Board Packet

May 15, 2018

3:00 pm – CDA Board Meeting

CDA Office, 7645 Currell Blvd., Woodbury

AFFIDAVIT OF PUBLICATION

STATE OF MINNESOTA)
COUNTY OF WASHINGTON) ss

Darlene MacPherson being duly sworn on an oath, states or affirms that he/she is the Publisher's Designated Agent of the newspaper(s) known as:

Stillwater Gazette

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

WASHINGTON

with additional circulation in the counties of:

WASHINGTON

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 04/27/2018 and the last insertion being on 04/27/2018.

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: D. MacPherson
Designated Agent

Subscribed and sworn to or affirmed before me on 04/27/2018 by Darlene MacPherson.

Pauline L. Lee
Notary Public

PAULINE L LEE
Notary Public-Minnesota
My Commission Expires Jan 31, 2021

Rate Information:
(1) Lowest classified rate paid by commercial users for comparable space:
$40.00 per column inch

Ad ID 807978

WASHINGTON COUNTY
COMMUNITY DEVELOPMENT AGENCY
7645 CURRELL BOULEVARD
WOODBURY, MN 55125
NOTICE OF PUBLIC HEARING ON THE ADOPTION OF THE 2019 WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY LOW INCOME HOUSING TAX CREDIT QUALIFIED ALLOCATION PLAN

NOTICE IS HEREBY GIVEN that the Washington County Community Development Agency ("CDA") Board of Commissioners will hold a public hearing on May 15, 2018 at, or about, 3:00 p.m. in the CDA board room at 7645 Currell Boulevard, Woodbury, MN 55125 for the purpose of discussing and adopting the 2019 Washington County Low Income Housing Tax Credit Qualified Allocation Plan pursuant to Section 42 of the Internal Revenue Code of 1986, as amended. A copy of the draft 2019 Plan is on file and available for review by the public at the CDA office, by calling 651-458-0936, and on its website: www.washingtoncountycda.org.

Date of Publication April 27, 2018

BY ORDER OF THE BOARD OF COMMISSIONERS OF THE WASHINGTON COUNTY CDA
/s/Barbara Dacy
Executive Director

The Washington County CDA is subject to Title II of the Americans with Disabilities Act, which prohibits discrimination on the basis of disability by public entities. Information regarding the provisions of the Americans with Disabilities Act is available from the HRA office at 651-458-0936. Auxiliary aids for disabled persons are available upon request at least 72 hours in advance of an event. Please call 651-458-0936 (MN Relay Service 1-800-627-3529) to make arrangements.

Published in the
Stillwater Gazette
April 27, 2018
807978

AFFIDAVIT OF PUBLICATION

STATE OF MINNESOTA)
COUNTY OF WASHINGTON) ss

Darlene MacPherson being duly sworn on an oath, states or affirms that he/she is the Publisher's Designated Agent of the newspaper(s) known as:

Stillwater Gazette

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

WASHINGTON

with additional circulation in the counties of:

WASHINGTON

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 04/27/2018 and the last insertion being on 04/27/2018.

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: D MacPherson
Designated Agent

Subscribed and sworn to or affirmed before me on 04/27/2018 by Darlene MacPherson.

Pauline L. Lee
Notary Public

PAULINE L LEE
Notary Public-Minnesota
My Commission Expires Jan 31, 2021

Rate Information:
(1) Lowest classified rate paid by commercial users for comparable space:
$40.00 per column inch

Ad ID 807928

WASHINGTON COUNTY
REQUEST FOR PROPOSAL (RFP)
FOR PREVAILING WAGE CONSULTING
SERVICES FOR HUD PROGRAMS
(CDBG, COC, HOME, HOME & CDBG PROGRAMS,
AND CAPTIAL IMPROVEMENTS TO EXISTING
& NEW CONSTRUCTION PROJECTS)
WASHINGTON COUNTY, MINNESOTA

Washington County Community Development Agency (CDA) is soliciting proposals for a Prevailing Wage Consultant for HUD Programs that are subject to Davis-Bacon or other wage law requirements. The scope of services will include:

1. DAVIS-BACON AND/OR STATE PREVAILING WAGE COMPLIANCE MONITORING: Consultant shall, on an as needed basis as determined by the CDA, provide the Davis-Bacon and/or State Prevailing Wage Compliance Monitoring services. This may include assistance in arranging and attending contractor meetings, monitor David Bacon activities, sending out wage class requests, conduct labor interviews, review payrolls, billing documentation to determine compliance with HUD Labor Standards requirements. It may also include ensuring contractors are not debarred and ensure tax certifications.

2. Provide technical assistance to the CDA as needed with mandatory HUD reports including HUD Form 4710 - Semi-annual Labor Standards Enforcement Report Local Contracting Agencies, HUD Form 2516 - Contract and Subcontract Activity, and other labor related reports or requirements for the CDA to complete and submit.

Term of Contract: The first contract will begin July 1, 2018 and will be renewed on an annual basis for a period of three years, depending on the availability of HUD and state funds.

Program Funding: The number of projects is dependent on need and federal funding availability. Mileage reimbursement is an eligible expense.

Submittals:

Please include the following information in your submittal:

- Why your organization is uniquely qualified to consult on Davis Bacon/Labor Standards.
- Specific experience your organization, and in particular, the staff's compliance and monitoring experience with Davis Bacon compliance.
- Estimate of cost to administer the program and basis for billing (per loan, hourly rate, etc.)
- Relevant HUD training.
- Insurance coverage in coordination with MN Statute 466.04 limits.

SELECTION OF CONSULTANT

In order of importance, in addition to costs, selection of consultant will be based on documented experience with Davis Bacon compliance and monitoring, demonstrated knowledge of HUD regulations & HUD reports and capacity to comply with CDA and HUD deadlines.

The CDA will be awarding one contract for these services. If your organization does not have all the skills needed to administer this program, you may develop a joint venture with other consultants with complementary skills. Joint ventures should submit one proposal that describes who will provide what services. The RFP submittal should clearly state which organization has the primary responsibility for administering the program.

Request for Proposal Deadline
Proposals will be accepted until 4:30 PM Tuesday May 29, 2018
Submit 1 copy of your proposal by mail or email to:
Washington County Community Development Agency
Attn: Angie Shuppert
7645 Currell Blvd
Woodbury, Minnesota 55125
Email: AngieS@washingtoncountycda.org

Published in the
Stillwater Gazette
April 27, 2018
807928

BOARD OF COMMISSIONERS
WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY
WASHINGTON COUNTY, MINNESOTA

CDA BOARD AGENDA
May 15, 2018

Washington County CDA Office
7645 Currell Blvd.
Woodbury, Minnesota

Item No.			Page No.
1		**ELECTION OF OFFICERS** Chairperson Vice Chairperson Secretary	
2	**3:00 P.M.**	**CALL REGULAR MEETING TO ORDER**	
3		**ROLL CALL**	
4		**OPEN FORUM**	
5		**CONSENT CALENDAR**	
		Minutes of Regular Meeting April 17, 2018	7
		Minutes of the Personnel Committee Meeting April 25, 2018	13
		Abstract of Bills April 30, 2018 Total $1,653.669.42	16
		A-1 Resolution No. 18-18. Resolution Authorizing the Adoption of the Amended Annual Contributions Contract to Include the Veterans Affairs Supportive Housing Budget Authority (Ann)	28
		A-2 Resolution No. 18-19. Resolution Authorizing Reservation of Gap Financing for Redevelopment and Rental and Ownership Housing in Washington County (GROW) Fund for Green Twig Villas II; and Authorizing Execution of Related Loan Documents (Kristen)	37

6 **PRESENTATIONS**

P-1 2017 Operating and Audited Financial Statements Results (Aaron and Dave Mol, Redpath and Company) 43

P-2 Recognition of the Homeownership Division for the Minnesota Homeownership Advisors Network Excellence in Service Award. (Melissa) 47

7 **PUBLIC HEARING**

A-3 Resolution No. 18-20. Resolution Adopting The 2019 Qualified Allocation Plan And Housing Tax Credit Program 2019 Procedural Manual For Housing Tax Credits (Melissa) 48

8 **NEW BUSINESS**

A-4 Resolution No. 18-21. Resolution Approving Bond and Note Financing Through the Dakota County Community Development Agency and Authorize Further Actions, Relating to the Glen at Valley Creek Project (Melissa) 62

A-5 Resolution No. 18-22. Resolution Approving Certain Matters Involving the Agency, Company, and Managing Member Related to the Glen at Valley Creek (Kristen) 74

A-6 Resolution No. 18-23. Resolution Approving Low Income Housing Tax Credit Allocation to Green Twig Villas II in The City of Oak Park (Bill) 86

A-7 Resolution No. 18-24. Resolution Authorizing Reservation of Gap Financing for Redevelopment and Rental and Ownership Housing in Washington County (GROW) Fund for Langdon Flats; and Authorizing Execution of Related Loan Documents (Kristen) 91

A-8 Resolution No. 18-25. Resolution Authorizing Depository Services for Governmental Entities (Aaron) 97

9 **DISCUSSION**

D-1 Key Assumptions for the 2018 Budget (Aaron) 101

10 **REPORTS**

COMMUNITY DEVELOPMENT DEPARTMENT 104
April 2018 Report
Melissa Taphorn

ECONOMIC DEVELOPMENT DIRECTOR 107
April 2018 Report
Chris Eng

FINANCE & PROPERTY MANAGEMENT 111
April 2018 Report
Aaron Christianson

RENTAL ASSISTANCE 133
April 2018 Report
Ann Hoechst

EXECUTIVE DIRECTOR 137
April 2018 Report
Barbara Dacy

A portion of this meeting may be closed to the public pursuant to Minnesota Statute Section 13D.03 or 13D.05.

11 **ADJOURN**

BOARD OF COMMISSIONERS
WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY
WASHINGTON COUNTY, MINNESOTA

The Washington County Community Development Agency Board of Commissioners convened in Regular Session at Washington County CDA, 7645 Currell Blvd., Woodbury, MN on April 17, 2018. Staff present: Barbara Dacy, Executive Director; Melissa Taphorn, Deputy Executive Director; Aaron Christianson, Director of Finance; Ann Hoechst, Housing Assistance and Administrative Services Director; Chris Eng, Economic Development Director; Kristen Scobie, Community Development Project Manager II; Angie Shuppert, Community Development Programs Manager; Elena Shulman, Community Development Project Manager I; Kathryn Paulson, Community Development Project Manager II; Becky Nelson, Senior Accountant and Leni Healy, Administrative Assistant.

Meeting called to order at 3:00 p.m.

ROLL CALL
Commissioners present: Dingle, Miron, Zeller, Ryan and Belisle.
Commissioners absent: Widen.

Vice Chairperson Zeller called for a moment of silence in remembrance of Chair Bill Hargis.

OPEN FORUM
None

CONSENT CALENDAR
Consent Calendar agenda items are generally defined as items of routine business, not requiring discussion, and approved in one vote. Commissioners may elect to pull a Consent Calendar item(s) for discussion and/or separate action.

Minutes of Special Meeting
March 15, 2018

Minutes of Regular Meeting
March 20, 2018

Abstract of Bills, March 30, 2018
Total: $1,521,241.54

A-1 Resolution No. 18-12. Resolution Authorizing Execution of a Construction Contract for the TrailSide Senior Living Roofing Project

A-2 Resolution No. 18-13. Resolution Authorizing the Operating Agreement Between the Landfall Village Housing and Redevelopment Authority, The City of Landfall Village and the Washington County Community Development Agency

A-3 Resolution No. 18-14. Resolution Authorizing Execution of the Home Investment Partnerships Program Development Agreement for the Twin Cities Habitat for Humanity Generation Acres Project

A-4 Resolution No. 18-15. Resolution Authorizing Execution of the Community Development Block Grant Development Agreement for the Landfall Site Improvements Project

Commissioner Miron moved to approve the Consent Calendar, seconded by Commissioner Dingle. Motion carried 5-0.

PUBLIC HEARING

A-5 Resolution No.18-16. Resolution Authorizing the Adoption of the Revised Housing Choice Voucher Administrative Plan and Amending the Public Housing Admissions and Continued Occupancy Plan

Commissioner Zeller requested a motion to open the public hearing on Resolution No. 18-16. Commissioner Ryan moved to open the hearing; Commissioner Miron seconded the motion. Motion carried 5-0.

Ms. Hoechst explained that a public hearing is required prior to the adoption of the revised plans. She noted that the Notice of the plans were published on March 1, 2018 and placed on the website for a forty-five-day comment period. She said that copies of the revised Administrative Plan and the Public Housing Admissions and Continued Occupancy Plan were provided to the Resident Advisory Board, the Resident Councils and the public. She indicated that copies of the comments were attached to the resolution.

Ms. Hoechst addressed the comments concerning gathering income tax information and the consequences of committing fraud in the housing programs. She indicated that the fraud policies will be strengthened with more definition and violations will be retroactive to the date the fraud was committed, not the date it was discovered. She explained that these changes will be covered in letters to all current tenants, the tenant handbooks, the appointment letter and will be added to the Family Obligation form which is part of the annual recertification process. She stated that if a tenant did not file taxes for the previous year, they must sign a statement indicating such information for the client file. She explained that an informal hearing process with a third-party hearing officer will still be available upon request for persons that are in the termination process.

Commissioner Belisle moved to close the public hearing on Resolution No. 18-16. Commissioner Ryan seconded the motion. Motion carried 5-0.

Commissioner Belisle asked if the agency could request tax returns directly from the IRS. Ms. Hoechst indicated that staff could have a discussion concerning the tax returns. Ms. Taphorn indicated that knowing that the agency can request the tax returns may be enough of a deterrent of the tenants to avoid purposely misstating income.

Commissioner Belisle asked if fraud has been a big issue and what percent of clients were not submitting the tax information. Ms. Hoechst indicated that staff currently does not ask for the tax return because the Enterprise Income Verification (EIV) system provides taxable information for verification. She said that recently it came to staff's attention that the EIV system does not capture self-employment income.

Commissioner Miron moved to approve Resolution 18-10, seconded by Commissioner Widen. Motion carried 5-0.

A-6 Resolution No. 18-17. Resolution Endorsing the Washington County 2018 Annual Action Plan and Authorizing Submission to Washington County Board of Commissioners

Commissioner Miron moved to open the public hearing on Resolution No. 18-17. Commissioner Ryan seconded the motion. Motion carried 5-0.

Ms. Shuppert indicated that a public hearing is required for the 2018 Action Plan for Community Development Block Grant (CDBG) and HOME Investment Partnerships programs. She reported the process for obtaining application and the funding recommendations. On March 9th a public notice was issued for a 30-day comment period.

Ms. Shuppert indicated that the 2018 Action Plan projects included Two Rivers Community Land Trust Scattered Site Acquisition and Rehabilitation, Twin Cities Habitat for Humanity Scattered Site Acquisition and Rehabilitation, Washington County CDA Woodland Park Capital Improvements, Home Improvement Loan Program, Washington County Community Services Family Service Worker and Crisis Fund Assistance and the Consortium Community Housing Development Organization set aside.

Commissioner Miron indicated that the St. Andrew's Shelter has been a great project and wondered what the Agency's total contribution was. Ms. Shuppert stated that the total amount is $240,000. Commissioner Belisle asked what the additional funding covered. Ms. Shuppert indicated that the project encountered unexpected asbestos, mold, sewer and water issues. Commissioner Zeller wanted an explanation of the source of the additional funding. Ms. Shuppert explained that two prior year projects were cancelled, freeing up some funding and was reallocated.

Commissioner Zeller asked how the application process was announced to the public. Ms. Shuppert indicated that a Request for Proposal is sent to the cities, developers, and published in the Stillwater Gazette. She explained that the application instructions indicate that the funding is grant funding not loan funding. Ms. Taphorn explained that if a developer instead of a non-profit entity were applying for this funding, it may be a loan. Commissioner Belisle explained that he and Commissioner Ryan were part of the Citizens Advisory Committee which reviews, scores, and recommends applications.

Commissioner Zeller expressed concern that the Agency was not giving out funding because extra money was available. Commissioner Belisle explained that there is usually more demand for money than funding allows. Commissioner Ryan explained that Two Rivers CLT had requested funding for two houses but due to previous performance only funding for one unit was awarded.

Ms. Shuppert outlined the fund leveraging requirements and ratios for each program. She indicated that the next steps would include the Board's approval, the County Board approval and submission to Housing and Urban Development (HUD) by May 15th for a program year start of July 1st.

Commissioner Zeller opened the floor for public comments. No commenters were present.

Commissioner Ryan moved to close the public hearing. Commissioner Belisle seconded the motion. Motion carried 5-0.

Commissioner Miron moved to approve Resolution 18-17, seconded by Commissioner Widen.
Commissioner Belisle commented on the shelter project in Hugo is a phenomenal use of funds leveraged together. Commissioner Miron also commented that three faith communities were working together on this project in which an empty building was rehabilitated and put to good use. Commissioner Belisle asked if Washington County had a Community Housing Development Organization (CHDO) and where does the money go. Ms. Shuppert responded that Community Action Partnership (CAP)_of Ramsey and Washington Counties has been a past CHDO and that the CAP agency has decided to apply for Washington County CHDO fund every other year, alternating with Ramsey County. Commissioner Ryan asked what project Ramsey County funded last year. Ms. Shuppert indicated that they undertook a project like Washington County's involving acquisition and rehabilitation. Commissioner Miron commented that Generation Acres involves leveraging in which the land was donated by the owner with Habitat for Humanity and faith communities to make this a very good project. **Motion carried 5-0.**

DISCUSSION

D-1 Strategic Planning Update

Ms. Dacy updated the Board concerning the staff's strategic planning activities. She explained that each staff member was directed to contact one of our stakeholders to ask three short, specific questions and record the responses. The questions were (1) When it comes to the programs or services you participate in, what trends do you see happening now? (2) When you think about the next 3 to 5 years, what challenges lie ahead? (3) What opportunities can you think of that the CDA should take on to address the trends or challenges? She indicated that the stakeholders involved represented cities, townships, federal, state, county, non-profits, developers and service partners.

Ms. Dacy indicated that the stakeholders identified three trends which will be challenges for the next few years. She stated that those trends are program funding, housing and economic development. She reported that the 2018 federal budget was fully funded, however there will be changes to the 2019 budget. She indicated that Rental Assistance Demonstration (RAD) program will replace public housing. She predicted that the Community Development Block Grant (CDBG) and HOME (Home Investment Partnerships) programs which are very popular in Congress may become block grants for states to administer. She also foresees cuts to the housing voucher and Family Self-Sufficiency programs.

Ms. Dacy reported that the Minnesota City Participation Program (MCPP) is in jeopardy for two years which could mean the loss of low interest financing for first time home buyers and down payment assistance. She indicated that there seems to be state support for the Housing Infrastructure Bonds (HIB) for low income

seniors. She stated that the Minnesota Investment Fund or the Redevelopment Grant program will be debated next year.

The second issue Ms. Dacy the stakeholders identified was the tight housing market. She indicated that since little supply exists, rent costs are increasing. She stated that the people affected by this situation are the people who can least afford to do anything about it; people in the workforce, low income seniors, the homeless and those affected by the Olmstead Plan. She indicated that a recent trend is naturally occurring affordable housing in which landlords do more to keep housing affordable.

The third issue Ms. Dacy discussed was economic development. She indicated that infrastructure issues such as transit, roads, broadband and water are being demanded for development. She stated that many residents commute out of the county for higher wages. She indicated that a mismatch of skills versus needs in the labor force exists and that attracting and retaining talent is a challenge.

Ms. Dacy believes that the agency's vision, goals and strategies are in alignment to address these challenges and continue to be viable in our work.

Commissioner Belisle questioned the reference to the Olmstead Plan. Ms. Dacy explained that was a court case that requires that a person with a physical or mental disability to be placed in a community setting and not in one building. She explained that it would be a "scattered site" approach and that landlords find this to be a challenging issue. Commissioner Belisle asked if this plan serves minors or adults or both. Ms. Dacy indicated that the plan is for adults.

Commissioner Belisle asked about the mismatch of skills and if there are any trends to address these concerns. Mr. Eng have indicated that young college graduates are overeducated for the jobs they end up taking. He believes that the job awareness needs to start in junior high and high school to direct their educational efforts where the job market needs them. He indicated that four-year degrees do not necessarily garner the best jobs. He said that a person with an eighteen-month certificate frequently makes more money and is more satisfied with job tasks than someone with advanced degrees. He indicated that they are talking to employers to find out what the skill needs are and then working with the educational system to provide those skills. He indicated that the shortage of workers will get worse. He stated that another challenge is an international competition for workers as a large portion of American workers are retiring without skilled replacements. He indicated that it has been a challenge to attract new businesses when a skilled workforce is not readily available. Mr. Eng talked about the formation of the East Metro Manufacturers Alliance and an East Metro Healthcare Alliance to get employers to identify employment needs.

Commissioner Ryan commented on the Jordan Aquafer depletion as an example of needed, long-term fresh water resources.

Commissioner Zeller indicated that he is concerned about unfunded mandates coming from both the federal and state levels. He believes that lobbying and education efforts are needed now more than ever.

Commissioner Miron agreed with Commissioner Ryan that water availability is a great concern and enhances economic development efforts. He also addressed the Department of Natural Resources (DNR) appeal which will have a significant impact on Washington County. He indicated that there is a heightened awareness of the issue which is already affecting development interests.

Commissioner Zeller has spoken with groups which are concerned with water shed issues and where their authority is overreaching its purpose. He believes that a balance needs to be sought and that incidents such as the Lake Elmo contamination will impact progress along the corridor.

Commissioner Dingle agreed that water contamination is an issue in south Washington County communities of Newport, Cottage Grove and St. Paul Park. He reported that well after well has tested over the contamination limits even though the limits have been lowered. He indicated that the 3M money won't last long with the high cost of filtration systems.

REPORTS

COMMUNITY DEVELOPMENT DEPARTMENT

Ms. Taphorn reported that The Glen at Valley Creek project continues to press on. The partners are continuing their underwriting their equity and loans to the project. Enterprise, the equity investor, will bein Woodbury for a site visit this week.

Ms. Taphorn indicated that part of the omnibus appropriations bill included an increase to the Low-Income Housing Tax Credit program. It would be a 12.5 percent increase effective for the 2018 program year. Since the Agency allocated its 2018 credits in October, the additional credits will be available with the 2019 program. She reported that the date for the public hearing has been delayed until May. She indicated that the application due date will be in July which will not affect the awards which will happen in October. She announced that with the 2018 increase and the 2019 increase the agency will have just over $600,000 in credits that will be available in Washington County for 2019.

ECONOMIC DEVELOPMENT DIRECTOR

Mr. Eng circulated an article from the Minnesota Real Estate Journal which listed the first time 2018 Real Estate Awards. He reported that over 250 nominations were made. He announced that the City of Woodbury was named the City of the Year and St. Terese of Woodbury was named the senior housing project of the year. He explained that Washington County CDA was a sponsor of the awards event which allowed the agency's name and logo to appear on screens and printed materials.

Mr. Eng has been working with the City of Newport City Council for tonight's workshop featuring a panel of experts including site selectors, developers and realtors. He indicated that Out Lot A, zoned at MX3 (multifamily, office and retail,) in Newport is being marketed for the appraised value of $1.5 million dollars over six acres. He explained that the price may change if the City revisions or rezones the property. He mentioned that the regional rail option is up in September which may impact the property.

Commissioner Belisle asked about the process of working with businesses interested in properties. He wondered if a commercial broker was involved. Mr. Eng explained that they meet with the interested businesses directly along with City personnel and a site selector. He said that frequently state partners are involved in creating a package for the site.

FINANCE & PROPERTY MANAGEMENT

Mr. Christianson indicated that the 2017 audit was completed last and the field work went well. He is not anticipating any reportable issues. He said that Dave Moll from Redpath will be at the May Board meeting to go over the results in more detail.

Mr. Christianson stated that the 2019 budget committee will address key assumptions in May. A draft budget will be presented to the full Board in June.

He addressed the Finance Department restructuring with a part time accounts payable position. He indicated that the position has been advertised and he anticipates making an employment offer in May. He informed the Board that there has been an open position in the department since December and after several discussions with the Executive Director, it was determined that it would best suit the needs of the agency to hire an Assistant Director of Finance. He hopes to start the process soon.

Commissioner Miron asked if this structure would help with segregation of duties. Mr. Christianson indicated that segregation currently exists, but it usually means that the Finance Director assumes much of the extra tasks so that forecasting and long-term planning are not getting the attention they need. He indicated that the new position would help relieve some of the time-consuming tasks.

RENTAL ASSISTANCE

Ms. Hoechst reported that the Rental Assistance department has opened discussions with the County Sheriff's Department to conduct some of the more technical fraud investigations.

Commissioner Belisle asked about the number of fraud investigations are currently conducted. Ms. Hoechst indicated that there is not a good way to predict when a fraud is underway or how many will occur. She said that the housing staff works on cases with the Sheriff's department and welfare investigators. Some of the fraud investigations are able to be completed by the Rental Assistance Staff bur others require more resources that are available to the Sheriff's department. She indicated that not all the investigations rise to that level, but the Sheriff's expertise may be needed for one or two cases per year.

EXECUTIVE DIRECTOR

Ms. Dacy distributed the very first Personnel Committee packets to Commissioner Miron and Commissioner Dingle. She indicated that the Personnel Committee will be meeting on April 25 at 3 PM to discuss succession plans. She indicated that all 2015 goals were accomplished.

Ms. Dacy announced that the County Commissioners have been invited to a gathering following next month's Board Meeting. She indicated that it will be an informal meeting with no business scheduled. She said the purpose will be to get acquainted and discuss ideas of interest to both groups.

Ms. Dacy updated the Board on the litigation in which the plaintiffs have signed an agreement. The Court has dismissed the case and the appeal has been withdrawn. She indicated that the next step is that the plaintiffs must pay the attorney's fees to the Court within thirty days. She stated that the funds will come to the agency from the Court.

ADJOURN

Commissioner Zeller moved to adjourn. Seconded by Commissioner Ryan. Motion carried 5-0.

Meeting adjourned at 4:12 P.M.

_____

Chair/Vice Chair Commissioner

BOARD OF COMMISSIONERS
WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY
WASHINGTON COUNTY, MINNESOTA

The Personnel Committee Meeting was held Wednesday, April 25, 2018 at the Washington County Community Development Agency, 7645 Currell Blvd., Woodbury, MN 55125. Staff present: Barbara Dacy, Executive Director; Ryan Gruber, Human Resources & Communications Coordinator and Leni Healy, Administrative Assistant.

Meeting called to order at 3:02 pm by Commissioner Dingle.

ROLL CALL
Commissioner Dingle and Commissioner Miron were present.

DISCUSSION

D-1 Review Update to the CDA Succession Plan

Ms. Dacy explained that this is the first meeting of the Personnel Committee whose purpose is to be more transparent with personnel issues and allow Board members to perform their due diligence for a stronger agency. She indicated that during the performance reviews for the Executive Director, questions concerning succession strategies for each of the department directors' positions were raised. She reported that there are written processes for succession for the Executive Director and each of the department directors. As an example, Ms. Dacy explained that, in the absence of the Executive Director, the Deputy Executive Director would temporarily fill in. She said that would allow the Board some time to execute options such as hiring a recruitment agency, undertaking the process themselves or directing staff to complete a search. She reported that all job descriptions are currently up-to-date and are reviewed as vacancies arise.

Mr. Gruber indicated that the Committee would serve as a source of feedback to ensure that the personnel policies are in line with the agency's mission. He suggested that the Committiee's experience would provide guidance in business world practices, filling vacancies, growing capacity, succession planning and gap analysis.

Commissioner Miron directed attention to Attachment A which states that the Deputy Executive Director "will" become the Acting Executive Director. He wondered if it should be "may" to cover unknown contingencies. Ms. Dacy indicated that the statement is also "pursuant to action of the Board" which could cover the contingencies but perhaps the choice of "may" would be appropriate and provides flexibility. Mr. Gruber indicated that the Board has the power to interpret the language at the time. Commissioner Miron indicated that the Board should have discretionary authority and the flexibility to consider options as necessary. Ms. Dacy reflected that the second paragraph broadens the scope with the language "full authority of the Executive Director with Board oversight." Commissioner Miron indicated that statement makes sense in that it draws upon limitations to add that the Board has oversight. He also indicated he preferred the

language used in the succession plan with terms such as “could include.” Commissioner Dingle noticed that there were many duties listed in the Executive Director’s job description.

Ms. Dacy reviewed Attachment B, which is the temporary reassignment duties for the department directors. She pointed out that with the skill set of current personnel, the Deputy Executive Director could fill in as the Housing Assistance Director, and that the Economic Development Director could also fill in if an absence were to occur with the Deputy Executive Director.

Ms. Dacy explained that Attachment C is the findings and recommendations for the 2015 succession plan. She indicated that those recommendations have been accomplished. She asked the Commissioners if there were any other areas or issues which should be addressed. She indicated that the agency is evolving in Information Technology (IT) and cyber security, but the agency is not at the point where full-time staff is needed. Mr. Gruber indicated that the agency currently uses a consulting firm but there is not enough for full time in-house staff.

Mr. Gruber asked the Commissioners to be thinking about tactics to develop the work place culture and recruiting a diverse talent pool. He indicated that with a tightening labor market it is important to have a plan for transfer of knowledge.

Commissioner Dingle indicated that the public sector is currently experiencing this issue with many retirements leaving unskilled workers to scramble to catch up with the knowledge to perform certain work functions.

Commissioner Miron wondered if staff was receiving cross training and professional development. Ms. Dacy indicated that a master list of training and certifications for each position is being developed. She indicated that this process will help to direct funds to the critical needs.

Commissioner Miron suspected that data protection would be more difficult with a larger number of employees. He suggested that with more people, the organization would be more susceptible to a breach.

Ms. Dacy mentioned internal risks as well as external risks. She indicated that staff is evaluating a telecommuting policy. Commissioner Miron indicated that such discretionary authority does help with employee retention. He indicated that he has known individuals who worked beyond their typical retirement years because they could work from home.

Ms. Dacy stated that on other personnel items she wants to advise the Board that staff has been receiving specific training in weather awareness and active shooter preparedness. She also indicated that other current issues will be explored such as harassment. Commissioner Miron suggested that Board members be included in such

training or in an executive session so that the roles of staff are separate from the Commissioners.

Commissioner Miron asked about filling the officer positions on the Board. Ms. Dacy indicated that election of officers will be on the May agenda. Commissioner Miron recommended that a letter of interest should be sent to the current Commissioners to identify those willing to serve in an officer capacity. Ms. Dacy indicated that she would distribute such a letter.

Ms. Dacy indicated that there may be a need for one more meeting this year. Commissioner Miron asked about the personnel committee structure and recommended that Commissioner Dingle serve as chair. Commissioner Dingle agreed to serve as chair.

ADJOURN

Commissioner Dingle moved to adjourn; seconded by Commissioner Miron.

Meeting adjopurned at 3:45 p.m.

Washington County CDA
Checks Issued
General Checking
April 1 - 30, 2018

Check Number	Vendor Check Name	Check Date		Amount
81010	Johnstone Supply	4/2/2018	$	145.96
81011	Minnehaha Manor	4/2/2018		917.00
81012	Innovative Office Solutions LL	4/2/2018		284.78
81013	Geneva Village Apartments	4/2/2018		329.00
81014	Upstream Properties, Inc.	4/2/2018		623.00
81015	Giertsen Company of MN, Inc.	4/2/2018		37,500.00
81016	Xcel Energy	4/2/2018		12,102.11
81017	Orleans Homes	4/2/2018		1,860.00
81018	Mark Court Apartments	4/2/2018		775.00
81019	City of Woodbury	4/2/2018		336.21
81020	Woodland Park Apartments	4/2/2018		2,574.00
81021	Ace Hardware	4/2/2018		15.29
81022	Barry Torgerson	4/2/2018		497.00
81023	Canvas Health Inc.	4/2/2018		5,345.00
81024	Canvas Health Inc.	4/2/2018		2,240.00
81025	Ann Hoechst	4/2/2018		124.23
81026	Purchase Power	4/2/2018		1,934.67
81027	Health Partners	4/2/2018		16,868.35
81028	Village Apartments	4/2/2018		1,484.00
81029	Robert B. Hill Co.	4/2/2018		645.82
81030	Curve Crest Villas	4/2/2018		1,234.00
81031	Cardmember Services	4/2/2018		2,570.69
81032	Forest Ridge Townhomes	4/2/2018		4,830.00
81033	Briar Pond Apartments	4/2/2018		1,107.00
81034	US Bank Equipment Finance Serv	4/2/2018		3,532.63
81035	Amazon Environmental, Inc.	4/2/2018		334.40
81036	Erickson Plumbing Heating Inc	4/2/2018		1,185.00
81037	Paffy's Pest Control, Inc.	4/2/2018		155.00
81038	Door System Distributors	4/2/2018		228.61
81039	Inside Outside Architecture In	4/2/2018		2,800.00
81040	McGrann Shea Carnival Straughn	4/2/2018		15,947.80
81041	Rumpca Services Inc.	4/2/2018		2,344.00
81042	Watson Appliance Service Inc	4/2/2018		164.06
81043	Oakdale Village Apartments, LL	4/2/2018		5,614.00
81044	Turnover Apartment Painting In	4/2/2018		295.00
81045	ECM Publishers, Inc.	4/2/2018		363.40
81046	Cottages Phase III	4/2/2018		569.00
81047	Menards-Forest Lake	4/2/2018		130.48
81048	Menards- Cottage Grove	4/2/2018		1,488.91
81049	Menards-Stillwater	4/2/2018		67.55
81050	Dey Distributing Inc.	4/2/2018		506.85
81051	Wilmar Industries	4/2/2018		42.27
81052	MN Department of Labor & Indus	4/2/2018		90.00
81053	Renovation Systems, Inc	4/2/2018		269.97
81054	HD Supply Facilities Maintenan	4/2/2018		2,325.43
81055	Sherwin Williams - Cottage Gro	4/2/2018		298.13
81056	Firenet Systems, Inc.	4/2/2018		1,015.00

Washington County CDA
Checks Issued
General Checking
April 1 - 30, 2018

Check Number	Vendor Check Name	Check Date	Amount
81057	Summit Fire Protection	4/2/2018	715.00
81058	Apartments LLC	4/2/2018	365.00
81059	Great Garage Door Co.	4/2/2018	365.36
81060	Cypress Sr. Living	4/2/2018	2,335.00
81061	Gentry Place	4/2/2018	617.00
81062	City Wide Maintenance of MN	4/2/2018	1,157.00
81063	Dave Schaffer	4/2/2018	440.00
81064	Edward Kunnary	4/2/2018	1,250.00
81065	Common Bond City Walk Ltd	4/2/2018	785.00
81066	Hamernick Decorating Center	4/2/2018	936.60
81067	Cottages of Stillwater	4/2/2018	468.00
81068	Michael Butchko	4/2/2018	421.00
81069	The Groves Apartments LLC	4/2/2018	482.00
81070	Accountemps	4/2/2018	1,952.16
81071	Stillwater Greeley LLC	4/2/2018	589.00
81072	Richard T Curtin	4/2/2018	561.00
81073	Christopher Eng	4/2/2018	120.99
81074	Xcel Energy -(UR)	4/2/2018	1,255.00
81075	Steve Johnson Company	4/2/2018	488.00
81076	Fournier, Thomas	4/2/2018	935.00
81077	10 Point LLC	4/2/2018	674.00
81078	Oolman Property of 255 Dejon C	4/2/2018	1,167.00
81079	Mister Sparky	4/2/2018	246.00
81080	Program participant	4/2/2018	518.29
81081	Green Twig Villas LLLP	4/2/2018	1,716.00
81082	Raintree HOA	4/4/2018	1,812.00
81083	Charter Oak Homeowners Assoc.	4/4/2018	796.00
81084	Pinecrest Villas of Woodbury H	4/4/2018	2,580.00
81085	Woodcliff Carriage Homes Assoc	4/4/2018	887.00
81086	Windwood HOA	4/4/2018	2,880.00
81087	Hallmark Ponds Homeowners Asso	4/4/2018	920.00
81088	Deer Run Home Owners Assoc.	4/4/2018	860.00
81089	Westwood Townhouse Association	4/4/2018	1,360.00
81090	Ridgegate Third Addition Assoc	4/4/2018	923.52
81091	Charter Oaks Homeowners Assoc.	4/4/2018	1,280.00
81092	Pinetree Pond First Associatio	4/4/2018	1,528.00
81093	Colby Lake 4th Association	4/4/2018	2,364.00
81094	Strates Farm HOA	4/4/2018	836.00
81095	Alderwood Homeowners Associati	4/4/2018	1,760.00
81096	Bright Keys of Heather Ridge	4/4/2018	1,000.00
81097	Spinnaker Cove Courthome Assoc	4/4/2018	760.00
81098	Spinnaker Cove Courthomes II	4/4/2018	2,460.00
81099	Pendryn Villas Homeowners Asso	4/4/2018	840.00
81100	Quarry Ridge Homeowners Assoc.	4/4/2018	4,800.00
81101	Highland Townhome Association	4/4/2018	1,920.00
81102	Steepleview Place Townhome	4/4/2018	980.00
81103	Tall Tree Townhome Association	4/4/2018	600.00

Washington County CDA
Checks Issued
General Checking
April 1 - 30, 2018

Check Number	Vendor Check Name	Check Date	Amount
81104	Lakepointe Carriage Homeowners	4/4/2018	760.00
81105	Canterbury HOA	4/4/2018	724.00
81106	Chamberlain HOA	4/4/2018	800.00
81107	Woodbury Hill East	4/4/2018	920.00
81108	Ridgegate 4th Addition Associa	4/4/2018	960.00
81109	CenturyLink	4/6/2018	2,075.24
81110	MN NAHRO	4/6/2018	535.00
81111	Johnstone Supply	4/6/2018	140.23
81112	Innovative Office Solutions LL	4/6/2018	161.65
81113	Xcel Energy	4/6/2018	4,714.79
81114	City of St. Paul Park	4/6/2018	5,343.48
81115	T R Computer Sales	4/6/2018	802.00
81116	All, Inc.	4/6/2018	465.00
81117	Ace Hardware	4/6/2018	14.92
81118	Allstream	4/6/2018	179.30
81119	SRC, Inc.	4/6/2018	398.57
81120	AFSCME Council 5	4/6/2018	729.66
81121	Waste Management of WI-MN	4/6/2018	1,382.72
81122	Coordinated Business Systems	4/6/2018	21.95
81123	Maintenance Service Solutions	4/6/2018	1,424.11
81124	Lindsey Software Systems, Inc.	4/6/2018	1,332.00
81125	Menards - Oakdale	4/6/2018	280.15
81126	Pitney Bowes Global Financial	4/6/2018	601.83
81127	Amazon Environmental, Inc.	4/6/2018	263.02
81128	Comcast	4/6/2018	1,638.31
81129	Erickson Plumbing Heating Inc	4/6/2018	265.00
81130	Centraire Heating & Air Condit	4/6/2018	390.00
81131	Paffy's Pest Control, Inc.	4/6/2018	110.00
81132	B. D. Stevens Landscaping	4/6/2018	400.00
81133	Clog Un-Boggler Inc.	4/6/2018	500.00
81134	Esultants Web Services	4/6/2018	50.00
81135	Shelter Corporation	4/6/2018	52,477.50
81136	Rumpca Services Inc.	4/6/2018	2,163.00
81137	Turnover Apartment Painting In	4/6/2018	1,060.00
81138	Menards-Forest Lake	4/6/2018	65.79
81139	Abbott Paint & Carpet Company	4/6/2018	127.56
81140	Menards- Cottage Grove	4/6/2018	533.29
81141	Menards-Stillwater	4/6/2018	469.28
81142	Dey Distributing Inc.	4/6/2018	123.68
81143	Lakeside Townhomes Ltd Partner	4/6/2018	500.34
81144	Pondview Townhome Ltd Partners	4/6/2018	625.42
81145	Republic Services #923	4/6/2018	8,335.60
81146	Shelter Corporation	4/6/2018	40,163.56
81147	Wilmar Industries	4/6/2018	458.28
81148	Renovation Systems, Inc	4/6/2018	2,112.07
81149	HD Supply Facilities Maintenan	4/6/2018	742.13
81150	Great Garage Door Co.	4/6/2018	149.00

Washington County CDA
Checks Issued
General Checking
April 1 - 30, 2018

Check Number	Vendor Check Name	Check Date	Amount
81151	Move Sales, Inc.	4/6/2018	194.00
81152	Frattallone's / Woodbury Ace	4/6/2018	4.32
81153	Sharron Perry	4/6/2018	288.85
81154	My Coach, LLC	4/6/2018	519.00
81155	Technology Software Solutions	4/6/2018	2,884.17
81156	Accountemps	4/6/2018	1,960.00
81157	Madden's on Gull Lake	4/6/2018	253.40
81158	8BITSTUDIO Design	4/6/2018	100.00
81159	Real Estate Publishing Corp	4/6/2018	2,500.00
81160	CINTAS	4/6/2018	30.88
81161	CoAct Consulting	4/6/2018	750.00
81162	City of Oakdale	4/13/2018	7,147.83
81163	Redpath and Company	4/13/2018	12,700.00
81164	Innovative Office Solutions LL	4/13/2018	919.45
81165	Giertsen Company of MN, Inc.	4/13/2018	3,465.00
81166	Xcel Energy	4/13/2018	2,398.86
81167	Sundberg America LLC	4/13/2018	53.59
81168	Ace Hardware	4/13/2018	20.67
81169	Washington County Accounting &	4/13/2018	14,533.59
81170	Board of Water Commissioners	4/13/2018	414.60
81171	Habitat for Humanity	4/13/2018	122,621.38
81172	Robert B. Hill Co.	4/13/2018	7,803.76
81173	Cermak Rhoades Architects Inc	4/13/2018	2,136.50
81174	Molly Krakowski Consulting, In	4/13/2018	1,267.50
81175	Spok, Inc.	4/13/2018	30.06
81176	Chris Amdahl Locksmith, Inc.	4/13/2018	255.00
81177	CoreLogic Credco LLC	4/13/2018	201.40
81178	Comcast	4/13/2018	105.92
81179	MEI Minnesota Elevator, Inc.	4/13/2018	732.58
81180	Erickson Plumbing Heating Inc	4/13/2018	200.00
81181	Fischbach Construction, Inc.	4/13/2018	350.00
81182	Resident News	4/13/2018	423.59
81183	Centraire Heating & Air Condit	4/13/2018	1,804.00
81184	Midcontinent Communications	4/13/2018	31.39
81185	Paffy's Pest Control, Inc.	4/13/2018	55.00
81186	B. D. Stevens Landscaping	4/13/2018	7,825.00
81187	KONE, Inc.	4/13/2018	1,408.09
81188	City of Oak Park Heights	4/13/2018	6,300.80
81189	FLOYD Total Security	4/13/2018	1,483.35
81190	Canvas Health Inc.	4/13/2018	1,499.52
81191	Rumpca Services Inc.	4/13/2018	662.00
81192	Culligan	4/13/2018	39.45
81193	Watson Appliance Service Inc	4/13/2018	249.18
81194	Turnover Apartment Painting In	4/13/2018	520.00
81195	ECM Publishers, Inc.	4/13/2018	308.10
81196	Menards-Forest Lake	4/13/2018	109.89
81197	Menards-Stillwater	4/13/2018	246.41

Washington County CDA
Checks Issued
General Checking
April 1 - 30, 2018

Check Number	Vendor Check Name	Check Date	Amount
81198	Dey Distributing Inc.	4/13/2018	716.60
81199	Pinetree Pond First Associatio	4/13/2018	50.00
81200	Advanced Disposal Solid Waste	4/13/2018	1,428.25
81201	Renovation Systems, Inc	4/13/2018	259.48
81202	HD Supply Facilities Maintenan	4/13/2018	1,889.45
81203	Sherwin Williams - Cottage Gro	4/13/2018	426.88
81204	Frattallone's / Woodbury Ace	4/13/2018	11.98
81205	Dave Schaffer	4/13/2018	400.00
81206	My Coach, LLC	4/13/2018	186.00
81207	Accountemps	4/13/2018	1,960.00
81208	Comcast - Business	4/13/2018	301.21
81209	Time Communications, Inc	4/13/2018	934.28
81210	Verizon	4/13/2018	595.87
81211	Screening Reports Inc	4/13/2018	984.00
81212	Shred Right	4/13/2018	83.20
81213	Project One Construction, Inc.	4/13/2018	276,759.70
81214	CINTAS	4/13/2018	92.40
81215	Power Chairs & Scooter Store M	4/13/2018	149.00
81216	Program participant	4/13/2018	535.21
81217	Program participant	4/13/2018	502.41
81218	Program participant	4/13/2018	2.07
81219	Program participant	4/13/2018	916.68
81220	Program participant	4/13/2018	522.51
81221	Program participant	4/13/2018	258.05
81222	Program participant	4/13/2018	503.61
81223	City Sprint	4/20/2018	14.96
81224	MN NAHRO	4/20/2018	425.00
81225	Nardini Fire Equipment	4/20/2018	179.60
81226	Xcel Energy	4/20/2018	9,199.27
81227	Orleans Homes	4/20/2018	289.00
81228	City of Cottage Grove	4/20/2018	5,553.15
81229	Sundberg America LLC	4/20/2018	131.08
81230	Madden Galanter Hansen LLP	4/20/2018	142.00
81231	Ace Hardware	4/20/2018	225.23
81232	For Rent Media Solutions	4/20/2018	1,457.81
81233	Canvas Health Inc.	4/20/2018	975.00
81234	AFLAC	4/20/2018	592.80
81235	Park Supply of America	4/20/2018	61.61
81236	Robert B. Hill Co.	4/20/2018	645.82
81237	Program participant	4/20/2018	20.00
81238	Program participant	4/20/2018	32.00
81239	Cook County Housing Authority	4/20/2018	488.00
81240	Program participant	4/20/2018	119.00
81241	Program participant	4/20/2018	375.00
81242	Program participant	4/20/2018	291.03
81243	Program participant	4/20/2018	444.76
81244	Ann Lindquist	4/20/2018	187.23

Washington County CDA
Checks Issued
General Checking
April 1 - 30, 2018

Check Number	Vendor Check Name	Check Date	Amount
81245	Menards - Oakdale	4/20/2018	239.17
81246	Comcast	4/20/2018	511.58
81247	Erickson Plumbing Heating Inc	4/20/2018	745.00
81248	Brick Pond Apartments	4/20/2018	846.00
81249	Paffy's Pest Control, Inc.	4/20/2018	240.00
81250	B. D. Stevens Landscaping	4/20/2018	75.00
81251	KONE, Inc.	4/20/2018	156.23
81252	Clog Un-Boggler Inc.	4/20/2018	380.00
81253	Shelter Corporation	4/20/2018	38,549.56
81254	Canvas Health Inc.	4/20/2018	2,990.57
81255	Rumpca Services Inc.	4/20/2018	14,078.00
81256	McCarthy Well Company	4/20/2018	650.00
81257	Watson Appliance Service Inc	4/20/2018	12.35
81258	Turnover Apartment Painting In	4/20/2018	155.00
81259	Menards-Forest Lake	4/20/2018	83.09
81260	Abbott Paint & Carpet Company	4/20/2018	1,465.80
81261	Menards- Cottage Grove	4/20/2018	353.70
81262	Menards-Stillwater	4/20/2018	1,428.48
81263	Dey Distributing Inc.	4/20/2018	133.89
81264	Alderwood Homeowners Associati	4/20/2018	25.00
81265	MJ's Contract Appliance Inc	4/20/2018	432.00
81266	American Engineering Testing I	4/20/2018	888.70
81267	Shelter Corporation	4/20/2018	305.12
81268	Renovation Systems, Inc	4/20/2018	2,399.45
81269	HD Supply Facilities Maintenan	4/20/2018	669.20
81270	J. D. Windows & Doors, Inc.	4/20/2018	130.00
81271	Firenet Systems, Inc.	4/20/2018	295.00
81272	City Wide Maintenance of MN	4/20/2018	164.50
81273	Kathryn Paulson	4/20/2018	63.77
81274	Advanced Communications	4/20/2018	110.00
81275	Accountemps	4/20/2018	1,960.00
81276	Xcel Energy -(UR)	4/20/2018	77.00
81277	Nan Mckay & Associates	4/27/2018	448.00
81278	Johnstone Supply	4/27/2018	178.73
81279	Innovative Office Solutions LL	4/27/2018	40.31
81280	Xcel Energy	4/27/2018	20,055.34
81281	City of Cottage Grove	4/27/2018	15.00
81282	Washington County CDA	4/27/2018	7,500.00
81283	T R Computer Sales	4/27/2018	1,346.99
81284	All, Inc.	4/27/2018	448.00
81285	Sundberg America LLC	4/27/2018	99.38
81286	Kathleen Kline	4/27/2018	724.54
81287	City of Woodbury	4/27/2018	1,710.31
81288	Ace Hardware	4/27/2018	38.67
81289	For Rent Media Solutions	4/27/2018	549.57
81290	Canvas Health Inc.	4/27/2018	1,415.00
81291	Waste Management of WI-MN	4/27/2018	246.30

Washington County CDA
Checks Issued
General Checking
April 1 - 30, 2018

Check Number	Vendor Check Name	Check Date	Amount
81292	Robert B. Hill Co.	4/27/2018	122.60
81293	US Bank Equipment Finance Serv	4/27/2018	3,519.56
81294	Maintenance Service Solutions	4/27/2018	1,473.58
81295	Loucks Associates	4/27/2018	45.67
81296	Menards - Oakdale	4/27/2018	471.92
81297	Comcast	4/27/2018	48.97
81298	Erickson Plumbing Heating Inc	4/27/2018	5,350.00
81299	Paffy's Pest Control, Inc.	4/27/2018	303.00
81300	ThyssenKrupp Elevator Corp	4/27/2018	1,460.28
81301	Great American Business Prod.	4/27/2018	217.70
81302	Shelter Corporation	4/27/2018	55,450.82
81303	McGrann Shea Carnival Straughn	4/27/2018	33,030.70
81304	Rumpca Services Inc.	4/27/2018	776.00
81305	Culligan	4/27/2018	77.10
81306	Watson Appliance Service Inc	4/27/2018	141.65
81307	Turnover Apartment Painting In	4/27/2018	1,475.00
81308	Menards-Forest Lake	4/27/2018	94.36
81309	Menards- Cottage Grove	4/27/2018	545.07
81310	Menards-Stillwater	4/27/2018	526.25
81311	Dey Distributing Inc.	4/27/2018	329.58
81312	MJ's Contract Appliance Inc	4/27/2018	1,139.00
81313	Shelter Corporation	4/27/2018	1,646.63
81314	Wilmar Industries	4/27/2018	226.63
81315	Renovation Systems, Inc	4/27/2018	2,091.93
81316	HD Supply Facilities Maintenan	4/27/2018	995.60
81317	Sherwin Williams - Cottage Gro	4/27/2018	566.15
81318	Apartments LLC	4/27/2018	365.00
81319	Hanbery & Turner, PA	4/27/2018	2,148.50
81320	Great Garage Door Co.	4/27/2018	2,200.00
81321	Frattallone's / Woodbury Ace	4/27/2018	8.99
81322	Angie Shuppert	4/27/2018	243.55
81323	CenturyLink	4/27/2018	76.88
81324	Disabilities, Inc.	4/27/2018	1,630.00
81325	Smita Rakshit	4/27/2018	701.24
81326	Xcel Energy -(UR)	4/27/2018	97.00
81327	Real Estate Publishing Corp	4/27/2018	2,500.00
81328	Kodiak Power Systems	4/27/2018	712.64
81329	Justin Taylor Companies LLC	4/27/2018	15,918.75
81330	Cardmember Services	4/27/2018	4,843.62
		TOTAL CHECKS:	**$ 1,100,433.44**

Washington County CDA
Checks Voided and Electronic Payments
General Checking
April 1 - 30, 2018

VOIDED Check No.	Vendor Check Name	Check Date	Amount
	None		$ -

Type	Vendor	Electronic Payment Date	ACH Amount
ACH	Dougherty Mortgage	4/2/2018	$76,073.87
ACH	First State Bank Wyoming	4/2/2018	12,552.29
ACH	Great-West Trust (Empower)	4/2/2018	4,798.16
ACH	Great-West Trust (Empower)	4/2/2018	5,718.32
ACH	Optum Bank	4/2/2018	492.85
ACH	Automatic Data Processing	4/2/2018	652.31
ACH	Automatic Data Processing	4/2/2018	140.47
ACH	Automatic Data Processing	4/9/2018	25.00
ACH	Automatic Data Processing	4/10/2018	1,955.25
ACH	Automatic Data Processing	4/12/2018	10,216.53
ACH	Automatic Data Processing	4/12/2018	46,071.56
ACH	Automatic Data Processing	4/12/2018	296.88
ACH	Cash Management Services	4/13/2018	473.95
ACH	Great-West Trust (Empower)	4/13/2018	4,948.16
ACH	Great-West Trust (Empower)	4/13/2018	5,737.47
ACH	Optum Bank	4/13/2018	492.85
ACH	Automatic Data Processing	4/13/2018	667.31
ACH	Automatic Data Processing	4/17/2018	41.25
ACH	Automatic Data Processing	4/20/2018	774.05
ACH	Automatic Data Processing	4/23/2018	117.88
ACH	Automatic Data Processing	4/24/2018	96.08
ACH	Automatic Data Processing	4/25/2018	168.20
ACH	Automatic Data Processing	4/26/2018	10,149.59
ACH	Automatic Data Processing	4/26/2018	45,983.79
ACH	Automatic Data Processing	4/26/2018	3.00
ACH	Great-West Trust (Empower)	4/27/2018	4,948.16
ACH	Great-West Trust (Empower)	4/27/2018	5,683.03
ACH	State of Minnesota	4/27/2018	885.00
ACH	State of Minnesota	4/27/2018	885.00
ACH	Automatic Data Processing	4/27/2018	652.31
ACH	Optum Bank	4/30/2018	492.85
	TOTAL ELECTRONIC PAYMENTS:		**$ 242,193.42**

Washington County CDA
Checks Issued
Section 8
April 1 - 30, 2018

Check Number	Vendor Check Name	Check Date		Amount
58903	BUTCHKO, MICHAEL	4/2/2018	$	1,036.00
58904	COTTAGES PHASE III	4/2/2018		923.00
58905	GENEVA VILLAGE LTD. PARTNERS	4/2/2018		2,319.00
58906	GENTRY PLACE APARTMENTS	4/2/2018		2,255.00
58907	EAST GROVE ESTATES	4/2/2018		1,392.00
58908	MINNEHAHA MANOR	4/2/2018		1,051.00
58909	RIDGECREST APARTMENTS LLC	4/2/2018		1,140.00
58910	SCHNEIDER, DAVID	4/2/2018		1,701.00
58911	ORLEANS HOMES LIMITED PARTNER	4/2/2018		8,897.00
58912	ORLEANS HOMES II	4/2/2018		373.00
58913	Century North Housing Partners	4/2/2018		766.00
58914	MARK COURT APTS (CEDAR CT LLC)	4/2/2018		478.00
58915	PIONEER APARTMENTS	4/2/2018		805.00
58916	JOHN JERGENS ESTATES	4/2/2018		1,599.00
58917	WOODLAND PARK APARTMENTS	4/2/2018		17,103.00
58918	STOBBE, ALVIN	4/2/2018		1,182.00
58919	COTTAGES OF COTTAGE GROVE	4/2/2018		2,044.00
58920	PATTEN, LINDA	4/2/2018		1,250.00
58921	BRIAR POND	4/2/2018		17,403.00
58922	BRICK POND APARTMENTS	4/2/2018		1,200.00
58923	COBBLEHILL APTS.	4/2/2018		2,637.00
58924	SHIH, AMY	4/2/2018		1,259.00
58925	ASHWOOD PONDS	4/2/2018		4,441.00
58926	BRIARCLIFF MANOR	4/2/2018		1,667.00
58927	EASTWOOD INVESTMENTS LLC	4/2/2018		460.00
58928	BARBARA GAUGHAN FAMILY LTD PAR	4/2/2018		1,865.00
58929	GENEVA VILLAGE L.P.	4/2/2018		1,904.00
58930	MULLER MANOR	4/2/2018		518.00
58931	PARK PLACE APTS. II	4/2/2018		425.00
58932	UPSTREAM PROPERTIES,INC.	4/2/2018		241.00
58933	ECHO RIDGE APARTMENTS - PHM	4/2/2018		545.00
58934	WOODLAND TOWNHOMES	4/2/2018		6,541.00
58935	COREY, SHELDON	4/2/2018		279.00
58936	STONECREST	4/2/2018		1,814.00
58937	LAKESIDE TOWNHOMES	4/2/2018		14,278.00
58938	LONG LAKE VILLAS	4/2/2018		3,095.00
58939	OAKHILL COTTAGES	4/2/2018		78.00
58940	CASSELLS, CRANSTON	4/2/2018		550.00
58941	OSSEI, HARRY	4/2/2018		931.00
58942	LARKIN, STACY	4/2/2018		700.00
58943	NORTH SHORE APARTMENTS	4/2/2018		594.00
58944	MC CUNE,SHELLY	4/2/2018		1,216.00
58945	LAKE SARAH PROPERTIES	4/2/2018		1,045.00
58946	CURVE CREST VILLAS	4/2/2018		3,802.00
58947	PONDVIEW TOWNHOMES	4/2/2018		12,638.00
58948	NOVAK, GREG	4/2/2018		590.00
58949	LONG, THOMAS	4/2/2018		1,189.00

Washington County CDA
Checks Issued
Section 8
April 1 - 30, 2018

Check Number	Vendor Check Name	Check Date	Amount
58950	BENASSI, CAROL	4/2/2018	621.00
58951	CHANG, PAUL	4/2/2018	1,559.00
58952	DESHLER, DAVID	4/2/2018	1,150.00
58953	LUU, RENEE	4/2/2018	563.00
58954	WEBER, MARTY	4/2/2018	727.00
58955	LO, TANG-YUNG	4/2/2018	754.00
58956	FOREST LAKE APTS HOUSING	4/2/2018	574.00
58957	FAROOQ, REHAN	4/2/2018	1,129.00
58958	FOREST RIDGE TOWNHOMES	4/2/2018	3,595.00
58959	LEE, BLONG	4/2/2018	723.00
58960	SIENNA RIDGE TOWNHOMES	4/2/2018	6,587.00
58961	DIAKELLY, JULIENNE	4/2/2018	1,394.00
58962	COTTAGES OF ASPEN LP	4/2/2018	2,064.00
58963	(WHEDA	4/2/2018	940.56
58964	HENDRICKSON, PAMELA	4/2/2018	493.00
58965	HAMPTON, PHILLIP	4/2/2018	911.00
58966	JD PONDVIEW LLC	4/2/2018	9,603.00
58967	BLEW HOLDINGS, LLC	4/2/2018	2,956.00
58968	MARK VIEROW	4/2/2018	1,350.00
58969	RED OAK PRESERVE FAMILY LP	4/2/2018	7,089.00
58970	PETERSON, TONIA C.	4/2/2018	353.00
58971	OSBORN, ROBERT	4/2/2018	632.00
58972	OAKDALE-GRANADA LAKES LTD. PAR	4/2/2018	11,865.00
58973	ABDULMIJID, FAISAL	4/2/2018	1,388.00
58974	GOLDEN STONE LLC	4/2/2018	677.00
58975	HOWARD, CHAD	4/2/2018	627.00
58976	JACOBSEN, ELENA	4/2/2018	582.00
58977	EAST GATE APARTMENTS LP	4/2/2018	149.00
58978	VILLAGE APARTMENTS	4/2/2018	2,384.00
58979	CYPRESS SR. LIVING	4/2/2018	5,743.00
58980	GALVIC CORPORATION	4/2/2018	1,220.00
58981	NEW CHALLENGES, INC	4/2/2018	1,337.00
58982	SIVERSON, NEIL	4/2/2018	806.00
58983	ZHANG, HAIYAN	4/2/2018	340.00
58984	XU, XUEMEI	4/2/2018	846.00
58985	Lion Rock Newport LLC	4/2/2018	1,163.00
58986	A.L.A. PROPERTIES, LLC	4/2/2018	1,082.00
58987	TOY, DAVID LLC	4/2/2018	2,488.00
58988	Nationwide Housing Corp.	4/2/2018	19,004.00
58989	COMMON BOND CITY WALK LIMITED	4/2/2018	3,320.00
58990	RSRC ASHWOOD LLC	4/2/2018	3,860.00
58991	TSEGAI, DANIEL	4/2/2018	604.00
58992	FRANK, ANTHONY	4/2/2018	512.00
58993	GRIFFIN COURT C LLC	4/2/2018	538.00
58994	NUR, MOHAMED	4/2/2018	934.00
58995	ST CROIX VILLAGE LLC	4/2/2018	4,215.00
58996	THE GROVES APARTMENTS LLC	4/2/2018	4,894.00

Washington County CDA
Checks Issued
Section 8
April 1 - 30, 2018

Check Number	Vendor Check Name	Check Date	Amount
58997	WOOI, JOHN	4/2/2018	887.00
58998	MIND PROPERTIES LLC	4/2/2018	995.00
58999	MAO, GUOPING	4/2/2018	1,219.00
59000	IH2 PROPERTY ILLINOIS, LP	4/2/2018	2,868.00
59001	PETERSEN, ALLAN	4/2/2018	1,164.00
59002	BOYUM C/O APPLEGATE PROP MGMT.	4/2/2018	474.00
59003	KALINOFF PROPERTIES	4/2/2018	500.00
59004	FOREST OAK APTS	4/2/2018	1,151.00
59005	HEAVEN LLC	4/2/2018	1,451.00
59006	SEVEN PINES INVESTMENTS II	4/2/2018	880.00
59007	BIRCHWOOD TOWNHOMES	4/2/2018	645.00
59008	LILY LAKE TERRACE APTS	4/2/2018	975.00
59009	URBANSKI RENTALS	4/2/2018	1,574.00
59010	FOREST OAK APTS II LTP PAR	4/2/2018	2,190.00
59011	STILLWATER GREELEY	4/2/2018	829.00
59012	EVERSON, RANDY	4/2/2018	1,038.00
59013	PICCADILLY SQUARE OF MAHTOMEDI	4/2/2018	2,033.00
59014	ATIA MBAH	4/2/2018	701.00
59015	Sumner, Jacqueline	4/2/2018	1,031.00
59016	CARSON, STEVEN	4/2/2018	451.00
59017	OAKDALE TERRACE LLC	4/2/2018	6,724.00
59018	COURTLY COMMERCIALS LLC	4/2/2018	2,805.00
59019	OXBORO AVE LLC	4/2/2018	1,321.00
59020	MC DOWELL, JEREMY	4/2/2018	637.00
59021	FANG, QING	4/2/2018	704.00
59022	TRAILSIDE SENIOR LIVING	4/2/2018	645.00
59023	IH3 Property MN L.P.	4/2/2018	1,165.00
59024	JEFFRIES, KIM	4/2/2018	465.00
59025	FLEMING, DAVID	4/2/2018	904.00
59026	RED ROCK SQUARE	4/2/2018	3,451.00
59027	BEUKE, JAMESON	4/2/2018	578.00
59028	10 Pointe LLC	4/2/2018	568.00
59029	DONG, XIAOMING	4/2/2018	1,197.00
59030	CLEVELAND, NANCY	4/2/2018	844.00
59031	PITT, DAISY MARIE	4/2/2018	1,190.00
59032	SINGHAL, NISHANT	4/2/2018	1,185.00
59033	GREEN TWIG LLP	4/2/2018	596.00
59034	B.P.D. Properties	4/2/2018	858.00
59035	THE LEGENDS OF CG/DOMINIUM MANAGEMEN	4/2/2018	541.00
59036	BUTT, MANAN	4/2/2018	607.00
59037	WOODBURY UNITED METHODIST	4/2/2018	1,825.00
59038	MINNEHAHA MANOR	4/6/2018	575.00
59039	BRIAR POND	4/6/2018	1,638.00
59040	ASHWOOD PONDS	4/6/2018	764.00
59041	CURVE CREST VILLAS	4/6/2018	432.00
59042	OAKDALE-GRANADA LAKES LTD. PAR	4/6/2018	1,927.00
59043	OAKDALE TERRACE LLC	4/6/2018	454.00

Washington County CDA
Checks Issued
Section 8
April 1 - 30, 2018

Check Number	Vendor Check Name	Check Date	Amount
59044	WOODLAND PARK APARTMENTS	4/20/2018	907.00
59045	BRIAR POND	4/20/2018	416.00
59046	COBBLEHILL APTS.	4/20/2018	469.00
59047	WOODLAND TOWNHOMES	4/20/2018	645.00
59048	LAKESIDE TOWNHOMES	4/20/2018	575.00
59049	COTTAGES OF ASPEN LP	4/20/2018	1,028.00
59050	RED OAK PRESERVE FAMILY LP	4/20/2018	1,592.00
59051	PICCADILLY SQUARE OF MAHTOMEDI	4/20/2018	465.00
59052	Sumner, Jacqueline	4/20/2018	388.00
59053	THE LEGENDS OF CG/DOMINIUM MANAGEMEN	4/20/2018	337.00
	TOTAL SECTION 8 CHECKS:		**$ 311,042.56**

VOIDED Check Number	Vendor Check Name	Check Date	Amount
	None		

Total General Checking, Electronic Payments and Section 8 Checks: $ 1,653,669.42

WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY

REQUEST FOR BOARD ACTION

May 15, 2018
BOARD MEETING DATE

AGENDA ITEM A- 1

Housing Assistance

ORIGINATING DEPARTMENT/SERVICE

Ann Hoechst, 5/17/2018
REQUESTOR'S SIGNATURE/DATE

BOARD ACTION REQUESTED

Resolution Authorizing the Adoption of the Amended Annual Contributions Contract to include the Veterans Affairs Supportive Housing Budget Authority.

BACKGROUND/JUSTIFICATION

The Washington County Community Development Agency ("CDA") notified the Department of Housing and Urban Development ("HUD") on October 25, 2017 that it was interested in applying for Veterans Affairs Supportive Housing ("VASH") vouchers and had support in this from the Department of Veterans Affairs. These vouchers are specifically to house homeless veterans that have a case manager from the Veterans Administration Center in Minneapolis.

On February 23, 2018, the CDA was notified that it needed to complete the application for 10 VASH vouchers. To complete the application the CDA had to submit HUD form 52515, which was completed shortly thereafter.

On April 13, 2018, the CDA was notified that the CDA was awarded the 10 VASH vouchers with a budget of $62,763. This award amount would result in an amendment to the Annual Contributions Contract ('ACC") to the CDA. The vouchers are administered in partnership with the V23/Minneapolis Health Care System serving veterans in the CDA's jurisdiction. This change in the ACC begins on May 1, 2018 and is listed in Attachment A (last entry on last page).

Staff recommends approval of the resolution.

PREVIOUS ACTION ON REQUEST/OTHER PARTIES ADVISED

EXECUTIVE DIRECTOR/DATE:	**ATTACHMENT LIST:**	**FINANCIAL IMPLICATIONS:**
Barbara Dacy 5/8/18	Attachment A – Renewal of Housing Choice Voucher Program Increments April 30, 2018 Expiring April 30, 2018.	$ 62,763 **BUDGETED:** ☐ **YES** ☒ **NO** **FUNDING:** _____

COMMENTS

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
Financial Management Center
2380 McGee Street, Suite 400
Kansas City, MO 64108-2605

OFFICE OF PUBLIC AND INDIAN HOUSING

April 30, 2018

MN212
WASHINGTON COUNTY HRA
7645 CURRELL BOULEVARD
WOODBURY, MN 55125

Dear Executive Director:

SUBJECT: Renewal of Housing Choice Voucher Program Increments
Expiring April 30, 2018.

This letter is to notify you that funds have been obligated to renew expiring Housing Choice Voucher (HCV) Program Housing Assistance Payments (HAP) and Administrative Fee increment(s).

May 2018 HAP Funding

The HAP funding is provided to renew increment(s) expiring April 31, 2018. The advance was calculated using the January through October VMS data, with October inflated at 0.5% as a proxy for November and December, then divided by 12 and prorated at 99%.

The monthly HAP is disbursed in accordance with PIH Notice 2011-67, utilizing cash management procedures and will continue being reconciled on a quarterly basis to ensure compliance with Treasury Financial Manual at Vol. 1, Part 6, Section 2025.

VASH Renewals

If your agency is administering HUD Veterans Affairs Supportive Housing (VASH) vouchers, the renewal of these vouchers is included in the overall renewal calculations. These vouchers are not renewed separately. PHAs must comply with the statutory requirement that VASH vouchers may only be used to assist VASH-eligible participants, both initially and upon turnover.

Separate tracking of the VASH units from the regular voucher units is required for SEMAP purposes, since VASH units are not included, and will also allow for the utilization monitoring of these special purpose vouchers. A new increment will be established for the VASH renewal units and assigned one dollar ($1.00) of budget authority. These units will continue to be renewed separately upon expiration.

Rental Assistance Demonstration (RAD) Renewals

If your agency is administering Rental Assistance Demonstration (RAD) vouchers, the renewal of these vouchers is included in the overall renewal calculations. These vouchers are not renewed separately.

Separate tracking of the RAD units from the regular voucher units is required by the Department. A new increment will be established for the RAD renewal units and assigned one dollar ($1.00) of budget authority. These units will continue to be renewed separately upon expiration.

RAD leasing and expenses are to be reported in the VMS in the appropriate RAD field (RAD 1 or RAD 2). In addition, RAD units should also be reported in the VMS as Project-Based Vouchers (PBV). Please refer to the VMS User's Manual for specific guidance on RAD and PBV reporting.

May 2018 Administrative Fee Funding

The administrative fees provided for May 2018 are an estimated amount based on the leasing data reported in the Voucher Management System (VMS) for January through December 2017. The amount was capped to the number of available units; prorated to 76% of eligibility; and calculated using the 2018 administrative fee rate.

The Department will continue to use the VMS to calculate administrative fees based on first of the month leasing, and to reconcile the estimated fees advanced with the actual earnings for each month.

MTW Agencies administrative fee funding will be based on their MTW agreement.

Specific information concerning the renewal(s) for your public housing agency (PHA) is identified below.

Expiring HAP Funding Increment Number	Replacement HAP Funding Increment Number	Units	HAP Budget Authority	Admin Fee Funding Increment Number	Admin Fee Budget Authority	Effective Date	Term (Months)
				MN212AF0117	$5,817	5/1/2018	1
MN212VO0115	MN212VO0116	90	$54,273			5/1/2018	1

(NOTE: The expiring funding increment number(s) listed above with blank fields across are renewed by the first listed replacement funding increment number that follows.)

Enclosed is your Notice to Amend the Consolidated Annual Contributions Contract (CACC) with revised funding exhibits reflecting the change(s) described above. The amendment notice and revised funding exhibits should be filed with your most recent CACC. No execution by HUD or your PHA is required.

Public housing agencies receiving an increment in excess of $100,000 in Budget Authority (BA) are required to submit Form HUD-50071, Certification of Payments to Influence Federal Transactions, and if applicable, Form SF-LLL, Disclosure of Lobbying Activities. If this letter notifies you of a renewal in excess of $100,000, and your PHA has not submitted the Form(s) HUD-50071 (and SF-LLL where applicable) for your current fiscal year; the documents must be submitted to your local field office and Financial Analyst at the Financial Management Center (FMC) within 30 days of the date of this letter. These forms are located on the Internet at the following addresses:

Form HUD-50071
https://www.hud.gov/sites/documents/50071.pdf

Form SF-LLL
https://www.hudexchange.info/resources/documents/HUD-Form-Sflll.pdf

Please contact your Financial Analyst at the FMC if you have any questions.

Sincerely

June E. Burnes

Digitally signed by: June E. Burnes
DN: CN = June E. Burnes C = US O = Financial Management Center OU = Division Director
Reason: I am approving this document

Division Director

Enclosures
Memo Reference: 18-122

Consolidated
Annual Contributions Contract

Housing Choice Voucher Program

U. S. Department of Housing and Urban Development

Office of Public and Indian Housing

Section 8

HUD NOTICE TO HOUSING AGENCY AMENDING

CONSOLIDATED ANNUAL CONTRIBUTIONS CONTRACT

Housing Agency: **MN212**
WASHINGTON COUNTY HRA

In accordance with Paragraph 2.c. of the Consolidated Annual Contributions Contract between HUD and the HA, you are notified that the funding exhibits of the Consolidated Annual Contributions Contract is hereby revised to add a new funding increment as provided in the attached revised funding exhibit. (This notice adds one or more funding increments listed on the attached funding exhibit.)

The revised funding exhibit is attached to this HUD notice. This revised funding exhibit replaces and revises the prior funding exhibit.

In accordance with Paragraph 2.d. of the Consolidated Annual Contributions Contract, this HUD notice and the attached funding exhibit constitutes an amendment to the Consolidated Annual Contributions Contract.

United States of America	Secretary of Housing and Urban Development Authorized Representative Robert H. Boepple, Director Financial Management Center	Date of Document: 4/30/2018

Form HUD-52520A (12/97)

U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

PIH SECTION 8 - FUNDING EXHIBIT

PROGRAM-BASED

ACC NUMBER: MN212

FIELD OFFICE: **5KPH**

MN212
WASHINGTON COUNTY HRA
7645 CURRELL BOULEVARD

WOODBURY, MN 55125

HA FISCAL YEAR-END: **12/31** PROGRAM TYPE: **Voucher Program**

FUNDING INCREMENT NUMBER	FIRST DAY OF TERM	LAST DAY OF TERM	CONTRACT TERM	BUDGET AUTHORITY	UNITS
MN212AF0103	4/1/2016	6/30/2016	3	17,618	N/A
MN212AF0105	8/1/2016	8/31/2016	1	18,479	N/A
MN212AFR216	9/1/2016	9/30/2016	1	792	N/A
MN212VO0104	4/1/2016	9/30/2016	6	294,871	90
MN212AF0104	7/1/2016	10/31/2016	4	24,851	N/A
MN212VO0105	10/1/2016	10/31/2016	1	50,901	90
MN212AF0106	11/1/2016	12/31/2016	2	11,173	N/A
MN212VO0106	11/1/2016	12/31/2016	2	101,804	90
MN212AFR316	1/1/2017	1/31/2017	1	193	N/A
MN212AF0107	1/1/2017	2/28/2017	2	11,878	N/A
MN212VO0107	1/1/2017	2/28/2017	2	99,285	90
MN212AF0108	3/1/2017	4/30/2017	2	11,596	N/A
MN212AFR416	4/1/2017	4/30/2017	1	1,163	N/A
MN212VO0108	3/1/2017	4/30/2017	2	99,285	90
MN212AF0109	5/1/2017	6/30/2017	2	11,743	N/A
MN212VO0109	5/1/2017	6/30/2017	2	99,285	90
MN212AF0111	9/1/2017	9/30/2017	1	18,198	N/A
MN212AF0112	9/1/2017	9/30/2017	1	171	N/A
MN212VO0110	7/1/2017	9/30/2017	3	179,499	90
MN212AF0110	7/1/2017	10/31/2017	4	23,096	N/A
MN212VO0111	10/1/2017	10/31/2017	1	53,039	90
MN212VOPR16	10/1/2017	10/31/2017	1	2,092	N/A
MN212AF0113	11/1/2017	12/31/2017	2	11,387	N/A
MN212VO0112	11/1/2017	12/31/2017	2	106,080	90
MN212AF0114	1/1/2018	2/28/2018	2	11,569	N/A
MN212AFR317	2/1/2018	2/28/2018	1	667	N/A
MN212VO0113	1/1/2018	2/28/2018	2	112,512	90
MN212AF0115	3/1/2018	3/31/2018	1	5,810	N/A
MN212VO0114	3/1/2018	3/31/2018	1	53,725	90
MN212AF0116	4/1/2018	4/30/2018	1	5,810	N/A
MN212VO0115	4/1/2018	4/30/2018	1	53,725	90
MN212AF0117	5/1/2018	5/31/2018	1	5,817	N/A

MN212VO0116	5/1/2018	5/31/2018	1	54,273	90
MN212VO0117	5/1/2018	4/30/2019	12	62,763	10

BOARD OF COMMISSIONERS
WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY
WASHINGTON COUNTY, MINNESOTA

DATE May 15, 2018 RESOLUTION NO. 18-18

MOTION BY COMMISSIONER _____ SECOND BY COMMISSIONER _____

==========

RESOLUTION AUTHORIZING THE ADOPTION OF THE AMENDED ANNUAL CONTRIBUTIONS CONTRACT TO INCLUDE THE VETERANS AFFAIRS SUPPORTIVE HOUSING BUDGET AUTHORITY

YES	NO
BELISLE _____	BELISLE _____
HARGIS _____	HARGIS _____
ZELLER _____	ZELLER _____
DINGLE _____	DINGLE _____
WIDEN _____	WIDEN _____
RYAN _____	RYAN _____
MIRON _____	MIRON _____

==========

STATE OF MINNESOTA)
SS
COUNTY OF WASHINGTON)

I, Barbara Dacy, duly appointed, qualified and acting Executive Director of the Washington County Community Development Agency of Washington County, Minnesota do hereby certify that I have compared the foregoing copy of a Resolution with the original minutes of the proceedings of the Washington County Community Development Agency Board of Commissioners, at its session held on the 15th day of May, 2018, now on file in my office and have found the same to be true and correct thereof. Witness my hand and official seal this 15th day of May, 2018.

_____ _____
CDA Secretary Barbara Dacy, Executive Director

WASHINGTON COUNTY
COMMUNITY DEVELOPMENT AGENCY

RESOLUTION NO. 18-18

RESOLUTION AUTHORIZING THE ADOPTION OF THE AMENDED ANNUAL CONTRIBUTIONS CONTRACT TO INCLUDE THE VETERANS AFFAIRS SUPPORTIVE HOUSING BUDGET AUTHORITY

WHEREAS, the Washington County Community Development Agency (the "Agency") administers the Housing Choice Voucher program; and

WHEREAS, the United States Department of Housing and Urban Development ('HUD") provides the funds for the Housing Choice Voucher Program; and

WHEREAS, the Agency applied for Veterans Affairs Supportive Housing ("VASH") Vouchers; and

WHEREAS, the Agency has been awarded up to ten (10) VASH vouchers with an annual budget of $62,763 beginning May 1, 2018; and

WHEREAS, HUD has amended the Annual Contributions Contract ("ACC") to include the annual budget authority.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY, AS FOLLOWS:

1. That the Executive Director is hereby authorized to accept the amended ACC.

2. That the Executive Director is hereby authorized, empowered, and directed to execute and deliver in the name and on behalf of the Agency any other documents and instruments in such form and on such terms and conditions as she deems necessary or appropriate in connection with the amended ACC as contemplated above.

3. That the Executive Director is hereby authorized, empowered, and directed to do all other acts and things as she deems necessary or desirable in her discretion to effectuate the purposes of the foregoing Resolutions.

Adopted this 15th day of May 2018.

_____
Chair

ATTEST:

_____
Secretary

WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY

REQUEST FOR BOARD ACTION

May 15, 2018
BOARD MEETING DATE

AGENDA ITEM A-2

Community Development
ORIGINATING DEPARTMENT/SERVICE

Melissa Taphorn 5/4/2018
REQUESTOR'S SIGNATURE/DATE

BOARD ACTION REQUESTED

Resolution Authorizing Reservation of Gap Financing for Redevelopment and Rental and Ownership Housing in Washington County (GROW) Fund for Green Twig Villas II; and Authorizing Execution of Related Loan Documents

BACKGROUND/JUSTIFICATION

Green Twig Villas II (the "Project") is a proposed multifamily rental development by Anchobaypro, Inc which will add 72 units of housing as part of a Planned Unit Development in Oak Park Heights. The Project will serve households below 60% of the area median income, with 20% of the units set aside for households below 50% AMI. The developer is seeking a deferred loan from the Agency under the Gap Financing for Redevelopment and Rental and Ownership Housing in Washington County Fund ("GROW Fund") of $150,000. The proposed financing plan for Green Twig Villas II includes a first mortgage tied to the sale of tax-exempt private activity bonds, equity from the sale of Low Income Housing Tax Credits, a tax increment financing (TIF) mortgage from the City of Oak Park Heights, and a deferred developer fee and seller's note.

The attached resolution authorizes a GROW Loan of up to $150,000 for the Project. The proposed development meets program eligibility criteria for affordability, leverage of public and private funds, and organizational capacity. The Project addresses the GROW Fund priorities of new construction of affordable rental units. Staff recommends approval of a reservation of GROW Funds up to $150,000 to be distributed when the fund balance is sufficient, assuming other financing and municipal land use approvals are secured and the Project moves forward. The allocation will be structured as a 0% deferred loan to be repaid at year 30 or upon the sale or refinancing of the Project. The final amount of GROW funds will be determined prior to closing and will not exceed the minimum amount required to ensure feasibility.

Staff respectfully requests approval of the attached resolution.

PREVIOUS ACTION ON REQUEST/OTHER PARTIES ADVISED

EXECUTIVE DIRECTOR/DATE:	**ATTACHMENT LIST:**	**FINANCIAL IMPLICATIONS:** $150,000
Barbara Dacy 5/9/18	Attachment A – Project Sources and Uses Attachment B – Project Location Map	**BUDGETED:** ☒ YES ☐ NO **FUNDING:** GROW Fund

COMMENTS

Green Twig Villas II

Sources and Uses

Source of Funds	Amount	Anticipated Use of Funds
First Mortgage	$8,700,000	Construction, Soft Costs
Syndication Proceeds	$3,329,444	Construction, Soft Costs
GROW Fund Deferred Loan	$150,000	Construction, Soft Costs
TIF Mortgage	$50,000	Construction, Soft Costs
Deferred Land Loan	$1,800,000	Site Acquisition
Deferred Developer Fee	$1,133,956	Construction, Soft Costs
Total Project Cost	$15,163,400	

Proposed Rents

Unless noted, all rents restricted to 60% AMI

Unit Type	Number of Units	Proposed Monthly Contract Rent
1BR @ 50% AMI	15	$864
1BR	27	$941
2BR	30	$1,138

Income Limits by Household Size

	1	2	3	4
50% AMI	$33,050	$37,750	$42,450	$47,150
60% AMI	$39,660	$45,300	$50,940	$56,580

Attachment B—Location Map

Green Twig Villas II

13912 Lower 59th Street North, Oak Park Heights, MN

BOARD OF COMMISSIONERS
WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY
WASHINGTON COUNTY, MINNESOTA

DATE May 15, 2018 RESOLUTION NO. 18-19

MOTION BY COMMISSIONER _____ SECOND BY COMMISSIONER _____

==========

RESOLUTION AUTHORIZING RESERVATION OF GAP FINANCING FOR REDEVELOPMENT AND RENTAL AND OWNERSHIP HOUSING IN WASHINGTON COUNTY (GROW) FUND FOR GREEN TWIG VILLAS II; AND AUTHORIZING EXECUTION OF RELATED LOAN DOCUMENTS

YES	NO
BELISLE _____	BELISLE _____
HARGIS _____	HARGIS _____
ZELLER _____	ZELLER _____
DINGLE _____	DINGLE _____
WIDEN _____	WIDEN _____
RYAN _____	RYAN _____
MIRON _____	MIRON _____

==========

STATE OF MINNESOTA)
SS
COUNTY OF WASHINGTON)

I, Barbara Dacy, duly appointed, qualified and acting Executive Director of the Washington County Community Development Agency of Washington County, Minnesota do hereby certify that I have compared the foregoing copy of a Resolution with the original minutes of the proceedings of the Washington County Community Development Agency Board of Commissioners, at its session held on the 15th day of May, 2018, now on file in my office and have found the same to be true and correct thereof. Witness my hand and official seal this 15th day of May, 2018.

_____ _____
CDA Secretary Barbara Dacy, Executive Director

WASHINGTON COUNTY
COMMUNITY DEVELOPMENT AGENCY

RESOLUTION NO. 18-19

RESOLUTION AUTHORIZING RESERVATION OF GAP FINANCING FOR REDEVELOPMENT AND RENTAL AND OWNERSHIP HOUSING IN WASHINGTON COUNTY (GROW) FUND FOR GREEN TWIG VILLAS II; AND AUTHORIZING EXECUTION OF RELATED LOAN DOCUMENTS

WHEREAS, in December 2012 the Board of Commissioners (the "Board") of the Washington County Community Development Agency (the "Agency") adopted the revised Gap Financing for Redevelopment and Rental and Ownership Housing in Washington County Fund (the "GROW Fund"); and

WHEREAS, the purpose of the GROW Fund is to provide gap financing to developers and owners of affordable rental and/or ownership housing in Washington County; and

WHEREAS, the Green Twig Villas II project will create 72 new units of affordable housing in Oak Park Heights for households at or below 60 percent of the area median income; and

WHEREAS, creating additional affordable housing is part of Oak Park Heights' comprehensive plan; and

WHEREAS, the Agency has determined that a loan from the GROW Fund of approximately $150,000 is required for the feasibility of Green Twig Vilas II; and

WHEREAS, the Agency has determined that Green Twig Villas II meets the requirements of the GROW Fund program including affordability (rent and income requirements), leverage of public and private funds, new construction of affordable units, and capacity to manage the project.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY, AS FOLLOWS:

1. That Anchobaypro, Inc. secures all financing and land use approvals.

2. That the Executive Director is hereby authorized to execute loan documents in connection with a GROW Deferred Loan of up to $150,000 for Green Twig

Villas II to include, but not limited to, a note and loan agreement with the following terms: (i) 0% interest rate; and (ii) 30 year maturity date.

3. That the Executive Director is hereby authorized, empowered, and directed to execute and deliver in the name and on behalf of the Agency any other documents and instruments in such form and on such terms and conditions as she deems necessary or appropriate in connection with the GROW Loan for Green Twig Villas II as contemplated above.

4. That the Executive Director is hereby authorized, empowered, and directed to do all other acts and things as she deems necessary or desirable in her discretion to effectuate the purposes of the foregoing Resolutions.

5. That the Executive Director is hereby authorized to amend the terms and conditions to be more restrictive as deemed appropriate if Green Twig Villas II financial plan varies from the information contained in the GROW application dated April 20, 2018.

Adopted this 15th day of May, 2018.

_____
Chair/Vice Chair Commissioner

ATTEST:

_____
Secretary

PRESENTATION ITEM

P-1 Dave Mol, Redpath Inc., 2017 Audited Financial Statements

WASHINGTON COUNTY
Community Development Agency

7645 Currell Boulevard, Woodbury, MN 55125
office: 651-458-0936 fax: 651-458-1696

Memo To: CDA Commissioners

From: Aaron Christianson, Finance Director

Date: May 8, 2018

RE: 2017 Audit Documents

Audit Documents

In a separate mailing, the Board will be receiving four documents pertaining to the 2017 Audit. The first attachment is the report from the Authority's legal counsel regarding the matters handled by McGrann Shea during the previous year. The second enclosure is the Comprehensive Annual Financial Report (CAFR), which also contains the required reporting on compliance with state auditor requirements, governmental accounting standards, and federal programs. The third enclosure is the "Communication with Those Charged with Governance" from the auditor. The fourth enclosure is Supplementary Information to the 2017 Audit Report that is prepared by the CDA Finance Staff, which gives additional information comparing 2017 activities to previous years and is an easy quick reference on financial activities for the Agency.

Attorney Letter

The letter reports on four matters where legal advice was requested in 2017. Given the variety and size of programs that the Agency administers, it is not unusual to have matters such as these arise from time to time. There was one reasonable accommodation request that was resolved. There was one challenge to the CDA establishing a TIF district, which was resolved in 2018. The remaining two items do not directly impact the CDA and there is nothing further to report other than what is contained in the letter.

Comprehensive Annual Financial Report (CAFR)

There were no internal control or compliance findings over financial reporting and Minnesota Legal Compliance requirements. In addition, during the course of our Single Audit, i.e. the "federal award" audit, it was reported that there were no internal control or compliance findings related to the management and expenditure of our federal awards. This is significant given that the amount of federal expenditures is approximately $3.2 million and includes thirteen grants affecting all aspects of the Agency's business. All CDA staff and the Shelter Corporation team are to be congratulated for working together to ensure that the Agency's finances are appropriately maintained and for properly following federal program requirements.

Fund Balance and Net Position

The Governmental Accounting Standards Board requires that governmental fund balances be presented in a certain manner. For example, governmental fund balances does not include the financial balances, (called net position), of the Agency's properties (these are classified as "Business"/Proprietary funds).

As of December 31, 2017, the CDA's governmental funds reported a combined fund balance of approximately $15.6 million, an increase of $3.0 million in comparison with the prior year. The primary reason for the increase is related to the net transfer of funds from the properties to the General Fund of $1.9 million. This is primarily attributable to a $1.2 million transfer from Briar Pond cash reserves and $.7 million generated from property operations, including accumulated cash distributed from operating accounts held in trust. The remaining $1.1 million of the increase relates to levy received for capital improvements and other development initiatives that will be spent on 2018 projects or will be added the long-term capital reserve in compliance with policy. The General Fund's total fund balance at year-end was $10.1 million. Of that amount, $4.0 million is committed to long-term capital improvements, $2.0 million is assigned to be used as a bridge loan on the Glen project, $2.3 million is designated for the CDA's operating reserve, and the remaining $1.8 million represents the amount of working capital available to the Agency at year-end. The only other governmental fund with a significant fund balance is the Community Development Fund. Its fund balance increased $275,000 over the prior year and totaled $8.1 million at year-end. Of the $8.1 million dollar balance $2.5 million is held in cash and will be used for future GROW loans and/or development initiatives and $5.6 million represents long-term receivables and land held for resale, which are not readily convertible to cash.

As of December 31, 2017, the CDA's proprietary funds reported combined net position of $20.4 million, an increase of $.3 million in comparison with the prior year. Income before contributions and transfers totaled $2.2 million. The increase related to strong results of the properties, which accounted for $2.1 million. $1.9 million was transferred to the General fund as discussed previously.

PRESENTATION ITEM

P-2 Excellence in Service Award from the Minnesota Homeownership Advisors Network

WASHINGTON COUNTY
Community Development Agency

7645 Currell Boulevard, Woodbury, MN 55125
office: 651-458-0936 fax: 651-458-1696

Memo To: CDA Board of Commissioners

From: Barbara Dacy, Executive Director
Melissa Taphorn, Deputy Executive Director

Date: May 4, 2018

RE: Excellence in Service Award from the Minnesota Homeownership Advisors Network

We would like to publicly recognize and thank Heather Posthumus, Senior Homeownership Specialist and Portia Jackson, Homeownership Specialist, for their devoted service that has resulted in the Agency receiving a significant recognition by the industry. The Agency received an "Excellence in Service" Award by the Minnesota Homeownership Advisors Network at the 2018 Homeownership Counselors Conference on May 3, 2018. The Center created the award to recognize housing counselors and organizations for their outstanding achievement and success serving communities and clients. The Agency and three other counselors from other agencies in the state received this prestigious award from participating organizations and housing counselors statewide.

Heather and Portia are models of professionalism, teamwork and dedication to the mission of the Agency. The Excellence in Service award recognizes their collaboration with the Black Women's Wealth Alliance (BWWA). The BWWA approached the Agency about educating Black women involved in a homebuyers club using the HomeStretch curriculum. The collaboration is unique in that it brought together an agency with an established trust among Black women skilled at wealth creation education with our Agency, adept at pre-purchase advising and financial capability building. The CDA tailored the curriculum to be culturally specific to African Americans.

The CDA and BWWA facilitated HomeStretch education over six evenings in the fall of 2017. Participants shared dinner each evening which allowed for conversation and fellowship building. Nineteen women completed the full curriculum and received certificates. Approximately 25% of the graduates also sought out homebuyer counseling services from the CDA. In the short time since completing the HomeStretch course, one woman purchased a home. A second session of the Homebuyers Club ran from March to April 2018 when an additional 22 Black women participated. This collaboration is one method to increasing parity in the homeownership gap for Black women (many who are single householders). The partnership addresses many of the issues identified in research on homeownership disparities (i.e. building knowledge and understanding of the lending and real estate processes and educating through trusted cultural brokers).

WASHINGTON COUNTY
COMMUNITY DEVELOPMENT AGENCY

REQUEST FOR BOARD ACTION

May 15, 2018
BOARD MEETING DATE

AGENDA ITEM A-3

Community Development
ORIGINATING DEPARTMENT/SERVICE

Melissa Taphorn 5/4/2018
REQUESTOR'S NAME/DATE

BOARD ACTION REQUESTED
RESOLUTION ADOPTING THE 2019 QUALIFIED ALLOCATION PLAN AND HOUSING TAX CREDIT PROGRAM 2019 PROCEDURAL MANUAL FOR HOUSING TAX CREDITS

BACKGROUND/JUSTIFICATION

The Housing Tax Credit Program (HTC) was created by the Tax Reform Act of 1986 to stimulate private investment in affordable Housing development. Section 42 of the Internal Revenue Code (IRC) requires that allocating agencies develop a Qualified Allocation Plan (the "QAP") which sets forth the selection priorities and process for distribution of tax credits within their jurisdiction. The estimated amount of 2019 HTC is $636,395. This is based on the distribution plan implemented by Minnesota Housing and a $2.70 per capita volume cap. The amount includes the additional credits for the 2018 HTC program resulting from the increase approved in Consolidated Appropriations Act of 2018. The 9% tax credits are awarded to projects through a competitive process. The Agency will receive applications by July 12, 2018.

As discussed at the March 20, 2018 meeting, staff is recommending a minimal number of changes to the QAP. The Procedural Manual is recommended to be amended to clarify various topics. A summary of these proposed changes are detailed in Attachment A and reflected in the Self Scoring Worksheet (Attachment B).

Notice of the public hearing was published on April 27, 2018 and posted on the Agency's website. Comments are accepted through the public hearing. No comments had been received to date.

Staff recommends the Board approve a motion to open the public hearing, receive comments, approve a motion to close the public hearing and adopt the resolution as presented. If approved, staff will submit to the Washington County Board for final consideration on June 5, 2018.

PREVIOUS ACTION ON REQUEST/OTHER PARTIES ADVISED

EXECUTIVE DIRECTOR/DATE:	**ATTACHMENT LIST:**	**FINANCIAL IMPLICATIONS: $** N/A
Barbara Dacy 5/9/18	A – Memo Summarizing Changes B – 2019 Self-Scoring Worksheet	**BUDGETED:** ☐ **YES** ☐ **NO**
		FUNDING: N/A

COMMENTS

WASHINGTON COUNTY Community Development Agency

7645 Currell Boulevard, Woodbury, MN 55125
office: 651-458-0936 fax: 651-458-1696

Memo To: CDA Board of Commissioners

From: Barbara Dacy, Executive Director
Melissa Taphorn, Deputy Executive Director
Bill Lightner, Project Manager II

Date: May 4, 2018

RE: Proposed 2019 Qualified Allocation Plan and Procedural Manual

Recommended Changes to Qualified Allocation Plan

Staff is recommending the following changes from the prior year for the 2019 Low Income Housing Tax Credit Manual Qualified Allocation Plan.

Promote local community development priorities: Within two of the selection priorities, points are awarded to rehabilitation projects (1.A.) and developments located in a Qualified Census Tract (1.E.) which are part of a "community development initiative". Clarifying language has been added. Developments seeking these points must continue to provide evidence of a targeted geographic area for the initiative, a current implementation plan with goals or outcomes specific to the need identified by the initiative, and development should demonstrate that affordable housing is a key strategy and there is active local stakeholder involvement. Plans in a Qualified Census Tract should include a demonstrated strategy for obtaining a commitment of public and/or private investment in non-housing infrastructure, amenities or services.

Incent quality, qualified developers: The CDA may deduct up to 25 points from an application for Unacceptable Practices. Failure to comply with critical life, safety and/or compliance and monitoring procedures; or to correct or submit an acceptable timeline for correction of non-compliance after repeated notices has been added to the list of Unacceptable Practices.

Reduce elderly housing priority: The CDA awards points to developments which increase the supply elderly and/or assisted housing units in cities underserved or not previously served by housing tax credits for elderly housing and where there is a demonstrated need for elderly housing. The value of this priority is being reduced from 20 points to 10 points. This priority is generally only selected in applications for 4% HTC which require a minimum of 30 points.

Recommended Changes to Procedural Manual

Staff recommends the following changes from the prior year to the 2019 Low Income Housing Tax Credit Procedural Manual.

QAP Changes: The Procedural Manual has been updated to include direction and guidance language related to the above changes to the QAP.

Fair Housing: A section has been added to identify permissible and non-permissible occupancy restrictions. Other than income restriction inherent to the program, HTC units must be available to the general public. The Fair Housing Act exempts “housing for older persons” from the Act’s prohibition of discrimination against families with children in two categories: 100% of the occupants must be 62 years of age or older or 80% of the occupied units must be occupied by at least one person who is 55 or older.

Income Averaging: The Consolidated Appropriations Act of 2018 permanently establishes income averaging as a third minimum set-aside election for new Housing Credit developments which owners could choose in lieu of the two existing minimum set-aside elections (40% of units at 60% Area Median Income (AMI) rents and 20% of units at 50% AMI rents). Income averaging allows HTC units to serve households earning as much as 80% of AMI so long as the average income/rent limit in the property is 60% or less of AMI. Owners electing income averaging must commit to having at least 40% of the units in the property affordable to eligible households. A paragraph has been reserved to incorporate this set aside election; however, additional time is needed to evaluate the language. It is anticipated that both the 2018 and 2019 QAPs and procedural manuals will be amended in the next couple months to address this topic.

WASHINGTON COUNTY CDA
SELF-SCORING WORKSHEET
2019 LOW INCOME HOUSING TAX CREDIT PROGRAM

Development Name
Address/City
Owner Name

MINIMUM THRESHOLD REQUIREMENTS

All Rounds 1 applicants for 9% LIHTC must meet one of the following threshold types. Please check one box to indicate the threshold type your project will serve.

- 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), at least 75% of the total tax credit units are single room occupancy, efficiency or one bedroom units which are affordable by households whose income does not exceed 30% of area median income.
- New construction or substantial rehabilitation of family housing projects that are not restricted to persons who are 55 years of age or older and in which, for the term of the extended use period (term of the Declaration of Land Use Restrictive Covenants), 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.
- Substantial rehabilitation projects in neighborhoods targeted by the city for revitalization.
- 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 of Restrictive Covenants), a percentage of the units are set aside and rented to persons:
  - With a serious and persistent mental illness as defined in Minnesota Statutes section 245.462, subdivision 20, paragraph (c);
  - With a developmental disability as defined in United States Code, Title 42, Section 6001, paragraph (5), as amended;
  - Who have been assessed as drug dependent persons as defined in Minnesota Statutes section 254A.02, subdivision 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, subdivision 2;
  - With a brain injury as defined in Minnesota Statutes section 256B.093, subdivision 4, paragraph (a); or
  - With a permanent physical disability that substantially limit one or more major life activities, if at least 50 % of the units in the project are accessible as provided under Minnesota Rules, Chapter 1341.
- 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 (1) prevent conversion to market rate use or (2) remedy physical determination of the project which would result in loss of existing federal subsidies.
- Projects financed by Rural Development, which meet statewide distribution goals.

WASHINGTON COUNTY THRESHOLD REQUIREMENTS

All applicants for 4% and 9% LIHTC must meet the following additional threshold requirements. Check boxes below to indicate the acceptance of these requirements.

- The owner agrees not to refuse to rent a unit to a tenant because that tenant has a Section 8 Tenant-Based Housing Choice Voucher (HCV) and that language prohibiting discrimination based on HCV status will be included in the extended use agreement.
- The owner 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.
- The owner agrees to institute and maintain a written policy prohibiting smoking in all the units and common areas within the building(s) of the project. The project must include a non-smoking clause in the lease for every household.

1. SELECTION PRIORITIES

Place an "X" 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% LIHTC will be scored competitively against other applications received. All applicants for 4% LIHTC with tax exempt bonds must meet a minimum score of 30 points.

	Points Claimed	Agency Awarded
1.A. Strategically Targeted Resources (Up to 10 points)	0	

_ Points are awarded to new construction projects that have received all land use and zoning approvals at the time of application. (5 points)

_ Points are awarded to new construction projects that will utilize existing sewer and water lines without substantial extensions. (5 points)

OR

_ Points are awarded to rehabilitation projects that are part of a community development initiative. (5 points)

1.B. Economic Integration (10 points)	0

Points are awarded to projects located in higher income communities and close to employment, in the following census tracts:

_	701.05	_	704.03	_	709.06	_	710.17
_	701.06	_	704.04	_	709.09	_	710.18
_	702.03	_	704.05	_	710.06	_	711.01
_	702.04	_	704.06	_	710.1	_	711.02
_	702.05	_	705.01	_	710.11	_	712.06
_	702.06	_	705.02	_	710.13	_	712.07
_	703.01	_	706.01	_	710.14	_	712.08
_	703.03	_	707.01	_	710.15	_	712.09
_	703.04	_	707.04	_	710.16	_	714

1.C. Transit Oriented Development (Up to 7 points)	0

Points are awarded to projects located within walking distance to public transit stations and stops. (5 points)

_ Project is located within 1/2 mile radius of a completed or planned Gateway, Rushline, or Red Rock corridor transit station.

_ Project is located within 1/2 mile radius of a bus route stop or park and ride.

_ Project is located in a municipality not served by public transit.

Additional points are awarded to projects which include transit oriented design features. (2 points for one or more features)

_ Project meets only the minimum parking stall requirements under local zoning requirements.

_ Project incorporates existing walkable or bikeable connections to station/stop areas.

_ Project maximizes the site density to the maximum allowed under local comprehensive plan requirements.

_ Project includes specific programming which results in a reduction in the local minimum parking requirements.

	Points Claimed	Agency Awarded

1.D. Community Priority Locations (5 points) — 0

Points are awarded to projects located on property owned by the Agency, Washington County, or a municipality in Washington County at the time of application.

1.E. QCT / Revitalization (1 point) — 0

A point is awarded to projects that are located in a Qualified Census Tract and are part of a concerted plan that provides for community revitalization consistent with the definition described as a Community Development Initiative.

1.F. Readiness to Proceed (Up to 15 points) — 0

Points are awarded to projects that have secured funding commitments for permanent funding sources or have no funding gap at the time of application.
The calculation below must exclude all first mortgage financing and anticipated LIHTC proceeds from the current credit request. Committed syndication proceeds from previously reserved housing tax credits may be included in the calculation.

Acceptable documentation of syndication proceeds 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 credits; and (4) contain a detailed explanation of the assumptions being used by the syndicator/investor to arrive at the projected equity price.

Total eligible funding secured, awarded or committed (exclude first mortgage and syndication proceeds as described above)	
Divided by Total Development Cost less first mortgage and excluded syndication proceeds	
Equals percentage of funds committed, rounded to the nearest tenth	0.0%

_____ 70.1% or more of gap funds committed or no gap (15 points)

_____ 50.1 - 70.0% of gap funds committed (10 points)

_____ 30.1 - 50.0% of gap funds committed (6 points)

_____ 10.1 - 30.0% of gap funds committed (2 points)

	Points Claimed	Agency Awarded
1.G. Federal / State / Local / Philanthropic Contributions (Up to 10 points)	0	

Points are awarded to projects that are receiving contributions from a governmental unit, area employer and/or a private philanthropic, religious or other charitable organization.
To receive these points, the primary financing proposed must meet the Agency's underwriting standards and demonstrate to the sole satisfaction of the Agency that the development can remain financially feasible for the duration of the housing tax credit use period.

Identity of interest exclusion: Contributions from any part of the ownership entity will be considered general partner cash and excluded from the calculation unless the contributions are awarded by local units of government or nonprofit charitable organizations pursuant to a funding competition.

Total federal/state/local/philanthropic contributions	
Divided by Total Development Cost	
Equals percentage of funding from contributions, rounded to the nearest tenth	0.0%

_____ 20.1% and above of total development cost (10 points)
_____ 10.1 - 20.0% of total development cost (6 points)
_____ 5.1 - 10.0% of total development cost (4 points)

1.H. Intermediary Costs (Up to 6 points)	0

Points are awarded to projects with the lowest cost of intermediaries on a sliding scale based on percentage of Total Development Cost. Percentages will be enforced at issuance of IRS Form 8609.

Total intermediary costs	
Divided by Total Development Cost	
Equals percentage of costs toward intermediaries, rounded to the nearest tenth	0.0%

_____ 0 - 15.0% of total development cost (6 points)
_____ 15.1 - 20.0% of total development cost (3 points)
_____ 20.1 - 25.0% of total development cost (2 points)
_____ 25.1 - 30.0% of total development cost (1 point)

	Points Claimed	Agency Awarded
1.I. Rental Assistance (5 points)	0	
Points are awarded to projects that enter into a cooperatively developed housing plan to provide rental assistance (e.g. Section 8 Housing Choice Vouchers, Shelter Plus Care, Group Residential Housing, or other similar, rental assistance programs approved by the Agency) to meet the existing need as evidenced at application by a letter of intent signed by both the applicant and the Washington County CDA or similar entity.		
Note: If points are claimed/awarded, then no points may be claimed/awarded from the preference priority category of "Serves Lowest Income Tenants/Rent Reduction" for the same units. Points cannot be claimed/awarded under the Rental Assistance priority if points are claimed/awarded for the same units under the "Preservation of Federally Assisted Units" preference priority.		
1.J. Elderly / Assisted Housing (10 points)	0	
Points are awarded to projects that increase the supply of elderly and/or assisted housing units in cities underserved or not previously served by housing tax credits for elderly housing and where there is a demonstrated need for elderly housing.		
1.K. Ending Homelessness (Up to 15 points)	0	
Points are awarded to projects that commit LIHTC units for occupancy by households experiencing homelessness. Projects must receive support in writing from the Suburban Metro Area Continuum of Care (SMAC). Applicants claiming points for providing homeless units will be required to fill those units through the Washington County Homeless Coordinated Entry system and must take priority list applicants scoring 3 or above on the assessment tool.	aatt	
* Please note that requests must be made in advance; SMAC meets the third Friday of the month.		
Sets aside 5% to 9.99%, but no fewer than 4 LIHTC units (5 points)		
Sets aside 10% to 49.99%, but no fewer than 7 LIHTC units (7 points)		
Sets aside 50% or more, but no fewer than 20 LIHTC units (10 points)		
Additional points are awarded to projects that provide suitable housing combined with supportive services for occupancy by homeless households. The applicant must provide a written commitment from an appropriate social service agency to provide support services. (5 points)		
1.L. Eventual Tenant Ownership (1 point)	0	
A point is awarded to projects that present a financially viable plan to transfer 100% of the LIHTC unit ownership from the initial ownership entity to tenant ownership, after the end of the 15-year compliance period.		

	Points Claimed	Agency Awarded
1.M. Long Term Affordability Commitment for TEB Only (Up to 7 points)	0	

Applicants seeking 9% tax credits through Washington County's competitive application process are not eligible to claim points through this Long Term Affordability priority. Only applications seeking 4% tax credits for use in conjunction with tax exempt bonds are eligible to claim points through this priority.

Points are awarded to projects that agrees to extend the long-term affordability of the project and maintain the duration of low-income use for a minimum of 30 years (7 Points)

The owner agrees that the provisions of IRC 42(h)(6)(E)(i)(II) and 42(h)(6)(F) (which provision would permit the owner to terminate the restrictions under this agreement at the end of the compliance period in the event Washington County CDA does not present the owner with a qualified contract for the acquisition of the project) do not apply to the project, and the owner also agrees the Section 42 income and rental restrictions must apply for a period of 30 years beginning with the first day of the compliance period win which the building is a part of a qualified low-income housing project.

Points are awarded to projects that agree to extend the long-term affordability of the project and maintain the duration of low-income use for a minimum of 25 years (3 points)

The owner agrees that the provisions of IRC 42(h)(6)(E)(i)(II) and 42(h)(6)(F) (which provision would permit the owner to terminate the restrictions under this agreement at the end of the compliance period in the event Washington County CDA does not present the owner with a qualified contract for the acquisition of the project) do not apply to the project, and the owner also agrees the Section 42 income and rental restrictions must apply for a period of 25 years beginning with the first day of the compliance period win which the building is a part of a qualified low-income housing project.

2. PREFERENCE PRIORITIES

Points obtained 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 9.2.

2.A. Previous Housing Tax Credit Reservation (30 points)	0

Points are awarded to projects that have a prior reservation of housing tax credits, were not fully funded in a previous round, and require additional housing tax credits to make the project feasible.

2.B. Preservation of Affordable Housing (20 points)	0

Points are awarded to projects that preserve low-income housing receiving assistance under Section 8 or Section 236 which, due to mortgage prepayments or expiring rental assistance contracts, would convert to market rate use. The Agency in its sole discretion must agree that a market exists for conversion to market rate housing.

Points are awarded to projects that preserve the rent and income restrictions under an existing Housing Tax Credit extended use agreement which, due to expiring affordability periods or proposed qualified contract application, 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.

	Points Claimed	Agency Awarded
2.C. Stabilization of Affordable Housing (5 points)	0	

Points are awarded to projects with existing federally assisted units or previously funded by tax credits or deferred loans from the Agency or another public entity, that are not also claiming points in the other Preservation categories which are experiencing trouble with occupancies and/or net revenues which need to be stabilized. Applicants must provide narratives to support the approach of a planned, long term, and cost effective stabilization that meets all of the following criteria.

Applicants must provide narratives to support the approach of a planned, long term and cost effective stabilization that meets all of the following criteria:

i) Suitability for long term stabilization

a) 15 or more years have passed since initial loan closing or most recent tax credit placed in service date; and

b) Operating feasibility shows duration of at least 20 years; and

c) ISG vote to confirm collaborative funder commitment and feasibility of the development's stabilization proposal;

AND

ii) Collaborative relationship in place; points claimed and is deemed eligible in following selection priorities:

a) Financial Readiness to Proceed, minimum of 6 points; and

b) Federal/Local/Philanthropic Contributions, minimum of 8 points;

AND

iii) Affordability and Cost Effectiveness

a) Points claimed and deemed eligible in Serves Lowest Income Tenants/Rent Reduction preference priority.

2.D. Serves Lowest Income Tenants (Up to 16 points)	0	

Points are awarded to projects that serve the lowest income tenants without the use of rental assistance and that agree to maintain the deeper rent structure through the housing tax credit use period. This selection will restrict rents only at limit(s) claimed.

Applicants may choose either Option 1 or 2, and in addition, Option 3 and/or Option 4 for the project.

Option 1 - A project in which 100% of the HTC unit rents are at the Washington County 50% HUD area median rent limit (50% rent restricted units). (10 points)

OR representing _____ Units

Option 2 - A project in which at least 50% of the HTC units rents are at the Washington County 50% HUD area median rent limit (50% rent restricted units). (5 points)

AND representing _____ Units

Option 3 - In addition to either option 1 or 2, a project which further restricts the rents of all the units identified in Option 1 or 2 to the 50% HUD area median rent limit for a minimum of 10 years after the last placed in service date for any building in the property (Additional 3 points)

AND/OR representing _____ Units

Option 4 - In addition to either option 1 or 2, a project which further restricts 30% of the above restricted units to the Washington County 30% HUD area median rent limit (30% rent restricted units). (Additional 3 points)

representing _____ Units

	Points Claimed	Agency Awarded

All rent restricted units must meet the 50% or 30% area median rent for a minimum of five years after the last placed in service date for any building in the property. After the five year period has expired, rent may be increased to the 60% or 40% rent limit, respectively, over a three-year period with increases not to exceed the amount listed in the table below, provided that more restrictive threshold, selection priority or funding requirements do not apply.

YEAR	30% of 50% Rent Levels	30% of 30% Rent Levels
1-5	30% of 50%	30% of 30%
6	30% of 53%	30% of 33%
7	30% of 57%	30% of 37%
8	30% of 60%	30% of 40%

The Agency will incorporate these restrictions into the Declaration of Land Use Restrictive Covenants. The applicant must demonstrate to the sole satisfaction of the Agency that the project can achieve these reduced rents and remain financially feasible per Section 42(m)(2) of the Code. Points are contingent upon financial plans demonstrating feasibility, positive cash flow on a 15-year pro forma, and gaining Agency management approve (for management, operational expenses, and cash flow assumptions).

Unacceptable Practices (Up to -25 points)		0
	Points are subtracted by the Agency, as a penalty, for unacceptable practices as identified in the Agency's Procedural Manual.	

TOTAL POINTS		**0**

CERTIFICATION

Under penalty of perjury, the Applicant hereby certifies the information provided herein this Self-Scoring Worksheet is true and accurate.

By: _____

Signature

_____

Print or type name and title of signatory

Of: _____

Name of Managing/General Partner

Date: _____

Note: During the competition process, the Agency's review of the submitted Self-Scoring Worksheet for Selection Points is only to validate that the points claimed are eligible, to reduce points claimed if not eligible, and to determine points awarded. The Agency will not award additional points which are not initially claimed by the Applicant/Developer. Many performance obligations are created by the claiming of certain scoring points. As such, the Agency cannot and will not assume the position of creating any such performance obligations on behalf of the Applicant/Developer.

BOARD OF COMMISSIONERS
WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY
WASHINGTON COUNTY, MINNESOTA

DATE May 15, 2018 RESOLUTION NO. 18-20

MOTION BY COMMISSIONER _____ SECOND BY COMMISSIONER _____

==========

RESOLUTION ADOPTING THE 2019 QUALIFIED ALLOCATION PLAN AND HOUSING TAX CREDIT PROGRAM 2019 PROCEDURAL MANUAL FOR HOUSING TAX CREDITS

YES	NO
BELISLE _____	BELISLE _____
HARGIS _____	HARGIS _____
ZELLER _____	ZELLER _____
DINGLE _____	DINGLE _____
WIDEN _____	WIDEN _____
RYAN _____	RYAN _____
MIRON _____	MIRON _____

==========

STATE OF MINNESOTA)
SS
COUNTY OF WASHINGTON)

I, Barbara Dacy, duly appointed, qualified and acting Executive Director of the Washington County Community Development Agency of Washington County, Minnesota do hereby certify that I have compared the foregoing copy of a Resolution with the original minutes of the proceedings of the Washington County Community Development Agency Board of Commissioners, at its session held on the 15th day of May, 2018, now on file in my office and have found the same to be true and correct thereof. Witness my hand and official seal this 15th day of May, 2018.

_____ CDA Secretary

_____ Barbara Dacy, Executive Director

WASHINGTON COUNTY
COMMUNITY DEVELOPMENT AGENCY

RESOLUTION NO. 18-20

RESOLUTION ADOPTING THE 2019 QUALIFIED ALLOCATION PLAN AND HOUSING TAX CREDIT PROGRAM 2019 PROCEDURAL MANUAL FOR HOUSING TAX CREDITS

WHEREAS, pursuant to Section 42 of the Internal Revenue Code of 1986, as amended (the "Code"), Minnesota Statutes §§ 462A.221 through 462A.225, and Resolution No. 01-09 of the Board of Commissioners of Washington County, the Washington County Community Development Agency (the "Agency") is authorized to allocate low income housing tax credits ("Credits") in Washington County; and

WHEREAS, in accordance with Section 42 of the Code, the Agency held a public hearing on May 15, 2018, for which notice was published in a newspaper of general circulation in Washington County not less than 14 days before the date of such public hearing, regarding the 2019 Qualified Allocation Plan (the "QAP") and the Housing Tax Credit Program 2019 Procedural Manual (the "Manual") which detail the basis for allocating Credits among applicants, the forms presented to the Agency on the date hereof; and

WHEREAS, the Agency is authorized to allocate an estimated Six Hundred Thirty-Six Thousand Three Hundred and Ninety-Five dollars ($636,395.00) of Credits for Washington County in 2019; and

WHEREAS, pursuant to Minnesota Statutes § 462A.222, the Agency is authorized to make allocations in connection with the "first round" of allocations by the Minnesota Housing Finance Agency, for which applications for 2019 allocations are expected to be due on July 12, 2018.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY, AS FOLLOWS:

1. That the QAP is hereby adopted in substantially the form on file with the Agency on the date hereof.
2. That the Manual is hereby adopted in substantially the form on file with the Agency on the date hereof.

3. That staff of the Agency are hereby authorized to notify prospective applicants of the availability of the QAP and the Manual and to set the deadline for accepting applications for Credits.
4. That the Executive Director is hereby authorized to modify the QAP and Manual, as necessary, without further approval of the Board of Commissioners of the Agency, to the extent necessary to cause the QAP to conform to the requirements of the Code and state law. In addition, the Executive Director or her designee is authorized to prepare and distribute any exhibits which are necessary or convenient in connection with the QAP.
5. That the Executive Director or her designee is authorized and directed to submit the QAP to the Board of Commissioners of Washington County for approval in accordance with Section 42 of the Code.

Adopted this 15th day of May 2018.

_____
Chair/Vice Chair Commissioner

ATTEST:

_____
Secretary

WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY

REQUEST FOR BOARD ACTION

May 15, 2018
BOARD MEETING DATE

AGENDA ITEM A-4

Community Development
ORIGINATING DEPARTMENT/SERVICE

Melissa Taphorn 5/7/2018
REQUESTOR'S SIGNATURE/DATE

BOARD ACTION REQUESTED

RESOLUTION APPROVING BOND AND NOTE FINANCING THROUGH THE DAKOTA COUNTY COMMUNITY DEVELOPMENT AGENCY, AND AUTHORIZING FURTHER ACTIONS, RELATING TO THE GLEN AT VALLEY CREEK PROJECT

BACKGROUND/JUSTIFICATION

The Glen at Valley Creek, LLC, which the Washington County CDA (the "Agency") is the sole member of the managing member WCCDA Glen, LLC, proposes to finance the redevelopment and construction of The Glen at Valley Creek, a 42-unit affordable senior apartment building. The financing plan includes tax-exempt private activity bonds and 4% Low Income Housing Tax Credits.

Due to the oversubscription of private activity bonds allocated through the state, the Agency sought bonds from entitlement issuers. The Dakota County Community Development Agency approved issuance of $7,000,000 of multifamily housing revenue bonds and loan the proceeds thereof to the project. The bonds, when issued, will be special limited obligations of the Dakota County CDA with the principal and interest payable solely from the project. The bonds will not be a liability or general or moral obligation of Washington County or the Agency. The bonds will be secured with mortgages and notes for the two series issued. See Attachment A for detail.

Together with Agency counsel, staff has reviewed and negotiated the terms of the bond loan documents. Staff has engaged Dougherty and Company, LLC to price and sell bonds. Closing is expected to occur June 14th.

Staff respectfully recommends approval of the resolution approving bond financing from Dakota County CDA.

PREVIOUS ACTION ON REQUEST/OTHER PARTIES ADVISED

Dakota County CDA held a public hearing and adopted a resolution authorizing the issuance of Multifamily Housing Revenue Bonds for The Glen at Valley Creek and approving and authorizing the execution of related documents (12/12/2017)

City of Woodbury adopted a resolution giving local approval to the issuance of revenue bonds for a multifamily senior rental housing development located in the City of Woodbury (12/13/2017)

Washington County held a public hearing and adopted a resolution giving approval to a project on behalf of Glen at Valley Creek LLC and approving the issuance of certain obligations by the Dakota County Community Development Agency (12/19/2017)

Resolution 17-58: Approving bond loan financing from the Dakota County Community Development Agency; authorizing arrangements for certain interim and permanent financing for The Glen At Valley Creek project (12/19/2017)

Dakota County CDA adopted a resolution authorizing the issuance of multifamily housing revenue bonds For The Glen At Valley Creek project and approve and authorize the execution of related documents (4/24/2018)

EXECUTIVE DIRECTOR/DATE:	**ATTACHMENT LIST:**	**FINANCIAL IMPLICATIONS: $**7,000,000 $2,000,000 to be purchased by Agency
Barbara Dacy 5/10/18	Attachment A – Financing Plan Attachment B – Bond Closing Schedule	**BUDGETED:** ☒ **YES** ☐ **NO** **FUNDING:** General Fund fund balance

COMMENTS

WASHINGTON COUNTY Community Development Agency

7645 Currell Boulevard, Woodbury, MN 55125
office: 651-458-0936 fax: 651-458-1696

Memo To: CDA Board of Commissioners

From: Barbara Dacy, Executive Director
Melissa Taphorn, Deputy Executive Director
Kristen Scobie, Project Manager II

Date: May 7, 2018

RE: The Glen at Valley Creek Financing Plan

Due to the oversubscription of volume cap bond allocations at Minnesota Management and Budget, the Washington County CDA sought bonds from Dakota County CDA, an entitlement issuer. As discussed in December, the development sought to issue and draw on bonds by the end of 2017 in preparation of proposed legislation that would have eliminated the tax exemption for private activity bonds for the purpose of financing affordable housing. The language of the Tax Cuts and Jobs Act ultimately did not include this language. As such, it was not necessary to sell and draw on the bonds. The following describes the differences in bond structures from December to present.

Cash Collateralized Bond Structure

In order to meet the requirements that bonds be sold and fully drawn before legislation eliminating the tax exemption on private activity bonds could be enacted, it was proposed that bonds be issued by December 31, 2017. The bonds would be sold and put into an escrow account. The bonds would have been collateralized with proceeds from the sale of the bonds through maturity in an amount equal to $7 million. The bonds would remain in escrow until such time that the construction and permanent financing sources, which were not committed at that time, were secured. Once secured, each dollar from the construction and permanent financing would pass through the cash escrow, up to the par amount of bonds, releasing an equal amount of bond proceeds to be used to construct the project. Following completion of the project the bonds would be redeemed with the construction and permanent financings sources that replaced the bond proceeds within the escrow. To implement this structure, the bonds would have needed to be sold prior to the closing on the tax credit equity and subordinate loans, carrying interest for approximately six months when no activity was occurring.

Non-Rated Bond Structure

The final Tax Cuts and Jobs Act preserved the tax exempt designation for affordable housing bonds. This enabled the Washington County CDA to pursue alternative construction and permanent finance source options. In place of the cash escrow bond, that would have required separate construction and permanent funding sources, the Washington County CDA elected to pursue an alternative bond structure that would provide for the construction and permanent financing all in one via a non-rated bond issue secured by a first mortgage and project revenues. The Dakota County CDA will

issue the bonds in two series. Series A will provide the construction permanent financing in the amount of $5,000,000. The bonds will be sold on a negotiated basis by Dougherty & Company. The bonds will be structured with an 18 year term with a 30 year amortization schedule, carrying an interest rate equal to the rate of the bonds sold. To achieve the goal of setting rents at 30% and 50% of the area median income, an annual levy contribution of $195,000 is required. The annual levy contribution and net revenues of the project will be pledged to the repayment of the Series A Bonds. Series B will provide the bridge financing for the Low Income Housing Tax Credit Equity installments, delivered after closing, in the amount of $2,000,000. Series B will carry an interest rate of two percent and be repaid within 24 months. The Washington County CDA will purchase the Series B bonds and loan those dollars to the project to ensure funds are available during construction. The bridge loan will be repaid by tax credit equity installments delivered after closing pursuant to the Limited Partnership Agreement.

The non-rated bond structure is advantageous to the development as it does not duplicate interest and financing costs for bond issuance and permanent debt. The structure provides both construction and permanent financing without conversion risk. It provides a fixed rate of interest through the term as required by the Low Income Housing Tax Credit Investor. This structure further allows the bonds to close simultaneously with the other sources of funds, eliminating carrying costs and additional interest expenses.

DOUGHERTY & COMPANY LLC

Dakota County Community Development Agency
Multifamily Housing Revenue Bonds
(The Glen at Valley Creek Project)
Series 2018

PRELIMINARY TIME SCHEDULE

March

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

April

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

May

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

June

S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

DATE:	**EVENT:**
Week of April 16	First Draft Bond Documents First Draft POS, Appendix A, Appendix B, CDA, BPA, Other
Week of April 23	Updated Market Study
April 24	Dakota County CDA Board Meeting – Adopt Amended Resolution/Final Approval (3:30 PM)
Week of April 30	Revised Bond Documents, POS, Appendix A, Appendix B, CDA, BPA, Other Draft Financial Forecast Draft LPA Distributed
Week of May 14	Revised Bond Documents, POS, Appendix A, Appendix B, CDA, BPA, Other Revised Draft Financial Forecast
May 15	Washington County CDA Board Meeting – Final Resolution (3:00 PM)
Week of May [ ]	MHFA Approval of Subordination Agreement/Bond Financing
May 25	Final Financial Forecast
May 28	*Memorial Day Observed; Offices Closed*
May 30	Revised Bond Documents, POS, Appendix A, Appendix B, CDA, BPA, Other Revised Draft LPA
May 31	Print POS
May 31 – June 6	Bond Marketing Period
June 7	Bond Pricing

June 11	Print OS
June 12	Distribute Final Bond Documents
June 13	Pre-closing Final LPA
June 14	Closing

BOARD OF COMMISSIONERS
WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY
WASHINGTON COUNTY, MINNESOTA

DATE May 15, 2018 RESOLUTION NO. 18-21

MOTION BY COMMISSIONER _____ SECOND BY COMMISSIONER _____

==========

RESOLUTION APPROVING BOND AND NOTE FINANCING THROUGH THE DAKOTA COUNTY COMMUNITY DEVELOPMENT AGENCY, AND AUTHORIZING FURTHER ACTIONS, RELATING TO THE GLEN AT VALLEY CREEK PROJECT

YES	NO
BELISLE _____	BELISLE _____
HARGIS _____	HARGIS _____
ZELLER _____	ZELLER _____
DINGLE _____	DINGLE _____
WIDEN _____	WIDEN _____
RYAN _____	RYAN _____
MIRON _____	MIRON _____

==========

STATE OF MINNESOTA)
SS
COUNTY OF WASHINGTON)

I, Barbara Dacy, duly appointed, qualified and acting Executive Director of the Washington County Community Development Agency of Washington County, Minnesota do hereby certify that I have compared the foregoing copy of a Resolution with the original minutes of the proceedings of the Washington County Community Development Agency Board of Commissioners, at its session held on the 15th day of May, 2018, now on file in my office and have found the same to be true and correct thereof. Witness my hand and official seal this 15th day of May, 2018.

_____ CDA Secretary

_____ Barbara Dacy, Executive Director

WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY

RESOLUTION NO. 18-21

RESOLUTION APPROVING BOND AND NOTE FINANCING THROUGH THE DAKOTA COUNTY COMMUNITY DEVELOPMENT AGENCY, AND AUTHORIZING FURTHER ACTIONS, RELATING TO THE GLEN AT VALLEY CREEK PROJECT

The Washington County Community Development Agency, a public body corporate and politic of the State of Minnesota (the "Agency"), the sole member of WCCDA Glen LLC, a Minnesota limited liability company (the "Managing Member") which is the managing member of Glen at Valley Creek LLC, a Minnesota limited liability company (the "Company"), hereby adopts the resolutions set forth below with respect to the authorization of the following actions of the Agency, the Managing Member, and the Company as they relate to a 42-unit multifamily senior rental project (the "Project") to be developed on that certain real property located at 7987 Afton Road in Woodbury, Minnesota (the "Property"):

Loan Financing

WHEREAS, on December 19, 2017, the Agency adopted Resolution No. 17-58 authorizing, inter alia, the financing of the Project by a bond loan (the "Original Bond Loan") from the Dakota County Community Development Agency (the "DCCDA"); and

WHEREAS, thereafter the Agency proposed certain changes in the structure of the financing for the Project such that the Original Bond Loan would not be consummated; and

WHEREAS, under the proposed revised financing structure, the DCCDA would allocate a portion of its available entitlement tax-exempt bond volume cap to the Project and the DCCDA would issue its Multifamily Housing Revenue Bonds (Glen at Valley Creek Project), Series 2018A (the "Series 2018A Bonds") in an aggregate principal amount not to exceed $5,000,000 and its Multifamily Housing Revenue Note (Glen at Valley Creek Project), Series 2018B (the "Series 2018B Note," and together with the Series 2018A Bonds, the "Series 2018A/B Obligations"), in an aggregate principal amount not to exceed $2,000,000, under and pursuant to the provisions of Minnesota Statutes, Chapter 462C; and

WHEREAS, the proceeds of the Series 2018A Bonds would be loaned by the DCCDA to the Company (the "Bond Loan") pursuant to a bond loan agreement between the DCCDA and the Company for construction and permanent financing of the Project; and

WHEREAS, the proceeds of the Series 2018B Note would be loaned by the DCCDA to the Company (the "Note Loan") pursuant to a note loan agreement between

the DCCDA and the Company for construction financing in the form of a bridge loan expected to be repaid from a portion of the anticipated capital contribution by an investor member to be admitted to the Company in respect of low income housing tax credits to be allocated by the Company to such investor member; and

WHEREAS, the note loan agreement and the Note Loan would be assigned by the DCCDA to the Agency, and the Agency would purchase the Series 2018B Note with available Agency funds and act as the Series 2018B Note lender (the "Series 2018B Note Lender"); and

WHEREAS, the Board of Commissioners of the Agency has determined that it is in the best business and pecuniary interest of the Agency, the Managing Member, and the Company for the Company to obtain the Bond Loan and the Note Loan, and for the Agency to purchase the Series 2018B Note, make the Note Loan and act as the Series 2018B Note Lender; and

WHEREAS, the Series 2018A/B Obligations, as and when issued, shall be limited obligations of the DCCDA and the principal and interest thereon shall be payable solely from the revenues and proceeds pledged to the payment thereof; no holder of any such Series 2018A/B Obligations shall ever have the right to compel the exercise of any taxing power of the DCCDA, the Agency, or Washington County to pay the Series 2018A/B Obligations, or the interest thereon, nor to enforce payment against any property of the DCCDA, the Agency or Washington County, except the Project (and except for the limited pledge by the Agency, subject to annual non-appropriation, of a specified amount of the Agency's special benefit tax levy to periodic debt service on a portion of the Series 2018A/B Obligations).

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of the Agency, authorizes and approves of the following actions on behalf the Agency, the Managing Member, and/or the Company, as applicable:

1. To borrow the Bond Loan and the Note Loan from the DCCDA; and

2. To purchase the Series 2018B Note and the Note Loan from the DCCDA and act as the 2018A Note Lender; and

3. To discount, sell, assign, transfer, mortgage, or pledge, or create security interests in, the real property, goods, instruments, documents of title, securities, chattel paper, accounts, contract rights or other intangibles or any other property now or hereafter owned by the Company, either absolutely, with or without recourse, as security for the payment of the Bond Loan or the Note Loan; and

4. To pledge a specified amount or amounts, as determined by the Executive Director, of the Agency's annual special benefit tax levy to periodic debt service on a portion of the Series 2018A/B Obligations, subject to annual non-appropriation; and

5. To negotiate and agree upon, execute, deliver, and perform any and all instruments and agreements, including but not limited to those documents set forth on Exhibit A hereto, on behalf of the Agency, the Managing Member, and/or the Company, as may be necessary or appropriate to obtain the Bond Loan or the Note Loan, or to purchase the Series 2018B Note and the Note Loan and act as the Series 2018B Note Lender, all in such form and substance, on such terms and conditions, and with such revisions, modifications, changes, deletions, additions or supplements as the Authorized Officials (defined below) shall deem necessary or appropriate; and

6. To do such other acts and things, make such other agreements and execute and deliver such other contracts or writings as the Authorized Officials and the Managing Member acting on behalf of the Company may deem to be appropriate in connection with any of the foregoing.

RESOLVED FURTHER, that there are hereby appropriated available funds of the Agency, in amounts determined by the Executive Director, to comply with the terms of the Bond Loan or the Note Loan, including without limitation the purchase of the Series 2018B Note and the making of the Note Loan by the Agency; to create appropriate initial balances in the funds and accounts established under the Bond Loan or Note Loan documents; to pay costs of issuance of the Series 2018A/B Obligations; or for any other proper purpose determined by the Executive Director to be necessary to consummate the transactions contemplated by this Resolution.

RESOLVED FURTHER, that Barbara Dacy and Melissa Taphorn, as Executive Director and Deputy Executive Director of the Agency, respectively, and as Chief Manager and Manager, respectively, of the Managing Member, (such persons in such respective capacities, the "Authorized Officials") are authorized and directed on behalf of the Agency, the Managing Member, and the Company, without further action by, the Agency or direction from the Board of Commissioners, to do such other acts and things, make such other agreements and execute and deliver such other contracts or writings as they deem necessary or appropriate in furtherance of the foregoing.

RESOLVED FURTHER, that Resolution No. 17-58 of the Agency adopted on December 19, 2017, is hereby superseded to the extent inconsistent with this Resolution.

General Resolutions

NOW, THEREFORE, BE IT RESOLVED, that the foregoing resolutions are in addition to, and, except as expressly provided above, do not limit and shall not be limited by, any resolutions heretofore or hereafter adopted by or on behalf of the Agency, the Managing Member, or the Company for the conduct of the business necessary to enable the execution of any and all documents in connection with the Project, the Bond Loan, or the Note Loan, the admission of an investor member to the Company in respect of low income housing tax credits, or any other matters (such

foregoing resolutions, together with any such resolutions heretofore or hereafter adopted by or on behalf of the Agency, the Managing Member, or the Company, collectively, the "Resolved Matters"), and the foregoing resolutions shall continue in force until express written notice of their prospective rescission or modification as to future transactions that have not been undertaken or committed for has been received by the parties to the Resolved Matters.

RESOLVED FURTHER, that any one of the Authorized Officials is hereby authorized and directed to approve, execute, and deliver any documents and/or to take any actions that may be required with respect to the Resolved Matters on behalf of the Agency, the Managing Member, and/or the Company, as applicable.

RESOLVED FURTHER, that any one of the Authorized Officials is hereby authorized and directed on behalf of the Agency, the Managing Member and/or the Company, as applicable, at any time and from time to time hereafter, and without further action by the Agency or direction from the Board of Commissioners, to execute and deliver or cause to be executed and delivered, all such further agreements, assignments, statements, notes, instruments, certificates, reports and documents may be necessary for the development and operation of the the Project, acquisition of the Property, to secure the above-described financing and do or cause to be done all such other further acts and things as such officer or manager, upon the advice of counsel, may determine to be necessary or advisable under or in connection with such matters.

RESOLVED FURTHER, that any and all actions regarding the Resolved Matters by or on behalf of the Agency, the Managing Member, and/or the Company, prior to the adoption of these resolutions be and are in all respects ratified, approved, and confirmed.

[*The remainder of this page has been left blank intentionally*.]

Adopted this 15th day of May, 2018.

_____
Chair

ATTEST:

_____
Secretary

noozhbvt.DOCX

EXHIBIT A

BOND LOAN AND NOTE LOAN DOCUMENTS

1. Indenture of Trust between Dakota County Community Development Agency ("Issuer") and U.S. Bank National Association, as Trustee ("Trustee"), expected to be dated as of June 1, 2018, relating to the Series 2018A Bonds
2. Loan Agreement between the Issuer and Glen at Valley Creek LLC ("Borrower"), expected to be dated as of June 1, 2018, relating to the Series 2018A Bonds
3. Loan Agreement between the Issuer and the Borrower, expected to be dated June __, 2018, relating to the Series 2018B Note (the "Series 2018B Loan Agreement")
4. Assignment of Loan Agreement from the Issuer to the Washington County Community Development Agency (the "Series 2018B Note Lender"), expected to be dated June __, 2018, relating to the Series 2018B Loan Agreement
5. [Loan Purchase Agreement between the Borrower and the Series 2018B Note Lender, expected to be dated June __, 2018, relating to the Note Loan]
6. Combination Mortgage, Security Agreement, Fixture Financing Statement and Assignment of Leases and Rents, from the Borrower to the Issuer and assigned by the Issuer to the Trustee, expected to be dated as of June 1, 2018, relating to the Series 2018A Bonds
7. Regulatory Agreement by and among the Trustee, the Issuer and the Borrower, expected to be dated as of June 1, 2018
8. Tax Compliance Certificate, expected to be dated June __, 2018
9. Continuing Disclosure Agreement between the Borrower and U.S. Bank National Association, as Dissemination Agent, expected to be dated as of June 1, 2018, relating to the Series 2018A Bonds
10. Preliminary Official Statement, expected to be dated on or about May __, 2018, and Official Statement, expected to be dated on or about June __, 2018, relating to the Series 2018A Bonds
11. Bond Purchase Agreement among Dougherty & Company LLC as Underwriter, the Issuer and the Borrower, expected to be dated on or about June __, 2018, relating to the Series 2018A Bonds
12. Cooperative Agreement between the Issuer and Washington County Community Development Agency, dated as of June 1, 2018
13. All other instruments, agreements and papers necessary or appropriate for the issuance of the Series 2018A/B Obligations and the making of the Bond Loan and the Note Loan

WASHINGTON COUNTY
COMMUNITY DEVELOPMENT AGENCY

REQUEST FOR BOARD ACTION

May 15, 2018
BOARD MEETING DATE

AGENDA ITEM A-5

Community Development
ORIGINATING DEPARTMENT/SERVICE

Melissa Taphorn 5/7/18
REQUESTOR'S SIGNATURE/DATE

BOARD ACTION REQUESTED
RESOLUTION APPROVING CERTAIN MATTERS INVOLVING THE AGENCY, COMPANY, AND MANAGING MEMBER RELATED TO THE GLEN AT VALLEY CREEK PROJECT

BACKGROUND/JUSTIFICATION
Upon being notified by the City of Woodbury in 2015 of the availability of property located at 7987 Afton Road, the Agency investigated the redevelopment potential. The Agency completed environmental investigations and a market study. The Agency determined the public purpose and need to redevelop the site and construct 42 units of independent senior housing. With the Agency's goal of helping seniors age in place, the development will partner with The Waters Senior Living and Canvas Health to make available social, transportation, and home health services.

Since 2016, the Agency has been working diligently to obtain all land use approvals and funding commitments. With these commitments now in place, the Agency expects the bond sale, financing closing, and transfer of land to occur on or about June 14, 2018. The Agency, acting in its role as developer and sponsor, as well as its role as sole member of the WCCDA Glen, LLC managing member, will need to take certain actions related to the Project Agreements, Project Financing, and Tax Credit Investor. The resolution enables the execution of various documents to effectuate the transaction. Project Agreements include the construction and owner's representative contracts; developer and development services agreement; and the management agreement. Project Financing agreements include loans from the Agency, City of Woodbury, Senior Care Communities, Federal Home Loan Bank, Minnesota Housing, and Metropolitan Council as well as funds from Minnesota Department of Employment and Economic Development. Tax Credit Investor approvals include admitting Enterprise Community Investment, Inc. or a company of Enterprise to the Glen at Valley Creek, LLC as the investing member; executing an amended and restated operating agreement; and committing to the guarantees and obligations of the agreement. These are the final actions required to close financing and proceed with demolition and new construction.

Staff respectfully recommends approval of the attached resolution for The Glen at Valley Creek development.

PREVIOUS ACTION ON REQUEST/OTHER PARTIES ADVISED
Resolution 16-60: Authorizing the Execution of Community Development Block Grant and Home Grant Agreement for Land Acquisition and Improvements for the Glen At Valley Creek (9/20/2016)

Resolution 17-47: Approving Organizational Documents of the Owner and Managing Member for the Glen at Valley Creek; and Declaring the Official Intent of the Agency to Reimburse Certain Expenditures from the Proceeds of Bonds (11/21/2017)

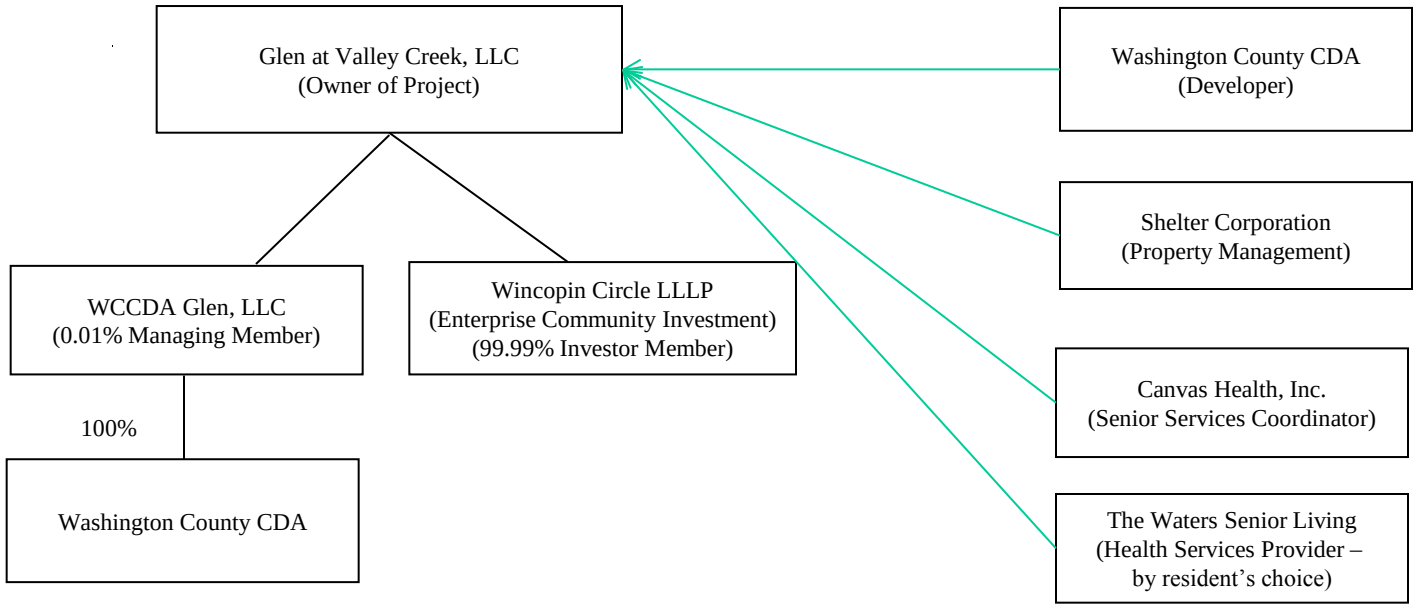
Resolution 18-02: Approving the Contractor and Contract for the New Construction of the Glen at Valley Creek Apartments (1/16/2018)

EXECUTIVE DIRECTOR/DATE:	**ATTACHMENT LIST:**	**FINANCIAL IMPLICATIONS: $**2,920,000 CDA funds; $13,102,478 total development cost
Barbara Dacy 5/10/18	Attachment A – Glen at Valley Creek Organizational Chart	**BUDGETED:** ☒ **YES** ☐ **NO** **FUNDING:** $2,000,000 development fund for bridge loan; $420,000 GROW funds, $500,000 Age-Friendly Housing Initiative

COMMENTS

ORGANIZATIONAL CHART
OF
GLEN AT VALLEY CREEK, LLC

(MAY 2018)



ATTACHMENT A

BOARD OF COMMISSIONERS
WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY
WASHINGTON COUNTY, MINNESOTA

DATE May 15, 2018 RESOLUTION NO. 18-22

MOTION BY COMMISSIONER _____ SECOND BY COMMISSIONER _____

==========

RESOLUTION APPROVING CERTAIN MATTERS INVOLVING THE AGENCY, COMPANY, AND MANAGING MEMBER RELATED TO THE GLEN AT VALLEY CREEK PROJECT

YES	NO
BELISLE _____	BELISLE _____
HARGIS _____	HARGIS _____
ZELLER _____	ZELLER _____
DINGLE _____	DINGLE _____
WIDEN _____	WIDEN _____
RYAN _____	RYAN _____
MIRON _____	MIRON _____

==========

STATE OF MINNESOTA)
SS
COUNTY OF WASHINGTON)

I, Barbara Dacy, duly appointed, qualified and acting Executive Director of the Washington County Community Development Agency of Washington County, Minnesota do hereby certify that I have compared the foregoing copy of a Resolution with the original minutes of the proceedings of the Washington County Community Development Agency Board of Commissioners, at its session held on the 15th day of May, 2018, now on file in my office and have found the same to be true and correct thereof. Witness my hand and official seal this 15th day of May, 2018.

_____ CDA Secretary

_____ Barbara Dacy, Executive Director

WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY

RESOLUTION NO. 18-22

RESOLUTION APPROVING CERTAIN MATTERS INVOLVING THE AGENCY, COMPANY, AND MANAGING MEMBER RELATED TO THE GLEN AT VALLEY CREEK PROJECT

The Washington County Community Development Agency, a public body corporate and politic of the State of Minnesota (the "Agency"), the sole member of WCCDA Glen LLC, a Minnesota limited liability company (the "Managing Member"), the managing member of Glen at Valley Creek LLC, a Minnesota limited liability company (the "Company"), hereby adopts the resolutions set forth below with respect to the authorization of the following actions of the Agency, the Managing Member, and the Company as they relate to the 42-unit multifamily project (the "Project") to be developed on that certain parcel of real property located in Woodbury, Minnesota and described on Exhibit A attached hereto (the "Property"):

Project Agreements

WHEREAS, the Agency, Managing Member, and Company desire to enter into certain contracts related to the development and operation of the Project; and

WHEREAS, the Agency selected Project One Construction, Inc. ("Contractor") as the general contractor for the Project as described in Resolution 18-02 and the Company desires to enter into a construction contract with the Contractor (the "Construction Contract"); and

WHEREAS, the Agency has determined it in the Company's best interests to enter into a contract ("Owner's Representative Contract") with Miles and Associates, Inc. ("Owner's Representative") to act as the representative of the Company, the Managing Member, and the Agency to monitor the Construction Contract; and

WHEREAS, the City of Woodbury requires certain agreements, easements, and other documents to authorize the construction of the Project, including, without limitation, that certain Developer's Agreement and easement agreements related to site improvements and other matters (collectively, the "City Approval Documents"); and

WHEREAS, the Managing Member and Company desire to retain the Agency as the developer of the Project in accordance with a development services agreement (the "Development Services Agreement") and the Agency desires to accept the role of Project developer in accordance with the Development Services Agreement; and

WHEREAS, the Agency and the Company desire to retain Shelter Corporation ("Shelter") to act as property manager of the Project pursuant to that certain Management Agreement (the "Management Agreement"); and

WHEREAS, the Construction Contract, Owner's Representative Contract, City Approval Documents, Development Services Agreement, Management Agreement, and any other documents related to the development and operation of the Project are collectively known in this resolution as the "Project Documents".

WHEREAS, the Board of Commissioners of the Agency has determined it to be in the best business and pecuniary interest of the Agency, the Managing Member, and the Company to (i) retain the Contractor, the Owner's Representative, the Agency as Project developer, and Shelter, and (ii) execute and deliver the Project Documents.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of the Agency authorizes and approves the Agency, the Managing Member, and the Company to (i) the retain the Contractor, the Owner's Representative, the Agency as the Project developer, and Shelter, and (ii) execute and deliver the Project Documents, and any additional documents that may be required in connection with the development and operation of the Project.

RESOLVED FURTHER, that Barbara Dacy and Melissa Taphorn, the Executive Director and Deputy Executive Director of the Agency, are authorized and directed on behalf of the Agency, the Managing Member, and the Company, without further action by, or authority or direction from, the Board of Commissioners, to determine, with the advice of counsel, acceptable terms and conditions for the Project Documents.

Project Financing

WHEREAS, in addition to borrowing the proceeds of certain tax-exempt obligations to be issued for the Project by the Dakota County Community Development Agency (the "Bond Loan"), the Company desires to obtain one or more subordinate loans from the Agency in the approximate amount of $2,320,000 (the "Agency Subordinate Loans"), with the sources of the Agency Subordinate Loans anticipated to be (i) approximately $420,000 of GROW funds, (ii) approximately $500,000 of Age-Friendly Housing Initiative funds, (iii) $500,000 provided to the Agency from the Federal Home Loan Bank's Affordable Housing Program through Bridgewater Bank as the member bank, (iv) $400,000 provided to the Agency from the Metropolitan Council's Local Housing Incentives Account, and (v) $500,000 of other Agency funds to bridge a loan from Minnesota Housing Finance Agency; and

WHEREAS, the Company desires to obtain a subordinate loan in the approximate amount of $165,539 from the City of Woodbury's HOME Investment Partnerships Program, which was provided to the Agency as described in Resolution No. 16-60 (the "HOME Loan"); and

WHEREAS, the Company desires to obtain a subordinate, deferred loan in the approximate amount of $500,000 from Senior Care Communities, Inc. (the "SCC Loan"); and

WHEREAS, the Company desires to obtain a subordinate loan in the approximate amount of $500,000 from the Minnesota Housing Finance Agency's Senior

Pilot Loan Program (the "MHFA Loan"), the MHFA Loan may be bridged during construction by a portion of the Agency Subordinate Loans; and

WHEREAS, the Agency desires to provide additional funds to the Managing Member as an equity contribution in the approximate amount of $13,052 (the "Agency Contribution"), which the Managing Member desires to provide to the Company as an equity contribution, with the source of the Agency Contribution anticipated to be provided to the Agency by the Minnesota Department of Employment and Economic Development; and

WHEREAS, the Agency has been provided approximately $118,793 from the City of Woodbury's CDBG Program, which was provided to the Agency as described in Resolution No. 16-60 (the "CDBG Funds"); the CDBG Funds may be loaned by the Agency to the Company, otherwise used by the Agency to reimburse the Agency for acquisition of the Property, or made available for the Project in some other manner allowed by the City of Woodbury; and

WHEREAS, the Board of Commissioners of the Agency has determined it to be in the best business and pecuniary interest of each of the Agency, the Managing Member, and the Company for (i) the Company to obtain the Agency Subordinate Loans, the HOME Loan, the SCC Loan, the MHFA Loan, the Agency Contribution, and the CDBG Funds, and (ii) the Agency to loan or contribute the Agency Subordinate Loans, the Agency Contribution, and the CDBG Funds.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of the Agency authorizes and approves of the following actions on behalf the Agency, the Managing Member, and/or the Company, as applicable:

1. For the Agency to lend to the Company, and the Company to borrow from the Agency the Agency Subordinate Loans, and if applicable, the CDBG Funds; and

2. For the Agency to contribute to the Managing Member, and the Managing Member to contribute to the Company, the Agency Contribution, and, if applicable, the CDBG Funds; and

3. For the Company to discount, sell, assign, transfer, mortgage, or pledge or create security interests in, the real property, goods, instruments, documents of title, securities, chattel paper, accounts, contract rights or other intangibles or any other property now or hereafter owned by the Company, either absolutely, with or without recourse, for such consideration as any of such officer may deem to be appropriate or as security for the payment of any Project loan, including, without limitation, the HOME Loan, the MHFA Loan, and the SCC Loan; and

4. To enter into, execute, deliver, and/or perform any and all loan documents, contracts and instruments in connection with any of such loans or any equity contributions, including without limitation all documents related to the MHFA Loan; and

5. To do such other acts and things, make such other agreements and execute and deliver such other contracts or writings in connection with any of the foregoing.

RESOLVED FURTHER, that Barbara Dacy and Melissa Taphorn, the Executive Director and Deputy Executive Director of the Agency, are authorized and directed on behalf of the Agency, the Managing Member, and the Company, without further action by, or authority or direction from the Board of Commissioners, to determine, with the advice of counsel, how the Agency Subordinate Loans, the HOME Loan, the SCC Loan, the CDBG Funds, the MHFA Loan, and the Agency Contribution should be structured, including determining the appropriate amounts and terms and conditions of any related documents.

RESOLVED FURTHER, that there are hereby appropriated available funds of the Agency, in amounts determined by the Executive Director, for any proper purpose determined by the Executive Director to be necessary to consummate the transactions contemplated by the foregoing.

Tax Credit Investor

WHEREAS, Enterprise Community Investment, Inc. or its affiliates and assignees (the "Investor"), desires to make a capital contribution to the Company in the approximate amount of $3,108,781 in exchange for a 99.99% membership interest in the Company; and

WHEREAS, the Board of Commissioners of the Agency agrees that it is in the best business and pecuniary interest of the Agency, the Managing Member, and the Company to admit the Investor as a member in the Company; and

WHEREAS, the Investor has required, as a condition precedent to its admission to the Company, that the Agency guaranty certain obligations of the Managing Member and the Company; and

WHEREAS, the Board of Commissioners of the Agency agrees that the Agency shall benefit substantially, directly or indirectly, from the Investor's admission to the Company.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of the Agency authorizes and approves of the following actions on behalf of the Agency, the Managing Member, and the Company, as applicable:

1. For Barbara Dacy or Melissa Taphorn, as Chief Manager and Manager, respectively, of the Managing Member to determine the appropriate terms and conditions upon which the Investor will make its capital contributions to the Company in exchange for its rights and obligations as a member in the Company; and

2. For the Agency to guaranty certain obligations of the Managing Member and the Company; and

3. To execute, deliver, and perform any and all agreements including, but not limited to those documents set forth on Exhibit B hereto and to do such other acts and things and to execute and deliver such other contracts or writings as any authorized representative of the Agency and the Managing Member acting on behalf of the Company may deem appropriate in connection with any of the foregoing.

General Resolutions

NOW, THEREFORE, BE IT RESOLVED, that the foregoing resolutions are in addition to, and do not limit and shall not be limited by, any resolutions heretofore or hereafter adopted by or on behalf of the Agency, the Managing Member, or the Company for the conduct of the business necessary to enable the execution of any and all documents in connection with the Project Documents, the Bond Loan, the Agency Subordinate Loans, the HOME Loan, the MHFA Loan, the SCC Loan, the Agency Contribution, the CDBG Funds, the admission of the Investor to the Company, and the Shelter Agreement (collectively, the "Resolved Matters"), and the foregoing resolutions shall continue in force until express written notice of their prospective rescission or modification as to future transactions that have not been undertaken or committed for has been received by the parties to the Resolved Matters. Without limiting the foregoing, the Minnesota Housing Finance Agency is authorized to rely on the continuing force and effect of the resolutions contained herein until receipt by the Commissioner of Minnesota Housing, at its principal office, of notice in writing of any amendments or alterations hereto.

RESOLVED FURTHER, that any one officer of the Agency, including Barbara Dacy and Melissa Taphorn, the Executive Director and Deputy Executive Director of the Agency, respectively, or any one manager of the Managing Member, including Barbara Dacy or Melissa Taphorn, as Chief Manager and Manager, respectively, of the Managing Member, is authorized and directed to approve, execute, and deliver any documents and to take any actions that may be required with respect to the Resolved Matters on behalf of the Agency, the Managing Member, or the Company, as applicable.

RESOLVED FURTHER, that any one officer of the Agency, including Barbara Dacy and Melissa Taphorn, the Executive Director and Deputy Executive Director of the Agency, respectively, or any one manager of the Managing Member, including Barbara Dacy or Melissa Taphorn, as Chief Manager and Manager, respectively, of the Managing Member, hereby is authorized and directed on behalf of the Agency at any time and from time to time hereafter, and without further action by, the Agency or direction from the Board of Commissioners, to execute and deliver or cause to be executed and delivered, all such further agreements, assignments, statements, notes, instruments, certificates, reports and documents as may be necessary for the development and operation of the the Project, acquisition of the Property, to secure the above-described financing and do or cause to be done all such other further acts and things as such officer or manager, upon the advice of counsel, may determine to be necessary or advisable under or in connection with such matters.

RESOLVED FURTHER, that any and all actions regarding the Resolved Matters by or on behalf of the Agency, the Managing Member, or the Company, prior to the adoption of these resolutions be and are in all respects ratified, approved, and confirmed.

RESOLVED FURTHER, to the extent required by the Investor or various lenders associated with the Resolved Matters, any one officer of the Agency, including Barbara Dacy and Melissa Taphorn, the Executive Director and Deputy Executive Director of the Agency, respectively, and any one manager of the Managing Member, including Barbara Dacy or Melissa Taphorn, as Chief Manager and Manager, respectively, of the Managing Member, be and is authorized and directed to revise the descriptions of the Bond Loan, the Agency Subordinate Loans, the HOME Loan, the CDBG Funds, the HRA Contribution, and/or the admission of the Investor to the Company as they are set forth herein, so long as such actions do not result in a material, adverse change to the Resolved Matters as they have been approved by the Board of Commissioners.

[*The remainder of this page has been left blank intentionally*.]

Adopted this _____ day of May 2018.

_____

Chair

ATTEST:

_____

Secretary

EXHIBIT A

PROPERTY DESCRIPTION

All that part of the Northeast Quarter of the Northeast Quarter of Section 17, Township 28 North, Range 21 West, described as follows, to-wit:

Beginning at the Northeast corner of the Northeast Quarter of Section 17, Township 28 North, Range 21 West; thence South along the East line of said Northeast Quarter for 403.00 feet; thence North 85 degrees 0 minutes West for 329.98 feet; thence North parallel with the East line of the Northeast Quarter for 375.56 feet to the North line of said Northeast Quarter; thence Easterly along said North line for 328.69 feet to the point of the beginning, Washington County, Minnesota.

Abstract Property

NOTE: The Company has been advised that the Land is being platted as a part of this transaction. The Legal Description to be insured will be:

Lot 1, Block 1, Glen at Valley Creek.

Washington County, Minnesota
Abstract Property

EXHIBIT B

INVESTOR DOCUMENTS

1. First Amended and Restated and Operating Agreement of the Company
2. Development Services Agreement
3. Guaranty Agreement
4. Investor Services Agreement
5. Right of First Refusal Agreement
6. General Partner Tax Representation Letter
7. Any other documents required by Investor for its admission to the Company

WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY

REQUEST FOR BOARD ACTION

May 15, 2018
BOARD MEETING DATE

AGENDA ITEM A-6

Community Development
ORIGINATING DEPARTMENT/SERVICE

Melissa Taphorn 5/4/18
REQUESTOR'S SIGNATURE/DATE

BOARD ACTION REQUESTED

Resolution Approving Low Income Housing Tax Credit Allocation To Green Twig Villas II In The City Of Oak Park Heights

BACKGROUND/JUSTIFICATION

The Agency received an application for an allocation of 4% Low Income Housing Tax Credits from Green Twig Villas II LLC to acquire and develop 72 units of general occupancy housing in Oak Park Heights. The new development will be just north of the recently completed Green Twig Villas I. All of the units will be income restricted households at 50% and 60% of Area Median Income. The development will be three stories with underground parking for 71 cars. There will be 27 one bedroom units with rents at $941, 15 one bedroom units with rents at $864, and 30 two bedroom units with rents at $1,138.

The project funding sources include proceeds from a tax exempt bond sale of $8.7 million and from the tax credit syndication of $3.3 million. The City of Oak Park Heights is scheduled to issue the bonds with an allocation of tax-exempt volume limited bonds from Minnesota Management and Budget. The tax credit application to the CDA requests $418,297 of credits which will generate $3,329,444 worth of equity. As 4% credits, these do not count against the Agency's volume cap of 9% credits. Staff and legal counsel have reviewed the application and recommend issuing the Section 42(m) letter required for this project pending satisfaction of all outstanding application requirements according to the Agency Program Manual and Qualified Allocation Plan.

Staff recommends approval of the attached resolution to issue a 42(m) letter allocating the tax credits.

PREVIOUS ACTION ON REQUEST/OTHER PARTIES ADVISED

EXECUTIVE DIRECTOR/DATE:	**ATTACHMENT LIST:**	**FINANCIAL IMPLICATIONS: $** NA
Barbara Dacy 5/10/18	Attachment A – Development Summary	**BUDGETED:** ☐ **YES** ☐ **NO**
		FUNDING: _____

COMMENTS

2018 LOW INCOME HOUSING TAX CREDIT APPLICATION SUMMARY

Development:	Green Twig Villas II	**Developer:**	Green Twig Villas II,LLC
Location:	Oak Park Heights	**General Partner:**	Green Twig Villas II,LLLP

Development Description

Green Twig Villas II is 4% tax credit project with 72 units of proposed general occupancy housing affordable to residents at 50% and 60% of Area Median Income. It will complement the recently completed Green Twig Villas I immediate to the south of the proposed new development. Green Twig Villas II is not age restricted, but will market towards seniors. Two townhome buildings currently occupy the site which will be relocated to Stillwater as a part of the development process. The new building will be three stories with underground parking for 71 cars.

Selection Priorities Summary (Project Needs)

The development will use existing sewer and water lines. The development is in a designated Economic Integration census tract that has high household income and employment opportunities. The development has over 70% of its gap funds commited and intermediary costs that total 18% of the total development costs. The project scores 33 points which is above the 30 point minimum threshold for 4% tax credit projects.

Preference Priorities Summary (Local Needs)

Previous HTC Allocation:	0
Preservation:	0
Stabilization:	0
Serve Lowest Income:	0

Per-Unit Costs

		Amount	Percent of Total
Acquisition	$	25,000	11.9%
Construction	$	136,328	64.7%
Soft Costs	$	43,719	20.8%
Reserves	$	5,556	2.6%
Total Development Cost	$	210,603	

Total Development Sources

Sources		Amount	Secured
Syndication Proceeds*	$	3,329,444	
First Mortgage	$	8,700,000	x
GROW Loan	$	150,000	
TIF Mortgage	$	50,000	
Deferred Land Loan	$	1,800,000	x
Deferred Dev. Fee	$	1,133,956	x
Total Sources:	$	15,163,400	

Rent Information

Unit Type	No. of Units		Gross Rent	Rent Restriction
1 BR	27	$	941	60% AMI
1 BR	15	$	864	50% AMI
2 BR	30	$	1,138	60% AMI
Total Units	72			

APPLICATION SCORE:	33	**LIHTC RECOMMENDED:**	$	418,297

BOARD OF COMMISSIONERS
WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY
WASHINGTON COUNTY, MINNESOTA

DATE May 15, 2018 RESOLUTION NO. 18-23

MOTION BY COMMISSIONER _____ SECOND BY COMMISSIONER _____

==========

RESOLUTION APPROVING LOW INCOME HOUSING TAX CREDIT ALLOCATION TO GREEN TWIG VILLAS II IN THE CITY OF OAK PARK HEIGHTS

YES	NO
BELISLE _____	BELISLE _____
HARGIS _____	HARGIS _____
ZELLER _____	ZELLER _____
DINGLE _____	DINGLE _____
WIDEN _____	WIDEN _____
RYAN _____	RYAN _____
MIRON _____	MIRON _____

==========

STATE OF MINNESOTA)
SS
COUNTY OF WASHINGTON)

I, Barbara Dacy, duly appointed, qualified and acting Executive Director of the Washington County Community Development Agency of Washington County, Minnesota do hereby certify that I have compared the foregoing copy of a Resolution with the original minutes of the proceedings of the Washington County Community Development Agency Board of Commissioners, at its session held on the 15th day of May, 2018, now on file in my office and have found the same to be true and correct thereof. Witness my hand and official seal this 15th day of May, 2018.

_____ CDA Secretary

_____ Barbara Dacy, Executive Director

WASHINGTON COUNTY
COMMUNITY DEVELOPMENT AGENCY

RESOLUTION NO. 18-23

RESOLUTION APPROVING LOW INCOME HOUSING TAX CREDIT ALLOCATION TO GREEN TWIG VILLAS II IN THE CITY OF OAK PARK HEIGHTS

BE IT RESOLVED by the Board of Commissioners of the Washington County Community Development Agency, a public body corporate and politic of the State of Minnesota (the "Agency"), as follows:

Section 1. Recitals.

1.01. The Agency is the designated suballocator of low income housing tax credits ("LIHTC") on behalf of Washington County.

1.02. As the suballocator, the Agency is responsible for reviewing and approving or rejecting LIHTC applications whether for 9% LIHTC pursuant to the Agency's LIHTC suballocation or for 4% LIHTC pursuant to an allocation of the State's tax exempt bond volume cap, and has duly adopted a Qualified Allocation Plan ("QAP") and Procedural Manual for selection of low income housing projects which may utilize LIHTCs.

1.03. The Agency has identified a need for low income rental housing in the City of Oak Park Heights.

1.04. The Agency has received an application from Green Twig, II LLC (the "Applicant") for 4% LIHTCs pursuant to an allocation of the State's tax exempt bond volume cap for the Project.

1.05. The Applicant has requested that the Agency issue a Section 42(m) letter which approves 4% LIHTCs for the Project.

Section 2. Low Income Housing Tax Credits.

2.01. The Executive Director or her designee is authorized to issue a Section 42(m) letter or letters to the Applicant for the Project approving the allocation and amount of 4% LIHTCs, subject to staff review of the Applicant's application for compliance with the Agency's QAP and determination that it meets the minimum threshold requirements, and upon final approval by the Agency's legal counsel.

2.02. The adoption of this Resolution does not constitute a guaranty or firm commitment that the Agency will finally approve an LIHTC allocation, as requested by the Applicant.

2.03. The Executive Director of the Agency is hereby authorized to execute all applications, certificates, instruments and any and all other documents necessary or appropriate in her discretion in connection with the LIHTCs. In the event of disability or absence of the Executive Director of the Agency, such applications, certificates, instruments and documents shall be executed by the Deputy Executive Director.

2.04. The Agency retains the right in its sole and absolute discretion to not finally approve an LIHTC allocation, should the Agency at any time prior to issuance thereof determine that it is in the best interest of the Agency to not finally approve an LIHTC allocation or should the parties to the transaction be unable to reach agreement as to the terms and conditions of any of the documents required for the transaction.

The foregoing resolutions are hereby adopted by the Board of Commissioners of the Washington County Community Development Agency as of this 15th day of May, 2018 and shall be in full force and effect from and after passage of this Resolution.

_____
Chair

ATTEST:

_____
Secretary

WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY

REQUEST FOR BOARD ACTION

May 15, 2018
BOARD MEETING DATE

AGENDA ITEM A-7

Community Development
ORIGINATING DEPARTMENT/SERVICE

Melissa Taphorn 5/4/2018
REQUESTOR'S SIGNATURE/DATE

BOARD ACTION REQUESTED

Resolution Authorizing Reservation of Gap Financing for Redevelopment and Rental and Ownership Housing in Washington County (GROW) Fund for Langdon Flats; and Authorizing Execution of Related Loan Documents

BACKGROUND/JUSTIFICATION

Langdon Flats (the "Project") is a proposed multifamily rental development by MWF Properties which will add 174 units of workforce housing in Cottage Grove. The Project will serve households below 60% of the area median income. The developer is seeking a deferred loan from the Agency under the Gap Financing for Redevelopment and Rental and Ownership Housing in Washington County Fund ("GROW Fund") of $1,000,000. The proposed financing plan for Langdon Flats includes a first mortgage from Minnesota Housing tied to the sale of tax-exempt private activity bonds, equity from the sale of Low Income Housing Tax Credits, a tax increment financing (TIF) mortgage from the City of Cottage Grove, subordinate loans from Minnesota Housing and its funding partners, and a deferred developer fee and general partner's note.

The attached resolution authorizes a GROW Loan of up to $390,000 for the Project. The proposed development meets program eligibility criteria for affordability, leverage of public and private funds, and organizational capacity. The Project addresses the GROW Fund priorities of new construction of affordable rental units. Staff recommends approval of a reservation of GROW Funds up to $390,000 to be distributed when the fund balance is sufficient, assuming other financing and municipal land use approvals are secured and the Project moves forward. The GROW allocation will be structured as an installment loan bearing interest as the Project has the ability to pay as determined once the Project secures other funds and the gap and cash flow are finalized. The final amount of GROW funds will be determined prior to closing and will not exceed the minimum amount required to ensure feasibility.

Staff respectfully requests approval of the attached resolution.

PREVIOUS ACTION ON REQUEST/OTHER PARTIES ADVISED

EXECUTIVE DIRECTOR/DATE:	**ATTACHMENT LIST:**	**FINANCIAL IMPLICATIONS:** $390,000 installment loan
Barbara Dacy 5/10/18	Attachment A – Project Sources and Uses Attachment B – Project Location Map	**BUDGETED:** ☒ YES ☐ NO **FUNDING:** GROW Fund

COMMENTS

ATTACHMENT A

Langdon Flats

Sources and Uses

Source of Funds	Amount	Anticipated Use of Funds
First Mortgage	$21,897,000	Acquisition/Construction
Syndication Proceeds	$11,662,241	Construction, Soft Costs
GROW Fund Deferred Loan	$1,000,000	Construction
Minnesota Housing Deferred Loan	$2,500,000	Construction
Washington County HOME	$250,000	Construction
Deferred Developer Fee	$2,808,695	Soft Costs
Total Project Cost	$40,117,936	

Proposed Rents

Unless noted, all rents restricted to 60% AMI

Unit Type	Number of Units	Proposed Monthly Contract Rent
1BR	34	$973
2BR	70	$1,164
3BR	70	$1,340

Income Limits by Household Size

	1	2	3	4
60% AMI	$39,660	$45,300	$50,940	$56,580

Attachment B—Location Map

Langdon Flats—96th ST S, Cottage Grove MN

BOARD OF COMMISSIONERS
WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY
WASHINGTON COUNTY, MINNESOTA

DATE May 15, 2018 RESOLUTION NO. 18-24

MOTION BY COMMISSIONER _____ SECOND BY COMMISSIONER _____

==========

RESOLUTION AUTHORIZING RESERVATION OF GAP FINANCING FOR REDEVELOPMENT AND RENTAL AND OWNERSHIP HOUSING IN WASHINGTON COUNTY (GROW) FUND FOR LANGDON FLATS; AND AUTHORIZING EXECUTION OF RELATED LOAN DOCUMENTS

YES	NO
BELISLE _____	BELISLE _____
HARGIS _____	HARGIS _____
ZELLER _____	ZELLER _____
DINGLE _____	DINGLE _____
WIDEN _____	WIDEN _____
RYAN _____	RYAN _____
MIRON _____	MIRON _____

==========

STATE OF MINNESOTA)
SS
COUNTY OF WASHINGTON)

I, Barbara Dacy, duly appointed, qualified and acting Executive Director of the Washington County Community Development Agency of Washington County, Minnesota do hereby certify that I have compared the foregoing copy of a Resolution with the original minutes of the proceedings of the Washington County Community Development Agency Board of Commissioners, at its session held on the 15th day of May, 2018, now on file in my office and have found the same to be true and correct thereof. Witness my hand and official seal this 15th day of May, 2018.

_____ _____
CDA Secretary Barbara Dacy, Executive Director

WASHINGTON COUNTY
COMMUNITY DEVELOPMENT AGENCY

RESOLUTION NO. 18-24

RESOLUTION AUTHORIZING RESERVATION OF GAP FINANCING FOR REDEVELOPMENT AND RENTAL AND OWNERSHIP HOUSING IN WASHINGTON COUNTY (GROW) FUND FOR LANGDON FLATS; AND AUTHORIZING EXECUTION OF RELATED LOAN DOCUMENTS

WHEREAS, in December 2012 the Board of Commissioners (the "Board") of the Washington County Community Development Agency (the "Agency") adopted the revised Gap Financing for Redevelopment and Rental and Ownership Housing in Washington County Fund (the "GROW Fund"); and

WHEREAS, the purpose of the GROW Fund is to provide gap financing to developers and owners of affordable rental and/or ownership housing in Washington County; and

WHEREAS, the Langdon Flats project will create 174 new units of affordable housing in Cottage Grove for households at or below 60 percent of the area median income; and

WHEREAS, creating additional affordable housing is part of Cottage Grove's comprehensive plan; and

WHEREAS, the Agency has determined that GROW Funds of approximately $390,000 is required for the feasibility of Langdon Flats; and

WHEREAS, the Agency has determined that Langdon Flats meets the requirements of the GROW Fund program including affordability (rent and income requirements), leverage of public and private funds, new construction of affordable units, and capacity to manage the project.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY, AS FOLLOWS:

1. That MWF Properties, LLC secures all financing and land use approvals.

2. That the Executive Director is hereby authorized to execute loan documents in connection with a GROW Fund loan of up to $390,000 for Langdon Flats to

include, but not limited to, a note and loan agreement with terms to be negotiated prior to closing.

3. That the Executive Director is hereby authorized, empowered, and directed to execute and deliver in the name and on behalf of the Agency any other documents and instruments in such form and on such terms and conditions as she deems necessary or appropriate in connection with the GROW Loan for Langdon Flats as contemplated above.

4. That the Executive Director is hereby authorized, empowered, and directed to do all other acts and things as she deems necessary or desirable in her discretion to effectuate the purposes of the foregoing Resolutions.

5. That the Executive Director is hereby authorized to amend the terms and conditions to be more restrictive as deemed appropriate if Langdon Flats financial plan varies from the information contained in the GROW application dated April 23, 2018.

Adopted this 15th day of May, 2018.

_____
Chair/Vice Chair Commissioner

ATTEST:

_____
Secretary

WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY

REQUEST FOR BOARD ACTION

May 15, 2018
BOARD MEETING DATE

AGENDA ITEM A- 8

Finance
ORIGINATING DEPARTMENT/SERVICE

Aaron Christianson 5/7/2018
REQUESTOR'S NAME/DATE

BOARD ACTION REQUESTED

RESOLUTION AUTHORIZING DEPOSITORY SERVICES FOR GOVERNMENTAL ENTITIES.

BACKGROUND/JUSTIFICATION

The attached document designates U.S. Bank National association as the Authority's official Depositor of its funds, and identifies the "authorized signers". The current authorized signers are the Executive Director and the former Board Chair. A new authorized signer from the Board needs to be determined by the Board as well as authorizing the Executive Director.

Approval of the attached resolution is recommended.

PREVIOUS ACTION ON REQUEST/OTHER PARTIES ADVISED

EXECUTIVE DIRECTOR/DATE:	**ATTACHMENT LIST:**	**FINANCIAL IMPLICATIONS: $ N/A**
Barbara Dacy 5/10/18	Attachment A – None	**BUDGETED:** ☐ **YES** ☐ **NO**
		FUNDING: N/A

COMMENTS

BOARD OF COMMISSIONERS
WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY
WASHINGTON COUNTY, MINNESOTA

DATE May 15, 2018 RESOLUTION NO. 18-25

MOTION BY COMMISSIONER _____ SECOND BY COMMISSIONER _____

==========

RESOLUTION AUTHORIZING DEPOSITORY SERVICES FOR GOVERNMENTAL ENTITIES

YES	NO
BELISLE _____	BELISLE _____
HARGIS _____	HARGIS _____
ZELLER _____	ZELLER _____
DINGLE _____	DINGLE _____
WIDEN _____	WIDEN _____
RYAN _____	RYAN _____
MIRON _____	MIRON _____

==========

STATE OF MINNESOTA)
SS
COUNTY OF WASHINGTON)

I, Barbara Dacy, duly appointed, qualified and acting Executive Director of the Washington County Community Development Agency of Washington County, Minnesota do hereby certify that I have compared the foregoing copy of a Resolution with the original minutes of the proceedings of the Washington County Community Development Agency Board of Commissioners, at its session held on the 15th day of May, 2018, now on file in my office and have found the same to be true and correct thereof. Witness my hand and official seal this 15th day of May, 2018.

_____ _____
CDA Secretary Barbara Dacy, Executive Director

Resolution 18-25

RESOLUTION AUTHORIZING DEPOSITORY SERVICES FOR GOVERNMENTAL ENTITIES

DEPOSITOR NAME: Washington County CDA

CONTACT: Aaron Christianson, Finance Director

ADDRESS: 7645 Currell Boulevard

Woodbury, MN 55125

TAX IDENTIFICATION NUMBER: 41-1408079

I, Barbara Dacy *(name of certifying officer)* do hereby certify that I am the Executive Director *(title of certifying officer)* of the above-named entity *(therein called the "Depositor")* a corporation existing under the laws of the State of Minnesota and that the following is a true, complete and correct copy of resolutions adopted at a meeting of the Depositor duly and properly called and held on the 15th day of May, 2018; that a quorum was present at said meeting; and that said resolutions are now in full force and effect.

RESOLVED, That U.S. Bank National Association is hereby designated as a depository of the Depositor with authority to accept or receive at any time for the credit of the Depositor deposits by whomsoever made of funds and other property in whatever form or manner transferred to endorsed; and that any officer of the Depositor is hereby authorized to open or cause to be opened one or more accounts with the bank on such terms, conditions and agreements as the Bank may acknowledges and agrees that the services contemplated by this resolution shall be governed by the U.S. Bank Customer Agreement for commercial deposit accounts, as amended from time to time.

RESOLVED, that checks, drafts or other orders for the payment, transfer or withdrawal of any of the funds or other property of the Depositor on deposit with the Bank shall be binding on the Depositor when signed, manually or by use of a facsimile or mechanical signature or otherwise authorized, by any one of the individuals listed in the section entitled "Authorized Signers", and the Bank is hereby authorized to pay and charge to the account of the Depositor any such checks, drafts or other orders so signed or otherwise authorized, including those payable to the individual order of the same person or persons signing or otherwise authorizing the same and including also those payable to the Bank or to any other person for application, or which are actually applied to the payment of any such indebtedness owing the Bank from the person or persons who signed such checks, drafts or other withdrawal orders or otherwise authorized such withdrawals. In particular, and not in limitation of foregoing, such persons may authorize payment, transfer or withdrawal by oral or telephonic directions to the Bank complying with such rules and regulations relating to such authorization as the Bank may communicate to the Depositor from time to time.

RESOLVED, that the Executive Director *(identify certifying officer by title)* hereby certifies to the Bank the names and Signatures (either actual or any form or forms of facsimile or mechanical signatures adopted by the person authorized to sign) of the Authorized Signers listed below and shall from time to time hereafter, upon a change in the facts so certified, immediately certify to the Bank the names and signatures (actual or facsimile) of the persons then authorized to sign or to act. The Bank shall be fully protected in relying on such certificates and on the obligation of the certifying officer (set forth above) to immediately certify to the Bank any change in any facts so certified, and the Bank shall be indemnified and saved harmless by the Depositor from any claims, demands, expenses, loss or damage resulting from or growing out of honoring or relying on the signature of other authority (whether or not properly used and, in the case of any facsimile signature, regardless of when or by whom or by what means such signature may have been made or affixed)of any officer or person whose name and signature was so certified, or refusing to honor any signature or authority not so certified.

RESOLVED, That these resolutions shall continue in force until express written notice of their rescission or modification has been furnished to and received by the Bank; and

RESOLVED, That any and all transactions by or on behalf of the Depositor with the Bank prior to the adoption of this resolution be, and the same hereby are, in all respects ratified, approved and confirmed.

I further certify that the officers of the Depositor signing the resolution, have, and at the time of adoption of said resolutions had, full power and lawful authority to adopt the foregoing resolutions and to confer the powers therein granted to the persons named, and that such persons have full power and authority to exercise the same.

I further certify that the names, titles (if any) and signatures (actual or facsimile) of the persons authorized to sign or act on behalf of the Depositor by its governing board identified above are as set forth below in the section of this Resolution entitled "Authorized Signers".

I further certify, under penalties of perjury, that the tax identification number shown above is correct and that the Depositor is not subject to backup withholding because (a) it is exempt, (b) has not been notified by the Internal Revenue Service (IRS) that it is subject to backup withholding as a result of a failure to report all interest or dividends or (c) the IRS has notified the Depositor that it is no longer subject to backup withholding.

I further certify that the Authorized Signers below are also hereby authorized to transact any and all other business with and through the Bank regarding this account, including, without limitation, treasury management services offered by Bank.

Account Number Ending: XXXXXXXX0692 and XXXXXXXX0700

Authorized Signers

Name	Title	Signature
	Commissioner	
Barbara Dacy	Executive Director	

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of the Depositor this 19th day of December, 2017.

	Executive Director
(Certifying Officer)	*(Title)*
	Finance Director
(Attest by one other officer)	*(Title)*

DISCUSSION ITEM

D-1 Key Assumptions for the 2018 Budget

WASHINGTON COUNTY
Community Development Agency

7645 Currell Boulevard, Woodbury, MN 55125
office: 651-458-0936 fax: 651-458-1696

Memo To: CDA Board of Commissioners

From: Barbara Dacy, Executive Director
Melissa Taphorn, Deputy Executive Director
Aaron Christianson, Finance Director

Date: May 8, 2018

RE: Key Assumptions for the 2019 Budget

Purpose

The purpose of the budget discussion is to review the basic assumptions for preparing the draft 2019 budget and to receive Board questions and instructions in the event any issues are identified that would require additional research prior to the June Finance Committee and CDA Board meetings.

Preliminary Budget Assumptions

1. For the 2019 budget, the strategic initiatives closely align with initiatives from previous years. CDA staff met with community representatives across the county in regard to their comprehensive plans, and in general, the feedback confirmed the CDA's initiatives as follows:

    - "Age Friendly Housing Initiative" for seniors – Provide necessary seed money to create affordable senior housing for low income seniors.
    - Workforce Housing Initiative– Offer critical gap financing to developers to construct or rehabilitate workforce housing.
    - Home Ownership Initiative – Maintain neighborhood stability and increase access to the benefits of homeownership.
    - Economic Development Initiative – Increase the supply of developable parcels in the county and provide businesses with financial and technical assistance.

2. CDA operations and programs are funded by the net revenues of the CDA owned properties, grant funds from outside agencies, fees for services, and the CDA levy. All sources of revenues are exhausted, fund balance carryover is considered and expenses are scrutinized first before consideration of a levy increase. Preliminary assumptions, subject to additional research in some areas, are as follows:

    - Property rents – Rent increase up to 1% for the senior housing properties and up to 2% for the family housing properties, as recommended by our previous long-term financial management analysis for the senior housing and family housing properties. This would generate approximately $89,000 in additional rental

income to offset property operations. Staff will be consulting with the management company and comparing proposed rates to relevant benchmarks to determine rents remain affordable and within acceptable ranges.

- Property expenses – Staff is going to work with the management company in an effort to keep expense increases to 1% to 2%, approximately $89,000.
- Vacancy rates – Budget a 3% vacancy at the senior properties and 5% vacancy at family housing properties.
- Grant revenue – Anticipate grant funding to remaining relatively unchanged from the prior years.
- The Groves related receivables – Anticipate payments to be received to the CDA from the Groves' project in reimbursement of money loaned to the project at inception. These funds will be used to offset CDA operations.
- Salary and benefits – Salaries are budgeted to increase approximately 5%, approximately $90,000, which is composed of a 2.3% COLA adjustment and an average step increase of 2.7%. The COLA and step adjustments have been negotiated and agreed to and outlined in the most recent labor agreement. There is currently not enough information to provide estimates on benefits, which will be subject to negotiations with the union later this fall. The final amount of the increase will not be known until then.
- Technology budget –No increase in this budget is expected as existing budgeted amounts are adequate to fund these costs.
- General fund expenses – Staff will be working on limiting the increase in general fund not to exceed proposed levy allocation plus amount available from distribution from the properties.
- Levy – Staff is carefully considering the impact that the revenue and expense assumptions described above will have on the CDA's strategic initiatives. Once finished, a proposed levy will be presented at the June Finance Committee meeting.

Additional Considerations

As part of the budget process, staff will be considering the adequacy of operating and long-term capital reserves and will also be considering policies around debt management.

Next Steps

Staff would like to schedule a Finance Committee meeting on June 5th, at 3:00pm. The Finance Committee currently being comprised of Commissioner Widen, Commissioner Belisle and Commissioner Zeller. Finance Committee discussion and a draft of the 2019 budget will then be presented and discussed at the June 19th CDA Board meeting. Once authorized to proceed, staff will arrange for the appropriate meetings at the county. The CDA Board will consider a resolution requesting the levy at its August 21st regular meeting.

Community Development Department Report
May 15, 2018

Homeownership Division

On May 3rd, the Homeownership Division was presented with the Excellence in Service Award from the Minnesota Homeowner Advisors Network. This award recognizes individuals and organizations for their outstanding achievement and success serving communities and clients through homeownership advising and education. This recognition will be shared with the Board on May 15th.

Homebuyer Counseling and Education

During the month of April, the Homeownership Division saw over 40 clients for new and follow-up appointments. Staff resolved nine foreclosure cases. One homeowner brought their loan current, two entered repayment plans, four received modification agreements, one refinanced and one resulted in foreclosure. Additionally, during the month of April there were 22 Homebuyer Club graduates from the Black Women's Wealth Alliance homebuyer education partnership. Graduates committed their Thursday evenings for six consecutive weeks to thoroughly go through the homebuying process.

The Homeownership Division is preparing to celebrate Homeownership Month during the month of June. To celebrate the CDA will be offering two free Home Stretch Workshops to encourage those that want to learn more about the process to attend homebuyer education.

Homeownership Program	Grant Year to date Oct 1 – Apr. 30	Grant Year Goal	Progress toward Goal
Homebuyer Education	52	90	58%
Homebuyer Counseling	19	50	38%
Homebuyer Financial Counseling	13	19	68%
Foreclosure Counseling	34	85	40%
Refinance Counseling	6	10	60%

Down Payment Assistance Pilot Program

The Homeownership Division has been working hard on finalizing program details to release to the public. Staff is currently waiting on Minnesota Housing's final approval of marketing materials. Additionally, staff continues working on an event to release the details of the program to realtors, lenders, and other interested stakeholders as soon as possible.

Home Improvement Loan Program

The Home Improvement Loan Program has 16 households on the waitlist. Currently, there are four applications in the underwriting and environmental review process, and two applications in the bidding process.

Home Improvement Loan	Program Year to date Jul 1 – Apr 30	Program Year Goal	Progress toward Goal
Total funds loaned	$102,581	$251,876	41%
Number of loans closed	5	12	42%

Development Division

The Glen at Valley Creek
The Dakota County CDA approved the issuance of two bond series at their April board meeting. The development team has been working to provide due diligence items to all parties in order to facilitate a June closing. This month's agenda includes a resolution which authorizes actions related to the bond issuance. A second resolution authorizes actions related to the proposed financing structure, development agreement, and owner's representative services. This resolution also reaffirms previous actions by the CDA board on behalf of the Managing Member.

CDBG/HOME Administration
A public hearing for the plan was held at the April board meeting for the Program Year 2018 Annual Action Plan. The County Board approved submission of the plan at its April 24th meeting. The Plan is due 60 days after HUD notifies Washington County of the final allocation amount or before August 16, 2018.

Washington County must renew its CDBG entitlement status with HUD in 2019. This process occurs every three years. Along with Washington County, staff began this process by issuing letters to all municipalities regarding their participation status and how these funds can benefit their cities. Currently, there are four cities and townships which do not participate in the CDBG and HOME programs through Washington County: Woodbury (direct funding recipient as a "metropolitan city"), Hastings and White Bear Lake (participants through Dakota and Ramsey counties), and Marine on St. Croix. Submittal of renewal materials need to be submitted to HUD by July 18, 2018.

Subsurface Septic Treatment System (SSTS) Financial Assistance Programs
Staff have received three applications from households in Scandia, West Lakeland, and Woodbury. One grant of $5,500 has been awarded to a qualified household and a total of $69,600 in low-interest loans has been approved to date.

Low Income Housing Tax Credit Suballocation
The public hearing for the Washington County 2019 Qualified Allocation Plan has been moved back one month to May 15th with Round 1 applications due on July 12th.

The chart below provides the status of recent LIHTC allocations by the CDA.

Development Name (City)	LIHTC Type	LIHTC Units	Development Status
Century North (Oakdale)	4%	177	Complete, 8609 application revised
Red Rock Square (Newport)	9%	42	Complete, Leased
Legends of Cottage Grove	4%	184	Complete, Leasing up
Legends of Woodbury	4%	216	Under Construction
Glen at Valley Creek (Woodbury)	4%	42	Start construction 2018
Headwaters Landing (Forest Lake)	9%	45	Requesting additional credits for 2019
Green Twig II (Oak Park Heights)	4%	72	Allocation request for May Board meeting

2018 Capital Improvements in Process

Property Name (City)	Improvement Project	Status and Tentative Schedule
Woodland Park (Cottage Grove)	Exterior building improvements	Siding work is complete on all buildings. Roof work is complete on all buildings except Buildings 1 & 2 which will be complete around May 18. All landscaping and planting work expected to be completed by the end of May.
All properties	Common Area Interior Design Services	Proposals due May 18
Ann Bodlovick & Briar Pond (Stillwater & Woodbury)	Paint trim and replace rotted wood	Design and specifications in process
TrailSide (Forest Lake)	Roof replacement	Work to begin in late June
TrailSide (Forest Lake)	Retaining wall replacement	RFP to be issued in late May
Brick Pond (Stillwater)	Replace pumps and grinders in lift station	Out for quotes
The Groves	Planters design services	Design and specifications in process
Briar Pond	Townhome entry doors	Bids received
Cobble Hill (Woodbury)	Front entry drain improvements	Work to begin in late May
Scattered Site	Electrical wire repair	Project completed April 27.

Woodland Park Exterior Improvements Project Photos

Apartment building siding

Economic Development Highlights

May 2018

Assistance to Businesses & Communities

A summary of inquiries, referrals and contacts is attached. I have forwarded numerous business inquires to our city partners for site related business development opportunities (businesses looking for land and/or buildings). I have also met with and sent out to our local partners, a number or new land listings and building availabilities (owners looking for a new owner/tenants).

I have been working closely with the Forest Lake EDA to develop an Economic Development Work Plan.

I have been working closely with Hugo, Lake Elmo, Afton, Newport and Cottage Grove staff on several business development opportunities.

I have been working with Cottage Grove city staff to help address talent recruitment and retention challenges that were identified by the City's employers during recent business visits.

I have been assisting the City of Afton with guidance on industrial opportunities.

Marketing

The City of Hugo was featured in an ad in the April issue of the MN Real Estate Journal.

I have been working closely with DEED and Greater MSP on several new development opportunities in Washington County.

The CDA Co-sponsored the 14th Annual MN Real Estate Journal Land Development Summit in Golden Valley where myself and Dan Undem from Forest Lake spoke on Development opportunities in from of 200 commercial site selectors and developers.

Newport Outlot A

The Newport City Council held an informational workshop on April 17th and heard from 3 local commercial realtors/developers about potential future uses for Outlot A. A number of suggestions and observations were discussed and the City Council had good questions and interaction with the panel. Overall, it was a good information session. No action was taken. The City Council will continue its revisioning for the area and will get back to us at a future date.

Workforce Development - Skills Based Initiative Training

As part of our ongoing Economic Development Work Plan, I am exploring new opportunities to assist our partners (businesses and communities) with talent attraction and retention. One example of a recent opportunity that was forwarded to me by the Washington County Workforce Center is attending/participating in the Skills Based Initiative Training Academy representing Washington County.

"The Twin Cities Greater Metropolitan Workforce Council (GMWC), MSPWin, Corporation for a Skilled Workforce (CSW), the Aspen Institute, and local stakeholders are partnering to create a Sector Skills Academy for up to 30 workforce development professionals in the Minneapolis-Saint Paul metro region. The purpose of this Academy is to support Minnesota's and GMWC's goal of creating and sustaining high-performing sector partnerships."

The Academy combines learning, planning, and action. Specific workshops (every 6-8 weeks) will allow participants to learn about specific techniques for forming and sustaining sector partnerships.

The Twin Cities GMWC Sector Skills Academy will include local and national guest faculty and facilitators who will support learning, planning and action on topics such as:

- Data Driven Decision Making: Utilizing Labor Market and Program Related Data
- Engaging System Partners: Industry Leaders, State Leaders, and Public Partners
- Strategic Employer Engagement: Coordinating Business Services and Outreach
- Connecting Industry-Led Partnerships to Career Pathway Systems
- Learning and Evaluation: Success Metrics for Sector Partnerships and Systems Change
- Capacity Building: Developing Core Leadership and Convener Competencies
- Policy: Legislative and Administrative Change Strategies
- Funding Strategies and Sustainability

Summary of April 2018 Economic Development Activities

Marketing/Promotion

Countywide Marketing	MN Real Estate Journal 2018 Real Estate Awards - Co-sponsored the event (400 in attendance)
Afton	Business association meeting to talk about Open to Business & marketing
Stillwater Chamber	Attended State of the Cities Chamber Event

Technical Assistance - Community

Oak Park Heights	Assist City staff with redevelopment opportunity
Afton	Assist City staff with industrial park ordinances
Hugo	Working with City Staff/searching for site for new business development opportunity
Oak Park Heights	Working with City Staff/searching for site for new business development opportunity
Stillwater	Assisted City Administrator with information on current market rates for land
Newport	City Council workshop with developer/site selector panel possible Outlot A uses
Scandia	EDA Breakfast presentation/update
Forest Lake EDA	Leading strategic plan process to create an EDA work plan

Business Assistance

Hugo	Assist City staff and existing industrial business
Newport	Working with City Staff on a new large business development inquiry/opportunity
Cottage Grove	Assisting City Staff with large manufacturing business expansion
Lake Elmo	Assisting City Staff, Greater MSP and site selctor with a new manufacturing opportunity
Hugo	Assisting City Staff and business owner with a new manufacturing expansion and relocation opportunity
Afton	Connected inquiry for industrial building with City staff/realtor

Site Related Buildings Looking for a new Owner/Tenant

Cottage Grove	Forwarded to city staff commercial building available for lease
Woodbury	Forwarded to city staff commercial building available for lease
Forest Lake	Forwarded to city staff commercial land available for sale
Stillwater	Forwarded to city staff office building available for sale
Forest Lake	Forwarded to city staff 23 acre parcel of land available for sale
Cottage Grove	Forwarded to city staff commercial/medical office building available for lease
Cottage Grove	Forwarded to city staff commercial/medical office warehouse flex building available for lease
Woodbury	Forwarded to city staff commercial building available for lease

Forest Lake	Forwarded to city staff available commercial land for sale
Stillwater	Forwarded to city staff office building available for sale
Woodbury	Forwarded to city staff commercial building available for lease
Mahtomedi	Forwarded to city staff commercial building available for sale

Site Related Business Looking for Land/Building

Bayport	Forwarded inquiry to city staff seeking 1,500 building for office/retail
All Cities	Forwarded inquiry to city staff seeking 2,000 building for industrial use
Oakdale, Lake Elmo, Woodbury, Afton, Newport, St. Paul Park, Cottage Grove	Forwarded inquiry to cities looking for 4,000 sq. ft. industrial building
Forest Lake, Scandia, Hugo	Forwarded inquiry to city staff seeking 14,000 building for medical device company use
St. Paul Park, Newport, Cottage Grove	Forwarded to city staff industrial building available for lease
Hugo, Forest Lake	Forwarded to city staff flex/office building available for lease
All South & East Cities	Forwarded inquiry looking for commercial building or BTS
Newport, St. Paul Park, Cottage Grove	Forwarded inquiry looking for industrial building
Oakdale, Lake Elmo, Woodbury, Afton, Newport, St. Paul Park, Cottage Grove	- Forwarded industrial building inquiry
Afton, Lake Elmo, Woodbury	Met with Xcel Energy and commercial realtor looking at technology business opportunity

Finance Department Report
May 15, 2018

Financial Analysis – Year- To-Date March 31, 2018 Financials

Total Agency –Total Agency income before depreciation and transfers had a positive variance to budget of $417,957. Revenues were over budget by $236,202 and expenses were under budget by $181,755.

Agency budget to actual revenues were over budget by $236,202. This is primarily due to Section 8 HCV program receiving $133,100 more grant revenue than budgeted. HCV revenues over budget are used to pay for program costs. These unbudgeted revenues do not increase cash or fund balances. Other line items that exceed budget included property rents, which exceeded budget by $44,100. This is due to the 99% occupancy rate the CDA continues to experience. Finally, interest income earned on investement exceeds budget by $64,000. Most CDA cash and investments are currently receiving close to, or more than, 1% yield compared to under .6% in the prior year. Cash and investments are primarily being held in an external investment pool, money market funds, treasuries and CD's.

Total Agency expenses were under budget by $181,755. Expenses under budget relate to various governmental programs being under budget, the largest being legal and consulting, which was $86,400 under budget. Section 8 HCV vouchers was over budget by $125,000.

In addition, total property expense was under budget by $171,368. Administrative and operating were under budget by a combined $28,200 and maintenance was under budget by $163,400.

2017 Audit Schedule – Dave Mol, Partner, Redpath and Co., will present results separately.

Unaudited REAC – Has been accepted by HUD and the CDA has again been designated to be high performer based on HUD's review of the unaudited submission.

2018 Budget Schedule

- May 15th – Present key assumptions to the Board
- June 1st – 8th – Finance Committee to discuss 2019 draft budget
- June 19th – Present 2019 draft budget to the full Board for adoption
- July or August – County Board and County Finance Committee Meetings
- August 21st – CDA approval of 2018 Levy Request paid in 2019
- August 22nd – Send Copy of CDA Resolution to County On Levy
- September 18th – County Board preliminary establishment of Levy
- December – Truth In taxation hearing at County
- December – County Board consider levy
- December – CDA Board consider budget

Finance Report
May 15, 2018

The financial results for March 31, 2018 are as follows:

Total Agency Year-To-Date

	2017 Actual	2018 Actual	2018 Budget	Variance
Revenues	$5,013,195	$5,255,616	$5,019,414	$236,202
Expenses	5,627,578	6,361,977	6,543,732	(181,755)
Income (Loss)	**($614,383)**	**($1,106,361)**	**($1,524,318)**	**$417,957**

(Prior To Depreciation and Transfers)

Total Properties Year-To-Date

	2017	2018	2018	Variance
Revenues	$2,718,853	$2,810,491	$2,732,100	$78,391
Expenses	3,618,167	4,326,008	4,497,376	(171,368)
Income (Loss)	**($899,314)**	**($1,515,517)**	**($1,765,276)**	**$249,759**

(Prior To Depreciation and Transfers)

Individual Properties Income(Loss) Year-To-Date

	2017	2018	2018	Variance
Brick Pond	$13,531	$27,451	$16,181	$11,270
Woodland Park	114,849	98,606	59,281	39,325
Briar Pond	159,421	135,512	106,446	29,066
Park Place I	23,974	30,865	8,416	22,449
Park Place II	(337)	992	4,875	(3,883)
Scattered Site	10,504	6,620	(17,691)	24,311
Whispering Pines	12,967	7,696	(2,376)	10,072
Transitional Housing	(822)	2,354	1,632	722
Trailside	62,222	59,209	42,665	16,544
Oakhill Cottages	26,003	25,279	13,137	12,142
Muller Manor	15,700	17,174	7,951	9,223
Ann Bodlovick	19,011	17,842	8,028	9,814
John Jergens	24,717	18,350	9,672	8,678
Pioneer	12,853	4,450	2,531	1,919
Cobble Hill	27,088	28,543	13,199	15,344
Raymie Johnson	42,051	47,467	19,924	27,543
Groves Managing Member	10,018	9,857	9,025	832
WCD - Series 2013	(7,500)	(8,732)	(8,750)	18
Landfall - Series 2010C	(64,456)	(65,760)	(66,990)	1,230
Piccadilly - Series 2015A	(1,401,108)	(2,003,042)	(2,016,182)	13,140
The Glen - Lender	0	23,750	23,750	0
Total	**($899,314)**	**($1,515,517)**	**($1,765,276)**	**$249,759**

(Prior To Depreciation and Transfers)

Attachment A

Vacancy Rates - 2015-2018

	# of Units	2015 Annual	2016 Annual	2017 Annual	2018 Annual	2018 Annual
Family Properties						
Brick Pond	40	1.3%	0.6%	1.3%	0.0%	5%
Woodland Park	180	1.7%	1.2%	1.1%	0.7%	5%
Briar Pond	196	0.3%	0.3%	0.9%	0.8%	5%
Park Place I	36	1.4%	0.2%	1.2%	2.1%	5%
Park Place II	6	0.0%	4.2%	1.4%	4.2%	5%
Scattered Site	56	1.2%	1.5%	0.4%	0.0%	5%
Whispering Pines	40	0.8%	1.7%	0.4%	0.0%	3%
Senior Properties						
Oakhill Cottages	40	0.2%	0.0%	0.0%	0.0%	3%
Muller Manor	28	0.0%	0.0%	0.0%	0.0%	3%
Ann Bodlovick	50	0.3%	0.0%	0.0%	0.5%	3%
John Jergens	30	0.6%	0.0%	0.0%	0.0%	3%
Pioneer	18	0.5%	0.0%	2.8%	2.8%	3%
Cobble Hill	45	0.4%	0.2%	0.0%	0.0%	3%
Raymie Johnson	120	0.6%	1.2%	0.5%	1.0%	3%
Trailside	70	0.1%	0.1%	0.0%	0.0%	3%
Seniors	401	0.7%	0.4%	0.3%	0.5%	3%
Overall	955	1.3%	0.7%	0.6%	0.6%	5%
Joint Ventures						
Piccadilly Square	79	N/A	59.1%	11.4%	0.9%	7%
The Groves	67	1.1%	1.1%	0.7%	0.0%	7%

Washington County CDA
Total Agency
For the Three Months Ending March 31, 2018

	2017 Year-to-Date Actual	2018 Year-to-Date Actual
ASSETS		
CURRENT ASSETS		
Cash - Operating	$6,734,423	$9,705,600
Cash - Revenues	1,543,431	694,356
Cash - Section 8	181,397	104,123
Cash-FSS Escrow Public Housing	15,193	28,559
Cash -Operating Deficit Reserv	11,985	12,117
Cash - Repair Reserve	39,614	40,050
Deposits in Trust Fund	8,821,279	8,272,982
Deposits in Trust Fund - QECB	2,779	5,827
Deposits in Escrow Account	123,644	16,928
Deposits - Security	144,247	147,118
Investment in The Groves	500,579	500,572
Investment in Piccadilly	1,344,143	1,344,108
Debt Service Reserve	227,078	228,757
General Operating Reserve	1,054,527	1,335,903
Long Term Capital Reserve	504,177	2,152,146
US Bank Collateral Investment	1,906,744	
Interest Receivable-Investment	328	
Interest Receivable-Loan	6,100	
Interest Receivable-Other	62,673	20,462
Interest Receivable- Loans	314,550	366,799
Interest Receivable - Red Rock TIF	24,813	47,684
Taxes Receivable-Current	4,718,480	5,027,528
Taxes Receivable-Delinquent	48,633	46,075
TIF Receivable	129,100	138,815
Accounts Receivable	8,350	805
Accounts Receivable-Rent(Prepaid)	5,032	20,111
Allowance for Doubtful Account	(516)	(4,081)
Loan Receivable	16,578,420	14,617,512
Note Receivable (FHLB)	500,000	500,000
Loan Receivable-Piccadilly	515,451	550,722
Capital Lease Receivable	3,904,193	3,498,864
Developer Fee-Receivable	1,500,000	975,000
Developer Fee-Interest Receivable		59,016
Intergovernmental Rec.-Federal	130,222	131,841
Intergovernmental Rec.-State	32,297	20,519
Intergovernmental Rec-County	1,418	25,804
Interfund Receivable-HRA General Fund		722
Interfund Rec.-Special Program	135,933	135,933
Interfund Rec.-W/O TIF	2,566,547	2,566,547
Interfund Rec.-CDBG	5,547	
Interfund Rec.- Red Rock TIF	565,873	618,317
Interfund Rec-TrailSide	500,000	500,000
Prepaid Expenses	276,943	287,811
TOTAL CURRENT ASSETS	$55,685,627	$54,741,952
FIXED ASSETS		
Property for Resale	869,166	1,240,508
Land	4,559,054	4,559,054
Project in Progress	23,038	1,621,811
Buildings and Structures	66,641,815	66,813,531
Accum Depr.-Bldgs & Structures(40 years)	(28,989,791)	(30,562,733)
Net Buildings & Structures	37,652,024	36,250,798
Grounds and Improvements	1,795,230	2,195,134
Accum Depr.-Grounds & Improv.(40 years)	(466,955)	(444,714)
Net Grounds&Improv.	1,328,275	1,750,420
Furniture and Fixtures	515,702	515,702
Accum Depr-Furniture & Fixture(7 years)	(484,057)	(501,778)
Net Furniture&Fixtures	31,645	13,924
	31,645	13,924
TOTAL FIXED ASSETS	$44,463,202	$45,436,515

Washington County CDA
Total Agency
For the Three Months Ending March 31, 2018

	2017 Year-to-Date Actual	2018 Year-to-Date Actual
TOTAL ASSETS	$100,148,829	$100,178,467
LIABILITIES		
CURRENT LIABILITIES		
Accounts Payable	301,582	520,021
Accounts Payable-Bridges	698	
Accounts Payable-Other	302	603
Salaries Payable	23,494	30,821
Flex Spending Payable	5,582	1,990
Flex Spending-Dependent Care Payable	842	1,392
Limited Flex Spending (FSL) Payable	529	(1,497)
Other Payroll Payable	90	628
Contracts Payable	(240)	72,481
Accrued Bond Interest - QECB	7,660	7,030
Accrued Bond Interest	269,536	252,858
Accrued Mortgage Interest	29,846	29,289
Accrued Interest-Red Rock Project	24,813	47,684
Accrued Interest -Development	227,503	259,586
Notes Payable	500,000	500,000
Deferred Revenues	8,802,337	9,469,816
Intergov't Payable-County(PILOT)	513,429	523,166
Intergov't Payable-Other	40,000	40,000
Interfund Payable - Red Rock Project	565,873	618,317
Interfund Payable - Development	2,702,480	2,702,480
Interfund Payable - GAP	500,000	500,000
Interfund Payable-Briar Pond	5,547	
Escrow Deposits Payable	(1,767,137)	(1,606,920)
Escrow Deposits Payable-Security	379,790	379,122
Escrow Deposits Payable-Sec Dep Interest	20,528	21,337
Escrow Deposits Payable-FSS	1,164	6,928
Escrow Deposits Payable-FSS Public Housing	15,193	28,559
TOTAL CURRENT LIABILITIES	$13,171,441	$14,405,691
LONG-TERM LIABILITIES		
Revenue Bonds Payable	38,960,000	34,940,000
Revenue Bonds Payable - QECB	1,675,000	1,535,000
Mortgage Payable	11,828,224	11,491,426
MHFA Loan-POHP	271,000	271,000
Unamortized Bond Premium	885,494	823,511
Unamortized Bond Discount	(270,556)	(250,780)
Deferred Refunding Costs	(793,558)	(688,389)
Deferred Gain on Sale of Property	398,867	344,798
Deferred Gain on Refunding	361,331	244,151
TOTAL LONG TERM LIABILITIES	$53,315,802	$48,710,717
FUND EQUITY		
Current Year-to-Date Income(Loss)	911,910	1,041,578
Retained Earnings-Unreserved	32,749,679	36,020,479
TOTAL FUND EQUITY	$33,661,589	$37,062,057
TOTAL LIABILITIES & FUND EQUITY	$100,148,832	$100,178,465

Washington County CDA
Total Agency
For the Three Months Ending March 31, 2018

	2017 YTD Actual	2017 vs 2018 YTD Actual	2018 YTD Actual	2018 YTD Budget	2018 Actual vs Budget Variance
TAXES					
Levy	$1,179,619	($83,937)	$1,263,556	$1,263,557	($1)
Current Tax Increments	32,275	(2,429)	34,704	34,704	
TOTAL TAXES	$1,211,894	($86,366)	$1,298,260	$1,298,261	($1)
INCOME					
Sec. 8 Portability Admin. Fees	$54,051	($3,062)	$57,113	$60,000	($2,887)
Section 8 Subsidies	729,085	(75,587)	804,672	671,575	133,097
Senior Care Community		(11,000)	11,000	2,058	8,942
HUD Annual Contributions	208,799	(5,231)	214,030	202,675	11,355
HUD Annual Contrib.-Admin	17,869	(177)	18,046	19,000	(954)
Low Income Housing Tax Credits	2,500	(12,552)	15,052	18,474	(3,422)
Administration	20,191	(23,208)	43,399	43,399	
Other Federal Grants and Aids	92,964	2,272	90,692	104,947	(14,255)
HOME Rehabilitation Contributions	149,514	149,514			
Federal Grants - CDBG	19,469	(107,760)	127,229	127,229	
Federal Grants - FSS Combined	9,737	1,464	8,273	12,875	(4,602)
Bridges Administration Fees	5,535	135	5,400	6,355	(955)
Bridges Subsidies	63,654	(2,436)	66,090	63,191	2,899
Other Grants & Aids-State	19,101	8,420	10,681	15,425	(4,744)
Asset Management Fee				750	(750)
Fees for Services-Housing	1,241	873	368	2,761	(2,393)
Conduit Financing Fees		(2,084)	2,084		2,084
Origination Fees-Loans	854	141	713	1,000	(287)
Rent Revenue	1,868,567	(4,474)	1,873,041	1,929,175	(56,134)
Rent Revenue-Vacancy Loss	(30,642)	(23,049)	(7,593)	(89,875)	82,282
Rent Revenue-Subsidized	338,475	5,249	333,226	315,250	17,976
Utility Reimbursement-Subsidized	697	217	480	1,125	(645)
Cable Reimbursement	4,095	(639)	4,734	4,275	459
Rent Revenue-Garage	22,285	510	21,775	22,350	(575)
Rent Revenue-Employee Discount	(2,223)	(86)	(2,137)	(2,125)	(12)
Laundry Revenue	6,978	(2,224)	9,202	7,600	1,602
Guest Suite Rental Income	200	(700)	900	400	500
Application Fees Revenue	1,475	(550)	2,025	2,900	(875)
Emergency Pendant Reimbursement	147	14	133	200	(67)
Security Deposit-Legal	784	330	454	1,600	(1,146)
Security Deposit-Bad Debt	5,168	(818)	5,986	5,425	561
Security Deposit-Other	4,861	(538)	5,399	5,950	(551)
Penalty Charges	5,460	531	4,929	4,900	29
Miscellaneous Revenue	552	180	372	575	(203)
Interest-Investments	16,377	(28,944)	45,321	7,100	38,221
Interest on Capital Lease	25,890	3,464	22,426	21,236	1,190
Interest Income on Restricted Invest	5,917	(21,460)	27,377	2,725	24,652
Interest Income-Loan	48,927	4,465	44,462	48,478	(4,016)
Gain on Investments	846	8,192	(7,346)		(7,346)
Interest-Other	9,445	(12,606)	22,051	9,025	13,026
Revenue-Other	58,719	1,669	57,050	57,275	(225)
Comp. for Loss of Fixed Assets	527	(4,023)	4,550		4,550
Gain on Sale of Property	13,210	(487)	13,697	13,875	(178)
TOTAL INCOME	$3,801,301	($156,055)	$3,957,356	$3,721,153	$236,203
EXPENSES					
Salaries And Wages-Regular	$314,308	($1,864)	$316,172	$328,950	($12,778)
Salaries and Wages-Per Diem	545	(880)	1,425	1,475	(50)
Medicare Contributions	4,645	192	4,453	4,975	(522)
Pension Contributions	27,582	(862)	28,444	29,925	(1,481)
Flex Spending Expense	7,591	7,163	428	3,700	(3,272)
Health Savings Expense	976	60	916	1,100	(184)
HSA Expense	11,175	(1,146)	12,321	4,575	7,746
Health Insurance	30,939	(1,481)	32,420	33,150	(730)
Dental Insurance	4,444	252	4,192	4,425	(233)
Life Insurance	1,162	296	866	525	341
Disability Insurance	2,786	(906)	3,692	2,300	1,392
Workers Compensation				1,200	(1,200)
SUBTOTAL EMPLOYEE COMPENSA	$406,153	$824	$405,329	$416,300	($10,971)
Office Supplies	$3,077	($2,253)	$5,330	$7,628	($2,298)
Books and Pamphlets	180	77	103	375	(272)
Cleaning Supplies	3,082	(493)	3,575	4,400	(825)
General Supplies	238	148	90	200	(110)
Plumbing Supplies	10,483	66	10,417	11,625	(1,208)
Electrical Supplies	8,847	2,125	6,722	8,225	(1,503)
Carpentry Supplies	4,411	(1,158)	5,569	9,550	(3,981)
Painting Supplies	4,361	(81)	4,442	6,325	(1,883)
HVAC Supplies	4,058	466	3,592	6,125	(2,533)
Appliance Supplies	3,422	(4,139)	7,561	5,425	2,136
Building Repair Supplies				25	(25)

Washington County CDA
Total Agency
For the Three Months Ending March 31, 2018

	2017 YTD Actual	2017 vs 2018 YTD Actual	2018 YTD Actual	2018 YTD Budget	2018 Actual vs Budget Variance
Grounds Supplies	$27	$27		$25	($25)
Auditing/Accounting Services	11,800	(900)	12,700	14,200	(1,500)
Payroll Services	2,367	(3,825)	6,192	6,000	192
Legal Fees-Retainer	24,926	13,589	11,337	42,350	(31,013)
Legal Fees-Litigation	2,775	2,775		775	(775)
Legal Fees-Other	7,569	1,501	6,068	12,250	(6,182)
Consulting Fees	50,467	5,478	44,989	93,430	(48,441)
Property Management Fees	117,481	19	117,462	117,462	
Property Management-HRA	117,064	(31,501)	148,565	139,250	9,315
Administrative Charges				325	(325)
Architect Fees				21,150	(21,150)
Planning/Engineering Fees				5,500	(5,500)
Inspection Fees	1,370	250	1,120	1,600	(480)
Appraisal and Assessing Fees	5,860	5,860			
Financial and Bonding Fees				350	(350)
Compliance Monitoring				750	(750)
Marketing	8,275	846	7,429	20,713	(13,284)
Environmental Studies	3,100	3,037	63	19,925	(19,862)
Municipal Fees	13,088	2,578	10,510	3,700	6,810
Surveying Fees		(1,123)	1,123	150	973
Applicant Screening Fees	3,038	234	2,804	4,675	(1,871)
Service Charges	1,743	316	1,427	925	502
Other Professional Services	878	(875)	1,753	4,300	(2,547)
Electric Utilities	37,348	(18,866)	56,214	55,650	564
Water and Sewer Utilities	49,187	(849)	50,036	61,375	(11,339)
Natural Gas Utilities	51,087	(28,853)	79,940	59,900	20,040
Refuse and Disposal	30,799	(2,025)	32,824	30,387	2,437
Cleaning and Decorating	9,054	(2,481)	11,535	13,950	(2,415)
Cleaning and Janitorial Services				3,350	(3,350)
Carpentry Services	12,996	(1,796)	14,792	30,375	(15,583)
Exterminating	1,492	(3,019)	4,511	5,300	(789)
Elevator Services	10,427	2,917	7,510	10,325	(2,815)
Plumbing Services	12,763	(2,510)	15,273	15,900	(627)
Water Heater Replacements	3,726	(133)	3,859	1,900	1,959
Electrical Services	11,718	1,839	9,879	15,700	(5,821)
Carpet/Flooring Services	18,867	(3,551)	22,418	37,500	(15,082)
Painting Services	8,260	230	8,030	16,675	(8,645)
HVAC Services	19,491	2,831	16,660	14,500	2,160
HVAC Replacements				5,650	(5,650)
Washer & Dryer Replacements	4,861	(1,309)	6,170	8,325	(2,155)
Stove Replacements	2,435	1,603	832	5,050	(4,218)
Refrigerator Replacements	2,162	(709)	2,871	5,750	(2,879)
Appliance Services	205	(653)	858	1,625	(767)
Lawn Care Services				800	(800)
Snow Removal Services	38,629	(915)	39,544	52,025	(12,481)
Maint.-Building and Structures				500	(500)
Maint-Grounds & Improvements	993	(1,125)	2,118	20,550	(18,432)
Maint-PM-MSS/Bldg Maintenance	1,233	1,120	113	900	(787)
Maint-Office Equipment	7,776	501	7,275	7,975	(700)
Maint-Data Processing		(6,700)	6,700		6,700
Property Maintenance Fees	118,292	12,946	105,346	143,221	(37,875)
On Site Staff-CareTakers	38,491	1,655	36,836	49,405	(12,569)
On Site Staff-Property Mgrs	115,268	(26,951)	142,219	158,374	(16,155)
Association Fees	30,526	552	29,974	31,725	(1,751)
Rentals-Buildings & Structures				50	(50)
Rentals-Office Equipment	8,950	(1,334)	10,284	11,425	(1,141)
Relocation Expense	1,238	1,238			
Other Contractual Services				400	(400)
Telephone	23,155	4,505	18,650	21,900	(3,250)
Cable & Satellite Communicat.	5,550	(184)	5,734	5,650	84
Delivery	29		29	250	(221)
Postage	1,992	(1,109)	3,101	3,600	(499)
Travel Expense	6,373	2,517	3,856	5,808	(1,952)
Mileage Reimbursement	1,787	34	1,753	4,625	(2,872)
Transportation Charges	7,020	2,990	4,030	6,600	(2,570)
Uniforms	2,384	457	1,927	2,000	(73)
Community Projects		(75,000)	75,000	75,000	
Advertising	935	(4,768)	5,703	5,200	503
Newsletters	1,163		1,163	1,450	(287)
General Liability Insurance	699	(512)	1,211	650	561
Property Insurance	86,169	(9,224)	95,393	92,475	2,918
Dues and Subscriptions	11,529	(346)	11,875	8,275	3,600
Training	11,618	9,087	2,531	5,925	(3,394)
Meetings and Conferences	2,987	(4,150)	7,137	13,244	(6,107)
Licenses and Taxes		(200)	200		200
Property Taxes				50	(50)
PILOT	102,686	(1,948)	104,634	102,125	2,509
Washington County	103,351	(823)	104,174	104,174	
Special Assessments	92	92		1,500	(1,500)
Bad Debt Expense	3,233	(1,116)	4,349	11,025	(6,676)

Washington County CDA
Total Agency
For the Three Months Ending March 31, 2018

	2017 YTD Actual	2017 vs 2018 YTD Actual	2018 YTD Actual	2018 YTD Budget	2018 Actual vs Budget Variance
Donations				$500	($500)
Resident Retention	160	(1,164)	1,324	2,750	(1,426)
H.U.D Pass Through-expense	4,138	222	3,916	4,750	(834)
Housing Assistance Payments	1,000,352	(70,482)	1,070,834	945,875	124,959
Utility Reimbursements	5,801	(2,768)	8,569	7,925	644
FSS Escrow Payment	216	(513)	729	500	229
Rent Subsidies-Administration	104	(45)	149	575	(426)
Project Assistance	162,415	21,316	141,099	141,099	
Interest/Other Expenses	532	(53,495)	54,027	1,025	53,002
Interest Expense-Loan	9,950	(5,154)	15,104	14,895	209
Land and Easements	129,576	129,576			
Capital Outlay				2,975	(2,975)
Office Equipment				175	(175)
Data Processing	9,184	8,371	813	29,600	(28,787)
Bond Principal	1,918,750	(625,000)	2,543,750	2,537,500	6,250
Mortgage Principal	71,457	(2,426)	73,883	74,591	(708)
Bond Interest - QECB	11,653	793	10,860	11,175	(315)
Bond Interest	349,207	22,306	326,901	331,516	(4,615)
Mortgage Interest	89,673	1,664	88,009	87,510	499
Trustee Fees	23,244	4,577	18,667	14,725	3,942
TOTAL EXPENSES	$5,627,578	($734,399)	$6,361,977	$6,543,732	($181,755)
Income(Loss) Before Deprec. & Transf	($614,383)	$491,978	($1,106,361)	($1,524,318)	$417,957
TRANSFERS					
Oper. Transfer to Special Rev.	90,486	90,486			
Transfer from Propriety Fund	(90,486)	(90,486)			
Depreciation					
Deprec-Buildings & Shelters	434,219	(2,109)	436,328	447,146	(10,818)
Deprec-Grounds & Improvements	11,125	(2,397)	13,522	14,020	(498)
Deprec-Furniture & Fixtures	4,430		4,430	4,430	
Total Depreciation	449,774	(4,506)	454,280	465,596	(11,316)
Bond Issuance	4,944		4,944	4,944	
Bond Discount	(15,496)		(15,496)	(11,148)	(4,348)
Deferred Refunding	26,289	(2)	26,291	26,042	249
Deferred Gain on Refunding	(29,295)		(29,295)	(29,295)	
Bond Principal-Offset	(1,918,750)	625,000	(2,543,750)	(2,537,500)	(6,250)
Mortgage Principal-Offset	(43,750)	1,163	(44,913)	(45,413)	500
Debt Service Non-Cash	($1,976,058)	$626,161	($2,602,219)	($2,592,370)	($9,849)
TOTAL INCOME (LOSS)	$911,901	($129,677)	$1,041,578	$602,456	$439,122

Washington County CDA
General Fund
Balance Sheet
March 31, 2018

	2017 Year-to-Date Actual	2018 Year-to-Date Actual
ASSETS		
CURRENT ASSETS		
Cash - Operating	$2,233,289	$4,665,687
Deposits in Trust Fund	14	2,861
General Operating Reserve	1,054,527	1,335,903
US Bank Collateral Investment	272,396	
Interest Receivable-Investmnt	47	
Taxes Receivable-Current	1,672,000	1,652,177
Taxes Receivable-Delinquent	48,633	46,075
Accounts Receivable	6,615	
Intergovernmental Rec-County		22,421
Prepaid Expenses	3,627	4,349
TOTAL CURRENT ASSETS	$5,291,148	$7,729,473
TOTAL ASSETS	$5,291,148	$7,729,473
LIABILITIES		
CURRENT LIABILITIES		
Accounts Payable	15,847	12,406
Accounts Payable - Other	178	216
Salaries Payable	10,474	18,775
Flex Spending Payable	5,582	1,990
Flex Spending-Dependent Care Payable	842	1,392
Limited Flex Spending (FSL) Payable	529	(1,497)
Other Payroll Payable	90	628
Deferred Revenues	1,302,633	1,300,954
TOTAL CURRENT LIABILITIES	$1,336,175	$1,334,864
LONG-TERM LIABILITIES		
FUND EQUITY		
Current Year-to-Date Income(Loss)	235,190	247,321
Retained Earnings-Unreserved	3,719,782	6,147,287
TOTAL FUND EQUITY	$3,954,972	$6,394,608
TOTAL LIABILITIES & FUND EQUITY	$5,291,147	$7,729,472

Washington County CDA
General Fund
For the Three Months Ending March 31, 2018

	2017 YTD Actual	2017 vs 2018 YTD Actual	2018 YTD Actual	2018 YTD Budget	2018 Actual vs Budget Variance
REVENUES					
Levy	$418,000	($1,719)	$419,719	$419,719	
Revenue-Other	1,507	1,507			
Total Revenues	$419,507	($212)	$419,719	$419,719	
EXPENDITURES					
Salaries And Wages-Regular	$69,306	($570)	$69,876	$74,775	($4,899)
Salaries and Wages-Per Diem	440	(880)	1,320	1,425	(105)
Medicare Contributions	954	(69)	1,023	1,150	(127)
Pension Contributions	6,238	(51)	6,289	6,750	(461)
Flex Spending Expense	1,950	2,441	(491)	500	(991)
Health Savings Expense	288	60	228	325	(97)
HSA Expense	3,506		3,506	2,150	1,356
Health Insurance	8,025	1,724	6,301	8,375	(2,074)
Dental Insurance	1,232	364	868	1,175	(307)
Life Insurance	224	(80)	304	125	179
Disability Insurance	938	(245)	1,183	525	658
Workers Compensation				375	(375)
Subtotal Employee Compensation	$93,101	$2,694	$90,407	$97,650	($7,243)
Office Supplies	1,281	(1,562)	2,843	3,775	(932)
Books and Pamphlets	180	95	85	125	(40)
Cleaning Supplies	31	31		375	(375)
General Supplies	153	153		150	(150)
Plumbing Supplies	163	84	79	150	(71)
Electrical Supplies		(35)	35	325	(290)
Carpentry Supplies	73	73		300	(300)
HVAC Supplies		15	(15)	25	(40)
Building Repair Supplies				25	(25)
Grounds Supplies	27	27		25	(25)
Payroll Services	2,367	(3,825)	6,192	6,000	192
Legal Fees-Retainer	1,707	(1,867)	3,574	15,025	(11,451)
Consulting Fees	10,621	1,395	9,226	30,350	(21,124)
Financial and Bonding Fees				325	(325)
Service Charges	1,743	316	1,427	750	677
Other Professional Services	518	(110)	628	3,200	(2,572)
Electric Utilities	1,405	(479)	1,884	3,100	(1,216)
Water and Sewer Utilities	105	(45)	150	725	(575)
Natural Gas Utilities	686	(105)	791	1,000	(209)
Refuse and Disposal	258	(104)	362	563	(201)
Cleaning and Decorating	3,568	60	3,508	3,950	(442)
Carpentry Services				1,625	(1,625)
Exterminating	110	40	70	200	(130)
Elevator Services	856	102	754	1,250	(496)
Plumbing Services				525	(525)
Electrical Services	5,377	3,862	1,515	1,250	265
Painting Services				750	(750)
HVAC Services				1,725	(1,725)
Lawn Care Services				800	(800)
Snow Removal Services	1,200		1,200	675	525
Maint.-Building and Structures				500	(500)
Maint-Grounds & Improvements				975	(975)
Maint-PM-MSS/Bldg Maintenance	1,233	1,120	113	900	(787)
Maint-Office Equipment	234	157	77	675	(598)
Maint-Data Processing		(6,700)	6,700		6,700
Rentals-Buildings & Structures				50	(50)
Rentals-Office Equipment	5,200	(1,151)	6,351	6,250	101
Telephone	3,495	189	3,306	3,250	56
Delivery				50	(50)
Postage	(199)	(976)	777	350	427
Travel Expense	1,861	146	1,715	2,600	(885)
Mileage Reimbursement	5	5		50	(50)
Advertising	348	174	174	1,700	(1,526)
Property Insurance	1,392	(347)	1,739	1,725	14
Dues and Subscriptions	4,272	1,227	3,045	3,250	(205)
Training	4,000	3,970	30	1,525	(1,495)
Meetings and Conferences	252	(2,086)	2,338	5,675	(3,337)
Licenses and Taxes		(200)	200		200
Donations				500	(500)
Interest Expense-Loan	9,950	1,263	8,687	8,479	208
Capital Outlay				2,975	(2,975)
Office Equipment				100	(100)
Data Processing	6,184	5,771	413	23,400	(22,987)
Mortgage Principal	27,707	(1,263)	28,970	29,179	(209)
Total Operating Expenses	$191,464	$2,114	$189,350	$270,871	($81,521)
Excess of revenues Over **(Under) expenditures**	$228,043	($2,326)	$230,369	$148,848	$81,521
Transfers					
Interest-Investments	6,338	(12,759)	19,097	3,750	15,347
Gain on Investments	807	2,953	(2,146)		(2,146)

Washington County CDA
General Fund
For the Three Months Ending March 31, 2018

	2017 YTD Actual	2017 vs 2018 YTD Actual	2018 YTD Actual	2018 YTD Budget	2018 Actual vs Budget Variance
Non-Operating Revenue/Expense	$7,145	($9,806)	$16,951	$3,750	$13,201
Net Income (Loss)	$235,188	($12,132)	$247,320	$152,598	$94,722

Washington County CDA
Total Properties
Balance Sheet
For the Three Months Ending March 31, 2018

	2017 Year-to-Date Actual	2018 Year-to-Date Actual
ASSETS		
CURRENT ASSETS		
Cash - Operating	$960,166	$958,901
Cash - Revenues	1,543,431	694,356
Cash - FSS Escrow Public Housing	15,193	28,559
Cash -Operating Deficit Reserv	11,985	12,117
Cash - Repair Reserve	39,614	40,050
Deposits in Trust Fund	8,821,265	8,270,121
Deposits in Trust Fund - QECB	2,779	5,827
Deposits in Escrow Account	112,485	
Deposits - Security	144,247	147,118
Investment in The Groves	500,579	500,572
Investment in Piccadilly	1,344,143	1,344,108
Debt Service Reserve	227,078	228,757
Interest Receivable-Loan	6,100	
Interest Receivable-Other	62,673	20,462
Taxes Receivable-Current	1,155,010	1,327,806
Accounts Receivable	1,735	805
Accounts Receivable-Rent(Prepaid)	5,032	20,111
Allowance for Doubtful Account	(516)	(4,081)
Loan Receivable	10,709,223	8,761,361
Note Receivable (FHLB)	500,000	500,000
Capital Lease Receivable	3,904,193	3,498,864
Developer Fee Receivable	1,500,000	975,000
Developer Fee-Interest Receivable		59,016
Intergovernmental Rec.-Federal	56,046	55,432
Interfund Receivable-HRA General Fund		722
Interfund Rec.-CDBG	5,547	
Prepaid Expenses	271,318	281,845
TOTAL CURRENT ASSETS	$31,899,326	$27,727,829
FIXED ASSETS		
Land	4,559,054	4,559,054
Project in Progress	23,038	1,621,811
Buildings and Structures	66,641,815	66,813,531
Accum Depr.-Bldgs & Structures(40 years)	(28,989,791)	(30,562,733)
Net Buildings & Structures	37,652,024	36,250,798
Grounds and Improvements	1,795,230	2,195,134
Accum Depr.-Grounds & Improv.(40 years)	(466,955)	(444,714)
Net Grounds&Improv.	1,328,275	1,750,420
Furniture and Fixtures	515,702	515,702
Accum Depr-Furniture & Fixture(7 years)	(484,057)	(501,778)
Net Furniture&Fixtures	31,645	13,924
	31,645	13,924
TOTAL FIXED ASSETS	$43,594,036	$44,196,007
TOTAL ASSETS	$75,493,362	$71,923,836

Washington County CDA
Total Properties
Balance Sheet
For the Three Months Ending March 31, 2018

	2017 Year-to-Date Actual	2018 Year-to-Date Actual
LIABILITIES		
CURRENT LIABILITIES		
Accounts Payable	$233,762	$486,100
Accounts Payable-Other	39	37
Contracts Payable	(240)	72,481
Accrued Bond Interest - QECB	7,660	7,030
Accrued Bond Interest	269,536	252,858
Accrued Mortgage Interest	29,846	29,289
Notes Payable	500,000	500,000
Deferred Revenues	866,258	996,577
Intergov't Payable-County(PILOT)	513,429	523,166
Interfund Payable-GAP	500,000	500,000
Escrow Deposits Payable-Security	379,790	379,122
Escrow Deposits Payable-Sec Dep Interest	20,528	21,337
Escrow Deposits Payable-FSS Public Housing	15,193	28,559
TOTAL CURRENT LIABILITIES	$3,335,801	$3,796,556
LONG-TERM LIABILITIES		
Revenue Bonds Payable	38,960,000	34,940,000
Revenue Bonds Payable - QECB	1,675,000	1,535,000
Mortgage Payable	10,061,087	9,884,506
MHFA Loan-POHP	271,000	271,000
Unamortized Bond Premium	885,494	823,511
Unamortized Bond Discount	(270,556)	(250,780)
Deferred Refunding Costs	(793,558)	(688,389)
Deferred Gain on Sale of Property	398,867	344,798
Deferred Gain on Refunding	361,331	244,151
TOTAL LONG TERM LIABILITIES	$51,548,665	$47,103,797
FUND EQUITY		
Current Year-to-Date Income (Loss)	536,488	632,420
Retained Earnings-Unreserved	20,072,411	20,391,061
TOTAL FUND EQUITY	$20,608,899	$21,023,481
TOTAL LIABILITIES & FUND EQUITY	$75,493,365	$71,923,834

Washington County CDA
Total Properties
Income Statement, Year-to-Date
For the Three Months Ending March 31, 2018

	2017 YTD Actual	2017 vs 2018 YTD Actual	2018 YTD Actual	2018 YTD Budget	2018 Actual vs Budget Variance
Operating Revenues					
Rent Revenue	$1,868,567	($4,474)	$1,873,041	$1,929,175	($56,134)
Rent Revenue-Subsidized	$338,475	$5,249	$333,226	$315,250	$17,976
Rent Revenue-Vacancy Loss	($30,642)	($23,049)	($7,593)	($89,875)	$82,282
Net Rent Revenue	$2,176,400	($22,274)	$2,198,674	$2,154,550	$44,124
Rent Revenue-Garage	22,285	510	21,775	22,350	(575)
Rent Revenue-Employee Discount	(2,223)	(86)	(2,137)	(2,125)	(12)
Rental Income	$20,062	$424	$19,638	$20,225	($587)
Laundry Revenue	6,978	(2,224)	9,202	7,600	1,602
Service Income	$6,978	($2,224)	$9,202	$7,600	$1,602
HUD Annual Contributions	41,756	3,483	38,273	44,350	(6,077)
Utility Reimbursement-Subsidized	697	217	480	1,125	(645)
Cable Reimbursement	4,095	(639)	4,734	4,275	459
Guest Suite Rental Income	200	(700)	900	400	500
Application Fees Revenue	1,475	(50)	1,525	2,650	(1,125)
Emergency Pendant Reimbursement	147	14	133	200	(67)
Security Deposit-Legal	784	330	454	1,600	(1,146)
Security Deposit-Bad Debt	5,168	(818)	5,986	5,425	561
Security Deposit-Other	4,861	(538)	5,399	5,950	(551)
Penalty Charges	5,460	531	4,929	4,900	29
Miscellaneous Revenue	552	180	372	575	(203)
Revenue-Other	56,046	1,142	54,904	57,275	(2,371)
Other Income	$121,241	$3,152	$118,089	$128,725	($10,636)
Total Operating Revenues	$2,324,681	($20,922)	$2,345,603	$2,311,100	$34,503
Operating Expenses					
Marketing	$8,275	$846	$7,429	$10,650	($3,221)
Management Fee					
Property Management Fees	117,481	19	117,462	117,462	
Property Management-CDA	117,064	(31,501)	148,565	139,250	9,315
Total Management Fees	$234,545	($31,482)	$266,027	$256,712	$9,315
Administrative Expenses					
Office Supplies	1,543	24	1,519	3,050	(1,531)
Auditing/Accounting Services	11,800	(900)	12,700	13,700	(1,000)
Data Processing		(100)	100	700	(600)
Maint-Office Equipment	7,542	344	7,198	7,275	(77)
Rentals-Office Equipment	3,750	(182)	3,932	5,175	(1,243)
Other Contractual Services				400	(400)
Telephone	17,721	3,808	13,913	16,675	(2,762)
Cable & Satellite Communication	5,550	(184)	5,734	5,650	84
Postage	531	(21)	552	1,275	(723)
Travel Expense	153	(379)	532	425	107
Transportation Charges	7,020	2,990	4,030	6,600	(2,570)
Advertising				25	(25)
Newsletters	1,163		1,163	1,450	(287)
Dues and Subscriptions				50	(50)
Training				25	(25)
Meetings and Conferences	1,003	(955)	1,958	1,825	133
Total Administrative Expenses	$57,776	$4,445	$53,331	$64,300	($10,969)
Operating Expenses					
Cleaning Supplies	3,051	(524)	3,575	4,025	(450)
Legal Fees-Other	5,348	4,566	782	12,250	(11,468)
Consulting Fees	4,499		4,499	4,675	(176)
Environmental Studies				425	(425)
Municipal Fees	13,088	2,578	10,510	3,700	6,810
Surveying Fees				150	(150)
Applicant Screening Fees	1,850	(209)	2,059	3,425	(1,366)
Other Professional Services	112	3	109	975	(866)
Cleaning and Decorating	5,486	(2,542)	8,028	10,000	(1,972)

Washington County CDA
Total Properties
Income Statement, Year-to-Date
For the Three Months Ending March 31, 2018

	2017 YTD Actual	2017 vs 2018 YTD Actual	2018 YTD Actual	2018 YTD Budget	2018 Actual vs Budget Variance
Cleaning and Janitorial Services				$3,350	($3,350)
Exterminating	1,382	(3,059)	4,441	5,100	(659)
Association Fees	30,526	552	29,974	31,725	(1,751)
Resident Retention	160	(1,164)	1,324	2,750	(1,426)
Total Operating Expenses	$65,502	$201	$65,301	$82,550	($17,249)
Maintenance Expenses					
General Supplies	60	(30)	90	50	40
Plumbing Supplies	10,320	(17)	10,337	11,475	(1,138)
Electrical Supplies	8,847	2,160	6,687	7,900	(1,213)
Carpentry Supplies	4,305	(1,264)	5,569	9,250	(3,681)
Painting Supplies	4,361	(81)	4,442	6,325	(1,883)
HVAC Supplies	4,058	451	3,607	6,100	(2,493)
Appliance Supplies	3,422	(4,139)	7,561	5,425	2,136
Carpentry Services	12,473	(2,319)	14,792	28,750	(13,958)
Elevator Services	9,570	2,814	6,756	9,075	(2,319)
Plumbing Services	12,763	(2,510)	15,273	15,375	(102)
Water Heater Replacements	3,726	(133)	3,859	1,900	1,959
Electrical Services	6,341	(2,023)	8,364	14,450	(6,086)
Carpet/Flooring Services	18,867	(3,551)	22,418	37,500	(15,082)
Painting Services	8,260	230	8,030	15,925	(7,895)
HVAC Services	19,491	2,831	16,660	12,775	3,885
HVAC Replacements				5,650	(5,650)
Washer & Dryer Replacements	4,861	(1,309)	6,170	8,325	(2,155)
Stove Replacements	2,435	1,603	832	5,050	(4,218)
Refrigerator Replacements	2,162	(709)	2,871	5,750	(2,879)
Appliance Services	205	(653)	858	1,625	(767)
Snow Removal Services	37,429	(915)	38,344	51,350	(13,006)
Maint-Grounds & Improvements	993	(1,125)	2,118	19,575	(17,457)
Mileage Reimbursment	1,782	29	1,753	4,575	(2,822)
Uniforms	2,384	457	1,927	2,000	(73)
Property Maintenance Fees	118,292	12,946	105,346	143,221	(37,875)
On Site Staff-Caretakers	38,491	1,655	36,836	49,405	(12,569)
On Site Staff-Property Mgrs	115,268	(26,951)	142,219	158,374	(16,155)
Total Maintenance Expenses	$451,166	($22,553)	$473,719	$637,175	($163,456)
Utilities					
Electric Utilities	35,952	(18,354)	54,306	52,550	1,756
Water and Sewer Utilities	49,081	(805)	49,886	60,650	(10,764)
Natural Gas Utilities	50,401	(28,748)	79,149	58,900	20,249
Refuse and Disposal	30,541	(1,921)	32,462	29,825	2,637
Total Utilities	$165,975	($49,828)	$215,803	$201,925	$13,878
Insurance					
Property Insurance	84,684	(8,960)	93,644	90,750	2,894
Total Insurance	$84,684	($8,960)	$93,644	$90,750	$2,894
Property Taxes					
PILOT	102,686	(1,948)	104,634	102,125	2,509
Special Assessments				1,500	(1,500)
Total Property Taxes	$102,686	($1,948)	$104,634	$103,625	$1,009
Bad Debts	$3,233	($1,116)	$4,349	$11,025	($6,676)
Total Operating Expenses	$1,173,842	($110,395)	$1,284,237	$1,458,712	($174,475)
Operating Income (loss)	$1,150,839	$89,473	$1,061,366	$852,388	$208,978
Nonoperating Revenue/Expenses					
Interest Income					
Interest Income -Investments	$1,474	($3,475)	$4,949	$125	$4,824
Interest Income on Capital Lease	25,890	3,464	22,426	21,236	1,190
Interest Income on Restricted Invest.	5,917	(21,460)	27,377	2,725	24,652
Interest Income-Loan	48,927	10,882	38,045	42,062	(4,017)
Interest Income -Other	9,445	(12,606)	22,051	9,025	13,026

Washington County CDA
Total Properties
Income Statement, Year-to-Date
For the Three Months Ending March 31, 2018

	2017 YTD Actual	2017 vs 2018 YTD Actual	2018 YTD Actual	2018 YTD Budget	2018 Actual vs Budget Variance
Total Interest Income	$91,653	($23,195)	$114,848	$75,173	$39,675
Gain on Asset Disposition					
Gain on Investments	30	188	(158)		(158)
Gain on Sale of Property	13,210	(487)	13,697	13,875	(178)
Total Gain on Asset Disposition	$13,240	($299)	$13,539	$13,875	($336)
Insurance Proceeds	527	(4,023)	4,550		4,550
Financial Expense					
Bank Service Charges				25	(25)
Trustee Fees	23,244	4,577	18,667	14,725	3,942
Total Financial Expense	$23,244	$4,577	$18,667	$14,750	$3,917
Debt Service-Cash					
Interest/Other Expenses	532	5	527	800	(273)
Bond Interest - QECB	11,653	793	10,860	11,175	(315)
Bond Interest	349,207	22,306	326,901	331,516	(4,615)
Bond Principal	1,918,750	(625,000)	2,543,750	2,537,500	6,250
Mortgage Interest	89,673	1,664	88,009	87,510	499
Mortgage Principal	43,750	(1,163)	44,913	45,413	(500)
Total Debt Service Cash	$2,413,565	($601,395)	$3,014,960	$3,013,914	$1,046
Property Taxes Received					
Levy	288,752	(43,199)	331,951	331,952	(1)
Total Property Taxes	$288,752	($43,199)	$331,951	$331,952	($1)
Other					
H.U.D. Pass Through-expense	4,138	222	3,916	4,750	(834)
Utility Reimbursement	3,378	(850)	4,228	5,250	(1,022)
Total Other	$7,516	($628)	$8,144	$10,000	($1,856)
Total Nonoperating Revenue/ Expens	($2,050,153)	$526,730	($2,576,883)	($2,617,664)	$40,781
Net Income (Loss) before transfers	($899,314)	$616,203	($1,515,517)	($1,765,276)	$249,759
Operating Transfers					
Transfers In					
Transfers Out					
Oper. Transfer to Special Rev.	90,486	90,486			
Total Transfers Out	$90,486	$90,486			
Total Operating Transfers	($90,486)	($90,486)			
Total Cash Available for Operations	(989,800)	525,717	(1,515,517)	(1,765,276)	249,759
Depreciation					
Deprec-Buildings & Shelters	434,219	(2,109)	436,328	447,146	(10,818)
Deprec-Grounds & Improvements	11,125	(2,397)	13,522	14,020	(498)
Deprec-Furniture & Fixtures	4,430		4,430	4,430	
Total Depreciation	$449,774	($4,506)	$454,280	$465,596	($11,316)
Bond Discount Amortization	4,944		4,944	4,944	
Bond Premium Amortization	(15,496)		(15,496)	(11,148)	(4,348)
Bond Principal-Offset	(1,918,750)	625,000	(2,543,750)	(2,537,500)	(6,250)
Mortgage Principal-Offset	(43,750)	1,163	(44,913)	(45,413)	500
Deferred Refunding	26,289	(2)	26,291	26,042	249
Deferred Gain on Refunding	(29,295)		(29,295)	(29,295)	
Debt Service Non-Cash	($1,976,058)	$626,161	($2,602,219)	($2,592,370)	($9,849)
Net Income (loss)	$536,484	($95,938)	$632,422	$361,498	$270,924

Washington County CDA
Total Properties
Income Statement, Year-to-Date
For the Three Months Ending March 31, 2018

2017 YTD Actual	2017 vs 2018 YTD Actual	2018 YTD Actual	2018 YTD Budget	2018 Actual vs Budget Variance

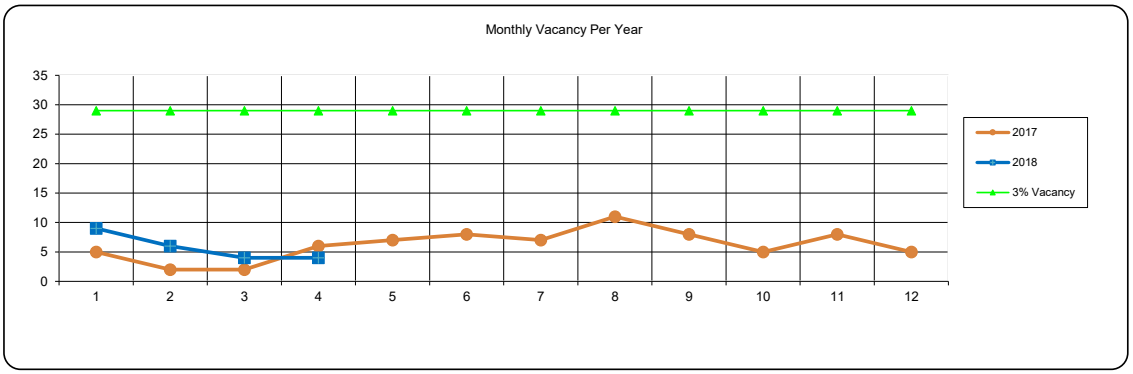
Property Summary - April 2018

CDA Owned Properties	Location	# of Units	# of Vacant Units	April	Projected Occupancy May	Projected Occupancy June	Month End Delinquency
Ann Bodlovick	Stillwater	50	0	100.00%	100.00%	98.00%	$793
Briar Pond	Oakdale	196	0	100.00%	99.00%	97.50%	$1,764
Brick Pond	Stillwater	40	0	100.00%	97.50%	97.50%	$1
Cobble Hill	Woodbury	45	0	100.00%	100.00%	100.00%	$0
Poth	Oakdale	3	0	100.00%	100.00%	100.00%	$0
John Jergens	Forest Lake	30	0	100.00%	100.00%	100.00%	$0
Scattered Site	Scattered	56	0	100.00%	100.00%	100.00%	$11,104
Muller Manor	Hugo	28	0	100.00%	100.00%	100.00%	$639
Oakhill Cottages	Scandia	40	0	100.00%	100.00%	100.00%	$0
Park Place I	St.Paul Park	36	1	97.22%	100.00%	100.00%	$0
Park Place II	St.Paul Park	6	0	100.00%	100.00%	100.00%	$0
Pioneer	St.Paul Park	18	0	100.00%	100.00%	100.00%	$0
Raymie Johnson	Stillwater	120	3	97.50%	97.50%	97.50%	$2,592
TrailSide	Forest Lake	70	0	100.00%	100.00%	100.00%	$0
Whispering Pines	Forest Lake	40	0	100.00%	100.00%	100.00%	$9
Woodland Park	Cottage Grove	180	0	100.00%	100.00%	100.00%	$197
TOTALS:		958	4	99.58%	99.63%	99.41%	$17,100

Joint Ventures	Location	# of Units	# of Vacant Units	April	Projected Occupancy May	Projected Occupancy June	Month End Delinquency
Piccadilly Square	Mahtomedi	79	0	100.00%	100.00%	98.50%	$0
The Groves	Cottage Grove	67	0	100.00%	100.00%	100.00%	$57

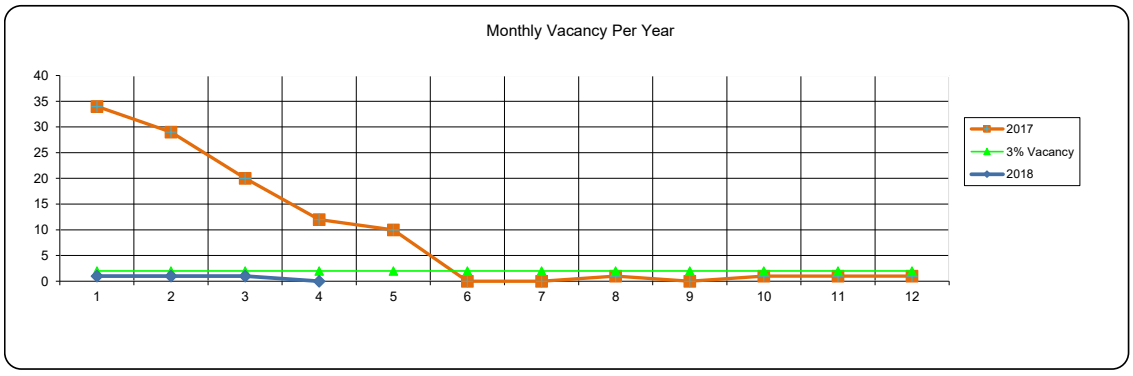
Washington County CDA Current Annual Vacancy as of April 2018

	January	February	March	April	May	June	July	August	September	October	November	December
2017	5	2	2	6	7	8	7	11	8	5	8	5
2018	9	6	4	4								
3% Vacancy	29	29	29	29	29	29	29	29	29	29	29	29



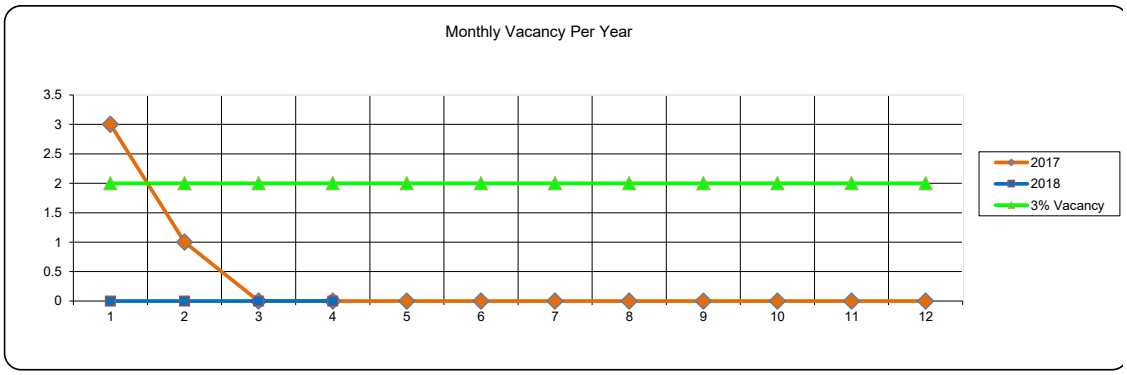
Joint Venture - Piccadilly Square Current Annual Vacancy as of April 2018

	January	February	March	April	May	June	July	August	September	October	November	December
2017	34	29	20	12	10	0	0	1	0	1	1	1
2018	1	1	1	0								
3% Vacancy	2	2	2	2	2	2	2	2	2	2	2	2



Joint Venture - The Groves Current Annual Vacancy as of April 2018

	January	February	March	April	May	June	July	August	September	October	November	December
2017	3	1	0	0	0	0	0	0	0	0	0	0
2018	0	0	0	0								
3% Vacancy	2	2	2	2	2	2	2	2	2	2	2	2



Building Type for Washington County CDA and Joint Ventures

	Development	Type	Number of Units	Number of Units by Building					Income Restrictions**				
				Apt	TH	SF	EF	City	< 110% AMI	< 80% AMI	< 60% AMI	< 50% AMI	< 30% AMI
CDA	Oakhill Cottages	Senior	40		40			Scandia		40			
	Muller Manor	Senior	28	28				Hugo		28			
	Woodland Park	Family	180	116	64			Cottage Grove		180			
	Briar Pond	Family	196	164	32			Oakdale		196			
	Brick Pond	Family	40	30			10	Stillwater		40			
	Park Place	Family	42	42				St. Paul Park		42			
	Ann Bodolvick	Senior	50	50				Stillwater		50			
	John Jergens	Senior	30		30			Forest Lake		30			
	Pioneer Apartments	Senior	18	18				St. Paul Park		18			
	TrailSide	Senior	70	70				Forest Lake			14	42	14
	Cobble Hill	Senior	45	45				Woodbury		45			
	Transitional Housing	Family	3			3		Oakdale					3
	Raymie Johnson Sr	Sen/Dis	96	96				Oak Park Hts		96			
	Raymie Johnson TH	Family	24		24			Oak Park Hts		24			
	Whispering Pines	Sen/Dis	40					Forest Lake		20			20
	Scattered Site	Family	56		56			Varies		34			22
Joint Ventures	Piccadilly Square	62+ Senior	79	79				Mahtomedi			63	16	
	The Groves	Family	67	67				Cottage Grove				67	

***Scattered Site Units: Numbers do not reflect actual incomes of households but only the maximum number of units permitted under income category. HUD requires that at least 40% of the units have incomes at or below 30% AMI. A majority of tenants have incomes at 30% AMI or lower.**

****Income Restrictions: Numbers do not reflect actual incomes of households but only the maximum number of units permitted under the tax exempt bond requirements regulated by the IRS. Actual incomes average lower than the maximum income limits permitted by the IRS.**

Waiting and Interest Lists for Washington County CDA Properties and Joint Ventures

Interest Lists - Senior	
Property	**# on List**
Ann Bodlovick	125
John Jergens	266
Muller Manor	272
Oakhill Cottages	243
Pioneer	39
Cobble Hill	120

Interest Lists - Multi-Family	
Property	**# on List**
Park Place I	78
Park Place II	0
Briar Pond	241
Brick Pond	73
Woodland Park	153
Piccadilly Square - JV	67
The Groves - JV	54

Waiting Lists	
Property	**# on List**
Raymie Johnson	59
Scattered Site	655
Whispering Pines	407
TrailSide	159

Interested Party Lists:

The properties maintain an Interested Party List for those prospects interested in renting from one of our communities. Lists are maintained for each individual property and for each size of unit that property provides. An Interested Party List differs from a waiting list, as a wating list requires that we contact prospects in the order they were placed on the list, whereas an Interested Party List allows us to contact all person interested simultaneously. When we receive notice for a unit, we refer to the Interested Party List and make every effort to contact all persons interested in that type of unit at the same time, by phone and by mail. The first person to respond and place a deposit on the available unit will have that unit reserved for them. We make three attempts to contact someone on the Interested Party List. If they do not respond after three attempts have been made, we remove their name. They can be placed back on the list if they contact us again and request it.

*Continued on next page

Waiting List - Project Based Section 8 (Raymie Johnson):

Names are added to the Project Based Section 8 waiting list for Raymie Johnson based on the date and time the prospective resident applies.
The waiting list is monitored by HUD and the property is required to follow the HUD regulations for rules on the waiting list. As units become available, those residents on the list are contacted, in the order they were placed on the list. Only one resident is contacted at a time and only one application can be processed at a time. Considering that the length of time to process an application is between 30-45 days, there are times where a unit is vacant for a period of time during this process. The timeline for filling a vacant unit is also subject to the amount of vacate notice the new resident will need to give to their current housing provider. There are instances in which a manager will process and approve an applciation for a person on the waiting list, but the applicant back out of accepting the unit. In that case, the manager will go back to the waiting list and start the full process again.

Waiting List - Public Housin Scattered Site

Names for this program are required to be drawn both from the WCCDA and MPHA waiting lists, according to the Hollman Consent Decree. The request for the number of names will be equal between the two lists. Applicants from both lists will have 14 days to respond. Responses from the MPHA list will take priority over the WCCDA list. If there are no responses from the MPHA list, staff will move forward with processing applications for the responses from the WCCDA list. WCCDA will continue with this process until the unit is filled.
This list is also monitored by HUD and the property is required to follow the HUD regulations for rules on the waiting list. As with the Project Based Section 8 waiting list, the tiem to process an application is around 30-45 days and a unit may remain vacant for a period of time due to that timeline. Additionally, the timeline for filling a vacant unit is also subject to the amount of vacate notice the new resident will need to give their current housing provider. Similar to the Project Based Section 8 waiting list, there are instances in which a manager will process and approve an applcation for a person on the waiting list, but the applicant backs of accepting the unit. In that case, the manager will go back to the waiting list and start the full process again.

HOUSING ASSISTANCE PROGRAMS April 2018

1. Housing Choice Voucher Program in April
   Currently administering: 472 voucher participants
   Portability into the County: 6 families ported in

2. Family Self Sufficiency/Earning Power

   23 people are enrolled in Family Self Sufficiency. 3 people have been invited to sign up.

3. Bridges

   Bridges I is an MHFA funded program for households with at least one adult member who has a serious and persistent mental illness. There are preferences for those individuals who are homeless. Currently there are 26 households leased on this program.

   Bridges II is funded by Washington County. It operates exactly like Bridges I and currently has 14 participants. There are currently 6 vouchers out looking for units.

   Bridges Regional Treatment Center is an MHFA funded program specifically for persons ready to exit the Anoka Regional Treatment Center who are homeless. Currently 1 person has leased up.

4. Shelter Plus Care/ Continuum of Care/Homeless Update

   Currently there are 26 households. The budget for Shelter Plus Care allows for enough money to provide landlords with security deposits, vacancy loss payments, damage claims and rent payments. This is 4 households more than the CDA is required to fund under the program. This is done with program savings that occur as the tenants begin work or acquire a stable form of income.

   HOMELESS UPDATE:
   The StreetWorks Collaborative is now providing outreach to homeless Washington County youth. There are now two advocates, one from The Link and one from the Bridge who will be doing outreach for a total of 30 hours per week. This is a big step forward in providing a link for youth in Washington County.

5. Inspections

   65 inspections were completed in April 2018.

6. PIC Count

   Public and Indian Housing Information Center (PIC) is a tracking system that updates HUD on the monthly activities of the housing programs. It is used specifically for Section 8/Housing Choice Voucher and for the Public Housing programs. After every tenant recertification, the Housing Authority is required to upload related data files to HUD. This allows HUD to determine that housing activities are happening on a timely basis and allows HUD to extrapolate the costs of the housing programs. At this time, HUD requires a minimum 95%

reporting rate. This reporting rate and the accuracy of the report will become more and more important as HUD shifts away from the Housing Authority reporting in the Voucher Management System (VMS) and begins to rely on the PIC system to determine the budget authority of the Housing Authority. This shift in data sources is estimated to happen in 2017. When this change happens it will be very important to have at minimum a 98% reporting rate. At the Washington County CDA, administrative staff upload the data files to PIC and monitor PIC to assure that all HCV tenant files have been accepted and are properly attributed to the CDA. Shelter staff upload the Public Housing files. HUD provides the reporting rate monthly. It is possible to report more than 100% because of port-ins and new issues for that month.

Housing Choice Voucher Reporting Rate: 100.43%
Public Housing Reporting Rate: 100.0%

7. Unit Months Leased AND HAP budget expended

Unit Months Leased (UML) refers to the number of CDA owned vouchers under lease each month. The Washington County CDA has 90 vouchers. This 90 multiplied by 12 months equals the maximum amount of unit months that the CDA can have in a year (1080). In order to be a high performer under the Section 8 Management Assessment program (SEMAP), the CDA must use 98% of the available annual UMLs **or** 98% of its annual budget authority (HAP).

2018 UNIT MONTHS

MONTHS	UNIT MONTHS LEASED	UNITS ISSUED	UNIT MONTHS LEASE TO DATE	98% MINIMUM LEASED	POTENTIAL TOTAL UNIT MONTHS LEASED TO DATE
JANUARY	88	3	88	88	90
FEBRUARY	87	3	175	176	180
MARCH	89	1	264	264	270
APRIL	90		354	352	360
MAY	90		444	440	450
JUNE				528	540
JULY				616	630
AUGUST				704	720
SEPTEMBER				792	810
OCTOBER				880	900
NOVEMBER				968	990
DECEMBER				1056	1080
TOTALS				1056	1080

2018 HAP

MONTHS	UNIT MONTHS LEASED	MONTHLY HAP SPENT	ADDITIONAL REQUESTS FROM RESERVES	98% OF MONTHLY HAP BUDGET	MONTHLY HAP BUDGET AUTHORIZED
JANUARY	88	$51,245		$55,131	$56,256
FEBRUARY	87	$52,583		$55,131	$56,256
MARCH	89	$52,583		$57,050	$58,215
APRIL	90	$53,408		$53,908	$55,008
MAY	90				
JUNE					
JULY					
AUGUST					
SEPTEMBER					
OCTOBER					
NOVEMBER					
DECEMBER					
TOTALS					

8. VASH

The Washington County CDA made application for 10 HUD-Veterans Affairs Supportive Housing (VASH) vouchers in the fall of 2017. The CDA received notice that the application has been approved and HUD has made a public announcement of the award. At the May board meeting, staff will present a resolution regarding accepting the award.

NUMBER OF FAMILIES RECEIVING RENTAL ASSISTANCE
BY PROGRAM AND LOCALITY
April 2018

CITY	HOUSING CHOICE VOUCHERS (SECTION 8)	SHELTER PLUS CARE	BRIDGES	BRTC	TOTAL
Afton	1				1
Bayport	1				1
Cottage Grove	58		4		62
Forest Lake	23	8	7		38
Hugo	5				5
Lake Elmo					0
Lakeland			1		1
Landfall					0
Mahtomedi	24				24
Marine on St. Croix	0				0
Newport	14		1		15
Oakdale	177	5	12	1	195
Oak Park Heights	2	1			3
Scandia	1				1
St. Croix Beach	1				1
St. Mary's Point	1		1		2
St. Paul Park	15		1		16
Stillwater	47	9	12		68
Willernie					0
Woodbury	107	3	1		111
Other	1		6		7
TOTAL	**478**	**26**	**46**	**1**	**551**

WASHINGTON COUNTY Community Development Agency

7645 Currell Boulevard, Woodbury, MN 55125
office: 651-458-0936 fax: 651-458-1696

Memo To: CDA Board of Commissioners

From: Barbara Dacy, Executive Director

Date: May 15, 2018

RE: Executive Director Report

Administrative Items

- The Property Manager that Landfall HRA hired has accepted another position so the interviewing process has been initiated. In the meantime, Landfall has hired a temporary full-time property manager from a temporary employment agency which specializes in the multi-family property management industry. Shelter Corporation assisted in finding this interim service.

- The CDA Personnel Committee met on Wednesday, April 25, 2018 and discussed a proposed update to the Succession Plan. An action item to approve the update will be scheduled for future action by the Board.

- A closed session regarding various Agency security matters will be scheduled for the June Board meeting.

- The hiring process for the Accounts Payable Clerk position has been concluded. An update will be provided at the meeting.

- The County has initiated its process to select a new Commissioner for District 2. As a reminder, the CDA Board in 2013 discussed tangible and intangible skills for CDA Commissioners so that the County Board could evaluate candidates. I am happy to pass on additional comments from the Board about the list below.

    - Tangible Skills
        - Previous experience on appointed boards or as an elected official
        - Real estate transaction skills
        - Public administration
        - Economic development experience
        - Housing program participation
        - Familiarity with local communities
        - Legal experience
        - Public finance
        - Due diligence/experience with audits
        - Business administration and finance
        - Mortgage lending

        - Bank and financial institution experience
        - Organizational management
    - Intangible Skills
        - Problem solving
        - Policy making
        - Goal setting and strategic thinking
        - Communication skills

- Staff continues to monitor and contribute where appropriate on the Governor's Task Force on Affordable Housing.

- An informal gathering with the county commissioners after the CDA meeting has been scheduled. No business items are scheduled.

Legislation Update

I attended the NAHRO Washington Conference in Washington DC April 21 – 24. I heard presentations from Secretary Carson, HUD officials and various industry professionals regarding the status of various financing programs at the federal level. In addition, Minnesota colleagues and I met with congressional staff from the Minnesota delegation. In general, we suggested ideas to improve program efficiency and provided examples of initiatives across the state that demonstrate positive community impacts that not only use federal funds but also are leveraged with state and local funds as well.