

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

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The Washington County Community Development Agency Board of Commissioners convened in Regular Session at Washington County CDA, 7645 Currell Blvd., Woodbury, MN on July 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; Ryan Gruber, Human Resources and Communications Coordinator; Kathryn Paulson, Community Development Project Manager II; Becky Nelson, Senior Accountant and Leni Healy, Administrative Assistant.

Also present: Lee Hall, Associate Director, Metropolitan Consortium of Community Developers.

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

**OATH OF OFFICE**

Executive Director Barbara Dacy administered the Oath of Office to Roger Green. Commissioner Green described his background and experience.

**ROLL CALL**

Commissioners present: Dingle, Miron, Zeller, Widen, Ryan, Belisle and Green.

**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 Regular Meeting  
June 19, 2018

Abstract of Bills, June 30, 2018  
Total: \$1,688,345.54

**Commissioner Miron moved to approve the Consent Calendar, seconded by Commissioner Widen.  
Motion carried 7-0.**

**PRESENTATION**

P-1 Open to Business Annual Report

Mr. Eng announced that the Washington County Open to Business program was experiencing a successful first-year anniversary. Mr. Eng introduced Lee Hall, Associate Director of the Metropolitan Consortium of Community Developers.

Mr. Hall presented an annual report of outreach and activities for the program which included assistance of over one hundred local business in the county, approval of six loans totaling over \$438,000 and leveraging nearly \$2.5 million dollars in other private financing. He reviewed that Chris Eng and Tyler Hilsabeck, the Open to Business Adviser, held numerous roll-out promotional/marketing events in Forest Lake, Hugo, Scandia, Oakdale, Bayport, Woodbury, Lake Elmo and Cottage Grove to introduce the Open to Business Program to our local partners, businesses, private lenders and Chambers of Commerce. He indicated that these meetings were well attended and the popularity of the program is growing rapidly. He reviewed demographics of the participants which closely reflects county.

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Mr. Hall added that the Open to Business program was recently highlighted in the Washington County "Staying in Touch" newsletter and has also been featured at every Chamber of Commerce and many of the local business associations in Washington County.

Commissioner Miron asked if job growth was created as a result of the program's activities. Mr. Hall responded that surveys were currently being conducted but there is not enough data to be conclusive. Commissioner Ryan wondered when such information would be available. Mr. Hall indicated that there should be good data by the end of the second year.

Commissioner Zeller asked if there was a general sense if the \$2,471,000 impacted job creation. Mr. Hall responded that his sense is that there were approximately twenty new jobs created in the county through this program.

Commissioner Zeller asked Chris Eng if he was happy with the results. Mr. Eng responded that he was elated with the results and with the goal of helping small businesses as a priority. Mr. Eng added that this program helps with other development work and provides useful contacts throughout the county.

Commissioner Miron commented that the meetings progressively became a positive response from the communities.

### **DISCUSSION**

#### D-1 Countywide Application for Polluted Site Clean Up Funds

Mr. Eng indicated that the Agency's strategic planning consultant, Stantec, identified the US Environmental Protection Agency (EPA) Brownfields Assessment Grant program as a potential resource that could be beneficial to the county and to our local communities. He indicated that the purpose of the EPA Brownfields Assessment Grant would be to conduct a county-wide inventory of potentially contaminated sites. He added that a secondary purpose would be to conduct Phase I and Phase II environmental site assessments at brownfield sites located within Washington County as part of efforts to spur redevelopment. He explained that the third step would be to identify potential opportunities for the reuse of these sites. He said the objective of the Agency may expand at a later date to include actual cleanup of individual sites targeted for assessment, depending on the future availability of grant funding.

Mr. Eng explained that grant would be one-hundred percent funded by the EPA and would allow the Agency to search for a full-service consulting firm to serve as a partner in achieving the goals of preparing a successful EPA grant application for the Brownfield Assessment Grant Program. He said this would be followed by implementation of the resulting grant subject to the requirements of an EPA approved Cooperative Agreement and Work Plan to be completed following the initial grant award. He indicated that the consultant contract period would extend from the beginning of the grant writing phase, through the end of the three-year project period associated with the county-wide assessment grant and may be extended at the option of the CDA if additional grant funds are obtained. Mr. Eng indicated that the successful consultant would be required to prepare the grant application at its own risk and at no cost to the Agency. He said that the Brownfield application would be due December 1<sup>st</sup>.

Commissioner Zeller wondered if the majority of that data was already available. Mr. Eng indicated that some sites may be identified but thinks that there may be some areas that haven't been identified or do not explain the type of contamination or level of contamination on an individual site. He said such a comprehensive list would be very useful.

The Commissioners indicated a unanimous consensus for the project.

#### D-2 Economic Development Survey Results

Ms. Dacy explained that, using the "Results Based Accountability" model for tracking the volume and impact of agency services, the Agency conducted a survey of the Open to Business Program. She indicated that other programs including but not limited to, the septic system replacement program, the single-family rehabilitation program, and the CDBG and HOME program may also undergo survey activities later.

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Ms. Dacy reviewed the survey methodology and reported that 18 people responded to the survey (out of 57 invitations) for a 32% response rate. She indicated that the average response rate for web-based surveys is about 30% (although that rate can vary by topic and survey). She said that the 18 responders provided very good feedback and 14 of them attended the workgroup meetings.

Ms. Dacy further explained that, regarding “how well did we deliver the service”, the results were entirely positive, with 15 out of the 18 respondents, very satisfied or satisfied. She said there were no dissatisfied or very dissatisfied responses. She reported that the survey results indicated that the Economic Development Director responded in a timely manner, had the knowledge and expertise to assist, and met needs and expectations. She said the survey indicated that the majority of the respondents would contact the CDA for economic development assistance again and/or recommend it to other communities or businesses.

Ms. Dacy said the survey also revealed the following:

- 12 out of 14 respondents found the workgroup meetings valuable, and suggestions for future topics were provided
- The top three obstacles for communities for economic development are:
  - Lack of available properties for commercial and industrial development
  - Perception of market area by brokerage community
  - Business expansion, financial incentives and development funding tools
- A major theme to the question about future services or financial resources the CDA could provide centered on a revolving loan program, a façade program for businesses, and assistance to businesses and municipalities such as economic gardening, transit-oriented development, environmental clean-up funds, etc. that other counties provide in the metro area.

Ms. Dacy indicated that Staff would review the results and may incorporated some elements into the next strategic plan. She also indicated that other area of the Agency will be studied through such survey tools using a ten-question instrument.

Commissioner Ryan asked about other surveys that were conducted. Ms. Dacy responded that the tenants' satisfaction survey will be presented in August, a homeownership survey is being scheduled Housing Assistance customer service surveys are ongoing.

Commissioner Green asked what out of the survey would have gravitated to the lower right quadrant of the matrix. Ms. Dacy indicated that quadrant related to the customer service questions of how well we did the job, are you better off now and would you use the Agency again. She wondered how to measure the value of “being at the table” with other entities as decisions are being made. Commissioner Green indicated these were valuable insights for future planning.

Commissioners Zeller and Widen wondered about the perception of the market. Ms. Dacy indicated that some site selectors were graphic in their description of the east Metro area as a less desirable place to develop. Commissioner Zeller added that the perception was a lack of opportunity for available property although Mr. Eng has made great headway to increase the industry's awareness of the many projects in the works in this area with upgrades to sewer and water and the realignment of frontage roads. He indicated that the development landscape could quickly change.

Ms. Dacy added that distance, funding, and marketing did appear as a frequently comment. Mr. Eng indicated that marketing was a top priority for the division. Commissioner Zeller indicated that some Twin Cities brokers do not understand the number of communities in the County and that each community has own personality and functions.

## **REPORTS**

### **COMMUNITY DEVELOPMENT DEPARTMENT**

Ms. Taphorn provided an overview of her duties which include back up for the Executive Director, oversight of eight staff in the Community Development department which administers homeownership, development of new construction, redevelopment of existing sites, financing programs for developers and communities, and capital improvements at the Agency's properties.

Ms. Taphorn explained that June was Homeownership Month so the Agency offered two free Home Stretch classes which were very well attended.

Ms. Taphorn referenced pictures of the demolition at The Glen at Valley Creek project. She said closing on this property will occur the week of July 30<sup>th</sup> and a building permit should be obtained this week.

Ms. Taphorn reported that two applications for nine percent housing tax credits were received on July 12<sup>th</sup>; a supplemental request from Headwaters Landing in Forest Lake and a new request from Frenchman Lofts in the City of Hugo. Ms. Taphorn indicated that the Agency will have over \$600,000 credits to allocate this year and they will be reviewing those applications and bringing recommendations to the Board this fall

Commissioner Zeller asked about the award the septic repair program received and if the model was being used by other agencies as a best practice. Ms. Taphorn responded that the award was from the National Association of Counties (NACO). Commissioner Zeller indicated that his community is seeking good newsletter stories and this would be a good example. Ms. Taphorn indicated that they would create an article and forward it to Commissioner Zeller.

Commissioner Belisle asked if there was any further development with the Red Rock project. Ms. Taphorn indicated that the Newport City Council will consider approval of the special legislation on July 19<sup>th</sup>. She also indicated that Chris Eng had been working with the City Administrator to set up a date for a joint workshop.

### **ECONOMIC DEVELOPMENT DIRECTOR**

Mr. Eng indicated that he had no further report but would be available for questions.

Commissioner Belisle questioned if the \$150,000 for Open to Business was a commitment every year. Commissioner Zeller responded that would be a Board decision which is reconsidered each year. Commissioner Belisle then asked if the County's 50% match was only a one-time award. Mr. Eng indicated that it was a one-year contribution.

### **FINANCE AND PROPERTY MANAGEMENT**

Mr. Christianson reported that this department has four staff members who are responsible for the general business accounting activities as well as serving as liaison with Shelter Corporation, the property management company for the 18 properties with 1100 units. There are also three stand-alone properties which the department oversees.

Mr. Christianson would like to schedule a Finance Committee to focus on the 2018 audit information with David Mol of Redpath and to include Shelter Corporation to preview the tenant survey results and contract issues. Mr. Christianson proposed either July 31<sup>st</sup> or August 7<sup>th</sup> at 3 PM as meeting dates. Commissioner Zeller indicated that he would not be available on August 7<sup>th</sup>. Mr. Christianson set the date for the Finance Committee for July 31<sup>st</sup>.

### **RENTAL ASSISTANCE**

Ms. Hoechst indicated that the department provides administrative services provided by two staff members and housing assistance provided by four rental assistance staff members. The Rental Assistance division which administers the Bridges program which is funded by the state and county, the Shelter Plus Care program which is a grant funded program and the Housing Choice Voucher program which provides rental assistance to 460 families in the county.

Commissioner Green wondered what the Agency's relationship was with the Washington County Community Services. Ms. Hoechst answered the County provides supportive services such as information on being a

good tenant, money management and family matters. She said the Rental Assistance division of the Agency provides the contract which pays a portion of the client's rent.

Commissioner Belisle asked why only two of the ten Veterans Affairs Supportive Housing (VASH) vouchers had been issued and what the Agency was doing to recruit more participants. Ms. Hoechst responded that the VASH program was unique in that the Veterans Administration (VA) makes the determination for recipients who want to live in Washington County and makes referrals to the Agency. She indicated that there are currently five recipients from Metro's jurisdiction who are living in Washington County and our Agency may be absorbing those five additional veterans into Washington County's allocation. She further indicated that Metro has asked that those vouchers be held by Metro until they have a chance to build up their numbers.

#### EXECUTIVE DIRECTOR

Ms. Dacy explained that she and Commissioner Green have met and discussed the Executive Director's responsibilities and relationship with the Board.

Ms. Dacy announced that Ryan Gruber, Human Resources and Communications Coordinator, will be providing a summary of his activities on a regular basis. She explained that the Agency is partnering with the County to create a video of the housing chapter and economic development portions of the county's website. She outlined that, as part of this work, the Agency has been able to visit communities throughout Washington County gathering visual material that will be of assistance with this project and for other Agency creative projects going forward. She explained that as we move increasingly towards more visual forms of communication, it will be important for the Agency to continue to grow its pool of visual material that showcases the growth, excitement, and high quality of life available in Washington County.

Ms. Dacy indicated that work continues revamping agency policies and procedures to a format that is easier for employees to utilize and that better aligns with the agency values that were discussed by the Board last fall. She said that we would anticipate bringing something before the Personnel Committee for its fall meeting, and those components that require Board approval to the Board by the end of the year.

Ms. Dacy reported that Chris Eng has been working with Deb Hill, the Newport City Administrator. She indicated that the City of Newport would like to meet with the Board after the regular meeting on September 18<sup>th</sup>. Ms. Dacy and Ms. Hill will be meeting prior to the September 18<sup>th</sup> meeting to create an agenda. Commissioner Belisle asked if the zoning issue would be resolved prior to the September 18<sup>th</sup> meeting. Commissioner Zeller asked if the Agency had received any feedback from the City of Newport concerning their agreement on the zoning issue. Ms. Dacy indicated that the Agency has not received confirmation of an agreement. Commissioner Zeller wondered if the Board should meet if the City of Newport has not reached an agreement. Ms. Dacy suspects that the City may wish to use the meeting as a way of conveying their message on zoning. Commissioner Zeller indicated that the Board had asked the City of Newport what they wanted long ago and directed them to resolve the zoning issue on their end before moving forward with the Agency. Commissioner Belisle asked if the issue was in front of their planning commission right now and, if not, he would agree with Commissioner Zeller that there may not be a reason to meet. Commissioner Dingle said he thought the City was going to work on revising the zoning based on previous joint meetings. Ms. Dacy indicated that the issue may be up for discussion at their planning commission but not as an action item. Commissioner Zeller recommended that the City of Newport provide a better response before a meeting is scheduled. Ms. Dacy indicated that she would work on that before the September 18<sup>th</sup> meeting.

Ms. Dacy discussed the importance of having current email addresses and access to the Agency's emails. She asked if the Commissioners would restart the tradition of checking for Agency emails every Thursday. She offered assistance to help set up email on cell phones and offered the use of the iPads which have shortcuts to the Agency website and email accounts. She explained that this would offer a best practice and protection for personal email accounts.

#### CLOSED EXECUTIVE SESSION

A motion was made by Commissioner Zeller, seconded by Commissioner Miron, to move to the Closed Executive Session for the purposes of safety and securities policies and procedures. All voted in favor and the motion carried.

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A motion was made by Commissioner Zeller, seconded by Commissioner Ryan, to close the Executive Session and return to the regular session. All voted in favor and the motion carried.

**ADJOURN**

Commissioner Widen moved to adjourn; seconded by Commissioner Ryan. Motion carried 7-0.

Meeting adjourned at 4:08 P.M.

/S/John Belisle

Chair/Vice Chair Commissioner