

SCOTT COUNTY COMMUNITY DEVELOPMENT AGENCY

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**BOARD OF COMMISSIONERS
MINUTES - REGULAR MEETING & PUBLIC HEARING
March 12, 2024**

(1) CALL TO ORDER at 2:00 p.m. & PLEDGE

(2) ROLL CALL

Commissioners present: District I, DeAnn Croatt
District II, Terri Gulstad
District III, Dale Gade
District IV, Michelle Choudek
District V, Barry Stock arrived at 3:19 p.m.
(attending virtually from 601 N. LA Canada Dr., Green Valley, AZ, for personal reasons)

Staff present: Julie Siegert, Executive Director
Adam Johnson, Finance Director
Molly Link, Housing Director
Jo Foust, Business and Community Dev Director
Kim Meierbachtol, Rental Housing Manager
Jamie Boe, Housing Specialist - RA
Michael Werneke, Business Development Mgr
Tim Fairbanks, IT Manager
Linda Janovsky, Recording Secretary

Others present: Jody Brennan, Scott County Commissioner
Steve Dunbar, Ivy Properties
Julie Eddington (via call), Kennedy & Graven
Camille Ritter, Great Lakes Management
Andrew Melton, Great Lakes Management

(3) ROLL CALL

2.1) Introduction of New Employee

Rental Assistance Housing Manager Mierbachtol introduced Jamie Boe, Housing Specialist - Rental Assistance. Welcome Jamie!

(4) PUBLIC PARTICIPATION

Andy Rasmussen, Savage, was in attendance to observe.

(4) MINUTES SUBMITTED FOR APPROVAL & AGENDA ACTIONS

4.1) CDA Regular Meeting – February 13, 2024

Commissioner Gade made a motion to approve the Minutes. Commissioner Choudek seconded the motion. Unanimous (4-0) roll call vote followed. Motion carried.

4.2) Agenda Modifications

No agenda modifications requested.

4.3) Consent Agenda (6.11, 6.31, 6.32, 6.4)

Commissioner Gade made a motion to approve the Consent Agenda. Commissioner Gulstad seconded the motion. Unanimous (4-0) roll call vote followed. Motion carried.

(5) FINANCIAL REPORT

5.1) Payment of Bills

Commissioner Choudek made a motion to accept the payment of bills. Commissioner Gulstad seconded the motion. Unanimous (4-0) roll call vote followed. Motion carried.

5.2) Development Reports – FY2023 4th Qtr.

Camille Ritter and Andrew Melton, Great Lakes Management, were present to summarize year-end development reports. Ms. Ritter provided information on projects that occurred at each property in 2023. Mr. Melton indicated that the Resident Satisfaction surveys have launched and will share the outcome when available.

Commissioner Choudek made a motion to approve Item 5.2) Development reports. Commissioner Gade seconded the motion. Unanimous roll call (4-0) vote followed. Motion carried.

- 5.21) River City Centre
- 5.22) The Hamilton
- 5.23) Philipp Square
- 5.24) Northridge Court
- 5.25) Glendale Place
- 5.26) Market Village
- 5.27) Brentwood Court
- 5.28) The Henderson
- 5.29) Brentwood Terrace

5.3) Agency 4th Quarter Financials

Finance Director Johnson summarized 4th Quarter Financials. He indicated that this reporting is in line with previous quarterly reports for the year. The

2023 CDA pre-audit net operating annual result is approx. \$4.4M. This exceeded the 2023 budgeted result of ~\$2.4M by just over \$2M. Total capital expenditures were approximately \$4.86M, exceeding the 2023 net operating result by ~\$2.86M. Finance Director Johnson highlighted noteworthy areas in each program. He indicated how the Central School site project funding is being allocated. Property insurance costs have went up considerably. He went over cash flow projections and the minimum reserve policy. It is noted that with transition to Yardi, balance sheets may still need a little work.

Commissioner Gade made a motion to approve the 4th Quarter Financials. Commissioner Gulstad seconded the motion. Unanimous roll call (4-0) vote followed. Motion carried.

5.4) RESOLUTION NO. 14-24: DESIGNATING NET ASSETS

Commissioner Choudek made a motion to approve Resolution No. 14-24. Commissioner Gade seconded the motion. Unanimous roll call (4-0) vote followed. Motion carried.

(6) OLD BUSINESS

6.1) Affordable Housing Programs

6.11)* Housing Programs Report

Consent; no discussion.

6.2) Liaison Report – Scott County Commissioner

Commissioner Brennan states property tax statements are in the mail. The Met Council is holding State of the Region meeting. 169/Bluff highway project is having an open house. Met with Senators regarding funding for Louisville trail.

6.3) Business and Community Development

Business and Community Development Director Foust summarized her quarterly report. A bus tour visiting commercial/industrial sites is being scheduled for May with representatives from DEED, Greater MSP. Last year the tour was attended by primarily City staff. It was recommended that this be offered again in 2024 including elected officials. The tentative dates are May 1 or 2, and Commissioners are invited to attend. Business and Community Development Director Foust indicated the Drive for 5 grant was funded—SW Metro was awarded \$750,000 and the Shakopee Chamber \$450,000. These funds will provide scholarships for adult students for training in the areas of technology, health care, and education.

6.31)* Homeownership Programs Report

Consent item; no discussion.

6.32)* 912 WENCEL AVENUE NE, NEW PRAGUE, MN

Consent item; no discussion.

6.4)* River City Centre

Consent item; no discussion.

6.5) Shepherd of the Lake (SOL) Family Housing

RESOLUTION NO. 15-24: AUTHORIZING ENTERING INTO COOPERATIVE AGREEMENT WITH SCOTT COUNTY

Executive Director Siegert indicated that this is similar to the Intensive Residential Treatment Services (IRTS) partnership with the County to help facilitate the development of emergency family housing. County Health and Human Services was awarded a state grant for this project. This Resolution will authorize the CDA to enter into agreement with development partners. Commissioner Gade made a motion to approve Resolution No. 15-24. Commissioner Choudek seconded the motion. Unanimous roll call (4-0) vote followed. Motion carried.

6.6) SC-CDA Development Activities

6.61) OPEN PUBLIC HEARING - HOUSING FINANCE PROGRAM FOR THE SHAKOPEE SENIOR HOUSING DEVELOPMENT PROJECT

Commissioner Choudek made a motion to open the public hearing at 2:50 p.m. Commissioner Gulstad seconded the motion. Unanimous roll call (4-0) vote followed. Motion carried.

6.61.1) PUBLIC HEARING

Executive Director Siegert provided the outline of actions for this public hearing to develop and bond for a 60-unit 55+ independent living building on the Central School site. This project meets the strategic the goal of increasing housing capacity, with the new office building meeting the goal of increasing organizational capacity. In terms of financing, Staff have met with the Finance Committee (Commissioners Gulstad and Gade) a couple times to solicit feedback. Finance Director Johnson went through financing scenarios. The bond estimate is \$14M. The CDA was awarded a redevelopment grant from DEED in the amount of \$545K for soil corrections and some infrastructure on the site which really helps with financing this project. He indicated that bond financing will not be used for the office portion, rather that will be bank financing. The debt service for the housing is estimated at \$235,000/year.

Executive Director Siegert asked Ms. Eddington to provide information on the requested actions for today's Resolution. Ms. Eddington went over what the bonding entails. The bond

team consists of the bond counsel, municipal advisor, project coordinator, and CDA staff to talk about what the project is, timing, and how much it will cost. The Resolution today is authorizing several actions. For these 55+ development projects, we ask the County to allow us to use their General Obligation (GO) pledge. Bond Counsel provides the information (public hearing information, Resolutions) needed to carry this out. Baker Tilly as the municipal advisor provides the financials and works with them on those items. The pledge from the county gives the CDA the ability to issue bonds with a general obligation. The CDA has never had to use the county's obligation but it does afford a lower interest rate. In addition, the County is asked to provide a special benefits tax levy, which has not been used but provides additional security which may allow for a lower interest rate as well. Once today's Resolution is adopted, at the next meeting the parameters Resolution will be provided to give ability to approve the amount of bonds and other parameters for bond issue. In future meetings, there will also be Resolutions to approve the Architect and Construction contracts.

6.61.2)CLOSE PUBLIC HEARING

Commissioner Gulstad made a motion to close the public hearing at 3:20. Commissioner Gade seconded the motion. Unanimous roll call vote followed.

6.61.3)RESOLUTION NO. 16-24: PROVIDING FOR THE SALE OF GOVERNMENTAL DEVELOPMENT BONDS (SCOTT COUNTY, MINNESOTA UNLIMITED TAX GENERAL OBLIGATION), SERIES 2024A; ADOPTING A HOUSING PROGRAM; AND TAKING OTHER ACTIONS IN CONNECTION THEREWITH

Commissioner Gade made a motion to approve Resolution No. 16-24. Commissioner Choudek seconded the motion. Unanimous roll call vote followed. Motion carried.

6.61.4)AUTHORIZE MOVING FORWARD WITH NEGOTIATED BID FOR CONSTRUCTION

Executive Director Siegert shared a presentation of the latest renderings and plans for the project. Mr. Dunbar talked through the plans. Commissioner Gade made a motion to authorize moving forward with negotiated bid with Greystone Construction. Commissioner Gulstad seconded the motion. Unanimous roll call vote followed.

ADMINISTRATION

7.1) Executive Director Informational Report

No additional report today.

7.2) Strategic Goal update

Michael Werneke, Business Development Manager, was in attendance to update on the strategic goal of Facilitating a Thriving Entrepreneurial network.

8) NEW BUSINESS

None.

9) SET NEXT MEETING DATE, TIME AND PLACE

CDA Regular Meeting

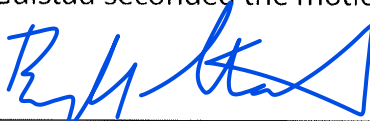
May 14, 2024

SPECIAL Meeting

as needed

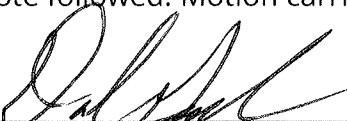
ADJOURN

Commissioner Gade made a motion to adjourn the meeting at 4:15 p.m. Commissioner Gulstad seconded the motion. Unanimous roll call vote followed. Motion carried.




Vice Chair Barry Stock





Commissioner Dale Gade



Recording Secretary

04/10/2024
Date