

SCOTT COUNTY COMMUNITY DEVELOPMENT AGENCY

323 South Naumkeag Street, Shakopee, MN 55379

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BOARD OF COMMISSIONERS

MINUTES - REGULAR MEETING

August 14, 2018

(1) CALL TO ORDER AND PLEDGE

Vice Chair Sotis called the meeting to order at 2:01 p.m. and led the Pledge of Allegiance.

(2) ROLL CALL

Commissioners present: District II, Ben Zweber
 District IV, Patti Sotis
 District V, Barry Stock

Commissioners absent: District I, DeAnn Croatt
 District III, Kent Robbins

Staff present: Bill Jaffa, Executive Director
 Julie Siegert, Housing Director
 Stacy Crakes, Business Development Director-FSS
 Adam Johnson, Finance Director
 Jessica Erickson, Homeownership Specialist
 Linda Janovsky, Recording Secretary

Others present: Lorien Mueller, Great Lakes Management
 Camille Ritter, Great Lakes Management

(3) MINUTES SUBMITTED FOR APPROVAL

3.1) CDA Regular Meeting – July 10, 2018

Commissioner Zweber made a motion to approve the Minutes of July 10, 2018.
Commissioner Stock seconded the motion. Unanimous voice vote followed. Motion carried.

(4) AGENDA ACTION(S)

4.1) Agenda Modifications

No agenda modifications were requested.

4.2) Consent Agenda (5.2, 5.6, 6.11, 6.12, 6.4, 6.51, 6.52, 6.6)

Commissioner Stock made a motion to approve the Consent Agenda. Commissioner Zweber 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 \$529,041.32. Commissioner Stock seconded the motion. Unanimous roll call vote followed. Motion carried.

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

5.3) Development Budget Reports – 2nd Quarter 2018

Lorien Mueller and Camille Ritter, Great Lakes Management, presented the second quarter budget reports. All buildings (except Brentwood Court due to repairs/turnovers) met net operating income. Ms. Mueller went over the general report for each building including notable repair/maintenance items. Commissioner Zweber made a motion to accept all the budget reports with one motion. Commissioner Stock seconded the motion. Unanimous roll call vote followed. Motion carried.

5.31) River City Centre, Shakopee
100% leased/occupied

Pro Forma vs. 2nd Quarter 2018

	YTD Proforma	YTD Actual
Rental Revenue	\$ 284,787	\$ 294,543
Operating Expenses	\$ 147,364	\$ 155,079
Net Operating Income *	\$ 138,445	\$ 142,724

(not including retail or TIF income)

5.32) The Hamilton, Savage
100% leased, 98% occupied

Pro Forma vs. 2nd Quarter 2018

	YTD Proforma	YTD Actual
Rental Revenue	\$ 254,959	\$ 242,383
Operating Expenses	\$ 130,237	\$ 120,326
*Net Operating Income	\$ 125,675	\$ 117,538

*Does not incl. Retail Base Rent

5.33) Philipp Square, New Prague
100% leased/occupied

Pro Forma vs. 2nd Quarter 2018

	YTD Proforma	YTD Actual
Rental Revenue	\$ 311,704	\$ 320,478
Operating Expenses	\$ 146,357	\$ 166,977
Net Operating Income	\$ 178,711	\$ 153,469

5.34) Northridge Court, Shakopee
100% leased, 98% occupied

Pro Forma vs. 2nd Quarter 2018

	YTD Proforma	YTD Actual
Rental Revenue	\$ 359,541	\$ 379,396
Operating Expenses	\$ 139,400	\$ 147,090
Net Operating Income	\$ 220,141	\$ 235,495

5.35) Glendale Place, Savage

100% leased/occupied

Pro Forma vs. 2nd Quarter 2018

	YTD Proforma	YTD Actual
Rental Revenue	\$ 404,859	\$ 392,846
Operating Expenses	\$ 193,754	\$ 170,292
Net Operating Income	\$ 205,355	\$ 230,568

5.36) Market Village, Elko New Market

100% leased/occupied

Pro Forma vs. 2nd Quarter 2018

	YTD Proforma	YTD Actual
Rental Revenue	\$ 304,065	\$ 301,641
Operating Expenses	\$ 146,358	\$ 136,041
Net Operating Income	\$ 154,838	\$ 167,761

5.37) Brentwood Court, Jordan

94% leased/occupied, 24 households on active waiting list

Pro Forma vs. 2nd Quarter 2018

	YTD Proforma	YTD Actual
Rental Revenue	\$ 278,001	\$ 282,764
Operating Expenses	\$ 127,269	\$ 147,571
Net Operating Income	\$ 149,172	\$ 138,825

5.38) The Henderson

100% leased, 98% occupied

Pro Forma vs. 2nd Quarter 2018

	YTD Proforma	YTD Actual
Rental Revenue	\$ 310,651	\$ 323,093
Operating Expenses	\$ 108,079	\$ 112,280
Net Operating Income	\$ 181,688	\$ 210,292

5.4) Development Budget Reports – FY2019 Operating Budgets

Ms. Mueller presented the operating budgets for each building. Ms. Mueller provided information on the change of not requiring managers to live on-site and how rent will no longer be compensation in lieu of wages. She indicated that only one of the onsite managers has expressed an interest to live off site at this time. Ms. Mueller briefly went over the budget narrative for each building including the projections for rent increases at time of lease renewal or new resident. She stated with the strong rental market, these increases are reasonable. Ms. Mueller also provided a summary of the expenses for each building including capital projects that will be occurring. Ms. Mueller answered Commissioners' questions as they arose. Executive Director Jaffa thanked Great Lakes Management for the great job in overseeing the budgets.

Commissioner Stock made a motion to approve Resolution No's 16-18, 17-18, 18-18, 19-18, 20-18, 21-18, 22-18, 23-18, 24-18 (as listed below) collectively with one motion. Commissioner Zweber seconded the motion. Unanimous roll call vote followed. Motion carried.

- 5.41) River City Centre, Shakopee
RESOLUTION NO. 16-18: ADOPTING FY2019 OPERATING BUDGET FOR RIVER CITY CENTRE
- 5.42) The Hamilton, Savage
RESOLUTION NO. 17-18: ADOPTING FY2019 OPERATING BUDGET FOR THE HAMILTON
- 5.43) Philipp Square, New Prague
RESOLUTION NO. 18-18: ADOPTING FY2019 OPERATING BUDGET FOR PHILIPP SQUARE
- 5.44) Northridge Court, Shakopee
RESOLUTION NO. 19-18: ADOPTING FY2019 OPERATING BUDGET FOR NORTHRIDGE COURT
- 5.45) Glendale Place, Savage
RESOLUTION NO. 20-18: ADOPTING FY2019 OPERATING BUDGET FOR GLENDALE PLACE
- 5.46) Market Village, Elko New Market
RESOLUTION NO. 21-18: ADOPTING FY2019 OPERATING BUDGET FOR MARKET VILLAGE
- 5.47) Brentwood Court, Jordan Residential
RESOLUTION NO. 22-18: ADOPTING FY2019 OPERATING BUDGET FOR BRENTWOOD COURT
- 5.48) Brentwood Court, Jordan Clinic and Pharmacy
RESOLUTION NO. 23-18: ADOPTING FY2019 OPERATING BUDGET FOR JORDAN CLINIC AND PHARMACY
- 5.49) The Henderson, Shakopee
RESOLUTION NO. 24-18: ADOPTING FY2019 OPERATING BUDGET FOR The Henderson
- 5.50) Potential Capital Reserve and Expenses
Ms. Mueller explained how items will be determined to be a capital expense or a maintenance/repair item.
- 5.5) **FY2018 – 2nd Quarter Agency Budget Summary**
Finance Director Johnson provided an overview of his narrative report and indicated that expenses are tracking a month behind, but will catch up by month end. Finance Director Johnson answered Commissioners' questions as they arose. Commissioner Stock made a motion to accept the 2nd Quarter budget report. Commissioner Zweber seconded the motion. Unanimous roll call vote followed.
- 5.6)* **Cash Flow Worksheet**
[Consent item; no discussion]

5.7) RESOLUTION NO. 25-18: AUTHORIZING 2019 GENERAL ADMINISTRATIVE OPERATING BUDGET AND 2019 (PAYABLE) SPECIAL BENEFITS TAX LEVY OF SCOTT COUNTY COMMUNITY DEVELOPMENT AGENCY AND CERTIFYING LEVY TO SCOTT COUNTY BOARD

Executive Director Jaffa stated that the Finance Committee met to discuss the budget. Finance Director Johnson went over his narrative report with additional detail, answering Commissioners' questions as they arose. Commissioner Stock made a motion to approve Resolution No. 25-18. Commissioner Zweber seconded the motion. Unanimous roll call vote followed. Motion carried.

(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]

6.2) Home Ownership Programs

6.21) Homeownership Programs Report
Housing Director Siegert explained the request for additional grant funds in the amount of \$30,000 for the remainder of 2018, for a total amount not to exceed \$90,000 for 2018. Commissioner Zweber made a motion to approve the additional requested funds. Commissioner Stock seconded the motion. Unanimous roll call vote followed. Motion carried.

Homeownership Specialist Jessica Erickson was present to provide information on "Fannie's Mortgage Help Network Hotline". The Scott County CDA was selected by the Minnesota Homeownership Center (out of 40 member agencies) to provide this service for the State of Minnesota. Homeownership Specialist Erickson explained how the service works. She stated that there have been no calls yet, but is hopeful that is because the counseling that clients receive before needing to call this hotline has been working!

6.3) Liaison Report – Scott County Commissioner
Not present; no report.

6.4)* First Stop Shop (FSS)
[Consent item; no discussion]

6.5) SC-CDA Development Activities

6.51)* Louisiana Lofts, Savage—MWF Properties
[Consent item; no discussion]

6.52)* Sarazin Flats, Shakopee—MWF Properties
[Consent item; no discussion]

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

RESOLUTION NO. 26-18: ACQUISITION OF REAL PROPERTY WITH A STREET ADDRESS OF 351, 401, 451, and 501 SEVILLE DRIVE , JORDAN, MN, FOR THE PRIMARY PURPOSE OF CONSTRUCTING A 55+ INDEPENDENT LIVING APARTMENT BUILDING

Commissioner Stock made a motion to approve Resolution No. 26-18.
Commissioner Zweber seconded the motion. Unanimous roll call vote followed.
Motion carried.

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

Executive Director Jaffa stated that he expects the companion County Resolution to be adopted at the County Board Meeting on August 21. After that, meetings between the CDA development team and county staff will take place to establish next steps.

RESOLUTION NO. 27-18: DECLARING SCOTT COUNTY COMMUNITY DEVELOPMENT AGENCY'S INTENT TO ASSIST IN THE DEVELOPMENT AND OPERATION OF A RESIDENTIAL MENTAL HEALTH TREATMENT FACILITY IN THE CITY OF SAVAGE

Commissioner Stock made a motion to approve Resolution No. 27-18.
Commissioner Zweber seconded the motion. Unanimous roll call vote followed.
Motion carried.

- 6.6)* **Families and Individuals Sharing Hope (FISH)**

[Consent item; no discussion]

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

Executive Director Jaffa stated that the MLT is requesting an extension of 18 months instead of one year; however, a meeting will be held with Michael Pagh of Great Lakes Management to discuss this further.

(7) NEW BUSINESS

- 7.1) **Annual FISH Meeting Sponsorship**

Commissioner Stock made a motion to approve the amount of \$3,000 as requested by the Executive Director. Commissioner Zweber seconded the motion. Unanimous voice vote followed. Motion carried.

- 7.2) **Agency Annual Plan – Public Notice Period and Hearing**

Commissioner Zweber made a motion to hold the Public Hearing on October 9, 2018. Commissioner Stock seconded the motion. Unanimous voice vote followed. Motion carried.

(8) SET NEXT MEETING DATE, TIME AND PLACE


- | | | |
|------|---------------------------------------|-------------------------------|
| 8.1) | Regular Meeting | September 11, 2018, 2:00 p.m. |
| 8.2) | Finance Committee -
AH Loan Policy | TBD |
| 8.3) | SPECIAL Meeting: | as needed |

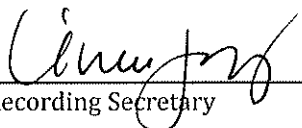
(9) ADJOURN

Commissioner Zweber made a motion to adjourn the meeting at 3:53 p.m. Commissioner Stock seconded the motion. Unanimous voice vote followed. Motion carried.


Patti Sotis, Vice Chair




~~Ben Zweber, Secretary~~
Barry Stock, Commissioner


Recording Secretary

9/11/18
Date