

SCOTT COUNTY COMMUNITY DEVELOPMENT AGENCY

323 South Naumkeag Street, Shakopee, MN 55379

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**BOARD OF COMMISSIONERS
MINUTES – REGULAR MEETING
May 12, 2020**

(1) CALL TO ORDER AND PLEDGE

This meeting was held telephonically. Chair Croatt called the meeting to order at 2:03 p.m.

(2) ROLL CALL

Commissioners present: District I, DeAnn Croatt
 District II, Terri Gulstad
 District III, Jeff Delbow (left at 2:57)
 District IV, Patti Sotis
 District V, Barry Stock

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

Others present: Lorien Mueller, Great Lakes Management
 Camille Ritter, Great Lakes Management
 Julie Eddington, Kennedy & Graven

(3) MINUTES SUBMITTED FOR APPROVAL

3.1) Regular Meeting – April 14, 2020

Commissioner Gulstad made a motion to approve the Minutes of April 14, 2020. Commissioner Sotis seconded the motion. Unanimous roll call vote followed. Motion carried.

(4) AGENDA ACTION(S)

4.1) Agenda Modifications

An agenda modification was requested to add Items under 6.4) First Stop Shop: Open to Business and Business4Business Program.

4.2) Consent Agenda (6.11, 6.12, 6.21, 6.5, 6.63)

Commissioner Gulstad made a motion to approve the Consent Agenda. Commissioner Sotis seconded the motion. Unanimous roll call 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 \$149,749.17. Commissioner Delbow seconded the motion. Unanimous roll call vote followed. Motion carried.

5.2) FY2019 Agency Financial Audit

Finance Director Johnson reported the auditors, Abdo Eick and Meyers, were finished on Thursday, May 7th with the audit. It went well even though it was conducted remotely. Finance Director Johnson answered Commissioners' questions. It is expected that the audit report will be presented to the Board at its July meeting.

5.3) Development Reports - FY2020 - Qtr 1

Lorien Mueller and Camille Ritter of Great Lakes Management were in attendance and provided budget information for all of the properties. Ms. Mueller reported River City Centre had several turns due to death or more care was needed for the tenant. There is a very healthy waiting list for this property. Ms. Mueller provided the board with their COVID19 precautions at all of the properties. There is additional cleaning, sanitizing, encouraging social distancing, allowing tours in vacant units only as well as closing the common areas. This has allowed time for exterior work to be done at all the units with landscaping and extra clean up.

The clinic requested abatement of their rent for two months; however, instead the CDA entered into a repayment agreement with them where they can pay monthly installments over 2021.

Marketing materials will be going out on Friday, May 22nd for [Brentwood Terrace](#). There are 57 people on the interest list.

Commissioner Sotis made a motion to approve all reports with one motion. Commissioner Gulstad seconded the motion. Unanimous roll call vote followed. Motion carried.

5.31) River City Centre

96% Leased/87% occupied

Pro Forma vs. 1st Quarter 2020		
	YTD Proforma	YTD Actual
Rental Revenue	\$148,146	\$156,121
Operating Expenses	\$ 79,556	\$ 82,472
Net Operating Income	\$ 69,124	\$ 71,231
(not including retail or TIF income)		

5.32) The Hamilton

100% leased/98% occupied

Pro Forma vs. 1st Quarter 2020		
	YTD Proforma	YTD Actual
Rental Revenue	\$134,942	\$128,812
Operating Expenses	\$ 70,264	\$ 64,202
*Net Operating Income	\$ 65,174	\$ 63,421
*Does not incl. Retail Base Rent		

5.33) Philipp Square

100% leased/100% occupied

Pro Forma vs. 1st Quarter 2020		
	YTD Proforma	YTD Actual
Rental Revenue	\$ 162,148	\$ 169,405
Operating Expenses	\$ 79,058	\$ 88,766
Net Operating Income	\$ 90,006	\$ 82,911

5.34) Northridge Court

100% leased/97% occupied

Pro Forma vs. 1st Quarter 2020		
	YTD Proforma	YTD Actual
Rental Revenue	\$ 185,204	\$ 201,032
Operating Expenses	\$ 73,945	\$ 67,994
Net Operating Income	\$ 111,259	\$ 131,279

5.35) Glendale Place
94% leased/92% occupied

Pro Forma vs. 1st Quarter 2020		
	YTD Proforma	YTD Actual
Rental Revenue	\$ 210,608	\$207,701
Operating Expenses	\$ 104,317	\$ 70,378
Net Operating Income	\$ 103,299	\$137,913

5.36) Market Village
100% leased/100% occupied

Pro Forma vs. 1st Quarter 2020		
	YTD Proforma	YTD Actual
Rental Revenue	\$ 158,175	\$ 159,346
Operating Expenses	\$ 78,103	\$ 59,314
Net Operating Income	\$ 78,579	\$ 111,779

5.37) Brentwood Court
100% leased/100% occupied

Pro Forma vs. 1st Quarter 2020		
	YTD Proforma	YTD Actual
Rental Revenue	\$ 144,616	\$ 150,036
Operating Expenses	\$ 67,307	\$ 70,721
Net Operating Income	\$ 76,498	\$ 81,371

5.38) The Henderson
100% leased/96% occupied

Pro Forma vs. 1st Quarter 2020		
	YTD Proforma	YTD Actual
Rental Revenue	\$ 159,132	\$ 169,662
Operating Expenses	\$ 57,330	\$ 58,296
Net Operating Income	\$ 93,602	\$ 113,176

5.4) 2020 First Quarter Agency Financials

Finance Director Johnson went over the budget results for each program and answered Commissioners questions. Finance Director Johnson stated the first quarter is tracking on budget. He is pleased with the Belle Haven-Britland conversion and moving forward as one program. He also explained that HUD administered \$80,000 for Main Stream Vouchers, which are for non-elderly/disabled households. Commissioner Sotis made a motion to

approve the first quarter financials. Commissioner Stock seconded the motion. Unanimous roll call vote followed. Motion carried.

5.5) Cash Flow Projection Worksheet

Finance Director Johnson summarized the updated Cash Flow Projection and answered Commissioners' questions. Commissioner Sotis made a motion to approve the Cash Flow Projection Worksheet. Commissioner Stock seconded the motion. Unanimous roll call vote followed.

5.6) RESOLUTION NO. 09-20: APPROVING PERMANENT TRANSFERS BELLE HAVEN

Commissioners Stock made a motion to approve Resolution No. 09-20. Commissioner Gulstad seconded the motion. Unanimous roll call vote followed. Motion carried.

5.7) RESOLUTION NO. 10-20: ADOPTING REVISED GENERAL FUND CASH RESERVES POLICY

Commissioner Gulstad made a motion to approve Resolution No. 10-20. Commissioner Sotis seconded them 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]

6.13) Waiver of Some HUD Requirements

Housing Director Siegert advised the Board that HUD adopted a notice to process different actions with various waivers during the COVID19 pandemic. Inspections are delayed until the end of July. Commissioner Gulstad made a motion to approve the Waiver of some HUD requirements. Commissioner Sotis seconded the motion. Unanimous roll call vote followed. Motion carried.

6.2) Homeownership Programs

6.21)* Homeownership Programs Report

6.3) Liaison Report – Scott County Commissioner

No report; not present.

6.4) First Stop Shop (FSS)

This item was added to the Agenda. Business Development Director Crakes recommends terminating the contract for the Open to Business Program. Due to staff reductions and a change in staff, Business Development Director Crakes recommends the CDA Board support efforts to terminate the contract early. Commissioner Stock made a motion to approve the termination of the contract. Commissioner Gulstad seconded the motion. Unanimous roll call followed. Motion carried.

This item was added to the Agenda. Business Development Director Crakes also discussed the Business4Business Program which was spearheaded by Ramsey County. Businesses that are doing well can donate to a fund for a grant for small businesses that need assistance. There are resource limitations to this program and suggests it is not in our best interest to implement this program.

6.41) Small Business Assistance Program

Business Development Director Crakes recommends the Small Business Grant/Loan Program, which could be a revolving loan fund. There is money to kick start the program as a relief program. The suggestion is to do one thing this year pertaining to COVID19. The program will target small businesses providing \$5,000-\$7,500 loans in an effort to start building relationships. Commissioner Stock made a motion to approve the program, contingent upon final review with the Finance Committee. Commissioner Gulstad seconded the motion. Unanimous roll call vote followed. Motion carried.

6.42) Elko New Market Sewer/Water Infrastructure Assistance

Business Development Director Crakes provided an update at the Scott County Workshop on May 5th. Elko New Market will forgive the SAC/WAC fees with the understanding it will be applied to this project. There was discussion and concern in the coming years with the COVID19 crisis.

6.5)* Visioning Session

6.6) SC-CDA Development Activities

6.61) Brentwood Terrace, Jordan MN

Executive Director Jaffa stated the building is coming along fine. The CDA will take occupancy in October, which is a few months earlier than projected. There will be a model available in late summer.

6.62) Intensive Residential Treatment Services (IRTS) Facility, Savage

6.62) RESOLUTION NO. 11-20: APPROVING THE EXECUTION OF DOCUMENTS WITH SCOTT COUNTY REGARDING A RESIDENTIAL MENTAL HEALTH TREATMENT FACILITY IN THE CITY OF SAVAGE AND TAKING OTHER ACTIONS IN CONNECTION THEREWITH

Julie Eddington, from Kennedy & Graven stated we need to get approval for the grant from the Minnesota Management and Budget Office. Roger, from MMB, looked at our documents, but felt they were too complicated. The proposal will convey the property to the county and the county will enter into the lease with Guild and contract services for the building. Once the construction and any contractual obligations are fulfilled, the CDA will no longer have a role in the property. Commissioner Stock made a motion to approve Resolution No. 11-20. Commissioner Sotis seconded the motion. Unanimous roll call vote followed. Motion carried.

6.63)* Scott County Community Land Trust

6.64) COVID19 Updates

A Preparedness Plan is being developed. The plan will outline social distancing, respiratory etiquette, hygiene and cleaning projects, Personnel Protective Equipment (PPE) and communication to employees. The CDA has provided flexible schedules to staff during this time. Commissioner asked what is considered non-essential at this time. Housing Director gave some examples such as no preventative work orders are being done at this time, no contractors will work inside an occupied unit and the Homebuyer's Club classes have been cancelled until September. Framework classes are suggested to those First Time Homebuyer's. Recording Secretary Janovsky stated there has been an increase in interest in the land trust, so activities will start for that again. The CDA will evaluate office space needs and staff will continue to work at home. Executive Director Jaffa is very proud of the staff and management. He will continue to monitor the situation.

(7) NEW BUSINESS

None at this time.

(8) SET NEXT MEETING DATE, TIME AND PLACE

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|-------------------------------|--------------------------------|
| 8.1) Regular Meeting | June 9, 2020, 2:00 p.m. |
| 8.2) VISIONING MEETING | TBD |

8.3) Special Meeting
Small Business Loan Program

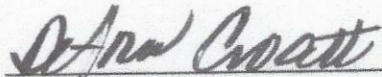
TBD if needed

8.4) SPECIAL MEETING

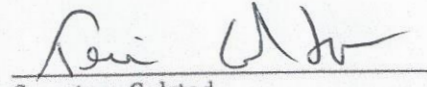
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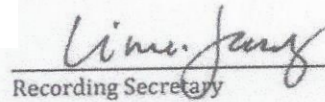
(9) ADJOURN

Commissioner Sotis made a motion to adjourn at 3:58 p.m. Commissioner Stock seconded the motion. Unanimous roll call vote followed. Motion carried.


Chair Croatt




Secretary Gulstad


Recording Secretary

6/9/2020
Date