

SCOTT COUNTY COMMUNITY DEVELOPMENT AGENCY

323 South Naumkeag Street, Shakopee, MN 55379

Phone: (952) 402-9022 | Fax: (952) 496-2852

**BOARD OF COMMISSIONERS
MINUTES - REGULAR MEETING
August 18, 2020**

(1) CALL TO ORDER

This meeting was held via Zoom videoconferencing. Chair Croatt called the meeting to order at 2:01 pm.

(2) ROLL CALL

Commissioners present: District I, DeAnn Croatt
 District II, Terri Gulstad
 District III, Jeff Delbow
 District V, Barry Stock

Commissioners absent: District IV, Patti Sotis

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

Others present: Jon Ulrich, Scott County Commissioner
 Lorien Mueller, Great Lakes Management
 Camille Ritter, Great Lakes Management

(3) MINUTES SUBMITTED FOR APPROVAL

3.1) CDA Regular Meeting – July 14, 2020

The minutes were approved with Commissioner Gulstad requesting additional information regarding Item 6.74.2) the Prairie Point INVEST award to clarify the award was for \$100,000 for a 15 year term. With this change, Commissioner Stock made a motion to approve the Minutes of July 14. Commissioner Gulstad seconded the motion. Unanimous roll call vote followed. Motion carried.

AGENDA ACTION(S)

4.1) Agenda Modifications

None requested.

4.2) Consent Agenda (6.11, 6.12, 6.13, 6.21, 6.41, 6.63)

Commissioner Gulstad made a motion to approve the Consent Agenda. Commissioner Delbow 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 \$1,263,094.26. Commissioner Delbow seconded the motion. Unanimous roll call vote followed. Motion carried.

5.2) Development Budget Reports – 2nd Quarter 2020

Lorien Mueller and Camille Ritter from Great Lakes Management were in attendance to provide a report. Things are going well at the properties, and there has been steady occupancy except for at River City Center where six residents had to go to a higher level of care or passed away. These units are being turned quickly. Ms. Mueller also reported that in the early hours of July 30, someone broke into Northridge Court. There was no resident involvement. Nothing of value was stolen; however, there was property damage. As the entry system was damaged, this will be an opportunity to update the doors to a keyless entry system. In answer to a Commissioner question, Phillip Square will receive touchup painting on some of the railings and balconies with a full painting of the exterior scheduled in 2022. The reports for the Brentwood Court Clinic and Pharmacy were not included in the reports, so will be emailed to Commissioners after the meeting.

Commissioner Gusltad made a motion to accept the 2nd Quarter Budget Reports. Commissioner Stock seconded the motion. Unanimous roll call vote followed. Motion carried.

5.21) River City Centre, Shakopee

80% occupied/98% leased

Pro Forma vs. 2nd Quarter 2020

	<u>YTD Proforma</u>	<u>YTD Actual</u>
Rental Revenue	\$296,292	\$313,093
Operating Expenses	\$159,113	\$169,514
Net Operating Income *	\$138,248	\$128,270
(not including retail or TIF income)		

5.22) The Hamilton, Savage
100% occupied and leased

Pro Forma vs. 2nd Quarter 2020

	YTD Proforma	YTD Actual
Rental Revenue	\$269,884	\$258,429
Operating Expenses	\$140,528	\$143,543
*Net Operating Income	\$130,348	\$110,917

*Does not incl. Retail Base Rent

5.23) Philipp Square, New Prague
96% occupied/100% leased

Pro Forma vs. 2nd Quarter 2020

	YTD Proforma	YTD Actual
Rental Revenue	\$324,297	\$340,165
Operating Expenses	\$158,116	\$177,102
Net Operating Income	\$180,013	\$170,748

5.24) Northridge Court, Shakopee
100% occupied and leased

Pro Forma vs. 2nd Quarter 2020

	YTD Proforma	YTD Actual
Rental Revenue	\$370,408	\$403,439
Operating Expenses	\$147,890	\$156,877
Net Operating Income	\$222,518	\$246,570

5.25) Glendale Place, Savage
98% occupied/100% leased

Pro Forma vs. 2nd Quarter 2020

	YTD Proforma	YTD Actual
Rental Revenue	\$421,215	\$416,914
Operating Expenses	\$208,635	\$170,555
Net Operating Income	\$206,598	\$241,560

5.26) Market Village, Elko New Market
98% occupied/100% leased

Pro Forma vs. 2nd Quarter 2020

	YTD Proforma	YTD Actual
Rental Revenue	\$316,349	\$320,176
Operating Expenses	\$156,207	\$138,442
Net Operating Income	\$157,158	\$187,189

5.27) Brentwood Court, Jordan

98% occupied and leased

Pro Forma vs. 2nd Quarter 2020

	<u>YTD Proforma</u>	<u>YTD Actual</u>
Rental Revenue	\$289,233	\$301,066
Operating Expenses	\$134,614	\$141,890
Net Operating Income	\$152,995	\$164,059

5.28) The Henderson

98% occupied and leased

Pro Forma vs. 2nd Quarter 2020

	<u>YTD Proforma</u>	<u>YTD Actual</u>
Rental Revenue	\$318,264	\$339,818
Operating Expenses	\$114,661	\$126,993
Net Operating Income	\$187,203	\$210,548

5.29) Brentwood Terrace

A budget narrative was provided as the building is expected to open December 1.

5.3) Development Budget Reports – FY2021 Operating Budgets

Lorien Mueller and Camille Ritter of Great Lakes Management were in attendance to provide a report. Ms. Mueller explained that the rent increases for 2021 will be 1.5% compared to 3% over the last few years. This is due to the economy. Ms. Mueller referred to the rent survey stating that the CDA properties are affordable at the low end of market rate. A 5% vacancy loss is calculated into the budgets. The goal is to keep expenses in line and consistent. There were a few projects that were suspended in 2020 due to COVID which are planned to be completed in 2021. Brentwood Terrace is currently 49% reserved, which is 29 units. For actual lease up, it is expected that it will be 34% leased in December, increasing to 95% in May. Ms. Mueller summarized the reports for each building.

Commissioner Delbow made a Resolution to approve Resolutions 21-20 through 30-20 for the FY2021 Operating Budgets. Commissioner Stock seconded the motion. Unanimous roll call vote followed. Motion carried.

5.31) River City Centre, Shakopee

RESOLUTION NO. 21-20: ADOPTING FY2021 OPERATING BUDGET FOR RIVER CITY CENTRE

5.32) The Hamilton, Savage

RESOLUTION NO. 22-20: ADOPTING FY2021 OPERATING BUDGET FOR THE HAMILTON

- 5.33) Philipp Square, New Prague
RESOLUTION NO. 23-20: ADOPTING FY2021 OPERATING BUDGET
FOR PHILIPP SQUARE**

- 5.34) Northridge Court, Shakopee
RESOLUTION NO. 24-20: ADOPTING FY2021 OPERATING BUDGET
FOR NORTHRIDGE COURT**

- 5.35) Glendale Place, Savage
RESOLUTION NO. 25-20: ADOPTING FY2021 OPERATING BUDGET
FOR GLENDALE PLACE**

- 5.36) Market Village, Elko New Market
RESOLUTION NO. 26-20: ADOPTING FY2021 OPERATING BUDGET
FOR MARKET VILLAGE**

- 5.37) Brentwood Court, Jordan Residential
RESOLUTION NO. 27-20: ADOPTING FY2021 OPERATING BUDGET
FOR BRENTWOOD COURT**

- 5.38) Brentwood Court, Jordan Clinic and Pharmacy
RESOLUTION NO. 28-20: ADOPTING FY2021 OPERATING BUDGET
FOR JORDAN CLINIC AND PHARMACY**

- 5.39) The Henderson, Shakopee
RESOLUTION NO. 29-20: ADOPTING FY2021 OPERATING BUDGET
FOR The Henderson**

- 5.40) Brentwood Terrace, Jordan
RESOLUTION NO. 30-20: ADOPTING FY2021 OPERATING BUDGET
FOR The BRENTWOOD TERRACE**

- 5.41) Operating and Capitalized Projects**

- 5.4) FY2020 – 2nd Quarter Agency Budget Summary**
Finance Director Johnson provided an overview of his narrative report and indicated that he will note when items have larger variances. Finance Director Johnson answered Commissioners’ questions as they arose.

- 5.5) Cash Flow Worksheet**
Finance Director briefly summarize the cash flow.

- 5.6) RESOLUTION NO. 31-20: AUTHORIZING 2021 GENERAL ADMINISTRATIVE
OPERATING BUDGET AND 2021 (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, and explained how the special benefits tax levy is calculated. Finance Director Johnson went over his narrative report with additional detail, answering Commissioners' questions as they arose. Business Development Director Crakes answered questions about the business recovery programs for 2021 stating that the "Business Loan and Relief program" would be to continue to assist business through 2021 with COVID recovery efforts. The "Economic Development Assistance" program would be more of a revolving loan fund and would fund such as projects as the Elko New Market infrastructure work. Commissioner Gulstad made a motion to approve Resolution No. 31-20. Commissioner Delbow seconded the motion. Unanimous roll call vote followed. Motion carried.

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)* HUD Waivers

[Consent item; no discussion]

6.2) Home Ownership Programs

6.21)* Homeownership Programs Report

[Consent item; no discussion]

6.3) Liaison Report – Scott County Commissioner

Commissioner Ulrich stated that he has been meeting with Greater MSP and unfortunately, the Minnesota brand has taken a negative hit due to the George Floyd events. In addition, COVID continues to have a negative effect on something like 300,000 businesses throughout the State. Commissioner Ulrich also indicated that Credit River is to become a city.

6.4) First Stop Shop (FSS)

Business Development Director Crakes referred to her summary included with the packet and gave an update on the CDA's business grant program. There were 20 grant applications and they have all been cleared for acceptance and CDA funds will be distributed in about a week. Applicants indicating a need greater than \$5000 will automatically be enrolled in the County CARES fund applicant pool for an additional \$10,000 so a total of \$15,000 in relief funds.

6.41)* Elko New Market Sewer/Water Infrastructure Assistance

[Consent item; no discussion]

6.5) COVID-19 Updates

Executive to the Executive Director Janovsky provided a brief update stating that there was one case of an employee testing positive and appropriate measures were taken to ensure wellness of other staff. The CDA will continue to offer flexibility for work schedules as employees learn if their children will be distance learning or in school part-time.

6.6) SC-CDA Development Activities

6.61) Brentwood Terrace, Jordan, MN

Executive Director Jaffa indicated that things are going well per Great Lakes Management's report.

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

Executive Director Jaffa indicated that construction will be wrapping up soon and he hopes that there is some type of ribbon cutting so that Commissioners can see the building.

6.63)* Scott County Community Land Trust

[Consent item; no discussion]

6.64) CARES Funding Disbursements

6.64.1 Business Assistance Program

Business Development Director Crakes indicated that there are three targeted areas for assistance for these funds: daycare, farming and for-profit businesses. The County is contacting daycare operators and marketing has begun for the other businesses. The application period opens tomorrow through August 27, 2020, so quite a bit of money to disburse in a short time. The Cooperative Agreement is still being worked on with the County and then will be reviewed by the CDA's attorney.

6.64.2 Mortgage Assistance Program

Assistant to the Executive Director Janovsky clarified that this program will begin the end of August/beginning of September and will run through the end of November. Details are still being worked out with the County.

(7) NEW BUSINESS

7.1) Agency Annual Plan – Public Notice Period and Hearing

Commissioner Gulstad made a motion to set the Public Hearing for the regular meeting date of October 13, 2020. Commissioner Croatt seconded the motion. Unanimous roll call vote followed. Motion carried.

(8) SET NEXT MEETING DATE, TIME AND PLACE


- | | |
|------------------------|----------------------------|
| 8.1) Regular Meeting | September 8, 2:00 p.m. |
| 8.2) Finance Committee | August 7, 2020, 10:30 a.m. |
| 8.3) SPECIAL Meeting | as needed |

(9) ADJOURN

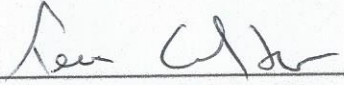
Commissioner Stock made a motion to adjourn the meeting at 3:34 p.m. Commissioner Delbow seconded the motion. Unanimous roll call vote followed. Motion carried.

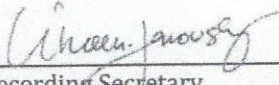
WORKSHOP

Commissioners determined this should be at a later date as Commissioner Sotis is not present and it would be preferable to do it in person.


Chair DeAnn Croatt




Secretary Terri Gulstad


Recording Secretary

09/09/2020
Date