BOARD OF COMMISSIONERS
MINUTES - REGULAR MEETING
May 12, 2015

(1) CALL TO ORDER

Chair Croatt called the Regular Meeting of the Scott County Community Development Agency Board of Commissioners to order May 12, 2015, at 4:08 p.m. and led the Pledge of Allegiance.

(2) ROLL CALL:

Kent Robbins recited the Oath as the new Commissioner of District III.

Commissioners present: District I, DeAnn Croatt
District II, Ben Zweter
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
Stacy Crakes, FSS Business Dev Manager
Linda Janovsky, Recording Secretary

Others present: Lorien Mueller, Great Lakes Management
Camille Ritter, Great Lakes Management
Mike Waldo, Ron Clark Construction
Mike Roebuck, Ron Clark Construction

(3) MINUTES SUBMITTED FOR APPROVAL

3.1) CDA Regular Meeting – April 14, 2015
Commissioner Sotis made a motion to approve the minutes from the Regular meeting of April 14, 2015. Commissioner Victorey seconded the motion. Unanimous voice vote followed. Motion carried.

(4) AGENDA ACTION(S)

4.1) Agenda Modifications
No agenda modifications requested.

4.2) Consent Agenda (5.2, 6.11, 6.12, 6.21, 6.4)
Commissioner Zweter made a motion to approve the Consent Agenda. Commissioner Robbins seconded the motion. Unanimous voice vote followed. Motion carried.
(5) FINANCIAL REPORT

5.1) Payment of Bills
Commissioner Victorey made a motion to approve the Check Registers in the
amount of $524,492.89. Commissioner Sotis seconded the motion. Unanimous
voice vote followed. Motion carried.

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

5.3) Development Reports – FY2015 – Qtr 1
Lorien Mueller, Regional Property Manager, Great Lakes Management,
presented reports and answered Commissioners questions. A motion was made
by Commissioner Robbins to approve the budget reports. Commissioner Sotis
seconded the motion. Unanimous voice vote followed. Motion carried.

[bulleted items are comments from Ms. Mueller]

5.31) River City Centre, 100% leased, 96% occupied
• Warranty work to repaint some of the metal railings from exterior
  renovation.
• New signage on building looks great.

<table>
<thead>
<tr>
<th>Pro Forma vs. 1st Quarter 2015</th>
<th>YTD Proforma</th>
<th>YTD Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rental Revenue</td>
<td>$134,181</td>
<td>$137,309</td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>$65,691</td>
<td>$62,987</td>
</tr>
<tr>
<td>Net Operating Income *</td>
<td>$68,974</td>
<td>$73,232</td>
</tr>
<tr>
<td>(not including retail or TIF income)</td>
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5.32) The Hamilton, 100% leased and occupied
• Hamilton roof replacement is completed.
• GLM will start inspection of Magic Paks.

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<thead>
<tr>
<th>Pro Forma vs. 1st Quarter 2015</th>
<th>YTD Proforma</th>
<th>YTD Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rental Revenue</td>
<td>$162,875</td>
<td>$113,110</td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>$58,119</td>
<td>$60,327</td>
</tr>
<tr>
<td>*Net Operating Income</td>
<td>$59,785</td>
<td>$52,795</td>
</tr>
<tr>
<td>*Does not incl. Retail Base Rent</td>
<td></td>
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5.33) Philipp Square, 100% leased, 96% occupied
• GLM will evaluate for exterior painting.
• New key fob system being planned.

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<tr>
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<th>YTD Proforma</th>
<th>YTD Actual</th>
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</thead>
<tbody>
<tr>
<td>Rental Revenue</td>
<td>$146,863</td>
<td>$146,971</td>
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<tr>
<td>Operating Expenses</td>
<td>$65,896</td>
<td>$66,050</td>
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<tr>
<td>Net Operating Income</td>
<td>$87,316</td>
<td>$83,793</td>
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</table>

5.34) Northridge Court, 100% leased, 97% occupied
• The City will be clearing brush and debris behind the property by the
  river.
• GLM will be looking at freshening the exterior.

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<tr>
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<th>YTD Proforma</th>
<th>YTD Actual</th>
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</thead>
<tbody>
<tr>
<td>Rental Revenue</td>
<td>$171,917</td>
<td>$176,996</td>
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<tr>
<td>Operating Expenses</td>
<td>$63,786</td>
<td>$62,934</td>
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<tr>
<td>Net Operating Income</td>
<td>$108,132</td>
<td>$114,119</td>
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</table>
5.35) Glendale Place, 100% leased and occupied
  • Will be getting a new salon manager.

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<tr>
<th></th>
<th>YTD Proforma</th>
<th>YTD Actual</th>
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</thead>
<tbody>
<tr>
<td>Rental Revenue</td>
<td>$190,754</td>
<td>$183,687</td>
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<tr>
<td>Operating Expenses</td>
<td>$86,694</td>
<td>$57,277</td>
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<tr>
<td>Net Operating Income</td>
<td>$101,351</td>
<td>$134,062</td>
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5.36) Market Village, 100% leased and occupied
  • New salon manager (same person as GP).

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<tr>
<th></th>
<th>YTD Proforma</th>
<th>YTD Actual</th>
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<tbody>
<tr>
<td>Rental Revenue</td>
<td>$143,264</td>
<td>$140,476</td>
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<tr>
<td>Operating Expenses</td>
<td>$66,352</td>
<td>$51,293</td>
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<tr>
<td>Net Operating Income</td>
<td>$75,561</td>
<td>$92,339</td>
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5.37) Brentwood Court, 100% leased and 98% occupied
  • New pharmacy tenant is great to work with.
  • Finishing punchlist items with General Contractor.

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<tr>
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<th>YTD Proforma</th>
<th>YTD Actual</th>
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</thead>
<tbody>
<tr>
<td>Rental Revenue</td>
<td>$130,983</td>
<td>$131,854</td>
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<tr>
<td>Operating Expenses</td>
<td>$58,476</td>
<td>$52,012</td>
</tr>
<tr>
<td>Net Operating Income</td>
<td>$71,773</td>
<td>$79,395</td>
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5.4) 2015 First Quarter Agency Financials
Finance Director Gulstad presented this item and answered Commissioners questions. Commissioner Robbins had some specific questions about the budget as a whole and will meet with Finance Director Gulstad to get more detail. Finance Director Gulstad handed out a Housing Choice Voucher 77-01 corrected page to replace what the Commissioners received in their packet. Commissioner Victorey made a motion to approve the report. Commissioner Sotis seconded the motion. Unanimous voice vote followed. Motion carried.

5.5) Cash Flow Projection Worksheet
Executive Director Jaffa noted that this is provided for Commissioners information on a quarterly basis.

(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]

6.13) SEMAP
Housing Director Siegert was in attendance and provided information on how this was scored and gave kudos to Nicole Horner, Roni Heyda, Kim Meierbachtol, Melissa Hanson, and Steve Schmidt for keeping the CDA a "high performer".
6.2) Home Ownership Programs

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

6.3) SC-CDA Development Activities

6.31) The Henderson
   Executive Director Jaffa indicated that the construction drawings are in
   process and the tentative timeline suggests solicitation of negotiated bids
   in the early fall. The Executive Director stated that Steve Dunbar, Project
   Coordinator, will be invited to the next meeting to update the board on the
   building and parking layout.

6.32) River City Centre Master Lease Tenant (MLT)
   Executive Director Jaffa stated there is not much to report except that he
   has heard from two tenants (boutique and potential yoga studio) that
   Sunside Realty is difficult to work with to procure lease space.

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

6.5) First Stop Shop (FSS)
   Business Manager Crakes was in attendance and explained what incentives are
   expected to be offered to Amazon for location in Shakopee. The formal vote of
   the City Council will occur on May 19. Business Manager Crakes also
   summarized the outcome of the scoring for the Economic Development Incentive
   Grants (both Corridor Readiness and Technical Assistance Planning).

6.6) Prior Lake Tax Credit Development – Ron Clark Construction
   Mike Waldo and Mike Roebuck from Ron Clark Construction were in attendance.
   Mr. Waldo gave a presentation on the potential tax credit development in Prior
   Lake. This would be a 68 unit apartment building (very similar to Village
   Commons) on Pike Lake and Marsh Road. At this time, Ron Clark Construction
   is in the final stages of preparing to submit the tax credit application to Minnesota
   Housing; however, local support, such as what would be received from the CDA,
   will add a significant number of points, and could be the difference between an
   application that fails—or gets funded.

6.61) RESOLUTION NO. 11-15: AUTHORIZATION TO PROVIDE
   DEFERRED LOAN TO RON CLARK CONSTRUCTION AND DESIGN
   FOR SECTION 42 TAX CREDIT DEVELOPMENT LOCATED IN PRIOR
   LAKE, MINNESOTA
   Commissioner Robbins made a motion to approve Resolution No. 11-15.
   Commissioner Sotis seconded the motion. Unanimous roll call vote
   followed. Motion carried.

(7) NEW BUSINESS

7.1) Liaison Report – Scott County Commissioner
   Not present – no report.

7.2) Senior Housing Tax Credit Legislative Request
   The Executive Director explained the “Serving Our Seniors” legislation and the
   group of HRAs/CDAs that were the impetus for getting this legislation in front of
house/senate members; however, it was introduced quite late in the session so it is unknown if it will be passed.

(8) SET NEXT MEETING DATE, TIME AND PLACE

8.1) Regular Meeting 4:00 p.m., June 9, 2015.

8.2) SPECIAL Meeting: as needed

(9) ADJOURN
Commissioner Sotis made a motion to adjourn the Meeting of the Scott County CDA Board of Commissioners at 6:08 p.m. Commissioner Robbins seconded the motion. Unanimous voice vote followed. Motion carried.

DeAnn Croatt, Chair

Jane Victorey, Secretary

Recording Secretary 6/10/15 Date