Commissioner Robbins made a motion to accept the Consent Agenda. Commissioner Stock seconded the motion. Unanimous voice vote followed. Motion carried.

(5) FINANCIAL REPORT

5.1) Payment of Bills

Commissioner Zweber made a motion to approve the check registers in the amount of \$365,139.97. Commissioner Sotis seconded the motion. Unanimous roll call vote followed. Motion carried.

5.2)* Procurement Summary
[Consent item; no discussion]

5.21) RESOLUTION NO. 11-18: AUTHORIZING BID AWARD FOR PARKING LOT IMPROVEMENT PROJECT, PRIOR LAKE, MN

Housing Director Siegert answered questions about the project and timing the work in conjunction with the City's work on Franklin Trail. Commissioner Stock made a motion to approve Resolution No. 11-18. Commissioner Robbins seconded the motion. Unanimous roll call vote followed. Motion carried.

5.3) Development Reports – FY2018 – Qtr 1

Camille Ritter, Property Manager, Great Lakes Management, gave an update on the 55+ buildings. Chair Croatt provided new Commissioner Stock information on the process for the Great Lakes management reports. Executive Director Jaffa indicated that Staff meets with Great Lakes monthly to discuss financials for the eight 55+ buildings. Commissioners asked questions on various projects at the sites. These reports were accepted in one motion by Commissioner Robbins. Commissioner Stock seconded the motion. Unanimous voice vote followed. Motion carried.

5.31) River City Centre

Pro Forma vs. 1s Quarter 2018

	YTD Proforma	YTD Actual
Rental Revenue	\$ 142,393	\$ 146,845
Operating Expenses	\$ 73,682	\$ 72,594
Net Operating Income *	\$ 69,222	\$ 74,418

(not including retail or TIF income)

5.32) The Hamilton

Pro Forma vs. 1s Quarter 2018

	YTD Proforma	YTD Actual
Rental Revenue	\$ 127,479	\$ 120,560
Operating Expenses	\$ 65,119	\$ 52,078
*Net Operating Income	\$ 62,838	\$ 68,910

*Does not incl. Retail Base Rent

5.33) Philipp Square

Pro Forma vs. 1s Quarter 2018

	YTD Proforma	YTD Actual
Rental Revenue	\$ 155,852	\$ 159,465
Operating Expenses	\$ 73,179	\$ 71,163
Net Operating Income	\$ 89,356	\$ 88,456

5.34) Northridge Court

Pro Forma vs. 1s Quarter 2018

	YTD Proforma	YTD Actual
Rental Revenue	\$ 179,770	\$ 189,128
Operating Expenses	\$ 69,700	\$ 64,348
Net Operating Income	\$ 110,070	\$ 126,196

5.35) Glendale Place

Pro Forma vs. 1s Quarter 2018

	YTD Proforma	YTD Actual
Rental Revenue	\$ 202,430	\$ 195,838
Operating Expenses	\$ 96,877	\$ 72,904
Net Operating Income	\$ 102,677	\$ 125,404

5.36) Market Village

Pro Forma vs. 1s Quarter 2018

	YTD Proforma	YTD Actual
Rental Revenue	\$ 152,032	\$ 150,014
Operating Expenses	\$ 73,179	\$ 59,629
Net Operating Income	\$ 77,419	\$ 89,089

5.37) Brentwood Court

Pro Forma vs. 1s Quarter 2018

	YTD Proforma	YTD Actual
Rental Revenue	\$ 155,326	\$ 161,415
Operating Expenses	\$ 54,030	\$ 51,981
Net Operating Income	\$ 90,844	\$ 110,144

5.38) The Henderson

Pro Forma vs. 1s Quarter 2018

	YTD Proforma	YTD Actual
Rental Revenue	\$ 139,001	\$ 140,727
Operating Expenses	\$ 63,634	\$ 64,620
Net Operating Income	\$ 74,586	\$ 79,836

5.4) 2018 First Quarter Agency Financials

Finance Director Gulstad briefed the Board on financial highlights and answered Commissioners' questions. There was a question on loss for the HCV program. Housing Director Siegert explained that this loss is shored up at the end of the year by the Project Based Voucher/RAD programs. Directors Gulstad and Siegert explained the low proration rate from HUD and how admin fees work for the HCV program and vouchers that are ported in from different jurisdictions.

5.5)* Cash Flow Projection Worksheet [Consent item; no discussion]

5.6) Belle Haven/Britland Consolidation

Housing Director Siegert indicated that an application will be submitted to consolidate the Rural Development programs.

(6) OLD BUSINESS

6.1) Affordable Housing Programs

6.11)* Affordable Housing Occupancy Report

[Consent item; no discussion]

6.12)* Housing Choice Voucher Utilization Report

[Consent item; no discussion]

6.13) Income Limits

RESOLUTION NO. 12-18: ADOPTING INCOME LIMITS FOR SECTION 8 HOUSING CHOICE AND PROJECT BASED VOUCHER AND PUBLIC HOUSING PROGRAMS EFFECTIVE APRIL 1, 2018.

Housing Director Siegert answered Commissioners questions. There was a question about income limits and she indicated most families admitted to the CDA's programs must fall under the "extremely low income" limits. She later provided a breakdown of income limits for various programs which was emailed to Commissioners and is attached hereto. Commissioner Robbins made a motion to approve Resolution No. 12-18. Commissioner Zweber seconded the motion. Unanimous roll call vote followed. Motion carried.

6.2) Home Ownership Programs

6.21)* Homeownership Programs Report

[Consent item; no discussion]

6.3) Liaison Report – Scott County Commissioner

County Commissioner Ulrich provided an update on road construction projects, a FISH update and indicated that there were bills being worked through the House and Senate for new medical examiner facilities, Met Council governance change, and funding for an Intensive Residential Treatment Services facility.

6.4)* First Stop Shop (FSS)

Reports occur quarterly.

6.5) SC-CDA Development Activities

6.51)* Louisiana Lofts, Savage–MWF Properties

Nothing to report at this time.

6.52) CommonBond Tax Credit Development, Shakopee, MN

Executive Director Jaffa explained the consideration of the two tax credit projects that are before the Board today---CommonBond's 60 unit development in Shakopee, called "The Willows", and Project for Pride in Living's project consisting of 57 apartment units and 20 townhome units located in Savage. The Executive Director explained the other major projects the CDA is working on---the Intensive Residential Treatment Services facility and campus addition to

Brentwood Court. He asked that that no action be taken at today's Board Meeting and that the Finance Committee convene to discuss with Staff an Agency policy for providing funding to tax credit developments.

Kayla Schuchman, Project Manager for CommonBond was in attendance to provide details on the Shakopee project. In response to a question by the Executive Director, she explained how funding from the CDA helps applicants score points on the tax credit application. She did indicate that this project would be submitted for tax credit funds regardless if the CDA provided gap financing, as CommonBond has already put a lot of money into project development. Ms. Schuchman feels this project would be an important addition to the overall development of the DR Horton property that will encompass other kinds of housing—market rate rentals, entry level home ownership, move up home ownership, etc. Ms. Schuchman also emphasized not only the number of units that will be set aside for those at 30% of AMI but also the long term supportive services that will be in place to help residents succeed. Ms. Schuchman answered Commissioners' questions.

Faith Cable Kumon, Project Manager for Project for Pride in Living (PPL) was also in attendance. She gave some background on PPL and described the resident services that they provide including job training. They will work with CAP Agency to provide supportive services. Ms. Kumon described that the project will be on two separate sites—one for the 57 unit apartment building, and another for the 20 townhome units. She described the units and indicated that there will be four 4 bedroom units. Units for larger families is a priority for the MHFA. Ms. Kumon stated that transit is near-by, but a bus stop by the site would be ideal. She stated that the City of Savage is supportive and she will be attending a work session later in the week. Ms. Kumon answered Commissioners' questions.

Commissioner Robbins made a motion for the Finance Committee to convene to discuss policy considerations for providing deferred funding to tax credit applicants. Commissioner Stock seconded the motion. Unanimous voice vote followed. Motion carried.

6.53) Concept Planning – 55+ Independent Living Building next to Brentwood Court Campus, Jordan, MN

Executive Director Jaffa indicated that the City is receptive to changing the zoning of the property to R-4 which needs to be done before the City amends its Comprehensive Plan in late June. The CDA has submitted the re-zoning application to the City with final approval expected at the City Council meeting on June 18. Dan Wilson, Wilson Development, has been working with the real estate broker on a purchase agreement for the property. An updated study on the demand for units is concurrently being completed by Maxfield Research.

6.54) Intensive Residential Treatment Services (IRTS) Facility, Savage, MN

Executive Director Jaffa indicated that several staff from Guild Incorporated, a representative from Department of Human Services from the State, the CDA development team and Staff met on May 7 to discuss the structure of a potential lease relationship with Guild Corporation, how the funding works from the State of Minnesota, the reimbursement rates Guild is able to secure from the State, and Guild's ability to pay lease payments and development funding

Guild may have available to cover shortfall in funding to make lease payments. Julie Bluhm, Executive Director of Guild, stated that an updated proforma will be provided to the CDA in a few weeks. Executive Director Jaffa discussed the Savage City Council meeting being held on May 14 regarding the conveyance of the land.

6.6)* Families and Individuals Sharing Hope (FISH)

[Consent item; no discussion]

6.7)* River City Centre Master Lease Tenant (MLT)

[Consent item; no discussion]

6.8)* Residential Chemical Dependency-Mental Health Treatment Center – Shakopee

[Consent item; no discussion]

6.9) Resilient Communities Project

Housing Director Siegert and Assistant to ED Janovsky explained the projects the U of M students will be working on with the CDA: Community Land Trust, Employer Assisted Housing, and Increasing Landlord Participation in Rental Assistance programs.

(7) NEW BUSINESS

7.1) Project for Pride in Living Tax Credit Project, Savage, MN

See discussion held under Item 6.52).

7.2) Loans for Affordable Housing Development Assistance or Other Financing

Policy development was discussed under 6.52) above. Finance Committee members Commissioners Robbins and Stock will meet, along with Staff, on May 21st.

(8) SET NEXT MEETING DATE, TIME AND PLACE

8.1) Regular Meeting June 12, 2018, 2:00 p.m.


8.2) SPECIAL Meeting: as needed

(9) ADJOURN


Commissioner Robbins made a motion to adjourn at 3:27. Commissioner Sotis seconded the motion. Unanimous voice vote followed. Motion carried.


DeAnn Croatt, Chair




Ben Zweber, Secretary


Recording Secretary


Date

SCOTT COUNTY COMMUNITY DEVELOPMENT AGENCY
HOUSING CHOICE VOUCHER AND PUBLIC HOUSING

INCOME LIMITS – Effective April 1, 2018

HOUSEHOLD SIZE	EXTREMELY LOW INCOME 30% of area median income	VERY LOW INCOME 50% of area median income	LOW INCOME 80% of area median income
1 Person	\$19,850	\$33,050	\$50,350
2 Persons	\$22,650	\$37,750	\$57,550
3 Persons	\$25,500	\$42,450	\$64,750
4 Persons	\$28,300	\$47,150	\$71,900
5 Persons	\$30,600	\$50,950	\$77,700
6 Persons	\$33,740	\$54,700	\$83,450
7 Persons	\$38,060	\$58,500	\$89,200
8 Persons	\$42,380	\$62,250	\$94,950

At least 75% of the families admitted to the Housing Choice Voucher (HCV) program during a fiscal year must be earn 30% of AMI (extremely low-income families).

The income limit for the HCV program is 50% of AMI (Very Low Income). Current average income is \$25,410 (643 households)

At least 40% of the families admitted to the Public Housing program (Prior Manor Apartments) during the fiscal year must be earning 30% of AMI (extremely low-income families).

The income limit for the Public Housing program is 80% of AMI (low income). Current average annual income is \$13,026 (40 households).