

SCOTT COUNTY COMMUNITY DEVELOPMENT AGENCY

323 South Naumkeag Street, Shakopee, MN 55379

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**BOARD OF COMMISSIONERS
MINUTES - REGULAR MEETING
November 10, 2020**

(1) CALL TO ORDER

This meeting was held via Zoom videoconferencing. Chair Croatt called the meeting to order at 2:02 pm.

(2) ROLL CALL

Commissioners present: District I, DeAnn Croatt
District II, Terri Gulstad
District III, Jeff Delbow
District IV, Patti Sotis
District V, Barry Stock (2:04 p.m.)

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
Lorien Mueller, Great Lakes Management
Camille Ritter, Great Lakes Management
Steve Dunbar, Ivy Properties

(3) MINUTES SUBMITTED FOR APPROVAL

3.1) CDA Regular Meeting – October 13, 2020

Commissioner Sotis made a motion to approve the Minutes of October 13. Commissioner Delbow seconded the motion. Unanimous roll call vote followed. Motion carried.

(4) AGENDA ACTION(S)

4.1) Agenda Modifications

None requested.

4.2) Consent Agenda (6.11, 6.12, 6.15, 6.16, 6.21)

Commissioner Stock 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 \$614,049.34. Commissioner Delbow seconded the motion. Unanimous roll call vote followed. Motion carried.

5.2) Development Budget Reports – 3rd Quarter 2020

Lorien Mueller and Camille Ritter were in attendance from Great Lakes Management to summarize the budget reports. Ms. Mueller stated that all properties are 100% leased. She gave credit to Ms. Ritter and her team on keeping the buildings leased with good financials during COVID. They did exhaust the waiting lists of each property to fill openings. Because of the pandemic, seniors are not wanting to move. Names were still kept on the waiting list for future openings.

Ms. Mueller stated that Brentwood Terrace is 78% leased. Between December 1-8, 32 households will move in. Having a second elevator doubles the amount of move-ins they can have each day. Ms. Mueller indicated this lease up rate shows the demand for independent senior living properties in Scott County to have that many households move during the holiday season, during a pandemic. Ms. Mueller and Ms. Ritter answered Commissioner questions.

Commissioner Sotis made a motion to accept the 3rd quarter reports. Commissioner Gulstad seconded the motion. Unanimous roll call vote followed. Motion carried.

5.21) River City Centre, Shakopee

100% leased/occupied.

Pro Forma vs. 3rd Quarter 2020

| | YTD Proforma | YTD Actual |
|--------------------------------------|--------------|------------|
| Rental Revenue | \$ 444,438 | \$ 471,186 |
| Operating Expenses | \$ 238,669 | \$ 250,365 |
| Net Operating Income * | \$ 207,372 | \$ 199,582 |
| (not including retail or TIF income) | | |

5.22) The Hamilton, Savage

100% leased/occupied

Pro Forma vs. 3rd Quarter 2020

| | YTD Proforma | YTD Actual |
|-----------------------|--------------|------------|
| Rental Revenue | \$ 404,826 | \$ 389,572 |
| Operating Expenses | \$ 210,792 | \$ 208,424 |
| *Net Operating Income | \$ 195,521 | \$ 177,720 |

*Does not incl. Retail Base Rent

5.23) Philipp Square, New Prague

100% leased/occupied

Pro Forma vs. 3rd Quarter 2020

| | YTD Proforma | YTD Actual |
|----------------------|--------------|------------|
| Rental Revenue | \$ 486,445 | \$ 512,738 |
| Operating Expenses | \$ 237,173 | \$ 272,522 |
| Net Operating Income | \$ 270,019 | \$ 251,506 |

5.24) Northridge Court, Shakopee

100% leased/occupied

Pro Forma vs. 3rd Quarter 2020

| | YTD Proforma | YTD Actual |
|----------------------|--------------|------------|
| Rental Revenue | \$ 555,611 | \$ 607,284 |
| Operating Expenses | \$ 221,834 | \$ 238,011 |
| Net Operating Income | \$ 333,777 | \$ 371,268 |

5.25) Glendale Place, Savage

100% leased/98% occupied

Pro Forma vs. 3rd Quarter 2020

| | YTD Proforma | YTD Actual |
|----------------------|--------------|------------|
| Rental Revenue | \$ 631,823 | \$ 627,915 |
| Operating Expenses | \$ 312,952 | \$ 258,047 |
| Net Operating Income | \$ 309,896 | \$ 369,507 |

5.26) Market Village, Elko New Market

100% leased/98% occupied

Pro Forma vs. 3rd Quarter 2020

| | YTD Proforma | YTD Actual |
|----------------------|--------------|------------|
| Rental Revenue | \$ 474,524 | \$ 482,243 |
| Operating Expenses | \$ 234,310 | \$ 217,429 |
| Net Operating Income | \$ 235,737 | \$ 272,445 |

5.27) Brentwood Court, Jordan

100% leased/98% occupied

Pro Forma vs. 3rd Quarter 2020

| | YTD Proforma | YTD Actual |
|----------------------|--------------|------------|
| Rental Revenue | \$ 433,849 | \$ 453,150 |
| Operating Expenses | \$ 201,921 | \$ 215,093 |
| Net Operating Income | \$ 229,493 | \$ 246,315 |

5.28) The Henderson, Shakopee

100% leased/98% occupied

Pro Forma vs. 3rd Quarter 2020

| | YTD Proforma | YTD Actual |
|----------------------|--------------|------------|
| Rental Revenue | \$ 318,264 | \$ 510,566 |
| Operating Expenses | \$ 171,991 | \$ 193,449 |
| Net Operating Income | \$ 280,805 | \$ 313,234 |

5.29) Brentwood Terrace, Jordan

78% leased

5.3) FY2020 – 3rd Quarter Agency Budget Summary

Finance Director Johnson presented information on the 3rd quarter budget summary highlighting some areas in more depth and answered Commissioners' questions. Commissioner Delbow made a motion to approve the 3rd Quarter summary report. Commissioner Stock seconded the motion. Unanimous roll call vote followed. Motion carried.

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. 38-20: ADOPTING REVISED UTILITY ALLOWANCES FOR SCOTT COUNTY SECTION 8 PROGRAM EFFECTIVE JANUARY 1, 2021

Housing Director Siegert indicated that the water rates have gone up; therefore the resident will have a larger utility allowance for that and pay a less portion of rent. Commissioner Sotis made a motion to approve Resolution No. 38-20. Commissioner Delbow seconded the motion. Unanimous roll call vote followed. Motion carried.

6.14) RESOLUTION NO. 39-20: ADOPTING PAYMENT STANDARDS FOR SECTION 8 PURSUANT TO HUD'S FAIR MARKET RENT LIMITS

Commissioner Stock made a motion to approve Resolution No. 39-20. Commissioner Sotis seconded the motion. Unanimous roll call vote followed. Motion carried.

6.15)* Public Housing Utility Allowances

[Consent; no discussion]

6.16)* Public Housing Flat Rents

[Consent; no discussion]

6.2) Home Ownership Programs

6.21)* Homeownership Programs Report

[Consent; no discussion]

6.3) Liaison Report – Scott County Commissioner

Commissioner Ulrich indicated that the Government Center West will be under construction soon so the regular boardroom will not be available. He also indicated that the CAP Agency and alternative school in the Workforce Center will be moving and that building will be up for sale. There was not a lot of CARES money demand for rental or mortgage payment assistance, but there may be for landlord assistance. Commissioner Ulrich stated that discussions for Beacon Point, the property proposed to be built in Shakopee for near homeless/homeless are underway. If this is built, he would like to see a preference for serving Scott County residents. Commissioner Ulrich stated that the intent of the County is to pay back the IRTS loan as soon as possible. He also commented that COVID cases are up in Scott County.

6.4) First Stop Shop (FSS)

6.41) Fast Track Challenge

Business Development Director Crakes stated that the event went well and that Business Development Specialist Jo Foust did a great job. It was nice to have a small COVID-conscience in person event. The press release gave information about the winners. Commissioner Stock asked if there was any follow-up with previous winners to see how their business is going. Business Development Director Crakes stated that they do keep in touch and she can provide a “where are they now” update on past winners.

6.42) Business Assistance Program – CARES

Business Development Director Crakes indicated that the report in the board packet was the information provided to the County and provided information through the end of October. There are not updates on the numbers at this time as NextStage is working to process. The requests came to approximately \$3M which is about \$2M short of what was allocated due to businesses not being eligible or withdrawing. Business Development Director Crakes has been in conversations with County staff to shift some of this money to other eligible expenses for businesses going into next year. She has been virtually meeting with the metro County economic development group to discuss the logistics of getting the CARES money out to businesses who need it, while adhering to all the regulations that comes with the money.

There was approval from SCALE to move ahead with the Live Learn Earn website, focusing on available jobs due to the unemployment rate.

6.5) Mortgage Assistance Program - CARES

Housing Director Siegert indicated that the CAP Agency is administering the rental assistance program and there have been no eligible applicants so far. The CDA has received two eligible applicants so far for the mortgage assistance program. She indicated that the CHAP program from the State had 321 households from Scott County that applied for housing payment assistance.

In response to a question by Commissioner Gulstad on why Scott County has not expended many funds, Housing Director Siegert stated that the eviction moratorium, increased unemployment benefits, stimulus checks, landlords and lenders more apt to work with delinquent housing payments, and

increased ease to get a forbearance agreement on mortgages could all be factors.

Housing Director Siegert indicated to Commissioner Ulrich's point about landlord assistance that there are a few other Counties offering this assistance and she has been in discussions with County personnel on what such a program may look like for Scott County.

6.6) COVID-19 Updates

Assistant to the Executive Director Janovsky indicated that there is one employee ill. The infection control procedures in place—social distancing, masking, telework have helped lessen exposure when someone becomes infected. The CDA will be dialing it back a bit to have everyone that can telework do so as much as possible.

6.7) SC-CDA Development Activities

6.71) Brentwood Terrace, Jordan, MN

Steve Dunbar, Ivy Properties, indicated that the property really connects the campus nicely. Within the next 20 days everything will be finished up. The last couple of weeks have been going through units doing the punch lists. Greystone has done a great job, especially throughout the challenges of the pandemic. He indicated that it is planned to have a low key event on December 15th to celebrate the opening of the property.

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

Steve Dunbar, Ivy Properties, indicated that we received the Certificate of Occupancy, and Guild has been in the building working. Guild will be able to start serving clients within the next few weeks. Executive Director Jaffa commented the great work that Steve has done for the CDA during this project. He indicated the project was about serving the needs of Scott County and saving lives.

6.73) Scott County Community Land Trust

Assistant to the Executive Director Janovsky indicated that the CDA has been awarded \$85,200 from the Minnesota Housing Workforce and Affordable Homeownership Development Program grant to construct four homes in New Prague on lots the CDA already owns. The City has also committed to providing fee waivers. Executive Director Jaffa stated that it is great that the Land Trust program is now underway.

(7) NEW BUSINESS

None at this time.

(8) SET NEXT MEETING DATE, TIME AND PLACE

8.1) Regular Meeting

December 8, 2:00 p.m.

8.2) SPECIAL Meeting

as needed

(9) ADJOURN

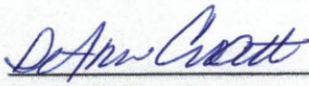
Commissioner Gulstad made a motion to adjourn the meeting at 3:21 p.m.

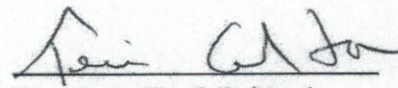
Commissioner Sotis seconded the motion. Unanimous roll call vote followed.

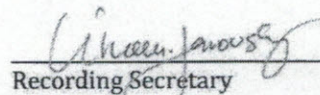
Motion carried.

WORKSHOP

Postponed.


Chair DeAnn Croatt


Secretary Terri Gulstad


Recording Secretary

12/15/2020
Date