

**CARVER COUNTY CDA REGULAR BOARD MEETING**

705 N. Walnut Street, Chaska, MN 55318

May 21, 2020

**MINUTES**

**PRESENT:**

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

Staff: Julie Frick, Allison Streich, Karen Reed, Elise Durbin, Dave Beddoe

Others: Dave Pokorney, Community Asset Development Group, Bob Roepke, Community Asset Development Group

**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 Carlson.

**III. AGENDA REVIEW AND ADOPTION**

Motion to approve the Agenda as presented. Motion by Fahey, Second by Sudheimer. Motion Carried.

Commissioner Roll Call	Yes	No	Absent	Abstain
Carlson	X			
Koivumaki	X			
Anderson	X			
Fahey	X			
Sudheimer	X			

**IV. CONSENT AGENDA**

Motion to approve the April 16, 2020 CDA Regular Board Meeting Minutes, the Dashboard and Resolution 20-18 as presented. Motion by Koivumaki, Second by Fahey. Motion carried.

Commissioner Roll Call	Yes	No	Absent	Abstain
Carlson	X			
Koivumaki	X			
Anderson	X			
Fahey	X			
Sudheimer	X			

**V. PUBLIC PARTICIPATION – None.**

**VI. BOARD REPORT/DEPARTMENT REPORTS**

**A. Finance**

1. Resolution No. 20-19 - Approve the April 2020 Record of Disbursements

A1. After discussion, Motion by Sudheimer, second by Anderson to approve Resolution No. 20-19 as presented. Motion carried.

Commissioner Roll Call	Yes	No	Absent	Abstain
Carlson	X			
Koivumaki	X			
Anderson	X			
Fahey	X			

Sudheimer	X			
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**B. Community and Economic Development**

1. Resolution No. 20-20 –2020-2021 CEO Next program participation

A1. Durbin explained that when the Board adopted the Community Development strategy, this included supporting businesses. The CEO next program would target 2<sup>nd</sup> stage companies, as there is not a lot of programs available to support these businesses. This is known as economic gardening and follows a October/November-June cycle. In the Twin Cities, since 2011 the counties have worked together to pool funds and hired the Edward Lowe Foundation to run the program and the counties would market it. Koivumaki asked how companies are selected. Durbin responded that the Counties get to go out and talk with businesses to market the program. The CDA puts forth the money. Companies are vetted to ensure the correct number of employees, \$1M in revenue and that they are willing to commit the time. Carlson confirmed that in the past, Carver has only participated as part of the Hennepin-Carver Workforce Development Board. Durbin confirmed that in the past, Carver County has not financially contributed. Sudheimer inquired to the type of businesses that typically participate. Durbin indicated typically the most value is for manufacturing but have also seen IT, and construction. After discussion, Motion by Anderson, second by Fahey to approve Resolution No. 20-20 as presented. Motion carried.

Commissioner Roll Call	Yes	No	Absent	Abstain
Carlson	X			
Koivumaki	X			
Anderson	X			
Fahey	X			
Sudheimer	X			

2. Resolution No. 20-21 – Approving Support for the Business4Business Program

A2. Durbin explained this program has come about in the last few weeks. While there has been federal and state money for small businesses, Durbin and colleagues have found the funds hard to qualify for or access or businesses do not want to take on additional debt. Hennepin, Anoka, Carver and other counties are proposing to partner with Greater MSP to solicit private dollars. There would be two stages. Stage one would be the campaign stage. This would entail looking for businesses to donate funding or technical assistance. The funds would be collected by MCCD. The counties would identify where they have operations and then the funds would be allocated. The second stage would be the application period. Businesses could submit for a grant or technical assistance. The funding would be awarded through a lottery, as they anticipate more need than funding/technical assistance will be available. To be eligible, a business would need to have less than 25 employees, been in business for one month, have less than \$2M in revenue and been impacted by the pandemic. MCCD will review the applications. The funds could be used for a variety of reasons, including putting together business plans for safely reopening or PPE. There is no fiscal impact for the CDA. MCCD will take an admin fee. The CDA will provide marketing for the program. After discussion, Motion by Fahey, Second by Sudheimer to approve Resolution No. 20-21 as presented. Motion carried.

Commissioner Roll Call	Yes	No	Absent	Abstain
Carlson	X			
Koivumaki	X			
Anderson	X			
Fahey	X			
Sudheimer	X			

**C. Housing**

1. Resolution No. 20-22 - Resolution Approving Write-off of Past Tenant Balances for April 2020

A1. After discussion, Motion by Koivumaki, second by Sudheimer to approve Resolution No. 20-22 as presented. Motion carried.

Commissioner Roll Call	Yes	No	Absent	Abstain
Carlson	X			
Koivumaki	X			
Anderson	X			
Fahey	X			
Sudheimer	X			

2. Community Asset Development Group Project Request/Discussion

A1. Community Asset Development Group submitted an application in 2019 to MN Housing and the application was not funded. They will be submitting an application again this year. They have a letter from the City plus TIF approval. They also received a \$400K grant from the Federal Home Loan Bank. If they receive the money requested from MN Housing plus the money from the Foundation, there will be no debt. Half of the units will be funded by Housing Supports and the other will be rented at \$100 per month. The CAP Agency is proposed to provide the property management and Launch Ministry will provide case management. They currently have around \$135K in donations. The Foundation will put in \$60K the first year and then \$10K each year after for 15 years for a portion of operating subsidy. They have been in discussion with Carver County social services. They had requested funding for Launch Ministry case management. That has not been approved but hoping to get a staffing commitment valued at \$70K. Rod Franks with Carver County indicated strong support for the project. According to Launch Ministry, there are currently 58 people in their young adult group being served right now. The land for the project is being donated. Carlson asked when would they need to know if the CDA is able to financially contribute to the project. Pokorney indicated the project application is due on July 16. Koivumaki asked what the role of the CAP Agency would be. Pokorney indicated they would provide the day to day operations; tenant selection, leases, etc. Carlson indicated there is a need but wonders how the CDA would best contribute financially. She indicated she would defer to staff for discussions outside the board meeting to work out the details. Staff can work offline with the Foundation on how to get to the next point and bring it back to the board in June. The discussion was tabled until the June meeting, at which time staff will bring back a recommendation. Roll call to ensure all Commissioners are in support of this:

Commissioner Roll Call	Yes	No	Absent	Abstain
Carlson	X			
Koivumaki	X			
Anderson	X			
Fahey	X			
Sudheimer	X			

3. Resolution No. 20-23 - Approving the Purchase of 202 Walnut St Chaska

A1. Streich presented on the purchase of a building in Chaska consisting of four rental units and retail space on the lower level. This building could be used for a partnership with the New Beginnings group. The group is looking for housing for teen parents that have been through the New Beginnings program. Chair Carlson, Frick and Streich had a meeting with Commissioner Maluchnik about this potential project in late 2019. This is a much better option than trying to build something new. The CDA would own and manage the building. The group working on this project is in the process of creating a 501(c)3 and would work to provide the services. Anderson asked how much it would cost above the purchase price to get the property to CDA standards. Beddoe explained staff toured the property. The mechanicals are newer, there is a new furnace for the commercial space, the addition is vinyl siding and the roof is new. Anderson asked what we would do with the retail space. Frick explained it could be used for programming. Koivumaki asked who is living there now and would we be displacing them. Streich explained we would work to help rehouse current residents as we did when we purchased 119 in Chaska. After discussion, Motion by Anderson, second by Sudheimer to approve Resolution No. 20-23 as presented. Motion carried.

Commissioner Roll Call	Yes	No	Absent	Abstain
Carlson	X			

Koivumaki	X			
Anderson	X			
Fahey	X			
Sudheimer	X			

4. Discuss Purchase of Project in New Germany

A1. Frick explained that the project came in New Germany has been listed on the market. The building used to be part of the rural development 515 program. The property is substantially overpriced. Streich and Beddoe were able to tour the property. Carlson asked if they were able to enter a unit. Streich explained we were not able to enter a unit due to COVID but if we moved forward we would request access to units. Frick explained it would be attractive to add these units to our portfolio based on the rural development units that will be coming online in Watertown and Mayer. Carlson indicated it was overpriced. After discussion, staff was instructed to move forward with negotiation and come back to the board.

**D. Administration – None.**

**VII. OTHER BUSINESS**

**VIII. UNFINISHED BUSINESS**

**IX. ADJOURNMENT**

Motion by Sudheimer, second by Anderson to adjourn the meeting at 6:40 p.m. Motion carried.

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Sarah Carlson, Chair

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Date