

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 October 15, 2019 at 3:00 p.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; Kristen Scobie, Project Manager II; Bill Lightner, Project Manager II; Kathryn Paulson, Project Manager II and Lori Creamer, Administrative Specialist. Guests present Keely Perrizo, Regional Director, Shelter Corporation

**ROLL CALL**

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

Commissioner Absent: None

**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  
September 17, 2019

Abstract of Bills August 2019  
Total \$ 1,449,560.43

- A-1 Resolution No.19-44: Resolution Authorizing Execution of the Home Investment Partnerships Program Development Agreement for the Habitat for Humanity Generation Acres Project
- A-2 Resolution No.19-45: Resolution Authorizing Execution of the Community development Block Grant Development Agreement and the Home Investment Partnerships Program Agreement for the Two Rivers Community Land Trust Green House II Project
- A-3 Resolution No.19-46: Resolution Authorizing 2020 Contribution Amounts for Flexible Spending Accounts, Health Savings Accounts and Insurance Plans for Management and Non-Union Employees
- A-4 Resolution No. 19-47: Resolution Authorizing the Adoption of the Revised Utility Allowance Schedule for Federal Assistance Programs Effective January 1, 2020

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

## **PRESENTATION**

### **P-1 Subsurface Sewage Treatment System Repair and Replacement Program**

Kristen Scobie, Project Manager II presented the Subsurface Sewage Treatment System Repair and Replacement Program.

Since 2014, the CDA has collaborated with Washington County through a Joint Powers Agreement to administer financial assistance programs that help property owners with the cost of replacing failing subsurface sewage treatment systems (SSTS).

Rural property owners in Washington County can access low-interest loans with repayment terms up to 10 years for the replacement of failing septic systems. Loans are secured by a lien against the property and repaid through property tax special assessments. A limited amount of grant funding is also available to low-income households below 80% of area median income. Qualified households can receive a 30% cost-share (up to \$9,000) through the state's Clean Water Legacy program.

### **P-2 Recognition of Melissa Taphorn, Deputy Executive Director, for the Minnesota National Association of Housing and Redevelopment Officials (NAHRO) Outstanding Achievement Award**

Barbara Dacy, Executive Director presented the Outstanding Achievement Award to Melissa Taphorn, Deputy Executive Director on behalf of the MN NAHRO.

Melissa is responsible for administering the Agency's housing finance programs including Low Income Housing Tax Credit program as a sub-allocator, the Community Development Block Grant Program and Home Investment Partnerships program, and the Agency's gap financing program called the GROW program.

The application was supported by her colleagues in other jurisdictions as well as nonprofit and private partners, and Melissa's staff. As Executive Director, Ms. Dacy stated that she relies on her expertise on a host of issues from development financing, to grant administration and compliance, and homeownership issues. She is passionate and devoted to the industry and has a commitment to self-improvement as a leader.

## **PUBLIC HEARING**

### **A-5 Resolution No. 19-48. Resolution Approving the Annual Statement for the Capital Fund Program and Five-Year Plan 2020-2024**

**Commissioner Zeller moved to open both public hearings, seconded by Commissioner Green. Motion carried 7-0.**

Aaron Christianson, Director of Finance, presented the Annual Statement for the Capital Fund Program and Five-Year Plan 2020-2024.

The Public Housing Agency Plan and Capital Fund Program provide a framework for local accountability and an easily identifiable source by participants and the public to locate basic policies, rules and requirements concerning its operations, programs and services for the five-year period beginning January 1, 2020 and ending December 31, 2024. In addition, federal law requires that the Agency review and develop an Annual Plan for each program. Under the November 2013 Capital Fund Program (CFP) Final Rule, the CFP Five-Year Action Plan and CFP Annual Plan were “decoupled” from the PHA plan. The Plans are now required to submit documents separately to HUD which outline each of the program’s activities. However, HUD strongly encourages PHA’s to present the plans together for approval as the two program plans are developed under a concurrent preparation schedule, which meets current HUD requirements. A public hearing and resolution approving the CDA’s 2020-2024 PHA Plan was completed at the September 17, 2019 board meeting. A public hearing and resolution are also required in order to approve the CDA’s CFP Annual Statement and Five-year Action Plan for the five-year period beginning January 1, 2020 and ending December 31, 2024.

**Commissioner Zeller moved to close the public hearings, seconded by Commissioner Dingle. Motion carried 7-0.**

**Commissioner Green moved to approve Resolution 19-48, seconded by Commissioner Widen. Motion carried 7-0.**

### **NEW BUSINESS**

A-6 Resolution No. 19-49. Resolution Approving Reservation of 2020 Low-Income Housing Tax Credits to Norman Woods, Limited Partnership or its Affiliate for a Low-Income Housing Project in the City of Hugo, MN

Bill Lightner, Project Manager II presented the Reservation of 2020 Low-Income Housing Tax Credits to Norman Woods, Limited Partnership or its Affiliate for a Low-Income Housing Project in the City of Hugo, MN.

The Federal Tax Reform Act of 1986 created the Low-Income Housing Tax Credit Program (LIHTC) for qualified residential rental properties. The LIHTC program is the principal federal subsidy contained with the tax law for the acquisition, substantial rehabilitation and/or new construction and the preservation of affordable rental housing. In accordance with the Act and Section 42 of the Internal Revenue Code, a Qualified Allocation Plan (QAP) was established setting forth the selection priorities and process for the distribution of 2020 Tax Credits. The amount of 2020 LIHTC available for Washington County and allocable by the CDA is \$595,159.

**Commissioner Miron moved to approve Resolution 19-49, seconded by Commissioner Ryan. Motion carried 7-0.**

## **DISCUSSION**

### D-1 2019 Economic Development Survey

Barbara Dacy, Executive Director, presented the 2019 Economic Development Survey results to the board.

In general, the results in this year's survey mirror the positive ratings from the 2018 survey. In addition, this year's survey has excellent ratings for CDA programming including Open to Business and the Predevelopment Finance Fund. She stated that we are also attempting to measure how the CDA assistance helps communities move closer to their economic development goals. Four jurisdictions indicated positive results as a result of direct consultation from the CDA. Finally, the open-ended comments and feedback provided valuable information about potential new initiatives, especially as we draft the next iteration of the economic development strategic plan. Finally, the CDA intends to continue the survey on an annual basis and will modify questions as issues evolve.

## **REPORTS**

### **COMMUNITY DEVELOPMENT DEPARTMENT**

Melissa Taphorn, Deputy Executive Director presented the Community Development Report Public housing conversion on hold. Update on the Natural Occurring Affordable Housing (NOAH) pilot program, there are cities interested but not ready in 2019. The Glen at Valley Creek will open November 1.

### **ECONOMIC DEVELOPMENT**

Chris Eng, Director of Economic Development stated there was nothing to add to the written report.

### **FINANCE AND PROPERTY MANAGEMENT**

Aaron Christianson, Director of Finance pointed out the CDA is working on renewing the HUD contract for Raymie Johnson Estates. The term of the new contract is up to 20 years. Staff has selected the renewal option that would increase rents to market based on a rent market study completed earlier this year. There are, however, up to five current residents who are currently paying flat rent and who would see a substantial increase in their rental rate under the new contract because 30% of their income exceeds the new market rate rents. Staff is researching the issue with property management and will update the board later this year with a recommendation on how to move forward with these individuals.

Property Management Report includes the policies at the properties related to pets/marijuana use/firearms.

RENTAL ASSISTANCE

Ann Hoechst, Director of Housing and Administrative Services stated due to work loads of existing staff, starting January 1<sup>st</sup> for March re-certifications, inspections will be completed every other year. Letters will be sent out to the residents regarding the change.

EXECUTIVE DIRECTOR

Barbara Dacy, Executive Director, reported the City of Cottage Grove held a ribbon cutting ceremony today for the circulator bus. DARTS is the service provider and can address the immediate need for transportation. The service is available to everyone but aimed primarily to seniors.

There will be a Personnel Committee meeting at 2 pm prior to the board meeting on November 19, 2019.

A consultant will talk with the board in November on how to use a new tool to evaluate the Executive Director. A presentation from Sheila Holbrook-White is scheduled regarding transportation issues.

Renewal rates for the health insurance rates came in very low.

BOARD COMMENTS

Commissioner Zeller attended a meeting of the Washington County Board. He appreciated the support shown for the CDA. Commissioner Green commented on what a great job the staff does.

ADJOURNMENT

**Commissioner Dingle moved to adjourn; seconded by Commissioner Miron.  
Motion carried 7-0.**

Meeting adjourned at 4:31 p.m.

  
Chair/Vice Chair Commissioner

