

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 February 19, 2019 at 3:00p.m. Staff present Barbara Dacy, Executive Director; Melissa Taphorn, Deputy Executive Director; Chris Eng, Economic Development Director; Aaron Christianson, Finance Director; Ann Hoechst, Housing Assistance and Administrative Services Director; Ashley Engh, Finance Assistant Director; Becky Nelson, Senior Accountant; Elena Shulman, Project Manager I; Kristen Scobie, Project Manager II; Sandy Meza, Office Manager.

**ROLL CALL**

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

Commissioner Absent: Belisle, Miron

**OPEN FORUM**

None

Commissioner Miron arrived at 3:02 p.m.

**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  
February 19, 2019

Abstract of Bills February 2019  
Total \$3,561,439.21

A-1 Resolution No.19-03. Resolution Authorizing Execution of Construction Contract for the Woodland Park Bath Improvement Project

A-2 Resolution No. 19-04. Resolution Authorizing Execution of a Construction Contract for Cobble Hill Interior Improvement Project

A-3 Resolution No. 19-05. Resolution Authorizing Section 8 Management Assessment Program (SEMAP) Certification

A-4 Resolution No. 19-06. Resolution Authorizing the Executive Director to Enter into a Contract for Services with the Metropolitan Consortium of Community Developers for the Open to Business 2019

**Commissioner Zeller moved to approve the Consent Calendar, seconded by Commissioner Widen. Motion carried 6-0.**

**PUBLIC HEARING**

A-5 Resolution No.19-07. Resolution Authorizing the Revised Housing Choice Administrative Plan and the Public Housing Admissions and Continued Occupancy Plan

Ms. Hoechst explained the Public Hearing on the changes to the Housing Choice Voucher Administration Plan and the Public Housing Admissions and Continued Occupancy Plan. All changes were discussed at the January Board meeting.

**Open Public Hearing by Commissioner Zeller and second by Commissioner Green. Motion carried 6-0.**

Ms. Hoechst reviewed the response and comment from the Resident Counsel and Resident Advisory Board about the changes in policies.

No comments.

**Closed Public Hearing by Commissioner Zeller and second Commissioner Widen.  
Motion carried 6-0.**

Commissioner Green asked if there are understandable versions of these policies for the clients. Ms. Hoechst said the Family Obligations form notifies tenants of the changes. Tenants watch a video about policies and have an opportunity to ask questions afterward.

**Commissioner Miron moved to approve Resolution No. 19-07, seconded by Commissioner Green.  
Motion carried 6-0.**

### **NEW BUSINESS**

A-6 Resolution No. 19-08. Resolution Authorizing the Cash Transfer of Funds for 2018

Mr. Christianson presented the annual cash transfer resolution. The transfer moves unrestricted cash from the properties to the general fund. It also moves levy funds to the properties to reimburse them for capital projects. Mr. Christianson explained that the 2018 transfer also included a transfer from the Red Rock Crossing fund to the Long-Term Capital fund of \$466,000. The transfer would ensure that the Long-term Capital fund maintained its required minimum balance. Mr. Christianson stated that without the transfer it would take several years to get the reserve balance above the minimum requirement.

Commissioner Miron asked if the transfer would affect the Red Rock Crossing project and if Newport should be contacted. Mr. Christianson stated that the transfer only included past levy money that had been committed by the CDA to the Red Rock project. Ms. Dacy stated contacting the City of Newport could be misinterpreted as these funds do not affect the TIF District.

Commissioner Zeller said that is more important to put this money to good use and I think it is wise.

**Commissioner Miron moved to approve Resolution No. 19-08, seconded by Commissioner Widen.  
Motion carried 6-0.**

### **DISCUSSION**

D-1 Allowance of Income Averaging in the Low Income Housing Tax Credit Program

Ms. Taphorn proposed for discussion and feedback a policy on income averaging in the Low Income Housing Tax Credit Program which would allow developers to go above the 60% Area Median Income (AMI) rents to 80% AMI but would need to balance the higher rent and income units with lower rents to average to 60% AMI or below. She proposed that the set aside be reserved for 100% tax credit projects and that reasonable parity across bedroom types would be applied. She also proposed underwriting criteria and treatment of units with Project Based Vouchers.

Commissioner Ryan asked if there were any details that could be problematic. Ms. Taphorn indicated that there were two issues that may receive pushback from developers. The first is the inclusion of the income tiers in the declaration of restrictive covenants and the second is the treatment of the Project Based Voucher rents. She stated that Dominion, the developer of the Legends of Cottage Grove, is very interested in electing Income Averaging for future use as they believe the Cottage Grove market will be able to support rents over the 60% AMI. More detail might be revealed during compliance monitoring.

Commissioner Zeller recommended taking it through the process and making changes if needed but trusted staff's recommendations.

Commissioner Green asked where the other suballocators were at in their processes. Ms. Taphorn said Dakota County CDA will be bring their policy to their Board for adoption February 26th. Minneapolis and St. Paul are a or two months behind our schedule as their process is more complex with a joint housing finance board.

Commissioner Zeller said you know best and whatever you decide will be fine.

## REPORTS

### COMMUNITY DEVELOPMENT DEPARTMENT

Ms. Taphorn said the Glen at Valley Creek is progressing, first floor frame is almost complete. There have been some delays with all the heavy snow and cold weather.

Ms. Taphorn also pointed out that the CDA is requesting CDBG and HOME funds from the City of Woodbury for rehabilitation work at Cobble Hill. The City does not require a resolution from the Board at this time.

### ECONOMIC DEVELOPMENT

Mr. Eng indicated there will be a meeting in Mahtomedi with affected businesses and the County to discuss renovation of County Road 12, which is the main street in Mahtomedi and Willernie, on February 20th. He stated that he and Tyler Hilsabeck from the Open to Business program will work with the businesses to help them through the construction process.

Commissioner Zeller asked what land there is to develop in Oak Park Heights. Mr. Eng indicated that the King Plant is going to be decommissioned and that is all the information to date as there are a lot of details that have to be worked out first.

### FINANCE AND PROPERTY MANAGEMENT

Mr. Christianson provided an update on the Glen, Groves and Piccadilly audits and tax returns.

Mr. Christianson also told the Board the change in accounting platforms will impact the ability to provide full financial statements at the March meeting.

### RENTAL ASSISTANCE

Ms. Hoechst indicated that the Family Unification Program starts on March 1, 2019. There are three referrals from the County Child Protection Services Unit to date. The Veterans Affairs Support of Housing (VASH) Program has four people enrolled and there are an additional six vouchers available. Current VASH budget is about \$3,000 per month in housing assistance payment. The allocation is for about \$5,200 per month and therefore it is unlikely that an additional six vouchers will be able to be filled unless the CDA can use HUD held reserves to fund them.

Ms. Hoechst also indicated that the CDA received the Shelter Plus Care Grant of \$256,000 for July 1, 2019 to June 30, 2020. Canvas Health, who provides services to the families, had a reduction of one of its grants, which affects the seven families living in sober housing at Forest Ridge Townhomes. The CDA will be meeting with representatives of the Suburban Metro Area Consortium and Canvas Health to determine what can be done.

Ms. Hoechst stated that a Rental Assistance Specialist position remains open. Candidates have been interviewed and are under review. Commissioner Zeller asked if the instability in this position is a reflection of the compensation study completed a few years ago. Ms. Hoechst said that both recent hires for that position left for higher paying positions, not necessarily the same positions but higher paying positions.

### EXECUTIVE DIRECTOR

Ms. Dacy said that Commissioner Green accompanies her during Minnesota NAHRO Day at the Capitol. They had very good meetings with the Woodbury legislative delegation.

The Personnel Committee is Commissioner Green, Commissioner, Dingle and Commissioner Miron and there will be a meeting held on Tuesday, March 12<sup>th</sup> at 3:00 p.m.

**BOARD COMMENTS**

Commissioner Zeller stated that Executive Committee met last month and conducted a review of Ms. Dacy's performance. He stated that for next year's review, the full board should meet in an Executive Closed Session and go over the performance evaluation form as a group to ensure consistency across the seven evaluators before having the Executive Committee Meeting. Overall, Ms. Dacy has done a very nice job.

**ADJOURN**

Commissioner Zeller moved to adjourn; seconded by Commissioner Green.

Motion carried 6-0.

Meeting adjourned at 4:05 p.m.

  
Chair/Vice Chair Commissioner