

BOARD OF COMMISSIONERS
WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY
WASHINGTON COUNTY, MINNESOTA
DECEMBER 17, 2019

The Washington County Community Development Agency Board of Commissioners convened in Regular Session at Washington County CDA, 7645 Currell Blvd., Woodbury, MN on November 19, 2019 at 3:00 p.m. Staff present: Barbara Dacy, Executive Director; Melissa Taphorn, Deputy Executive Director; Chris Eng, Economic Development Director; Ann Hoechst, Housing Assistance and Administrative Services Director; Ashley Engh, Assistant Finance Director; Becky Nelson, Senior Accountant; Angie Shuppert, Community Development Programs Manager; Bill Lightner, Project Manager II; Kathryn Paulson, Project Manager II; Kristen Scobie, Project Manager II; Elena Shulman, Project Manager I and Lori Creamer, Administrative Specialist.

Guests present were Luke Breeden; Beth Breeden; Lon Pardun, Councilmember City of Marine on St. Croix; Lee Hall, COO. Metropolitan Consortium of Community Developers (MCCD); Tyler Hilsabeck, Business Advisor Open to Business

Chair Belisle called the meeting to order at 3:01 P.M.

ROLL CALL

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

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
November 19, 2019

Minutes of Personnel Committee Meeting
November 19, 2019

Abstract of Bills November 2019
Total \$ 1,368,216.95

A-1 Resolution No.19-53: Resolution Authorizing Depository Services for Government Entities

A-2 Resolution No.19-54: Resolution Approving the 2020 Operating Budget for Public Housing

A-3 Resolution No.19-55: Resolution Amending the 2020 Low Income Housing Tax Credit Program Procedural Manual

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

PRESENTATION

P-1 Recognition Plaque for Elmer Morris, Former Washington County HRA Commissioner

Barbara Dacy, Executive Director, introduced Beth Breeden, daughter of former commissioner Elmer Morris, and Luke Breeden, his grandson. Ms. Dacy stated the purpose of the presentation today is to bring forward the Agency's history and connect it to the importance of what is being done today. The conversation started when Luke had some questions of his mother about what his grandfather did, and they brought in a collection of plaques and pictures. Mr. Morris was one of the five original commissioners to the HRA appointed by the County Board on January 13, 1981. Mr. Morris served on the HRA board from 1981 to 1994. He was involved in the decision to create a portfolio of affordable senior and workforce housing, which was unique for that time. This is a reminder of the value commissioners play in the mission of the organization and is much appreciated.

Executive Director Dacy presented a recognition plaque to Ms. Breeden on behalf of the Board, the staff and members of the community.

NEW BUSINESS

A-4 Resolution No. 19-56: Resolution Approving and Adopting the 2020 Budget

Barbara Dacy, Executive Director, presented in summary the 2020 Budget. The budget has not changed since the previous deliberations by the Board and the Finance Committee. The levy amount is the same. The recommendation is to approve the 2020 Budget.

Commissioner Belisle asked if the \$50,000 increase in the housing services budget was for hiring a new person in the rental assistance area. Ann Hoechst, Housing and Administrative Services Director, replied yes, there will be an additional employee added.

Commissioner Zeller moved to approve Resolution 19-56, seconded by Commissioner Widen Motion carried 7-0.

A-5 Resolution No. 19-57: Resolution Authorizing Execution of the 2020 Contract for the Open to Business Program

Chris Eng, Economic Development Director, introduced Mr. Lee Hall, Chief Operating Officer of the Metropolitan Consortium of Community Developers which operates the Open to Business program and Mr. Tyler Hilsabeck, Washington County's Business Advisor for Open to Business. Director Eng stated in 2019, the Open to Business program has served 94 businesses either with starting a small business or expanding an existing business.

Mr. Lee addressed the Board with some general information about the program. The Open to Business Program has been operating in Washington County since the middle of 2017 and as of the beginning of December Mr. Hilsabeck has meet with about 106 clients.

Economic Development Director Eng asked the Board to authorize the execution of 2020 contract for the Open to Business Program.

Commissioner Belisle asked if those results were as expected. Mr. Lee stated yes; serving between 100 and 125 clients for a relatively new program is very good. Mr. Hilsabeck added the program has assisted clients with 14 loans through the program.

Commissioner Green moved to approve Resolution 19-57, seconded by Commissioner Dingle. Motion carried 7-0.

A-6 Resolution No. 19-58: Resolution Approving Pre-Development Fund Grant Agreement for City of Marine on St. Croix.

Chris Eng, Economic Development Director, introduced Mr. Lon Pardun, Councilmember for City of Marine on St. Croix. Director Eng presented the pre-development fund proposal submitted by the City of Marine on St. Croix. The City is proposing to commit \$1.7 million in funds to match the requested \$40,000 of CDA funds to spur and guide future commercial development and/or redevelopment in the Marine Village Center Revitalization Area, which could bring both additional jobs and commercial tax base into the city and county.

Commissioner Ryan stated he will be recusing himself from the vote on this request as a relative of his is on the Marine on St. Croix City Council.

Commissioner Miron stated the City of Marine on St. Croix leadership is very progressive with the downtown revitalization efforts. They have a strong preservation mind-set, yet open to opportunities that exist.

Commissioner Belisle asked about the school that closed in the city along with three others in Stillwater. Councilmember Pardun responded the initiative before you today are separate from the school; however, the City purchased the school building and grounds and are looking to find a charter school that would be interested in the space. The City feels strongly about having a school and that building has been in town for over 175 years. Currently it is being utilized by the Marine Mills Folk School a couple days per week and open gym for the community several evenings.

Commissioner Miron moved to approve Resolution 19-58, seconded by Commissioner Widen. Motion carried 6-0. Commissioner Ryan abstained.

DISCUSSION

D-1 Changes to the Admissions and Continued Occupancy Plan (ACOP)

Ann Hoechst, Housing and Administrative Services Director, presented the proposed changes to the Agency's Admissions and Continued Occupancy Plan for public housing. The changes are required by the U.S. Department of Housing and Urban Development. Director Hoechst outlined the changes proposed to Chapters 4, 7, 8, 13, and 14.

Changes to chapter 4 include, under applications, an online application process will be used to accept applications for public housing.

Chapter 7 is changed to designate the use of the income verification tool for every annual and interim rent change.

Chapter 8 is changed to designate minimum heating standards.

Chapter 13 designates that there will be a single hearing officer for grievances. All grievance procedures are updated.

On the agenda in January will be the proposed changes to the Housing Choice Voucher Administrative Plan. No action required at this time.

REPORTS

COMMUNITY DEVELOPMENT

Melissa Taphorn, Deputy Executive Director, reported meetings regarding potential new housing developments including a Washington County housing parenting group looking for housing options for persons with developmental disabilities, Habitat for Humanity regarding a site in St. Paul Park, and Presbyterian Homes regarding senior housing. There were two grand openings this week for a Habitat for Humanity home on the former Cottage Grove city pool site which received GROW funds and for Green Twig Villas, a senior housing development in Oak Park Heights which received 4% credits and a small GROW fund. The Glen at Valley Creek open house is scheduled for February 5, 2019. Formal invites will be sent to commissioners.

Deputy Executive Director Taphorn talked about the recent fire at a public housing apartment building in Minneapolis. Whispering Pines, the CDA's public housing building, is sprinklered. She stated most of the portfolio is sprinklered; however, there are a few properties where sprinkler systems were not required or are not feasible such as single-story units and properties served by well water. Staff has identified Woodland Park, The Groves, and Park Place as properties to get cost estimates to retrofit with sprinkler systems. Ms. Taphorn noted that Woodland Park has sprinklers in the garage and trash chutes.

Commissioner Belisle asked if The Hemmingway received a partial allocation of tax credits. Deputy Executive Director Taphorn stated they did not but plan to re-apply in June. A GROW fund loan request will be before the board in January for The Hemingway apartments in Cottage Grove.

Commissioner Belisle asked Deputy Director Taphorn to talk about some take-aways from the recent Affordable Housing Summit. Deputy Executive Director Taphorn stated the Affordable Housing Summit is an annual Minnesota Real Estate Journal event sponsored in part by the CDA. There were three panel discussions including housing finance and Naturally Occurring Affordable Housing (NOAH). Very engaging conversation on development and finance trends. The NOAH panel identified many of the same issues that the Board discussed in November.

Commissioner Ryan asked with the growth of the economy if the demand for affordable housing was dropping. Executive Director Taphorn responded no, the need for affordable housing is still great as even though unemployment is down and wages are rising, they are not rising in pace with rent increases.

Commissioner Green asked if this conversation would include the developmentally disabled workforce or senior housing needs.

ECONOMIC DEVELOPMENT

Chris Eng, Economic Development Director, stated here were no additions to his written report.

FINANCE AND PROPERTY MANAGEMENT

Ashley Engh, Assistant Finance Director, stated there were no additional comments to be added to the monthly report, but would like to schedule a Finance Committee meeting at 2:30 PM on January 21, 2020, prior to the regularly scheduled Board Meeting to discuss the 2019 audit progress.

Commissioners Widen, Zeller and Ryan indicated they will be able to attend. Commissioner Belisle indicated that he will likely be out of town but to not schedule around his schedule.

RENTAL ASSISTANCE

Ann Hoechst, Housing and Administrative Services Director, stated the Agency has applied for 25 additional Family Unification Program (FUP) vouchers. The Agency was awarded 30 Mainstream vouchers which would serve people ages 18-62 with disabilities. The vouchers will be targeted to those eligible applicants who are homeless or on the verge of being homeless, victims of family violence, persons transitioning out of institutions or at serious risk of institutionalization, and persons currently in the Shelter Plus Care program who no longer need the supportive services.

Commissioner Belisle asked if any of these vouchers would be able to meet the needs Deputy Executive Director Taphorn mentioned in the Community Development report. Deputy Executive Director Taphorn stated it is possible they could address one criteria factor. Director Hoechst responded it depends if the people qualify for that targeting level.

EXECUTIVE DIRECTOR

Barbara Dacy, Executive Director, reminded the commissioners that January is the time when the chair, vice chair and secretary are elected for the year.

Sharon Klumpp, the consultant with Baker Tilly, who was invited to talk through the succession plan and process options for selecting and hiring the next Executive Director is ill and was unable to attend. If the Board has specific questions, Executive Director Dacy is happy to bring them back to Ms. Klumpp and the answers can be communicated either in writing or phone conversation.

Commissioner Zeller stated there isn't a lot of time and asked if there was a proposal the Board should be addressing, considering or formalizing and suggested the Board needs to at least appoint an interim executive director.

Commissioner Belisle asked if this should be a discussion of the Personnel Committee and they would make a recommendation to the full Board or what the next steps should be.

Commissioner Miron stated Washington County is in a similar position right now with the retirement of the County Administrator. The County Board had a discussion with the Human Resource Director to layout out the options and directed staff to negotiate with the Deputy Administrator. The County Board has full discretion to appoint someone to the position. What was reported to the County Board was if the governing body is satisfied with the direction and there appears to be continuity within the organization, there is no need to do an external search. The CDA Board has the same authority and options.

Executive Director Dacy stated Resolution No. 18-56, which was sent under separate cover, has the succession plan and three options for appointing a new Executive Director.

Commissioner Miron continued, Executive Director Dacy has done a superb job at providing leadership development opportunities, and in all circumstances maintaining the continuity in her absence. Everything he has seen in his time on the CDA Board has been extremely satisfying with the direction. It would be appropriate to direct human resources to negotiate a contract with the Deputy Executive Director.

Commissioner Zeller stated if the Personnel Committee is willing to have a meeting and move forward with a recommendation considering the options, he's certainly comfortable with that option.

Commissioner Green asked if there was a need to engage Sharon Klumpp from Baker Tilly for purposes of those discussions or is it something we can just do with internal staff. Commissioner Green added that the obvious question would be making sure that all the qualifications for the job description are in line with what the candidate has to offer. It will be important to also look at workload and temporary assignments. It is appropriate for the board to make sure due diligence is done with the process.

Commissioner Miron moved seconded by Zeller to refer this item to a special meeting of the Personnel Committee in early January. The Personnel Committee would then make a recommendation to the full Board on January 21, 2020. Motion carried 7-0.

Commissioner Miron concluded Executive Director Dacy has been the face of the CDA. Commissioner Belisle stated the staff is an indication of a good leader. Executive Director Dacy has a team behind has built a legacy. Thank you.

BOARD COMMENTS

Commissioner Miron acknowledged Economic Development Director Eng for the work done on the Minnesota Technology Corridor and this work won the 2019 Minnesota Association of Professional County Economic Developers' (MAPCED) Outstanding Economic Development Award. Commissioner Miron added, this project is in its infancy and to receive an award is quite amazing statewide. Congratulations Director Eng on the good work.

ADJOURNMENT

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

Meeting adjourned at 4:23 p.m.

Chair/Vice Chair Commissioner