BOARD OF COMMISSIONERS
MINUTES - REGULAR MEETING
February 11, 2020

(1) CALL TO ORDER AND PLEDGE
Vice Chair Sotis called the meeting to order at 1:58 p.m. and led the Pledge of Allegiance.

(2) ROLL CALL

Commissioners present:  District II, Terri Gulstad
                        District III, Jeff Delbow
                        District IV, Patti Sotis
                        District V, Barry Stock

Commissioners absent:  District I, DeAnn Croatt

Staff present:  Bill Jaffa, Executive Director
                Julie Siegert, Housing Director
                Stacy Crakes, Business Development Director
                Adam Johnson, Finance Director
                Linda Janovsky, Recording Secretary

Others Present:  Jon Ulrich, Scott County Commissioner (liaison)
                 Tom Wolf, Scott County Commissioner

(3) MINUTES SUBMITTED FOR APPROVAL

3.1)  CDA Annual Meeting – January 14, 2020
Commissioner Stock made a motion to approve the CDA Annual Minutes.
Commissioner Gulstad seconded the motion. Unanimous voice vote followed. Motion carried.

3.2)  Greentree Development Corporation Annual Meeting – January 14, 2020
Commissioner Stock made a motion to approve the GTDC Annual Minutes.
Commissioner Delbow seconded the motion. Unanimous voice vote followed. Motion carried.

3.3)  CDA Regular Meeting – January 14, 2020
Commissioner Stock made a motion to approve the Minutes of January 14, 2020. Commissioner Delbow seconded the motion. Unanimous voice vote followed. Motion carried.
(4) AGENDA ACTION(S)

4.1) Agenda Modifications
None were requested.

4.2) Consent Agenda (5.2, 6.11, 6.12, 6.21, 6.5, 6.63)
Commissioner Gulstad made a motion to approve the Consent Agenda. Commissioner Stock seconded the motion. Unanimous voice vote followed. Motion carried.

(5) FINANCIAL REPORT

5.1) Payment of Bills
Commissioner Gulstad made a motion to approve the check registers in the amount of $704,256.45. Commissioner Stock seconded the motion. Unanimous roll call vote followed. Motion carried.

5.2)* Procurement Summary
[Consent; no discussion]

5.3) Development Reports – FY2019 4th Qtr
Lorien Mueller and Camille Ritter, Great Lakes Management, were present and introduced themselves to Commissioner Delbow. Ms. Ritter went over the 4th quarter reports. Commissioner Gulstad requested year end reports for the Brentwood Court pharmacy and clinic in the future. There was a question about the surplus funds, which Finance Director Johnson answered. Commissioner Gulstad made a motion to approve the reports. Commissioner Stock seconded the motion. Unanimous voice vote followed. Motion carried.

5.31) River City Centre
100% leased/94% occupied

<table>
<thead>
<tr>
<th>Pro Forma vs. 4th Quarter 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
<tr>
<td>Rental Revenue</td>
</tr>
<tr>
<td>Operating Expenses</td>
</tr>
<tr>
<td>Net Operating Income *</td>
</tr>
</tbody>
</table>
*(not including retail or TIF income)

5.32) The Hamilton
100% leased/95% occupied

<table>
<thead>
<tr>
<th>Pro Forma vs. 4th Quarter 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
<tr>
<td>Rental Revenue</td>
</tr>
<tr>
<td>Operating Expenses</td>
</tr>
<tr>
<td>Net Operating Income *</td>
</tr>
</tbody>
</table>
*Does not incl. Retail Base Rent
5.33) Philipp Square
98% leased/93% occupied

<table>
<thead>
<tr>
<th></th>
<th>YTD Proforma</th>
<th>YTD Actual</th>
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</thead>
<tbody>
<tr>
<td>Rental Revenue</td>
<td>$ 635,875</td>
<td>$ 665,142</td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>$ 303,635</td>
<td>$ 347,622</td>
</tr>
<tr>
<td>Net Operating Income</td>
<td>$ 359,431</td>
<td>$ 338,541</td>
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</tbody>
</table>

5.34) Northridge Court
100% leased and occupied

<table>
<thead>
<tr>
<th></th>
<th>YTD Proforma</th>
<th>YTD Actual</th>
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<tbody>
<tr>
<td>Rental Revenue</td>
<td>$ 729,887</td>
<td>$ 788,651</td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>$ 287,164</td>
<td>$ 309,058</td>
</tr>
<tr>
<td>Net Operating Income</td>
<td>$ 442,703</td>
<td>$ 480,789</td>
</tr>
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</table>

5.35) Glendale Place
95% leased and occupied

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<thead>
<tr>
<th></th>
<th>YTD Proforma</th>
<th>YTD Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rental Revenue</td>
<td>$ 825,912</td>
<td>$ 815,831</td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>$ 402,104</td>
<td>$ 318,499</td>
</tr>
<tr>
<td>Net Operating Income</td>
<td>$ 423,808</td>
<td>$ 534,331</td>
</tr>
</tbody>
</table>

5.36) Market Village
100% leased and occupied

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<thead>
<tr>
<th></th>
<th>YTD Proforma</th>
<th>YTD Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rental Revenue</td>
<td>$ 620,262</td>
<td>$ 626,427</td>
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<tr>
<td>Operating Expenses</td>
<td>$ 302,400</td>
<td>$ 279,122</td>
</tr>
<tr>
<td>Net Operating Income</td>
<td>$ 317,862</td>
<td>$ 347,295</td>
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</tbody>
</table>

5.37) Brentwood Court
100% leased/94% occupied

<table>
<thead>
<tr>
<th></th>
<th>YTD Proforma</th>
<th>YTD Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rental Revenue</td>
<td>$ 587,122</td>
<td>$ 588,440</td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>$ 261,776</td>
<td>$ 295,872</td>
</tr>
<tr>
<td>Net Operating Income</td>
<td>$ 325,346</td>
<td>$ 292,568</td>
</tr>
</tbody>
</table>

5.38) The Henderson
100% leased and occupied

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<thead>
<tr>
<th></th>
<th>YTD Proforma</th>
<th>YTD Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rental Revenue</td>
<td>$ 633,728</td>
<td>$ 662,494</td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>$ 222,642</td>
<td>$ 255,496</td>
</tr>
<tr>
<td>Net Operating Income</td>
<td>$ 411,086</td>
<td>$ 406,998</td>
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</table>
5.4) **Agency 4th Qtr Financials**
Finance Director Johnson summarized the budget results for each program area and answered Commissioners’ questions. Commissioner Gulstad made a motion to accept the 4th quarter report. Commissioner Delbow seconded the motion. Unanimous voice vote followed. Motion carried.

5.5) **Cash Flow Projection Worksheet**
Finance Director Johnson answered Commissioners’ questions. The Finance Committee will discuss in more detail.

(6) **OLD BUSINESS**

6.1) **Affordable Housing Programs**

6.11)* **Affordable Housing Occupancy Report**
[Consent; no discussion]

6.12)* **Housing Choice Voucher Utilization Report**
[Consent; no discussion]

6.13) **RESOLUTION NO. 05-20: AUTHORIZING SECTION 8 MANAGEMENT ASSESSMENT PROGRAM (SEMAP) CERTIFICATION SUBMISSION FOR FISCAL YEAR ENDING DECEMBER 31, 2019**
Housing Director Siegart provided an overview of the SEMAP process stating that the Agency is a “high performer” and the voucher program brings $5.5M/year of rent assistance to the County with an average Housing Assistance Payment (HAP) payment of $650/household. Commissioner Gulstad made a motion to approve Resolution No. 05-20. Commissioner Stock seconded the motion. Unanimous roll call vote followed. Motion carried.

Executive Director Jaffa asked Housing Director Siegart to provide updates on a few other items:

- Prior Manor conversion to Project Based units – this is underway. Housing Director Siegart is working with an attorney who has conversion expertise, and is also trying to work with Minnesota Housing to find a solution for transferring or satisfying the Publically Owned Housing Program (POHP) deferred loans issued from State GO bond funds that have been used in the past for rehab of the property.

- Real Estate Assessment Center (REAC) inspection for Prior Manor is scheduled. This happens every 3 years, instead of every year, because of the consistently high score received on the inspection.

- The opinion for the Ali Supreme Court case will be announced at 10:00 a.m. tomorrow.
6.2) Home Ownership Programs

6.21)* Homeownership Programs Report
   [Consent; no discussion]

6.3) Liaison Report – Scott County Commissioner
   Commissioner Ulrich provided an update on the transit task force and the economic development component to road improvement projects.

6.4) First Stop Shop (FSS)

   6.41) Elko New Market Sewer/Water Infrastructure Assistance
   Business Development Director Crakes stated that she and Renee Christianson, Community Development Specialist – Elko New Market, are researching other projects to ascertain how each party could be involved, fit the budget, and spread the risk. Commissioner discussion ensued. Executive Director Jaffa proposed a general meeting with financial consultants and staff to get some financing options. He stressed that the CDA is looking for a way to be involved in this, not how not to be involved. The workgroup can be set up with representatives from all entities. Commissioner Stock made a motion to authorize the creation of the workgroup. Commissioner Delbow seconded the motion. Unanimous voice vote followed. Motion carried.

6.5)* FISH
   [Consent; no discussion]

6.6) SC-CDA Development Activities

   6.61) Brentwood Terrace, Jordan, MN
   Ms. Mueller from Great Lakes Management commented that there is a new logo that distinguishes Terrace from Court, but also offers a consistent look. Marketing materials and are being created. There are 60 names on the interest list.

   6.62) Intensive Residential Treatment Services (IRTS) Facility, Savage
   Construction is going well. The Agency continues to await State approval for draw submittal.

6.63)* Scott County Community Land Trust
   [Consent; no discussion]
6.64) River City Centre – Master Lease Tenant (MLT)
Executive Director Jaffa stated that he met with the MLT and they provided rent structure and status of tenants. The Haven is downsizing and that will require tenant improvements as they will be relocating to a different, smaller space. Money is required to maintain community space and for marketing. MLT did make their January payment. The MLT tenant said they will come back with a proposal outlining what they are asking for as far as tenant improvement and other assistance. Executive Director Jaffa stated that Great Lakes Management has reaffirmed that they could take over management of the space, but tenant improvement and clean up would be required.

(7) NEW BUSINESS

None at this time.

(8) SET NEXT MEETING DATE, TIME AND PLACE

8.1) Regular Meeting March 10, 2020, 2:00 p.m.
8.2) Finance Committee Meeting After February Board Meeting
8.3) SPECIAL Meeting as needed

(9) ADJOURN
Commissioner Gulstad made a motion to adjourn at 3:32 p.m. Commissioner Delbow seconded the motion. Unanimous voice vote followed. Motion carried.

Vice Chair

Secretary

Recording Secretary

Date: 2/10/2020