



Board of Commissioners Packet

November 17, 2022

5:00 p.m. - Regular Meeting

CDA Office, 705 N. Walnut Street, Chaska



- I. CONVENE CARVER COUNTY CDA BOARD MEETING**
- II. CALL TO ORDER BY CHAIR**
- III. AGENDA REVIEW & ADOPTION**
- IV. CONSENT AGENDA**
- V. PUBLIC PARTICIPATION**

CARVER COUNTY CDA REGULAR BOARD MEETING

705 N. Walnut Street, Chaska, MN

November 17, 2022 – 5:00 p.m.

AGENDA

I. CONVENE CARVER COUNTY CDA BOARD

II. CALL TO ORDER BY CHAIR

III. AGENDA REVIEW AND ADOPTION

IV. CONSENT AGENDA

A. Approve Minutes from October 20, 2022, Regular Board Meeting

B. Approve November 2022 Dashboard

V. PUBLIC PARTICIPATION (Anyone wishing to address the Board may email comments to julief@carvercda.org prior to the 5:00 p.m. board meeting and it will be accepted into the official record)

VI. DEPARTMENT REPORTS

A. Finance

1. Resolution No. 22-25 – Approving the October 2022 Record of Disbursements

B. Economic and Community Development

1. Website Presentation
2. Resolution No. 22-26 – Approving the 2023 Contract with NextStage for Carver County Entrepreneur Development and Support Program
3. Resolution No. 22-27 - Approving the CDA's 2023 Participation in MHFA MCPP

C. Housing – None.

D. Administrative

1. Office Space Presentation
2. Executive Director Performance Review Discussion-Janette Meyer

VII. OTHER BUSINESS

A. John Fahey, Carver County Commissioner

B. Nick Koktavy, Assistant County Administrator Carver County

VIII. UNFINISHED BUSINESS / ITEMS OF INTEREST

IX. ADJOURN

Next Board Meeting will be held at the Carver County CDA office, December, 15 2022, at 5 p.m.

The Carver County CDA is committed to the policy that all persons have equal access to its programs, services, activities, facilities, and employment without regard to Race, Color, Creed, Religion, National Origin, Sex, Disability, Age, Marital Status, Familial Status, Sexual Orientation or Status With Regard To Public Assistance. Auxiliary aids for persons with disabilities will be provided upon advance notice of at least 96 hours. If a notice of less than 96 hours is received, the Carver County CDA will attempt to provide such.

CARVER COUNTY CDA REGULAR BOARD MEETING

705 N. Walnut Street, Chaska, MN 55318

October 21, 2022

MINUTES

PRESENT:

CDA Board: Sarah Carlson, Molly Koivumaki, Greg Anderson, Adam Teske

Staff: Julie Frick, Allison Streich, Karen Reed, Shanika Bumphurs, Chuck Swanson, Angie Stacken, John Hackett

Other: John Fahey, Carver County Commissioner

Absent: Darrel Sudheimer

I. CONVENE CARVER COUNTY CDA BOARD MEETING

II. CALL TO ORDER BY BOARD CHAIR

The meeting was called to order at 5:01 pm by Board Chair Carlson.

III. AGENDA REVIEW AND ADOPTION

Motion to approve the agenda as presented. Motion by Teske, Second by Anderson. Motion carried.

IV. CONSENT AGENDA

Motion to approve the Consent Agenda,

- Approve Minutes from September 15, 2022, Regular Board Meeting
- Approve October 2022 Dashboard
- Approve the Write-Offs of Past Tenant Balances for September 2022
- Approve Additional Costs for Centennial Hill Roof Project

Motion by Anderson, Second by Teske. Motion carried

V. PUBLIC PARTICIPATION

VI. DEPARTMENT REPORTS

A. Finance

1. Resolution No. 22-23 – Approving the September 2022 Record of Disbursements
Motion by Koivumaki, second by Anderson to approve Resolution No. 22-23 as presented.
Motion Carried.

B. Community and Economic Development

1. Resolution No. 22-24 – Approving the 2022 Community Growth Partnership Initiative Planning Grant Award. Motion by Anderson, Second by Teske to approve Resolution No. 22-24 as presented. Motion Carried.

C. Housing

1. Trails Edge South Update
 - a. Streich gave an update, Trails Edge South is on schedule to open November 1, 2022. nine are ready to move in and six more have been approved. The goal is to try to have 25 by years end.
2. Staffing
 - a. Bumphurs gave an update on new staff. We have hired a new maintenance manager, maintenance technician and two property managers. We are still down two managers and one maintenance staff.

D. Administrative

- b. Office space - After discussion, it was agreed that the CDA Board, CDA Directors, County Commissioners and the County Administrator will schedule a meet to discuss the CDA's need for more space.

VII. OTHER BUSINESS

1. Commissioner Fahey provided an update
 - a. 212 should be open this weekend.
 - b. NYA's new industrial park has had 16 inquiries already. There has been conversation about looking into other potential industrial park sites.
 - c. Commissioner Fahey participated in NYA and Bongards Manufacturing Day.
 - d. They had the groundbreaking for the Waconia Event Center

VIII. UNFINISHED BUSINESS/ITEMS OF INTEREST

1. CDA's Human Resources will be attending November's board meeting to discuss evaluation suggestions.

IX ADJOURNMENT

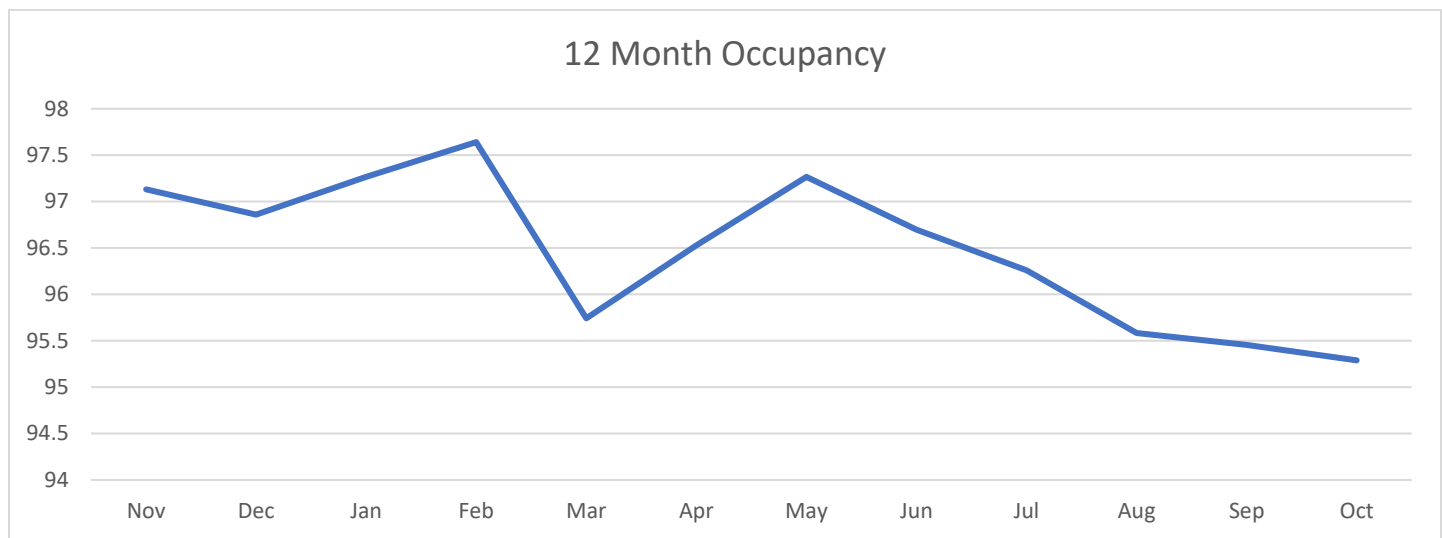
Motion by Koivumaki, second by Teske to adjourn the meeting at 6:05 p.m. Motion Carried.

DASHBOARD/DEPARTMENT BOARD REPORT AUGUST 2022

HOUSING UPDATES

HOUSING OCCUPANCY

	Workforce	Senior	Total (excluding Trail's Edge)	Trail's Edge South
# Units	335	339	674	60
# Leased	322	332	654	22
Occupancy Rate	96%	98%	97%	37%



2022 Capital Improvements in Process

Property	Improvement Project	Status and Tentative Schedule
Bluff Creek	Common area upgrades: lighting, flooring, doors, painting	Flooring and painting completed (see last page for photos)
Brickyard	Brick and concrete repairs around entire building.	Will need to rebid out this project next spring.
Hilltop	Property Transition and Rehab	Indoor projects are in the process of being bid out.

SPECIAL PROGRAMS

Program	Grant Term	# Units Under Contract	% Under Contract
Bridges	7/1/21-6/30/23	13	100%
Bridges RTC	7/1/21-6/30/23	3	100%
Housing Trust Fund	10/1/21-9/30/23	16	80% (3 searching)
CoC PSH	8/1/22-7/31/23	14	72% (1 app, 3 applications)

Community Land Trust – Affordable Homeownership

Total Units	36
Total resales YTD	0*
# of families helped	68
Waiting list	3
Acquisition this month	1* (repurchased in February and will be on the market this month)
Funding amount by source for current acquisitions	N/A
Community	N/A

MINNESOTA CITIES PARTICIPATION PROGRAM (MCP) –

2022 allocation is \$1,775,333 (increase of 14% from 2021). Numbers through October 2022

	# Committed loans	Total \$	% of allocated funds
First Mortgage Loans	22	\$5,297,886	298%
Additional Start-up loans	5	\$1,164,459	N/A
Step up loans	12	\$4,103,263	N/A
Down payment assistance		\$526,900	N/A
TOTALS	39	\$10,565,608	N/A

Septic/Well Loan Program

	2022 new assessments	Underway (anticipated 2023 assessment)	2023 new assessments*	Total active assessments
Applications	9	12	1	54

*These are completed projects and will be added to the assessment rolls in late 2022.

Other Housing updates

Carver County Community Land Trust

2822 Faulkner is ready and available for resale. Two potential applicants have dropped out and we are now looking to list with a realtor

Resident Services

Presentations (2022)-Will begin to start scheduling presentations again.

Agency	Property	Number of Residents
U of M SNAP ED	Waybury	7
River Valley Health Services	Waybury	10
Medicare Update	Waybury-11/15 Centennial-11/2 Oak Grove-11/15 Crossings-11/2 Spruce, Hilltop, Mayer-offering 11/2 or 11/15	

2022 YTD:

# of appointments	# of residents/clients	Mobile food shelf participants	Energy Assistance Program Application assistance
22	23	Waybury-30 Centennial-3 Crossings-3 Brickyard-4 Spruce-2	11 new 1 renewal

New resident resource packets have been created for all the properties with information specific to the property community.

CDA SERVICES BY COMMUNITY

The table below lists the main CDA services and number of participants or units for each Carver County Community. Numbers are year to date (or are noted accordingly).

	Housing Counselors (includes foreclosure prevention, homebuyers, rental, & homeless)-2021	Metro HRA Housing Choice Vouchers	CDA Affordable Rental Units	CDA Subsidized Rental Units	CDA Rental Assistance Participants	Septic Loans and Grants	Community Growth Partnership Initiative (awards since 2016) plus outstanding Business Loan Funds	Entrepreneur Support Program (Thru Q4 2021)	Land Trust Units	Housing Rehab (single family and multifamily rental)	Commercial and Mixed-Use Rehab
Carver	1	17	11	9	5		3	3			
Chanhassen	3	45	60	20	1		5	3			
Chaska	16	145	200	174	21		3	9	23	2	
Cologne				3			1	5	1		
Hamburg											
Mayer				10	1				1		
New Germany							4				
NYA		3	49		1		3	5		3	7
Victoria	1		1	3			4	4	1		
Waconia	3	13	69	44	3		2	4	9		
Watertown	2	2		34			4	2	1	7	9
Townships						17	1				
Other	29							1			
TOTAL	55	225	390	297	32	17	30	36	36	12	16

FINANCE

FINANCE

		October 2022 YTD Actual	October 2022 YTD Budget	Variance
CDA	Revenue	11,346,071	11,624,042	-277,971
	Expenses	7,634,752	8,288,509	653,757
	Cash Balance	7,453,959		

		October 2022 YTD Actual	October 2022 YTD Budget	Variance
Properties	Revenue	5,745,808	5,597,890	147,918
	Expenses	3,416,920	3,710,586	293,666
	Cash Balance	2,352,192		

Revenue Recapture collected through October

Note-Write-off amounts and collected amounts may not be from the same year.

Property:	Written off:	Collected:	Notes:
Lake Grace	\$1,428		
Carver Homes	\$5,712	\$4,584	
Bluff Creek			
Oak Grove			
Centennial	\$2,931		
Crossings			
Waybury		\$210	
Windstone	\$5,193		
Total:	\$15,264	\$4,794	

Other Finance updates

Consolidated YTD revenues for the CDA through October were \$11,346,071 and expenses were \$7,634,752. **Net Operating Income was \$3,711,318 11% over budget.** YTD Revenues for the properties were \$5,745,808 and expenses were \$3,416,920. **Net Operating Income was \$2,328,888, 23% over budget.**

ARPA Residential funds disbursed for the month of October totaled \$68,316, with YTD disbursements of \$268,531. Funds available for disbursement are as follows: ARPA - \$0 (Budget Stabilization Account – County) - \$81,691.

COMMUNITY DEVELOPMENT

TOURISM WEBSITE

	September	YTD	2021
Page Views			1,128
Top cities viewing website	Medina (hub for Mediacom users-so may not necessarily be Medina), Minneapolis and Chaska		

Other Community Development Updates

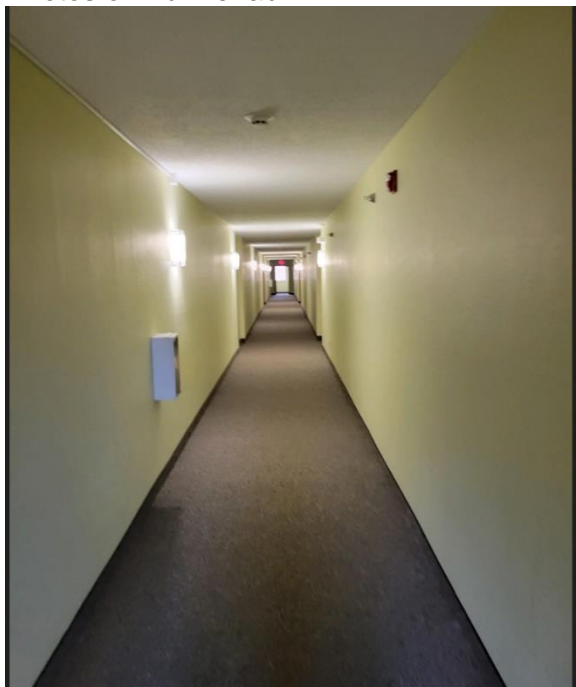
The 2022 COVID Housing Assistance program is still underway to assist those affected by COVID with their rent, HOA, mortgage, or utilities. Through October 2022:

Applications received	195
Applications approved*	56
Applications in review	0
Applications denied/withdrawn/not eligible	44
Applications waiting information/pending	47
Applications with no response	48

ADMINISTRATIVE/OTHER ITEMS OF INTEREST

Past and Upcoming Events

Photos of Bluff rehab:



VI. DEPARTMENT REPORTS

A. Finance

B. Economic and Community Development

C. Housing

D. Administrative

CARVER COUNTY COMMUNITY DEVELOPMENT AGENCY

RESOLUTION NO. 22-25

RESOLUTION APPROVING THE OCTOBER 2022 RECORD OF DISBURSEMENTS

BE IT RESOLVED BY CARVER COUNTY COMMUNITY DEVELOPMENT AGENCY BOARD OF COMMISSIONERS, that after review and consideration, the following are approved as presented:

- a.) CDA Record of Disbursements for October, 2022.

Adopted on this 17th day of November, 2022.

**Carver County CDA
Record of Disbursements
For the Month of October 2022**

	Date	Amount	Total
Carver Homes	10/04/22	\$8,596.90	
	10/11/22	\$46,405.69 (1)	
	10/18/22	\$3,140.38	
	10/25/22	\$96,250.40 (2)	
			\$154,393.37
CDA	10/04/22	\$55,716.72 (3)	
	10/11/22	\$12,310.58	
	10/18/22	\$85,755.00 (4)	
	10/25/22	\$93,541.79 (5)	
			\$247,324.09
Properties	10/04/22	\$16,942.85	
	10/11/22	\$179,792.82 (6)	
	10/18/22	\$89,298.33	
	10/25/22	\$61,442.87	
			\$347,476.87
Total October 2022 Disbursements			<u>\$749,194.33</u>
October 2022 Payroll	10/12/22	\$66,344.76	
	10/26/22	\$68,996.60	
			<u>\$135,341.36</u>

- (1) Carver County - \$26,184 - 2nd half PILOT and real estate taxes
- (2) Van Dyne's Tree Service - \$11,300 tree pruning at removal at 605 1st Chaska, 1013 Holtz Chaska, Spruce Apts Waconia
Robb's Electric - \$37,000 - exterior lighting project - parking lot/walkways - Spruce Premier Heating & Cooling - \$4,750 - Mini-split unit installed at 605 1st #2, Chaska
- (3) HART, Sun Life - HSA Bank - \$15,600 - pension and short term life premium
- (4) HART, HSA Bank - \$19,100 - pension and HSA contributions
ARPA/County Residential Assistance payments - \$64,100
- (5) Carver County - \$38,500 health, dental life insurance
Atmosphere Commercial Interiors - \$11,000 - furnishings - Trail's Edge to be reimbursed by construction draw
Robb's Electric - \$6,350 - down payment on exterior lighting project for Hilltop
- (6) Pilot & RE taxes - \$170,000

CARVER COUNTY CDA REQUEST FOR ACTION

MEETING DATE: November 17, 2022

AGENDA ITEM: Resolution No. 22-26 2023 Contract with NextStage for Carver County Entrepreneur Development and Support Program

PREPARED BY Chuck Swanson, Director of Community and Economic Development

DISCUSSION: Introduction

The CDA Board is being asked to review a contract with NextStage for the Carver County Entrepreneur Development and Support Program. The contract is proposed to cover the period of January 1, 2023 through December 31, 2023 in the amount of \$50,000.

History

From 2012-2020, the CDA contracted with MCCD, and in 2021 contracted with NextStage, to fund a program to support entrepreneurs and small businesses. The purpose of the programs is to provide an economic development service for that would cover all cities and businesses in Carver County free of charge and would be paid for by the CDA. This contract has been renewed annually, and the most recent contract was entered into in November 2021 for services in 2022 in the amount of \$50,000 with NextStage.

2023 Proposal

Lee Hall of NextStage is currently Carver County's business advisor. Mr. Hall has submitted a proposal to the CDA to service Carver County again in 2023. As part of the contract, the CDA will receive quarterly updates from NextStage, detailing things such as inquiries, hours of technical assistance, amount of direct and leveraged financing, jobs created, types of businesses served and more. Marketing of the program is done by the CDA, NextStage and the cities.

Public Purpose

The CDA can legally contribute funds to NextStage and contract for services for economic development purposes in accordance with MN State Statutes and powers granted to the CDA by MN State Statutes Chapters 469.

Financial Impact:

\$50,000 for calendar year 2023.

ALTERNATIVES:

1. Approve Resolution No. 22-26 approving the contract between the CDA and NextStage for the Carver County Entrepreneur Development and Support Program from January 1, 2023 through December 31, 2023 for a cost of \$50,000.
2. Do not approve the resolution.
3. Delay action pending additional information.

**STAFF
RECOMMENDED
MOTION:**

1. Approve Resolution No. 22-26

ATTACHMENTS:

1. Resolution No. 22-26
2. NextStage-CDA Entrepreneur Development and Support Program 2023 Contract

Reviewed by:

Julie Frick, Executive Director

CARVER COUNTY COMMUNITY DEVELOPMENT AGENCY

RESOLUTION NO. 22-26

**Authorizing a Contract for Services by and Between the Carver County
Community Development Agency and NextStage for the Carver County
Entrepreneur Development and Support Program**

WHEREAS, the Carver County Community Development Agency (formerly, the Carver County Housing and Redevelopment Authority, the "Agency") is duly organized and existing under the laws of the State of Minnesota, including Laws of Minnesota for 1980, Chapter 482, as amended (the "Special Law"); and

WHEREAS, the Agency is authorized to enter into contracts for purposes of economic development under Minnesota Statutes, section 469.101 Subd. 5; and

WHEREAS, the Carver County Board of Commissioners has identified economic development and job creation as one of its strategic goals for Carver County and to work with the Carver County CDA to achieve the stated goal; and

WHEREAS, the Carver County CDA wishes to retain an entity with the capacity to assist it with providing small business technical assistance to existing businesses and those parties interested in opening a new or expanding business in Carver County; and

WHEREAS, NextStage has proven itself as competent to provide the services required to administer and carry out the required services for a Carver County Entrepreneur Development and Support Program on behalf of the Carver County CDA and its cities in Carver County; and

WHEREAS, NextStage is proposing a contract with the CDA beginning January 1, 2023 through December 31, 2023 for a contractual fee of \$50,000.

NOW THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Carver County Community Development Agency as follows:

1. The contract for services between the Carver County CDA and NextStage for the Carver County Entrepreneur Development and Support Program from the period of January 1, 2023 and ending December 31, 2023 is hereby approved and the CDA Executive Director is directed to execute the required contractual agreements.

Adopted this 17th day of November 2022.

**Contract for Services
Between Carver County Community Development Authority
and
NextStage
for the
Carver County Entrepreneur Development and Support Program**

THIS AGREEMENT is made and entered into as of the ____th day of November, 2022, between **Carver County Community Development Authority** (herein called "CDA") and **NextStage**, (herein called "NextStage").

WHEREAS, CDA wishes to retain an entity with the capacity to provide small business technical assistance and access to capital to existing Carver County businesses, Carver County residents and those parties interested in opening, improving, or expanding a business in Carver County (the "Initiative") and

WHEREAS, NextStage has represented itself as competent to provide the services required to administer and carry out the Initiative; and

WHEREAS, CDA wishes to engage NextStage to provide said services necessary to carry out the Initiative;

NOW THEREFORE, it is agreed between the parties hereto that;

TIME OF PERFORMANCE

The service to be provided by NextStage shall commence upon the first day of January, 2023, and shall terminate 12 months from that date. All services, documents, and information to be furnished or performed by NextStage in order to carry out the Initiative shall be furnished or performed as promptly as possible, and with the fullest due diligence.

COMPENSATION

CDA shall provide NextStage up to \$50,000 for a one-year period (the Contract Amount) to manage the Carver County Entrepreneur Development and Support program. The Contract Amount will be paid on a quarterly basis for quarter 1 and quarter 2 of 2023. NextStage will submit to the CDA an invoice of hourly services rendered up to a total of \$25,000 for both quarters. On or about August 1, 2023, the CDA will provide a second payment of \$25,000 for services for the remainder of the year.

SCOPE OF SERVICES

NextStage will use the Contract Amount to provide technical assistance and access to capital to existing Carver County businesses, Carver County residents and those parties interested in opening a business in Carver County. (See **Exhibit A** Scope of Services- Carver County Entrepreneur Development and Support Program).

REPORTING

NextStage will submit the required reports quarterly. Items to be reported on include, but are not limited to, the following:

- Number of inquiries, entrepreneurs and businesses served

- Hours of technical assistance provided
- City/Township of resident or business
- Types of businesses served or proposed
- Stage of Client Ventures (Pre-start Planning, Start-up, Existing-Opportunity, Existing-Challenged)
- Type, number and amount of direct and leveraged financing
- Jobs created and jobs retained as a result of assistance/financing
- NextStage can collect and report certain Aggregate Demographic information on entrepreneurs served- such as gender, ethnicity and household income- at the CDA's request.

Client confidentiality being a core component of the service model, NextStage will not typically report specific client/business information in its regular reporting. However, where approved by the client, will produce profiles of successful clients for publication dissemination and media release.

The reporting schedule is as follows:

January – March, report due April 30th

April – June, report due July 31st

July – September, report due October 31st

October – December, report due January 31st

PERSONNEL

NextStage represents that it has, or will secure, at its own expense, all personnel required in performing the services to carry out the Initiative. Such personnel shall not be employees of or have any contractual relationship with the Carver County CDA. No tenure or any other rights or benefits, including worker's compensation, unemployment insurance, medical care, sick leave, vacation pay, severance pay, or any other benefits available to Carver County or CDA employees shall accrue to NextStage or employees of NextStage performing services under this agreement. NextStage is an independent contractor.

All of the services required to carry out the Initiative will be performed by NextStage, and all personnel engaged in the work shall be fully qualified and shall be authorized or permitted under State and local law to perform such work.

INTEREST OF MEMBERS OF THE COUNTY, CITIES, AND OTHERS

No officer, member, or employee of Carver County, and no member of its governing body, and no other public official or governing body of the locality in which the Initiative is situated or being carried out, who exercises any functions or responsibilities in the review or approval of the undertaking or carrying out of the Initiative, shall participate in the decision relating to this Agreement which affects his/her personal interest or the interest of any corporation, partnership, or association in which he/she is, directly or

indirectly, interested or has any personal or pecuniary interest, direct or indirect, in this Agreement or proceeds thereof.

ASSIGNABILITY

NextStage shall not assign any interest in this Agreement, and shall not transfer any interest in the same without the prior written approval of the CDA thereto.

COMPLIANCE WITH LOCAL LAWS

NextStage agrees to comply with all federal laws, statutes and applicable regulations of the State of Minnesota and the ordinances of Carver County.

INSURANCE

NextStage agrees to provide proof of workers' compensation and comprehensive general liability insurance. Comprehensive general liability insurance shall be in the minimum amount of \$1,000,000.

HOLD HARMLESS

NextStage agrees to defend, protect, indemnify and hold harmless the Carver County CDA, its agents, officers and employees harmless from and against all liabilities, losses, damages, costs, and expenses, whether personal, property, or contractual, including reasonable attorney's fees, arising out of, or related to the administration and operation of the Initiative, and from any act of negligence of NextStage, its officers, employees, servants, agents, or contractors.

CDA agrees to defend, protect, indemnify and hold harmless NextStage, its agents, officers and employees harmless from and against all liabilities, losses, damages, costs, and expenses, whether personal, property, or contractual, including reasonable attorney's fees, arising out of, or related to the administration and operation of the Initiative, and from any act of negligence of CDA, its officers, employees, servants, agents, or contractors.

NOTICES

A notice, demand, or other communication under the Agreement by either party to the other shall be sufficiently given or delivered if it is dispatched by mail, postage prepaid, return receipt requested, or delivered personally; and

- (a) In the case of NextStage, is addressed or delivered personally to:

Lee Hall, CEO
NextStage
8400 Normandale Lake Boulevard, Suite 920
Bloomington, MN 55437

- (b) In the case of Carver County CDA:

Chuck Swanson
Carver County CDA
705 N Walnut St
Chaska, MN 55318

or at such other address with respect to any party as that party may designate in writing and forward to the other as provide in the Section.

MODIFICATION

This Agreement may not be modified, changed, or amended in any manner whatsoever without the prior written approval of all the parties hereto.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first written above.

Carver County CDA

NextStage

By: _____
Julie Frick, Executive Director

By: _____
Lee Hall, Chief Executive Officer

Date: _____

Date: _____

Exhibit A

Scope of Services

Technical Assistance Services

NextStage will provide intensive one-on-one technical assistance to Carver County businesses, Carver County residents and aspiring entrepreneurs intending to establish, purchase, or improve a business in Carver County. Technical assistance includes, but is not limited to, the following:

- Business plan development
- Feasibility analysis
- Marketing,
- Cashflow and other financial projection development
- Operational analysis
- City and State licensing and regulatory assistance
- Loan packaging, and other assistance in obtaining financing
- Help in obtaining competent legal advice

Access to Capital

NextStage will work with emerging and existing businesses in Carver County to project their true capital needs, and identify potential capital sources to meet those needs. This may include:

- Introduction to private lenders and/or referral to community/agency/governmental funding programs.
- Assistance with Application Materials
- Direct lending from NextStage's in-house loan funds, and
- Participation in bank/private financing to mitigate lender risk and leverage additional capital.

While all Borrowers will need to meet basic underwriting qualifications, NextStage will work with each applicant to explore their options, and to securing capital at terms that are reasonable based on their unique needs and qualifications.

CARVER COUNTY CDA REQUEST FOR ACTION

MEETING DATE: November 17, 2022

AGENDA ITEM: Resolution No. 22-27 Approval of 2023 MHFA MCPP Participation

PREPARED BY Chuck Swanson, Director of Community & Economic Development

DISCUSSION: Introduction

MHFA manages the Minnesota City Participation Program (MCPP), which uses the Tax-Exempt Bond Housing Pool Allocation authorized by the Office of Minnesota Management and Budget (MMB) to enable cities and counties to provide first-time homebuyer loans in their communities to households at or below 80% area median income. Under the MCPP Program, Minnesota Housing can sell bonds on behalf of local governments to assist them in meeting local housing goals pursuant to Minnesota Statutes [Section 474A.061, subdivision 2a](#).

Minnesota's statute 474A.061, Manufacturing, Housing and Public Facilities Pools (aka the "Housing Pool"), allows Minnesota Housing to access additional bonding authority through an application process administered by Minnesota Housing from January 1 through January 15 annually. Historically, Minnesota Housing competed for the 31% of the available "Housing Pool" with other self-issuers such as the Dakota County CDA, Southeast Multi-County HRA, Washington County and the City of St. Cloud.

In accordance with that statute, cities, counties, and multi-county organizations apply to Minnesota Housing annually for such authority. Funding allocations are allocated to participating cities on a per capita basis, with each applicant allocated a minimum of \$100,000. Participants do not pay an application fee; however, there is a minimum usage requirement of 50% of the allocation in order to participate the following year.

History

The CDA has participated in this program since 2010 with an allocation increase each year. For 2022, the CDA received an allotment of \$1,775,333. As of October 31st, 2022 (with two months of the 2022 program to go), local lenders exceeded the allotted usage by 298%. A total of 22 loans have been committed for a total of \$5,297,886.

Current Circumstances

The CDA staff will build on the success of 2022 by developing a marketing plan to increase usage rates of the MCPP Program for Carver County. Some of marketing activities may include:

- Reaching out to participating banks and educating them on the program and loan process
- Making the program known via the Carver County CDA website
- Send MCPP information out to local cities on the program
- Conducting a press release in all the local papers in Carver County

This program will allow for a mortgage product for first-time homebuyers under 80% of Area Median Income in Carver County. This will also provide the CDA with an opportunity to partner and collaborate with area lenders.

Once MHFA receives the CDA's response that indicates interest in the program, Minnesota Housing will calculate the allocations based on the Minnesota City Participation Program statute.

Financial Impact:

None

ALTERNATIVES: 1. Motion to approve participation in MHFA 2023 MCPP Program via Resolution No. 22-27
2. Do not approve the resolution

**STAFF
RECOMMENDED
MOTION:** 1. Approve Resolution No. 22-27

ATTACHMENTS: 1. Resolution No. 22-27

Reviewed by:

Julie Frick, Executive Director

CARVER COUNTY COMMUNITY DEVELOPMENT AGENCY

RESOLUTION NO. 22-27

RESOLUTION AUTHORIZING CARVER COUNTY CDA PARTICIPATION IN THE MINNESOTA HOUSING FINANCE AGENCY MINNESOTA CITY PARTICIPATION PROGRAM (MCP)

WHEREAS, the Carver County Community Development Agency (CDA) “the “Authority” and the Carver County Board of Commissioners “the County” have identified a need for preserving and rehabilitating the housing stock in Carver County and making housing affordable for Carver County residents; and

WHEREAS, the Carver County CDA participated in the Minnesota Housing Finance Agency Minnesota City Participation Program in 2022 as well as in previous years and has the legal authority, staff ability, and resources to make the program beneficial and cost effective for Carver County residents; and

WHEREAS, the CDA operates numerous other programs in cooperation with the Minnesota Housing Finance Agency and has identified a need for new homeownership opportunities; and

WHEREAS, the Minnesota City Participation Program would fill a much-needed gap in financing sources for homebuyers in Carver County and the financing would be an attractive complement to the Carver County CDA’s existing housing finance programs.

NOW THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Carver County Community Development Agency as follows:

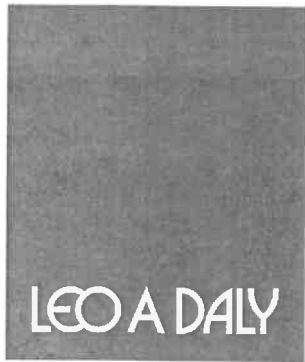
The Carver County CDA shall participate with the Minnesota Housing Finance Agency and their Minnesota City Participation Program in 2023 for Carver County. The Executive Director is hereby authorized to sign and execute all necessary documents related to the transaction.

Adopted this 17th day of November, 2022.

Attest:

Chair

Secretary



PLANNING
ARCHITECTURE
ENGINEERING
INTERIORS

November 7, 2022

Julie Frick
Executive Director
Carver County CDA
705 N Walnut Street
Chaska, MN 55318
julief@carvercda.org

Dear Julie,

LEO A DALY is pleased to present this proposal to provide Space Planning services for evaluation and / or replacement of the Carver County Community Development Authority Administration and Facility Maintenance functions. Our work will be based upon documentation assembled in 2022 by Carver County CDA defining the anticipated space needs, square footage and projected staffing for the next 5 years. *Upon acceptance, this proposal letter will be made an attachment to the base contract.*

BACKGROUND: The CDA headquarters is currently located within the retail floor of an existing CDA building, located in Chaska at 705 North Walnut Street. This space functions as the primary point of public interaction and houses the reception, administration, and finance workspaces, as well as providing touch down space for property managers and board function and limited staff amenity spaces. Over the decades that the HQ has been in this facility, the CDA's number of managed properties has grown significantly, and have spread through the county. With growth, staff positions have also increased and are stationed across the County. To serve the maintenance needs of these various properties, spaces for storage of facilities maintenance equipment have also increased, and are also scattered across the County. This has, at times, led to inadequate space for the storage of some equipment and challenges in inventory management.

Additionally, the CDA is preparing for increased growth in staff and program functions, with the addition of additional properties. As well, the CDA predicts continued staff growth over the next 5 years. In a desire to continue to provide fair and affordable housing to the region, in an efficient and focused manner, the CDA has determined that a centralized model for staff, vehicle and maintenance storage would support the One-CDA mission, solve challenge of staff and materials being scattered, and set up the organization for an efficient future and continued growth, consistent with the strategic plan.

The CDA has begun to quantify the staff, vehicle and storage needs, and has begun to consider solutions including financial debt service and lease off-set shall a replacement facility become the final solution. Though the CDA possesses Economic Development Authority Powers granted by the State Legislature, and manages the budget of the CDA, the CDA partners with Carver County as the fiscal agent for their funding. Therefore, prior to taking the next step, the CDA wishes to confirm the foundational information (space needs refinement and option assessment), as well as to prepare a document for presentation to the Carver County Commissioners to support a deliberate process of assessment, investigation and recommendation.

LEO A DALY
730 Second Avenue South
Suite 1300
Minneapolis, MN 55402-2406
612.338.8741

leoadaly.com

SCOPE OF WORK – Space assessment & Recommendation: The scope of work proposed by LEO A DALY begins with site selection services which will include the following:

- To develop a space needs inventory (program) which quantifies the appropriate amount of space necessary to meet the office, vehicle and storage needs, and provide a summary documenting needs that the CDA can utilize for the future. This will document the desired styles of work, whether remote, hybrid, on-site or a combination thereof.
- To review the existing conditions, evaluating any potential for meeting the space needs at the current location.
- Review the 2-3 parcel documentation provided of the potential parcels open for consideration and provide a high-level test fit feasibility to accommodate the departments needs and parking needs.
- Notify the owner of potential diligence investigations that may be further recommended, to be paid by the owner, for the purposes of due diligence such as property boundary surveys, site surveys, soil borings, wetland delineations, etc.
- To prepare a summary document PowerPoint, and to present the findings to the County Commissioners to summarize the needs, evaluation, and all options considered, as well as a recommendation to move forward.

SCHEDULE: As this effort has been advanced, due to potential parcels being available for acquisition and re-purposing, the suggested schedule for this effort has been compressed to allow the CDA to proceed as quickly, and thoughtfully, as possible, as follows:

- November 17th, draft assessment and recommendations PowerPoint be provided to the CDA board for review / input at the board meeting.
- December 13th or December 20th, 95% draft assessment and recommendations to be presented to the County Commissioners in a work session format, for input and refinement.

COST OF SERVICES: This service is billed as a lump sum of \$16,800.

REIMBURSABLE EXPENSES: Reimbursable expenses are included within.

We appreciate this opportunity to serve Carver County and your project needs.

Sincerely,

LEO A DALY



Cindy McCleary, AIA LEED AP, NCARB

Managing Principal / Vice President

CaMcCleary@LeoADaly.com M: 612-242-4424

cc: Daisy Fulk

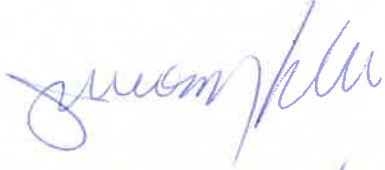
LEO A DALY

November 7, 2022

Julie Frick

Page 3

ACCEPTED BY CLIENT:



For: Carter County CDA

APPROVED:



LEO A DALY COMPANY

By: Julie M Frick

By: Cindy McCleary

Title: Executive Director

Title: Managing Principal

Date: 11-15-22

Date: November 11, 2022

Attachments: Exhibit A Terms & Conditions

EXHIBIT A

TERMS AND CONDITIONS

This **Exhibit A**, Terms and Conditions, is incorporated into and made a part of the agreement by and between **Leo A Daly Company** ("Consultant") and Carver County CDA ("Owner") dated November 7, 2022 (the "Agreement"). The Consultant and Owner (also referred to collectively as the "Parties" and individually as "Party") agree to the following terms and conditions:

- 1.0 **Standard of Care.** The standard of care for all services performed or furnished by Consultant under the Agreement shall be in conformance with the skill and care ordinarily exercised by similar professionals providing similar services in the same location at the same time and under similar circumstances (the "Standard of Care"). Consultant makes no warranty or guarantee, expressed or implied, with respect to its services or obligations under the Agreement including, without limitation, the implied warranties of merchantability and/or fitness for a particular purpose.
- 2.0 **Limitation of Liability.** In recognition of the relative risks and benefits of the Agreement to both the Owner and Consultant, to the fullest extent permitted under applicable law, Owner agrees that Consultant's total liability for any and all claims, losses, costs, damages, or expenses including, without limitation, reasonable attorneys' fees and costs, of any nature whatsoever, shall not exceed 10% of Consultant's total fee under the Agreement. It is intended that this limitation of liability shall apply to any and all liability or cause of action, whether in contract, warranty, tort, or otherwise, however alleged or arising.
- 3.0 **Mutual Waiver of Consequential Damages.** In no event shall either party under the Agreement be liable to the other party, whether in contract, warranty, tort, or otherwise, for any special, indirect, incidental, or consequential damages of any kind or nature whatsoever.
- 4.0 **Intellectual Property.**
 - 4.1 "Intellectual Property" as used in these Terms and Conditions shall mean any and all copyrightable works, copyrighted works, patentable inventions, patented inventions, trademarks, service marks, trade secret, know-how, or other proprietary information.
 - 4.2 "Work Product" as used in these Terms and Conditions shall mean any and all work created by Consultant in performing its services under this Agreement including, without limitation, any renderings, drawings, plans, calculations, models, data, and/or documents, whether in electronic format or hard copies.
 - 4.3 "Deliverable" as used in these Terms and Conditions shall mean a Work Product required to be delivered to Owner under the Agreement and actually delivered to Owner by Consultant.
 - 4.4 Owner shall own all Deliverables delivered to Owner by Consultant.
 - 4.5 Consultant shall own any and all Intellectual Property rights in or made a part of any Work Product and/or Deliverable. Upon Owner's final and full payment of all fees under the Agreement, and provided there is no dispute between Owner and Consultant related to the Agreement or the services provided by Consultant under the Agreement, Consultant shall grant Owner an irrevocable, royalty-free, world-wide license to use the Intellectual Property in any Work Product and/or Deliverable for the sole purpose for which the Intellectual Property was created and on the specific project that is the subject of the Agreement.
 - 4.6 Owner shall not use the Intellectual Property in any Work Product or Deliverable for any unlicensed purpose without the prior written consent of Consultant. Owner agrees to indemnify Consultant for Owner's unauthorized use of Intellectual Property, Work Product, and Deliverables.

- 5.0 **Opinions of Probable Costs.** Any and all estimates provided by Consultant are opinions of probable costs based on information that is reasonably available to Consultant. Owner acknowledges and agrees that Consultant has no control over the cost of labor, materials, equipment or services, or the means and methods used by others in determining prices, competitive bidding, or market conditions. Owner further acknowledges and understands that proposals, bids, and/or actual project costs may, and probably will vary from the estimates and opinions of probable costs provided by Consultant under the Agreement.
- 6.0 **Construction Means and Methods.** Notwithstanding anything under the Agreement, or otherwise expressed or implied by Consultant, Consultant shall not have control over, charge of, or be responsible, in any way, for the means, methods, techniques, sequences or procedures, or for any health or safety programs in connection with any construction work arising from the Agreement or any Deliverable or Work Product.
- 7.0 **Conflicts.** In the event that any term of these Terms and Conditions conflict with the terms and conditions of another portion of the Agreement, in all instances, these Terms and Conditions shall control and prevail.
- 8.0 **Force Majeure and Unforeseeable Conditions.** Consultant shall not be responsible for and Owner hereby releases Consultant from any claim, damage, delay or loss resulting from: (i) fires, riots, labor disputes, war, terrorism, weather, acts of god, epidemics, or other force majeure; (ii) governmental action or failure to act (including, without limitation, plan reviews, permits, and/or approvals); (iii) unforeseen circumstances or conditions (including, without limitation, unforeseen site conditions); (iv) discovery of any hazardous substances or differing site conditions; and/or, (v) circumstances or events outside the reasonable control or responsibility of Consultant.
- 9.0 **Mutual Waiver and Release Against Individual Employees.** Consultant and Owner agree to release, waive, discharge, and covenant not to sue individual employees of the other party from any and all liability, claims, demands, actions, and causes of action whatsoever arising out of or the result of any loss or injury stemming from the performance of the Agreement that may be sustained, regardless of whether such loss is caused by the negligence of the employee and regardless of whether such liability arises in tort, contract, strict liability, or otherwise, to the fullest extent allowed by law—except in cases of gross negligence or willful misconduct.
- 10.0 **Payment.**
- 10.1 If an invoice is not paid within 30 days of issue, interest will be charged on the principal balance shown on the invoice. Interest will be calculated by multiplying the unpaid balance by the periodic rate of the 1.5% per month (18% per annum), or the statutory maximum according to applicable state law, if less. The unpaid balance will bear interest until paid.
- 10.2 The Owner acknowledges and agrees that unless expressly made within 60 days from the date of the invoice, any objections, claims, or disputes related to an invoice shall be waived, and said invoice shall be deemed accepted by Owner.
- 11.0 **Promotional Use of Project.** Consultant may take video or photographs of the Project, as well as identify and name the Project and Owner for the purposes of external marketing, promotional media, or submission of the Project to award programs. Consultant shall not include confidential or proprietary information to the extent the Owner has previously advised in writing specific information or areas are considered such. Owner may revoke this right at any time upon written notice. This section shall survive termination
- 12.0 **Compliance with Laws.** Consultant shall comply with all applicable federal, state, and local laws, ordinances, rules, regulations, and orders relating to affirmative action, anti-discrimination, and equal employment, including, but not limited to Executive Order No. 11246 of September 24, 1965,

as amended (regarding Equal Employment Opportunity), and the requirements of 41 CFR §§ 60-1.4(a), 60-300.5(a) and 60-741.5(a), if applicable. These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, protected veteran status or disability. The parties further agree to abide by the requirements of 29 CFR Part 471, Appendix A to Subpart A, if applicable.

- 13.0 **Disputes.** In the event of any legal proceeding related to the Project or this Agreement, the prevailing Party, as determined by the court or arbitrator(s), shall be entitled to recover expenses and attorney fees in such proceeding..
- 14.0 **Execution.** This Agreement may be executed with digitized or electronic signatures. This Agreement may be signed in two or more counterparts, and all counterpart signature pages, taken together, shall constitute one executed original.
- 15.0 **Remodeling.** In as much as the remodeling and/or rehabilitation of an existing building or structure requires that certain assumptions be made regarding existing conditions, and because some of these assumptions cannot be verified without expending great sums of additional money, or destroying otherwise adequate or serviceable portions of the building or structure, the Client agrees that, except for negligence on the part of the Architect, the Client will hold harmless and indemnify the Architect for and against any and all claims, damages, and costs of defense arising out of such professional services involving those assumptions.

VII. OTHER BUSINESS

VIII. UNFINISHED BUSINESS

IX. ADJOURNMENT