

CARVER COUNTY CDA REGULAR BOARD MEETING

705 N. Walnut Street, Chaska, MN 55318

May 16, 2019

MINUTES

PRESENT:

CDA Board: Sarah Carlson, Molly Koivumaki, Darrel Sudheimer, Greg Anderson, John Fahey

Staff: Julie Frick, Allison Streich, David Beddoe, Karen Reed, Brenda Lano

Other: Nick Koktavy, Deputy Director of Public Services Carver County
Todd Gerhardt, City Manager, Chanhassen
Kate Aanenson, Community Development Director, Chanhassen
Andy McConville, Solomon RE Group
Chad Dipman, Twin Cities Habitat for Humanity
Andy Berg, Abdo, Eick & Meyers

I. CONVENE CARVER COUNTY CDA BOARD MEETING

II. CALL TO ORDER BY CHAIR

The meeting was called to order at 5:01 p.m. by Chair Sarah Carlson.

III. AGENDA REVIEW AND ADOPTION

Motion to approve Agenda as presented. Motion by Anderson, Second by Sudheimer. Motion carried.

IV. CONSENT AGENDA

Motion to approve the April 24, 2019 CDA Regular Board Meeting Minutes and the Dashboard as presented. Motion by Anderson, Second by Fahey. Motion carried.

V. PUBLIC PARTICIPATION – None.

VI. BOARD REPORT/DEPARTMENT REPORTS

A. Finance

1. Resolution No. 19-12 – Approve the 2018 Audit

A1. Berg with Abdo, Eick and Meyers presented on the 2018 Audit. After discussion, Motion by Koivumaki, Second by Anderson to approve Resolution No. 19-12 as presented. Motion carried.

2. Resolution No. 19-13 - Approve the April 2019 Record of Disbursements

A1. After discussion, Motion by Fahey, second by Sudheimer to approve Resolution No. 19-13 as presented. Motion carried.

B. Community and Economic Development

1. Habitat for Humanity/Land Trust Expansion. Dipman with Twin Cities Habitat for Humanity explained the proposed project and concept. Habitat is presenting at the Chaska Planning Commission on June 12. They are anticipating the final planning a final plat in August. They have a purchase agreement with Shepard of the Hill contingent on final approval. The site will consist of four twinhomes, for a total of eight units (all four bedrooms). Lano explained to the board that the CDA would be submitting a grant through MN Housing RFP for about \$618,000 to secure the land, utility connections and affordability gap. The CDA leverage would be Lano's time. Additionally, the CDA has remaining excess TIF funds from the City of Chaska that can be used for the project.

A1. After discussion, Motion by Anderson, Second by Sudheimer, to submit a funding application to MN Housing and partner with Habitat for Humanity.

2. Policy for Developers requesting funding on hold until arrival of new Director of Community and Economic Development
3. Waconia Land Trust Expansion leverage. Lano presented an update on the 2017 Waconia land trust expansion. To date, two homes have been added to through the expansion and one just signed a purchase agreement. The CDA committed \$10,000 as leverage for this expansion for affordability gap but has not yet had to use the funds. Housing costs are rising so staff is asking for an additional \$5000 as leverage for the final two units if needed, for a total of \$15,000 leverage.

A1. After discussion, Motion by Sudheimer, Second by Fahey to approve an additional \$5000 as leverage for the Waconia land trust expansion.

4. Resolution No. 19-17 – Approval for Letter of Intent for Rural Development Properties

A1. Streich presented on the proposed Letter of Intent and walked through appraisal numbers, outstanding debt and capital needs. Fahey requested that staff bring back the numbers in a spreadsheet in June and photos. After discussion, Motion by Fahey, Second by Anderson to approve the Letter of Intent.

5. The City of Chanhassen came before the Board to request a Redevelopment Grant in the amount of \$60,000. The grant request is outside of the normal parameters for this grant. Redevelopment grants are accepted once a year and due on February 1. Gerhardt presented on the proposed redevelopment. The site is a former Applebee's and has been sitting vacant for the past year. Solomon Real Estate Group is working to bring a Steak, BBQ Smokehouse and Craft Cocktail Restaurant. The proposed Restaurant is anticipating needing 120 parking stalls. There are currently 89 stalls on site with a proposed lot adding 27 stalls for a total of 116. The City would provide the land free for the additional parking and finance the outstanding \$100,000 to the developer over an 8 year period. The CDA redevelopment grant request of \$60,000 would make up the remaining difference. The Developer is only willing to pay \$100,000 for the new parking space. The parking would be considered public parking so it could not be restricted but it would be signed for no overnight parking. Koivumaki asked if SW Transit did not fit part of this need? McConville explained that there is discussion with SW Transit for maybe 20 stalls. However, this would be for employees and not customers. Board members expressed concern about this being outside the standard grant guidelines. Carlson commented that at this time, we could not make a decision based on the February due date and suggested the City put an application in this coming February. Gerhardt indicated that the Developer would not wait that long. Koivumaki explained she did not see a public purpose. Gerhardt explained that it is a building that has been sitting vacant for a year and that the redevelopment would increase the tax base and create 66 new jobs at \$14 per hour. Fahey asked if there was some way for the CDA to get reimbursed or some value back if we fund the \$60,000. Gerhardt offered that if getting an advance, the City would pay \$5,000 for the advance. Anderson commented that it is not just the money but the precedent we would be setting.

A1. After discussion, Motion by Fahey, Second by Anderson to approve the Redevelopment Application request of \$60,000 with a friendly amendment for staff to work with the City and bring it back in June to the Board meeting.

C. Housing.

1. Resolution No. 19-14 – Approving Certification and Acceptance of Bridges Grant Funds for 2019-2021 Grant Term.
 - a. Motion by Fahey. Second by Sudheimer to approve resolution No. 19-14 as presented. Motion carried.
2. Resolution No. 19-15 – Approving Certification and Acceptance of Bridges RTC Grant Funds for 2019-2021 Grant Term.
 - a. Motion by Anderson. Second by Carlson to approve resolution No. 19-15 as presented. Motion carried.
3. Resolution No. 19-16 – Approving Procurement for Elevator for Waybury

- a. Motion by Anderson. Second by Fahey to approve resolution No. 19-16 as presented. Motion carried.

D. Administration – None.

VII. OTHER BUSINESS

1. Koltavy provided an update on the Mental Wellness Facility that the County purchased from Ridgeview. They anticipate the facility will be operational by late this year or early next year. The County will hold a public hearing on Tuesday to consider the Comp Plan amendments. The County Board met with Representative Dean Phillips on Veterans issues in the community and money for the 212 expansion project.

VIII. UNFINISHED BUSINESS/ITEMS OF INTEREST

IX. ADJOURNMENT

Motion by Sudheimer, second by Fahey to adjourn the meeting at 6:48 p.m. Motion carried.

Sarah Carlson, Chair

Date