



Dakota County CDA Board of Commissioners

Board Meeting Agenda

Meeting Date: May 22, 2024

1:00 PM

CDA Boardroom, Eagan, MN

1. Call To Order And Roll Call

2. Audience

Anyone wishing to address the CDA Board on an item not on the agenda, or an item on the consent agenda may notify the Clerk to the Board (Sarah Jacobson, sjacobson@dakotacda.org or 651-675-4434) and instructions will be given to participate during the meeting or provide written comments. Verbal comments are limited to five minutes.

3. Approval Of Agenda And Meeting Minutes

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4. Federal Public Housing And Housing Choice Voucher

Consent Agenda

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8. Adjournment

For more information, call 651-675-4434.

**Dakota County CDA Board meeting agendas are available online at:
http://www.dakotacda.org/board_of_commissioners.htm**

Next Meeting

June 26, 2024

CDA Board of Commissioners Regular Meeting – 1:00 p.m.

Dakota County CDA Boardroom, 1228 Town Centre Drive, Eagan, MN 55123



Board of Commissioners

Meeting Minutes

Meeting Date: April 24, 2024 1:00 PM

Boardroom; CDA Office, Eagan, MN

Commissioner Slavik called the meeting to order at 1:02 p.m.

COMMISSIONER ROLL CALL

	Present	Absent
Commissioner Slavik, District 1	X	
Commissioner Atkins, District 2	X	
Commissioner Halverson, District 3	X	
Commissioner Droste, District 4	X	
Commissioner Workman, District 5		X
Commissioner Holberg, District 6		
Commissioner Hamann-Roland, District 7	X – arrived at 1:11 p.m.	
Commissioner Velikolangara, At Large	X	

CDA staff in attendance:

Tony Schertler, Executive Director
Kari Gill, Deputy Executive Director
Sara Swenson, Director of Administration and Communications
Sarah Jacobson, Administrative Coordinator
Lisa Alfson, Director of Community & Economic Development
Maggie Dykes, Assistant Director of Community & Economic Development
Kathy Kugel, Housing Finance Manager
Emily Anderson, Community Development Coordinator
Travis Finlayson, Assistant Director of Housing Assistance
Anna Judge, Director of Property Management
Ken Bauer, Director of Finance

Others in attendance:

Brian Wisdorf, Dakota County Attorney's Office
Erin Stwora, Dakota County
Madeline Kastler, Dakota County
Adam Kienberger, City of Rosemount

AUDIENCE

No audience members addressed the Board.

APPROVAL OF AGENDA AND MEETING MINUTES

24-6821 **Approval Of Agenda And Meeting Minutes**

BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, that the agenda for the April 24, 2024 CDA Board meeting be

approved as written.

BE IT FURTHER RESOLVED by the Dakota County Community Development Agency Board of Commissioners, that the minutes for the March 27, 2024 Regular Board meeting and the minutes for the April 9, 2024 Special Board meeting be approved as written.

Motion: Commissioner Atkins

Second: Commissioner Halverson

Ayes: 6

Nays: 0

Abstentions: 0

	Yes	No	Absent	Abstain
Slavik	X			
Atkins	X			
Halverson	X			
Droste	X			
Workman			X	
Holberg	X			
Hamann-Roland			X	
Velikolangara	X			

FEDERAL PUBLIC HOUSING AND HOUSING CHOICE VOUCHER AGENDA

CONSENT AGENDA

24-6822 Approval Of 1.0 FTE Budget Authority To Hire A Housing Specialist For The Housing Assistance Department

WHEREAS, to provide high levels of service to rental assistance program participants and accommodate new rental assistance programs, the Housing Assistance department has determined the need for additional capacity; and

WHEREAS, the department has requested an additional 1.0 FTE Housing Specialist position; and

NOW, THEREFORE, BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, That the FYE24 Operating Budget and Plan is hereby increased by 1.0 FTE.

24-6823 Accept The Annual Comprehensive Financial Report And Single Audit Report For The Fiscal Year Ended June 30, 2023

WHEREAS, the Dakota County Community Development Agency (CDA) is required to have an annual audit of its financial statements in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and

WHEREAS, the audit must also meet the additional requirements imposed by Title 2 of the U.S. Code of Federal Regulations, Part 200, *Uniform Administrative*

Requirements, Cost Principals, and Audit Requirements of Federal Awards (Uniform Guidance) and the provisions of the *Minnesota Legal Compliance Audit Guide for Local Government* promulgated by the Legal Task Force pursuant to Minnesota Section 6.65; and

WHEREAS, the CDA has prepared an Annual Comprehensive Financial Report (ACFR) and Single Audit Report for the year ended June 30, 2023; and

WHEREAS, the public accounting firm of RSM US LLP (the “Auditor”) has performed an audit of the financial statements of the CDA for the fiscal year ended June 30, 2023 in accordance with all applicable audit requirements; and

WHEREAS, the Auditor’s reports as a result of this audit are contained in the Annual Comprehensive Financial Report and Single Audit Report for the fiscal year ended June 30, 2023.

NOW, THEREFORE, BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, That the Annual Comprehensive Financial Report and Single Audit Report for the year ended June 30, 2023 are hereby accepted.

Motion: Commissioner Velikolangara Second: Commissioner Halverson

Ayes: 6 Nays: 0 Abstentions: 0

	Yes	No	Absent	Abstain
Slavik	X			
Atkins	X			
Halverson	X			
Droste	X			
Workman			X	
Holberg	X			
Hamann-Roland			X	
Velikolangara	X			

CONSENT AGENDA

24-6824 Approval Of Record Of Disbursements – March 2024

BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, That the March 2024 Record of Disbursements is approved as written.

24-6825 Authorization To Execute Contract For Roof And Window Replacement At Village Commons (Mendota Heights)

WHEREAS, formal bids were received on April 8, 2024 for the Roof and Window Replacement project at Village Commons senior housing in Mendota Heights; and

WHEREAS, Minnesota Construction submitted a low, responsive bid of \$390,781; and

WHEREAS, the contractor is being recommended on both low bid result and their prior experience on similar projects for the CDA; and

WHEREAS, the \$380,000 was originally budgeted in the Fiscal Year Ending 2024 Common Bond Fund Program for this project.

NOW, THEREFORE, BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, That the Deputy Executive Director be authorized to sign a construction contract on behalf of the Dakota County CDA with a low bidder, Minnesota Construction, an amount of \$390,781; and

BE IT FURTHER RESOLVED that the Deputy Executive Director be authorized to approve change orders not to exceed \$39,078; and

BE IT FURTHER RESOLVED that a budget amendment in the Common Bond Housing program is approved for the project in the amount of \$10,781 plus another 10% for CDA project administration. In addition, the budget will be amended, if needed, for change orders up to \$39,078 plus 10% CDA project administration.

24-6826 **Award Contract For The Dry System Fire Suppression System At Haskell Court (West St. Paul)**

WHEREAS, the dry system portion of the fire suppression system at Haskell Court in West St. Paul is in need of replacement; and

WHEREAS, the State of Minnesota, Office of State Procurement holds an approved Contract Release with Dynamic Fire Protection for member use; and

WHEREAS, Dynamic Fire Protection submitted a responsive bid of \$119,031; and

WHEREAS, funds are available in the current Extraordinary Maintenance Budget for this project.

NOW, THEREFORE, BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, That the Deputy Executive Director be authorized to sign a construction contract with Dynamic Fire Protection in the amount of \$119,031; and

BE IT FURTHER RESOLVED, that the Deputy Executive Director be authorized to approve change orders in an amount not to exceed \$11,903.

24-6827 **Authorization To Execute Contract With Dakota County For Administration Of Family Voucher Program**

WHEREAS, the Dakota County Board of Commissioners approved Dakota County Social Services to execute a contract, not to exceed \$1 million with the Dakota County CDA to administer the Family Voucher Program; and

WHEREAS, the CDA's Housing Assistance department will be administering the program to assist households residing at Dakota Woodlands move from shelter to rental housing.

NOW, THEREFORE, BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, That the Executive Director may sign and enter into the Family Voucher Program contract with Dakota County.

24-6828 **Authorize Receipt Of Operating Subsidy Grant And Execution Of Grant Agreement With Minnesota Housing Finance Agency For Lincoln Place Youth Supportive Housing (Eagan)**

WHEREAS, on this 24th day of April 2024, it has been presented to the meeting of the Board of Commissioners of the CDA a resolution for the Dakota County CDA to receive a Housing Trust Fund Program Operating Subsidy Grant (the "Grant") from the Minnesota Housing Finance Agency, a public body corporate and politic of the State of Minnesota, 400 Wabasha Street North, Suite 400, St. Paul, Minnesota 55102 (the "Agency"), for Lincoln Place (the "Development"), in a sum not to exceed \$300,000, the terms and receipt of which will be evidenced by a Grant Agreement between the Dakota County CDA and the Agency.

NOW, THEREFORE, BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, That the CDA is authorized to receive the Grant; and

BE IT FURTHER RESOLVED by the Dakota County Community Development Agency Board of Commissioners, That Tony Schertler, Executive Director of the Dakota County CDA, is authorized, on behalf of the Dakota County CDA at any time hereafter and without further action by or authority or direction from the Board of Commissioners of the Dakota County CDA, to execute and deliver or cause to be executed and delivered those documents referred to hereinabove, and all such other further agreements, assignments, statements, instruments, certificates and documents and to do or cause to be done all such other and further acts and things as such member may determine to be necessary or advisable under or in connection with the Grant, and that the execution by such member of any such agreement, assignment, statement, instrument, certificate or document, or the doing of any such act or thing, shall be conclusive evidence of the determination in that respect; and

NOW, THEREFORE, BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, That the Agency is authorized to rely on the continuing force and effect of these Resolutions until receipt by the Commissioner of the Agency at its principal office of notice in writing from the Dakota County CDA or any amendments or alterations thereto.

Motion: Commissioner Droste

Second: Commissioner Atkins

Ayes: 5

Nays: 0

Abstentions: 0

Yes

No

Absent

Abstain

Slavik	X	
Atkins	X	
Halverson	X	
Droste	X	
Workman		X
Holberg	X	
Hamann-Roland		X

REGULAR AGENDA

24-6829 **Authorization To Execute Agreement With Cities To Administer Programs Utilizing Local Affordable Housing Aid**

Lisa Alfson & Maggie Dykes presented and answered questions.

WHEREAS, on May 15, 2023, Governor Walz signed the \$1.065 billion housing omnibus bill, creating a new 0.25 percent metro area sales tax to fund rental assistance, as well as the Local Affordable Housing Aid (LAHA) that provides direct annual allocations to metro cities and counties for the purpose of developing and preserving affordable housing and to help those experiencing homelessness find housing; and

WHEREAS, conversations with Dakota County cities began in May 2023 to understand the legislation’s impact and potential uses of the funds; and

WHEREAS, in January 2024, CDA staff met with the Mayors and Managers from Dakota County cities to discuss potential programs to assist in the deployment of LAHA in their communities; and

WHEREAS, the CDA has existing agreements with cities to be their housing and redevelopment authority and successfully administers existing programs that enhance community vitality through home improvement programs and financial assistance for housing developers.

NOW, THEREFORE, BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, That CDA staff are authorized to formally offer to partner with cities to administer cities’ LAHA funds; and

BE IT FURTHER RESOLVED, That the Executive Director is authorized to enter into agreements with cities, as requested, to deploy LAHA resources.

Motion: Commissioner Atkins

Second: Commissioner Hamann-Roland

Ayes: 6

Nays: 0

Abstentions: 0

	Yes	No	Absent	Abstain
Slavik	X			
Atkins	X			
Halverson	X			
Droste	X			
Workman			X	

Holberg X
 Hamann-Roland X

24-6830 **Approval Of Amendments To Admissions And Continued Occupancy Policy For Nicols Pointe (Eagan) And Update On Leasing Process**
Kari Gill & Anna Judge presented and answered questions.

WHEREAS, the Dakota County Community Development Agency (CDA) manages over 2,800 units of affordable rental housing that serves families, seniors, veterans and individuals; and

WHEREAS, each program has an Admissions and Continued Occupancy Policy (ACOP) that outlines eligibility requirements; and

WHEREAS, updates have been made to the Nicols Pointe ACOP to clarify the requirements needed to receive the Veterans preference.

NOW, THEREFORE, BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, That the amendments to the Nicols Pointe ACOP are approved.

Motion: Commissioner Halverson Second: Commissioner Droste

Ayes: 6 Nays: 0 Abstentions: 0

	Yes	No	Absent	Abstain
Slavik	X			
Atkins	X			
Halverson	X			
Droste	X			
Workman			X	
Holberg	X			
Hamann-Roland	X			

INFO **Legislative Update**
Tony Schertler presented.

INFO **Executive Director Update**
Tony Schertler presented.

INFORMATION

A. Status Report – Quarter 1, 2024

ADJOURNMENT

24-6831 **Adjournment**

BE IT RESOLVED, that the Dakota County Community Agency Board of Commissioners hereby adjourns until Wednesday, May 22, 2024.

Motion: Commissioner Hamann-Roland

Second: Commissioner Droste

Ayes: 7

Nays: 0

Abstentions: 0

	Yes	No	Absent	Abstain
Slavik	X			
Atkins	X			
Halverson	X			
Droste	X			
Workman			X	
Holberg	X			
Hamann-Roland	X			
Velikolangara	X			

The CDA Board meeting adjourned at 2:15 p.m.

Clerk to the Board



Board of Commissioners

Request for Board Action

Meeting Date: May 22, 2024

Agenda #: 4A

DEPARTMENT: Finance
FILE TYPE: Federal - Consent

TITLE

Approval Of Amendments To The Fiscal Year Ended June 30, 2024 HUD Public Housing And Section 8 Operating Budgets

PURPOSE/ACTION REQUESTED

Approve amendments to the Fiscal Year Ended June 30, 2024 HUD Public Housing and Section 8 Operating Budgets.

SUMMARY

Pursuant to CDA budget policy, the Executive Director is permitted to approve the transfer of budget authority between controlled line-item expenditures up to established limits. In addition, any increase in total spending generally requires approval of the CDA Board of Commissioners.

- **Budgetary Transfers:** As required by CDA budget policy, a listing of all budget amendments approved by the Executive Director shall be submitted to the CDA Board of Commissioners. The listing reports \$22,773 in transfers between controlled line-item expenditures that were approved by the Executive Director during the Fiscal Year Ended June 30, 2024.

Date	Program	Budget Category	Amount	Description
09/29/23	Housing Assistance	Housing Assistance Payments	+ \$4,000	Mainstream Vouchers: Security deposit assistance for tenants
		Administrative	- \$4,000	Mainstream Vouchers: Sundry
11/09/23	Public Housing	Extraordinary Maintenance	+ \$5,784	PH-Scattered Sites: Emergency plumbing repair
		Extraordinary Maintenance	+ \$5,489	PH-Scattered Sites: Water damage remediation
		Ordinary Maintenance	- \$11,273	PH-Scattered Sites: Contract-Routine Maintenance
04/16/24	Housing Assistance	Capital	+ \$7,500	Housing Choice Vouchers: Replace HQS inspector vehicle
		Administrative	- \$7,500	Housing Choice Vouchers: Software Support

RECOMMENDATION

Staff recommends approval of these transfers of budget authority between controlled line-item expenditures. They are being done in accordance with the requirements of CDA budget policy.

EXPLANATION OF FISCAL/FTE IMPACTS

The budget amendment being reported as transfers of budget authority between controlled line-item expenditures does not increase total spending for the Fiscal Year Ended June 30, 2024.

- None
- Current budget
- Other
- Amendment Requested
- New FTE(s) requested

RESOLUTION

WHEREAS, the Dakota County CDA has adopted HUD Public Housing and Section 8 operating budgets for the Fiscal Year Ended June 30, 2024; and

WHEREAS, CDA budget policy requires that a listing of budget transfers approved by the Executive Director be presented to the Board of Commissioners; and

NOW, THEREFORE BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, That the budget amendments approved by the Executive Director for the Fiscal Year Ended June 30, 2024 pursuant to the requirements of CDA budget policy is affirmed by the CDA Board.

PREVIOUS BOARD ACTION

23-6702; 6/20/2023

ATTACHMENTS

None

BOARD GOALS

- Focused Housing Programs
- Collaboration
- Development/Redevelopment
- Financial Sustainability
- Operational Effectiveness

CONTACT

Department Head: Ken Bauer, Finance Director
Author: Chris Meyer, Assistant Director of Finance



Board of Commissioners

Request for Board Action

Meeting Date: May 22, 2024

Agenda #: 5A

DEPARTMENT: Finance

FILE TYPE: Regular - Consent

TITLE

Approval Of Record Of Disbursements – April 2024

PURPOSE/ACTION REQUESTED

Approve Record of Disbursements for April 2024.

SUMMARY

In April 2024, the Dakota County Community Development Agency (CDA) had \$6,289,739.46 in disbursements and \$518,499.14 in payroll expenses. Attachment A provides the breakdown of disbursements. Additional detail is available from the Finance Department.

RECOMMENDATION

Staff recommends approval of the Record of Disbursements for April 2024.

EXPLANATION OF FISCAL/FTE IMPACTS

These disbursements are included in the Fiscal Year Ending June 30, 2024 budget.

None Current budget Other Amendment Requested New FTE(s) requested

RESOLUTION

BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, That the April 2024 Record of Disbursements is approved as written.

PREVIOUS BOARD ACTION

N/A

ATTACHMENTS

Attachment A: Record of Disbursements – April 2024

BOARD GOALS

Focused Housing Programs Collaboration
 Development/Redevelopment Financial Sustainability Operational Effectiveness

CONTACT

Department Head: Ken Bauer, Finance Director

Author: Chris Meyer, Assistant Director of Finance

**Dakota County CDA
Record of Disbursements
For the month of April 2024**

	Date	Amount	Total
Common Bond Housing			
	04/19/24	<u>\$ 16,246.38</u>	
			\$ 16,246.38
Disbursing			
	04/01/24	\$ 3,387.00	
	04/04/24	\$ 327,138.63	
	04/11/24	\$ 1,895,657.18	
	04/18/24	\$ 482,992.92	
	04/25/24	<u>\$ 949,853.69</u>	
			\$ 3,659,029.42
Housing Assistance			
	04/01/24	\$ 2,544,172.66	
	04/18/24	<u>\$ 70,291.00</u>	
			\$ 2,614,463.66
Total Disbursements			<u><u>\$ 6,289,739.46</u></u>
 April 2024 Payroll			
	04/05/24	\$ 257,325.45	
	04/19/24	<u>\$ 261,173.69</u>	
Total Payroll			<u><u>\$ 518,499.14</u></u>

Disbursement detail is available in the Finance Office



Board of Commissioners

Request for Board Action

Meeting Date: May 22, 2024

Agenda #: 5B

DEPARTMENT: Finance

FILE TYPE: Regular - Consent

TITLE

Approval Of Amendments To The Fiscal Year Ended June 30, 2024 Operating Budget

PURPOSE/ACTION REQUESTED

Approve amendments to the Fiscal Year Ended June 30, 2024 Operating Budget.

SUMMARY

Pursuant to CDA budget policy, the Executive Director is permitted to approve the transfer of budget authority between controlled line-item expenditures up to established limits. In addition, any increase in total spending generally requires approval of the CDA Board of Commissioners.

- Attachment A: Budgetary Transfers: As required by CDA budget policy, a listing of all budget amendments approved by the Executive Director shall be submitted to the CDA Board of Commissioners. The listing reports \$127,969 in transfers between controlled line-item expenditures that were approved by the Executive Director during the Fiscal Year Ended June 30, 2024.
- Attachment B: Limited Partnership Merger Adjustment (increase in total spending): The Board, acting as the General Partner for the family housing partnerships, authorized the contribution of Carbury Townhomes on March 21, 2023 to the Dakota County CDA Workforce Housing II LLC. For budgeting and financial reporting purposes the transactions will be treated as though they happened on the first day of the CDA's current fiscal year. The CDA operating budget must be amended to incorporate a full year of revenues and expenditures for the LLC.

RECOMMENDATION

Staff recommends approval of these transfers of budget authority between controlled line-item expenditures. They are being done in accordance with the requirements of CDA budget policy. Staff also recommends the approval to increase total spending for the contribution of townhome projects to the Dakota County CDA Workforce Housing II LLC.

EXPLANATION OF FISCAL/FTE IMPACTS

The budget amendments being reported as transfers of budget authority between controlled line-item expenditures do not increase total spending for the Fiscal Year Ended June 30, 2024. The proposed budget amendment for the Dakota County CDA Workforce Housing II LLC will increase total spending for the Fiscal Year Ended June 30, 2024 by \$85,582 net of additional revenues. A \$176,000 transfer in from Housing Development & Renewal is also included to fund a debt service payment.

None Current budget Other Amendment Requested New FTE(s) requested

RESOLUTION

WHEREAS, the Dakota County CDA has adopted an operating budget for the Fiscal Year Ended June 30, 2024; and

WHEREAS, CDA budget policy requires that a listing of budget transfers approved by the Executive Director be presented to the Board of Commissioners; and

WHEREAS, the CDA created the Dakota County CDA Workforce Housing II LLC to acquire family housing partnership projects that have reached the end of their tax credit periods; and

WHEREAS, the CDA contributed Carbury Townhomes in July 2023 to the Dakota County CDA Workforce Housing II LLC necessitating an amendment to the Fiscal Year Ending June 30, 2024 operating budget; and

WHEREAS, the CDA wishes to increase spending for the Fiscal Year Ended June 30, 2024 by \$85,582 net of additional revenues. A \$176,000 transfer in from Housing Development & Renewal is also included to fund a debt service payment.

NOW, THEREFORE BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, That the budget amendments approved by the Executive Director for the Fiscal Year Ended June 30, 2024 pursuant to the requirements of CDA budget policy are affirmed by the CDA Board; and

BE IT FURTHER RESOLVED by the Dakota County Community Development Agency Board of Commissioners, That the budget amendment to the Dakota County CDA Workforce Housing II LLC for the Fiscal Year Ended June 30, 2024 is approved.

PREVIOUS BOARD ACTION

23-6663; 3/21/2023

23-6712; 6/20/2023

ATTACHMENTS

Attachment A: FYE 6/30/24 Budget Amendments

Attachment B: FYE 6/30/24 Budget Amendment – Workforce Housing II LLC

BOARD GOALS

- Focused Housing Programs
- Collaboration
- Development/Redevelopment
- Financial Sustainability
- Operational Effectiveness

CONTACT

Department Head: Ken Bauer, Finance Director

Author: Chris Meyer, Assistant Director of Finance

Attachment A: FYE 6/30/24 Budget Amendments

Budget Amendments for FYE 6/30/24 – transfers between controlled line-item expenditures approved by Executive Director totaling \$127,969:

Date	Program	Budget Category	Amount	Description
09/01/23	Common Bond Housing	Extraordinary Maintenance	+ \$6,027	EAG-Oakwoods East: Repair and clean 4 boilers
		Extraordinary Maintenance	- \$6,027	Various buildings: Replace appliances
09/01/23	Common Bond Housing	Extraordinary Maintenance	+ \$8,900	AV-Cortland Square: Replace furnace and AC
		Extraordinary Maintenance	- \$8,900	Various buildings: Replace appliances
09/29/23	Common Bond Housing	Extraordinary Maintenance	+ \$6,400	EAG-Oakwoods, Oakwoods East: Replace sign from storm damage
		Extraordinary Maintenance	- \$6,400	EAG-Oakwoods, Oakwoods East: Sealcoat parking lot
11/02/23	Common Bond Housing	Extraordinary Maintenance	+ \$8,800	BV-Eagle Ridge: Replace air handler and AC
		Extraordinary Maintenance	- \$8,800	Various buildings: Replace appliances
10/12/23	Common Bond Housing	Extraordinary Maintenance	+ \$2,600	BV-Valley Ridge: Install magnetic hold opens in IL laundry
		Extraordinary Maintenance	- \$2,600	BV-Valley Ridge: Replace Schlage locks with Yale
10/16/23	Common Bond Housing	Extraordinary Maintenance	+ \$7,450	SSP-River Heights Terrace: Remove chimney and repair roof leak
		Extraordinary Maintenance	- \$7,450	SSP-River Heights Terrace: One new boiler with full assembly and replace two valves
10/16/23	Common Bond Housing	Extraordinary Maintenance	+ \$2,500	BV-Valley Ridge: Replace two water heaters
		Extraordinary Maintenance	- \$2,500	BV-Valley Ridge: Replace Schlage locks with Yale
12/12/23	Common Bond Housing	Extraordinary Maintenance	+ \$1,100	SSP-River Heights Terrace: Replace 9' x 8' concrete outside east entry door
		Extraordinary Maintenance	- \$1,100	SSP-River Heights Terrace: Change landscape/downspout at front entrance

12/29/23	Common Bond Housing	Extraordinary Maintenance	+ \$5,674	BV-Park Ridge: Replace fire alarm panel
		Extraordinary Maintenance	- \$5,674	Various buildings: Replace appliances
01/02/24	Common Bond Housing	Extraordinary Maintenance	+ \$972	LV-Argonne Hills: Sealcoat parking lot
		Extraordinary Maintenance	- \$972	AV-Cobblestone: Replace GU24 bulbs in corridors with adapter for standard base
01/02/24	Common Bond Housing	Extraordinary Maintenance	+ \$1,932	WSP-Haskell Court: Fin tube and valve replacement
		Extraordinary Maintenance	- \$1,932	AV-Cobblestone: Replace GU24 bulbs in corridors with adapter for standard base
01/10/24	Common Bond Housing	Extraordinary Maintenance	+ \$9,688	IGH-Cahill Commons: Replace water heater
		Extraordinary Maintenance	- \$9,688	Various buildings: Replace appliances
01/08/24	Real Estate Operations	Administrative	+ \$2,850	Admin-Indirect Cost Plan: Travel/Conference-NAGC Communications School
		Administrative	- \$2,850	Admin-Indirect Cost Plan: Staff training
02/01/24	Common Bond Housing & Office Building	Extraordinary Maintenance	+ \$3,337	EAG-O' Leary Manor: Upgrade security cameras
		Extraordinary Maintenance	+ \$8,500	AV-Cortland Square: Replace windows
		Extraordinary Maintenance	+ \$1,435	EAG-Office Building: Replace office lighting software
		Extraordinary Maintenance	- \$8,500	AV-Cortland Square: Paint siding/stucco
		Extraordinary Maintenance	- \$3,337	LV-Mainstreet Manor: Common area flooring
		Extraordinary Maintenance	- \$1,435	AV-Cobblestone: Upgrade security cameras
04/04/24	Common Bond Housing	Extraordinary Maintenance	+ \$2,450	EAG-Oakwoods: Remove west 20' of block wall along walking path, grade, and seed
		Extraordinary Maintenance	- \$2,450	AV-Orchard Square: Replace 10' of boiler flue and add a drainage port

04/08/24	Common Bond Housing	Extraordinary Maintenance	+ \$40,888	LV-Crossroads Commons: Upgrade dry system and keep the existing compressor
		Extraordinary Maintenance	- \$2,409	WSP-Haskell Court: Repair retaining wall
		Extraordinary Maintenance	- \$38,479	BV-Eagle Ridge, WSP-Haskell Court, IGH-Hillcrest Point: Replace landscape edging with metal edging
04/12/24	Common Bond Housing	Extraordinary Maintenance	+ \$6,466	IGH-Hillcrest Point: Install CO detectors
		Extraordinary Maintenance	- \$6,466	Various buildings: Replace appliances
FYE 6/30/24 Budget Impact			\$0	

Attachment B: FYE 6/30/24 Budget Amendment - Workforce Housing II LLC

**DAKOTA COUNTY CDA
WORKFORCE HOUSING II LLC
BUDGET AMENDMENT - FYE 6/30/24**

REVENUE	
Rental	\$ 348,676
Interest	950
Fee income	7,850
Other	600
	<u>358,076</u>
EXPENSE	
Administrative	76,015
Utilities	25,680
Ordinary maintenance	93,156
General	37,939
Debt service	199,868
Capital/extraordinary maintenance	11,000
	<u>443,658</u>
Increase (decrease) in budget balance before transfers	(85,582)
TRANSFERS IN (OUT)	<u>176,000</u>
Increase (decrease) in budget balance	90,418
BEGINNING BUDGET BALANCE	<u>854,472</u>
ENDING BUDGET BALANCE	<u>\$ 944,890</u>
AVERAGE UNITS PER MONTH	32



Board of Commissioners

Request for Board Action

Meeting Date: May 22, 2024

Agenda #: 5C

DEPARTMENT: Administration

FILE TYPE: Regular - Consent

TITLE

Approval Of Amendments To Personnel Policies

PURPOSE/ACTION REQUESTED

Approve amendments to Personnel Policy #190 – Applicant Recruitment and Policy #200 – Applicant Selection.

SUMMARY

Periodically, staff review personnel policies to make amendments that comply with best practices in human resources.

Policy #190 – Applicant Recruitment has been updated to reference Veteran preference points. Policy #200 – Applicant Selection has been updated to include Veteran’s Preference Act information and current practices for new employee orientation.

Edited versions of the policies are included in Attachment A.

RECOMMENDATION

Staff recommends approval of the updated policies.

EXPLANATION OF FISCAL/FTE IMPACTS

N/A

None Current budget Other Amendment Requested New FTE(s) requested

RESOLUTION

WHEREAS, the Dakota County CDA’s Administration Department regularly reviews policies and procedures and makes recommendations in order to comply with Federal, State and local laws and best practices in human resources; and

WHEREAS, updates have been made to Policy #190 – Applicant Recruitment and Policy #200 – Applicant Selection.

NOW, THEREFORE BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, That the amendments to Personnel Policy #190 and #200 are hereby approved.

BE IT FURTHER RESOLVED, the Human Resources Manager is authorized to implement the policies and communicate the changes to CDA staff.

PREVIOUS BOARD ACTION

N/A

ATTACHMENTS

Attachment A: Amended policies

BOARD GOALS

- Focused Housing Programs
- Collaboration
- Development/Redevelopment
- Financial Sustainability
- Operational Effectiveness

CONTACT

Department Head: Sara Swenson, Director of Administration and Communications

Author: Sara Swenson

APPLICANT RECRUITMENT

#190

All vacancy announcements, recruitment and selection activities work toward the goal of hiring the applicants best able to perform the work required without regard to any other influences or considerations. The provisions set forth in Policies 190-200 of this manual apply in all instances unless inconsistent with rights or duties otherwise required or authorized under state or federal law.

In the performance of its responsibilities under this section, the Administration Department conducts its activities in a manner which provides for the expeditious recruitment, selection, appointment and orientation of new employees.

POSTING AND ADVERTISING

All vacancies, except those specifically exempted (e.g. internal/promotional positions requiring a mastery of internal processes), are announced by notices posted on Dakota County CDA employment information bulletin spaces and the CDA website for a period of not less than ten working days. Each posting includes the position title, salary, job description including minimum required qualifications, instructions, and time deadlines for making application.

The hiring manager initiates the posting by informing the Administration Department.

All employment advertising is coordinated through the Administration Department which has accepted responsibility for compliance with the CDA Affirmative Action Program regarding employment advertising. Each advertisement specifies a time period for submitting applications. Each item of employment advertising includes the words "Equal Opportunity Employer" and/or "An Affirmative Action Employer."

TEST DEVELOPMENT

All applicants for Dakota County CDA employment are evaluated in a fair and consistent manner based on their qualifications and ability to perform the work required. Testing and evaluation of education and experience is designed to provide a practical and accurate assessment of each applicant's pertinent knowledge, skills and abilities. The provisions of this policy apply to the development of selection tests (if used) and rankings for all positions.

Procedure

The Administration Department confers with the Responsible Authority to select the most appropriate selection tool based on the validity, availability and cost effectiveness of the identified alternatives. For each position being filled, the Administration Department and the Responsible Authority will identify:

1. The specific job-related knowledge, skills and abilities against which the applicant will be evaluated; and
2. The mechanisms or indicators to be used to evaluate each applicant relative to the required knowledge, skills, and abilities; and
3. The scale and weighting to be used to generate the applicant ranking or rating, and the method to appropriately award veteran's preference points.

————To receive preference points, a veteran must meet the definition of "veteran" provided in state guidelines and provide appropriate documentation. The veteran must also receive a passing score (i.e. meet the minimum qualifications) established for the position. See Policy #200 for more details.

APPLICATION FOR EMPLOYMENT

All applications for employment with Dakota County CDA are made through the Administration Department by the use of an approved application form (e.g. paper or on-line). Separate applications are

submitted for each vacancy for which the applicant wants to be considered. However, applicants may submit photocopies of completed applications in lieu of completing a new application for each vacancy.

EMPLOYMENT OF FAMILY MEMBERS

In certain instances, applicants may not be considered for selection to a CDA position (whether for hire, transfer, promotion, or demotion), if they have a relative working in that same department. Consideration will be given to the working relationship, and fairness and equity within the department and agency. The CDA will refrain from having one relative in the position to supervise another. For this purpose, relative is defined to include, brother, sister, mother, father, son, or daughter. Spouse is generally excluded from this definition, except in the case of supervisory and confidential positions where a conflict of interest may arise.

ADMINISTRATIVE REVIEW

When the posting period has ended, the completed applications will be reviewed by the Administration Department and rankings will be made based on related education, experience and veteran preference points when applicable. ~~When practical, qualified applicants will be categorized as follows:~~

~~Extremely Well Qualified~~

~~Well Qualified~~

~~Qualified~~

This information will be forwarded to the Responsible Authority.

~~Applicants are rated based on their answers to the supplemental questions in the application materials, which must clearly outline education (if applicable), work experience and skills.~~

~~The Dakota County Community Development Agency (“CDA”) complies with Minnesota Veteran’s Preference Act, Minnesota Statutes Chapter 197 (“MVPA”). The MVPA provides a preference to U.S. citizens or resident aliens who have been separated under honorable conditions from any branch of the U.S. armed forces after having served 181 consecutive days, or by reason of disability incurred while serving on active duty. Veterans preference may be used by the surviving spouse of a deceased veteran and by the spouse of a disabled veteran who, because of the disability, is unable to qualify.~~

~~An applicant may elect to add veterans preference points to their competitive open examination rating obtained upon a passing rating on the examination without the addition of the preference points if all of the following conditions are met:~~

- ~~• The applicant meets the minimum qualifications for the job posting~~
- ~~• The applicant has completed the veteran's preference section of the employment application~~
- ~~• Supporting documentation is provided~~
 - ~~○ Applicants claiming preference must provide the CDA with a copy of form DD-214 or other proof clearly stating the length of active service and type of discharge. Disabled veterans, in addition to form DD214 must supply form FL-802 or an equivalent letter from a service retirement board. Spouses applying for preference points must supply their marriage certificate, the veteran's DD-214, and FL-802 or death certificate. Documentation must be received by the deadline date for the position in order to be considered~~
- ~~• The claim for preference is approved~~

~~If the applicant so elects, the CDA will award the following veterans preference points:~~

- ~~• five (5) preference points to a disabled veteran applying for a first promotion after securing employment with the CDA;~~
- ~~• 10 preference points to a nondisabled veteran;~~
- ~~• 15 preference points to a disabled veteran;~~

~~Any of the above for the surviving spouse of a deceased veteran and by the spouse of a disabled veteran who because of the disability is unable to qualify.~~

DEPARTMENT REVIEW

The Responsible Authority must select candidates for an interview in accordance with the following:

- Hiring departments are not required to interview all candidates in a category; candidates may be rejected prior to the interview, based on legitimate business reasons.
- All candidates in a higher category must be interviewed or rejected for an interview before interviewing candidates in a lower category. Selection of candidates for an interview and appointment is monitored for adverse impact on any protected class. Applicants not selected shall be notified by the Administration Department.

DEPARTMENT INTERVIEWS

All interviews are structured to provide for the most objective assessment of each applicant's merits. Necessary job skills and abilities are, whenever practical, measured by interviewing which results in numerical scores or categorical rankings. The CDA depends on its supervisors and managers to evaluate each applicant's merit without regard to any unfair influences or considerations.

All interviews shall be at a minimum between the Department Head and/or hiring supervisor, and ~~the~~ Human Resources ~~Administrator~~ or designee. In no instance will there be fewer than two representatives of the CDA present at any employment interview.

The application materials of the interview candidates and the interview questions shall be reviewed by ~~the~~ Human Resources ~~Administrator~~ to ensure compliance with the CDA policies and procedures and other rules and regulations as appropriate.

The selection of the best candidate shall be made by the Department Head or designated supervisor. All positions are filled only after approval by the Executive Director or ~~his/her~~their designee. All persons selected must meet the minimum qualifications for the position.

OFFERS OF EMPLOYMENT

Verbal

Offers of employment, conditional or otherwise, are withheld until such time as the Administration Department has had an opportunity to review the complete selection process and advise the hiring department of any related concerns.

Written

Written offers of employment shall be reviewed by Administration prior to mailing.

RELOCATION EXPENSES

At the point at which a final offer of employment is made, finalists may request or be offered an allowance for relocation expenses. All expenses will be considered on a case by case basis taking into consideration the overall availability of qualified candidates, the level of position in the organization and the CDA budget. Reimbursement of reasonable relocation expenses are subject to the approval of the Executive Director and are not to exceed 10% of the new hire salary. Documentation of such expenses must be provided to the Finance Director.

PRE-EMPLOYMENT MEDICAL HISTORY/EXAMINATION AND BACKGROUND CHECKS

In order to protect the interest of the public, employees, and the agency, all employees must be able to safely perform the duties required by their positions.

Medical Examinations:

Following conditional offers of employment, applicants may be asked to supply medical histories and medical examination reports if:

1. Their prospective duties include:
 - a. Frequent or heavy lifting
 - b. Manual labor
 - c. Operation of potentially dangerous equipment; or driving a CDA vehicle on a regular basis
 - d. Work on platforms or other high work areas
2. There is other reason to question their ability to safely perform the work required.

If the applicant is required to undergo a medical examination:

1. The CDA will select the physician/medical center who will conduct the examination.
2. The CDA will pay for the costs of the medical examination.
3. The examining physician will be provided with the following information:
 - a. An accurate description of the physical requirements of the position, and
 - b. Specific instruction detailing the proper format for reporting the examination results.

Drug and Alcohol Testing:

The CDA may require Drug and Alcohol testing of applicants for safety sensitive positions, which will follow the policies and procedures set forth in Policy #335.

Background Checks:

Prior to employment, applicants are asked to sign a release allowing the CDA to conduct background checks relating to their position. This may include verification of criminal history records, motor vehicle records, employment, and education, as needed or required for a position. The CDA uses qualified outside agencies to conduct these services and provide information, which CDA management uses to make appropriate hiring determinations. These processes are coordinated by ~~the~~ Human Resources ~~Administrator~~ and shall be conducted in conformance with the Fair Credit Reporting Act and all other applicable laws.

All medical ~~and background~~ information obtained about an employee will be kept in a file separate from the employee's personnel file. Such information will be treated as private.

NEW EMPLOYEE ORIENTATION

To ensure that all employees become familiar with the CDA’s organizational structure, benefits programs and employment policies, the Administration Department and the hiring department will take the steps necessary to ensure that new employees participate in an orientation program designed to:

1. Acquaint employees with CDA facilities and programs.
2. Acquaint employees with the Policy and Procedures Manual.
3. Acquaint employees with the CDA Merit Compensation Plan.
4. Acquaint employees with the Performance Appraisal process.
5. Explain available insurance and other benefits.
6. Acquaint employees with the CDA’s EEO/affirmative action and complaint procedures.
7. Have employees complete the necessary pre-employment forms.
8. Acquaint employees with the CDA organizational structure.
9. Ensure that employees and supervisors have arrived at a preliminary understanding of their respective roles and responsibilities.
10. Document that employees have reviewed certain essential policies and training materials.

Seasonal employees may participate in the formal orientation program at the option of the hiring department. If the hiring department elects to bypass the orientation program for seasonal employees, it then assumes the responsibility to ensure that they receive all required orientation training.

Scheduling

Because of the importance of the materials reviewed during ~~this~~the orientation, it is to the CDA’s and the employee’s advantage to conduct ~~this~~the orientation, whenever possible, ~~on~~within the first three days of employment.



Board of Commissioners

Request for Board Action

Meeting Date: May 22, 2024

Agenda #: 5D

DEPARTMENT: Housing Development

FILE TYPE: Regular - Consent

TITLE

Approve Loans To Denmark Trail Workforce Housing Limited Partnership And Authorize Execution And Delivery Of Related Documents

PURPOSE/ACTION REQUESTED

Approve loans from the Dakota County CDA to the Denmark Trail Workforce Housing Limited Partnership, along with execution of related documents, for the construction of Denmark Trail Townhomes.

SUMMARY

The Dakota County Community Development Agency (CDA) formed the Denmark Trail Workforce Housing Limited Partnership (Partnership) for the purpose of developing Denmark Trail Townhomes, a 40-unit workforce housing development in Farmington. This development will provide affordable housing to Dakota County families earning no more than 60% of the Area Median Income. The Dakota County CDA will remain the managing General Partner for this development upon completion of construction.

The Partnership has secured the necessary financing to construct the development and is looking to close on that financing. The CDA has proposed to provide several loans to the Denmark Trail Workforce Housing Limited Partnership, and this resolution provides the borrowing approval for these funds by the Partnership, which will allow the Partnership to close on this financing.

RECOMMENDATION

CDA staff recommends lending the necessary funds and executing the related documents for the construction of Denmark Trail Townhomes by the Denmark Trail Workforce Housing Limited Partnership.

EXPLANATION OF FISCAL/FTE IMPACTS

Funding amounts are included in the FYE24 budget.

None Current budget Other Amendment Requested New FTE(s) requested

RESOLUTION

WHEREAS, the Dakota County Community Development Agency (CDA) is authorized to undertake housing development projects pursuant to Minnesota Statutes, Section 469.017; and

WHEREAS, the CDA is authorized under Minn. Stat. § Section 469.012, Subd. 2j, to become a partner in a limited partnership for the purpose of developing, constructing, rehabilitating, managing, supporting or preserving housing development projects, including low-income housing tax credit projects, which

entities are subject to the provisions of Minnesota laws applicable to housing and redevelopment authorities as if they were housing and redevelopment authorities; and

WHEREAS, the CDA established Denmark Trail Workforce Housing Limited Partnership (the “Partnership”), a Minnesota limited partnership in which the CDA is the sole general partner, for the purpose of developing and operating residential rental townhome facilities known as Denmark Trail Townhomes (the “Development”) for low- and moderate-income families, to be located on land in Farmington, Minnesota, as legally described in Exhibit A attached hereto; and

WHEREAS, the CDA proposes to make the following mortgage loans to the Partnership in connection with the construction of the Development (together, the “CDA Loans”):

- (a) First Mortgage Loan: a first mortgage loan in an amount of approximately \$1,600,000, fully amortizing over a term of 30 years, bearing interest at 6.75% per annum; and
- (b) Bridge Loan: a bridge mortgage loan in an amount currently expected to be approximately \$9,000,000, payable following completion of construction from amounts to be contributed by the limited partner of the Partnership, and bearing interest at 6.75% per annum; and
- (c) HOPE Loan: a mortgage loan in an amount equal to approximately \$750,000 from HOPE funds, with a term of approximately 30 years, and bearing deferred interest at approximately 1% per annum; and
- (d) HOME Loan: a mortgage loan in an amount equal to approximately \$1,689,744, funded with HOME funds with a term of approximately 30 years bearing interest at approximately 1% per annum; and
- (e) TIF Loan: a mortgage loan in an amount equal to approximately \$402,977, funded with TIF funds with a term of approximately 30 years bearing no interest; and

WHEREAS, the CDA proposes to enter into a Property Management Agreement (the “Management Agreement”) and accompanying Addendum to Property Management Agreement (the “Addendum”) with the Partnership; and

WHEREAS, the Partnership proposes to enter into a Development Services Agreement (the “Development Agreement”) with the CDA.

WHEREAS, the Partnership will amend and restate its initial limited partnership agreement by entering into an Amended and Restated Agreement of Limited Partnership (the “A&R LPA”) between the CDA, as general partner and U.S. Bancorp Community Development Corporation (“USBCDC”), as limited partner.

NOW, THEREFORE BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, as follows:

1. It is hereby found and determined that the Development constitutes a housing development project within the meaning of Minnesota Statutes, Section 469.001 to 469.047 (the “Act”).
2. In furtherance of the development of the Project, the CDA authorizes the following actions in its own capacity and in its capacity as general partner of the Partnership:

- (a) Making the CDA Loans to the Partnership, each in the amount, bearing interest and having such other terms as are determined by the Chair and Executive Director, and in that connection executing and delivering such documents and certificates as necessary or desirable in connection therewith; and
 - (b) Executing, delivering or receiving the loan documents listed on Exhibit B attached hereto and incorporated herein and any other documents related to the CDA Loans; and
 - (c) Executing and delivering the Management Agreement and Addendum; and
 - (d) Executing and delivering the Development Agreement; and
 - (e) Executing all documents in connection with the formation and continuation of the Partnership and admission of U.S. Bancorp Community Development Corporation, or its affiliate, as the sole limited partner of the Partnership, including but not limited to the A&R LPA, Partnership Management Agreement, and the Joint Marketing Agreement.
3. All documents authorized to be executed herein by the CDA shall be executed by the Executive Director on advice of legal counsel to the CDA. Execution of such documents by the Executive Director shall constitute conclusive evidence of such approval.
 4. All actions of the members, employees and staff of the CDA heretofore taken in furtherance of the creation of the Partnership and the CDA's assistance to the Partnership in the financing of the Development are hereby approved, ratified, and confirmed.
 5. The Executive Director of the CDA is hereby authorized and directed on behalf of the CDA, at any time and from time-to-time hereafter without further action by or authority or direction from the Board of Commissioners of the CDA, to execute and deliver or cause to be executed and delivered on behalf of the CDA all such other agreements, assignments, statements, instruments, certificates and documents and to do or cause to be done all such other acts and things as he may determine to be necessary or advisable under or in connection with the actions described in paragraph 2 above, and the executions by the Executive Director of any such agreement, assignment, statement, instrument, certificate or documents, or the doing of any such act or thing, shall be conclusive evidence of his determination in that respect.
 6. The Executive Director or any officer of the CDA is authorized and directed to prepare and furnish when the agreements described herein are executed, certified copies of all proceedings and records of the CDA relating to the CDA Loans and such agreements and such other affidavits and certificates as may be required to show the facts relating to the due authorization and execution of agreements evidencing the CDA Loans on the part of the CDA as such facts appear from the books and records in the Executive Director's custody and control or as otherwise known to him or her; and all such certified copies, certificates and affidavits, including any heretofore furnished, shall constitute representations of the CDA as to the truth of all statements made on behalf of the CDA and contained therein. The Executive Director is further authorized to execute such additional documents as shall be determined by the Executive Director to be necessary and desirable to provide for the CDA's assistance to the Partnership in the financing of the Development.
 7. In the event any of the officers of the CDA authorized to execute documents on behalf of the CDA under this resolution shall for any reason be unable to do so, any member of the Board of

Commissioners of the CDA, or the Executive Director or Deputy Executive Director of the CDA, is hereby directed and authorized to do so on behalf of the CDA, with the same effect as if executed by the officer in this resolution.

PREVIOUS BOARD ACTION

21-6496; 12/14/2021
22-6557; 6/21/2022
22-6617; 12/13/2022
34-6802; 2/28/2024
24-6817; 3/27/2024

ATTACHMENTS

Exhibit A: Legal Description
Exhibit B: List of CDA Loan Documents

BOARD GOALS

- Focused Housing Programs Collaboration
- Development/Redevelopment Financial Sustainability Operational Effectiveness

CONTACT

Department Head: Kari Gill, Deputy Executive Director
Author: Lori Zierden, Real Estate Manager

EXHIBIT A

LEGAL DESCRIPTION

The real property situated in the County of Dakota, State of Minnesota, described as follows:

Lot 1, Block 1, Denmark Housing Addition, Dakota County, Minnesota.

EXHIBIT B**LOAN DOCUMENTS****A. \$1,600,000 and \$9,000,000 First Mortgage Loan Bridge Loan Documents**

1. Loan Agreement
2. Promissory Note A (\$1,600,000)
3. Promissory Note B (\$9,000,000)
4. Combination Mortgage, Assignment of Rents, Security Agreement and Fixture Financing Statement (with USBCDC Loan Rider)
5. UCC-1 Financing Statement (County)
6. UCC-1 Financing Statement (SOS-all assets)
7. UCC-1 Financing Statement (SOS)
8. Replacement Reserve Security Agreement
9. Environmental and ADA Indemnification Agreement
10. Assignment and Subordination of Construction Contract
11. Assignment and Subordination of Architect's Contract
12. Assignment of Developer Fee Agreement
13. Developer Fee Subordination Agreement

B. \$750,000 CDA HOPE Loan Documents

1. Loan Agreement
2. Promissory Note (\$750,000)
3. Combination Mortgage, Security Agreement, Assignment of Leases and Rents and Fixture Financing Statement
4. Declaration of Covenants, Conditions and Restrictions
5. Request for Notice of Foreclosure

C. \$1,689,744 CDA HOME Loan Documents

1. HOME Development Agreement
2. Loan Agreement
3. HOME Promissory Note
4. Combination Mortgage, Security Agreement, Assignment of Leases and Rents and Fixture Financing Statement
5. Declaration of Restrictive Covenants

D. \$402,977 CDA TIF Loan Documents

1. TIF Development Agreement
2. Loan Agreement
3. TIF Promissory Note
4. Combination Mortgage, Security Agreement and Fixture Financing Statement
5. Declaration of Restrictive Covenants



Board of Commissioners

Request for Board Action

Meeting Date: May 22, 2024

Agenda #: 5E

DEPARTMENT: Housing Development

FILE TYPE: Regular - Consent

TITLE

Approve The Borrowing Of Funds And Authorize Execution And Delivery Of Related Documents For The Denmark Trail Workforce Housing Limited Partnership

PURPOSE/ACTION REQUESTED

Approve the Denmark Trail Workforce Housing Limited Partnership to borrow the necessary funds and execute related documents to develop Denmark Trail Townhomes.

SUMMARY

The Dakota County Community Development Agency (CDA) formed the Denmark Trail Workforce Housing Limited Partnership (Partnership) for the purpose of developing Denmark Trail Townhomes, a 40-unit workforce housing development in Farmington. This development will provide affordable housing to Dakota County families earning no more than 60% of the Area Median Income. The Dakota County CDA will remain the managing General Partner for this development upon completion of construction. The Partnership has secured the necessary financing to construct the development and is looking to close on that financing. The CDA has proposed to provide several loans to the Denmark Trail Workforce Housing Limited Partnership, and this resolution provides the borrowing approval for these funds by the Partnership, which will allow the Partnership to close on this financing.

RECOMMENDATION

CDA staff recommends borrowing the necessary funds and executing the related documents for the construction of Denmark Trail Townhomes by the Denmark Trail Workforce Housing Limited Partnership.

EXPLANATION OF FISCAL/FTE IMPACTS

Amounts borrowed by the Partnership will be listed within the Partnership's financial statements and budget.

None Current budget Other Amendment Requested New FTE(s) requested

RESOLUTION

WHEREAS, the Dakota County Community Development Agency (CDA) is authorized to undertake housing development projects pursuant to Minnesota Statutes, Section 469.017; and

WHEREAS, the CDA is authorized under Minn. Stat. § Section 469.012, Subd. 2j, to become a partner in a limited partnership for the purpose of developing, constructing, rehabilitating, managing, supporting or preserving housing development projects, including low-income housing tax credit projects, which entities are subject to the provisions of Minnesota laws applicable to housing and redevelopment authorities as if they were housing and redevelopment authorities; and

WHEREAS, the CDA established Denmark Trail Workforce Housing Limited Partnership (the "Partnership"), a Minnesota limited partnership in which the CDA is the sole general partner, for the purpose of developing and operating residential rental townhome facilities known as Denmark Trail Townhomes (the "Development") for low- and moderate-income families, to be located on land in Farmington, Minnesota, as legally described in Exhibit A attached hereto; and

WHEREAS, the CDA has agreed to make the following mortgage loans to the Partnership (together, the "CDA Loans"):

- (a) First Mortgage Loan: a first mortgage loan in an amount of approximately \$1,600,000, fully amortizing over a term of 30 years, bearing interest at 6.75% per annum; and
- (b) Bridge Loan: a bridge mortgage loan in an amount currently expected to be approximately \$9,000,000, payable following completion of construction from amounts to be contributed by the limited partner of the Partnership, and bearing interest at 6.75% per annum; and
- (c) HOPE Loan: a mortgage loan in an amount equal to approximately \$750,000 from HOPE funds, with a term of approximately 30 years, and bearing deferred interest at approximately 1% per annum; and
- (d) HOME Loan: a mortgage loan in an amount equal to approximately \$1,689,744, funded with HOME funds with a term of approximately 30 years bearing interest at approximately 1% per annum; and
- (e) TIF Loan: a mortgage loan in an amount equal to approximately \$402,977, funded with TIF funds with a term of approximately 30 years bearing no interest; and

WHEREAS, the Partnership proposes to execute and cause to be recorded a Declaration of Restrictive Covenants (the "Declaration") as required in connection with the allocation of low-income housing tax credits to the Project; and

WHEREAS, the Partnership proposes to enter into a Property Management Agreement with the CDA (the "Management Agreement") and accompanying Addendum to Property Management Agreement (the "Addendum") providing for the management of the Project by the CDA; and

WHEREAS, the Partnership proposes to enter into a Development Services Agreement with the CDA.

WHEREAS, the Partnership will amend and restate its initial limited partnership agreement by entering into an Amended and Restated Agreement of Limited Partnership (the "A&R LPA") between the CDA, as general partner and U.S. Bancorp Community Development Corporation ("USBCDC"), as limited partner.

NOW, THEREFORE BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, as follows:

1. It is hereby found and determined that the Development constitutes a housing development project within the meaning of Minnesota Statutes, Section 469.001 to 469.047 (the "Act").
2. The Executive Director of the CDA is hereby authorized and directed to execute and deliver the following documents on behalf of the CDA in its own capacity and in its capacity as the General Partner of the Partnership:

- (a) an Amended and Restated Agreement of Limited Partnership with U.S. Bancorp Community Development Corporation, or an affiliate thereof, and related certificates and agreements, including but not limited to the Partnership Management Agreement and the Joint Marketing Agreement; and
 - (b) any documents necessary or convenient to obtain the CDA Loans, including without limitation, the documents listed on Exhibit B attached hereto; and
 - (c) the Management Agreement and Addendum; and
 - (d) the Development Agreement; and
 - (e) the Construction Agreement; and
 - (f) any and all other documents, agreements and certificates as may be necessary or convenient in connection with any of the foregoing loans, the development and financing of the Development and the transactions contemplated in the Amended and Restated Limited Partnership Agreement.
3. All documents authorized to be executed herein by the Executive Director on behalf of the CDA as general partner of the Partnership shall be executed in forms approved by the Executive Director on advice of legal counsel. Execution of such documents by the Executive Director shall constitute conclusive evidence of such approval.
 4. The Executive Director is expressly authorized to approve the terms and actual principal amount of each of the loans described above.
 5. All actions heretofore taken on behalf of the CDA in its capacity as General Partner in furtherance of the Development are hereby approved, ratified and confirmed.
 6. The Executive Director is hereby authorized and directed on behalf of the CDA in its capacity as General Partner of the Partnership, at any time and from time-to-time hereafter and without further action by or authority or direction from the Board of Commissioners of the CDA, to execute and deliver or cause to be executed and delivered on behalf of the Partnership all such other agreements, assignments, statements, instruments, certificates and documents and to do or cause to be done all such other acts and things as he may determine to be necessary or advisable under or in connection with the loans described above or the development and operation of the Development, and the execution by the Acting Executive Director of any such agreement, assignment, statement, instrument, certificate or document, or the doing of any such act or thing, shall be conclusive evidence of his determination in that respect, including, but not limited to, the execution of any and all agreements with any of the lenders described above for the extension of the time of payment of any of the aforesaid loans or any part thereof.
 7. The Executive Director is authorized and directed to prepare and furnish when the agreements described herein are executed, certified copies of all proceedings and records of the CDA relating to the Development and such agreements and such other affidavits and certificates as may be required to show the facts relating to the due authorization and execution of such agreements as such facts appear from the books and records in said officers' custody and control or as otherwise known to them; and all such certified copies, certificates and affidavits, including any heretofore furnished, shall constitute representations of the CDA as to the truth of all statements made on behalf of the CDA and contained therein.

8. In the event the Executive Director shall for any reason be unable to do so, the Deputy Executive Director of the CDA or any member of the Board of Commissioners of the CDA is hereby directed and authorized to do so on behalf of the CDA, with the same effect as if executed by the Executive Director.

PREVIOUS BOARD ACTION

21-6496; 12/14/2021

22-6557; 6/21/2022

22-6617; 12/13/2022

34-6802; 2/28/2024

24-6817; 3/27/2024

ATTACHMENTS

Exhibit A: Legal Description

Exhibit B: Listing of Loan Documents

BOARD GOALS

Focused Housing Programs

Collaboration

Development/Redevelopment

Financial Sustainability

Operational Effectiveness

CONTACT

Department Head: Kari Gill, Deputy Executive Director

Author: Lori Zierden, Real Estate Manager

EXHIBIT A

LEGAL DESCRIPTION

The real property situated in the County of Dakota, State of Minnesota, described as follows:

Lot 1, Block 1, Denmark Housing Addition, Dakota County, Minnesota.

EXHIBIT B**LOAN DOCUMENTS****A. \$1,600,000 and \$9,000,000 First Mortgage Loan Bridge Loan Documents**

1. Loan Agreement
2. Promissory Note A (\$1,600,000)
3. Promissory Note B (\$9,000,000)
4. Combination Mortgage, Assignment of Rents, Security Agreement and Fixture Financing Statement (with USBCDC Loan Rider)
5. UCC-1 Financing Statement (County)
6. UCC-1 Financing Statement (SOS-all assets)
7. UCC-1 Financing Statement (SOS)
8. Replacement Reserve Security Agreement
9. Environmental and ADA Indemnification Agreement
10. Assignment and Subordination of Construction Contract
11. Assignment and Subordination of Architect's Contract
12. Assignment of Developer Fee Agreement
13. Developer Fee Subordination Agreement

B. \$750,000 CDA HOPE Loan Documents

1. Loan Agreement
2. Promissory Note (\$750,000)
3. Combination Mortgage, Security Agreement, Assignment of Leases and Rents and Fixture Financing Statement
4. Declaration of Covenants, Conditions and Restrictions
5. Request for Notice of Foreclosure

C. \$1,689,744 CDA HOME Loan Documents

1. HOME Development Agreement
2. Loan Agreement
3. HOME Promissory Note
4. Combination Mortgage, Security Agreement, Assignment of Leases and Rents and Fixture Financing Statement
5. Declaration of Restrictive Covenants

D. \$402,977 CDA TIF Loan Documents

1. TIF Development Agreement
2. Loan Agreement
3. TIF Promissory Note
4. Combination Mortgage, Security Agreement and Fixture Financing Statement
5. Declaration of Restrictive Covenants



Board of Commissioners

Request for Board Action

Meeting Date: May 22, 2024

Agenda #: 5F

DEPARTMENT: Housing Development

FILE TYPE: Regular - Consent

TITLE

Authorization To Execute Contract For Boiler Replacement At Parkview Plaza (Mendota Heights) And Mississippi Terrace (Hastings)

PURPOSE/ACTION REQUESTED

- Authorize Deputy Executive Director to execute a contract for boiler replacement.
- Authorize change order authority.
- Approve budget amendment.

SUMMARY

This contract is for the boiler replacement at Parkview Plaza in Mendota Heights and Mississippi Terrace in Hastings. This replacement project will include replacing the boilers and any original equipment in the boiler system in both buildings. This equipment has had some recent failures and is past the useful life expectancy; the boilers are being replaced to prevent emergency situations from occurring during the heating season.

On May 13, 2024 at 10 a.m. a public bid opening was conducted at the Dakota County CDA office for the project. The bid was publicly advertised (Attachment A) and posted on the CDA's website. Three bids were received at the public bid opening. Majeski Plumbing and Heating was the lowest responsible bidder on the project. See Attachment B for bid tabulation.

The base bid cost of this project is \$192,320. This cost is consistent with what is being seen in the plumbing industry at this time.

RECOMMENDATION

It is recommended that the Deputy Executive Director be authorized to enter into a contract with the low responsive, responsible bidder, Majeski Plumbing and Heating in the total amount of \$192,320. Majeski Plumbing and Heating has performed satisfactorily on similar CDA projects in the past.

In a project of this size, it is possible there may be change orders that would result in minor changes to the project. To deal with these change orders more efficiently, while avoiding delays in construction, staff recommends that the Deputy Executive Director be authorized to approve additional change orders up to the amount of \$19,232 (this is 10% of the contract amount).

EXPLANATION OF FISCAL/FTE IMPACTS

Funding for these projects exists in the FYE 2024 budget.

- None Current budget Other Amendment Requested New FTE(s) requested

RESOLUTION

WHEREAS, formal bids were received on May 13, 2024 for the Boiler Replacement project at Parkview Plaza (Mendota Heights) and Mississippi Terrace (Hastings) senior housing; and

WHEREAS, Majeski Plumbing and Heating submitted a low, responsive bid of \$192,320; and

WHEREAS, the contractor is being recommended on both low bid result and their prior experience on similar projects for the CDA; and

WHEREAS, \$218,950 was originally budgeted in the Fiscal Year Ending 2024 Common Bond Fund Program for these projects.

NOW, THEREFORE BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, That the Deputy Executive Director be authorized to sign a construction contract on behalf of the Dakota County CDA with low bidder, Majeski Plumbing and Heating, an amount of \$192,320; and

BE IT FURTHER RESOLVED that the Deputy Executive Director be authorized to approve change orders not to exceed \$19,232.

PREVIOUS BOARD ACTION

N/A

ATTACHMENTS

Attachment A: Public Notice

Attachment B: Bid Tabulation

BOARD GOALS

- Focused Housing Programs
- Development/Redevelopment
- Collaboration
- Financial Sustainability
- Operational Effectiveness

CONTACT

Department Head: Kari Gill, Deputy Executive Director

Author: Nick Sisterman, Capital Projects Manager



EAST CENTRAL MINNESOTA

-Public Notice Ad Proof-

This is the proof of your ad scheduled to run on the dates indicated below. Please proof read carefully. If changes are needed, please contact us prior to deadline at Cambridge (763) 691-6000 or email at publicnotice@apgecm.com

Date: 04/22/24

Account #: 412621
 Customer: DAKOTA COUNTY CDA ~

Address: 1228 TOWN CENTRE DR
 EAGAN

Telephone: (651) 675-4400
 Fax: (651) 287-8050

Publications:
 Dakota County Tribune

Ad ID: 1390125
 Copy Line: Boiler Replacement BIDS

PO Number:
 Start: 04/26/24
 Stop: 05/03/2024

Total Cost: \$288.80
 # of Lines: 62
 Total Depth: 6.9
 # of Inserts: 2
 Ad Class: 160
 Phone # (763) 691-6000
 Email: publicnotice@apgecm.com
 Rep No: SE710

**DAKOTA COUNTY
COMMUNITY DEVELOPMENT AGENCY (CDA)
EAGAN, MN 55123**

**PUBLIC NOTICE
ADVERTISEMENT FOR BIDS**

Notice is hereby given that sealed bids will be received by the Office of the Director of Housing Finance & Development, Dakota County CDA, Minnesota until 10:00 AM, Monday, May 13th, 2024 at the office of Dakota County Community Development Agency, 1228 Town Centre Drive, Eagan, MN 55123, at which time they will be publicly opened and read aloud for the furnishing of all labor and materials for a Boiler Replacement Project at 2 senior housing apartment buildings in Dakota County, MN.

Bids received after this time and date will be rejected. No telephone bids or fax bids will be accepted. Bids shall be on the forms provided for that purpose and according to the bidding documents prepared by Dakota County CDA. This project will be subject to Minnesota Statutes 2016, section 16C.285 (the Responsible Contractor's Act) and therefore require a verification of compliance form included with the bid. Bids will be opened publicly and read aloud. A bid tabulation will be furnished to the Bidders. Bids shall be addressed to:

Boiler Replacement Project-Public Bid
c/o Dakota County CDA, 1228 Town Centre Drive, Eagan, MN 55123
Attn: Nick Sisterman

Bid security in the amount of 5% of the bid must accompany each bid in accordance with the Instruction to Bidders. Bids shall be directed to the capital projects manager, securely sealed and endorsed upon the outside wrapper, with the project title and bid due date. Any bid not including a bid security will be considered disqualified. Payment and performance bonds will also be required of the awarded party. Only a bond issued by a surety, cashier's check or certified check will be accepted.

A pre-bid walk through is scheduled Monday, May 6th, 2024 at 10:00 AM. Prospective bidders must meet at the front entrance to Parkview Plaza (730 South Plaza Drive, Mendota Heights, MN 55120) no later than 10:00 AM. Both sites will be visited during the walk through. Bidders must confirm their intent to attend the walk through by contacting the project manager, Nick Sisterman at Dakota County CDA, 651-675-4480 no later than 7:00 AM Monday, May 6th, 2024.

The CDA hereby notifies all bidders that in regard to any contract entered into pursuant to this advertisement, Disadvantaged Business Enterprises (D.M.E.) will be afforded full opportunity to submit bids and/or proposals and will not be subjected to discrimination on the basis of race, color, sex, age, religion, or national origin.

The Dakota County CDA reserves the right to reject any and all bids, to waive irregularities and informalities therein and to award the contract in the best interest of the CDA.

Nick Sisterman, Capital Projects Manager, Dakota County CDA

Published in the
Dakota County Tribune
April 26, May 3, 2024
1390125

Ad: 1

\$288.80

**DAKOTA COUNTY
COMMUNITY DEVELOPMENT AGENCY (CDA)
EAGAN, MN 55123**

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The Dakota County CDA reserves the right to reject any and all bids, to waive irregularities and informalities therein and to award the contract in the best interest of the CDA.

Nick Sisterman, Capital Projects Manager, Dakota County CDA

Published in the
Dakota County Tribune
April 26, May 3, 2024
1390125

BIDDER LIST & BID TABULATIONS

Public Bid Opening Date & Time: Monday, May 13, 2024, 10:00 am

Project: Boiler Replacement

Project Address: Parkview Plaza and Mississippi Terrace

Company Name

Majeski Plumbing & Heating

BASE BID \$ 192,320

BID SECURITY

ADDENDA NOTED 1 N/A

VERIFICATION OF COMPLIANCE

Company Name

Kraft Mechanical

BASE BID \$ 246,450

BID SECURITY

ADDENDA NOTED 1 N/A

VERIFICATION OF COMPLIANCE

Company Name

Northland Mechanical

BASE BID \$ 201,000

BID SECURITY

ADDENDA NOTED 1 N/A

VERIFICATION OF COMPLIANCE

Company Name

BASE BID \$ _____

BID SECURITY

ADDENDA NOTED 1 _____

VERIFICATION OF COMPLIANCE



Board of Commissioners

Request for Board Action

Meeting Date: May 22, 2024

Agenda #: 5G

DEPARTMENT: Housing Assistance

FILE TYPE: Regular - Consent

TITLE

Approval Of Budget For Family Voucher Program

PURPOSE/ACTION REQUESTED

Approve budget for Family Voucher Program.

SUMMARY

The Family Voucher Program budget for the fiscal year ending June 30, 2024, projects revenues of \$3,000, expenses of \$2,846 and net transfers out of \$154.

The proposed budget projects minimal activity due to the program inception starting late in the fiscal year.

HOUSING ASSISTANCE	
Budget for Dakota County Voucher Program	
	Budget FYE 2024
REVENUE	
Intergovernmental	\$ 3,000
Interest	-
Fee income	-
Other	-
	3,000
EXPENSE	
Administrative	1,346
Tenant services	-
Housing assistance payments	1,500
Capital/extraordinary maintenance	-
	2,846
Increase (decrease) in budget balance before transfers	154

RECOMMENDATION

Staff recommends approval of the budget for the Family Voucher Program.

EXPLANATION OF FISCAL/FTE IMPACTS

The Family Voucher Program budget for the fiscal year ending June 30, 2024, projects revenues of \$3,000, expenses of \$2,846 and net transfers out of \$154.

- None
- Current budget
- Other
- Amendment Requested
- New FTE(s) requested

RESOLUTION

WHEREAS, the Dakota County Community Development Agency (CDA) has completed the budget for the Family Voucher Program for the remaining portion of the Fiscal Year Ending June 30, 2024 budget year, and

WHEREAS, the CDA Board of Commissioners has reviewed the budget for the Family Voucher Program.

NOW, THEREFORE BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, That the budget for the Family Voucher Program for the fiscal year ending June 30, 2024, is hereby approved.

PREVIOUS BOARD ACTION

N/A

ATTACHMENTS

N/A

BOARD GOALS

- Focused Housing Programs
- Collaboration
- Development/Redevelopment
- Financial Sustainability
- Operational Effectiveness

CONTACT

Department Head: Lisa Hohenstein, Director of Housing Assistance

Author: Lisa Hohenstein



Board of Commissioners

Request for Board Action

Meeting Date: May 22, 2024

Agenda #: 5H

DEPARTMENT: Community and Economic Development

FILE TYPE: Regular - Consent

TITLE

Establish Date For A Public Hearing Regarding A Housing Finance Program And The Issuance Of Multifamily Housing Revenue Notes Or Bonds (Heart Of The City Housing Project, Burnsville)

PURPOSE/ACTION REQUESTED

Establish a date for a public hearing regarding a Housing Finance Program and the issuance of multifamily housing revenue notes or bonds for the Heart of the City rental housing project in Burnsville.

SUMMARY

The Dakota County Community Development Agency (CDA) received an application from Roers Companies, on behalf of Roers Burnsville Apartments Owner LLC, a Minnesota limited liability company (the "Owner"), requesting the CDA issue up to \$37,000,000 of multifamily housing revenue notes or bonds in one or more series (the "Bonds") and loan the proceeds thereof to the Owner. The proceeds of the Bonds will be used to finance the Owner's acquisition, construction and equipping of the Heart of the City multifamily housing project (the "Project"). The Project will be a 172-unit general occupancy multifamily rental building for low- and moderate-income persons located at the properties which currently have an address of 151 Burnsville Parkway and 201 Burnsville Parkway in Burnsville. The \$37,000,000 of Bonds will be sourced from remaining CDA 2023 carryforward volume cap, CDA 2024 volume cap, and recycled tax-exempt bonds.

As recited in the notice of public hearing (Attachment A), the Bonds will be special limited obligations of the CDA payable solely from proceeds of the Bonds and other revenues expressly pledged for such purpose. No holder of the Bonds will ever have the right to compel the exercise of any taxing power of the CDA to pay the Bonds, or the interest thereon, or to enforce payment against any property of the CDA other than the CDA's interest in the Project.

Minnesota Statutes, Chapter 462C (the "Act") requires that the CDA adopt a housing finance program relating to the Bonds and Section 147(f) of the Code, requires the CDA to hold a public hearing prior to the issuance of the Bonds. The public hearing is intended to satisfy both of these requirements.

Pursuant to federal treasury regulation, in order for the Owner to be able to reimburse itself from bond proceeds for costs of the project paid before the date of issuance, the issuer needs to declare its intent to issue the bonds.

The purpose of this action is to set the date for a public hearing to satisfy requirements of the Act and the Code for June 26, 2024, at or after 1:00 p.m. The resolution authorizes the Executive Director or his designee to publish the notice. This resolution also declares the CDA's intent to issue the Bonds,

in order to permit the Owner to reimburse itself from proceeds of the Bonds, if and when issued, for expenditures made prior to the date of issuance.

RECOMMENDATION

Staff recommends the Board set the public hearing for June 26, 2024, at or after 1:00 p.m. to receive comments on the issuance of multifamily housing revenue notes or bonds for the Project, to declare the CDA’s intent to issue the Bonds and to permit the Owner to reimburse itself from the Bond proceeds for expenditures made prior to the date of issuance.

EXPLANATION OF FISCAL/FTE IMPACTS

None.

None Current budget Other Amendment Requested New FTE(s) requested

RESOLUTION

WHEREAS, pursuant to Minnesota Statutes, Chapter 462C (the “Act”), the Dakota County Community Development Agency (CDA) is authorized to carry out programs to finance multifamily housing which is designed to be affordable to persons of low- and moderate-income; and

WHEREAS, the CDA received an application from Roers Companies, on behalf of Roers Burnsville Apartments Owner LLC, a Minnesota limited liability company (the “Owner”), requesting the CDA to issue an amount not to exceed \$37,000,000 of multifamily housing revenue notes or bonds in one or more series (the “Bonds”) and loan the proceeds thereof to the Owner to finance the acquisition, construction and equipping of the 172-unit multifamily building for low- and moderate-income households (the “Project”), located at the properties which currently have an address of 151 Burnsville Parkway and 201 Burnsville Parkway in Burnsville, Minnesota; and

WHEREAS, the Act requires as a condition precedent to issuance of the Bonds that the CDA adopt a housing finance program (the “Program”) for the Project, following a public hearing for which notice is published at least 15 days in advance; and

WHEREAS, pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”) prior to issuing tax-exempt bonds, the CDA is required to hold a public hearing regarding the issuance for which notice is published at least 7 days in advance; and

WHEREAS, the Owner has requested that the CDA make a declaration of official intent to issue the Bonds in order to permit the Owner to incur certain costs for which it may be reimbursed from proceeds of the Bonds, if and when issued.

NOW, THEREFORE BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, as follows:

1. That a public hearing will be held by the CDA on June 26, 2024 at or after 1:00 p.m. for the purpose of receiving comments regarding the Program and the issuance of the Bonds in order to satisfy the requirements of the Act and Section 147(f) of the Code.
2. That the Executive Director or his designee is hereby authorized and directed to cause notice of such public hearing to be published in a newspaper of general circulation in Dakota County

and to cause a copy of the Program to be submitted to the Metropolitan Council, not fewer than fifteen(15) days prior to such hearing.

3. That the CDA hereby indicates its intention to issue the Bonds to finance the Project, subject to the CDA, the Owner and the purchaser of the Bonds reaching agreement as to terms and conditions of the Bonds, satisfaction of the procedural requirements and completion of documents in form and substance satisfactory to the CDA. This statement is not a commitment from the CDA to issue the Bonds and final approval of the issuance is subject to further review by the CDA; however, this statement constitutes a declaration of official intent by the CDA, for purposes of Section 1.150-2 of the Treasury Regulations, to reimburse expenditures by the Owner for the Project from proceeds of the Bonds, if and when issued.

PREVIOUS BOARD ACTION

None.

ATTACHMENTS

Attachment A: Notice of Public Hearing

BOARD GOALS

- Focused Housing Programs
- Collaboration
- Development/Redevelopment
- Financial Sustainability
- Operational Effectiveness

CONTACT

Department Head: Lisa Alfson, Director of Community and Economic Development

Author: Kathy Kugel, Housing Finance Manager

NOTICE OF PUBLIC HEARING ON
A HOUSING FINANCE PROGRAM

DAKOTA COUNTY COMMUNITY DEVELOPMENT AGENCY

NOTICE IS HEREBY GIVEN that the Dakota County Community Development Agency (the "CDA") will meet on Wednesday, June 26, 2024, at or after 1:00 p.m. at 1228 Town Centre Drive, Eagan, Minnesota for the purpose of conducting a public hearing in accordance with Minnesota Statutes, Chapter 462C and Section 147(f) of the Internal Revenue Code of 1986, as amended, regarding the adoption of a housing finance program (the "**Program**") and a plan of finance, including the issuance of the Bonds described below. The Program provides for the issuance by the CDA of not to exceed \$37,000,000 of multifamily housing revenue notes or bonds in one or more series (the "**Bonds**"), the proceeds of which will be loaned to Roers Burnsville Apartments Owner LLC, a Minnesota limited liability company (the "**Owner**"), to finance the acquisition, construction, and equipping of an approximately 172-unit multifamily rental housing development and facilities functionally related and subordinate thereto (the "**Project**") to be located at the properties which currently have an address of 151 Burnsville Parkway and 201 Burnsville Parkway in the City of Burnsville, Minnesota.

The Bonds will be issued in an aggregate initial principal amount anticipated not to exceed \$37,000,000 and using, in part, recycled bonding authority from conduit housing revenue obligations previously issued by the City of Columbia Heights, Minnesota ("Columbia Heights"), as permitted by Section 146(i)(6) of the Internal Revenue Code of 1986, as amended. The Bonds shall be limited obligations of the CDA and the principal and interest thereon shall be payable solely from the revenues and proceeds pledged to the payment thereof. No holder of any such Bonds shall ever have the right to compel the exercise of any taxing power of the CDA or Columbia Heights to pay the Bonds, or the interest thereon, nor to enforce payment against any property of the CDA or Columbia Heights.

All persons interested can participate in one or both of the following ways:

- All persons interested may appear and be heard at the time and place set forth above.
- The public may comment in writing or via voicemail. Any comments and materials submitted by 9:00 am of the day of the meeting will be attached to the public record and available for review by the Board. Comments may be submitted to the Clerk of the Board via email at sjacobson@dakotacda.org or by voicemail at 651-675-4434.

[Date of Publication], 2024

BY ORDER OF THE BOARD OF COMMISSIONERS OF THE
DAKOTA COUNTY COMMUNITY DEVELOPMENT AGENCY

By /s/ Tony Schertler
Executive Director



Board of Commissioners

Request for Board Action

Meeting Date: May 22, 2024

Agenda #: 6A

DEPARTMENT: Community and Economic Development

FILE TYPE: Regular - Action

TITLE

Authorization To Execute Professional Services Contract For Disposition Of Dakota County CDA Section 18, LLC Properties

PURPOSE/ACTION REQUESTED

Authorize the Executive Director to execute a professional services agreement with Huerkamp Home Group/Keller Williams Preferred Realty for listing services for disposition of Section 18, LLC properties.

SUMMARY

The Dakota County CDA is the sole member of the Dakota County CDA Section 18, LLC, which owns 86 former public housing units originally owned by the U.S. Department of Housing and Urban Development (HUD) and transferred to the LLC in 2020. On May 20, 2020, HUD approved the LLC to sell units to qualifying residents at Fair Market Value (FMV) in an amendment to the Use Agreement between HUD and the CDA. The amendment also granted authority to sell the units at FMV via public bid.

There are currently five vacant Section 18, LLC single-family homes, and the intention is to put the properties on the market in June and sell this summer to households earning no more than 115 percent of Area Median Income (AMI). CDA staff determined that the services of a listing brokerage are needed to effectively and efficiently sell the properties. The CDA issued a Request for Proposals (Attachment A) for realtor services in February 2024 that was posted on the CDA website and sent to the six Chambers of Commerce in Dakota County, and to several realtors/brokerage firms that have worked with the CDA in the past.

The CDA received six proposals, and based on the scoring criteria, interviewed three firms. Proposals were reviewed based on competitiveness of pricing, staff experience and capacity, experience with first-time and moderate-income homebuyers, and experience working with government-owned real estate. Based on scope of services (Attachment B), attention to process, and the interview process, CDA staff recommends engaging Huerkamp Home Group/Keller Williams Preferred Realty for brokerage services.

The CDA will complete minor improvements to the properties to prepare for sale but will otherwise sell in current condition. The CDA will obtain appraisals of the properties, and the recommended broker will also establish market value based on a thorough market analysis. The broker will present buyer interest to the CDA during weekly calls. If multiple offers are submitted, CDA staff will work with the broker to determine the best offer at or above the appraised value to present to the CDA Board of Commissioners. Public hearings will be held for the sale of each property, and each sale will need to be approved by HUD before the sale can be completed.

RECOMMENDATION

Staff recommends the CDA enter into a professional services agreement with Huerkamp Home Group/Keller Williams Preferred Realty for brokerage services related to the sale of Dakota CDA Section 18, LLC properties.

EXPLANATION OF FISCAL/FTE IMPACTS

The Huerkamp Home Group/Keller Williams Preferred Realty brokerage fee for each property is a 5% commission of the sales price, with 2.5% of the commission shared in the event of involvement by a cooperating agent/broker. Commission will be paid from sale proceeds at closing.

None Current budget Other Amendment Requested New FTE(s) requested

RESOLUTION

WHEREAS, the Dakota County CDA is the sole member of the Dakota County CDA Section 18, LLC (LLC), owning 60 properties totaling 86 dwelling units; and

WHEREAS, these units were originally designated as public housing units and owned by the U.S. Department of Housing and Urban Development (HUD) and transferred to the LLC in 2020; and

WHEREAS, on May 20, 2020, HUD approved the LLC to sell units to qualifying residents at Fair Market Value (FMV) in an amendment to the Use Agreement between HUD and the CDA; and

WHEREAS, the Use Agreement amendment includes authority to sell units at FMV via public bid; and

WHEREAS, there are currently five vacant single-family properties that can be sold; and

WHEREAS, the CDA issued a Request for Proposals for realtor services to sell the vacant single-family properties; and

WHEREAS, CDA staff received and evaluated six proposals for brokerage services and based on price, performance, and experience recommends entering into a professional services agreement with Huerkamp Home Group/Keller Williams Preferred Realty to assist with the marketing and sale of the single-family properties.

NOW, THEREFORE BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, That the Executive Director is authorized to execute a services agreement with Huerkamp Home Group/Keller Williams Preferred Realty to assist with the marketing and sale of the single-family properties.

PREVIOUS BOARD ACTION

None.

ATTACHMENTS

Attachment A: Request for Proposals for Realtor Services

Attachment B: Project Proposal – Huerkamp Home Group/Keller Williams Preferred Realty

BOARD GOALS

Focused Housing Programs Collaboration

- Development/Redevelopment Financial Sustainability Operational Effectiveness

CONTACT

Department Head: Lisa Alfson, Director of Community and Economic Development

Author: Margaret Dykes, Assistant Director of Community and Economic Development



1228 Town Centre Drive | Eagan, MN 55123
 PHONE 651-675-4400 | TDD/TTY 711
www.dakotacda.org

REQUEST FOR PROPOSALS

Realtor Services

Dakota County Community Development Agency

SUMMARY/INTRODUCTION:

The Dakota County Community Development Agency (CDA) seeks proposals from qualified real estate brokers/firms to market and sell residential real estate owned by the CDA. The intent of this RFP is to have the successful broker/firm enter a Professional Services Contract with the CDA to supply real estate services outlined in the Scope of Work in Attachment A of this RFP.

The CDA, as the Sole Member of the DCCDA Section 18 LLC through the U.S. Department of Housing and Urban Development (HUD), has converted 120 scattered site public housing units to the Section 18 program. The Section 18 program allows the CDA to sell vacant single-family houses to low/moderate income buyers. The homes must be sold at Fair Market Value to maintain the housing value within the community of other homes. The income limits for the prospective home buyers are included in Attachment B. The list of the Section 18 homes along with the Dakota County Property Card for each property is included in Attachment C.

Please note that although this proposal is related to the sale of the five single-family homes listed in Attachment C, it is possible that other Section 18 houses will be sold by the CDA within the next 24 months; therefore, this proposal may be used for additional CDA Section 18 properties.

PROPOSAL DUE DATE:

Submit a completed response to the RFP via electronic submission no later than Friday, March 1, 2024, 4:30 p.m. Electronic submittals must be sent to:

Lisa Alfson
 Director of Community and Economic Development
 Dakota County Community Development Agency
lalfson@dakotacda.org

Questions may be directed to Lisa Alfson at the above-listed email address or 651-675-4467 during normal business hours.

SCHEDULE:

Actions	Date
RFP Released	February 12, 2024
RFP Responses Due	March 1, 2024; 4:30 p.m.
Review of RFPs by CDA Staff	March 1-15, 2024
Award of Contract	March 27, 2024
Execution of Professional Services Contract	By March 31, 2024
Other Actions	
CDA Board of Commissioners Holds Public Hearing to Consider Sale of Properties	TBD
Execution of Purchase Agreements with Prospective Homebuyers	TBD

The CDA reserves the right to change the timeline to ensure the RFP process is successful.

INSTRUCTIONS TO PROPOSERS:

Before submitting the proposals, the proposer shall:

1. Carefully examine the Scope of Work, as well as all other attached documents;
2. Fully inform yourself of the existing conditions and limitations;
3. Include with the proposal sufficient information to cover all items required in the specifications.

QUALIFICATIONS REQUIREMENTS/PROPOSAL FORMAT:

The proposal should include the following clearly labeled sections to coincide with this RFP:

- Description of your firm including size of firm, location, number and nature of the professional staff to be assigned to the CDA project. List the years in business, and previous names of the firm, if any.
- Staff experience and training, including a brief resume for each key person listed. Describe experience (minimum five years previous experience with proven effectiveness) in which your firm or organization has pertinent real estate experience with first-time homebuyers and low/moderate income buyers. Note that brokers must be licensed and in good standing in the State of Minnesota.
- Experience in assisting similar entities, including all services for government agencies. List of at least three (3) references where and when your firm provided similar services. Please provide the names and telephone numbers of contacts for each reference.

- The CDA is interested in a real estate transaction process that is as publicly accessible as possible. Please propose a process and anticipated timeline that includes a discussion of how you intend to market the property, inform and update CDA staff and how your proposed process addresses potential issues, conflicts of interest or challenges the CDA may anticipate in selling the Section 18 houses.
- Additional services offered by your firm, if any that may be relevant to the sale of property.
- The proposed term and fee schedule, including your commission rate and any other costs for leasing or selling property and how the rate varies in the event there is another broker involved in the transaction. Provide an itemized breakdown of billing rates and hourly costs, list of key personnel and their hourly rates, reimbursable expenses, etc. for any services that may be requested in addition to the services previously described.

AWARD CRITERIA:

Proposals will be evaluated and scored based on the following criteria and points:

- *Commission/Compensation Structure:* Competitiveness of pricing proposal (40 points)
- *Experience and Qualifications:* Demonstrated prior experience with transactions of similar scope and complexity and the effectiveness of your proposed real estate transaction process especially when working with government-owned residential property (40 points)
- *Key Personnel and Resources:* Demonstrated competence and experience of firm's personnel responsible for performing work and providing services, especially with clients who may first-time homebuyers and/or low/moderate income homebuyers (20 points)

DISCLAIMERS:

This RFP does not form or constitute a contractual document. The CDA shall not be liable for any loss, expense, damage or claim arising out of the advice given or not given or statements made or omitted to be made in connection with this RFP. The CDA also will not be responsible for any expenses which may be incurred in the preparation of this RFP. This RFP is not to be construed as a contract or commitment of any kind.

The CDA reserves the right to waive minor deficiencies and informalities; accept or reject any or all Responses received as a result of this RFP; obtain information concerning any or all brokers/firms from any source; request an oral interview before the

CDA Board from any or all respondents; select for Contract negotiation or for award a Response other than that with the highest score if, in the judgment of CDA, its and the public's best interest shall be served; and negotiate with the successful Offeror with respect to any additional terms or conditions of the Contract.

ATTACHMENTS:

- Attachment A: Scope of Work
- Attachment B: Income Limits for Qualified Buyers
- Attachment C: List of Properties to be Sold and Property Cards
- Attachment D: RFP Terms and Conditions

ATTACHMENT A: SCOPE OF WORK

The selected broker/firm will provide professional services in the area of real estate. The goal is to sell the listed properties to qualified income-eligible buyers in a timely fashion. The broker/firm will work under the supervision of the Dakota County CDA's Director of Community and Economic Development and will work closely with the Property Management Division and other Dakota County CDA departments as identified, including but not limited to legal counsel and CDA Administration.

Firms must have the ability to submit information and documents to Dakota County CDA electronically, via electronic mail or web-based portal. Selected firms will be asked to provide full brokerage services, including but not limited to the following tasks:

- Evaluate market research/data to determine recommended sales or purchase;
- Analyze the market for sale of the properties that may have development, land use or restrictive requirements;
- Develop strategies for the sale of the properties;
- Develop marketing materials to advertise the properties for sale;
- Participate in site tours of CDA-owned properties that are for sale with potential buyers;
- Coordinate real estate appraisals if needed;
- Represent the CDA in negotiations with a prospective buyer from the time of offer until closing;
- Analyze offers from potential buyers and advise the CDA with respect to negotiations;
- Coordinate real estate transaction documents with CDA staff;
- Handle all customary activities and services associated in the normal course of business with real estate transactions;
- Present all offers to Dakota County CDA's Director of Community and Economic Development in a timely manner;
- Conduct presentations at public meetings if required; and
- Consult with Dakota County CDA staff.

ATTACHMENT B: INCOME LIMITS FOR QUALIFIED BUYERS

2023 Area Median Income Guidelines - Minneapolis - St. Paul - Bloomington, MN								
Effective June 1, 2023								
Household Size								
AMI%	1	2	3	4	5	6	7	8
30%	26,100	29,800	33,550	37,250	40,250	43,250	46,200	50,600
50%	43,500	49,700	55,900	62,100	67,100	72,050	77,050	82,000
60%	52,500	60,000	67,450	74,950	80,950	86,950	92,950	98,950
80%	66,300	75,750	85,200	94,650	102,250	109,800	117,400	124,950
100%	87,450	99,950	112,450	124,900	134,900	144,900	154,900	164,900
115%	100,550	114,950	129,300	143,650	155,150	166,650	178,150	189,600

NOTE: At this time, the income limits have not been set for the sale of the properties. The limits will be set before properties are marketed. However, the income limits will not exceed 115% of Area Median Income.

ATTACHMENT C: LIST OF PROPERTIES TO BE SOLD WITH PROPERTY CARDS

Street Address	City	Number of Bedrooms	Year Built	Square Feet	Assessed Value (Dakota County Assessor's Data)
5884 - 139th Street W	Apple Valley	4	1974	1,886	\$ 357,900.00
4261 Diamond Drive	Eagan	3	1960	900	\$ 253,200.00
16380 Gannon Avenue	Lakeville	3	1968	1,108	\$ 262,200.00
15477 Dresden Trail	Apple Valley	3	1980	1,680	\$ 281,800.00
18255 Emerald Trail	Farmington	4	1986	1,564	\$ 292,500.00

Property Card	Parcel ID Number 01-31005-02-110
----------------------	----------------------------------

Owner Information
Fee Owner DCCDA SECTION 18 LLC
Mailing Address 1228 TOWN CENTRE DR EAGAN MN 55123



Property Address
Address 5884 139TH ST W
Municipality APPLE VALLEY

Parcel Information	
Sale Date	Total Acres 0.34
Sale Value \$0.00	R/W Acres
Uses EXEMPT	Water Acres
	Plat GREENLEAF 6TH ADDITION
	Lot and Block 11 2
	Tax Description

2023 Building Characteristics (payable 2024)*					
Building Type	S.FAM.RES	Year Built	1974	Bedrooms	4
Building Style	SPLIT LEVEL	Foundation Sq Ft	1,086	Bathrooms	2.00
Frame	WOOD	Above Grade Sq Ft	1,086	Garage Sq Ft	440
Multiple Buildings		Finished Sq Ft	1,886	Other Garage	

Miscellaneous Information					
School District	Watershed District	Homestead	Green Acres	Ag Preserve	Open Space
196	VERMILLION RIVER	NON HOMESTEAD			

Assessor Valuation		
	Taxable	Estimated
2023 Land Values (payable 2024)	\$0.00	\$103,000.00
2023 Building Values (payable 2024)*	\$0.00	\$254,900.00
2023 Total Values (payable 2024)*	\$0.00	\$357,900.00
2022 Total Values (payable 2023)*	\$0.00	\$354,500.00

Property Tax Information		
Net Tax (payable 2023)	Special Assessments (2023)	Total Tax & Assessments (2023)
\$0.00	\$0.00	\$0.00

* Manufactured Homes Payable the Same Year as Assessment.

Disclaimer: Map and parcel data are believed to be accurate, but accuracy is not guaranteed. This is not a legal document and should not be substituted for a title search, appraisal, survey, or for zoning verification.

Property Card	Parcel ID Number 10-16701-08-110
----------------------	----------------------------------

Owner Information
Fee Owner DCCDA SECTION 18 LLC
Mailing Address 1228 TOWN CENTRE DR EAGAN MN 55123



Property Address
Address 4261 DIAMOND DR
Municipality EAGAN

Parcel Information	
Sale Date	Total Acres 0.22
Sale Value \$0.00	R/W Acres
Uses EXEMPT	Water Acres
	Plat CEDAR GROVE NO 2
	Lot and Block 11 8
	Tax Description

2023 Building Characteristics (payable 2024)*					
Building Type	S.FAM.RES	Year Built	1960	Bedrooms	3
Building Style	ONE STORY	Foundation Sq Ft	900	Bathrooms	1.00
Frame	WOOD	Above Grade Sq Ft	900	Garage Sq Ft	528
Multiple Buildings		Finished Sq Ft	900	Other Garage	

Miscellaneous Information					
School District	Watershed District	Homestead	Green Acres	Ag Preserve	Open Space
191	EAGAN-INVER GROVE HEIGHTS	NON HOMESTEAD			

Assessor Valuation		
	Taxable	Estimated
2023 Land Values (payable 2024)	\$0.00	\$83,500.00
2023 Building Values (payable 2024)*	\$0.00	\$169,700.00
2023 Total Values (payable 2024)*	\$0.00	\$253,200.00
2022 Total Values (payable 2023)*	\$0.00	\$244,500.00

Property Tax Information		
Net Tax (payable 2023)	Special Assessments (2023)	Total Tax & Assessments (2023)
\$0.00	\$0.00	\$0.00

* Manufactured Homes Payable the Same Year as Assessment.

Disclaimer: Map and parcel data are believed to be accurate, but accuracy is not guaranteed. This is not a legal document and should not be substituted for a title search, appraisal, survey, or for zoning verification.

Property Card	Parcel ID Number 22-21170-01-190
----------------------	----------------------------------

Owner Information
Fee Owner DCCDA SECTION 18 LLC
Mailing Address 1228 TOWN CENTRE DR EAGAN MN 55123



Property Address
Address 16380 GANNON AVE
Municipality LAKEVILLE

Parcel Information	
Sale Date	Total Acres 0.47
Sale Value \$0.00	R/W Acres
Uses EXEMPT	Water Acres
	Plat DONNAYS VALLEY PARK
	Lot and Block 19 1
	Tax Description

2023 Building Characteristics (payable 2024)*					
Building Type	S.FAM.RES	Year Built	1968	Bedrooms	3
Building Style	SPLIT LEVL	Foundation Sq Ft	892	Bathrooms	2.00
Frame	WOOD	Above Grade Sq Ft	892	Garage Sq Ft	440
Multiple Buildings		Finished Sq Ft	1,108	Other Garage	

Miscellaneous Information					
School District	Watershed District	Homestead	Green Acres	Ag Preserve	Open Space
196	VERMILLION RIVER	NON HOMESTEAD			

Assessor Valuation		
	Taxable	Estimated
2023 Land Values (payable 2024)	\$0.00	\$63,500.00
2023 Building Values (payable 2024)*	\$0.00	\$198,700.00
2023 Total Values (payable 2024)*	\$0.00	\$262,200.00
2022 Total Values (payable 2023)*	\$0.00	\$253,800.00

Property Tax Information		
Net Tax (payable 2023)	Special Assessments (2023)	Total Tax & Assessments (2023)
\$0.00	\$0.00	\$0.00

* Manufactured Homes Payable the Same Year as Assessment.

Disclaimer: Map and parcel data are believed to be accurate, but accuracy is not guaranteed. This is not a legal document and should not be substituted for a title search, appraisal, survey, or for zoning verification.

Property Card	Parcel ID Number 01-11754-03-140
----------------------	----------------------------------

Owner Information
Fee Owner DCCDA SECTION 18 LLC
Mailing Address 1228 TOWN CENTRE DR EAGAN MN 55123



Property Address
Address 15477 DRESDEN TRL
Municipality APPLE VALLEY

Parcel Information	
Sale Date	Total Acres 0.25
Sale Value \$0.00	R/W Acres
Uses EXEMPT	Water Acres
	Plat APPLE VALLEY EAST 5TH ADD
	Lot and Block 14 3
	Tax Description

2023 Building Characteristics (payable 2024)*					
Building Type	S.FAM.RES	Year Built	1980	Bedrooms	3
Building Style	ONE STORY	Foundation Sq Ft	960	Bathrooms	2.00
Frame	WOOD	Above Grade Sq Ft	960	Garage Sq Ft	480
Multiple Buildings		Finished Sq Ft	1,680	Other Garage	

Miscellaneous Information					
School District	Watershed District	Homestead	Green Acres	Ag Preserve	Open Space
196	VERMILLION RIVER	NON HOMESTEAD			

Assessor Valuation		
	Taxable	Estimated
2023 Land Values (payable 2024)	\$0.00	\$82,200.00
2023 Building Values (payable 2024)*	\$0.00	\$199,600.00
2023 Total Values (payable 2024)*	\$0.00	\$281,800.00
2022 Total Values (payable 2023)*	\$0.00	\$275,500.00

Property Tax Information		
Net Tax (payable 2023)	Special Assessments (2023)	Total Tax & Assessments (2023)
\$0.00	\$0.00	\$0.00

* Manufactured Homes Payable the Same Year as Assessment.

Disclaimer: Map and parcel data are believed to be accurate, but accuracy is not guaranteed. This is not a legal document and should not be substituted for a title search, appraisal, survey, or for zoning verification.

Property Card	Parcel ID Number 14-19501-09-110
----------------------	----------------------------------

Owner Information
Fee Owner DCCDA SECTION 18 LLC
Mailing Address 1228 TOWN CENTRE DR EAGAN MN 55123



Property Address
Address 18255 EMERALD TRL
Municipality FARMINGTON

Parcel Information	
Sale Date	Total Acres 0.22
Sale Value \$0.00	R/W Acres
Uses EXEMPT	Water Acres
	Plat DAKOTA COUNTY EST 2ND ADD
	Lot and Block 11 9
	Tax Description

2023 Building Characteristics (payable 2024)*					
Building Type	S.FAM.RES	Year Built	1986	Bedrooms	3
Building Style	SPLIT LEVEL	Foundation Sq Ft	876	Bathrooms	2.00
Frame	WOOD	Above Grade Sq Ft	876	Garage Sq Ft	440
Multiple Buildings		Finished Sq Ft	1,564	Other Garage	

Miscellaneous Information					
School District	Watershed District	Homestead	Green Acres	Ag Preserve	Open Space
192	VERMILLION RIVER	NON HOMESTEAD			

Assessor Valuation		
	Taxable	Estimated
2023 Land Values (payable 2024)	\$0.00	\$65,600.00
2023 Building Values (payable 2024)*	\$0.00	\$227,000.00
2023 Total Values (payable 2024)*	\$0.00	\$292,600.00
2022 Total Values (payable 2023)*	\$0.00	\$292,500.00

Property Tax Information		
Net Tax (payable 2023)	Special Assessments (2023)	Total Tax & Assessments (2023)
\$0.00	\$0.00	\$0.00

* Manufactured Homes Payable the Same Year as Assessment.

Disclaimer: Map and parcel data are believed to be accurate, but accuracy is not guaranteed. This is not a legal document and should not be substituted for a title search, appraisal, survey, or for zoning verification.

ATTACHMENT D: RFP TERMS AND CONDITIONS

All terms, conditions and requirements as set forth in this Request for Proposals are acceptable as specified therein. **Yes** **No**

If “**NO**”, please provide a detailed description and/or explanation of any deviation in your proposal from the specification detailed in the Request for Proposal with your proposal response.

By submission of this proposal, each respondent and each person signing on behalf of any respondent, and in the case of a joint proposal, each party thereto as to its own organization, under penalty of perjury, certifies to the best of its knowledge and belief:

- The prices in this proposal have been arrived at independently without collusion, consultation, communication or agreement, for the purpose of restricting competition, as to any matter relating to such prices with any other respondent of any competitor; and
- Unless otherwise required by law, the prices which have been quoted in this proposal have not been knowingly disclosed by the respondent prior to the opening, directly indirectly, to any other respondent or to any competitor; and
- No attempt has been made or will be made by the respondent to induce any other person, partnership or corporation to submit or not to submit a bid for the purpose of restricting competition.

The respondent certifies that this proposal is made without any connection with any other person making a proposal for the same purpose, and is in all respects fair and without collusion or fraud, and that no elected official or other officer or employee or person whose salary is payable in whole or in part from the Dakota County Community Development Agency is directly or indirectly interested therein, or in any portion of the profits thereof.

As an authorized representative of the identified company, I accept all the terms and conditions identified in Request for Proposal, except as identified.

Company Name and Address _____

Name and Title (please print or type) _____

Phone Number _____ **Email** _____

Signature _____ **Date** _____



Project Proposal

Realtor Services

Dakota County Community Development Agency



Huerkamp Home Group | Keller Williams Preferred Realty
MARCH 2024

Presented To
Lisa Alfson

Presented By
Colin Manson

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Introduction

Thank you for considering our proposal for Realtor Services related to the sale of five single-family homes owned by the Dakota County Community Development Agency (DCCDA).

Following our thorough review of the request, we have assembled a team of professionals with extensive expertise and experience in real estate and governmental affairs. Our comprehensive work plan is rooted in decades of hands-on experience working with buyers, sellers, and governmental entities on real estate transactions.

We recognize that potential buyers for the subject properties must meet Area Median Income Guidelines, the specifics of which are yet to be finalized, although we have referenced the 2023 limits for preliminary guidance.

Furthermore, we understand that this proposal may serve as a framework for potential sales of additional residential properties by the DCCDA over the next 24 months, beyond the initial five properties outlined in this request. We fully respect the DCCDA's prerogative to select the most suitable Offeror in alignment with its and the public's best interests, maintaining flexibility throughout the decision-making process.

Company Overview



23+

Years of operations

4

Offices statewide

200+

Active Agents

10,000's+

Homes Sold

Keller Williams Preferred Realty (KWPR), established in 2001 and headquartered in Burnsville, has emerged as the leading brokerage in Dakota County over its 23-year history. With a team of over 200 active real estate agents, KWPR has facilitated the sale of tens of thousands of homes, resulting in billions of dollars in sales volume. The Huerkamp Home Group (HHG) operates its real estate team within KWPR. Having sold over 2,700 home it shelf, HHG is dedicated to providing personalized, knowledgeable, and attentive service to all our clients, regardless of their background or financial situation.

Team Expertise

Our proposed team consists of seven individuals, each fulfilling distinct roles and bringing varied and unique expertise and experience. Together, we bring a wealth of experience and knowledge to every project.

Colin Manson Lead Agent

Leveraging his background as a professional civil engineer, Colin takes pride in serving as an advocate, educator, and advisor to his clients. With over two decades of experience in real estate design, development, investment, and sales, he possesses a unique skill set that allows him to prioritize these principles when guiding clients through the home buying, selling, or investing process.



Since 2018, Nicole has been a crucial member of the Huerkamp Home Group, serving as the Transaction Coordinator. Drawing on her extensive experience in mortgage loan processing, she brings invaluable expertise to real estate transactions, enabling her to skillfully guide clients through the process.

Nicole Kelly Transaction Coordination



With a passion for innovation and a commitment to continuous improvement, Denise is dedicated to finding creative solutions that drive operational success in the dynamic and competitive real estate industry. With nearly a decade of experience, her expertise make her an invaluable asset within the industry.

Denise Gaddo Operations and Marketing

Team Expertise



Jason Huerkamp
Senior Agent

As a Co-founder of the Huerkamp Home Group, Jason has played an integral role in its exponential growth since 2002, propelling it to prominence as one of Minnesota's foremost real estate teams. With a keen eye for investment opportunities, Jason enjoys sharing his expertise with others in the industry.



Brooke Huerkamp
Senior Agent

With over 20 years of experience as a licensed real estate agent, Brooke has earned a reputation as a trusted professional. Her expertise is further enhanced by firsthand experiences in building and selling numerous properties. In addition, Brooke is an expert in the sale of HUD homes with hundreds of transactions worth of experience.



Olivia Manson
Operating Principal

In 2012, Olivia assumed primary ownership of Keller Williams Preferred Realty. Under her leadership, the office expanded from 30 Realtors to over 200, and counting. In 2016, she added the role of CEO of HHG, overseeing hiring, coaching and leading the entire team.



Melissa Johnson
Broker of Record

As the Broker at Keller Williams Preferred Realty in Burnsville, Melissa heads a team of over 200 Realtors. She bolsters her leadership through teaching, mentoring, and policy management. Actively involved in Realtor Associations, she serves as Co-Chair of the Professional Standards Committee, providing valuable insights to the brokerage.



We want to make a positive impact on the world of real estate

Our approach includes providing an in-depth understanding of first-time home buyer financing and assistance programs, as well as meticulously vetting lenders to ensure thorough due diligence during the pre-approval process. We will guide buyers and sellers through the home inspection process to instill confidence in their purchase. This comprehensive approach ensures a successful closing for both parties.

Our team has successfully guided hundreds of first-time, low-income, and moderate-income buyers through their real estate transactions to a successful close. Presently, we are assisting dozens of buyers who fall within these parameters.

Our Approach



➤ Strategy

As a team, we possess the technological capability to convey information in the electronic format preferred by DCCDA, and our dedication lies in offering unparalleled service. We will diligently evaluate market research/data to advise on recommended sales or purchases, and meticulously analyze the market for the properties, particularly those with development, land use, or restrictive requirements. This effort will result in the appropriate sale strategy and marketing approach for each specific property

➤ Oversee

We'll oversee the coordination of all real estate transaction documents/processes with CDA staff and manage all standard activities associated with the transactions. We will act as representatives of the CDA in negotiations with prospective buyers throughout the preparation, marketing, and offer-to-close stages.

➤ Outcome

Timely presentation of all offers to the Dakota County CDA's Director of Community and Economic Development is one of our key responsibilities. We'll carefully assess offers from potential buyers and provide guidance to the CDA on negotiation strategies. If required, we will conduct presentations at public meetings and provide consultation services to Dakota County CDA staff.

Sales Process

In order to ensure a transparent process that is easily accessible to the public, it's essential to implement a structured timeline for marketing. We take pride in the following structure, which in our experience has consistently proven to be successful.

We highly recommend listing the properties on the Multiple Listing Service (MLS). We will syndicate all properties to thousands of proprietary websites, including prominent platforms such as Zillow, Trulia, Realtor.com, and Homes.com. To ensure maximum visibility, we invest in premium advertising on these leading sites to prioritize our listings at the top of search results.

Additionally, marketing efforts within KWPR will take place, providing access to qualified buyers through our extensive network of over 200 local agents. This comprehensive approach ensures broad exposure and attracts potential buyers from various channels.



Sales Process

➤ Timeline

The showing window will be 10-14 days in duration, with a one-week inspection period. DCCDA approvals will be obtained as required.

Our process allows for flexibility during slower market periods, as the showing window can be easily repeated if offers are not received. It also ensures that buyers have ample time to secure appropriate financing and allows for any issues found during a buyer's inspection to be identified and negotiated accordingly.



➤ Pre-Inspection

Should DCCDA opt to conduct a pre-inspection of the properties, several benefits may ensue. Firstly, any simple repairs that may have gone unnoticed, can be addressed before marketing begins. This preemptive approach reduces the likelihood of issues arising during a buyer's inspection and instills confidence in potential buyers. Additionally, it minimizes the risk of a buyer withdrawing from a contract due to unforeseen issues.

➤ Home Warranty

Offering a home warranty provides peace of mind, particularly to first-time or low-income buyers, by ensuring that major mechanical repairs would be covered during the warranty period.

Additional Services

We provide a comprehensive solution from the initial consultation to closing. With a dedicated team of real estate agents and licensed administrative partners, boasting a combined experience of 115 years and counting!

We take pride in serving as advisors, educators, and advocates within our community.



Lender Partners

We can assist with buyer financing through our network of trusted lender partners.

Title Company

Provide closing services through reputable title companies.

Home Inspection

Recommend home inspection services through trusted inspection companies.

Appraisal

Coordinate appraisals and assist in appraiser as appropriate.

Preferred Vendors

Access to our preferred vendors and contractors, saving valuable time and money.

Our Experience

Our team has gained extensive experience through involvement in hundreds of sales of HUD homes at the Federal level, as well as purchases and sales of homes for counties in Minnesota. A few of these notable local transactions include:



Multi-Family

Listing Side

910 Oliver Ave N, Minneapolis

We partnered with Hennepin County on a tax forfeited property being sold as-is. Throughout the process, we navigated buyer restrictions, managed the intricacies of taxes to be determined at a later date, and facilitated the buyer assumption special assessments exceeding over \$60,000.



Commercial

Buyer Side

3744 Cedar Ave S, Minneapolis

We facilitated the buyer's acquisition of the Hennepin County Tax Forfeited property, being sold as-is. Despite multiple offers, ours was the only one accepted, adhering to the county's procedures for a successful closing. We adeptly managed buyer restrictions and acted as the liaison between the buyer and the city assessor, particularly in regards to assuming special assessments totaling over \$40,000.



Single Family

Listing Side

3855 Emerson Ave N, Minneapolis

Single family home listing with Hennepin County Tax Forfeited Property being Sold As-Is. We coordinated the necessary restricted showing times and ensured that all showing requests were approved with a signed Hold Harmless & Mold Release forms. Additionally, we established an offer window for us to convey all offers for the county's review.

Our Experience

 **Lot's & Land**
Listing Side

413 Logan Avenue N, Minneapolis

Working with Hennepin County Tax Forfeited Property, this vacant land listing involved the buyer assuming special assessments. We addressed buyer restrictions and established an offer window to convey all offers for the county's review.

 **Lot's & Land**
Listing Side

1337 James Avenue N, Minneapolis

A Hennepin County Tax Forfeited Property, this vacant land listing involved the buyer assuming special assessments. We addressed buyer restrictions and established an offer window to convey all offers for the county's review.

During his former tenure as City Engineer for Apple Valley, Colin has been extensively involved in numerous property acquisitions and sales related to various infrastructure projects and housing developments. Additionally, while serving in this capacity, Colin worked directly with the DCCDA to address flooding issues occurring at a DCCDA residential property.



*Due to staffing changes, we currently do not have access to contact information for Hennepin County nor HUD.

Term | Fee Schedule

The fees outlined below will be honored for a 24-month period from the date of this proposal. These fees encompass various services provided by Huerkamp Home Group and are subject to the terms and conditions specified herein.

Commission

A 5% commission will be applied to the final sales price, with 2.5% of this commission shared in the event of involvement by a cooperating agent/broker. This commission structure is inclusive of the services outlined in the defined scope of work.

Pre-Inspection Coordination Fee

If the DCCDA chooses to pursue a property pre-inspection, an additional fee of \$650 will be incurred. This fee encompasses the coordination and facilitation of the inspection, including all necessary arrangements and administrative tasks.

Home Warranty Plan Reimbursement

When applicable the DCCDA's choice of home warranty plan will determine a direct reimbursable fee ranging from \$500 to \$700. This fee covers the reimbursement of expenses related to the selected home warranty plan.

Reimbursables Beyond Identified Scope

Any reimbursable expenses outside the scope of services outlined in this proposal will be invoiced at cost, plus an additional markup of 10%. This approach guarantees transparency and equitable pricing for any unexpected costs incurred throughout our collaboration. Hourly fees for administrative and marketing staff are \$50 per hour, and for all others, the rate is \$100 per hour.



Disclosures | Assurances

APPLICANT AUTHORITY

The signatory making representations in our submittal has the authority to do so and to bind the firm to a contract.

ERRORS AND OMISSIONS

KWPR maintains professional liability insurance coverage, including errors and omissions. Documentation of current insurance coverage and limits, including professional liability insurance, can be provided upon request.

CONFLICT OF INTEREST

Our team recognizes the importance of our client relationships and is committed to working with all our clients to minimize actual or perceived conflicts. In providing real estate services to thousands of clients, KWPR and HHG will occasionally represent clients with competing interests. We have successfully represented the best interests of all our clients by providing internal separation of the work performed. To avoid any concerns or appearance of impropriety, we will support the DCCDA and assist as requested.



HUERKAMP HOME GROUP

kw KELLERWILLIAMS.
PREFERRED REALTY

**For inquiries,
contact us.**

huerkamphomegroup.com
colin@hhgus.com
651.236.0688





Board of Commissioners

Request for Board Action

Meeting Date: May 22, 2024

Agenda #: 6B

DEPARTMENT: Finance

FILE TYPE: Regular - Informational

TITLE

Presentation Of The Proposed Budget And Plan For The Fiscal Year Ending June 30, 2025

PURPOSE/ACTION REQUESTED

Presentation of the Proposed Budget and Plan for the Fiscal Year Ending June 30, 2025

SUMMARY

The proposed operating budget for the fiscal year ending June 30, 2025 is a product of several months of work by the Executive Director, the Finance Department and the Department Directors and their staff. Staff believes the proposed budget allows the CDA to move towards meeting the affordable housing and community development goals of the agency while at the same time maintaining financial stability.

The budget was prepared to address the goals discussed in the Budget Message starting on page 1 of the accompanying Budget and Plan for the Fiscal Year Ending June 30, 2025.

Total revenue for annual budgeted programs is \$91.8 million which is a \$3.8 million increase from the \$88 million estimated in the current year. Budgeted expenditures are \$74.7 million which is a \$2.7 million decrease from the \$77.4 million estimated in the current year. Overall, the CDA continues to be in sound financial condition. The proposed budget projects an increase of \$17.1 million in consolidated budgetary fund balances.

RECOMMENDATION

No action is required. The budget will be submitted for adoption at the June 26, 2024 Board meeting.

ATTACHMENTS

Attachment A: Budget and Plan for the Fiscal Year Ending June 30, 2025

BOARD GOALS

- | | | |
|--|--|--|
| <input type="checkbox"/> Focused Housing Programs | <input type="checkbox"/> Collaboration | |
| <input type="checkbox"/> Development/Redevelopment | <input checked="" type="checkbox"/> Financial Sustainability | <input type="checkbox"/> Operational Effectiveness |

CONTACT

Department Head: Ken Bauer, Finance Director

Author: Ken Bauer

**DAKOTA COUNTY COMMUNITY
DEVELOPMENT AGENCY**

**BUDGET AND PLAN
FOR THE
FISCAL YEAR ENDING
JUNE 30, 2025**

**Dakota County CDA
1228 Town Centre Drive
Eagan, MN 55123
Telephone (651) 675-4400**

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May 22, 2024

Chair Slavik and Dakota County Community Development Agency (CDA) Commissioners:

I am pleased to submit for your consideration the annual operating budget for the fiscal year ending June 30, 2025 (FYE25). This budget request will allow the agency to continue to address the affordable housing and community development needs in Dakota County communities, while at the same time, maintain a high degree of financial stability for the CDA. This budget is the product of the input received from the Board during the March Budget Workshop and several months of work by the Executive Director, Finance Department, Department Directors, and their staff. This budget was prepared to address the following goals:

- **New Housing Development:** This budget reflects the continued pursuit of new CDA owned/managed affordable housing developments.
 - **Common Bond:** The CDA will not be starting construction on a new Common Bond funded development (senior housing and Gateway Place models) in this fiscal year but will continue to pursue acquisition of new sites and proceed with development plans on existing sites.
 - **Nicols Pointe:** This project, serving seniors age 55+ with a preference for Veterans, is funded through the County's ARPA allocation and construction will be completed this fall. As we process the waiting list for applicants, we expect that some residents will need rent assistance. We will return with a budget amendment when we have a better understanding of those costs.
 - **Family Workforce Housing:** We will continue to work on identifying parcels for potential future tax credit (9%) developments. We will be starting construction on Denmark Trail Townhomes in Farmington this spring. The outstanding debt obligations to Minnesota Housing and Family Housing Fund on our workforce townhome portfolio continue to mature. The budget anticipates our continued satisfaction of those debt obligations.
- **Support Private and Non-Profit New Affordable Housing Development:** This budget reflects and anticipates continued interest in the CDA's Tax Exempt Bond and Tax Credit (9%) allocations. These resources typically produce or preserve about 200 units of affordable housing per year.

- **Financial Sustainability & Staffing:** This budget continues the consideration of the long-term view of our revenues and costs and reflects an overall staffing capacity of 111.86 FTEs (a slight increase from our current budget's 110.93 FTEs).
- **Special Benefit Tax Levy Support:** The budget includes the 2024 levy level of 0.0156 percent of the estimated market value. This is less than the maximum available levy allowable to the CDA (0.0185). This ongoing tax authority provides debt service payments required by the Common Bond Fund, funding for the HOPE Program to provide gap financing for affordable housing and homebuyer/homeowner initiatives, funding for economic development (Open to Business, CEO Next and GREATER MSP), and assisting cities with redevelopment needs through the Redevelopment Incentive Grant program.
- **Addressing Hard to House Population Needs:** We continue to collaborate with Dakota County Community Services to address needs outlined in the Housing Business Plan. The proposed FYE25 budget reflects the collaboration with the County to administer a Family Voucher Program for households at Dakota Woodlands. We continue to maintain levy support for five households at Lincoln Place but are evaluating transitioning that property to Project Based Vouchers. The CDA continues to administer 40 Project Based Vouchers at Cahill Place in Inver Grove Heights. This budget does not currently reflect any of the anticipated future housing assistance dollars approved by the Legislature last session. We will bring back budget adjustments when we have more information on when those vouchers will become available.
- **Public Housing/Section 18 LLC:** So far, 34 units have been transitioned to Habitat for Humanity to provide affordable homeownership targeting households earning between 50-80% of Area Median Income. We have 203 units remaining in our public housing portfolio and staff will continue to reposition the balance of our units through the Section 18 process. The goal is to transition all of our units out of public housing to reduce regulatory burden and build new affordable housing using the sale proceeds.
- **Maintenance of CDA Properties:** The budget includes \$7.7 million in non-routine capital expenditures for our rental housing developments and our Eagan office. This has become an increasing large portion of the budget as our housing stock gets older. Annual updates of our financial forecasts projecting our capital needs for the next 20 years are reviewed each budget cycle to ensure that we're earmarking funds for current and future capital needs.

THE BUDGET IN BRIEF

Consistent with prior years, the accompanying operating budget excludes the Workforce Housing Limited Partnerships as these are separate legal entities with different fiscal year ends than the CDA and each have their own budgets and financial audits. After fifteen years, the Limited Partner exits the partnership and the CDA merges these entities into an LLC Fund, and they are then included in the CDA's operating budget.

The operating budget also excludes capital projects not financed with operating revenues and certain Federal or State grants that have grant periods that either do not coincide with the CDA's fiscal year or that run across multiple fiscal years. For these activities, the grant budget,

contract and grantor oversight provide the necessary control over the expenditure of these funds. Appendix D provides a projection of the revenues and expenses for these grants. This projection was used during the budgeting process to estimate staffing levels and the allocation of administrative costs.

Total revenue for annually budgeted funds is projected to be about \$91.8 million versus the almost \$88 million estimated in the current year for an increase of \$3.8 million or 4.3 percent. The largest sources of revenue in dollar terms are intergovernmental (grants) of \$33.2 million; rental revenue of \$28.7 million and taxes and tax increments of \$12.7 million. These three revenue sources account for almost 81.3% of all budgeted revenue. The HUD-funded Voucher program accounts for almost 94% of all grant revenue in the operating budget. Rental revenue is increasing by about 4.4%, which includes the opening of Nicols Pointe.

Budgeted expenses total \$74.7 million, which is a \$2.7 million decrease from the \$77.4 million estimated in the current year. The largest categories of expense in dollar terms are housing assistance payments (HAPs) of \$29.2 million; administrative expense of \$14.6 million, ordinary maintenance of \$8.1 million, capital/extraordinary maintenance of \$7.7 million and \$6.5 million of debt service. Housing assistance payments are increasing by almost \$1.5 million or primarily due to higher average housing assistance payments. Administrative and maintenance is increasing, in part, due to higher compensation costs. Capital/extraordinary maintenance was high in FYE 24, and some uncompleted projects may carry over to the FYE 25 budget. Debt service is down with fewer workforce housing loans maturing or being repaid and general expense which is primarily comprised of taxes, insurance and program costs are decreasing overall due to lower programmatic costs in the upcoming budget. Most of these programmatic costs are in the Housing Development & Renewal (HD&R) programs as well as the HOPE program and tax increment districts. Details regarding these expenses are provided in Appendix A on page 29 for the HD&R and HOPE programs and Appendix B on page 30 for the tax increment districts.

The proposed budget anticipates an increase in the CDA's budgetary fund balances of \$17.1 million for a total of almost \$220.5 million. Of this, \$81.2 million is attributable to the Real Estate Operations fund which holds retained earnings and revenue from the senior and workforce housing programs. These funds provide a reserve to meet the capital needs of these buildings as identified in the twenty-year capital projections. The housing assistance and rental properties have another \$88.4 million in budgetary fund balance. These balances are generally restricted by grantors (HUD or MHFA) or by debt covenants. The locally-financed HD&R, Levy and HOPE programs have \$37.6 million in budgetary fund balance and the tax increment districts have another \$13 million. The remaining fund balance is attributable to the HIA, office and technology funds.

In summary, the agency continues to be in sound financial condition because of its diversified funding streams. While we are certainly not immune to the ups and downs of Federal and State budget processes, we are much less impacted than most of our peers. This achievement is in no small part due to the support provided by the CDA and County Commissioners.

Respectfully submitted,



Tony Schertler
Executive Director

BUDGET PROCESS

BUDGET ADOPTION

The management of the Dakota County Community Development Agency submits a proposed operating budget to the Board of Commissioners no later than the third Tuesday each May. All operating funds are subject to the annual budget process with the exception of certain grant awards, which are subject to the grant contract limitations, and trust and agency funds. The fiscal year of the agency begins on July 1 and ends on June 30.

BUDGET CALENDAR

Important dates in the development of the budget are given below:

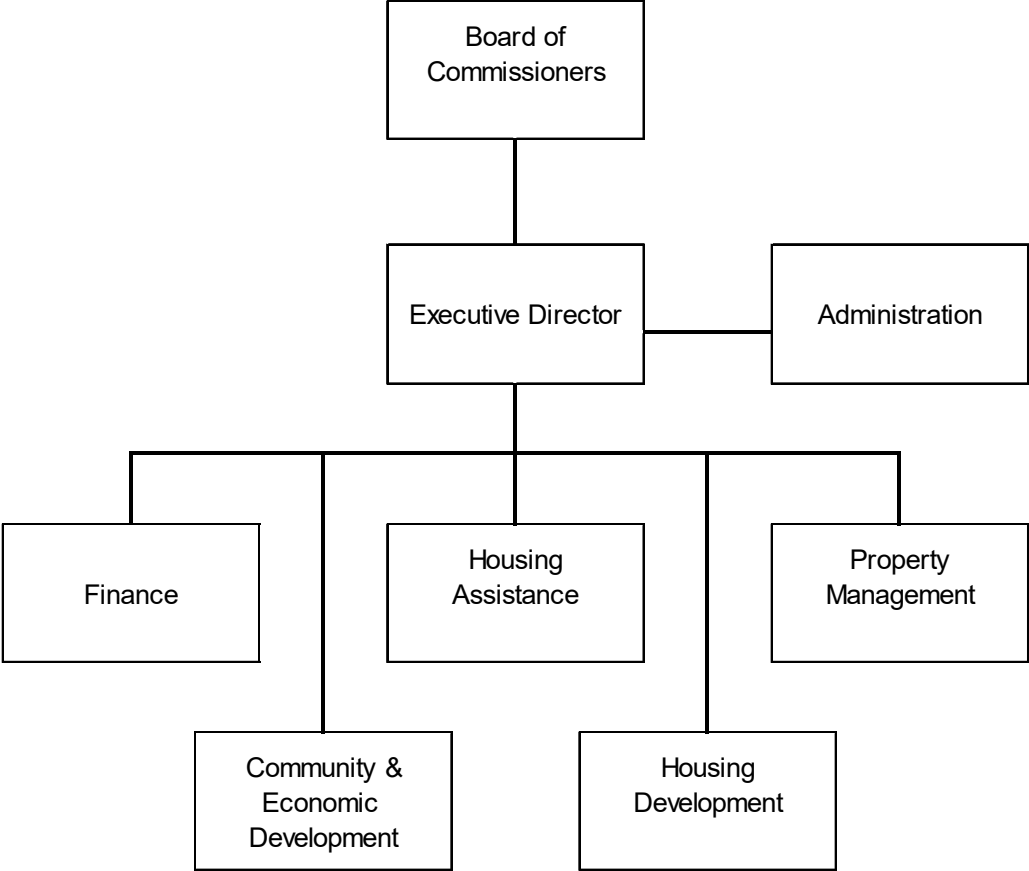
February 1 - 28	Budget estimate forms and instructions are distributed to each Department Head.
March 1 - 31	Departments prepare estimates of revenues and expenses for the next budget period. Completed budget estimates are submitted to the Finance Director.
April 1 - 30	The Executive Director and Finance Director meet with the departments to make a final determination on the amounts to be recommended to the Board of Commissioners. The proposed budget and the Executive Director's budget message are prepared.
May board meeting	The Executive Director and Department Heads present the recommended budget to the Board of Commissioners for their consideration and review. The budget is formally adopted by board resolution at either the May board meeting or the June board meeting.
June 30	The adopted budget is recorded in the accounting records.
July 1	The budget goes into effect.

OPERATING BUDGET POLICIES AND PROCEDURES

The development of the Dakota County Community Development Agency's budget is based on the following guidelines and policies:

- The primary budgetary objective is to provide the highest possible level of service without impairing the Agency's sound financial condition. Continual efforts will be made to improve productivity, lower costs, and enhance service.
- The budget should be balanced for each fund; total available resources should equal or exceed total anticipated expenses.
- The agency will avoid budgetary procedures that balance the current budget at the expense of meeting future years' obligations.
- The agency will maintain a budgetary control system to ensure adherence to the budget and will prepare regular reports comparing actual revenues & expenses to budgeted amounts.

ORGANIZATIONAL CHART

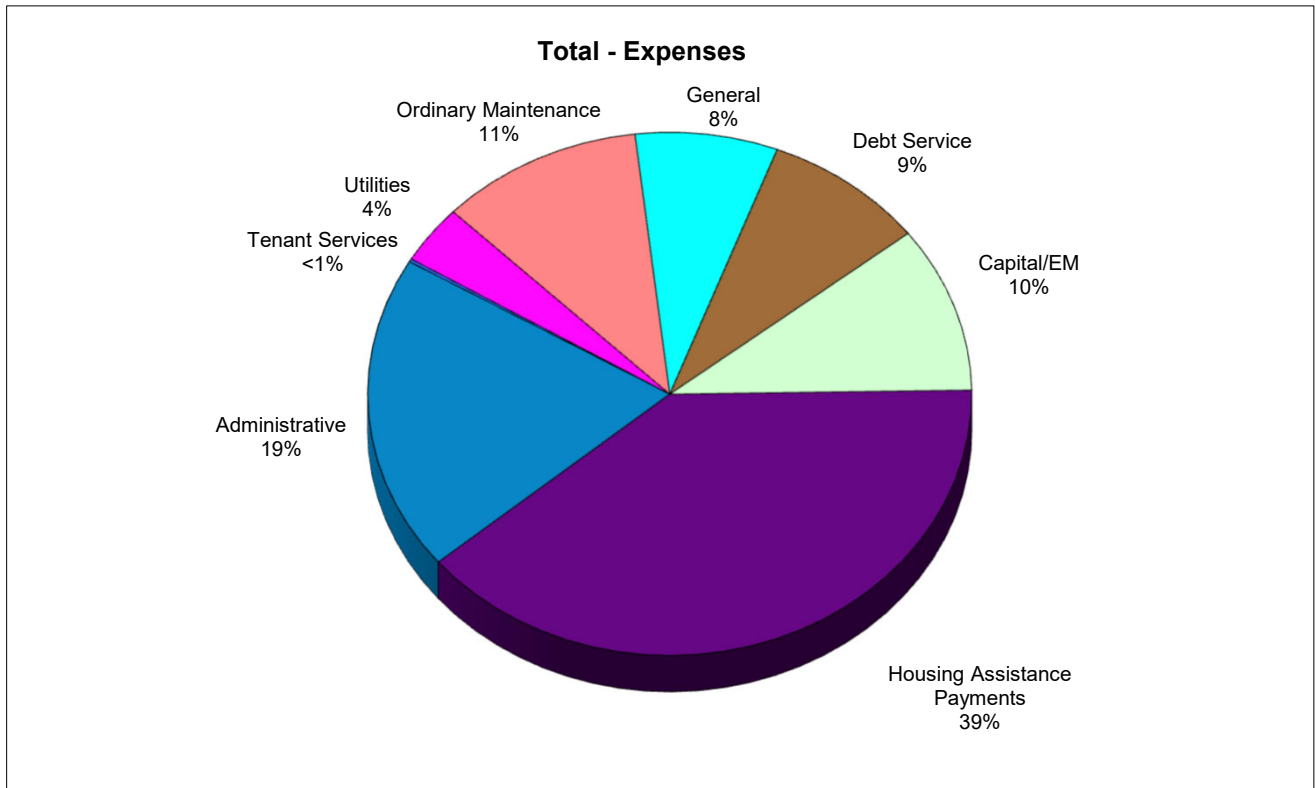
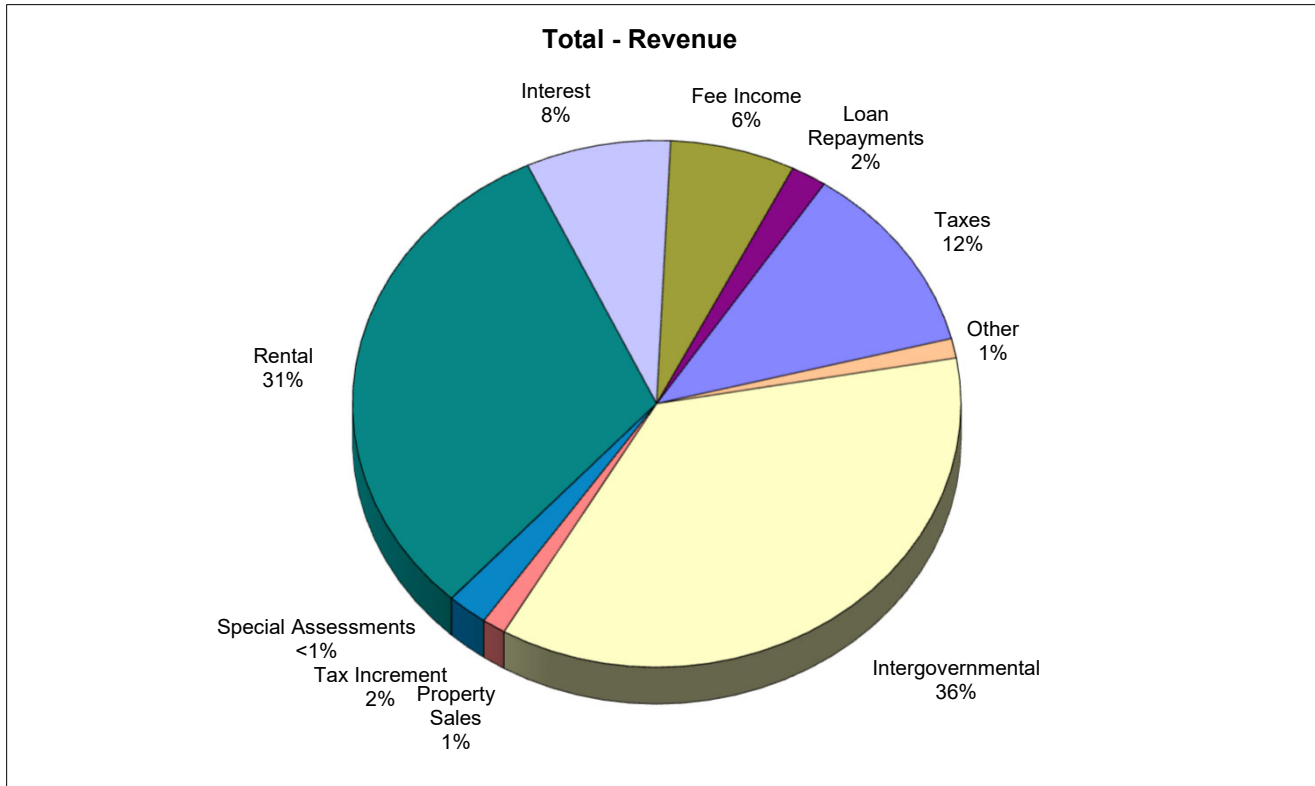


BUDGET SUMMARY

The fiscal year ending June 30, 2025, budget anticipates total revenues of \$91,798,090 and total expenses of \$74,664,448 for a net increase in budget balance of \$17,133,642.

	Actual FYE 2022	Actual FYE 2023	Estimated FYE 2024	Budget FYE 2025
REVENUE				
Intergovernmental	\$ 29,514,280	\$ 32,596,848	\$ 31,365,466	\$ 33,178,122
Taxes	8,792,811	9,252,584	9,267,253	10,773,670
Tax increment	2,024,036	1,835,069	1,908,266	1,975,519
Special assessments	81,744	37,339	20,163	16,938
Rental	25,202,048	25,677,178	27,465,506	28,676,604
Interest	550,122	4,787,932	7,618,225	7,082,311
Fee income	5,348,263	5,630,415	6,306,139	6,108,691
Loan repayments	1,993,161	1,432,414	2,522,028	1,738,185
Property sales	4,807,870	3,562,820	410,573	1,146,000
Other	1,105,816	1,634,234	1,105,173	1,102,050
	<u>79,420,151</u>	<u>86,446,833</u>	<u>87,988,792</u>	<u>91,798,090</u>
EXPENSE				
Administrative	11,101,747	11,662,770	13,457,685	14,601,843
Tenant services	218,849	165,269	131,863	138,057
Utilities	2,256,040	2,413,656	2,582,645	2,711,650
Ordinary maintenance	6,226,396	6,992,422	7,799,867	8,136,311
General	9,030,553	5,702,375	8,748,320	5,700,013
Housing assistance payments	25,630,460	28,392,366	27,735,548	29,218,747
Debt service	6,663,839	7,936,349	7,519,766	6,486,826
Capital/extraordinary maintenance	3,982,004	5,807,525	9,396,105	7,671,001
	<u>65,109,888</u>	<u>69,072,732</u>	<u>77,371,799</u>	<u>74,664,448</u>
Increase (decrease) in budget balance before transfers	14,310,263	17,374,101	10,616,993	17,133,642
TRANSFERS IN (OUT)	-	-	-	-
Increase (decrease) in budget balance	14,310,263	17,374,101	10,616,993	17,133,642
BEGINNING BUDGET BALANCE	158,081,316	174,160,105	191,872,476	203,343,941
LLC merger adjustment	1,768,526	338,270	854,472	-
ENDING BUDGET BALANCE	<u>\$ 174,160,105</u>	<u>\$ 191,872,476</u>	<u>\$ 203,343,941</u>	<u>\$ 220,477,583</u>

BUDGET SUMMARY - GRAPH



AUTHORIZED FULL-TIME POSITIONS

	Actual FYE 2023	Budget FYE 2024	Budget FYE 2025
ADMINISTRATION			
Executive Director	1.00	1.00	1.00
Director of Administration & Communications	1.00	1.00	1.00
Assistant Director of Administration	1.00	1.00	1.00
Human Resources Administrator	1.00	1.00	1.00
Network Administrator	1.00	1.00	1.00
Software/Network Manager	-	1.00	1.00
Administrative Coordinator	1.00	1.00	1.00
	6.00	7.00	7.00
COMMUNITY & ECONOMIC DEVELOPMENT			
Director of Community & Econ Dev	1.00	1.00	1.00
Assistant Director of Community & Econ Dev	1.00	1.00	1.00
Program Manager	1.00	1.00	1.00
Housing Finance Program Coordinator	1.00	1.00	1.00
CD Coordinator	1.00	1.00	1.00
Housing Rehab Coordinator	1.00	1.00	1.00
Housing Rehab Specialist	1.00	1.00	1.00
Weatherization Coordinator	1.00	1.00	1.00
Weatherization Specialist	0.63	2.00	2.00
Homeownership Specialist	2.00	2.00	2.00
Program Support Assistant	2.00	2.00	2.00
Summer Intern	-	-	0.10
	12.63	14.00	14.10
FINANCE			
Director of Finance	1.00	1.00	1.00
Assistant Director of Finance	1.00	1.00	1.00
Financial Analyst	-	-	1.00
Senior Accountant	3.00	3.00	3.00
Accountant	3.00	4.00	3.00
Accounting Specialist	2.00	2.00	2.00
	10.00	11.00	11.00
HOUSING DEVELOPMENT			
Deputy Executive Director	1.00	1.00	1.00
Capital Projects Manager	3.50	4.00	4.00
Real Estate Manager	1.00	1.00	1.00
Housing Finance Manager	-	-	0.75
	5.50	6.00	6.75

AUTHORIZED FULL-TIME POSITIONS – cont'd

	Actual FYE 2023	Budget FYE 2024	Budget FYE 2025
HOUSING ASSISTANCE			
Director of Housing Assistance	1.00	1.00	1.00
Assistant Director of Housing Assistance	1.00	1.00	1.00
Program Coordinator	1.80	1.80	1.80
Compliance and Landlord Relations Manager	1.00	1.00	1.00
Housing Specialist	8.58	8.75	9.75
Housing Stability Specialist	1.00	1.00	1.00
Housing Associate	0.88	2.00	2.00
HQS Inspector	0.83	0.25	0.25
Office Support Assistant	1.00	1.00	1.00
Limited Term Summer Intern	0.02	0.12	0.13
	<u>17.11</u>	<u>17.92</u>	<u>18.93</u>
PROPERTY MANAGEMENT			
Director of Property Management	1.00	1.00	1.00
Assistant Director of Property Management	1.00	1.00	1.00
Program Manager	1.00	1.00	1.00
Property Manager	8.50	9.00	9.00
Assistant Property Manager	6.00	6.00	6.00
Limited Term Assistant Property Manager	0.01	0.01	-
Program Support Assistant	2.75	2.00	2.00
Office Support Assistant	0.59	2.00	2.00
Limited Term Summer Intern	0.63	1.20	0.96
Maintenance Manager	1.00	1.00	1.00
Facilities Contract Mgr/Contract Services Mgr	1.08	1.00	1.00
Maintenance Technician III	1.00	1.00	1.00
Maintenance Technician II	2.00	2.00	2.00
Maintenance Technician I	12.21	13.00	13.00
Preventive Maintenance Tech	0.88	1.00	1.00
Limited Term Summer Maint Intern	0.09	0.40	0.22
Caretaker/Site Attendant	9.66	8.80	8.16
Relief Caretaker/Site Attendant	2.50	3.60	3.74
	<u>51.90</u>	<u>55.01</u>	<u>54.08</u>
TOTAL POSITIONS	<u>103.14</u>	<u>110.93</u>	<u>111.86</u>

HOUSING DEVELOPMENT & RENEWAL

Housing Development & Renewal (HD&R) is used to account for resources that are not legally obligated, or by sound financial management, required to be accounted for in another program. Some of the programs in HD&R include the first-time homebuyer program, conduit debt financing, low-income housing tax credit sub allocator, land acquisition, limited partner financing, economic development, and redevelopment incentive grants.

Revenues consist primarily of loan repayments and property sales. Expenses relate to HD&R activities, first-time homebuyer program, economic development, redevelopment incentive grant and land banking. Transfers in of \$1,041,804 are from Levy to fund the general expenses of economic development and redevelopment incentive grant. Transfers out are \$1,063,665 for Workforce Housing LLC debt service payments and \$175,000 for capital/extraordinary maintenance expenses for Workforce Housing LLC – Erin Place.

The projected budget balance of \$19,351,038 is designated for future housing, development & renewal activities. A further breakdown of locally funded housing and community development programs is provided in Appendix A.

	Actual FYE 2022	Actual FYE 2023	Estimated FYE 2024	Budget FYE 2025
REVENUE				
Intergovernmental	\$ 363,191	\$ 500,000	\$ 126,149	\$ 150,000
Interest	(314)	104,372	142,748	100,000
Fee Income	597,727	582,510	922,727	663,168
Loan repayments	1,601,776	1,369,395	1,524,412	1,713,185
Property sales	-	-	410,573	1,146,000
Other	49,256	147,254	3,000	-
	<u>2,611,636</u>	<u>2,703,531</u>	<u>3,129,609</u>	<u>3,772,353</u>
EXPENSE				
Administrative	647,407	704,091	847,545	881,453
Utilities	308	892	350	350
Ordinary maintenance	15,433	12,250	39,563	27,385
General	3,131,180	1,445,265	853,513	1,042,825
Capital expenditures	412,732	1,061,845	788,017	-
	<u>4,207,060</u>	<u>3,224,343</u>	<u>2,528,988</u>	<u>1,952,013</u>
Increase (decrease) in budget balance before transfers	(1,595,424)	(520,812)	600,621	1,820,340
TRANSFERS IN (OUT)	<u>(1,735,974)</u>	<u>8,848</u>	<u>294,175</u>	<u>(196,861)</u>
Increase (decrease) in budget balance	(3,331,398)	(511,964)	894,796	1,623,479
BEGINNING BUDGET BALANCE	<u>20,676,125</u>	<u>17,344,727</u>	<u>16,832,763</u>	<u>17,727,559</u>
ENDING BUDGET BALANCE	<u>\$ 17,344,727</u>	<u>\$ 16,832,763</u>	<u>\$ 17,727,559</u>	<u>\$ 19,351,038</u>

HOUSING DEVELOPMENT & RENEWAL - EXPENSES

	Actual FYE 2022	Actual FYE 2023	Estimated FYE 2024	Budget FYE 2025
ADMINISTRATION				
Administrative				
Administrative	\$ 143,457	\$ 151,413	\$ 174,525	\$ 181,119
COMMUNITY & ECONOMIC DEV				
Administrative				
Administrative	329,943	356,466	393,289	388,883
General	2,750,000	500,000	-	-
	<u>3,079,943</u>	<u>856,466</u>	<u>393,289</u>	<u>388,883</u>
First-time homebuyer program				
Administrative	17,997	9,335	1,020	-
General	12,280	2,882	2,300	-
	<u>30,277</u>	<u>12,217</u>	<u>3,320</u>	<u>-</u>
Economic development				
Administrative	50,514	47,182	72,236	79,015
General	93,434	264,309	240,500	247,500
	<u>143,948</u>	<u>311,491</u>	<u>312,736</u>	<u>326,515</u>
Redevelopment incentive grant				
Administrative	10,580	6,652	37,439	40,289
General	237,555	-	500,000	675,000
	<u>248,135</u>	<u>6,652</u>	<u>537,439</u>	<u>715,289</u>
Local weatherization				
Administrative	6,598	737	13,108	31,502
General	37,632	129,561	110,388	120,000
	<u>44,230</u>	<u>130,298</u>	<u>123,496</u>	<u>151,502</u>
	<u>3,546,533</u>	<u>1,317,124</u>	<u>1,370,280</u>	<u>1,582,189</u>
HOUSING DEVELOPMENT				
Administrative				
Administrative	28,096	43,872	66,702	71,699
Land banking				
Administrative	60,156	88,088	88,233	87,925
General	-	547,904	-	-
Capital expenditures	412,732	1,061,845	788,017	-
	<u>472,888</u>	<u>1,697,837</u>	<u>876,250</u>	<u>87,925</u>
	<u>500,984</u>	<u>1,741,709</u>	<u>942,952</u>	<u>159,624</u>
PROPERTY MANAGEMENT				
Land holding costs				
Administrative	66	346	993	1,021
Utilities	308	892	350	350
Ordinary maintenance	15,433	12,250	39,563	27,385
General	279	609	325	325
	<u>16,086</u>	<u>14,097</u>	<u>41,231</u>	<u>29,081</u>
	<u>\$ 4,207,060</u>	<u>\$ 3,224,343</u>	<u>\$ 2,528,988</u>	<u>\$ 1,952,013</u>

REAL ESTATE OPERATIONS

Real Estate Operations (REO) is used to account for resources that are not legally obligated, or by sound financial management, required to be accounted for in another fund. Some of the programs in REO include construction management, property management, capital/extraordinary maintenance management, asset management, partnership management and to hold funds released from rental financing structures.

Revenues consist primarily of management fees generated from the rental properties. Expenses are for the development and management of these rental properties.

The projected budget balance of \$81,230,193 is designated for future real estate operations activities.

	Actual FYE 2022	Actual FYE 2023	Estimated FYE 2024	Budget FYE 2025
REVENUE				
Fee Income	\$ 4,301,007	\$ 4,516,803	\$ 4,816,716	\$ 4,873,105
Interest	440,401	1,713,664	3,760,820	3,400,000
Other	75,583	35,188	41,066	47,327
	<u>4,816,991</u>	<u>6,265,655</u>	<u>8,618,602</u>	<u>8,320,432</u>
EXPENSE				
Administrative	2,444,353	2,492,582	3,173,714	3,712,080
Ordinary maintenance	18,347	29,814	25,999	27,838
General	2,460,326	13,211	17,000	18,000
Capital/extraordinary maintenance	-	-	106,419	-
	<u>4,923,026</u>	<u>2,535,607</u>	<u>3,323,132</u>	<u>3,757,918</u>
Increase (decrease) in budget balance before transfers	(106,035)	3,730,048	5,295,470	4,562,514
TRANSFERS IN (OUT)	<u>61,902</u>	<u>-</u>	<u>(40,000)</u>	<u>-</u>
Increase (decrease) in budget balance	(44,133)	3,730,048	5,255,470	4,562,514
BEGINNING BUDGET BALANCE	<u>67,726,294</u>	<u>67,682,161</u>	<u>71,412,209</u>	<u>76,667,679</u>
ENDING BUDGET BALANCE	<u>\$67,682,161</u>	<u>\$71,412,209</u>	<u>\$76,667,679</u>	<u>\$81,230,193</u>

REAL ESTATE OPERATIONS – EXPENSES

	Actual FYE 2022	Actual FYE 2023	Estimated FYE 2024	Budget FYE 2025
ADMINISTRATION				
Administrative				
Administrative	\$ 1,021,797	\$ 926,162	\$ 1,114,165	\$ 1,061,340
Indirect cost allocation	(1,021,797)	(926,162)	(1,114,165)	(1,061,340)
	-	-	-	-
Property management				
Administrative	61,641	97,490	141,429	168,685
General	412	-	2,000	3,000
	62,053	97,490	143,429	171,685
	62,053	97,490	143,429	171,685
FINANCE				
Administrative				
Administrative	1,143,813	1,188,584	1,278,645	1,420,169
Indirect cost allocation	(1,143,813)	(1,188,584)	(1,278,645)	(1,420,169)
	-	-	-	-
Property management				
Administrative	898	3,296	12,585	81,275
	898	3,296	12,585	81,275
NONDEPARTMENTAL				
Administrative	32,197	34,652	31,256	35,615
General	2,454,870	22,974	24,001	25,000
Capital/extraordinary maint.	-	-	106,419	-
	2,487,067	57,626	161,676	60,615
Indirect cost allocation	(55,557)	(57,626)	(55,257)	(60,615)
	2,431,510	-	106,419	-
HOUSING DEVELOPMENT				
Administrative				
Administrative	215,134	169,693	234,553	437,733
General	28,404	13,211	15,000	15,000
	243,538	182,904	249,553	452,733
Common Bond development				
Administrative	61,902	2,305	54,311	34,104
Workforce development				
Administrative	-	-	16,760	68,967
EM management				
Administrative	506,268	592,447	614,294	665,629
	811,708	777,656	934,918	1,221,433

REAL ESTATE OPERATIONS – EXPENSES – cont’d

	Actual FYE 2022	Actual FYE 2023	Budget FYE 2024	Budget FYE 2025
PROPERTY MANAGEMENT				
Common Bond pre-leasing				
Administrative	52,017	-	-	16,776
Workforce pre-leasing				
Administrative	-	-	-	10,066
Property management				
Administrative	1,546,493	1,627,351	2,099,782	2,228,845
Ordinary maintenance	18,347	29,814	25,999	27,838
	<u>1,564,840</u>	<u>1,657,165</u>	<u>2,125,781</u>	<u>2,256,683</u>
	1,616,857	1,657,165	2,125,781	2,283,525
	<u>\$ 4,923,026</u>	<u>\$ 2,535,607</u>	<u>\$ 3,323,132</u>	<u>\$ 3,757,918</u>

HIA LOANS

HIA Loans accounts for the receipt and expenditure of resources established by two Housing Improvement Areas (HIA). The first was the Niakwa Village Second Addition HIA in May 2014 and the second was the Town Homes at Wildwood Pond HIA in June 2014. For each HIA, the CDA entered into a development fee with the respective homeowner association to fund housing improvements using Housing Development & Renewal Fund and HOPE Fund resources which will be repaid through the imposition of Housing Improvement Fees (special assessments) against the homeowners.

Budgeted revenues consist exclusively of special assessments. Budgeted expenses are comprised of administrative and interest costs that are associated with the Housing Improvement Areas.

The projected budget balance of (\$36,309) represents expenses that will be repaid through the imposition of special assessments.

	Actual FYE 2022	Actual FYE 2023	Estimated FYE 2024	Budget FYE 2025
REVENUE				
Special Assessments	\$ 81,744	\$ 37,339	\$ 20,163	\$ 16,938
EXPENSE				
Administrative	965	845	1,108	1,161
General	7,504	5,588	4,659	3,538
	<u>8,469</u>	<u>6,433</u>	<u>5,767</u>	<u>4,699</u>
Increase (decrease) in budget balance before transfers	73,275	30,906	14,396	12,239
TRANSFERS IN (OUT)	-	-	-	-
Increase (decrease) in budget balance	73,275	30,906	14,396	12,239
BEGINNING BUDGET BALANCE	(167,125)	(93,850)	(62,944)	(48,548)
ENDING BUDGET BALANCE	<u>\$ (93,850)</u>	<u>\$ (62,944)</u>	<u>\$ (48,548)</u>	<u>\$ (36,309)</u>

HOPE

HOPE accounts for the receipt and expenditure of resources dedicated towards the Housing Opportunities Enhancement Fund. Revenues consist of loan repayments and interest revenue. Expenses are for the development, acquisition and rehabilitation, and acquisition and preservation of multifamily rental and single-family homeownership housing within Dakota County. Transfers in consist of the tax revenues collected in Levy.

The projected budget balance of \$4,630,645 is restricted for future HOPE-related expenses. A further breakdown of locally funded housing and community development programs is provided in Appendix A.

	Actual FYE 2022	Actual FYE 2023	Estimated FYE 2024	Budget FYE 2025
REVENUE				
Interest	\$ 8,263	\$ 181,966	\$ 262,967	\$ 210,575
Loan repayments	352,859	63,019	72,616	25,000
Other	18,630	16,500	19,900	10,000
	<u>379,752</u>	<u>261,485</u>	<u>355,483</u>	<u>245,575</u>
EXPENSE				
Administrative	19,144	26,676	82,179	101,411
General	831,767	1,090,020	3,476,527	1,285,060
	<u>850,911</u>	<u>1,116,696</u>	<u>3,558,706</u>	<u>1,386,471</u>
Increase (decrease) in budget balance before transfers	(471,159)	(855,211)	(3,203,223)	(1,140,896)
TRANSFERS IN (OUT)	<u>575,000</u>	<u>1,500,000</u>	<u>1,500,000</u>	<u>1,500,000</u>
Increase (decrease) in budget balance	103,841	644,789	(1,703,223)	359,104
BEGINNING BUDGET BALANCE	<u>5,226,134</u>	<u>5,329,975</u>	<u>5,974,764</u>	<u>4,271,541</u>
ENDING BUDGET BALANCE	<u>\$ 5,329,975</u>	<u>\$ 5,974,764</u>	<u>\$ 4,271,541</u>	<u>\$ 4,630,645</u>

LEVY

Levy accounts for the receipt and expenditure of the Agency's tax levy. Revenues consist primarily of tax receipts and interest income. Expenses are restricted for senior housing development and rental subsidies. Transfers out consist of debt service payments of \$5,600,000 pledged towards bonds issued to finance the construction of senior housing developments, \$2,541,804 of tax revenue collected for the HOPE Fund & Housing Redevelopment & Renewal and housing assistance of \$57,308 for Lincoln Place.

The projected budget balance of \$13,655,923 is designated for future levy-supported expenses. A further breakdown of locally funded housing and community development programs is provided in Appendix A.

	Actual FYE 2022	Actual FYE 2023	Estimated FYE 2024	Budget FYE 2025
REVENUE				
Taxes	\$ 8,792,811	\$ 9,252,584	\$ 9,267,253	\$ 10,773,670
Intergovernmental	-	13,723	10,903	12,815
Interest	10,113	333,318	462,893	521,014
	<u>8,802,924</u>	<u>9,599,625</u>	<u>9,741,049</u>	<u>11,307,499</u>
EXPENSE				
Capital outlay	<u>262,468</u>	-	-	-
Increase (decrease) in budget balance before transfers	8,540,456	9,599,625	9,741,049	11,307,499
TRANSFERS IN (OUT)	<u>(6,827,799)</u>	<u>(7,469,523)</u>	<u>(8,002,479)</u>	<u>(8,199,112)</u>
Increase (decrease) in budget balance	1,712,657	2,130,102	1,738,570	3,108,387
BEGINNING BUDGET BALANCE	<u>4,966,207</u>	<u>6,678,864</u>	<u>8,808,966</u>	<u>10,547,536</u>
ENDING BUDGET BALANCE	<u>\$ 6,678,864</u>	<u>\$ 8,808,966</u>	<u>\$ 10,547,536</u>	<u>\$ 13,655,923</u>

TAX INCREMENT FINANCING

Tax Increment Financing accounts for the receipt and expense of tax increment revenues across 9 tax increment districts. Revenues consist primarily of tax increment receipts, interest income and loan repayments. Expenses are for administration and housing and redevelopment expenses that are consistent with State law. A further breakdown of expenses and transfers by district is provided in Appendix B.

The projected budget balance of \$13,016,399 is restricted by tax increment district for future TIF-related expenses. A breakdown of this budget balance by district is provided in Appendix B.

	Actual FYE 2022	Actual FYE 2023	Estimated FYE 2024	Budget FYE 2025
REVENUE				
Tax increment	\$ 2,024,036	\$ 1,835,069	\$ 1,908,266	\$ 1,975,519
Interest	15,944	409,134	588,579	550,279
Loan repayments	38,526	-	925,000	-
	<u>2,078,506</u>	<u>2,244,203</u>	<u>3,421,845</u>	<u>2,525,798</u>
EXPENSE				
Administrative	37,646	44,337	71,854	79,159
General	152,128	126,168	1,378,214	190,566
Capital outlay	279,862	102,294	473,032	-
	<u>469,636</u>	<u>272,799</u>	<u>1,923,100</u>	<u>269,725</u>
Increase (decrease) in budget balance before transfers	1,608,870	1,971,404	1,498,745	2,256,073
TRANSFERS IN (OUT)	<u>(83,825)</u>	<u>(313,519)</u>	<u>(990,090)</u>	<u>(1,789,000)</u>
Increase (decrease) in budget balance	1,525,045	1,657,885	508,655	467,073
BEGINNING BUDGET BALANCE	8,857,741	10,382,786	12,040,671	12,549,326
ENDING BUDGET BALANCE	<u>\$ 10,382,786</u>	<u>\$ 12,040,671</u>	<u>\$ 12,549,326</u>	<u>\$ 13,016,399</u>

COMMON BOND HOUSING

Common Bond Housing accounts for the operation of the CDA's bond financed developments. Revenues consist primarily of user charges to tenants and interest earned on operating and CDA-held reserve accounts. Expenses are for the administration, operation and financing of these developments. Capital/extraordinary maintenance expenses for the budget year are shown in Appendix C. Transfers in consist of debt service payments and capital/extraordinary maintenance expenses from TIF for District 8, 9, & 11.

The projected budget balance of \$46,337,888 includes an operating reserve and a repair and replacement reserve. The entire budget balance is restricted by the bond indenture for program related expenses.

	Actual FYE 2022	Actual FYE 2023	Estimated FYE 2024	Budget FYE 2025
REVENUE				
Rental	\$ 17,104,925	\$ 17,440,863	\$ 18,270,267	\$ 18,968,710
Interest	55,294	1,567,689	1,635,000	1,635,000
Fee income	101,087	136,225	112,735	99,181
Other	110,896	614,703	17,726	17,844
	<u>17,372,202</u>	<u>19,759,480</u>	<u>20,035,728</u>	<u>20,720,735</u>
EXPENSE				
Administrative	3,287,921	3,509,263	3,732,477	3,850,945
Tenant services	100,404	53,649	-	-
Utilities	1,578,624	1,678,348	1,820,803	1,893,635
Ordinary maintenance	3,866,529	4,326,328	4,819,766	5,034,638
General	1,475,318	1,800,267	1,812,872	1,885,387
Debt service (paid to Trust)	6,319,232	6,239,894	6,290,663	5,803,694
Capital/extraordinary maintenance	2,487,290	3,407,734	6,696,358	4,758,183
	<u>19,115,318</u>	<u>21,015,483</u>	<u>25,172,939</u>	<u>23,226,482</u>
Increase (decrease) in budget balance before transfers	(1,743,116)	(1,256,003)	(5,137,211)	(2,505,747)
TRANSFERS IN (OUT)	<u>5,621,923</u>	<u>5,913,519</u>	<u>6,520,090</u>	<u>6,389,000</u>
Increase (decrease) in budget balance	3,878,807	4,657,516	1,382,879	3,883,253
BEGINNING BUDGET BALANCE	<u>32,535,433</u>	<u>36,414,240</u>	<u>41,071,756</u>	<u>42,454,635</u>
ENDING BUDGET BALANCE	<u>\$ 36,414,240</u>	<u>\$ 41,071,756</u>	<u>\$ 42,454,635</u>	<u>\$ 46,337,888</u>
AVERAGE UNITS PER MONTH	1,767	1,767	1,785	1,785

HOUSING ASSISTANCE

Housing Assistance acts as a roll-up for several grant and levy-funded housing assistance payments funds. HUD-funded grants include the Section 8 Housing Choice Voucher (HCV) fund which also includes the Family Unification Fund (FUP) and Veterans' Affairs Supportive Housing (VASH) as well as the Mainstream Program, and Emergency Housing Vouchers (EHV). MHFA-funded grants include Bridges, and the Housing Trust Fund grants. Levy funds are used to support Lincoln Place and other locally funded initiatives.

Revenues consist primarily of grant reimbursements to the CDA for housing assistance payments made on behalf of qualified fund participants and administrative fees earned or administrative costs reimbursed. Expenses are for housing assistance payments and related fund administrative costs. Transfers in are from Levy are to fund the housing assistance payments and administrative costs for the locally funded initiatives. Transfers out consist of capital/extraordinary maintenance expenses for the CDA Office Building.

The projected budget balance of \$4,707,636 is restricted by HUD.

	Actual FYE 2022	Actual FYE 2023	Estimated FYE 2024	Budget FYE 2025
REVENUE				
Intergovernmental	\$ 28,367,582	\$ 31,607,799	\$ 30,850,003	\$ 32,632,376
Interest	5,551	151,675	300,000	250,000
Fee income	130,365	156,770	198,253	253,754
Other	118,227	117,762	120,000	110,000
	<u>28,621,725</u>	<u>32,034,006</u>	<u>31,468,256</u>	<u>33,246,130</u>
EXPENSE				
Administrative	2,754,652	2,899,951	3,145,358	3,406,459
Tenant services	8,449	6,622	18,863	18,537
Housing assistance payments	25,630,460	28,392,366	27,735,548	29,218,747
	<u>28,393,561</u>	<u>31,298,939</u>	<u>30,899,769</u>	<u>32,643,743</u>
Increase (decrease) in budget balance before transfers	228,164	735,067	568,487	602,387
TRANSFERS IN (OUT)	<u>260,714</u>	<u>51,380</u>	<u>52,304</u>	<u>(409,692)</u>
Increase (decrease) in budget balance	488,878	786,447	620,791	192,695
BEGINNING BUDGET BALANCE	<u>2,618,825</u>	<u>3,107,703</u>	<u>3,894,150</u>	<u>4,514,941</u>
ENDING BUDGET BALANCE	<u>\$ 3,107,703</u>	<u>\$ 3,894,150</u>	<u>\$ 4,514,941</u>	<u>\$ 4,707,636</u>
AVERAGE UNITS PER MONTH	2,804	2,922	2,854	2,911

NICOLS POINTE

Nicols Pointe is used to account for the operation of a 24-unit development in Eagan which includes affordable housing for seniors with a preference for Veterans. The building is scheduled to open in August 2024.

Revenues consist of rents charged to tenants and interest earned on operating and CDA-held reserve accounts. Expenses are for the administration and operation of this development.

The projected budget balance of -\$4,808 is expected to be used for future operating and capital costs for the development.

	Actual FYE 2022	Actual FYE 2023	Estimated FYE 2024	Budget FYE 2025
REVENUE				
Rental	\$ -	\$ -	\$ -	\$ 163,000
Interest	-	-	-	3,510
Fee income	-	-	-	6,600
Other	-	-	-	900
	-	-	-	174,010
EXPENSE				
Administrative	-	-	-	43,932
Utilities	-	-	-	27,500
Ordinary maintenance	-	-	-	86,286
General	-	-	-	21,100
Capital/extraordinary maintenance	-	-	-	-
	-	-	-	178,818
Increase (decrease) in budget balance before transfers	-	-	-	(4,808)
TRANSFERS IN (OUT)	-	-	-	-
Increase (decrease) in budget balance	-	-	-	(4,808)
BEGINNING BUDGET BALANCE	-	-	-	-
ENDING BUDGET BALANCE	\$ -	\$ -	\$ -	\$ (4,808)
AVERAGE UNITS PER MONTH	-	-	-	20

PUBLIC HOUSING

Public Housing Fund is used to account for the operation of the federally funded Public Housing fund. Revenues consist primarily of user charges to tenants and federal subsidy from the U.S. Department of Housing and Urban Development (HUD). Expenses are for the administration of the fund and the operating costs related to the housing projects.

The projected budget balance of \$7,769,541 is restricted by HUD to be used for Public Housing related expenses.

	Actual FYE 2022	Actual FYE 2023	Estimated FYE 2024	Budget FYE 2025
REVENUE				
Rental	\$ 1,373,332	\$ 1,340,486	\$ 1,433,881	\$ 1,462,581
Intergovernmental	633,507	325,326	228,411	232,931
Interest	10,066	243,719	387,840	327,605
Fee income	54,070	50,981	53,397	43,667
Other	9,750	13,307	9,317	9,353
	<u>2,080,725</u>	<u>1,973,819</u>	<u>2,112,846</u>	<u>2,076,137</u>
EXPENSE				
Administrative	279,950	321,386	376,995	393,358
Tenant services	9,996	4,998	13,000	13,520
Utilities	174,373	179,243	178,843	187,786
Ordinary maintenance	655,680	790,337	737,312	727,507
General	222,119	283,297	284,981	296,380
Capital/extraordinary maintenance	1,851	(3,562)	70,000	-
	<u>1,343,969</u>	<u>1,575,699</u>	<u>1,661,131</u>	<u>1,618,551</u>
Increase (decrease) in budget balance before transfers	736,756	398,120	451,715	457,586
TRANSFERS IN (OUT)	-	-	70,000	-
Increase (decrease) in budget balance	736,756	398,120	521,715	457,586
BEGINNING BUDGET BALANCE	5,655,364	6,392,120	6,790,240	7,311,955
ENDING BUDGET BALANCE	<u>\$ 6,392,120</u>	<u>\$ 6,790,240</u>	<u>\$ 7,311,955</u>	<u>\$ 7,769,541</u>
AVERAGE UNITS PER MONTH	203	203	203	203

SECTION 18 LLC

Section 18 LLC is used to account for the operation of housing units that were released from the Public Housing program through a Section 18 disposition. These units no longer receive any Public Housing operating subsidy or capital funding. Revenues consist primarily of user charges to tenants and housing assistance payments from the U.S. Department of Housing and Urban Development (HUD). Expenses are for the operating and capital costs related to the housing units. Capital/extraordinary maintenance expenses for the budget year are shown in Appendix C.

The projected budget balance of \$14,085,391 is restricted for future operating and capital costs associated with these former Public Housing units.

	Actual FYE 2022	Actual FYE 2023	Estimated FYE 2024	Budget FYE 2025
REVENUE				
Rental	\$ 1,901,301	\$ 1,644,121	\$ 2,028,043	\$ 2,088,884
Fee income	35,573	47,169	32,881	32,381
Property sales	4,807,870	3,562,820	-	-
Other	2,434	953	2,123	2,123
	<u>6,747,178</u>	<u>5,255,063</u>	<u>2,063,047</u>	<u>2,123,388</u>
EXPENSE				
Administrative	223,526	198,732	182,860	189,517
Utilities	90,272	75,844	85,912	90,208
Ordinary maintenance	257,358	303,247	297,859	280,760
General	227,088	172,073	205,470	213,688
Capital/extraordinary maintenance	7,400	-	-	198,000
	<u>805,644</u>	<u>749,896</u>	<u>772,101</u>	<u>972,173</u>
Increase (decrease) in budget balance before transfers	5,941,534	4,505,167	1,290,946	1,151,215
TRANSFERS IN (OUT)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Increase (decrease) in budget balance	5,941,534	4,505,167	1,290,946	1,151,215
BEGINNING BUDGET BALANCE	1,196,529	7,138,063	11,643,230	12,934,176
ENDING BUDGET BALANCE	<u>\$ 7,138,063</u>	<u>\$ 11,643,230</u>	<u>\$ 12,934,176</u>	<u>\$ 14,085,391</u>
AVERAGE UNITS PER MONTH	100	86	85	85

WORKFORCE HOUSING LLC

Workforce Housing LLC is used to account for the operation of townhome developments which were previously operated as separate entities owned by limited partnerships in which the CDA was the general partner.

This fund includes 12 townhome developments wholly owned by the CDA in the FYE 2025 budget. Revenues consist of rents charged to tenants. Expenses are the operating, capital and debt service costs related to the housing projects. Capital/extraordinary maintenance expenses for the budget year are shown in Appendix C. Transfers in consist of a Spruce Pointe debt service payment from Housing Development & Renewal and capital/extraordinary maintenance expenses from TIF for District 9 & 13 and Housing Development & Renewal.

The projected budget balance of \$8,500,865 includes the development's operating and repair and replacement reserves. The entire budget balance is expected to be used for townhome related expenses.

	Actual FYE 2022	Actual FYE 2023	Estimated FYE 2024	Budget FYE 2025
REVENUE				
Rental	\$ 3,926,963	\$ 4,101,074	\$ 4,185,315	\$ 4,352,728
Interest	2,415	59,070	48,827	49,927
Fee income	99,569	92,460	121,341	94,796
Other	11,217	12,643	11,919	11,919
	<u>4,040,164</u>	<u>4,265,247</u>	<u>4,367,402</u>	<u>4,509,370</u>
EXPENSE				
Administrative	767,995	812,137	894,178	950,187
Utilities	262,209	299,640	286,630	300,961
Ordinary maintenance	972,773	1,080,850	1,256,368	1,297,219
General	401,882	600,900	523,567	544,510
Debt service	270,349	1,309,837	942,617	572,647
Capital/extraordinary maintenance	431,747	614,790	996,825	2,029,014
	<u>3,106,955</u>	<u>4,718,154</u>	<u>4,900,185</u>	<u>5,694,538</u>
Increase (decrease) in budget balance before transfers	933,209	(452,907)	(532,783)	(1,185,168)
TRANSFERS IN (OUT)	-	9,045	360,000	1,336,552
Increase (decrease) in budget balance	933,209	(443,862)	(172,783)	151,384
BEGINNING BUDGET BALANCE	8,032,917	8,966,126	8,522,264	8,349,481
ENDING BUDGET BALANCE	<u>\$ 8,966,126</u>	<u>\$ 8,522,264</u>	<u>\$ 8,349,481</u>	<u>\$ 8,500,865</u>
AVERAGE UNITS PER MONTH	364	364	364	364

WORKFORCE HOUSING II LLC

Workforce Housing II LLC is used to account for the operation of townhome developments which were previously operated as separate entities owned by limited partnerships in which the CDA was the general partner.

This fund includes 4 townhome developments wholly owned by the CDA in the FYE 2025 budget. Revenues consist of rents charged to tenants. Expenses are the operating, capital and debt service costs related to the housing projects. Capital/extraordinary maintenance expenses for the budget year are shown in Appendix C. Transfers in consist of debt service payments from Housing Development & Renewal.

The projected budget balance of \$6,350,087 includes the development's operating and repair and replacement reserves. The entire budget balance is expected to be used for townhome related expenses.

	Actual FYE 2022	Actual FYE 2023	Estimated FYE 2024	Budget FYE 2025
REVENUE				
Rental	\$ 752,807	\$ 1,013,524	\$ 1,393,459	\$ 1,449,198
Interest	85	1,338	1,536	2,386
Fee income	20,164	38,657	37,516	31,416
Other	559	1,014	3,212	3,212
	<u>773,615</u>	<u>1,054,533</u>	<u>1,435,723</u>	<u>1,486,212</u>
EXPENSE				
Administrative	133,467	216,283	307,173	330,675
Utilities	63,461	84,906	114,182	119,892
Ordinary maintenance	254,240	253,449	397,994	417,658
General	92,518	118,889	149,275	155,246
Debt service	74,258	386,618	286,486	110,485
Capital/extraordinary maintenance	56,636	407,108	117,983	218,804
	<u>674,580</u>	<u>1,467,253</u>	<u>1,373,093</u>	<u>1,352,760</u>
Increase (decrease) in budget balance before transfers	99,035	(412,720)	62,630	133,452
TRANSFERS IN (OUT)	<u>2,128,059</u>	<u>300,250</u>	<u>176,000</u>	<u>902,113</u>
Increase (decrease) in budget balance	2,227,094	(112,470)	238,630	1,035,565
BEGINNING BUDGET BALANCE	-	3,995,620	4,221,420	5,314,522
Merger adjustment	1,768,526	338,270	854,472	-
ENDING BUDGET BALANCE	<u>\$ 3,995,620</u>	<u>\$ 4,221,420</u>	<u>\$ 5,314,522</u>	<u>\$ 6,350,087</u>
AVERAGE UNITS PER MONTH	70	91	123	123

YOUTH HOUSING

Youth Housing is used to account for the operation of Lincoln Place, a 25-unit development in Eagan which includes 24 units of supportive housing for young adults.

Revenues consist of rents charged to tenants and grants from Minnesota Housing to support the front desk operation and subsidize the rents of qualified tenants. Expenses are for the administration of the fund and the operating costs related to the development.

The projected budget balance of \$645,947 includes the development's operating and repair and replacement reserves. The entire budget balance is restricted for Youth Housing related expenses.

	Actual FYE 2022	Actual FYE 2023	Estimated FYE 2024	Budget FYE 2025
REVENUE				
Rental	\$ 142,720	\$ 137,110	\$ 154,541	\$ 191,503
Intergovernmental	150,000	150,000	150,000	150,000
Interest	2,304	21,987	27,015	32,015
Fee income	8,701	8,840	10,573	10,623
Other	577	810	8,598	1,061
	<u>304,302</u>	<u>318,747</u>	<u>350,727</u>	<u>385,202</u>
EXPENSE				
Administrative	41,026	48,644	55,042	66,896
Tenant services	100,000	100,000	100,000	106,000
Utilities	30,520	39,638	37,380	34,113
Ordinary maintenance	82,453	89,820	113,720	114,671
General	21,913	39,326	29,205	30,113
Capital/extraordinary maintenance	4,797	9,062	76,471	-
	<u>280,709</u>	<u>326,490</u>	<u>411,818</u>	<u>351,793</u>
Increase (decrease) in budget balance before transfers	23,593	(7,743)	(61,091)	33,409
TRANSFERS IN (OUT)	-	-	-	-
Increase (decrease) in budget balance	23,593	(7,743)	(61,091)	33,409
BEGINNING BUDGET BALANCE	657,779	681,372	673,629	612,538
ENDING BUDGET BALANCE	<u>\$ 681,372</u>	<u>\$ 673,629</u>	<u>\$ 612,538</u>	<u>\$ 645,947</u>
AVERAGE UNITS PER MONTH	25	25	25	25

OFFICE BUILDING

The Office Building is used to account for the costs associated with the operation of the CDA's administrative office in Eagan, Minnesota. Other revenues consist of cost-reimbursements from each department based on the square footage utilized. Expenses are for the administration of the building, including the operation, maintenance and capital costs. Capital/extraordinary maintenance expenses for the budget year are shown in Appendix C. Transfers in consist of capital/extraordinary maintenance expenses from Housing Assistance – HCV pre-2004 reserves.

	Actual FYE 2022	Actual FYE 2023	Estimated FYE 2024	Budget FYE 2025
REVENUE				
Other	\$ 223,358	\$ 259,400	\$ 258,102	\$ 275,686
EXPENSE				
Administrative	13,326	12,886	13,288	16,567
Utilities	56,273	55,145	58,545	57,205
Ordinary maintenance	103,583	106,327	111,286	122,349
General	6,810	7,371	13,037	13,600
Capital/extraordinary maintenance	3,045	208,254	71,000	467,000
	<u>183,037</u>	<u>389,983</u>	<u>267,156</u>	<u>676,721</u>
Increase (decrease) in budget balance before transfers	40,321	(130,583)	(9,054)	(401,035)
TRANSFERS IN (OUT)	<u>-</u>	<u>-</u>	<u>60,000</u>	<u>467,000</u>
Increase (decrease) in budget balance	40,321	(130,583)	50,946	65,965
BEGINNING BUDGET BALANCE	129,014	169,335	38,752	89,698
ENDING BUDGET BALANCE	<u>\$ 169,335</u>	<u>\$ 38,752</u>	<u>\$ 89,698</u>	<u>\$ 155,663</u>

TECHNOLOGY

Technology is used to account for the costs associated with maintaining the Agency's local area network (LAN) and providing software support and document imaging services. The Agency's network consists of 98 office workstations, 64 offsite computers and 7 networked printers.

Other revenue includes cost-reimbursements from each department. For the network each department's cost is based on the number of network peripherals utilized and for software support and document imaging services reimbursement is based on benefit received. Expenses are primarily for staff salaries, benefits and software maintenance.

The deficit budget balance represents capital/extraordinary maintenance expenses that have not yet been recovered through user charges. Real Estate Operations provides working capital to finance these purchases and is repaid as the costs are recovered through user charges.

	Actual FYE 2022	Actual FYE 2023	Estimated FYE 2024	Budget FYE 2025
REVENUE				
Other	\$ 485,329	\$ 414,700	\$ 610,210	\$ 612,625
EXPENSE				
Administrative	450,369	374,957	573,914	578,043
Capital/extraordinary maintenance	34,176	-	-	-
	<u>484,545</u>	<u>374,957</u>	<u>573,914</u>	<u>578,043</u>
Increase (decrease) in budget balance before transfers	784	39,743	36,296	34,582
TRANSFERS IN (OUT)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Increase (decrease) in budget balance	784	39,743	36,296	34,582
BEGINNING BUDGET BALANCE	<u>(29,921)</u>	<u>(29,137)</u>	<u>10,606</u>	<u>46,902</u>
ENDING BUDGET BALANCE	<u>\$ (29,137)</u>	<u>\$ 10,606</u>	<u>\$ 46,902</u>	<u>\$ 81,484</u>

APPENDIX A

APPENDIX A: COMBINING SCHEDULE - HOUSING DEVELOPMENT & RENEWAL (HD&R), LEVY AND HOPE
COMBINING SCHEDULE - HOUSING DEVELOPMENT & RENEWAL (HD&R), LEVY & HOPE
BUDGET FOR YEAR ENDED JUNE 30, 2025

	Locally Funded Housing and Community Development Programs								
	Housing Development & Renewal (HD&R)					Levy	HOPE	Total FYE 2025 Budget	
	Housing Finance	Economic Develop- ment	RIG Program	Land Banking	Total HD&RF				
Revenue:									
Loan repayments	1,713,185	-	-	-	1,713,185	-	25,000	1,738,185	
Land sales	-	-	-	1,146,000	1,146,000	-	-	1,146,000	
Fee income	663,168	-	-	-	663,168	-	10,000	673,168	
Grants	150,000	-	-	-	150,000	-	-	150,000	
Tax Levy	-	-	-	-	-	10,786,485	-	10,786,485	
Interest	100,000	-	-	-	100,000	521,014	210,575	831,589	
Total Revenue	2,626,353	-	-	1,146,000	3,772,353	11,307,499	245,575	15,325,427	
Administrative:									
Salaries and benefits	392,968	54,579	29,010	56,916	533,473	-	64,891	598,364	
Indirect costs	121,071	16,823	8,948	18,568	165,410	-	19,986	185,396	
Legal	61,500	1,000	-	7,750	70,250	-	8,500	78,750	
Other administrative costs	77,664	6,613	2,331	33,772	120,380	-	8,034	128,414	
Contract costs	20,000	-	-	-	20,000	-	5,060	25,060	
Total Administrative	673,203	79,015	40,289	117,006	909,513	-	106,471	1,015,984	
Other Costs:									
<u>Affordable Housing</u>									
Multifamily housing loans	-	-	-	-	-	-	750,000	750,000	
Single family housing rehab loans	-	-	-	-	-	-	400,000	400,000	
Down payment assistance loans	-	-	-	-	-	-	130,000	130,000	
Local weatherization programs	120,000	-	-	-	120,000	-	-	120,000	
<u>Community & Economic Development</u>									
Greater MSP	-	100,000	-	-	100,000	-	-	100,000	
MCCD (CDA portion)	-	100,000	-	-	100,000	-	-	100,000	
Other economic development costs	-	17,500	675,000	-	692,500	-	-	692,500	
Second stage business support	-	30,000	-	-	30,000	-	-	30,000	
Total General	120,000	247,500	675,000	-	1,042,500	-	1,280,000	2,322,500	
Transfers in/(out):									
Transfers to HDR	-	326,515	715,289	-	1,041,804	(1,041,804)	-	-	
Transfers to HOPE	-	-	-	-	-	(1,500,000)	1,500,000	-	
Transfers to Common Bond Housing	-	-	-	-	-	(5,600,000)	-	(5,600,000)	
Transfers to Workforce Housing LLC	(1,238,665)	-	-	-	(1,238,665)	-	-	(1,238,665)	
Transfer to Housing Assistance (L.P.)	-	-	-	-	-	(57,308)	-	(57,308)	
Total Transfers	(1,238,665)	326,515	715,289	-	(196,861)	(8,199,112)	1,500,000	(6,895,973)	
Change in Budget Balance	594,485	-	-	1,028,994	1,623,479	3,108,387	359,104	5,090,970	
					Beginning Budget Balance	17,727,559	10,547,536	4,271,541	32,546,636
					Ending Budget Balance	19,351,038	13,655,923	4,630,645	37,637,606

APPENDIX B

APPENDIX B: COMBINING SCHEDULE - TAX INCREMENT DISTRICTS

	District 8	District 9	District 11	District 12	District 13	District 14	District 15	District 16	District 17	Total FYE 2025 Budget
Revenue:										
Tax increment	\$ -	\$ -	\$ 1,414,700	\$ 111,018	\$ 177,565	\$ -	\$ 139,986	\$ 132,250	\$ -	\$ 1,975,519
Interest revenue	6,808	22,500	390,698	46,200	10,459	63,047	9,854	713	-	550,279
Total Revenue	6,808	22,500	1,805,398	157,218	188,024	63,047	149,840	132,963	-	2,525,798
Administrative:										
Salaries and benefits	1,126	1,945	3,992	3,583	1,535	3,583	2,354	4,826	2,457	25,401
Indirect costs	347	599	1,230	1,104	473	1,104	725	1,486	757	7,825
Legal	2,000	2,500	5,500	5,000	1,000	250	200	-	-	16,450
Other administrative costs	1,521	731	1,329	1,246	147	553	287	268	123	6,205
Contract costs	803	2,500	5,000	2,500	500	2,000	2,500	-	-	15,803
County TIF fee	-	-	4,100	675	675	-	675	675	675	7,475
Total Administrative	5,797	8,275	21,151	14,108	4,330	7,490	6,741	7,255	4,012	79,159
Other Expenses:										
<u>Affordable Housing</u>										
Pay-Go - Legends	-	-	-	-	-	-	97,991	-	-	97,991
Pay-Go - Aster House Apts	-	-	-	-	-	-	-	92,575	-	92,575
Total General	-	-	-	-	-	-	97,991	92,575	-	190,566
Transfers/Capital Outlay:										
<u>Affordable Housing</u>										
Senior Building EM	305,000	245,000	239,000	-	-	-	-	-	-	789,000
Workforce Housing EM	-	335,000	-	-	665,000	-	-	-	-	1,000,000
Total Transfers/Capital Outlay	305,000	580,000	239,000	-	665,000	-	-	-	-	1,789,000
Change in Budget Balance	(303,989)	(565,775)	1,545,247	143,110	(481,306)	55,557	45,108	33,133	(4,012)	467,073
Beginning Budget Balance	303,989	805,491	8,302,235	1,016,246	483,590	1,436,625	206,329	-	(5,179)	12,549,326
Ending Budget Balance	\$ -	\$ 239,716	\$ 9,847,482	\$ 1,159,356	\$ 2,284	\$ 1,492,182	\$ 251,437	\$ 33,133	\$ (9,191)	\$ 13,016,399

APPENDIX C

**DAKOTA COUNTY CDA
CAPITAL EXPENSES AND EXTRAORDINARY MAINTENANCE PROJECT LISTING
BUDGET FOR YEAR ENDED JUNE 30, 2025**

COMMON BOND HOUSING

LV - Winsor Plaza

HD	Add gutter guards	\$	18,000
HD	Window repair (balancers)		10,000
HD	Masonry repairs at "A" entry steps, patchwork and		25,000
HD	Replace landscape edging		20,000
HD	Repair and repaint corner trim throughout building exterior		7,500
HD	Rebuild storm intake at NW lot to allow downspout a direct path to drain		4,000
HD	Add parking stall lights over the cars in underground garage		10,000
HD	Common area painting		17,000
HD	EM management fees		11,150
			<hr/> 122,650

BV - Eagle Ridge Place

HD	Elevator Modernization		150,000
HD	Replace wood screen porch with aluminum system		28,000
HD	Replace two exterior doors		4,000
HD	Gutter guard around community room		4,500
HD	EM management fees		18,650
			<hr/> 205,150

WSP - Haskell Court

HD	Elevator Modernization		150,000
HD	Replace existing Schlage system with Yale		84,000
HD	Repair the soffit under covered entryway		15,000
HD	Gutter repair at north entry		2,000
HD	Sealcoat		6,000
HD	EM management fees		25,700
			<hr/> 282,700

EAG - Oakwoods

HD	Replace toilets		48,750
HD	Trim Arborvitaes at front of building		1,000
HD	Add an updaters/reader at elevator lobby		3,500
HD	Repair roof deck at vent termination		25,000
HD	EM management fees		7,825
			<hr/> 86,075

HSTGS - Mississippi Terrace	
HD	Caulk around windows and AC units (exterior) 5,000
HD	Replace parking lot and path to the garden 45,000
HD	Paint sign post at NW corner of property & the fixed pane windows west lobby 2,500
HD	EM management fees 5,250
	57,750
IGH - Carmen Court	
HD	Replace emergency lighting in the hallways 8,000
HD	Add parking stall lights over the cars in underground garage 10,000
HD	Replace smoke detectors in all apartments 7,000
HD	EM management fees 2,500
	27,500
AV - Orchard Square	
HD	Replace the property sign (share cost with Orchard) 4,000
HD	Mud-jack sidewalk and add sidewalk to the BBQ area 5,000
HD	Grade area between two bldgs. to prevent water at garage vent 10,000
HD	Trim trees 2,000
HD	Replace landscape edging 20,000
HD	Replace existing Schlage system with Yale 99,000
HD	EM management fees 14,000
	154,000
SSP - River Heights Terrace	
HD	Replace risers with Uponor 50,000
HD	Elevator Modernization 150,000
HD	Replace parking lot 50,000
HD	EM management fees 25,000
	275,000
MH - Parkview Plaza	
HD	Replace smoke detectors in all apartments 8,125
HD	Replace community room furniture 50,000
HD	Replace decking at chimney - reshingle area 13,000
HD	Replace chimney cap at elevator location 8,000
HD	Add a sidewalk to the new front sitting area 10,000
HD	Trim trees 1,500
HD	EM management fees 9,063
	99,688

RSMT - Cameo Place	
HD Repair/replace intake damper	2,500
HD Add floor drain to laundry room	6,000
HD Caulk exterior at all AC sleeves	4,500
HD Add an additional stacked washer and dryer to laundry room	6,000
HD Landscape improvement - trees and shrubs	15,000
HD Retaining wall repair/drainage from SW entry	18,000
HD Replace the fascia over the garage door	2,000
HD Add parking stall lights over the cars in underground garage	10,000
HD EM management fees	6,400
	<hr/>
	70,400
EAG - O'Leary Manor	
HD Replace smoke detectors in all apartments	8,125
HD Paint common areas and elevator frame	35,000
HD EM management fees	4,313
	<hr/>
	47,438
BV - Park Ridge Place	
HD Replace smoke detectors in all apartments	8,250
HD Replace the front property sign	4,000
HD Replace parking lot	65,000
HD EM management fees	7,725
	<hr/>
	84,975
AV - Cortland Square	
HD Replace or reupholster the community room chairs	30,000
HD Replace two common area furnaces	20,000
HD Replace the property sign (share cost with Orchard)	4,000
HD Paint the acrylic stucco	35,000
HD Trim trees	2,000
HD Replace existing Schlage system with Yale	120,000
HD EM management fees	21,100
	<hr/>
	232,100
LV - Main Street Manor	
HD Replace common area AC's and Furnaces	30,000
HD Caulk where brick and sidewalks come together	4,000
HD Extend the snow melt further up the driveway	85,000
PM Commercial tenant improvement/renovations	10,000
HD EM management fees	11,900
	<hr/>
	140,900
IGH - Cahill Commons	
HD Install a water softener	15,000
HD Replace toilets	45,000
HD Replace boilers	90,000
HD Replace both screen porches	25,000
HD Replace existing Schlage system with Yale	120,000
HD EM management fees	29,500
	<hr/>
	324,500

MH - Village Commons		
HD	Deck R&R at SE entry	25,000
HD	Replace exterior door at 2nd floor of SE patio	3,000
HD	EM management fees	2,800
		<hr/>
		30,800
EAG - Lakeside Pointe		
HD	Exterior renovation (windows, roof, and siding)	600,000
HD	Replace smoke detectors in all apartments	7,500
HD	Paint common areas	17,000
HD	EM management fees	62,450
		<hr/>
		686,950
WSP - The Dakotah		
HD	Replace toilets	44,250
HD	Replace Laundry room AC	6,000
HD	Replace Maintenance Shop door and frame	3,200
HD	Water proof the elevator pit	35,000
HD	Replace smoke detectors in all apartments	7,375
HD	Repair and repaint damaged hardi throughout building exterior	25,000
HD	Repair curb and catch basin at north end of parking lot	12,000
PM	Commercial tenant improvement/renovations	40,000
HD	EM management fees	13,283
		<hr/>
		186,108
HSTGS - Rivertown Court		
HD	Replace common area AC's	30,000
HD	Replace two washing machines on 3rd floor	5,000
HD	Trim trees at NW corner of the building	1,500
HD	Replace risers with Uponor	50,000
HD	EM management fees	8,650
		<hr/>
		95,150
SSP - Dakota Heights		
HD	Replace existing Schlage system with Yale	112,000
HD	Add exterior intercom/line at screened porch	7,500
HD	Address water intrusion at south foundation	24,000
HD	Paint gable bracket (trim) throughout	4,500
HD	Address deflection in the retaining wall	65,000
HD	EM management fees	21,300
		<hr/>
		234,300

EAG - Oakwoods East	
HD Landscape improvement - trees and shrubs, rock for mulch	25,000
HD Replace bathroom exhaust fans	12,000
HD Trim Arborvitae and crab trees at front of building	1,500
HD Mud-jack sidewalk at NW entry (back door)	1,000
HD Tuckpoint and repair cap stone near AC at SE corner first floor	2,500
HD Add an updater/reader at elevator lobby	3,500
HD Replace common area flooring	100,000
HD EM management fees	14,550
	<hr/>
	160,050
LV - Crossroads Commons	
HD New community room chairs	40,000
HD Install auto openers at all 6 trash room doors	21,000
HD Sealcoat	11,000
HD EM management fees	7,200
	<hr/>
	79,200
SSP - Thompson Heights	
HD Replace one boiler	15,000
HD Replace garage exhaust system	10,000
HD Sealcoat	11,000
HD EM management fees	3,600
	<hr/>
	39,600
FGTN - Vermillion River Crossing	
HD Repair cracks in garage ramp	15,000
HD Repair/replace a few community room chairs	5,000
HD Caulk at chimney/brick interface at SW corner near clock tower	2,000
HD Repair/replace fascia at SW tower	1,000
HD EM management fees	2,300
	<hr/>
	25,300
BV - Valley Ridge	
HD Common area painting	40,000
HD Common area carpet	120,000
HD Repair concrete at Garage entry trench drain	18,000
HD Repair asphalt and widen part of the path at back of building	9,500
HD EM management fees	18,750
	<hr/>
	206,250
IGH - Hillcrest	
HD Replace emergency lighting in the hallways	8,000
HD Replace existing Schlage system with Yale	132,000
HD Address water intrusion at west foundation	12,000
HD EM management fees	15,200
	<hr/>
	167,200

RSMT - Cambrian Commons	
HD	Add a retractable awning to rooftop patio 9,000
HD	Add landscape rock around the rest of the building 25,000
HD	Replace the kitchen circuit breakers 10,000
HD	Add LED lights for the sign at the front of the building 5,000
HD	Replace smoke detectors in all apartments 7,500
HD	EM management fees 5,650
	62,150
LV - Argonne Hills	
HD	Clean and recharge magic packs 30,000
HD	Replace security cameras 60,000
HD	Add heat tape over Apt# 317 8,000
HD	EM management fees 9,800
	107,800
Various Senior Buildings - CBF ALL	
HD	Unit minicap at turnover (25 total) 300,000
HD	Smoke and fire dampers 15,000
PM	Replace appliances 120,000
HD	EM management fees 31,500
	466,500
Total - Common Bond Housing	\$ 4,758,183
SECTION 18 LLC	
HD	4 Interior remodels to Dispo units \$ 180,000
HD	EM management fees 18,000
Total - Section 18 LLC	\$ 198,000
WORKFORCE HOUSING LLC	
BV - Parkside	
HD	Remove/add back mulch along garages and by entry doors \$ 10,000
HD	EM management fees 1,000
	11,000
EAG - Oak Ridge	
HD	Replace Lot/drive 190,000
HD	Scrape/re-paint garage door bucks and trim 10,500
HD	EM management fees 20,050
	220,550
HSTGS - Pleasant Ridge	
HD	Scrape/re-paint garage door bucks and trim 7,750
HD	Gutter Guards 18,000
HD	Repair garage foundation block unit #1324-03 3,000
HD	EM management fees 2,875
	31,625

AV - Chasewood		
HD	Replace/repair concrete - playground top stairs (west)	5,000
HD	Regrade concrete slab along back west	5,000
HD	EM management fees	1,000
		<hr/> 11,000
LV - Country Lane		
HD	Replace parking lot	140,000
HD	Relocate downspouts	25,000
HD	Repair concrete	6,000
HD	New unit smoke detectors with new batteries	11,350
HD	Post wrap base at entryways front and back	7,000
HD	EM management fees	18,935
		<hr/> 208,285
MH - Hillside Gables		
HD	Asphalt patching and concrete mud-jacking	5,000
HD	EM management fees	500
		<hr/> 5,500
HSTGS - Marketplace		
HD	New unit smoke detectors with new batteries	10,640
HD	EM management fees	1,064
		<hr/> 11,704
BV - Heart of the City		
HD	New furnace and AC	170,000
HD	EM management fees	17,000
		<hr/> 187,000
EAG - Erin Place		
HD	Exterior renovation - windows, siding, and roof	950,000
HD	Re-mulch and remove excess	10,000
HD	EM management fees	96,000
		<hr/> 1,056,000
Various Workforce Housing Properties - WH ALL		
HD	Unit minicap at turnover	216,000
PM	Replace appliances	48,750
HD	EM management fees	21,600
		<hr/> 286,350
Total - Workforce Housing LLC		<hr/> <hr/> \$ 2,029,014
WORKFORCE HOUSING II LLC		
LV - Prairie Crossing		
HD	Window repair	\$ 12,000
HD	Sealcoat	16,000
HD	EM management fees	2,800
		<hr/> 30,800

IGH - Lafayette		
HD	Add heat tape on two buildings	5,000
HD	sealcoat	11,000
HD	Repair/replace	5,000
HD	EM management fees	2,100
		<hr/> 23,100
HSTGS - West Village		
HD	Remove/replace mulch	10,000
HD	New unit smoke detectors with new batteries	7,980
HD	Mud-jack or replace playground sidewalk	8,000
HD	Sealcoat/repair asphalt	15,000
HD	EM management fees	4,098
		<hr/> 45,078
RMST - Carbury Hills		
HD	New unit smoke detectors with new batteries	12,160
HD	Remove/replace mulch	10,000
HD	EM management fees	2,216
		<hr/> 24,376
Various Workforce Housing II Properties - WH ALL		
HD	Unit minicap at turnover	72,000
PM	Replace appliances	16,250
HD	EM management fees	7,200
		<hr/> 95,450
Total - Workforce Housing II LLC		<hr/> <hr/> \$ 218,804
OFFICE BUILDING		
HD	Add motion sensors to lights in Bathrooms and Boardroom	\$ 10,000
HD	Replace parking lot (Client lot, Staff lot and Trail)	175,000
HD	Office landscaping	20,000
HD	Workroom postage area improvements	20,000
AD	AV equipment (Boardroom)	110,000
AD	AV equipment (Briefing Room)	47,000
AD	Website hosting/redesign	40,000
AD	Replacement chairs (Boardroom)	30,000
AD	Fitness equipment	15,000
	Total - Office Building	<hr/> <hr/> \$ 467,000
TOTAL ALL PROGRAMS		<hr/> <hr/> <hr/> \$ 7,671,001

APPENDIX D



Business Advisor for Dakota County: Natalie Mouilso, nmouilso@mccdmn.org, 952-451-6390
 First Quarter – 3/31/2024

Clients Served YTD

Client Inquiry	01
Existing - Challenged	08
Existing -Opportunity	22
Pre-start planning	29
Start-up	16
Total	76

Business Owner Demographics YTD

	# of Clients
Low-Income Owned	40 (52%)
BIPOC or Immigrant Owned	43 (57%)
Woman Owned	37 (48%)

Financing & Access to Capital YTD

Loans & Grants		
Approved	(YRLY Total)	\$ 42,240.00
Equity	(YRLY Total)	\$ 460,000.00
<u>Facilitated</u>	<u>(YRLY Total)</u>	<u>\$ 18,000.00</u>
Total Investment		\$ 520,240.00

Program Hours

	TA	Program HRS
1 st QTR	348	251
Total	348	251

TA: Client Meetings, Providing Resources, Client Calls, Client Deliverables, Loan Packaging

Program HRS: City Initiatives, Program Outreach, Public Events, City Meetings, Research, Data/Admin, General Inquiries

Industry Segment YTD

Construction / Real Estate	0
Food	15
Health/Fitness	12
Manufacturing	2
Consulting	5
Retail	10
Service	16
Other/Undecided	9
Total	76

Referral Source YTD

Bank Referral	13
Entrepreneur	5
Friends and Family	7
Municipality	14
MCCD Partner	8
Other	8
Web	21
Total	76

City YTD

	Business	Resident
Apple Valley	13	07
Burnsville	15	07
Eagan	10	07
Farmington	02	05
Hastings	07	03
Inver Grove Heights	03	03
Lakeville	08	11
Mendota Heights	01	01
Rosemount	02	02
South St. Paul	02	02
West St. Paul	06	03
Other Dakota Co.	00	00
Other/ No Data	08	26

“The Open to Business program has been instrumental in helping me create my website, and I couldn't be more grateful for their expertise and dedication. Their commitment to empowering individuals and organizations through their services is truly commendable. From the initial brainstorming sessions to the final touches, the Open to Business program provided invaluable guidance and support every step of the way. Their team's professionalism and passion for their work were evident throughout the entire process. Thanks to the Open to Business program's assistance, my website now serves as a vital platform for sharing information, connecting with my audience, and advancing my mission. Their contribution has not only enhanced my online presence but has also helped me further my goals and objectives. Thank you, Open to Business for your unwavering support and dedication to helping individuals like me succeed in the digital world.” Lakeville Business Owner, OTB Client

Direct Financing & Access to Capital**Business Type:** fast casual pizza franchise

Business City: Apple Valley

Residence City: Lakeville

Referred by: Bank Partner

MCCD Financing: \$42,000

Owner Equity: \$460,000

Other Financing: \$18,000 MN DEED Small Business Loan Participation Program

Overview: MCCD began working with this recent startup in Fall, 2023. The business sought working capital to implement a marketing plan to build local awareness and grow sales. Through MCCD, the business spent four months working closely with a bookkeeping/accounting advisor to gain skills and expertise in financial management of the business. They wrote a marketing plan and met with independent consultants to get additional insight into their business operations. The business was approved for the MCCD loan in early April with 30% participation from [MN DEED SBLPP](#). The business is owned by four immigrants and is expected to employ a total of 7 after the market plan is implemented.

Credit Builder Loans

In collaboration with nonprofit partners who provide credit building & financial awareness counseling, MCCD provides \$240 Credit Builder Loans (CBLs) to qualified applicants seeking to improve their personal credit. Credit Builder applicants complete financial training through MCCD's partners and are then referred to MCCD for a CBL. MCCD generates and services the CBLs in-house.

2024 Credit Builder Loans YTD	
Resident City	Loan Amount
Inver Grove Heights	\$240
TOTAL	\$240

Highlights, Networking, & Outreach**Staffing Updates**

- MCCD welcomes Maria Thor as our newest member of the Business Advisor team. Maria comes to MCCD with vast experience in owning, operating, and supporting small businesses in the Twin Cities region. She owned a family childcare business for more than 10 years before moving into the non-profit world and was most recently a Capacity Coach for childcare businesses at Think Small.
- MCCD welcomes Eva Song Margolis as our Director of Advancement. Using her expertise in community wealth building she will lead an integrated strategic vision that expands awareness of our impact, priorities, and engage diverse stakeholders. Eva's commitment to social, racial, and economic justice shines through her work and board membership with Hmong American Farmers Association.

Funding & Policy Updates

- March 14 – MCCD was named an approved lender for MN DEED's new Expanding Opportunity Loan Fund with a \$600,000 lending allotment, the maximum loan size. MCCD borrows these funds from DEED at 0.5% to relend to small businesses. Securing new sources of low-cost loan funds is the key to keeping our interest rates low for small business borrowers.

Programming, Partnerships, & Trainings

- January 19 – Open to Business hosted our first in person Small Business Planning Workshop of 2024 at the MCCD Office. The training was open entrepreneurs throughout the region and provided attendees with the tools and resources needed to write a business plan.
- February 2 – Our team of advisors learned about the New Markets Tax Credits program through our partners at Sunrise Banks. We look forward to leveraging this knowledge to help our clients access the program.
- March 19 – A local attorney provided guidance to our team of advisors on the new [Corporate Transparency Act](#) and its requirements; with this information we can help our clients understand the registration and compliance process.
- March 21 – Building on our Racial Equity trainings from 2023, MCCD kicked off a new training series focused on Operationalizing Equity within our work. This 20-hour series will occur over the next 6 months.
- April 12 – In partnership with the UMN Law School, MCCD hosted a Small Business Law Q&A webinar where legal experts provide transaction-based legal assistance to small businesses on a variety of subject matters including entity selection, franchising, formation, and commercial lease review.
- April 19 – MCCD hosts our second business planning workshop of the year, Blueprinting Success: Financial Foundations for Startup Businesses. This workshop is designed to equip early-stage entrepreneurs and startups with essential financial skills and knowledge to build a solid foundation for success. [More details here.](#)

Advertising & Outreach

- In the last quarter, banker and lender outreach occurred specifically with Chase Bank, Merchants Bank, Minnesota Business Finance Corporation, Minnwest Bank, Royal Credit Union, Sunrise Banks New Markets Tax Credits team, Think Bank, and US Bank.
- In addition to lending outreach, written or in-person presentations were made and/or networking efforts were made including City of Mendota Heights check in on Jan 16, Apple Valley EDA presentation Jan 25, UMN Law School partnership meeting Feb 2, City of Hastings HEDRA presentation on Feb 8, City of Lakeville presentation Feb 27, Burnsville EDA presentation on March 13, recurring check ins with City of Farmington and Dakota County CDA.
- The Open to Business advertisement library is up to date with the most recent ads and flyers for OTB. New ads will be created and updated periodically so keep checking back. The library was created to help streamline how we share ads with partners and to give partners direct access to choose ads that meet their needs. Access the Ad Library [here.](#)

Quarterly Highlight

Asian Mart LLC
14600 S 10th Avenue South in Burnsville & 464 Concord Street South in South St. Paul

April 1, 2024 - Asian Mart LLC broke ground on their new location in South Saint Paul. The business owner was joined by his family and friends, along with City staff and officials, the SSP Mayor, Dakota County CDA staff, OTB staff, and Cortrust Bank to kick off this exciting project. When completed, the project will provide ample warehouse space and a deli, grocery and bakery areas, food counters and seating for up to 15 guests. The business employs 3 and the expansion aims to add 3 to 6 new jobs.

