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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 Meetings:

March 25, 2025

CDA Board of Commissioners Budget Workshop – 4 p.m.

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

April 22, 2025

CDA Board of Commissioners Regular Meeting – 3 p.m.

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



Board of Commissioners

Meeting Minutes

Meeting Date: February 18, 2025 3:00 PM Boardroom; CDA Office, Eagan, MN

Commissioner Atkins called the meeting to order at 3:00 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	<i>X – arrived at 3:06 p.m.</i>	
Commissioner Holberg, District 6	X	
Commissioner Hamann-Roland, District 7		X
Commissioner Velikolangara, At Large	X	

CDA staff in attendance:

- Tony Schertler, Executive Director
- Kari Gill, Deputy Executive Director
- Sara Swenson, Director of Administration & 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
- Ken Bauer, Director of Finance
- Lisa Hohenstein, Director of Housing Assistance
- Anna Judge, Director of Property Management

Others in attendance:

- Tom Donnelly, Dakota County Attorney's Office
- Heidi Welsch, Dakota County
- Marti Fischbach, Dakota County
- Madeline Kastler, Dakota County
- Georg Fischer, Dakota County
- Mark Jacobs, Dakota County
- Cathy Udem, Dakota County

AUDIENCE

No audience members addressed the Board.

APPROVAL OF AGENDA AND MEETING MINUTES

25-6936 **Approval Of Agenda And Meeting Minutes**

BE IT RESOLVED, by the Dakota County Community Development Agency Board of Commissioners, that the agenda for the February 19, 2025 Regular 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 January 21, 2025 Annual and Regular Board meeting be approved as written.

Motion: Commissioner Droste

Second: Commissioner Slavik

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	
Velikolangara	X			

FEDERAL PUBLIC HOUSING AND HOUSING CHOICE VOUCHER AGENDA

Consent

25-6937 **Authorization To Execute Flooring Replacement Contract With Value Plus Flooring**

WHEREAS, the Dakota County CDA accepted bids for the necessary unit flooring replacement in CDA managed properties; and

WHEREAS, funds are allocated from the operating budgets of each of the properties for the necessary flooring replacement work; and

WHEREAS, the lowest bid, submitted by Renovation Systems, is being rejected for a material clerical error identified by the Renovation Systems; and

WHEREAS, Value Plus Flooring is the lowest responsible bidder; and

WHEREAS, the bidding was done in conformance with State law for bidding.

NOW, THEREFORE, BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, That the bid submitted by Renovation Systems is rejected and the Executive Director is authorized to execute a three-year flooring replacement contract for CDA managed properties with Value Plus Flooring.

Motion: Commissioner Velikolangara

Second: Commissioner Droste

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	
Velikolangara	X			

CONSENT AGENDA

25-6938 Approval Of Record Of Disbursements – January 2025

BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, That the January 2025 Record of Disbursements is approved as written.

25-6939 Approval Of Amendments To The FYE25 Operating Budgets For Workforce Housing And Common Bond Capital Expenditures

WHEREAS, the Dakota County CDA has received \$32,129 in special assessments for road improvements at Gateway Place and The Dakotah in West St. Paul, and an additional \$55,374 in special assessments for road improvements for Spruce Pointe in Inver Grove Heights since the FYE25 budget was prepared and approved; and

WHEREAS, staff are requesting increases to the Common Bond Capital Expenditures budget in the amount of \$32,129 and an increase to the Workforce Housing Capital Expenditures budget in the amount of \$55,374; and

WHEREAS, Common Bond and Workforce Housing revenue and fund balance will be used to fund these budget amendments.

NOW, THEREFORE, BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, That these amendments totaling \$87,503 are approved for FYE25 for the Common Bond and Workforce Housing Capital Expenditures budgets.

25-6940 Award Contract For Access Control Replacement At Cahill Commons And Hillcrest Pointe (Inver Grove Heights) Senior Housing Developments

WHEREAS, formal bids were received on February 4, 2025 for the access control project at Cahill Commons and Hillcrest Pointe senior housing developments in Inver Grove Heights; and

WHEREAS, Assured Security submitted a responsive bid of \$249,249.48; and

WHEREAS, the contract is being recommended by Property Management due to immediate need and the contractor is being recommended on their prior experience on similar projects with the CDA; and

WHEREAS, funds are available in the current FYE25 Extraordinary Maintenance budget for this project; and

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 Assured Security in the amount of \$249,249.48; and

BE IT FURTHER RESOLVED, that the Deputy Executive Director be authorized to approve change orders not to exceed \$12,463.

25-6941

Establish The Date For A Public Hearing On Qualified Allocation Plan For The Allocation Of 2026 Low Income Housing Tax Credits

WHEREAS, pursuant to Section 42 of the Internal Revenue Code of 1986, as amended (“Code”), and Minnesota Statutes Sections 462A.221 through 462A.225, the Dakota County Community Development Agency (CDA) is a housing credit agency authorized to allocate low income housing tax credits (“Tax Credits”); and

WHEREAS, Section 42 of the Code, requires the CDA to hold a public hearing prior to adopting or amending a Qualified Allocation Plan (QAP) detailing the basis for allocating Tax Credits among applicants; and

WHEREAS, the CDA proposes to adopt a QAP regarding the allocation of Tax Credits using 2026 volume cap and the allocation of any “automatic” tax credits attributable to private activity bonds issued after the adoption of the plan (“2026 Plan”).

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

1. A public hearing regarding the adoption of the 2026 Plan will be held by the CDA Board on March 25, 2025, at or after 3:00 p.m. at the CDA’s office.
2. Staff are authorized and directed to cause notice of such public hearing to be published in a newspaper of general circulation in the CDA’s jurisdiction not less than ten (10) days prior to such hearing.

Motion: Commissioner Droste
Ayes: 5 Nays: 0

Second: Commissioner Slavik
Abstentions: 0

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

REGULAR AGENDA

25-6942 **Conduct Public Hearing To Receive Comments On The Disposition Of DCCDA Section 18, LLC Properties And Authorization To Enter Into Purchase Agreements With The Qualified Buyers**

Kari Gill presented information and answered questions.

WHEREAS, the Dakota County CDA is able to dispose of property after holding a public hearing for which a notice is published; and

WHEREAS, a notice of the public hearing was published in the Dakota County Tribune per statutory requirements of at least 10 but more than 20 days before the hearing; and

WHEREAS, the two properties proposed for sale are part of the DCCDA Section 18, LLC that was created for the transition of public housing units through the U.S. Housing and Urban Development’s Section 18 Demo/Dispo program; and

WHEREAS, the U.S. Department of Housing and Urban Development’s Special Applications Center has approved the disposition of the Section 18 units on the open market through public bid; and

WHEREAS, Michael P. Sonsalla, a qualified buyer, submitted the highest and/or best bid/offer to purchase 3220 Lower 150th Street in Rosemount; and

WHEREAS, Abimael D. Hernandez, a qualified buyer submitted the highest and/or best bid/offer to purchase 1177 W 14th Street in Hastings and Benjain L. Bennett, a qualified buyer, submitted the second highest and/or best offer/bid to purchase 1177 W 14th Street in Hastings; and

WHEREAS, a public hearing was conducted on February 18, 2025 on the proposed terms of the sale of these two properties:

Address	Buyer	Contingency Buyer
3220 Lower 150 th Street, Rosemount	Michael P. Sonsalla	N/A
1177 W. 14 th Street, Hastings	Abimael D. Hernandez	Benjamin L. Bennett

NOW, THEREFORE, BE IT RESOLVED by the Dakota County Community Development Agency Board of commissioners, That the Executive Director is authorized to negotiate with and enter into a Purchase Agreement with the buyers; and

BE IT FURTHER RESOLVED that the public hearing is closed.

Motion: Commissioner Droste Second: Commissioner Slavik

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	

25-6943

Approval Of Budget Amendment And Authorization Of Professional Services Contract For 1500 Towerview Road, Eagan

Maggie Dykes presented information and answered questions.

WHEREAS, the Dakota County Community Development Agency (CDA) purchased the property located at 1500 Towerview Road (Site) in June 2024; and

WHEREAS, the CDA purchased the Site to ensure proper environmental clean-up and that the Site is redeveloped cooperatively with the City of Eagan to include affordable housing on a portion of the Site; and

WHEREAS, the Site will require environmental clean-up, demolition of an approximately 325,765 sq. ft. vacant building, and site grading to prepare it for future redevelopment; and

WHEREAS, the CDA issued a Request for Proposals for consulting services related to the environmental due diligence and abatement, and oversight of demolition of the building; and

WHEREAS, CDA staff received and evaluated six proposals from firms and based on cost, performance, and experience recommend entering into a professional services agreement with Braun Intertec; and

WHEREAS, a budget amendment of up to \$730,000 to the Real Estate Operations budget from fund balance is requested to conduct necessary environmental remediation, demolition of the existing building and site grading, and pay for holding costs so that the Site can be prepared for future redevelopment including CDA housing.

NOW, THEREFORE, BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, That the FYE25 Real Estate Operations budget be amended to include \$740,000 from fund balance for environmental remediation, demolition and site grading, and holding costs, including consulting services for property located at 1500 Towerview Road in Eagan; and

BE IT FURTHER RESOLVED, that the Executive Director or his designee is authorized to enter into a professional services contract with Braun Intertec for consulting services related to the environmental due diligence and abatement, and oversight of demolition of the building including site grading; and

BE IT FURTHER RESOLVED, that any remaining funds in the FYE25 budget for this activity be carried forward to the FYE26 budget to complete the contract with Braun Intertec.

Motion: Commissioner Droste

Second: Commissioner Workman

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	

INFO

Legislative Update

Tony Schertler provided updates and answered questions.

INFO

Economic Development Discussion

Lisa Alfson presented information and answered questions.

INFO

Executive Director Update

Tony Schertler provided updates.

Information

A. Open To Business, Q4 2024 Report

25-6944

Adjournment

BE IT RESOLVED that the Dakota County Community Development Agency Board of Commissioners, hereby adjourns until Tuesday, March 25, 2025.

Motion: Commissioner Slavik

Second: Commissioner Workman

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			

The CDA Board meeting adjourned at 4:30 p.m.

Clerk to the Board



Board of Commissioners

Request for Board Action

Meeting Date: March 25, 2025

Agenda #: 4A

DEPARTMENT: Housing Assistance

FILE TYPE: Federal - Action

TITLE

Conduct And Close Public Hearing To Receive Comments And Approval Of The 2025 Public Housing Agency Five Year And Annual Plan

PURPOSE/ACTION REQUESTED

- Conduct and close a public hearing.
- Approve 2025 Public Housing Agency Five Year and Annual Plan.

SUMMARY

As an administrator of the Housing Choice Voucher and Public Housing programs, the Dakota County Community Development Agency (CDA) is required to prepare an Annual Update to its Public Housing Agency Plan (PHA Plan) and additionally, once every five years, a Public Housing Agency Five Year Plan using the Department of Housing and Urban Development's (HUD) prescribed template.

The CDA's 2025 PHA Five Year and Annual Plan Update (Attachment A) outlines goals and objectives for the Housing Choice Voucher and Public Housing programs for the upcoming year.

HUD requires a 45-day public comment period and a public hearing for the drafted PHA Plan. The public comment period was published in the Dakota County Tribune beginning December 20, 2024 (Attachment B) and was posted on the CDA's website. The drafted PHA Plan was available to review on the CDA's website and at the CDA's office. Letters were sent to city officials in cities where public housing units are located to review the plan and provide comments. In conjunction with the public comment period, the CDA held two public housing resident meetings to solicit feedback. Public Housing and Housing Choice Voucher households were mailed a postcard with information on where to view the PHA Plan and could provide comment by email, phone or mail.

There were several comments from Public Housing residents and Housing Choice Voucher recipients, all of which were addressed. There were no comments received from city officials. The comments that were received are in Attachment C.

RECOMMENDATION

HUD requires Public Housing agencies to submit the PHA Plan 75 days prior to the fiscal year end. Staff recommend approval of the PHA Plan for submission to HUD.

EXPLANATION OF FISCAL/FTE IMPACTS

Click or tap here to enter text.

- None Current budget Amendment Requested Other

RESOLUTION

WHEREAS, the U.S. Department of Housing and Urban Development requires that Public Housing agencies with Housing Choice Voucher and/or Public Housing programs submit a Five Year and Annual update to its Public Housing Agency Plan (PHA Plan) in accordance with the prescribed HUD templates; and

WHEREAS, CDA Board Resolution #25-6928 scheduled a public hearing for the purpose of receiving comments from citizens and residents for the Annual Plan; and

WHEREAS, a public notice was published in the Dakota County Tribune and posted on the CDA's website; and

WHEREAS, CDA staff solicited feedback from program participants and community stakeholders; and

WHEREAS, comments that were received during the 45-day comment period have been considered in the Annual update to the PHA Plan; and

WHEREAS, a public hearing for the purpose of receiving additional comments from citizens and residents was conducted at the CDA Board meeting on March 25, 2025; and

WHEREAS, the PHA Plan was reviewed and discussed with the CDA Board of Commissioners.

NOW, THEREFORE BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, That the 2025 Public Housing Agency Five Year and Annual Plan is approved for submission to the U.S. Department of Housing and Urban Development.

PREVIOUS BOARD ACTION

25-6928; 1/21/25

ATTACHMENTS

Attachment A: Revised Annual PHA Plan

Attachment B: Affidavit of publication for public comment and public hearing

Attachment C: Public comment received during comment period

CONTACT

Department Head: Lisa Hohenstein, Director of Housing Assistance

Author: Lisa Hohenstein

B.	<p>Plan Elements Submitted with 5-Year PHA Plans. Required elements for Small PHAs completing this document in years in which the 5-Year Plan is also due. This section does not need to be completed for years when a Small PHA is not submitting its 5-Year Plan. See sub-section below for required elements in all other years (Years 1-4).</p>
B.1	<p>Revision of Existing PHA Plan Elements. (a) Have the following PHA Plan elements been revised by the PHA since its last Five-Year PHA Plan submission?</p> <p>Y N</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Statement of Housing Needs and Strategy for Addressing Housing Needs. <input type="checkbox"/> <input checked="" type="checkbox"/> Deconcentration and Other Policies that Govern Eligibility, Selection, and Admissions. <input type="checkbox"/> <input checked="" type="checkbox"/> Financial Resources. <input type="checkbox"/> <input checked="" type="checkbox"/> Rent Determination. <input type="checkbox"/> <input checked="" type="checkbox"/> Homeownership Programs. <input type="checkbox"/> <input checked="" type="checkbox"/> Substantial Deviation. <input type="checkbox"/> <input checked="" type="checkbox"/> Significant Amendment/Modification</p> <p>(b) If the PHA answered yes for any element, describe the revisions for each revised element(s):</p> <p>(c) The PHA must submit its Deconcentration Policy for Field Office review.</p>
B.2	<p>New Activities. (a) Does the PHA intend to undertake any new activities related to the following in the PHA's current Fiscal Year?</p> <p>Y N</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Hope VI or Choice Neighborhoods. <input type="checkbox"/> <input checked="" type="checkbox"/> Mixed Finance Modernization or Development. <input checked="" type="checkbox"/> <input type="checkbox"/> Demolition and/or Disposition. <input checked="" type="checkbox"/> <input type="checkbox"/> Conversion of Public Housing to Tenant Based Assistance. <input type="checkbox"/> <input checked="" type="checkbox"/> Conversion of Public Housing to Project-Based Rental Assistance or Project-Based Vouchers under RAD. <input type="checkbox"/> <input checked="" type="checkbox"/> Project Based Vouchers. <input type="checkbox"/> <input checked="" type="checkbox"/> Units with Approved Vacancies for Modernization. <input type="checkbox"/> <input checked="" type="checkbox"/> Other Capital Grant Programs (i.e., Capital Fund Community Facilities Grants or Emergency Safety and Security Grants).</p> <p>(b) If any of these activities are planned for the current Fiscal Year, describe the activities. For new demolition activities, describe any public housing development or portion thereof, owned by the PHA for which the PHA has applied or will apply for demolition and/or disposition approval under section 18 of the 1937 Act under the separate demolition/disposition approval process. If using Project-Based Vouchers (PBVs), provide the projected number of project-based units and general locations, and describe how project basing would be consistent with the PHA Plan</p> <p>Demolition and/or Disposition. The Dakota County CDA is considering applying for the disposition of the remaining Public Housing units. Conversion of Public Housing to Tenant Based Assistance. As part of the application process for disposition, the Dakota County CDA will be requesting Tenant Protection Vouchers.</p>
B.3	<p>Progress Report. Provide a description of the PHA's progress in meeting its Mission and Goals described in the PHA 5-Year and Annual Plan. See attached document.</p>
B.4	<p>Capital Improvements. Include a reference here to the most recent HUD-approved 5-Year Action Plan in EPIC and the date that it was approved. The Dakota County CDA's approved 5-year plan, on May 24, 2024, in EPIC is for 2024-2028.</p>
B.5	<p>Most Recent Fiscal Year Audit. (a) Were there any findings in the most recent FY Audit? Y <input type="checkbox"/> N <input checked="" type="checkbox"/></p> <p>(b) If yes, please describe:</p>
	<p>Plan Elements Submitted All Other Years (Years 1-4). Required elements for all other fiscal years. This section does not need to be completed in years when a Small PHA is submitting its 5-Year PHA Plan.</p>

<p>B.1</p>	<p>New Activities (a) Does the PHA intend to undertake any new activities related to the following in the PHA's current Fiscal Year? Y N <input type="checkbox"/> <input type="checkbox"/> Hope VI or Choice Neighborhoods. <input type="checkbox"/> <input type="checkbox"/> Mixed Finance Modernization or Development. <input type="checkbox"/> <input type="checkbox"/> Demolition and/or Disposition. <input type="checkbox"/> <input type="checkbox"/> Conversion of Public Housing to Tenant-Based Assistance. <input type="checkbox"/> <input type="checkbox"/> Conversion of Public Housing to Project-Based Assistance under RAD. <input type="checkbox"/> <input type="checkbox"/> Project Based Vouchers. <input type="checkbox"/> <input type="checkbox"/> Units with Approved Vacancies for Modernization. <input type="checkbox"/> <input type="checkbox"/> Other Capital Grant Programs (i.e., Capital Fund Community Facilities Grants or Emergency Safety and Security Grants). (b) If any of these activities are planned for the current Fiscal Year, describe the activities. For new demolition activities, describe any public housing development or portion thereof, owned by the PHA for which the PHA has applied or will apply for demolition and/or disposition approval under section 18 of the 1937 Act under the separate demolition/disposition approval process. (c) If using Project-Based Vouchers, provide the projected number of project-based units, general locations, and describe how project-basing would be consistent with the PHA Plan. (d) The PHA must submit its Deconcentration Policy for Field Office Review.</p>
<p>B.2</p>	<p>Capital Improvements Include a reference here to the most recent HUD-approved 5-Year Action Plan in EPIC and the date that it was approved.</p>
<p>C. Other Document or Certification Requirements for Annual Plan Submissions. Required in all submission years.</p>	
<p>C.1</p>	<p>Resident Advisory Board (RAB) Comments. (a) Did the RAB(s) have comments to the PHA Plan? Y <input type="checkbox"/> N <input checked="" type="checkbox"/> (b) If yes, comments must be submitted by the PHA as an attachment to the PHA Plan. PHAs must also include a narrative describing their analysis of the RAB recommendations and the decisions made on these recommendations. Due to lack of interest from our residents in forming a RAB, all Public Housing residents were sent a postcard making them aware of the Public Comment period and where they can access the "proposed revised Annual Plan". Residents were informed via the above-mentioned postcard how they can provide comments to the CDA that will be shared with the Revised Annual Plan submission. With the lack of interest, the CDA views all residents as our RAB. Annually, the CDA solicits its Public Housing residents to form a RAB Board and to date we have not received interest from residents wanting to participate. See "Public Comments" document in submission file.</p>
<p>C.2</p>	<p>Certification by State or Local Officials. <i>Form HUD 50077-SL, Certification by State or Local Officials of PHA Plans Consistency with the Consolidated Plan, must be submitted by the PHA as an electronic attachment to the PHA Plan.</i></p>
<p>C.3</p>	<p>Civil Rights Certification/ Certification Listing Policies and Programs that the PHA has Revised since Submission of its Last Annual Plan. <i>Form HUD-50077-CRT-SM, PHA Certifications of Compliance with PHA Plan, Civil Rights, and Related Laws and Regulations Including PHA Plan Elements that Have Changed, must be submitted by the PHA as an electronic attachment to the PHA Plan</i></p>
<p>C.4</p>	<p>Challenged Elements. If any element of the PHA Plan is challenged, a PHA must include such information as an attachment with a description of any challenges to Plan elements, the source of the challenge, and the PHA's response to the public. (a) Did the public challenge any elements of the Plan? Y <input checked="" type="checkbox"/> N <input type="checkbox"/> If yes, include Challenged Elements. See Public Comment document.</p>
<p>D. Affirmatively Furthering Fair Housing (AFFH).</p>	
<p>D.1</p>	<p>Affirmatively Furthering Fair Housing (AFFH). Provide a statement of the PHA's strategies and actions to achieve fair housing goals outlined in an accepted Assessment of Fair Housing (AFH) consistent with 24 CFR § 5.154(d)(5). Use the chart provided below. (PHAs should add as many goals as necessary to overcome fair housing issues and contributing factors.) Until such time as the PHA is required to submit an AFH, the PHA is not obligated to complete this chart. The PHA will fulfill, nevertheless, the requirements at 24 CFR § 903.7(o) enacted prior to August 17, 2015. See Instructions for further detail on completing this item.</p>

Form identification: MN147-DAKOTA COUNTY CDA Form HUD-50075-SM (Form ID - 3552) printed by Lisa Hohenstein in HUD Secure Systems/Public Housing Portal at 03/13/2025 11:05AM EST

B.4	<p>Violence Against Women Act (VAWA) Goals. Provide a statement of the PHA's goals, activities objectives, policies, or programs that will enable the PHA to serve the needs of child and adult victims of domestic violence, dating violence, sexual assault, or stalking.</p> <p>See Exhibit 1B.</p>
C.	<p>Other Document and/or Certification Requirements.</p>
C.1	<p>Significant Amendment or Modification. Provide a statement on the criteria used for determining a significant amendment or modification to the 5-Year Plan.</p> <p>The CDA defines "significant amendment" to the Annual Plan for the Public Housing and Housing Choice Voucher (HCV) Programs to be changes to the local preference given in waiting list systems and those changes that may be required by HUD through regulation, if any. For Public Housing only, "significant amendment" is further defined as any change to the proposed demolition or disposition of property and any proposed elderly only designation of property. The CDA defines "substantial deviation/modification" as a fundamental change to the CDA's mission statement, goals or objectives identified in the 5-Year Plan.</p>
C.2	<p>Resident Advisory Board (RAB) Comments.</p> <p>(a) Did the RAB(s) have comments to the 5-Year PHA Plan? Y <input type="checkbox"/> N <input checked="" type="checkbox"/></p> <p>(b) If yes, comments must be submitted by the PHA as an attachment to the 5-Year PHA Plan. PHAs must also include a narrative describing their analysis of the RAB recommendations and the decisions made on these recommendations</p> <p>Due to lack of interest from our residents in forming a RAB, all Public Housing residents were sent a postcard making them aware of the Public Comment period and where they can access the "proposed revised 5-year and Annual Plan". Residents were informed via the above-mentioned postcard how they can provide comments to the CDA that will be shared with the 5-year and Annual Plan submission. With the lack of interest, the CDA views all residents as our RAB. Annually, the CDA solicits its Public Housing residents to form a RAB Board and to date we have not received interest from residents wanting to participate. See Public Comments document.</p>
C.3	<p>Certification by State or Local Officials.</p> <p>Form HUD-50077-SL, Certification by State or Local Officials of PHA Plans Consistency with the Consolidated Plan, must be submitted by the PHA as an electronic attachment to the PHA Plan.</p>
C.4	<p>Required Submission for HUD FO Review.</p> <p>(a) Did the public challenge any elements of the Plan? Y <input checked="" type="checkbox"/> N <input type="checkbox"/></p> <p>(b) If yes, include Challenged Elements.</p> <p>See Public Comments document.</p>
D.	<p>Affirmatively Furthering Fair Housing (AFFH).</p>
D.1	<p>Affirmatively Furthering Fair Housing. (Non-qualified PHAs are only required to complete this section on the Annual PHA Plan. All qualified PHAs must complete this section.)</p> <p>Provide a statement of the PHA's strategies and actions to achieve fair housing goals outlined in an accepted Assessment of Fair Housing (AFH) consistent with 24 CFR § 5.154(d)(5). Use the chart provided below. (PHAs should add as many goals as necessary to overcome fair housing issues and contributing factors.) Until such time as the PHA is required to submit an AFH, the PHA is not obligated to complete this chart. The PHA will fulfill, nevertheless, the requirements at 24 CFR § 903.7(o) enacted prior to August 17, 2015. See Instructions for further detail on completing this item.</p>

Form identification: MN147-DAKOTA COUNTY CDA form HUD-50075-5Y (Form ID - 2605) printed by Lisa Hohenstein in HUD Secure Systems/Public Housing Portal at 03/13/2025 10:57AM EST

EXHIBIT 1A

Goals and Objectives. Identify the PHA’s quantifiable goals and objectives that will enable the PHA to serve the needs of low-income and very low-income, and extremely low-income families for the next five years. Include a report on the progress the PHA has made in meeting the goals and objectives described in the previous 5-Year Plan.

Goals adopted by the Dakota County CDA include:

Create and Maintain Affordable Housing Opportunities

- Apply for additional rental voucher as they are available.
- Modernize public housing units utilizing over \$800,000 for public housing units per year.
- Compliance with VAWA requirements.

PROGRESS:

- **2024 HUD awarded the Dakota County CDA \$1,154,322 in capital funds. These grant dollars will be obligated and expended to complete needed rehabilitation work on public housing properties.**
- **VAWA notification is posted on the CDA’s website and applicant/participant documentation.**
- **Maintaining housing and/or subsidy when it has been determined protection by VAWA is warranted.**
- **Staff were trained on VAWA and its requirements in 2024.**

Strengthen Dakota County Communities

- Deconcentrate poverty by promoting mixed-income private developments when possible and maintaining scattered site public housing program.
- Promote self-sufficiency and asset development by continuing a Section 8 Family Self-Sufficiency program, incorporating services in housing units as feasible.
- Promote affordable home ownership opportunities by selling former Public Housing units to current residents and/or a non-profit entity.

PROGRESS:

- **Offered a four-part Financial Literacy Series for FSS participants.**
- **Since 2021, the CDA has sold 34 single family homes and 3 duplexes that were part of a Section 18 application from the CDA’s Public Housing Program. By selling these units, the CDA promoted homeownership to income eligible households. The CDA will continue evaluating the feasibility of selling single family homes as the families vacate or sell to the current renter to continue promoting affordable homeownership, while also retaining the sale proceeds for future development of additional affordable housing in Dakota County.**

Excellence in the Administration of Programs

- Maintain 95% or better occupancy/utilization rate for each CDA housing program.
- Earn a High Performer designation through the Public Housing Assessment System (PHAS) and the Section 8 Management Assessment Program (SEMAP).
- Provide quality service to customers and clients through open communication, offering extended hours once a month for working program participants, and completing no less than 99% of Housing Choice Voucher recertifications on time.

PROGRESS:

- **Maintained 98.38% voucher utilization and 96.78% budget authority use for the HCV Program (most recent FY).**
- **Maintained High Performer designation for SEMAP.**
- **Obtain the maximum points for timely re-certifications established in SEMAP.**
- **CDA office is open to the public with staff and equipment available to assist with online application and recertification process.**
- **HOTMA implementation is contingent on the CDA’s software.**

Increase Public Awareness of Agency and Affordable Housing

- Promote housing programs through annual landlord conference and education.
- Promote initiatives through comprehensive communications program.
- Pursue opportunities for collaboration and partnership
- Promote the CDA and housing programs on social media platforms.

PROGRESS:

- **In 2023 the CDA offered landlords an in-person training including speakers on HQS inspections and the Dakota County Drug Task Force.**
- **In 2024 the CDA published a Fair Housing training for owners/landlords and hosted a NSPIRE training.**
- **Built partnerships with local community services to benefit the residents of Dakota County as a whole.**
- **Promoted the Dakota County CDA housing and employment opportunities on social media.**

Attract, Retain and Develop Qualified Staff

- Offer career opportunities and benefits that successfully compete with other employers.
- Foster workplace environment where employees feel supported and encouraged to pursue on-going professional development.

PROGRESS:

- **Offer compensation and a benefit package that is competitive with similar positions at housing authorities in the Twin Cities Metropolitan Area.**
- **Career laddering opportunities in both Housing Assistance and Property Management departments.**
- **Invested in professional development of all staff through local and national training opportunities.**
- **Purchased subscription to online HAI Training for staff to access on-demand.**
- **Tuition reimbursement available for continuing education.**
- **Regularly provide agency-wide training for all staff.**

AFFIDAVIT OF PUBLICATIONSTATE OF MINNESOTA) ss
COUNTY OF DAKOTA

I do solemnly swear that the notice, as per the proof, was published in the edition of the

STW Burnsville/Eagan

with the known office of issue being located in the county of:

DAKOTA

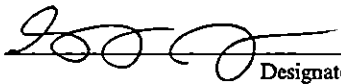
with additional circulation in the counties of:

DAKOTA

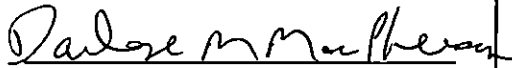
and has full knowledge of the facts stated below:

(A) The newspaper has complied with all of the requirements constituting qualification as a qualified newspaper as provided by Minn. Stat. §331A.02.

(B) This Public Notice was printed and published in said newspaper(s) once each week, for 2 successive week(s); the first insertion being on 12/20/2024 and the last insertion being on 12/27/2024.

MORTGAGE FORECLOSURE NOTICES
Pursuant to Minnesota Stat. §580.033 relating to the publication of mortgage foreclosure notices: The newspaper complies with the conditions described in §580.033, subd. 1, clause (1) or (2). If the newspaper's known office of issue is located in a county adjoining the county where the mortgaged premises or some part of the mortgaged premises described in the notice are located, a substantial portion of the newspaper's circulation is in the latter county.By:  Designated Agent

Subscribed and sworn to or affirmed before me on 12/27/2024


Notary Public

Rate Information:

(1) Lowest classified rate paid by commercial users for comparable space:
\$999.99 per column inch

Ad ID 1440751

**COMMENT PERIOD
FOR DAKOTA COUNTY
CDA AGENCY PLAN**The Dakota County CDA's 5-Year Agency Plan which outlines the CDA's goals, objectives, and administrative policy for the Housing Choice Voucher (Section 8) and Public Housing program is available for public review and comment through 02/10/2025. A draft is available on the Dakota County CDA's website at www.dakotacda.org. Upon request, the Agency Plan can be made available in an alternative format.Written and/or oral comments may be submitted to the CDA at Dakota County CDA, Attention: CDA Plan Comments, 1228 Town Centre Drive, Eagan, MN 55123. Comments sent by email may be sent to ajudge@dakotacda.org with the Subject line: CDA Plan Comments. Telephone: 651-675-4400, Fax: 651-675-4444, MN Relay Service: 1-800-627-3529.

As required by the Department of Housing and Urban Development (HUD), notice is hereby given that the Dakota County Community Development Agency's Board of Commissioners will hold a Public Hearing on Tuesday, March 25, 2025, at 3:00 p.m. at the Dakota County Community Development Agency's office to receive public comment on the Dakota County CDA's Public Housing Agency updated 5-Year Agency PHA Plan.

Published in the
Sun Thisweek
December 20, 27, 2024
1440751



March 3, 2025

To: Dakota County CDA Board of Commissioners
 From: Anna Judge, Director of Property Management
 Lisa Hohenstein, Director of Housing Choice Voucher Program
 Re: Public Comments on CDA 2025 Annual PHA Plan and 5-Year Plan

In addition to mailing postcards to all households that participate in the Housing Choice Voucher and Public Housing programs, the CDA advertised the public comment period in the Dakota County Tribune and on its website, held meetings for public housing residents (one at Collen Loney Manor and the other at the CDA’s office), and solicited feedback from cities where the CDA has public housing units. In addition to the in-person meetings, residents were given the opportunity to make any comments through emails, phone, or mail.

The following comments were received and responded to through the public comment period for the CDA’s 2025 5-year and Annual Public Housing Agency Plan.

Colleen Loney Manor resident comments received during annual meeting and CDA responses:

Comment	Response
Resident would like to see the windows of the building cleaned now that construction of the back parking lot is complete	Staff will look into the feasibility of cleaning all windows in the building.
Resident requested a DVD player be purchased for the Community Room	Staff will look into the feasibility of purchasing a DVD for the community room
Resident requested handheld shower with an on/off button or switch on the device	Staff will look into the feasibility of this request. Resident is also welcome to purchase their own showerhead.
Resident states that at times the water is warm, not hot	Staff will look into this concern to see if something needs to be addressed with the water heaters.
Resident stated that the elevator lobby air conditioner units have lint on them and need cleaning	Staff will address this request
Resident stated that the community room freezer has mold in it	Staff will address this concern
Resident stated that at times the exterior doors are propped open by others in the building	Staff will address this concern with an all building reminder memo

Residents stated that there are non-residents at the building and trying to gain access to the building	Staff are unable to control how attempts to gain access to the building. A memo will be put out addressing this again and reminding residents not to let someone in that is not there for them or hold doors open for others
Resident stated that more pest control is needed and may be affected by the propping of doors concern	Staff will continue to address any pest related issues in the building
Resident stated that there are odors coming from trash room and chute	Staff will address this issue
Resident stated that more on-site management or more presence/more duties are needed for the site attendant. This resident stated that they missed the times when they had an on-site caretaker that would take care of minor maintenance issues	Staff remind residents that maintenance functions will only be completed by maintenance personnel and not on-site attendant.
Resident requested a play area for children	CLM is a building designated for elderly and/or disabled residents and are 1-bedroom units. The need for a play area is unfounded due to the population of the building. This is not a family development.

Housing Choice Voucher recipient comments were as follows:

Comment	Response
<ul style="list-style-type: none"> HCV participant living in Senior Housing asked for a top load wash machine, an updated TV in the common area, and “exercise tape not at all”. 	<ul style="list-style-type: none"> The comments were unrelated to the HCV assistance therefore sent to Property Management for consideration.
<ul style="list-style-type: none"> HCV participant, based on barriers personally experienced, requested the following recommendations: <ul style="list-style-type: none"> 1) Additional landlord outreach strategies and/or incentives to increase the number of landlords that accept the Housing Choice Voucher. 2) Reviewing and adding creative solutions to add affordable housing stock such as, commercial properties developed into residential, and rehabilitation of vacant housing. 	<ul style="list-style-type: none"> This submission was received after the public comment period, however, CDA personnel did provide a response.

The following public comments derived from the same source. The Dakota County CDA has responded to the following:

- When and where these comments will be published
- How the public can access all submitted comments
- Timeline for CDA's response to public comments
- Whether comments will be included in the final HUD submission

The recommendations/requests involve creation of funding, housing and programs that are not within the scope of the Public Housing and Housing Choice Voucher Programs which is the basis for the 5-year and Annual PHA Plan.

Feb. 10, 2025

To: Dakota County Community Development Agency
1228 Town Centre Drive Eagan,
MN 55123 NOTICE:

We formally request information about when and where these public comments will be published and made available for public review.

After reviewing the CDA's 2025-2029 Five-Year Plan, we identify critical gaps in service delivery and housing options that must be addressed, particularly regarding the "Excellence in Administration of Programs" and "Create and Maintain Affordable Housing Opportunities" objectives.

Service Quality and Staff Training

The plan's focus on "providing quality service to customers" requires significant enhancement:

- Current customer service practices often fail to demonstrate appropriate respect for program participants
 - Staff need comprehensive training in disability cultural competency
 - Communication with vulnerable populations requires specific skill development
 - Recommend implementing regular training on respectful service delivery, particularly for front-line staff
 - Suggest establishing customer service metrics that include feedback from disabled and elderly residents
- Critical Gap:

Home Maintenance Support

The plan fails to address a crucial need in our community:

- No identified funding or programs (i.e. major appliance replacement) to help seniors and disabled homeowners maintain their existing homes
 - Lack of home modification assistance for aging-in-place needs
- No clear strategy for preventing displacement of elderly and disabled homeowners
- Missing opportunities to preserve naturally occurring affordable housing through maintenance support
 - Cost-effective investment in maintaining existing accessible homes rather than new construction
- Prevention of institutionalization through home modifications and maintenance support
 - Significant gap in supporting disabled and elderly residents who wish to maintain homeownership

Housing Model Limitations

The current housing inventory fails to meet the diverse needs of disabled adults ages 20-55:

- Single buildings like Colleen Loney Manor cannot adequately serve the entire disabled population
 - 500-square-foot units are insufficient for residents requiring care staff or adaptive equipment
 - Mixed-use of senior and disability housing creates inappropriate service delivery models
 - Existing "disability housing" options fail to account for sensory needs and support staff requirements
 - Current models ignore the unique space requirements of residents with various disabilities
- Specific

Recommendations:

1. Implement J-HAP Model Adaptation

- Develop housing specifically designed for disabled adults ages 20-55
- Incorporate appropriate square footage for adaptive equipment and care staff - Include sensory-friendly design elements
- Create integrated social work support systems
- Partner with disability service providers for on-site support

2. Address Affordability Crisis

- Current "disability-friendly" options like Fraser properties remain financially out of reach
- Even with roommate arrangements, rents exceed disability income levels
- Need creative financing solutions specifically for disabled residents
- Recommend exploring mixed-funding models to reduce resident costs
- Consider project-based vouchers specifically for disability-designed units

3. Enhance Stakeholder Engagement

- Current public engagement process fails to reach most affected populations
- Historical attendance at planning meetings shows severe underrepresentation
- Need proactive outreach to disability community
- Recommend establishing Disability Housing Advisory Committee
- Create meaningful opportunities for MEANINGFUL resident input beyond formal meetings

4. Improve Coordination with Support Services - Integration of social workers into housing programs

- Partnerships with disability service providers - Coordination with county case management
- Development of on-site support service models
- Creation of service coordination protocols The current plan's failure to address these fundamental needs suggests a concerning disconnect between CDA's planning process and the actual needs of disabled residents.

While the CDA can point to individual properties serving seniors or people with disabilities, these token examples fail to address the systematic needs of our community's disabled population.

Implementation Recommendations:

1. Commission a needs assessment specifically focusing on housing requirements for disabled and other marginalized families
2. Develop architectural guidelines that properly account for care staff and adaptive equipment
3. Create financing models that align with actual disability income levels
4. Establish meaningful partnerships with disability service providers
5. Implement comprehensive staff training on disability rights and respectful service
6. Design new properties based on successful supportive housing models
7. Create a home maintenance assistance program for elderly and disabled homeowners
8. Develop a home modification funding program to support aging in place
9. Establish partnerships with home repair and modification contractors
10. Create emergency repair funding for disabled and elderly homeowners These changes are essential to fulfill the CDA's mission of "improving lives" and "enhancing community vitality."

The current approach of focusing solely on rental housing models while ignoring homeowner needs fails to serve vulnerable populations effectively.

Sincerely,

Mary Sterns (and Barbara Walling for whom I am legal guardian of)
 3908 Cedar Grove Parkway 3924 Cedar Grove Parkway
 Apt 210 Ap 111
 Eagan MN 55122
 (651) 497-6340

CC: Dakota County Board of Commissioners , Minnesota Disability Law Center, Minnesota Olmstead Implementation Office

As a ADA accommodation, please let me know where and when my public comments will be published for purposes of tracking and transparency.

Thank you.

----- Forwarded message -----

From: **Minnesota Disability Advocates** <minnesotadisabilityadvocates@gmail.com>

Date: Sun, Feb 9, 2025 at 4:10 PM

Subject: Re: Public Comment on Dakota County CDA 5- Year Plan (2025-2029)

To: <ajudge@dakotacda.org>

NOTICE: We formally request information about when and where these public comments will be published and made available for public review. Please provide details about the publication process and timeline.

To: Dakota County Community Development Agency
1228 Town Centre Drive

Eagan, MN 55123

The Dakota County CDA's stated mission is "to improve the lives of Dakota County residents and enhance the economic vitality of communities through housing and community development." However, reports from residents and Google reviews of the CDA's current practices and policies reveal a concerning misalignment between this mission and the actual treatment of our most vulnerable residents - particularly those with disabilities, elderly individuals, and survivors of domestic violence. These are precisely the populations that Dakota County taxpayers believe they are supporting through public housing programs. This disconnect is particularly troubling because:

- The most vulnerable residents, who are the intended beneficiaries of public housing, face the greatest barriers to access and retention
- Current practices often work against the mission of "improving lives" by creating housing instability for those with the fewest alternative options
- The economic vitality of our community is undermined when we fail to appropriately house those with disabilities, forcing them into costly hospitalization/institutional settings
- Taxpayer resources are being used to maintain systems that often discriminate against, rather than support, our highest-need residents
- The very populations that make public housing programs politically and socially viable are being systematically excluded or removed from housing
- The CDA has consistently refused to coordinate with Dakota County case management services, creating artificial barriers between related county services meant to support the same vulnerable populations
- Legal aid organizations largely decline to accept cases involving the CDA, leaving vulnerable residents without access to legal representation when facing housing loss

Fiscal and Social Impact: The failure to adequately serve disabled and elderly residents creates significant downstream costs for Dakota County taxpayers:

- When housing is lost, disabled residents often require costly emergency hospitalization due to lack of accessible shelter options

- Minnesota's severe shortage of disability-accessible emergency shelters means medical institutions become de facto housing
- Preventable institutionalization creates massive public expenses compared to stable housing maintenance
- Healthcare costs escalate dramatically for unstably housed disabled residents
- County social services face increased strain when housing stability is compromised

Specific Areas Requiring Enhancement:

1. Integration of Olmstead Plan Priorities

- The current plan lacks specific goals or metrics related to Minnesota's Olmstead Plan implementation
- No mention of strategies to support deinstitutionalization efforts
- Need for explicit commitment to housing solutions for people transitioning from institutional settings
- Recommend adding measurable objectives for serving Olmstead-eligible residents

2. Reasonable Accommodations Process

- Current plan lacks concrete policies for handling reasonable accommodation requests - Need for transparent, consistent procedures for evaluating accommodation needs
- Recommend establishing clear documentation requirements and appeal rule-making processes
- Suggest implementing training for staff on disability rights and ADA requirements

3. Support for Personal Care Assistants, overnight, and Live-in Support Staff

- Plan should address Olmstead compliant policies regarding essential care staff presence
- Need clear guidelines distinguishing between care workers and unauthorized residents
- Recommend consulting with disability advocates on appropriate/reasonable verification procedures

4. Housing Stability for Disabled Residents

- Current metrics don't appear to track housing retention for disabled residents (including minors).
- Need specific initiatives to prevent displacement of residents requiring accommodations
- Recommend adding protections for families with disabled children

***Suggest establishing partnership with Minnesota's Olmstead Implementation Office**

5. Enhanced VAWA Implementation and Survivor Protection

- Current VAWA compliance focuses primarily on documentation
- Need stronger protections against retaliation after domestic violence reports

- Recommend trauma-informed training for all staff handling VAWA cases
- Establish clear protocols for safe communication and practices with survivors
- Create partnerships with domestic violence advocacy organizations
- Ensure advocates can safely represent survivors without intimidation
- Protect confidentiality of Safe at Home program participants
- Implement independent review of VAWA-related termination cases

6. Legal Resources and Appeals Process

- Need for expanded access to legal assistance for public housing residents
- Recommend partnerships with legal aid and disability advocacy organizations
- Suggest creating accessible appeals process with independent review held on district court instead of CDA building
- Consider establishing ombudsman position for disability-related concerns

Recommendations for Implementation:

1. Create a Disability Housing Advisory Committee to inform policy development
2. Establish metrics for tracking accommodation requests and outcomes
3. Develop written procedures for validating essential care staff (include education on self-directed programs)
4. Partner with Olmstead Implementation Office on housing goals
5. Implement staff training on disability rights and accommodation requirements
6. Create accessible appeals process with independent oversight
7. Establish comprehensive VAWA compliance monitoring system
8. Develop partnerships with domestic violence service providers To truly fulfill its mission of improving lives and enhancing community vitality, the CDA must realign its practices with its stated purposes. The current system often operates in direct opposition to its founding principles, creating precisely the kind of housing instability and community deterioration it was established to prevent.

These enhancements would not only strengthen the CDA's ability to serve residents equitably and fulfill its obligations under federal disability rights laws - they would restore integrity to the mission of public housing in Dakota County.

We urge the CDA to recognize that its current practices are undermining its core mission and to incorporate these recommendations into the final plan.

The residents most in need of stable, affordable housing - those with disabilities, the elderly, and survivors of domestic violence - should be at the center of the CDA's planning and policies, not treated as inconvenient exceptions to standard procedures.

We would welcome the opportunity to collaborate on implementing these crucial improvements.

Sincerely,

Minnesota Disability Advocates

Ordained Ministers, Qualified Developmental Disabilities Professionals

Note: We request written confirmation of:

- When and where these comments will be published
- How the public can access all submitted comments
- Timeline for CDA's response to public comments
- Whether comments will be included in the final HUD submission



Board of Commissioners

Request for Board Action

Meeting Date: March 25, 2025

Agenda #: 5A

DEPARTMENT: Finance

FILE TYPE: Regular - Consent

TITLE

Approval Of Record Of Disbursements – February 2025

PURPOSE/ACTION REQUESTED

Approve Record of Disbursements for February 2025

SUMMARY

In February 2025, the Dakota County Community Development Agency (CDA) had \$6,352,294.60 in disbursements and \$554,939.47 in payroll expenses. Attachment A provides the breakdown of disbursements. Additional detail is available from the Finance Department.

RECOMMENDATION

Staff recommend approval of the Record of Disbursements for February 2025.

EXPLANATION OF FISCAL/FTE IMPACTS

These disbursements are included in the Fiscal Year Ending June 30, 2025 budget.

None Current budget Amendment Requested Other

RESOLUTION

BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, That the February 2025 Record of Disbursements is approved as written.

PREVIOUS BOARD ACTION

N/A

ATTACHMENTS

Attachment A: Record of Disbursements – February 2025

CONTACT

Department Head: Ken Bauer, Finance Director

Author: Chris Meyer, Assistant Director of Finance

**Dakota County CDA
Record of Disbursements
For the month of February 2025**

	Date	Amount	Total
Common Bond Housing			
	02/20/25	<u>\$ 14,137.98</u>	
			\$ 14,137.98
Disbursing			
	02/01/25	\$ 26,407.00	
	02/06/25	\$ 418,695.82	
	02/13/25	\$ 747,110.52	
	02/20/25	\$ 611,346.71	
	02/27/25	<u>\$ 954,600.85</u>	
			\$ 2,758,160.90
HOPE Program			
	02/26/25	<u>\$ 563,676.13</u>	
			\$ 563,676.13
Housing Assistance			
	02/01/25	\$ 2,831,416.05	
	02/13/25	<u>\$ 86,808.00</u>	
			\$ 2,918,224.05
Housing Development & Renewal			
	02/26/25	<u>\$ 98,095.54</u>	
			\$ 98,095.54
Total Disbursements			<u><u>\$ 6,352,294.60</u></u>
February 2025 Payroll			
	02/07/25	\$ 280,942.25	
	02/21/25	<u>\$ 273,997.22</u>	
Total Payroll			<u><u>\$ 554,939.47</u></u>

Disbursement detail is available in the Finance Office



Board of Commissioners

Request for Board Action

Meeting Date: March 25, 2025

Agenda #: 5B

DEPARTMENT: Finance

FILE TYPE: Federal - Consent

TITLE

Accept The Annual Comprehensive Financial Report And Single Audit Report For The Fiscal Year Ended June 30, 2024

PURPOSE/ACTION REQUESTED

Accept the Annual Comprehensive Financial Report (ACFR) and Single Audit Report for the fiscal year ended June 30, 2024.

SUMMARY

The Dakota County Community Development Agency (CDA) is required to have an annual audit of its financial statements conducted in accordance with auditing standards accepted by 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, the requirements of Title 2 of the U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles, 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.

The CDA's audit for the fiscal year ended June 30, 2024, was performed by the certified public accounting firm Redpath and Company LLC and the results are contained in the following reports.

Annual Comprehensive Financial Report (ACFR)

The ACFR (Attachment A) is comprised of three major sections: introductory, financial, and statistical. The introductory section provides general information about the CDA. The financial section contains the basic financial statements as well as the management discussion and analysis and supplementary financial information. The statistical section provides trend data and non-financial data useful in interpreting the basic financial statements and evaluating economic condition.

The auditor's opinion on the basic financial statements is contained on pages 13-16. Redpath and Company LLC has expressed an unmodified or "clean" opinion which means that the basic financial statements presented are fairly presented in all material respects in conformity with the accounting principles generally accepted in the United States of America.

Single Audit Report

The Single Audit Report (Attachment B) contains the auditor's report on internal control over financial reporting and compliance and other matters as required by the aforementioned standards. These reports do not identify any material weaknesses in internal control or material noncompliance and no audit findings or questioned costs.

Communication With Those Charged With Governance

The Communication With Those Charged With Governance report (Attachment C) communicates various matters relating to the audit. Of particular note, is that there were no audit adjustments and no disagreements with management.

Minnesota Legal Compliance Report

The Minnesota Legal Compliance Report (Attachment D) describes the scope of auditor testing of compliance and the results of that testing. The report does not identify any instances of material noncompliance.

RECOMMENDATION

Staff recommends accepting the Annual Comprehensive Financial Report (ACFR) and Single Audit Report for the fiscal year ended June 30, 2024.

EXPLANATION OF FISCAL/FTE IMPACTS

N/A

None Current budget Amendment Requested Other

RESOLUTION

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 Principles, 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 a Annual Comprehensive Financial Report (ACFR) and Single Audit Report for the year ended June 30, 2024; and

WHEREAS, the public accounting firm of Redpath and Company LLC (the “Auditor”) has performed an audit of the financial statements of the CDA for the fiscal year ended June 30, 2024 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, 2024.

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, 2024 are hereby accepted.

PREVIOUS BOARD ACTION

None.

ATTACHMENTS

Attachment A: Annual Comprehensive Financial Report

Attachment B: Single Audit Report

Attachment C: Communication With Those Charged With Governance

Attachment D: Minnesota Legal Compliance Report

CONTACT

Department Head: Ken Bauer, Finance Director

Author: Chris Meyer, Assistant Director of Finance

Annual Comprehensive Financial Report



For the Year Ended June 30, 2024

**Dakota County
Community Development Agency**

A component unit of
Dakota County, Minnesota

**Dakota County
Community Development
Agency**

**A component unit of
Dakota County, Minnesota**

Annual Comprehensive Financial Report

**For the Year Ended
June 30, 2024**

**Prepared by:
Finance Department**

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Introductory Section

February 18, 2025

To the Board of Commissioners of the Dakota County Community Development Agency, the Citizens of Dakota County; and other interested parties:

We are pleased to present the Annual Comprehensive Financial Report (ACFR) for the Dakota County Community Development Agency (CDA) for the fiscal year ended June 30, 2024. This report was intended to meet the CDA's state and federal reporting requirements and to provide additional information to interested readers.

This report reflects management's representations concerning the financial activity and financial condition of the CDA. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that has been established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective of this framework is to provide reasonable, rather than absolute assurance that the financial statements are free of any material misstatements. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Redpath and Company, a licensed certified public accounting firm has issued an unmodified "clean" opinion on the CDA's financial statements for the year ended June 30, 2024. The independent auditor's report is located at the front of the financial section of this report.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the Government

The CDA was established as the Dakota County Housing and Redevelopment Authority (HRA) in 1971 pursuant to special Minnesota legislation. The CDA is a special-purpose unit of local government with the express limited purpose of serving the citizens of Dakota County, Minnesota (the County) through the administration of affordable housing and community development programs. Located south of Minneapolis and St. Paul, Dakota County has an area of 587 square miles and includes 13 townships, and 21 full and fractional incorporated municipalities. The 2023 population of the County was 447,440, making it the third most populous county in the State. The County is also one of the seven counties comprising the Twin Cities metropolitan area.

The CDA operates under an eight-member Board of Commissioners. Seven Commissioners represent districts within the County, and one is an at-large Commissioner. All CDA Commissioners are appointed by the Board of Commissioners of Dakota County. Once appointed, the Board of Commissioners exercises all oversight responsibilities including but not limited to matters of personnel, management, finance, and budget. The Board is also responsible for the hiring of the CDA's Executive Director, whose responsibility is to carry out policies established by the Board, overseeing the day-to-day operations of the government, and hiring the heads of the various departments.

The CDA is considered a discretely presented component unit of Dakota County, Minnesota, as the Dakota County Board of Commissioners appoints the CDA's Board of Commissioners, and the County has a potential financial

obligation relating to its general obligation pledge on \$66,145,000 of outstanding housing development bonds issued by the CDA to finance the construction of local-financed housing developments. This general obligation pledge allows the CDA to obtain lower borrowing costs for the bond financing of affordable housing developments. These bonds are also secured by the pooled rent receipts of the underlying developments and by other pledged revenue sources, including the CDA's property tax levy. The County has never incurred a financial obligation on these bond issues and the rents, and other revenue sources that secure these bonds are considered sufficient to meet current and future debt service payments.

Various potential component units were evaluated to determine whether they should be reported in the CDA's financial report. A component unit was considered part of the CDA's reporting entity when it was concluded that the CDA was financially accountable for the entity or the nature and significance of the relationship between the CDA and the entity was such that exclusion would cause the CDA's financial statements to be misleading or incomplete. The CDA reports three blended component units, the Dakota County Workforce Housing LLC, the DCCDA Section18 LLC, and the Dakota County Workforce Housing 2 LLC. These LLCs were established for the purpose of owning and operating various rental housing projects. For each of these LLCs, the CDA is the sole member and governing body and also the managing agent. These entities are considered to be disregarded entities for tax purposes. The CDA is also the general partner and managing agent in several limited partnerships that were created to construct and operate family housing townhome developments. These partnerships are presented as discretely presented component units. Separate financial statements for these discretely presented component units can be obtained by contacting the Finance Director of the Dakota County Community Development Agency, 1228 Town Centre Drive, Eagan, Minnesota 55123.

Budgetary Controls

The CDA Board of Commissioners adopts an annual operating budget at the program level. The annual operating budget includes all programs and related activities other than those that account for certain Federal and State grants that have grant periods that do not coincide with the CDA's fiscal year or that run across multiple fiscal years. Those programs and related activities include CDBG, HOME, MHFA, Weatherization, NSP, Homeownership Counseling and ESG grants. For these excluded programs, the program budget and grant contract provide the necessary control over the expenditure of these funds.

Factors Affecting Financial Condition

Federal Funding. Federal funding is and has been the CDA's single largest revenue source. Most of this funding is from a small number of on-going affordable housing and community development programs that are funded by the U.S. Department of Housing and Urban Development (HUD). For the fiscal year ended June 30, 2024, federal funding increased by \$2,624,804 to \$44,733,784 or approximately 56% of all CDA operating revenue compared to \$42,108,804 and 56% of all CDA revenue for the previous fiscal year ended June 30, 2023.

The largest of these on-going federal programs is the Housing Voucher program. This program received \$31,220,061 during the fiscal year ended June 30, 2024, which represented 70% of all federal funding received during the year compared to \$30,390,543 and 72% during the fiscal year ended June 30, 2023. Funding for this and all federal programs can be significantly affected by Congressional legislation and federal budgets. Increases and decreases in this federal funding can have a material impact on the CDA's financial condition.

Locally Financed Housing. Unlike many public housing agencies, the CDA's housing portfolio is primarily locally-financed. Of the 2,590 units owned by the CDA, only 293 units or 11% were federally-financed. The CDA's largest housing program is Common Bond Housing which is bond-financed. Under this program, the CDA has constructed a total of twenty-nine senior apartment buildings including two mixed-use buildings (residential and commercial combined) and one workforce Housing building in eleven different cities throughout Dakota County. These housing developments provide 1,785 units of locally financed housing in the County. The second largest program is workforce housing which is 487 units at 16 townhome developments that are owned by two blended component units.

These locally-financed housing programs have allowed the CDA to expand affordable housing opportunities for Dakota County residents while at the same time allowing the CDA to become less dependent on the federal government for funding. With an occupancy rate of almost 98% and waiting lists with an average wait time of six to eighteen months, there is, and should continue to be, strong demand for this within the County.

Long-term Financial Planning / Major Initiatives

Bond-Financed Housing. In 1989, the Board of Commissioners embarked on a plan to develop affordable senior housing throughout Dakota County. This plan, called the Senior Housing Capital Improvement Plan (CIP) detailed the location of future buildings, the order of construction, and the means for financing them. Thus far, the CDA has constructed 30 buildings (29 senior and one workforce) under three phases of the plan. Through June 30, 2024, there have been three phases of construction under this plan. The CDA is currently in the process of analyzing its financial capacity to further expand the bond-financed housing program with a fourth phase of construction.

Dakota County Workforce Housing LLC and the Dakota County Workforce Housing 2 LLC. In 2012, the Board of Commissioners established the Dakota County Workforce Housing LLC (LLC) for the purpose of owning and operating multiple townhome projects that had been developed through various limited partnerships. In 2022, The Dakota County Workforce Housing 2 LLC was created for the same purpose. These LLCs are reported as blended component units of the CDA. Since 2012, as partnerships have been dissolved, all the assets, liabilities and net position had been transferred to these LLCs. To date, sixteen partnerships totaling 487 units have been dissolved and merged into these LLCs. The number of projects and units owned and operated by these LLCs will continue to increase as individual limited partnerships are dissolved.

DCCDA Section 18 LLC. As noted, 120 units of Public Housing were transferred to the LLC on August 1, 2020. The CDA is looking to reposition these assets into a more sustainable housing model and will likely sell these units over time and reposition the proceeds into larger and more efficient multifamily housing developments. Through June 30, 2024, the CDA has disposed of 35 of the 120 units. The CDA will continue to dispose or reposition the remaining units.

Discretely Presented Component Units. By June 30, 2024, the CDA had developed 847 units of family housing at twenty-six townhome developments owned by twenty-five different partnerships with private investors utilizing the federal low-income housing tax credit (LIHTC) program. Sixteen of these partnerships representing sixteen townhome developments and 487 units have been dissolved and merged into the Dakota County Workforce Housing LLC and the Dakota County Workforce Housing 2 LLC. The CDA remains the General Partner and Managing Agent in ten town home developments owned by nine partnerships representing a total of 360 units. The newest partnership, the Denmark Trail Workforce Housing Limited Partnership currently has a 40-unit family housing townhome development under construction in the city of Farmington, Minnesota. This development will be completed in 2025. The CDA continues to look for opportunities to build additional family housing townhome developments in the future utilizing the LIHTC program.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the CDA for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2023. This was the twenty-second consecutive year that the CDA has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated service of the entire staff of the Finance department. We wish to thank all government departments for their assistance in providing the data necessary to prepare this report. Credit also is due to the Board of Commissioners for their unfailing support for maintaining the highest standards of professionalism in the management of the CDA's finances.

Respectfully submitted,



Tony Schertler
Executive Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Dakota County Community Development Agency
Minnesota**

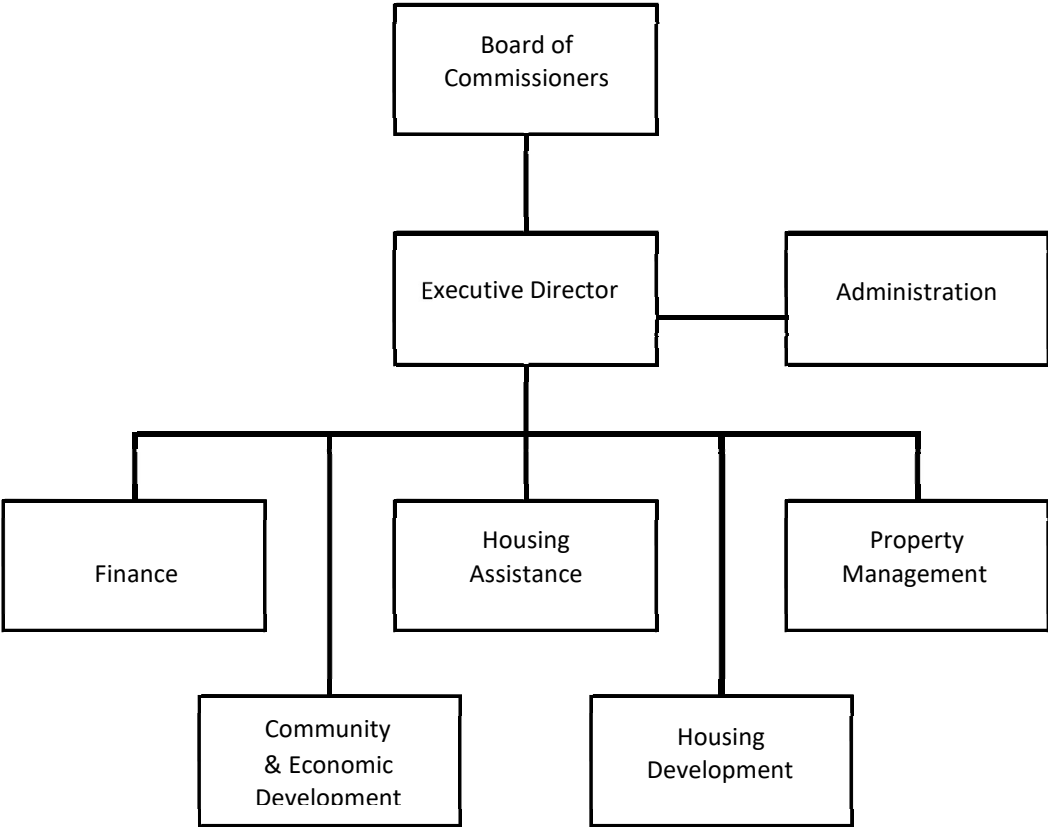
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morrill

Executive Director/CEO

Organizational Chart



List of Appointed Officials

Board of Commissioners June 30, 2024

<u>Name</u>	<u>District</u>	<u>Term Expires</u>
Mike Slavik	District 1	January 2027
Joe Atkins	District 2	January 2026
Laurie Halverson	District 3	January 2027
Bill Droste	District 4	January 2026
Liz Workman	District 5	January 2026
Mary Liz Holberg	District 6	January 2026
Mary Hamann-Roland	District 7	January 2027
Muralidharan Velikolangara	At Large	January 2026

Financial Section



INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Dakota County Community Development Agency
Eagan, Minnesota

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities and the aggregate discretely presented component units of Dakota County Community Development Agency, a component unit of Dakota County, Minnesota, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Dakota County Community Development Agency's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate discretely presented component units of Dakota County Community Development Agency, as of June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Rosemount Family Housing Limited Partnership, Twin Ponds Family Housing Limited Partnership, Meadowlark Family Housing Limited Partnership, Apple Valley East Family Housing Limited Partnership, Twin Ponds Phase II Family Housing Limited Partnership, Eagan Northwood Family Housing Limited Partnership, Inver Hills and Riverview Ridge Family Housing Limited Partnership, Lakeshore Workforce Housing Limited Partnership, Keystone Crossing Workforce Housing Limited Partnership, and Rosemount II Limited Partnership, which represent 100% of the assets, net position and revenues of the aggregate discretely presented component units as of June 30, 2024. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the aforementioned discretely presented component units is based solely on the reports of the other auditors.

Basis for Opinions

We conducted our audit 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Dakota County Community Development Agency and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The financial statements of Rosemount Family Housing Limited Partnership, Twin Ponds Family Housing Limited Partnership, Meadowlark Family Housing Limited Partnership, Apple Valley East Family Housing Limited Partnership, Twin Ponds Phase II Family Housing Limited Partnership, Eagan Northwood Family Housing Limited Partnership, Inver Hills and Riverview Ridge Family Housing Limited Partnership, Lakeshore Workforce Housing Limited Partnership, Keystone Crossing Workforce Housing Limited Partnership, and Rosemount II Limited Partnership were not audited in accordance with *Government Auditing Standards*.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Dakota County Community Development Agency's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Governmental Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Dakota County Community Development Agency's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Dakota County Community Development Agency's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Dakota County Community Development Agency's basic financial statements. The accompanying financial data schedules as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial

statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the financial data schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 18, 2025 on our consideration of Dakota County Community Development Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Dakota County Community Development Agency's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Dakota County Community Development Agency's internal control over financial reporting and compliance.

Redpath and Company LLC

REDPATH AND COMPANY, LLC
St. Paul, Minnesota

February 18, 2025

Management's Discussion and Analysis

As management of the Dakota County Community Development Agency, (CDA) a component unit of Dakota County, Minnesota, we offer readers of the CDA's financial statements this narrative overview and analysis of the financial activities of the government for the fiscal year ended June 30, 2024.

We encourage readers to consider the information presented here in conjunction with the additional information that we have furnished in our letter of transmittal, which can be found on pages 3-6 of this report.

Financial Highlights

- The assets and deferred outflows of resources of the CDA exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$410,263,456 (net position). This net position is comprised of the following components:
 - \$118,818,718 (net investment in capital assets) represents the CDA's investments in land, structures, and equipment, less any capital related debt and is not available for future spending.
 - \$108,106,956 (restricted) is restricted as to use by grant agreements, contracts, and laws and regulations, and can only be used for specific purposes.
 - \$183,337,782 (unrestricted) may be used to meet the CDA's ongoing obligations to citizens and creditors.
- The CDA's net position increased by \$32,486,813. Overall, this increase is largely due to strong operating results in the CDA's 2,590-unit affordable housing portfolio, higher investment earnings, the use of one-time revenues and grants to acquire long-term assets and the use of the CDA's tax levy to issue multifamily loans and also to reduce long-term debt. Additional details about the increase in net position are as follows:
 - The CDA benefited from higher interest rates with Investment earnings of \$9,859,768 on its cash equivalents and investment balances.
 - During the year, \$5,816,040 from a federal grant that was passed to the CDA by Dakota County was used towards the construction of Nicols Pointe, a 24-unit senior housing development.
 - The CDA's tax levy was used to issue \$1,500,000 of multifamily loan receivables. The \$5,600,000 annual levy pledge for housing development bond debt service was used to retire \$3,910,000 of bond principal.
 - The CDA carried over \$3,794,539 of tax levy and tax increment revenues to future years to finance future housing development.
- The CDA's beginning net position was increased by \$2,236,257 due to the merger of a 32-unit townhome development known as Carbury Hills into the Dakota County CDA Workforce Housing 2 LLC. This development had previously been owned by the Rosemount Family Housing Limited Partnership, a discretely presented component unit of the CDA.
- The CDA's total outstanding long-term debt decreased by \$4,787,136 during the current fiscal year. Notes payable decreased by \$448,000 whereas bonds payable decreased by \$4,339,136. The decrease in bonds payable includes the scheduled retirement of \$3,910,000 of housing development bonds and \$429,136 of amortization of issuance premiums.

Overview of the Basic Financial Statements

This discussion and analysis is intended to serve as an introduction to the CDA's basic financial statements. The CDA's basic financial statements are comprised of two components: 1) the basic financial statements, and 2) notes to the financial statements that provide additional disclosure of some of the information in the basic financial statements.

The statement of net position presents financial information on the CDA's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Assets and liabilities are presented in order of liquidity and are classified as "current" (convertible to cash within one year) and "noncurrent". Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the CDA is improving or deteriorating.

The statement of revenues, expenses, and changes in net position shows how the CDA's net position changed during the year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Therefore, revenues and expenses are reported for some items that will only result in cash flows in future years.

The statement of cash flows reports how the CDA's cash was used in, and provided by, its operating, noncapital financing, capital and related financing, and investing activities during the periods reported. The net of these activities is added to the beginning year cash balance to reconcile to the cash balances at June 30, 2024. The CDA uses the direct method of presenting cash flows, which includes a reconciliation of operating activities to operating income. These statements provide answers to the questions as where did cash come from, how was cash used, and what was the change in cash during the year.

The notes to the basic financial statements provide financial statement disclosures that are an integral part of the basic financial statements. Such disclosures are essential to a comprehensive understanding of the information provided in the basic financial statements.

Financial Analysis

The total assets of the CDA at June 30, 2024 and 2023 were \$521,218,374 and \$488,131,398, respectively. Current and other assets include cash, investments, receivables including notes receivable, restricted assets and prepaid items. As described in Note H on page 46, restricted assets of 29,593,493 are primarily comprised of \$4,877,309 of debt proceeds held by trustees, \$14,975,281 in reserves required by various debt agreements and \$8,649,040 in sale proceeds from former Public Housing units in the Section 18 LLC.

Total liabilities of the CDA at June 30, 2024 and 2023, which are segregated between current and noncurrent portions, amounted to \$93,205,382 and \$96,495,794, respectively. Current liabilities primarily include accounts payable, security deposits, accrued interest payable and the current portion of long-term debt. A liability is considered to be current if it is due within one year. Long-term liabilities primarily include notes and bonds payable and deferred interest on these obligations. Liabilities decreased primarily due to the retirement of housing development bonds.

Net position represents the equity of the CDA after liabilities and deferred inflows of resources are subtracted from assets and deferred outflows of resources. Net position is divided into three major categories. The first category, net investment in capital assets, shows the CDA's equity in land, land improvements, buildings and furniture and equipment, net of depreciation and related outstanding debt. The second category, restricted net position, has external limitations on the way these assets can be used. The last category, unrestricted net position, is available to be used for any lawful and prudent CDA purpose.

During the year ended Jun3 30, 2024, the total net position of the CDA increased by \$32,486,813, excluding a \$2,236,257 merger adjustment. This increase indicates that the CDA's financial position improved during the current year. This increase was primarily due to strong operating results including the use of one-time revenues and grants, taxes and tax increment to invest in long-term assets or reduce long-term debt rather than making fiscal period expenses.

Condensed Statement of Net Position

	June 30	
	2024	2023
Current and other assets	\$ 324,092,119	\$ 297,545,100
Capital assets	197,126,255	190,586,298
Total assets	<u>521,218,374</u>	<u>488,131,398</u>
Deferred outflows of resources	<u>-</u>	<u>-</u>
Long-term liabilities outstanding	79,071,542	84,001,102
Other liabilities	14,133,840	12,494,692
Total liabilities	<u>93,205,382</u>	<u>96,495,794</u>
Deferred inflows of resources	<u>17,749,536</u>	<u>16,095,218</u>
Net position:		
Net investment in capital assets	118,818,718	108,902,615
Restricted	108,106,956	102,014,365
Unrestricted	183,337,782	164,623,406
Total net position	<u>\$ 410,263,456</u>	<u>\$ 375,540,386</u>

Revenues, Expenses, and Changes in Net Position

Total operating income (loss) increased by \$4,759,979. Most of the increase is related to higher fee income from administering the CDA's housing finance programs, higher portability payments from other Public Housing Agencies in the HUD-funded Section 8 Housing Choice Vouchers program, and higher program income related to grants, Total nonoperating revenues (expenses) increased by \$2,727,213. Most of this increase related to a \$4,833,990 increase in investment earnings which was partially offset by a decrease in gain (loss) on disposal of capital assets.

Condensed Statement of Revenues, Expenses, and Changes in Net Position

	June 30	
	2024	2023
Operating revenues:		
Total tenant rental	\$ 25,784,865	\$ 24,615,389
Operating subsidies and grants	43,666,580	43,458,064
Other	9,577,101	7,692,918
Total operating revenues	<u>79,028,546</u>	<u>75,766,371</u>
Operating expenses:		
Administrative	10,569,478	9,619,741
Tenant services	114,151	165,269
Utilities	2,084,061	2,417,001
Ordinary maintenance	7,217,969	7,006,872
General expense	10,888,737	9,832,903
Nonroutine maintenance	1,362,170	2,484,516
Housing assistance payments	28,020,293	30,504,368
Depreciation	7,228,827	6,952,820
Total operating expenses	<u>67,485,686</u>	<u>68,983,490</u>
Operating income (loss)	<u>11,542,860</u>	<u>6,782,881</u>
Nonoperating revenues (expenses):		
Investment earnings	9,859,768	5,025,778
Taxes and tax increments	11,122,800	11,098,998
Interest expense	(1,912,635)	(2,021,768)
Gain (loss) on disposal of capital assets	469,649	2,709,361
Total nonoperating revenues (expenses)	<u>19,539,582</u>	<u>16,812,369</u>
Income (loss) before contributions	<u>31,082,442</u>	<u>23,595,250</u>
Capital contributions	1,404,371	-
Change in net position	<u>32,486,813</u>	<u>23,595,250</u>
Total net position - beginning	375,540,386	350,786,305
Merger adjustments	2,236,257	1,158,831
As restated	<u>377,776,643</u>	<u>351,945,136</u>
Total net position - ending	<u>\$ 410,263,456</u>	<u>\$ 375,540,386</u>

Capital Assets and Debt Administration

Capital assets. The CDA's net investment in capital assets as of June 30, 2024, amounts to \$197,126,255 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings, furniture and equipment, and construction projects in progress.

The following table presents the CDA’s capital assets, net of accumulated depreciation, at June 30, 2024 and 2023:

	June 30	
	2024	2023
Land	\$ 35,282,438	\$ 34,785,969
Land improvements	3,176,544	1,633,594
Building	151,048,681	151,724,635
Furniture and equipment	1,784,152	1,435,889
Construction in progress	5,834,440	1,006,211
Total capital assets, net	<u>\$ 197,126,255</u>	<u>\$ 190,586,298</u>

Additional information on the CDA’s capital assets can be found in Note 2.F on page 39 of this report.

Long-term debt. At the end of the fiscal year, the CDA had debt outstanding of \$81,125,229. All the bonds payable are comprised of debt obligations that are backed by the full faith and credit of Dakota County, Minnesota. At June 30, 2024, the County had a Aaa bond rating from Moody’s Investor Services and AA+ from Standard & Poor’s. These bonds are also secured by the pooled gross rent receipts and other operating revenues of the underlying senior housing developments and by pledged tax levy and tax increment revenues.

Major debt events during the fiscal year include the following:

- \$3,910,000 of bonds were retired during the fiscal year.

	June 30	
	2024	2023
Notes payable	\$ 11,751,871	\$ 12,199,871
Bonds payable	69,373,358	74,170,139
Total debt outstanding	<u>\$ 81,125,229</u>	<u>\$ 86,370,010</u>

Additional information regarding the CDA’s long-term debt can be found in Note 2.G beginning on page 40 of this report.

Economic Factors and Next Year’s Budgets

Federal appropriation levels will continue to have a major impact on the Authority’s economic position. The CDA had \$44,733,784 in federal expenditures for the fiscal year ended June 30, 2024. Funding for the CDA’s federal programs is significantly affected by Congressional legislation and the federal budget deficits. If cuts to federal funding are enacted, it may be necessary to further reduce costs and/or services.

Requests for Information

This financial report is designed to provide a general overview of the CDA’s finances for all those with an interest in the government’s finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Finance Director of the Dakota County Community Development Agency, 1228 Town Centre Drive, Eagan, Minnesota 55123.

Basic Financial Statements

Dakota County Community Development Agency
Statement of Net Position
June 30, 2024

	Primary Government	Discretely Presented Component Units
Assets and Deferred Outflows of Resources		
Current assets:		
Cash and cash equivalents	\$ 139,315,399	\$ 1,352,277
Investments	55,391,843	-
Accounts receivable - tenants	297,198	105,293
Accounts receivable - other	838,255	1,504
Taxes receivable	6,745,657	-
Due from other governments	7,716,142	1,995
Interest receivable	161,804	-
Lease receivable	326,554	-
Notes and mortgages receivable, current portion	691,023	4,572
Prepaid items and Inventory	423,227	212,108
Restricted cash and cash equivalents	29,593,493	10,594,310
Total current assets	241,500,595	12,272,059
Noncurrent assets:		
Accrued interest receivable - notes and mortgages receivable	3,227,423	-
Notes and mortgages receivable, net of allowance for loan losses of \$48,600	68,834,262	-
Investments in component units	5,533,552	-
Lease receivable - noncurrent	4,914,682	-
Other assets	81,605	190,813
Capital assets not being depreciated:		
Land	35,282,438	9,466,585
Construction in progress	5,834,440	-
Capital assets (net of accumulated depreciation):		
Land improvements	3,176,544	1,691,005
Buildings	151,048,681	50,071,840
Furniture and equipment	1,784,152	15,076
Total noncurrent assets	279,717,779	61,435,319
Total assets	521,218,374	73,707,378
Deferred outflow of resources	-	-
Total assets and deferred outflows of resources	\$ 521,218,374	\$ 73,707,378

The notes to the financial statements are an integral part of this statement.

Dakota County Community Development Agency
Statement of Net Position
June 30, 2024

	Primary Government	Discretely Presented Component Units
Liabilities, Deferred Inflows of Resources and Net Position		
Current liabilities:		
Accounts payable	\$ 2,731,219	\$ 80,097
Accrued payroll and benefits	191,898	-
Other current liabilities	756,737	184,547
Security deposits payable	1,829,011	304,985
Due to other governments	577,796	184,317
Accrued interest payable	1,094,688	-
Accrued compensated absences	695,353	-
Current portion of long-term debt	4,019,000	90,322
Unearned revenue	2,238,138	16,126
Total current liabilities	14,133,840	860,394
Noncurrent liabilities		
Accrued compensated absences	690,244	-
Accrued interest payable	1,275,069	1,614,502
Notes payable, net of current portion	11,582,871	19,010,931
Bonds payable, net of current portion	65,523,358	-
Total noncurrent liabilities	79,071,542	20,625,433
Total liabilities	93,205,382	21,485,827
Deferred inflow of resources	17,749,536	-
Total liabilities and deferred inflows of resources	110,954,918	21,485,827
Net position:		
Net investment in capital assets	118,818,718	42,143,253
Restricted for loans	54,170,560	-
Restricted for capital projects	30,952,396	10,279,767
Restricted for federal grants	4,076,490	-
Restricted for tax increment	13,519,487	-
Restricted for HOPE program	5,388,023	-
Unrestricted	183,337,782	(201,469)
Total net position	410,263,456	52,221,551
Total liabilities, deferred inflows of resources and net position	\$ 521,218,374	\$ 73,707,378

The notes to the financial statements are an integral part of this statement.

Dakota County Community Development Agency
Statement of Revenues, Expenses, and Changes in Net Position
Year Ended June 30, 2024

	Primary Government	Discretely Presented Component Units
Operating revenues:		
Dwelling rents	\$ 25,784,865	\$ 4,045,701
Operating subsidies and grants	43,666,580	-
Other	9,577,101	143,396
Total revenues	79,028,546	4,189,097
Operating expenses:		
Administrative	10,569,478	752,137
Tenant services	114,151	-
Utilities	2,084,061	258,379
Ordinary maintenance and operation	7,217,969	1,062,393
General expense	10,888,737	882,662
Nonroutine maintenance	1,362,170	196,060
Housing assistance payments	28,020,293	-
Depreciation	7,228,827	1,915,136
Total operating expenses	67,485,686	5,066,767
Operating income (loss)	11,542,860	(877,670)
Nonoperating revenues (expenses):		
Investment earnings	9,859,768	12,962
Taxes and tax increments	11,122,800	-
Interest expense	(1,912,635)	(403,583)
Amortization expense	-	(32,998)
Gain (loss) on disposal of capital assets	469,649	-
Total nonoperating revenues (expenses)	19,539,582	(423,619)
Income (loss) before contributions	31,082,442	(1,301,289)
Contributions:		
HUD capital contributions	1,404,371	-
Partner distributions	-	(483,783)
Total contributions	1,404,371	(483,783)
Change in net position	32,486,813	(1,785,072)
Net position:		
Net position - beginning	375,540,386	55,523,613
Merger adjustments	2,236,257	(1,516,990)
As restated	377,776,643	54,006,623
Total net position - ending	\$ 410,263,456	\$ 52,221,551

The notes to the financial statements are an integral part of this statement.

Dakota County Community Development Agency
Statement of Cash Flows
Year Ended June 30, 2024

	<u>Primary Government</u>
Cash flows From operating activities:	
Cash received from tenants, grants and other revenue	\$ 78,499,712
Cash payments to employees	(10,169,509)
Other payments for operations	<u>(50,634,096)</u>
Net cash provided (used) by operating activities	17,696,107
 Cash flows from noncapital financing activities:	
Cash flows from merger of discretely presented	
Cash received from tax levies and tax increments	6,295,912
General Partner equity contributions	(100)
General Partner equity distributions	<u>51</u>
Net cash provided (used) by noncapital financing activities	6,295,863
 Cash flows from capital and related financing activities:	
Capital grants received	1,404,371
Proceeds from sale of capital assets	1,144,083
Acquisition and construction of capital assets	(11,481,898)
Principal paid on capital debt	(4,534,000)
Interest paid on capital debt	(2,466,680)
Bond trustee fees	(17,663)
Tax levy pledge on capital debt	5,600,000
Lease payments received	<u>340,066</u>
Net cash provided (used) by capital and related financing activities	(10,011,721)
 Cash flows from investing activities:	
Purchases of investments	(37,968,009)
Sales and maturities of investments	44,000,300
Interest received	<u>7,532,596</u>
Net cash provided (used) by investing activities	<u>13,564,887</u>
Net increase (decrease) in cash and cash equivalents	27,545,136
Cash and cash equivalents, beginning of year	<u>141,363,756</u>
Cash and cash equivalents, end of year	<u><u>\$ 168,908,892</u></u>

The notes to the financial statements are an integral part of this statement.

Dakota County Community Development Agency
Statement of Cash Flows
Year Ended June 30, 2024

	Primary Government
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:	
Operating income (loss)	\$ 11,542,860
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation expense	7,228,827
Amortization of deferred inflows - leases	(347,899)
Allocated gain/loss on DPCU investments	125
Change in assets and liabilities:	
Change in accounts receivable - tenants	(56,758)
Change in accounts receivable - other	(269,203)
Change in due from other governments	405,377
Change in interest receivable	(252,584)
Change in prepaid items and inventory	992,057
Change in program loans receivable	(3,032,686)
Change in other assets	29,966
Change in accounts payable	(395,786)
Change in accrued payroll and benefits	27,572
Change in other accrued liabilities	(241,776)
Change in security deposit liabilities	48,563
Change in compensated absences	43,484
Change in due to other governments	(7,892)
Change in unearned revenue	1,981,860
Total adjustments	6,153,247
Net cash provided (used) by operating activities	\$ 17,696,107
Non-cash transactions:	
Capital contributions relating to merger of discretely presented component unit	\$ 1,360,319
Sale of land financed with seller note receivable	925,000
Transfer of land to investment in DPCU	846,828

The notes to the financial statements are an integral part of this statement.

Notes to the Financial Statements

June 30, 2024

Note 1. Summary of Significant Accounting Policies

The basic financial statements of the Dakota County Community Development Agency (CDA) have been prepared in conformity with U.S. generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the significant accounting policies of the CDA.

A. Primary Government

The Dakota County Community Development Agency (CDA) is a local unit of government that was created in 1971 by a special act of the Minnesota State Legislature, Minnesota Statute 383D.41. The CDA was originally named the Dakota County Housing and Redevelopment Authority (HRA) and was created with all the powers and duties of a housing and redevelopment authority. In 1999, Statute 383D.41 was revised to allow the HRA to assume certain economic development authority powers granted by Dakota County, Minnesota (County). After December 31, 1999, the HRA became known as the CDA. The CDA is governed by an eight-member Board of Commissioners which are appointed by the County's Board of Commissioners. The CDA is not financially dependent on the County, but the County has provided its general obligation pledge on CDA housing development bond issues to provide lower financing costs for the construction of affordable housing developments. The County includes the CDA as a discretely presented component unit in its financial statements.

B. Component Units

Component units are classified as either blended component units or discretely presented component units.

Blended Component Units. The CDA has established three legally separate LLCs for the purpose of owning and operating various rental housing projects. The CDA is the sole member and governing body for these LLCs which are considered disregarded entities for tax purposes. The following entities are reported in the financial statements as blended component units:

- Dakota County CDA Workforce Housing LLC was established in 2012 for the purpose of owning and operating workforce housing townhome projects that were developed by the CDA through various limited partnerships using the federal Low-Income Housing Tax Credit (LIHTC) program. These partnerships are reported by the CDA as discretely presented component units. After 15 years, these partnerships are dissolved. As of June 30, 2024, there have been 12 limited partnerships totaling 364 units that have been dissolved and the assets, liabilities and net position merged into this LLC.
- Dakota County CDA Workforce Housing 2 LLC was established in 2022 to provide another option for owning and operating workforce housing townhome projects that, like those previously noted for the Dakota County CDA Workforce Housing LLC, were developed by the CDA through various limited partnerships using the LIHTC program. During the year, one limited partnership, the Rosemount Family Housing Limited Partnership, totaling 32 units was dissolved and the assets, liabilities, and net position merged into this LLC. This merger was recorded in the fiscal year ended June 30, 2024, as described in note 2.I. on page 46. As of June 30, 2024, there have been 4 limited partnerships totaling 123 units that have been dissolved and the assets, liabilities and net position merged into this LLC.

- DCCDA Section 18 LLC was established in 2020 for the purpose of owning and operating 120 single-family and duplex housing units removed from the federal Public Housing Program on August 1, 2020, pursuant to Section 18 of the Housing Act of 1937. These units are subject to U.S. Department of Housing & Urban Development (HUD) imposed use restrictions requiring these units be operated as affordable and reserved for families at or below 80 percent of area median income (AMI) for a period of not less than 30 years. Through June 30, 2024, this LLC has disposed of 35 of the 120 housing units with the sale proceeds restricted for future repositioning.

Discretely Presented Component Units. The CDA is the general partner and managing agent in several legally separate limited partnerships that were formed to construct and operate workforce housing townhome developments throughout Dakota County and financed, in part, with the LIHTC program. Contributions and distributions, if any, are recorded as direct adjustments to the investment in partnerships on the statement of net position. Any income or loss from the operation of these limited partnerships is also recorded as a direct adjustment to the investment in partnerships based on the CDA's ownership percentage, which is .01%. As general partner and managing agent, the CDA possesses essentially all authority over day-to-day operations. The CDA is also financially accountable for the limited partnerships as it is obligated to fund operating deficits pursuant to the limited partnership agreements and provide a guaranty of the tax credits as described in Note 2.D. on page 38. The CDA also has several outstanding loans to these limited partnerships.

The following entities are reported in the financial statements as discretely presented component units:

- Rosemount Family Housing Limited Partnership was formed in 1999 to construct and operate a 32-unit residential townhome development, known as Carbury Hills, located in Rosemount, Minnesota. The development was completed in 2008. Annual profits, losses, tax credits and available cash flows are allocated 99.99% to the Limited Partner and .01% to the General Partner. Profits and losses arising from capital transactions are allocated as set forth in the Partnership Agreement.
- Twin Ponds Family Housing Limited Partnership was formed in 2006 to construct and operate a 25-unit residential townhome development, known as Twin Ponds Family Townhomes, located in Farmington, Minnesota. The development was completed in 2009. Annual profits, losses, tax credits and available cash flow are allocated 99.99% to the Limited Partner and .01% to the General Partner. Profits and losses arising from capital transactions are allocated as set forth in the Partnership Agreement.
- The Meadowlark Family Housing Limited Partnership was formed in 2004 to construct and operate a 40-unit townhome development, known as Meadowlark Family Townhomes, located in Lakeville, Minnesota. The development was completed in 2010. Annual profits, losses, tax credits and available cash flow are allocated 99.99% to the Limited Partner and .01% to the General Partner. Profits and losses arising from capital transactions are allocated as set forth in the Partnership Agreement.
- Apple Valley East Family Housing Limited Partnership was formed in 2009 to construct and operate a 45-unit townhome development known as the Quarry View Townhomes, located in Apple Valley, Minnesota. The development was placed in service in 2011. Annual profits, losses, tax credits and available cash flow are allocated 99.99% to the Limited Partner and .01% to the General Partner. Profits and losses arising from capital transactions are allocated as set forth in the Partnership Agreement.
- Twin Ponds Phase II Family Housing Limited Partnership was formed in 2008 to construct and operate a 26-unit townhome development known as Twin Ponds Phase II Family Townhomes, located in Farmington, Minnesota. The development was placed in service in 2012. Annual profits, losses, tax credits and available cash flow are allocated 99.99% to the Limited Partner and .01% to the General Partner. Profits and losses arising from capital transactions are allocated as set forth in the Partnership Agreement.

- Eagan Northwood Family Housing Limited Partnership was formed in 2008 to construct and operate a 47-unit townhome development known as Northwood Family Townhomes, located in Eagan, Minnesota. The development was completed in 2013. Annual profits, losses, tax credits and available cash flow are allocated 99.99% to the Limited Partner and .01% to the General Partner. Profits and losses arising from capital transactions are allocated as set forth in the Partnership Agreement.
- Inver Hills and Riverview Ridge Family Housing Limited Partnership was formed to construct and operate a 27-unit townhome development known as Riverview Ridge Family Townhomes located in Eagan, Minnesota and a 24-unit townhome complex known as Inver Hills Family Townhomes located in Inver Grove Heights, Minnesota. Both developments were placed in service in 2014. Annual profits, losses, tax credits and available cash flow, other than from the sale of the Project, are allocated 99.99% to the Limited Partner and .01% to the General Partner. Profits and losses arising from capital transactions are allocated as set forth in the Partnership Agreement.
- Lakeshore Workforce Housing Limited Partnership was formed in 2013 to construct and operate a 50-unit townhome development known as Lakeshore Townhomes located in Eagan, Minnesota. The development was completed in 2015. Annual profits, losses, tax credits and available cash flow, other than from the sale of the Project, are allocated 99.99% to the Limited Partner and .01% to the General Partner. Profits and losses arising from capital transactions are allocated as set forth in the Partnership Agreement.
- Keystone Crossing Workforce Housing Limited Partnership was formed in 2015 to construct and operate a 36-unit townhome development known as Keystone Crossing located in Lakeville, Minnesota. The development was completed in 2017. Annual profits, losses, tax credits and available cashflow are allocated 99.99% to the Limited Partner and .01% to the General Partner. Profits and losses arising from capital transactions are allocated as set forth in the Partnership Agreement.
- Rosemount II Limited Partnership was formed in 2016 to construct and operate a 40-unit townhome development known as Prestwick Townhomes in Rosemount, Minnesota. The development was completed in 2023. Annual profits, losses, tax credits and available cashflow are allocated 99.99% to the Limited Partner and .01% to the General Partner. Profits and losses arising from capital transactions are allocated as set forth in the Partnership Agreement.
- Denmark Trail Workforce Housing Limited Partnership was formed in 2023 to construct and operate a 40-unit townhome development to be known as Denmark Trail Townhomes in Farmington, Minnesota. The development commenced construction in 2024 and will begin operations in 2025. Annual profits, losses, tax credits and available cashflow are allocated 99.99% to the Limited Partner and .01% to the General Partner. Profits and losses arising from capital transactions are allocated as set forth in the Partnership Agreement.

Discretely presented component units have a December 31st fiscal year-end. The discretely presented component unit financial statements included in the financial statements are for the fiscal year ended December 31, 2023, except for the Rosemount Family Housing Limited Partnership. This partnership was merged into the Dakota County CDA Workforce Housing 2 LLC during the year and reports a shortened six-month fiscal period that ended June 30, 2023. Separate financial statements for each limited partnership can be obtained by contacting the Finance Director of the Dakota County Community Development Agency, 1228 Town Centre Drive, Eagan, Minnesota 55123.

C. Basis of Presentation

The financial statements report information about the CDA (primary government) and its discretely presented component units. For financial reporting purposes, the CDA reports all its operations and activities as a single business activity reported in a single enterprise fund.

D. Basis of Presentation and Measurement Focus and Basis of Accounting

The CDA's financial statements are accounted for using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Dwelling rents and other charges for services, the current portion of special assessments and interest associated with the current fiscal period have all been recognized as revenues of the current fiscal period. Expenditure-driven grants are recognized as revenue only when the qualifying expenditures have been incurred and all other eligibility requirements have been met.

E. Assets, Liabilities, Deferred Outflows/inflows of Resources, and Net Position

1. Deposits and investments

The CDA's cash and cash equivalents are cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition that are not specifically restricted for use.

The CDA's investment policy requires compliance with State statutes which allow investment in obligations guaranteed by the U.S. Treasury or its agencies, mutual funds, general obligations of state and local governments, bankers' acceptances, commercial paper, repurchase agreements, guaranteed investment contracts, and the Minnesota Municipal Money Market Fund (4M Fund) which is an external investment pool created by the League of Minnesota Cities and governed by the 4M Fund Board of Trustees.

All investments except money-market funds and the Minnesota Municipal Money Market Fund (4M Fund) are valued at fair value based on quoted market prices. Money-market funds and the 4M Fund are reported at amortized cost per GASB 79.

2. Prepaid items and inventory

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. Inventory primarily consists of residential appliances and are stated at the lower of cost or market value. Items are expensed at their individual cost when consumed or placed into a residential unit.

3. Due from other governments

Due from other governments represents taxes collected by Dakota County on behalf of the CDA, but not yet remitted to the CDA as well as receivables relating to intergovernmental revenues.

4. Restricted assets

Certain proceeds of the CDA's bond issues, as well as certain resources set aside for their repayment and certain resources limited by applicable bond and loan agreements are classified as restricted assets on the statement of net position. Restricted assets also include certain escrow accounts and amounts restricted by grant and other external agreements.

5. Lease receivable

The CDA records a lease receivable on commercial leases measured at the present value of the lease payments expected to be received during the lease term. A deferred inflow is recorded at the initiation of the lease in an amount equal to the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease.

6. Capital assets

Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life of two or more years. Such assets are reported at historical cost or estimated historical cost if purchased or constructed. Donated assets are reported at their acquisition value at the date of donation. Land and construction in progress are not depreciated. The other capital assets of the government are depreciated using the straight-line method over the following estimated useful lives:

Land improvements	15 Years
Buildings and improvements	10-40 Years
Furniture and equipment	3-10 Years

7. Investment in Discretely Presented Component Units

The initial equity interest in component units is reported at cost. Contributions and distributions, if any, and the CDA's share of any income or loss from operations are recorded as direct adjustments to investment in component units on the statement of net position.

8. Deferred Outflows/inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expenses) until then. The CDA has no items that qualify for reporting in this category.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The CDA has three types of items, which qualifies for reporting in this category, property taxes and special assessments levied in the current year to be used to finance the subsequent year's budget, leases and deferred gain on refunding bonds: \$12,838,982, \$4,458,919 and \$450,635 respectively.

9. Classification of Net Position

Net position is classified into the following categories:

Net investment in capital assets – the amount of net position representing capital assets net of accumulated depreciation and reduced by outstanding debt attributed to the acquisition, construction, or improvement of the assets.

Restricted net position – the amount of net position for which external restrictions have been imposed by creditors, grantors, contributors, or laws or regulations or other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position – the amount of net position that does not meet the definition of restricted or net investment in capital assets.

10. Net Position Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g. restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the basic financial statements, a flow assumption must be made

about the order in which the resources are considered to be applied. It is the CDA's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

F. Revenues and Expenses

1. Property Taxes

The property tax levy is certified in December of each year to finance the budgeted expenditures of the subsequent fiscal year beginning on July 1st. The levy becomes a lien on January 1 on property values assessed as of the prior year. The tax levy is divided into two billings: the first half is due May 15th and the second half is due on October 15th. No allowance for uncollectible taxes has been provided because such amounts are not expected to be material. Taxes which remain unpaid by property owners on December 31 are considered delinquent. The County bills the property taxes and remits these funds to the CDA in July and December of each year. Because taxes are levied for subsequent periods, such amounts are reported as a deferred inflow of resources.

2. Compensated Absences

Under the CDA's personnel policy, employees are granted flex leave ranging between 20 to 38 days per year based on length of service. Flex leave may be accumulated and up to 1,000 hours carried over from one calendar year to the next. Unused flex leave is paid to employees upon termination. Flex leave is accrued as earned.

3. Operating and Nonoperating Revenues and Expenses

Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary fund's principal ongoing operations. The principal operating revenues of the CDA are charges to customers for services, and grants. Operating expenses include the cost of sales and services, administrative expenses, housing assistance payments and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

4. Use of Estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) require management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows, liabilities and deferred inflows, and the disclosure of contingent assets and liabilities, at the date of the financial statements, and the required amounts of revenue and expenses reported in the reporting period. Actual results could differ from these estimates.

Note 2. Detailed Notes

A. Deposits and Investments

The CDA's total deposits, cash on hand, and investments are as follows:

Deposits	\$ 25,795,862
Cash and petty cash	250
Investments	<u>198,504,623</u>
Total deposits, cash on hand and investments	<u><u>\$224,300,735</u></u>

These amounts are presented in the basic financial statements as follows:

Cash and cash equivalents	\$139,315,399
Investments	55,391,843
Restricted cash and cash equivalents	<u>29,593,493</u>
Total cash, cash equivalents and investments	<u>\$224,300,735</u>

Custodial Credit Risk – Deposits. In the case of deposits, this is the risk that in the event of a bank failure, the CDA's deposits may not be returned to it. The CDA follows Minnesota state statutes which require that all deposits including certificates of deposit with financial institutions be collateralized in an amount equal to 110 percent of the deposits in excess of FDIC insurance.

At year end, all CDA's deposits were adequately protected by pledged collateral and federal-depository insurance.

B. Investments

As of June 30, 2024, the CDA had the following investments:

Investment Type	Credit Rating	Carrying Amount/ Fair Value	Investment Maturities (in Years)		
			Less Than 1	1-5	More than 5
U.S. Government:					
U.S. Treasury Notes	Aaa	\$ 20,719,440	\$ 20,719,440	\$ -	\$ -
U.S. Government Agencies:					
Federal Farm Credit Banks	Aaa	17,202,080	6,791,580	10,410,500	-
Federal Home Loan Mortgage Corp.	Aaa	3,837,366	-	3,670,602	166,764
Federal Home Loan Bank	Aaa	7,388,089	-	7,388,089	-
Federal National Mortgage Assoc.	Aaa	6,218,588	2,072,532	3,810,440	335,616
Government National Mortgage Assoc.	Aaa	26,280	-	-	26,280
Money market funds	N/A	28,624,815	28,624,815	-	-
Local government investment pool	N/A	114,487,965	114,487,965	-	-
		<u>\$198,504,623</u>	<u>\$172,696,332</u>	<u>\$ 25,279,631</u>	<u>\$ 528,660</u>

Interest Rate Risk. Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the fair values of investments with longer maturities are more sensitive to changes in market interest rates. In accordance with its investment policy, the CDA manages its exposure to declines in fair values by limiting non-bond reserve investment maturities to five years or less. The mortgage-backed securities held by the CDA have maturities exceeding five years and were obtained through the Board-approved defeasance of several single-family bond issues and are expected to be held until maturity.

Credit Risk. Generally, credit risk is the risk that an insurer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The CDA's investment policy places no restrictions on credit risk other than requiring compliance with state Law. State Law does not limit investments in securities of U.S. Government Agencies including mortgage-backed securities by credit quality. The local government investment pool and money market mutual funds are unrated. However, investments held by the local government investment pool do conform to state restrictions and

the investments in money market mutual funds comply with state requirements for being rated in one of the highest two categories by a NRSRO. The money market funds include commercial paper investments which comply with state requirements to be rated in the highest quality category by two nationally recognized rating agencies and having maturities of 270 days or less.

Concentration of Credit Risk. The CDA places no limit on the amount that may be invested in any one issuer. On June 30, 2024, the CDA had more than five percent of its total investments with the U.S. Treasury, Federal Farm Credit Banks, money market funds and a local government investment pool.

Custodial Credit Risk – Investments. For an investment, this is the risk that, in the event of the failure of the counterparty, the CDA will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All investment securities are registered in the CDA's name, are in the possession of the CDA's trustee or are held by a custodial bank for the CDA under a tri-party agreement.

Fair value reporting. The CDA's investments that are not recorded at amortized cost are recorded at fair value as of June 30, 2024. GASB Statement No. 72, *Fair Value Measurement and Application*, defines fair value as the price that would be received to sell an asset between market participants at the measure date. This statement establishes a hierarchy of valuation inputs based on the extent to which the inputs are observable in the marketplace.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The following describes the hierarchy of inputs used to measure fair value and primary valuation methodologies used for financial instruments measured at fair value on a recurring basis:

- Level 1: Investments whose values are based on quoted prices (unadjusted) for identical assets (liabilities) in active markets that a government can access at measurement date.
- Level 2: Investments with inputs, other than quoted prices included within Level 1, that are observable for an asset (liability), either directly or indirectly.
- Level 3: Investments classified as Level 3 have unobservable inputs for an asset (liability) and may require a degree of professional judgment.

On June 30, 2024, U.S. Treasury Notes totaling \$20,719,440 were classified as level 1 and U.S. Government Agencies totaling \$34,672,403 were classified as level 2 by a third party using either bid evaluations or a matrix-based pricing technique. Bid evaluations are typically based on market quotations, yields, maturities, call features and ratings. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Money market funds and a local government investment pool of \$28,624,815 and \$114,487,965, respectively, were not subject to leveling as these investments were carried at amortized cost.

C. Notes Receivable

The CDA has issued various notes to individuals, businesses, not-for-profits, governmental units and discretely presented component units. These notes are generally secured by liens on real and personal property and allowances for uncollectible loans are generally not recorded as such amounts are not expected to be material.

Notes receivable on June 30, 2024 consist of the following:

Loan Description	Loan Balance
Homebuyer loans	\$ 1,969,289
Homeowner rehab loans - deferred	19,288,237
Discretely Presented Component Units:	
First mortgage	3,748,411
Other	10,828,330
Revolving	154,026
	<u>14,730,767</u>
Multifamily loans:	
Deferred	23,750,239
Installment	6,988,705
	<u>30,738,944</u>
Supportive housing	2,706,015
Other	92,033
	<u>\$ 69,525,285</u>
Current portion	\$ 691,023
Noncurrent portion	68,834,262
	<u>\$ 69,525,285</u>

Homebuyer Loans. Homebuyer loans assist qualified homebuyers in purchasing residential properties. The loan proceeds may be used for required down payment, closing costs or to buy down the first mortgage principal. Loans are repaid, without interest, when the home is sold, refinanced, or reach the end of the 30-year first mortgage term.

Homeowner Rehabilitation Loans. Homeowner rehabilitation loans are made to assist qualified homeowners in making eligible repairs to their homes. Deferred loans are no interest loans with principal payable upon the sale or transfer of the property.

Discretely Presented Component Unit (DPCU) Loans. The CDA has provided various forms of financing to several limited partnership projects that are considered discretely presented component units. These loans have varying terms which are summarized as follows:

- \$3,748,411 in first mortgage loans at interest rates ranging from 6 to 7 percent interest with principal and interest payable monthly.
- \$10,828,330 in loans at interest rates ranging from 0 to 1 percent interest with interest paid annually or interest and principal deferred until maturity.
- \$154,026 of unsecured revolving loans to finance the development and construction of new family townhome projects. The interest rates on these loans range from 0 to 7 percent with payment of principal and interest generally deferred until the partnership is able to secure permanent financing for the project.

The maturities on these partnership loans range between 20 to 30 years except for bridge and revolving loans. There is no penalty for prepayment of these loans. All loans are secured by liens on the underlying property and all loans other than first mortgage loans are subordinated to other loans that exist on these partnership projects.

Multifamily Loans. Multifamily loans provide financing for the acquisition, development and rehabilitation of affordable multifamily housing. Deferred loans are 0 to 4.91 percent interest loans with principal and interest payable upon the sale, transfer, refinancing or change in use of the property or the maturity date of the loan whichever comes first. Loan maturities range from 15 to 50 years depending on the source of funds. Installment loans consist of one 3.50 percent interest loan with principal and interest payable monthly through July 2039.

Supportive Housing. The CDA has provided five loans to support the construction of two supportive housing properties: one in Apple Valley and one in Inver Grove Heights, Minnesota. These mortgage loans are secured by the underlying real estate and have the following terms:

- \$147,600 at 1 percent interest with the payment of principal and interest deferred for 30 years from date of occupancy or 50 years if recertified for continued use.
- \$2,558,415 at 0-1 percent interest with the payment of principal deferred until the sale, transfer, refinancing or change in use of the property or March 2060, whichever comes first.

Other. The CDA has a \$11,237 loan with a commercial lease tenant. The loan is 4.0 percent interest with monthly payments of interest and principal through September 30, 2028. The CDA also has \$80,796 of short-term zero percent interest repayment agreements with tenants.

D. Investment in Component Units

As explained in Note 1.B., the CDA is the general partner and managing agent in several family housing limited partnerships (FHLP) that were formed to construct and operate family housing townhome complexes within Dakota County. These partnerships were financed, in part, using federal low-income housing tax credits which place certain restrictions on rental rates and require tenants to qualify for occupancy based on income levels. The CDA's investment in these partnerships are accounted for as equity investments. Capital contributions and distributions, if any, are recorded as direct adjustments to the investment in limited partnerships on the statement of net position. Any income or loss from the operation of these limited partnerships is also recorded as a direct adjustment to the investment in discretely presented component units based on the CDA's ownership percentage.

Additional information on each of these limited partnerships is provided as follows:

	Year		Beginning			Allocation of	Ending
	Built	Units	Balance	Additions	Reductions	Gain/(Loss)	Balance
Rosemount FHLP	2008	32	753,514	-	753,514	-	-
Twin Ponds FHLP	2009	25	563,095	-	-	(14)	563,081
Meadowlark FHLP	2010	40	320,535	-	4	(12)	320,519
Apple Valley East FHLP	2011	45	1,384,363	-	3	(10)	1,384,350
Twin Ponds II FHLP	2012	26	355,752	-	-	(12)	355,740
Eagan Northwood FHLP	2013	47	376,583	-	16	(6)	376,561
Inver Hills/Riverview Rdg FHLP	2014	51	744,205	-	15	(15)	744,175
Lakeshore WHLP	2015	50	63,451	-	13	(15)	63,423
Keystone Crossing WHLP	2016	36	685,952	-	-	(19)	685,933
Rosemount II LP	2019	40	192,864	-	-	(22)	192,842
Denmark Trail WHLP	2025	40	-	846,928	-		846,928
		<u>453</u>	<u>\$ 5,440,314</u>	<u>\$ 846,928</u>	<u>\$ 753,565</u>	<u>\$ (125)</u>	<u>\$ 5,533,552</u>

As General Partner, the CDA has an obligation to provide funds for any development and operating deficits that may occur up to \$1,321,584 for Denmark Trail WHLP. Generally, these operating deficit obligations lapse three years after the lease up of the property.

A guaranty of housing tax credits of up to \$8,892,998 is also provided to these discretely presented component units.

E. Lease Receivable

The CDA has entered into leases with several not-for-profit organizations and commercial tenants for space in three CDA housing developments. The leases range from 60 to 372 months. The lease receivable is measured as the present value of the future lease payments expected to be received during the lease term at a discount rate equal to the borrowing rate on CDA underlying bond obligations.

In the fiscal year ended June 30, 2024, the CDA recognized \$347,899 of lease revenue and \$156,239 of interest revenue under these leases.

F. Capital Assets

Capital asset activity for the year ended June 30, 2024, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 35,860,651	\$ 1,566,455	\$ 2,144,668	\$ 35,282,438
Construction in progress	1,006,211	5,834,440	1,006,211	5,834,440
Total capital assets, not being depreciated	36,866,862	7,400,895	3,150,879	41,116,878
Capital assets, being depreciated:				
Land improvements	8,704,597	1,855,363	176,938	10,383,022
Buildings	270,661,107	3,122,513	524,312	273,259,308
Furniture and equipment	10,426,778	701,911	98,703	11,029,986
Total capital assets, being depreciated	289,792,482	5,679,787	799,953	294,672,316
Less accumulated depreciation for:				
Land improvements	(7,065,589)	(283,510)	(142,621)	(7,206,478)
Buildings	(115,875,993)	(6,591,669)	(257,035)	(122,210,627)
Furniture and equipment	(8,990,889)	(353,648)	(98,703)	(9,245,834)
Total accumulated depreciation	(131,932,471)	(7,228,827)	(498,359)	(138,662,939)
Total capital assets, being depreciated, net	157,860,011	(1,549,040)	301,594	156,009,377
Total capital assets, net	<u>\$ 194,726,873</u>	<u>\$ 5,851,855</u>	<u>\$ 3,452,473</u>	<u>\$ 197,126,255</u>

Construction Commitments

On June 30, 2024, the CDA had \$1,962,082 remaining on a \$7,258,201 commitment for Nicols Pointe, a senior housing development with a preference for Veterans in the City of Eagan, MN.

G. Long-term Debt

Changes in Long-term Liabilities

	Beginning			Ending	
	Balance	Additions	Reductions	Balance	Due Within One Year
Compensated absences	\$ 1,342,113	\$ 930,145	\$ (886,661)	\$ 1,385,597	\$ 695,353
Notes payable	12,199,871	-	(448,000)	11,751,871	169,000
Bonds payable	70,055,000	-	(3,910,000)	66,145,000	3,850,000
Plus deferred amounts:					
For issuance premiums	3,657,494	-	(429,136)	3,228,358	-
Total bonds payable	73,712,494	-	(4,339,136)	69,373,358	3,850,000
	<u>\$ 87,254,478</u>	<u>\$ 930,145</u>	<u>\$ (5,673,797)</u>	<u>\$82,510,826</u>	<u>\$ 4,714,353</u>

Notes Payable

The composition of notes payable from direct borrowings is as follows:

Note Description	Amount
Housing Resources Performance Pilot Loan payable to the Minnesota Housing Finance Agency. This non-interest-bearing note is dated December 21, 2006 and it provided financing for a \$600,000 note receivable dated September 14, 2007 to the Rosemount Family Housing Limited Partnership. This note payable requires 1% simple interest on the unpaid balance with accrued interest and principal due in one lump sum on September 1, 2043.	\$600,000
Publicly Owned Housing Program (POHP) note payable to the Minnesota Housing Finance Agency (MHFA). MHFA provided funds in the form of an interest free, deferred loan for a term of twenty years. There is no amortization requirement on the POHP loan. The loan will be forgiven on the twenty-first (21st) anniversary from the effective date of June, 2009. The purpose of the loan was to provide financing for the construction of a 25-unit youth housing development.	3,523,380
Ending Long-term Homelessness Initiative Fund (ELHIF) note payable to the MHFA. The loan is for a term of thirty years with zero percent (0%) interest per year. The principal is due and payable in one lump sum on June 1, 2039. The purpose of the loan was to provide financing for the construction of a 25-unit youth housing development.	697,649
Publicly Owned Housing Program (POHP) note payable to the Minnesota Housing Finance Agency (MHFA). MHFA provided funds in the form of an interest free, deferred loan for a term of twenty years. There is no amortization requirement on the POHP loan. The loan will be forgiven on the twenty-first (21st) anniversary from the effective date of February, 2018. The purpose of the loan was to provide financing for the exterior improvements of the public housing units in Apple Valley and Hastings.	466,000

Dakota County Workforce Housing LLC, note payable to the Family Housing Fund. The loan is for a term of 30 years with simple interest of one percent (1%) on the unpaid principal amount until the maturity date of December 14, 2025. The loan was initially made to the Eagan Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2012, the liabilities of the partnership were transferred to the LLC.	315,000
Dakota County Workforce Housing LLC, Low Income Large Family note payable to MHFA. The loan is for a term of 30 years with interest of one percent (1%) per year accruing on the unpaid amount. The principal and all accrued interest shall be due and payable in one lump sum on December 14, 2025. The loan was initially made to the Eagan Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2012, the liabilities of the partnership were transferred to the LLC.	456,000
Dakota County Workforce Housing LLC, note payable to the Family Housing Fund. The loan is for a term of 30 years with simple interest of one percent (1%) on the unpaid principal amount until the maturity date of January 4, 2025. The loan was initially made to the Inver Grove Heights Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2012, the liabilities of the partnership were transferred to the LLC.	125,000
Dakota County Workforce Housing LLC, Low Income Large Family note payable to MHFA. The loan is for a term of 30 years with interest of one percent (1%) per year accruing on the unpaid amount. The principal and all accrued interest shall be due and payable in one lump sum on February 25, 2027. The loan was initially made to the Hastings Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2013, the liabilities of the partnership were transferred to the LLC.	396,000
Dakota County Workforce Housing LLC, Affordable Rental Investment Fund note payable to MHFA. The loan is for a term of 30 years with interest of one percent (1%) per year accruing on the unpaid amount. The principal and all accrued interest shall be due and payable in one lump sum on February 25, 2027. The loan was initially made to the Hastings Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2013, the liabilities of the partnership were transferred to the LLC.	210,480
Dakota County Workforce Housing LLC, note payable to the Family Housing Fund. The amended loan is for a term of 15 years with zero percent interest (0%). The principal is due and payable at the maturity date of October 1, 2029. The loan was initially made to the Hastings Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2013, the liabilities of the partnership were transferred to the LLC.	175,000

Dakota County Workforce Housing LLC, note payable to the Family Housing Fund. The loan is for a term of 30 years with simple interest of one percent (1%) on the unpaid principal amount. Annual payment of \$44,000, commencing Jun 30, 2024, and each year thereafter through the maturity date of June 26, 2028. The loan was initially made to the Lakeville Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2013, the liabilities of the partnership were transferred to the LLC.	236,000
Dakota County Workforce Housing LLC, note payable to the Family Housing Fund. The loan is for a term of 30 years with simple interest of one percent (1%) on the unpaid principal amount until the maturity date of May 27, 2029. The loan was initially made to the Chasewood Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2014, the liabilities of the partnership were transferred to the LLC.	290,000
Dakota County Workforce Housing LLC, Affordable Rental Investment Fund note payable to MHFA. The loan is for a term of 30 years with simple interest of one percent (1%) on the unpaid principal amount until the maturity date of May 27, 2029. The loan was intially made to the Chasewood Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2014, the liabilities of the partnership were transferred to the LLC.	319,591
Dakota County Workforce Housing LLC, note payable to the Family Housing Fund. The loan is for a term of 30 years with simple interest of one percent (1%) on the unpaid principal amount until the maturity date of October 26, 2030. The loan was initially made to the Lakeville Family Housing Limited Partnership 2, to provide financing for a portion of the construction. Upon dissolution in 2016, the liabilities of the partnership were transferred to the LLC.	230,000
Dakota County Workforce Housing LLC, note payable to the MHFA ARIF Fund. The loan is for a term of 30 years with interest of one percent (1%) on the unpaid principal amount until the maturity date of October 26, 2030. The loan was initially made to the Lakeville Family Housing Limited Partnership 2, to provide financing for a portion of the construction. Upon dissolution in 2014, the liabilities of the partnership were transferred to the LLC.	555,000
Dakota County Workforce Housing LLC, note payable to the Family Housing Fund. The loan is for a term of 30 years with simple interest of one percent (1%) on the unpaid principal amount until the maturity date of January 24, 2031. The loan was initially made to the Mendota Heights Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2016, the liabilities of the partnership were transferred to the LLC.	230,000
Dakota County Workforce Housing LLC, note payable to the MHFA ARIF Fund. The loan is for a term of 30 years with simple interest of one percent (1%) on the unpaid principal amount until the maturity date of January 24, 2031. The loan was initially made to the Mendota Heights Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2016, the liabilities of the partnership were transferred to the LLC.	358,427

Dakota County Workforce Housing LLC, note payable to the Family Housing Fund. The loan is for a term of 30 years with zero percent interest (0%). The principal is due and payable at the maturity date of September 6, 2032. The loan was initially made to the Hastings Marketplace Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2018, the liabilities of the partnership were transferred to the LLC.	300,000
Dakota County Workforce Housing LLC, note payable to the MHFA ARIF Fund. The loan is for a term of 30 years with simple interest of one percent (1%) on the unpaid principal amount until the maturity date of January 27, 2033. The loan was initially made to the Hastings Marketplace Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2018, the liabilities of the partnership were transferred to the LLC.	219,526
Dakota County Workforce Housing LLC, note payable to the Family Housing Fund. The loan is for a term of 30 years with zero percent interest (0%). The principal is due and payable at the maturity date of October 1, 2033. The loan was initially made to the Burnsville Heart of the City Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2019, the liabilities of the partnership were transferred to the LLC.	225,000
Dakota County Workforce Housing LLC, note payable to the MHFA ARIF Fund. The loan is for a term of 30 years with simple interest of one percent (1%) on the unpaid principal amount until the maturity date of June 22, 2034. The loan was initially made to the Burnsville Heart of the City Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2019, the liabilities of the partnership were transferred to the LLC.	200,000
Dakota County Workforce Housing LLC, note payable to the MHFA EDHC Fund. The loan is for a term of 30 years with simple interest of one percent (1%) on the unpaid principal amount until the maturity date of June 22, 2034. The loan was initially made to the Burnsville Heart of the City Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2019, the liabilities of the partnership were transferred to the LLC.	500,000
Dakota County Workforce Housing LLC, note payable to the Family Housing Fund. The loan is for a term of 30 years with zero percent interest (0%). The principal is due and payable at the maturity date of October 1, 2034. The loan was initially made to the Eagan Cedar Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2019, the liabilities of the partnership were transferred to the LLC.	300,000
Dakota County Workforce Housing LLC, note payable to the MHFA ARIF Fund. The loan is for a term of 30 years with simple interest of one percent (1%) on the unpaid principal amount until the maturity date of October 1, 2034. The loan was initially made to the Eagan Cedar Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2019, the liabilities of the partnership were transferred to the LLC.	226,335

Dakota County Workforce Housing LLC, note payable to the MHFA EDHC Fund. The loan is for a term of 30 years with simple interest of one percent (1%) on the unpaid principal amount until the maturity date of October 1, 2034. The loan was initially made to the Eagan Cedar Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2019, the liabilities of the partnership were transferred to the LLC.

597,483

\$11,751,871

Each of the respective note payables are secured by the underlying assets of the respective projects to which the note relates. Notes are subject to various debt provisions and covenants including affordable housing use restrictions. While the debt agreements require the payment of principal and interest according to the loan terms, the entire principal balance and accrued interest may be due and payable upon the occurrence of any of the following events:

- the sale, assignment, conveyance, transfer lease, lien, encumbrance or refining of the underlying project without lender’s approval
- termination of the use of the project as affordable housing
- use of the project which violates federal, state or local law, statute or ordinance
- default in the performance of any covenant, term or condition of the notes, loan agreements or any other agreement or mortgage relating to or encumbering the project

Annual principal and interest maturities for notes payable for fiscal years subsequent to June 30, 2024 are as follows:

	Principal	Interest	Total
2025	\$ 169,000	\$ 37,504	\$ 206,504
2026	815,000	228,167	1,043,167
2027	650,480	196,277	846,757
2028	104,000	19,909	123,909
2029	609,591	180,182	789,773
2030-2034	6,516,333	687,498	7,203,831
2035-2039	2,287,467	254,968	2,542,435
2040-2044	600,000	-	600,000
	<u>\$ 11,751,871</u>	<u>\$ 1,604,505</u>	<u>\$ 13,356,376</u>

Housing Development Bonds

The CDA issues housing development bonds to finance the acquisition and construction of senior housing developments. These bonds are limited obligations of the government but are secured by the pledge of the full faith and credit and power of Dakota County, Minnesota to levy direct general ad valorem taxes. These bonds are secured by and payable from the pooled gross rent receipts and other operating revenues related to the operation of housing developments financed by these bonds and an annual pledge of \$5,600,000 from the CDA’s tax levy. Housing development bonds are issued as serial bonds.

Bonds currently outstanding are as follows:

Description of Bond	Issue Date	Maturity Date	Interest Rate	Original Amount	Outstanding June 30
2010B Housing Development Bonds	07/21/10	01/01/40	2.00 - 6.00%	46,160,000	\$ 530,000
2013 Housing Development Bonds	12/18/13	01/01/27	2.00 - 2.85%	7,630,000	3,625,000
2015A Housing Development Bonds	05/27/15	01/01/42	3.00 - 5.00%	21,745,000	20,455,000
2015B Housing Development Bonds	05/27/15	01/01/35	3.00 - 5.00%	24,025,000	13,555,000
2020A Housing Development Bonds	09/24/20	01/01/46	2.00 - 5.00%	8,655,000	8,175,000
2020B Housing Development Bonds	09/24/20	01/01/40	2.00 - 5.00%	21,800,000	19,805,000
Subtotal					66,145,000
Less current maturities					(3,850,000)
Total					<u>\$ 62,295,000</u>

The annual principal and interest maturities for the Housing Development Bonds by fiscal year are as follows:

	Principal	Interest	Total
2025	\$ 3,850,000	\$ 2,189,375	\$ 6,039,375
2026	4,000,000	2,020,450	6,020,450
2027	3,960,000	1,851,337	5,811,337
2028	3,545,000	1,692,438	5,237,438
2029	3,600,000	1,543,188	5,143,188
2030-2034	20,495,000	5,721,638	26,216,638
2035-2039	16,185,000	2,889,950	19,074,950
2040-2044	9,590,000	809,537	10,399,537
2045-2046	920,000	29,431	949,431
	<u>\$ 66,145,000</u>	<u>\$ 18,747,344</u>	<u>\$ 84,892,344</u>

Pledged Revenue – the \$66,145,000 of outstanding housing development bonds are backed by a general obligation pledge of Dakota County. In addition, the CDA has pledged a portion of its annual tax levy (special benefit tax) that is levied pursuant to Minnesota Statutes, Section 469.033, Subd. 6, and the net operating revenues of the bond-financed developments, including interest earnings, proceeds of the bond issues, and amounts held by the trustee.

The CDA is currently committed, to the extent it is within its power to do so, to levy and collect \$5,600,000 for the payment of debt service on these bonds. The total principal and interest remaining on this debt is \$84,892,344 with annual requirements ranging from \$6,039,375 in 2025 to \$949,341 in the final year. The annual pledge revenue available for debt service is expected to exceed the principal and interest for each year the bonds will be outstanding,

For the current year, total pledged revenues available for debt service was \$27,044,119 and principal and interest was \$6,270,313.

H. Restricted Assets

The balances of restricted asset accounts are as follows:

Debt proceeds held by trustees	\$ 4,877,309
Reserves required by debt agreements	14,975,281
Reserves required by other agreements	194,027
Revolving loan funds	479,342
Section 18 sale proceeds	8,649,040
Security deposit reserve	418,494
	<u>\$29,593,493</u>

I. Dakota County CDA Workforce Housing 2 LLC Merger

During the fiscal year, the Rosemount Family Housing Limited Partnership merged into this LLC. The beginning balances of the assets, liabilities and net position of the partnership, as of the beginning of the period, were determined based on the carrying values reported in the separate audited financial statements as of June 30, 2023. These beginning balances and the adjustments made to these beginning balances are as follows:

	Beginning Balance	Rosemount FHLP	Total	Adjustments		Total
				Debit	Credit	
ASSETS						
Current assets	\$ 2,268,473	\$ 899,909	\$ 3,168,382	\$ -	\$ -	\$ 3,168,382
Capital assets	9,120,722	4,155,816	13,276,538	7,068	22,308	13,261,298
Total assets	11,389,195	5,055,725	16,444,920	7,068	22,308	16,429,680
LIABILITIES						
Current liabilities	2,635,431	51,787	2,687,218	-	-	2,687,218
Noncurrent liabilities	-	1,990,479	1,990,479	-	8,447	1,998,926
Total liabilities	2,635,431	2,042,266	4,677,697	-	8,447	4,686,144
NET POSITION						
Net investment in capital assets	9,120,722	3,964,576	13,085,298	-	-	13,085,298
Restricted for capital projects	1,565,962	289,342	1,855,304	-	-	1,855,304
Unrestricted	(1,932,920)	(1,240,459)	(3,173,379)	23,688	-	(3,197,067)
Total net position	<u>\$ 8,753,764</u>	<u>\$ 3,013,459</u>	<u>\$ 11,767,223</u>	<u>\$ 23,688</u>	<u>\$ -</u>	<u>\$ 11,743,535</u>

The merger adjustment for Rosemount FHLP less adjustments is \$2,989,771 less the reclassification of \$753,514 that had been recorded as an investment in component units for a net merger adjustment of \$2,236,257.

Note 3. Blended Component Units

The condensed financial statements for the blended component units are as follows:

	Dakota County CDA Workforce Housing LLC	DCCDA Section 18 LLC	Dakota County CDA Workforce Housing 2 LLC	Total Blended Component Units
CONDENSED STATEMENT OF NET POSITION				
Assets:				
Cash and investments	\$10,554,639	\$12,729,235	\$ 3,411,944	\$26,695,818
Receivables	120,580	51,100	49,692	221,372
Capital assets, net	25,310,555	5,518,556	12,922,450	43,751,561
Other	233,100	-	34,860	267,960
Total assets	<u>36,218,874</u>	<u>18,298,891</u>	<u>16,418,946</u>	<u>70,936,711</u>
Liabilities:				
Current liabilities	6,296,097	159,628	4,558,848	11,014,573
Long-term liabilities	7,570,911	-	-	7,570,911
Total liabilities	<u>13,867,008</u>	<u>159,628</u>	<u>4,558,848</u>	<u>18,585,484</u>
Net position:				
Net investment in capital assets	18,845,713	5,518,556	12,922,450	37,286,719
Restricted	2,470,995	8,649,040	2,243,646	13,363,681
Unrestricted	1,035,158	3,971,667	(3,305,998)	1,700,827
Total net position	<u>\$22,351,866</u>	<u>\$18,139,263</u>	<u>\$11,860,098</u>	<u>\$52,351,227</u>
CONDENSED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION				
Operating revenues	\$ 4,485,322	\$ 1,524,692	\$ 1,449,065	\$ 7,459,079
Depreciation expense	(1,109,463)	(248,540)	(441,126)	(1,799,129)
Other operating expense	(2,984,089)	(757,696)	(977,943)	(4,719,728)
Operating income (loss)	<u>391,770</u>	<u>518,456</u>	<u>29,996</u>	<u>940,222</u>
Nonoperating revenues (expenses):				
Investment income	-	-	-	-
Interest expense	(164,679)	-	(89,433)	(254,112)
Gain (loss) on disposal of capital assets	-	161,241	-	161,241
Total nonoperating revenues (expenses)	<u>(164,679)</u>	<u>161,241</u>	<u>(89,433)</u>	<u>(92,871)</u>
Income (loss) before contributions	227,091	679,697	(59,437)	847,351
Capital contributions / transfers	540,465	-	176,000	716,465
Change in net position	<u>767,556</u>	<u>679,697</u>	<u>116,563</u>	<u>1,563,816</u>
Beginning net position	21,584,310	17,459,566	8,753,764	47,797,640
Merger adjustments	-	-	2,989,771	2,989,771
As restated	<u>21,584,310</u>	<u>17,459,566</u>	<u>11,743,535</u>	<u>50,787,411</u>
Ending net position	<u>\$22,351,866</u>	<u>\$18,139,263</u>	<u>\$11,860,098</u>	<u>\$52,351,227</u>
CONDENSED STATEMENT OF CASH FLOWS				
Net cash provided (used) by:				
Operating activities	\$ 1,693,698	\$ 778,966	\$ 609,389	\$ 3,082,053
Noncapital financing activities	-	-	-	-
Capital and related financing activities	(745,902)	209,269	(274,247)	(810,880)
Investing activities	-	-	-	-
Net increase (decrease)	<u>947,796</u>	<u>988,235</u>	<u>335,142</u>	<u>2,271,173</u>
Beginning cash and cash equivalents	<u>9,606,842</u>	<u>11,741,000</u>	<u>3,076,802</u>	<u>24,424,644</u>
Ending cash and cash equivalents	<u>\$10,554,638</u>	<u>\$12,729,235</u>	<u>\$ 3,411,944</u>	<u>\$26,695,817</u>

Note 4. Segment Information

Condensed financial statements relating to the CDA's common bond housing program which is financed with housing development bonds is as follows:

CONDENSED STATEMENT OF NET POSITION

Assets:	
Cash and investments	\$ 54,793,811
Receivables	5,425,082
Capital assets, net	124,978,449
Other	4,583
Total assets	<u>185,201,925</u>
Liabilities:	
Current liabilities	7,289,157
Long-term liabilities	65,565,263
Total liabilities	<u>72,854,420</u>
Net position:	
Net investment in capital assets	60,231,826
Restricted	15,205,361
Unrestricted	32,042,670
Total net position	<u>\$ 107,479,857</u>

CONDENSED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

Operating revenues	\$ 18,605,191
Depreciation expense	(4,689,621)
Other operating expense	(12,806,145)
Operating income (loss)	<u>1,109,425</u>
Nonoperating revenues (expenses):	
Investment income	2,838,928
Interest expense	(1,854,748)
Gain (loss) on disposal of capital assets	(169,839)
Total nonoperating revenues (expenses)	<u>814,341</u>
Income (loss) before contributions	1,923,766
Capital contributions / internal transfers	6,147,219
Change in net position	8,070,985
Beginning net position	99,408,872
Ending net position	<u>\$ 107,479,857</u>

CONDENSED STATEMENT OF CASH FLOWS

Net cash provided (used) by:	
Operating activities	\$ 14,922,098
Capital and related financing activities	(9,234,152)
Investing activities	6,830,774
Net increase (decrease)	12,518,720
Beginning cash and cash equivalents	27,069,730
Restricted cash and cash equivalents	15,205,361
Ending cash and cash equivalents	\$ 54,793,811

Note 5. Other Information

A. Risk Management

The CDA is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors or omissions; general liability; workers' compensation and unemployment claims for which the government carries commercial insurance. The CDA has not reduced insurance coverage in the past year and settled claims have not exceeded commercial insurance coverage in any of the three preceding years.

B. Contingent Liabilities

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the CDA expects such amounts, if any, to be immaterial.

C. Conduit Debt

The CDA has issued certain limited-obligation revenue bonds, including: 1) mortgage revenue bonds issued to provide funding for first time homebuyer loans; 2) multifamily housing revenue bonds issued to provide funds to finance specific multifamily rental housing projects; 3) industrial development revenue bonds issued to assist manufacturing companies in financing new facilities, structural improvements and expansions, and new equipment; 4) essential function bonds to finance facilities used by the general public; and 5) 501(c)3 bonds issued to finance specific rental housing projects developed by nonprofit organizations. This debt is secured by the property financed and is payable solely from payments received on the underlying loans. The CDA is not obligated in any manner for repayment of this debt and accordingly, it is not reported as liabilities in the accompanying financial statements. The aggregate amount of all outstanding conduit debt obligations on June 30, 2024, was \$266,304,248.

D. Employee Retirement Plan

The CDA provides a defined contribution plan to all full-time, non-limited term and exempt employees through participation in the Housing Agency Retirement Trust Plan, a nonprofit trust serving housing and redevelopment agencies that is governed by a board of trustees and utilizing a private sector third party administrator. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. All part-time, non-exempt and limited term employees participate in social security.

Employees are required to contribute 12.7% of their annual base salary, and the CDA matches the 12.7% contribution. Plan participants become vested at 20 percent per year after the first year of participation. Plan provisions and contribution requirements are established and may be amended by the CDA's Board of Commissioners. Employer and employee contributions to the plan during the year were \$945,570 each.

E. Accounting Standards Adopted and not yet Adopted

The CDA adopted 100, "Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62," and Implementation Guide 2023-1, "Implementation Guidance Update - 2023." There was no impact on the CDA's net position with the adoption of these standards.

The impact of the following standards, not yet adopted, have not been determined.

GASB Statement No. 101, "Compensated Absences," will be effective for the CDA beginning with its fiscal year ending June 30, 2025.

GASB Statement No. 102, "Certain Risk Disclosures," will be effective for the CDA beginning with its fiscal year ending June 30, 2026.

GASB Statement No. 103, "Financial Model Improvements," will be effective for the CDA beginning with its fiscal year ending June 30, 2026.

GASB Statement No. 104, "Disclosure of Capital Assets," will be effective for the CDA beginning with its fiscal year ending June 30, 2026.

F. Subsequent Events

Property Purchase

On August 28, 2024, the CDA purchased a 39-acre site in Eagan, Minnesota for \$6,250,000. The site contains a 329,000 square foot building that had been used as a data center. The CDA's plan is to demolish the building, clear the site, and eventually build new housing on the site in line with the City of Eagan's redevelopment plans.

Sale of DCCDA Section 18 LLC Properties

After June 30, 2024, the DCCDA Section 18 LLC received \$2,048,236 of proceeds from the sale of six single family homes and one duplex.

Note 6. Discretely Presented Component Units

A. Condensed Financial Statements

The condensed financial statements of the discretely presented component units described in Note 1 are provided on the following pages. These financial statements are as of and for the fiscal year ended December 31, 2023.

Discretely Presented Component Units – Condensed Financial Statements

	Hastings			
	West Village FHLP	Rosemount FHLP	Twin Ponds FHLP	Meadowlark FHLP
CONDENSED STATEMENT OF NET POSITION				
Assets:				
Cash and investments	\$ -	\$ 880,042	\$ 814,839	\$ 1,311,269
Receivables	-	10,827	21,246	13,500
Capital assets, net	-	4,155,816	2,619,951	4,048,544
Other	-	17,487	22,537	47,943
Total assets and deferred outflows	-	5,064,172	3,478,573	5,421,256
Liabilities:				
Current liabilities	-	51,787	56,596	83,349
Long-term liabilities	-	1,998,926	1,711,580	2,246,395
Total liabilities	-	2,050,713	1,768,176	2,329,744
Net position:				
Net investment in capital assets	-	2,364,168	1,105,769	2,034,742
Restricted	-	789,650	709,438	1,181,115
Unrestricted	-	(140,359)	(104,810)	(124,345)
Total net position	\$ -	\$3,013,459	\$ 1,710,397	\$ 3,091,512
CONDENSED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION				
Operating revenues	\$ -	\$ 188,563	\$ 261,272	\$ 408,718
Depreciation expense	-	(70,464)	(103,139)	(168,961)
Other operating expense	-	(153,452)	(272,940)	(325,016)
Operating income (loss)	-	(35,353)	(114,807)	(85,259)
Nonoperating revenues (expenses):				
Investment income	-	466	956	1,552
Interest expense	-	(15,682)	(24,053)	(36,251)
Amortization expense	-	(211)	(764)	(1,771)
Total nonoperating revenues (expenses)	-	(15,427)	(23,861)	(36,470)
Capital contributions	-	-	-	-
Distributions	-	-	-	-
Change in net position	-	(50,780)	(138,668)	(121,729)
Beginning net position	1,516,990	3,064,239	1,849,065	3,213,241
Merger adjustments	(1,516,990)	-	-	-
As restated	-	3,064,239	1,849,065	3,213,241
Ending net position	\$ -	\$3,013,459	\$ 1,710,397	\$ 3,091,512

Discretely Presented Component Units – Condensed Financial Statements

	Apple Valley East FHLP	Twin Ponds II FHLP	Inver Hills & Riverview Ridge FHLP	Egan Northwood FHLP
CONDENSED STATEMENT OF NET POSITION				
Assets:				
Cash and investments	\$ 1,409,332	\$ 771,957	\$ 2,140,588	\$ 1,642,098
Receivables	5,868	15,790	13,332	1,654
Capital assets, net	5,750,177	3,209,044	8,186,664	7,161,756
Other	38,571	20,229	61,073	35,841
Total assets and deferred outflows	<u>7,203,948</u>	<u>4,017,020</u>	<u>10,401,657</u>	<u>8,841,349</u>
Liabilities:				
Current liabilities	102,631	57,165	109,877	112,180
Long-term liabilities	2,356,382	1,141,625	2,654,500	1,160,064
Total liabilities	<u>2,459,013</u>	<u>1,198,790</u>	<u>2,764,377</u>	<u>1,272,244</u>
Net position:				
Net investment in capital assets	3,605,134	2,157,143	5,704,505	6,081,298
Restricted	1,217,962	661,047	1,954,942	1,337,827
Unrestricted	(78,161)	40	(22,167)	149,980
Total net position	<u>\$ 4,744,935</u>	<u>\$ 2,818,230</u>	<u>\$ 7,637,280</u>	<u>\$ 7,569,105</u>
CONDENSED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION				
Operating revenues	\$ 492,086	\$ 262,504	\$ 597,304	\$ 549,110
Depreciation expense	(173,596)	(105,195)	(273,854)	(213,021)
Other operating expense	(373,893)	(251,852)	(435,435)	(361,464)
Operating income (loss)	<u>(55,403)</u>	<u>(94,543)</u>	<u>(111,985)</u>	<u>(25,375)</u>
Nonoperating revenues (expenses):				
Investment income	1,630	896	2,549	1,729
Interest expense	(47,396)	(25,306)	(29,178)	(28,688)
Amortization expense	(918)	(411)	(6,857)	(3,099)
Total nonoperating revenues (expenses)	<u>(46,684)</u>	<u>(24,821)</u>	<u>(33,486)</u>	<u>(30,058)</u>
Capital contributions	-	-	-	-
Distributions	(46,607)	-	(180,687)	(139,726)
Change in net position	<u>(148,694)</u>	<u>(119,364)</u>	<u>(326,158)</u>	<u>(195,159)</u>
Beginning net position	4,893,629	2,937,594	7,963,438	7,764,264
Merger adjustments	-	-	-	-
As restated	<u>4,893,629</u>	<u>2,937,594</u>	<u>7,963,438</u>	<u>7,764,264</u>
Ending net position	<u>\$ 4,744,935</u>	<u>\$ 2,818,230</u>	<u>\$ 7,637,280</u>	<u>\$ 7,569,105</u>

Discretely Presented Component Units – Condensed Financial Statements

	Lakeshore WHLP	Keystone WHLP	Rosemount II LP	Total Discretely Presented Component Units
CONDENSED STATEMENT OF NET POSITION				
Assets:				
Cash and investments	\$ 1,672,513	\$ 736,119	\$ 567,830	\$ 11,946,587
Receivables	9,148	16,472	5,527	113,364
Capital assets, net	9,132,219	7,674,641	9,305,694	61,244,506
Other	53,459	45,610	60,171	402,921
Total assets and deferred outflows	<u>10,867,339</u>	<u>8,472,842</u>	<u>9,939,222</u>	<u>73,707,378</u>
Liabilities:				
Current liabilities	116,596	76,510	93,703	860,394
Long-term liabilities	2,774,734	1,925,545	2,655,682	20,625,433
Total liabilities	<u>2,891,330</u>	<u>2,002,055</u>	<u>2,749,385</u>	<u>21,485,827</u>
Net position:				
Net investment in capital assets	6,539,106	5,842,241	6,709,147	42,143,253
Restricted	1,426,258	637,021	364,507	10,279,767
Unrestricted	10,645	(8,475)	116,183	(201,469)
Total net position	<u>\$ 7,976,009</u>	<u>\$ 6,470,787</u>	<u>\$ 7,189,837</u>	<u>\$ 52,221,551</u>
CONDENSED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION				
Operating revenues	\$ 594,511	\$ 378,862	\$ 456,167	\$ 4,189,097
Depreciation expense	(275,979)	(237,396)	(293,531)	(1,915,136)
Other operating expense	(408,417)	(288,522)	(280,640)	(3,151,631)
Operating income (loss)	<u>(89,885)</u>	<u>(147,056)</u>	<u>(118,004)</u>	<u>(877,670)</u>
Nonoperating revenues (expenses):				
Investment income	1,881	810	493	12,962
Interest expense	(58,246)	(44,924)	(93,859)	(403,583)
Amortization expense	(7,473)	(5,233)	(6,261)	(32,998)
Total nonoperating revenues (expenses)	<u>(63,838)</u>	<u>(49,347)</u>	<u>(99,627)</u>	<u>(423,619)</u>
Capital contributions	-	-	-	-
Distributions	(116,763)	-	-	(483,783)
Change in net position	<u>(270,486)</u>	<u>(196,403)</u>	<u>(217,631)</u>	<u>(1,785,072)</u>
Beginning net position	8,246,495	6,667,190	7,407,468	55,523,613
Merger adjustments	-	-	-	(1,516,990)
As restated	<u>8,246,495</u>	<u>6,667,190</u>	<u>7,407,468</u>	<u>54,006,623</u>
Ending net position	<u>\$ 7,976,009</u>	<u>\$ 6,470,787</u>	<u>\$ 7,189,837</u>	<u>\$ 52,221,551</u>

B. Deposits

The discretely presented component units maintain its cash in bank deposit accounts. The entire amount of bank balances is covered by federal depository insurance and collateral pledged by the financial institution.

C. Restricted Cash

Restricted cash is comprised of required security deposit reserves, operating reserves, replacement reserves, and working capital reserves.

D. Capital Assets

Capital asset activity for the year ended December 31, 2023, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 9,831,842	-	365,257	\$ 9,466,585
Construction in progress	-	-	-	-
Total capital assets, not being depreciated	9,831,842	-	365,257	9,466,585
Capital assets, being depreciated:				
Land improvements	4,725,686	-	215,560	4,510,126
Buildings	69,598,026	56,277	3,139,989	66,514,314
Residential equipment	1,001,334	-	22,486	978,848
Furniture and equipment	21,360	-	-	21,360
Total capital assets, being depreciated	75,346,406	56,277	3,378,035	72,024,648
Less accumulated depreciation for:				
Land improvements	(2,738,735)	(291,637)	(211,251)	(2,819,121)
Buildings	(16,007,508)	(1,600,885)	(1,165,919)	(16,442,474)
Residential equipment	(964,257)	(22,246)	(22,486)	(964,017)
Furniture and equipment	(20,747)	(368)	-	(21,115)
Total accumulated depreciation	(19,731,247)	(1,915,136)	(1,399,656)	(20,246,727)
Total capital assets, being depreciated, net	55,615,159	(1,858,859)	1,978,379	51,777,921
Total capital assets, net	<u>\$ 65,447,001</u>	<u>\$ (1,858,859)</u>	<u>\$ 2,343,636</u>	<u>\$ 61,244,506</u>

E. Long-Term Debt

A summary of notes payable is as follows:

Obligation	Interest Rate	Maturity Date	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<u>Debts of Rosemount FHLP:</u>							
CDA	6.75%	2043	265,426	-	3,018	262,408	6,350
CDA - HRPP	1.00%	2043	600,000	-	-	600,000	-
CDA - HOPE	1.00%	2043	500,000	-	-	500,000	-
Family Housing Fund	0.00%	2043	176,000	-	-	176,000	-
CDA - LHIA	1.00%	2043	145,000	-	-	145,000	-
CDA - TIF	1.00%	2043	59,244	-	-	59,244	-
CDA - HOME	1.00%	2043	48,997	-	-	48,997	-
<u>Debts of Twin Ponds FHLP:</u>							
CDA	6.75%	2038	156,810	-	5,136	151,673	5,494
MHFA - HRPP	1.00%	2038	783,000	-	-	783,000	-
CDA - HOPE	1.00%	2038	250,000	-	-	250,000	-
CDA - HOME	1.00%	2038	104,509	-	-	104,509	-
CDA - LHIA	1.00%	2038	225,000	-	-	225,000	-
<u>Debts of Meadowlark FHLP:</u>							
CDA	6.75%	2040	283,328	-	8,668	274,660	9,272
CDA - TCAP	1.00%	2040	425,558	-	-	425,558	-
MHFA - HRPP	1.00%	2040	813,584	-	-	813,584	-
CDA - HOPE	1.00%	2040	500,000	-	-	500,000	-
<u>Debts of Apple Valley East FHLP:</u>							
CDA	6.75%	2041	455,681	-	12,428	443,253	13,294
CDA - TCAP	1.00%	2041	1,701,790	-	-	1,701,790	-
<u>Debts of Twin Ponds II FHLP:</u>							
CDA	6.75%	2042	259,482	-	6,491	252,990	6,943
CDA - TIF	1.00%	2042	298,911	-	-	298,911	-
CDA - HOPE	1.00%	2042	250,000	-	-	250,000	-
CDA - Met Council	0.01%	2042	250,000	-	-	250,000	-
<u>Debts of Eagan Northwood FHLP:</u>							
CDA	6.75%	2044	313,540	-	7,072	306,468	7,565
CDA - HOME	1.00%	2044	273,990	-	-	273,990	-
CDA - HOPE	1.00%	2044	500,000	-	-	500,000	-
<u>Debts of IH&RR FHLP:</u>							
CDA	6.75%	2043	181,457	-	3,754	177,703	4,016
CDA - HOME	1.00%	2043	904,456	-	-	904,456	-
MHFA - Challenge	0.00%	2043	600,000	-	-	600,000	-
CDA - HOPE	1.00%	2043	500,000	-	-	500,000	-
CDA - Met Council	0.01%	2043	300,000	-	-	300,000	-

Obligation	Interest Rate	Maturity Date	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<u>Debts of Lakeshore WHLP:</u>							
CDA	6.75%	2044	565,830	-	10,717	555,113	11,463
CDA - HOME	1.00%	2044	943,000	-	-	943,000	-
MHFA	1.00%	2044	495,000	-	-	495,000	-
CDA - HOPE	1.00%	2044	400,000	-	-	400,000	-
CDA - LHIA	1.00%	2044	200,000	-	-	200,000	-
<u>Debts of Keystone Crossing WHLP:</u>							
CDA	6.75%	2045	465,503	-	8,102	457,400	8,666
CDA - HOPE	1.00%	2045	510,000	-	-	510,000	-
CDA - HOME	1.00%	2045	720,000	-	-	720,000	-
CDA - LHIA	1.00%	2045	145,000	-	-	145,000	-
<u>Debts of Prestwick Place FHLP:</u>							
CDA	6.75%	2048	1,186,566	-	16,136	1,170,430	17,259
CDA - HOPE	1.00%	2048	750,000	-	-	750,000	-
CDA - HOME	1.00%	2048	676,116	-	-	676,116	-
			<u>\$ 19,182,778</u>	<u>\$ -</u>	<u>\$ 81,522</u>	<u>\$ 19,101,253</u>	<u>\$ 90,322</u>

On December 31, 2023, the current portion of notes payable was \$90,322 and the noncurrent portion of notes payable was \$19,010,931. The future principal payments on notes payable are as follows:

	Principal
2024	90,322
2025	96,609
2026	103,339
2027	110,531
2028	118,229
Thereafter	18,582,223
	<u>\$ 19,101,253</u>

Supplementary Information

DAKOTA COUNTY CDA (MN147)

Eagan, MN

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2024

	Project Total	14.EFA FSS Escrow Forfeiture Account	14.218 Community Development Block Grants/Entitlement Grants	81.042 Weatherization Assistance for Low-Income Persons	6.1 Component Unit - Discretely Presented
111 Cash - Unrestricted	\$7,422,255	\$7,165	\$63,302		\$1,352,277
112 Cash - Restricted - Modernization and Development					
113 Cash - Other Restricted			\$479,342		\$10,279,767
114 Cash - Tenant Security Deposits					\$314,543
115 Cash - Restricted for Payment of Current Liabilities					
100 Total Cash	\$7,422,255	\$7,165	\$542,644	\$0	\$11,946,587
121 Accounts Receivable - PHA Projects					
122 Accounts Receivable - HUD Other Projects	\$258,331		\$145,299		
124 Accounts Receivable - Other Government	\$4,478			\$187,402	\$1,996
125 Accounts Receivable - Miscellaneous	\$31,081		\$11,139		\$1,504
126 Accounts Receivable - Tenants	\$33,578				\$105,294
126.1 Allowance for Doubtful Accounts -Tenants	\$0				\$0
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0	\$0	\$0	\$0
127 Notes, Loans, & Mortgages Receivable - Current	\$57,458		\$217		\$4,572
128 Fraud Recovery					
128.1 Allowance for Doubtful Accounts - Fraud					
129 Accrued Interest Receivable					
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$384,926	\$0	\$156,655	\$187,402	\$113,366
131 Investments - Unrestricted					
132 Investments - Restricted					
135 Investments - Restricted for Payment of Current Liability					
142 Prepaid Expenses and Other Assets					\$212,105
143 Inventories					

DAKOTA COUNTY CDA (MN147)

Eagan, MN

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2024

	Project Total	14.EFA FSS Escrow Forfeiture Account	14.218 Community Development Block Grants/Entitlement Grants	81.042 Weatherization Assistance for Low-Income Persons	6.1 Component Unit - Discretely Presented
143.1 Allowance for Obsolete Inventories					
144 Inter Program Due From					
145 Assets Held for Sale					
150 Total Current Assets	\$7,807,181	\$7,165	\$699,299	\$187,402	\$12,272,058
161 Land	\$4,219,342		\$205,850		\$13,976,711
162 Buildings	\$18,278,672		\$463,365		\$66,514,315
163 Furniture, Equipment & Machinery - Dwellings	\$212,183				\$978,848
164 Furniture, Equipment & Machinery - Administration	\$81,514				\$21,360
165 Leasehold Improvements					
166 Accumulated Depreciation	-\$12,146,046		-\$157,351		-\$20,246,727
167 Construction in Progress	\$18,400				
168 Infrastructure					
160 Total Capital Assets, Net of Accumulated Depreciation	\$10,664,065	\$0	\$511,864	\$0	\$61,244,507
171 Notes, Loans and Mortgages Receivable - Non-Current			\$17,212,873		
172 Notes, Loans, & Mortgages Receivable - Non Current - Past					
173 Grants Receivable - Non Current					
174 Other Assets					\$190,813
176 Investments in Joint Ventures					
180 Total Non-Current Assets	\$10,664,065	\$0	\$17,724,737	\$0	\$61,435,320
200 Deferred Outflow of Resources					
290 Total Assets and Deferred Outflow of Resources	\$18,471,246	\$7,165	\$18,424,036	\$187,402	\$73,707,378

DAKOTA COUNTY CDA (MN147)

Eagan, MN

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2024

	Project Total	14.EFA FSS Escrow Forfeiture Account	14.218 Community Development Block Grants/Entitlement Grants	81.042 Weatherization Assistance for Low-Income Persons	6.1 Component Unit - Discretely Presented
311 Bank Overdraft					
312 Accounts Payable <= 90 Days	\$34,506		\$78,343	\$21,861	\$80,097
313 Accounts Payable >90 Days Past Due					
321 Accrued Wage/Payroll Taxes Payable	\$2,467		\$6,832	\$5,435	
322 Accrued Compensated Absences - Current Portion					
324 Accrued Contingency Liability					
325 Accrued Interest Payable					
331 Accounts Payable - HUD PHA Programs					
332 Account Payable - PHA Projects					
333 Accounts Payable - Other Government	\$61,846		\$1,138		\$184,317
341 Tenant Security Deposits	\$124,002		\$2,756		\$304,985
342 Unearned Revenue	\$6,432				\$16,126
343 Current Portion of Long-term Debt - Capital					\$90,322
344 Current Portion of Long-term Debt - Operating Borrowings					
345 Other Current Liabilities	\$229,832				\$184,547
346 Accrued Liabilities - Other	\$15,733				
347 Inter Program - Due To			\$7,783	\$160,106	
348 Loan Liability - Current					
310 Total Current Liabilities	\$474,818	\$0	\$96,852	\$187,402	\$860,394
351 Long-term Debt, Net of Current - Capital Projects/Mortgage	\$466,000				\$19,010,931
352 Long-term Debt, Net of Current - Operating Borrowings					
353 Non-current Liabilities - Other					\$1,614,502
354 Accrued Compensated Absences - Non Current					
355 Loan Liability - Non Current					
356 FASB 5 Liabilities					

DAKOTA COUNTY CDA (MN147)
Eagan, MN
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2024

	Project Total	14.EFA FSS Escrow Forfeiture Account	14.218 Community Development Block Grants/Entitlement Grants	81.042 Weatherization Assistance for Low- Income Persons	6.1 Component Unit - Discretely Presented
357 Accrued Pension and OPEB Liabilities					
350 Total Non-Current Liabilities	\$466,000	\$0	\$0	\$0	\$20,625,433
300 Total Liabilities	\$940,818	\$0	\$96,852	\$187,402	\$21,485,827
400 Deferred Inflow of Resources					
508.4 Net Investment in Capital Assets	\$10,003,872	\$0	\$511,864	\$0	\$42,143,253
511.4 Restricted Net Position	\$0	\$0	\$17,815,320	\$0	\$10,279,767
512.4 Unrestricted Net Position	\$7,526,556	\$7,165	\$0	\$0	-\$201,469
513 Total Equity - Net Assets / Position	\$17,530,428	\$7,165	\$18,327,184	\$0	\$52,221,551
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$18,471,246	\$7,165	\$18,424,036	\$187,402	\$73,707,378

DAKOTA COUNTY CDA (MN147)

Eagan, MN

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2024

	6.2 Component Unit - Blended	14.896 PIH Family Self-Sufficiency Program	1 Business Activities	14.228 Community Development Block Grants/State's Program	2 State/Local
111 Cash - Unrestricted	\$12,929,776		\$64,927,552	\$92,055	\$43,987,307
112 Cash - Restricted - Modernization and Development					
113 Cash - Other Restricted	\$13,363,682		\$15,205,362		
114 Cash - Tenant Security Deposits	\$405,573		\$12,921		
115 Cash - Restricted for Payment of Current Liabilities					
100 Total Cash	\$26,699,031	\$0	\$80,145,835	\$92,055	\$43,987,307
121 Accounts Receivable - PHA Projects					
122 Accounts Receivable - HUD Other Projects		\$246			
124 Accounts Receivable - Other Government	\$14,665		\$714,060	\$18,127	\$6,785,349
125 Accounts Receivable - Miscellaneous	\$1,555		\$1,023,642		\$6,157,382
126 Accounts Receivable - Tenants	\$187,142		\$76,425		
126.1 Allowance for Doubtful Accounts -Tenants	\$0		\$0		
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0	\$0	\$0	\$0
127 Notes, Loans, & Mortgages Receivable - Current	\$18,011		\$16,347		\$598,990
128 Fraud Recovery					
128.1 Allowance for Doubtful Accounts - Fraud					
129 Accrued Interest Receivable			\$161,804		
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$221,373	\$246	\$1,992,278	\$18,127	\$13,541,721
131 Investments - Unrestricted			\$51,915,803		\$3,476,040
132 Investments - Restricted					
135 Investments - Restricted for Payment of Current Liability					
142 Prepaid Expenses and Other Assets	\$267,961		\$85,329		
143 Inventories			\$59,622		
143.1 Allowance for Obsolete Inventories			\$0		

DAKOTA COUNTY CDA (MN147)

Eagan, MN

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2024

	6.2 Component Unit - Blended	14.896 PIH Family Self-Sufficiency Program	1 Business Activities	14.228 Community Development Block Grants/State's Program	2 State/Local
144 Inter Program Due From			\$3,511,692		\$7,840,447
145 Assets Held for Sale					
150 Total Current Assets	\$27,188,365	\$246	\$137,710,559	\$110,182	\$68,845,515
161 Land	\$12,658,177		\$23,819,376	\$30,035	\$4,732,679
162 Buildings	\$72,311,899		\$182,037,073	\$168,300	
163 Furniture, Equipment & Machinery - Dwellings	\$741,986		\$2,989,727	\$1,050	
164 Furniture, Equipment & Machinery - Administration	\$44,111		\$6,768,443		
165 Leasehold Improvements					
166 Accumulated Depreciation	-\$42,004,613		-\$84,152,788	-\$59,944	
167 Construction in Progress					
168 Infrastructure					
160 Total Capital Assets, Net of Accumulated Depreciation	\$43,751,560	\$0	\$131,461,831	\$139,441	\$4,732,679
171 Notes, Loans and Mortgages Receivable - Non-Current			\$0	\$4,700	\$43,522,156
172 Notes, Loans, & Mortgages Receivable - Non Current - Past					
173 Grants Receivable - Non Current					
174 Other Assets			\$4,914,682		\$2,580,543
176 Investments in Joint Ventures					\$5,533,552
180 Total Non-Current Assets	\$43,751,560	\$0	\$136,376,513	\$144,141	\$56,368,930
200 Deferred Outflow of Resources					
290 Total Assets and Deferred Outflow of Resources	\$70,939,925	\$246	\$274,087,072	\$254,323	\$125,214,445
311 Bank Overdraft					

DAKOTA COUNTY CDA (MN147)

Eagan, MN

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2024

	6.2 Component Unit - Blended	14.896 PIH Family Self-Sufficiency Program	1 Business Activities	14.228 Community Development Block Grants/State's Program	2 State/Local
312 Accounts Payable <= 90 Days	\$242,399		\$639,647	\$50,500	\$64,748
313 Accounts Payable >90 Days Past Due					
321 Accrued Wage/Payroll Taxes Payable	\$7,590		\$155,069		\$11,530
322 Accrued Compensated Absences - Current Portion			\$695,353		
324 Accrued Contingency Liability					
325 Accrued Interest Payable			\$1,094,688		
331 Accounts Payable - HUD PHA Programs					
332 Account Payable - PHA Projects					
333 Accounts Payable - Other Government	\$160,197		\$352,624	\$372	\$1,619
341 Tenant Security Deposits	\$451,696		\$1,249,359	\$1,198	
342 Unearned Revenue	\$38,063		\$107,552		
343 Current Portion of Long-term Debt - Capital	\$169,000		\$3,850,000		
344 Current Portion of Long-term Debt - Operating Borrowings					
345 Other Current Liabilities	\$6,490		\$22,921		\$192,395
346 Accrued Liabilities - Other					
347 Inter Program - Due To	\$9,939,138	\$246	\$2,000,000		\$107,234
348 Loan Liability - Current					
310 Total Current Liabilities	\$11,014,573	\$246	\$10,167,213	\$52,070	\$377,526
351 Long-term Debt, Net of Current - Capital Projects/Mortgage	\$6,295,842		\$69,744,387		\$600,000
352 Long-term Debt, Net of Current - Operating Borrowings					
353 Non-current Liabilities - Other	\$1,275,069				
354 Accrued Compensated Absences - Non Current			\$690,244		
355 Loan Liability - Non Current					
356 FASB 5 Liabilities					
357 Accrued Pension and OPEB Liabilities					

DAKOTA COUNTY CDA (MN147)

Eagan, MN

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2024

	6.2 Component Unit - Blended	14.896 PIH Family Self-Sufficiency Program	1 Business Activities	14.228 Community Development Block Grants/State's Program	2 State/Local
350 Total Non-Current Liabilities	\$7,570,911	\$0	\$70,434,631	\$0	\$600,000
300 Total Liabilities	\$18,585,484	\$246	\$80,601,844	\$52,070	\$977,526
400 Deferred Inflow of Resources			\$4,909,554		\$12,839,982
508.4 Net Investment in Capital Assets	\$37,286,718	\$0	\$62,085,449	\$139,441	\$4,732,679
511.4 Restricted Net Position	\$13,363,682	\$0	\$15,858,811	\$62,812	\$47,998,641
512.4 Unrestricted Net Position	\$1,704,041	\$0	\$110,631,414	\$0	\$58,665,617
513 Total Equity - Net Assets / Position	\$52,354,441	\$0	\$188,575,674	\$202,253	\$111,396,937
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$70,939,925	\$246	\$274,087,072	\$254,323	\$125,214,445

DAKOTA COUNTY CDA (MN147)

Eagan, MN

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2024

	91 Other Federal Program 3	14.267 Continuum of Care Program	8 Other Federal Program 1	9 Other Federal Program 2	93.568 Low-Income Home Energy Assistance
111 Cash - Unrestricted		\$209	\$3,783,176		
112 Cash - Restricted - Modernization and Development					
113 Cash - Other Restricted					
114 Cash - Tenant Security Deposits					
115 Cash - Restricted for Payment of Current Liabilities					
100 Total Cash	\$0	\$209	\$3,783,176	\$0	\$0
121 Accounts Receivable - PHA Projects					
122 Accounts Receivable - HUD Other Projects					
124 Accounts Receivable - Other Government				\$13,011	\$143,343
125 Accounts Receivable - Miscellaneous					
126 Accounts Receivable - Tenants					
126.1 Allowance for Doubtful Accounts -Tenants					
126.2 Allowance for Doubtful Accounts - Other	\$0		\$0	\$0	\$0
127 Notes, Loans, & Mortgages Receivable - Current					
128 Fraud Recovery					
128.1 Allowance for Doubtful Accounts - Fraud					
129 Accrued Interest Receivable					
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$0	\$0	\$0	\$13,011	\$143,343
131 Investments - Unrestricted					
132 Investments - Restricted					
135 Investments - Restricted for Payment of Current Liability					
142 Prepaid Expenses and Other Assets					
143 Inventories					
143.1 Allowance for Obsolete Inventories					

DAKOTA COUNTY CDA (MN147)

Eagan, MN

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2024

	91 Other Federal Program 3	14.267 Continuum of Care Program	8 Other Federal Program 1	9 Other Federal Program 2	93.568 Low-Income Home Energy Assistance
144 Inter Program Due From					
145 Assets Held for Sale					
150 Total Current Assets	\$0	\$209	\$3,783,176	\$13,011	\$143,343
161 Land					
162 Buildings					
163 Furniture, Equipment & Machinery - Dwellings					
164 Furniture, Equipment & Machinery - Administration					\$60,968
165 Leasehold Improvements					
166 Accumulated Depreciation					-\$12,194
167 Construction in Progress			\$5,816,040		
168 Infrastructure					
160 Total Capital Assets, Net of Accumulated Depreciation	\$0	\$0	\$5,816,040	\$0	\$48,774
171 Notes, Loans and Mortgages Receivable - Non-Current					
172 Notes, Loans, & Mortgages Receivable - Non Current - Past					
173 Grants Receivable - Non Current					
174 Other Assets					
176 Investments in Joint Ventures					
180 Total Non-Current Assets	\$0	\$0	\$5,816,040	\$0	\$48,774
200 Deferred Outflow of Resources					
290 Total Assets and Deferred Outflow of Resources	\$0	\$209	\$9,599,216	\$13,011	\$192,117
311 Bank Overdraft					

DAKOTA COUNTY CDA (MN147)

Eagan, MN

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2024

	91 Other Federal Program 3	14.267 Continuum of Care Program	8 Other Federal Program 1	9 Other Federal Program 2	93.568 Low-Income Home Energy Assistance
312 Accounts Payable <= 90 Days			\$1,500,851	\$13,011	\$36,134
313 Accounts Payable >90 Days Past Due					
321 Accrued Wage/Payroll Taxes Payable					\$1,110
322 Accrued Compensated Absences - Current Portion					
324 Accrued Contingency Liability					
325 Accrued Interest Payable					
331 Accounts Payable - HUD PHA Programs					
332 Account Payable - PHA Projects					
333 Accounts Payable - Other Government					
341 Tenant Security Deposits					
342 Unearned Revenue			\$2,018,960		
343 Current Portion of Long-term Debt - Capital					
344 Current Portion of Long-term Debt - Operating Borrowings					
345 Other Current Liabilities		\$209	\$263,365		
346 Accrued Liabilities - Other					
347 Inter Program - Due To					\$106,098
348 Loan Liability - Current					
310 Total Current Liabilities	\$0	\$209	\$3,783,176	\$13,011	\$143,342
351 Long-term Debt, Net of Current - Capital Projects/Mortgage					
352 Long-term Debt, Net of Current - Operating Borrowings					
353 Non-current Liabilities - Other					
354 Accrued Compensated Absences - Non Current					
355 Loan Liability - Non Current					
356 FASB 5 Liabilities					
357 Accrued Pension and OPEB Liabilities					

DAKOTA COUNTY CDA (MN147)
 Eagan, MN
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2024

	91 Other Federal Program 3	14.267 Continuum of Care Program	8 Other Federal Program 1	9 Other Federal Program 2	93.568 Low-Income Home Energy Assistance
350 Total Non-Current Liabilities	\$0	\$0	\$0	\$0	\$0
300 Total Liabilities	\$0	\$209	\$3,783,176	\$13,011	\$143,342
400 Deferred Inflow of Resources					
508.4 Net Investment in Capital Assets	\$0	\$0	\$4,051,824	\$0	\$48,775
511.4 Restricted Net Position	\$0	\$0	\$1,764,216	\$0	\$0
512.4 Unrestricted Net Position	\$0	\$0	\$0	\$0	\$0
513 Total Equity - Net Assets / Position	\$0	\$0	\$5,816,040	\$0	\$48,775
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$0	\$209	\$9,599,216	\$13,011	\$192,117

DAKOTA COUNTY CDA (MN147)

Eagan, MN

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2024

	14.879 Mainstream Vouchers	14.239 HOME Investment Partnerships Program	14.871 Housing Choice Vouchers	14.231 Emergency Shelter Grants Program	14.EHV Emergency Housing Voucher
111 Cash - Unrestricted	\$37,741	\$1,330,183	\$4,520,874		\$197,831
112 Cash - Restricted - Modernization and Development					
113 Cash - Other Restricted	\$2,910		\$82,190		
114 Cash - Tenant Security Deposits					
115 Cash - Restricted for Payment of Current Liabilities			\$41,513		
100 Total Cash	\$40,651	\$1,330,183	\$4,644,577	\$0	\$197,831
121 Accounts Receivable - PHA Projects			\$14,162		
122 Accounts Receivable - HUD Other Projects	\$3,739	\$11,282	\$10,515	\$19,632	
124 Accounts Receivable - Other Government					
125 Accounts Receivable - Miscellaneous			\$32,217		
126 Accounts Receivable - Tenants			\$54		
126.1 Allowance for Doubtful Accounts -Tenants			\$0		
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0	\$0	\$0	
127 Notes, Loans, & Mortgages Receivable - Current			\$0		
128 Fraud Recovery			\$262,766		
128.1 Allowance for Doubtful Accounts - Fraud			-\$262,766		
129 Accrued Interest Receivable					
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$3,739	\$11,282	\$56,948	\$19,632	\$0
131 Investments - Unrestricted					
132 Investments - Restricted					
135 Investments - Restricted for Payment of Current Liability					
142 Prepaid Expenses and Other Assets			\$10,317		
143 Inventories					
143.1 Allowance for Obsolete Inventories					

DAKOTA COUNTY CDA (MN147)

Eagan, MN

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2024

	14.879 Mainstream Vouchers	14.239 HOME Investment Partnerships Program	14.871 Housing Choice Vouchers	14.231 Emergency Shelter Grants Program	14.EHV Emergency Housing Voucher
144 Inter Program Due From		\$995,475			
145 Assets Held for Sale			\$0		
150 Total Current Assets	\$44,390	\$2,336,940	\$4,711,842	\$19,632	\$197,831
161 Land					
162 Buildings					
163 Furniture, Equipment & Machinery - Dwellings					
164 Furniture, Equipment & Machinery - Administration			\$130,004		
165 Leasehold Improvements					
166 Accumulated Depreciation			-\$130,004		
167 Construction in Progress					
168 Infrastructure					
160 Total Capital Assets, Net of Accumulated Depreciation	\$0	\$0	\$0	\$0	\$0
171 Notes, Loans and Mortgages Receivable - Non-Current		\$8,094,533			
172 Notes, Loans, & Mortgages Receivable - Non Current - Past					
173 Grants Receivable - Non Current					
174 Other Assets		\$728,484			
176 Investments in Joint Ventures					
180 Total Non-Current Assets	\$0	\$8,823,017	\$0	\$0	\$0
200 Deferred Outflow of Resources					
290 Total Assets and Deferred Outflow of Resources	\$44,390	\$11,159,957	\$4,711,842	\$19,632	\$197,831
311 Bank Overdraft					

DAKOTA COUNTY CDA (MN147)

Eagan, MN

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2024

	14.879 Mainstream Vouchers	14.239 HOME Investment Partnerships Program	14.871 Housing Choice Vouchers	14.231 Emergency Shelter Grants Program	14.EHV Emergency Housing Voucher
312 Accounts Payable <= 90 Days	\$50	\$330	\$14,569	\$18,165	\$373
313 Accounts Payable >90 Days Past Due					
321 Accrued Wage/Payroll Taxes Payable		\$1,253		\$188	\$204
322 Accrued Compensated Absences - Current Portion					
324 Accrued Contingency Liability					
325 Accrued Interest Payable					
331 Accounts Payable - HUD PHA Programs			\$0		
332 Account Payable - PHA Projects					
333 Accounts Payable - Other Government					
341 Tenant Security Deposits					
342 Unearned Revenue			\$60		\$67,072
343 Current Portion of Long-term Debt - Capital					
344 Current Portion of Long-term Debt - Operating Borrowings					
345 Other Current Liabilities			\$41,524		
346 Accrued Liabilities - Other					
347 Inter Program - Due To				\$1,279	
348 Loan Liability - Current					
310 Total Current Liabilities	\$50	\$1,583	\$56,153	\$19,632	\$67,649
351 Long-term Debt, Net of Current - Capital Projects/Mortgage					
352 Long-term Debt, Net of Current - Operating Borrowings					
353 Non-current Liabilities - Other					
354 Accrued Compensated Absences - Non Current					
355 Loan Liability - Non Current					
356 FASB 5 Liabilities					
357 Accrued Pension and OPEB Liabilities					

DAKOTA COUNTY CDA (MN147)
 Eagan, MN
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2024

	14.879 Mainstream Vouchers	14.239 HOME Investment Partnerships Program	14.871 Housing Choice Vouchers	14.231 Emergency Shelter Grants Program	14.EHV Emergency Housing Voucher
350 Total Non-Current Liabilities	\$0	\$0	\$0	\$0	\$0
300 Total Liabilities	\$50	\$1,583	\$56,153	\$19,632	\$67,649
400 Deferred Inflow of Resources					
508.4 Net Investment in Capital Assets	\$0	\$0	\$0	\$0	\$0
511.4 Restricted Net Position	\$2,910	\$11,158,374	\$82,190	\$0	\$0
512.4 Unrestricted Net Position	\$41,430	\$0	\$4,573,499	\$0	\$130,182
513 Total Equity - Net Assets / Position	\$44,340	\$11,158,374	\$4,655,689	\$0	\$130,182
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$44,390	\$11,159,957	\$4,711,842	\$19,632	\$197,831

DAKOTA COUNTY CDA (MN147)

Eagan, MN

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2024

	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	14.169 Housing Counseling Assistance Program	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$15,973		\$140,667,676		\$140,667,676
112 Cash - Restricted - Modernization and Development					
113 Cash - Other Restricted			\$39,413,253		\$39,413,253
114 Cash - Tenant Security Deposits			\$733,037		\$733,037
115 Cash - Restricted for Payment of Current Liabilities			\$41,513		\$41,513
100 Total Cash	\$15,973	\$0	\$180,855,479	\$0	\$180,855,479
121 Accounts Receivable - PHA Projects			\$14,162		\$14,162
122 Accounts Receivable - HUD Other Projects		\$25,950	\$474,994		\$474,994
124 Accounts Receivable - Other Government			\$7,882,431		\$7,882,431
125 Accounts Receivable - Miscellaneous			\$7,258,520		\$7,258,520
126 Accounts Receivable - Tenants			\$402,493		\$402,493
126.1 Allowance for Doubtful Accounts -Tenants			\$0		\$0
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0	\$0		\$0
127 Notes, Loans, & Mortgages Receivable - Current			\$695,595		\$695,595
128 Fraud Recovery			\$262,766		\$262,766
128.1 Allowance for Doubtful Accounts - Fraud			-\$262,766		-\$262,766
129 Accrued Interest Receivable			\$161,804		\$161,804
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$0	\$25,950	\$16,889,999	\$0	\$16,889,999
131 Investments - Unrestricted			\$55,391,843		\$55,391,843
132 Investments - Restricted					
135 Investments - Restricted for Payment of Current Liability					
142 Prepaid Expenses and Other Assets			\$575,712		\$575,712
143 Inventories			\$59,622		\$59,622
143.1 Allowance for Obsolete Inventories			\$0		\$0

DAKOTA COUNTY CDA (MN147)

Eagan, MN

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2024

	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	14.169 Housing Counseling Assistance Program	Subtotal	ELIM	Total
144 Inter Program Due From			\$12,347,614	-\$12,347,614	\$0
145 Assets Held for Sale			\$0		\$0
150 Total Current Assets	\$15,973	\$25,950	\$266,120,269	-\$12,347,614	\$253,772,655
161 Land			\$59,642,170		\$59,642,170
162 Buildings			\$339,773,624		\$339,773,624
163 Furniture, Equipment & Machinery - Dwellings			\$4,923,794		\$4,923,794
164 Furniture, Equipment & Machinery - Administration			\$7,106,400		\$7,106,400
165 Leasehold Improvements					
166 Accumulated Depreciation			-\$158,909,667		-\$158,909,667
167 Construction in Progress			\$5,834,440		\$5,834,440
168 Infrastructure					
160 Total Capital Assets, Net of Accumulated Depreciation	\$0	\$0	\$258,370,761	\$0	\$258,370,761
171 Notes, Loans and Mortgages Receivable - Non-Current			\$68,834,262		\$68,834,262
172 Notes, Loans, & Mortgages Receivable - Non Current - Past					
173 Grants Receivable - Non Current					
174 Other Assets			\$8,414,522		\$8,414,522
176 Investments in Joint Ventures			\$5,533,552		\$5,533,552
180 Total Non-Current Assets	\$0	\$0	\$341,153,097	\$0	\$341,153,097
200 Deferred Outflow of Resources					
290 Total Assets and Deferred Outflow of Resources	\$15,973	\$25,950	\$607,273,366	-\$12,347,614	\$594,925,752
311 Bank Overdraft					

DAKOTA COUNTY CDA (MN147)

Eagan, MN

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2024

	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	14.169 Housing Counseling Assistance Program	Subtotal	ELIM	Total
312 Accounts Payable <= 90 Days			\$2,795,584		\$2,795,584
313 Accounts Payable >90 Days Past Due					
321 Accrued Wage/Payroll Taxes Payable		\$220	\$191,898		\$191,898
322 Accrued Compensated Absences - Current Portion			\$695,353		\$695,353
324 Accrued Contingency Liability					
325 Accrued Interest Payable			\$1,094,688		\$1,094,688
331 Accounts Payable - HUD PHA Programs			\$0		\$0
332 Account Payable - PHA Projects					
333 Accounts Payable - Other Government			\$762,113		\$762,113
341 Tenant Security Deposits			\$2,133,996		\$2,133,996
342 Unearned Revenue			\$2,254,265		\$2,254,265
343 Current Portion of Long-term Debt - Capital			\$4,109,322		\$4,109,322
344 Current Portion of Long-term Debt - Operating Borrowings					
345 Other Current Liabilities			\$941,283		\$941,283
346 Accrued Liabilities - Other			\$15,733		\$15,733
347 Inter Program - Due To		\$25,730	\$12,347,614	-\$12,347,614	\$0
348 Loan Liability - Current					
310 Total Current Liabilities	\$0	\$25,950	\$27,341,849	-\$12,347,614	\$14,994,235
351 Long-term Debt, Net of Current - Capital Projects/Mortgage			\$96,117,160		\$96,117,160
352 Long-term Debt, Net of Current - Operating Borrowings					
353 Non-current Liabilities - Other			\$2,889,571		\$2,889,571
354 Accrued Compensated Absences - Non Current			\$690,244		\$690,244
355 Loan Liability - Non Current					
356 FASB 5 Liabilities					
357 Accrued Pension and OPEB Liabilities					

DAKOTA COUNTY CDA (MN147)

Eagan, MN

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2024

	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	14.169 Housing Counseling Assistance Program	Subtotal	ELIM	Total
350 Total Non-Current Liabilities	\$0	\$0	\$99,696,975	\$0	\$99,696,975
300 Total Liabilities	\$0	\$25,950	\$127,038,824	-\$12,347,614	\$114,691,210
400 Deferred Inflow of Resources			\$17,749,536		\$17,749,536
508.4 Net Investment in Capital Assets	\$0	\$0	\$161,003,875		\$161,003,875
511.4 Restricted Net Position	\$0	\$0	\$118,386,723		\$118,386,723
512.4 Unrestricted Net Position	\$15,973	\$0	\$183,094,408		\$183,094,408
513 Total Equity - Net Assets / Position	\$15,973	\$0	\$462,485,006	\$0	\$462,485,006
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$15,973	\$25,950	\$607,273,366	-\$12,347,614	\$594,925,752

DAKOTA COUNTY CDA (MN147)
Eagan, MN
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2024

	Project Total	14.EFA FSS Escrow Forfeiture Account	14.218 Community Development Block Grants/Entitlement Grants	81.042 Weatherization Assistance for Low- Income Persons	6.1 Component Unit - Discretely Presented
70300 Net Tenant Rental Revenue	\$1,476,715		\$47,471		\$4,045,701
70400 Tenant Revenue - Other	\$63,159		\$569		\$112,083
70500 Total Tenant Revenue	\$1,539,874	\$0	\$48,040	\$0	\$4,157,784
70600 HUD PHA Operating Grants	\$336,678		\$2,687,072		
70610 Capital Grants	\$1,404,371				
70710 Management Fee					
70720 Asset Management Fee					
70730 Book Keeping Fee					
70740 Front Line Service Fee					
70750 Other Fees					
70700 Total Fee Revenue					
70800 Other Government Grants				\$765,896	
71100 Investment Income - Unrestricted	\$390,810				
71200 Mortgage Interest Income					
71300 Proceeds from Disposition of Assets Held for Sale					
71310 Cost of Sale of Assets					
71400 Fraud Recovery					
71500 Other Revenue	\$10,503	\$2,834	\$189,841	\$400	\$31,313
71600 Gain or Loss on Sale of Capital Assets	-\$34,317				
72000 Investment Income - Restricted					\$12,962
70000 Total Revenue	\$3,647,919	\$2,834	\$2,924,953	\$766,296	\$4,202,059
91100 Administrative Salaries	\$163,322		\$366,109	\$196,417	\$210,301

DAKOTA COUNTY CDA (MN147)
Eagan, MN
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2024

	Project Total	14.EFA FSS Escrow Forfeiture Account	14.218 Community Development Block Grants/Entitlement Grants	81.042 Weatherization Assistance for Low- Income Persons	6.1 Component Unit - Discretely Presented
91200 Auditing Fees	\$4,461		\$4,193	\$351	\$41,250
91300 Management Fee					
91310 Book-keeping Fee					
91400 Advertising and Marketing					
91500 Employee Benefit contributions - Administrative	\$51,424		\$125,700	\$59,171	\$72,670
91600 Office Expenses	\$163,380		\$205,146	\$102,369	\$426,350
91700 Legal Expense	\$13,223		\$4,940		\$1,569
91800 Travel	\$9,824		\$6,380	\$12,546	
91810 Allocated Overhead					
91900 Other					
91000 Total Operating - Administrative	\$405,634	\$0	\$712,468	\$370,854	\$752,140
92000 Asset Management Fee					
92100 Tenant Services - Salaries					
92200 Relocation Costs					
92300 Employee Benefit Contributions - Tenant Services					
92400 Tenant Services - Other	\$10,500				
92500 Total Tenant Services	\$10,500	\$0	\$0	\$0	\$0
93100 Water	\$128,661		\$2,667		\$202,999
93200 Electricity	\$19,826				\$28,229
93300 Gas	\$19,176				\$27,150
93400 Fuel					
93500 Labor					
93600 Sewer					
93700 Employee Benefit Contributions - Utilities					

DAKOTA COUNTY CDA (MN147)
Eagan, MN
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2024

	Project Total	14.EFA FSS Escrow Forfeiture Account	14.218 Community Development Block Grants/Entitlement Grants	81.042 Weatherization Assistance for Low- Income Persons	6.1 Component Unit - Discretely Presented
93800 Other Utilities Expense					
93000 Total Utilities	\$167,663	\$0	\$2,667	\$0	\$258,378
94100 Ordinary Maintenance and Operations - Labor	\$130,855		\$1,889		\$206,087
94200 Ordinary Maintenance and Operations - Materials and	\$69,998		\$105		\$157,449
94300 Ordinary Maintenance and Operations Contracts	\$502,194		\$12,363		\$625,574
94500 Employee Benefit Contributions - Ordinary Maintenance	\$47,342		\$902		\$73,282
94000 Total Maintenance	\$750,389	\$0	\$15,259	\$0	\$1,062,392
95100 Protective Services - Labor					
95200 Protective Services - Other Contract Costs					
95300 Protective Services - Other					
95500 Employee Benefit Contributions - Protective Services					
95000 Total Protective Services	\$0	\$0	\$0	\$0	\$0
96110 Property Insurance	\$116,901		\$2,951		\$182,921
96120 Liability Insurance					
96130 Workmen's Compensation					
96140 All Other Insurance					
96100 Total insurance Premiums	\$116,901	\$0	\$2,951	\$0	\$182,921
96200 Other General Expenses	\$9,302		\$1,099,102	\$395,442	\$483,667
96210 Compensated Absences					
96300 Payments in Lieu of Taxes	\$127,412		\$2,206		\$184,317
96400 Bad debt - Tenant Rents	\$8,845				\$31,755
96500 Bad debt - Mortgages			\$2,042		

DAKOTA COUNTY CDA (MN147)
Eagan, MN
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2024

	Project Total	14.EFA FSS Escrow Forfeiture Account	14.218 Community Development Block Grants/Entitlement Grants	81.042 Weatherization Assistance for Low- Income Persons	6.1 Component Unit - Discretely Presented
96600 Bad debt - Other					
96800 Severance Expense					
96000 Total Other General Expenses	\$145,559	\$0	\$1,103,350	\$395,442	\$699,739
96710 Interest of Mortgage (or Bonds) Payable					\$403,583
96720 Interest on Notes Payable (Short and Long Term)					
96730 Amortization of Bond Issue Costs					\$32,998
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0	\$436,581
96900 Total Operating Expenses	\$1,596,646	\$0	\$1,836,695	\$766,296	\$3,392,151
97000 Excess of Operating Revenue over Operating Expenses	\$2,051,273	\$2,834	\$1,088,258	\$0	\$809,908
97100 Extraordinary Maintenance	\$106,962				\$185,242
97200 Casualty Losses - Non-capitalized					\$10,818
97300 Housing Assistance Payments					
97350 HAP Portability-In					
97400 Depreciation Expense	\$407,126		\$11,584		\$1,915,136
97500 Fraud Losses					
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense					
90000 Total Expenses	\$2,110,734	\$0	\$1,848,279	\$766,296	\$5,503,347
10010 Operating Transfer In	\$2,424,316		\$1,434,178		
10020 Operating transfer Out	-\$2,424,316		-\$1,434,178		

DAKOTA COUNTY CDA (MN147)
Eagan, MN
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2024

	Project Total	14.EFA FSS Escrow Forfeiture Account	14.218 Community Development Block Grants/Entitlement Grants	81.042 Weatherization Assistance for Low- Income Persons	6.1 Component Unit - Discretely Presented
10030 Operating Transfers from/to Primary Government					
10040 Operating Transfers from/to Component Unit					
10050 Proceeds from Notes, Loans and Bonds					
10060 Proceeds from Property Sales					
10070 Extraordinary Items, Net Gain/Loss					
10080 Special Items (Net Gain/Loss)					
10091 Inter Project Excess Cash Transfer In					
10092 Inter Project Excess Cash Transfer Out					
10093 Transfers between Program and Project - In					
10094 Transfers between Project and Program - Out					
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	\$1,537,185	\$2,834	\$1,076,674	\$0	-\$1,301,288
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0	\$81,524
11030 Beginning Equity	\$15,993,243	\$4,331	\$17,250,510	\$0	\$55,523,613
11040 Prior Period Adjustments, Equity Transfers and					-\$2,000,774
11050 Changes in Compensated Absence Balance					
11060 Changes in Contingent Liability Balance					
11070 Changes in Unrecognized Pension Transition Liability					
11080 Changes in Special Term/Severance Benefits Liability					
11090 Changes in Allowance for Doubtful Accounts - Dwelling					
11100 Changes in Allowance for Doubtful Accounts - Other					
11170 Administrative Fee Equity					
11180 Housing Assistance Payments Equity					

DAKOTA COUNTY CDA (MN147)
 Eagan, MN
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2024

	Project Total	14.EFA FSS Escrow Forfeiture Account	14.218 Community Development Block Grants/Entitlement Grants	81.042 Weatherization Assistance for Low- Income Persons	6.1 Component Unit - Discretely Presented
11190 Unit Months Available	2432		48		4320
11210 Number of Unit Months Leased	2392		48		4055
11270 Excess Cash	\$7,205,402				
11610 Land Purchases	\$0				
11620 Building Purchases	\$1,397,413				
11630 Furniture & Equipment - Dwelling Purchases	\$0				
11640 Furniture & Equipment - Administrative Purchases	\$6,958				
11650 Leasehold Improvements Purchases	\$0				
11660 Infrastructure Purchases	\$0				
13510 CFFP Debt Service Payments	\$0				
13901 Replacement Housing Factor Funds	\$0				

DAKOTA COUNTY CDA (MN147)
Eagan, MN
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2024

	6.2 Component Unit - Blended	14.896 PIH Family Self-Sufficiency Program	1 Business Activities	14.228 Community Development Block Grants/State's Program	2 State/Local
70300 Net Tenant Rental Revenue	\$7,117,918		\$17,126,228	\$16,533	
70400 Tenant Revenue - Other	\$223,694		\$1,278,633		
70500 Total Tenant Revenue	\$7,341,612	\$0	\$18,404,861	\$16,533	\$0
70600 HUD PHA Operating Grants		\$3,651			
70610 Capital Grants					
70710 Management Fee					
70720 Asset Management Fee					
70730 Book Keeping Fee					
70740 Front Line Service Fee					
70750 Other Fees					
70700 Total Fee Revenue					
70800 Other Government Grants			\$150,000	\$18,127	\$187,168
71100 Investment Income - Unrestricted	\$81,045		\$6,630,458		\$1,603,885
71200 Mortgage Interest Income			\$456		\$947,920
71300 Proceeds from Disposition of Assets Held for Sale					
71310 Cost of Sale of Assets					
71400 Fraud Recovery					
71500 Other Revenue	\$36,297		\$8,055,814		\$12,577,361
71600 Gain or Loss on Sale of Capital Assets	\$161,242		-\$169,839		\$512,564
72000 Investment Income - Restricted	\$3,338		\$805,682		
70000 Total Revenue	\$7,623,534	\$3,651	\$33,877,432	\$34,660	\$15,828,898
91100 Administrative Salaries	\$353,030		\$3,231,594	\$591	\$507,667
91200 Auditing Fees	\$11,358		\$23,233	\$6	\$4,688

DAKOTA COUNTY CDA (MN147)
Eagan, MN
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2024

	6.2 Component Unit - Blended	14.896 PIH Family Self-Sufficiency Program	1 Business Activities	14.228 Community Development Block Grants/State's Program	2 State/Local
91300 Management Fee					
91310 Book-keeping Fee					
91400 Advertising and Marketing					
91500 Employee Benefit contributions - Administrative	\$118,977		\$959,672	\$201	\$132,339
91600 Office Expenses	\$716,201		\$5,212,139	\$608	\$293,073
91700 Legal Expense	\$3,655		\$32,301		\$23,550
91800 Travel			\$13,193	\$2	\$2,145
91810 Allocated Overhead					
91900 Other					
91000 Total Operating - Administrative	\$1,203,221	\$0	\$9,472,132	\$1,408	\$963,462
92000 Asset Management Fee					
92100 Tenant Services - Salaries		\$2,747			
92200 Relocation Costs					
92300 Employee Benefit Contributions - Tenant Services		\$904			
92400 Tenant Services - Other			\$100,000		
92500 Total Tenant Services	\$0	\$3,651	\$100,000	\$0	\$0
93100 Water	\$398,287		\$609,891	\$1,040	\$1,363
93200 Electricity	\$34,506		\$481,207		
93300 Gas	\$21,903		\$365,535		
93400 Fuel					
93500 Labor					
93600 Sewer					
93700 Employee Benefit Contributions - Utilities					
93800 Other Utilities Expense					

DAKOTA COUNTY CDA (MN147)
Eagan, MN
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2024

	6.2 Component Unit - Blended	14.896 PIH Family Self-Sufficiency Program	1 Business Activities	14.228 Community Development Block Grants/State's Program	2 State/Local
93000 Total Utilities	\$454,696	\$0	\$1,456,633	\$1,040	\$1,363
94100 Ordinary Maintenance and Operations - Labor	\$356,491		\$1,046,899	\$685	
94200 Ordinary Maintenance and Operations - Materials and	\$177,373		\$383,602	\$60	
94300 Ordinary Maintenance and Operations Contracts	\$1,169,473		\$2,802,369	\$3,957	\$23,015
94500 Employee Benefit Contributions - Ordinary Maintenance	\$129,770		\$358,321	\$306	
94000 Total Maintenance	\$1,833,107	\$0	\$4,591,191	\$5,008	\$23,015
95100 Protective Services - Labor					
95200 Protective Services - Other Contract Costs					
95300 Protective Services - Other					
95500 Employee Benefit Contributions - Protective Services					
95000 Total Protective Services	\$0	\$0	\$0	\$0	\$0
96110 Property Insurance	\$406,815		\$807,171	\$1,246	\$32
96120 Liability Insurance					
96130 Workmen's Compensation					
96140 All Other Insurance					
96100 Total insurance Premiums	\$406,815	\$0	\$807,171	\$1,246	\$32
96200 Other General Expenses	\$256,238		\$259,086	\$50,241	\$770,846
96210 Compensated Absences					
96300 Payments in Lieu of Taxes	\$325,775		\$816,885	\$766	
96400 Bad debt - Tenant Rents	\$51,186		\$75,365		
96500 Bad debt - Mortgages					\$1,480
96600 Bad debt - Other					

DAKOTA COUNTY CDA (MN147)
Eagan, MN
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2024

	6.2 Component Unit - Blended	14.896 PIH Family Self-Sufficiency Program	1 Business Activities	14.228 Community Development Block Grants/State's Program	2 State/Local
96800 Severance Expense					
96000 Total Other General Expenses	\$633,199	\$0	\$1,151,336	\$51,007	\$772,326
96710 Interest of Mortgage (or Bonds) Payable	\$254,112		\$1,854,748		\$4,281
96720 Interest on Notes Payable (Short and Long Term)					
96730 Amortization of Bond Issue Costs					
96700 Total Interest Expense and Amortization Cost	\$254,112	\$0	\$1,854,748	\$0	\$4,281
96900 Total Operating Expenses	\$4,785,150	\$3,651	\$19,433,211	\$59,709	\$1,764,479
97000 Excess of Operating Revenue over Operating Expenses	\$2,838,384	\$0	\$14,444,221	-\$25,049	\$14,064,419
97100 Extraordinary Maintenance	\$188,690		\$1,027,820		
97200 Casualty Losses - Non-capitalized			\$38,699		
97300 Housing Assistance Payments					\$107,560
97350 HAP Portability-In					
97400 Depreciation Expense	\$1,799,130		\$4,993,781	\$5,012	
97500 Fraud Losses					
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense					
90000 Total Expenses	\$6,772,970	\$3,651	\$25,493,511	\$64,721	\$1,872,039
10010 Operating Transfer In	\$716,465		\$6,786,384		\$2,598,437
10020 Operating transfer Out					-\$10,101,286
10030 Operating Transfers from/to Primary Government					

DAKOTA COUNTY CDA (MN147)
Eagan, MN
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2024

	6.2 Component Unit - Blended	14.896 PIH Family Self-Sufficiency Program	1 Business Activities	14.228 Community Development Block Grants/State's Program	2 State/Local
10040 Operating Transfers from/to Component Unit					
10050 Proceeds from Notes, Loans and Bonds					
10060 Proceeds from Property Sales					
10070 Extraordinary Items, Net Gain/Loss					
10080 Special Items (Net Gain/Loss)					
10091 Inter Project Excess Cash Transfer In					
10092 Inter Project Excess Cash Transfer Out					
10093 Transfers between Program and Project - In					
10094 Transfers between Project and Program - Out					
10100 Total Other financing Sources (Uses)	\$716,465	\$0	\$6,786,384	\$0	-\$7,502,849
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	\$1,567,029	\$0	\$15,170,305	-\$30,061	\$6,454,010
11020 Required Annual Debt Principal Payments	\$169,000	\$0	\$0	\$0	\$0
11030 Beginning Equity	\$47,797,640	\$0	\$173,405,369	\$232,314	\$105,696,441
11040 Prior Period Adjustments, Equity Transfers and	\$2,989,772				-\$753,514
11050 Changes in Compensated Absence Balance					
11060 Changes in Contingent Liability Balance					
11070 Changes in Unrecognized Pension Transition Liability					
11080 Changes in Special Term/Severance Benefits Liability					
11090 Changes in Allowance for Doubtful Accounts - Dwelling					
11100 Changes in Allowance for Doubtful Accounts - Other					
11170 Administrative Fee Equity					
11180 Housing Assistance Payments Equity					
11190 Unit Months Available	6864		20760	12	75

DAKOTA COUNTY CDA (MN147)
 Eagan, MN
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2024

	6.2 Component Unit - Blended	14.896 PIH Family Self-Sufficiency Program	1 Business Activities	14.228 Community Development Block Grants/State's Program	2 State/Local
11210 Number of Unit Months Leased	6516		20276	12	69
11270 Excess Cash					
11610 Land Purchases					
11620 Building Purchases					
11630 Furniture & Equipment - Dwelling Purchases					
11640 Furniture & Equipment - Administrative Purchases					
11650 Leasehold Improvements Purchases					
11660 Infrastructure Purchases					
13510 CFFP Debt Service Payments					
13901 Replacement Housing Factor Funds					

DAKOTA COUNTY CDA (MN147)
Eagan, MN
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2024

	91 Other Federal Program 3	14.267 Continuum of Care Program	8 Other Federal Program 1	9 Other Federal Program 2	93.568 Low-Income Home Energy Assistance
70300 Net Tenant Rental Revenue					
70400 Tenant Revenue - Other					
70500 Total Tenant Revenue	\$0	\$0	\$0	\$0	\$0
70600 HUD PHA Operating Grants					
70610 Capital Grants					
70710 Management Fee					
70720 Asset Management Fee					
70730 Book Keeping Fee					
70740 Front Line Service Fee					
70750 Other Fees					
70700 Total Fee Revenue					
70800 Other Government Grants	\$18,108		\$5,816,040	\$66,586	\$1,176,275
71100 Investment Income - Unrestricted					
71200 Mortgage Interest Income					
71300 Proceeds from Disposition of Assets Held for Sale					
71310 Cost of Sale of Assets					
71400 Fraud Recovery					
71500 Other Revenue					\$10,325
71600 Gain or Loss on Sale of Capital Assets					
72000 Investment Income - Restricted					
70000 Total Revenue	\$18,108	\$0	\$5,816,040	\$66,586	\$1,186,600
91100 Administrative Salaries	\$12,362			\$3,330	\$87,653
91200 Auditing Fees					\$1,130

DAKOTA COUNTY CDA (MN147)
Eagan, MN
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2024

	91 Other Federal Program 3	14.267 Continuum of Care Program	8 Other Federal Program 1	9 Other Federal Program 2	93.568 Low-Income Home Energy Assistance
91300 Management Fee					
91310 Book-keeping Fee					
91400 Advertising and Marketing					
91500 Employee Benefit contributions - Administrative	\$5,746			\$962	\$22,736
91600 Office Expenses				\$58,959	\$56,300
91700 Legal Expense					
91800 Travel				\$1,730	
91810 Allocated Overhead					
91900 Other					
91000 Total Operating - Administrative	\$18,108	\$0	\$0	\$64,981	\$167,819
92000 Asset Management Fee					
92100 Tenant Services - Salaries					
92200 Relocation Costs					
92300 Employee Benefit Contributions - Tenant Services					
92400 Tenant Services - Other					
92500 Total Tenant Services	\$0	\$0	\$0	\$0	\$0
93100 Water					
93200 Electricity					
93300 Gas					
93400 Fuel					
93500 Labor					
93600 Sewer					
93700 Employee Benefit Contributions - Utilities					
93800 Other Utilities Expense					

DAKOTA COUNTY CDA (MN147)
Eagan, MN
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2024

	91 Other Federal Program 3	14.267 Continuum of Care Program	8 Other Federal Program 1	9 Other Federal Program 2	93.568 Low-Income Home Energy Assistance
93000 Total Utilities	\$0	\$0	\$0	\$0	\$0
94100 Ordinary Maintenance and Operations - Labor					
94200 Ordinary Maintenance and Operations - Materials and					
94300 Ordinary Maintenance and Operations Contracts					
94500 Employee Benefit Contributions - Ordinary Maintenance					
94000 Total Maintenance	\$0	\$0	\$0	\$0	\$0
95100 Protective Services - Labor					
95200 Protective Services - Other Contract Costs					
95300 Protective Services - Other					
95500 Employee Benefit Contributions - Protective Services					
95000 Total Protective Services	\$0	\$0	\$0	\$0	\$0
96110 Property Insurance					
96120 Liability Insurance					
96130 Workmen's Compensation					
96140 All Other Insurance					
96100 Total insurance Premiums	\$0	\$0	\$0	\$0	\$0
96200 Other General Expenses				\$1,605	\$957,813
96210 Compensated Absences					
96300 Payments in Lieu of Taxes					
96400 Bad debt - Tenant Rents					
96500 Bad debt - Mortgages					
96600 Bad debt - Other					

DAKOTA COUNTY CDA (MN147)
Eagan, MN
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2024

	91 Other Federal Program 3	14.267 Continuum of Care Program	8 Other Federal Program 1	9 Other Federal Program 2	93.568 Low-Income Home Energy Assistance
96800 Severance Expense					
96000 Total Other General Expenses	\$0	\$0	\$0	\$1,605	\$957,813
96710 Interest of Mortgage (or Bonds) Payable					
96720 Interest on Notes Payable (Short and Long Term)					
96730 Amortization of Bond Issue Costs					
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0	\$0
96900 Total Operating Expenses	\$18,108	\$0	\$0	\$66,586	\$1,125,632
97000 Excess of Operating Revenue over Operating Expenses	\$0	\$0	\$5,816,040	\$0	\$60,968
97100 Extraordinary Maintenance					
97200 Casualty Losses - Non-capitalized					
97300 Housing Assistance Payments					
97350 HAP Portability-In					
97400 Depreciation Expense					\$12,193
97500 Fraud Losses					
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense					
90000 Total Expenses	\$18,108	\$0	\$0	\$66,586	\$1,137,825
10010 Operating Transfer In					
10020 Operating transfer Out					
10030 Operating Transfers from/to Primary Government					

DAKOTA COUNTY CDA (MN147)
Eagan, MN
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2024

	91 Other Federal Program 3	14.267 Continuum of Care Program	8 Other Federal Program 1	9 Other Federal Program 2	93.568 Low-Income Home Energy Assistance
10040 Operating Transfers from/to Component Unit					
10050 Proceeds from Notes, Loans and Bonds					
10060 Proceeds from Property Sales					
10070 Extraordinary Items, Net Gain/Loss					
10080 Special Items (Net Gain/Loss)					
10091 Inter Project Excess Cash Transfer In					
10092 Inter Project Excess Cash Transfer Out					
10093 Transfers between Program and Project - In					
10094 Transfers between Project and Program - Out					
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	\$0	\$0	\$5,816,040	\$0	\$48,775
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0	\$0
11030 Beginning Equity	\$0	\$0	\$0	\$0	\$0
11040 Prior Period Adjustments, Equity Transfers and					
11050 Changes in Compensated Absence Balance					
11060 Changes in Contingent Liability Balance					
11070 Changes in Unrecognized Pension Transition Liability					
11080 Changes in Special Term/Severance Benefits Liability					
11090 Changes in Allowance for Doubtful Accounts - Dwelling					
11100 Changes in Allowance for Doubtful Accounts - Other					
11170 Administrative Fee Equity					
11180 Housing Assistance Payments Equity					
11190 Unit Months Available					

DAKOTA COUNTY CDA (MN147)
 Eagan, MN
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2024

	91 Other Federal Program 3	14.267 Continuum of Care Program	8 Other Federal Program 1	9 Other Federal Program 2	93.568 Low-Income Home Energy Assistance
11210 Number of Unit Months Leased					
11270 Excess Cash					
11610 Land Purchases					
11620 Building Purchases					
11630 Furniture & Equipment - Dwelling Purchases					
11640 Furniture & Equipment - Administrative Purchases					
11650 Leasehold Improvements Purchases					
11660 Infrastructure Purchases					
13510 CFFP Debt Service Payments					
13901 Replacement Housing Factor Funds					

DAKOTA COUNTY CDA (MN147)

Eagan, MN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2024

	14.879 Mainstream Vouchers	14.239 HOME Investment Partnerships Program	14.871 Housing Choice Vouchers	14.231 Emergency Shelter Grants Program	14.EHV Emergency Housing Voucher
70300 Net Tenant Rental Revenue					
70400 Tenant Revenue - Other					
70500 Total Tenant Revenue	\$0	\$0	\$0	\$0	\$0
70600 HUD PHA Operating Grants	\$526,708	\$1,022,339	\$30,066,971	\$160,469	\$626,382
70610 Capital Grants					
70710 Management Fee					
70720 Asset Management Fee					
70730 Book Keeping Fee					
70740 Front Line Service Fee					
70750 Other Fees					
70700 Total Fee Revenue					
70800 Other Government Grants					
71100 Investment Income - Unrestricted			\$271,013		
71200 Mortgage Interest Income		\$92,497			
71300 Proceeds from Disposition of Assets Held for Sale					
71310 Cost of Sale of Assets					
71400 Fraud Recovery			\$155,456		
71500 Other Revenue		\$519,270	\$2,967,566		
71600 Gain or Loss on Sale of Capital Assets					
72000 Investment Income - Restricted		\$73,537			
70000 Total Revenue	\$526,708	\$1,707,643	\$33,461,006	\$160,469	\$626,382
91100 Administrative Salaries	\$20,103	\$74,284	\$1,225,534	\$13,363	\$12,314
91200 Auditing Fees	\$338	\$2,650	\$33,254	\$952	\$511

DAKOTA COUNTY CDA (MN147)
Eagan, MN
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2024

	14.879 Mainstream Vouchers	14.239 HOME Investment Partnerships Program	14.871 Housing Choice Vouchers	14.231 Emergency Shelter Grants Program	14.EHV Emergency Housing Voucher
91300 Management Fee					
91310 Book-keeping Fee					
91400 Advertising and Marketing					
91500 Employee Benefit contributions - Administrative	\$6,856	\$13,985	\$420,467	\$2,746	\$3,534
91600 Office Expenses	\$20,921	\$64,679	\$1,203,838	\$6,603	\$35,009
91700 Legal Expense			\$5,688	\$216	
91800 Travel		\$4,628	\$11,629		
91810 Allocated Overhead					
91900 Other					
91000 Total Operating - Administrative	\$48,218	\$160,226	\$2,900,410	\$23,880	\$51,368
92000 Asset Management Fee					
92100 Tenant Services - Salaries					
92200 Relocation Costs					
92300 Employee Benefit Contributions - Tenant Services					
92400 Tenant Services - Other					
92500 Total Tenant Services	\$0	\$0	\$0	\$0	\$0
93100 Water					
93200 Electricity					
93300 Gas					
93400 Fuel					
93500 Labor					
93600 Sewer					
93700 Employee Benefit Contributions - Utilities					
93800 Other Utilities Expense					

DAKOTA COUNTY CDA (MN147)
Eagan, MN
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2024

	14.879 Mainstream Vouchers	14.239 HOME Investment Partnerships Program	14.871 Housing Choice Vouchers	14.231 Emergency Shelter Grants Program	14.EHV Emergency Housing Voucher
93000 Total Utilities	\$0	\$0	\$0	\$0	\$0
94100 Ordinary Maintenance and Operations - Labor					
94200 Ordinary Maintenance and Operations - Materials and					
94300 Ordinary Maintenance and Operations Contracts					
94500 Employee Benefit Contributions - Ordinary Maintenance					
94000 Total Maintenance	\$0	\$0	\$0	\$0	\$0
95100 Protective Services - Labor					
95200 Protective Services - Other Contract Costs					
95300 Protective Services - Other					
95500 Employee Benefit Contributions - Protective Services					
95000 Total Protective Services	\$0	\$0	\$0	\$0	\$0
96110 Property Insurance					
96120 Liability Insurance					
96130 Workmen's Compensation					
96140 All Other Insurance					
96100 Total insurance Premiums	\$0	\$0	\$0	\$0	\$0
96200 Other General Expenses		\$1,655,384		\$136,589	
96210 Compensated Absences					
96300 Payments in Lieu of Taxes					
96400 Bad debt - Tenant Rents					
96500 Bad debt - Mortgages					
96600 Bad debt - Other					

DAKOTA COUNTY CDA (MN147)
Eagan, MN
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2024

	14.879 Mainstream Vouchers	14.239 HOME Investment Partnerships Program	14.871 Housing Choice Vouchers	14.231 Emergency Shelter Grants Program	14.EHV Emergency Housing Voucher
96800 Severance Expense					
96000 Total Other General Expenses	\$0	\$1,655,384	\$0	\$136,589	\$0
96710 Interest of Mortgage (or Bonds) Payable					
96720 Interest on Notes Payable (Short and Long Term)					
96730 Amortization of Bond Issue Costs					
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0	\$0
96900 Total Operating Expenses	\$48,218	\$1,815,610	\$2,900,410	\$160,469	\$51,368
97000 Excess of Operating Revenue over Operating Expenses	\$478,490	-\$107,967	\$30,560,596	\$0	\$575,014
97100 Extraordinary Maintenance					
97200 Casualty Losses - Non-capitalized					
97300 Housing Assistance Payments	\$474,714		\$26,894,642		\$543,377
97350 HAP Portability-In			\$2,749,380		
97400 Depreciation Expense					
97500 Fraud Losses					
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense					
90000 Total Expenses	\$522,932	\$1,815,610	\$32,544,432	\$160,469	\$594,745
10010 Operating Transfer In					
10020 Operating transfer Out					
10030 Operating Transfers from/to Primary Government					

DAKOTA COUNTY CDA (MN147)
Eagan, MN
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2024

	14.879 Mainstream Vouchers	14.239 HOME Investment Partnerships Program	14.871 Housing Choice Vouchers	14.231 Emergency Shelter Grants Program	14.EHV Emergency Housing Voucher
10040 Operating Transfers from/to Component Unit					
10050 Proceeds from Notes, Loans and Bonds					
10060 Proceeds from Property Sales					
10070 Extraordinary Items, Net Gain/Loss					
10080 Special Items (Net Gain/Loss)					
10091 Inter Project Excess Cash Transfer In					
10092 Inter Project Excess Cash Transfer Out					
10093 Transfers between Program and Project - In					
10094 Transfers between Project and Program - Out					
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	\$3,776	-\$107,967	\$916,574	\$0	\$31,637
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0	\$0
11030 Beginning Equity	\$40,564	\$11,266,341	\$3,739,115	\$0	\$98,545
11040 Prior Period Adjustments, Equity Transfers and					
11050 Changes in Compensated Absence Balance					
11060 Changes in Contingent Liability Balance					
11070 Changes in Unrecognized Pension Transition Liability					
11080 Changes in Special Term/Severance Benefits Liability					
11090 Changes in Allowance for Doubtful Accounts - Dwelling					
11100 Changes in Allowance for Doubtful Accounts - Other					
11170 Administrative Fee Equity			\$4,573,499		
11180 Housing Assistance Payments Equity			\$82,190		
11190 Unit Months Available	552		33496		600

DAKOTA COUNTY CDA (MN147)
Eagan, MN
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2024

	14.879 Mainstream Vouchers	14.239 HOME Investment Partnerships Program	14.871 Housing Choice Vouchers	14.231 Emergency Shelter Grants Program	14.EHV Emergency Housing Voucher
11210 Number of Unit Months Leased	522		32926		591
11270 Excess Cash					
11610 Land Purchases					
11620 Building Purchases					
11630 Furniture & Equipment - Dwelling Purchases					
11640 Furniture & Equipment - Administrative Purchases					
11650 Leasehold Improvements Purchases					
11660 Infrastructure Purchases					
13510 CFFP Debt Service Payments					
13901 Replacement Housing Factor Funds					

DAKOTA COUNTY CDA (MN147)
Eagan, MN
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2024

	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	14.169 Housing Counseling Assistance Program	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue			\$29,830,566		\$29,830,566
70400 Tenant Revenue - Other			\$1,678,138		\$1,678,138
70500 Total Tenant Revenue	\$0	\$0	\$31,508,704	\$0	\$31,508,704
70600 HUD PHA Operating Grants		\$38,110	\$35,468,380		\$35,468,380
70610 Capital Grants			\$1,404,371		\$1,404,371
70710 Management Fee					
70720 Asset Management Fee					
70730 Book Keeping Fee					
70740 Front Line Service Fee					
70750 Other Fees					
70700 Total Fee Revenue			\$0	\$0	\$0
70800 Other Government Grants			\$8,198,200		\$8,198,200
71100 Investment Income - Unrestricted			\$8,977,211		\$8,977,211
71200 Mortgage Interest Income			\$1,040,873	-\$200,506	\$840,367
71300 Proceeds from Disposition of Assets Held for Sale					
71310 Cost of Sale of Assets					
71400 Fraud Recovery			\$155,456		\$155,456
71500 Other Revenue			\$24,401,524	-\$6,299,755	\$18,101,769
71600 Gain or Loss on Sale of Capital Assets			\$469,650		\$469,650
72000 Investment Income - Restricted			\$895,519		\$895,519
70000 Total Revenue	\$0	\$38,110	\$112,519,888	-\$6,500,261	\$106,019,627
91100 Administrative Salaries		\$19,063	\$6,497,037		\$6,497,037
91200 Auditing Fees			\$128,375		\$128,375

DAKOTA COUNTY CDA (MN147)

Eagan, MN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2024

	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	14.169 Housing Counseling Assistance Program	Subtotal	ELIM	Total
91300 Management Fee					
91310 Book-keeping Fee					
91400 Advertising and Marketing					
91500 Employee Benefit contributions - Administrative		\$5,151	\$2,002,337		\$2,002,337
91600 Office Expenses		\$8,071	\$8,573,646	-\$6,100,388	\$2,473,258
91700 Legal Expense			\$85,142		\$85,142
91800 Travel		\$5,825	\$67,902		\$67,902
91810 Allocated Overhead					
91900 Other					
91000 Total Operating - Administrative	\$0	\$38,110	\$17,354,439	-\$6,100,388	\$11,254,051
92000 Asset Management Fee					
92100 Tenant Services - Salaries			\$2,747		\$2,747
92200 Relocation Costs					
92300 Employee Benefit Contributions - Tenant Services			\$904		\$904
92400 Tenant Services - Other			\$110,500		\$110,500
92500 Total Tenant Services	\$0	\$0	\$114,151	\$0	\$114,151
93100 Water			\$1,344,908		\$1,344,908
93200 Electricity			\$563,768		\$563,768
93300 Gas			\$433,764		\$433,764
93400 Fuel					
93500 Labor					
93600 Sewer					
93700 Employee Benefit Contributions - Utilities					
93800 Other Utilities Expense					

DAKOTA COUNTY CDA (MN147)
Eagan, MN
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2024

	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	14.169 Housing Counseling Assistance Program	Subtotal	ELIM	Total
93000 Total Utilities	\$0	\$0	\$2,342,440	\$0	\$2,342,440
94100 Ordinary Maintenance and Operations - Labor			\$1,742,906		\$1,742,906
94200 Ordinary Maintenance and Operations - Materials and			\$788,587		\$788,587
94300 Ordinary Maintenance and Operations Contracts			\$5,138,945		\$5,138,945
94500 Employee Benefit Contributions - Ordinary Maintenance			\$609,923		\$609,923
94000 Total Maintenance	\$0	\$0	\$8,280,361	\$0	\$8,280,361
95100 Protective Services - Labor					
95200 Protective Services - Other Contract Costs					
95300 Protective Services - Other					
95500 Employee Benefit Contributions - Protective Services					
95000 Total Protective Services	\$0	\$0	\$0	\$0	\$0
96110 Property Insurance			\$1,518,037		\$1,518,037
96120 Liability Insurance					
96130 Workmen's Compensation					
96140 All Other Insurance					
96100 Total insurance Premiums	\$0	\$0	\$1,518,037	\$0	\$1,518,037
96200 Other General Expenses			\$6,075,315	-\$199,367	\$5,875,948
96210 Compensated Absences					
96300 Payments in Lieu of Taxes			\$1,457,361		\$1,457,361
96400 Bad debt - Tenant Rents			\$167,151		\$167,151
96500 Bad debt - Mortgages			\$3,522		\$3,522
96600 Bad debt - Other					

DAKOTA COUNTY CDA (MN147)
Eagan, MN
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2024

	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	14.169 Housing Counseling Assistance Program	Subtotal	ELIM	Total
96800 Severance Expense					
96000 Total Other General Expenses	\$0	\$0	\$7,703,349	-\$199,367	\$7,503,982
96710 Interest of Mortgage (or Bonds) Payable			\$2,516,724	-\$200,506	\$2,316,218
96720 Interest on Notes Payable (Short and Long Term)					
96730 Amortization of Bond Issue Costs			\$32,998		\$32,998
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$2,549,722	-\$200,506	\$2,349,216
96900 Total Operating Expenses	\$0	\$38,110	\$39,862,499	-\$6,500,261	\$33,362,238
97000 Excess of Operating Revenue over Operating Expenses	\$0	\$0	\$72,657,389	\$0	\$72,657,389
97100 Extraordinary Maintenance			\$1,508,714		\$1,508,714
97200 Casualty Losses - Non-capitalized			\$49,517		\$49,517
97300 Housing Assistance Payments			\$28,020,293		\$28,020,293
97350 HAP Portability-In			\$2,749,380		\$2,749,380
97400 Depreciation Expense			\$9,143,962		\$9,143,962
97500 Fraud Losses					
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense					
90000 Total Expenses	\$0	\$38,110	\$81,334,365	-\$6,500,261	\$74,834,104
10010 Operating Transfer In			\$13,959,780	-\$13,959,780	\$0
10020 Operating transfer Out			-\$13,959,780	\$13,959,780	\$0
10030 Operating Transfers from/to Primary Government					

DAKOTA COUNTY CDA (MN147)
Eagan, MN
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2024

	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	14.169 Housing Counseling Assistance Program	Subtotal	ELIM	Total
10040 Operating Transfers from/to Component Unit					
10050 Proceeds from Notes, Loans and Bonds					
10060 Proceeds from Property Sales					
10070 Extraordinary Items, Net Gain/Loss					
10080 Special Items (Net Gain/Loss)					
10091 Inter Project Excess Cash Transfer In					
10092 Inter Project Excess Cash Transfer Out					
10093 Transfers between Program and Project - In					
10094 Transfers between Project and Program - Out					
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	\$0	\$0	\$31,185,523	\$0	\$31,185,523
11020 Required Annual Debt Principal Payments	\$0	\$0	\$250,524		\$250,524
11030 Beginning Equity	\$15,973	\$0	\$431,063,999		\$431,063,999
11040 Prior Period Adjustments, Equity Transfers and			\$235,484		\$235,484
11050 Changes in Compensated Absence Balance					
11060 Changes in Contingent Liability Balance					
11070 Changes in Unrecognized Pension Transition Liability					
11080 Changes in Special Term/Severance Benefits Liability					
11090 Changes in Allowance for Doubtful Accounts - Dwelling					
11100 Changes in Allowance for Doubtful Accounts - Other					
11170 Administrative Fee Equity			\$4,573,499		\$4,573,499
11180 Housing Assistance Payments Equity			\$82,190		\$82,190
11190 Unit Months Available			69159		69159

DAKOTA COUNTY CDA (MN147)
 Eagan, MN
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2024

	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	14.169 Housing Counseling Assistance Program	Subtotal	ELIM	Total
11210 Number of Unit Months Leased			67407		67407
11270 Excess Cash			\$7,205,402		\$7,205,402
11610 Land Purchases			\$0		\$0
11620 Building Purchases			\$1,397,413		\$1,397,413
11630 Furniture & Equipment - Dwelling Purchases			\$0		\$0
11640 Furniture & Equipment - Administrative Purchases			\$6,958		\$6,958
11650 Leasehold Improvements Purchases			\$0		\$0
11660 Infrastructure Purchases			\$0		\$0
13510 CFFP Debt Service Payments			\$0		\$0
13901 Replacement Housing Factor Funds			\$0		\$0

Dakota County Community Development Agency
Schedule of Net Position
Combining Schedule - Business Activities
June 30, 2024

	Common Bond Housing	Lincoln Place	Nicols Pointe	Real Estate Operations	Internal Service	Total Business Activities
Assets and Deferred Outflows of Resources						
Current assets:						
Cash and cash equivalents	\$ 39,588,450	\$ (535)	\$ 456	\$ 15,857,051	\$ 9,482,130	\$ 64,927,552
Investments	-	-	-	51,915,803	-	51,915,803
Restricted cash and cash equivalents	15,205,362	12,921	-	-	-	15,218,283
Restricted investments	-	-	-	-	-	-
Accounts receivable - tenants	66,577	9,848	-	-	-	76,425
Accounts receivable - other	14,110	-	-	610,999	77,088	702,197
Due from other governments	60,083	653,949	-	-	28	714,060
Interest receivable - investments	31,837	-	-	129,967	-	161,804
Lease receivable	326,554	-	-	-	-	326,554
Other current assets	-	-	-	3,218,233	293,459	3,511,692
Notes and mortgages receivable, current portion	11,237	-	-	-	-	11,237
Prepaid items and inventory	4,583	24,256	-	76,247	39,865	144,951
Total current assets	<u>55,308,793</u>	<u>700,439</u>	<u>456</u>	<u>71,808,300</u>	<u>9,892,570</u>	<u>137,710,558</u>
Noncurrent assets:						
Notes and mortgages receivable, net of allowance for loan losses	-	-	-	-	-	-
Other assets	4,914,682	-	-	-	-	4,914,682
Capital assets not being depreciated:						
Land	18,620,208	584,353	639,165	-	428,622	20,272,348
Construction in progress	-	-	-	-	-	-
Capital assets (net of accumulated depreciation):						
Land improvements	959,525	3,052	-	-	40,471	1,003,048
Buildings	104,047,987	2,286,805	-	-	2,203,986	108,538,778
Furniture and equipment	1,350,729	-	-	-	296,928	1,647,657
Total noncurrent assets	<u>129,893,131</u>	<u>2,874,210</u>	<u>639,165</u>	<u>-</u>	<u>2,970,007</u>	<u>136,376,513</u>
Total assets	<u>185,201,924</u>	<u>3,574,649</u>	<u>639,621</u>	<u>71,808,300</u>	<u>12,862,577</u>	<u>274,087,071</u>
Deferred outflow of resources	-	-	-	-	-	-
Total assets and deferred outflows of resources	<u>\$ 185,201,924</u>	<u>\$ 3,574,649</u>	<u>\$ 639,621</u>	<u>\$ 71,808,300</u>	<u>\$ 12,862,577</u>	<u>\$ 274,087,071</u>

Dakota County Community Development Agency
Schedule of Net Position
Combining Schedule - Business Activities
June 30, 2024

	Common Bond Housing	Lincoln Place	Nicols Pointe	Real Estate Operations	Internal Service	Total Business Activities
Liabilities, Deferred Inflows of Resources and Net Position						
Current liabilities:						
Accounts payable	\$ 585,736	\$ 8,091	\$ 259	\$ 3,748	\$ 41,813	\$ 639,647
Accrued payroll and benefits	11,875	347	-	9,811	133,036	155,069
Other current liabilities	22,701	220	-	(3,000,000)	5,000,000	2,022,921
Security deposits payable	1,231,941	12,418	-	-	5,000	1,249,359
Due to other governments	402,397	3,418	-	-	(53,191)	352,624
Accrued interest payable	1,094,688	-	-	-	-	1,094,688
Accrued compensated absences	-	-	-	-	695,353	695,353
Current portion of long-term debt	3,850,000	-	-	-	-	3,850,000
Unearned revenue	89,818	159	-	-	17,575	107,552
Total current liabilities	<u>7,289,156</u>	<u>24,653</u>	<u>259</u>	<u>(2,986,441)</u>	<u>5,839,586</u>	<u>10,167,213</u>
Noncurrent liabilities						
Accrued compensated absences	-	-	-	-	690,244	690,244
Notes payable, net of current portion	-	4,221,029	-	-	-	4,221,029
Bonds payable	65,523,358	-	-	-	-	65,523,358
Total noncurrent liabilities	<u>65,523,358</u>	<u>4,221,029</u>	<u>-</u>	<u>-</u>	<u>690,244</u>	<u>70,434,631</u>
Total liabilities	<u>72,812,514</u>	<u>4,245,682</u>	<u>259</u>	<u>(2,986,441)</u>	<u>6,529,830</u>	<u>80,601,844</u>
Deferred inflow of resources	4,909,554	-	-	-	-	4,909,554
Total liabilities and deferred inflows of resources	<u>77,722,068</u>	<u>4,245,682</u>	<u>259</u>	<u>(2,986,441)</u>	<u>6,529,830</u>	<u>85,511,398</u>
Net position:						
Net investment in capital assets	59,781,190	(1,346,819)	639,165	-	2,970,008	62,043,544
Restricted for capital projects	15,205,361	653,450	-	-	-	15,858,811
Unrestricted	32,493,305	22,336	197	74,794,741	3,362,739	110,673,318
Total net position	<u>107,479,856</u>	<u>(671,033)</u>	<u>639,362</u>	<u>74,794,741</u>	<u>6,332,747</u>	<u>188,575,673</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 185,201,924</u>	<u>\$ 3,574,649</u>	<u>\$ 639,621</u>	<u>\$ 71,808,300</u>	<u>\$ 12,862,577</u>	<u>\$ 274,087,071</u>

Dakota County Community Development Agency
Schedule of Revenues, Expenses, and Changes in Net Position
Combining Schedule - Business Activities
Year Ended June 30, 2024

	Common Bond Housing	Lincoln Place	Nicols Pointe	Real Estate Operations	Internal Service	Total Business Activities
Operating revenues:						
Dwelling rents	\$ 16,958,927	\$ 167,301	\$ -	\$ -	\$ -	\$ 17,126,228
Operating subsidies and grants	-	150,000	-	-	-	150,000
Other	1,646,264	17,969	456	4,547,459	3,122,760	9,334,908
Total revenues	18,605,191	335,270	456	4,547,459	3,122,760	26,611,136
Operating expenses:						
Administrative	4,131,283	54,933	259	2,530,819	2,754,844	9,472,138
Tenant services	-	100,000	-	-	-	100,000
Utilities	1,372,322	32,768	-	-	51,542	1,456,632
Ordinary maintenance and operation	4,369,146	84,126	-	25,121	112,800	4,591,193
General expense	1,876,127	25,381	-	18,059	38,940	1,958,507
Nonroutine maintenance	1,057,268	9,250	-	-	-	1,066,518
Depreciation	4,689,621	91,014	-	-	213,146	4,993,781
Total operating expenses	17,495,767	397,472	259	2,573,999	3,171,272	23,638,769
Operating income (loss)	1,109,424	(62,202)	197	1,973,460	(48,512)	2,972,367
Nonoperating revenues (expenses):						
Investment earnings	2,838,928	34,817	-	2,918,910	1,643,485	7,436,140
Interest expense	(1,854,748)	-	-	-	-	(1,854,748)
Gain (loss) on disposal of capital assets	(169,839)	-	-	-	-	(169,839)
Total nonoperating revenues (expenses)	814,341	34,817	-	2,918,910	1,643,485	5,411,553
Income (loss) before contributions	1,923,765	(27,385)	197	4,892,370	1,594,973	8,383,920
Capital contributions/internal transfers	6,147,219	-	639,165	-	-	6,786,384
Change in net position	8,070,984	(27,385)	639,362	4,892,370	1,594,973	15,170,304
Total net position - beginning	99,408,872	(643,648)	-	69,902,371	4,737,774	173,405,369
Total net position - ending	\$ 107,479,856	\$ (671,033)	\$ 639,362	\$ 74,794,741	\$ 6,332,747	\$ 188,575,673

Statistical Section

This part of the Dakota County Community Development Agency’s Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the CDA’s overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends	115
These schedules contain trend information to help the reader understand how the CDA’s financial performance and well-being have changed over time.	
Revenue Capacity	117
These schedules contain information to help the reader assess the CDA’s most significant local revenue sources, property tax and rental revenues.	
Debt Capacity	122
These schedules present information to help the reader assess the affordability of the CDA’s current levels of outstanding debt and the CDA’s ability to issue additional debt in the future.	
Demographic and Economic Information	124
These schedules offer demographic and economic indicators to help the reader understand the environment within which the CDA’s financial activities take place and to help make comparisons over time.	
Operating Information	126
These schedules contain information about the CDA’s operations and resources to help the reader understand how the CDA’s financial information relates to the services the CDA provides and the activities it performs.	

Sources: Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Reports for the relevant year.

Dakota County Community Development Agency
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

Fiscal Year	Invested in Capital Assets	Restricted	Unrestricted	Total
2015	\$ 89,380,592	\$ 60,449,437	\$ 103,492,079	\$ 253,322,108
2016	92,249,133	58,413,028	111,191,184	261,853,345
2017	97,672,468	64,440,381	113,281,529	275,394,378
2018	98,375,590	66,425,750	118,506,607	283,307,947
2019	97,768,709	71,370,422	125,078,174	294,217,305
2020	102,120,878	75,268,971	135,688,825	313,078,674
2021	99,326,312	79,071,637	150,856,028	329,253,977
2022	105,795,678	91,787,833	153,202,794	350,786,305
2023	108,902,615	102,014,365	164,623,406	375,540,386
2024	\$ 118,818,718	\$ 108,106,956	\$ 183,337,782	\$ 410,263,456

Dakota County Community Development Agency
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

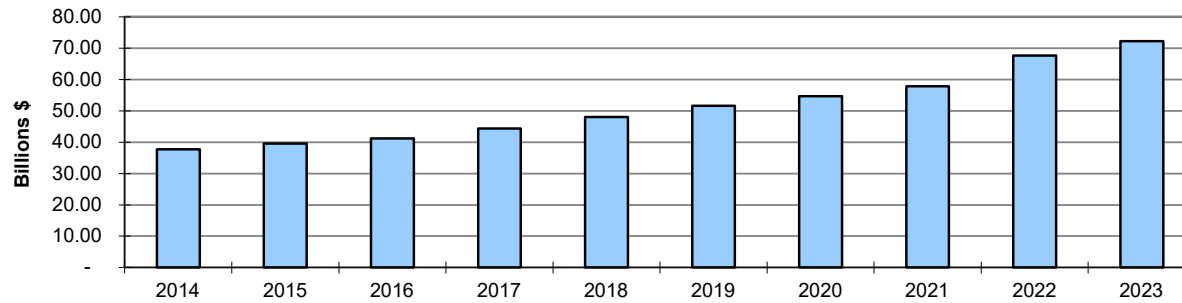
	Fiscal Year Ending									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Operating revenue:										
Charges for services	\$ 22,166,735	\$ 21,527,263	\$ 24,781,740	\$ 18,921,016	\$ 19,506,696	\$ 20,643,740	\$ 22,363,037	\$ 23,646,276	\$ 24,615,389	\$ 25,784,865
Operating grants and contributions	24,417,358	27,359,700	29,440,325	26,584,439	28,488,699	29,640,974	33,099,844	37,438,621	43,458,064	43,666,580
Other	85,866	71,233	65,420	6,233,234	6,596,092	7,569,734	9,050,868	7,245,332	7,692,918	9,577,101
Total operating revenue	46,669,959	48,958,196	54,287,485	51,738,689	54,591,487	57,854,448	64,513,749	68,330,229	75,766,371	79,028,546
Operating expense:										
Administrative	-	-	-	8,040,592	8,482,269	9,000,902	9,505,113	9,461,850	9,619,741	10,569,478
Tenant services	-	-	-	149,598	200,567	215,784	217,861	218,849	165,269	114,151
Utilities	-	-	-	1,915,125	1,694,485	1,757,000	1,788,197	2,259,346	2,417,001	2,084,061
Ordinary maintenance	-	-	-	5,451,803	5,788,842	6,350,256	6,007,270	6,254,003	7,006,872	7,217,969
General expense	-	-	-	7,740,659	8,665,611	5,933,071	6,777,200	8,352,913	9,832,903	10,888,737
Depreciation	-	-	-	6,345,145	6,320,814	6,515,516	6,467,611	6,852,900	6,952,820	7,228,827
Nonroutine maintenance	-	-	-	1,238,418	1,012,674	864,339	808,222	1,093,280	2,484,516	1,362,170
Housing assistance payments	-	-	-	20,230,211	20,126,405	22,151,499	25,286,872	27,401,798	30,504,368	28,020,293
Governmental activities	9,932,215	9,491,189	9,710,148	-	-	-	-	-	-	-
Business activities	38,846,906	40,700,893	44,470,544	-	-	-	-	-	-	-
Total operating expense	48,779,121	50,192,082	54,180,692	51,111,551	52,291,667	52,788,367	56,858,346	61,894,939	68,983,490	67,485,686
Operating income (loss)	(2,109,162)	(1,233,886)	106,793	627,138	2,299,820	5,066,081	7,655,403	6,435,290	6,782,881	11,542,860
Nonoperating revenues (expenses):										
Investment earnings	526,561	817,637	662,688	1,325,113	2,559,754	1,730,992	183,092	(1,704,954)	5,025,778	9,859,768
Taxes and tax increments	8,123,165	8,242,384	8,542,946	9,125,928	9,532,762	10,312,761	11,065,743	11,189,769	11,098,998	11,122,800
Interest expense	-	-	-	(3,370,134)	(3,264,941)	(3,136,626)	(3,047,262)	(2,166,094)	(2,021,768)	(1,912,635)
Gain (loss) on disposal of capital assets	-	-	-	(503,784)	(161,819)	345,764	318,327	3,946,998	2,709,361	469,649
Total nonoperating revenues (expenses)	8,649,726	9,060,021	9,205,634	6,577,123	8,665,756	9,252,891	8,519,900	11,265,719	16,812,369	19,539,582
Net gain/loss	6,540,564	7,826,135	9,312,427	7,204,261	10,965,576	14,318,972	16,175,303	17,701,009	23,595,250	31,082,442
Capital contributions	2,240,443	705,192	4,228,516	1,251,114	-	3,944,374	-	3,831,319	1,158,831	1,404,371
Change in net position	8,781,007	8,531,327	13,540,943	8,455,375	10,965,576	18,263,346	16,175,303	21,532,328	24,754,081	32,486,813

Note: The CDA elected to change the presentation of its financial statements to a single business activity for the fiscal year ended June 30, 2018. As a result, revenues and expenses may be categorized differently than in prior fiscal years. Prior fiscal years were not restated.

**Dakota County Community Development Agency
Assessed and Estimated Actual Value of Taxable Property
Last Ten Calendar Years**

Year Assessed	Real Property		Personal Property		Total		Total Direct Tax Rate**	% of Total Assessed to Total Estimated Market Value
	Assessed * Value	Estimated Market Value	Assessed Value	Estimated Market Value	Assessed Value	Estimated Market Value		
2014	\$ 434,588,066	\$ 37,249,751,955	\$ 9,073,792	\$ 465,663,370	\$ 443,661,858	\$ 37,715,415,325	0.01650	1.2%
2015	454,661,066	39,093,256,221	9,845,321	504,162,445	464,506,387	39,597,418,666	0.01559	1.2%
2016	471,286,219	40,645,907,860	10,787,023	552,044,681	482,073,242	41,197,952,541	0.01547	1.2%
2017	507,139,039	43,796,489,603	11,400,448	582,982,924	518,539,487	44,379,472,527	0.01548	1.2%
2018	547,666,437	47,405,446,930	11,603,384	593,137,563	559,269,821	47,998,584,493	0.01479	1.2%
2019	589,610,832	51,055,156,039	11,572,869	591,828,463	601,183,701	51,646,984,502	0.01479	1.2%
2020	626,417,610	54,081,034,984	12,229,486	624,354,483	638,647,096	54,705,389,467	0.01469	1.2%
2021	662,362,315	57,381,581,817	9,048,457	465,275,490	671,410,772	57,846,857,307	0.01375	1.2%
2022	770,676,492	67,134,746,569	9,600,612	492,676,896	780,277,104	67,627,423,465	0.01391	1.2%
2023	830,424,687	71,756,314,696	9,579,710	491,998,940	840,004,397	72,248,313,636	0.01176	1.2%

Estimated Market Value-Real and Personal Property



* Valuations are determined as of January 1 of the year preceding the tax collection year. Amounts are shown for the year in which taxes are payable.

Assessed value is prior to Fiscal Disparity and Tax Increment District Adjustments.

** This is the Direct Tax Capacity Rate for the Dakota County Community Development Agency

Data Source: Dakota County Minnesota 2023 ACFR

Dakota County Community Development Agency
Direct and Overlapping Governments
Tax Capacity Rates
Last Ten Calendar Years

Governments	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
COUNTY										
Dakota County	0.33745	0.29633	0.28570	0.28004	0.26580	0.25386	0.24133	0.22716	0.21630	0.18816
CITIES										
Apple Valley	0.47891	0.45274	0.44721	0.44473	0.42475	0.39603	0.38782	0.38192	0.38182	0.35273
Burnsville	0.46670	0.44790	0.46525	0.46557	0.43552	0.43595	0.43148	0.42853	0.43054	0.42374
Coates	0.19507	0.20081	0.17482	0.17490	0.17399	0.15688	0.17196	0.13838	0.14258	0.12739
Eagan	0.38250	0.36525	0.37097	0.37385	0.36378	0.35227	0.35262	0.36333	0.36119	0.33566
Farmington	0.65876	0.61455	0.59239	0.58760	0.57161	0.54372	0.50971	0.49251	0.50623	0.42933
Hampton	0.44221	0.46932	0.42776	0.45342	0.40813	0.34468	0.44044	0.37915	0.41069	0.31361
Hastings	0.66246	0.62581	0.63577	0.62518	0.60864	0.59612	0.57391	0.57351	0.58807	0.53267
Inver Grove Heights	0.46128	0.48131	0.49266	0.51644	0.51112	0.53537	0.51037	0.50590	0.51925	0.48814
Lakeville	0.40696	0.38948	0.38669	0.37510	0.36419	0.35607	0.34615	0.34351	0.32846	0.29676
Lilydale	0.34570	0.32619	0.30133	0.30276	0.28772	0.27155	0.26130	0.25889	0.24826	0.24390
Mendota	0.46518	0.46806	0.49808	0.44384	0.51502	0.27453	0.30252	0.29374	0.27020	0.24974
Mendota Heights	0.34737	0.34964	0.35247	0.37487	0.37826	0.39294	0.38315	0.37849	0.39741	0.36889
Miesville	0.32952	0.32255	0.31950	0.31635	0.30821	0.29797	0.31106	0.30174	0.30460	0.27365
New Trier	0.61658	0.55227	0.52333	0.67619	0.53348	0.58132	0.52669	0.54828	0.52702	0.52814
Northfield	0.59785	0.56750	0.57552	0.55667	0.57164	0.56216	0.58161	0.56610	0.59867	0.62643
Randolph	0.36865	0.26076	0.26284	0.28171	0.24722	0.21488	0.31845	0.24405	0.26849	0.26199
Rosemount	0.47767	0.45152	0.43149	0.41832	0.40961	0.39355	0.38580	0.36954	0.36949	0.32345
South St. Paul	0.60901	0.60405	0.64693	0.63853	0.64041	0.64582	0.60847	0.63388	0.64411	0.60180
Sunfish Lake	0.26775	0.23869	0.25558	0.26178	0.26168	0.26206	0.28528	0.22716	0.28529	0.21814
Vermillion	0.47656	0.47954	0.41978	0.48789	0.41866	0.46032	0.41116	0.38087	0.35757	0.30192
West St. Paul	0.71249	0.70642	0.69795	0.71412	0.69287	0.28780	0.70106	0.69427	0.70684	0.67362
TOWNSHIPS										
Castle Rock	0.14310	0.12364	0.12161	0.12145	0.12259	0.39603	0.11248	0.10448	0.10332	0.09018
Douglas	0.18733	0.18509	0.15701	0.15190	0.22048	0.16226	0.16392	0.18881	0.17360	0.16560
Empire	0.31164	0.29823	0.29445	0.29462	0.29892	0.27430	0.29131	0.27250	0.27623	0.24073
Eureka	0.15362	0.14688	0.13672	0.14463	0.14534	0.13685	0.20183	0.19310	0.19139	0.17284
Greenvale	0.17982	0.18013	0.17263	0.17123	0.16966	0.16868	0.16215	0.14722	0.14046	0.11872
Hampton	0.15415	0.14439	0.14581	0.13322	0.13514	0.12713	0.11824	0.13208	0.11223	0.10495
Marshan	0.13995	0.12860	0.12635	0.16613	0.16708	0.15110	0.19431	0.17084	0.17011	0.14053
Nininger	0.16384	0.16495	0.15829	0.16477	0.15484	0.15261	0.14610	0.14461	0.13636	0.13410
Randolph	0.08004	0.08665	0.08940	0.07345	0.09617	0.08630	0.08779	0.08270	0.07036	0.06094
Ravenna	0.20128	0.17452	0.18196	0.18164	0.17242	0.16870	0.15964	0.17435	0.13176	0.11035
Sciota	0.15021	0.13745	0.10887	0.07750	0.11892	0.13674	0.14562	0.13129	0.13398	0.13353
Vermillion	0.17466	0.17214	0.16724	0.16279	0.16282	0.15723	0.14728	0.14070	0.16031	0.14204
Waterford	0.13493	0.11909	0.16816	0.17375	0.28812	0.28780	0.28368	0.26483	0.25143	0.22066
SCHOOL DISTRICTS										
6	0.44522	0.35881	0.36719	0.35868	0.31367	0.29622	0.28878	-	0.29116	0.25628
191	0.25661	0.24554	0.31065	0.27529	0.25759	0.26202	0.23765	0.03432	0.20273	0.19403
192	0.56326	0.53474	0.57584	0.54269	0.52825	0.51401	0.53105	0.02394	0.49481	0.38497
194	0.33048	0.31459	0.35319	0.32914	0.32992	0.32535	0.34851	0.03722	0.33983	0.29473
195	0.18001	0.16685	0.18661	0.17065	0.17509	0.19879	0.20376	0.18555	0.18555	0.16691
196	0.27606	0.23271	0.24317	0.23336	0.21352	0.20613	0.19860	0.02394	0.19971	0.17904
197	0.23863	0.24063	0.22170	0.22295	0.21224	0.24246	0.22125	0.03432	0.20391	0.17067
199	0.33418	0.34864	0.30272	0.28572	0.26680	0.26537	0.22896	0.23368	0.22296	0.20009
200	0.23052	0.20965	0.20938	0.20305	0.20545	0.19079	0.17924	0.02394	0.16214	0.14421
252	0.23940	0.24900	0.28498	0.26310	0.24453	0.24663	0.20806	0.02394	0.19835	0.20363
659	0.36410	0.34064	0.32847	0.30937	0.33150	0.31216	0.30468	0.02394	0.27017	0.23821
SPECIAL DISTRICTS										
Watershed M	0.00748	0.00679	0.00691	0.00745	0.00712	0.00664	0.00540	0.00540	0.00523	0.00493
Watershed V	0.00545	0.00466	0.00449	0.00449	0.00429	0.00403	0.00399	0.00370	0.00348	0.00287
Transit District	0.01377	0.01292	0.01261	0.01215	0.01104	0.01244	0.01150	0.01038	0.00969	0.00849
Mosquito Control	0.00548	0.00518	0.00491	0.00475	0.00443	0.00435	0.00406	0.00384	0.00372	0.00325
Metro Council	0.01015	0.00827	0.00958	0.00878	0.00821	0.00666	0.00606	0.00635	0.00649	0.00564
Dakota County CDA	0.01650	0.01559	0.01547	0.01548	0.01479	0.01479	0.01469	0.01375	0.01391	0.01176
Burnsville EDA	0.00889	0.00860	0.00891	0.00897	0.00955	0.00924	0.00136	0.00290	0.00317	0.00992
Hastings HRA	0.01613	0.01379	0.01551	0.01500	0.01454	0.01453	0.01455	0.01472	0.01491	0.01310
Northfield EDA	0.01716	0.01697	0.01702	0.01638	0.01624	0.01599	0.01572	0.01536	0.01600	0.01490
Northfield HRA	0.01751	0.01732	0.01763	0.01670	0.01655	0.01629	0.01602	0.01566	0.01633	0.01521
South St. Paul EDA	-----	-----	0.01363	0.01685	0.01358	0.01516	0.01383	0.01558	0.01475	0.01371
South St. Paul HRA	0.01450	0.01468	0.01649	0.01492	0.01453	0.01527	0.01417	0.01558	0.01506	0.01399
South Metro EMS	0.01249	0.01264	0.01784	0.01541	0.01402	0.01333	0.01200	0.01162	0.01800	0.02289
Light Transit Rail	0.00403	0.00371	0.00357	0.00342	0.00031	-----	-----	-----	-----	-----

The Tax Capacity Rate is determined by dividing a taxing district's property tax levy amount by the taxing district's total tax capacity.
Data Source: Dakota County Minnesota 2023 ACFR

**Dakota County Community Development Agency
Principal Taxpayers
December 31, 2023 and December 31, 2014**

<u>Name</u>	<u>Type of Business</u>	<u>2023 Tax Capacity Value</u>	<u>% of Total County Tax Capacity</u>
Northern States Power Co (Xcel Energy)	Utility	\$ 8,127,159	1.5%
Flint Hills Resources Pine Bend LLC	Industrial	4,659,988	0.8%
Northern Natural Gas Co.	Utility	2,500,890	0.4%
Paragon Outlets Eagan LLC	Commercial	1,699,250	0.3%
SVC CPC Eagan LLC	Commercial	1,695,452	0.3%
West Publishing Co. (Thomson Reuters)	Industrial	1,679,878	0.3%
MV Eagan Ventures LLC	Commercial	1,369,676	0.2%
Health Landlord (MN) LLC	Commercial	1,218,009	0.2%
Chicago & NW Trans Co	Rail Road	1,199,087	0.2%
SP Lakeville Development LLC	Apartment	1,160,994	0.2%
		<u>\$ 25,310,383</u>	<u>4.4%</u>

<u>Name</u>	<u>Type of Business</u>	<u>2014 Tax Capacity Value</u>	<u>% of Total County Tax Capacity</u>
Northern States Power Co (Xcel Energy)	Electric Utility	\$ 6,781,264	1.8%
Flint Hills	Refinery	3,282,089	0.9%
Burnsville Center Spe LP	Burnsville Center	2,079,250	0.5%
Dakota Electric Assn	Electric Utility	1,787,744	0.5%
West Publishing Co.	Book Publishing	1,463,325	0.4%
Northern Natural Gas Co.	Natural Gas Utility	1,338,438	0.3%
Health Landlord (MN) LLC	Commercial	1,177,650	0.3%
Minnegasco Inc.	Natural Gas Utility	1,076,964	0.3%
Eagan Promenade Inc	Health Care	780,284	0.2%
Menard Inc	Retail	698,950	0.2%
		<u>\$ 20,465,958</u>	<u>5.4%</u>

Data Source: Dakota County Minnesota 2023 ACFR

**Dakota County Community Development Agency
Property Tax Levies and Collections
Last Ten Fiscal Years**

Fiscal Year	Total Tax Levy	Current Collections		Delinquent Collections	Total Collections	% of Current Levy	Outstanding Delinquent Taxes	Total Delinquent Taxes as a % of Current Levy
		Amount	% of Levy					
2015	\$ 6,643,476	\$ 6,583,225	99.09%	\$ 41,210	\$ 6,624,435	99.71%	\$ 60,219	0.91%
2016	6,829,714	6,774,274	99.19%	11,860	6,786,134	99.36%	58,584	0.86%
2017	7,048,156	6,994,097	99.23%	38,283	7,032,380	99.78%	66,953	0.95%
2018	7,348,023	7,293,830	99.26%	40,246	7,334,076	99.81%	56,360	0.77%
2019	7,624,549	7,607,466	99.78%	31,028	7,638,494	100.00%	51,359	0.67%
2020	8,176,928	8,162,792	99.83%	48,474	8,211,266	100.00%	54,723	0.67%
2021	8,786,895	8,732,070	99.38%	63,328	8,795,398	100.00%	47,242	0.54%
2022	9,269,456	8,737,207	94.26%	49,422	8,786,629	94.79%	50,792	0.55%
2023	9,269,456	9,252,584	99.82%	41,350	9,293,934	100.00%	56,469	0.61%
2024	10,773,670	9,236,710	85.73%	-	9,236,710	85.73%	52,885	0.49%

**Dakota County Community Development Agency
Rental Revenues
Last Ten Fiscal Years**

Fiscal Year	Common Bond			Public Housing			Blended Component Units			Youth Housing		
	Total Tenant Revenue	Average Units per Mo	Average Revenue per Unit Month	Total Tenant Revenue	Average Units per Mo	Average Revenue per Unit Month	Total Tenant Revenue	Average Units per Mo	Average Revenue per Unit Month	Total Tenant Revenue	Average Units per Mo	Average Revenue per Unit Month
2015	\$ 12,880,405	1,560	\$ 688	\$ 1,916,623	323	\$ 494	\$ 1,967,102	215	\$ 762	\$ 144,292	25	481
2016	12,061,330	1,614	623	2,052,456	323	530	1,963,078	215	761	146,273	25	488
2017	14,163,831	1,674	705	2,117,841	323	546	2,533,832	246	858	130,705	25	436
2018	14,933,937	1,731	719	2,167,865	323	559	2,878,002	296	810	141,141	25	470
2019	15,326,653	1,731	738	2,302,286	323	594	2,994,179	296	843	152,881	25	510
2020	15,703,584	1,731	756	2,410,024	323	622	3,655,095	364	837	160,832	25	536
2021	16,231,496	1,731	781	1,474,305	213	577	5,667,764	484	976	167,420	25	558
2022	16,698,237	1,772	785	1,427,401	203	586	6,736,376	535	1,049	151,421	25	505
2023	17,577,087	1,785	821	1,391,467	203	571	6,937,003	541	1,069	145,951	25	487
2024	18,228,655	1,785	851	1,539,874	203	632	7,341,613	573	1,068	175,750	25	586

Note: Rent is determined based on resident income. Common Bond provides locally-funded housing, Public Housing provides housing to seniors, families, and individuals with disabilities, Youth Housing provides supportive housing for young adults and the Blended Component Units primarily provide housing to families.

**Dakota County Community Development Agency
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years**

Fiscal Year	Notes Payable	Housing Development Bonds	Deferred Loans	Total Debt	Debt Ratio
2015	\$ 600,000	\$ 119,272,626	\$ 8,276,643	\$ 128,149,269	77%
2016	600,000	110,466,516	8,274,039	119,340,555	65%
2017	600,000	107,165,863	10,110,835	117,876,698	64%
2018	600,000	84,492,611	10,627,704	95,720,315	59%
2019	600,000	80,834,441	10,625,021	92,059,462	57%
2020	600,000	77,089,030	12,627,128	90,316,158	55%
2021	600,000	82,650,813	12,580,391	95,831,204	54%
2022	600,000	78,578,662	12,533,871	91,712,533	51%
2023	600,000	74,170,139	11,599,871	86,370,010	47%
2024	600,000	69,415,263	11,151,871	81,167,134	44%

Note: The outstanding debt is specifically related to construction and renovation of housing projects. The personal income of the county residents would not be a meaningful ratio relating to this debt. The ratio shown is to the assets of the funds to which the debt applies.

**Dakota County Community Development Agency
Pledged-Revenue Coverage
Housing Development Bonds
Last Ten Fiscal Years**

Fiscal Year	Gross Revenues	Direct Operating Expenses	Transfers and Contributions	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
					Principal	Interest	Total	
2015	\$ 12,987,167	\$ 8,722,803	\$ 5,600,000	\$ 9,864,364	\$ 2,860,000	\$ 3,364,794	\$ 6,224,794	1.58
2016	13,508,758	8,399,881	5,600,000	10,708,877	8,460,000	4,172,023	12,632,023	0.85
2017	14,203,760	9,100,510	5,600,000	10,703,250	2,970,000	4,668,299	7,638,299	1.40
2018	15,432,612	9,614,724	5,600,000	11,417,888	3,085,000	3,313,646	6,398,646	1.78
2019	16,175,270	10,154,532	5,600,000	11,620,738	3,360,000	3,208,359	6,568,359	1.77
2020	16,466,269	10,439,285	5,600,000	11,626,984	3,460,000	3,064,738	6,524,738	1.78
2021	16,369,961	10,357,120	5,600,000	11,612,841	3,490,000	2,957,754	6,447,754	1.80
2022	17,322,114	11,430,704	5,600,000	11,491,410	3,525,000	2,697,763	6,222,763	1.85
2023	19,256,824	13,216,455	5,600,000	11,640,369	3,895,000	2,537,813	6,432,813	1.81
2024	20,692,317	12,741,798	5,600,000	13,550,519	3,910,000	2,360,313	6,270,313	2.16

Note: Details about the housing development bonds can be found in the notes to the financial statements (Note 2 G). Revenues pledged for debt service include all rents and other operating revenues of the housing developments financed by the bonds plus additional amounts pledged from the Agency's tax levy and tax increment revenues which are included in the transfers and contributions column.

**Dakota County Community Development Agency
Demographic Statistics
Last Ten Calendar Years**

<u>Year</u>	<u>Population¹</u>	<u>Personal Income¹</u>	<u>Per Capita Income¹</u>	<u>Median Age²</u>	<u>School Enrollment K through 12³</u>	<u>Annual Average Unemployment Rate⁴</u>
2014	412,529	21,524,339,000	52,177	36.8	75,226	3.8%
2015	414,686	22,272,614,000	53,710	37.3	75,336	3.3%
2016	417,487	22,951,451,000	54,975	37.6	75,123	3.4%
2017	421,751	24,308,945,000	57,638	37.8	76,323	3.1%
2018	425,423	25,802,276,000	60,651	38.2	76,821	2.5%
2019	429,021	26,562,417,000	61,914	38.3	77,228	2.9%
2020	431,807	27,958,762,000	64,748	37.7	77,711	5.9%
2021	442,038	30,026,160,000	67,927	39.0	75,499	3.1%
2022	443,341	31,026,692,000	69,984	39.0	77,007	2.0%
2023	447,440	31,026,692,000	69,984	48.0	77,293	2.7%

Data Sources: Dakota County Minnesota 2023 ACFR

(1) US Dept Of Commerce, Bureau of Economic Analysis

(2) US Census Bureau

(3) State Department of Education; Public, Private, & Charter school enrollment.

(4) State Department of Employment and Economic Development

* Information for current year was not available at time of publication

**Dakota County Community Development Agency
Principal Employers
Dakota County, Minnesota**

<u>Employer</u>	<u>2023 Employees</u>	<u>Percentage of Total County Employment</u>
Independent School District 196	5,981	2.49%
Thomson West	5,225	2.17%
Blue Cross-Blue Shield of MN	3,000	1.25%
Burnsville Center*	3,000	1.25%
US Postal Service (Eagan)	2,704	1.13%
Dakota County	1,974	0.82%
CHS Inc	1,480	0.62%
UTC Aerospace Systems	1,468	0.61%
Independent School District 191	1,300	0.54%
Independent School District 194	1,270	0.53%
Total County Employment	240,319	11.41%

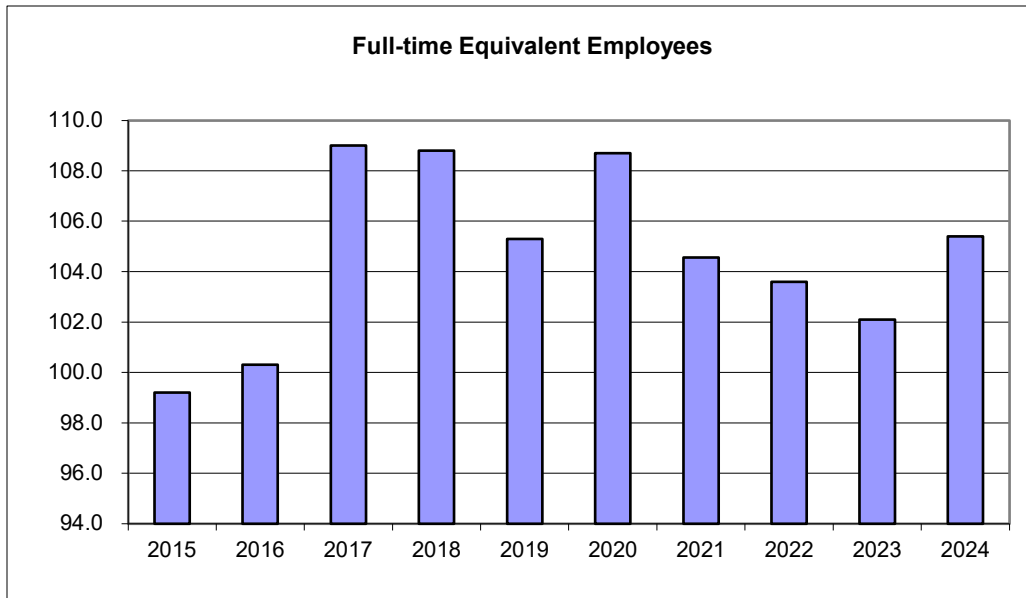
<u>Employer</u>	<u>2014 Employees</u>	<u>Percentage of Total County Employment</u>
Reuters Thomson West	7,000	3.01%
Blue Cross-Blue Shield	3,550	1.53%
Independent School District 196	3,500	1.51%
Burnsville Center	3,000	1.29%
Prime Therapeutics	2,700	1.16%
Dakota County	1,806	0.78%
Fairview Ridges Hospital	1,500	0.65%
UTC Aerospace	1,500	0.65%
US Postal Service	1,481	0.64%
Independent School District 191	1,374	0.59%
Total County Employment	232,407	11.81%

*Includes part-time employees

Data Source: Dakota County Minnesota 2023 ACFR, Minnesota Department of Employment and Economic Development

**Dakota County Community Development Agency
Full-Time Equivalent Employees
Last Ten Years**

Department	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Administration	8.0	9.7	11.6	11.7	11.6	11.2	10.1	8.5	6.0	6.0
Community & Economic Development	10.2	9.5	10.7	11.2	11.3	10.7	10.5	12.2	12.6	13.7
Finance	8.8	7.8	8.8	9.0	8.9	9.8	10.0	10.0	10.0	10.0
Housing Assistance	14.5	15.1	16.8	16.0	15.5	17.3	16.0	17.3	17.1	17.2
Housing Development	5.2	5.0	5.9	5.2	5.2	5.2	5.0	5.0	5.5	6.0
Property Management	52.5	53.2	55.2	55.7	52.8	54.5	53.0	50.6	50.9	52.5
Total	99.2	100.3	109.0	108.8	105.3	108.7	104.6	103.6	102.1	105.4



Data Source: Dakota County CDA Budgets

Note: Full-time equivalents are calculated by dividing the total labor hours by 2,080.

**Dakota County Community Development Agency
Capital Asset Statistics
Last Ten Fiscal Years**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Common Bond										
Senior Buildings	27	28	29	29	29	29	29	30	30	30
Units Available	1,609	1,669	1,731	1,731	1,731	1,731	1,731	1,785	1,785	1,785
Public Housing										
Senior Building	1	1	1	1	1	1	1	1	1	1
Scattered site units	243	243	243	243	243	243	123	123	123	123
Units Available	323	323	323	323	323	323	203	203	203	203
Youth Housing										
Lincoln Place	1	1	1	1	1	1	1	1	1	1
Units Available	25	25	25	25	25	25	25	25	25	25
DCCDA Section 18 LLC										
Scattered site units	-	-	-	-	-	-	120	101	86	85
Workforce Housing LLC										
Family Townhomes	7	7	9	10	10	12	12	14	15	16
Units Available	215	215	268	296	296	364	364	434	455	487
Governmental										
NSP Fund	2	2	2	2	2	2	2	2	2	2
Units Available	5	5	5	5	5	5	5	5	5	5
Office Building	1	1	1	1	1	1	1	1	1	1
Employees (FTE's)	99	100	109	109	105	109	105	104	102	105

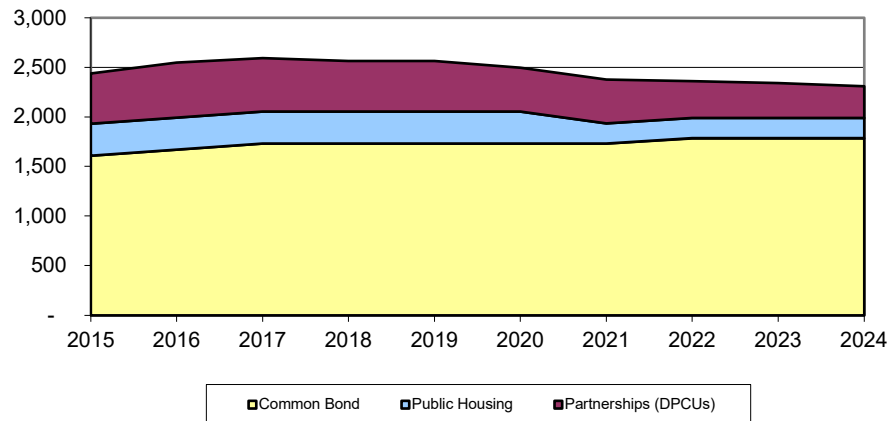
Data Sources:

- [1] - Dakota County CDA Utilization Reports and Asset Records
- [2] - Dakota County Budgets / Personnel Records

**Dakota County Community Development Agency
Housing Units Managed
Last Ten Fiscal Years**

By Fund	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Common Bond	1,609	1,669	1,731	1,731	1,731	1,731	1,731	1,785	1,785	1,785
Public Housing	323	323	323	323	323	323	203	203	203	203
DCCDA Section 18 LLC	-	-	-	-	-	-	120	101	86	85
Youth Housing	25	25	25	25	25	25	25	25	25	25
Partnerships (DPCUs)	506	556	539	511	511	443	443	373	352	320
Workforce Housing LLC	215	215	268	296	296	364	364	434	455	487
NSP	5	5	5	5	5	5	5	5	5	5
Total Units Managed	2,683	2,793	2,891	2,891	2,891	2,891	2,891	2,926	2,911	2,910
By Location										
Apple Valley	336	336	336	336	336	336	336	332	332	332
Burnsville	323	323	323	323	323	323	323	323	322	322
Eagan	448	498	498	498	498	498	498	496	491	491
Farmington	124	124	124	124	124	124	124	123	123	123
Hastings	203	203	203	203	203	203	203	202	198	198
Inver Grove Heights	266	266	266	266	266	266	266	264	263	263
Lakeville	364	364	462	462	462	462	462	462	461	461
Mendota Heights	150	150	150	150	150	150	150	149	149	149
Rosemount	107	167	167	167	167	167	167	162	160	160
South St. Paul	170	170	170	170	170	170	170	170	170	170
West St. Paul	192	192	192	192	192	192	192	243	242	241
Total Units Managed	2,683	2,793	2,891	2,891	2,891	2,891	2,891	2,926	2,911	2,910

Housing Units Managed

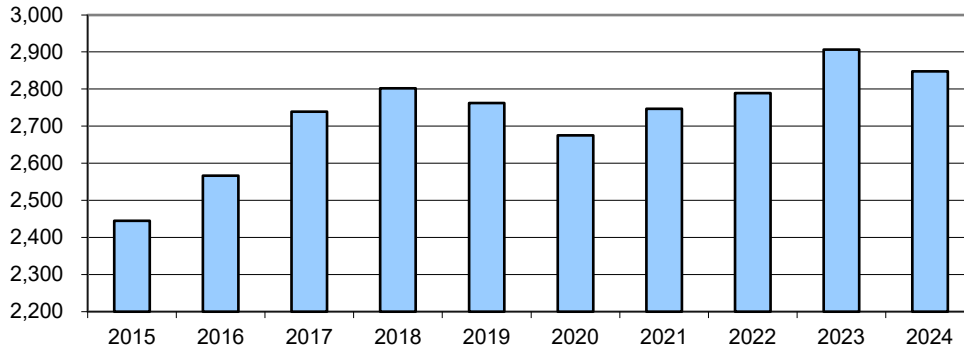


Note: The number of units shown is the number of units available at the end of the fiscal year. Data source is Dakota County CDA utilization reports and asset records.

**Dakota County Community Development Agency
Housing Units Assisted
Last Ten Fiscal Years**

Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Vouchers	2,363	2,454	2,605	2,664	2,630	2,577	2,644	2,673	2,780	2,744
Other Federal	23	31	30	28	26	27	27	53	80	93
Non Federal	40	61	86	94	92	47	45	43	42	6
Levy	19	20	18	16	14	24	31	20	4	5
Average Units Assisted Per Month	2,445	2,566	2,739	2,802	2,762	2,675	2,747	2,789	2,906	2,848
Net Port Activity Included in Vouchers										
Port-Ins	370	307	190	99	131	109	154	173	172	227
Port-Outs	(237)	(247)	(283)	(315)	(404)	(380)	(405)	(410)	(417)	(438)
	133	60	(93)	(216)	(273)	(271)	(251)	(237)	(245)	(211)

Average Units Assisted Per Month

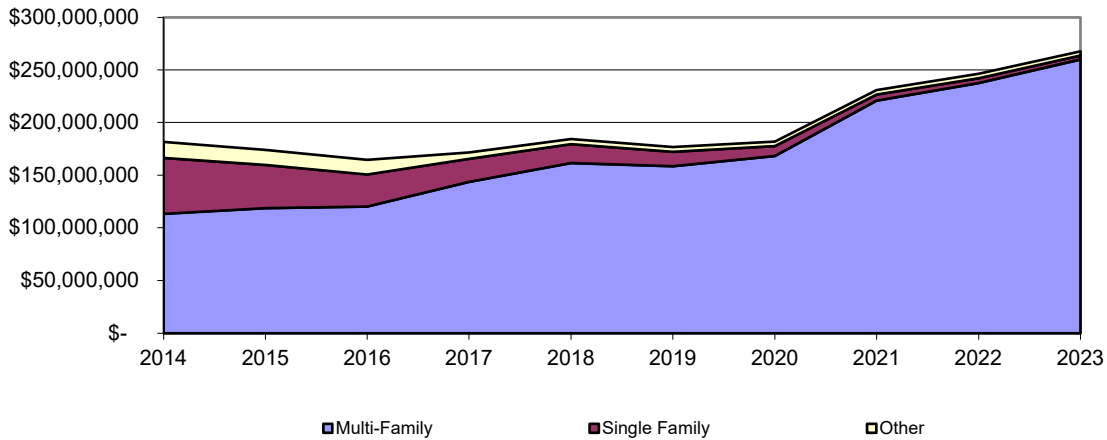


Data Source: HUD VMS Reports and Dakota County CDA Utilization Reports

**Dakota County Community Development Agency
Conduit Debt Outstanding
Last Ten Calendar Years**

Year	Multi-Family		Total	Single Family	Other	Total
	Apartment Complexes	Assisted Living				
2014	\$ 23,082,817	90,283,997	\$ 113,366,814	\$ 53,083,150	14,948,400	\$ 181,398,364
2015	22,767,296	95,735,608	118,502,904	41,225,595	14,130,860	173,859,359
2016	22,432,967	97,830,474	120,263,441	30,478,889	13,628,575	164,370,905
2017	32,943,719	110,625,641	143,569,360	21,786,420	6,286,347	171,642,127
2018	52,424,722	109,123,698	161,548,420	17,714,405	4,851,174	184,113,999
2019	51,024,444	107,310,559	158,335,003	13,744,408	4,671,198	176,750,609
2020	66,634,941	101,515,186	168,150,127	9,281,871	4,486,242	181,918,240
2021	128,308,918	92,342,055	220,650,973	5,806,853	4,295,390	230,753,216
2022	146,868,844	90,630,619	237,499,463	4,648,113	4,098,851	246,246,427
2023	174,485,183	85,324,263	259,809,446	3,917,514	3,896,455	267,623,415

Conduit Debt Outstanding



Data Source: Financial institution trustee reports

**DAKOTA COUNTY COMMUNITY
DEVELOPMENT AGENCY**

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND INDEPENDENT AUDITOR'S REPORTS

For The Year Ended June 30, 2024

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DAKOTA COUNTY COMMUNITY DEVELOPMENT AGENCY
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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Commissioners
Dakota County Community Development Agency
Eagan, Minnesota

We have audited, in accordance with the 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, the financial statements of the business-type activities and the aggregate discretely presented component units of Dakota County Community Development Agency (the Agency), a component unit of Dakota County, Minnesota as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements, and have issued our report thereon dated February 18, 2025. Our report includes a reference to other auditors who audited the financial statements of the discretely presented component units, as described in our report on the Agency's financial statements. The financial statements of the discretely presented component units were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or compliance and other matters associated with the discretely presented component units or that are reported on separately by those auditors who audited the financial statements of the discretely presented component units.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Agency's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a

combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

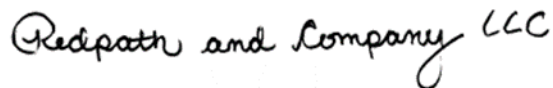
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Agency's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



REDPATH AND COMPANY, LLC
St. Paul, Minnesota

February 18, 2025



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE AND REPORT ON
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE
UNIFORM GUIDANCE

To the Board of Commissioners
Dakota County Community Development Agency
Eagan, Minnesota

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Dakota County Community Development Agency's (the Agency) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Agency's major federal programs for the year ended June 30, 2024. The Agency's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Agency complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the agency and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Agency's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Agency's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Agency's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Agency's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Agency's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Agency's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the business-type activities and the aggregate discretely presented component units of the Agency as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements. We issued our report thereon dated February 18, 2025, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other

records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Redpath and Company LLC

REDPATH AND COMPANY, LLC
St. Paul, Minnesota

February 18, 2025

DAKOTA COUNTY COMMUNITY DEVELOPMENT AGENCY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2024

Federal Grantor/Pass Through Grantor/Program Cluster	Pass-through Number	Federal Assistance Listing Number (ALN)	Federal Expenditures	Provided to Subrecipients
U.S. Department of Housing and Urban Development (HUD)				
Direct Program:				
Public Housing Operating Fund	--	14.850	186,318	-
Housing Voucher Cluster:				
Section 8 Housing Choice Vouchers	--	14.871	30,066,971	-
Emergency Housing Vouchers (EHV) - COVID 19	--	14.EHV	626,382	-
Total ALN 14.871			<u>30,693,353</u>	-
Mainstream Vouchers	--	14.879	526,708	-
Total Housing Voucher Cluster			<u>31,220,061</u>	-
Public Housing Capital Fund	--	14.872	1,554,731	-
Family Self-Sufficiency	--	14.896	3,651	-
Passed through Dakota County, Minnesota:				
CDBG - Entitlement Grants Cluster:				
Community Development Block Grant:				
Entitlement grants	DCA20675	14.218	2,227,157	305,539
Entitlement Grants - COVID-19	DCA20675	14.218	459,915	419,489
Total ALN 14.218 / Total CDBG - Entitlement Grants Cluster			<u>2,687,072</u>	<u>725,028</u>
Emergency Solutions Grant	DCA20675	14.231	146,614	136,588
Emergency Solutions Grant - COVID-19	DCA20675	14.231	13,855	-
Total ALN 14.231			<u>160,469</u>	<u>136,588</u>
HOME Investment Partnerships Program	DCA20675	14.239	851,094	470,394
HOME Investment Partnerships Program - COVID-19	DCA20675	14.239	171,245	157,318
Total ALN 14.239			<u>1,022,339</u>	<u>627,712</u>
Passed through Minneosta Housing:				
Neighborhood Stabilization Program	n/a	14.228	18,127	-
Passed through MN Homeownership Center:				
Housing Counseling Assistance Program	n/a	14.169	38,110	-
Total HUD			<u>36,890,878</u>	<u>1,489,328</u>
U.S. Environmental Protection Agency				
Direct Program:				
Brownfields Multipurpose, Assessment, Revolving Loan, and Cleanup Cooperative	--	66.818	66,586	-
Total U.S. Environmental Protection Agency			<u>66,586</u>	-
U.S. Department of Energy				
Passed through Minnesota Department of Commerce:				
Weatherization Assistance for Low-income Persons	SC-229124	81.042	765,896	-
Total U.S. Department of Energy			<u>765,896</u>	-
U.S. Department of Health & Human Services				
Passed through Minnesota Department of Commerce:				
Low-income Home Energy Assistance	SC-229124	93.568	1,176,275	-
Total U.S. Department of Health & Human Services			<u>1,176,275</u>	-
NeighborWorks America				
Passed through MN Homeownership Center:				
Housing Stability Counseling Program - COVID-19	n/a	99.U19	18,108	-
Total NeighborWorks America			<u>18,108</u>	-
U.S. Department of the Treasury				
Passed through Dakota County, Minnesota:				
COVID 19 Coronavirus State and Local Fiscal Recovery Funds	n/a	21.027	5,816,040	-
Total U.S. Department of the Treasury			<u>5,816,040</u>	-
Total expenditures of federal awards			<u>\$ 44,733,783</u>	<u>\$ 1,489,328</u>

DAKOTA COUNTY COMMUNITY DEVELOPMENT AGENCY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2024

Note 1: Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Agency under programs of the federal government for the year ended June 30, 2024, except for the federal grant activity, if any, of the Agency's discretely presented component units. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards" (Uniform Guidance). Because this schedule presents only a selected portion of the operations of the Agency, it is not intended to present the financial position, changes in financial position or cash flows, where applicable, of the Agency.

Note 2: Summary of Significant Accounting Policies

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are reported following the cost principles contained in the Uniform Guidance, where certain types of expenditures are not allowable or are limited to reimbursement. Pass-through entity identifying numbers are presented where available. The Agency has elected not to use the 10 percent de minimis cost rate as allowed under the Uniform Guidance.

DAKOTA COUNTY COMMUNITY DEVELOPMENT AGENCY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2024

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

- | | | | | |
|--|------------|-----|----------------------|----|
| A. Type of auditors' report issued: | Unmodified | | | |
| B. Internal control over financial reporting: | | | | |
| • Material weakness(es) identified? | _____ | Yes | _____ <u>X</u> _____ | No |
| • Significant deficiency(ies) identified? | _____ | Yes | _____ <u>X</u> _____ | No |
| C. Noncompliance material to financial statements noted? | _____ | Yes | _____ <u>X</u> _____ | No |

Federal Awards

- | | | | | |
|---|------------|-----|----------------------|----|
| D. Internal control over major programs: | | | | |
| • Material weakness(es) identified? | _____ | Yes | _____ <u>X</u> _____ | No |
| • Significant deficiency(ies) identified? | _____ | Yes | _____ <u>X</u> _____ | No |
| E. Type of auditor's report issued on compliance for major programs: | Unmodified | | | |
| F. Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)? | _____ | Yes | _____ <u>X</u> _____ | No |
| G. Identification of major federal programs: | | | | |

Name of Federal Programs or Clusters	Assistance Listing Numbers
Housing Voucher Cluster	14.871, 14.879
Coronavirus State and Local Fiscal Recovery Funds	21.027

- | | |
|---|-----------------------------------|
| H. Dollar threshold used to distinguish between Type A and Type B programs: | \$1,341,470 |
| I. Auditee qualified as a low-risk auditee? | _____ <u>X</u> _____ Yes _____ No |

DAKOTA COUNTY COMMUNITY DEVELOPMENT AGENCY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2024

SECTION II – FINANCIAL STATEMENT FINDINGS

No current year findings.

SECTION III – FEDERAL AWARD FINDINGS

No current year findings.

DAKOTA COUNTY COMMUNITY DEVELOPMENT AGENCY
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
For the Year Ended June 30, 2024

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINANCIAL STATEMENT FINDINGS

None.

FEDERAL AWARD FINDINGS

None.

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COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

To the Board of Commissioners
 Dakota County Community Development Agency
 Eagan, Minnesota

We have audited the financial statements of the business-type activities and the aggregate discretely presented component units of Dakota County Community Development Agency (the Agency), a component unit of Dakota County, Minnesota for the year ended June 30, 2024. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and, *Government Auditing Standards* and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated December 17, 2024. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Agency are described in Note 1 to the financial statements. For the year ended June 30, 2024, the Agency implemented Governmental Accounting Standards Board Statement No. 100, *Accounting Changes and Error Corrections— an amendment of GASB Statement No. 62*. The merger of Rosemount Family Housing Limited Partnership was presented in accordance with this standard. We noted no transactions entered into by the Agency during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

The most sensitive estimate affecting the financial statements is the estimated present value of the Agency's lease receivable.

This estimate is based on the Agency's estimated incremental borrowing rate. We evaluated the key factors and assumptions used to develop the estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. Determining sensitivity is subjective, however, we believe the disclosure most likely to be considered sensitive is Note 2.I. – Dakota County CDA Workforce Housing 2 LLC Merger.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. There were no corrected or uncorrected misstatements identified during the audit.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated February 18, 2025.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Agency's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Agency's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

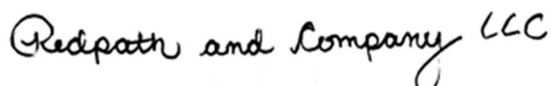
We applied certain limited procedures to the management's discussion and analysis, which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the financial data schedules, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the introductory and statistical sections, which accompany the financial statements but are not RSI. Such information has not been subjected to auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the information and use of the Board of Commissioners and management of the Agency and is not intended to be, and should not be, used by anyone other than these specified parties.



REDPATH AND COMPANY, LLC
St. Paul, Minnesota

February 18, 2025



MINNESOTA LEGAL COMPLIANCE REPORT

To the Board of Commissioners
 Dakota County Community Development Agency
 Eagan, Minnesota

We have audited, 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, the financial statements of the business-type activities and the aggregate discretely presented component units of Dakota County Community Development Agency (the Agency), a component unit of Dakota County, Minnesota as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Agency's basic financial statements, and have issued our report thereon dated February 18, 2025. Our report includes a reference to other auditors who audited the financial statements of the discretely presented component units, as described in our report on the Agency's financial statements. This report does not include reporting on internal control over financial reporting or compliance and other matters associated with the discretely presented component units or that are reported on separately by those auditors who audited the financial statements of the discretely presented component units.

In connection with our audit, nothing came to our attention that caused us to believe that the Agency failed to comply with the provisions of the contracting – bid laws, depositories of public funds and public investments, conflicts of interest, claims and disbursements, miscellaneous provisions, and tax increment financing sections of the *Minnesota Legal Compliance Audit Guide for Other Political Subdivisions*, promulgated by the State Auditor pursuant to Minnesota Statute § 6.65, insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the Agency's noncompliance with the above referenced provisions, insofar as they relate to accounting matters.

The purpose of this report is solely to describe the scope of our testing of compliance and the results of that testing, and not to provide an opinion on compliance. Accordingly, this communication is not suitable for any other purpose.

Redpath and Company LLC

REDPATH AND COMPANY, LLC
 St. Paul, Minnesota

February 18, 2025



Board of Commissioners

Request for Board Action

Meeting Date: March 25, 2025

Agenda #: 5C

DEPARTMENT: Housing Development

FILE TYPE: Regular - Consent

TITLE

Establish The Date For A Public Hearing Regarding The Disposition Of A DCCDA Section 18, LLC Property

PURPOSE/ACTION REQUESTED

Schedule a public hearing date regarding the disposition of one duplex property owned by the DCCDA Section 18, LLC.

SUMMARY

The Dakota County CDA, as the sole member of the DCCDA Section 18, LLC currently owns 70 properties throughout Dakota County that are not under contract to sell. These are single family homes and duplexes that were previously part of the federal Public Housing Program and were acquired by the LLC through the U.S. Department of Housing and Urban Development (HUD) Section 18 Demo/Dispo program. HUD's Special Applications Center has approved the disposition of the Section 18 units. The units must be sold at fair market value or higher.

There is one duplex to be sold through the realtor (as approved at the May 22, 2024, CDA Board meeting):

- 14840 & 14850 Dallara Avenue, Rosemount

As required by the CDA's Disposition Policy, a public hearing must be held to consider the sale of these properties. When interested buyers enter into purchase agreements with the DCCDA Section 18 LLC, staff will return to the Board to hold a public hearing for the property when we have a purchase agreement. If offers are not received, staff will recommend continuing the public hearing until there is an interested buyer.

RECOMMENDATION

Staff recommends setting the public hearing for Tuesday, April 22, 2025, at 3 p.m. for the purpose of considering the terms of the sale of the property.

EXPLANATION OF FISCAL/FTE IMPACTS

N/A

None Current budget Amendment Requested Other

RESOLUTION

WHEREAS, the Dakota County Community Development Agency (CDA), as sole member of the DCCDA Section 18, LLC (LLC) owns properties located throughout Dakota County; and

WHEREAS, the CDA is accepting offers from the public for a duplex being marketed by The Huerkamp Home Group/Keller Williams Preferred Realty to the public; and

WHEREAS, to ensure the CDA is in a position to sell the property in a timely manner once a buyer is identified, staff recommends setting a public hearing in anticipation that there will be an offer prior to the public hearing date of April 22, 2025; and

WHEREAS, if an offer is not received by the public hearing date, the public hearing will be continued to the next CDA Board meeting in anticipation that there will be additional offers at that time; and

WHEREAS, the purchase agreement for the property will be included in the public hearing that will be finalized prior to the closing date; and

WHEREAS, the disposition of the unit satisfies the requirements of U.S. Department of Housing and Urban Development's Section 18 Demo/Dispo program; and

WHEREAS, Minnesota Statute 469.105, subds. 1, 2, and 4 requires a public hearing regarding the terms of the sale of real property.

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

1. A public hearing regarding the disposition of the following property will be held by the CDA Board on April 22, 2025, at or after 3 p.m. at the CDA's office:

Duplex to be sold through the realtor:

- o 14840 & 14850 Dallara Avenue, Rosemount

2. The Executive Director, or his designee, is hereby authorized and directed to cause notice of such public hearing in substantially the form in Attachment B to be published in a newspaper of general circulation in Dakota County not less than 20 days prior to such hearing.

PREVIOUS BOARD ACTION

24-6842; 5/22/2024

ATTACHMENTS

Attachment A: Site Map

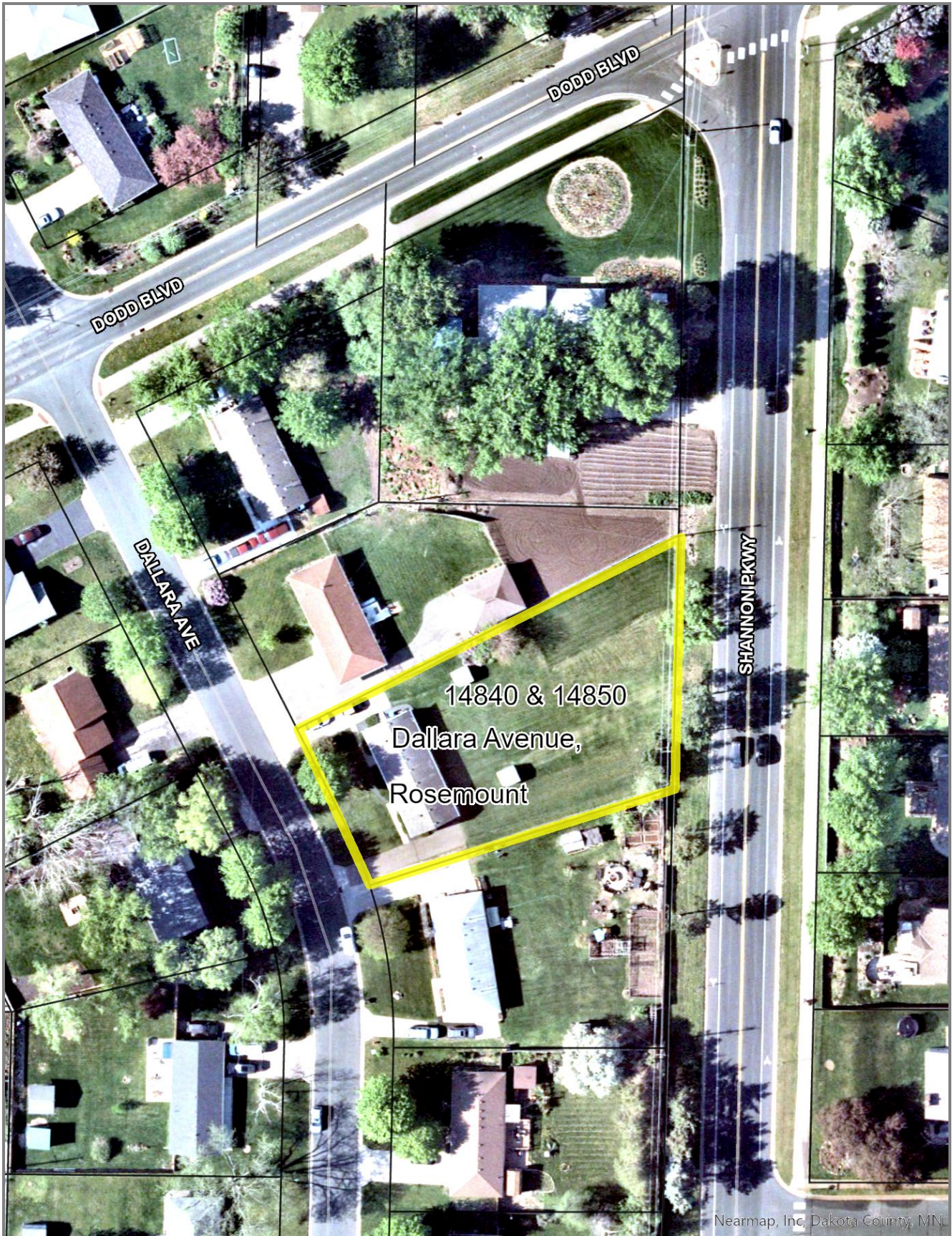
Attachment B: Public Notice

CONTACT

Department Head: Kari Gill, Deputy Executive Director

Author: Lori Zierden, Real Estate Manager

14840 & 14850 Dallara Ave, Rosemount Site Map



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.

Map Scale
 1 inch = 75 feet
 5/12/2025

PUBLIC NOTICE

Dakota County Community Development Agency

Notice is provided that the Board of Commissioners of the Dakota County Community Development Agency (CDA), as the sole member of DCCDA Section 18, LLC will hold a public hearing on Tuesday, April 22, 2025, at or after 3:00 p.m. at the CDA offices located at 1228 Town Centre Drive, Eagan, Minnesota to consider the sale, transfer, and/or exchange of the following described property currently owned by DCCDA Section 18 LLC is advisable:

Address	Legal Description
14840 and 14850 Dallara Avenue, Rosemount	Lot 3, Block 2, Broback 6th Addition, Dakota County, Minnesota

The terms and conditions for offers that staff is recommending to the CDA Board will be available at the CDA's office beginning April 11, 2025. For more information on this proposed sale, transfer, and/or exchange of property contact Lori Zierden at the Dakota County CDA, 1228 Town Centre Drive, Eagan, MN 55123, telephone (651) 675-4467. Public comments may be submitted orally or in writing to the CDA through the public hearing to be held on April 22, 2025.

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

By /s/ Tony Schertler
Executive Director

[Date of Publication]



Board of Commissioners

Request for Board Action

Meeting Date: March 25, 2025

Agenda #: 5D

DEPARTMENT: Housing Development

FILE TYPE: Regular - Consent

TITLE

Authorize Executive Director To Execute An Architectural Contract With InSite Architects For Hillcrest Pointe Phase II (Inver Grove Heights) Senior Housing Development

PURPOSE/ACTION REQUESTED

- Authorize Executive Director to execute an architectural contract with InSite Architects for senior housing in Inver Grove Heights.
- Approve budget amendment.

SUMMARY

The Dakota County CDA owns excess property at 9170 Cahill Avenue in Inver Grove Heights. Hillcrest Pointe is a 66-unit senior housing building completed in 2014 on the south end of the site. There is sufficient vacant land to build a second building on the site if approved by the City Council. The site is zoned medium density and will be required to be rezoned to high density to accommodate a second building. The CDA will need to seek rezoning and site plan approval of the property for a proposed second building. If rezoning and other city approvals are not received, this contract will be terminated.

A neighborhood meeting was held on Wednesday, February 12, 2025, at Hillcrest Pointe. Numerous Hillcrest Pointe residents attended the meeting along with several neighbors. CDA Commissioners Droste and Atkins attended the meeting in addition to city officials.

The CDA has worked with InSite Architects on several developments including Oakwoods East, Valley Ridge, Vermillion River Crossing, Thompson Heights, Crossroads Commons, Oakwoods East, Hillcrest Pointe, Cambrian Common and Argonne Hills. The CDA has benefited from our working relationship with InSite Architects since 2008. InSite Architects is being recommended by staff for the proposed 54 to 58 unit senior housing development in Inver Grove Heights. If city approvals are received, we will continue the project through final design and bidding. Prior to this project being constructed, bonds would need to be issued. InSite submitted a proposal for \$503,800 of which \$95,300 is the cost to get through the city planning process.

RECOMMENDATION

It is recommended that the Executive Director be authorized to enter into an architectural contract with InSite Architects for the housing project in Inver Grove Heights. This recommendation is under the Noncompetitive Proposals Section (6.5.1.5) of the CDA Procurement Policy.

EXPLANATION OF FISCAL/FTE IMPACTS

During pre-development, expenses such as architectural fees are paid from the HD&R operating budget. The architect initially will be authorized to work through the City Approval Phase. If the project does not receive City Approvals, this contract will be terminated. Once the CDA knows the project is

moving forward and financing is secured, the operating budget will be reimbursed by the bond proceeds.

None Current budget Amendment Requested Other

RESOLUTION

WHEREAS, the Dakota County CDA requested a Fee Proposal from InSite Architects for the Hillcrest Pointe Phase II senior housing development in Inver Grove Heights; and

WHEREAS, InSite Architects provided a fee proposal for \$503,800 for the project from initial design through construction administration; and

WHEREAS, the amount allocated to get through the city planning process is \$95,300; and

WHEREAS, staff is recommending this contract under the Noncompetitive Proposals Section (6.5.1.5) of the CDA Procurement Policy; and

WHEREAS, if rezoning and other city approvals are not received this contract will be terminated; and

WHEREAS, the 54 to 58 unit senior housing development is anticipated to be developed in 2025/2026 with future bond proceeds.

NOW, THEREFORE BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, That the Executive Director is authorized to enter into an architectural contract with InSite Architects for \$503,800.

PREVIOUS BOARD ACTION

N/A

ATTACHMENTS

Attachment A: Proposed Contract Proposal

Attachment B: Site Map

CONTACT

Department Head: Kari Gill, Deputy Executive Director

Author: Lori Zierden, Real Estate Manager

March 10, 2025

Kari Gill
Deputy Executive Director
Dakota County CDA
1228 Town Centre Drive
Eagan, MN 55123

**Professional Services Fee Proposal for Hillcrest Pointe Site
Inver Grove Heights, Minnesota**

Dear Kari,

Thank you for the opportunity to submit this proposal for Professional Services Fees for site evaluation, City approval process, and full Design and Construction Administration fees for the Hillcrest Pointe site in Inver Grove Heights, Minnesota. We really enjoy working with you and look forward to partnering with you on this project.

Project Summary:

Based on recent emails and conversations, the project includes:

- Design a new, affordable, three story over parking garage senior housing building with approximately 54 – 60 apartments and limited common spaces. Exterior design to be similar to the existing Hillcrest Pointe at 9170 Cahill Avenue, Inver Grove Heights, MN.
- Construction budget is based on 60 units at \$220,000 per unit equals \$13,200,000.
- Construction start is anticipated to be mid 2025 with completion in 2026.
- Construction schedule is anticipated to be 12 months.
- Building Square Footage estimated to be 80,000 sf finished space and 26,500 sf garage.

Scope Clarifications

Architectural:

City Approval Process: Attendance at one (1) preliminary City meeting, and two (2) total Planning Commission and City Council meetings.

- Further develop exterior elevations to meet City requirements.
- Coordinate all landscape and civil work to meet City requirements.

Design, Construction Documents, and Construction Administration:

- Complete Design Development documents for Owner approval.
- Following approval, complete Construction Documents and Bidding.
- Public Bidding - Assist Owner in process, respond to questions and issue responses.
- Construction Administration - provide site observations at approximately once every two weeks or 24 visits total. Respond to RFIs, review shop drawings, process payment applications

- At project's completion, punch ½ of all units and all public spaces and exterior, provide Substantial Completion Certificate.

Structural and MEP:

- No work during City Approval Process.
- Full services during building design, construction documents and construction administration.

Civil/Landscape:

- See attached proposal from Pioneer Engineering, who provided civil and landscape and surveying services for the existing building and site, for more detailed scope of work.

Overall Comments:

- Furniture and artwork selection and specifications are not included in these fees. We can collect bids for these services, if desired.
- Interior finishes selection and specifications are included here. Owner to provide any preferred products or vendors.
- Fire Protection system design to be Design/Build.
- Survey, Tree Survey, Soils Borings, Environmental Contamination Examination, etc. are not included in these fees. To be by Owner.
- Television/Data, Cable Television, and WiFi design and cabling not included in these fees. To be Design/Build or by Owner's vendor.
- Davis Bacon or other prevailing wage information to be provided by Owner.

Professional Services Fees:

City Approval Phase

• Architectural Fees	\$15,000
• Civil Fees	\$73,500
• Landscape Fees	\$6,800
Total City Approval Phase Fees:	\$95,300

Design and Construction Phases

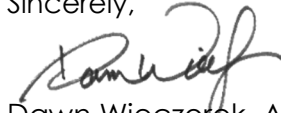
• Architectural Fees	\$289,000
• Structural Fees	\$57,300
• Mechanical/Electrical/Plumbing Fees	\$54,200
• Civil / Landscape Fees	\$8,000
Total Design and Construction Fees:	\$408,500

- Architectural Additional Services are \$180 per hour. Consultant additional services are per their schedules.

Professional Services Fees will be invoiced monthly with payment to be received within 30 days. Travel Expenses, including mileage and any hard copy printing, will be invoiced as reimbursables at cost with no markup.

Thank you for the opportunity to present this proposal. InSite Architects is excited to deliver a great project. Please feel free to contact me with any questions. To accept this proposal, please sign and date below and return to us as our notice to proceed.

Sincerely,



Dawn Wieczorek, AIA, Partner
InSite Architects

Signature
Dakota County CDA Representative

Date

*Our client-focused approach combines the personalized service
you deserve with the experience you need.*



HILLCREST POINTE PHASE II

PROPOSED SITE PLAN

1-28-25



Board of Commissioners

Request for Board Action

Meeting Date: March 25, 2025

Agenda #: 5E

DEPARTMENT: Housing Development

FILE TYPE: Regular - Consent

TITLE

Acting As General Partner Of Twin Ponds Family Housing Limited Partnership, Authorizing The Contribution Of Twin Ponds (Phase I) Townhomes (Farmington) To Dakota County CDA Workforce Housing II LLC And Related Actions

PURPOSE/ACTION REQUESTED

- Authorize the transfer of U.S. Bancorp CDC's limited partnership interest in Twin Ponds Family Housing Limited Partnership ("the Partnership") to Dakota County CDA Workforce Housing II LLC.
- Authorize payoff of the Minnesota Housing Finance Agency (HRPP) loan (\$783,000).
- Authorize the transfer of Twin Ponds I to Dakota County CDA Workforce Housing II LLC.
- Authorize Dakota County CDA Workforce Housing II LLC to assume the following loans made by Dakota County CDA:
 - (a) First mortgage loan in the original principal amount of \$200,000
 - (b) HOPE loan in the original principal amount of \$250,000
 - (c) HOME loan in the original principal amount of \$215,000
 - (d) LHIA loan in the original principal amount \$225,000

SUMMARY

Twin Ponds I Townhomes is a 25-unit workforce housing development located in Farmington that was completed in 2009. The construction of Twin Ponds I Townhomes was financed in part through the use of the federal Low Income Housing Tax Credit (LIHTC) program. The LIHTC program provides 10 years of federal tax credits as an incentive for private entities to partner in the ownership of affordable housing developments and to provide equity for the development of affordable housing. In this case, U.S. Bancorp Community Development Corporation (CDC) partnered with the CDA to form the Partnership with 99.99% limited partnership interest. The CDA is the General Partner of the Partnership and manages the day-to-day operations of the Property.

The LIHTC program requires properties to maintain rent and income restrictions for an initial 15-year compliance period, during which the IRS may recapture tax credits and impose other penalties for non-compliance. After this initial compliance period ends, the limited partner has typically fully realized the tax benefits of the federal tax credits and ownership of the Property and seeks to exit the Partnership. Twin Ponds I Townhomes is past its 15th year of compliance period and U.S. Bancorp CDC is willing to exit the Partnership. This provides the opportunity for the CDA to wholly own the Property through the Dakota County CDA Workforce Housing II LLC (the "CDA II LLC"), of which the CDA is the sole member.

CDA staff is requesting authorization to convey the Property to the CDA II LLC, upon the exit of U.S. Bancorp CDC from the Twin Ponds Family Housing Limited Partnership. Upon conveyance, the Property will continue to operate as an affordable workforce housing development, subject to the rent and income restrictions currently in place.

The Property is secured by a \$783,000 loan in favor of the Minnesota Housing Finance Agency (MHFA Loan). The Property is also secured by a first mortgage loan, HOPE loan, HOME loan, and LHIA loan in favor of the Dakota County CDA.

RECOMMENDATION

CDA staff is recommending approval to have CDA II LLC acquire the limited partnership interest in the Partnership, have the Partnership pay off the MHFA loan, and have the CDA II LLC assume the Dakota County CDA loans (collectively, the “Transaction”).

EXPLANATION OF FISCAL/FTE IMPACTS

The payoff amount will not exceed \$783,000, plus interest and transaction costs. The loan is expected to be repaid on or before July 31, 2025. The transaction is expected to occur in early July 2025, the loan payoff and transactions costs will be included in the FYE26 CDA budget if this resolution is approved.

- None
- Current budget
- Amendment Requested
- Other

RESOLUTION

WHEREAS, in 2009 the Dakota County Community Development Agency (CDA) opened Twin Ponds I Townhomes that is currently part of the Twin Ponds Family Housing Limited Partnership (the “Partnership”); and

WHEREAS, Twin Ponds I was financed with Low Income Housing Tax Credits that were purchased by the private limited partner in the Partnership – U.S. Bancorp Community Development Corporation (CDC); and

WHEREAS, the Partnership has reached the initial 15-year compliance period for tax credit benefits; and

WHEREAS, U.S. Bancorp CDC is willing to withdraw as limited partner of the Partnership for \$6,997.50; and

WHEREAS, the CDA has established the Dakota County CDA II LLC (the “CDA II LLC”) pursuant to Minnesota Statutes, Section 469.012, Subd. 2j, in which the CDA is the sole member; and

WHEREAS, the Minnesota Housing Finance Agency loan to the Partnership will be repaid; and

WHEREAS, it is proposed that the CDA II LLC acquire, own and operate the property legally described as Lot 2, Block 1 Twin Ponds 2nd Addition, according to the recorded plat thereof, Dakota County MN (“the Property”), and that the CDA II LLC pay off outstanding loans on the Property made by Minnesota Housing Finance Agency (MHFA), and that the CDA II LLC assume the CDA loans listed below:

Project Owner:	MHFA Loan:	CDA Loans:
Twin Ponds Family Housing Limited Partnership	\$783,000	\$146,290.82 1 st Mortgage (original principal balance \$200,000) \$250,000 HOPE Loan

		\$104,508.61 HOME Loan (original principal \$215,000) \$225,000 LHIA Loan
--	--	---

NOW, THEREFORE BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, acting in its capacity as sole member of the CDA II LLC and as General Partner of the Partnership, as follows:

1. The Executive Director of the CDA is hereby authorized and directed to execute and deliver, on behalf of the CDA as the sole member of the CDA II LLC, all agreements, documents, instruments and certificates necessary or convenient (i) to acquire the limited partnership interest in the Partnership, (ii) acquire on behalf of the CDA II LLC fee title to the Property (the "Acquisition Documents"), and (iii) to evidence assumption by the CDA II LLC of the CDA Loans (the "Assumption Documents") (together with the Acquisition Documents and the Assumption Documents, the "LLC Documents").
2. The Executive Director of the CDA is hereby authorized and directed to execute and deliver on behalf of the CDA as General Partner of the Partnership, all agreements, documents, instruments, and certificates necessary or convenient to (i) transfer the limited partnership interests from U.S. Bank CDC to the CDA II LLC; (ii) transfer fee title to the Property from the Partnership to the CDA II LLC; (iii) to evidence assignment of the CDA Loans to the CDA II LLC; and (iv) to accomplish payoff of the MHFA Loan (the "Partnership Documents") (the LLC Documents and Partnership Documents are referred to herein as the Documents).
3. All Documents shall be executed in forms approved by the Executive Director of the CDA on advice of legal counsel. Execution of such Loan Documents shall constitute conclusive evidence of such approval.
4. All actions heretofore taken on behalf of the CDA, the Partnership, and the CDA II LLC in furtherance of the transfer of the limited partnership interest, payoff of the MHFA Loan, assumption of the CDA Loans, and transfer of the Property are hereby approved, ratified, and confirmed.
5. Following conveyance of the Property to the CDA II LLC and withdrawal of the limited partner, the Executive Director of the CDA, acting on advice of counsel to the CDA, is hereby authorized and directed on behalf of the CDA as General Partner to take actions, and to sign all documents, necessary or convenient to dissolve the Partnership.
6. All actions heretofore taken on behalf of the CDA II LLC in furtherance of the acquisition of the Property and assumption of the CDA Loans are hereby approved, ratified and confirmed.
7. The Executive Director of the CDA is hereby authorized and directed on behalf of the CDA as the sole member of the CDA II LLC and as general partner of the Partnership, at any time and from time to time hereafter and without further action by the CDA or the CDA II LLC, to execute and deliver or cause to be executed and delivered on behalf of the CDA II LLC or 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 Transaction, and the execution by the 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. The Executive Director is designated as the official representative of the CDA II LLC for all matters concerning the Transaction.

8. The Executive Director and Officers of the CDA are authorized and directed to prepare and furnish when the agreements described herein are executed, certified copies of all proceedings and records of the CDA and/or the CDA II LLC and/or the Partnership relating to the Transaction 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 and/or the CDA II LLC and/or the Partnership as to the truth of all statements made on behalf of the CDA and/or the CDA II LLC and/or the Partnership and contained therein.
9. In the event the Executive Director or any Officer of the CDA authorized to execute documents on behalf of the CDA and the CDA II LLC under this resolution shall for any reason be unable to do so, any other member of the Board of Commissioners of the CDA and the Deputy Executive Director are hereby directed and authorized to do so on behalf of CDA or the CDA II LLC, with the same effect as if executed by the Executive Director.
10. The Executive Director is Tony Schertler and the Deputy Executive Director is Kari Gill.

PREVIOUS BOARD ACTION

06-4057; 7/11/2006

08-4427 and 08-4428; 8/12/2008

ATTACHMENTS

None.

CONTACT

Department Head: Kari Gill, Deputy Executive Director

Author: Lori Zierden, Real Estate Manager



Board of Commissioners

Request for Board Action

Meeting Date: March 25, 2025

Agenda #: 5F

DEPARTMENT: Housing Development

FILE TYPE: Regular - Consent

TITLE

Acting As General Partner Of Meadowlark Family Housing Limited Partnership, Authorizing The Contribution Of Meadowlark Townhomes (Lakeville) To Dakota County CDA Workforce Housing II LLC And Related Actions

PURPOSE/ACTION REQUESTED

- Authorize the transfer of U.S. Bancorp CDC's limited partnership interest in Meadowlark Family Housing Limited Partnership ("the Partnership") to Dakota County CDA Workforce Housing II LLC.
- Authorize payoff of the Minnesota Housing Finance Agency (PILOT) loan (\$813,584).
- Authorize the transfer of Meadowlark to Dakota County CDA Workforce Housing II LLC.
- Authorize Dakota County CDA Workforce Housing II LLC to assume the following loans made by Dakota County CDA:
 - (a) First mortgage loan in the original principal amount of \$351,688
 - (b) TCAP loan in the original principal amount of \$425,558
 - (c) HOPE loan in the original principal amount of \$500,000

SUMMARY

Meadowlark Townhomes is a 40-unit workforce housing development located in Farmington that was completed in 2009. The construction of Meadowlark Townhomes was financed in part through the use of the federal Low Income Housing Tax Credit (LIHTC) program. The LIHTC program provides 10-years of federal tax credits as an incentive for private entities to partner in the ownership of affordable housing developments and to provide equity for the development of affordable housing. In this case, U.S. Bancorp Community Development Corporation (CDC) partnered with the CDA to form the Partnership with 99.99% limited partnership interest. The CDA is the General Partner of the Partnership and manages the day-to-day operations of the Property.

The LIHTC program requires properties to maintain rent and income restrictions for an initial 15-year compliance period, during which the IRS may recapture tax credits and impose other penalties for non-compliance. After this initial compliance period ends, the limited partner has typically fully realized the tax benefits of the federal tax credits and ownership of the Property and seeks to exit the Partnership. Meadowlark Townhomes is in its 15th year of compliance period and U.S. Bancorp CDC is willing to exit the Partnership. This provides the opportunity for the CDA to wholly own the Property through the Dakota County CDA Workforce Housing II LLC (the "CDA II LLC"), of which the CDA is the sole member.

CDA staff is requesting authorization to convey the Property to the CDA II LLC, upon the exit of U.S. Bancorp CDC from the Meadowlark Family Housing Limited Partnership. Upon conveyance, the Property will continue to operate as an affordable workforce housing development, subject to the rent and income restrictions currently in place.

The Property is secured by a \$813,584 loan in favor of the Minnesota Housing Finance Agency (MHFA Loan). The Property is also secured by a first mortgage loan, TCAP loan, HOPE loan in favor of the Dakota County CDA.

RECOMMENDATION

CDA staff is recommending approval to have CDA II LLC acquire the limited partnership interest in the Partnership, have the Partnership pay off the MHFA loan, and have the CDA II LLC assume the Dakota County CDA loans (collectively, the “Transaction”).

EXPLANATION OF FISCAL/FTE IMPACTS

The payoff amount will not exceed \$813,584, plus interest and transaction costs. The loan is expected to be repaid on or before July 31, 2025. The transaction is expected to occur in early July 2025, the loan payoff and transactions costs will be included in the FYE26 CDA budget if this resolution is approved.

- None
- Current budget
- Amendment Requested
- Other

RESOLUTION

WHEREAS, in 2010 the Dakota County Community Development Agency (CDA) opened Meadowlark Townhomes that is currently part of the Meadowlark Family Housing Limited Partnership (the “Partnership”); and

WHEREAS, Meadowlark was financed with Low Income Housing Tax Credits that were purchased by the private limited partner in the Partnership – U.S. Bancorp Community Development Corporation (CDC); and

WHEREAS, the Partnership has reached the initial 15-year compliance period for tax credit benefits; and

WHEREAS, U.S. Bancorp CDC is willing to withdraw as limited partner of the Partnership for \$6,332.00; and

WHEREAS, the CDA has established the Dakota County CDA II LLC (the “CDA II LLC”) pursuant to Minnesota Statutes, Section 469.012, Subd. 2j, in which the CDA is the sole member; and

WHEREAS, the Minnesota Housing Finance Agency loan to the Partnership will be repaid; and

WHEREAS, it is proposed that the CDA II LLC acquire, own and operate the property legally described as Lot 1, Block 1; Lot 1, Block 2; and Outlot C of the Meadowlark Wren First Addition, according to the recorded plat thereof, Dakota County MN (“the Property”), and that the CDA II LLC pay off outstanding loans on the Property made by Minnesota Housing Finance Agency (MHFA), and that the CDA II LLC assume the CDA loans listed below:

Project Owner:	MHFA Loan:	CDA Loans:
Meadowlark Family Housing Limited Partnership	\$813,584	\$260,512.89 1 st Mortgage (original principal balance \$351,688)

		\$425,558 TCAP Loan
		\$500,000 HOPE Loan

NOW, THEREFORE BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, acting in its capacity as sole member of the CDA II LLC and as General Partner of the Partnership, as follows:

1. The Executive Director of the CDA is hereby authorized and directed to execute and deliver, on behalf of the CDA as the sole member of the CDA II LLC, all agreements, documents, instruments and certificates necessary or convenient (i) to acquire the limited partnership interest in the Partnership, (ii) acquire on behalf of the CDA II LLC fee title to the Property (the "Acquisition Documents"), and (iii) to evidence assumption by the CDA II LLC of the CDA Loans (the "Assumption Documents") (together with the Acquisition Documents and the Assumption Documents, the "LLC Documents").
2. The Executive Director of the CDA is hereby authorized and directed to execute and deliver on behalf of the CDA as General Partner of the Partnership, all agreements, documents, instruments, and certificates necessary or convenient to (i) transfer the limited partnership interests from U.S. Bank CDC to the CDA II LLC; (ii) transfer fee title to the Property from the Partnership to the CDA II LLC; (iii) to evidence assignment of the CDA Loans to the CDA II LLC; and (iv) to accomplish payoff of the MHFA Loan (the "Partnership Documents") (the LLC Documents and Partnership Documents are referred to herein as the Documents).
3. All Documents shall be executed in forms approved by the Executive Director of the CDA on advice of legal counsel. Execution of such Loan Documents shall constitute conclusive evidence of such approval.
4. All actions heretofore taken on behalf of the CDA, the Partnership, and the CDA II LLC in furtherance of the transfer of the limited partnership interest, payoff of the MHFA Loan, assumption of the CDA Loans, and transfer of the Property are hereby approved, ratified, and confirmed.
5. Following conveyance of the Property to the CDA II LLC and withdrawal of the limited partner, the Executive Director of the CDA, acting on advice of counsel to the CDA, is hereby authorized and directed on behalf of the CDA as General Partner to take actions, and to sign all documents, necessary or convenient to dissolve the Partnership.
6. All actions heretofore taken on behalf of the CDA II LLC in furtherance of the acquisition of the Property and assumption of the CDA Loans are hereby approved, ratified and confirmed.
7. The Executive Director of the CDA is hereby authorized and directed on behalf of the CDA as the sole member of the CDA II LLC and as general partner of the Partnership, at any time and from time to time hereafter and without further action by the CDA or the CDA II LLC, to execute and deliver or cause to be executed and delivered on behalf of the CDA II LLC or 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 Transaction, and the execution by the 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. The Executive Director is designated as the official representative of the CDA II LLC for all matters concerning the Transaction.

8. The Executive Director and Officers of the CDA are authorized and directed to prepare and furnish when the agreements described herein are executed, certified copies of all proceedings and records of the CDA and/or the CDA II LLC and/or the Partnership relating to the Transaction 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 and/or the CDA II LLC and/or the Partnership as to the truth of all statements made on behalf of the CDA and/or the CDA II LLC and/or the Partnership and contained therein.
9. In the event the Executive Director or any Officer of the CDA authorized to execute documents on behalf of the CDA and the CDA II LLC under this resolution shall for any reason be unable to do so, any other member of the Board of Commissioners of the CDA and the Deputy Executive Director are hereby directed and authorized to do so on behalf of CDA or the CDA II LLC, with the same effect as if executed by the Executive Director.
10. The Executive Director is Tony Schertler and the Deputy Executive Director is Kari Gill.

PREVIOUS BOARD ACTION

04-3631; 1/20/2004

09-4611 and 09-4612; 9/8/2009

ATTACHMENTS

None.

CONTACT

Department Head: Kari Gill, Deputy Executive Director

Author: Lori Zierden, Real Estate Manager



Board of Commissioners

Request for Board Action

Meeting Date: March 25, 2025

Agenda #: 5G

DEPARTMENT: Housing Development

FILE TYPE: Regular - Consent

TITLE

Authorization To Execute Contract For Boiler Replacement At Cahill Commons (Inver Grove Heights)

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 Cahill Commons in Inver Grove Heights. This replacement project will include replacing the boilers and any original equipment in the boiler system in that building. This equipment is past useful life expectancy and is being replaced to prevent emergency situations from occurring during heating season.

On March 11, 2025, at 9 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. Two contractors showed up at the site walk-through. Two bids were received at the public bid opening. Kraft Mechanical was the lowest responsible bidder on the project. See Attachment B for bid tabulation. The base bid cost of this project is \$115,795. This cost seems consistent with what is being seen in the plumbing industry at this time.

RECOMMENDATION

Click or tap here to enter text. It is recommended that the Deputy Executive Director be authorized to enter into a contract with the low responsive, responsible bidder, Kraft Mechanical in the total amount of \$115,795. Kraft Mechanical has performed satisfactorily on similar CDA projects in the past.

To keep this project on schedule and to deal with any unforeseen issues that may arise, staff recommends that the Deputy Executive Director be authorized to approve additional change orders up to the amount of \$11,579 (this is 10% of the contract amount).

EXPLANATION OF FISCAL/FTE IMPACTS

Funding for this project exists in the FYE 2025 budget.

- None Current budget Amendment Requested Other

RESOLUTION

WHEREAS, formal bids were received on March 11, 2025 for the Boiler Replacement project at Cahill Commons senior housing; and

WHEREAS, Kraft Mechanical was the lowest responsive, responsible bidder with a bid total \$115,795; and

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

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, Kraft Mechanical, an amount of \$115,795; and

BE IT FURTHER RESOLVED that the Deputy Executive Director be authorized to approve change orders not to exceed \$11,579.

PREVIOUS BOARD ACTION

N/A

ATTACHMENTS

Attachment A: Public Notice

Attachment B: Bid Tabulation

CONTACT

Department Head: Kari Gill, Deputy Executive Director

Author: Nick Sisterman, Capital Projects Manager

AFFIDAVIT OF PUBLICATION

STATE OF MINNESOTA) ss
COUNTY OF DAKOTA

I do solemnly swear that the notice, as per the proof, was published in the edition of the

Dakota County Tribune

with the known office of issue being located in the county of:

DAKOTA

with additional circulation in the counties of:

DAKOTA

and has full knowledge of the facts stated below:

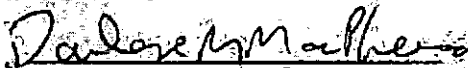
- (A) The newspaper has complied with all of the requirements constituting qualification as a qualified newspaper as provided by Minn. Stat. §331A.02.
- (B) This Public Notice was printed and published in said newspaper(s) once each week, for 2 successive week(s); the first insertion being on 02/14/2025 and the last insertion being on 02/21/2025.

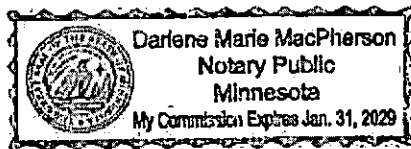
MORTGAGE FORECLOSURE NOTICES

Pursuant to Minnesota Stat. §580.033 relating to the publication of mortgage foreclosure notices: The newspaper complies with the conditions described in §580.033, subd. 1, clause (1) or (2). If the newspaper's known office of issue is located in a county adjoining the county where the mortgaged premises or some part of the mortgaged premises described in the notice are located, a substantial portion of the newspaper's circulation is in the latter county.

By: 
Designated Agent

Subscribed and sworn to or affirmed before me on 02/21/2025


Notary Public



Rate Information:
(1) Lowest classified rate paid by commercial users for comparable space:
\$999.99 per column inch

Ad ID 1451045

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

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 9:00 AM, Tuesday, March 11th, 2025 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 Cahill Commons 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 mandatory pre-bid walk through is scheduled Monday, February 24th, 2025 at 9:00 AM. Prospective bidders must meet at the front entrance to Cahill Commons (5840 Cahill Ave, Inver Grove Heights, MN 55076) no later than 8:00 AM. 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 8:00 AM Monday, February 24th, 2025.

The CDA hereby notifies all bidders that in regard to any contract entered into pursuant to this advertisement, Disadvantaged Business Enterprises (D.B.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
February 14, 21, 2025
1461045

BIDDER LIST & BID TABULATIONS

Public Bid Opening Date & Time: Tuesday, March 11, 2025, 9:00 am

Project: Boiler Replacement

Project Address: Cahill Commons; 5840 Cahill Ave, Inver Grove Heights, MN 55076

Company Name

KRAFT Melt

BASE BID \$ 115,795.⁰⁰

BID SECURITY

VERIFICATION OF COMPLIANCE

Company Name

PSM

BASE BID \$ 143,455.⁰⁰

BID SECURITY

VERIFICATION OF COMPLIANCE

Company Name

BASE BID \$ _____

BID SECURITY

VERIFICATION OF COMPLIANCE

Company Name

BASE BID \$ _____

BID SECURITY

VERIFICATION OF COMPLIANCE



Board of Commissioners

Request for Board Action

Meeting Date: March 25, 2025

Agenda #: 5H

DEPARTMENT: Housing Development

FILE TYPE: Regular - Consent

TITLE

Authorization To Execute Contract For Common Area Flooring Replacement At Oakwoods East (Eagan)

PURPOSE/ACTION REQUESTED

- Authorize Deputy Executive Director to execute a contract with Value Plus Flooring, Inc.
- Authorize change order authority

SUMMARY

This contract is for the common area flooring replacement at Oakwoods East in Eagan, a development in the Dakota County CDA senior housing portfolio.

A bid was solicited using Sourcewell, a cooperative purchasing company. Sourcewell creates and maintains competitively solicited cooperative contracts for use by government, educational, and non-profit organizations. They provide access to local contractors through locally bid contracts. Contracts are based on a catalog of pre-priced tasks.

Solicitation of the bid was done in accordance with section 6.6 of the Procurement Methodology. The standards proposed for use of the Cooperative Purchasing/Intergovernmental Agreement recommended here are reasonable and appropriate. The bid is reasonable in cost compared with similar projects for the CDA in the past.

RECOMMENDATION

It is recommended that the Deputy Executive Director be authorized to enter into a contract with Value Plus Flooring, Inc., in the amount of \$126,292.54. To keep this project on schedule and to deal with any unforeseen issues that may arise, staff recommends that the Deputy Executive Director be authorized to approve change orders up to the amount of \$6,315 (5% of the contract amount).

EXPLANATION OF FISCAL/FTE IMPACTS

Funds are available for this project in the FYE25 Common Bond budget.

None Current budget Amendment Requested Other

RESOLUTION

WHEREAS, the Dakota County Community Development Agency solicited a bid using Sourcewell, a cooperative purchasing company, for the common area flooring replacement at the CDA owned senior building of Oakwoods East; and

WHEREAS, Sourcewell creates and maintains competitively solicited cooperative contracts for use by government, educational, and non-profit organizations; and

WHEREAS, funds to complete this project are included in the FYE25 Common Bond Fund budget.

NOW, THEREFORE BE IT RESOLVED, by the Dakota County Community Development Agency Board of Commissioners, That the Deputy Executive Director is authorized to sign a contract with Value Plus Flooring, Inc. in the amount of \$126,292.54; and

BE IT FURTHER RESOLVED, that the Deputy Executive Director is authorized to execute change orders not to exceed \$6,315.

PREVIOUS BOARD ACTION

N/A

ATTACHMENTS

Attachment A: Sourcewell Minnesota Legal References

CONTACT

Department Head: Kari Gill, Deputy Executive Director

Author: Nick Sisterman, Capital Projects Manager

Minnesota Legal References

State Agencies:

Minn. Stat. § 16C.03 (2017). Commissioner's authority; powers and duties

Subd. 10. Cooperative purchasing. The commissioner is authorized to enter into a cooperative purchasing agreement for the provision of goods, services, construction, and utilities in accordance with section 16C.105.

Local Governments:

Minn. Stat. § 471.345 (2017). Uniform Municipal Contracting Law

Subd. 15. Cooperative purchasing. (a) Municipalities may contract for the purchase of supplies, materials, or equipment by utilizing contracts that are available through the state's cooperative purchasing venture authorized by section 16C.11. For a contract estimated to exceed \$25,000, a municipality must consider the availability, price and quality of supplies, materials, or equipment available through the state's cooperative purchasing venture before purchasing through another source.

(b) If a municipality does not utilize the state's cooperative purchasing venture, a municipality may contract for the purchase of supplies, materials, or equipment without regard to the competitive bidding requirements of this section if the purchase is through a national municipal association's purchasing alliance or cooperative created by a joint powers agreement that purchases items from more than one source on the basis of competitive bids or competitive quotations.

About Sourcewell:

Sourcewell is a service cooperative created by the Minnesota legislature as a local unit of government. Minn. Const. art. XII, sec. 3. As a public corporation and agency, Sourcewell is governed by local elected municipal officials and school board members. Minn. Stat. § 123A.21 Subd. 4 (2017) Under its enabling statute, Sourcewell is explicitly authorized to provide cooperative purchasing services to eligible members. Id. at Subd. 7(23).

Sourcewell follows the competitive contracting law process to solicit, evaluate and award cooperative purchasing contracts for goods and services. Sourcewell cooperative purchasing contracts are made available through the joint exercise of powers law to member agencies. Minn. Stat. § 471.59 (2017). Membership in Sourcewell is available for all eligible state and local governments, education, higher education and nonprofit entities across North America. § 123A.21 at Subd. 3.



Board of Commissioners

Request for Board Action

Meeting Date: March 25, 2025

Agenda #: 51

DEPARTMENT: Housing Development

FILE TYPE: Regular - Consent

TITLE

Award Contract For Furnace And Air Conditioning Replacements At Heart Of The City Townhomes (Burnsville)

PURPOSE/ACTION REQUESTED

- Authorize Deputy Executive Director to execute a contract with Binder Heating & Air Conditioning Inc. for the furnace and air conditioning replacement at Heart of the City Townhomes.
- Authorize Change Order Authority.

SUMMARY

This contract is for the replacement of the deteriorating 21-year-old furnace and air conditioning units at Heart of The City Townhomes in Burnsville.

On March 11, 2025 at 10 a.m., a public bid opening was held at the Dakota County Community Development Agency (CDA) office for furnace and air conditioner replacement at Heart of The City Townhomes.

The solicitation of bids was done in accordance with public bidding requirements. Local contractors were solicited and invited to bid on this project in addition to the two-week advertisement for solicitation of bids in the Dakota County Tribune (Attachment A) and the CDA's website. Four interested bidders attended the mandatory walk-through meeting on February 25, 2025.

Four bidders submitted proposals. The bid results are on the Bid Tabulation (Attachment B). Binder Heating & Air Conditioning Inc. was the lowest responsible bidder and has worked on projects of this size in the past.

RECOMMENDATION

It is recommended that the Deputy Executive Director be authorized to sign a contract in the name of the Dakota County CDA Workforce Housing LLC for Heart of The City Townhomes with Binder Heating & Air Conditioning Inc. in the amount of \$177,777.00 for this project.

To keep this project on schedule and to deal with any unforeseen issues that may arise, it is also recommended that the Deputy Executive Director be authorized to execute change orders not to exceed \$8,889.00 (5% of the contract amount).

EXPLANATION OF FISCAL/FTE IMPACTS

Funds are available for this project in the FYE25 Extraordinary Maintenance budget for Heart of the City Townhomes.

None Current budget Amendment Requested Other

RESOLUTION

WHEREAS, The Dakota County Community Development Agency (CDA) accepted bids on March 11, 2025 for the furnace and air conditioner replacements at Heart of The City Townhomes; and

WHEREAS, Heart of The City Townhomes is part of the Dakota County CDA Workforce Housing LLC: and

WHEREAS, Binder Heating & Air Conditioning Inc. was the lowest responsive, responsible bidder with a bid total of \$177,777.00; and

WHEREAS, funds to complete this project are included in the FYE25 budget.

NOW, THEREFORE BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, that the Deputy Executive Director is authorized to sign a contract in the name of the Dakota County CDA Workforce Housing LLC for the Heart of The City Townhome furnace and air conditioning replacement project, with Binder Heating & Air Conditioning Inc. in the amount of \$177,777.00; and

BE IT FURTHER RESOLVED that the Deputy Executive Director is authorized to execute change orders not to exceed \$8,889.00.

PREVIOUS BOARD ACTION

N/A

ATTACHMENTS

Attachment A: Affidavit of Public Notice

Attachment B: Bid Tabulation

CONTACT

Department Head: Kari Gill, Deputy Executive Director

Author: Jeff Bonneson, Capital Projects Manager

Ad Proof

Not Actual Size



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: 02/05/25

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: 1450316
 Copy Line: Furnace/AC Replacement BIDS

PO Number:

Start: 02/14/25

Stop: 02/21/2025

Total Cost: \$287.10

of Lines: 63

Total Depth: 7.15

of Inserts: 2

Ad Class: 160

Phone # (763) 691-6000

Email: publicnotice@apgecm.com

Rep No: SE710

**DAKOTA COUNTY
COMMUNITY DEVELOPMENT AGENCY (CDA)
CITY OF EAGAN, MN 55123
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, Tuesday, March 11, 2025 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 the Furnace and A/C Replacement project for Heart of The City Family Townhomes in Dakota County.

This project will be subject to Minnesota Statutes 2016, section 16C.285 (the Responsible Contractor's Act) and therefore is required.

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. Bids will be opened publicly and read aloud. A bid tabulation will be furnished to the Bidders. Bids shall be addressed to:

Heart of The City Furnace and A/C Replacement Project-Public Bid
c/o Dakota County CDA, 1228 Town Centre Drive, Eagan, MN 55123
Attn: Jeff Bonneson

Interested bidders can contact Jeff Bonneson 651-675-4483 or jbonneson@dakotacda.org of the Dakota County CDA for project specifications & Bid Forms. **A mandatory pre-bid walk through is scheduled Tuesday, February 25, 2025 at 10:00 AM and is required of all bidders.** Prospective bidders must meet at 129 East Travelers Trail, Burnsville, MN. 55337, no later than - 10:00 AM. The pre-bid walk-through is mandatory and only those bidders who attend will have their bids considered at bid opening. Bidders must confirm their intent to attend the walk through by contacting the Project Manager, Jeff Bonneson at Dakota County CDA, 651-675- 4483 no later than 7:00 AM Tuesday, February 25, 2025. Failure of a bidder to attend the walk through immediately subjects his/her bid to disqualification.

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. Only a bond issued by a surety, cashier's check or certified check will be accepted.

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.

Jeff Bonneson, Capital Projects Manager, Dakota County CDA

Published in the
Dakota County Tribune
February 14, 21, 2025
1450316

Ad: 1

\$287.10

**DAKOTA COUNTY
COMMUNITY DEVELOPMENT AGENCY (CDA)
CITY OF EAGAN, MN 55123
ADVERTISEMENT FOR BIDS**

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Heart of The City Furnace and A/C Replacement Project-Public Bid
c/o Dakota County CDA, 1228 Town Centre Drive, Eagan, MN 55123
Attn: Jeff Bonneson

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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.

Jeff Bonneson, Capital Projects Manager, Dakota County CDA

Published in the
Dakota County Tribune
February 14, 21, 2025
1450316

BIDDER LIST & BID TABULATIONS

Public Bid Opening Date & Time: March 11th, 2025; 10:00 am CDA Boardroom

Project: Family Townhome Furnace and AC Replacement Project

Project Address: Heart of the City Family Townhomes; Burnsville, Dakota Co, Minnesota

Company Name Mid State Plumbing & Heating

BASE BID\$ 193,120.00

Bid Security _____

Addendum Notated _____

Company Name All Climate Mechanical

BASE BID\$ 271,310.82

Bid Security _____

Addendum Notated _____

Company Name Kraft Mechanical

BASE BID\$ 245,950.00

Bid Security _____

Addendum Notated _____

Company Name Binder Heating & Air Conditioning Inc

BASE BID\$ 177,777.00

Bid Security _____

Addendum Notated _____



Board of Commissioners

Request for Board Action

Meeting Date: March 25, 2025

Agenda #: 6A

DEPARTMENT: Community and Economic Development

FILE TYPE: Regular - Action

TITLE

Public Hearing To Receive Comments And Adoption Of The 2026 Qualified Allocation Plan For Low Income Housing Tax Credits

PURPOSE/ACTION REQUESTED

- Conduct and close public hearing to receive comments on the 2026 Qualified Allocation Plan for Low Income Housing Tax Credits.
- Adopt the 2026 Qualified Allocation Plan.

SUMMARY

The Dakota County Community Development Agency (CDA) is authorized under Section 42 of the Internal Revenue Code of 1986, as amended (Code) and Minnesota Statutes Sections 462A.221 through 462A.225, to allocate Low Income Housing Tax Credits (Tax Credits) to qualified projects in Dakota County. Prior to allocating Tax Credits under the Code, the CDA is required to adopt a Qualified Allocation Plan (QAP) detailing the basis for allocating Tax Credits among applicants.

The CDA is required by the Code to hold a public hearing prior to adopting a QAP. The public hearing was set by the CDA Board of Commissioners at its February 18, 2025 meeting and notice was published in the Dakota County Tribune on March 7, 2025, not less than 10 days in advance, as evidenced by the Affidavit of Publication in Attachment A. The notice and draft QAP were also posted on the Dakota County and CDA websites.

The Tax Reform Act of 1986 created the Housing Tax Credit Program as a means of raising private capital to finance affordable rental housing. The credit is a 10-year annual reduction in the tax liability of investors in affordable housing. The investor, typically a private corporation, makes an initial equity contribution to the development to receive the annual credit. Since 1988, tax credit equity has been used to finance the new construction, preservation and/or substantial rehabilitation of 4,568 units of affordable rental housing in 72 developments in Dakota County (Attachment B).

The Housing Tax Credit Program is administered by Minnesota Housing and local housing finance agencies such as the CDA. As required in the Code, the CDA allocates tax credits to housing projects in Dakota County according to a QAP and Procedural Manual. The QAP and Procedural Manual establish the procedure and selection criteria for a competitive application process for the 9% Tax Credits, as well as 4% Tax Credits allocated on a non-competitive basis to projects financed with tax exempt bonds. The application deadline for the competitive 9% 2026 Housing Tax Credits is tentatively set for July 10, 2025.

The CDA is currently authorized to allocate an estimated \$1,171,843 of 2026 9% Tax Credits. A summary of the 2026 QAP points is in Attachment C and the proposed 2026 QAP with changes redlined is Attachment D. There are no proposed changes to the QAP scoring for 2026. In addition to

the formatting and administrative revisions (including updating dates, credit amounts, and clarifying text) to the 2026 QAP, the most notable change in the 2026 Tax Credit process is a policy modification to require state prevailing wages and reporting for Tax Credit projects. This change will be reflected in the 2026 Procedural Manual. In the 2024 Minnesota legislative session, the state prevailing wage statutes (Minnesota Statute 116J.871) were amended to require any project awarded or allocated federal low-income housing tax credits after January 1, 2025, with more than ten units to follow the state prevailing wage requirements.

RECOMMENDATION

Staff recommends adoption of the 2026 Qualified Allocation Plan for the Tax Credits. Approval of this resolution authorizes staff to prepare a Procedural Manual and a Program Compliance Guide that is consistent with the QAP.

EXPLANATION OF FISCAL/FTE IMPACTS

None.

None Current budget Amendment Requested Other

RESOLUTION

WHEREAS, pursuant to Section 42 of the Internal Revenue Code of 1986, as amended (the “Code”), and Minnesota Statutes Sections 462A.221 through 462A.225, the Dakota County Community Development Agency (CDA) is authorized to allocate low income housing tax credits (the “Tax Credits”); and

WHEREAS, in accordance with Section 42 of the Code, the CDA Board held a public hearing on March 25, 2025 regarding a Qualified Allocation Plan (the “QAP”) which details the basis for allocating Tax Credits among applicants; and

WHEREAS, notice of the public hearing was published in a newspaper of general circulation in Dakota County at least 10 days prior to the date hereof, which constitutes reasonable notice under the Code; and

WHEREAS, the CDA is currently authorized to allocate approximately \$1,171,843 of 9% 2026 Tax Credits; and

WHEREAS, pursuant to Minnesota Statutes Section 462A.222, the CDA is authorized to make allocations in connection with the “first round” of allocations for 9% 2026 Tax Credits by Minnesota Housing, which is expected to be July 10, 2025.

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

1. The public hearing has been conducted in accordance with the law and closed.
2. The QAP is hereby adopted in substantially the form on file with the CDA and staff are hereby authorized to prepare a Procedural Manual and a Program Compliance Guide consistent with the QAP, to notify prospective applicants of the availability of the QAP and Procedural Manual, and to set the deadline for accepting applications for Tax Credits, consistent with Minnesota Housing’s first round deadline.

3. Because the members of the Dakota County Board of Commissioners are the ex-officio members of the Issuer, this approval constitutes approval of the QAP by the applicable elected representative of the CDA for purposes of Section 42 of the Code.

PREVIOUS BOARD ACTION

25-6941; 2/18/2025

ATTACHMENTS

Attachment A: Affidavit of Publication

Attachment B: 9% and 4% Tax Credit Awards in Dakota County

Attachment C: 2026 Qualified Allocation Plan Point Summary

Attachment D: 2026 Qualified Allocation Plan with redlined changes

CONTACT

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

Author: Kathy Kugel, Housing Finance Manager

AFFIDAVIT OF PUBLICATION

STATE OF MINNESOTA) ss
COUNTY OF DAKOTA

I do solemnly swear that the notice, as per the proof, was published in the edition of the

Dakota County Tribune

with the known office of issue being located in the county of:

DAKOTA

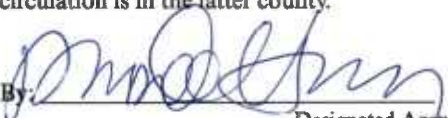
with additional circulation in the counties of:
DAKOTA

and has full knowledge of the facts stated below:

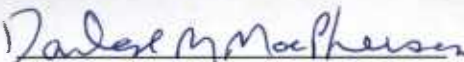
- (A) The newspaper has complied with all of the requirements constituting qualification as a qualified newspaper as provided by Minn. Stat. §331A.02.
- (B) This Public Notice was printed and published in said newspaper(s) once each week, for 1 successive week(s); the first insertion being on 03/07/2025 and the last insertion being on 03/07/2025.

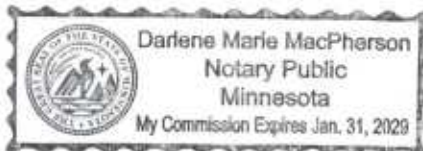
MORTGAGE FORECLOSURE NOTICES

Pursuant to Minnesota Stat. §580.033 relating to the publication of mortgage foreclosure notices: The newspaper complies with the conditions described in §580.033, subd. 1, clause (1) or (2). If the newspaper's known office of issue is located in a county adjoining the county where the mortgaged premises or some part of the mortgaged premises described in the notice are located, a substantial portion of the newspaper's circulation is in the latter county.

By: 
Designated Agent

Subscribed and sworn to or affirmed before me on 03/07/2025


Notary Public



Rate Information:

(1) Lowest classified rate paid by commercial users for comparable space:
\$999.99 per column inch

Ad ID 1454995

**DAKOTA COUNTY
COMMUNITY
DEVELOPMENT AGENCY**

**NOTICE OF
PUBLIC HEARING
ON THE ADOPTION OF
A QUALIFIED ALLOCATION
PLAN RELATING TO THE
ALLOCATION OF LOW
INCOME HOUSING TAX
CREDITS UNDER SECTION
42 OF THE INTERNAL
REVENUE CODE OF 1986,
AS AMENDED**

NOTICE IS HEREBY GIVEN that the Dakota County Community Development Agency (the "Agency") will meet on Tuesday, March 25, 2025, at or after 3:00 p.m. at its offices located at 1228 Town Centre Drive, Eagan, Minnesota 55123, for the purpose of conducting a public hearing regarding the adoption of its 2026 Qualified Allocation Plan, which has been prepared in compliance with Section 42 of the Internal Revenue Code of 1986, as amended ("Code"). Section 42 of the Code authorizes housing credit agencies such as the Agency to allocate low income housing tax credits ("Tax Credits") to owners of qualified residential rental projects. The 2026 Qualified Allocation Plan establishes selection criteria to be used by the Agency in the allocation of Tax Credits in Dakota County.

Members of the public can participate in the public hearing in one 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 10:00 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.

BY ORDER OF THE DAKOTA COUNTY COMMUNITY DEVELOPMENT AGENCY

By /s/ Tony Schertler
Executive Director

Published in the
Dakota County Tribune
March 7, 2025
1454995

9% and 4% Housing Tax Credit Projects in Dakota County

Tax Credit Type	Allocation Year	Project Name	City	Owner/Developer	Type	Tax Credit Units	Total Units	Affordability End Date
9%	1988 & 1989	Wescott Hills	Eagan	Wescott V LP	New construction	16	16	2004
9%	1990	Parkside Townhomes	Burnsville	Dakota County CDA	New construction	22	22	2027
	1992 (MHFA)	Covington Court Apartments	West St. Paul	Goldmark Property Management, Inc	Rehabilitation	158	160	2023
9%	1991 & 1992	Glenbrook Place Townhomes	Apple Valley	Dakota County CDA	New construction	39	39	2023
9%	1994 (MHFA)	Spruce Pointe Townhomes	Inver Grove Heights	Dakota County CDA	New construction	24	24	2024
9%	1994 (MHFA)	Timber Ridge	Burnsville	Duffy	New Construction	48	49	2024
9%	1994	Lakeville Court Apartments	Lakeville	Sand Companies	New construction	50	52	2025
9%	1995	Oak Ridge Townhomes	Eagan	Dakota County CDA	New construction	42	42	2025
9%	1996	Pleasant Ridge Townhomes	Hastings	Dakota County CDA	New construction	31	31	2026
9%	1997	Cedar Valley Townhomes	Lakeville	Dakota County CDA	New construction	30	30	2027
9%	1998	Chasewood Townhomes	Apple Valley	Dakota County CDA	New construction	27	27	2028
9%	1998 & 1999	Farmington Townhomes	Farmington	Sherman Associates	New construction	16	16	2029
9%	1999 & 2000	Farmington Family Townhomes	Farmington	Hornig Companies	New construction	28	32	2031
9%	1999 & 2001	Country Lane Townhomes	Lakeville	Dakota County CDA	New construction	29	29	2030
9%	2000	Hillside Gables Townhomes	Mendota Heights	Dakota County CDA	New construction	24	24	2030
9%	2001	Hastings Marketplace Townhomes	Hastings	Dakota County CDA	New construction	28	28	2031
9%	2002	Burnsville HOC Townhomes	Burnsville	Dakota County CDA	New construction	34	34	2032
9%	2002	Clark Place Apts (fka Kaposia Terrace)	South St. Paul	DRS Investment VII LLC (orig was Real Estate Equities)	New construction	20	20	2032
9%	2003	Erin Place Townhomes	Eagan	Dakota County CDA	New construction	34	34	2033
9%	2003	Prairie Crossing Townhomes	Lakeville	Dakota County CDA	New construction	40	40	2034
9%	2004	LaFayette Townhomes	Inver Grove Heights	Dakota County CDA	New construction	30	30	2035
9%	2004	Haralson Apartments	Apple Valley	CHDC	New supportive & workforce	36	36	2035
9%	2005 & 2007	West Village Townhomes	Hastings	Dakota County CDA	New construction	21	21	2036
9%	2006	Chowen Bend Townhomes	Burnsville	Chris Cooper (orig was Dominion)	Preservation/Rehabilitation	32	32	2036
9%	2006 & 2008	Carbury Hills Townhomes	Rosemount	Dakota County CDA	New construction	32	32	2037
9%	2007	Cliff Hills Townhomes	Burnsville	Shelter Corporation	Preservation/Rehabilitation	32	32	2037
9%	2007 & 2008	Twin Ponds Townhomes	Farmington	Dakota County CDA	New construction	25	25	2038
9%	2007 & 2008	Rosemount Greens	Rosemount	TCHDC	Preservation/Rehabilitation	28	28	2036
9%	2008 & 2009 & 2010	Meadowlark Townhomes	Lakeville	Dakota County CDA	New construction	40	40	2039
9%	2009	Chancellor Manor	Burnsville	CHDC	Preservation/Rehabilitation	186	200	2039
9%	2010	Quarry View Townhomes	Apple Valley	Dakota County CDA	New construction	45	45	2040
9%	1990 & 1991 & 2008	Kidder Park Townhomes (fka Park Place)	Rosemount	Boisclair Corporation	New construction/ 2008 substantial rehab	36	36	2021 2041
9%	1994 & 2011 (MHFA)	Andrews Pointe	Burnsville	Shleter Corporation	New construction/2011 rehab	57	57	2022 & 2040
9%	2011	Twin Ponds (Phase II) Townhomes	Farmington	Dakota County CDA	New construction	26	26	2041
9%	2012	Northwoods Townhomes	Eagan	Dakota County CDA	New construction	47	47	2042
9%	2013	Inver Hills TH/ Riverview Ridge TH	IGH & Eagan	Dakota County CDA	New construction	51	51	2043
9%	2014 & 2015	Lakeshore Townhomes	Eagan	Dakota County CDA	New construction	50	50	2044
9%	2015	Keystone Crossing Townhomes	Lakeville	Dakota County CDA	New construction	36	36	2045
9%	2016	Artspace Hastings Lofts	Hastings	Artspace	New construction	37	37	2046
9%	2017	Lakeville Pointe	Lakeville	Ron Clark/Connelly Development	New construction	49	49	2046
9%	2018	Prestwick Place Townhomes	Rosemount	Dakota County CDA	New construction	40	40	2048
9%	2001 & 2002 and 2019	Guardian Angels Apartments & Townhomes	Hastings	CommonBond (2001 was Sherman Associates)	Substantial Rehab/Stabilization (2001)	33	33	2049
9%	2019 & 2020	Wexford Place Apartments	Rosemount	Ron Clark/Connelly Development	New construction	49	49	2054
9%	2020	Prairie Estates	Inver Grove Heights	TCHDC	Preservation/Rehab	40	40	2051
9%	2020 & 2021	Lexington Flats	Eagan	MWF Properties LLC	New construction	50	50	2050
9%	2021 & 2022	Babcock Crossing	Inver Grove Heights	Ron Clark/Connelly Development	New construction	49	49	2052
9%	2023 & 2024	Denmark Trail Townhomes	Farmington	Dakota County CDA	New construction	40	40	TBD
9%	2024 & 2025	Pillsbury Ridge	Burnsville	MWF Properties LLC	New construction	48	48	TBD
9%	2025	Kenyon Green	Lakeville	Ron Clark/Connelly Development	New	49	49	TBD
Total 9%	49					Total 9%	2,034	2,057
Tax Credit Type	Allocation Year	Project Name	City	Owner/Developer	Type	Tax Credit Units	Total Units	Affordability End Date
4%	2001	Clark Place Apts (fka Rose Apartments/aka Kaposia Apartments)	South St. Paul	DRS Investment VII LLC (orig was Real Estate Equities)	Acquisition/Rehab	48	48	2031
4%	2002	Grande Market Place	Burnsville	Sherman	New Construction	53	113	2033
4%	2004 (MHFA)	Cedar Villas	Eagan	Shleter Corporation	New Construction	21	104	2034 (HOPE 2049)
4%	2004 (MHFA)	Hearthstone Apartments (fka Regatta Court)	Apple Valley	Stonebridge Communities (Jankens)	New Construction	50	229	2034 (HOPE 6/1/2047)
4%	2005 (MHFA)	Blackberry Pointe Apartments (fka Bren	Inver Grove Heights	Michael Development (Jankens)	New Construction	88	219	2034 (TIF 1/28/2035)
4%	2006	Spruce Place Apartments	Farmington	CommonBond	Acquisition/Rehab	60	61	2035
4%	2006 (MHFA)	Oak Ridge Manor	Hastings	CommonBond	Preservation (202)/Rehab	109	109	2035
4%	2006 (MHFA)	Fairfield Terrace	Lakeville	CommonBond	Preservation (202)/Rehab	24	24	2035
4%	2006 (MHFA)	Mount Carmel Manor	West St. Paul	CommonBond	Preservation (202)/Rehab	60	60	2035
4%	2009 (MHFA)	Waterford Commons	Rosemount	Stonebridge Communities (Jankens)	New Construction	24	108	2038 (HOPE 9/1/2048)
4%	2015	The Sanctuary at WSP	West St. Paul	SCA Shelter	New Construction	164	164	2046
4%	2016	Legends at Apple Valley	Apple Valley	Dominium	New Construction	163	163	2047
4%	2017	Whitney Grove TH (fka Oaks of AV)	Apple Valley	CommonBond	Acquisition/Rehab	55	56	2046
4%	2018	Winslow (fka DARTS) Senior	West St. Paul	Real Estate Equities	New Construction	172	172	2049
4%	2020	Aster House	Eagan	Real Estate Equities	New Construction	204	204	2051
4%	2021	Hilltop at Signal Hills	West St. Paul	Dominium	New Construction	146	146	2052
4%	2021	Legacy Commons at Signal Hills	West St. Paul	Dominium	New Construction	247	247	2052
4%	2021	The Quill	Hastings	Real Estate Equities	New Construction	90	90	2051
4%	2022	The Villas at Pleasant Avenue	Burnsville	MWF Properties LLC	New Construction	150	150	TBD
4%	2023	The Landing at Amber Fields	Rosemount	Real Estate Equities	New Construction	160	160	TBD
4%	2022	The Villas at Pleasant Avenue II	Burnsville	MWF Properties LLC	New Construction	110	110	TBD
4%	2023	Croft at Roscott	Rosemount	Schafer Richardson	New Construction	164	164	TBD
4%	2024	Heart of the City Apartments	Burnsville	Roers Companies	New Construction	172	172	TBD
Total 4%	23					Total 4%	2,534	3,073
9% and 4%	72					Total 9% and 4%	4,568	5,130

2026 Qualified Allocation Plan - Self-Scoring Worksheet Summary		Proposed	Proposed
Description		Change from 2025	2026 Points
a. Selection Criteria:			
1.	New construction to increase supply	Same	10 pts
2.	Preservation - Federally Assisted Housing OR Preservation – near end of affordability requirements	Same	25 pts OR 10 pts
3.	Stabilization – trouble with occupancies/net revenues (points for #2 or #3)	Same	5 pts
4.	Readiness – land use and zoning	Same	5 pts
5.	Readiness – permanent funding sources secured	Same	Up to 15 pts
6.	Community priority locations - gov't owned	Same	10 pts
7.	Long Term Affordability	Same	Up to 8 pts
8.	Larger Family Size Units	Same	Up to 6 pts
9.	Accessible units	Same	5 pts
10.	Ownership by Non-Profit or Government	Same	5 pts
11.	Intermediary costs	Same	Up to 6 pts
12.	Homelessness/Permanent Supportive Housing Units Homeless units for 4% (2 units)	Same Same	Up to 15 pts 5 pts
13.	Community Development Initiative	Same	5 pts
14.	Eventual tenant ownership	Same	1 pt
15.	Unacceptable practices	Same	Up to -50 pts
16.	Access to transit	Same	Up to 5 pts
b. Preference Priorities:			
1.	Previous Tax Credit commitment/reservation	Same	30 pts
2.	Serves the lowest income tenants	Same	Up to 15 pts
3.	Geographic Balance	Same	5 pts
		2025 Max Points	2026 Max Points
New Construction		146	146
Rehabilitation		161	161



Dakota County
Community Development
Agency

DAKOTA COUNTY CDA

HOUSING TAX CREDIT

2026 QUALIFIED ALLOCATION PLAN (QAP)

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**DAKOTA COUNTY COMMUNITY DEVELOPMENT AGENCY
LOW-INCOME HOUSING TAX CREDIT
QUALIFIED ALLOCATION PLAN FOR 2026**

ARTICLE 1
DEFINITIONS

Section 1.0. The following terms shall have the meanings assigned below for purposes of this Plan and the Procedural Manual.

- a. Act: Minnesota Statutes, Sections 462A.221 through 462A.225, as amended.
- b. Agency: The Dakota County Community Development Agency.
- c. Code: The Internal Revenue Code of 1986, as amended.
- d. Declaration: A Declaration of Land Use Restrictive Covenants in a form acceptable to the Agency, imposing restrictions required by Section 42 of the Code on a particular project receiving Tax Credits.
- e. Federally Assisted Building: As defined by Section 42(d)(6)(C), any building which is substantially assisted, financed, or operated under section 8 of the United States Housing Act of 1937, Section 221(d)(3), 221(d)(4), or 236 of the National Housing Act, Section 515 of the Housing Act of 1949, or any other housing program administered by the Department of Housing and Urban Development (“HUD”) or by the Department of Agriculture Rural Development (“RD”).
- f. Market Study: In accordance with Section 42(m)(1)(A)(iii) of the Code, a comprehensive market study of the housing needs of low-income individuals in the area to be served by the project, conducted before the Tax Credit allocation is made, and at the developer’s expense by a disinterested party approved by the Agency.
- g. MHFA: Minnesota Housing Finance Agency.
- h. Plan: This Qualified Allocation Plan adopted by the Agency pursuant to Section 42(m)(1)(B) of the Code in connection with the allocation of 2026 Tax Credits.
- i. Section 42: Section 42 of the Code, as amended, relating to Tax Credits.
- j. Single Room Occupancy: A unit having one bedroom or less with rents affordable at 30 percent of median income.
- k. Substantial Rehabilitation: Rehabilitation with a minimum cost that:

1. Equals or exceeds \$5,000 per unit, as defined in Minn. Stat. Section 462A.221, Subdivision 5; and
 2. Equals or exceed the greater of:
 - (a) An average qualified basis amount per low income unit for a building which meets the inflation adjusted amount published by the IRS annually in accordance with Section 42(e)(3)(D) of the Code; or
 - (b) An amount that is not less than 20 percent of the adjusted basis of the building, as determined pursuant to Section 42(e)(3) of the Code.
- l. Tax Credit Agencies: Any entity authorized by the State of Minnesota and Section 42 to allocate Tax Credits in Minnesota.
- m. Tax Credits: Low income housing tax credits, within the meaning of Section 42 of the Code.

ARTICLE 2
PURPOSE; AUTHORITY

Section 2.0 Section 42(m) of the Code, requires Tax Credit Agencies to develop and adopt a qualified allocation plan in connection with the allocation of Tax Credits. This Plan ~~for 2025~~ sets forth selection criteria that are appropriate to local conditions, priorities and procedures to be used by the Agency in the allocation of Tax Credits to projects and provides procedures the Agency will follow with respect to monitoring noncompliance with the provisions of Section 42 of the Code and in notifying the Internal Revenue Service of such noncompliance.

Section 2.1 The Act provides that the amount of Tax Credits available in Minnesota shall be allocated among MHFA and certain cities and counties or their designees, including the Agency as designee for Dakota County. The Agency anticipates that it will be authorized to allocate approximately \$1,171,843 of 2026 Tax Credits pursuant to this Plan.¹

Section 2.2 This Plan was prepared in accordance with the procedures set forth in Section 42(m) of the Code, and is to be construed and governed under Section 42 of the Code, including applicable Treasury Regulations, and the Act. All applicable restrictions and requirements set forth in Section 42 of the Code and the applicable Treasury Regulations are hereby incorporated by reference as if fully set forth herein and to the extent of any inconsistency between this Plan and Section 42 and applicable regulations, the provisions of Section 42 and applicable regulations will govern.

¹ The estimated 2026 Tax Credit amount was provided by MHFA as of February 7, 2025.

ARTICLE 3
GENERAL CONCEPTS

Section 3.0. This Plan sets forth selection criteria which reflects the housing policies of the Agency, which will be used to determine the priorities for the allocation of Tax Credits within Dakota County. This Plan gives preferences as required by Section 42 in allocating Tax Credits among selected projects to:

- a. projects serving the lowest income tenants,
- b. projects obligated to serve qualified tenants for the longest periods, and
- c. projects which are located in a qualified census tract (as defined in Section 42(d)(5)(C) of the Code) and contribute to a concerted community revitalization plan.

As part of the evaluation by or on behalf of the Agency of applications for Tax Credits, the applicant must demonstrate, to the satisfaction of the Agency, that the proposed project is marketable and financially feasible.

In addition, this Plan provides a procedure that the Agency (or an agent or other private contractor of the Agency) will follow in monitoring for noncompliance with the provisions of the Code, including but not limited to monitoring for noncompliance with habitability standards through regular site visits, and in notifying the Internal Revenue Service of such noncompliance of which the Agency becomes aware of in accordance with Section 42, Treasury Regulations §1.42-5 and any other applicable regulations.

Section 3.1. The following factors required under Section 42(m)(1)(C) of the Code are incorporated into the selection criteria to allocate Tax Credits to projects:

- a. project location,
- b. housing needs characteristics,
- c. project characteristics, including whether the project includes the use of existing housing as part of a community revitalization plan,
- d. sponsor characteristics,
- e. tenant populations with special housing needs,
- f. whether tenant selection will involve special consideration for persons on public housing waiting lists,
- g. tenant populations of individuals with children,
- h. projects intended for eventual tenant ownership,
- i. the energy efficiency of the project, and
- j. the historic nature of the project.

Section 3.2. This Plan provides for the financial feasibility review of each project and its viability as a qualified low-income project throughout the 10-year credit period as of the application date, allocation date, and placed-in-service date, all as required under Section 42(m)(2) of the Code.

Such review is solely for the purpose of allocating Tax Credits and may not be relied upon by an applicant or investor for any other purpose.

~~As authorized by, the Housing and Economic Recovery Act of 2008, the Agency may increase or “boost” the eligible basis of a particular project for purposes of the allocation of Tax Credit by up to 30% (“Basis Boost”) for designated buildings that are located outside of an established Qualified Census Tract (QCT) or Difficult Development Area (DDA). The Agency will review the financial feasibility of the project and the request for additional Basis Boost in accordance with this Plan.~~

~~(This Basis Boost does not apply to buildings which receive automatic Tax Credits because they are financed with tax exempt bonds.) This Plan establishes standards for the Agency to determine which buildings will be designated for such Basis Boost.~~

~~This Plan also applies to projects that are tax-exempt bond financed as set forth in Section 42(m)(1)(D) of the Code (the “4% Tax Credit”).~~

Section 3.3. This Plan also applies to projects that are financed with tax-exempt bond as set forth in Section 42(m)(1)(D) of the Code (the “4% Tax Credit”).

Section 3.4. As authorized by, the Housing and Economic Recovery Act of 2008, the Agency may increase or “boost” the eligible basis of a particular project for purposes of the allocation of Tax Credit by up to 30% (“Basis Boost”) for designated buildings that are located outside of an established Qualified Census Tract (QCT) or Difficult Development Area (DDA). The Agency will review the financial feasibility of the project and the request for additional Basis Boost in accordance with this Plan.

(This Basis Boost does not apply to buildings receiving the 4% Tax Credit.) This Plan establishes standards for the Agency to determine which buildings will be designated for such Basis Boost.

Pursuant to the 2015 Protecting Americans from Tax Hikes Act, Congress made permanent the provisions of Code Section 42(b)(2) which provides 9 percent tax credit rate percentage to all non-federally subsidized new buildings which are placed in service on or after January 1, 2015 (the “9% Tax Credit”).

Pursuant to the Taxpayer Certainty and Disaster Tax Relief Act of 2020, Section 42(b)(3) of the Code was added to provide for a minimum 4 percent tax credit rate for both existing, acquired buildings and federally subsidized new construction and rehabilitation that, in general, are placed in service on or after January 1, 2021. This change in the tax credit percentage applies to buildings that are placed in service after January 1, 2021 .

ARTICLE 4

APPLICATION ROUNDS

Section 4.0. The Agency will accept applications on the deadline set by MHFA for the first application competition round. The application deadline for 2026 Tax Credits is tentatively scheduled for July 10, 2025, however applicants should confirm the actual deadline prior to submission of an application. All applicants applying for the 9% Tax Credit must meet the minimum threshold requirements set forth in Sections 4.1 and 4.2.

Section 4.1 A project for which 9% Tax Credits are being sought must satisfy the following minimum requirements:

- a. Under the Act and Minnesota Statutes, Sections 462A.222, Subd 3(e) and 383D.41, Subd. 11, all applicants must meet one of the following threshold types:
 1. New construction or Substantial Rehabilitation of projects in which, for the term of the extended use period (term of the Declaration of Land Use Restrictive Covenants (the "Declaration")), at least 75% of the total Tax Credit units must be Single Room Occupancy, efficiency, or one bedroom units and which are affordable by households whose income does not exceed 30% of the median income;
 2. New construction or Substantial Rehabilitation family housing projects that are not restricted to occupancy by persons 55 years old or older and in which, for the term of the extended use period (term of the Declaration), at least 75% of the Tax Credit units contain two or more bedrooms and at least one third of the 75% contain three or more bedrooms;
 3. Substantial Rehabilitation projects located in neighborhoods targeted by the applicable city for revitalization;
 4. Projects that are not restricted to persons of a particular age group and in which, for the term of the extended use period (term of the Declaration), a percentage of the units are set aside and rented to persons:
 - (a) with a serious and persistent mental illness as defined in Minnesota Statutes Section 245.462, Subd. 20(c);
 - (b) with a developmental disability as defined in the United States Code, title 42, Section 6001 paragraph (8);
 - (c) who have been assessed as drug dependent persons as defined in Minnesota Statutes Section 254A.02, Subd. 5, and are receiving or will receive care and treatment services provided by an approved

treatment program as defined in Minnesota Statutes Section 254A.02, Subd. 2;

(d) with a brain injury as defined in Minnesota Statutes Section 256B.093, Subd. 4(a); or

(e) with permanent physical disabilities that substantially limit major life activities, if at least fifty percent (50%) of the units in the project are accessible as provided under Minnesota Rules Chapter 1340.

5. Projects, whether or not restricted to persons of a particular age group, which preserve existing subsidized housing, if the use of Tax Credits is necessary (1) to prevent the conversion of the project to market rate use project or (2) to remedy physical deterioration of the project which would result in loss of existing federal subsidies;

6. Projects financed by Rural Development, which meet state-wide distribution goals;

7. One remaining project of the following type: new construction or Substantial Rehabilitation multifamily housing project that is not restricted to persons who are 55 years old or older and that is located within one of the following areas at the time a reservation for Tax Credits is made:

(a) an area within one-half mile of a completed or planned light rail transitway, bus rapid transitway, or commuter rail station;

(b) an area within one-fourth mile from any stop along a high-frequency local bus line;

(c) an area within one-half mile from a bus stop or station on a high-frequency express route;

(d) an area within one-half mile from a park and ride lot; or

(e) an area within one-fourth mile of a high-service public transportation fixed route stop.

To qualify under this threshold requirement, prior to submitting an application, the applicant must receive written confirmation from the Agency that the project meets the applicable requirements.

For purposes of this threshold requirement, the following terms have the following meanings:

(1) "high-frequency local bus line" means a local bus route providing service at least every 15 minutes and running between 6:00 a.m. and 7:00 p.m. on weekdays and between 9:00 a.m. and 6:00 p.m. on Saturdays;

(2) "high-frequency express route" means an express route with bus service providing six or more trips during at least one of the peak morning hours between 6:00 a.m. and 9:00 a.m. and every ten minutes during the peak morning hour; and

(3) "high-service public transportation fixed route stop" means a stop serviced between 6:00 a.m. and 7:00 p.m. on weekdays and 9:00 a.m. and 6:00 p.m. on Saturdays and with service approximately every 30 minutes during that time.

b. Each project must satisfy the following additional requirements to the Agency's satisfaction:

1. The Agency's underwriting standards;
2. Preliminary financing commitments must be in place;
3. The owner/sponsor must have substantial experience and track record in developing successful Tax Credit projects, in the judgement of the Agency. Such experience may typically be demonstrated by the owner/sponsor having developed at least five (5) successful Tax Credit projects, the Agency may also consider other factors including a smaller number of recent Tax Credit projects;
4. The project must comply with applicable building, land use and zoning ordinances;
5. The project must propose a number of units and otherwise be consistent with a Market Study; and
6. The costs of intermediaries must not be excessive for a project of its nature and in its location.

c. Applicants must agree to utilize public housing waiting lists in Dakota County in marketing units to the public.

- d. Owners of a Tax Credit project must agree to not refuse to rent a unit to a tenant because that tenant has a Section 8 voucher that would be used for a unit in the project. Language prohibiting discrimination based on Section 8 status must be included in the Declaration entered into by the owner with the Agency.
- e. The applicant must demonstrate by information in the application that each building in the project is a qualified low-income building under Section 42(c)(2) of the Code.
- f. The applicant must agree to enter into a Declaration in form and substance acceptable to the Agency and legal counsel appointed by the Agency. Declarations are enforceable in state court by Housing Credit Agencies and all income-eligible persons and must be recorded in the County in which the project is located.
- g. The applicant must agree to resident screening criteria as provided in the Declaration.
- h. The applicant applying for 9% and 4% Tax Credits, must agree to waive the right to request a qualified contract for a minimum of 30 years as provided in the provisions of Sections 42(h)(6)(E)(i)(II) and 42(h)(6)(F) which permits the owner to terminate the extended use period, described in Section 42(h)(6)(D) of the Code at the end of the initial 15 year compliance period. All projects will be subject to a Declaration with a term of at least 30 years, beginning with the first day of the 15-year compliance period in which the building is part of a qualified low income housing project.
- i. The applicant agrees to provide high speed internet access via installation of all appropriate infrastructure and connections for cable, DSL or wireless/data internet service to every unit.
- j. The applicant agrees to institute and maintain a written policy prohibiting smoking in all the units and all common areas within the building(s) of the project. The project must include a non-smoking clause in the lease for every unit. Projects will be required to maintain the smoke-free policy for the term of the Declaration.

Section 4.2 All new construction and substantial rehabilitation must meet the basic design requirements set forth in Exhibit C of the Procedural Manual, which includes certain energy efficiency standards. Units that are designed to meet the threshold requirements of Section 4.1.a.4. above must comply with the appropriate local, state or federal requirements or building code; e.g., to be considered a handicapped unit, the unit must be designed to meet the standards in the Minnesota State Building Code, Chapter 1341, and be certified as complying by a registered architect.

Section 4.3 The Agency will require that the threshold type under which the applicant applies be included as a requirement in the Declaration.

Section 4.4 Under State law, Tax Credits not committed or allocated by the Agency as of the last day of the first round in each year will be returned to the MHFA.

ARTICLE 5
APPLICATION AND ALLOCATION PROCESS

Section 5.0. The application process for awarding the Tax Credits to projects located in Dakota County consists of the following steps:

- a. Each applicant shall notify the Agency of its intent to apply.
- b. Each applicant shall complete, sign, date and submit to the Agency no later than the application due date an original application and related documents on forms required by the Agency, including all required fees, deposits and exhibits, all as set forth in the Procedural Manual.
- c. The Agency shall review and evaluate the application to:
 1. assure that the application is complete.
 2. assure that minimum threshold requirements to qualify for Tax Credits have been satisfied.
 3. assign points to the project according to the selection priority section of the Scoring Worksheet attached to this Plan as Schedule 1.
 4. determine the minimum amount of Tax Credits necessary to make the project financially feasible and viable pursuant to Code Section 42(m)(2)(B).
- d. Applicants with initial scores sufficient to receive an allocation of Tax Credits will be required to submit a Market Study, as required under Section 42(m)(1)(A) of the Code.
- e. Legal counsel appointed by the Agency shall also review the application.
- f. The Agency shall present the project to the Mayor and the staff of the city in which the project is located for review and comment prior to staff recommendation to the Agency to provide such Mayor and/or city staff with a reasonable opportunity to comment on the project.

- g. The Agency shall make a determination whether to approve or deny a commitment of Tax Credits to the project based upon the findings and selection priority criteria, ~~and~~ the requirements of this Plan and the Procedural Manual, and the availability of Tax Credits during the competition round; provided, however that the Agency reserves the right (but shall not be obligated) to grant priority over higher ranking projects to projects that (i) have previously received Tax Credits and have an annual Tax Credit shortfall that can be addressed through an allocation of Tax Credits, sufficient to make the project financially feasible ~~of the total qualified annual Tax Credit amount~~ and (ii) demonstrate readiness to proceed by having city approvals and all funding commitments in place (other than the Tax Credits the applicant is presently requesting). The Agency shall provide a written explanation, available to the general public, for any allocation of Tax Credits which is not made in accordance with the priorities and selection criteria set forth in this Plan.
- h. The applicant shall be required to pay the application, commitment and allocation fees in the amounts and at the times described in the Procedural Manual in effect at the time of application, commitment or allocation, respectively.
- i. The applicant shall certify that the project has been placed in service.
- j. The Agency shall reevaluate the amount of Tax Credit for the project based on final information provided by the applicant and the final costs at the time the building is placed in service pursuant to Section 42(m)(2)(B) of the Code.
- k. Legal counsel appointed by the Agency shall conduct a final review of the application.
- l. The Agency issues IRS Form 8609, Low Income Housing Credit Allocation and Certification.
- m. Evaluations of the amount of Tax Credit for a project may be completed by a fiscal consultant engaged to act on behalf of the Agency.
- n. To ensure cost reasonableness applicants will be required to provide an as-is appraisal acceptable to the Agency to substantiate the acquisition price reflected in the initial application.

Section 5.1. The Agency will evaluate project proposals to determine the amount of Tax Credits to be allocated pursuant to Section 42(m)(2)(B) of the Code. In determining the amount of Tax Credits to be allocated, the Agency will consider: the Market Study, the sources and uses of funds and the total financing planned for the project, proceeds or receipts expected to be generated by reason of tax benefits; the percentage of the Tax Credits used for project

costs other than costs of intermediaries, and the reasonableness of the developmental and operational costs of the project.

The Agency will also evaluate project proposals to determine whether the Basis Boost is needed for a project to be financially feasible. In making such determination, the Agency will consider whether: (i) the project meets the housing priorities identified by the Agency, as evidenced by a 9% Tax Credit score; and (ii) any funding gaps remain for such project.

In any event, the Agency will not allocate more Tax Credits to a project, whether or not it is designated for a Basis Boost, than the amount necessary for the financial feasibility of the project and its viability as a qualified low-income housing tax credit project throughout the 10-year credit period.

The Agency's evaluation of projects and determination of the amount of Tax Credits necessary for the feasibility of the project as provided above shall not be relied upon by any developer or investor or used in connection with any offering of interests in the entity owning the project, and shall not be construed as a representation or warranty as to the feasibility or viability of the project. There will be three (3) such evaluations prior to delivery by the Agency of executed IRS 8609 Form(s) for the project, which are as follows:

- a. At the time of the initial application for a commitment of Tax Credits;
- b. At the time of any carryover allocation of Tax Credits; and
- c. At the time of the issuance of Form 8609, following the time the building is placed in service.

Section 5.2. Prior to each evaluation, the applicant will be required to submit the most recent information about the project and fees as required by the Procedural Manual. Any federal, state or local subsidies anticipated must be documented to the satisfaction of the Agency. Misrepresentations of information will result in failure to issue IRS Form 8609, debarment from participation in the Low Income Housing Tax Credit Program, and possible criminal penalties. At each evaluation, the Agency may reduce the amount of Tax Credits to be allocated to the project or may revoke any commitment to allocate Tax Credits to the project if it determines that the financial feasibility or viability of the project does not justify the original Tax Credits applied for or committed Tax Credit amount or that the criteria and requirements of this Plan have not been satisfied.

Section 5.3. Selected applicants failing to place a project in service in the allocation year for which a commitment is made may be awarded a carryover allocation of Tax Credits if the Section 42 requirements and the requirements set forth in the Procedural Manual are met, including the Agency's review and approval of the following documentation:

- a. A written attorney’s opinion letter or title policy verifying that the developer is the owner, for tax purposes, or has continued site control of the land and depreciable real property that is be expected to be part of the project; and
- b. Either (i) a written certification from a certified public accountant verifying that the owner has incurred costs in an amount greater than ten percent (10%) of the reasonably expected basis of the project (including land), or (ii) evidence acceptable to the Agency that the owner expects to incur such costs by the date which is nine (9) months after the later of the date that the allocation is made or the close of the calendar year in which the allocation is made. The certification must include a statement by the certified public accountant that they are not affiliated with the developer and/or owner of the project.

If the final carryover basis and expenditure information is not available at the time the carryover application is due, the carryover application must include a written estimate of this information prepared by the owner. Final certified public accountant certifications of this information must be submitted to the Agency prior to the deadlines established under Section 42 and by no later than the submission deadline identified in this Plan and in the Procedural Manual.

Section 5.4. The Agency reserves the right to not allocate any 2026 Tax Credits.

ARTICLE 6 ADDITIONAL ADMINISTRATIVE PROCEDURES

Section 6.1 No application will be considered for an existing project that contains units that are subsidized by state or federal resources except for (a) troubled projects, as defined by the Agency, the occupancies and/or net revenues of which need to be stabilized, or (b) projects for which the Agency is provided evidence that such project would convert to market rate units if Tax Credits are not awarded.

Section 6.2 As described above, the Agency may elect to give priority in the award of Tax Credits to a project that previously received an award of Tax Credits and has an annual tax credit shortfall of the total qualified annual Tax Credit amount, and that demonstrate readiness to proceed by having city approvals and all funding commitments in place (other than the Tax Credits the applicant is presently requesting).

Section 6.3 No project may be divided into two or more projects during a single application round to receive Tax Credits. Multiple applications, determined by the Agency to be one project, will be returned to the applicant and all fees forfeited. The Agency will consider such factors as ownership entities, affiliated partnerships, sponsor relationships, and the location of projects, if a contiguous site, to determine if multiple applications exist.

Section 6.4 The Agency may elect to not award a partial allocation of Tax Credits to a higher-ranking application but to award the Tax Credits to the next ranking application that can use the balance of the Tax Credits.

Section 6.5 The Agency has no jurisdiction to interpret or administer Section 42 of the Code, except in those instances where it has been delegated under the Code.

Section 6.6 The Agency may consult with MHFA, local communities, PHAs, HRAs, RD and HUD to determine the marketability of projects. The Agency may decline to award Tax Credits to a project if, in the Agency's discretion, the award of Tax Credits could be materially detrimental to an existing rental property. If necessary, the Agency may require an additional, updated Market Study and will evaluate it using the data from other sources, including Tax Credit project saturation in a community.

Section 6.7 The Agency reserves the right to adjust fees due to changing circumstances in order to cover its costs associated with producing and delivering its Tax Credit Program.

ARTICLE 7

CREDITS FOR BUILDINGS FINANCED BY TAX-EXEMPT BONDS

Section 7.0. Section 42 of the Code provides a separate set of procedures for awarding 4% Tax Credits for projects financed with the proceeds of tax-exempt bonds that receive an allocation of private activity volume cap under Section 146 of the Code. Although such Tax Credits are not counted against the tax credit ceiling cap for the State of Minnesota, developers should be aware that:

- a. Section 42(m)(1)(D) of the Code provides, for a project to receive an allocation of 4% Tax Credits, the applicable allocating agency must determine that the project satisfies the requirements for an allocation of 4% Tax Credits under its qualified allocation plan. This Plan applies to all tax exempt bond-financed projects located within Dakota County, other than projects financed with bonds issued by MHFA.

Note: Bond volume cap will not be issued in an amount greater than is financially needed or reasonable for a project to be successful.

An initial determination of whether a project complies with the requirements in this Section 7.0.a will be made by the Agency, and the Agency will issue a letter pursuant to Section 42(m)(1)(D) of the Code, confirming such determination, prior to the issuance of the tax exempt bonds.

The threshold requirements in Section 4.1.a of this Plan do not apply to projects financed with tax-exempt bonds using the 4% Tax Credits. Other threshold requirements **that do apply** to projects financed with tax-exempt bonds, include,

without limitation, the requirement in Section 4.1.h that projects financed with tax-exempt bonds must agree to waive the provisions of Section 42(h)(6)(E)(i)(II) and 42(h)(6)(F) which permit the owner to terminate the extended use period, described in Section 42(h)(6)(D) of the Code at the end of the initial 15 year compliance period. All projects will be subject to a Declaration with a term of at least 30 years.

In addition, to meeting the threshold requirements set forth in Article 4, the owner must also demonstrate that the project is eligible for **not fewer than 25 points** to qualify for the 4% Tax Credits under this Plan.

Important: To begin the above application process, the developer must submit to the Agency all documents required for an application of Tax Credits as established by this Plan and the Procedural Manual and any additional information requested by the Agency. The developer must also submit to the Agency the required application fees identified in this Plan and the Procedural Manual.

- b. Section 42(m)(2)(D) of the Code provides that in order for a tax-exempt bond financed project to receive an allocation of 4% Tax Credits, the issuer of the bonds must make a determination that the Tax Credit amount does not exceed the amount that the issuer determines is necessary for the financial feasibility of the project and its viability as a qualified housing project throughout the 10-year credit period. The determination by the issuer shall be made in a manner consistent with this Plan and the Procedural Manual. Section 42 requires that the issuer of bonds must consider the following in making such determination:
1. the sources and uses of funds and the total financing planned for the project;
 2. any proceeds or receipts expected to be generated by reason of tax benefits;
 3. the percentage of the Tax Credit amount used for project costs other than the cost of intermediaries;
 4. the reasonableness of the developmental and operational costs of the project; and
 5. a comprehensive Market Study of the housing needs of low-income individuals in the area to be served by the project, conducted before the Tax Credit allocation is made, and at the developer's expense by a disinterested party approved by the Agency.

This determination must be **made prior to the issuance of the tax exempt bonds in an amount sufficient, together with any tax-exempt volume limited bonds issued previously for the same project, to finance the minimum required percentage of the aggregate basis of the building(s) and the land it is located on, which is currently 50%.** To the extent the Agency is also the bond issuer, it will also issue the letter required by Section 42(m)(2)(D) of the Code.

- c. The owner must enter into a Declaration.
- d. Subsequent to the project being placed in service, the owner must submit to the Agency an application and appropriate fees for Form 8609 meeting the requirements of this Plan and the Procedural Manual. The owner must also submit to the Agency any other related fees identified in this Plan and the Procedural Manual.

ARTICLE 8 PROJECT SELECTION

Section 8.0 *Selection Priorities:* The Agency's selection priorities are set forth in the Scoring Worksheet attached hereto as Schedule 1, provided however, that the Agency reserves the right (but shall not be obligated) to grant priority over higher ranking projects to projects that: (i) have previously received an award of Tax Credits and have an annual Tax Credit shortfall of the total qualified annual Tax Credit amount and (ii) demonstrate readiness to proceed by having all city approvals and all funding commitments in place (other than the Tax Credits the applicant is presently requesting).

Section 8.1 *Preference Priorities:* The Agency's preference priorities shall be as set forth in the Scoring Worksheet attached hereto as Schedule 1.

Section 8.2 *Tie Breakers:* If two or more projects have an equal number of points, the following will be used to determine selection:

- a. The first tie breaker will be the total number of points in the preference priority selection.
- b. If a tie still remains, the second tie breaker will be if the city in which the project is located has not received Tax Credits in the last two years;
- c. If a tie still remains, the third tie breaker will be the lowest percentage of cost of intermediaries; and
- d. If a tie still remains, the Agency shall select the project which best meets the Agency's housing priorities and Dakota County's underserved communities.

ARTICLE 9
MONITORING COMPLIANCE WITH LOW-INCOME
HOUSING CREDIT REQUIREMENTS

Section 9.0 The Agency will monitor compliance for each project to which it allocates Tax Credits in accordance with Section 42(m)(1)(B)(iii) of the Code and Treasury Regulation Section 1.42-5. To the extent that any provision of this Plan is inconsistent with the provisions of Treasury Regulation Section 1.42-5, as the same may be modified or amended from time to time, the provisions of Treasury Regulation Section 1.42-5 shall govern. This Article 9 is also subject to provisions of the Agency's compliance monitoring manual and to guidance issued by the Internal Revenue Service regarding compliance monitoring and reporting of non-compliance.

Section 9.1 RECORDKEEPING AND RECORD RETENTION PROVISIONS.

- a. RECORDKEEPING. During the 15-year compliance period, the owner of a low-income housing project is required each year to collect and retain records of the following information for each qualified low income building in the project:
1. The total number of residential rental units in the building (including the number of bedrooms and the size in square feet of each residential rental unit);
 2. The number of occupants in each low-income unit, including minors. Housing information concerning race, ethnicity, family composition, age, income, use and amount of Section 8 rental assistance or similar assistance, disability status and monthly rental payments of households residing in the project, which information will be required to be provided annually to HUD, beginning in the first quarter of 2010;
 3. The percentage of residential rental units in the building that are low-income units, models, offices and management units;
 4. The rent charged on each residential rental unit in the building (including any utility allowances), and documentation, including rent rolls, leases and utility allowances per Internal Revenue Service Notice 94-60 issued June 1994;
 5. The low-income unit vacancies in the building and information that shows when, and to whom, the next available units were rented;
 6. The annual income certification of each low-income tenant per unit;

7. The annual student certification of each low income tenant;
8. Documentation to support each low-income tenant's income certification (for example, verifications of income from third parties such as employers or state agencies paying unemployment compensation). Anticipated income of all persons expecting to occupy the unit must be verified and included on a Tenant Income Certification **prior** to occupancy and annually recertified (if applicable) for continued eligibility. Specific forms of income verification are in the Procedural Manual. Tenant income is calculated in a manner consistent with the determination of annual income under Section 8 of the United States Housing Act of 1937 (Section 8), not in accordance with the determination of gross income for federal income tax liability. In the case of a tenant receiving housing assistance payments under Section 8, the documentation requirement of this paragraph is satisfied if the public housing authority provides a statement to the building owner declaring that the tenant's income does not exceed the applicable income limit under Code Section 42(g).

NOTE: Projects that are 100% low-income must have ALL identified noncompliance corrected before requesting an exemption to filing annual income recertifications. The Agency or its authorized delegate will determine whether a 100% low-income project is eligible for an exemption of future tenant income recertifications and will notify the owner.;

9. The character and use of the nonresidential portion of the building included in the building's eligible basis under Code Section 42(d) (e.g., tenant facilities that are available on a comparable basis to all tenants and for which no separate fee is charged for use of the facilities, or facilities reasonably required by the project);
10. The eligible basis and qualified basis of the building at the end of the first year of the 10-year credit period; and
11. Any additional records necessary to verify compliance with additional restrictions included in the carryover agreement or Declaration.

[The IRS has released its Guide for Completing Form 8823 Low-Income Housing Credit Agencies Report of Noncompliance or Building Disposition \(the "8823 Guide"\). The 8823 Guide does not change any Section 42 rules or policies. It is intended to provide guidance regarding what the IRS considers "in compliance" and for consistency in reporting "out of compliance" and "back in compliance" on IRS Form 8823. The Agency will monitor and report noncompliance according to instructions in the 8823 Guide.](#)

Owners and property managers should read the 8823 Guide, and are responsible for monitoring updates to the 8823 Guide, and must make any required changes to policies and procedures.

- b. RECORD RETENTION. The owner of a low-income housing project is required to retain the records described in paragraph 9.1.a of this section for each building in the project for at least six (6) years after the due date (with extensions) for filing the federal income tax return for that year. The records for the first year of the Tax Credit period, however, must be retained for at least six (6) years beyond the due date (with extensions) for filing the federal income tax return for the last year of the 15-year compliance period with respect to the building.
- c. INSPECTION RECORD RETENTION PROVISION. Under the inspection record retention provision, the owner of a low-income housing project is required to retain the original local health, safety or building code violation reports or notices that were issued by the state or local government unit for the Agency's inspection under this section. Retention of the original violation reports or notices is not required once the Agency reviews the violation reports or notice and completes its inspection, unless the violation remains un-corrected.

Section 9.2 CERTIFICATION AND REVIEW

- a. CERTIFICATION. The owner of a low-income housing project shall certify at least annually to the Agency that, for the preceding 12-month period --
 - 1. The project meets the requirements of the 20-50 test under Code Section 42(g)(1)(A), the 40-60 test under Code Section 42(g)(1)(B) or the average income test under Code Section 42(g)(1)(C), whichever minimum set-aside test is applicable to the project;
 - 2. The project complies with the requirements for special set-aside on which the Tax Credit allocation was based;
 - 3. There was no change in the applicable fraction (as defined in Code Section 42(c)(1)(B)) of any building in the project, or that there was a change, and the description of the change;
 - 4. The owner has received an annual income certification and an Annual Student Certification from each low-income tenant and documentation to support that certification. In the case of a tenant receiving Section 8 housing assistance payments, the statement from a public housing authority described above, may be accepted as verification of the household's income. At annual recertification, owner has received an

Annual Student Certification and, where applicable, a Tenant Income Certification with supporting documentation from each low income household;

5. Each low-income unit in the project is rent restricted under Code Section 42(g)(2);
6. No tenants in low-income units were evicted or had their tenancies terminated other than for good cause and no tenants had an increase in the gross rent for a low-income unit not permitted by Section 42;
7. All units in the project are for use by the general public and were used on a non-transient basis (except for transitional housing for the homeless provided under Code Section 42(i)(3)(B)(iii) or single-room-occupancy units rented on a month to month basis under Code Section 42(i)(3)(B)(iv));
8. No finding of discrimination under the Fair Housing Act, 42 U.S.C.A. §§ 3601 – 3619, has occurred for the project. A finding of discrimination includes: an adverse final decision by the Secretary of Housing and Urban Development (HUD), 24 C.F.R. 180.680, an adverse final decision by a substantially equivalent state or local fair housing agency 42 U.S.C.A. §3616a(a)(1), or an adverse judgment from a federal court;
9. Each building and each low-income unit in the project is suitable for occupancy, taking into account local health, safety, and building codes (or other habitability standards), and the state or local government unit responsible for making local health, safety, or building code inspections did not issue a violation report for any building or low-income unit in the project. If a violation report or notice was issued by the governmental unit, the owner must attach a statement summarizing the violation report or notice or a copy of the violation report or notice to the annual certification submitted to the Agency under this section. In addition, the owner must state whether the violation has been corrected;
10. There has been no change in the eligible basis (as defined in Code Section 42(d)) of any building in the project, or that there has been a change, and the nature of the change (e.g., a common area has become commercial space, or a fee is now charged for a tenant facility formerly provided without charge);
11. All tenant facilities included in the eligible basis under Code Section 42(d) of any building in the project, such as swimming pools, other recreational facilities, and parking areas, are provided on a comparable basis without charge to all tenants in the building;

12. If a low-income unit in the project became vacant during the year, that reasonable attempts were or are being made to rent that unit or the next available unit of comparable or smaller size to tenants having a qualifying income before any units in the project were or will be rented to tenants not having a qualifying income;
 13. If the income of tenants of a low-income unit in the project increases above the limit allowed in Code Section 42(g)(2)(D)(ii), the next available unit of comparable or smaller size in the project was or will be rented to tenants having a qualifying income;
 14. An extended low-income housing commitment as described in Code Section 42(h)(6) was in effect (for buildings subject to Section 7108(c)(1) of the Revenue Reconciliation Act of 1989, 103 Stat. 2106, 2308-2311), and the project meets the provisions, including any special provisions, of the extended low-income housing commitment, including the requirement under Code Section 42(h)(6)(B)(iv) that an owner cannot refuse to lease a unit in the project to an applicant because the applicant holds a voucher or certificate of eligibility under Section 8 of the United States Housing Act of 1937, 42 U.S.C.A. § 1437s (for buildings subject to Section 13142(b)(4) of the Omnibus Budget Reconciliation Act of 1993, 107 Stat. 312, 438-439);
 15. The project complies with the requirements for all applicable federal or state housing programs (e.g., FmHA assistance, HOME, Section 8 or tax-exempt financing), as applicable;
 16. The project is otherwise in compliance with the Code, including any Treasury Regulations, the applicable Qualified Allocation Plan, and all other applicable laws, rules and regulations; and
 17. There has been no change in the ownership or management of the project.
- b. **REVIEW.** The Agency shall review the certifications submitted under Section 9.2(a) above for compliance with the requirements of Section 42 of the Code. In addition:
1. An owner of a low-income housing project must submit to the Agency a completed, Agency signed copy of IRS Form 8609 for the first year of the credit period, together with Form 8609-A and Form 8586.
 2. The Agency will conduct on-site inspections of all buildings in the project by the end of the second calendar year following the year the last building in the project is placed in service and at least once every three years throughout the Compliance Period. The Agency will also review the tenant

income certifications for the number of units as required in Treasury Regulation 1.42-5 and the documentation the owner has received to support those certifications. Less frequent inspections may occur after the 15-year compliance period has expired.

3. Projects to be inspected must be chosen in a manner that will not give owners of low income housing projects advance notice that their records for a particular year will or will not be inspected. The Agency may give an owner reasonable notice that an inspection will occur so that the owner may assemble records (i.e., 15 days advance notice of inspection).
- c. FREQUENCY AND FORM OF CERTIFICATION. The certifications of and review of this section shall be made at least annually for the term of the Declaration and shall be made under penalty of perjury.

Section 9.3. INSPECTION PROVISION. The Agency shall have the right to perform an on-site inspection of any project at least through the end of the term of the Declaration. An inspection will include a physical inspection of any building(s) in the project, any units in the project, and a review of records described above. The auditing provision of this paragraph is required in addition to any inspection of low-income certifications, supporting documents and rent records under Section 9.2.b above.

Section 9.4 NOTIFICATION OF NONCOMPLIANCE

- a. GENERAL. The Agency shall provide the owner of the project notice of noncompliance as set forth in Section 1.42-5(e)(2) of the Treasury Regulations and notice to the Internal Revenue Service as set forth in Section 1.42-5(e)(3) of the Treasury Regulations.
- b. NOTICE TO OWNER. The Agency shall provide prompt written notice to the owner of a project if the Agency does not receive the certification described in Section 9.2.a hereof or discovers in an audit, inspection or review, or in some other manner, that the project is not in compliance with the Section 42 of the Code.
- c. NOTICE TO INTERNAL REVENUE SERVICE. Within 45 days after the expiration of the correction period, the Agency will file Form 8823, Low-Income Housing Credit Agencies Report of Noncompliance, with the Internal Revenue Service (as described in Section 9.5 hereof, including extensions permitted under that paragraph). The Agency must check the appropriate box on Form 8823 indicating the nature of the noncompliance or failure to certify and indicating whether or not the owner corrected the noncompliance or failure to certify. If the Agency reports on Form 8823 that a building is entirely out of compliance and will not be in compliance at any time in the future, the Agency need not file Form 8823 in subsequent years to report that building's noncompliance.

Section 9.5 CORRECTION PERIOD. The correction period shall be that period specified in the notice to the owner during which an owner will have the opportunity to supply any missing certifications or bring the project into compliance with the provisions of Section 42. The correction period will be set by the Agency and will not exceed 90 days from the date of the notice to the owner described in 9.4.b. The Agency may extend the correction period up to six (6) months, but only if the Agency determines there is good cause for granting an extension.

Section 9.6 AUTHORITY RETENTION OF RECORDS. The Agency must retain records of noncompliance or failure to certify for six (6) years beyond the Agency's filing of the respective Form 8823. In all other cases, the Agency must retain the certifications and records described in paragraph 9.2.a of this Plan for three (3) years from the end of the calendar year the Agency receives the certifications and records.

Section 9.7 DELEGATION OF AUTHORITY.

- a. GENERAL. The Agency may retain an agent or other private contractor (the "Authorized Delegate") to perform compliance monitoring. The Authorized Delegate must be unrelated to the owner of any building that the Authorized Delegate monitors. The Authorized Delegate may be delegated all of the functions of the Agency to monitor compliance, except for the responsibility of notifying the Internal Revenue Service under Section 9.4.c hereof. For example, the Authorized Delegate may be delegated the responsibility of reviewing tenant certifications and documentation under Section 9.2.b hereof, the right to inspect buildings as described in Section 9.3 hereof, and the responsibility of notifying building owners of lack of certification of noncompliance under Section 9.4 hereof.
- b. LIMITATIONS. In the event the Agency delegates compliance monitoring to an Authorized Delegate, the Agency shall use reasonable diligence to ensure that the Authorized Delegate properly performs the delegated monitoring functions. Delegation by the Agency of compliance monitoring functions to an Authorized Delegate shall not relieve the Agency of its obligation to notify the Internal Revenue Service of any noncompliance of which the Agency becomes aware of.

Section 9.8 LIABILITY. Compliance with the requirements of Section 42 is the responsibility of the owner of the building for which the Tax Credit is allowable. The Agency's obligation to monitor for compliance with the requirements of Section 42 does not make the Agency liable for an owner's noncompliance under Section 42 or the Declaration.

ARTICLE 10
AMENDMENTS TO PLAN

This Plan is subject to modification or amendment at any time to ensure that the provisions contained herein conform to the requirements of Section 42 of the Code, applicable State law, and all official interpretations thereof. Such modifications or amendments and the manner of adoption thereof shall not be inconsistent with the Code. Amendments required solely to comply with the Code, applicable regulations or applicable state law as may be approved by the Executive Director. The Executive Director, in its sole discretion, may also make non-substantive changes to this Plan to update population changes, dates, other minor updating or to correct clerical errors.

SCHEDULE 1

SELF-SCORING WORKSHEET
2026 Housing Tax Credit Program



Applicant Name _____
Project Name _____
Project Address/Location _____
Project City _____

Please note the following:

1. Documentation of Points

Indicate the selection and/or preference priority points expected for your project. Where multiple points per section are available please check the appropriate box () for points claimed. **Attach directly to this self-scoring worksheet, a separate detailed sheet and documentation that clearly supports points claimed.** The Dakota County Community Development Agency (Agency) will determine the actual selection points awarded. Points will not be awarded unless documentation is provided along with the application to justify the points claimed.

Applicants must demonstrate the project is eligible for not fewer than 25 points to qualify for the 4% Tax Credits under this Plan.

2. Extended Duration

Projects requesting 9% and 4% Tax Credits: Such projects must maintain the low-income use for a minimum of 30 years. The owner agrees that IRC Sections 42(h)(6)(E)(i)(II) and 42(h)(6)(F) (which would permit the owner to terminate the restrictions under the Declaration at the end of the 15- year compliance period in the event the Agency does not present the owner with a qualified contract for the acquisition of the project) do not apply to the project, and that the Section 42 income and rent restrictions shall apply for the period of 30 years beginning with the first day of the 15- year compliance period in which the building is part of a qualified low income housing project.

3. Design Standards

The project must meet the Tax Credit Design Standards as specified in the Procedural Manual and be evidenced by a Design Standards Certification form executed by the owner and architect.

4. Declaration of Land Use Restrictive Covenants

A Declaration covering the rent and income limits and occupancy requirements, including student eligibility requirements, must be placed on the building(s) and recorded in the county in which the project is located.

5. Section 8 Voucher Acceptance

Owners of a Tax Credit project must agree to not refuse to rent a unit to a tenant because that tenant has a Section 8 voucher that would be used for a unit in the project. Language prohibiting discrimination based on Section 8 status must be included in the Declaration entered into by the owner with the Agency. Declarations are enforceable in state court by housing credit agencies and all income-eligible persons.

MINIMUM THRESHOLD REQUIREMENTS

All applicants must meet one of the seven (7) following threshold types. **To qualify for threshold #7 the applicant must have written approval from the Agency prior to submission of the application.** Check one box for project type 1-7 below. In the event Minnesota Statutes are modified to allow additional threshold requirements, this worksheet will be modified accordingly.

1.	<input type="checkbox"/>	New construction or Substantial Rehabilitation of projects in which, for the term of the Declaration), at least 75% of the total Tax Credit units are Single Room Occupancy, efficiency, or one bedroom units and which are affordable by households whose income does not exceed 30% of the median income.
2.	<input type="checkbox"/>	New construction or Substantial Rehabilitation family housing projects that are not restricted to occupancy by persons 55 years old or older and in which, for the term of the extended use period (term of the Declaration), at least 75% of the Tax Credit units contain two or more bedrooms and at least one third of the 75% contain three or more bedrooms.
3.	<input type="checkbox"/>	Substantial Rehabilitation projects in neighborhoods targeted by the applicable city for revitalization.
4.	<input type="checkbox"/>	<p>Projects that are not restricted to persons of a particular age group and in which, for the term of the extended use period (term of the Declaration), a percentage of the units are set aside and rented to (check one, if applicable):</p> <ul style="list-style-type: none"> <input type="checkbox"/> Persons with a serious and persistent mental illness as defined in Minnesota Statutes Section 245.462, Subd. 20(c); <input type="checkbox"/> Persons with a developmental disability as defined in the United States Code, Title 42, Section 6001(8); <input type="checkbox"/> Persons who have been assessed as drug dependent persons as defined in Minnesota Statutes Section 254A.02, Subd. 5, and are receiving or will receive care and treatment services provided by an approved treatment program as defined in Minnesota Statutes Section 254A.02, Subd. 2; <input type="checkbox"/> Persons with a brain injury as defined in Minnesota Statutes Section 256B.093, Subd. 4(a); <u>or</u> <input type="checkbox"/> Persons with permanent physical disabilities that substantially limit major life activities, if at least fifty percent (50%) of the units in the project are accessible as provided under Minnesota Rules Chapter 1340
5.	<input type="checkbox"/>	Projects, whether or not restricted to persons of a particular age group, which preserve existing subsidized housing if the use of Tax Credits is necessary to prevent conversion to market rate use or to remedy physical deterioration of the project which would result in loss of existing federal subsidies.
6.	<input type="checkbox"/>	Projects financed by Rural Development which meet state-wide distribution goals.
7.	<input type="checkbox"/>	<p>In addition to Thresholds 1-6, the Agency may allocate Tax Credits to one remaining project that is a new construction or Substantial Rehabilitation multifamily housing project that is not restricted to persons 55 years of age or older and is located within one of the following areas at the time a reservation for Tax Credits is made:</p> <ul style="list-style-type: none"> <input type="checkbox"/> an area within one-half mile of a completed or planned light rail transitway, bus rapid transitway, or commuter rail station; <input type="checkbox"/> an area within one-fourth mile from any stop along a high-frequency local bus line; <input type="checkbox"/> an area within one-half mile from a bus stop or station on a high-frequency express route;

		<input type="checkbox"/> an area within one-half mile from a park and ride lot; <u>or</u> <input type="checkbox"/> an area within one-fourth mile of a high-service public transportation fixed route stop; For purposes of this section, the following terms have the meanings given them: (1) "high-frequency local bus line" means a local bus route providing service at least every 15 minutes and running between 6:00 a.m. and 7:00 p.m. on weekdays and between 9:00 a.m. and 6:00 p.m. on Saturdays; (2) "high-frequency express route" means an express route with bus service providing six or more trips during at least one of the peak morning hours between 6:00 a.m. and 9:00 a.m. and every ten minutes during the peak morning hour; and (3) "high-service public transportation fixed route stop" means a stop serviced between 6:00 a.m. and 7:00 p.m. on weekdays and 9:00 a.m. and 6:00 p.m. on Saturdays and with service approximately every 30 minutes during that time. (Minnesota Statutes Section 383D.41, Subdivision 11) Note: To qualify for Threshold #7 the applicant must have written approval from the Agency prior to submission of the application.
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DAKOTA COUNTY CDA ADDITIONAL THRESHOLD REQUIREMENTS

All applicants must meet the following additional threshold requirements. Check boxes below to indicate the acceptance of these requirement:

8.	<input type="checkbox"/>	<input type="checkbox"/> The project satisfies the Agency's underwriting standards and the Agency determines the owner has sufficient experience. <input type="checkbox"/> The application demonstrates reasonable operating expenses relative to comparable projects in the past, <input type="checkbox"/> The project complies with applicable building, land use and zoning ordinances, <input type="checkbox"/> The project is consistent with a Market Study, <u>and</u> <input type="checkbox"/> The costs of intermediaries meet the criteria set forth in the Procedural Manual.
9.	<input type="checkbox"/>	Applicants must agree to utilize public housing waiting lists in Dakota County in marketing units to the public.
10.	<input type="checkbox"/>	The owner agrees to not refuse to rent a unit to a tenant because that tenant has a Section 8 voucher and that language prohibiting discrimination based on Section 8 status will be included in the Declaration.
11.	<input type="checkbox"/>	The applicant demonstrates by information submitted in the application that each building in the project is a qualified low-income building under Section 42(c)(2) of the Code.
12.	<input type="checkbox"/>	The applicant agrees to enter into a Declaration in form and substance acceptable to the Agency and legal counsel appointed by the Agency.
13.	<input type="checkbox"/>	The applicant agrees to apply resident screening criteria as provided in the Declaration.
14.	<input type="checkbox"/>	For 9% and 4% Tax Credit projects, the applicant agrees to waive the provisions of Sections 42(h)(6)(E)(i)(II) and 42(h)(6)(F) which permits the owner to terminate the rent and income restrictions under the Declaration at the end of the initial 15-year compliance period. All Tax Credit projects must maintain the low-income use for a minimum of 30 years.
15.	<input type="checkbox"/>	The applicant agrees to provide high speed internet access via installation of all appropriate infrastructure and connections for cable, DSL or wireless/data internet service to every unit.
16.	<input type="checkbox"/>	The applicant agrees to institute and maintain a written policy* prohibiting smoking in all the units and all common areas within the building/s of the project. The project must include a non-smoking clause in the lease for every household. Projects will be required to maintain the smoke-free policy for the term of the Declaration. *A written policy must be submitted with the application and should include procedures regarding transitioning to smoke-free for existing residents and the establishment of smoking areas outside of units and common areas, if applicable. Consequences for tenants violating the smoke-free policy will be determined by the owner and must be included in the written policy for the project.

SELECTION PRIORITIES

a. SELECTION CRITERIA			<u>Developer Claimed</u>	<u>Agency Awarded</u>
<p>Check the box to the left of the descriptions below to indicate selection and/or preference priority points expected. The Agency will determine actual points to be awarded, based on the application and the documentation submitted. All applicants for 9% Tax Credits will be scored competitively against other applications received. All applicants for 4% Tax Credits with tax exempt volume cap bonds must meet a minimum score of 25 points.</p>				
New Construction (10 Points)				
1.	New construction which increases the supply of affordable rental housing in Dakota County (10 points).			
Preservation and Stabilization of Affordable Housing (Up to 25 Points)				
2.	<p>Preservation of Affordable Housing:</p> <p><input type="checkbox"/> Preservation of Federally Assisted Housing (25 Points): Points are awarded to projects that preserves low-income housing receiving assistance under Section 8 or Section 236 or other similar project-based subsidy which, due to mortgage prepayments or expiring rental assistance, would convert to market rate use. The Agency in its sole discretion must agree that a market exists for a conversion to market rate housing.</p> <p>OR</p> <p><input type="checkbox"/> Preservation (10 Points): Points are awarded to projects that preserve the rent and income restrictions under an existing use agreement which, due to expiring affordability periods would convert to market rate use. The Agency, in its sole discretion, will verify that a market exists for a conversion to market rate housing.</p> <p>Applicant must agree in writing to continued renewals of the existing project-based housing subsidy payment contract for as long as assistance is available.</p>			
3.	<p>Stabilization of Affordable Housing (5 Points)</p> <p>Points are awarded to projects with existing federally assisted units or previously funded by Tax Credits or deferred loans from the Agency or other public entity, <u>that are not also claiming points in the Preservation of Affordable Housing category</u> which are experiencing trouble with occupancies and/or net revenues which need to be stabilized.</p> <p>Applicants must provide narratives to support the approach of a planned, long term and cost effective stabilization that meets all of the following criteria:</p> <p>i) Suitability for long term stabilization:</p> <p style="margin-left: 20px;">a. 18 or more years have passed since initial loan closing or most recent Tax Credit placement in service date; and</p> <p style="margin-left: 20px;">b. Operating feasibility shows duration of at least 20 years.</p> <p>AND</p> <p>ii) Collaborative relationship in place Points claimed and deemed eligible for Financial Readiness to Proceed, minimum of 6 points.</p> <p>AND</p> <p>iii) Affordability and Cost Effectiveness Points claimed and deemed eligible in Preference Priorities b.2 (Serves Lowest Income Tenants/Rent Reduction)</p>			

		<u>Developer Claimed</u>	<u>Agency Awarded</u>
Readiness to Proceed (Up to 20 Points)			
4.	Points are awarded to projects that, at the time of application, have received final land use entitlements up to and including preliminary plat approvals, final Comprehensive Plan amendments (if any), final zoning approvals and site plan authorization. (5 points)		
5.	<p>Financial Readiness (up to 15 points). Points are awarded to projects that have secured funding commitments for permanent funding sources or have no funding gap at the time of application. Words synonymous with “consider” or “may” award are not valid or acceptable.</p> <p>The calculation below must exclude all first mortgage financing and anticipated Tax Credit proceeds from the current Tax Credit request. Committed syndication proceeds from previously reserved Tax Credits may be included in the calculation.</p> <p>Acceptable documentation of syndication proceeds from Tax Credits awarded in a previous cycle/round is an executed agreement or letter of intent from a syndicator/investor which is acceptable to the Agency. The executed agreement or letter of intent must: (1) be current and dated within 15 days of application; (2) contain a projected closing date; (3) contain a projected equity price for the purchase of the Tax Credits; and (4) contain a detailed explanation of the assumptions being used by the syndicator/investor to arrive at the projected equity price.</p> <p>Total eligible funding secured, awarded or committed (exclude first mortgage and syndication proceeds as described above) \$ _____</p> <p>Divided by total development cost less first mortgage and excluded syndication proceeds \$ _____</p> <p>Equals percentage of funds committed, rounded to the nearest tenth _____ %</p> <p>Check box that applies: <input type="checkbox"/> 70.1% or more of gap funds committed or no gap (15 points) <input type="checkbox"/> 50.1 – 70.0% of gap funds committed (10 points) <input type="checkbox"/> 30.1 – 50.0% of gap funds committed (6 points) <input type="checkbox"/> 10.1 – 30.0% of gap funds committed (2 points)</p> <p>Please see the Procedural Manual Section VIII. A. for details.</p> <p>If points are claimed and the funding is returned/not used the affordability requirements for that (those) funding source(s) will be included in the Declaration.</p>		
Community Priority Locations (10 Points)			
6.	Points are awarded to projects located on property fully/entirely owned by the Agency, Dakota County, or a municipality in Dakota County at the time of application. (10 points)		

		<u>Developer Claimed</u>	<u>Agency Awarded</u>
Long Term Affordability (Up to 8 Points)			
7.	<p>Points are awarded to projects that agree to extend the long-term affordability of the project and maintain the duration of low-income use beyond the required minimum of 30 years by agreeing to:</p> <p>Check box that applies:</p> <p><input type="checkbox"/> Extend the long-term affordability of the project and maintain the duration of low-income use for a minimum of 35 years (2 points)</p> <p><input type="checkbox"/> Extend the long-term affordability of the project and maintain the duration of low-income use for a minimum of 40 years (4 points)</p> <p><input type="checkbox"/> Extend the long-term affordability of the project and maintain the duration of low-income use for a minimum of 45 years (6 points)</p> <p><input type="checkbox"/> Extend the long-term affordability of the project and maintain the duration of low-income use for a minimum of 50 years (8 points)</p>		
Large Family Housing (up to 6 points)			
8.	<p>Points are awarded to projects that promote family housing that is not restricted to persons 55 years old or older for the term of the Declaration, where 25% or more of the Tax Credit units in the project have 3 or more bedrooms.</p> <p>Check box that applies:</p> <p><input type="checkbox"/> At least 30% of the Tax Credit units have 3 or more bedrooms (3 points)</p> <p><input type="checkbox"/> At least 50% of the Tax Credit units have 3 or more bedrooms (6 points)</p>		
Accessible Units (5 Points)			
9.	<p>At least 25% of the Tax Credit units in the project are designed, equipped and set aside for the developmentally, physically or mentally disabled and there is a referral and marketing plan that includes an agreement with an established organization to provide services for such persons. (5 points)</p>		
Ownership by Non-Profit or Governmental Unit (5 Points)			
10.	<p>A qualified non-profit or a governmental unit is the sole general partner/managing member. (5 points)</p> <p>The non-profit must be organized and incorporated in the State of Minnesota and have at least five-year's experience in Minnesota owning and operating at least 100 units of affordable Tax Credit housing. Points will only be awarded to local non-profits. To be eligible for points, the non-profit must be a qualified non-profit tax-exempt organization within Code Section 501(c)(3) at the time of application, and must also meet the requirements of Section 42(h)(5)(C) of the Code. For a non-profit, a copy of the Certificate of Incorporation from the Secretary of State of Minnesota and organization documentation evidencing the 501(c)(3) status must be submitted at the time of application.</p> <p>These points are awarded because the Agency has an assumption that such organizations have a mission that results in perpetual affordability of the units. Points will not be awarded if the non-profit/governmental organization has been a project sponsor or general partner/managing member of a project that converted units to market rate units in the past three (3) years without the consent of the issuing public agency within Minnesota.</p>		

		<u>Developer Claimed</u>	<u>Agency Awarded</u>
Community Revitalization (5 Points)			
13.	<p>Community Development Initiative (5 points)</p> <p>Points are awarded to projects that contribute to the active implementation of a Community Development Initiative to address locally identified needs and priorities, with active engagement by local stakeholders. The initiative can be created by, and involve engagement from, a wide variety of public and private local community development partners such as cities, counties, employers, private foundations, public housing authorities, or other community stakeholders. The plan must contain more components than the project itself. Documentation must be provided that addresses the requirements of a Community Development Initiative as set forth in Exhibit I of the Procedural Manual.</p> <p>For projects located in a QCT, to be eligible for these points, the application must provide additional evidence that demonstrates a strategy for obtaining commitments of public and/or private investment in non-housing efforts to demonstrate that the project contributes to a concerted community revitalization plan.</p>		
Eventual Tenant Ownership (1 Point)			
14.	This point is awarded to projects that include a plan for eventual tenant ownership of 100% of the units. (1 point)		
Unacceptable Practices (Up to -50 Points)			
15.	Unacceptable Practices, includes the transfer of ownership of the owner and displacement of Section 8 tenants as described in Section IV.F of the Procedural Manual.		
Access to Transit (Up to 5 Points)			
16.	<p>Points are awarded to projects located within <u>walking distances</u> of public transit stations and stops. (up to 5 points)</p> <p><input type="checkbox"/> Project is located within ½ mile of Orange Line transitway stations (including the Burnsville Center station and all stations north) or Red Line transitway stations (including the Apple Valley Transit Station and all stations north) (5 points); OR</p> <p><input type="checkbox"/> Project is located within ½ mile of a park and ride (with bus service), a bus route stop, or a Minnesota Valley Transit Authority (MVTA) bus route where the bus is able to stop (3 points).</p> <p>At the time of application, the applicant must submit a map identifying the location of the project with exact <u>walking distances</u> to the eligible public transit station/stop and include a copy of the route.</p>		

b.	PREFERENCE PRIORITIES Points received through Preference Priorities will be included in the application's score and will be used to break ties in overall scoring for the competitive selection of applicants, as detailed in Section 8.2.	<u>Developer Claimed</u>	<u>Agency Awarded</u>
1.	Previous Tax Credit Commitment/Reservation (30 points). Points are awarded to projects that have a prior commitment/reservation of Tax Credits, were not fully funded in a previous round, and require additional Tax Credits to make the project feasible.		
2.	Points are awarded to projects that will serve the lowest income tenants (50% or less of area median adjusted by unit size) with gross rents not to exceed 30% of income and agree to maintain the deeper rent structure for the duration of the Declaration. <i>(Up to 15 Points)</i> Applicants may choose any combination of the following rent limitations for the project but may not count any unit more than once. This selection will restrict rents only (tenant incomes will not be restricted to the following levels by claiming points in this section). Check the box that applies. <input type="checkbox"/> 100% of Tax Credit units at the rents for 50% of AMI: 15 points <input type="checkbox"/> 75% of Tax Credit units at the rents for 40% of AMI: 15 points <input type="checkbox"/> 75% of Tax Credit units at the rents for 50% of AMI: 10 points <input type="checkbox"/> 50% of Tax Credit units at the rents for 40% of AMI: 10 points <input type="checkbox"/> 50% of Tax Credit units at the rents for 50% of AMI: 5 points		
3.	Geographic Balance (5 points). Points are awarded to projects for proposed projects that are located in a city that have not received a 9% or 4% Tax Credit award from Dakota County CDA or Minnesota Housing for new affordable housing development in the last 3 years.		
TOTAL POINTS:		<u>Developer Claimed</u> _____	<u>Agency Awarded</u> _____

SELF-SCORING WORKSHEET CERTIFICATION:

Under penalty of perjury, the Applicant hereby certifies the information provided in the Self-Scoring Worksheet is true and accurate.

By: _____
Signature

Print or type name and title of signatory

Of: _____
Name of Managing/General Partner

Date: _____



Board of Commissioners

Request for Board Action

Meeting Date: March 25, 2025

Agenda #: 6B

DEPARTMENT: Community and Economic Development

FILE TYPE: Regular - Action

TITLE

Approval Of Contingent Redevelopment Incentive Grant Award For The City Of Eagan

PURPOSE/ACTION REQUESTED

Approval of up to \$250,000 Redevelopment Incentive Grant (RIG) project award for the City of Eagan.

SUMMARY

The Dakota County CDA RIG program was created in 2006 to provide a flexible funding resource to Dakota County cities for the redevelopment of blighted and under-utilized areas. The RIG program supports three types of redevelopment grants: planning, environmental investigation, and project.

The City of Eagan (City) is requesting \$250,000 for the redevelopment of the over 155-acre former Thomson Reuters Campus at 610 Opperman Drive (the Site). Ryan Companies (the Developer) has received approvals from the City to redevelop the Site for a new mixed-use industrial development that would include distribution centers, warehousing, medical technology, manufacturing, data centers, and similar uses. The existing office building located on the south 40 acres of the Site must be demolished to allow for new structures. The office building has a lower level that extends to 14 feet below grade, and the Developer states over 117,500 cubic yards of clean fill must be brought in and compacted for 4-5 future building pads. The additional cost for the geotechnical soil corrections is expected to exceed \$1.5 million. The requested RIG will be used for the geotechnical soil corrections. The Developer has started demolishing buildings and grading the site but will not begin working on the geotechnical soil corrections until July 2025.

Total redevelopment costs for the Site will exceed \$66 million. The projected appraised value of the Site after redevelopment in 2030 is \$600 million, with estimated property taxes of \$16.8 million. The redevelopment is expected to create 325 new jobs that pay over \$15 per hour.

The RIG program provides a maximum of \$250,000 for redevelopment project grants. Redevelopment projects must have a minimum leverage of 2:1 (\$2 dollar of non-RIG funding for every \$1 of RIG funding), City Council approval, City support for the mission of the CDA, and the application must demonstrate other funding resources are used, the project can be completed in 12 months the project has a defined economic benefit either through jobs or increased tax base, and/or the project improves or preserves the environment. The proposed Project meets the eligibility criteria.

Since the program began in 2006, the CDA Board has awarded over \$14.7 million to 70 redevelopment projects, 30 planning activities, and six environmental investigation activities. This includes \$1,846,555 in RIG awards for the City of Eagan.

RECOMMENDATION

CDA staff recommends awarding the City of Eagan up to \$250,000 in RIG funds for eligible activities related to the redevelopment of the Thomson Reuters Campus as described in the City’s application. The RIG award will be contingent on the applicant meeting all program guidelines, grant conditions, and entering into a grant agreement with the CDA.

EXPLANATION OF FISCAL/FTE IMPACTS

The CDA’s remaining budget for RIG is \$950,023 (\$650,000 from the CDA and \$300,023 from Dakota County). If approved by the Board, funding for this grant will come from the CDA’s allocation of RIG funding.

- None
- Current budget
- Amendment Requested
- Other

RESOLUTION

WHEREAS, the Dakota County Community Development Agency (CDA) established a Redevelopment Incentive Grant (RIG) in 2006 to assist Dakota County cities with the redevelopment of blighted and under-utilized areas; and

WHEREAS, to date, the program has awarded over \$14.7 million to 70 redevelopment projects, 30 planning activities, and six environmental investigation activities; and

WHEREAS, of the total awards, \$1,846,555 has been granted to the City of Eagan (the City); and

WHEREAS, the CDA has \$650,000 of remaining available funds in its Fiscal Year Ending 2025 budget and Dakota County, through its Environmental Resources Department, has an additional \$300,023 of remaining available funds for RIG projects that require environmental remediation; and

WHEREAS, Dakota County cities can apply to receive up to \$250,000 per redevelopment project grant (one per local government) per fiscal year; and

WHEREAS, the City submitted an application requesting \$250,000 for geotechnical soil corrections for the redevelopment of the office building at the former Thomson Reuters Campus, located at 610 Opperman Drive; and

WHEREAS, the City’s application meets the eligibility criteria to receive full funding as listed in the RIG Program Policy and Procedures Guide.

NOW, THEREFORE BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, That the City of Eagan is awarded a RIG project grant up to \$250,000 contingent upon the grantee meeting program guidelines and entering into a grant agreement with the CDA, in form and content acceptable to the Executive Director of the CDA.

PREVIOUS BOARD ACTION

None.

ATTACHMENTS

Attachment A: Eagan RIG Project Application

CONTACT

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

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



**DAKOTA COUNTY COMMUNITY DEVELOPMENT AGENCY
REDEVELOPMENT INCENTIVE GRANT (RIG)
PROJECT APPLICATION**

I. APPLICANT INFORMATION

Applicant	<p>Organization: City of Eagan Contact Name: Erik Slettedahl Address: 3830 Pilot Knob Road, Eagan MN, 55122 Phone Number: 651-675-5692 Email: Erik.slettedahl@eaganmn.gov Authorized representative for execution of contract(s): Name: Dianne Miller Title: City Administrator</p> <p>On behalf of: Ryan Companies US, Inc. Patrick Marty 533 South 3rd Street, Suite 100, Minneapolis, MN 55415 847-404-1926 Email: Patrick.Marty@ryancompanies.com</p>
Project Request	<p>Name of Project: Thomson Reuters Campus Redevelopment Amount of funding request: \$ 250,000 Total environmental costs: \$ 250,000 Total redevelopment costs: \$ 66,219,156</p>

II. AREA OR SITE CONDITIONS

General location of Area (Property ID and/or Address):	Formerly: 610 Opperman Drive Eagan, MN PID: 108380700010
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The CDA reserves the right to seek additional information after initial review of the application.



**DAKOTA COUNTY COMMUNITY DEVELOPMENT AGENCY
REDEVELOPMENT INCENTIVE GRANT (RIG)
PROJECT APPLICATION**

Legal Description of Site:	<p>Outlot A, West Publishing Company 8th Addition, according to the recorded plat thereof, Dakota County, Minnesota. (TORRENS)</p> <p>Lot 1, Block 1, West Publishing Company 8th Addition, according to the recorded plat thereof, Dakota County, Minnesota. (TORRENS)</p> <p>Click or tap here to enter text.</p>
Site Size (acres):	+/- 155 Acres
Number of Parcels:	3
Number of buildings on site:	4-5 Buildings pending final sizes
Current Site Owner:	Eagan Property Owner, LLC
Current appraised or assessed value of the Project Area properties:	\$67,921,800
Current property taxes of the Project Area properties	\$1,886,744

The CDA reserves the right to seek additional information after initial review of the application.

**DAKOTA COUNTY COMMUNITY DEVELOPMENT AGENCY
REDEVELOPMENT INCENTIVE GRANT (RIG)
PROJECT APPLICATION**

III. REDEVELOPMENT PROJECT INFORMATION

Describe the city’s goals and need for the Project including anticipated businesses, housing units, and other proposed components. Please explain the public benefit of the Project

Click or tap here to enter text.

The City of Eagan’s 2040 Comprehensive Guide Plan establishes land use goals and policies intended to guide future development and redevelopment. Relevant to this application are the goals of:

- Emphasize high quality development that reinforces Eagan’s strong community identity and its reputation as a highly desirable place to live, work and play.
- Encourage a mix of land uses that help to maintain a strong tax base in the community.
- Respect the natural environment while encouraging infill development and redevelopment.

Further, the development has been designed to meet the City of Eagan guidelines, of which the following policies are intended for industrial uses:

- Provide opportunities for new industrial development and expanded employment through development of existing underutilized industrial sites.
- Encourage expansion of employment opportunities with “head of household” incomes.
- Ensure that high employment areas have good access to mass transit serving both the local and regional work force. Conversations with the MVTA have commenced and a bus stop on Opperman Drive is planned to be installed.
- Accommodate diverse forms of office and flexible commercial/light-industrial land uses in designated employment areas.

The vision for the site accurately aligns with the City and County’s goals. This redevelopment will be a marquee job creation and economic development hub for the region. The design of the proposed



**DAKOTA COUNTY COMMUNITY DEVELOPMENT AGENCY
REDEVELOPMENT INCENTIVE GRANT (RIG)
PROJECT APPLICATION**

	<p>redevelopment provides the required site design, infrastructure, and development foundation that will allow this vision to be executed and brought to life.</p>
<p>Provide a brief history of the site including previous uses, activities, prior or existing contamination, and other attempts at redevelopment</p>	<p>Click or tap here to enter text.</p> <p>The site was historically developed with two to four farmsteads and associated cultivated cropland by at least 1937 until the existing buildings were constructed between 1987 and 2008. A railroad track historically bordered the site to the east, with a gravel pit reportedly filled with foundry waste to the north and commercial/industrial development to the north and east since the 1960s. Areas to the west and south have been residentially developed.</p> <p>The site is currently developed with an office building and two data center buildings on the east portion occupied by Thomson Reuters. The remainder of the site primarily consists of landscaped lawns, shrub/grassland, undeveloped wooded land, wetlands, a walking path, and bituminous paved parking lots.</p> <p>There have been no other redevelopment attempts</p>
<p>Describe the Project including location map, photos, and current and projected site plans. Maps should include property boundaries, north arrow, and an accurate bar scale.</p>	<p>Click or tap here to enter text.</p> <p>The Thomson Reuters Redevelopment Project proposes to redevelop the existing vacant Thomson Reuters Office Campus into a mixed-use industrial development.</p> <p>The initial user of the Project will occupy a large 3,200,000 SF (650,000 SF Footprint) building located on the northern portion of the property. The user's core function for the facility is advanced logistics, sortation, and distribution of products. The building is highly sophisticated, utilizes proprietary technologies, and is designed specifically for the requirements of their business.</p> <p>The building layout and the configuration of the parcel are targeted toward efficient spatial arrangement and movement of trucks and cars in and out of the site. Key spatial characteristics for these types of users include an enlarged truck court to accommodate high</p>

The CDA reserves the right to seek additional information after initial review of the application.



**DAKOTA COUNTY COMMUNITY DEVELOPMENT AGENCY
REDEVELOPMENT INCENTIVE GRANT (RIG)
PROJECT APPLICATION**

	<p>capacities, efficiencies and improved safety, direct access to a major trunk highway and other interstate corridors, interior column spacing for efficient production layouts and material handling including large open areas along the dock doors, and ample parking for employees. Proposed parking is sized to meet the anticipated parking demand of the logistics user; any less parking provided on the site would create significant operational issues. This car parking is to accommodate the large number of employees working at the site.</p> <p>The southern portion of the Property is planned to host up to four buildings with a combined footprint up to 600,000 square feet. Potential uses could include, but are not limited to manufacturing, life science, med tech, data centers, distribution centers, cold storage, warehousing, research and laboratory, and office showroom. Future tenants of the south 45 acres are not fully determined at this time.</p>
<p>Describe the specific components or activities that are part of the Project.</p>	<p>The specific use of RIG funds would reimburse partial costs of infilling the basement of current office building. The structure is planned to be demolished to 14' below grade requiring engineered fill of 117,000 cubic yards. The infill will be engineered and compacted to allow the site to occupy future building pads. The total anticipated costs for infill is estimated at \$1.5 million. Please see the attached letter from our Geotechnical Engineer on Record calling out the required work to prepare a building pad.</p>
<p>What is the end use of the Project site?</p>	<p>Commercial/Industrial and Distribution</p>
<p>After redevelopment is completed, will properties in the Plan Area be publicly or privately owned?</p>	<p><input checked="" type="checkbox"/> Publicly owned (Opperman Drive to be a public roadway)</p> <p><input checked="" type="checkbox"/> Privately owned</p>
<p>Is demolition of slum or blighted buildings or other structures an activity of the Project?</p>	<p><input type="checkbox"/> Yes</p> <p><input checked="" type="checkbox"/> No</p>
<p align="center">If Yes, please describe.</p>	<p>Current office building and data centers have been vacated by Thomson Reuters. The Buildings will need</p>

The CDA reserves the right to seek additional information after initial review of the application.



**DAKOTA COUNTY COMMUNITY DEVELOPMENT AGENCY
REDEVELOPMENT INCENTIVE GRANT (RIG)
PROJECT APPLICATION**

	to be demolished as no interest from other users have been received.
Describe how the Project will make more efficient use of the site.	The project is creating opportunity for commercial/industrial use for multiple businesses and well as extending Opperman Drive and connecting it to Yankee Doodle Road. Stormwater management will be designed to meet current City code.
Post-redevelopment Site Owner(s): <u><i>If end user has committed, attach documentation of commitment.</i></u>	Ryan Companies, US Inc.
Identify any other Project partners such as developers, consultants, and regulating/permitting agencies	N/A

The CDA reserves the right to seek additional information after initial review of the application.



**DAKOTA COUNTY COMMUNITY DEVELOPMENT AGENCY
REDEVELOPMENT INCENTIVE GRANT (RIG)
PROJECT APPLICATION**

IV. ELIGIBLE ACTIVITIES

Please check all activities that apply, briefly describe the activity, and provide the dollar amount requested for the activity. Please see the “**Redevelopment Incentive Grant Policy and Procedures Guide**” for a description of the eligible activities

<u>Eligible Activity</u>		<u>Description</u>	<u>RIG Funding Requested</u>
<input type="checkbox"/>	Acquisition	Click or tap here to enter text.	\$Click or tap here to enter text.
<input type="checkbox"/>	Relocation Payments	Click or tap here to enter text.	\$Click or tap here to enter text.
<input type="checkbox"/>	Clearance and Demolition	Click or tap here to enter text.	\$ Click or tap here to enter text.
<input type="checkbox"/>	Environmental Investigation	Click or tap here to enter text.	\$Click or tap here to enter text.
<input type="checkbox"/>	Environmental Remediation	Click or tap here to enter text.	\$Click or tap here to enter text.
<input type="checkbox"/>	Necessary Public Infrastructure	Click or tap here to enter text.	\$Click or tap here to enter text.
<input checked="" type="checkbox"/>	Geotechnical Soil Corrections	Backfill of the existing Thomson Reuters basement in order to support new development pads.	\$250,000

V. ACQUISITION AND RELOCATION ACTIVITIES

If the project includes property acquisition, clearance and/or construction activities, describe how owners, tenants, and businesses will be temporarily or permanently relocated.	Thomson Reuters has relocated to another office building in Eagan, MN.
When has/will the acquisition be completed?	December 6, 2024
Attach relocation plan, if applicable.	N/A

VI. PROJECT ENVIRONMENTAL INFORMATION

Has an environmental assessment been completed for the Redevelopment Project?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If so, what level of investigation was done as part of the Redevelopment Project?	Phase I and II Environmental Site Assessment. Pre-demolition Hazardous Materials Survey

The CDA reserves the right to seek additional information after initial review of the application.



**DAKOTA COUNTY COMMUNITY DEVELOPMENT AGENCY
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Has the Redevelopment Project site been found or suspected to be contaminated?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does your Redevelopment Project include the cleanup of contaminated soils, hazardous waste or materials?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If yes, please describe information on type of cleanup, what measures have been taken to address the contamination, consultant reports, and/or Response Action Plan.	N/A
Describe positive environmental impacts of the activities that are part of the Project.	Tree Preservation areas are large park dedication areas are included in the project.

VII. HOUSING AFFORDABILITY INFORMATION

Indicate the number of housing units planned in the Project, if any. *Attach separate sheet if necessary.*

Unit Type	Total # of Units	# of Owner Units	# of Rental Units	Proposed Rents/ Sales Prices
Single Family	0	0	0	0
Townhouse	0	0	0	0
Apartments/Condominiums	0	0	0	0
Duplexes	0	0	0	0
Other:	0	0	0	0

Will there be any mechanisms to ensure long-term affordability?

- Yes
- No

If yes, please describe. [Click or tap here to enter text.](#)



**DAKOTA COUNTY COMMUNITY DEVELOPMENT AGENCY
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VIII. ECONOMIC BENEFITS

Projected appraised or assessed value of the site after redevelopment:	\$ 600,000,000 Pay Year: 2030
What will be the estimated property taxes after redevelopment?	\$ 16,800,000 Pay Year: 2030
Project the number of <u>new</u> jobs on the Project site created after redevelopment.	Total new jobs (FTEs only) = 400
Number of new jobs with wages greater than \$15.00 per hour	325
Project the number of jobs <u>retained</u> on the Project site after redevelopment.	Total retained jobs (FTEs only) 0
Number of retained jobs with wages greater than \$15.00 per hour	0

IX. PROJECT SOURCES AND USES

Itemize all funding sources for the Project and the Activities identified as part of the Project. Please include requested RIG funds in total.

Source of Funds	Amount	Committed	Pending
Equity	\$ 65,969,156	<input checked="" type="checkbox"/>	<input type="checkbox"/>
RIG Funding	\$ 250,000	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Click or tap here to enter text.	\$ Click or tap here to enter text.	<input type="checkbox"/>	<input type="checkbox"/>
Click or tap here to enter text.	\$ Click or tap here to enter text.	<input type="checkbox"/>	<input type="checkbox"/>
Click or tap here to enter text.	\$ Click or tap here to enter text.	<input type="checkbox"/>	<input type="checkbox"/>
Click or tap here to enter text.	\$ Click or tap here to enter text.	<input type="checkbox"/>	<input type="checkbox"/>
Click or tap here to enter text.	\$ Click or tap here to enter text.	<input type="checkbox"/>	<input type="checkbox"/>
Click or tap here to enter text.	\$ Click or tap here to enter text.	<input type="checkbox"/>	<input type="checkbox"/>
Total:	\$ \$66,219,156		

The CDA reserves the right to seek additional information after initial review of the application.



**DAKOTA COUNTY COMMUNITY DEVELOPMENT AGENCY
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Itemize all Project expenses for the Project and the Activities identified as part of the Project. Be as detailed as possible. Please include requested RIG funds in the Funding Sources column.

Project Activities/Expenses	Amount	Funding Source
Land Acquisition	\$ 41,000,000	Equity
Demolition	\$ 8,500,000	Equity
Backfill of Existing Basement	\$1,500,000	Equity / RIG Grant
Public Roadwork	\$ 11,000,000	Equity
Soft Costs	\$ 3,019,156	Equity
Grading / Utilities	\$ 700,000	Equity
Railroad Barrier Arms	\$ 500,000	Equity
Total:	\$ \$66,219,156	

List other sources of funds requested or considered but not obtained for the Project, and explain why they were not obtained, to the best of your knowledge. (The purpose of this question is to ensure all other funding sources have been exhausted.)

TIF or any other City funding is not being pursued for this project. This aligns with the City's goal of replacing the tax basis on the site for distribution to local jurisdictions as quickly as possible.

X. PROJECT READINESS TO PROCEED

Please provide detailed timeline of the Project with all actions, phases, and anticipated dates for completion.	Eagan City Council approval: 12/3/24. Land closing 12/6/24. Demolition of office building is estimated to be completed by the end of July 2025. The sub-level infill project is expected to begin in August 2025 and last approximately three weeks.
Please indicate whether any of the following entitlement or due diligence actions are required or have been completed for the Project: <input type="checkbox"/> Comprehensive plan amendment: Status: Click or tap here to enter text. <input checked="" type="checkbox"/> Zoning amendments or variances: Status: Click or tap here to enter text.	<input type="checkbox"/> Environmental review: Status: Click or tap here to enter text. <input type="checkbox"/> Market or feasibility study: Status: Click or tap here to enter text.
If the activity that is to receive RIG funding will not be completed in 12 months, please explain why. (NOTE: The RIG program	All work associated with RIG Grant funds to be completed within 12 Months of Approval.

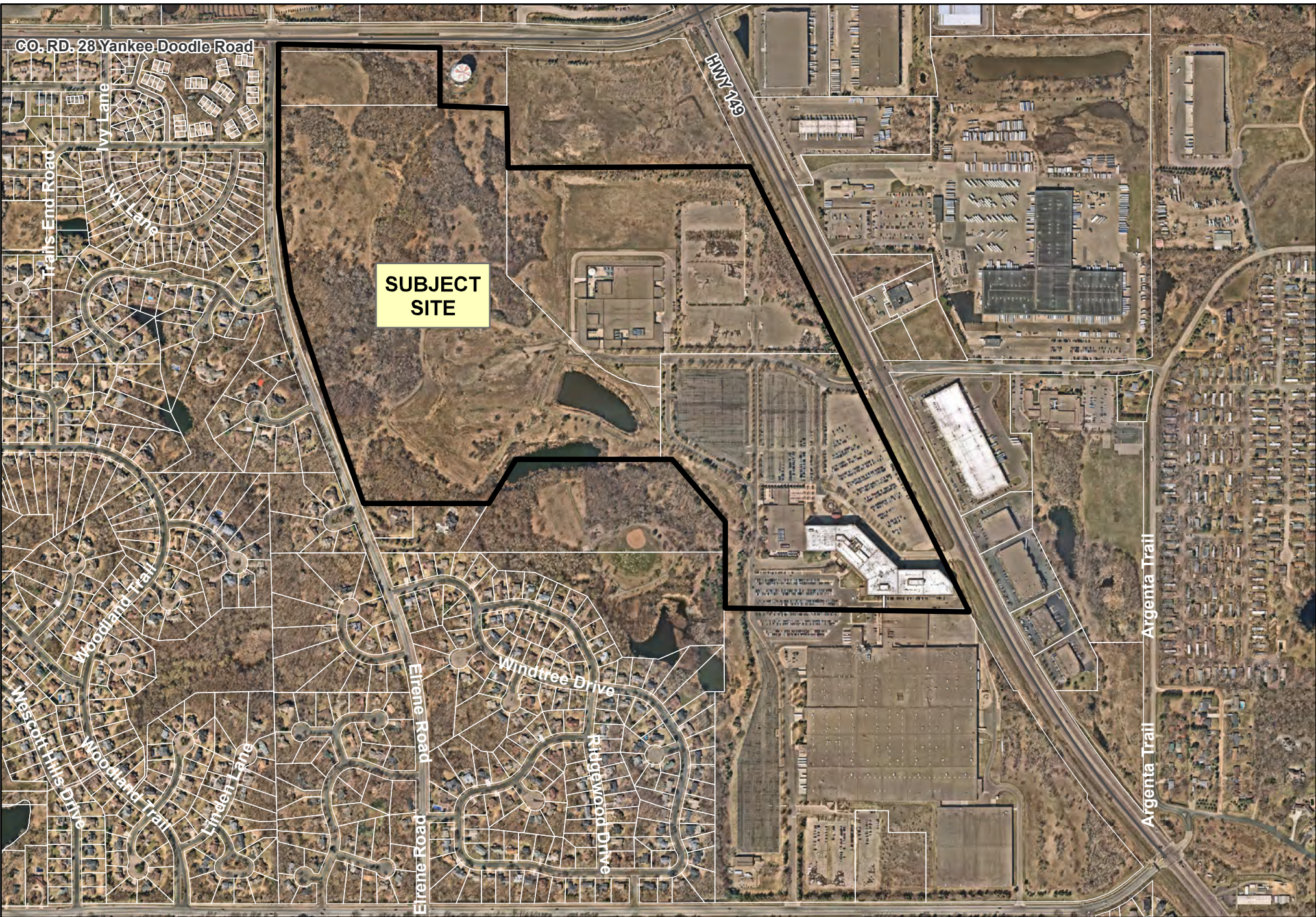
The CDA reserves the right to seek additional information after initial review of the application.



**DAKOTA COUNTY COMMUNITY DEVELOPMENT AGENCY
REDEVELOPMENT INCENTIVE GRANT (RIG)
PROJECT APPLICATION**

requires all RIG-funded activities to be completed within a 12-month period)	Funding is required in order to commence backfill of the basement.
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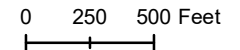
The CDA reserves the right to seek additional information after initial review of the application.



Project Name: Ryan Companies
Request: Preliminary PD & Subdivision
File Nos.: 13-PD-01-08-24 & 13-PS-01-08-24

275



This map is for reference use only.
This is not a survey and is not intended
to be used as one.

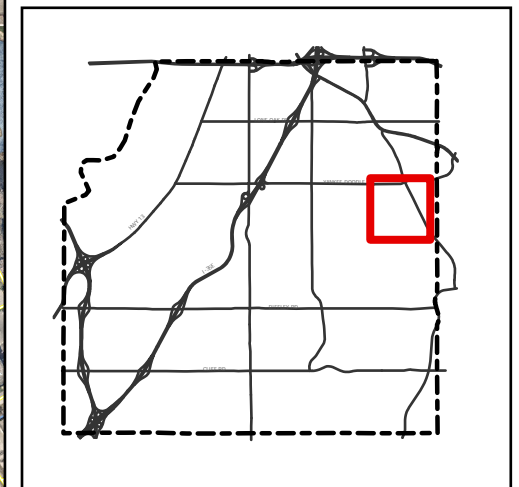


Aerial photo-Spring 2023



Concept Plan and Inf II Site

-  Existing Foundation
-  Infill Area



0 300 Feet

February 13, 2025

Project B2409751

Patrick Marty
Ryan Companies US, Inc.
533 South 3rd Street
Minneapolis, MN 55415

Re: Geotechnical Commentary
Thomson Reuter Campus Redevelopment (Existing Basement Backfill)
610 Opperman Drive
Eagan, Minnesota

Dear Mr. Marty:

This letter serves as general geotechnical commentary regarding the proposed backfilling of the existing basement level of one of the structures located within the Thomson Reuters Campus in Eagan, Minnesota.

Background

We understand redevelopment of this existing campus will include demolition of the 6-story office building. We further understand the redevelopment plan for this specific area will be determined in the future, but may include new structures and/or site improvements.

Demolition will include the above grade portion of the structure and the lower level, which extends approximately 14 feet below grade. This area is to then be backfilled in preparation of future development.

With this in mind, we recommend the following geotechnical considerations for both backfill and potential future construction.

Recommendations

Considering future development, we recommend backfilling the area with non-organic debris free soils with 100 percent passing the 2-inch sieve. If there is consideration to construction of an at grade structure within 6 month of placement of the backfill, or the possibility of large and/or heavily loaded structures, consideration should be given to utilizing non-organic debris free granular fill consisting of either poorly graded sand (SP) or poorly graded sand with silt (SP-SM) within less than 12 percent passing the #200 sieve to mitigate the potential for secondary creep consolidation as compared to utilizing less select granular or clay based soils.

Backfill materials should be compacted in accordance with Table 1.

Table 1. Compaction Recommendations Summary: General Fill

Reference	Relative Compaction, percent (ASTM D698 – Standard Proctor	Moisture Content Variance from Optimum at the time for compaction, Unless Noted Otherwise percentage points	
		< 12% Passing #200 Sieve (typically SP, SP-SM)	> 12% Passing #200 Sieve (typically CL, SC, SM)
Basement Backfill	98	Minimum 5 percent	-1 to +3

For materials compacted with large, self-propelled vibratory compactors, we recommend spreading engineered fill in loose lifts of approximately 12 inches thick. For materials compacted with walk-behind compactors, we recommend spreading engineered fill in loose lifts of approximately 6 inches thick.

The project documents should not allow the contractor to use frozen material as engineered fill or to place engineered fill on frozen material. We recommend performing density tests in engineered fill to evaluate if the contractors are effectively compacting the soil and meeting project requirements.

Remarks

The recommendations outlined in this letter should be considered preliminary and are not intended to be comprehensive for use in the design and construction of any future structures. Additional field exploration and engineering analysis for development of a design ready geotechnical evaluation associated with any future projects outside of green space development.

In performing its services, Braun Intertec used that degree of care and skill ordinarily exercised under similar circumstances by reputable members of its profession currently practicing in the same locality. No warranty, express or implied, is made.

If you have any questions about this letter, please contact Brandon Rounsville at 612.221.9007 (brounsville@braunintertec.com) or Ryan Benson at 612.384.5954 (rbenson@braunintertec.com).

Sincerely,

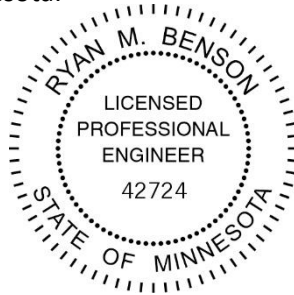
BRAUN INTERTEC CORPORATION

Professional Certification:

I hereby certify that this plan, specification or report was prepared by me or under my direct supervision and that I am a duly Licensed Professional Engineer under the laws of the State of Minnesota.



Ryan M. Benson, PE
Director, Principal Engineer
License Number: 42724
February 13, 2025



Brandon S. Rounsville, PE
Senior Manager, Senior Engineer

c: Josh Van Abel, Ryan Companies US, Inc.

From: [Erik Slettedahl](#)
To: [Maggie Dykes](#)
Cc: [Jill Hutmacher](#)
Subject: RE: Ryan/Thomson Reuters RIG application
Date: Wednesday, February 19, 2025 3:59:05 PM
Attachments: [image002.png](#)
[image003.jpg](#)
[Geo Letter - Thomson Reuter Campus Redevelopment B2409751.pdf](#)
[Resolution 25-07_executed.pdf](#)

This message was sent from outside of the organization. Please do not click links or open attachments unless you recognize the source of this email and know the content is safe.

Hi Maggie,

Yes, the Council adopted the Resolution on February 4th. We were waiting for Ryan to resubmit information for the updated application, which came yesterday. We are still reviewing but can give you the letter from Braun they provided. You will have to let us know if this will be enough. They also have a specific cost estimate for the infill below. I will also ask for an updated timeline which separates the demo from the infill.

Erik

Description	Amount	Unit	Unit Rate	Total
Import and place clean sand	117,500	CY	\$12.96 /CY	\$1,522,800



Erik Slettedahl

Planner/GIS Specialist

3830 Pilot Knob Rd | Eagan, MN 55122

Office: 651-675-5692

<https://link.edgepilot.com/s/5ed130b0/Z4hvj1sDa0iujzTPRRpA7A?>

[u=https://www.cityofeagan.com/](https://www.cityofeagan.com/)

From: Maggie Dykes <mdykes@dakotacda.org>
Sent: Wednesday, February 19, 2025 3:41 PM
To: Erik Slettedahl <erik.slettedahl@eaganmn.gov>
Cc: Jill Hutmacher <jill.hutmacher@eaganmn.gov>
Subject: Ryan/Thomson Reuters RIG application

Hi Erik –

I am checking in on the city's RIG application for the Thomson Reuters redevelopment. Ryan Companies submitted an application in January, which we cannot accept. Did the City Council approve the application yet? I



Board of Commissioners

Request for Board Action

Meeting Date: March 25, 2025

Agenda #: 6C

DEPARTMENT: Community and Economic Development

FILE TYPE: Regular - Informational

TITLE

Presentation Of The 2024 Dakota County Housing Needs Assessment

PURPOSE/ACTION REQUESTED

Presentation of the 2024 Housing Needs Assessment for Dakota County by Bowen National Research.

SUMMARY

Dakota County CDA strives to have a comprehensive housing needs assessment conducted every five years to better understand the current housing stock and future housing needs for the County. The last housing needs assessment was completed in March 2020.

Bowen National Research was selected in March 2024 to conduct a comprehensive housing needs assessment for Dakota County and the 11 largest cities in Dakota County (populations more than 10,000). The study considered demographic characteristics and trends, economic conditions, and the current existing housing stock to identify housing gaps by affordability and tenure (rental versus ownership). The study includes individual sections for each of the 11 largest cities.

Patrick Bowen, founder and President of Bowen National Research, will present findings from the study at the March 25 CDA Board of Commissioners meeting. The CDA has offered to have Mr. Bowen also present to the 11 city councils. CDA staff is working with city staff to schedule those presentations, and those dates will be communicated to the CDA Board of Commissioners.

An Executive Summary is provided in Attachment A. The full report is posted on the CDA's website at: dakotacda.org/wp-content/uploads/2016/01/Dakota-County-MN-Housing-Needs-Assessment_Final2024.pdf

RECOMMENDATION

N/A

EXPLANATION OF FISCAL/FTE IMPACTS

N/A

None Current budget Amendment Requested Other

PREVIOUS BOARD ACTION

None.

ATTACHMENTS

Attachment A: Executive Summary

CONTACT

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

Author: Lisa Alfson

HOUSING NEEDS ASSESSMENT

Dakota County,
Minnesota



BOWEN
NATIONAL
RESEARCH

2024

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Addendum B – Non-Conventional Rental Survey

Addendum C – Senior Care Housing Survey

Addendum D – Community Overview: Apple Valley

Addendum E – Community Overview: Burnsville

Addendum F – Community Overview: Eagan

Addendum G – Community Overview: Farmington

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Addendum O – Methodology and Limitations

Addendum P – Qualifications

Addendum Q – Glossary

Note: For-sale housing data provided upon request.

I. INTRODUCTION

A. PURPOSE

The Dakota County Community Development Agency retained Bowen National Research in March of 2024 for the purpose of conducting a Housing Needs Assessment of Dakota County, Minnesota and its municipalities.

With changing demographic and employment characteristics and trends expected over the years ahead, it is important for the local government, stakeholders and its citizens to understand the current market conditions and projected changes that are anticipated to occur that will influence future housing needs. Toward that end, this report intends to:

- Provide an overview of present-day Dakota County.
- Present and evaluate past, current and projected detailed demographic characteristics.
- Present and evaluate employment characteristics and trends, as well as the economic drivers impacting the area.
- Determine current characteristics of major housing components within the market (for-sale/ownership and rental housing alternatives).
- Provide housing gap estimates by tenure (renter and owner) and income segment.
- Provide an overview of 11 individual municipalities within the county which includes select demographic, economic and housing data.

By accomplishing the study’s objectives, government officials, area stakeholders, and area housing advocates can: (1) better understand the county’s evolving housing market, (2) establish housing priorities, (3) modify, expand, or introduce local government housing policies, and (4) enhance and/or expand the county’s housing market to meet current and future housing needs.

B. GEOGRAPHIC SCOPE

Study Area Delineation

The primary geographic scope of this study is Dakota County, Minnesota. Additionally, supplemental data and analysis are provided for 11 select cities within Dakota County. A full description of the market areas and corresponding maps are included in Section III.

II. EXECUTIVE SUMMARY

The purpose of this report is to evaluate the housing needs of Dakota County, Minnesota and to recommend priorities and strategies to address such housing needs. To that end, we have conducted a comprehensive Housing Needs Assessment that considered the following:

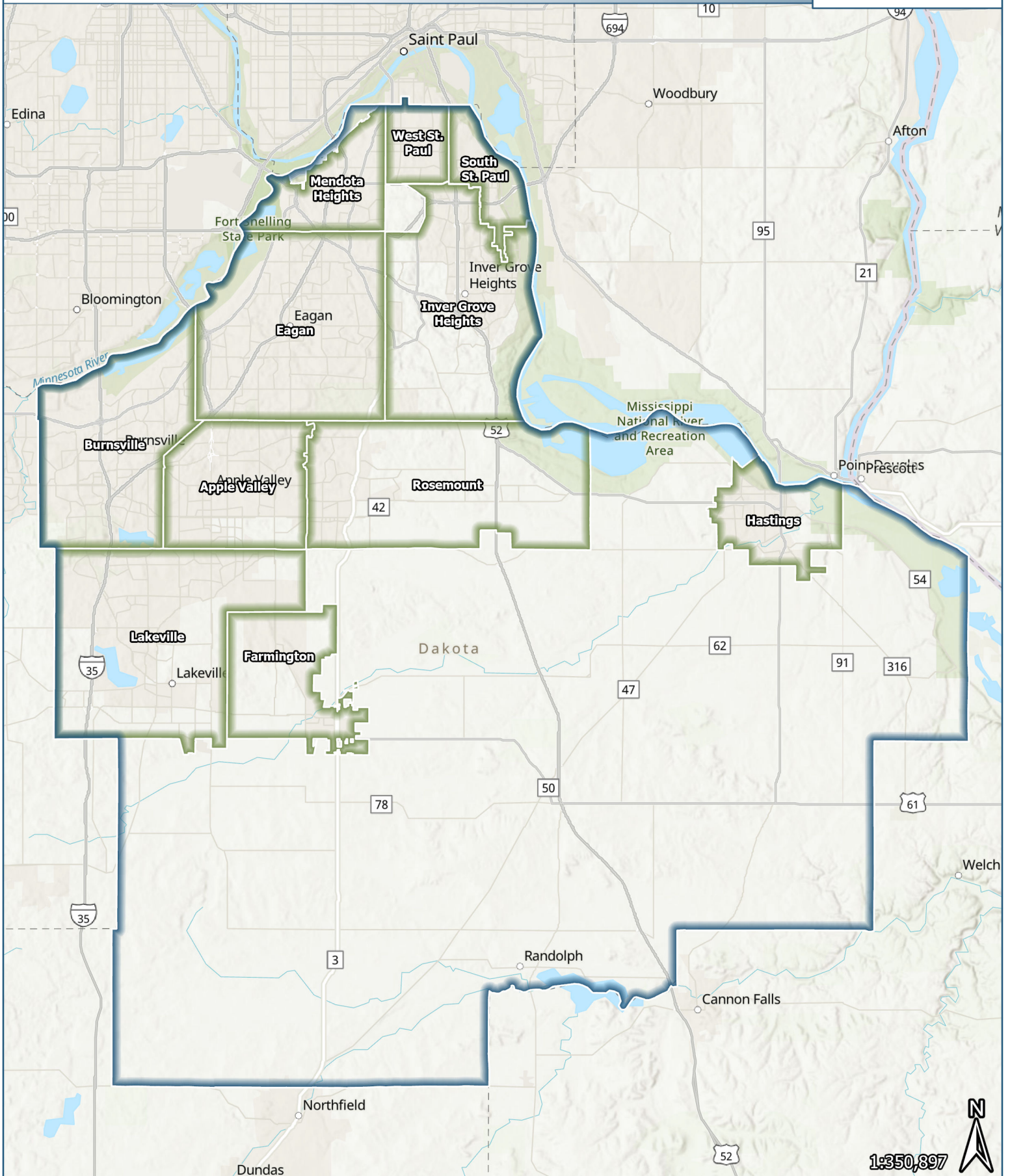
- Demographic Characteristics and Trends
- Economic Conditions and Initiatives
- Existing Housing Stock Costs, Performance, Conditions and Features
- Submarket Analysis for 11 cities within Dakota County (Apple Valley, Burnsville, Eagan, Farmington, Hastings, Inver Grove Heights, Lakeville, Mendota Heights, Rosemount, South St. Paul, and West St. Paul)

Based on these metrics and input, we were able to identify housing gaps by affordability and tenure (rental vs. ownership). Using these findings, we developed an outline of possible strategies that could be considered for implementation. This Executive Summary provides key findings and recommended strategies. Detailed data analysis is presented within the individual sections of this Housing Needs Assessment. Individual submarket analysis is included in the Addendums to this report.

Geographic Study Areas

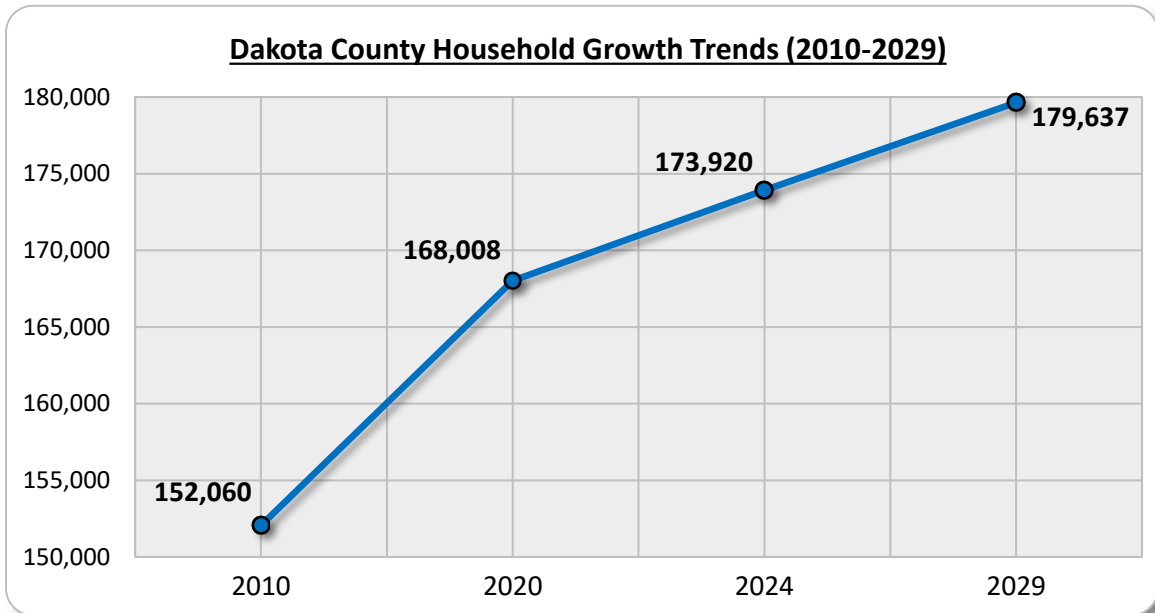
This report focuses on the Primary Study Area (PSA), which consists of Dakota County, Minnesota. *Note that the terms “PSA” and “Dakota County” represent the same area and are used interchangeably throughout this report.* Additionally, supplemental data and analysis are provided for 11 select submarkets within the county. Separate individual analyses for each submarket are included in Addendums D through N of this report.

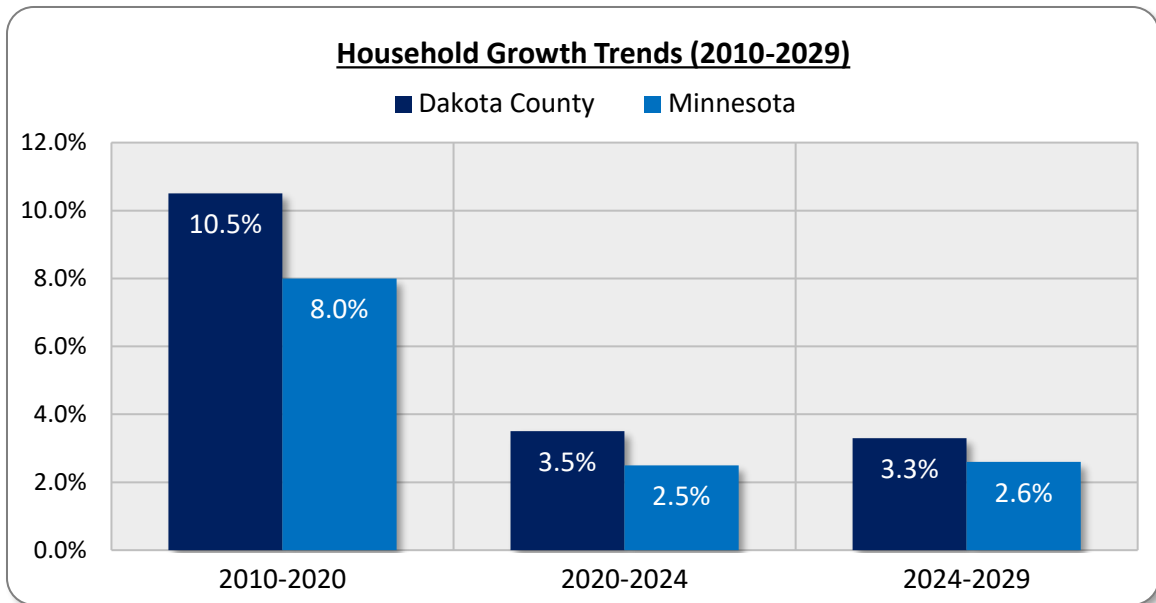
A map of the PSA and the various submarket areas is shown on the following page.



Demographics

The PSA (Dakota County) household base has increased substantially since 2010, a trend which is projected to continue through 2029. The PSA experienced an increase of 21,860 households between 2020 and 2024, an increase of 14.4%. Household growth in the county is projected to increase by 3.3% between 2024 and 2029, adding 5,717 households. Note that household growth in the county has outpaced statewide household growth between 2010 and 2024, and projections indicate that household growth in the county will continue to outpace statewide household growth during the next five years. All 11 PSA submarkets experienced an increase in households between 2010 and 2020, with Lakeville (24.5%) and Rosemount (17.8%) recording the largest percentage increases in household growth during this period. Between 2020 and 2024, 10 of the 11 submarkets experienced positive household growth, with South St. Paul being the lone exception. During this period, Lakeville (11.3%) and Rosemount (10.3%) again experienced the largest percentage increase in household growth. While Apple Valley is projected to experience a slight decrease in households over the next five years, households are projected to increase within the 10 remaining submarkets of the PSA. Individual projected increases among these submarkets range from 0.4% (Inver Grove Heights) to 14.5% (Rosemount).

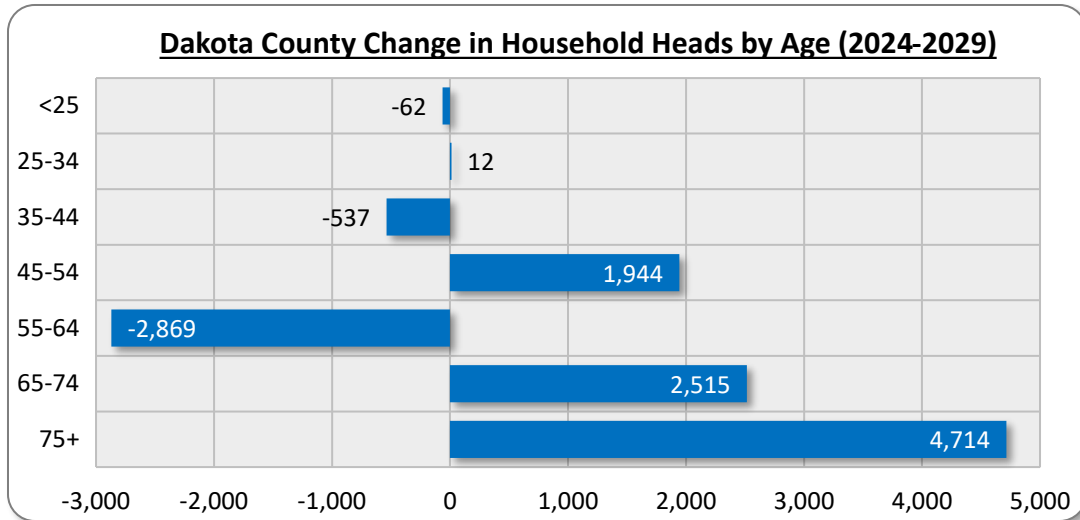




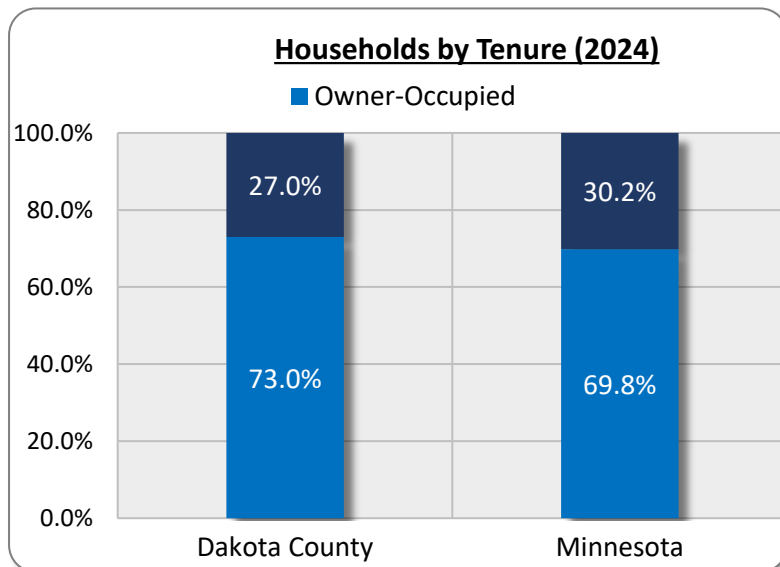
While households are projected to increase within Dakota County between 2024 and 2029, household growth or decline alone does not dictate the total housing needs of a market. Other factors that influence housing needs, which are addressed throughout this report, include: households living in substandard or cost-burdened housing, commuting patterns, pent-up demand (e.g., wait lists), availability of existing housing, and product in the development pipeline.

Household growth concentrated among households between the ages of 45 and 54 and those aged 65 and older will contribute to ongoing demand for family and senior-oriented housing alternatives within Dakota County. Household heads aged 35 to 44 comprise the largest share (20.3%) of the overall household base within the PSA (Dakota County) in 2024, while household heads aged 55 to 64 represent the next largest share (18.7%). Although these age cohorts represent the two largest shares of households in the county, households within both of these age cohorts are projected to decrease between 2024 and 2029. By comparison, households aged 45 to 54 and those aged 65 and older are projected to increase by 6.1% and 15.8%, respectively. The notable projected growth among these household age cohorts in the PSA is consistent with projected statewide household growth trends over the next five years.

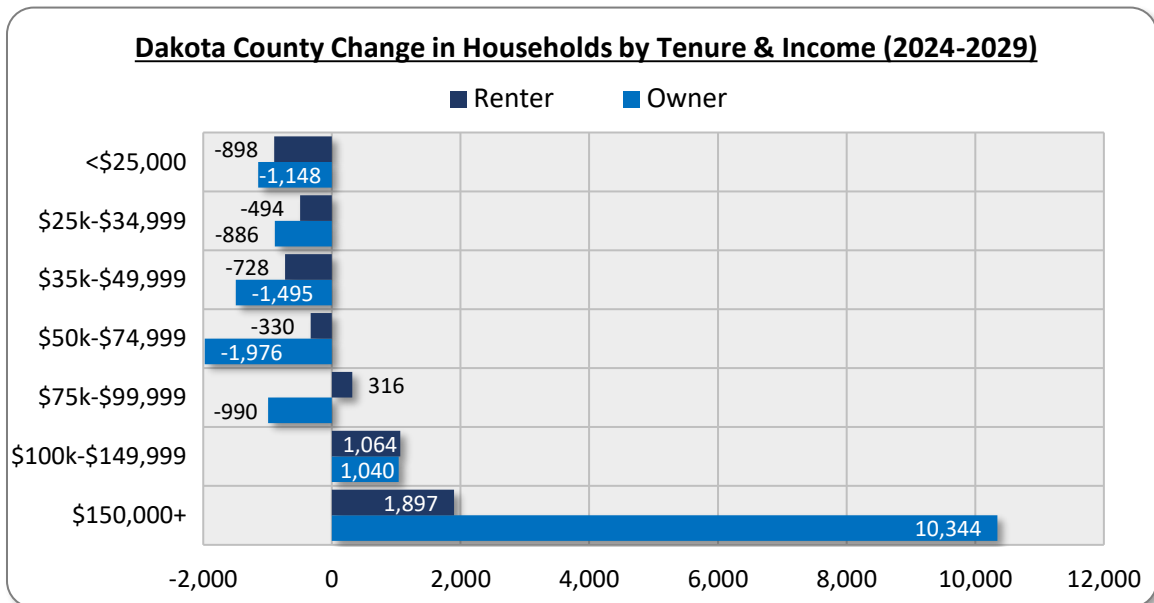
Household heads aged 35 to 44 also represent the largest share of households in six of the 11 PSA submarkets. Although this household age cohort will remain a significant share (between 12.5% and 21.7%) of the total households in each submarket by 2029, the most substantial growth is projected to occur among households aged 65 and older. This senior cohort is projected to increase by 9.5% (Mendota Heights) to 28.3% (Lakeville) over the next five years, with Farmington, Rosemount, and Lakeville all projected to have increases of 22.4% or higher. While demand will remain strong for housing that targets a range of household ages, senior-oriented housing alternatives will likely have the greatest increase in demand over the next five years.



While owner households comprise the vast majority of the total households in the PSA (Dakota County) in 2024, both renter and owner households are projected to increase within the county over the next five years. In 2024, owner households comprise nearly three-quarters (73.0%) of all households within the PSA, with the remaining 27.0% being renter households. This represents a larger share of owner households as compared to the state of Minnesota (69.8%). Although owner households also comprise the majority of households within each of the 11 submarkets, note that West St. Paul (45.1%) and Burnsville (38.3%) have shares of renter households that are well above the county’s share of 27.0%. Overall, the county’s owner households are projected to increase in each of the 11 submarkets over the next five years, while renter households are projected to increase in seven submarkets (declines are projected in the communities of Apple Valley, Burnsville, Farmington, and Inver Grove Heights). It is important to note that factors such as home mortgage interest rates, residential development costs, available land, and utility availability and capacity will affect the type of housing that gets built and the housing needs and preferences (rentals vs. home ownership) of commuters.



Despite growth projections among higher-income households (renter and owner), demand will continue to exist for affordable housing alternatives within Dakota County. Between 2024 and 2029, *renter* household growth is projected to be concentrated among households earning \$75,000 or more, while *owner* household growth is projected to be among households earning \$100,000 or more. While this growth will likely contribute to demand for moderate to higher-priced rental and for-sale product, it is notable that over one-third (36.9%) of all renter households within the county are projected to earn less than \$35,000 in 2029. Thus, it will be important to also give consideration to affordable housing alternatives, particularly rental product, when determining future housing development needs within the county.



Between 2024 and 2029, growth among senior *renter* households (aged 62 and older) is projected to occur across a variety of income levels in Dakota County, while growth among senior *owner* households is projected to occur primarily among households earning \$60,000 or more. Over the next five years, senior *renter* households are projected to increase among a variety of income cohorts in the PSA (Dakota County), with the most substantial growth (46.5%) projected for renters earning over \$60,000 per year. Noteworthy household increases are also projected among senior renters earning between \$40,000 and \$59,999 (487 households, or 13.4%) and those earning below \$10,000 (132 households, or 9.7%). Between 2024 and 2029, senior *owner* households earning \$60,000 or more are projected to increase by 6,032 (23.9%) in the PSA, while senior owner households earning less than \$50,000 are projected to decrease by 1,268 (11.6%) during the same period. As a result, approximately two-thirds (66.6%) of senior owner households in the PSA will earn at least \$60,000 by 2029. These changes will likely have an influence on the demand for senior oriented housing in the county.

Additional demographic data and analysis are included in Section IV of this report.

Economy & Workforce

The Dakota County economy has experienced steady growth in terms of total employment and at-place employment, the unemployment rate has been historically lower than the rate for the state of Minnesota, and continued job growth is projected through 2032. Over the past 10 years, the county's total employment has increased 5.6%, at-place employment (actual jobs in the county, regardless of place of residence) has increased 5.8%, and excluding 2020, the annual unemployment rate in the county has averaged 3.1%. The economy in Dakota County is heavily influenced by the retail trade, manufacturing, healthcare/social assistance, educational, and accommodation/food service sectors, which collectively account for approximately one-half (50.9%) of the employment by sector. Some of the largest employers within the county are engaged in these industry sectors. Although the overall wages in the area result in a median household income that is 17.9% higher than that for the state, individuals working among some of the most common occupations in the county and surrounding MSA (Metropolitan Statistical Area) encounter housing affordability issues. This is particularly true for single wage earning households and those seeking home ownership in the county.

Economic development activity totaling over \$1 billion has been recently completed, currently underway or is planned in the county. These investments and the projected 4.9% growth in employment for the economic planning area between 2022 and 2032 will contribute to the demand for housing within the PSA and the surrounding region. In addition, nearly 100,000 individuals commute into the county daily for employment, of which nearly 13,000 commute more than 50 miles one way. These commuters, particularly those commuting long distances, represent a notable base of potential support for future housing development.

Additional economic data and analysis is included in Section V of this report.

Housing Supply

Despite a median household income of \$102,310 in the PSA (Dakota County), approximately 41,000 households within the county remain *housing cost burdened*. The median home value (\$413,686) and average gross rent (\$1,410) levels reported for Dakota County are approximately 15% and 20% higher than those reported for the state of Minnesota. This contributes to higher shares of households being housing cost burdened (paying more than 30% of their income toward housing costs) within the county. Specifically, 47.0% of renter households and 17.0% of owner households are housing cost burdened within Dakota County. As such, approximately 19,200 renter households and nearly 21,900 owner households within the county are housing cost burdened. Of these, approximately 8,940 renter households and 7,329 owner households are *severe* housing cost burdened (paying 50% or more of their income toward housing costs). Overall, this data illustrates the importance of affordable rental and for-sale housing for the residents of Dakota County.

The overall multifamily rental supply is operating at a healthy 95.7% occupancy rate, yet affordable rentals (Tax Credit and government subsidized) are operating at limited availability levels and maintain long wait lists. Among the 27,211 multifamily units included in the county’s survey of 229 apartments, 1,161 are vacant. This results in an overall vacancy rate of 4.3%, which is within the 4% to 6% range that is typically considered healthy for multifamily product. While only 2.3% of Tax Credit units are vacant within the county, there are no vacancies among the government-subsidized units. In addition, wait lists comprising up to 3,074 households for Tax Credit units and 3,838 households for subsidized units exist within the PSA, with an additional 5,277 households on wait lists for affordable housing maintained by the Dakota County CDA. This illustrates the very high level of demand for affordable rentals in the county. The market-rate multifamily units in the PSA have an overall vacancy rate of 4.8% (95.2% occupancy rate), which is reflective of a healthy, well-balanced market. However, it should be noted that nearly half of the vacant market-rate units are within recently opened properties that are still in their initial lease-up period. Overall, the low vacancy rates and noteworthy wait lists for multifamily rentals in Dakota County indicate there is strong and pent-up demand for this type of housing product. As a result, development opportunities for multifamily rentals targeting various income levels likely exist within the county. The following table summarizes the surveyed multifamily properties within the county (Note: Some properties operate under mixed-income programs, such as “Market-Rate/Tax Credit” or “Market-Rate/Government Subsidized”). Additional details of the surveyed multifamily properties are included in this report starting on page VI-9.

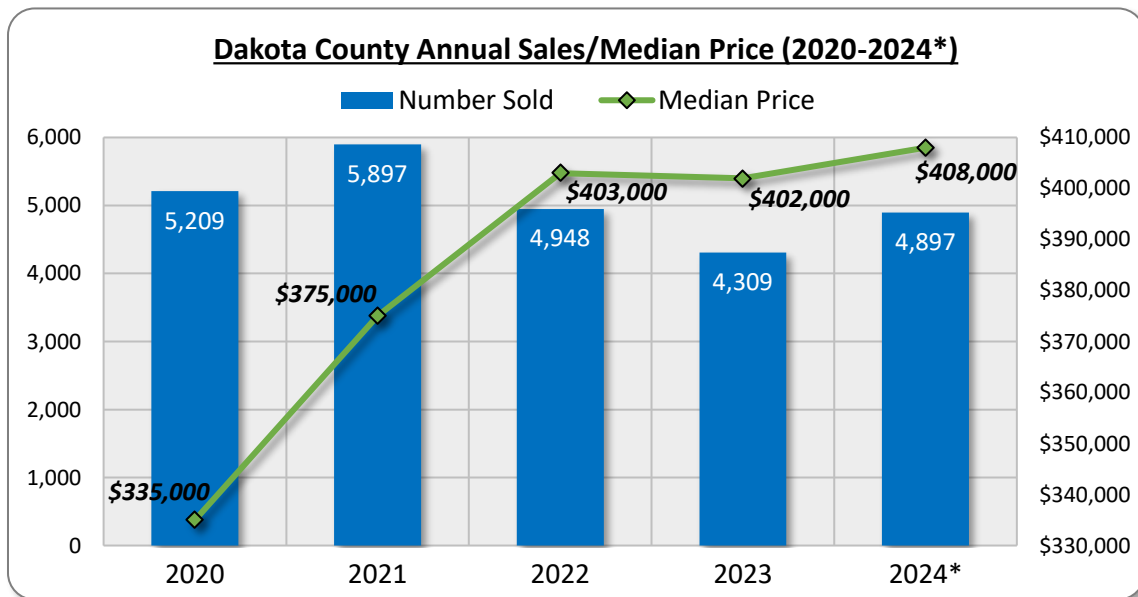
Surveyed Multifamily Rental Housing – Dakota County, MN				
Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-Rate	139	21,662	1,050	95.2%
Market-Rate/Tax Credit	4	704	74	89.5%
Market-Rate/Government-Subsidized	1	172	4	97.7%
Tax Credit	65	3,625	33	99.1%
Tax Credit/Government-Subsidized	12	709	0	100.0%
Market-Rate/Tax Credit/Government-Subsidized	1	104	0	100.0%
Government-Subsidized	7	235	0	100.0%
Total	229	27,211	1,161	95.7%

Source: Bowen National Research

Non-conventional rental units, such as houses, duplexes and mobile homes, comprise approximately one-third of all rental units in the PSA (Dakota County) but also have limited availability. Non-conventional rentals with four or fewer units per structure and mobile homes comprise 34.7% of rental units in Dakota County. While this represents a significantly smaller share of the overall rental supply compared to multifamily rentals, these units account for more than 14,000 rental units in the county. During August and September 2024, Bowen National Research identified 83 non-conventional rentals in Dakota County that were listed as *available* for rent. When compared to the overall non-conventional inventory of the PSA, these available units represent an overall vacancy rate of

0.6%, which is considered very low. Within four submarkets of the county (Farmington, Lakeville, Rosemount, and South St. Paul), non-conventional rentals comprise over 50% of the total rental supply. The vacancy rates in these submarkets range from 0.2% (South St. Paul) to 1.2% (Farmington). As such, limited availability is a prevalent issue throughout Dakota County. While these rentals offer an alternative to home ownership, the median rents for the non-conventional units in the PSA are notably higher than the corresponding Tax Credit rents. As a result, it is unlikely that most low-income households in the area could afford a non-conventional rental, even if such a unit were readily available.

Annual home sales volume has declined in Dakota County since 2021, while the median sales price appears to have recently stabilized following notable increases in both 2021 and 2022. The number of homes sold (sales volume) within the PSA (Dakota County) increased by 13.2% between 2020 and 2021 but then declined by 16.1% in 2022 and 12.9% in 2023. Based on sales transactions through July 2024, sales volume in the PSA is projected to increase by 13.6% through year end 2024; however, this is solely based on sales year-to-date, and recent trends indicate a slowing in sales volume. Although the median sales price of homes sold in the PSA increased nearly 22.0% between 2020 and 2024, it is important to point out that nearly all of this increase occurred in 2021 and 2022. Since 2022, the median sales price increased only 1.2% through July 2024, indicating that pricing may be stabilizing in the market, which is mirroring many U.S. markets. Overall, 58.8% of home sales between January 2020 and July 2024 in the PSA were in the Lakeville (22.6%), Burnsville (12.7%), Eagan (12.5%), and Apple Valley (11.1%) submarkets. Four of the PSA submarkets report median sales prices which are higher than that reported for the PSA (\$380,000), with the highest median sales price (\$530,000) reported within the Mendota Heights Submarket. Conversely, the lowest median sales price reported among the various PSA submarkets (\$270,000) is within the South St. Paul Submarket.



*2024 full year projection

Available for-sale housing is limited throughout Dakota County, and nearly one-half of this inventory is priced at \$400,000 or higher. There are two inventory metrics most often used to evaluate the health of a for-sale housing market. These metrics include *Months Supply of Inventory* (MSI) and *availability rate*. Based on recent monthly absorption rates in the county, the homes listed as available for purchase in the PSA represent approximately 1.4 months of supply. Typically, healthy and well-balanced markets have an available supply that should take about four to six months to absorb (if no other units are added to the market). Therefore, the PSA inventory is considered relatively low and indicative of limited available supply. When comparing the available 579 units with the overall inventory of owner-occupied units (128,582), the PSA has a vacancy/availability rate of 0.5%. This availability rate is below the normal range of 2.0% to 3.0% for a well-balanced for-sale/owner-occupied market and is reflective of a limited supply of available for-sale housing.

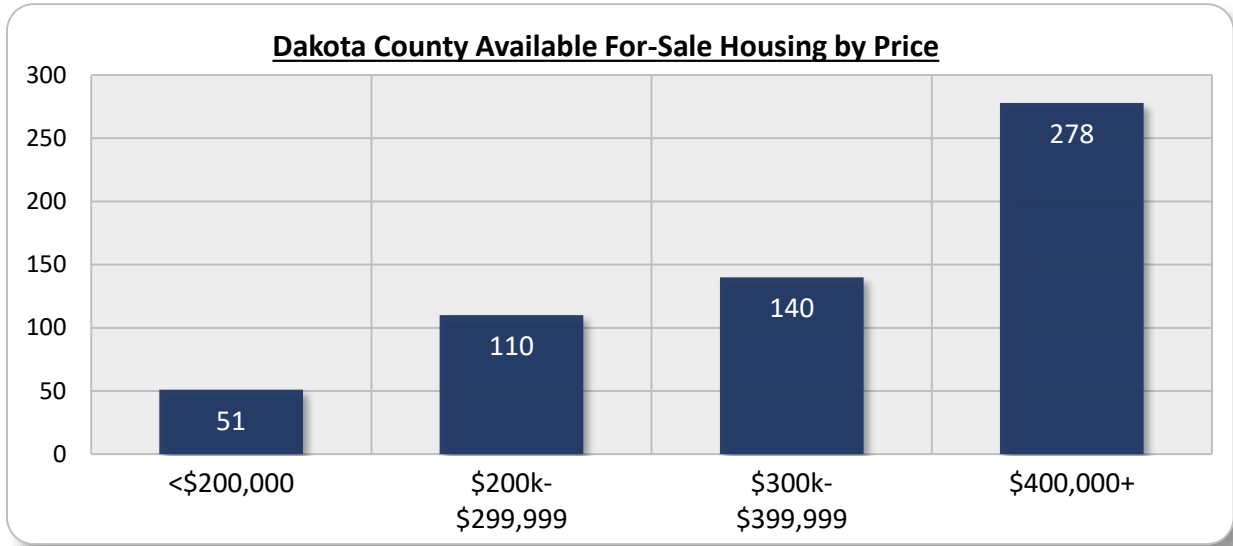
The following table summarizes key metrics for the available for-sale residential units in the PSA (Dakota County) and the PSA submarkets as of July 31, 2024.

Available For-Sale Housing – Dakota County, MN (As of July 31, 2024)							
	Total Units	% Share of County	Availability Rate / MSI	Average List Price	Median List Price	Average Days on Market	Average Year Built
Apple Valley	80	13.8%	0.5% / 1.7	\$372,169	\$367,500	42	1991
Burnsville	97	16.8%	0.6% / 1.8	\$344,839	\$340,000	34	1983
Eagan	62	10.7%	0.3% / 1.3	\$402,942	\$339,839	34	1988
Farmington	36	6.2%	0.5% / 1.2	\$397,881	\$378,530	63	2005
Hastings	17	2.9%	0.3% / 0.9	\$383,594	\$345,000	29	1976
Inver Grove Heights	37	6.4%	0.3% / 1.4	\$434,633	\$340,000	31	1994
Lakeville	121	20.9%	0.6% / 1.3	\$533,830	\$494,797	47	2006
Mendota Heights	17	2.9%	0.5% / 1.7	\$978,459	\$615,000	91	1985
Rosemount	50	8.6%	0.6% / 1.4	\$414,086	\$382,450	44	2009
South St. Paul	14	2.4%	0.2% / 0.7	\$268,964	\$277,450	69	1941
West St. Paul	26	4.5%	0.5% / 1.4	\$400,487	\$284,900	27	1970
Balance of County	22	3.8%	-	\$805,064	\$579,450	48	1984
Dakota County	579	100.0%	0.5% / 1.4	\$447,241	\$395,000	43	1992

Source: Redfin.com & Bowen National Research
MSI – Months Supply of Inventory

As the preceding illustrates, availability rates among the individual submarkets range from 0.2% (South St. Paul) to 0.6% (Burnsville, Lakeville, and Rosemount). Months Supply Inventory for the submarkets ranges from 0.7 months (South St. Paul) to 1.8 months (Burnsville). As such, for-sale housing availability is a challenge throughout Dakota County. In total, 10 submarkets (including the Balance of County) have a median list price of \$339,839 or higher, with Mendota Heights (\$615,000) having the highest median list price in the PSA. Overall, 278 (48.0%) of the available for-sale homes in the PSA have a list price of \$400,000 or higher, while only 51 (8.8%) are priced under \$200,000.

The following graph illustrates available for-sale housing by price point for the PSA (Dakota County).



Occupancy rates among existing senior care facilities demonstrate very strong demand for senior care housing, particularly independent and assisted living product. A total of 60 senior care facilities comprising 3,946 units were surveyed within Dakota County. The county is reporting an overall occupancy rate of 92.8% for the surveyed senior care facilities. Within individual project types, independent living facilities within the PSA have an overall occupancy rate of 95.9%, while assisted living and nursing care facilities report overall occupancy rates of 94.2% and 81.7%, respectively. Notably, the occupancy rates reported for independent and assisted living facilities are well above the national median occupancy rates reported for such facility types. While the overall occupancy rate for skilled nursing facilities (81.7%) is lower than those reported for independent and assisted living facilities, it is very similar to the national median occupancy rate (82.0%) for similar product. Lower than typical occupancy rates are not uncommon among skilled nursing care facilities due to the higher than typical turnover rates associated with this type of care. Within the individual PSA submarkets, occupancy rates among the senior care facilities surveyed are also generally similar to, if not higher than, national median occupancy rates for similar product. This indicates that demand is strong for various senior care housing types throughout the Dakota County area. In addition, demographic projections over the next five years indicate that senior households, age 65 and older, are expected to increase by 7,229 households (15.8% increase) in Dakota County. These demographic projections suggest that demand for senior-oriented housing alternatives, including senior care facilities could increase in the coming years. Nonetheless, the occupancy rates among existing senior care facilities should continue to be monitored to ensure adequate demand exists for such product when considering future senior care development within Dakota County.

Additional housing supply information is included in Section VI.

Housing Gap Estimates

Dakota County has an overall five-year (2024 to 2029) housing gap of 28,452 units for rental and for-sale product at a variety of affordability levels. It is projected that Dakota County has a five-year **rental housing gap of 8,339 units** and a **for-sale housing gap of 20,113 units**. While there are housing gaps among all affordability levels of both rental and for-sale product, the *rental* housing gap is heavily concentrated for product with rents less than \$931, though significant rental demand also exists for rents between \$932 and \$2,484. The *for-sale* housing gap is primarily for product priced \$248,401 or higher, with the majority of demand for this segment being for product priced between \$331,201 and \$476,100. Details of this analysis, including methodology and assumptions, are included in Section VII.

The following tables summarize the approximate housing gap estimates in the PSA (Dakota County) over the next five and 10 years.

Dakota County, Minnesota					
Rental Housing Gap Estimates					
Percent of Median Income	≤ 30%	31%-60%	61%-80%	81%-115%	116%+
Household Income Range	≤ \$37,260	\$37,261-\$74,520	\$74,521-\$99,360	\$99,361-\$142,830	\$142,831+
Monthly Rent Range	≤ \$931	\$932-\$1,863	\$1,864-\$2,484	\$2,485-\$3,570	\$3,571+
Overall Rental Units Needed (2024-2029)	3,276	1,625	1,557	1,085	796
<i>Five-Year (2024-2029) Projection Total</i>					8,339
Overall Rental Units Needed (2024-2034)	6,560	3,929	3,713	3,362	1,779
<i>10-Year (2024-2034) Projection Total</i>					19,343

Dakota County, Minnesota					
For-Sale Housing Gap Estimates					
Percent of Median Income	≤ 30%	31%-60%	61%-80%	81%-115%	116%+
Household Income Range	≤ \$37,260	\$37,261-\$74,520	\$74,521-\$99,360	\$99,361-\$142,830	\$142,831+
Price Point	≤ \$124,200	\$124,201-\$248,400	\$248,401-\$331,200	\$331,201-\$476,100	\$476,101+
Overall For-Sale Units Needed (2024-2029)	0	1,730	4,305	10,253	3,825
<i>Five-Year (2024-2029) Projection Total</i>					20,113
Overall For-Sale Units Needed (2024-2034)	0	3,460	8,695	21,881	8,305
<i>10-Year (2024-2034) Projection Total</i>					42,341

* Based on Bowen National Research's survey of area rentals and MLS inventory of available homes

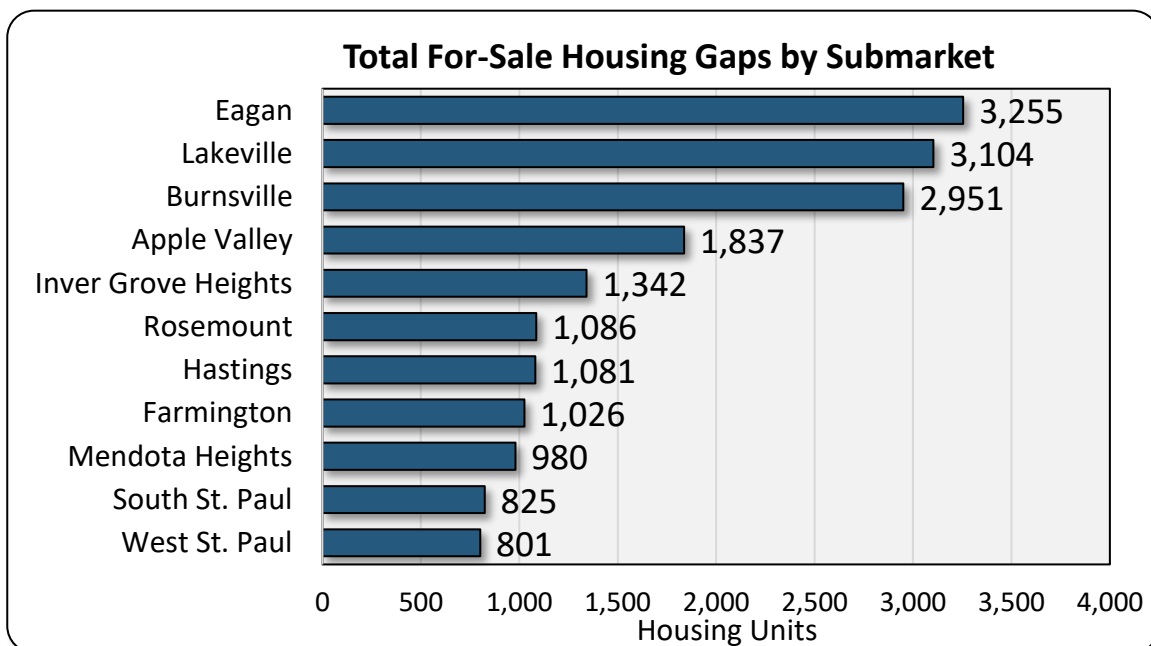
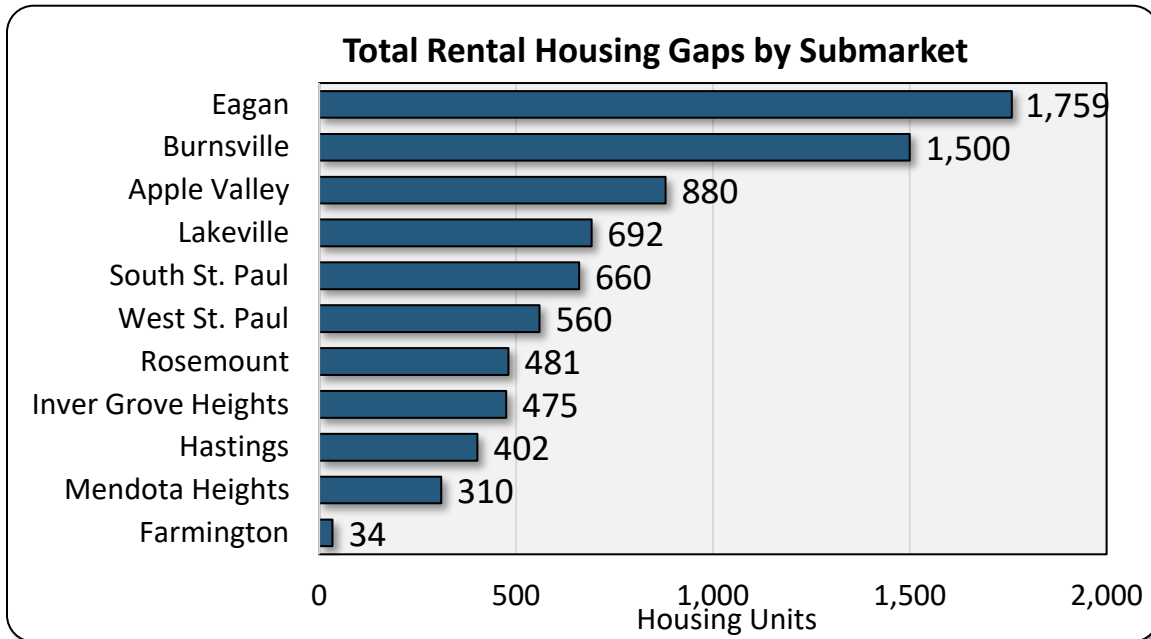
**Based on ESRI/ACS estimates of units lacking complete indoor plumbing or are overcrowded

^Based on Bowen National Research proprietary research and ACS migration patterns for Dakota County

^^Based on ESRI/ACS estimates of households paying 50% or more of income toward housing

Overall, there is potential support for a variety of residential development alternatives in the PSA (Dakota County). It is important to understand that the housing demand estimates shown in this report assume no major changes occur in the local economy and that the demographic trends and projections provided in this report materialize.

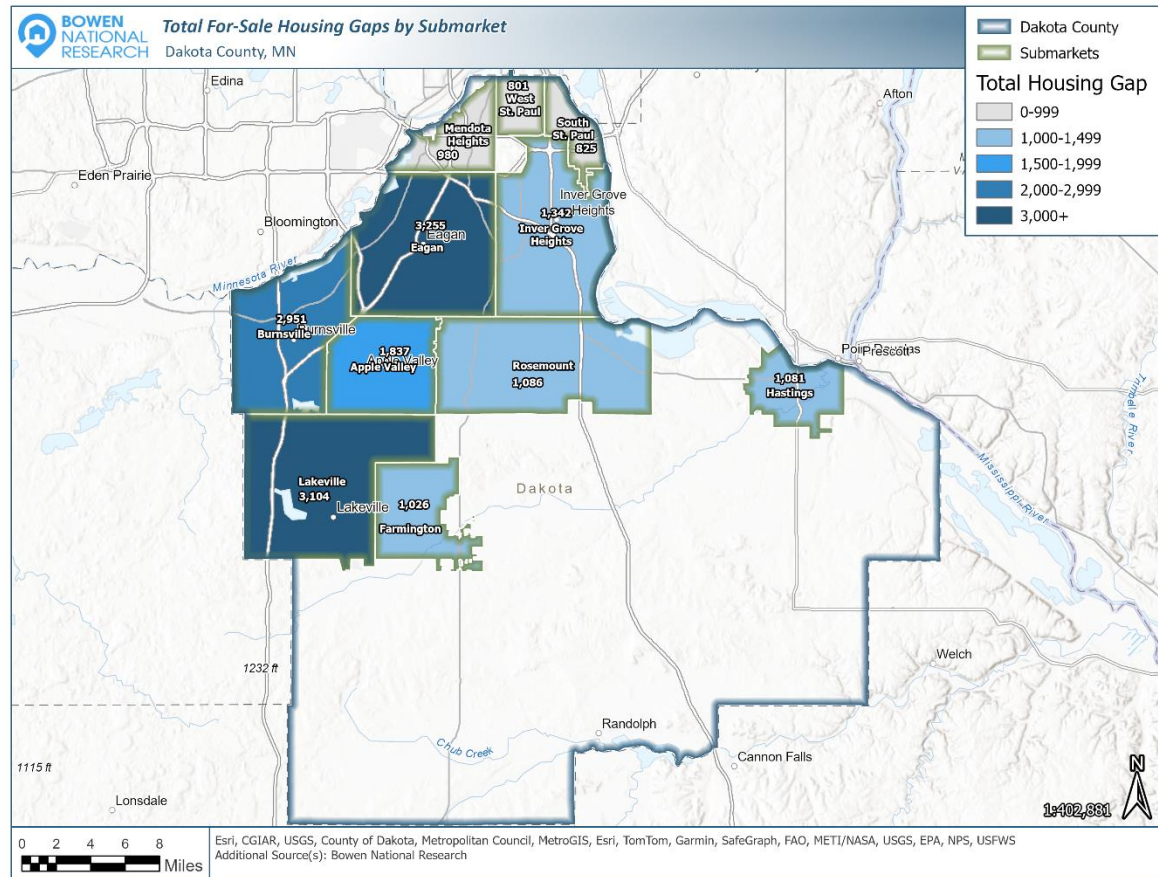
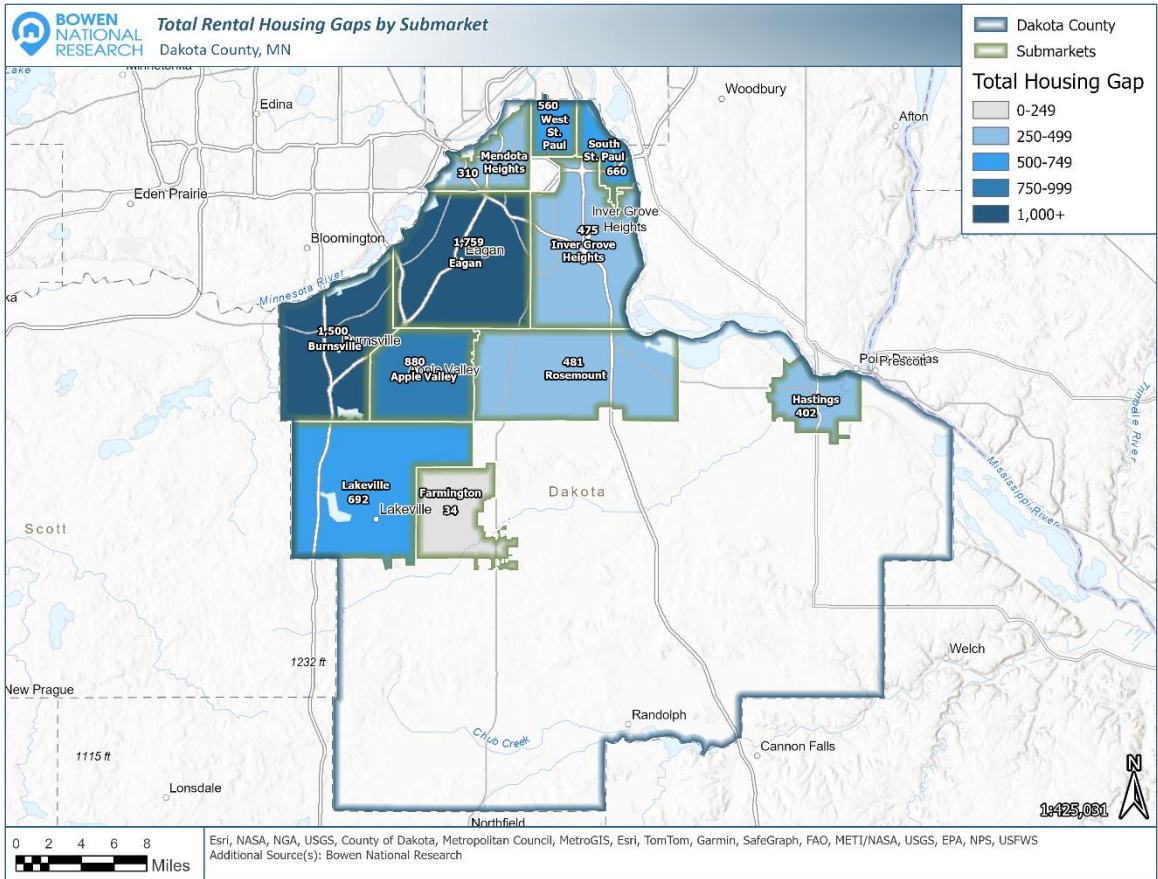
The following graphs illustrate the overall five-year (2024-2029) rental and for-sale housing gaps for each of the 11 submarkets evaluated in this report. Note that the tables only show gaps for individual communities and exclude gaps for the balance of the county (586 rental units and 1,825 for-sale units).



As the preceding graphs illustrate, the Eagan, Burnsville, and Apple Valley submarkets have the largest *rental* housing gaps, while the communities of Eagan, Lakeville and Burnsville have the largest *for-sale* housing gaps within the county.

It is critical to understand that the estimates provided in this report (both rental and for-sale) represent potential units of demand by targeted income level. The actual number of units that can be supported will ultimately be contingent upon a variety of factors including the location of a project, proposed features (i.e., pricing, amenities/features, bedroom type, unit mix, square footage, etc.), product quality, design (i.e., townhouse, single-family homes, or traditional rental units), management and marketing efforts. As such, each targeted segment outlined in the preceding tables included in this section may be able to support more or less than the number of units shown in the table. The potential number of units needed should be considered a general guideline to residential development planning.

Maps illustrating the overall rental and for-sale housing gaps are shown on the following page. Individual submarket housing gap estimates by *household income level* are provided starting on page VII-9 and Addendums D through N.



Recommended Housing Strategies

The following summarizes key strategies for Dakota County that should be considered to address housing issues and needs of the market. These strategies do not need to be done concurrently, nor do all strategies need to be implemented to create an impact. Instead, the following housing strategies should be used as a guide by the local government, stakeholders, developers and residents to help inform housing decisions.

Consider Capacity Building that will Expand the Base of Participants and Resources that can be Utilized to Address Housing Issues and Consider Identifying a “Housing Champion” – While having a Housing Needs Assessment completed for the area is a fundamental first step in understanding and quantifying housing needs and opportunities, local stakeholders and advocates should explore the level of interest of community leaders and local housing advocates on creating either a volunteer-based housing coalition or a more formal commission/task force. Such a group would serve as the “housing champion” that would investigate and discuss housing issues and devise possible solutions and advise local government on possible housing initiatives. Consideration should also be given to hiring or retaining a housing specialist/professional that would be responsible for research or facilitating housing initiatives on a regular basis. This can be an individual already working for a municipality or county government, someone that works for a nonprofit group, or an existing housing advocacy group.

Set Realistic and Attainable Short-Term Housing Goals, Outline Long-Term Objectives, and Monitor Progress – Using the housing needs estimates and recommendations provided in this report as a guide, as well as the 10-year housing goals established by the Metropolitan Council (<https://metro council.org/Housing/Planning.aspx>), the county and/or individual communities could set realistic short-term (two to three years) housing development goals along with long-term (five years or longer) objectives to support housing. Short-term goals could focus on establishing an Action Plan that outlines priorities, such as broad housing policies, initiatives, and incentives that support the preservation and development of residential units. The recommendations included in this section could serve as a guide for developing an Action Plan. Long-term objectives could include establishing a goal for the number of housing units that could be built or repaired and broadly outline the types of housing that could be considered, such as rentals and for-sale housing, as well as geographical locations (e.g., within areas near established community services, selected neighborhoods, etc.). The goals could also broadly outline affordability (e.g., income levels) objectives and market segments (e.g., families, seniors, etc.) that could be served. From such goals, the county could periodically collect key metrics (e.g., vacancy rates, changes in rents/prices, reassess cost burdened and substandard housing, evaluate housing cost increases relative to income/wage growth, etc.) so that they can monitor progress and adjust efforts to support stated goals.

The Dakota County Community Development Agency (CDA) and Individual Communities Should Continue to Work Collaboratively to Address Housing Issues – It is clear from this report that the various communities share many similar attributes and challenges, along with an interdependence, with overall Dakota County. It will be important that the Dakota County CDA continue to work together with local municipalities to address mutual housing issues whenever possible. This may be in the form of formally establishing a housing commission or task force, pursuing joint grant applications, encouraging agreements over infrastructure, holding joint strategic housing planning sessions and/or work groups, supporting capacity building through the pairing of community and county resources, and increasing the impact of development incentives through the use of complementary policy tools. Additional discussion and examples of such strategies can be found on the Local Housing Solutions website at: www.Localhousingsolutions.org

Consider Implementing or Modifying Policies to Encourage and Support the Development of New Housing and the Preservation of Existing Housing – One of the key findings from this report is that there is *limited availability* among the existing housing stock in the county. While there is notable residential development currently in the development pipeline for many areas of the county, there are still considerable housing gaps that exist for both rental and for-sale product. The lack of available housing likely limits the full potential for demographic and economic growth within the county. Many residents that seek new housing, as well as persons/households looking to relocate to the area, have very few options from which to choose, particularly among the more affordable housing alternatives. Although the Dakota County Community Development Agency (CDA) offers a variety of programs, assistance, and incentives that support local housing efforts, it is possible such initiatives could be expanded and/or implemented on a local municipal level. While this study did not include an evaluation of existing building codes, zoning, programs or incentives, local government could consider supporting housing policies such as promoting development in currently underdeveloped portions of the county (e.g., expansion of public utilities), modifying unit size requirements (allowing for smaller units), supporting or leveraging developer incentives (e.g., Qualified Opportunity Zones, TIF districts, tax abatements, etc.), waiving/deferring/lowering government fees, supporting rehabilitation and renovation efforts through the existing Home Improvements Area (HIA) program, and exploring other measures specifically targeted to the types of housing (e.g., affordable, senior, etc.) that lead to meeting local housing goals. In an effort to support more affordable housing alternatives, the county should consider supporting projects being developed with affordable housing development programs (e.g., Tax Credit and HUD programs), providing or expanding pre-development financial assistance, supporting and expanding the existing Housing Trust Fund, supporting and expanding the existing land bank, and supporting or expanding low-interest or forgivable loans and grants to lower income households that can be used to cover costs directly associated with the repairs and maintenance of the existing housing stock. Overall, consideration should be given to focusing efforts on programs that

support low-income households (seniors and families), workforce households, and lower income first-time homebuyers, all of which appear to face some of the greatest housing challenges in the county. While housing programs such as those offered by/through the Dakota County Community Development Agency could be expanded within the county, local municipalities could explore creating or expanding housing programs and policies to support local housing goals. Given the variety and complexity of many housing initiatives, area housing advocates may want to learn more about such initiatives at: www.Localhousingolutions.org

Explore Efforts to Encourage the Development of Senior-Oriented Housing to Enable Seniors to Transition into More Maintenance-Free Housing – Dakota County has a large and growing base of seniors. Currently, there is a limited inventory of *available* housing in the market, and senior care facilities are operating at high occupancy rates, specifically independent living (95.9%) and assisted living (94.2%) projects. While one senior care facility is currently under construction, and another facility is currently in the planning phase (at the time of this study), senior households (aged 65 and older) in Dakota County are projected to increase by 7,229 households between 2024 and 2029. As a result, seniors in the county who wish to downsize into smaller, more maintenance-free independent rental housing or senior care housing will have difficulty finding housing that meets their needs, allowing them to age in place. It is recommended that the additional development of senior-oriented housing be supported, with possible incentives to encourage such development.

Support Efforts to Encourage the Development and Preservation of Workforce Housing - As this study shows, there is a large base (42.1%) of lower-income households earning less than \$50,000 annually, particularly renter households. The survey of affordable rental alternatives such as Tax Credit and government-subsidized rentals reveals very few vacancies and long wait lists, while affordable for-sale housing alternatives priced under \$200,000 have limited availability. Given the financial challenges developers often experience in developing affordable housing, local housing supporters and advocates may want to explore creating or offering housing assistance (e.g., gap financing, low-interest loans, donating or selling land at a discount, infrastructure assistance, etc.) to increase the likelihood that affordable housing is developed and preserved.

Support and Expand Education and Outreach Campaign to Help Support Housing Initiatives - Educating the public (e.g. elected officials, housing advocates, lenders, property owners, employers, citizens, etc.) on the importance of and need for different housing types should be areas of focus in Dakota County. Using any existing and newly created housing education initiatives, local stakeholders could develop an education/outreach program with a focused objective that ultimately supports local housing efforts. The program could, for example, include continued support of Dakota County CDA’s educating landlords on the Housing Choice Voucher program and informing potential homebuyers about homebuying requirements and assistance (credit repair, down payments, etc.), and advising existing homeowners on home repair assistance and home maintenance. Additional outreach efforts should involve both informing and engaging area residents, elected officials, area employers and other stakeholders on the benefits of developing affordable housing for the workforce and seniors. Such efforts could help to mitigate stigmas associated with affordable housing, illustrate the benefits such housing has on the local economy, and help to get the community to “buy in” on housing initiatives. Annual or other periodic housing forums, or workshops, preparing annual reports or marketing material could be used to help communicate housing advocate messaging. Ideas on community engagement and outreach can be found at:

<https://localhousingsolutions.org/plan/engaging-the-community-in-the-development-of-a-local-housing-strategy/>

OR

<https://housingtoolkit.ca-ilg.org/how-engage-your-community-tiers-public-engagement-framework>

Explore and Encourage Development Partnerships – Government entities within the county may want to establish relationships with other entities to support housing development efforts. This may include relationships with nonprofit groups such as the Community Action Partnership (CAPSCD) that serves Dakota County, Habitat for Humanity, local businesses and private sector developers. Assistance, input, and collaboration among these entities with an emphasis on complementing the existing Economic Development Strategy and other economic and housing related programs provided by/through the Dakota County Community Development Agency could also contribute substantially to future housing development opportunities within the county. The consolidation of the public and private sector’s efforts for certain housing initiatives can lead to improved efficiencies, larger financial capacities, and more cohesive residential development efforts. For example, this could include a large employer providing financial benefits (e.g., down payment assistance) to its qualified employees (possibly those earning below a certain income level) to reside at a residential development in which the county is providing tax abatements or other incentives for the developer/property owner. There are numerous examples around the country of public-private sector partnerships that could be explored further for potential replication in Dakota County.

Market Dakota County's Housing Needs and Opportunities to Potential Residential Development Partners and Promote Existing Housing Resource Center – Using a variety of sources, the county should attempt to identify and market itself to the residential developers (both for-profit and nonprofit), real estate investors, housing advocacy groups and others active in the region. Identification could be through trade associations, published lists of developers, real estate agents or brokers, and other real estate entities in the region. Marketing of the county through trade publications, direct solicitation or public venues (e.g., housing and economic conferences) should be considered. The promotion of market data (including this Housing Needs Assessment), development opportunities, housing programs and incentives should be the focus of such efforts. While many economic and housing resources are already available on the Dakota County Community Development Agency website, it is important that area stakeholders are educated on these resources in order to maximize the impact of the information that is currently accessible. Some of the most commonly included resources on similar websites include:

- Potential Residential Sites
- Building & Zoning Regulations
- Development Incentives
- Demographic & Economic Data
- Local Housing Assistance Programs
- Local Housing Supply Data
- Government & Advocate Contacts
- Infrastructure & Public Works Information

Consider Implementing a Marketing Plan and Developing Housing that Will Attract Some of the Nearly 100,000 Commuters that Travel into the County to Become Permanent Residents – Nearly 100,000 people commute to Dakota County for employment, with more than 12,800 of these commuters traveling more than 50 miles each way. These commuters represent a large base of potential household growth for Dakota County should housing that meets their needs become available within the area. It is recommended that local housing advocates consider developing a marketing plan to encourage people commuting into Dakota County to *move to the county*. This could include working collaboratively with the local chamber of commerce, area employers and developers to identify and promote key assets of the community and housing opportunities that exist in the market (assuming more housing is added to the market in the near future). The marketing plan should include a realistic timeline, strategies to be implemented, responsible parties, and ultimate goals and outcomes of the marketing efforts.



Board of Commissioners

Request for Board Action

Meeting Date: March 25, 2025

Agenda #: 6D

DEPARTMENT: Administration

FILE TYPE: Regular - Informational

TITLE

Legislative Update

PURPOSE/ACTION REQUESTED

Receive an update on federal and state legislative activities as they relate to the Dakota County CDA.

SUMMARY

Staff will provide updates on state and federal legislative activities of interest to the Dakota County CDA.

ATTACHMENTS

None.

CONTACT

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Author: Sara Swenson