



# Dakota County CDA Board of Commissioners

## Special Board Meeting Agenda

Meeting Date: February 28, 2024

2:00 PM

CDA Boardroom, Eagan, MN

### 1. Call To Order And Roll Call

### 2. Audience

Anyone wishing to address the CDA Board on an item not on the agenda, or an item on the consent agenda may notify the Clerk to the Board (Sarah Jacobson, [sjacobson@dakotacda.org](mailto:sjacobson@dakotacda.org) or 651-675-4434) and instructions will be given to participate during the meeting or provide written comments. Verbal comments are limited to five minutes.

### 3. Oath Of Office – Commissioner Laurie Halverson, District 3

### 4. Election Of 2024 Board Secretary

### 5. Approval Of Agenda And Meeting Minutes

A. Approval Of Meeting Minutes – January 24, 2023 Annual Meeting 3

B. Approval Of Meeting Minutes – January 24, 2023 Regular Meeting 7

### 6. Federal Public Housing And Housing Choice Voucher

*No items.*

### 7. Consent Agenda

A. Approval Of Record Of Disbursements – January 2024 14

B. Award Contract For Access Control Replacement At Carmen Court (Inver Grove Heights) And The Dakotah (West St. Paul) 16

C. Establish The Date For A Public Hearing On Qualified Allocation Plan For The Allocation Of 2025 Low Income Housing Tax Credits 21

D. Approval Of Amendments To Personnel Policy #295 – Flex Leave Donation 24

**8. Regular Agenda**

- |   |    |
|---|----|
| A. Public Hearing To Receive Comments And Approve Conveyance Of Land To The Denmark Trail Workforce Housing Limited Partnership (Denmark Trail Townhomes, Farmington) | 31 |
| B. Approval Of Contingent HOME American Rescue Plan Award To 360 Communities Lewis House Shelter (Eagan)  | 34 |
| C. Discussion Of Proposed Changes To The 2025 Qualified Allocation Plan For Low Income Housing Tax Credits  | 50 |
| D. Legislative Update   | 65 |
| E. Executive Director Update  |    |

**9. Information****10. Adjournment**

**For more information, call 651-675-4434.**

**Dakota County CDA Board meeting agendas are available online at:**  
[http://www.dakotacda.org/board\\_of\\_commissioners.htm](http://www.dakotacda.org/board_of_commissioners.htm)

**Next Meeting**

March 27, 2024

CDA Board of Commissioners Regular Meeting – 1:00 p.m.

Dakota County CDA Boardroom, 1228 Town Centre Drive, Eagan, MN 55123

March 27, 2024

CDA Board of Commissioners Housing Strategic Plan Workshop – 2:00 p.m.

Dakota County CDA Boardroom, 1228 Town Centre Drive, Eagan, MN 55123



# Board of Commissioners

## Meeting Minutes

Meeting Date: January 24, 2024 1:00 PM

Boardroom; CDA Office, Eagan, MN

*Commissioner Slavik called the meeting to order at 1:00 p.m.*

### **COMMISSIONER ROLL CALL**

	Present	Absent
Commissioner Slavik, District 1	X	
Commissioner Atkins, District 2	X	
Commissioner Halverson, District 3		X
Commissioner Droste, District 4	X	
Commissioner Workman, District 5	X	
Commissioner Holberg, District 6	X	
Commissioner Hamann-Roland, District 7	X	
Commissioner Velikolangara, At Large	X	

### **CDA staff in attendance:**

Tony Schertler, Executive Director  
Kari Gill, Deputy Executive Director  
Sara Swenson, Director of Administration and Communications  
Sarah Jacobson, Administrative Coordinator  
Lisa Alfson, Director of Community & Economic Development  
Maggie Dykes, Assistant Director of Community & Economic Development  
Lisa Hohenstein, Director of Housing Assistance  
Travis Finlayson, Assistant Director of Housing Assistance  
Anna Judge, Director of Property Management

### **Others in attendance:**

Lucie O'Neill, Dakota County Attorney's Office  
Madeline Kastler, Dakota County  
Mary Dobbins

### **OATHS OF OFFICE**

*Commissioners Slavik & Hamann-Roland read their Oaths of Office and were seated on the CDA Board of Commissioners.*

### **REGULAR AGEN**

24-6782 **Electing The Chair For The Dakota County Community Development Agency Board of Commissioners**

WHEREAS, Commissioner Slavik opened the Annual Meeting as Board Chair; and

WHEREAS, nominations were accepted for the office of Chair; and

WHEREAS, Commissioner Hamann-Roland placed in nomination Commissioner Slavik; and

WHEREAS, no further nominations were placed; and

WHEREAS, Commissioner Slavik closed nominations for the office of Chair; and

WHEREAS, Commissioner Hamann-Roland moved the ballot and Commissioner Droste seconded and a vote was taken on Commissioner Slavik acting as chair and the motion was carried.

NOW, THEREFORE, BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, that Commissioner Slavik serve as Chair for calendar year 2024.

**Motion: Commissioner Hamann-Roland    Second: Commissioner Droste**

Ayes: 7

Nays: 0

Abstentions: 0

	<b>Yes</b>	<b>No</b>	<b>Absent</b>	<b>Abstain</b>
Slavik	X			
Atkins	X			
Halverson			X	
Droste	X			
Workman	X			
Holberg	X			
Hamann-Roland	X			
Velikolangara	X			

24-6783

**Electing The Vice-Chair For The Dakota County Community Development Agency Board of Commissioners**

WHEREAS, nominations were accepted for the office of Vice Chair; and

WHEREAS, Commissioner Atkins placed in nomination Commissioner Hamann-Roland; and

WHEREAS, no further nominations were placed; and

WHEREAS, Commissioner Slavik closed nominations for the office of Vice Chair; and

WHEREAS, Commissioner Atkins moved the ballot and Commissioner Workman seconded and a vote was taken on Commissioner Hamann-Roland acting as Vice Chair and the motion was carried.

NOW, THEREFORE, BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, that Commissioner Hamann-Roland serve as Vice Chair for calendar year 2024.

**Motion: Commissioner Atkins**

**Second: Commissioner Workman**

Ayes: 7

Nays: 0

Abstentions: 0

	<b>Yes</b>	<b>No</b>	<b>Absent</b>	<b>Abstain</b>
Slavik	X			
Atkins	X			
Halverson			X	
Droste	X			
Workman	X			
Holberg	X			
Hamann-Roland	X			
Velikolangara	X			

24-6784      **Selection of GREATER MSP Board Appointment**

WHEREAS, the Dakota County Community Development Agency is an investor of GREATER MSP; and

WHEREAS, as part of the investment, the CDA Board appoints a Commissioner to represent Dakota County on the GREATER MSP Board; and

WHEREAS, Commissioner Hamann-Roland placed in nomination Commissioner Slavik; and

WHEREAS, no further nominations were placed; and

NOW, THEREFORE, BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, that Commissioner Slavik is recommended to serve on the GREATER MSP Board for 2024.

**Motion: Commissioner Hamann-Roland**

**Second: Commissioner Droste**

Ayes: 7

Nays: 0

Abstentions: 0

	<b>Yes</b>	<b>No</b>	<b>Absent</b>	<b>Abstain</b>
Slavik	X			
Atkins	X			
Halverson			X	
Droste	X			
Workman	X			
Holberg	X			
Hamann-Roland	X			
Velikolangara	X			

24-6785      **Adjournment**

BE IT RESOLVED, that the Dakota County Community Development Agency Board of Commissioners hereby adjourns to the Dakota County Development Agency Board of Commissioners Regular Meeting.

**Motion: Commissioner Atkins**

**Second: Commissioner Workman**

Ayes: 7

Nays: 0

Abstentions: 0

	<b>Yes</b>	<b>No</b>	<b>Absent</b>	<b>Abstain</b>
Slavik	X			
Atkins	X			
Halverson			X	
Droste	X			
Workman	X			
Holberg	X			
Hamann-Roland	X			
Velikolangara	X			



# Board of Commissioners

## Meeting Minutes

Meeting Date: January 24, 2024 1:15 PM

Boardroom; CDA Office, Eagan, MN

*Commissioner Slavik called the meeting to order at 1:15 p.m.*

### **COMMISSIONER ROLL CALL**

	Present	Absent
Commissioner Slavik, District 1	X	
Commissioner Atkins, District 2	X	
Commissioner Halverson, District 3		X
Commissioner Droste, District 4	X	
Commissioner Workman, District 5	X	
Commissioner Holberg, District 6	X	
Commissioner Hamann-Roland, District 7	X	
Commissioner Velikolangara, At Large	X	

### **CDA staff in attendance:**

Tony Schertler, Executive Director  
Kari Gill, Deputy Executive Director  
Sara Swenson, Director of Administration and Communications  
Sarah Jacobson, Administrative Coordinator  
Lisa Alfson, Director of Community & Economic Development  
Maggie Dykes, Assistant Director of Community & Economic Development  
Lisa Hohenstein, Director of Housing Assistance  
Travis Finlayson, Assistant Director of Housing Assistance  
Anna Judge, Director of Property Management

### **Others in attendance:**

Lucie O'Neill, Dakota County Attorney's Office  
Madeline Kastler, Dakota County  
Mary Dobbins

### **AUDIENCE**

*No audience members addressed the Board*

### **APPROVAL OF AGENDA AND MEETING MINUTES**

#### **24-6786 Approval Of Agenda And Meeting Minutes**

BE IT RESOLVED, by the Dakota County Community Development Agency Board of Commissioners that the agenda for the January 24, 2024 Regular CDA Board meeting be approved as written.

BE IT FURTHER RESOLVED by the Dakota County Community Development

Agency Board of Commissioners that the minutes for the December 19, 2023 Regular Board meeting be approved as written.

**Motion: Commissioner Hamann-Roland    Second: Commissioner Droste**

Ayes: 7

Nays: 0

Abstentions: 0

	<b>Yes</b>	<b>No</b>	<b>Absent</b>	<b>Abstain</b>
Slavik	X			
Atkins	X			
Halverson			X	
Droste	X			
Workman	X			
Holberg	X			
Hamann-Roland	X			
Velikolangara	X			

## **FEDERAL PUBLIC HOUSING AND HOUSING CHOICE VOUCHER AGENDA**

### **CONSENT**

#### **24-6787    Approve 2024 Utility Allowance Schedule For The Housing Choice Voucher Program**

WHEREAS, the Dakota County Community Development Agency receives funding through the Department of Housing and Urban Development (HUD) to operate a Housing Choice Voucher Program; and

WHEREAS, in accordance with the 24 CFR 982.517, Housing Authorities are required to establish and maintain allowance schedules for use in calculating estimated costs of tenant-furnished utilities and other services; and

WHEREAS, the allowance schedule for tenant paid utilities and other services be reviewed annually.

NOW, THEREFORE, BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, That the Allowances for Tenant-Furnished Utilities, Attachment A, is adopted for use in the Housing Choice Voucher Program effective February 1, 2024.

#### **24-6788    Schedule A Public Hearing To Receive Comments On The 2024 Public Housing Agency Plan**

WHEREAS, Section 511 of the Quality Housing and Work Responsibility Act (QHWRA) of 1998 and the ensuing HUD requirement mandates that agencies with Housing Choice Voucher and/or Public Housing programs once every five years submit a Public Housing Agency (PHA) Five Year Strategic Plan and every year submit a Public Housing Agency Annual Plan including the Capital Fund Program Annual Statement and the Performance And Evaluation Report; and

WHEREAS, in 2024, the Dakota County Community Development Agency (CDA) is



required to submit an Annual Plan; and

WHEREAS, Section 511 of the QHWRA of 1998 also requires that after a 45-day public comment period, the Board of Commissioner of the agency responsible for the PHA Plan conducts a public hearing; and

WHEREAS, the public comment period opened on January 12, 2024.

NOW, THEREFORE, BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, That a public hearing for the PHA Annual Plan will be conducted at the March 27, 2024 meeting.

24-6789     **Approval Of Amendments To The Housing Assistance Department Administrative Plans**

WHEREAS, the Dakota County Community Development Agency (CDA), as an administrator of rental assistance programs, is required to adopt and maintain an administrative plan to delineate the policies used to govern the programs; and

WHEREAS, the Dakota County CDA has made updates to the Housing Assistance Department Administrative Plans to include policies for the Dakota County Voucher Rental Assistance Program.

NOW, THEREFORE, BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, That the amendments to the Housing Assistance Department Administrative Plans are approved.

**Motion: Commissioner Velikolangara     Second: Commissioner Workman**

Ayes: 7                      Nays: 0                      Abstentions: 0

	<b>Yes</b>	<b>No</b>	<b>Absent</b>	<b>Abstain</b>
Slavik	X			
Atkins	X			
Halverson			X	
Atkins	X			
Workman	X			
Holberg	X			
Hamann-Roland	X			
Velikolangara	X			

**CONSENT AGENDA**

24-6790     **Approval Of Record Of Disbursements – December 2023**

BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, That the December 2023 Record of Disbursements is approved as written.

24-6791      **Establish The Date For A Public Hearing To consider Conveyance Of Property To Denmark Trail Workforce Housing Limited Partnership (Denmark Trail Townhomes, Farmington)**

WHEREAS, the Dakota County CDA has acquired property located in Farmington, Minnesota, legally described as follows:

That part of the West half of the Northwest Quarter (W 1/2 of NW 1/4) in Section 6, Township 113, Range 19, Dakota County, Minnesota, lying Northerly of the Northerly right-of-way of Chicago, Milwaukee, St. Paul and Pacific Railroad, except the two parcels described as follows:

Parcel A:

The East 597.97 feet of the West half of the Northwest Quadrant (W 1/2 of NW 1/4) in Section 6, Township 113, Range 19, Dakota County, Minnesota, lying Northerly of the Northerly right-of-way of Chicago, Milwaukee, St. Paul and Pacific Railroad.

Parcel B:

The North 1338.34 feet of the West half of the Northwest Quarter (W 1/2 of NW 1/4) in Section 6, Township 113, Range 19, Dakota County, Minnesota, lying West of the East 597.97 feet thereof.

To be re-platted as lot 1, Block 1 Denmark Housing Addition, Dakota County, Minnesota; and

WHEREAS, the CDA desires to promote the development of Denmark Trail Townhomes, a housing development project comprised of 40 townhome units which has received an allocation of low income housing tax credits, by the Denmark Trail Workforce Housing Limited Partnership, in which the CDA is the sole general partner (the "Partnership"); and

WHEREAS, pursuant to Minnesota Statutes 469.029, the Dakota County CDA must hold a public hearing prior to conveyance of real property; and

WHEREAS, notice of such public hearing will be provided in a newspaper with local distribution in accordance with Minnesota Statutes 469.029.

NOW, THEREFORE, BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, That the date for a public hearing to consider the conveyance of real property to the Partnership be established for February 28, 2024, at or after 1 p.m. at the office of the Dakota County CDA located at 1228 Town Centre Drive in Eagan, Minnesota.

24-6792      **Authorize Forgiveness And Release Of CDA Tax Increment Financing Loan And Interest to Spruce Pointe Townhomes (Inver Grove Heights)**

WHEREAS, in 1995 the Dakota County Housing and Redevelopment Authority, now the Dakota County Community Development Agency (CDA), approved a \$200,000

Tax Increment Financing (TIF) Loan to assist with construction of Spruce Pointe Townhomes, a 24-unit development in Inver Grove Heights; and

WHEREAS, Spruce Pointe Townhomes is now owned by the Dakota County CDA Workforce Housing, LLC; and

WHEREAS, the current balance of the TIF loan, including interest, is \$180,465; and

WHEREAS, the CDA wishes to forgive and release the remaining balance and interest on the TIF Loan to ensure the long-term affordability of Spruce Pointe Townhomes.

NOW, THEREFORE, BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, That the remaining balance and interest of a Tax Increment Financing Loan for Spruce Pointe Townhomes in the amount of \$180,465 is hereby forgiven and released, and the Executive Director is hereby authorized and directed to execute and deliver on behalf of the CDA those documents that may be necessary or convenient to evidence such forgiveness and release.

24-6793

**Approval Of Budget Amendment For Tax Increment Financing District No. 11 For Glazier Townhomes (Apple Valley)**

WHEREAS, in 1983, the Dakota County Housing and Redevelopment Authority, now the Dakota County Community Development Agency (CDA), constructed Glazier Townhomes, a 15-unit public housing development located at 14631-14659 Glazier Avenue; and

WHEREAS, public sidewalks were not required to be installed when Glazier Townhomes were developed; and

WHEREAS, the City of Apple Valley is undertaking a public improvement project in 2024 to construct missing public sidewalks in the city's downtown area; and

WHEREAS, the City has requested the CDA participate in the costs for the installation of the public sidewalk that would be constructed on west side of Glazier Avenue adjacent to Glazier Townhomes; and

WHEREAS, the City has stated the CDA's share of the public sidewalk construction would not exceed \$70,000; and

WHEREAS, there are available funds for the construction of public sidewalks from Tax Increment Financing District No. 11 in Apple Valley.

NOW, THEREFORE, BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, That the fiscal year 2024 operating budget be amended to include up to \$70,000 of budget authority in Tax Increment Financing District No. 11 for the construction of public sidewalks adjacent to Glazier Townhomes in Apple Valley.

## **Summary Of Conclusions Of Closed Executive Session To Evaluate Performance Of Executive Director**

WHEREAS, pursuant to Minn. Stat. § 13D.05, subd. 3(a), the CDA Board held a closed executive session on December 19, 2023, to evaluate the performance of the CDA Executive Director; and

WHEREAS, § 13D.05, subd. 3(a) requires that the CDA Board summarize its conclusions regarding the evaluations; and

WHEREAS, the CDA Executive Director's rating was based on four Annual Goals and Annual Priorities elements (Internal, Stakeholder, Financial, and Learning and Growth Perspectives); and

WHEREAS, the rating was also based upon ten established Core Competencies, including Strategic Agility; Communicating Vision & Purpose; Analytical Thinking & Planning; Decision Making; Listening-Communications Skills; Handling Conflict & Difficult Situations; Organizational Expertise; Working with Others & Teams; Honesty & Integrity; and Impact on Results.

NOW, THEREFORE, BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, That based upon a review of the Executive Director's performance with respect to the Annual Goals and Annual Priorities elements and Core Competencies, the Executive Director's annual performance is rated at the level of Exceeds Standards, and is approved for a 6.5% pay increase effective January 1, 2024.

**Motion: Commissioner Hamann-Roland      Second: Commissioner Atkins**

Ayes: 6

Nays: 0

Abstentions: 0

	<b>Yes</b>	<b>No</b>	<b>Absent</b>	<b>Abstain</b>
Slavik	X			
Atkins	X			
Halverson			X	
Droste	X			
Workman	X			
Holberg	X			
Hamann-Roland	X			

## **REGULAR AGENDA**

- A. **Housing Development Update**  
*Kari Gill presented.*
- B. **Legislative Update**  
*Anna Judge, Mary Dobbins and Tony Schertler presented.*
- C. **Executive Director Update**  
*Tony Schertler presented.*

## **INFORMATION**

- A.     **Status Report, Q4 2023**
- B.     **Open To Business Report, Q4 2023**

## **ADJOURNMENT**

24-6795     **Adjournment**

BE IT RESOLVED, that the Dakota County Community Agency Board of Commissioners hereby adjourns until Wednesday, February 28, 2024.

**Motion: Commissioner Hamann-Roland     Second: Commissioner Droste**

Ayes: 7

Nays: 0

Abstentions: 0

	<b>Yes</b>	<b>No</b>	<b>Absent</b>	<b>Abstain</b>
Slavik	X			
Atkins	X			
Halverson			X	
Droste	X			
Workman	X			
Holberg	X			
Hamann-Roland	X			
Velikolangara	X			

*The CDA Board meeting adjourned at 2:28 p.m.*

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Clerk to the Board



# Board of Commissioners

## Request for Board Action

Meeting Date: February 28, 2024

Agenda #: 7A

**DEPARTMENT:** Finance

**FILE TYPE:** Regular - Consent

### TITLE

**Approval Of Record Of Disbursements – January 2024**

### PURPOSE/ACTION REQUESTED

Approve Record of Disbursements for January 2024.

### SUMMARY

In January 2024, the Dakota County Community Development Agency (CDA) had \$7,995,059.51 in disbursements and \$663,919.51 in payroll expenses. Attachment A provides the breakdown of disbursements. Additional detail is available from the Finance Department.

### RECOMMENDATION

Staff recommends approval of the Record of Disbursements for January 2024.

### EXPLANATION OF FISCAL/FTE IMPACTS

These disbursements are included in the Fiscal Year Ending June 30, 2024 budget.

☐ None    ☒ Current budget    ☐ Other    ☐ Amendment Requested    ☐ New FTE(s) requested

### RESOLUTION

BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, That the January 2024 Record of Disbursements is approved as written.

### PREVIOUS BOARD ACTION

N/A

### ATTACHMENTS

Attachment A: Record of Disbursements – January 2024

### BOARD GOALS

☐ Focused Housing Programs    ☐ Collaboration  
☐ Development/Redevelopment    ☒ Financial Sustainability    ☒ Operational Effectiveness

### CONTACT

Department Head: Ken Bauer, Finance Director

Author: Chris Meyer, Assistant Director of Finance

**Dakota County CDA  
Record of Disbursements  
For the month of January 2024**

	<b>Date</b>	<b>Amount</b>	<b>Total</b>
<b>Common Bond Housing</b>			
	01/19/24	<u>\$ 16,246.38</u>	
			\$ 16,246.38
<b>Disbursing</b>			
	01/01/24	\$ 2,429.00	
	01/04/24	\$ 542,195.67	
	01/11/24	\$ 445,961.58	
	01/18/24	\$ 751,136.71	
	01/25/24	<u>\$ 685,537.38</u>	
			\$ 2,427,260.34
<b>HOME</b>			
	01/05/24	<u>\$ 5,000.00</u>	
			\$ 5,000.00
<b>HOPE Program</b>			
	01/30/24	<u>\$ 18,000.00</u>	
			\$ 18,000.00
<b>Housing Assistance</b>			
	01/01/24	\$ 2,528,604.01	
	01/18/24	<u>\$ 199,948.78</u>	
			\$ 2,728,552.79
<b>Tax Levy</b>			
	01/19/24	<u>\$ 2,800,000.00</u>	
			\$ 2,800,000.00
<b>Total Disbursements</b>			<u><u>\$ 7,995,059.51</u></u>
<b>January 2024 Payroll</b>			
	01/12/24	\$ 271,093.15	
	01/26/24	<u>\$ 392,826.36</u>	
<b>Total Payroll</b>			<u><u>\$ 663,919.51</u></u>

Disbursement detail is available in the Finance Office



# Board of Commissioners

## Request for Board Action

Meeting Date: February 28, 2024

Agenda #: 7B

**DEPARTMENT:** Housing Development

**FILE TYPE:** Regular - Consent

### TITLE

**Award Contract For Access Control Replacement At Carmen Court (Inver Grove Heights) and The Dakotah (West St. Paul)**

### PURPOSE/ACTION REQUESTED

- Authorize Deputy Executive Director to execute a contract for Access Control Replacement at Carmen Court and The Dakotah senior housing Developments.
- Authorize Change Order Authority.

### SUMMARY

This contract is for the replacement of failing locks at Carmen Court and The Dakotah senior housing developments. This is part of a long-term plan to roll out new technology over the course of the next several years and to replace the existing failing and obsolete locks.

On January 5, 2024 at 10 a.m. a public bid opening was conducted at the Dakota County CDA office for this project. Five contractors were solicited to bid on the project in addition to being publicly advertised (Attachment A) and posted on the CDA's website. Two contractors showed interest by attending a site walk-through; one other responded that they were interested but too busy at this time. One bid was received from Assured Security; the bid tabulation is Attachment B.

The contract price is \$218,424.12 and there are funds available for this project in the current Extraordinary Maintenance budget.

It is expected that the project would begin by May and be completed by June 2024.

### RECOMMENDATION

It is recommended that the Deputy Executive Director be authorized to enter into a contract with Assured Security in the amount of \$218,424.12 and be authorized to sign change orders in an amount not to exceed \$10,921 (this is 5% of the contract amount). The solicitation of bids was done in accordance with public bidding requirements and the contractor has successfully completed nine similar projects for the CDA in the past.

### EXPLANATION OF FISCAL/FTE IMPACTS

The \$229,345.24 (contract plus potential change order authority) will be funded from the FYE24 Extraordinary Maintenance Budget.

☐ None ☒ Current budget ☐ Other ☐ Amendment Requested ☐ New FTE(s) requested



## **RESOLUTION**

WHEREAS, formal bids were received on January 5, 2024 for the Access Control project at Carmen Court and The Dakota senior housing developments in Dakota County; and

WHEREAS, Assured Security submitted a responsive bid of \$218,424.12; and

WHEREAS, the contract is being recommended by Property Management due to immediate need and the contractor is being recommended on their prior experience on similar projects with the CDA; and

WHEREAS, funds are available in the current Extraordinary Maintenance budget for this project; and

NOW, THEREFORE BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, That the Deputy Executive Director be authorized to sign a construction contract with Assured Security in the amount of \$218,424.12; and

BE IT FURTHER RESOLVED, that the Deputy Executive Director be authorized to approve change orders in an amount not to exceed \$10,921.

## **PREVIOUS BOARD ACTION**

N/A

## **ATTACHMENTS**

Attachment A: Public Advertisement

Attachment B: Bid Tabulation

## **BOARD GOALS**

- |  |   |   |
|--|---|---|
| <input type="checkbox"/> Focused Housing Programs  | <input type="checkbox"/> Collaboration            |   |
| <input type="checkbox"/> Development/Redevelopment | <input type="checkbox"/> Financial Sustainability | <input checked="" type="checkbox"/> Operational Effectiveness |

## **CONTACT**

Department Head: Kari Gill, Deputy Executive Director

Author: Troy Blakestad, Capital Projects Manager

**AFFIDAVIT OF PUBLICATION**

STATE OF MINNESOTA ) ss  
COUNTY OF DAKOTA

Rhonda Herberg being duly sworn on an oath, states or affirms that he/she is the Publisher's Designated Agent of the newspaper(s) known as:

Dakota County Tribune

with the known office of issue being located in the county of:

DAKOTA

with additional circulation in the counties of:

DAKOTA

and has full knowledge of the facts stated below:

- (A) The newspaper has complied with all of the requirements constituting qualification as a qualified newspaper as provided by Minn. Stat. §331A.02.
- (B) This Public Notice was printed and published in said newspaper(s) once each week, for 2 successive week(s); the first insertion being on 11/03/2023 and the last insertion being on 11/10/2023.

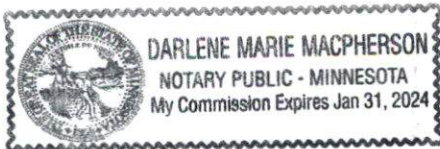
**MORTGAGE FORECLOSURE NOTICES**

Pursuant to Minnesota Stat. §580.033 relating to the publication of mortgage foreclosure notices: The newspaper complies with the conditions described in §580.033, subd. 1, clause (1) or (2). If the newspaper's known office of issue is located in a county adjoining the county where the mortgaged premises or some part of the mortgaged premises described in the notice are located, a substantial portion of the newspaper's circulation is in the latter county.

By:   
Designated Agent

Subscribed and sworn to or affirmed before me on 11/10/2023 by Rhonda Herberg.

  
Notary Public

**Rate Information:**

(1) Lowest classified rate paid by commercial users for comparable space:

\$999.99 per column inch

Ad ID 1351195

**DAKOTA COUNTY  
COMMUNITY DEVELOPMENT AGENCY (CDA)  
EAGAN, MN 55123  
ADVERTISEMENT FOR BIDS**

Notice is hereby given that sealed bids will be received by the Office of the Director of Housing Finance & Development, Dakota County CDA, Minnesota until 10:00 AM, Friday, December 1, 2023, at the office of Dakota County Community Development Agency, 1228 Town Centre Drive, Eagan, MN 55123, at which time they will be publicly opened and read aloud for the furnishing of all labor and materials for the Access Control Replacement Project at The Dakotah and Carmen Court Senior Housing Developments in Dakota County, MN.

This Project is subject to Minnesota Statutes 2019, section 16C.285 (Responsible Contractor's Act) and therefore requires a Verification of Compliance form included with the bid.

Bids received after this day and time will be rejected. No telephone bids nor faxed bids will be accepted. Bids shall be on the forms provided for this purpose and according to the Bidding Documents prepared by Dakota County CDA. Bids will be opened publicly and read aloud. A bid tabulation will be furnished to the Bidders. Bids shall be addressed to:

**Senior Housing Access Control Replacement Project-Public Bid  
c/o Dakota County CDA,  
1228 Town Centre Drive, Eagan, MN 55123  
Attn: Troy Blakestad**

A mandatory pre-bid walkthrough is scheduled for Wednesday, November 15th to tour both developments. This is required of ALL bidders. Failure of a bidder to attend the walkthrough immediately subjects their bid to disqualification. Interested bidders can contact Troy Blakestad @ 651-675-4475 of the Dakota County CDA to obtain bid documents and receive more information regarding the walkthrough and this project.

Bid security in the amount of 5% of the bid must accompany the bid in accordance with the Instruction to Bidders. Any bid not including a bid security will be considered disqualified. Payment and Performance Bonds will also be required of the awarded party.

The CDA hereby notifies all bidders in regard to any Contract entered into pursuant to this advertisement, Disadvantaged Business Enterprises (D.M.E.) will be afforded full opportunity to submit bids and / or proposals and will not be subjected to discrimination on the basis of race, color, sex, age, religion, or national origin.

The Dakota County CDA reserves the right to reject any and all bids, to waive irregularities and informalities therein and to award the Contract in the best interest of the CDA.

Troy Blakestad, Capital Projects Manager, Dakota County CDA

Published in the  
Dakota County Tribune  
November 3, 10, 2023  
1351195

Project: Access Control Replacement Project  
 Project Addresses: The Dakotah 900 S. Robert Street, West St Paul and Carmen Court 5825 Carmen Ave., Inver Grove Heights  
 Bid Opening: Friday, January 5, 2024: 10:00 a.m.  
 BID TABULATION

BIDDER	BID BOND	Addenda 1& 2 Noted	BASE BID	Alternate #1: Apartment Passage Hardware	Alternate #2: Passage Hardware in remaining locations
Assured Security	X	X	\$218,424.12	\$18,671.94	\$5,130.20



# Board of Commissioners

## Request for Board Action

Meeting Date: February 28, 2024

Agenda #: 7C

**DEPARTMENT:** Community and Economic Development

**FILE TYPE:** Regular - Consent

### TITLE

**Establish The Date For A Public Hearing On Qualified Allocation Plan For The Allocation Of 2025 Low Income Housing Tax Credits**

### PURPOSE/ACTION REQUESTED

Set a public hearing to receive comments on the proposed Qualified Allocation Plan (QAP) for the allocation of 2025 Low Income Housing Tax Credits

### SUMMARY

In accordance with Section 42 of the Internal Revenue Code of 1986, as amended ("Code"), the Dakota County Community Development Agency (CDA) as a suballocator of Low Income Housing Tax Credits ("Tax Credits") must set a public hearing date for the adoption of the 2025 QAP which details the basis for allocating Tax Credits among applicants.

The CDA is a suballocator of Tax Credits, which are regulated under Section 42 of the Code. Under the Code, the CDA must prepare a QAP setting forth the basis for allocating Tax Credits among applicants and must hold a public hearing prior to adoption of the QAP. The purpose of this action is to set the date of this public hearing for March 27, 2024.

A draft hearing notice to be published pursuant to board approval of this item is in Attachment A.

### RECOMMENDATION

Staff recommends to set the date of the public hearing to receive comments on the proposed QAP for the allocation of 2025 Tax Credits for March 27, 2024.

### EXPLANATION OF FISCAL/FTE IMPACTS

N/A

☒ None    ☐ Current budget    ☐ Other    ☐ Amendment Requested    ☐ New FTE(s) requested

### RESOLUTION

WHEREAS, pursuant to Section 42 of the Internal Revenue Code of 1986, as amended ("Code"), and Minnesota Statutes Sections 462A.221 through 462A.225, the Dakota County Community Development Agency (CDA) is a housing credit agency authorized to allocate low income housing tax credits ("Tax Credits"); and

WHEREAS, Section 42 of the Code, requires the CDA to hold a public hearing prior to adopting or amending a Qualified Allocation Plan (QAP) detailing the basis for allocating Tax Credits among applicants; and

WHEREAS, the CDA proposes to adopt a QAP regarding the allocation of Tax Credits using 2025 volume cap and the allocation of any “automatic” tax credits attributable to private activity bonds issued after the adoption of the plan (“2025 Plan”).

NOW, THEREFORE BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, That:

1. A public hearing regarding the adoption of the 2025 Plan will be held by the CDA Board on March 27, 2024 at or after 1:00 p.m. at the CDA’s office.
2. Staff are authorized and directed to cause notice of such public hearing to be published in a newspaper of general circulation in the CDA’s jurisdiction not less than ten (10) days prior to such hearing.

### **PREVIOUS BOARD ACTION**

None.

### **ATTACHMENTS**

Attachment A: Draft Public Hearing Notice

### **BOARD GOALS**

- |  |   |  |
|--|---|--|
| <input checked="" type="checkbox"/> Focused Housing Programs | <input type="checkbox"/> Collaboration            |  |
| <input type="checkbox"/> Development/Redevelopment           | <input type="checkbox"/> Financial Sustainability | <input type="checkbox"/> Operational Effectiveness |

### **CONTACT**

Department Head: Lisa Alfson, Director of Community and Economic Development

Author: Kathy Kugel, Housing Finance Manager

**NOTICE OF PUBLIC HEARING****NOTICE OF PUBLIC HEARING ON THE ADOPTION OF A QUALIFIED ALLOCATION PLAN RELATING TO THE ALLOCATION OF LOW INCOME HOUSING TAX CREDITS UNDER SECTION 42 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED**

NOTICE IS HEREBY GIVEN that the Dakota County Community Development Agency (the "Agency") will meet on Wednesday, March 27, 2024, at or after 1:00 p.m. at its offices located at 1228 Town Centre Drive, Eagan, Minnesota 55123, for the purpose of conducting a public hearing regarding the adoption of its 2025 Qualified Allocation Plan, which has been prepared in compliance with Section 42 of the Internal Revenue Code of 1986, as amended ("Code"). Section 42 of the Code authorizes housing credit agencies such as the Agency to allocate low income housing tax credits ("Tax Credits") to owners of qualified residential rental projects. The 2025 Qualified Allocation Plan establishes selection criteria to be used by the Agency in the allocation of Tax Credits in Dakota County.

Members of the public can participate in the public hearing in one of the following ways:

- All persons interested may appear and be heard at the time and place set forth above.
- The public may comment in writing or via voicemail. Any comments and materials submitted by 10:00 am of the day of the meeting will be attached to the public record and available for review by the Board. Comments may be submitted to the Clerk of the Board via email at [sjacobson@dakotacda.org](mailto:sjacobson@dakotacda.org) or by voicemail at 651-675-4434.

[Date of Publication]

BY ORDER OF THE DAKOTA COUNTY  
COMMUNITY DEVELOPMENT AGENCY

By /s/ Tony Schertler  
Executive Director



# Board of Commissioners

## Request for Board Action

Meeting Date: February 28, 2024

Agenda #: 7D

**DEPARTMENT:** Administration

**FILE TYPE:** Regular - Consent

### TITLE

**Approval Of Amendments To Personnel Policy #295 – Flex Leave Donation**

### PURPOSE/ACTION REQUESTED

Approve amendments to Personnel Policy #295 – Flex Leave Donation

### SUMMARY

Periodically, staff review personnel policies to make amendments that comply with best practices in human resources.

Policy #295 – Flex Leave Donation has been updated to clarify uses of donated flex leave and donation procedures. This policy was first adopted in 2018.

An edited version of the policy is Attachment A. A clean copy of the updated policy is Attachment B.

### RECOMMENDATION

Staff recommends approval of the updated policy.

### EXPLANATION OF FISCAL/FTE IMPACTS

N/A

☒ None    ☐ Current budget    ☐ Other    ☐ Amendment Requested    ☐ New FTE(s) requested

### RESOLUTION

WHEREAS, the Dakota County CDA's Administration Department regularly reviews policies and procedures and makes recommendations in order to comply with Federal, State and local laws and best practices in human resources; and

WHEREAS, updates have been made to Policy #295 – Flex Leave Donation.

NOW, THEREFORE BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, That the amendments to Personnel Policy #295 – Flex Leave Donation is hereby approved.

BE IT FURTHER RESOLVED, the Human Resources Manager is authorized to implement the policies and communicate the changes to CDA staff.

### PREVIOUS BOARD ACTION

18-6051; 9/18/2018



## **ATTACHMENTS**

Attachment A: Amended policy – edited copy

Attachment B: Amended policy – clean copy

## **BOARD GOALS**

- |  |   |   |
|--|---|---|
| <input type="checkbox"/> Focused Housing Programs  | <input type="checkbox"/> Collaboration            |   |
| <input type="checkbox"/> Development/Redevelopment | <input type="checkbox"/> Financial Sustainability | <input checked="" type="checkbox"/> Operational Effectiveness |

## **CONTACT**

Department Head: Sara Swenson, Director of Administration and Communications

Author: Sara Swenson

## FLEX LEAVE DONATION

## #295

The purpose of the flex leave donation program is to allow employees to transfer flex leave hours to another employee ~~to use for a serious illness or injury experiencing an emergency~~. This policy is not ~~intended to cover an employee who is experiencing a normal pregnancy, has a common illness or injury, or as~~ a substitute for short-term or long-term disability coverage. This transfer occurs only upon the approval of Human Resources.

The Flex Leave Donation Program serves as a short-term solution up to a maximum of ~~six months~~ four (4) weeks in a calendar year, ~~allowing employees to receive paid leave~~ in circumstances noted below:

- Employee is unable to work because of own a serious illness or injury.
- Employee is required to provide care for a seriously ill or injured parent, spouse, dependent child, or household member.
- In need of additional time off for bereavement in the event of death of a parent, spouse, child or household member.

This program runs concurrently with leave under Family Medical Leave Act (FMLA) or other unpaid leaves, which employees are entitled to under federal or state law or as otherwise required by the CDA. All required documentation must be submitted to Human Resources prior to a flex leave donation request.

~~The maximum six-month time period will begin the first day the employee uses donated flex leave hours and ends six calendar months later.~~

### Recipient Eligibility:

~~An employee may apply for the Program if s/he meets an established set of criteria. The employee must:~~

To be eligible to receive donated flex leave, an employee must:

1. Have been a full-time employee of the Dakota County CDA for at least ~~twelve~~ six months or a part-time employee for at least ~~twenty-four~~ twelve months.
2. Be eligible to accrue and use flex leave benefits.
3. ~~Be scheduled to Exhaust all paid leave options, or be reasonably close to exhausting such paid leave.~~
3. Has not been disciplined for any violations of the CDA's policies.
4. ~~Is on an approved leave of absence relating to a medical emergency or bereavement. For an employee requesting flex leave donation due to his/her own medical condition, he/she must be approved for a leave of absence under the CDA's Family Medical Leave (FMLA) policy or Americans with Disabilities Act (ADA) policy. For an employee requesting flex leave donation to care for a seriously ill or injured spouse, dependent child or household member, he/she must obtain and submit medical documentation which verifies that a serious illness or injury necessitates absence from work for a minimum of five days. This qualifying period does not have to be consecutive.~~
5. ~~Has exhausted all other available paid time off including, but not limited to, flex leave, workers' compensation and An employee not be receiving or expecting to receive worker's compensation, or short-term or long-term disability benefits except that flex leave donations can assist with the waiting period for short-term disability. is not eligible to receive donated time.~~
7. Expect to return-resume to employment with the CDA after the leave of absence ends.

~~Note: Leave eligibility will follow Minnesota State Law when applicable.~~

#### Procedures and Rules for Requesting Flex Leave Donation:

1. Employees, or a supervisor on behalf of the employee, may request flex leave donation through Human Resources.
- ~~2. Completed FMLA paperwork or a Medical Leave Request form must be submitted to Human Resources before the flex leave donation request will be approved. The forms must include the nature of the illness or injury and the expected date the employee will return to work.~~
- ~~3.2.~~ Human Resources will evaluate the flex leave donation request to determine recipient's eligibility.
- ~~4.3.~~ The recipient must sign a form agreeing to accept the donated hours.
- ~~4.~~ The recipient will be responsible for all applicable taxes on the dollar value paid for the donated hours.
- ~~5.~~ The donor must submit a written and signed request of the CDA's approved forms.
- ~~6.~~ When a transfer has been finalized in accordance with these rules and approved by Human Resources, the Finance Department will finalize the transfer of the flex leave hours.
- ~~7.~~ Flex leave must be donated in increments of one (1) hour.

Flex leave donations are irrevocable; donated flex leave will not be returned to the employee who donated it. For employment tax and wage-based benefit purposes, donated Flex Leave is considered wages of the recipient and not the donor.

Flex leave donations shall be on a dollar-for-dollar basis. The worth of the flex leave shall be adjusted to the pay level of the donor. Therefore, if the salary of the donor is greater than the recipient, one day of flex leave of the donor shall result in more than one full day to the recipient. Conversely, if the salary of the donor is less than the recipient, the one day of flex leave of the donor shall result in less than one full day to the recipient.

#### Data Practices Notice to Employees:

An employee who seeks flex leave donation has the responsibility to provide reasonable medical documentation to show the need for flex leave donation. Compliance is voluntary; however, failure to provide the required information will result in a denial of the request. All information relating to the flex leave donation, including medical documentation, shall be maintained in a separate file and shall be treated as confidential medical records with access limited to those who need to be informed including, but not limited to, Directors/Supervisors, Human Resources, and CDA legal counsel. If the flex leave donation is approved, the ~~all-staff~~ request for donated flex leave hours will be sent. It is at the discretion of the employee to disclose their name and/or the reason for their request in the all-staff communication. If no one donates flex leave upon request, the requesting employee is not entitled to receive flex leave. state the employee's name and department. If the employee chooses, they may authorize Human Resources to state the nature of the illness or injury in the request. Employees may also request that the flex leave donation request is sent only to that employee's department.

#### ~~Procedures for Donating Flex Leave Hours:~~

~~Employees may transfer their flex leave hours to another employee under the following conditions:~~

- ~~1. Such transfers can be made only after the showing of unique or special circumstances and only upon approval of Human Resources.~~
- ~~2. Before such transfer will be approved the proposed recipient of the transfer must have used all of his/her accrued or usable flex leave and all of his/her compensatory time.~~
- ~~3. Such transfer shall be on a dollar-for-dollar basis. The worth of the flex leave shall be adjusted to the pay level of the donor. Therefore, if the salary of the donor is greater than the donee, one day of flex leave of the donor shall result in more than one full day to the donee. Conversely, if the salary of the donor is less than the donee, the one day of flex leave of the donor shall result in less than one full day to the donee.~~
- ~~4. The minimum donation from a donor is (1) hour of flex leave and the maximum donation is (16) hours of flex leave.~~
- ~~5. Requests for such transfer of flex leave must be submitted to Human Resources, in writing, by the recipient employee or by the recipient employee's supervisor with the consent of the recipient employee.~~
- ~~6. When such a request is received, Human Resources may, if s/he approves such a request, give notice to CDA employees of the request for donation.~~
- ~~7. When a donor volunteers such transfer, they must sign a release document for transfer and the document will be kept in the employee's personnel file.~~
- ~~8. When a transfer has been finalized in accordance with these rules and approved by Human Resources, they will notify the Finance Department and the necessary accounting action shall be taken to reflect such transfer.~~

## **FLEX LEAVE DONATION**

**#295**

The purpose of the flex leave donation program is to allow employees to transfer flex leave hours to another employee experiencing an emergency. This policy is not a substitute for short-term or long-term disability coverage. This transfer occurs only upon the approval of Human Resources.

The Flex Leave Donation Program serves as a short-term solution up to a maximum of four (4) weeks in a calendar year, in circumstances noted below:

- Employee is unable to work because of own serious illness or injury.
- Employee is required to provide care for a seriously ill or injured parent, spouse, dependent child, or household member.
- In need of additional time off for bereavement in the event of death of a parent, spouse, child or household member.

This program runs concurrently with leave under Family Medical Leave Act (FMLA) or other unpaid leaves, which employees are entitled to under federal or state law or as otherwise required by the CDA. All required documentation must be submitted to Human Resources prior to a flex leave donation request.

### **Recipient Eligibility:**

To be eligible to receive donated flex leave, an employee must:

1. Have been a full-time employee of the CDA for at least six months or a part-time employee for at least twelve months.
2. Be eligible to accrue and use flex leave benefits.
3. Be scheduled to exhaust all paid leave options.
4. Has not been disciplined for any violations of the CDA's policies.
5. Is on an approved leave of absence relating to a medical emergency or bereavement.
6. Has exhausted all other available paid time off including, but not limited to, flex leave, workers' compensation and not be receiving or expecting to receive worker's compensation, short-term or long-term disability benefits except that flex leave donations can assist with the waiting period for short-term disability.
7. Expect to resume employment with the CDA after the leave of absence ends.

### **Procedures and Rules for Requesting Flex Leave Donation:**

1. Employees, or a supervisor on behalf of the employee, may request flex leave donation through Human Resources.
2. Human Resources will evaluate the flex leave donation request to determine recipient's eligibility.
3. The recipient must sign a form agreeing to accept the donated hours.
4. The recipient will be responsible for all applicable taxes on the dollar value paid for the donated hours.
5. The donor must submit a written and signed request of the CDA's approved forms.
6. When a transfer has been finalized in accordance with these rules and approved by Human Resources, the Finance Department will finalize the transfer of the flex leave hours.
7. Flex leave must be donated in increments of one (1) hour.

Flex leave donations are irrevocable; donated flex leave will not be returned to the employee who donated it. For employment tax and wage-based benefit purposes, donated Flex Leave is considered wages of the recipient and not the donor.

Flex leave donations shall be on a dollar-for-dollar basis. The worth of the flex leave shall be adjusted to the pay level of the donor. Therefore, if the salary of the donor is greater than the recipient, one day of flex leave of the donor shall result in more than one full day to the recipient. Conversely, if the salary of the donor is less than the recipient, the one day of flex leave of the donor shall result in less than one full day to the recipient.

**Data Practices Notice to Employees:**

An employee who seeks flex leave donation has the responsibility to provide reasonable medical documentation to show the need for flex leave donation. Compliance is voluntary; however, failure to provide the required information will result in a denial of the request. All information relating to the flex leave donation, including medical documentation, shall be maintained in a separate file and shall be treated as confidential medical records with access limited to those who need to be informed including, but not limited to, Directors/Supervisors, Human Resources, and CDA legal counsel. If the flex leave donation is approved, the request for donated flex leave hours will be sent. It is at the discretion of the employee to disclose their name and/or the reason for their request in the all-staff communication. If no one donates flex leave upon request, the requesting employee is not entitled to receive flex leave.



# Board of Commissioners

## Request for Board Action

Meeting Date: February 28, 2024

Agenda #: 8A

**DEPARTMENT:** Housing Development

**FILE TYPE:** Regular - Action

### TITLE

**Public Hearing To Receive Comments And Approve Conveyance Of Land To The Denmark Trail Workforce Housing Limited Partnership (Denmark Trail Townhomes, Farmington)**

### PURPOSE/ACTION REQUESTED

- Hold a public hearing to consider the conveyance of land in Farmington to the Denmark Trail Workforce Housing Limited Partnership for the development of Denmark Trail Townhomes.
- Approve the conveyance of the land.

### SUMMARY

The CDA is considering the conveyance of property located in Farmington to Denmark Trail Workforce Housing Limited Partnership for the development of affordable housing.

The Dakota County CDA, as General Partner of the Denmark Trail Workforce Housing Limited Partnership, has applied for and received an allocation of 2034 and 2024 Low Income Housing Tax Credits to develop Denmark Trail Townhomes, a 40-unit affordable workforce townhome development in Farmington. Construction is expected to begin late spring 2024.

Minnesota Statute 469.029 requires a public hearing be held prior to the sale of real property by the CDA. Notice of the public hearing was published in the Dakota County Tribune on February 9 (Attachment A).

### RECOMMENDATION

CDA staff recommends the conveyance of the property to the Denmark Trail Workforce Housing Limited Partnership for the advancement of the Denmark Trail workforce housing development.

### EXPLANATION OF FISCAL/FTE IMPACTS

N/A

☒ None    ☐ Current budget    ☐ Other    ☐ Amendment Requested    ☐ New FTE(s) requested

### RESOLUTION

WHEREAS, the Dakota County Community Development Agency (CDA), pursuant to Minnesota Statutes, Sections 469.001 through 469.047, is authorized to exercise its powers to undertake housing development projects to provide for the construction of housing for low- and moderate-income persons and their families; and

WHEREAS, the CDA desires to promote the development by the Denmark Trail Workforce Housing Limited Partnership, of which the CDA is the sole general partner (the "Partnership") of a housing

development project comprised of a 40-unit townhome project housing which has received an allocation of 2023 and 2024 low income housing tax credits; and

WHEREAS, the CDA has purchased and made certain capital expenditures with respect to the real property legally described as follows: That part of the West half of the Northwest Quarter (W 1/2 of NW 1/4) in Section 6, Township 113, Range 19, Dakota County, Minnesota, lying Northerly of the Northerly right-of-way of Chicago, Milwaukee, St. Paul and Pacific Railroad, except the two parcels described as follows: Parcel A: The East 597.97 feet of the West half of the Northwest Quarter (W 1/2 of NW 1/4) in Section 6, Township 113, Range 19, Dakota County, Minnesota, lying Northerly of the Northerly right-of-way of Chicago, Milwaukee, St. Paul and Pacific Railroad. Parcel B: The North 1338.34 feet of the West half of the Northwest Quarter (W 1/2 of NW 1/4) in Section 6, Township 113, Range 19, Dakota County, Minnesota, lying West of the East 597.97 feet thereof and to be re-platted as Lot 1, Block 1 Denmark Housing Addition in the city of Farmington (the "Land"), which the CDA proposes to contribute to the Partnership as the CDA's capital contribution; and

WHEREAS, in accordance with the provisions of Minnesota Statutes, Section 469.029, Subdivision 2, on the date hereof, following publication of notice, the CDA held a public hearing regarding the conveyance of the Land to the Partnership; and

WHEREAS, the CDA has determined that it is in the best interest of the public health, safety, and welfare that it convey the Land to the Partnership as the CDA's capital contribution to the Partnership.

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

1. The conveyance of the Land to the Partnership is hereby approved.
2. The Executive Director of the CDA is hereby authorized and directed to execute such documents and take such actions as are necessary or convenient to convey the Land to the Partnership.

## **PREVIOUS BOARD ACTION**

24-6791; 1/24/2024

## **ATTACHMENTS**

Attachment A: Affidavit of Publication

## **BOARD GOALS**

- |   |   |  |
|---|---|--|
| <input type="checkbox"/> Focused Housing Programs             | <input type="checkbox"/> Collaboration            |  |
| <input checked="" type="checkbox"/> Development/Redevelopment | <input type="checkbox"/> Financial Sustainability | <input type="checkbox"/> Operational Effectiveness |

## **CONTACT**

Department Head: Kari Gill, Deputy Executive Director

Author: Lori Zierden, Real Estate Manager



**AFFIDAVIT OF PUBLICATION**

STATE OF MINNESOTA ) ss  
COUNTY OF DAKOTA

Rhonda Herberg being duly sworn on an oath, states and affirms that he/she is the Publisher's Designated Agent of the newspaper(s) known as:

Dakota County Tribune

with the known office of issue being located in the county of:

DAKOTA

with additional circulation in the counties of:

DAKOTA

and has full knowledge of the facts stated below:

- (A) The newspaper has complied with all of the requirements constituting qualification as a qualified newspaper as provided by Minn. Stat. §331A.02.
- (B) This Public Notice was printed and published in said newspaper(s) once each week, for 1 successive week(s); the first insertion being on 02/09/2024 and the last insertion being on 02/09/2024.

**MORTGAGE FORECLOSURE NOTICES**  
Pursuant to Minnesota Stat. §580.033

relating to the publication of mortgage foreclosure notices: The newspaper complies with the conditions described in §580.033, subd. 1, clause (1) or (2). If the newspaper's known office of issue is located in a county adjoining the county where the mortgaged premises or some part of the mortgaged premises described in the notice are located, a substantial portion of the newspaper's circulation is in the latter county.

By:  Designated Agent

Subscribed and sworn to or affirmed before me on 02/09/2024 by Rhonda Herberg.

  
Notary Public



**Rate Information:**

(1) Lowest classified rate paid by commercial users for comparable space:  
\$999.99 per column inch

Ad ID 1371907

**DAKOTA COUNTY  
COMMUNITY  
DEVELOPMENT AGENCY  
PUBLIC NOTICE  
NOTICE OF  
PUBLIC HEARING ON  
TRANSFER OF LAND**

NOTICE IS HEREBY GIVEN that the Dakota County Community Development Agency (the "CDA") will meet on Wednesday, February 28<sup>th</sup>, at or after 1 p.m. at its offices at 1228 Town Centre Drive, Eagan, Minnesota 55123, for the purpose of conducting a public hearing pursuant to Minnesota Statute 469.029 regarding the transfer by the CDA of certain land legally described as:

That part of the West half of the Northwest Quarter (W 1/2 of NW 1/4) in Section 6, Township 113, Range 19, Dakota County, Minnesota, lying Northerly of the Northerly right-of-way of Chicago, Milwaukee, St. Paul and Pacific Railroad, except the two parcels described as follows:

**Parcel A:**

The East 597.97 feet of the West half of the Northwest Quarter (W 1/2 of NW 1/4) in Section 6, Township 113, Range 19, Dakota County, Minnesota, lying Northerly of the Northerly right-of-way of Chicago, Milwaukee, St. Paul and Pacific Railroad.

**Parcel B:**

The North 1338.34 feet of the West half of the Northwest Quarter (W 1/2 of NW 1/4) in Section 6, Township 113, Range 19, Dakota County, Minnesota, lying West of the East 597.97 feet thereof.

And to be replatted as Lot 1, Block 1 Denmark Housing Addition, Dakota County, Minnesota in the City of Farmington to the Denmark Trail Workforce Housing Limited Partnership for the purpose of developing low and moderate income residential rental townhomes.

All persons interested may appear and be heard at the time and place set forth above.

BY ORDER OF THE BOARD OF COMMISSIONERS OF THE DAKOTA COUNTY COMMUNITY DEVELOPMENT AGENCY  
By /s/ Tony Schertler  
Executive Director

Published in the  
Dakota County Tribune  
February 9, 2024  
1371907



# Board of Commissioners

## Request for Board Action

Meeting Date: February 28, 2024

Agenda #: 8B

**DEPARTMENT:** Community and Economic Development

**FILE TYPE:** Regular - Action

### TITLE

**Approval Of Contingent HOME American Rescue Plan Award To 360 Communities Lewis House Shelter (Eagan)**

### PURPOSE/ACTION REQUESTED

- Approve contingent award of HOME American Rescue Plan (HOME-ARP) funds for the 360 Communities Lewis House Shelter in Eagan.
- Authorize the execution of related documents.

### SUMMARY

On March 11, 2021, President Biden signed the American Rescue Plan (ARP) into law that provided over \$1.9 trillion in relief to address the continued impact of the COVID-19 pandemic on the economy, public health, state and local governments, and businesses.

To address the need for homelessness assistance and supportive services, Congress appropriated \$5 billion in ARP funds to be administered through the HOME Investment Partnerships Program (HOME) to perform four activities that must primarily benefit qualifying individuals and families who are homeless, at risk of homelessness, or in other vulnerable populations. Activities include development of affordable rental housing; tenant-based rental assistance; provision of supportive services; and acquisition and development of non-congregate shelter units.

The HOME Consortium (consisting of Anoka, Dakota, Ramsey, and Washington counties and the City of Woodbury) received \$8,762,441 in HOME-ARP funds; Dakota County's portion is \$3,232,623. HOME-ARP funds required community engagement and development of a plan on proposed uses of funds within the county. The HOME-ARP plan was approved by the Dakota County Board of Commissioners on May 24, 2022 (Resolution No. 22-219), and by HUD on November 23, 2022. The HOME-ARP plan identified two activities 1) support for a non-congregate shelter, with a domestic violence preference, and 2) development and support of affordable housing. HOME-ARP funds need to be expended by September 30, 2030.

The CDA issued a Request For Proposal (RFP) on November 14, 2023 and received one response before the January 19, 2024 deadline from 360 Communities. 360 Communities is a non-profit and operates the only domestic and sexual violence shelter in Dakota County. The non-profit proposed a \$14.6 million non-congregate shelter that increases capacity from 23 beds to 50 beds, with every unit having full kitchens and bathrooms. CDA staff reviewed and scored the application, in addition to conducting a meeting with 360 Communities leadership staff on February 14, 2024.

### RECOMMENDATION

Staff recommends the Board authorize a \$3,000,000 HOME-ARP grant for the construction of a non-congregant shelter contingent upon the completion of an environmental review, securing all

necessary funding to complete the project, and finalizing grant agreement terms. Additionally, staff recommends the Board authorize staff to prepare, execute, and deliver all documents necessary to provide for the commitment of HOME-ARP funds, and authorize the Executive Director to execute and deliver all related documents.

### **EXPLANATION OF FISCAL/FTE IMPACTS**

Dakota County's portion of the HOME-ARP Program funds is \$3,232,623, with \$3,000,000 available for eligible activities, and the remainder for administrative expenses on behalf of the HOME Consortium

☐ None    ☒ Current budget    ☐ Other    ☐ Amendment Requested    ☐ New FTE(s) requested

### **RESOLUTION**

WHEREAS, the counties of Anoka, Dakota, Ramsey, and Washington and the City of Woodbury (referred to together as the "HOME Consortium") created a consortium under the Title I of the Cranston-Gonzalez National Affordable Housing Act (Act) for purposes of acting as a participating jurisdiction under the Act and HOME Investment Partnerships Program Final Rule 24 CFR Part 92 which as amended sets forth regulations governing the applicability and use of funds under Title II (HOME Program); and

WHEREAS, Dakota County is designated as the Lead Agency for the HOME Consortium and is responsible for certain administrative and reporting functions of the HOME Program as required by the U.S. Department of Housing and Urban Development (HUD); and

WHEREAS, Dakota County enters into a subrecipient agreement annually with the Dakota County Community Development Agency (CDA) to administer the HUD entitlement programs, including HOME, and has delegated to the CDA the rights, duties and obligations to disburse, monitor and administer HUD entitlement funds, in a manner consistent with the terms and conditions imposed on the CDA by said agreement, Dakota County resolution, and HUD and programmatic regulations; and

WHEREAS, the American Rescue Plan (ARP) Act of 2021 was signed into law on March 11, 2021, and appropriated \$5 billion in ARP funds to be administered through the HOME Program at the local level to respond to the COVID-19 pandemic; and

WHEREAS, the HOME Consortium HOME-ARP allocation is \$8,762,411, and the Dakota County portion is \$3,253,282; and

WHEREAS, the HOME-ARP funds can only be used for four activities: acquisition and development of non-congregate shelter units, development and support of affordable housing, tenant-based rental assistance, and provision of supportive services; and

WHEREAS, the HOME-ARP activities must primarily benefit four qualifying populations, including individuals and families who are homeless; at risk of homelessness; fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking; and other vulnerable populations, including individuals and families with incomes at or below 30 percent Area Median Income; and

WHEREAS, Dakota County entered into a funding approval agreement with HUD to execute and implement the HOME-ARP Program in September 2021; and

WHEREAS, the Dakota County HOME-ARP plan was approved by the Dakota County Board of Commissioners on May 24, 2022 (Resolution No. 22-219), and by HUD on November 23, 2022 with two activities identified for use of HOME-ARP funds within Dakota County, 1) support for a non-congregate shelter, with a domestic violence preference, and 2) development and support of affordable housing; and

WHEREAS, on or before January 19, 2024, the CDA received one response to the HOME-ARP Request For Proposals from 360 Communities requesting \$3,000,000 HOME-ARP funds to assist with the development of a non-congregate shelter for individuals and families fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking; and

WHEREAS, the 360 Communities application was reviewed, evaluated, and scored by staff and included a meeting with leadership staff of 360 Communities to better understand the proposed shelter; and

WHEREAS, CDA staff is supportive of the 360 Communities proposed shelter and recommends awarding \$3,000,000 of HOME-ARP funds to the project, contingent upon successful completion of the environmental review, finalizing grant agreement terms, and securing necessary financing to complete the project.

NOW, THEREFORE BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, That

1. The CDA hereby approves an award of HOME-ARP Program funds in the amount of \$3,000,000 for the construction of the non-congregant Lewis House Shelter.
2. Staff is authorized to prepare, execute, and deliver all documentation necessary or convenient to provide for the commitment of HOME-ARP Program funds based on findings made in accordance with the requirements of the HOME-ARP Program. In addition, staff is authorized to determine award contingencies for the project based on the characteristics of the development, financial feasibility, project underwriting, or other factors in accordance with the HOME-ARP Program.
3. Staff is authorized to prepare, execute, and deliver all documentation necessary or convenient to provide for the commitment of the HOME-ARP Program funds.
4. The Executive Director of the Dakota County CDA is authorized to execute said documents upon such release.

## **PREVIOUS BOARD ACTION**

N/A

## **ATTACHMENTS**

Attachment A: 360 Communities Application Narrative

## **BOARD GOALS**

- ☒ Focused Housing Programs      ☒ Collaboration

☐ Development/Redevelopment

☐ Financial Sustainability

☐ Operational Effectiveness

**CONTACT**

Department Head: Lisa Alfson, Director of Community and Economic Development

Author: Lisa Alfson





## DAKOTA COUNTY COMMUNITY DEVELOPMENT AGENCY HOME-ARP FUNDS APPLICATION

### Non-Congregate Shelter (NCS) Grant: Property Acquisition & Development

#### I. APPLICATION COVER SHEET

Project Title: 360 Lewis House Capital Campaign

Legal Name of Applicant: 360 Communities

Mailing Address: 501 E Hwy 13 Ste 112 Burnsville, MN 55337

Unique Entity Identifier: ZGEALAJJUBX7

Primary Contact for Application: Name: Chelsea Hibbard Title: Grants Manager

Phone: 952-985-4016 Email: chibbard@360Communities.org

Project Location: 4345 Nicols Rd, Eagan, MN 55122

Project Description (limit to one sentence): 360 Communities plans to build a new domestic and sexual violence shelter in Eagan MN, on our current property.

Proposed number of Units: 19

Proposed number of Beds: 50

Will the project be converted to HOME-ARP rental housing? ☐ Yes ☒ No

Is the applicant a current HMIS participant? ☐ Yes ☒ No

HOME-ARP Funds Requested: \$3,000,000

Use(s) of HOME-ARP Funds: Design and construction of new emergency shelter to replace 1970s shelter

Total Development Cost: \$14,600,000 (\$1.6M of total is cost-escalation over 3 years of project)

#### Federal Suspension and Debarment Certification:

Federal Executive Order 12549 prohibits federal, state, and local public agencies receiving grant funding from contracting with individuals, organizations, or companies who have been excluded from participating in federal contracts or grants. The purpose of this certification is for the contractor/vendor to advise DCCDA, in writing, of any current Federal Suspension and Debarment.

**Debarment Certification.** By signing and submitting a response to this competitive solicitation, I certify that this firm and its principals are not currently suspended or debarred by any Federal Department or Agency from participating in Federal Funded Contracts.

Authorized Signature of Applicant: To the best of my knowledge and belief, all information in this application is true and correct. The document has been duly authorized by the governing body of the applicant who will comply with all contractual obligations if the proposal is awarded funding.

Signature of Authorized Representative: \_\_\_\_\_

Typed Name and Title: Jeff Mortensen, President & CEO

Date Signed: \_\_\_\_\_

## DAKOTA COUNTY COMMUNITY DEVELOPMENT AGENCY HOME-ARP FUNDS APPLICATION

### II. APPLICATION INSTRUCTIONS

The following nine areas must be addressed in the applicant's RFP response. Please limit written comments to no more than 10 pages. The 10-page maximum does not include attachments.

Please label each attachment and identify applicable attachments in the written comments.

#### 1. Project Description/Summary.

- a. Provide a concise description of the project including, but not limited to, type of building, the number of proposed units, the qualifying population, area median income of households served and the location of the project.

360 Communities plans to build a non-congregate shelter for adults and families fleeing domestic and sexual violence (and therefore in need of housing security). This new construction will replace our current, outdated shelter from the 1970s which has been worn from operating at or above capacity and does not adequately meet expanding needs. As the only domestic and sexual violence shelter provider in Dakota County, 360 Communities plans to construct a new facility to meet current and future needs of residents for decades to come. The building will be built with a combination of concrete, masonry, metals, wood, and plastic materials.

There will be 19 units with 50 beds; 6 studios, 4 one-bedroom suites, 5 two-bedroom suites, and 4 three-bedroom suites. The residential units will include full kitchens and bathrooms. Each residential unit floor will have communal laundry and a shared common space will be available on level 3.

We currently operate a domestic and sexual violence shelter (Lewis House) in Eagan which has a 23-bed licensing capacity. We plan to construct this new shelter on this property we own. We will construct the new shelter in the space behind our current shelter, allowing us to stay fully operational during construction.

The new shelter construction will increase the overall bed count for a total of 50 beds. (We had been operating another domestic/sexual violence shelter in Hastings with 21 beds, for a total of 44 beds, but we closed it in November, 2023.) As we design this new space as an independent living model, moving away from our current communal living model, the spaces will provide more privacy, dignity, and adequate space for families.

Our average program participant household income was \$1,207/month last year for households we collected income for. We ask for income or whether they use SNAP or MA benefits. We know 99% of households we served in shelter in FY23 were at or below 200% of federal poverty guidelines.

#### 2. Project Timeline.

- a. Provide a comprehensive list of project/ development work items and milestones from the anticipated date of project award (February 2024) through the completion of the project.

Design and Regulatory approvals: Q4 2024 thru Q2 2025

Procurement & permitting: 2025

Construction: Q3 2025 thru Q3 2026

Move in and occupancy: Q4 2026

Fundraising: Q4 2023 thru end of project/2026 or beyond, if needed

Timeline will depend heavily on funding timing. If we receive a substantial bond commitment from the legislature, this is our soonest projected timeline.

## DAKOTA COUNTY COMMUNITY DEVELOPMENT AGENCY HOME-ARP FUNDS APPLICATION

### 3. Qualified Population.

- a. Identify the qualifying population and prioritization method for the project.

360 Communities serves a priority qualifying population of single adults and families with children experiencing domestic and/or sexual violence in its shelter, inclusive of gender. We serve people who experience a variety of victimizations, including fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, and human trafficking. Domestic violence is a leading cause of homelessness and individuals/families experience greater risk/safety issues when fleeing; therefore, there is a great need for safe housing. We offer shelter to those at risk of domestic or sexual violence.

FY23 shelter resident demographics include:

AGE: 50% children newborn to 17, 50% adults 18-59 and <1% were 65+

GENDER: (including children), 73% were female, 26% were male, and less than 1% were transgender or had a different gender identity

RACE/ETHNICITY: 31% Black, 20% White (non-Latino), 17% Multi-racial, 9% Hispanic, 5% African, 5% Multi-racial non-Hispanic, 5% unknown, 4% Multi-racial Hispanic, 3% American Indian, 1% Asian, 1% other.

- b. Provide a statement of community need for project and qualifying population with data sources both qualitative and quantitative.

A domestic/sexual violence shelter is critical because:

- 1 in 3 women and 1 in 7 men experience physical and/or sexual violence and transgender people are over 4x more likely than cisgender people to experience violent crimes (<https://www.who.int/news/item/09-03-2021-devastatingly-pervasive-1-in-3-women-globally-experience-violence>, <https://www.thehotline.org/stakeholders/domestic-violence-statistics/>, <https://williamsinstitute.law.ucla.edu/press/ncvs-trans-press-release/>)
- More than 5 incidents of domestic violence occur every day in Dakota County (internal organizational data)
- Domestic violence is a leading cause of homelessness (<https://www.acf.hhs.gov/ofvps/fact-sheet/domestic-violence-and-homelessness-statistics-2016>)

Our current, outdated domestic/sexual violence shelter was built in the 1970s. Our new shelter will afford residents private living apartments separate from common spaces and each other. Residential living spaces will be separate from non-residential spaces to maintain privacy and confidentiality. This new space will be an independent living model, moving away from our current communal living model, and the spaces beds occupy will provide dignity and adequate space for families. The top three victimizations (types of crime) our Violence Prevention and Intervention program worked with program participants on for FY23: Domestic and/or family violence (1,863), Adult sexual assault (219), and stalking/harassment (173).

We also closed our Hastings Lewis House domestic/sexual violence shelter this fall (which had 21 beds). Our current Eagan shelter has 23 beds. We plan to make up bed space from Hastings and increase it with the new shelter with 50 beds in one location. This will be an increase of 6 beds. This is important to accommodate the need for more people seeking shelter. Over the years, the average length of shelter stay has increased. It was 28 days in 2021, 34 days in 2022, and 52 days in 2023. When people need to stay longer due to lack of affordable housing, it means we are accommodating fewer people each year in shelter. And community-based services are increasing due to crisis calls and police reports for domestic/sexual violence crimes. This shows an increase from 2,274 individuals served in 2022 to 3,943 individuals in FY23, which means the community need is increasing overall, but shelter availability decreased (due to longer stays). In fact, we track numbers of people calling for safe housing, which has increased: FY21: 470, FY22: 465, and FY23: 489. We also see increases in people asking for help via our online web form which averages 5 requests per week, including for shelter.



## DAKOTA COUNTY COMMUNITY DEVELOPMENT AGENCY HOME-ARP FUNDS APPLICATION

For the past 15+ years, 360 Communities has gathered feedback from shelter residents regarding their stay. We ask what went well for them and what could be improved. This feedback has helped us improve our current space, though we face limitations in our current communal living set-up. In 2021, alongside our partners BKV Group and NTH, we distributed an additional survey to current and past shelter residents and staff, asking to help create the vision for our new shelter. The primary goal of this additional survey was to hear from Lewis House Shelter program participants and the needs and wants they have for a new shelter. The information gathered has greatly informed the new shelter design with spaces identified to help residents feel safe, welcomed, and supportive of their whole-self. Some aspects identified by residents include a multi-purpose room (art/maker space), wellness room, outdoor spaces, and individual living suites. We also used a resource called *Building Dignity: Design Strategies for Domestic Violence Shelter* to help inspire the new shelter design with a focus on autonomy, safety, well-being, support, connection, parenting, and harmony which helps empower people who have experienced abuse.

#### 4. Financials.

##### a. Project development.

- i. Is the NCS project fully funded by HOME-ARP and/or other resources? Identify potential and secured funds to be leveraged.

\$12.1M is requested through 2024 State bonding for the shelter. \$3M is requested from this CDA application.

Any remainder will be raised by fundraising efforts. We will leverage diversified funding streams from existing community donors including individuals, businesses, and foundations. New foundation grants will be sought for both building and ongoing operations and services.

At the beginning of our campaign to construct a new domestic and sexual violence shelter, we hired Excelsior Bay Group to conduct a feasibility study of the project and gather stakeholder feedback to inform our project. They interviewed 18 of our top contributors. A majority of interviewees have a strong personal connection to 360 Communities (often generational) and see 360 Communities as a valuable community asset. Interviewees were universally positive in their responses to the concept of the proposed new shelter construction, highlighting the move away from communal living to independent living and an emphasis on trauma-informed healing. This study informed 360 Communities the value of intended gifts for this campaign may be up to about \$4,290,000 from current donors and prospective institutional funders including government funders.

We have received donated time from our architects, BKV Group for work on this project totaling \$19,849.28.

- ii. If other resources are funding the acquisition/construction or acquisition/rehab, will the NCS project incur debt? N/A  
Click or tap here to enter text.
- iii. Provide sources and uses for development project. See Attachment D for a sample *development budget that you may use*. Please see attachment.
- iv. Indicate the capacity to manage grant funds and implement NCS project on a cost reimbursement basis.

360 Communities has extensive grant management experience and capacity to manage grant funds. Grants comprise about half of our organization's \$9.6M in annual revenue, about \$5M. Our Director of Finance and Administration ensures all funding is appropriately invoiced through reimbursement processes with Dakota County, the State of Minnesota, and other federal pass-through funds through the State including U.S. Department of Health and Human Services (childcare funds), U.S. Department of Homeland Security –

## DAKOTA COUNTY COMMUNITY DEVELOPMENT AGENCY HOME-ARP FUNDS APPLICATION

Emergency Food and Shelter Program, and Foster Care Title IV-E, with funds coded and distributed appropriately. We also have experience managing HUD funds and U.S. Department of Treasury for Covid funds. Invoicing for reimbursements currently happens monthly and quarterly with contracts. We also have an accountant who assists with accounting functions.

Our shelter utilizes a combination of funding to maintain and grow ongoing operations. It is operated largely through a grant from the Minnesota Office of Justice Programs, which allocates state and federal U.S. Department of Justice Victims of Crime Act funds based on number of individuals served and services provided. We have maintained this funding consecutively for over 30 years, and as the only domestic and sexual violence shelter in Dakota County, we believe this revenue stream will continue. We have the capacity and ability to implement this NCS project on a cost-reimbursement basis like our other grants and contracts.

b. Operational.

- i. Submit an operations budget for the proposed NCS project, reflective of the staff and services necessary to operate the NCS project as designed. See Attachment D for a sample operations budget that you may use. Please see attached.

If the proposed NCS project expands existing emergency shelter operations, submit the current operational budget in addition to the proposed operational budget for the NCS project. Include current and future budgets for staffing, transportation, professional services, rent or mortgage (where applicable), maintenance, taxes, supplies, food, etc. Include all current and expected funding streams (federal, state, and local).

Please see attached.

**5. How will the project fit into the existing emergency shelter system and the community?**

- a. Will it replace existing congregate shelter or expand access?

360 Communities operates the only domestic/sexual violence shelter in Dakota County. Until November, 2023, we operated shelters in Eagan and Hastings and we closed the one in Hastings in November. We did this because our new Office of Justice Programs contract did not keep pace with funding needed to operate both shelters, so we condensed to one shelter, to reduce operating costs. The bed capacity in Eagan is currently 23 and it was 21 in Hastings, so the new shelter will increase 6 beds total overall, for a shelter with 50 beds, replacing the current shelter and expanding access for the county and statewide through Minnesota's Day One shelter network for open bed spaces.

**6. Site/Building.**

- a. Site Control.

- i. Provide documentation of site control (i.e. deed, purchase agreement, letter of intent, etc.).

Please see attached proof of property ownership; attachment E.

- b. Building.

- i. Provide detailed summary of proposed building (# of buildings, # of units, details of units, amenities, etc.).

The new shelter construction will be designed as one "L" shaped building. The first floor will include staff space, a program resource center, a market/food shelf for program participants, and a multipurpose room. At the market, families can "shop" for and choose items they need to create a home, both within shelter and after their departure and all these items are free to residents. At our current shelter, these items are kept in storage



## DAKOTA COUNTY COMMUNITY DEVELOPMENT AGENCY HOME-ARP FUNDS APPLICATION

areas and residents must ask staff for items they need. The contents of the market will be provided by both 360 Communities and the community, including food, personal care items, and household items such as diapers, sheets, and pots and pans. There will be a partition dividing staff/communal space and where residents can access elevators. The second and third floors will have residential units, each with a communal laundry space. The third floor will also have terrace access for all residents. Behind the building will be a protected outdoor play space and gardens which will be visible from communal spaces and individual suites. All accesses to the building will have controlled entry and video monitoring. The project proposal includes carefully selected furnishings and equipment to enhance the overall functionality, comfort, and safety of the space. There will be 19 units with 50 beds; 6 studios, 4 one-bedroom suites, 5 two-bedroom suites, and 4 three-bedroom suites.

The new shelter will have a total gross square footage of 28,550 and several department spaces. The Shelter Staff space (2,304 SF) will have 5 workspaces to be shared by staff who maintain operations 24 hours per day, seven days a week. It will include a waiting area/lobby check-in space, two meeting rooms, a staff break room, and a copy/print area. There will be a VPI (Violence Prevention and Intervention) Resource Center (1,492 SF) with space for 6 staff, a support group meeting room, a small meeting room, and a children's play area.

The Commons (3,701 SF) will include a resident lounge and multi-purpose room to host community engagements, residential gatherings, and act as a flexible space for staff and residents including classes for financial empowerment, resume writing, etc. The Commons will include a wellness room (for meditation, yoga, small weights, calming music, writing, to meet with family/friends as a part of a wellness plan or other professionals who provide therapy, energy healing, etc.), a market/food shelf with a donation and storage center, a pet center, (dog wash area indoors with dog-run space outside) and a kitchen/pantry. We allow pets because many people may not want to leave a pet behind as they leave an abusive partner. An Urban Resources and National Domestic Violence Hotline survey found 97% of respondents said keeping their pet with them is an important factor in deciding whether or not to seek shelter and 91% indicated their pets' emotional support and physical protection are significant in their ability to survive and heal. Therefore, we provide pet accommodations.

The Building Services (2,237 SF) area will have storage space for staff and residents and general storage. A parking lot will be available for staff and residents and there will be four indoor, secure parking spots for residents who may need hidden parking to reduce risk of abusers finding them. We will also have Outdoor Space which will include residential gathering spaces for sitting, yoga, gardens, possibly a fire pit and basketball hoop, and play areas to gather and build a sense of community with residents.

The shelter is designed using natural light as much as possible and constructed with sustainable, eco-friendly materials. This new construction focuses on health and safety of residents by selecting materials that are durable, cleanable, and aesthetically appropriate for families. Materials will have a positive impact on the environment and promote indoor air quality. Our current shelter is a communal living model, where residents must share items including restrooms and a kitchen and at times, bedrooms. This new construction will be an independent suite model where each resident/family will have their own apartment unit, which includes a kitchen and bathroom. This independent suite model will focus on privacy and help mitigate contagious diseases and viruses. New mechanical systems will enhance indoor air quality to promote occupant health, well-being, and productivity.

Extensive research in the design industry has been considered, incorporating principles from the field known to be effective in trauma-informed design. Finishes and materials selected aim to create a neutral palette with warming and welcoming accents in materials, colors, and patterns, avoiding an institutional feel and instead evoking a sense of home. Interior spaces are organized to have staff, residential, and community spaces

## DAKOTA COUNTY COMMUNITY DEVELOPMENT AGENCY HOME-ARP FUNDS APPLICATION

providing a view of the outdoors from each room and ample natural daylight. The thoughtful design aims to promote healing and empowerment and for individuals to actively engage in the healing process.

The project team is utilizing B3 Guidelines to develop preliminary design and budgeting to meet sustainable goals for the site, water, indoor energy environments, materials, and waste. By using B3 Guidelines, they automatically apply SB 2030 Energy Standard which is a progressive energy conservation program designed to significantly reduce energy and carbon in Minnesota's commercial, institutional, and industrial buildings. The project team has extensive experience with B3 Guidelines and has developed several strategies to incorporate energy efficiencies and savings. Specific energy efficiency and savings measures include R value that exceed minimum code requirements, high-efficiency HVAC systems, passive solar design, energy star rated appliances, and on-site alternative energy systems that include solar panels and geothermal systems. These strategies and others will be further developed in future design phases as the project team seeks to align project goals with available budgeting/funding.

ii. Provide site plan, if available.

1. Site plan is defined as, *an architectural plan, landscape architecture document, or a detailed drawing of proposed improvements to a given plot or plots of land.*

Please see attached plans and designs for more details; attachment F.

c. Land Use Entitlements.

- i. What is the current zoning of the property? PD – Planned Development
- ii. Will the land require a zoning change? No
- iii. Are there any other required land use entitlements? None anticipated

d. If rehabilitating or demolishing an existing building, what is the plan for relocation of clients?

We will construct the new shelter in the space behind our current shelter, allowing us to stay fully operational during construction. Clients will move to the new shelter on-site once it is move-in ready.

### 7. Community Support.

- a. Has the applicant garnered support from the community in which the project will be developed?  
Have there been any community meetings, and, if not, are there plans for community meetings?  
Do local officials support the project?

The CDA already provided \$14,800 toward initial design services for a new shelter and supportive housing. We are requesting the CDA continue funding this project as it comes together to benefit the community.

360 Communities has had conversations with Eagan City Administrator, Diane Miller, CDA, Dakota County, and Peace Church (neighboring property) as well as political representatives. Peace Church is highly committed to this project and has been a part of our long-term visioning and programming through a Memorandum of Understanding. As we have strategized the new shelter construction, the City of Eagan has also been supportive of this concept.

Thanks to support and advocacy of State Representative Liz Reyer, we were included as the first stop on the October, 2023 *South East Minnesota Bonding Tour*. We highlighted our larger vision for both a shelter and supportive housing, focusing primarily on the shelter project. This was a great visibility and awareness-raising



## DAKOTA COUNTY COMMUNITY DEVELOPMENT AGENCY HOME-ARP FUNDS APPLICATION

event for us to gain increased support for people experiencing domestic and sexual violence. This bonding tour included 20+ members of the Minnesota House of Representatives who are making capital project decisions for the State. Madeline Kastler, Dakota County Deputy Director, Housing and Community Resources attended the tour to show support for the project and Diane Miller from the City of Eagan attended and took our handouts to share more information about the shelter with others at the City.

We also just accepted an invitation by the State Senate Capital Investment Committee to be part of the Senate's *Greater Metro Area Bonding Tour*. 360 Communities was selected as a stop for this tour on January 16<sup>th</sup>, 2024.

We have built strong relationships with the City of Eagan and the Eagan Police Department. Our shelter neighbors have always been supportive of 360 Communities being in this space and have not pushed back against a shelter in their community. Knowing this new shelter construction will be built directly behind our current facility, we do not anticipate any negative community feedback. We expect there may be community meetings when the project goes before the Eagan Planning Commission or City Council.

Please also see attached letters of support from Madeline Kastler at Dakota County, Senator Lindsey Port, Eagan Police Chief, Representative Liz Reyer, Representative Shane Hudella, and Rev. Dr. Brett Vander Berg, Senior Pastor of Peace Church.

- b. Does the applicant's governing body support the project and request for HOME-ARP funds?  
Provide a copy of resolution of support from governing body.

Yes. The following is included in our board minutes from our May 31, 2022 board retreat.

"Motion by Loren Solfest to *undertake the campaign to raise approximately \$10 million for a new facility in Eagan*. Second by Hannah Laniado. Discuss included clarifying the quiet phase. A quiet phase is common in campaigns and simply means you are not broad casting the work loudly. This does not mean it is a secret. We will be talking with people and raising money. There was an interest in receiving a progress update and each board meeting. All members present voted in favor. There were no Nays or abstentions. Motion passed."

The same board minutes note our desire to request HOME-ARP funds: "Project support includes: \$4,290,000 projected in the feasibility study, and another \$1,500,000 to \$3,000,000 projected through working with the County and the Home American Rescue Plan."

### 8. Development experience.

- a. Describe the experience of applicant and partners with housing development as evidenced by the ability to own, construct and/or rehab an emergency shelter.

We have decades of experience owning and maintaining domestic and sexual violence shelters. We rented the shelter building in Hastings and provided upkeep for the past 21 years, and we own the current shelter in Eagan, which we have owned, occupied and manage since the 1980s. We hire contractors when needed and use community volunteers for other shelter maintenance projects.

Our partners have experience constructing emergency shelters. For example, Greiner and BKV have experience with YouthLink, 180 Degrees/Brittany's Place, and others. Greiner, BKV, and NTH all have experience with numerous supportive housing projects. Greiner Construction has a successful track record working in the non-profit sector and building multi-family affordable housing. BKV Group has experience designing and engineering affordable housing including independent senior living, affordable workforce housing, and more, in urban and suburban areas of Dakota, Scott, Hennepin, and Washington counties, as well as across the U.S.

## DAKOTA COUNTY COMMUNITY DEVELOPMENT AGENCY HOME-ARP FUNDS APPLICATION

- b. List the names and experience of development team (i.e. project manager, architect, builder, legal, etc.)

360 Communities has assembled an experienced, high-credentialed project team responsible for project planning, execution, and on-time, on-budget completion. This team includes 360 Communities President and CEO, Jeff Mortensen; Lisa Lusk, Director of Programs and Operations; Ann Averill, Violence Prevention and Intervention Manager, and other 360 Communities staff. The 360 Communities leadership team comes with extensive background serving individuals facing domestic and sexual violence. Jeff Mortensen and Ann Averill have been with 360 Communities for 17 years and Lisa Lusk has been with 360 Communities for 15 years.

**NTH** is the project management group selected for this new construction project. They are a commercial real estate developer, project services firm, and commercial real estate consultant with 30 years of experience working with clients to facilitate real estate decisions and successful projects. NTH has expertise in managing budgets, schedules, and tracking multiple sources of funding for non-profit projects such as this. NTH has provided a high level of commitment to our new shelter construction, providing both pro-bono and contract work as well as a high level of commitment to the mission this project advances including participation in our fundraising events. NTH has supported 360 Communities in selecting an architect to translate our vision into an architectural program, a general contractor, and has developed a project schedule and budget.

**BKV Group** is the full-service architecture, engineering, and interior design firm designing the new shelter. They have a 43-year history of working with public, private, and non-profit clients in all aspects of design and engineering services in a national capacity involving private and public funds. BKV Group has provided a high level of commitment to this project in pro-bono and contracted work. BKV Group displays a high level of commitment to the mission this project advances, including participation in our fundraising events. BKV Group prepared a concept package that includes a site plan, building plans, code summary, and zoning analysis. They also assisted in developing the preliminary budget.

**Greiner Construction** is the general contractor for our new shelter. Founded in 1989, Greiner is an award-winning, full-service construction firm with a proven process of successfully working in the non-profit and affordable housing sectors. Greiner has a track record of meeting or exceeding project hiring goals, prevailing wage compliance, and other requirements linked to local, state, and federal funding sources. Greiner displays a high level of commitment to this project in pro-bono and contracted work. There is a high level of commitment to the mission that this project advances including their participation in our fundraising events.

This team has developed a shared vision for a project centered on creating a welcoming, safe, trauma-responsive space that helps individuals, children, and families heal from domestic and sexual violence.

In choosing partners for this project, 360 Communities engaged in a competitive bid process and vetting process to ensure the team assembled is capable as well as committed to 360 Communities' mission and vision. We have been working with our project partners since 2021 to solidify designs, concepts, and commitment.

In addition, **Excelsior Bay Group** collaborated with staff to develop the initial case for support, articulating our long-term strategy and describing the reasons why this merits support. Excelsior Bay Group provided the feasibility study during the initial stages of this new construction capital campaign.

### 9. Shelter Management experience.

- a. Evidence of prior experience managing and operating an emergency shelter and ability to support ongoing management of the project through the 15-year restrictive period.



## DAKOTA COUNTY COMMUNITY DEVELOPMENT AGENCY HOME-ARP FUNDS APPLICATION

360 Communities has provided emergency shelter to individuals fleeing domestic and sexual violence since 1979. All services provided are free and confidential to community members. Since the early 1980s, 360 Communities has operated a domestic and sexual violence shelter in Eagan, MN.

Over the last 44 years, services have been adjusted to meet the needs of program participants. At our shelter, as well as through community advocacy activities, which is for program participants in need of assistance but who may not want or need to stay in shelter, 360 Communities has been providing essential services for people who have experienced domestic and sexual violence. In fact, through community advocacy, as well as 360 Communities other programs including school-based workers, resource centers, and food shelves, people are referred for shelter. We provide shelter to individuals and their dependent children. We provide a 24-hour crisis line, conduct safety-planning and support groups, assist with legal advocacy, immigration assistance, housing advocacy, hospital advocacy for forensic exams, accompaniment to criminal and civil court hearings and legal appointments, provide for basic living needs, bring community partners on-site (public health, family law clinics, and mental health therapy), assist with Orders for Protection and Safe-at-Home (confidential mail forwarding), coordinate with Safe Harbor (anti-trafficking) support, provide volunteer opportunities, and more.

In running an emergency shelter for over four decades, our staff knows what the daily operations are, how to recruit and staff a 24-hour facility, budget for maintenance and safety, and provide the necessary services to make residents feel safe, secure, and empowered. We have a staffing model designed to overlap staff to ensure less fatigue and burnout as staff work with challenging scenarios. Our staffing structure has Shelter Advocates (Primary) who will work more closely with program participants on goal setting and case management, following along closely with participants to provide consistent staffing support. Staff focused on helping people achieve their goals may also help move them from shelter to more permanent housing, which could open up emergency bed space. We also have Shelter Advocates (Crisis Support) to assist in fielding incoming crisis calls and direction to program participants. With this tiered staffing structure, we work more closely on goal completion and resource navigation with shelter residents and continue to assist community members in need of support who may not seek overnight shelter stays. This operations model will continue at the new shelter.

360 Communities is ideally suited to operate an emergency domestic/sexual violence shelter and provide necessary programming because we not only provide services at the shelter but also meet program participants where they are and work to develop partnerships to improve our system's responses countywide. Our Violence Prevention and Intervention (VPI) leadership team participates with multi-disciplinary groups such as the Coordinated Community Response Team (CCR), Sexual Assault Response Team (SART), Affordable Housing Coalition, and the Child Mortality Review Team. We maintain and grow partnerships with schools, law enforcement, Legal Assistance of Dakota County (LADC), and healthcare providers. We also are members of various coalitions including VFMN (Violence Free Minnesota), MAC (Minnesota Alliance on Crime), and MNCASA (Minnesota Coalition Against Sexual Assault). These groups provide networking opportunities to grow partnerships, provide local and statewide updates regarding trends in our work, and training and technical assistance that allows 360 Communities to continue to implement best practices in serving program participants.

We work to ensure all individuals, regardless of their language ability feel comfortable seeking support. VPI staff work with program participants to understand their preferred communication method and work to eliminate barriers. To assist individuals who identify as deaf or hard-of-hearing, we have flashing lights and alarms, video chat access, and we have a co-advocacy partnership with ThinkSelf. We place signs, brochures, and other materials throughout the space in English, Spanish, and Somali. Our Language Access Plan was recently updated which helps staff identify how to meet language needs from each point of contact a person may reach us through. We prioritize having access to in-person and virtual interpreters to meet all language

## DAKOTA COUNTY COMMUNITY DEVELOPMENT AGENCY HOME-ARP FUNDS APPLICATION

needs, including American Sign Language. We also have bilingual/bicultural English and Somali Community Advocates to assist with these growing Dakota County populations.

In providing shelter, as well as community advocacy services, 360 Communities uses a trauma-informed approach. A trauma-informed approach prioritizes physical, mental, and emotional health and safety and is a critical tool for helping program participants feel empowered. All staff participate in trauma-informed practices trainings. These trainings teach staff that to be effective and efficient, we must provide services in ways that do not inadvertently re-traumatize the people receiving support. Staff also receive person-centered practice training. Person-centered practices are ways of working with people to create partnerships to create a plan that is meaningful to the person receiving services. This support involves awareness of power imbalances and the role of stigma and stereotypes. Staff learn specific strategies and language to foster a collaborative approach to long-term planning and different elements of a person's well-being. We emphasize centering the program participant and encouraging their power, choice, and connections. Program participants identify goals they want to accomplish rather than 360 Communities assigning goals. Goal areas include housing, financial stability, education, safety, employment, health, and healthy relationships. Our services include navigating other available community resources needed by the individual/family. Staff also work to meet the needs of children who stay at the Lewis House Shelter. We provide informed services so program participants know what to expect from us and can make informed decisions as they move forward. All services are voluntary, which gives people the choice to participate in programming and services.

Since we have been doing this work for decades and many of our leaders have been here a long time, we are confident in our ability to support ongoing management of the project through a 15-year restrictive period. We work with the Minnesota Department of Health to ensure our facility meets all licensing requirements. We understand the importance of upkeep and maintenance for compliance regulations, use, and overall safety. This new domestic and sexual violence shelter will meet current building codes, be monitored, upkeep for repairs, and comply with all state and local zoning laws.

- a. Provide a management plan - A financial and operational strategy for the ongoing management of a property.

We will manage our shelter similar to how we currently manage our shelter. This includes operations largely funded through a grant from the Office of Justice Programs, which allocates funding based on number of individuals served and services provided. However, we understand the importance of diversified revenue streams. We also work closely with other local units of government, we solicit support from public and private foundations and businesses, individual donors, clubs, and faith communities.

Our operational and staffing strategy includes oversight by our Director of Programs and Operations and we currently have 33 staff in our Violence Prevention & Intervention program, including a Manager, Supervisors, Shelter Advocates, Relief Advocates as well as Community Advocates and a Sexual Assault Advocate. Current overall VPI operations staffing is at \$1,162,000 for our Office of Justice budget.

- b. Provide current waiting list procedures.

We do not use a waiting list. We offer shelter based on *first come, first served* and we use Minnesota's Day One shelter network for open domestic/sexual violence shelter bed spaces and transportation for safe refuge.



### **III. HOME ARP APPLICATION CHECKLIST**

- ☒ Application Cover Sheet (Attachment A, page 1)
- ☒ Narrative (Attachment A)
- ☒ Environmental Assessment Form (Attachment B)
- ☒ Signed Statement of Assurances and Certification (Attachment C)
- ☒ Development Budget (Attachment D)
- ☒ Operational Budget (Attachment D)
- ☒ Site control documentation, if available (attachment E)
- ☒ Site Plan (attachment F)
- ☒ Management Plan (discussed in narrative)
- ☒ Waiting list procedures (discussed in narrative)
- ☒ Resolution of support from applicant governing body (included in narrative)
- ☒ Form 990 (nonprofit agencies only) (attachment G)
- ☒ Certificate of Good Standing (attachment H, two forms of proof)

Additional: Demonstration of community support – endorsement letters from the community – Attachment I



# Board of Commissioners

## Request for Board Action

Meeting Date: February 28, 2024

Agenda #: 8C

**DEPARTMENT:** Community and Economic Development

**FILE TYPE:** Regular - Informational

### TITLE

**Discussion Of Proposed Housing Tax Credit Qualified Allocation Plan Revisions For The 2025 Low Income Housing Tax Credit Allocation**

### PURPOSE/ACTION REQUESTED

Presentation on the drafted 2025 Qualified Allocation Plan for the allocation of Low-Income Housing Tax Credits and discussion of changes.

### SUMMARY

The Dakota County Community Development Agency (CDA) is authorized under Section 42 of the Internal Revenue Code of 1986, as amended ("Code") and Minnesota Statutes Sections 462A.221 through 462A.225, to allocate Low Income Housing Tax Credits ("Tax Credits") to qualified projects in Dakota County. Prior to allocating Tax Credits under the Code, the CDA is required to adopt a Qualified Allocation Plan (QAP) detailing the basis for allocating Tax Credits among applicants.

As required in the Code, the CDA allocates Tax Credits to housing projects in Dakota County according to a QAP and Procedural Manual ("Manual"). The QAP and Manual establish the procedure and selection criteria for a competitive application process for the 9% Tax Credits and for 4% Tax Credits that are allocated on a non-competitive basis to projects financed with tax exempt bonds. The application deadline for the competitive 2025 9% Tax Credits is tentatively set for July 11, 2024.

The CDA is currently authorized to allocate an estimated \$1,128,688 of 2025 Tax Credits, which typically means a developer can build a 40-45-unit project. The annual allocations are based on the distribution plan from Minnesota Housing, and a per capita volume cap determined each year by the Internal Revenue Service. Since 1988, Tax Credits have been used to finance the new construction, preservation and/or substantial rehabilitation of 3,927 units of affordable rental housing in 64 developments in Dakota County (Attachment A).

The QAP includes a Scoring Worksheet where applicants must meet several threshold requirements and includes the ability to score points through other selection criteria. These thresholds and points allow the CDA to target this affordable housing resource to encourage developments to provide deeper and longer affordability, as well as adjusting for unit sizes or location.

A summary of the proposed 2025 QAP scoring is in Attachment B and the proposed revisions to the 2025 Self Scoring Worksheet are shown in Attachment C. In addition to formatting and administrative revisions (including updating dates, credit amounts and clarifying text), the most substantive revisions proposed to the QAP for 2025 include:

**a. Selection Criteria****Community Revitalization (a.13):**

The ability to earn points for a project located in a Qualified Census Tract (QCT) and that is a part of a community revitalization plan/Community Development Initiative has been included under our Preference Priorities section for 5 points. Code requires this be a point category. Staff proposes to remove this item from under the Preference Priorities section and merge it with Selection Criteria item #13, Rehabilitation under Community Revitalization Plan.

The proposed change to #13 removes the requirement #13 be only for rehabilitation of an existing project, adds a clear definition of what a community revitalization plan means (now referred to as a Community Development Initiative) and includes the QCT Code requirement. The revised #13 is similar to how Minnesota Housing includes this Code preference requirement regarding a project located in a QCT which contributes to a concerted community revitalization plan.

Staff proposes this combined #13 continue to be worth 5 points but will remove the 5 points under the Preference Priority category. Minnesota Housing has this item worth 3 points and Washington County has it is worth 1 point.

**b. Preference Priorities****Geographic Balance (b.3):**

As stated in the CDA Housing Finance Policy, it is the CDA's policy to encourage the distribution of affordable housing throughout the county in order to avoid concentration of such housing in any one city or section of a city. To assist with this distribution of affordable rental housing throughout the county staff proposes to add an item under the Preference Priorities section providing points to projects that are located in a city that has not received a 9% or 4% Tax Credit award for new affordable housing development from the CDA or through Minnesota Housing in the prior 3 years. Staff proposes awarding 5 points. Washington County awards 5 points to a similar item and Minnesota Housing awards 4 points.

**RECOMMENDATION**

Staff would like the Board's input on the proposed changes to the QAP. After this meeting, the QAP will be published for public comment and a public hearing will be held at the March 27, 2024 CDA Board Meeting.

**EXPLANATION OF FISCAL/FTE IMPACTS**

N/A

☒ None    ☐ Current budget    ☐ Other    ☐ Amendment Requested    ☐ New FTE(s) requested

**ATTACHMENTS**

Attachment A: Dakota County CDA 9% and 4% Tax Credit Award History

Attachment B: Draft 2025 QAP Scoring Summary

Attachment C: Draft 2025 QAP Scoring Worksheet with redlined changes

**BOARD GOALS**

☒ Focused Housing Programs    ☐ Collaboration  
☐ Development/Redevelopment    ☐ Financial Sustainability    ☐ Operational Effectiveness

**CONTACT**

Department Head: Lisa Alfson, Director of Community and Economic Development

Author: Kathy Kugel, Housing Finance Manager

Tax Credit Type	Allocation Year	Project Name	City	Owner/Developer	Type	Tax Credit Units	Total Units	Affordability End Date
9%	1988 & 1989	Wescott Hills	Eagan	Wescott V LP	New construction	16	16	2004
9%	1990	Parkside Townhomes	Burnsville	Dakota County CDA	New construction	22	22	2027
9%	1991 & 1992	Glenbrook Place Townhomes	Apple Valley	Dakota County CDA	New construction	39	39	2023
9%	1994 (MHFA)	Spruce Pointe Townhomes	Inver Grove Heights	Dakota County CDA	New construction	24	24	2024
9%	1994	Lakeville Court Apartments	Lakeville	Sand Companies	New construction	50	52	2025
9%	1995	Oak Ridge Townhomes	Eagan	Dakota County CDA	New construction	42	42	2025
9%	1996	Pleasant Ridge Townhomes	Hastings	Dakota County CDA	New construction	31	31	2026
9%	1997	Cedar Valley Townhomes	Lakeville	Dakota County CDA	New construction	30	30	2027
9%	1998	Chasewood Townhomes	Apple Valley	Dakota County CDA	New construction	27	27	2028
9%	1998 & 1999	Farmington Townhomes	Farmington	Sherman Associates	New construction	16	16	2029
9%	1999 & 2000	Farmington Family Townhomes	Farmington	Hornig Companies	New construction	28	32	2031
9%	1999 & 2001	Country Lane Townhomes	Lakeville	Dakota County CDA	New construction	29	29	2030
9%	2000	Hillside Gables Townhomes	Mendota Heights	Dakota County CDA	New construction	24	24	2030
9%	2001	Hastings Marketplace Townhomes	Hastings	Dakota County CDA	New construction	28	28	2031
9%	2002	Burnsville HOC Townhomes	Burnsville	Dakota County CDA	New construction	34	34	2032
9%	2002	Clark Place Apts (fka Kaposia Terrace)	South St. Paul	DRS Investment VII LLC (orig was Real Estate Equities)	New construction	20	20	2032
9%	2003	Erin Place Townhomes	Eagan	Dakota County CDA	New construction	34	34	2033
9%	2003	Prairie Crossing Townhomes	Lakeville	Dakota County CDA	New construction	40	40	2034
9%	2004	LaFayette Townhomes	Inver Grove Heights	Dakota County CDA	New construction	30	30	2035
9%	2004	Haralson Apartments	Apple Valley	CHDC	New supportive & workforce	36	36	2035
9%	2005 & 2007	West Village Townhomes	Hastings	Dakota County CDA	New construction	21	21	2036
9%	2006	Chowen Bend Townhomes	Burnsville	Chris Cooper (orig was Dominion)	Preservation/Rehabilitation	32	32	2036
9%	2006 & 2008	Carbury Hills Townhomes	Rosemount	Dakota County CDA	New construction	32	32	2037
9%	2007	Cliff Hills Townhomes	Burnsville	Shelter Corporation	Preservation/Rehabilitation	32	32	2037
9%	2007 & 2008	Twin Ponds Townhomes	Farmington	Dakota County CDA	New construction	25	25	2038
9%	2007 & 2008	Rosemount Greens	Rosemount	TCHDC	Preservation/Rehabilitation	28	28	2036
9%	2008 & 2009 & 2010	Meadowlark Townhomes	Lakeville	Dakota County CDA	New construction	40	40	2039
9%	2009	Chancellor Manor	Burnsville	CHDC	Preservation/Rehabilitation	186	200	2039
9%	2010	Quarry View Townhomes	Apple Valley	Dakota County CDA	New construction	45	45	2040
9%	1990 & 1991 & 2008	Kidder Park Townhomes (fka Park Place)	Rosemount	Boisclair Corporation	New construction/ 2008 substantial rehab	36	36	2041
9%	1991 & 2011	Andrews Pointe	Burnsville	Shelter Corporation	New construction/2011 rehab	57	57	2040
9%	2011	Twin Ponds (Phase II) Townhomes	Farmington	Dakota County CDA	New construction	26	26	2041
9%	2012	Northwoods Townhomes	Eagan	Dakota County CDA	New construction	47	47	2042
9%	2013	Inver Hills TH/ Riverview Ridge TH	IGH & Eagan	Dakota County CDA	New construction	51	51	2043
9%	2014 & 2015	Lakeshore Townhomes	Eagan	Dakota County CDA	New construction	50	50	2044
9%	2015	Keystone Crossing Townhomes	Lakeville	Dakota County CDA	New construction	36	36	2045
9%	2016	Artspace Hastings Lofts	Hastings	Artspace	New construction	37	37	2046
9%	2017	Lakeville Pointe	Lakeville	Ron Clark/Connelly Development	New construction	49	49	2046
9%	2018	Prestwick Place Townhomes	Rosemount	Dakota County CDA	New construction	40	40	2048
9%	2001 & 2002 and 2019	Guardian Angels Apartments & Townhomes	Hastings	CommonBond (2001 was Sherman Associates)	Substantial Rehab/Stabilization (2001 was new construction & rehabilitation)	33	33	2049
9%	2019 & 2020	Wexford Place Apartments	Rosemount	Ron Clark/Connelly Development	New construction	49	49	2054
9%	2020	Prairie Estates	Inver Grove Heights	TCHDC	Preservation/Rehab	40	40	2051
9%	2020 & 2021	Lexington Flats	Eagan	MWF Properties LLC	New construction	50	50	2050
9%	2021 & 2022	Babcock Crossing	Inver Grove Heights	Ron Clark/Connelly Development	New construction	49	49	2052
9%	2023 & 2024	Denmark Trail Townhomes	Farmington	Dakota County CDA	New construction	40	40	TBD
9%	2024	Pillsbury Ridge	Burnsville	MWF Properties LLC	New construction	48	48	TBD
<b>Total 9%</b>	<b>46</b>				<b>Total 9%</b>	<b>1,779</b>	<b>1,799</b>	
Tax Credit Type	Allocation Year	Project Name	City	Owner/Developer	Type	Tax Credit Units	Total Units	Affordability End Date
4%	2001	Clark Place Apts (fka Rose Apartments/aka Kaposia Apartments)	South St. Paul	DRS Investment VII LLC (orig was Real Estate Equities)	Acquisition/Rehab	48	48	2031
4%	2002	Grande Market Place	Burnsville	Sherman	New Construction	53	113	2033
4%	2003	Hearthstone Apartments	Apple Valley	Stonebridge	New Construction	50	228	2033
4%	2003	Blackberry Trail Apartments	Inver Grove Heights	Michael Development	New Construction	88	219	2034
4%	2006	Spruce Place Apartments	Farmington	CommonBond	Acquisition/Rehab	60	61	2035
4%	2008	Waterford Commons	Rosemount	Stonebridge	New Construction	24	108	2038
4%	2015	The Sanctuary at WSP	West St. Paul	SCA Shelter	New Construction	164	164	2046
4%	2016	Legends at Apple Valley	Apple Valley	Dominium	New Construction	163	163	2047
4%	2017	Whitney Grove TH (fka Oaks of AV)	Apple Valley	CommonBond	Acquisition/Rehab	55	56	2046
4%	2018	Winslow (fka DARTS) Senior	West St. Paul	Real Estate Equities	New Construction	172	172	2049
4%	2020	Aster House	Eagan	Real Estate Equities	New Construction	204	204	2051
4%	2021	The Quill	Hastings	Real Estate Equities	New Construction	90	90	2051
4%	2021	Hilltop at Signal Hills	West St. Paul	Dominium	New Construction	146	146	TBD
4%	2021	Legacy Commons at Signal Hills	West St. Paul	Dominium	New Construction	247	247	TBD
4%	2022	The Villas at Pleasant Avenue	Burnsville	MWF Properties LLC	New Construction	150	150	TBD
4%	2023	The Landing at Amber Fields	Rosemount	Real Estate Equities	New Construction	160	160	TBD
4%	2022	The Villas at Pleasant Avenue II	Burnsville	MWF Properties LLC	New Construction	110	110	TBD
4%	2023	Croft at Rosecott	Rosemount	Schafer Richardson	New Construction	164	164	TBD
<b>Total 4%</b>	<b>18</b>				<b>Total 4%</b>	<b>2,148</b>	<b>2,603</b>	
<b>9% and 4%</b>	<b>64</b>				<b>Total 9% and 4%</b>	<b>3,927</b>	<b>4,402</b>	

2025 Qualified Allocation Plan - Self-Scoring Worksheet (Draft)		Proposed	Proposed
Description		Change from 2024	2025 Points
<b>a. Selection Criteria:</b>			
1. New construction to increase supply		Same	10 pts
2. Preservation - Federally Assisted Housing OR Preservation – near end of affordability requirements		Same	25 pts OR 10 pts
3. Stabilization – trouble with occupancies/net revenues (points for #2 or #3)		Same	5 pts
4. Readiness – land use and zoning		Same	5 pts
5. Readiness – permanent funding sources secured		Same	Up to 15 pts
6. Community priority locations - gov't owned		Same	10 pts
7. Long Term Affordability		Same	Up to 8 pts
8. Larger Family Size Units		Same	Up to 6 pts
9. Accessible units		Same	5 pts
10. Ownership by Non-Profit or Government		Same	5 pts
11. Intermediary costs		Same	Up to 6 pts
12. Homelessness/Permanent Supportive Housing Units		Same	Up to 15 pts
Homeless units for 4% - 2 units		Same	5 pts
<b>13. Community Revitalization – rehabilitation and community revitalization plan</b>		<b>5 pts</b>	<b>5 pts</b>
<b>b.3. QCT and Community Development Initiative</b>		<b>Moved from Preference; was 5 pts</b>	
14. Eventual tenant ownership		Same	1 pt
15. Unacceptable practices		Same	Up to -50 pts
16. Access to transit		Same	Up to 5 pts
<b>b. Preference Priorities:</b>			
1. Previous Tax Credit commitment/reservation		Same	30 pts
2. Serves the lowest income tenants		Same	Up to 15 pts
<b>3. Geographic Balance</b>		<b>New</b>	<b>5 pts</b>
		<b>2024 Max Points</b>	<b>2025 Max Points</b>
New Construction		141	146
Rehabilitation		161	161

**SCHEDULE 1****SELF-SCORING WORKSHEET****2024-2025 Housing Tax Credit  
Program**

Applicant Name \_\_\_\_\_

Project Name \_\_\_\_\_

Project Address/Location \_\_\_\_\_

Project City \_\_\_\_\_

Please note the following:

## 1. Documentation of Points

Indicate the selection and/or preference priority points expected for your project. Where multiple points per section are available please check the appropriate box ( ☐ ) for points claimed. **Attach directly to this self-scoring worksheet, a separate detailed sheet and documentation that clearly supports points claimed.** The Dakota County Community Development Agency (Agency) will determine the actual selection points awarded. Points will not be awarded unless documentation is provided along with the application to justify the points claimed.

Applicants must demonstrate the project is eligible for not fewer than 25 points to qualify for the 4% Tax Credits under this Plan.

## 2. Extended Duration

*Projects requesting 9% and 4% Tax Credits:* Such projects must maintain the low-income use for a minimum of 30 years. The owner agrees that IRC Sections 42(h)(6)(E)(i)(II) and 42(h)(6)(F) (which would permit the owner to terminate the restrictions under the Declaration at the end of the 15- year compliance period in the event the Agency does not present the owner with a qualified contract for the acquisition of the project) do not apply to the project, and that the Section 42 income and rent restrictions shall apply for the period of 30 years beginning with the first day of the 15- year compliance period in which the building is part of a qualified low income housing project.

## 3. Design Standards

The project must meet the Tax Credit Design Standards as specified in the Procedural Guide and be evidenced by a Design Standards Certification form executed by the owner and architect.

## 4. Declaration of Land Use Restrictive Covenants

A Declaration covering the rent and income limits and occupancy requirements, including student eligibility requirements, must be placed on the building(s) and recorded in the county in which the project is located.

## 5. Section 8 Voucher Acceptance

Owners of a Tax Credit project must agree to not refuse to rent a unit to a tenant because that tenant has a Section 8 voucher that would be used for a unit in the project. Language prohibiting discrimination based on Section 8 status must be included in the Declaration entered into by the owner with the Agency. Declarations are enforceable in state court by housing credit agencies and all income-eligible persons.

## MINIMUM THRESHOLD REQUIREMENTS

All applicants must meet one of the seven (7) following threshold types. **To qualify for threshold #7 the applicant must have written approval from the Agency prior to submission of the application.** Check one box for project type 1-7 below. In the event Minnesota Statutes are modified to allow additional threshold requirements, this worksheet will be modified accordingly.

1.	<input type="checkbox"/>	New construction or Substantial Rehabilitation of projects in which, for the term of the Declaration), at least 75% of the total Tax Credit units are Single Room Occupancy, efficiency, or one bedroom units and which are affordable by households whose income does not exceed 30% of the median income.
2.	<input type="checkbox"/>	New construction or Substantial Rehabilitation family housing projects that are not restricted to occupancy by persons 55 years old or older and in which, for the term of the extended use period (term of the Declaration), at least 75% of the Tax Credit units contain two or more bedrooms and at least one third of the 75% contain three or more bedrooms.
3.	<input type="checkbox"/>	Substantial Rehabilitation projects in neighborhoods targeted by the applicable city for revitalization.
4.	<input type="checkbox"/>	<p>Projects that are not restricted to persons of a particular age group and in which, for the term of the extended use period (term of the Declaration), a percentage of the units are set aside and rented to (check one, if applicable):</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Persons with a serious and persistent mental illness as defined in Minnesota Statutes Section 245.462, Subd. 20(c);</li> <li><input type="checkbox"/> Persons with a developmental disability as defined in the United States Code, Title 42, Section 6001(8);</li> <li><input type="checkbox"/> Persons who have been assessed as drug dependent persons as defined in Minnesota Statutes Section 254A.02, Subd. 5, and are receiving or will receive care and treatment services provided by an approved treatment program as defined in Minnesota Statutes Section 254A.02, Subd. 2;</li> <li><input type="checkbox"/> Persons with a brain injury as defined in Minnesota Statutes Section 256B.093, Subd. 4(a); <u>or</u></li> <li><input type="checkbox"/> Persons with permanent physical disabilities that substantially limit major life activities, if at least fifty percent (50%) of the units in the project are accessible as provided under Minnesota Rules Chapter 1340</li> </ul>
5.	<input type="checkbox"/>	Projects, whether or not restricted to persons of a particular age group, which preserve existing subsidized housing if the use of Tax Credits is necessary to prevent conversion to market rate use or to remedy physical deterioration of the project which would result in loss of existing federal subsidies.
6.	<input type="checkbox"/>	Projects financed by Rural Development which meet state-wide distribution goals.
7.	<input type="checkbox"/>	<p><u>In addition to Thresholds 1-6, the Agency may allocate Tax Credits</u><del>Up to two</del><u>one remaining</u> projects- that <del>are</del><u>is</u> a new construction or Substantial Rehabilitation multifamily housing projects that <del>are</del><u>is</u> not restricted to persons 55 years of age or older and that <del>are</del><u>is</u> located within one of the following areas at the time a reservation for Tax Credits is made:</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> an area within one-half mile of a completed or planned light rail transitway, bus rapid transitway, or commuter rail station;</li> <li><input type="checkbox"/> an area within one-fourth mile from any stop along a high-frequency local bus line;</li> <li><input type="checkbox"/> an area within one-half mile from a bus stop or station on a high-frequency express route;</li> </ul>



	<input type="checkbox"/> an area within one-half mile from a park and ride lot; <u>or</u> <input type="checkbox"/> an area within one-fourth mile of a high-service public transportation fixed route stop; <p>For purposes of this section, the following terms have the meanings given them:</p> <p>(1) "high-frequency local bus line" means a local bus route providing service at least every 15 minutes and running between 6:00 a.m. and 7:00 p.m. on weekdays and between 9:00 a.m. and 6:00 p.m. on Saturdays;</p> <p>(2) "high-frequency express route" means an express route with bus service providing six or more trips during at least one of the peak morning hours between 6:00 a.m. and 9:00 a.m. and every ten minutes during the peak morning hour; and</p> <p>(3) "high-service public transportation fixed route stop" means a stop serviced between 6:00 a.m. and 7:00 p.m. on weekdays and 9:00 a.m. and 6:00 p.m. on Saturdays and with service approximately every 30 minutes during that time.</p> <p><u>(Minnesota Statutes Section 383D.41, Subdivision 11)</u></p> <p><b><u>Note: To qualify for Threshold #7 the applicant must have written approval from the Agency prior to submission of the application.</u></b></p>
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#### DAKOTA COUNTY CDA ADDITIONAL THRESHOLD REQUIREMENTS

All applicants must meet the following additional threshold requirements. Check boxes below to indicate the acceptance of these requirement:

8.	<input type="checkbox"/>	<input type="checkbox"/> The project satisfies the Agency's underwriting standards and the Agency determines the owner has sufficient experience. <input type="checkbox"/> The application demonstrates reasonable operating expenses relative to comparable projects in the past, <input type="checkbox"/> The project complies with applicable building, land use and zoning ordinances, <input type="checkbox"/> The project is consistent with a Market Study, <u>and</u> <input type="checkbox"/> The costs of intermediaries meet the criteria set forth in the Procedural Manual.
9.	<input type="checkbox"/>	Applicants must agree to utilize public housing waiting lists in Dakota County in marketing units to the public.
10.	<input type="checkbox"/>	The owner agrees to not refuse to rent a unit to a tenant because that tenant has a Section 8 voucher and that language prohibiting discrimination based on Section 8 status will be included in the Declaration.
11.	<input type="checkbox"/>	The applicant demonstrates by information submitted in the application that each building in the project is a qualified low-income building under Section 42(c)(2) of the Code.
12.	<input type="checkbox"/>	The applicant agrees to enter into a Declaration in form and substance acceptable to the Agency and legal counsel appointed by the Agency.
13.	<input type="checkbox"/>	The applicant agrees to apply resident screening criteria as provided in the Declaration.
14.	<input type="checkbox"/>	For 9% and 4% Tax Credit projects, the applicant agrees to waive the provisions of Sections 42(h)(6)(E)(i)(II) and 42(h)(6)(F) which permit the owner to terminate the rent and income restrictions under the Declaration at the end of the initial 15-year compliance period. All Tax Credit projects must maintain the low-income use for a minimum of 30 years.
15.	<input type="checkbox"/>	The applicant agrees to provide high speed internet access via installation of all appropriate infrastructure and connections for cable, DSL or wireless/data internet service to every unit.
16.	<input type="checkbox"/>	<p>The applicant agrees to institute and maintain a written policy* prohibiting smoking in all the units and all common areas within the building/s of the project. The project must include a non-smoking clause in the lease for every household. Projects will be required to maintain the smoke-free policy for the term of the Declaration.</p> <p>*A written policy must be submitted with the application and should include procedures regarding transitioning to smoke-free for existing residents and the establishment of smoking areas outside of units and common areas, if applicable. Consequences for tenants violating the smoke-free policy will be determined by the owner and must be included in the written policy for the project.</p>

SELECTION PRIORITIES			
<b>a. <u>SELECTION CRITERIA</u></b> Check the box to the left of the descriptions below to indicate selection and/or preference priority points expected. The Agency will determine actual points to be awarded, based on the application and the documentation submitted. All applicants for 9% LIHTC will be scored competitively against other applications received. All applicants for 4% LIHTC with tax exempt volume limited bonds must meet a minimum score of 25 points.		<u>Developer Claimed</u>	<u>Agency Awarded</u>
New Construction (10 Points)			
1.	New construction which increases the supply of affordable rental housing in Dakota County (10 points).		
Preservation and Stabilization of Affordable Housing (Up to 25 Points)			
2.	Preservation of Affordable Housing: <input type="checkbox"/> Preservation of Federally Assisted Housing (25 Points): Points are awarded to projects that preserves low-income housing receiving assistance under Section 8 or Section 236 or other similar project-based subsidy which, due to mortgage prepayments or expiring rental assistance, would convert to market rate use. The Agency in its sole discretion must agree that a market exists for a conversion to market rate housing.  OR <input type="checkbox"/> Preservation (10 Points): Points are awarded to projects that preserve the rent and income restrictions under an existing use agreement which, due to expiring affordability periods would convert to market rate use. The Agency, in its sole discretion, will verify that a market exists for a conversion to market rate housing.  Applicant must agree in writing to continued renewals of the existing project-based housing subsidy payment contract for as long as assistance is available.		
3.	Stabilization of Affordable Housing (5 Points)  Points are awarded to projects with existing federally assisted units or previously funded by Tax Credits or deferred loans from the Agency or other public entity, that are <u>not also claiming points</u> in the Preservation of Affordable Housing category which are experiencing trouble with occupancies and/or net revenues which need to be stabilized.  Applicants must provide narratives to support the approach of a planned, long term and cost effective stabilization that meets all of the following criteria: i) Suitability for long term stabilization: a. 18 or more years have passed since initial loan closing or most recent Tax Credit placement in service date; and b. Operating feasibility shows duration of at least 20 years.  AND ii) Collaborative relationship in place Points claimed and deemed eligible for Financial Readiness to Proceed, minimum of 6 points.  AND iii) Affordability and Cost Effectiveness Points claimed and deemed eligible in Preference Priorities b.2 (Serves Lowest Income Tenants/Rent Reduction)		

		<u>Developer Claimed</u>	<u>Agency Awarded</u>
<b>Readiness to Proceed (Up to 20 Points)</b>			
4.	Points are awarded to projects that, at the time of application, have received final land use entitlements up to and including preliminary plat approvals, final Comprehensive Plan amendments (if any), final zoning approvals and site plan authorization. (5 points)		
5.	<p>Financial Readiness (up to 15 points).</p> <p>Points are awarded to projects that have secured funding commitments for permanent funding sources or have no funding gap at the time of application. Words synonymous with “consider” or “may” award are not valid or acceptable.</p> <p>The calculation below must exclude all first mortgage financing and anticipated Tax Credit proceeds from the current Tax Credit request. Committed syndication proceeds from previously reserved Tax Credits may be included in the calculation.</p> <p>Acceptable documentation of syndication proceeds from Tax Credits awarded in a previous cycle/round is an executed agreement or letter of intent from a syndicator/investor which is acceptable to the Agency. The executed agreement or letter of intent must: (1) be current and dated within 15 days of application; (2) contain a projected closing date; (3) contain a projected equity price for the purchase of the Tax Credits; and (4) contain a detailed explanation of the assumptions being used by the syndicator/investor to arrive at the projected equity price.</p> <p>Total eligible funding secured, awarded or committed (exclude first mortgage and syndication proceeds as described above)      \$ _____</p> <p>Divided by total development cost less first mortgage and excluded syndication proceeds      \$ _____</p> <p>Equals percentage of funds committed, rounded to the nearest tenth      _____ %</p> <p>Check box that applies:</p> <p><input type="checkbox"/> 70.1% or more of gap funds committed or no gap (15 points)</p> <p><input type="checkbox"/> 50.1 – 70.0% of gap funds committed (10 points)</p> <p><input type="checkbox"/> 30.1 – 50.0% of gap funds committed (6 points)</p> <p><input type="checkbox"/> 10.1 – 30.0% of gap funds committed (2 points)</p> <p><b>Please see the Procedural Manual Section VIII. A. for details.</b></p> <p>If points are claimed and the funding is returned/not used the affordability requirements for that (those) funding source(s) will be included in the Declaration.</p>		
<b>Community Priority Locations (10 Points)</b>			
6.	Points are awarded to projects located on property fully/entirely owned by the Agency, Dakota County, or a municipality in Dakota County at the time of application. (10 points)		

		<u>Developer Claimed</u>	<u>Agency Awarded</u>
<b>Long Term Affordability (Up to 8 Points)</b>			
7.	<p>Points are awarded to projects that agree to extend the long-term affordability of the project and maintain the duration of low-income use beyond the required minimum of 30 years by agreeing to:</p> <p>Check box that applies:</p> <p><input type="checkbox"/> Extend the long-term affordability of the project and maintain the duration of low-income use for a minimum of <b>35 years</b> (2 points)</p> <p><input type="checkbox"/> Extend the long-term affordability of the project and maintain the duration of low-income use for a minimum of <b>40 years</b> (4 points)</p> <p><input type="checkbox"/> Extend the long-term affordability of the project and maintain the duration of low-income use for a minimum of <b>45 years</b> (6 points)</p> <p><input type="checkbox"/> Extend the long-term affordability of the project and maintain the duration of low-income use for a minimum of <b>50 years</b> (8 points)</p>		
<b>Large Family Housing (up to 6 points)</b>			
8.	<p>Points are awarded to projects that promote family housing that is not restricted to persons 55 years old or older for the term of the Declaration, where 25% or more of the Tax Credit units in the project have 3 or more bedrooms.</p> <p>Check box that applies:</p> <p><input type="checkbox"/> At least 30% of the Tax Credit units have 3 or more bedrooms (3 points)</p> <p><input type="checkbox"/> At least 50% of the Tax Credit units have 3 or more bedrooms (6 points)</p>		
<b>Accessible Units (5 Points)</b>			
9.	At least 25% of the Tax Credit units in the project are designed, equipped and set aside for the developmentally, physically or mentally disabled and there is a referral and marketing plan that includes an agreement with an established organization to provide services for such persons. (5 points)		
<b>Ownership by Non-Profit or Governmental Unit (5 Points)</b>			
10.	<p>A qualified non-profit or a governmental unit is the sole general partner/managing member. (5 points)</p> <p>The non-profit must be organized and incorporated in the State of Minnesota and have at least five-year's experience in Minnesota owning and operating at least 100 units of affordable Tax Credit housing. Points will only be awarded to local non-profits. To be eligible for points, the non-profit must be a qualified non-profit tax-exempt organization within Code Section 501(c)(3) at the time of application, and must also meet the requirements of Section 42(h)(5)(C) of the Code. For a non-profit, a copy of the Certificate of Incorporation from the Secretary of State of Minnesota and organization documentation evidencing the 501(c)(3) status must be submitted at the time of application.</p> <p>These points are awarded because the Agency has an assumption that such organizations have a mission that results in perpetual affordability of the units. Points will not be awarded if the non-profit/governmental organization has been a project sponsor or general partner/managing member of a project that converted units to market rate units in the past three (3) years without the consent of the issuing public agency within Minnesota.</p>		

		<u>Developer Claimed</u>	<u>Agency Awarded</u>
<b>Intermediary Costs (Up to 6 Points)</b>			
11.	<p>Points are awarded to projects with the lowest intermediary costs on a sliding scale based on the percentage of total development costs. For applicants receiving points under this item, this percentage will be enforced at issuance of IRS Form 8609.</p> <p>Total intermediary costs \$ _____</p> <p>Divided by Total Development Cost \$ _____</p> <p>Equals percentage of costs toward intermediaries, rounded to the nearest tenth _____ %</p> <p>Check box that applies:</p> <p><input type="checkbox"/> 0 – 15.0% of total development cost (6 points)</p> <p><input type="checkbox"/> 15.1 – 20.0% of total development cost (3 points)</p> <p><input type="checkbox"/> 20.1 – 25.0% of total development cost (2 points)</p>		
<b>Homelessness (Up to 15 points)</b>			
<p>These units must provide rental assistance or for those units occupied by households without rental assistance that are seeking these points, the gross rent, including an allowance for tenant-paid utilities, cannot exceed the greater of 30 percent of the household's monthly income or the most current supportive housing standard for the unit size as published by MHFA. Owners must establish and implement policies and procedures to specify the calculation method used to determine the appropriate rent amount and the periodic income recertification used when adjusting rents.</p> <p>Applicants that claim this criterion and are selected will be required to comply with any due diligence/reporting requirements after selection and term of the declaration. Failure to comply could result in the loss of the award and/or allocation as well as the assessment of penalty points.</p>			
12.	<p><b>Permanent Supportive Housing Units.</b> Points are awarded to projects that commit suitable Tax Credit units with supportive services for occupancy by households who are experiencing homelessness as defined in Minnesota Rules Chapter 4900.3705.</p> <p>Applicants claiming points for providing homeless units will be requested to work with the Suburban Metro Area Continuum Homeless Coordinated Entry System and other alternative referral and prioritization processes for populations that have demonstrated need but are not included in the Coordinated Entry System, as is reasonable and feasible, to fill those units.</p> <p>Applicants must agree to pursue and continue renewal of rental assistance, operating subsidy or service funding contracts for as long as the funding is available.</p> <p>Applications that a set-aside 10% or more Tax Credit units for homeless household, must also commit the supportive services will be available on-site for homeless households. Contracts for supportive services must be in place prior to closing or Tax Credit Carryover allocation.</p> <p>Upon selection to receive Tax Credits the applicant must receive support in writing from the Dakota County Affordable Housing Coalition (AHC) prior to financing closing or the Tax Credit Carryover allocation.</p> <p><input type="checkbox"/> Set aside 5%- 9.99%, but no fewer than 2 Tax Credit units (5 points)</p> <p><input type="checkbox"/> Set aside 10% - 49.99%, but no fewer than 5 Tax Credit units (10 points)</p> <p><input type="checkbox"/> Set aside 50% or more, but no fewer than 20 Tax Credit units (15 points)</p> <p><b>4% Projects Only:</b></p> <p><input type="checkbox"/> Set aside no fewer than 2 Tax Credit units (5 points)</p>		

		Developer Claimed	Agency Awarded
<del>Rehabilitation Under</del> Community Revitalization <del>Plan</del> (5 Points)			
13.	<p><del>Points are awarded to projects for the rehabilitation of existing housing which is part of a community revitalization plan and that the project is contributing to the revitalization. — 5 points</del>Community Development Initiative (5 points)</p> <p><u>Points are awarded to projects that contribute to the active implementation of a Community Development Initiative to address locally identified needs and priorities, with active engagement by local stakeholders. The initiative can be created by, and involve engagement from, a wide variety of public and private local community development partners such as cities, counties, employers, private foundations, public housing authorities, or other community stakeholders. The plan must contain more components than the project itself. Documentation must be provided that address the requirement of a Community Development Initiative as provided in the Procedural Manual, Exhibit I.</u></p> <p><u>If a project is located in a Qualified Census Tract (QCT), in order to be eligible for these points, the application must provide additional evidence that demonstrates a strategy for obtaining commitments of public and/or private investment in non-housing efforts to demonstrate that the project contributes a concerted community revitalization plan.</u></p>		
Eventual Tenant Ownership (1 Point)			
14.	This point is awarded to projects that include a plan for eventual tenant ownership of 100% of the units. (1 point)		
Unacceptable Practices (Up to -50 Points)			
15.	Unacceptable Practices, includes the transfer of ownership of the owner and displacement of Section 8 tenants as described in Section IV.F of the Procedural Manual.		
Access to Transit (Up to 5 Points)			
16.	<p>Points are awarded to projects located within <u>walking distances</u> of public transit stations and stops. (up to 5 points)</p> <p><input type="checkbox"/> Project is located within ½ mile of Orange Line transitway stations (including the Burnsville Center station and all stations north) or Red Line transitway stations (including the Apple Valley Transit Station and all stations north) (5 points); <b>OR</b></p> <p><input type="checkbox"/> Project is located within ½ mile of a park and ride (with bus service), a bus route stop, or a Minnesota Valley Transit Authority (MVTA) bus route where the bus is able to stop (3 points).</p> <p>At the time of application, the applicant must submit a map identifying the location of the project with exact <u>walking distances</u> to the eligible public transit station/stop and include a copy of the route.</p>		

b.	<b><u>PREFERENCE PRIORITIES</u></b> Points obtained through Preference Priorities will be included in the application's score and will be used to break ties in overall scoring for the competitive selection of applicants, as detailed in Section 8.2.	<b><u>Developer Claimed</u></b>	<b><u>Agency Awarded</u></b>
1.	Previous Tax Credit Commitment/Reservation (30 points). Points are awarded to projects that have a prior commitment/reservation of Tax Credits, were not fully funded in a previous round, and require additional Tax Credits to make the project feasible.		
2.	<p>Points are awarded to projects that will serve the lowest income tenants (50% or less of area median adjusted by unit size) with gross rents not to exceed 30% of income and agree to maintain the deeper rent structure for the duration of the Declaration. <i>(Up to 15 Points)</i></p> <p>Applicants may choose any combination of the following rent limitations for the project but may not count any unit more than once. This selection will restrict rents only (tenant incomes will not be restricted to the following levels by claiming points in this section).</p> <p>Check the box that applies.</p> <p><input type="checkbox"/> 100% of Tax Credit units at the rents for 50% of AMI: 15 points</p> <p><input type="checkbox"/> 75% of Tax Credit units at the rents for 40% of AMI: 15 points</p> <p><input type="checkbox"/> 75% of Tax Credit units at the rents for 50% of AMI: 10 points</p> <p><input type="checkbox"/> 50% of Tax Credit units at the rents for 40% of AMI: 10 points</p> <p><input type="checkbox"/> 50% of Tax Credit units at the rents for 50% of AMI: 5 points</p>		
3.	<p><u>Geographic Balance (5 points).</u></p> <p><u>Points are awarded to projects if the proposed project is located in a city that has not received a 9% or 4% Tax Credit award from Dakota County CDA or Minnesota Housing for new affordable housing development in the prior 3 years.</u></p> <p><del>Points will be awarded to projects located in a Qualified Census Tract that are part of a concerted plan which provides for community revitalization consistent with the definition described as a Community Development Initiative. (5 Points)</del></p>		

<b>TOTAL POINTS:</b>	<b><u>Developer Claimed</u></b>	<b><u>Agency Awarded</u></b>

### SELF-SCORING WORKSHEET CERTIFICATION:

Under penalty of perjury, the Applicant hereby certifies the information provided in the Self-Scoring Worksheet is true and accurate.

By: \_\_\_\_\_  
Signature

\_\_\_\_\_  
Print or type name and title of signatory

Of: \_\_\_\_\_  
*Name of Managing/General Partner*

Date: \_\_\_\_\_





# Board of Commissioners

## Request for Board Action

Meeting Date: February 28, 2024

Agenda #: 8D

**DEPARTMENT:** Administration

**FILE TYPE:** Regular - Informational

### TITLE

**Legislative Update**

### PURPOSE/ACTION REQUESTED

- Update on housing related legislative items.

### SUMMARY

Staff will provide updates at the meeting on bills related to housing that have been introduced at the legislature.

### RECOMMENDATION

None.

### EXPLANATION OF FISCAL/FTE IMPACTS

N/A

☒ None   ☐ Current budget   ☐ Other   ☐ Amendment Requested   ☐ New FTE(s) requested

### ATTACHMENTS

None.

### BOARD GOALS

- ☒ Focused Housing Programs   ☐ Collaboration  
☐ Development/Redevelopment   ☐ Financial Sustainability   ☐ Operational Effectiveness

### CONTACT

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