BOARD OF COMMISSIONERS
MINUTES - REGULAR MEETING
November 14, 2017

(1) CALL TO ORDER AND PLEDGE
Chair Croatt called the Regular Meeting of the Scott County Community Development Agency Board of Commissioners to order at 3:55 p.m. November 14, 2017, and led the Pledge of Allegiance.

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

Commissioners absent:
District IV, Patti Sotis

Staff present:
Bill Jaffa, Executive Director
Terri Gulstad, Finance Director
Julie Siegert, Housing Director
Melissa Hanson, Housing Specialist
Cindy Royle, Homeownership Specialist
Linda Janovsky, Recording Secretary

Others present:
Lorien Mueller, Great Lakes Management
Camille Ritter, Great Lakes Management
Kathy Aho, Springsted
Julie Eddington, Kenney & Graven
Kristi Hastings, Pemberton Law

(1) MINUTES SUBMITTED FOR APPROVAL
3.1) Regular Meeting Minutes – October 10, 2017
Commissioner Victorey made a motion to approve the Minutes of October 10, 2017. Commissioner Zweber seconded the motion. Unanimous voice vote followed. Motion carried.

(2) AGENDA ACTION(S)
4.1) Agenda Modifications
No agenda modifications were requested.

4.2) Consent Agenda
5.2, 5.7, 6.11, 6.12, 6.21, 6.6, 6.7, 6.8
Commissioner Robbins made a motion to approve the Consent Agenda. Commissioner Croatt seconded the motion. Unanimous voice vote followed. Motion carried.
5.1) Payment of Bills
Commissioner Victorey made a motion to approve the check registers in the amount of $253,690.86. Commissioner Zweber seconded the motion. Unanimous roll call vote followed. Motion carried.

5.2)* Procurement Summary
[Consent item; no discussion]

5.3) Glendale Place Bond Refunding
RESOLUTION NO. 32-17: PROVIDING FOR THE SALE OF THE HOUSING DEVELOPMENT REVENUE REFUNDING BONDS (SCOTT COUNTY, MINNESOTA UNLIMITED TAX GENERAL OBLIGATION), SERIES 2017A; APPROVING THE EXECUTION OF DOCUMENTS IN CONNECTION THEREWITH; AND PROVIDING FOR THE REDEMPTION OF BONDS REFUNDED THEREBY
Kathy Aho, Springsted, stated that the bonds are secured by County General Obligation. The County passed a Resolution approving the bond refunding at their meeting on November 7. The CDA’s yearly pay-down of the debt service will remain at $85,000. This property has a very healthy surplus. The pricing committee will convene on November 30, 2017. Commissioner Robbins made a motion to approve Resolution No. 32-17. Commissioner Victorey seconded the motion. Unanimous roll call vote followed. Motion carried. (At the time of the meeting, there were slight modifications to the Resolution, so the revised copy was presented at the table).

5.4) City of Savage Long Term Lease Bond Refunding (The Hamilton)
RESOLUTION NO. 33-17: PROVIDING FOR THE SALE OF THE TAXABLE FACILITY LEASE REVENUE REFUNDING BONDS (CITY OF SAVAGE, LONG-TERM LEASE), SERIES 2017B; APPROVING THE EXECUTION OF DOCUMENTS IN CONNECTION THEREWITH; AND PROVIDING FOR THE REDEMPTION OF BONDS REFUNDED THEREBY
Kathy Aho stated that this is the first bond transaction that she has worked on with Julie Eddington, Kennedy & Graven, for the CDA, and she has been very helpful. Ms. Aho stated that the City has decided to change the type of bond to taxable so that space can be rented to entities other than government or non-profit. In response to a question, Ms. Eddington explained what this Resolution does—allows for approving the refunding, execution of documents, and the role of the pricing committee. Ms. Aho clarified that this bond refunding will save money for the City, but there is no financial benefit for the CDA. Commissioner Victorey made a motion to approve Resolution No. 33-17. Commissioner Robbins seconded the motion. Unanimous roll call vote followed. Motion carried.

Finance Director Gulstad then asked Ms. Aho to provide a brief update on the tax reform bills in the House/Senate. Ms. Aho summarized how Private Activity Bonds, Low Income Housing Tax Credits, etc. may be affected. Executive Director Jaffa indicated that since it is an unknown what may actually be passed at this time, the CDA will monitor the situation and lobby political representatives as needed.

5.5) Development Budget Reports – 3rd Quarter 2017
Lorien Muller and Camille Ritter from Great Lakes Management were in attendance to present the 3rd Quarter Budget Reports. Overall, NOI has been reached for all buildings except two. Occupancy continues to be very strong. Ms. Mueller indicated that at River City Centre some water damage occurred to one of the retail spaces due to the
streetscaping that is occurring. She is working with the Master Lease Tenant/City to get the space repaired.

Ms. Mueller also addressed the evaluator issue at Market Village. She stated it was an extraordinary repair. The elevator consultant she uses has not seen anything like it in the 30 years he was worked on elevators. The elevator was down for 3.5 weeks, which was much shorter than the 5-6 weeks initially estimated for the repair. Ms. Mueller stated that Great Lakes will be meeting with the general construction contractor and the elevator sub-contractor to determine financial responsibility. Executive Director Jaffa thanked Great Lakes Management for managing a very difficult situation well. He stated that Great Lakes used volunteers in the building to help others, had the police/fire department come in and talk with residents, and worked with each person who was not able to stay in the building to find a solution. Rent concessions were made, and this too will be part of the discussion on financial responsibility.

The participation from residents at all buildings for the yearly resident satisfaction survey was very strong. Great Lakes received an overall satisfaction rating of 89%, which is excellent because the survey was updated to elicit constructive feedback from residents. Great Lakes Management will hold resident meetings to go over the survey results.

Commissioner Robbins made a motion to accept all 3rd Qtr budget reports with one motion. Commissioner Zweber seconded the motion. Unanimous voice vote followed. Motion carried.

5.51) River City Centre, Shakopee

<table>
<thead>
<tr>
<th>% Leased</th>
<th>% Occupied</th>
<th>YTD Proforma</th>
<th>YTD Actual</th>
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<tr>
<td>98</td>
<td>96</td>
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5.52) The Hamilton, Savage

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5.53) Philipp Square, New Prague

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5.54) Northridge Court, Shakopee

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5.55) Glendale Place, Savage

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5.56) Market Village, Elko New Market

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5.57) Brentwood Court, Jordan

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5.58) The Henderson, Shakopee

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5.6) FY2017 – 3rd Quarter Agency Budget Summary
Finance Director Gulstad gave a brief summary of the report and stated there were not a lot of surprises this quarter. Commissioner Victorey made a motion to approve the 3rd Quarter Agency Budget Report. Commissioner Zweber seconded the motion. Unanimous voice vote followed. Motion carried.

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

(4) 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) Utility Allowances
Housing Director Siegert explained the utility allowance survey process. Commissioner Robbins made a motion to approve the Utility Allowance Schedule. Commissioner Victorey seconded the motion. Unanimous voice vote followed. Motion carried.

6.2) Home Ownership Programs

6.21)* Homeownership Programs Report
[Consent item; no discussion]

6.22) Homeownership Voucher Program
Melissa Hanson, Housing Specialist – Rental Assistance, and Cindy Royle, Homeownership Specialist, were in attendance to share homeownership success stories.

Housing Specialist Hanson started by explaining what the Homeownership Voucher Program is: this program allows eligible Housing Choice Voucher (also called Section 8) participants an opportunity to use their subsidy to make mortgage payments instead of rental payments (for a maximum term of 15 years). This allows the participant to build equity in a home. The participant has to qualify for a mortgage and meet other ownership criteria, including attending homebuyer’s club classes and receiving pre-purchase counseling. The Scott County CDA only has 5 slots of homeownership vouchers at this time, and these stories stem from the last slot being filled.
Housing Specialist Hanson indicated that a Section 8 participant, a single mom, was able to qualify for a mortgage and met all the other program requirements. The mom’s son was significantly impaired by autism. By being able to use her voucher for homeownership, this mom was able to purchase a new construction townhome in Belle Plaine with safety features built in specifically suited to her disabled son. After one year, this single mom was able to take on the mortgage in its entirety, came off of the Housing Choice Voucher Homeownership Program and was able to free up the Homeownership Voucher for another family to use it.

The second family that was able to utilize the Homeownership Voucher is a large immigrant family. This family was able to secure a home loan and purchase a home in Prior Lake. Housing Specialist Hanson stated that to help the new homeowners continue to be successful, they must meet with the CDA every year to review budgets and continue to adhere to the rules of the Section 8 program throughout the term of assistance. Housing Specialist Hanson indicated this is a much deserving family and she was gratified to be part of their homeownership process. Additionally, by this family using the homeownership program, a Section 8 voucher was freed up to serve another family.

Cindy Royle, Homeownership Specialist, indicated that she, too, had a participant that was interested in the Homeownership Voucher Program; unfortunately, this participant’s approval for eligibility came a little too late to land the spot. Nevertheless, this parent without a partner single mom with three children was determined to do whatever was necessary to purchase a home. This mom is a hard-worker, working overtime as a nursing technician whenever she can. Although she has had some credit issues, she was willing to follow the plan and steps she agreed to with Homeownership Specialist Royle. This mom made sacrifices, saved money, didn’t use credit cards, and paid off her car. Homeownership Specialist Royle encouraged her to empower herself to be successful and this aspiring homeowner remained positive and determined throughout not only the credit repair process, but also while attending the required 16 hour Homebuyers Club classes and several pre-purchase counseling sessions.

This mom now owns a cute and cozy home in Shakopee and was able to use the CDA’s first time homebuyer grant as well as a grant from the MHFA. Homeownership Specialist Royle indicated this was a very heartwarming case as this participant followed counseling recommendations to become a successful homeowner, and another Section 8 voucher has been freed up to serve another family.

The CDA Board thanked Housing Specialist Hanson and Homeownership Specialist Royle for their great work and for sharing these stories!

6.3) Liaison Report – Scott County Commissioner
Not present; no report.
6.4) First Stop Shop (FSS)
Commissioner Zweber made a motion indicating that the EDI Grant Committee is authorized on behalf of the entire Board to make funding selections for projects. Commissioner Croatt seconded the motion. Unanimous roll call vote followed. Motion carried.

6.5) SC-CDA Development Activities

6.51) Louisiana Lofts, Savage—MWF Properties
Executive Director Jaffa indicated that two tax development properties, Louisiana Lofts in Savage, and Sarazin Flats in Shakopee, both developed by MWF Properties were approved for tax credits, which is a big win for the County! The CDA also supported rehab of a subsidized senior building in Shakopee and a tax credit development in Jordan by Sand Company, but these were not funded in this round. The Board will be kept updated on the status of the MWF projects.

6.52) Sarazin Flats, Shakopee—MWF Properties
Update as above.

6.53) Potential Workforce Housing Partnership with Shakopee Mdewakanton Sioux Community (SMSC)
Executive Director Jaffa indicated that a very good meeting both with Bill Ridnicki, Business Administrator, and Michael Leek, Tribal Land Planner, was had, with a follow up meeting with Mr. Leek to provide information for a meeting with the Business Council on November 15.

6.6)* Families and Individuals Sharing Hope (FISH)
[Consent item; no discussion]

6.7)* River City Centre Master Lease Tenant (MLT)
[Consent item; no discussion]

6.8)* Residential Chemical Dependency-Mental Health Treatment Center – Shakopee
[Consent item; no discussion]

6.9) Market Village Elevator
Information is included above under Item 5.5) Development 3rd Qtr Budget reports.

(7) NEW BUSINESS

7.1) Separation Agreement
Kristi Hastings, Employment Attorney, Pemberton Law, was in attendance to explain the Separation Agreement. Commissioner Zweber made a motion to approve the agreement. Commissioner Croatt seconded the motion. Unanimous voice vote followed. Motion carried.

Commissioner Robbins reported on the Downtown Business Group meeting he attended last week.
8.1) Regular Meeting  It was determined that the meeting would be on December 12, at 10:00 with lunch following.

8.2) EDI Grant Committee  November 20, 2017

8.3) Personnel Committee  TBD

8.4) SPECIAL Meeting:  as needed

DeAnn Croatt, Chair  

Patti Sotis, Vice-Chair

Cindy Jones  12/12/17
Recording Secretary  Date

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