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 23, 2016

(1) CALL TO ORDER AND PLEDGE
Chair Croatt called the Regular Meeting of the Scott County Community Development Agency  
Board of Commissioners to order August 23, 2016, at 4:03 p.m. and led the Pledge of Allegiance.

(2) ROLL CALL
Commissioners present: District I, DeAnn Croatt  
District II, Ben Zweber  
District III, Kent Robbins  
District IV, Patti Sotis  
District V, Jane Victorey

Staff present: Bill Jaffa, Executive Director  
Terri Gulstad, Finance Director  
Julie Siegert, Housing Director  
Jeannette Zappetillo, Accounting Technician  
Melissa Jensen, Assistant Housing Director  
Stephanie Contreras Romero, Housing Specialist  
Stacy Gauthier, Office Support Specialist  
Linda Janovsky, Recording Secretary

Others present: Lorien Mueller, Great Lakes Management  
Camille Ritter, Great Lakes Management

2.1) Introduction of New Employees
Assistant Housing Director introduced Stephanie Contreras Romero, Housing Specialist,  
and Stacy Gauthier, Office Support Assistant. The Commissioners introduced  
themselves and welcomed both on board.

2.2) Agency Training Update
Jeannette Zappetillo, Accounting Technician, gave a summary of the Lindsey Housing  
Manager software training that many staff attended in July. Accounting Technician  
Zappetillo thanked the Board and management for giving staff the opportunity to attend  
trainings such as this.

(3) MINUTES SUBMITTED FOR APPROVAL

3.1) CDA Regular Meeting – July 12, 2016
Commissioner Robbins made a motion to approve the Regular Minutes of July 12, 2016.  
Commissioner Sotis seconded that motion. Unanimous voice vote followed. Motion  
carried.
(4) AGENDA ACTION(S)

4.1) Agenda Modifications
No agenda modifications were requested.

4.2) Consent Agenda (5.2, 5.6, 6.11, 6.12, 6.21, 6.52, 6.53, 6.6)
Commissioner Victorey made a motion to approve the Consent Agenda. Commissioner Zweber seconded the motion. Unanimous voice vote followed. Motion carried.

(5) FINANCIAL REPORT

5.1) Payment of Bills
Commissioner Robbins made a motion to approve the check registers in the amount of $527,646.88. Commissioner Victorey seconded the motion. Unanimous roll call vote followed. Motion carried.

5.2) Procurement Summary

5.21) RESOLUTION NO. 16-16: AUTHORIZING AWARD OF BID FOR MANSARD ROOF AND SOFFIT REPLACEMENT BELLE HAVEN
Commissioners discussed the bids for this project. Commissioner Robbins then made a motion to approve Resolution No. 16-16. Commissioner Sotis seconded the motion. Unanimous roll call vote followed. Motion carried.

5.3) Development Budget Reports – 2nd Quarter 2016
Lorien Mueller and Camille Ritter, Great Lakes Management, indicated the following about the properties:

- Resident satisfaction surveys just went out
- Brentwood Court cabinets have been repaired—still waiting for extra laminate for future repairs
- Stucco work completed at Hamilton—no water intrusion since
- Glendale Place is having some re-staining and renewal of some areas in the building
- Northridge Court has been painted a “buttercream” yellow and bird nests were removed

All buildings met, or were close to NOI, as follows:

5.31) River City Centre, Shakopee
100 leased, 98% occupied

<table>
<thead>
<tr>
<th></th>
<th>YTD Proforma</th>
<th>YTD Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rental Revenue</td>
<td>$273,726</td>
<td>$280,720</td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>$136,502</td>
<td>$142,187</td>
</tr>
<tr>
<td>Net Operating Income</td>
<td>$138,214</td>
<td>$112,075</td>
</tr>
</tbody>
</table>

(not including retail or TIF income)
5.32) The Hamilton, Savage  
100% leased and occupied

Pro Forma vs. 2nd Quarter 2016

<table>
<thead>
<tr>
<th></th>
<th>YTD Proforma</th>
<th>YTD Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rental Revenue</td>
<td>$241,297</td>
<td>$231,805</td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>$120,723</td>
<td>$108,522</td>
</tr>
<tr>
<td>Net Operating Income</td>
<td>$121,462</td>
<td>$123,842</td>
</tr>
</tbody>
</table>

*Does not incl. Retail Base Rent

5.33) Philipp Square, New Prague  
100% leased and occupied

Pro Forma vs. 2nd Quarter 2016

<table>
<thead>
<tr>
<th></th>
<th>YTD Proforma</th>
<th>YTD Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rental Revenue</td>
<td>$299,600</td>
<td>$301,436</td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>$138,664</td>
<td>$158,438</td>
</tr>
<tr>
<td>Net Operating Income</td>
<td>$173,932</td>
<td>$148,985</td>
</tr>
</tbody>
</table>

5.34) Northridge Court, Shakopee  
100% leased and occupied

Pro Forma vs. 2nd Quarter 2016

<table>
<thead>
<tr>
<th></th>
<th>YTD Proforma</th>
<th>YTD Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rental Revenue</td>
<td>$348,992</td>
<td>$362,215</td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>$131,308</td>
<td>$156,218</td>
</tr>
<tr>
<td>Net Operating Income</td>
<td>$217,584</td>
<td>$206,849</td>
</tr>
</tbody>
</table>

5.35) Glendale Place, Savage  
100% leased, 97% occupied

Pro Forma vs. 2nd Quarter 2016

<table>
<thead>
<tr>
<th></th>
<th>YTD Proforma</th>
<th>YTD Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rental Revenue</td>
<td>$389,138</td>
<td>$375,901</td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>$179,866</td>
<td>$137,642</td>
</tr>
<tr>
<td>Net Operating Income</td>
<td>$203,865</td>
<td>$249,172</td>
</tr>
</tbody>
</table>

5.36) Market Village, Elko New Market  
100% leased, 98% occupied

Pro Forma vs. 2nd Quarter 2016

<table>
<thead>
<tr>
<th></th>
<th>YTD Proforma</th>
<th>YTD Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rental Revenue</td>
<td>$292,268</td>
<td>$287,456</td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>$137,148</td>
<td>$121,080</td>
</tr>
<tr>
<td>Net Operating Income</td>
<td>$152,353</td>
<td>$174,102</td>
</tr>
</tbody>
</table>

5.37) Brentwood Court, Jordan  
100% occupied, 98% leased

Housing Pro Forma vs. 2nd Quarter 2016

<table>
<thead>
<tr>
<th></th>
<th>YTD Proforma</th>
<th>YTD Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rental Revenue</td>
<td>$267,266</td>
<td>$270,154</td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>$120,271</td>
<td>$118,468</td>
</tr>
<tr>
<td>Net Operating Income</td>
<td>$145,435</td>
<td>$155,681</td>
</tr>
</tbody>
</table>

5.38) The Henderson

Ms. Mueller stated that the Henderson is 84% reserved at the time of this meeting. Model unit tours are by appointment on Saturdays.
Commissioner Robbins made a motion to accept the 2nd Quarter budget reports collectively with one motion. Commissioner Sotis seconded that motion. Unanimous voice vote followed. Motion carried.

5.4) Development Budget Reports – FY2017 Operating Budgets
Ms. Mueller presented the operating budgets for each building. Highlights of that summary included that more repair/maintenance type items are included in the operating budget, rather than paying for these items out of the reserve fund. Ms. Mueller stated that as the buildings age, the management company is very conscious of expenses, and having rents raised on a yearly basis will help cover expenses. Ms. Mueller also briefed the Board on the “Live to Be Healthy” program that has taken place at every building on a free trial basis for the last year. This is a fitness class that helps seniors with strength and balance, enabling them to stay independent for as long as possible. In addition, the cost of the classes for a resident can be reimbursed by medical insurance. Since the trial program was such a success, this program cost has been included in all the operating budgets. Ms. Mueller briefly went over potential reserve requests. Ms. Mueller and Finance Director Gulstad answered Commissioner questions.

Commissioner Robbins made a motion to approve Resolution No’s 17-16, 18-16, 19-16, 20-16, 21-16, 22-16, 23-16, 24-16, 25-16 (as listed below) collectively with one motion. Commissioner Victorey seconded the motion. Unanimous roll call vote followed. Motion carried.

5.41) River City Centre, Shakopee
RESOLUTION NO. 17-16: ADOPTING FY2017 OPERATING BUDGET FOR RIVER CITY CENTRE

5.42) The Hamilton, Savage
RESOLUTION NO. 18-16: ADOPTING FY2017 OPERATING BUDGET FOR THE HAMILTON

5.43) Philipp Square, New Prague
RESOLUTION NO. 19-16: ADOPTING FY2017 OPERATING BUDGET FOR PHILIPP SQUARE

5.44) Northridge Court, Shakopee
RESOLUTION NO. 20-16: ADOPTING FY2017 OPERATING BUDGET FOR NORTHRIDGE COURT

5.45) Glendale Place, Savage
RESOLUTION NO. 21-16: ADOPTING FY2017 OPERATING BUDGET FOR GLENDALE PLACE

5.46) Market Village, Elko New Market
RESOLUTION NO. 22-16: ADOPTING FY2017 OPERATING BUDGET FOR MARKET VILLAGE

5.47) Brentwood Court, Jordan Residential
RESOLUTION NO. 23-16: ADOPTING FY2017 OPERATING BUDGET FOR BRENTWOOD COURT
5.48) Brentwood Court, Jordan Clinic and Pharmacy
RESOLUTION NO. 24-16: ADOPTING FY2017 OPERATING BUDGET FOR JORDAN CLINIC AND PHARMACY

5.49) The Henderson, Shakopee
RESOLUTION NO. 25-16: ADOPTING FY2017 OPERATING BUDGET FOR The Henderson

5.50) Potential Capital Reserve and Expenses

5.5) FY2016 – 2nd Quarter Agency Budget Summary
Finance Director Gulstad provided a summary of the 2nd quarter budget and answered Commissioner questions. Commissioner Robbins made a motion to accept the 2nd Qtr Budget Report. Commissioner Sotis seconded the motion. Unanimous voice vote followed. Motion carried.

5.6)* Cash Flow Worksheet
[Consent item; no discussion]

5.7) RESOLUTION NO. 26-16: CONSENTING TO THE ISSUANCE BY THE DAKOTA COUNTY COMMUNITY DEVELOPMENT AGENCY OF BONDS TO REFUND THE CDA’S MULTIFAMILY HOUSING REVENUE NOTE (THE FOUNTAINS AT HOSANNA! PROJECT), SERIES 2011
Commissioner Robbins made a motion to approve Resolution No. 26-16. Commissioner Zweber seconded the motion. Unanimous voice vote followed. Motion carried.

5.8) RESOLUTION NO. 27-16: AUTHORIZING 2017 GENERAL ADMINISTRATIVE OPERATING BUDGET AND 2017 (PAYABLE) SPECIAL BENEFITS TAX LEVY OF SCOTT COUNTY COMMUNITY DEVELOPMENT AGENCY AND CERTIFYING LEVY TO SCOTT COUNTY BOARD
The Finance Committee briefed the Board on their review of the budget. Finance Director Gulstad provided a summary of the 2017 budget and answered Commissioner questions. Executive Director Jaffa indicated that the overall budget increase of 7% is reduced to 3% if The Henderson is removed. Commissioner Robbins made a motion to approve Resolution No. 27-16. Commissioner Victorey seconded the 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]

6.2) Home Ownership Programs

6.21)* Homeownership Programs Report
[Consent item; no discussion]
6.3) Liaison Report – Scott County Commissioner
Commissioner Ulrich updated the Board on FISH activities as well as grant awards for the 169/41 road improvement project.

6.4) First Stop Shop (FSS)
Executive Director Jaffa indicated that the hiring of a full-time Business Development Specialist is underway.

6.5) SC-CDA Development Activities

6.51) The Henderson
Lorien Mueller from Great Lakes Management had provided information during the budget report. Executive Director Jaffa stated that he and staff were able to take a tour of the building recently and it looks great. Commissioner Croatt requested that an upcoming Board Meeting be held at The Henderson.

6.52)* Shepherd’s Path Lifecycle Housing Campus
[Consent item; no discussion]

6.53)* First-Time Homebuyer New Construction – Pilot
[Consent item; no discussion]

6.6)* Families and Individuals Sharing Hope (FISH)
Commissioner Ulrich gave a brief report in his update.

6.7) Maxfield Housing Study and Commercial Industrial Studies
Executive Director Jaffa explained that an initial draft had been provided to the Cities, and there was feedback on items that needed clarification in the report. After Maxfield completes these changes, the study will be provided to the cities again so that they can have another chance to comment before a final draft is produced. There was brief discussion on study roll-out and presentations.

7) NEW BUSINESS

7.1) Agency Annual Plan – Public Notice Period and Hearing
Commissioner Robbins made a motion to approve the Public Hearing scheduled for the October 11 meeting. Commissioner Zweber seconded the motion. Unanimous voice vote followed. Motion carried.

8) SET NEXT MEETING DATE, TIME AND PLACE

8.1) Regular Meeting 4:00 p.m., September 13, 2016

8.2) SPECIAL Meeting: as needed

9) ADJOURN
Commissioner Robbins made a motion to adjourn the Meeting of the Scott County CDA Board of Commissioners at 5:43 p.m. Commissioner Sotis seconded the motion. Unanimous voice vote followed. Motion carried.