



Dakota County CDA Board of Commissioners

Agenda

| | | |
|--------------------------------|---------|--------------------------|
| Meeting Date: January 20, 2026 | 3:15 PM | CDA Boardroom, Eagan, MN |
|--------------------------------|---------|--------------------------|

1. Call To Order And Roll Call

2. Audience

Anyone wishing to address the County Board on an item not on the agenda, or an item on the consent agenda may notify the Clerk to the Board and instructions will be given to participate during the meeting. Comments can be sent to sjacobson@dakotacda.org. Verbal Comments are limited to five minutes.

3. Approval Of Agenda And Meeting Minutes

- | | |
|--|---|
| A. Approval Of Meeting Minutes – December 16, 2025 Regular Meeting | 3 |
|--|---|

4. Federal Public Housing And Housing Choice Voucher

Consent Agenda

- | | |
|--|----|
| A. Approval Of The 2026 Utility Allowance Schedule For The Housing Choice Voucher Program | 12 |
| B. Schedule A Public Hearing To Receive Comments On The 2026 Public Housing Agency Plan | 15 |
| C. Accept The Annual Comprehensive Financial Report And Single Audit For The Fiscal Year Ended June 30, 2025 | 17 |

5. Consent Agenda

- | | |
|---|-----|
| A. Approval Of Record Of Disbursements – December 2025 | 173 |
| B. Approval Of Budget Amendment For Countywide Radon Mitigation Grant And Home Improvement Loan Programs | 175 |
| C. Authorize Forgiveness And Release of Dakota County HOME Investment Partnerships Program Loan And Interest And Release Of Dakota County CDA Gap Loan And Interest For Oak Ridge Townhomes (Eagan) | 224 |
| D. Approval Of 1.0 FTE Budget Authority To Hire A Resident Services Manager For The Property Management Department | 226 |

- E. Summary Of Conclusions Of Closed Executive Session To Evaluate Performance Of Executive Director 228

6. Regular Agenda

- A. Conduct Public Hearing To Receive Comments On The Disposition Of A DCCDA Section 18, LLC Property And Authorization To Enter Into Purchase Agreement With Qualified Buyer 230
- B. Executive Director Update

7. Information

- A. Status Report, Q4 2025 234

8. 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

Next Meeting

February 17, 2026

CDA Board of Commissioners Regular Meeting – 3:00 p.m.

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



Board of Commissioners

Meeting Minutes

Meeting Date: December 16, 2025 3:00 PM Boardroom; CDA Office, Eagan, MN

Commissioner Atkins called the meeting to order at 3:03 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 – arrived at 3:08 p.m. |
| Commissioner Velikolangara, At Large | X | |

CDA staff in attendance:

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

Others in attendance:

Erin Stwora, Dakota County
Marti Fischbach, Dakota County

AUDIENCE

No audience members addressed the Board.

APPROVAL OF AGENDA AND MEETING MINUTES

25-7037 Approval Of Agenda And Meeting Minutes

BE IT RESOLVED, by the Dakota County Community Development Agency Board of Commissioners, that the agenda for the December 16, 2025 Regular 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 November 18, 2025 Regular Board meeting be approved as written.

Motion: Commissioner Droste

Second: Commissioner Halverson

Ayes: 7

Nays: 0

Abstentions: 0

| | Yes | No | Absent | Abstain |
|---------------|------------|-----------|---------------|----------------|
| 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

25-7038 Adoption Of The 2026 CDA Board Of Commissioners Meeting Schedule

NOW, THEREFORE, BE IT RESOLVED, That the Dakota County Community Development Agency Board of Commissioners hereby adopts the following 2026 meeting schedule:

- Tuesday, January 20, 2026 – Annual Meeting at 3 p.m.; Regular Meeting at 3:15 p.m.
- Tuesday, February 17, 2026 – Regular Meeting at 3 p.m.
- Tuesday, March 24, 2026 – Regular Meeting at 3 p.m.; Budget Workshop at 4 p.m.
- Tuesday, April 21, 2026 – Regular Meeting at 3 p.m.
- Tuesday, May 19, 2026 – Regular Meeting at 3 p.m.
- Tuesday, June 23, 2026 – Regular Meeting at 3 p.m.
- Tuesday, July 21, 2026 – Regular Meeting at 3 p.m.
- Tuesday, August 18, 2026 – Regular Meeting at 3 p.m.
- Tuesday, September 22, 2026 – Regular Meeting at 3 p.m.
- Tuesday, October 27, 2026 – Regular Meeting at 3 p.m.
- Tuesday, November 17, 2025 – Regular Meeting at 3 p.m.
- Tuesday, December 15, 2026 – Regular Meeting at 3 p.m.

BE IT FURTHER RESOLVED, That the location for all the 2026 meetings will be Boardroom at the CDA's office located at 1228 Town Centre Drive, Eagan, MN 55123.

25-7039 Approval Of Amendments To The Housing Assistance Department Administrative Plan

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 an update to the Housing Assistance Department Administrative Plan to add policies for the administration of the state funded Bring It Home 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 Plan is approved.

Motion: Commissioner Velikolangara

Second: Commissioner Slavik

Ayes: 7

Nays: 0

Abstentions: 0

| | Yes | No | Absent | Abstain |
|---------------|------------|-----------|---------------|----------------|
| Slavik | X | | | |
| Atkins | X | | | |
| Halverson | X | | | |
| Droste | X | | | |
| Workman | X | | | |
| Holberg | X | | | |
| Hamann-Roland | | | X | |
| Velikolangara | X | | | |

CONSENT AGENDA

25-7040 Approval Of Record Of Disbursements – November 2025

BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, That the November 2025 Record of Disbursements is approved as written.

25-7041 Authorization To Execute Joint Powers Agreement With Dakota County Attorney's Office For Legal Services

WHEREAS, the current agreement for Legal Services between the Dakota County CDA and Dakota County Attorney's Office expires on December 31, 2025; and

WHEREAS, the CDA wishes to continue to procure these services from the Dakota County Attorney's Office; and

WHEREAS, the Dakota County Attorney's Office is willing to provide these services to the CDA.

NOW, THEREFORE, BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, That the Executive director is authorized to execute a joint powers agreement between the Dakota County CDA and the Dakota County Attorney's Office to procure legal services as needed through December 31, 2027.

25-7042 **Authorization To Execute Contract Amendment With Stinson LLP For State Governmental Relations Services**

WHEREAS, the Dakota County Community Development Agency and Stinson LLP entered into a contract for the provision of state governmental relations services pursuant to CDA Board Resolution 21-6372; and

WHEREAS, a first amendment to the contract was approved by the Board in 2022 (Resolution #22-6619) extending services through December 31, 2024; and

WHEREAS, a second amendment to the contract as approved by the Board in 2024 (Resolution #24-6885) extending services through December 31, 2025; and

WHEREAS, both parties have agreed to a one-year contract extension in the amount of \$15,232 through December 31, 2026.

NOW, THEREFORE, BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, Hereby authorizes the Executive Director to execute a second amendment to the contract with Stinson LLP for the provision of governmental relations services under the amended terms and conditions for January 1, 2026 – December 31, 2026, subject to approval as to form by the County Attorney's Office.

25-7043 **Approval Of Amendments To CDA Personnel Policies**

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, to comply with the new Minnesota Paid Leave law, Human Resources is recommending changes to policies #290 – Flex Leave, #295 – Flex Leave Donation, and #310 – Leaves of Absences.

NOW, THEREFORE, BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, adopts the revisions to policies #290 – Flex Leave and #310 – Leaves of Absences and approves of the elimination of Policy #295 – Flex Leave Donation.

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

25-7044 **Authorization To Execute Joint Powers Agreement With Dakota County For Administration Of Family Voucher Program**

WHEREAS, the Dakota County Board of Commissioners approved Dakota County Social Services to execute a joint powers agreement (JPA), not to exceed \$1,225,000 with the Dakota County CDA to administer the Family Voucher Program from January 1, 2026 through December 31, 2027.

WHEREAS, the CDA's Housing Assistance department has been administering the program since 2024 to assist households residing at Dakota Woodlands move from shelter to rental housing.

NOW, THEREFORE, BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, That the Executive Director may sign and enter into a JPS for the Family Voucher Program with Dakota County, subject to approval by the Dakota County Attorney's Office as to form.

25-7045 **Establish The Date For A Public Hearing Regarding The Disposition Of DCCDA Section 18, LLC Property**

WHEREAS, the Dakota County Community Development Agency (CDA), as sole member of the DCCDA Section 18, LLC (LLC) owns properties located throughout Dakota County; and

WHEREAS, the CDA is accepting offers from the public for one property being marketed by The Huerkamp Home Group/Keller Williams Preferred Realty to the public; and

WHEREAS, to ensure the CDA is in a position to sell the property in a timely manner once a buyer is identified, staff recommends setting a public hearing in anticipation that there will be offers prior to the public hearing date of January 20, 2026 at 3:15 p.m.; and

WHEREAS, the disposition of the units satisfies the requirements of the U.S. Department of Housing and Urban Development's Section 18 Demo/Dispo program; and

WHEREAS, Minnesota Statute 469.105, subds. 1, 2, and 4 requires a public hearing regarding the terms of the sale of real property.

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

1. A public hearing regarding the disposition of the following property will be held by the CDA Board on Tuesday, January 20, 2026, at or after 3:15 p.m. at the CDA's office.

Property to be sold through the realtor:

- o 12951 & 12955 Girard Avenue, Burnsville (Duplex)

2. The Executive Director, or his designee, is hereby authorized and directed to cause notice of such public hearing in substantially the form in Attachment B to be published in a newspaper of general circulation in Dakota County as required by Minnesota Statutes Section 469.105.

25-7046 **Award Contract For Access Control Replacement At Vermillion River Crossing (Farmington) and Haskell Court (West St. Paul)**

WHEREAS, formal bids were received on December 2, 2025 for the Access Control project at Vermillion River Crossing (Farmington) and Haskell Court (West St. Paul) senior housing developments in Dakota County; and

WHEREAS, Safeguard Security submitted a responsive bid of \$152,911.50; 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.

NOW, THEREFORE, BE IT RESOLVED, That the Deputy Executive Director be authorized to approve change orders in an amount not to exceed \$15,291.

Motion: Commissioner Slavik

Ayes: 6

Nays: 0

Second: Commissioner Droste

Abstentions: 0

| | Yes | No | Absent | Abstain |
|---------------|------------|-----------|---------------|----------------|
| Slavik | X | | | |
| Atkins | X | | | |
| Halverson | X | | | |
| Droste | X | | | |
| Workman | X | | | |
| Holberg | X | | | |
| Hamann-Roland | | | X | |

REGULAR AGENDA

25-7047 **Open And Continue A Public Hearing Regarding A Housing Finance Program And The Issuance Of Multifamily Housing Revenue Note (Old County 34 Project, Burnsville)**

Kathy Kugel presented information and answered questions.

WHEREAS, a notice of the public hearing was published in the Dakota County Tribune per statutory requirements; and

WHEREAS, after the public hearing notice was published, Reuter Walton Development, LLC requested to continue the public hearing until February 17, 2026 to allow for more time for due diligence for the financing for the project.

NOW, THEREFORE, BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, that the public hearing be continued to the February 17, 2026 Dakota County CDA Board meeting.

Motion: Commissioner Slavik

Ayes: 6

Nays: 0

Second: Commissioner Halverson

Abstentions: 0

| | Yes | No | Absent | Abstain |
|---------------|-----|----|--------|---------|
| Slavik | X | | | |
| Atkins | X | | | |
| Halverson | X | | | |
| Droste | X | | | |
| Workman | X | | | |
| Holberg | X | | | |
| Hamann-Roland | | | X | |

25-7048 **Authorize The Levy Of A Special Benefit Tax Pursuant To Minn. Stat. 469.033, Subd. 6 And 383D.41**

Tony Schertler provided information.

WHEREAS, the Dakota County Community Development Agency (CDA) is organized and exists under Minnesota Statutes, Section 383D.41, as amended (Enabling Act); and

WHEREAS, pursuant to the Enabling Act, the CDA has all the powers and duties of a housing and redevelopment authority under the provisions of the Municipal Housing and Redevelopment Act, Minnesota Statutes, Sections 469.001 to 469.047 (HRA Act), those powers of an Economic Development Authority under Minnesota Statutes, Sections 469.090 to 469.1081 (EDA Act) expressly granted by the Dakota County Board, and the authority to levy the special benefit tax with the approval of the Dakota County Board as permitted under the HRA Act at such higher limits as may be permitted under either the HRA Act or the EDA Act; and

WHEREAS, pursuant to the Enabling Act, for the purpose of applying the provisions of the HRA Act to the CDA, Dakota County (County) is deemed to have all powers and duties of a municipality under the HRA Act and the Board of Commissioners of the County is deemed to have all powers and duties of a governing board of a municipality under the HRA Act; and

WHEREAS, by Resolution 94-926 (December 6, 1994), the Dakota County Board authorized the CDA to levy and collect the Special Benefit Tax Levy authorized by the HRA Act without subsequent annual approval of the County; and

WHEREAS, the HRA levy limit at the time of Resolution 94-926 was 0.0144 percent of estimated market value and the CDA has subsequently requested approval by the County Board of Commissioners for any levy request above 0.0144 percent of estimated market value; and

WHEREAS, the CDA Board of Commissioners approved the initial authorization and budget for the proposed levy at its September 23, 2025 meeting and the Dakota County Board of Commissioners approved the CDA's proposed 2026 Special Benefit Levy at 0.0156 percent of estimated market value at its October 21, 2025 meeting; and

WHEREAS, the CDA is required pursuant to Section 469.033, Subdivision 6, of the HRA Act to formulate and file a budget with the County, and the amount of the Special Benefit Tax levy for the following year shall be based on that budget; and

WHEREAS, the CDA Board has before it, for its consideration, a copy of a final budget for the use of 2026 levy proceeds, based on a Special Benefit Tax of 0.0156 percent of estimated market value, for the payment of debt service for the CDA bond-funded developments and other CDA initiatives.

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

Section 1. The Year 2026 levy budget of \$11,750,233 presented for consideration to the Board of Commissioners of the CDA is hereby in all respects approved.

Section 2. There is hereby levied pursuant to Minnesota Statutes, Section 469.033, Subdivision 6 of a special benefit tax in the amount of the sum of (a) 0.0144 percent of estimated market value within the County or \$10,846,369 and (b) an additional levy in the amount of 0.0012 percent of the estimated market value within the County or \$903,864 for a total of 0.0156 percent of the estimated market value within the County or \$11,750.233.

Motion: Commissioner Droste
Ayes: 6 Nays: 0

Second: Commissioner Slavik
Abstentions: 0

| | Yes | No | Absent | Abstain |
|---------------|------------|-----------|---------------|----------------|
| Slavik | X | | | |
| Atkins | X | | | |
| Halverson | X | | | |
| Droste | X | | | |
| Workman | X | | | |
| Holberg | X | | | |
| Hamann-Roland | | | X | |

INFO **Update On Use Of CDA Administered Local Affordable Housing Aid Funds**
Lisa Alfson & Maggie Dykes presented information and answered questions.

INFO **Discussion Of CDA Board Officer Appointments For 2026**
Board discussion. Appointments will be made at the annual meeting in January.

INFO **Executive Director Update**
Tony Schertler provided updates.

25-7049 **Closed Executive Session: Executive Director Annual Performance Evaluation**

WHEREAS, upon adoption of a resolution by majority vote, the CDA Board is authorized, pursuant to Minn. Stat. § 13D.05 3(a), to hold a closed executive session to discuss the performance of an individual who is subject to its authority; and

WHEREAS, the CDA Board of Commissioners desires to meet to discuss the performance of the Executive Director.

NOW, THEREFORE, BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, That the Dakota County Community Development Agency Board of Commissioners hereby closes the CDA Board meeting on December 16, 2025 to discuss the performance of the Executive Director.

Motion: Commissioner Hamann-Roland Second: Commissioner Halverson

Ayes: 8 Nays: 0 Abstentions: 0

| | Yes | No | Absent | Abstain |
|---------------|------------|-----------|---------------|----------------|
| Slavik | X | | | |
| Atkins | X | | | |
| Halverson | X | | | |
| Droste | X | | | |
| Workman | X | | | |
| Holberg | X | | | |
| Hamann-Roland | X | | | |
| Velikolangara | X | | | |

25-7050 **Adjournment**

BE IT RESOLVED, that the Dakota County Community Development Agency Board of Commissioners, hereby adjourns until Tuesday, January 20, 2026.

Motion: Commissioner Hamann-Roland Second: Commissioner Halverson

Ayes: 7 Nays: 0 Abstentions: 0

| | Yes | No | Absent | Abstain |
|---------------|------------|-----------|---------------|----------------|
| Slavik | X | | | |
| Atkins | X | | | |
| Halverson | X | | | |
| Droste | X | | | |
| Workman | X | | | |
| Holberg | X | | | |
| Hamann-Roland | X | | | |
| Velikolangara | | | X | |

The CDA Board meeting adjourned at 4:50 p.m.

Clerk to the Board



Board of Commissioners

Request for Board Action

Meeting Date: January 20, 2026

Agenda #: 4A

DEPARTMENT: Housing Assistance

FILE TYPE: Federal - Consent

TITLE

Approval Of The 2026 Utility Allowance Schedule For The Housing Choice Voucher Program

PURPOSE/ACTION REQUESTED

Approval of the 2026 Utility Allowance Schedule for the Housing Choice Voucher Program.

SUMMARY

In accordance with Section 982.517 of Federal Regulations, the Dakota County Community Development Agency (CDA) is required to establish and maintain a utility allowance schedule for use in calculating estimated costs for tenant-furnished utilities and services. The CDA is also required to review the schedule annually to determine if adjustments are necessary. The CDA again this year, secured a contract with The Nelrod Company, an affordable housing and energy efficiency consulting firm that works with housing authorities throughout the country, including several in Minnesota, to complete the utility allowance assessment and update.

Adjustments are required when there has been a change of 10% or more in a utility rate since the schedule was last updated. Nelrod's analysis of current rate data, established utility provider's rates have changed more than 10% and therefore, an updated 2026 utility allowance schedule was completed.

The method for calculating the allowance is the *engineering method*. It is based upon reasonable consumption data of an energy conservative family of modest circumstances and provides for the basic essentials needed for a living environment that is safe, sanitary, and healthful. The data is used in conjunction with the most recent version of HUD's Utility Schedule Model (HUSM) that incorporates base consumption information. Characteristics considered in this method are construction type, location, size, heat source, utility rates and providers, and consumption data for the "community as a whole". This approach removes the variable of individuals consumption habits from the equation and therefore, more accurately reflects the costs of utilities for an energy conservative household.

The new utility allowance schedule is effective February 1, 2026.

Attachment A is the proposed schedule for 2026.

RECOMMENDATION

Staff recommends approval of the proposed 2026 Utility Allowance Schedule – Attachment A.

EXPLANATION OF FISCAL/FTE IMPACTS

Funding appropriations for the Housing Choice Voucher program are determined annually by Congress. It is anticipated that the adjustments to utility allowance will have a minimal financial impact.

☐ None ☒ Current budget ☐ Amendment Requested ☐ Other

RESOLUTION

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 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, 2026.

PREVIOUS BOARD ACTION

24-6905; 12/4/2024

ATTACHMENTS

Attachment A: Utility Allowance Schedule

CONTACT

Department Head: Lisa Hohenstein, Director of Housing Assistance

Author: Lisa Hohenstein

ALLOWANCES FOR TENANT FURNISHED UTILITIES

ATTACHMENT A

LOCALITY: DAKOTA COUNTY CDA February 2026

MONTHLY DOLLAR ALLOWANCE

| | 0 BR | | | 1 BR | | | 2 BR | | | 3 BR | | | 4 BR | | | 5 BR | | | 6 BR | | |
|------------------------------|------|-----|-----|------|-----|-----|------|-----|-----|------|-----|-----|------|-----|-----|------|-----|-----|------|-----|-----|
| | M | T/D | SF | M | T/D | SF | M | T/D | SF | M | T/D | SF | M | T/D | SF | M | T/D | SF | M | T/D | SF |
| HEATING | | | | | | | | | | | | | | | | | | | | | |
| Natural Gas | 29 | 36 | 41 | 34 | 43 | 48 | 40 | 49 | 57 | 46 | 57 | 66 | 51 | 64 | 74 | 58 | 71 | 82 | 63 | 77 | 89 |
| Bottle Gas | 52 | 63 | 72 | 60 | 75 | 86 | 71 | 88 | 100 | 80 | 100 | 116 | 91 | 113 | 130 | 104 | 126 | 146 | 111 | 135 | 157 |
| Fuel Oil | 88 | 113 | 127 | 106 | 134 | 151 | 123 | 155 | 176 | 144 | 176 | 204 | 162 | 197 | 229 | 180 | 222 | 257 | 194 | 239 | 278 |
| Electricity | 31 | 45 | 75 | 37 | 53 | 88 | 50 | 70 | 103 | 64 | 86 | 119 | 78 | 103 | 134 | 91 | 120 | 149 | 99 | 130 | 161 |
| COOKING | | | | | | | | | | | | | | | | | | | | | |
| Natural Gas | | 3 | | | 3 | | | 5 | | | 6 | | | 8 | | | 9 | | | 10 | |
| Bottle Gas | | 5 | | | 5 | | | 8 | | | 11 | | | 14 | | | 16 | | | 17 | |
| Electricity | | 7 | | | 8 | | | 12 | | | 15 | | | 19 | | | 22 | | | 24 | |
| LIGHTS/REFRIGERATION | | | | | | | | | | | | | | | | | | | | | |
| Electricity | 25 | 32 | 37 | 30 | 38 | 44 | 41 | 52 | 61 | 53 | 67 | 78 | 65 | 82 | 95 | 76 | 96 | 112 | 82 | 104 | 121 |
| WATER HEATING | | | | | | | | | | | | | | | | | | | | | |
| Natural Gas | 7 | 9 | 9 | 8 | 11 | 11 | 12 | 15 | 15 | 16 | 20 | 20 | 20 | 25 | 25 | 23 | 29 | 29 | 25 | 31 | 31 |
| Electricity | 18 | 23 | 23 | 22 | 27 | 27 | 28 | 35 | 35 | 34 | 42 | 42 | 40 | 49 | 49 | 46 | 57 | 57 | 49 | 61 | 61 |
| Bottle Gas | 13 | 16 | 16 | 14 | 19 | 19 | 20 | 25 | 25 | 27 | 35 | 35 | 35 | 42 | 42 | 39 | 50 | 50 | 42 | 53 | 53 |
| Fuel Oil | 21 | 28 | 28 | 25 | 32 | 32 | 35 | 46 | 46 | 49 | 60 | 60 | 60 | 74 | 74 | 70 | 88 | 88 | 77 | 95 | 95 |
| WATER/SEWER | | | | | | | | | | | | | | | | | | | | | |
| Water | | 17 | | | 18 | | | 21 | | | 26 | | | 30 | | | 35 | | | 38 | |
| Sewer | | 37 | | | 38 | | | 46 | | | 55 | | | 63 | | | 71 | | | 77 | |
| Trash | | 28 | | | 28 | | | 28 | | | 28 | | | 28 | | | 28 | | | 28 | |
| RANGE/REFRIGERATOR | | | | | | | | | | | | | | | | | | | | | |
| Range | | 11 | | | 11 | | | 11 | | | 11 | | | 11 | | | 11 | | | 11 | |
| Refrigerator | | 12 | | | 12 | | | 12 | | | 12 | | | 12 | | | 12 | | | 12 | |
| ELECTRIC SURCHARGE | | | | | | | | | | | | | | | | | | | | | |
| | | 11 | | | 11 | | | 11 | | | 11 | | | 11 | | | 11 | | | 11 | |
| NATURAL GAS SURCHARGE | | | | | | | | | | | | | | | | | | | | | |
| | | 10 | | | 10 | | | 10 | | | 10 | | | 10 | | | 10 | | | 10 | |

TOTAL

Participant Name

Unit Address

City, State, Zip

Heating Codes:

M = 3 or More Attached Units

T/D = Duplex or 2-Family Home

SF = Single Family & Mobile Homes



Board of Commissioners

Request for Board Action

Meeting Date: January 20, 2026

Agenda #: 4B

DEPARTMENT: Housing Assistance

FILE TYPE: Federal - Consent

TITLE

Schedule A Public Hearing To Receive Comments On The 2026 Public Housing Agency Plan

PURPOSE/ACTION REQUESTED

Set public hearing date.

SUMMARY

As an administrator of the federal Housing Choice Voucher and Public Housing programs, the Dakota County Community Development Agency (CDA) is required to prepare Five Year and annual updates to its Public Housing Agency Plan (PHA Plan) using the U.S. Department of Housing and Urban Development (HUD) prescribed template. The PHA Plan outlines updated to goals and objectives for the Housing Choice Voucher and Public Housing programs.

The CDA Board approved the most recent Five Year and Annual PHA Plans on March 25, 2025. This year, the CDA needs to adopt an Annual PHA Plan.

HUD requires a 45-day public comment period and a public hearing to approve the PHA Plan. The plan needs to be submitted to HUD 75 days before the start of the CDA's fiscal year.

On January 16, 2026, the public comment period and public hearing were published in the Dakota County Tribune and posted on the CDA's website. Postcards were mailed to program participants and letters were sent to city officials in cities where the CDA public housing units are located to review the plan and provide comment.

RECOMMENDATION

Staff recommends scheduling a public hearing for March 24, 2026 CDA Board Meeting to receive comments on the 2026 Agency PHA Plan.

EXPLANATION OF FISCAL/FTE IMPACTS

Programs in the Agency PHA Plan are funded through HUD federal allocations.

☒ None ☐ Current budget ☐ Amendment Requested ☐ Other

RESOLUTION

WHEREAS, Section 511 of the Quality Housing and Work Responsibility Act (QHWRA) of 1998 and the ensuing HUD requirements 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 Annual Plan indicating the Capital Fund Program Annual Statement and the Performance And Evaluation Report; and

WHEREAS, in 2026, 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 a 45-day public comment period, the Board of Commissioners of the agency responsible for the PHA Plan conducts a public hearing; and

WHEREAS, the public comment period opened on January 16, 2026.

NOW, THEREFORE BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, That a public hearing for the Annual PHA Plan will be conducted at the March 24, 2026 CDA meeting that begins at 3 p.m.

PREVIOUS BOARD ACTION

25-6946; 3/25/2025

ATTACHMENTS

None.

CONTACT

Department Head: Lisa Hohenstein, Director of Housing Assistance

Author: Lisa Hohenstein



Board of Commissioners

Request for Board Action

Meeting Date: January 20, 2026

Agenda #: 4C

DEPARTMENT: Finance

FILE TYPE: Federal - Consent

TITLE

Accept The Annual Comprehensive Finance Report And Single Audit Report For The Fiscal Year Ended June 30, 2025

PURPOSE/ACTION REQUESTED

Accept the Annual Comprehensive Financial Report (ACFR) and Single Audit Report for the fiscal year ended June 30, 2025.

SUMMARY

The Dakota County Community Development Agency (CDA) is required to have an annual audit of its financial statements conducted in accordance with auditing standards accepted by the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the requirements of Title 2 of the U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards (Uniform Guidance) and the provisions of the Minnesota Legal Compliance Audit Guide for Local Government promulgated by the Legal Task Force pursuant to Minnesota Section 6.65.

The CDA's audit for the fiscal year ended June 30, 2025, was performed by the certified public accounting firm Redpath and Company LLC and the results are contained in the following reports.

Annual Comprehensive Financial Report (ACFR)

The ACFR (Attachment A) is comprised of three major sections: introductory, financial, and statistical. The introductory section provides general information about the CDA. The financial section contains the basic financial statements as well as the management discussion and analysis and supplementary financial information. The statistical section provides trend data and non-financial data useful in interpreting the basic financial statements and evaluating economic condition.

The auditor's opinion on the basic financial statements is contained on pages 13-16. Redpath and Company LLC has expressed an unmodified or "clean" opinion which means that the basic financial statements presented are fairly presented in all material respects in conformity with the accounting principles generally accepted in the United States of America.

Single Audit Report

The Single Audit Report (Attachment B) contains the auditor's report on internal control over financial reporting and compliance and other matters as required by the aforementioned standards. These reports do not identify any material weaknesses in internal control or material noncompliance and no audit findings or questioned costs.

Communication With Those Charged With Governance

The Communication With Those Charged With Governance report (Attachment C) communicates various matters relating to the audit. Of particular note, is that there were no audit adjustments and no disagreements with management.

Minnesota Legal Compliance Report

The Minnesota Legal Compliance Report (Attachment D) describes the scope of auditor testing of compliance and the results of that testing. The report does not identify any instances of material noncompliance.

RECOMMENDATION

Staff recommends accepting the Annual Comprehensive Financial Report (ACFR) and Single Audit Report for the fiscal year ended June 30, 2025.

EXPLANATION OF FISCAL/FTE IMPACTS

N/A

☐ None ☐ Current budget ☐ Amendment Requested ☐ Other

RESOLUTION

WHEREAS, the Dakota County Community Development Agency (CDA) is required to have an annual audit of its financial statements in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and

WHEREAS, the audit must also meet the additional requirements imposed by Title 2 of the U.S. Code of Federal Regulations, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards* (Uniform Guidance) and the provisions of the *Minnesota Legal Compliance Audit Guide for Local Government* promulgated by the Legal Task Force pursuant to Minnesota Section 6.65; and

WHEREAS, the CDA has prepared a Annual Comprehensive Financial Report (ACFR) and Single Audit Report for the year ended June 30, 2025; and

WHEREAS, the public accounting firm of Redpath and Company LLC (the “Auditor”) has performed an audit of the financial statements of the CDA for the fiscal year ended June 30, 2025 in accordance with all applicable audit requirements; and

WHEREAS, the Auditor’s reports as a result of this audit are contained in the Annual Comprehensive Financial Report and Single Audit Report for the fiscal year ended June 30, 2025.

NOW, THEREFORE BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, That the Annual Comprehensive Financial Report and Single Audit Report for the year ended June 30, 2025 are hereby accepted.

PREVIOUS BOARD ACTION

None.

ATTACHMENTS

Attachment A: Annual Comprehensive Financial Report

Attachment B: Single Audit Report

Attachment C: Communication With Those Charged With Governance

Attachment D: Minnesota Legal Compliance Report

CONTACT

Department Head: Ken Bauer, Finance Director

Author: Ken Bauer

Annual Comprehensive Financial Report



For the Year Ended June 30, 2025

**Dakota County
Community Development Agency**

A component unit of
Dakota County, Minnesota

**Dakota County
Community Development
Agency**

**A component unit of
Dakota County, Minnesota**

Annual Comprehensive Financial Report

**For the Year Ended
June 30, 2025**

**Prepared by:
Finance Department**

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Introductory Section

December 18, 2025

To the Board of Commissioners of the Dakota County Community Development Agency, the Citizens of Dakota County; and other interested parties:

We are pleased to present the Annual Comprehensive Financial Report (ACFR) for the Dakota County Community Development Agency (CDA) for the fiscal year ended June 30, 2025. This report was intended to meet the CDA's state and federal reporting requirements and to provide additional information to interested readers.

This report reflects management's representations concerning the financial activity and financial condition of the CDA. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that has been established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective of this framework is to provide reasonable, rather than absolute assurance that the financial statements are free of any material misstatements. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Redpath and Company, a licensed certified public accounting firm has issued an unmodified "clean" opinion on the CDA's financial statements for the year ended June 30, 2025. The independent auditor's report is located at the front of the financial section of this report.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the Government

The CDA was established as the Dakota County Housing and Redevelopment Authority (HRA) in 1971 pursuant to special Minnesota legislation. The CDA is a special-purpose unit of local government with the express limited purpose of serving the citizens of Dakota County, Minnesota (the County) through the administration of affordable housing and community development programs. Located south of Minneapolis and St. Paul, Dakota County has an area of 587 square miles and includes 13 townships, and 21 full and fractional incorporated municipalities. The 2024 population of the County was 454,301, making it the third most populous county in the State. The County is also one of the seven counties comprising the Twin Cities metropolitan area.

The CDA operates under an eight-member Board of Commissioners. Seven Commissioners represent districts within the County, and one is an at-large Commissioner. All CDA Commissioners are appointed by the Board of Commissioners of Dakota County. Once appointed, the Board of Commissioners exercises all oversight responsibilities including but not limited to matters of personnel, management, finance, and budget. The Board is also responsible for the hiring of the CDA's Executive Director, whose responsibility is to carry out policies established by the Board, overseeing the day-to-day operations of the government, and hiring the heads of the various departments.

The CDA is considered a discretely presented component unit of Dakota County, Minnesota, as the Dakota County Board of Commissioners appoints the CDA's Board of Commissioners, and the County has a potential financial

obligation relating to its general obligation pledge on \$62,295,000 of outstanding housing development bonds issued by the CDA to finance the construction of local-financed housing developments. This general obligation pledge allows the CDA to obtain lower borrowing costs for the bond financing of affordable housing developments. These bonds are also secured by the pooled rent receipts of the underlying developments and by other pledged revenue sources, including the CDA's property tax levy. The County has never incurred a financial obligation on these bond issues and the rents, and other revenue sources that secure these bonds are considered sufficient to meet current and future debt service payments.

Various potential component units were evaluated to determine whether they should be reported in the CDA's financial report. A component unit was considered part of the CDA's reporting entity when it was concluded that the CDA was financially accountable for the entity or the nature and significance of the relationship between the CDA and the entity was such that exclusion would cause the CDA's financial statements to be misleading or incomplete. The CDA reports three blended component units, the Dakota County Workforce Housing LLC, the DCCDA Section18 LLC, and the Dakota County Workforce Housing 2 LLC. These LLCs were established for the purpose of owning and operating various rental housing projects. For each of these LLCs, the CDA is the sole member and governing body and also the managing agent. These entities are considered to be disregarded entities for tax purposes. The CDA is also the general partner and managing agent in several limited partnerships that were created to construct and operate family housing townhome developments. These partnerships are presented as discretely presented component units. Separate financial statements for these discretely presented component units can be obtained by contacting the Finance Director of the Dakota County Community Development Agency, 1228 Town Centre Drive, Eagan, Minnesota 55123.

Budgetary Controls

The CDA Board of Commissioners adopts an annual operating budget at the program level. The annual operating budget includes all programs and related activities other than those that account for certain Federal and State grants that have grant periods that do not coincide with the CDA's fiscal year or that run across multiple fiscal years. Those programs and related activities include CDBG, HOME, MHFA, Weatherization, NSP, Homeownership Counseling and ESG grants. For these excluded programs, the program budget and grant contract provide the necessary control over the expenditure of these funds.

Factors Affecting Financial Condition

Federal Funding. Federal funding is and has been the CDA's single largest revenue source. Most of this funding is from a small number of on-going affordable housing and community development programs that are funded by the U.S. Department of Housing and Urban Development (HUD). For the fiscal year ended June 30, 2025, federal funding increased by \$562,964 to \$45,296,748 or approximately 55% of all CDA operating revenue compared to \$44,733,784 and 56% of all CDA revenue for the previous fiscal year ended June 30, 2024.

The largest of these on-going federal programs is the Housing Voucher program. This program received \$34,288,105 during the fiscal year ended June 30, 2025, which represented 76% of all federal funding received during the year compared to \$31,220,661 and 70% during the fiscal year ended June 30, 2024. Funding for this and all federal programs can be significantly affected by Congressional legislation and federal budgets. Increases and decreases in this federal funding can have a material impact on the CDA's financial condition.

Locally Financed Housing. Unlike many public housing agencies, the CDA's housing portfolio is primarily locally-financed. Of the 2,599 units owned by the CDA at June 30, 2025, only 203 units or 8% were federally-financed. The CDA's largest housing program is Common Bond Housing which is bond-financed. Under this program, the CDA has constructed a total of twenty-nine senior apartment buildings including two mixed-use buildings (residential and commercial combined) and one workforce Housing building in eleven different cities throughout Dakota County. These housing developments provide 1,785 units of locally financed housing in the County. The second largest program is workforce housing which is 487 units at 16 townhome developments that are owned by two blended component units.

These locally-financed housing programs have allowed the CDA to expand affordable housing opportunities for Dakota County residents while at the same time allowing the CDA to become less dependent on the federal government for funding. With an occupancy rate of almost 98% and waiting lists with an average wait time of six to eighteen months, there is, and should continue to be, strong demand for this within the County.

Long-term Financial Planning / Major Initiatives

Bond-Financed Housing. In 1989, the Board of Commissioners embarked on a plan to develop affordable senior housing throughout Dakota County. This plan, called the Senior Housing Capital Improvement Plan (CIP) detailed the location of future buildings, the order of construction, and the means for financing them. Thus far, the CDA has constructed 30 buildings (29 senior and one workforce) under three phases of the plan. Through June 30, 2025, there have been three phases of construction under this plan. The CDA is currently in the process of analyzing its financial capacity to further expand the bond-financed housing program with a fourth phase of construction.

Dakota County Workforce Housing LLC and the Dakota County Workforce Housing 2 LLC. In 2012, the Board of Commissioners established the Dakota County Workforce Housing LLC (LLC) for the purpose of owning and operating multiple townhome projects that had been developed through various limited partnerships. In 2022, The Dakota County Workforce Housing 2 LLC was created for the same purpose. These LLCs are reported as blended component units of the CDA. Since 2012, as partnerships have been dissolved, all the assets, liabilities and net position had been transferred to these LLCs. To date, sixteen partnerships totaling 487 units have been dissolved and merged into these LLCs. The number of projects and units owned and operated by these LLCs will continue to increase as individual limited partnerships are dissolved.

DCCDA Section 18 LLC. As noted, 120 units of Public Housing were transferred to the LLC on August 1, 2020. The CDA is looking to reposition these assets into a more sustainable housing model and will likely sell these units over time and reposition the proceeds into larger and more efficient multifamily housing developments. Through June 30, 2025, the CDA has disposed of 50 of the 120 units. The CDA will continue to dispose or reposition the remaining units.

Discretely Presented Component Units. By June 30, 2025, the CDA had developed 847 units of family housing at twenty-six townhome developments owned by twenty-five different partnerships with private investors utilizing the federal low-income housing tax credit (LIHTC) program. Sixteen of these partnerships representing sixteen townhome developments and 487 units have been dissolved and merged into the Dakota County Workforce Housing LLC and the Dakota County Workforce Housing 2 LLC. The CDA remains the General Partner and Managing Agent in ten town home developments owned by nine partnerships representing a total of 360 units. The newest partnership, the Denmark Trail Workforce Housing Limited Partnership currently has a 40-unit family housing townhome development under construction in the city of Farmington, Minnesota. This development will be completed in the fall of 2025. The CDA continues to look for opportunities to build additional family housing townhome developments in the future utilizing the LIHTC program.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the CDA for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2024. This was the twenty-second consecutive year that the CDA has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated service of the entire staff of the Finance department. We wish to thank all government departments for their assistance in providing the data necessary to prepare this report. Credit also is due to the Board of Commissioners for their unfailing support for maintaining the highest standards of professionalism in the management of the CDA's finances.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Tony Schertler', with a stylized, flowing script.

Tony Schertler
Executive Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Dakota County Community Development Agency
Minnesota**

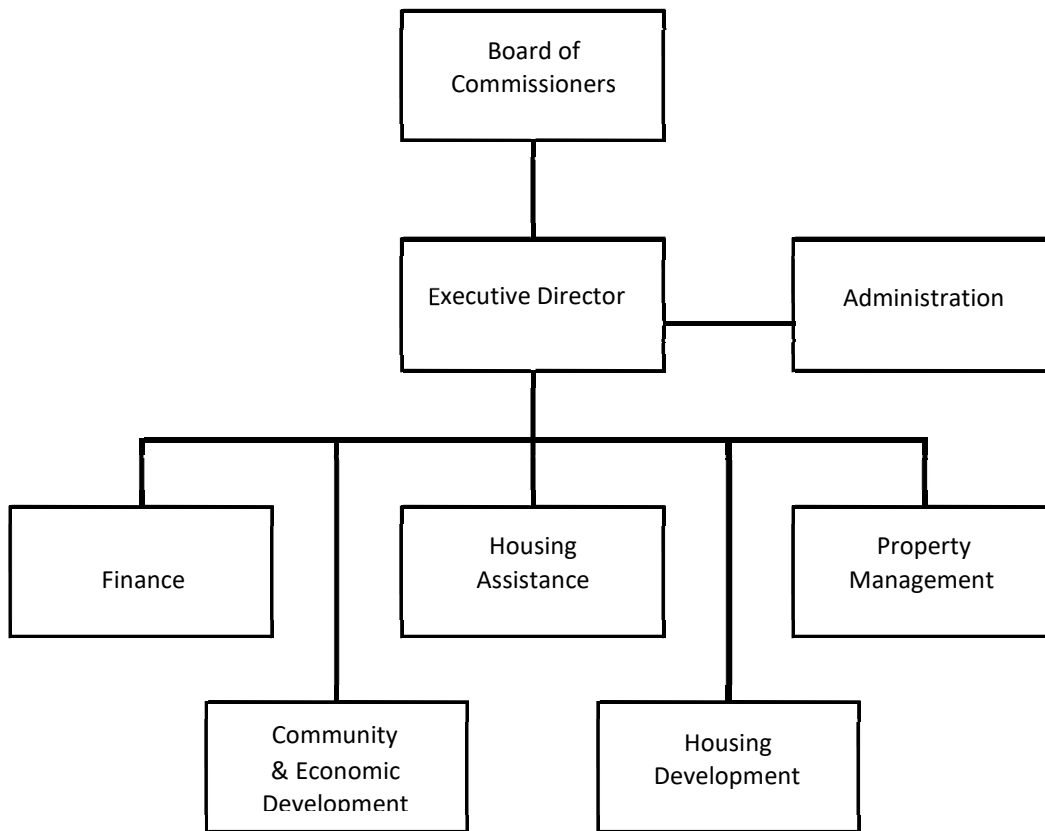
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morill

Executive Director/CEO

Organizational Chart



List of Appointed Officials

Board of Commissioners June 30, 2025

| <u>Name</u> | <u>District</u> | <u>Term Expires</u> |
|----------------------------|-----------------|---------------------|
| Mike Slavik | District 1 | January 2027 |
| Joe Atkins | District 2 | January 2026 |
| Laurie Halverson | District 3 | January 2027 |
| Bill Droste | District 4 | January 2026 |
| Liz Workman | District 5 | January 2026 |
| Mary Liz Holberg | District 6 | January 2026 |
| Mary Hamann-Roland | District 7 | January 2027 |
| Muralidharan Velikolangara | At Large | January 2026 |

Financial Section

INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Dakota County Community Development Agency
Eagan, Minnesota

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities and the aggregate discretely presented component units of Dakota County Community Development Agency, a component unit of Dakota County, Minnesota, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Dakota County Community Development Agency's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate discretely presented component units of Dakota County Community Development Agency, as of June 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Rosemount Family Housing Limited Partnership, Twin Ponds Family Housing Limited Partnership, Meadowlark Family Housing Limited Partnership, Apple Valley East Family Housing Limited Partnership, Twin Ponds Phase II Family Housing Limited Partnership, Eagan Northwood Family Housing Limited Partnership, Inver Hills and Riverview Ridge Family Housing Limited Partnership, Lakeshore Workforce Housing Limited Partnership, Keystone Crossing Workforce Housing Limited Partnership, and Rosemount II Limited Partnership, which represent 93%, 94% and 60% of the assets, net position and revenues of the aggregate discretely presented component units as of June 30, 2025, respectively. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the aforementioned discretely presented component units is based solely on the reports of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities



under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Dakota County Community Development Agency and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The financial statements of Rosemount Family Housing Limited Partnership, Twin Ponds Family Housing Limited Partnership, Meadowlark Family Housing Limited Partnership, Apple Valley East Family Housing Limited Partnership, Twin Ponds Phase II Family Housing Limited Partnership, Eagan Northwood Family Housing Limited Partnership, Inver Hills and Riverview Ridge Family Housing Limited Partnership, Lakeshore Workforce Housing Limited Partnership, Keystone Crossing Workforce Housing Limited Partnership, and Rosemount II Limited Partnership were not audited in accordance with *Government Auditing Standards*.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Dakota County Community Development Agency's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Governmental Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks.

Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Dakota County Community Development Agency's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Dakota County Community Development Agency's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Dakota County Community Development Agency's basic financial statements. The accompanying financial data schedules as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United

States of America. In our opinion, the financial data schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2025 on our consideration of Dakota County Community Development Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Dakota County Community Development Agency's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Dakota County Community Development Agency's internal control over financial reporting and compliance.

Redpath and Company LLC

REDPATH AND COMPANY, LLC
St. Paul, Minnesota

December 18, 2025

Management's Discussion and Analysis

As management of the Dakota County Community Development Agency, (CDA) a component unit of Dakota County, Minnesota, we offer readers of the CDA's financial statements this narrative overview and analysis of the financial activities of the government for the fiscal year ended June 30, 2025.

We encourage readers to consider the information presented here in conjunction with the additional information that we have furnished in our letter of transmittal, which can be found on pages 3-6 of this report.

Financial Highlights

- The assets and deferred outflows of resources of the CDA exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$440,773,288 (net position). This net position is comprised of the following components:
 - \$129,398,604 (net investment in capital assets) represents the CDA's investments in land, structures, and equipment, less any capital related debt and is not available for future spending.
 - \$113,484,157 (restricted) is restricted as to use by grant agreements, contracts, and laws and regulations, and can only be used for specific purposes.
 - \$197,890,527 (unrestricted) may be used to meet the CDA's ongoing obligations to citizens and creditors.
- The CDA's net position increased by \$30,509,832. Overall, this increase is largely due to strong operating results in the CDA's 2,599-unit affordable housing portfolio, higher investment earnings, the use of one-time revenues and grants to acquire long-term assets and the use of the CDA's tax levy to issue multifamily loans and also to reduce long-term debt. Additional details about the increase in net position are as follows:
 - The CDA's Common Bond program operations consisting of 1,785 of bond-financed housing contributed \$7,520,006 or 25% of the increase in net position.
 - The CDA benefited from higher interest rates with Investment earnings of \$9,603,366 on its cash equivalents and investment balances.
 - During the year, \$1,871,118 from a federal grant that was passed to the CDA by Dakota County was used towards the construction of Nicols Pointe, a 24-unit senior housing development.
 - The CDA's tax levy was used to fund \$1,500,000 of multifamily loan receivables. In addition, the annual tax levy pledge of \$5,600,000 for housing development bond debt service was used to retire \$3,850,000 of bond principal.
 - The CDA carried over \$4,951,037 of tax levy and tax increment revenues to future years to finance future housing development.
- The CDA's total outstanding long-term debt decreased by \$4,411,203 during the current fiscal year. Notes payable decreased by \$169,000 whereas bonds payable decreased by \$4,242,203. The decrease in bonds payable includes the scheduled retirement of \$3,850,000 of housing development bonds and \$392,203 of amortization of issuance premiums.

Overview of the Basic Financial Statements

This discussion and analysis is intended to serve as an introduction to the CDA's basic financial statements. The CDA's basic financial statements are comprised of two components: 1) the basic financial statements, and 2) notes to the financial statements that provide additional disclosure of some of the information in the basic financial statements.

The statement of net position presents financial information on the CDA's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Assets and liabilities are presented in order of liquidity and are classified as "current" (convertible to cash within one year) and "noncurrent". Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the CDA is improving or deteriorating.

The statement of revenues, expenses, and changes in net position shows how the CDA's net position changed during the year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Therefore, revenues and expenses are reported for some items that will only result in cash flows in future years.

The statement of cash flows reports how the CDA's cash was used in, and provided by, its operating, noncapital financing, capital and related financing, and investing activities during the periods reported. The net of these activities is added to the beginning year cash balance to reconcile to the cash balances at June 30, 2025. The CDA uses the direct method of presenting cash flows, which includes a reconciliation of operating activities to operating income. These statements provide answers to the questions as where did cash come from, how was cash used, and what was the change in cash during the year.

The notes to the basic financial statements provide financial statement disclosures that are an integral part of the basic financial statements. Such disclosures are essential to a comprehensive understanding of the information provided in the basic financial statements.

Financial Analysis

The total assets of the CDA at June 30, 2025 and 2024 were \$546,333,652 and \$521,218,374, respectively. Current and other assets include cash, investments, receivables including notes receivable, restricted assets and prepaid items. As described in Note H on page 46, restricted assets of \$31,223,034 are primarily comprised of \$4,853,551 of debt proceeds held by trustees, \$13,063,997 in reserves required by various debt agreements and \$12,441,846 in sale proceeds from former Public Housing units in the Section 18 LLC.

Total liabilities of the CDA at June 30, 2025 and 2024, which are segregated between current and noncurrent portions, amounted to \$87,638,661 and \$93,205,382, respectively. Current liabilities primarily include accounts payable, security deposits, accrued interest payable and the current portion of long-term debt. A liability is considered to be current if it is due within one year. Long-term liabilities primarily include notes and bonds payable and deferred interest on these obligations. Liabilities decreased primarily due to the retirement of housing development bonds.

Net position represents the equity of the CDA after liabilities and deferred inflows of resources are subtracted from assets and deferred outflows of resources. Net position is divided into three major categories. The first category, net investment in capital assets, shows the CDA's equity in land, land improvements, buildings and furniture and equipment, net of depreciation and related outstanding debt. The second category, restricted net position, has external limitations on the way these assets can be used. The last category, unrestricted net position, is available to be used for any lawful and prudent CDA purpose.

During the year ended June 30, 2025, the total net position of the CDA increased by \$30,509,832. This increase indicates that the CDA's financial position improved during the current year. This increase was primarily due to strong operating results including the use of one-time revenues and grants, taxes and tax increment to invest in long-term assets or reduce long-term debt rather than making fiscal period expenses.

Condensed Statement of Net Position

| | June 30 | |
|-----------------------------------|----------------|----------------|
| | 2025 | 2024 |
| Current and other assets | \$ 344,890,753 | \$ 324,092,119 |
| Capital assets | 201,442,899 | 197,126,255 |
| Total assets | 546,333,652 | 521,218,374 |
| Deferred outflows of resources | - | - |
| Long-term liabilities outstanding | 73,923,357 | 79,071,542 |
| Other liabilities | 13,715,304 | 14,133,840 |
| Total liabilities | 87,638,661 | 93,205,382 |
| Deferred inflows of resources | 17,921,703 | 17,749,536 |
| Net position: | | |
| Net investment in capital assets | 129,398,604 | 118,818,718 |
| Restricted | 113,484,157 | 108,106,956 |
| Unrestricted | 197,890,527 | 183,337,782 |
| Total net position | \$ 440,773,288 | \$ 410,263,456 |

Revenues, Expenses, and Changes in Net Position

Total operating income (loss) decreased by \$5,697,995. Most of the decrease is related to higher housing assistance payments, primarily from the HUD-funded housing voucher program, and higher nonroutine maintenance. Total nonoperating revenues (expenses) increased by \$4,212,052. Most of this increase related to a gain (loss) on disposal of capital assets which were primarily sales in the DCCDA Section 18 LLC program.

Condensed Statement of Revenues, Expenses, and Changes in Net Position

| | June 30 | |
|---|----------------|----------------|
| | 2025 | 2024 |
| Operating revenues: | | |
| Total tenant rental | \$ 26,950,698 | \$ 25,784,865 |
| Operating subsidies and grants | 44,871,103 | 43,666,580 |
| Other | 10,283,834 | 9,577,101 |
| Total operating revenues | 82,105,635 | 79,028,546 |
| Operating expenses: | | |
| Administrative | 11,552,180 | 10,569,478 |
| Tenant services | 111,314 | 114,151 |
| Utilities | 2,267,129 | 2,084,061 |
| Ordinary maintenance | 7,394,837 | 7,217,969 |
| General expense | 14,079,057 | 10,888,737 |
| Nonroutine maintenance | 2,089,946 | 1,362,170 |
| Housing assistance payments | 31,233,279 | 28,020,293 |
| Depreciation | 7,533,028 | 7,228,827 |
| Total operating expenses | 76,260,770 | 67,485,686 |
| Operating income (loss) | 5,844,865 | 11,542,860 |
| Nonoperating revenues (expenses): | | |
| Investment earnings | 9,603,366 | 9,859,768 |
| Taxes and tax increments | 12,699,294 | 11,122,800 |
| Interest expense | (1,734,999) | (1,912,635) |
| Gain (loss) on disposal of capital assets | 3,183,973 | 469,649 |
| Total nonoperating revenues (expenses) | 23,751,634 | 19,539,582 |
| Income (loss) before contributions | 29,596,499 | 31,082,442 |
| Capital contributions | 913,333 | 1,404,371 |
| Change in net position | 30,509,832 | 32,486,813 |
| Total net position - beginning | 410,263,456 | 377,776,643 |
| Total net position - ending | \$ 440,773,288 | \$ 410,263,456 |

Capital Assets and Debt Administration

Capital assets. The CDA's net investment in capital assets as of June 30, 2025, amounts to \$201,442,899 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings, furniture and equipment, and construction projects in progress.

The following table presents the CDA's capital assets, net of accumulated depreciation, at June 30, 2025 and 2024:

| | June 30 | |
|---------------------------|-----------------------|-----------------------|
| | 2025 | 2024 |
| Land | \$ 41,109,256 | \$ 35,282,438 |
| Land improvements | 4,031,833 | 3,176,544 |
| Building | 154,480,319 | 151,048,681 |
| Furniture and equipment | 1,821,491 | 1,784,152 |
| Construction in progress | - | 5,834,440 |
| Total capital assets, net | <u>\$ 201,442,899</u> | <u>\$ 197,126,255</u> |

Additional information on the CDA's capital assets can be found in Note 2.F on page 39 of this report.

Long-term debt. At the end of the fiscal year, the CDA had debt outstanding of \$76,714,026. All the bonds payable are comprised of debt obligations that are backed by the full faith and credit of Dakota County, Minnesota. At June 30, 2025, the County had a Aaa bond rating from Moody's Investor Services and AA+ from Standard & Poor's. These bonds are also secured by the pooled gross rent receipts and other operating revenues of the underlying senior housing developments and by pledged tax levy and tax increment revenues.

Major debt events during the fiscal year include the following:

- \$4,019,000 of notes and bonds payable were retired during the fiscal year.

| | June 30 | |
|------------------------|----------------------|----------------------|
| | 2025 | 2024 |
| Notes payable | \$ 11,582,871 | \$ 11,751,871 |
| Bonds payable | 65,131,155 | 69,373,358 |
| Total debt outstanding | <u>\$ 76,714,026</u> | <u>\$ 81,125,229</u> |

Additional information regarding the CDA's long-term debt can be found in Note 2.G beginning on page 40 of this report.

Economic Factors and Next Year's Budgets

Federal appropriation levels will continue to have a major impact on the Authority's economic position. The CDA had \$45,296,748 in federal expenditures for the fiscal year ended June 30, 2025. Funding for the CDA's federal programs is significantly affected by Congressional legislation and the federal budget deficits. If cuts to federal funding are enacted, it may be necessary to further reduce costs and/or services.

Requests for Information

This financial report is designed to provide a general overview of the CDA's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Finance Director of the Dakota County Community Development Agency, 1228 Town Centre Drive, Eagan, Minnesota 55123.

Basic Financial Statements

Dakota County Community Development Agency
Statement of Net Position
June 30, 2025

| | Primary Government | Discretely Presented Component Units |
|--|------------------------------|---|
| Assets and Deferred Outflows of Resources | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 158,148,795 | \$ 1,479,225 |
| Investments | 47,622,588 | - |
| Accounts receivable - tenants | 262,443 | 84,076 |
| Accounts receivable - other | 464,756 | 83 |
| Taxes receivable | 6,335,902 | - |
| Due from other governments | 9,046,420 | 10,129 |
| Interest receivable | 195,698 | - |
| Lease receivable | 333,770 | - |
| Notes and mortgages receivable, current portion | 4,633,558 | 3,629 |
| Prepaid items and Inventory | 565,687 | 253,584 |
| Restricted cash and cash equivalents | 31,223,034 | 9,687,166 |
| Total current assets | <u>258,832,651</u> | <u>11,517,892</u> |
| Noncurrent assets: | | |
| Accrued interest receivable - notes and mortgages receivable | 3,609,494 | - |
| Notes and mortgages receivable, net of allowance for loan losses of \$71,557 | 72,269,019 | - |
| Investments in component units | 5,533,394 | - |
| Lease receivable - noncurrent | 4,580,912 | - |
| Other assets | 65,283 | 156,435 |
| Capital assets not being depreciated: | | |
| Land | 41,109,256 | 9,238,730 |
| Construction in progress | - | 4,458,596 |
| Capital assets (net of accumulated depreciation): | | |
| Land improvements | 4,031,833 | 1,412,015 |
| Buildings | 154,480,319 | 45,710,835 |
| Furniture and equipment | 1,821,491 | - |
| Total noncurrent assets | <u>287,501,001</u> | <u>60,976,611</u> |
| Total assets | <u>546,333,652</u> | <u>72,494,503</u> |
| Deferred outflow of resources | - | - |
| Total assets and deferred outflows of resources | <u><u>\$ 546,333,652</u></u> | <u><u>\$ 72,494,503</u></u> |

The notes to the financial statements are an integral part of this statement.

Dakota County Community Development Agency
Statement of Net Position
June 30, 2025

| | Primary Government | Discretely Presented Component Units |
|--|-----------------------|---|
| Liabilities, Deferred Inflows of Resources and Net Position | | |
| Current liabilities: | | |
| Accounts payable | \$ 1,885,125 | \$ 81,717 |
| Accrued payroll and benefits | 256,640 | - |
| Other current liabilities | 763,951 | 1,256,391 |
| Security deposits payable | 1,855,542 | 294,911 |
| Due to other governments | 655,665 | 193,695 |
| Accrued interest payable | 1,010,225 | - |
| Accrued compensated absences | 803,408 | - |
| Current portion of long-term debt | 4,815,000 | 89,817 |
| Unearned revenue | 1,669,748 | 22,846 |
| Total current liabilities | <u>13,715,304</u> | <u>1,939,377</u> |
| Noncurrent liabilities | | |
| Accrued compensated absences | 731,501 | - |
| Accrued interest payable | 1,292,830 | 1,530,673 |
| Notes payable, net of current portion | 10,767,871 | 18,489,729 |
| Bonds payable, net of current portion | 61,131,155 | - |
| Total noncurrent liabilities | <u>73,923,357</u> | <u>20,020,402</u> |
| Total liabilities | <u>87,638,661</u> | <u>21,959,779</u> |
| Deferred inflow of resources | <u>17,921,703</u> | - |
| Total liabilities and deferred inflows of resources | 105,560,364 | 21,959,779 |
| Net position: | | |
| Net investment in capital assets | 129,398,604 | 41,150,560 |
| Restricted for loans | 58,777,802 | - |
| Restricted for capital projects | 31,028,664 | 9,384,634 |
| Restricted for federal grants | 3,329,603 | - |
| Restricted for tax increment | 14,552,712 | - |
| Restricted for HOPE program | 5,795,376 | - |
| Unrestricted | 197,890,527 | (470) |
| Total net position | <u>440,773,288</u> | <u>50,534,724</u> |
| Total liabilities, deferred inflows of resources and net position | <u>\$ 546,333,652</u> | <u>\$ 72,494,503</u> |

The notes to the financial statements are an integral part of this statement.

Dakota County Community Development Agency
Statement of Revenues, Expenses, and Changes in Net Position
Year Ended June 30, 2025

| | Primary Government | Discretely Presented Component Units |
|---|------------------------------|---|
| Operating revenues: | | |
| Dwelling rents | \$ 26,950,698 | \$ 4,177,318 |
| Operating subsidies and grants | 44,871,103 | - |
| Other | 10,283,834 | 143,293 |
| Total revenues | <u>82,105,635</u> | <u>4,320,611</u> |
| Operating expenses: | | |
| Administrative | 11,552,180 | 770,208 |
| Tenant services | 111,314 | - |
| Utilities | 2,267,129 | 231,411 |
| Ordinary maintenance and operation | 7,394,837 | 1,034,994 |
| General expense | 14,079,057 | 896,393 |
| Nonroutine maintenance | 2,089,946 | 182,291 |
| Housing assistance payments | 31,233,279 | - |
| Depreciation | 7,533,028 | 1,829,541 |
| Total operating expenses | <u>76,260,770</u> | <u>4,944,838</u> |
| Operating income (loss) | 5,844,865 | (624,227) |
| Nonoperating revenues (expenses): | | |
| Investment earnings | 9,603,366 | 9,093 |
| Taxes and tax increments | 12,699,294 | - |
| Interest expense | (1,734,999) | (382,435) |
| Amortization expense | - | (25,931) |
| Gain (loss) on disposal of capital assets | 3,183,973 | - |
| Total nonoperating revenues (expenses) | <u>23,751,634</u> | <u>(399,273)</u> |
| Income (loss) before contributions | 29,596,499 | (1,023,500) |
| Contributions: | | |
| Capital contributions | 913,333 | 2,860,839 |
| Partner distributions | - | (510,707) |
| Total contributions | <u>913,333</u> | <u>2,350,132</u> |
| Change in net position | 30,509,832 | 1,326,632 |
| Net position: | | |
| Net position - beginning | 410,263,456 | 52,221,551 |
| Merger adjustments | - | (3,013,459) |
| As restated | <u>410,263,456</u> | <u>49,208,092</u> |
| Total net position - ending | <u><u>\$ 440,773,288</u></u> | <u><u>\$ 50,534,724</u></u> |

The notes to the financial statements are an integral part of this statement.

Dakota County Community Development Agency
Statement of Cash Flows
Year Ended June 30, 2025

| | <u>Primary Government</u> |
|---|-------------------------------|
| Cash flows From operating activities: | |
| Cash received from tenants, grants and other revenue | \$ 81,185,062 |
| Cash payments to employees | (11,188,403) |
| Other payments for operations | (64,430,384) |
| Net cash provided (used) by operating activities | <u>5,566,275</u> |
| Cash flows from noncapital financing activities: | |
| Cash flows from merger of discretely presented | |
| Cash received from tax levies and tax increments | 7,430,488 |
| General Partner equity distributions | 56 |
| Net cash provided (used) by noncapital financing activities | <u>7,430,544</u> |
| Cash flows from capital and related financing activities: | |
| Capital grants received | 913,333 |
| Proceeds from sale of capital assets | 4,754,682 |
| Acquisition and construction of capital assets | (15,199,451) |
| Principal paid on capital debt | (4,019,000) |
| Interest paid on capital debt | (2,226,876) |
| Bond trustee fees | (21,851) |
| Tax levy pledge on capital debt | 5,600,000 |
| Lease payments received | 326,554 |
| Net cash provided (used) by capital and related financing activities | <u>(9,872,609)</u> |
| Cash flows from investing activities: | |
| Purchases of investments | (38,242,552) |
| Sales and maturities of investments | 48,138,900 |
| Interest received | 7,442,379 |
| Net cash provided (used) by investing activities | <u>17,338,727</u> |
| Net increase (decrease) in cash and cash equivalents | <u>20,462,937</u> |
| Cash and cash equivalents, beginning of year | <u>168,908,892</u> |
| Cash and cash equivalents, end of year | <u><u>\$ 189,371,829</u></u> |

The notes to the financial statements are an integral part of this statement.

Dakota County Community Development Agency
Statement of Cash Flows
Year Ended June 30, 2025

| | <u>Primary Government</u> |
|---|-------------------------------|
| Reconciliation of operating income (loss) to net cash provided (used) by operating activities: | |
| Operating income (loss) | \$ 5,844,865 |
| Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities: | |
| Depreciation expense | 7,533,028 |
| Amortization of deferred inflows - leases | (347,899) |
| Allocated gain/loss on DPCU investments | 102 |
| Change in assets and liabilities: | |
| Change in accounts receivable - tenants | 34,755 |
| Change in accounts receivable - other | 373,499 |
| Change in due from other governments | (676,828) |
| Change in interest receivable | (382,071) |
| Change in prepaid items and inventory | (142,460) |
| Change in program loans receivable | (7,377,292) |
| Change in other assets | 16,322 |
| Change in accounts payable | 1,036,633 |
| Change in accrued payroll and benefits | 64,742 |
| Change in other accrued liabilities | (96,443) |
| Change in security deposit liabilities | 26,531 |
| Change in compensated absences | 149,312 |
| Change in due to other governments | 77,869 |
| Change in unearned revenue | (568,390) |
| Total adjustments | <u>(278,590)</u> |
| Net cash provided (used) by operating activities | <u><u>\$ 5,566,275</u></u> |
| Non-cash transactions: | |
| Capital related liabilities as of fiscal year end, including capital accounts payable and retainage payable | \$ 388,007 |

The notes to the financial statements are an integral part of this statement.

Notes to the Financial Statements

June 30, 2025

Note 1. Summary of Significant Accounting Policies

The basic financial statements of the Dakota County Community Development Agency (CDA) have been prepared in conformity with U.S. generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the significant accounting policies of the CDA.

A. Primary Government

The Dakota County Community Development Agency (CDA) is a local unit of government that was created in 1971 by a special act of the Minnesota State Legislature, Minnesota Statute 383D.41. The CDA was originally named the Dakota County Housing and Redevelopment Authority (HRA) and was created with all the powers and duties of a housing and redevelopment authority. In 1999, Statute 383D.41 was revised to allow the HRA to assume certain economic development authority powers granted by Dakota County, Minnesota (County). After December 31, 1999, the HRA became known as the CDA.

The CDA is governed by an eight-member Board of Commissioners which is appointed by the County's Board of Commissioners. The CDA is not financially dependent on the County, but the County has provided its general obligation pledge on CDA housing development bond issues to provide lower financing costs for the construction of affordable housing developments. The County includes the CDA as a discretely presented component unit in its financial statements.

B. Component Units

Component units are classified as either blended component units or discretely presented component units.

Blended Component Units. The CDA has established three legally separate LLCs for the purpose of owning and operating various rental housing projects. The CDA is the sole member and governing body for these LLCs which are considered disregarded entities for tax purposes. The following entities are reported in the financial statements as blended component units:

- Dakota County CDA Workforce Housing LLC was established in 2012 for the purpose of owning and operating workforce housing townhome projects that were developed by the CDA through various limited partnerships using the federal Low-Income Housing Tax Credit (LIHTC) program. These partnerships are reported by the CDA as discretely presented component units. After 15 years, these partnerships are dissolved. As of June 30, 2025, there have been 12 limited partnerships totaling 364 units that have been dissolved and the assets, liabilities and net position merged into this LLC.
- Dakota County CDA Workforce Housing 2 LLC was established in 2022 to provide another option for owning and operating workforce housing townhome projects that, like those previously noted for the Dakota County CDA Workforce Housing LLC, were developed by the CDA through various limited partnerships using the LIHTC program. As of June 30, 2025, there have been four limited partnerships totaling 123 units that have been dissolved and the assets, liabilities and net position merged into this LLC.

- DCCDA Section 18 LLC was established in 2020 for the purpose of owning and operating 120 single-family and duplex housing units removed from the federal Public Housing Program on August 1, 2020, pursuant to Section 18 of the Housing Act of 1937. These units are subject to U.S. Department of Housing & Urban Development (HUD) imposed use restrictions requiring these units be operated as affordable and reserved for families at or below 80 percent of area median income (AMI) for a period of not less than 30 years. Through June 30, 2025, this LLC has disposed of 50 of the 120 housing units with the sale proceeds restricted for future repositioning.

Discretely Presented Component Units. The CDA is the general partner and managing agent in ten legally separate limited partnerships that were formed to construct and operate workforce housing townhome developments throughout Dakota County and financed, in part, with the LIHTC program. Contributions and distributions, if any, are recorded as direct adjustments to the investment in partnerships on the statement of net position. Any income or loss from the operation of these limited partnerships is also recorded as a direct adjustment to the investment in partnerships based on the CDA's ownership percentage, which is .01%. As general partner and managing agent, the CDA possesses essentially all authority over day-to-day operations. The CDA is also financially accountable for the limited partnerships as it is obligated to fund operating deficits pursuant to the limited partnership agreements and provide a guaranty of the tax credits as described in Note 2.D. on page 38. The CDA also has several outstanding loans to these limited partnerships.

The following entities are reported in the financial statements as discretely presented component units:

- Twin Ponds Family Housing Limited Partnership was formed in 2006 to construct and operate a 25-unit residential townhome development, known as Twin Ponds Family Townhomes, located in Farmington, Minnesota. The development was completed in 2009. Annual profits, losses, tax credits and available cash flow are allocated 99.99% to the Limited Partner and .01% to the General Partner. Profits and losses arising from capital transactions are allocated as set forth in the Partnership Agreement.
- The Meadowlark Family Housing Limited Partnership was formed in 2004 to construct and operate a 40-unit townhome development, known as Meadowlark Family Townhomes, located in Lakeville, Minnesota. The development was completed in 2010. Annual profits, losses, tax credits and available cash flow are allocated 99.99% to the Limited Partner and .01% to the General Partner. Profits and losses arising from capital transactions are allocated as set forth in the Partnership Agreement.
- Apple Valley East Family Housing Limited Partnership was formed in 2009 to construct and operate a 45-unit townhome development known as the Quarry View Townhomes, located in Apple Valley, Minnesota. The development was placed in service in 2011. Annual profits, losses, tax credits and available cash flow are allocated 99.99% to the Limited Partner and .01% to the General Partner. Profits and losses arising from capital transactions are allocated as set forth in the Partnership Agreement.
- Twin Ponds Phase II Family Housing Limited Partnership was formed in 2008 to construct and operate a 26-unit townhome development known as Twin Ponds Phase II Family Townhomes, located in Farmington, Minnesota. The development was placed in service in 2012. Annual profits, losses, tax credits and available cash flow are allocated 99.99% to the Limited Partner and .01% to the General Partner. Profits and losses arising from capital transactions are allocated as set forth in the Partnership Agreement.
- Eagan Northwood Family Housing Limited Partnership was formed in 2008 to construct and operate a 47-unit townhome development known as Northwood Family Townhomes, located in Eagan, Minnesota. The development was completed in 2013. Annual profits, losses, tax credits and available cash flow are allocated 99.99% to the Limited Partner and .01% to the General Partner. Profits and losses arising from capital transactions are allocated as set forth in the Partnership Agreement.

- Inver Hills and Riverview Ridge Family Housing Limited Partnership was formed to construct and operate a 27-unit townhome development known as Riverview Ridge Family Townhomes located in Eagan, Minnesota and a 24-unit townhome complex known as Inver Hills Family Townhomes located in Inver Grove Heights, Minnesota. Both developments were placed in service in 2014. Annual profits, losses, tax credits and available cash flow, other than from the sale of the Project, are allocated 99.99% to the Limited Partner and .01% to the General Partner. Profits and losses arising from capital transactions are allocated as set forth in the Partnership Agreement.
- Lakeshore Workforce Housing Limited Partnership was formed in 2013 to construct and operate a 50-unit townhome development known as Lakeshore Townhomes located in Eagan, Minnesota. The development was completed in 2015. Annual profits, losses, tax credits and available cash flow, other than from the sale of the Project, are allocated 99.99% to the Limited Partner and .01% to the General Partner. Profits and losses arising from capital transactions are allocated as set forth in the Partnership Agreement.
- Keystone Crossing Workforce Housing Limited Partnership was formed in 2015 to construct and operate a 36-unit townhome development known as Keystone Crossing located in Lakeville, Minnesota. The development was completed in 2017. Annual profits, losses, tax credits and available cashflow are allocated 99.99% to the Limited Partner and .01% to the General Partner. Profits and losses arising from capital transactions are allocated as set forth in the Partnership Agreement.
- Rosemount II Limited Partnership was formed in 2016 to construct and operate a 40-unit townhome development known as Prestwick Townhomes in Rosemount, Minnesota. The development was completed in 2024. Annual profits, losses, tax credits and available cashflow are allocated 99.99% to the Limited Partner and .01% to the General Partner. Profits and losses arising from capital transactions are allocated as set forth in the Partnership Agreement.
- Denmark Trail Workforce Housing Limited Partnership was formed in 2024 to construct and operate a 40-unit townhome development to be known as Denmark Trail Townhomes in Farmington, Minnesota. The development commenced construction in 2024 and will begin operations in 2025. Annual profits, losses, tax credits and available cashflow are allocated 99.99% to the Limited Partner and .01% to the General Partner. Profits and losses arising from capital transactions are allocated as set forth in the Partnership Agreement.

Discretely presented component units have a December 31st fiscal year-end. The discretely presented component unit financial statements included in the financial statements are for the fiscal year ended December 31, 2024. Separate financial statements for each limited partnership can be obtained by contacting the Finance Director of the Dakota County Community Development Agency, 1228 Town Centre Drive, Eagan, Minnesota 55123.

C. Basis of Presentation

The financial statements report information about the CDA (primary government) and its discretely presented component units. For financial reporting purposes, the CDA reports all its operations and activities as a single business activity reported in a single enterprise fund.

D. Basis of Presentation and Measurement Focus and Basis of Accounting

The CDA's financial statements are accounted for using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Dwelling rents and other charges for services, the current portion of special assessments and interest associated with the current fiscal period have all been recognized as revenues of the current fiscal period. Expenditure-driven grants are recognized as revenue only when the qualifying expenditures have been incurred and all other eligibility requirements have been met.

E. Assets, Liabilities, Deferred Outflows/inflows of Resources, and Net Position

1. Deposits and investments

The CDA's cash and cash equivalents are cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition that are not specifically restricted for use.

The CDA's investment policy requires compliance with State statutes which allow investment in obligations guaranteed by the U.S. Treasury or its agencies, mutual funds, general obligations of state and local governments, bankers' acceptances, commercial paper, repurchase agreements, guaranteed investment contracts, and the Minnesota Municipal Money Market Fund (4M Fund) which is an external investment pool created by the League of Minnesota Cities and governed by the 4M Fund Board of Trustees.

All investments except money-market funds and the Minnesota Municipal Money Market Fund (4M Fund) are valued at fair value based on quoted market prices. Money-market funds and the 4M Fund are reported at amortized cost per GASB 79.

2. Prepaid items and inventory

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. Inventory primarily consists of residential appliances and are stated at the lower of cost or market value. Items are expensed at their individual cost when consumed or placed into a residential unit.

3. Due from other governments

Due from other governments represents taxes collected by Dakota County on behalf of the CDA, but not yet remitted to the CDA as well as receivables relating to intergovernmental revenues.

4. Restricted assets

Certain proceeds of the CDA's bond issues, as well as certain resources set aside for their repayment and certain resources limited by applicable bond and loan agreements are classified as restricted assets on the statement of net position. Restricted assets also include certain escrow accounts and amounts restricted by grant and other external agreements.

5. Lease receivable

The CDA records a lease receivable on commercial leases measured at the present value of the lease payments expected to be received during the lease term. A deferred inflow is recorded at the initiation of the lease in an amount equal to the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease.

6. Capital assets

Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life of two or more years. Such assets are reported at historical cost or estimated historical cost if purchased or constructed. Donated assets are reported at their acquisition value at the date of donation. Land and construction in progress are not depreciated. The other capital assets of the government are depreciated using the straight-line method over the following estimated useful lives:

| | |
|----------------------------|-------------|
| Land improvements | 15 Years |
| Buildings and improvements | 10-40 Years |
| Furniture and equipment | 3-10 Years |

7. Investment in Discretely Presented Component Units

The initial equity interest in component units is reported at cost. Contributions and distributions, if any, and the CDA's share of any income or loss from operations are recorded as direct adjustments to investment in component units on the statement of net position.

8. Deferred Outflows/inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expenses) until then. The CDA has no items that qualify for reporting in this category.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The CDA has three types of items, which qualifies for reporting in this category, property taxes and special assessments levied in the current year to be used to finance the subsequent year's budget, leases and deferred gain on refunding bonds: \$13,414,871, \$4,111,019 and \$395,813 respectively.

9. Classification of Net Position

Net position is classified into the following categories:

Net investment in capital assets – the amount of net position representing capital assets net of accumulated depreciation and reduced by outstanding debt attributed to the acquisition, construction, or improvement of the assets.

Restricted net position – the amount of net position for which external restrictions have been imposed by creditors, grantors, contributors, or laws or regulations or other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position – the amount of net position that does not meet the definition of restricted or net investment in capital assets.

10. Net Position Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g. restricted bond or grant proceeds) and unrestricted resources. To calculate the amounts to report as restricted – net position and unrestricted – net position in the basic financial statements, a flow assumption must be made about the

order in which the resources are considered to be applied. It is the CDA's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

F. Revenues and Expenses

1. Property Taxes

The property tax levy is certified in December of each year to finance the budgeted expenditures of the subsequent fiscal year beginning on July 1st. The levy becomes a lien on January 1 on property values assessed as of the prior year. The tax levy is divided into two billings: the first half is due May 15th and the second half is due on October 15th. No allowance for uncollectible taxes has been provided because such amounts are not expected to be material. Taxes which remain unpaid by property owners on December 31 are considered delinquent. The County bills the property taxes and remits these funds to the CDA in July and December of each year. Because taxes are levied for subsequent periods, such amounts are reported as a deferred inflow of resources.

2. Compensated Absences

Under the CDA's personnel policy, employees are granted flex leave ranging between 20 to 38 days per year based on length of service. The policy permits employees to accumulate earned but unused flex leave benefits. All accumulated flex leave benefits are attributable to services already rendered and are more likely than not to be used for time off or otherwise paid. Flex leave is accrued when incurred in the statement of net position.

3. Operating and Nonoperating Revenues and Expenses

Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary fund's principal ongoing operations. The principal operating revenues of the CDA are charges to customers for services, and grants. Operating expenses include the cost of sales and services, administrative expenses, housing assistance payments and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

4. Use of Estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) require management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows, liabilities and deferred inflows, and the disclosure of contingent assets and liabilities, at the date of the financial statements, and the required amounts of revenue and expenses reported in the reporting period. Actual results could differ from these estimates.

Note 2. Detailed Notes

A. Deposits and Investments

The CDA's total deposits, cash on hand, and investments are as follows:

| | |
|--|-----------------------------|
| Deposits | \$ 31,903,199 |
| Cash and petty cash | 250 |
| Investments | <u>205,090,968</u> |
| Total cash, cash equivalents and investments | <u><u>\$236,994,417</u></u> |

These amounts are presented in the basic financial statements as follows:

| | |
|--|-----------------------------|
| Cash and cash equivalents | \$158,148,795 |
| Investments | 47,622,588 |
| Restricted cash and cash equivalents | <u>31,223,034</u> |
| Total cash, cash equivalents and investments | <u><u>\$236,994,417</u></u> |

Custodial Credit Risk – Deposits. In the case of deposits, this is the risk that in the event of a bank failure, the CDA's deposits may not be returned to it. The CDA follows Minnesota state statutes which require that all deposits including certificates of deposit with financial institutions be collateralized in an amount equal to 110 percent of the deposits in excess of FDIC insurance.

At year end, all CDA's deposits were adequately protected by pledged collateral and federal-depository insurance.

B. Investments

As of June 30, 2025, the CDA had the following investments:

| Investment Type | S&P Credit Rating | Carrying Amount/ Fair Value | Investment Maturities (in Years) | | |
|-------------------------------------|-------------------------|-----------------------------------|----------------------------------|---------------------|-------------------|
| | | | Less Than 1 | 1-5 | More than 5 |
| U.S. Government: | | | | | |
| U.S. Treasury Bills | A-1+ | \$ 20,769,540 | \$ 20,769,540 | \$ - | \$ - |
| U.S. Government Agencies: | | | | | |
| Federal Farm Credit Banks | AA+ | 10,817,430 | 2,948,070 | 7,869,360 | - |
| Federal Home Loan Mortgage Corp. | AA+ | 4,007,990 | 3,846,414 | - | 161,576 |
| Federal Home Loan Bank | AA+ | 7,717,525 | 7,717,525 | - | - |
| Federal National Mortgage Assoc. | AA+ | 4,294,323 | 3,981,920 | - | 312,403 |
| Government National Mortgage Assoc. | AA+ | 15,780 | - | - | 15,780 |
| Money market funds | NR | 40,967,027 | 40,967,027 | - | - |
| Local government investment pool | NR | 116,501,353 | 116,501,353 | - | - |
| | | <u>\$205,090,968</u> | <u>\$196,731,849</u> | <u>\$ 7,869,360</u> | <u>\$ 489,759</u> |
| Deposits, cash and petty cash | | <u>31,903,449</u> | | | |
| | | <u><u>\$236,994,417</u></u> | | | |

Interest Rate Risk. Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the fair values of investments with longer maturities are more sensitive to changes in market interest rates. In accordance with its investment policy, the CDA manages its exposure to declines in fair values by limiting non-bond reserve investment maturities to five years or less. The mortgage-backed securities held by the CDA have maturities exceeding five years and were obtained through the Board-approved defeasance of several single-family bond issues and are expected to be held until maturity.

Credit Risk. Generally, credit risk is the risk that an insurer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The CDA's investment policy places no restrictions on credit risk other than requiring compliance with state Law. State Law does not limit investments in securities of U.S. Government Agencies including mortgage-

backed securities by credit quality. The local government investment pool and money market mutual funds are unrated. However, investments held by the local government investment pool do conform to state restrictions and the investments in money market mutual funds comply with state requirements for being rated in one of the highest two categories by a NRSRO. The money market funds include commercial paper investments which comply with state requirements to be rated in the highest quality category by two nationally recognized rating agencies and having maturities of 270 days or less.

Concentration of Credit Risk. The CDA places no limit on the amount that may be invested in any one issuer. On June 30, 2025, the CDA had more than five percent of its total investments with the U.S. Treasury, Federal Farm Credit Banks, money market funds and a local government investment pool.

Custodial Credit Risk – Investments. For an investment, this is the risk that, in the event of the failure of the counterparty, the CDA will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All investment securities are registered in the CDA's name, are in the possession of the CDA's trustee or are held by a custodial bank for the CDA under a tri-party agreement.

Fair value reporting. The CDA's investments that are not recorded at amortized cost are recorded at fair value as of June 30, 2025. GASB Statement No. 72, *Fair Value Measurement and Application*, defines fair value as the price that would be received to sell an asset between market participants at the measure date. This statement establishes a hierarchy of valuation inputs based on the extent to which the inputs are observable in the marketplace.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The following describes the hierarchy of inputs used to measure fair value and primary valuation methodologies used for financial instruments measured at fair value on a recurring basis:

- Level 1: Investments whose values are based on quoted prices (unadjusted) for identical assets (liabilities) in active markets that a government can access at measurement date.
- Level 2: Investments with inputs, other than quoted prices included within Level 1, that are observable for an asset (liability), either directly or indirectly.
- Level 3: Investments classified as Level 3 have unobservable inputs for an asset (liability) and may require a degree of professional judgment.

On June 30, 2025, U.S. Treasury Notes totaling \$20,769,540 were classified as level 1 and U.S. Government Agencies totaling \$26,853,048 were classified as level 2 by a third party using either bid evaluations or a matrix-based pricing technique. Bid evaluations are typically based on market quotations, yields, maturities, call features and ratings. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. Money market funds and a local government investment pool of \$40,967,027 and \$116,501,353 respectively, were not subject to leveling as these investments were carried at amortized cost.

C. Notes Receivable

The CDA has issued various notes to individuals, businesses, not-for-profits, governmental units and discretely presented component units. These notes are generally secured by liens on real and personal property and allowances for uncollectible loans are generally not recorded as such amounts are not expected to be material.

Notes receivable on June 30, 2025, consist of the following:

| Loan Description | Loan Balance |
|---------------------------------------|----------------------|
| Homebuyer loans | \$ 2,015,703 |
| Homeowner rehab loans - deferred | 20,240,625 |
| Discretely Presented Component Units: | |
| First mortgage | 3,661,565 |
| Other | 13,671,051 |
| Revolving | 37,457 |
| Bridge | 4,059,054 |
| | <u>21,429,127</u> |
| Multifamily loans: | |
| Deferred | 23,807,219 |
| Installment | 6,630,588 |
| | <u>30,437,807</u> |
| Supportive housing | 2,706,015 |
| Other | 73,300 |
| | <u>\$ 76,902,577</u> |
| Current portion | \$ 4,633,558 |
| Noncurrent portion | 72,269,019 |
| | <u>\$ 76,902,577</u> |

Homebuyer Loans. Homebuyer loans assist qualified homebuyers in purchasing residential properties. The loan proceeds may be used for required down payment, closing costs or to buy down the first mortgage principal. Loans are repaid, without interest, when the home is sold, refinanced, or reach the end of the 30-year first mortgage term.

Homeowner Rehabilitation Loans. Homeowner rehabilitation loans are made to assist qualified homeowners in making eligible repairs to their homes. Deferred loans are no interest loans with principal payable upon the sale or transfer of the property.

Discretely Presented Component Unit (DPCU) Loans. The CDA has provided various forms of financing to several limited partnership projects that are considered discretely presented component units. These loans have varying terms which are summarized as follows:

- \$3,661,565 in first mortgage loans at interest rates ranging from 6 to 7 percent interest with principal and interest payable monthly.
- \$13,671,051 in loans at interest rates ranging from 0 to 1 percent interest with interest paid annually or interest and principal deferred until maturity.
- \$4,096,511 of unsecured revolving and bridge loans to finance the development and construction of new family townhome projects. The interest rates on these loans range from 0 to 7 percent with payment of principal and interest generally deferred until the partnership can secure permanent financing for the project.

The maturities on these partnership loans range between 20 to 30 years except for bridge and revolving loans. There is no penalty for prepayment of these loans. All loans are secured by liens on the underlying property and all loans other than first mortgage loans are subordinated to other loans that exist on these partnership projects.

Multifamily Loans. Multifamily loans provide financing for the acquisition, development and rehabilitation of affordable multifamily housing. Deferred loans are 0 to 4.91 percent interest loans with principal and interest payable upon the sale, transfer, refinancing or change in use of the property or the maturity date of the loan whichever comes first. Loan maturities range from 15 to 50 years depending on the source of funds. Installment loans consist of one 3.50 percent interest loan with principal and interest payable monthly through July 2039.

Supportive Housing. The CDA has provided five loans to support the construction of two supportive housing properties: one in Apple Valley and one in Inver Grove Heights, Minnesota. These mortgage loans are secured by the underlying real estate and have the following terms:

- \$147,600 at 1 percent interest with the payment of principal and interest deferred for 30 years from date of occupancy or 50 years if recertified for continued use.
- \$2,558,415 at 0-1 percent interest with the payment of principal deferred until the sale, transfer, refinancing or change in use of the property or March 2060, whichever comes first.

Other. The CDA has \$73,300 of short-term zero percent interest repayment agreements with tenants.

D. Investment in Component Units

As explained in Note 1.B., the CDA is the general partner and managing agent in several family housing limited partnerships (FHLP) that were formed to construct and operate family housing townhome complexes within Dakota County. These partnerships were financed, in part, using federal low-income housing tax credits which place certain restrictions on rental rates and require tenants to qualify for occupancy based on income levels. The CDA's investment in these partnerships are accounted for as equity investments. Capital contributions and distributions, if any, are recorded as direct adjustments to the investment in limited partnerships on the statement of net position. Any income or loss from the operation of these limited partnerships is also recorded as a direct adjustment to the investment in discretely presented component units based on the CDA's ownership percentage.

Additional information on each of these limited partnerships is provided as follows:

| | Year | | Beginning | | Allocation of | | Ending |
|--------------------------------|-------|------------|---------------------|-------------|---------------|-----------------|---------------------|
| | Built | Units | Balance | Additions | Reductions | Gain/(Loss) | Balance |
| Twin Ponds FHLP | 2009 | 25 | 563,081 | - | - | (9) | 563,072 |
| Meadowlark FHLP | 2010 | 40 | 320,519 | - | - | (8) | 320,511 |
| Apple Valley East FHLP | 2011 | 45 | 1,384,350 | - | 6 | (12) | 1,384,332 |
| Twin Ponds II FHLP | 2012 | 26 | 355,740 | - | - | (6) | 355,734 |
| Eagan Northwood FHLP | 2013 | 47 | 376,561 | - | - | (5) | 376,556 |
| Inver Hills/Riverview Rdg FHLP | 2014 | 51 | 744,175 | - | 18 | (10) | 744,147 |
| Lakeshore WHLP | 2015 | 50 | 63,423 | - | 17 | (14) | 63,392 |
| Keystone Crossing WHLP | 2016 | 36 | 685,933 | - | 15 | (16) | 685,902 |
| Rosemount II LP | 2019 | 40 | 192,842 | - | - | (22) | 192,820 |
| Denmark Trail WHLP | 2025 | 40 | 846,928 | - | - | - | 846,928 |
| | | <u>400</u> | <u>\$ 5,533,552</u> | <u>\$ -</u> | <u>\$ 56</u> | <u>\$ (102)</u> | <u>\$ 5,533,394</u> |

As General Partner, the CDA has an obligation to provide funds for any development and operating deficits that may occur up to \$1,347,763 for Denmark Trail WHLP. Generally, these operating deficit obligations lapse three years after the lease up of the property.

A guaranty of housing tax credits of up to \$6,000,256 is also provided to these discretely presented component units.

E. Lease Receivable

The CDA has entered into leases with several not-for-profit organizations and commercial tenants for space in three CDA housing developments. The leases range from 60 to 372 months. The lease receivable is measured as the present value of the future lease payments expected to be received during the lease term at a discount rate equal to the borrowing rate on CDA underlying bond obligations.

In the fiscal year ended June 30, 2025, the CDA recognized \$389,951 of lease revenue and \$149,376 of interest revenue under these leases.

F. Capital Assets

Capital asset activity for the year ended June 30, 2025, was as follows:

| | Beginning Balance | Increases | Decreases | Ending Balance |
|--|----------------------|----------------------|---------------------|----------------------|
| Capital assets, not being depreciated: | | | | |
| Land | \$ 35,282,438 | \$ 7,120,381 | \$ 1,293,563 | \$ 41,109,256 |
| Construction in progress | 5,834,440 | 2,086,677 | 7,921,117 | - |
| Total capital assets, not being depreciated | 41,116,878 | 9,207,058 | 9,214,680 | 41,109,256 |
| Capital assets, being depreciated: | | | | |
| Land improvements | 10,383,022 | 1,236,610 | 83,275 | 11,536,357 |
| Buildings | 273,259,308 | 10,754,748 | 1,725,221 | 282,288,835 |
| Furniture and equipment | 11,029,986 | 463,507 | 60,887 | 11,432,606 |
| Total capital assets, being depreciated | 294,672,316 | 12,454,865 | 1,869,383 | 305,257,798 |
| Less accumulated depreciation for: | | | | |
| Land improvements | (7,206,478) | (369,710) | (71,664) | (7,504,524) |
| Buildings | (122,210,627) | (6,737,150) | (1,139,261) | (127,808,516) |
| Furniture and equipment | (9,245,834) | (426,168) | (60,887) | (9,611,115) |
| Total accumulated depreciation | (138,662,939) | (7,533,028) | (1,271,812) | (144,924,155) |
| Total capital assets, being depreciated, net | 156,009,377 | 4,921,837 | 597,571 | 160,333,643 |
| Total capital assets, net | <u>\$197,126,255</u> | <u>\$ 14,128,895</u> | <u>\$ 9,812,251</u> | <u>\$201,442,899</u> |

Construction Commitments

On June 30, 2025, the CDA had \$355,141 remaining on a \$7,414,996 commitment for Nicols Pointe, a senior housing development with a preference for Veterans in the City of Eagan, MN.

G. Long-term Debt

Changes in Long-term Liabilities

| | Beginning | | | Ending | Due Within |
|------------------------|----------------------|-------------------|-----------------------|----------------------|---------------------|
| | Balance | Additions | Reductions | Balance | One Year |
| Compensated absences | \$ 1,385,597 | \$ 149,312 | \$ - | \$ 1,534,909 | \$ 803,408 |
| Notes payable | 11,751,871 | - | (169,000) | 11,582,871 | 815,000 |
| Bonds payable | 66,145,000 | - | (3,850,000) | 62,295,000 | 4,000,000 |
| Plus deferred amounts: | | | | | |
| For issuance premiums | 3,228,358 | - | (392,203) | 2,836,155 | - |
| Total bonds payable | 69,373,358 | - | (4,242,203) | 65,131,155 | 4,000,000 |
| | <u>\$ 82,510,826</u> | <u>\$ 149,312</u> | <u>\$ (4,411,203)</u> | <u>\$ 78,248,935</u> | <u>\$ 5,618,408</u> |

Note: Changes in compensated absences is presented net.

Notes Payable

The composition of notes payable from direct borrowings is as follows:

| Note Description | Amount |
|---|-----------|
| Housing Resources Performance Pilot Loan payable to the Minnesota Housing Finance Agency. This non-interest-bearing note is dated December 21, 2006 and it provided financing for a \$600,000 note receivable dated September 14, 2007 to the Rosemount Family Housing Limited Partnership. This note payable requires 1% simple interest on the unpaid balance with accrued interest and principal due in one lump sum on September 1, 2043. | \$600,000 |
| Publicly Owned Housing Program (POHP) note payable to the Minnesota Housing Finance Agency (MHFA). MHFA provided funds in the form of an interest free, deferred loan for a term of twenty years. There is no amortization requirement on the POHP loan. The loan will be forgiven on the twenty-first (21st) anniversary from the effective date of June, 2009. The purpose of the loan was to provide financing for the construction of a 25-unit youth housing development. | 3,523,380 |
| Ending Long-term Homelessness Initiative Fund (ELHIF) note payable to the MHFA. The loan is for a term of thirty years with zero percent (0%) interest per year. The principal is due and payable in one lump sum on June 1, 2039. The purpose of the loan was to provide financing for the construction of a 25-unit youth housing development. | 697,649 |
| Publicly Owned Housing Program (POHP) note payable to the Minnesota Housing Finance Agency (MHFA). MHFA provided funds in the form of an interest free, deferred loan for a term of twenty years. There is no amortization requirement on the POHP loan. The loan will be forgiven on the twenty-first (21st) anniversary from the effective date of February, 2018. The purpose of the loan was to provide financing for the exterior improvements of the public housing units in Apple Valley and Hastings. | 466,000 |

| | |
|--|---------|
| Dakota County Workforce Housing LLC, note payable to the Family Housing Fund. The loan is for a term of 30 years with simple interest of one percent (1%) on the unpaid principal amount until the maturity date of December 14, 2025. The loan was initially made to the Eagan Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2012, the liabilities of the partnership were transferred to the LLC. | 315,000 |
| Dakota County Workforce Housing LLC, Low Income Large Family note payable to MHFA. The loan is for a term of 30 years with interest of one percent (1%) per year accruing on the unpaid amount. The principal and all accrued interest shall be due and payable in one lump sum on December 14, 2025. The loan was initially made to the Eagan Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2012, the liabilities of the partnership were transferred to the LLC. | 456,000 |
| Dakota County Workforce Housing LLC, Low Income Large Family note payable to MHFA. The loan is for a term of 30 years with interest of one percent (1%) per year accruing on the unpaid amount. The principal and all accrued interest shall be due and payable in one lump sum on February 25, 2027. The loan was initially made to the Hastings Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2013, the liabilities of the partnership were transferred to the LLC. | 396,000 |
| Dakota County Workforce Housing LLC, Affordable Rental Investment Fund note payable to MHFA. The loan is for a term of 30 years with interest of one percent (1%) per year accruing on the unpaid amount. The principal and all accrued interest shall be due and payable in one lump sum on February 25, 2027. The loan was initially made to the Hastings Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2013, the liabilities of the partnership were transferred to the LLC. | 210,480 |
| Dakota County Workforce Housing LLC, note payable to the Family Housing Fund. The amended loan is for a term of 15 years with zero percent interest (0%). The principal is due and payable at the maturity date of October 1, 2029. The loan was initially made to the Hastings Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2013, the liabilities of the partnership were transferred to the LLC. | 175,000 |
| Dakota County Workforce Housing LLC, note payable to the Family Housing Fund. The loan is for a term of 30 years with simple interest of one percent (1%) on the unpaid principal amount. Annual payment of \$44,000, commencing Jun 30, 2025, and each year thereafter through the maturity date of June 26, 2028. The loan was initially made to the Lakeville Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2013, the liabilities of the partnership were transferred to the LLC. | 192,000 |

| | |
|--|---------|
| Dakota County Workforce Housing LLC, note payable to the Family Housing Fund. The loan is for a term of 30 years with simple interest of one percent (1%) on the unpaid principal amount until the maturity date of May 27, 2029. The loan was initially made to the Chasewood Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2014, the liabilities of the partnership were transferred to the LLC. | 290,000 |
| Dakota County Workforce Housing LLC, Affordable Rental Investment Fund note payable to MHFA. The loan is for a term of 30 years with simple interest of one percent (1%) on the unpaid principal amount until the maturity date of May 27, 2029. The loan was intially made to the Chasewood Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2014, the liabilities of the partnership were transferred to the LLC. | 319,591 |
| Dakota County Workforce Housing LLC, note payable to the Family Housing Fund. The loan is for a term of 30 years with simple interest of one percent (1%) on the unpaid principal amount until the maturity date of October 26, 2030. The loan was initially made to the Lakeville Family Housing Limited Partnership 2, to provide financing for a portion of the construction. Upon dissolution in 2016, the liabilities of the partnership were transferred to the LLC. | 230,000 |
| Dakota County Workforce Housing LLC, note payable to the MHFA ARIF Fund. The loan is for a term of 30 years with interest of one percent (1%) on the unpaid principal amount until the maturity date of October 26, 2030. The loan was initially made to the Lakeville Family Housing Limited Partnership 2, to provide financing for a portion of the construction. Upon dissolution in 2014, the liabilities of the partnership were transferred to the LLC. | 555,000 |
| Dakota County Workforce Housing LLC, note payable to the Family Housing Fund. The loan is for a term of 30 years with simple interest of one percent (1%) on the unpaid principal amount until the maturity date of January 24, 2031. The loan was initially made to the Mendota Heights Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2016, the liabilities of the partnership were transferred to the LLC. | 230,000 |
| Dakota County Workforce Housing LLC, note payable to the MHFA ARIF Fund. The loan is for a term of 30 years with simple interest of one percent (1%) on the unpaid principal amount until the maturity date of January 24, 2031. The loan was initially made to the Mendota Heights Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2016, the liabilities of the partnership were transferred to the LLC. | 358,427 |
| Dakota County Workforce Housing LLC, note payable to the Family Housing Fund. The loan is for a term of 30 years with zero percent interest (0%). The principal is due and payable at the maturity date of September 6, 2032. The loan was initially made to the Hastings Marketplace Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2018, the liabilities of the partnership were transferred to the LLC. | 300,000 |

| | |
|---|---------|
| Dakota County Workforce Housing LLC, note payable to the MHFA ARIF Fund. The loan is for a term of 30 years with simple interest of one percent (1%) on the unpaid principal amount until the maturity date of January 27, 2033. The loan was initially made to the Hastings Marketplace Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2018, the liabilities of the partnership were transferred to the LLC. | 219,526 |
| Dakota County Workforce Housing LLC, note payable to the Family Housing Fund. The loan is for a term of 30 years with zero percent interest (0%). The principal is due and payable at the maturity date of October 1, 2033. The loan was initially made to the Burnsville Heart of the City Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2019, the liabilities of the partnership were transferred to the LLC. | 225,000 |
| Dakota County Workforce Housing LLC, note payable to the MHFA ARIF Fund. The loan is for a term of 30 years with simple interest of one percent (1%) on the unpaid principal amount until the maturity date of June 22, 2034. The loan was initially made to the Burnsville Heart of the City Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2019, the liabilities of the partnership were transferred to the LLC. | 200,000 |
| Dakota County Workforce Housing LLC, note payable to the MHFA EDHC Fund. The loan is for a term of 30 years with simple interest of one percent (1%) on the unpaid principal amount until the maturity date of June 22, 2034. The loan was initially made to the Burnsville Heart of the City Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2019, the liabilities of the partnership were transferred to the LLC. | 500,000 |
| Dakota County Workforce Housing LLC, note payable to the Family Housing Fund. The loan is for a term of 30 years with zero percent interest (0%). The principal is due and payable at the maturity date of October 1, 2034. The loan was initially made to the Eagan Cedar Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2019, the liabilities of the partnership were transferred to the LLC. | 300,000 |
| Dakota County Workforce Housing LLC, note payable to the MHFA ARIF Fund. The loan is for a term of 30 years with simple interest of one percent (1%) on the unpaid principal amount until the maturity date of October 1, 2034. The loan was initially made to the Eagan Cedar Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2019, the liabilities of the partnership were transferred to the LLC. | 226,335 |

Dakota County Workforce Housing LLC, note payable to the MHFA EDHC Fund. The loan is for a term of 30 years with simple interest of one percent (1%) on the unpaid principal amount until the maturity date of October 1, 2034. The loan was initially made to the Eagan Cedar Family Housing Limited Partnership, to provide financing for a portion of the construction. Upon dissolution in 2019, the liabilities of the partnership were transferred to the LLC.

597,483

\$11,582,871

Each of the respective note payables are secured by the underlying assets of the respective projects to which the note relates. Notes are subject to various debt provisions and covenants including affordable housing use restrictions. While the debt agreements require the payment of principal and interest according to the loan terms, the entire principal balance and accrued interest may be due and payable upon the occurrence of any of the following events:

- the sale, assignment, conveyance, transfer lease, lien, encumbrance or refining of the underlying project without lender's approval
- termination of the use of the project as affordable housing
- use of the project which violates federal, state or local law, statute or ordinance
- default in the performance of any covenant, term or condition of the notes, loan agreements or any other agreement or mortgage relating to or encumbering the project

Annual principal and interest maturities for notes payable for fiscal years after June 30, 2025, are as follows:

| | Principal | Interest | Total |
|-----------|----------------------|---------------------|----------------------|
| 2026 | \$ 815,000 | \$ 228,167 | \$ 1,043,167 |
| 2027 | 650,480 | 196,277 | 846,757 |
| 2028 | 104,000 | 19,909 | 123,909 |
| 2029 | 609,591 | 180,182 | 789,773 |
| 2030 | 3,698,380 | 341 | 3,698,721 |
| 2031-2035 | 3,941,771 | 942,125 | 4,883,896 |
| 2036-2040 | 1,163,649 | - | 1,163,649 |
| 2041-2045 | 600,000 | - | 600,000 |
| | <u>\$ 11,582,871</u> | <u>\$ 1,567,001</u> | <u>\$ 13,149,872</u> |

Housing Development Bonds

The CDA issues housing development bonds to finance the acquisition and construction of senior housing developments. These bonds are limited obligations of the government but are secured by the pledge of the full faith and credit and power of Dakota County, Minnesota to levy direct general ad valorem taxes. These bonds are secured by and payable from the pooled gross rent receipts and other operating revenues related to the operation of housing developments financed by these bonds and an annual pledge of \$5,600,000 from the CDA's tax levy. Housing development bonds are issued as serial bonds.

Bonds currently outstanding are as follows:

| Description of Bond | Issue Date | Maturity Date | Interest Rate | Original Amount | Outstanding June 30 |
|---------------------------------|------------|---------------|---------------|-----------------|----------------------|
| 2010B Housing Development Bonds | 07/21/10 | 01/01/40 | 2.00 - 6.00% | 46,160,000 | \$ 235,000 |
| 2013 Housing Development Bonds | 12/18/13 | 01/01/27 | 2.00 - 2.85% | 7,630,000 | 2,700,000 |
| 2015A Housing Development Bonds | 05/27/15 | 01/01/42 | 3.00 - 5.00% | 21,745,000 | 20,005,000 |
| 2015B Housing Development Bonds | 05/27/15 | 01/01/35 | 3.00 - 5.00% | 24,025,000 | 12,410,000 |
| 2020A Housing Development Bonds | 09/24/20 | 01/01/46 | 2.00 - 5.00% | 8,655,000 | 7,920,000 |
| 2020B Housing Development Bonds | 09/24/20 | 01/01/40 | 2.00 - 5.00% | 21,800,000 | 19,025,000 |
| Subtotal | | | | | 62,295,000 |
| Less current maturities | | | | | (4,000,000) |
| Total | | | | | <u>\$ 58,295,000</u> |

The annual principal and interest maturities for the Housing Development Bonds by fiscal year are as follows:

| | Principal | Interest | Total |
|-----------|----------------------|---------------------|----------------------|
| 2026 | \$ 4,000,000 | \$ 2,020,450 | \$ 6,020,450 |
| 2027 | 3,960,000 | 1,851,337 | 5,811,337 |
| 2028 | 3,545,000 | 1,692,438 | 5,237,438 |
| 2029 | 3,600,000 | 1,543,188 | 5,143,188 |
| 2030 | 3,750,000 | 1,404,487 | 5,154,487 |
| 2031-2035 | 21,105,000 | 5,093,600 | 26,198,600 |
| 2036-2040 | 14,585,000 | 2,447,313 | 17,032,313 |
| 2041-2045 | 7,285,000 | 495,275 | 7,780,275 |
| 2046-2047 | 465,000 | 9,881 | 474,881 |
| | <u>\$ 62,295,000</u> | <u>\$16,557,969</u> | <u>\$ 78,852,969</u> |

Pledged Revenue – the \$62,295,000 of outstanding housing development bonds are backed by a general obligation pledge of Dakota County. In addition, the CDA has pledged a portion of its annual tax levy (special benefit tax) that is levied pursuant to Minnesota Statutes, Section 469.033, Subd. 6, and the net operating revenues of the bond-financed developments, including interest earnings, proceeds of the bond issues, and amounts held by the trustee.

The CDA is currently committed, to the extent it is within its power to do so, to levy and collect \$5,600,000 for the payment of debt service on these bonds. The total principal and interest remaining on this debt is \$78,852,969 with annual requirements ranging from \$6,020,450 in 2025 to \$474,881 in the final year. The annual pledge revenue available for debt service is expected to exceed the principal and interest for each year the bonds will be outstanding,

For the current year, total pledged revenues available for debt service was \$25,011,586 and principal and interest was \$6,039,375.

H. Restricted Assets

The balances of restricted asset accounts are as follows:

| | |
|---------------------------------------|---------------------|
| Debt proceeds held by trustees | \$ 4,853,551 |
| Reserves required by debt agreements | 13,063,997 |
| Reserves required by other agreements | 221,716 |
| Revolving loan funds | 218,381 |
| Section 18 sale proceeds | 12,441,846 |
| Security deposit reserve | 423,543 |
| | <u>\$31,223,034</u> |

Note 3. Blended Component Units

The condensed financial statements for the blended component units are as follows:

| | Dakota County CDA Workforce Housing LLC | DCCDA Section 18 LLC | Dakota County CDA Workforce Housing 2 LLC | Total Blended Component Units |
|---|---|-------------------------|---|--|
| CONDENSED STATEMENT OF NET POSITION | | | | |
| Assets: | | | | |
| Cash and investments | \$ 11,371,218 | \$ 16,699,051 | \$ 3,703,279 | \$ 31,773,548 |
| Receivables | 143,194 | 30,707 | 44,226 | 218,127 |
| Capital assets, net | 25,343,277 | 4,816,742 | 12,616,424 | 42,776,443 |
| Other | 275,062 | - | 43,078 | 318,140 |
| Total assets | 37,132,751 | 21,546,500 | 16,407,007 | 75,086,258 |
| Liabilities: | | | | |
| Current liabilities | 566,405 | 116,404 | 179,545 | 862,354 |
| Long-term liabilities | 13,045,918 | - | 4,396,975 | 17,442,893 |
| Total liabilities | 13,612,323 | 116,404 | 4,576,520 | 18,305,247 |
| Net position: | | | | |
| Net investment in capital assets | 19,047,435 | 4,816,742 | 12,616,424 | 36,480,601 |
| Restricted | 2,277,856 | 12,441,846 | 2,085,898 | 16,805,600 |
| Unrestricted | 2,195,137 | 4,171,508 | (2,871,835) | 3,494,810 |
| Total net position | \$ 23,520,428 | \$ 21,430,096 | \$ 11,830,487 | \$ 56,781,011 |
| CONDENSED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION | | | | |
| Operating revenues | \$ 4,687,121 | \$ 1,373,786 | \$ 1,550,739 | \$ 7,611,646 |
| Depreciation expense | (1,121,660) | (234,156) | (443,316) | (1,799,132) |
| Other operating expense | (3,400,816) | (943,341) | (1,052,805) | (5,396,962) |
| Operating income (loss) | 164,645 | 196,289 | 54,618 | 415,552 |
| Nonoperating revenues (expenses): | | | | |
| Investment income | 67,916 | - | 2,076 | 69,992 |
| Interest expense | (152,384) | - | (86,305) | (238,689) |
| Gain (loss) on disposal of capital assets | - | 3,094,544 | - | 3,094,544 |
| Total nonoperating revenues (expenses) | (84,468) | 3,094,544 | (84,229) | 2,925,847 |
| Income (loss) before contributions | 80,177 | 3,290,833 | (29,611) | 3,341,399 |
| Capital contributions / transfers | 1,088,385 | - | - | 1,088,385 |
| Change in net position | 1,168,562 | 3,290,833 | (29,611) | 4,429,784 |
| Beginning net position | 22,351,866 | 18,139,263 | 11,860,098 | 52,351,227 |
| Ending net position | \$ 23,520,428 | \$ 21,430,096 | \$ 11,830,487 | \$ 56,781,011 |
| CONDENSED STATEMENT OF CASH FLOWS | | | | |
| Net cash provided (used) by: | | | | |
| Operating activities | \$ 2,081,430 | \$ 407,281 | \$ 427,636 | \$ 2,916,347 |
| Capital and related financing activities | (1,332,766) | 3,562,535 | (138,377) | 2,091,392 |
| Investing activities | 67,916 | - | 2,076 | 69,992 |
| Net increase (decrease) | 816,580 | 3,969,816 | 291,335 | 5,077,731 |
| Beginning cash and cash equivalents | 10,554,638 | 12,729,235 | 3,411,944 | 26,695,817 |
| Ending cash and cash equivalents | \$ 11,371,218 | \$ 16,699,051 | \$ 3,703,279 | \$ 31,773,548 |

Note 4. Segment Information

Condensed financial statements relating to the CDA's common bond housing program which is financed with housing development bonds is as follows:

CONDENSED STATEMENT OF NET POSITION

| | |
|---|-----------------------|
| Assets: | |
| Cash and investments | \$ 61,062,437 |
| Receivables | 5,129,729 |
| Capital assets, net | 122,225,193 |
| Other | 16,317 |
| Total assets | <u>188,433,676</u> |
| Liabilities: | |
| Current liabilities | 7,795,826 |
| Long-term liabilities | 61,131,155 |
| Total liabilities | <u>68,926,981</u> |
| Deferred inflows of resources | 4,506,832 |
| Total liabilities and deferred inflows of resources | <u>73,433,813</u> |
| Net position: | |
| Net investment in capital assets | 61,289,321 |
| Restricted | 13,551,325 |
| Unrestricted | 40,159,217 |
| Total net position | <u>\$ 114,999,863</u> |

CONDENSED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

| | |
|--|-----------------------|
| Operating revenues | \$ 19,411,586 |
| Depreciation expense | (4,776,597) |
| Other operating expense | (14,065,674) |
| Operating income (loss) | <u>569,315</u> |
| Nonoperating revenues (expenses): | |
| Investment income | 2,794,199 |
| Interest expense | (1,679,738) |
| Gain (loss) on disposal of capital assets | (98,643) |
| Total nonoperating revenues (expenses) | <u>1,015,818</u> |
| Income (loss) before contributions | 1,585,133 |
| Capital contributions / internal transfers | 5,934,873 |
| Change in net position | 7,520,006 |
| Beginning net position | 107,479,857 |
| Ending net position | <u>\$ 114,999,863</u> |

CONDENSED STATEMENT OF CASH FLOWS

| | |
|--|----------------------|
| Net cash provided (used) by: | |
| Operating activities | \$ 14,461,260 |
| Capital and related financing activities | (8,176,259) |
| Investing activities | 1,637,661 |
| Net increase (decrease) | 7,922,662 |
| Beginning cash and cash equivalents | 39,588,450 |
| Restricted Cash and cash equivalents | 13,551,325 |
| Ending cash and cash equivalents | <u>\$ 61,062,437</u> |

Note 5. Other Information

A. Risk Management

The CDA is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors or omissions; general liability; workers' compensation and unemployment claims for which the government carries commercial insurance. The CDA has not reduced insurance coverage in the past year and settled claims have not exceeded commercial insurance coverage in any of the three preceding years.

B. Contingent Liabilities

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the CDA expects such amounts, if any, to be immaterial.

C. Conduit Debt

The CDA has issued certain limited-obligation revenue bonds, including: 1) mortgage revenue bonds issued to provide funding for first time homebuyer loans; 2) multifamily housing revenue bonds issued to provide funds to finance specific multifamily rental housing projects; 3) industrial development revenue bonds issued to assist manufacturing companies in financing new facilities, structural improvements and expansions, and new equipment; 4) essential function bonds to finance facilities used by the general public; and 5) 501(c)3 bonds issued to finance specific rental housing projects developed by nonprofit organizations. This debt is secured by the property financed and is payable solely from payments received on the underlying loans. The CDA is not obligated in any manner for repayment of this debt and accordingly, it is not reported as liabilities in the accompanying financial statements. The aggregate amount of all outstanding conduit debt obligations on June 30, 2025, was \$299,573,574.

D. Employee Retirement Plan

The CDA provides a defined contribution plan to all full-time, non-limited term and exempt employees through participation in the Housing Agency Retirement Trust Plan, a nonprofit trust serving housing and redevelopment agencies that is governed by a board of trustees and utilizing a private sector third party administrator. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. All part-time, non-exempt and limited term employees participate in social security.

Employees are required to contribute 12.7% of their annual base salary, and the CDA matches the 12.7% contribution. Plan participants become vested at 20 percent per year after the first year of participation. Plan provisions and contribution requirements are established and may be amended by the CDA's Board of Commissioners. Employer and employee contributions to the plan during the year were \$1,040,196 each.

E. Accounting Standards Adopted and not yet Adopted

The CDA adopted GASB Statement No. 101, "Compensated Absences," and GASB Statement No. 102, "Certain Risk Disclosures." There was no impact on CDA's net position with the adoption of these standards.

The impact of the following standards, not yet adopted, has not been determined.

GASB Statement No. 103, "Financial Model Improvements," will be effective for the CDA beginning with its fiscal year ending June 30, 2026.

GASB Statement No. 104, "Disclosure of Capital Assets," will be effective for the CDA beginning with its fiscal year ending June 30, 2026.

F. Subsequent Events

Merger Activity

On July 1, 2025, the Twin Ponds Family Housing Limited Partnership and the Meadowlark Family Housing Limited Partnership, were merged into the Dakota County CDA Workforce Housing 2 LLC, a blended component unit of the CDA. The partnerships were reported as discretely presented component units in the financial statements for the fiscal year ended June 30, 2025.

Contract for Abatement and Demolition

On August 28, 2024, the CDA purchased a 39-acre site in Eagan, Minnesota for \$6,250,000. The site contains a 329,000 square foot building that had been used as a data center. On July 29, 2025, the CDA Board of Commissioners approved a \$1,867,581 contract for abatement and demolition of the building. The CDA's plan is to demolish the building, clear the site, and eventually build new housing on the site in line with the City of Eagan's redevelopment plans.

Bring it Home, Minnesota program

On August 26, 2025, the CDA Board of Commissioners approved the execution of a grant agreement with Minnesota Housing to provide state-funded rental assistance for low-income families. The grant agreement provides funding of \$7,626,250 for a two-year period.

Note 6. Discretely Presented Component Units

A. Condensed Financial Statements

The condensed financial statements of the discretely presented component units described in Note 1 are provided on the following pages. These financial statements are as of and for the fiscal year ended December 31, 2024.

| | Rosemount FHLP | Twin Ponds FHLP | Meadowlark FHLP | Apple Valley East FHLP |
|--|-------------------|--------------------|--------------------|------------------------------|
| CONDENSED STATEMENT OF NET POSITION | | | | |
| Assets: | | | | |
| Cash and investments | - | 810,725 | 1,150,384 | \$ 1,434,570 |
| Receivables | - | 13,335 | 15,646 | 9,734 |
| Capital assets, net | - | 2,545,641 | 4,095,320 | 5,576,173 |
| Other | - | 26,445 | 51,181 | 42,790 |
| Total assets and deferred outflows | - | 3,396,146 | 5,312,531 | 7,063,267 |
| Liabilities: | | | | |
| Current liabilities | - | 61,167 | 92,675 | 102,381 |
| Long-term liabilities | - | 1,719,329 | 2,253,870 | 2,359,182 |
| Total liabilities | - | 1,780,496 | 2,346,545 | 2,461,563 |
| Net position: | | | | |
| Net investment in capital assets | - | 1,036,952 | 2,090,790 | 3,444,424 |
| Restricted | - | 688,852 | 978,788 | 1,195,646 |
| Unrestricted | - | (110,154) | (103,592) | (38,366) |
| Total net position | \$ - | \$ 1,615,650 | \$ 2,965,986 | \$ 4,601,704 |

**CONDENSED STATEMENT OF REVENUES,
EXPENSES, AND CHANGES IN NET POSITION**

| | | | | |
|--|-------------|--------------|--------------|--------------|
| Operating revenues | \$ - | \$ 284,326 | \$ 477,965 | \$ 530,895 |
| Depreciation expense | - | (93,633) | (170,166) | (174,003) |
| Other operating expense | - | (261,654) | (352,031) | (426,844) |
| Operating income (loss) | - | (70,961) | (44,232) | (69,952) |
| Nonoperating revenues (expenses): | | | | |
| Investment income | - | 673 | 1,124 | 1,165 |
| Interest expense | - | (23,695) | (35,648) | (46,531) |
| Amortization expense | - | (764) | (1,771) | (918) |
| Total nonoperating revenues (expenses) | - | (23,786) | (36,295) | (46,284) |
| Capital contributions | - | - | - | - |
| Distributions | - | - | (44,999) | (26,995) |
| Change in net position | - | (94,747) | (125,526) | (143,231) |
| Beginning net position | 3,013,459 | 1,710,397 | 3,091,512 | 4,744,935 |
| Merger Adjustments | (3,013,459) | - | - | - |
| As restated | - | 1,710,397 | 3,091,512 | 4,744,935 |
| Ending net position | \$ - | \$ 1,615,650 | \$ 2,965,986 | \$ 4,601,704 |

| | | Inver Hills & Riverview Ridge FHLP | Eagan Northwood FHLP | Lakeshore WHLP |
|--|--------------------------|---|----------------------------|-------------------|
| | Twin Ponds II FHLP | | | |

CONDENSED STATEMENT OF NET POSITION

Assets:

| | | | | |
|------------------------------------|------------|--------------|--------------|--------------|
| Cash and investments | \$ 807,265 | \$ 2,179,069 | \$ 1,635,986 | \$ 1,681,149 |
| Receivables | 7,916 | 9,656 | 8,147 | 11,333 |
| Capital assets, net | 3,123,027 | 7,912,810 | 6,948,735 | 8,856,101 |
| Other | 22,525 | 64,173 | 40,854 | 57,504 |
| Total assets and deferred outflows | 3,960,733 | 10,165,708 | 8,633,722 | 10,606,087 |

Liabilities:

| | | | | |
|-----------------------|-----------|-----------|-----------|-----------|
| Current liabilities | 62,067 | 112,054 | 111,536 | 120,150 |
| Long-term liabilities | 1,142,187 | 2,667,249 | 1,159,714 | 2,782,852 |
| Total liabilities | 1,204,254 | 2,779,303 | 1,271,250 | 2,903,002 |

Net position:

| | | | | |
|----------------------------------|--------------|--------------|--------------|--------------|
| Net investment in capital assets | 2,078,069 | 5,434,667 | 5,875,842 | 6,274,452 |
| Restricted | 662,771 | 1,974,977 | 1,331,341 | 1,426,361 |
| Unrestricted | 15,639 | (23,239) | 155,289 | 2,272 |
| Total net position | \$ 2,756,479 | \$ 7,386,405 | \$ 7,362,472 | \$ 7,703,085 |

CONDENSED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

| | | | | |
|-------------------------|------------|------------|------------|------------|
| Operating revenues | \$ 313,346 | \$ 601,461 | \$ 582,836 | \$ 607,895 |
| Depreciation expense | (105,357) | (273,854) | (213,021) | (276,118) |
| Other operating expense | (245,108) | (401,630) | (388,830) | (409,731) |
| Operating income (loss) | (37,119) | (74,023) | (19,015) | (77,954) |

Nonoperating revenues (expenses):

| | | | | |
|--|----------|----------|----------|----------|
| Investment income | 633 | 1,843 | 1,260 | 1,356 |
| Interest expense | (24,854) | (28,917) | (28,195) | (57,500) |
| Amortization expense | (411) | (2,521) | (580) | (7,473) |
| Total nonoperating revenues (expenses) | (24,632) | (29,595) | (27,515) | (63,617) |

| | | | | |
|------------------------|--------------|--------------|--------------|--------------|
| Capital contributions | - | - | - | - |
| Distributions | - | (147,257) | (160,103) | (131,353) |
| Change in net position | (61,751) | (250,875) | (206,633) | (272,924) |
| Beginning net position | 2,818,230 | 7,637,280 | 7,569,105 | 7,976,009 |
| Merger Adjustments | - | - | - | - |
| As restated | 2,818,230 | 7,637,280 | 7,569,105 | 7,976,009 |
| Ending net position | \$ 2,756,479 | \$ 7,386,405 | \$ 7,362,472 | \$ 7,703,085 |

| | Keystone WHLP | Rosemount II LP | Denmark WHLP | Total Discretely Presented Component Units |
|---|------------------|--------------------|-----------------|--|
| CONDENSED STATEMENT OF NET POSITION | | | | |
| Assets: | | | | |
| Cash and investments | \$ 833,242 | \$ 634,001 | \$ - | \$11,166,391 |
| Receivables | 11,480 | 10,670 | - | 97,917 |
| Capital assets, net | 7,437,245 | 9,019,700 | 5,305,424 | 60,820,176 |
| Other | 44,721 | 59,826 | - | 410,019 |
| Total assets and deferred outflows | 8,326,688 | 9,724,197 | 5,305,424 | 72,494,503 |
| Liabilities: | | | | |
| Current liabilities | 88,200 | 99,078 | 1,090,069 | 1,939,377 |
| Long-term liabilities | 1,930,024 | 2,651,479 | 1,354,516 | 20,020,402 |
| Total liabilities | 2,018,224 | 2,750,557 | 2,444,585 | 21,959,779 |
| Net position: | | | | |
| Net investment in capital assets | 5,613,511 | 6,440,413 | 2,861,440 | 41,150,560 |
| Restricted | 688,104 | 437,794 | - | 9,384,634 |
| Unrestricted | 6,849 | 95,433 | (601) | (470) |
| Total net position | \$ 6,308,464 | \$ 6,973,640 | \$ 2,860,839 | \$50,534,724 |
| CONDENSED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION | | | | |
| Operating revenues | \$ 445,784 | \$ 476,103 | \$ - | \$ 4,320,611 |
| Depreciation expense | (237,396) | (285,993) | - | (1,829,541) |
| Other operating expense | (321,754) | (307,715) | - | (3,115,297) |
| Operating income (loss) | (113,366) | (117,605) | - | (624,227) |
| Nonoperating revenues (expenses): | | | | |
| Investment income | 636 | 403 | - | 9,093 |
| Interest expense | (44,360) | (92,735) | - | (382,435) |
| Amortization expense | (5,233) | (6,260) | - | (25,931) |
| Total nonoperating revenues (expenses) | (48,957) | (98,592) | - | (399,273) |
| Capital contributions | - | - | 2,860,839 | 2,860,839 |
| Distributions | - | - | - | (510,707) |
| Change in net position | (162,323) | (216,197) | 2,860,839 | 1,326,632 |
| Beginning net position | 6,470,787 | 7,189,837 | - | 52,221,551 |
| Merger Adjustments | - | - | - | (3,013,459) |
| As restated | 6,470,787 | 7,189,837 | - | 49,208,092 |
| Ending net position | \$ 6,308,464 | \$ 6,973,640 | \$ 2,860,839 | \$50,534,724 |

B. Deposits

The discretely presented component units maintain its cash in bank deposit accounts. The entire amount of bank balances is covered by federal depository insurance and collateral pledged by the financial institution.

C. Restricted Cash

Restricted cash is comprised of required security deposit reserves, operating reserves, replacement reserves, and working capital reserves.

D. Capital Assets

Capital asset activity for the year ended December 31, 2024, was as follows:

| | Beginning Balance | Increases | Decreases | Ending Balance |
|--|----------------------|---------------------|---------------------|----------------------|
| Capital assets, not being depreciated: | | | | |
| Land | \$ 9,466,585 | \$ 846,828 | \$ 1,074,683 | \$ 9,238,730 |
| Construction in progress | - | 4,458,596 | - | 4,458,596 |
| Total capital assets, not being depreciated | 9,466,585 | 5,305,424 | 1,074,683 | 13,697,326 |
| Capital assets, being depreciated: | | | | |
| Land improvements | 4,510,126 | - | 271,148 | 4,238,978 |
| Buildings | 66,514,314 | 255,603 | 4,914,041 | 61,855,876 |
| Residential equipment | 978,848 | - | 51,386 | 927,462 |
| Furniture and equipment | 21,360 | - | 1,976 | 19,384 |
| Total capital assets, being depreciated | 72,024,648 | 255,603 | 5,238,551 | 67,041,700 |
| Less accumulated depreciation for: | | | | |
| Land improvements | (2,819,121) | (272,930) | (265,088) | (2,826,963) |
| Buildings | (16,442,474) | (1,541,534) | (1,838,967) | (16,145,041) |
| Residential equipment | (964,017) | (14,831) | (51,386) | (927,462) |
| Furniture and equipment | (21,115) | (245) | (1,976) | (19,384) |
| Total accumulated depreciation | (20,246,727) | (1,829,540) | (2,157,417) | (19,918,850) |
| Total capital assets, being depreciated, net | 51,777,921 | (1,573,937) | 3,081,134 | 47,122,850 |
| Total capital assets, net | <u>\$ 61,244,506</u> | <u>\$ 3,731,487</u> | <u>\$ 4,155,817</u> | <u>\$ 60,820,176</u> |

E. Merger Adjustment

Beginning net position was decreased by \$3,013,459 to reflect the merger of the Rosemount Family Housing Limited Partnership into the Dakota County CDA Workforce Housing 2 LLC which occurred during the fiscal year ended December 31, 2024.

F. Long-Term Debt

A summary of notes payable is as follows:

| Obligation | Interest Rate | Maturity Date | Beginning Balance | Additions | Reductions | Ending Balance | Due Within One Year |
|---|---------------|---------------|-------------------|-----------|------------|----------------|---------------------|
| <u>Debts of Rosemount FHLP:</u> | | | | | | | |
| CDA | 6.75% | 2043 | 262,408 | - | 262,408 | - | - |
| CDA - HRPP | 1.00% | 2043 | 600,000 | - | 600,000 | - | - |
| CDA - HOPE | 1.00% | 2043 | 500,000 | - | 500,000 | - | - |
| Family Housing Fund | 0.00% | 2043 | 176,000 | - | 176,000 | - | - |
| CDA - LHIA | 1.00% | 2043 | 145,000 | - | 145,000 | - | - |
| CDA - TIF | 1.00% | 2043 | 59,244 | - | 59,244 | - | - |
| CDA - HOME | 1.00% | 2043 | 48,997 | - | 48,997 | - | - |
| <u>Debts of Twin Ponds FHLP:</u> | | | | | | | |
| CDA | 6.75% | 2038 | 151,673 | - | 5,494 | 146,180 | 5,876 |
| MHFA - HRPP | 1.00% | 2038 | 783,000 | - | - | 783,000 | - |
| CDA - HOPE | 1.00% | 2038 | 250,000 | - | - | 250,000 | - |
| CDA - HOME | 1.00% | 2038 | 104,509 | - | - | 104,509 | - |
| CDA - LHIA | 1.00% | 2038 | 225,000 | - | - | 225,000 | - |
| <u>Debts of Meadowlark FHLP:</u> | | | | | | | |
| CDA | 6.75% | 2040 | 274,660 | - | 9,272 | 265,388 | 9,917 |
| CDA - TCAP | 1.00% | 2040 | 425,558 | - | - | 425,558 | - |
| MHFA - HRPP | 1.00% | 2040 | 813,584 | - | - | 813,584 | - |
| CDA - HOPE | 1.00% | 2040 | 500,000 | - | - | 500,000 | - |
| <u>Debts of Apple Valley East FHLP:</u> | | | | | | | |
| CDA | 6.75% | 2041 | 443,253 | - | 13,294 | 429,959 | 14,219 |
| CDA - TCAP | 1.00% | 2041 | 1,701,790 | - | - | 1,701,790 | - |
| <u>Debts of Twin Ponds II FHLP:</u> | | | | | | | |
| CDA | 6.75% | 2042 | 252,990 | - | 6,943 | 246,047 | 7,427 |
| CDA - TIF | 1.00% | 2042 | 298,911 | - | - | 298,911 | - |
| CDA - HOPE | 1.00% | 2042 | 250,000 | - | - | 250,000 | - |
| CDA - Met Council | 0.01% | 2042 | 250,000 | - | - | 250,000 | - |
| <u>Debts of Eagan Northwood FHLP:</u> | | | | | | | |
| CDA | 6.75% | 2044 | 306,468 | - | 7,565 | 298,903 | 8,091 |
| CDA - HOME | 1.00% | 2044 | 273,990 | - | - | 273,990 | - |
| CDA - HOPE | 1.00% | 2044 | 500,000 | - | - | 500,000 | - |
| <u>Debts of IH&RR FHLP:</u> | | | | | | | |
| CDA | 6.75% | 2043 | 177,703 | - | 4,016 | 173,687 | 4,295 |
| CDA - HOME | 1.00% | 2043 | 904,456 | - | - | 904,456 | - |
| MHFA - Challenge | 0.00% | 2043 | 600,000 | - | - | 600,000 | - |
| CDA - HOPE | 1.00% | 2043 | 500,000 | - | - | 500,000 | - |
| CDA - Met Council | 0.01% | 2043 | 300,000 | - | - | 300,000 | - |

| Obligation | Interest Rate | Maturity Date | Beginning Balance | Additions | Reductions | Ending Balance | Due Within One Year |
|---|---------------|---------------|----------------------|---------------------|---------------------|----------------------|---------------------|
| <u>Debts of Lakeshore WHLP:</u> | | | | | | | |
| CDA | 6.75% | 2044 | 555,113 | - | 11,463 | 543,649 | 12,261 |
| CDA - HOME | 1.00% | 2044 | 943,000 | - | - | 943,000 | - |
| MHFA | 1.00% | 2044 | 495,000 | - | - | 495,000 | - |
| CDA - HOPE | 1.00% | 2044 | 400,000 | - | - | 400,000 | - |
| CDA - LHIA | 1.00% | 2044 | 200,000 | - | - | 200,000 | - |
| <u>Debts of Keystone Crossing WHLP:</u> | | | | | | | |
| CDA | 6.75% | 2045 | 457,400 | - | 8,666 | 448,734 | 9,270 |
| CDA - HOPE | 1.00% | 2045 | 510,000 | - | - | 510,000 | - |
| CDA - HOME | 1.00% | 2045 | 720,000 | - | - | 720,000 | - |
| CDA - LHIA | 1.00% | 2045 | 145,000 | - | - | 145,000 | - |
| <u>Debts of Rosemount II FHLP:</u> | | | | | | | |
| CDA | 6.75% | 2048 | 1,170,430 | - | 17,259 | 1,153,171 | 18,461 |
| CDA - HOPE | 1.00% | 2048 | 750,000 | - | - | 750,000 | - |
| CDA - HOME | 1.00% | 2048 | 676,116 | - | - | 676,116 | - |
| <u>Debts of Denmark Trail WHLP:</u> | | | | | | | |
| CDA - HOPE | 1.00% | | - | 950,937 | - | 950,937 | - |
| CDA - HOME | 1.00% | | - | 402,977 | - | 402,977 | - |
| | | | <u>\$ 19,101,253</u> | <u>\$ 1,353,914</u> | <u>\$ 1,875,621</u> | <u>\$ 18,579,546</u> | <u>\$ 89,817</u> |

On December 31, 2024, the current portion of notes payable was \$89,817 and the noncurrent portion of notes payable was \$18,579,546. The future principal payments on notes payable are as follows:

| | Principal |
|------------|----------------------|
| 2025 | \$ 89,817 |
| 2026 | 96,074 |
| 2027 | 102,761 |
| 2028 | 109,918 |
| 2029 | 117,572 |
| Thereafter | 18,063,404 |
| | <u>\$ 18,579,546</u> |

Supplementary Information

DAKOTA COUNTY CDA (MN147)

Eagan, MN

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2025

| | Project Total | 14.EFA FSS Escrow Forfeiture Account | 14.218 Community Development Block Grants/Entitlement Grants | 81.042 Weatherization Assistance for Low- Income Persons | 6.1 Component Unit - Discretely Presented |
|--|---------------|---|---|---|--|
| 111 Cash - Unrestricted | \$7,962,850 | \$17,856 | \$82,931 | | \$1,479,225 |
| 112 Cash - Restricted - Modernization and Development | | | | | |
| 113 Cash - Other Restricted | | | \$218,381 | | \$9,384,634 |
| 114 Cash - Tenant Security Deposits | | | | | \$302,532 |
| 115 Cash - Restricted for Payment of Current Liabilities | | | | | |
| 100 Total Cash | \$7,962,850 | \$17,856 | \$301,312 | \$0 | \$11,166,391 |
| | | | | | |
| 121 Accounts Receivable - PHA Projects | | | | | |
| 122 Accounts Receivable - HUD Other Projects | \$164,205 | | \$91,704 | | |
| 124 Accounts Receivable - Other Government | \$4,902 | | | \$260,379 | \$10,129 |
| 125 Accounts Receivable - Miscellaneous | \$18,060 | | | | \$83 |
| 126 Accounts Receivable - Tenants | \$29,850 | | | | \$84,076 |
| 126.1 Allowance for Doubtful Accounts - Tenants | \$0 | | \$0 | | \$0 |
| 126.2 Allowance for Doubtful Accounts - Other | \$0 | | \$0 | \$0 | \$0 |
| 127 Notes, Loans, & Mortgages Receivable - Current | \$49,457 | | | | \$3,629 |
| 128 Fraud Recovery | | | | | |
| 128.1 Allowance for Doubtful Accounts - Fraud | | | | | |
| 129 Accrued Interest Receivable | | | | | |
| 120 Total Receivables, Net of Allowances for Doubtful Accounts | \$266,474 | \$0 | \$91,704 | \$260,379 | \$97,917 |
| | | | | | |
| 131 Investments - Unrestricted | | | | | |
| 132 Investments - Restricted | | | | | |
| 135 Investments - Restricted for Payment of Current Liability | | | | | |
| 142 Prepaid Expenses and Other Assets | | | | | \$253,584 |
| 143 Inventories | | | | | |

DAKOTA COUNTY CDA (MN147)

Eagan, MN

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2025

| | Project Total | 14.EFA FSS Escrow Forfeiture Account | 14.218 Community Development Block Grants/Entitlement Grants | 81.042 Weatherization Assistance for Low- Income Persons | 6.1 Component Unit - Discretely Presented |
|---|---------------|---|---|---|--|
| 143.1 Allowance for Obsolete Inventories | | | | | |
| 144 Inter Program Due From | | | | \$0 | |
| 145 Assets Held for Sale | | | | | |
| 150 Total Current Assets | \$8,229,324 | \$17,856 | \$393,016 | \$260,379 | \$11,517,892 |
| | | | | | |
| 161 Land | \$4,586,336 | | \$205,850 | | \$13,477,709 |
| 162 Buildings | \$18,613,010 | | \$463,365 | | \$61,855,877 |
| 163 Furniture, Equipment & Machinery - Dwellings | \$212,183 | | | | \$927,462 |
| 164 Furniture, Equipment & Machinery - Administration | \$81,514 | | | | \$19,384 |
| 165 Leasehold Improvements | | | | | |
| 166 Accumulated Depreciation | -\$12,627,740 | | -\$168,935 | | -\$19,918,852 |
| 167 Construction in Progress | | | | | \$4,458,596 |
| 168 Infrastructure | | | | | |
| 160 Total Capital Assets, Net of Accumulated Depreciation | \$10,865,303 | \$0 | \$500,280 | \$0 | \$60,820,176 |
| | | | | | |
| 171 Notes, Loans and Mortgages Receivable - Non-Current | | | \$18,042,067 | | |
| 172 Notes, Loans, & Mortgages Receivable - Non Current - Past | | | | | |
| 173 Grants Receivable - Non Current | | | | | |
| 174 Other Assets | | | | | \$156,435 |
| 176 Investments in Joint Ventures | | | | | |
| 180 Total Non-Current Assets | \$10,865,303 | \$0 | \$18,542,347 | \$0 | \$60,976,611 |
| | | | | | |
| 200 Deferred Outflow of Resources | | | | | |
| | | | | | |
| 290 Total Assets and Deferred Outflow of Resources | \$19,094,627 | \$17,856 | \$18,935,363 | \$260,379 | \$72,494,503 |
| | | | | | |

DAKOTA COUNTY CDA (MN147)

Eagan, MN

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2025

| | Project Total | 14.EFA FSS Escrow Forfeiture Account | 14.218 Community Development Block Grants/Entitlement Grants | 81.042 Weatherization Assistance for Low- Income Persons | 6.1 Component Unit - Discretely Presented |
|--|---------------|---|---|---|--|
| 311 Bank Overdraft | | | | | |
| 312 Accounts Payable <= 90 Days | \$35,978 | | \$59,830 | \$83,638 | \$81,717 |
| 313 Accounts Payable >90 Days Past Due | | | | | |
| 321 Accrued Wage/Payroll Taxes Payable | \$3,852 | | \$6,305 | \$7,242 | |
| 322 Accrued Compensated Absences - Current Portion | \$449 | | | | |
| 324 Accrued Contingency Liability | | | | | |
| 325 Accrued Interest Payable | | | | | |
| 331 Accounts Payable - HUD PHA Programs | | | | | |
| 332 Account Payable - PHA Projects | | | | | |
| 333 Accounts Payable - Other Government | \$64,147 | | \$1,038 | | \$193,695 |
| 341 Tenant Security Deposits | \$122,120 | | \$2,782 | | \$294,911 |
| 342 Unearned Revenue | \$10,699 | | | | \$22,846 |
| 343 Current Portion of Long-term Debt - Capital | | | | | \$89,817 |
| 344 Current Portion of Long-term Debt - Operating Borrowings | | | | | |
| 345 Other Current Liabilities | \$3,073 | | | | \$1,256,391 |
| 346 Accrued Liabilities - Other | \$23,112 | | | | |
| 347 Inter Program - Due To | | | \$400 | \$169,499 | |
| 348 Loan Liability - Current | | | | | |
| 310 Total Current Liabilities | \$263,430 | \$0 | \$70,355 | \$260,379 | \$1,939,377 |
| | | | | | |
| 351 Long-term Debt, Net of Current - Capital Projects/Mortgage | \$466,000 | | | | \$18,489,729 |
| 352 Long-term Debt, Net of Current - Operating Borrowings | | | | | |
| 353 Non-current Liabilities - Other | | | | | \$1,530,673 |
| 354 Accrued Compensated Absences - Non Current | | | | | |
| 355 Loan Liability - Non Current | | | | | |
| 356 FASB 5 Liabilities | | | | | |

DAKOTA COUNTY CDA (MN147)

Eagan, MN

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2025

| | Project Total | 14.EFA FSS Escrow Forfeiture Account | 14.218 Community Development Block Grants/Entitlement Grants | 81.042 Weatherization Assistance for Low- Income Persons | 6.1 Component Unit - Discretely Presented |
|---|---------------|---|---|---|--|
| 357 Accrued Pension and OPEB Liabilities | | | | | |
| 350 Total Non-Current Liabilities | \$466,000 | \$0 | \$0 | \$0 | \$20,020,402 |
| | | | | | |
| 300 Total Liabilities | \$729,430 | \$0 | \$70,355 | \$260,379 | \$21,959,779 |
| | | | | | |
| 400 Deferred Inflow of Resources | | | | | |
| | | | | | |
| 508.4 Net Investment in Capital Assets | \$10,399,302 | | \$500,280 | | \$41,150,560 |
| 511.4 Restricted Net Position | | | \$18,364,728 | | \$9,384,634 |
| 512.4 Unrestricted Net Position | \$7,965,895 | \$17,856 | \$0 | \$0 | -\$470 |
| 513 Total Equity - Net Assets / Position | \$18,365,197 | \$17,856 | \$18,865,008 | \$0 | \$50,534,724 |
| | | | | | |
| 600 Total Liabilities, Deferred Inflows of Resources and Equity - | \$19,094,627 | \$17,856 | \$18,935,363 | \$260,379 | \$72,494,503 |

DAKOTA COUNTY CDA (MN147)

Eagan, MN

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2025

| | 6.2 Component Unit - Blended | 14.896 PIH Family Self-Sufficiency Program | 1 Business Activities | 2 State/Local | 14.267 Continuum of Care Program |
|--|---------------------------------|--|-----------------------|---------------|-------------------------------------|
| 111 Cash - Unrestricted | \$14,557,339 | \$0 | \$77,715,388 | \$51,642,306 | \$455 |
| 112 Cash - Restricted - Modernization and Development | | | | | |
| 113 Cash - Other Restricted | \$16,805,599 | | \$13,551,325 | | |
| 114 Cash - Tenant Security Deposits | \$410,610 | | \$12,933 | | |
| 115 Cash - Restricted for Payment of Current Liabilities | | | | | |
| 100 Total Cash | \$31,773,548 | \$0 | \$91,279,646 | \$51,642,306 | \$455 |
| | | | | | |
| 121 Accounts Receivable - PHA Projects | | | | | |
| 122 Accounts Receivable - HUD Other Projects | | | | | |
| 124 Accounts Receivable - Other Government | \$42,564 | | \$812,968 | \$7,149,175 | |
| 125 Accounts Receivable - Miscellaneous | | | \$590,900 | \$6,486,495 | |
| 126 Accounts Receivable - Tenants | \$161,405 | | \$71,188 | | |
| 126.1 Allowance for Doubtful Accounts -Tenants | \$0 | | \$0 | | |
| 126.2 Allowance for Doubtful Accounts - Other | \$0 | | \$0 | \$0 | |
| 127 Notes, Loans, & Mortgages Receivable - Current | \$14,158 | | \$9,685 | \$4,560,258 | |
| 128 Fraud Recovery | | | | | |
| 128.1 Allowance for Doubtful Accounts - Fraud | | | | | |
| 129 Accrued Interest Receivable | | | \$158,718 | \$36,980 | |
| 120 Total Receivables, Net of Allowances for Doubtful Accounts | \$218,127 | \$0 | \$1,643,459 | \$18,232,908 | \$0 |
| | | | | | |
| 131 Investments - Unrestricted | | | \$47,132,829 | \$489,759 | |
| 132 Investments - Restricted | | | | | |
| 135 Investments - Restricted for Payment of Current Liability | | | | | |
| 142 Prepaid Expenses and Other Assets | \$318,140 | | \$167,272 | \$600 | |
| 143 Inventories | | | \$65,873 | | |
| 143.1 Allowance for Obsolete Inventories | | | \$0 | | |

DAKOTA COUNTY CDA (MN147)

Eagan, MN

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2025

| | 6.2 Component Unit - Blended | 14.896 PIH Family Self-Sufficiency Program | 1 Business Activities | 2 State/Local | 14.267 Continuum of Care Program |
|---|---------------------------------|--|-----------------------|---------------|-------------------------------------|
| 144 Inter Program Due From | | | \$3,640,456 | \$7,704,005 | |
| 145 Assets Held for Sale | | | | | |
| 150 Total Current Assets | \$32,309,815 | \$0 | \$143,929,535 | \$78,069,578 | \$455 |
| | | | | | |
| 161 Land | \$12,674,164 | | \$31,105,228 | \$4,044,001 | |
| 162 Buildings | \$72,135,509 | | \$190,908,650 | | |
| 163 Furniture, Equipment & Machinery - Dwellings | \$741,986 | | \$3,072,767 | | |
| 164 Furniture, Equipment & Machinery - Administration | \$44,111 | | \$7,059,970 | | |
| 165 Leasehold Improvements | | | | | |
| 166 Accumulated Depreciation | -\$42,819,327 | | -\$89,087,869 | | |
| 167 Construction in Progress | | | | | |
| 168 Infrastructure | | | | | |
| 160 Total Capital Assets, Net of Accumulated Depreciation | \$42,776,443 | \$0 | \$143,058,746 | \$4,044,001 | \$0 |
| | | | | | |
| 171 Notes, Loans and Mortgages Receivable - Non-Current | | | \$0 | \$44,442,975 | |
| 172 Notes, Loans, & Mortgages Receivable - Non Current - Past | | | | | |
| 173 Grants Receivable - Non Current | | | | | |
| 174 Other Assets | | | \$4,580,912 | \$2,859,862 | |
| 176 Investments in Joint Ventures | | | | \$5,533,394 | |
| 180 Total Non-Current Assets | \$42,776,443 | \$0 | \$147,639,658 | \$56,880,232 | \$0 |
| | | | | | |
| 200 Deferred Outflow of Resources | | | | | |
| | | | | | |
| 290 Total Assets and Deferred Outflow of Resources | \$75,086,258 | \$0 | \$291,569,193 | \$134,949,810 | \$455 |
| | | | | | |
| 311 Bank Overdraft | | | | | |

DAKOTA COUNTY CDA (MN147)

Eagan, MN

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2025

| | 6.2 Component Unit - Blended | 14.896 PIH Family Self-Sufficiency Program | 1 Business Activities | 2 State/Local | 14.267 Continuum of Care Program |
|--|---------------------------------|--|-----------------------|---------------|-------------------------------------|
| 312 Accounts Payable <= 90 Days | \$157,990 | | \$1,320,058 | \$173,889 | |
| 313 Accounts Payable >90 Days Past Due | | | | | |
| 321 Accrued Wage/Payroll Taxes Payable | \$7,595 | | \$211,163 | \$17,107 | |
| 322 Accrued Compensated Absences - Current Portion | \$1,151 | | \$801,808 | | |
| 324 Accrued Contingency Liability | | | | | |
| 325 Accrued Interest Payable | | | \$1,010,225 | | |
| 331 Accounts Payable - HUD PHA Programs | | | | | |
| 332 Account Payable - PHA Projects | | | | | |
| 333 Accounts Payable - Other Government | \$167,538 | | \$422,421 | \$140 | |
| 341 Tenant Security Deposits | \$449,352 | | \$1,280,077 | | |
| 342 Unearned Revenue | \$37,744 | | \$103,063 | \$1,308,622 | |
| 343 Current Portion of Long-term Debt - Capital | \$815,000 | | \$4,000,000 | | |
| 344 Current Portion of Long-term Debt - Operating Borrowings | | | | | |
| 345 Other Current Liabilities | \$40,984 | | \$112,628 | \$182,422 | \$455 |
| 346 Accrued Liabilities - Other | | | | | |
| 347 Inter Program - Due To | \$9,854,221 | | \$2,000,000 | \$95,488 | |
| 348 Loan Liability - Current | | | | | |
| 310 Total Current Liabilities | \$11,531,575 | \$0 | \$11,261,443 | \$1,777,668 | \$455 |
| | | | | | |
| 351 Long-term Debt, Net of Current - Capital Projects/Mortgage | \$5,480,842 | | \$65,352,184 | \$600,000 | |
| 352 Long-term Debt, Net of Current - Operating Borrowings | | | | | |
| 353 Non-current Liabilities - Other | \$1,292,830 | | | | |
| 354 Accrued Compensated Absences - Non Current | | | \$731,501 | | |
| 355 Loan Liability - Non Current | | | | | |
| 356 FASB 5 Liabilities | | | | | |
| 357 Accrued Pension and OPEB Liabilities | | | | | |

DAKOTA COUNTY CDA (MN147)

Eagan, MN

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2025

| | 6.2 Component Unit - Blended | 14.896 PIH Family Self-Sufficiency Program | 1 Business Activities | 2 State/Local | 14.267 Continuum of Care Program |
|---|---------------------------------|--|-----------------------|---------------|-------------------------------------|
| 350 Total Non-Current Liabilities | \$6,773,672 | \$0 | \$66,083,685 | \$600,000 | \$0 |
| | | | | | |
| 300 Total Liabilities | \$18,305,247 | \$0 | \$77,345,128 | \$2,377,668 | \$455 |
| | | | | | |
| 400 Deferred Inflow of Resources | | | \$4,506,832 | \$13,414,871 | |
| | | | | | |
| 508.4 Net Investment in Capital Assets | \$36,480,601 | | \$78,131,434 | \$4,044,001 | |
| 511.4 Restricted Net Position | \$16,805,600 | | \$14,241,817 | \$51,287,732 | |
| 512.4 Unrestricted Net Position | \$3,494,810 | \$0 | \$117,343,982 | \$63,825,538 | \$0 |
| 513 Total Equity - Net Assets / Position | \$56,781,011 | \$0 | \$209,717,233 | \$119,157,271 | \$0 |
| | | | | | |
| 600 Total Liabilities, Deferred Inflows of Resources and Equity - | \$75,086,258 | \$0 | \$291,569,193 | \$134,949,810 | \$455 |

DAKOTA COUNTY CDA (MN147)

Eagan, MN

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2025

| | 8 Other Federal Program 1 | 9 Other Federal Program 2 | 93.568 Low-Income Home Energy Assistance | 14.879 Mainstream Vouchers | 14.239 HOME Investment Partnerships Program |
|--|------------------------------|------------------------------|--|-------------------------------|---|
| 111 Cash - Unrestricted | \$311,174 | \$0 | \$0 | \$37,770 | \$1,100,505 |
| 112 Cash - Restricted - Modernization and Development | | | | | |
| 113 Cash - Other Restricted | | | | \$1,336 | |
| 114 Cash - Tenant Security Deposits | | | | | |
| 115 Cash - Restricted for Payment of Current Liabilities | | | | | |
| 100 Total Cash | \$311,174 | \$0 | \$0 | \$39,106 | \$1,100,505 |
| 121 Accounts Receivable - PHA Projects | | | | | |
| 122 Accounts Receivable - HUD Other Projects | | | | | \$13,232 |
| 124 Accounts Receivable - Other Government | \$191,808 | | \$45,302 | | |
| 125 Accounts Receivable - Miscellaneous | | | | | |
| 126 Accounts Receivable - Tenants | | | | | |
| 126.1 Allowance for Doubtful Accounts - Tenants | | | | | |
| 126.2 Allowance for Doubtful Accounts - Other | \$0 | | \$0 | | \$0 |
| 127 Notes, Loans, & Mortgages Receivable - Current | | | | | |
| 128 Fraud Recovery | | | | | |
| 128.1 Allowance for Doubtful Accounts - Fraud | | | | | |
| 129 Accrued Interest Receivable | | | | | |
| 120 Total Receivables, Net of Allowances for Doubtful Accounts | \$191,808 | \$0 | \$45,302 | \$0 | \$13,232 |
| 131 Investments - Unrestricted | | | | | |
| 132 Investments - Restricted | | | | | |
| 135 Investments - Restricted for Payment of Current Liability | | | | | |
| 142 Prepaid Expenses and Other Assets | | | | | |
| 143 Inventories | | | | | |
| 143.1 Allowance for Obsolete Inventories | | | | | |

DAKOTA COUNTY CDA (MN147)

Eagan, MN

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2025

| | 8 Other Federal Program 1 | 9 Other Federal Program 2 | 93.568 Low-Income Home Energy Assistance | 14.879 Mainstream Vouchers | 14.239 HOME Investment Partnerships Program |
|---|------------------------------|------------------------------|--|-------------------------------|---|
| 144 Inter Program Due From | | | | | \$821,554 |
| 145 Assets Held for Sale | | | | | |
| 150 Total Current Assets | \$502,982 | \$0 | \$45,302 | \$39,106 | \$1,935,291 |
| | | | | | |
| 161 Land | | | | | |
| 162 Buildings | | | | | |
| 163 Furniture, Equipment & Machinery - Dwellings | | | | | |
| 164 Furniture, Equipment & Machinery - Administration | | | \$60,968 | | |
| 165 Leasehold Improvements | | | | | |
| 166 Accumulated Depreciation | | | -\$24,387 | | |
| 167 Construction in Progress | | | | | |
| 168 Infrastructure | | | | | |
| 160 Total Capital Assets, Net of Accumulated Depreciation | \$0 | \$0 | \$36,581 | \$0 | \$0 |
| | | | | | |
| 171 Notes, Loans and Mortgages Receivable - Non-Current | | | | | \$9,779,277 |
| 172 Notes, Loans, & Mortgages Receivable - Non Current - Past | | | | | |
| 173 Grants Receivable - Non Current | | | | | |
| 174 Other Assets | | | | | \$814,915 |
| 176 Investments in Joint Ventures | | | | | |
| 180 Total Non-Current Assets | \$0 | \$0 | \$36,581 | \$0 | \$10,594,192 |
| | | | | | |
| 200 Deferred Outflow of Resources | | | | | |
| | | | | | |
| 290 Total Assets and Deferred Outflow of Resources | \$502,982 | \$0 | \$81,883 | \$39,106 | \$12,529,483 |
| | | | | | |
| 311 Bank Overdraft | | | | | |

DAKOTA COUNTY CDA (MN147)

Eagan, MN

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2025

| | 8 Other Federal Program 1 | 9 Other Federal Program 2 | 93.568 Low-Income Home Energy Assistance | 14.879 Mainstream Vouchers | 14.239 HOME Investment Partnerships Program |
|--|------------------------------|------------------------------|--|-------------------------------|---|
| 312 Accounts Payable <= 90 Days | | | \$17,214 | \$50 | \$74 |
| 313 Accounts Payable >90 Days Past Due | | | | | |
| 321 Accrued Wage/Payroll Taxes Payable | | | \$142 | | \$1,972 |
| 322 Accrued Compensated Absences - Current Portion | | | | | |
| 324 Accrued Contingency Liability | | | | | |
| 325 Accrued Interest Payable | | | | | |
| 331 Accounts Payable - HUD PHA Programs | | | | | |
| 332 Account Payable - PHA Projects | | | | | |
| 333 Accounts Payable - Other Government | | | | | |
| 341 Tenant Security Deposits | | | | | |
| 342 Unearned Revenue | \$147,841 | | | | |
| 343 Current Portion of Long-term Debt - Capital | | | | | |
| 344 Current Portion of Long-term Debt - Operating Borrowings | | | | | |
| 345 Other Current Liabilities | \$355,141 | | | | |
| 346 Accrued Liabilities - Other | | | | | |
| 347 Inter Program - Due To | | | \$27,946 | | |
| 348 Loan Liability - Current | | | | | |
| 310 Total Current Liabilities | \$502,982 | \$0 | \$45,302 | \$50 | \$2,046 |
| | | | | | |
| 351 Long-term Debt, Net of Current - Capital Projects/Mortgage | | | | | |
| 352 Long-term Debt, Net of Current - Operating Borrowings | | | | | |
| 353 Non-current Liabilities - Other | | | | | |
| 354 Accrued Compensated Absences - Non Current | | | | | |
| 355 Loan Liability - Non Current | | | | | |
| 356 FASB 5 Liabilities | | | | | |
| 357 Accrued Pension and OPEB Liabilities | | | | | |

DAKOTA COUNTY CDA (MN147)

Eagan, MN

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2025

| | 8 Other Federal Program 1 | 9 Other Federal Program 2 | 93.568 Low-Income Home Energy Assistance | 14.879 Mainstream Vouchers | 14.239 HOME Investment Partnerships Program |
|---|------------------------------|------------------------------|--|-------------------------------|---|
| 350 Total Non-Current Liabilities | \$0 | \$0 | \$0 | \$0 | \$0 |
| | | | | | |
| 300 Total Liabilities | \$502,982 | \$0 | \$45,302 | \$50 | \$2,046 |
| | | | | | |
| 400 Deferred Inflow of Resources | | | | | |
| | | | | | |
| 508.4 Net Investment in Capital Assets | -\$355,141 | \$0 | \$36,581 | | |
| 511.4 Restricted Net Position | \$0 | \$0 | | \$1,336 | \$12,527,437 |
| 512.4 Unrestricted Net Position | \$355,141 | \$0 | \$0 | \$37,720 | \$0 |
| 513 Total Equity - Net Assets / Position | \$0 | \$0 | \$36,581 | \$39,056 | \$12,527,437 |
| | | | | | |
| 600 Total Liabilities, Deferred Inflows of Resources and Equity - | \$502,982 | \$0 | \$81,883 | \$39,106 | \$12,529,483 |

DAKOTA COUNTY CDA (MN147)

Eagan, MN

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2025

| | 14.871 Housing Choice Vouchers | 14.231 Emergency Shelter Grants Program | 14.EHV Emergency Housing Voucher | 14.249 Section 8 Moderate Rehabilitation Single Room Occupancy | 14.169 Housing Counseling Assistance Program |
|--|-----------------------------------|---|-------------------------------------|---|--|
| 111 Cash - Unrestricted | \$4,470,077 | \$0 | \$181,534 | \$15,973 | \$0 |
| 112 Cash - Restricted - Modernization and Development | | | | | |
| 113 Cash - Other Restricted | \$181,940 | | | | |
| 114 Cash - Tenant Security Deposits | | | | | |
| 115 Cash - Restricted for Payment of Current Liabilities | \$40,910 | | | | |
| 100 Total Cash | \$4,692,927 | \$0 | \$181,534 | \$15,973 | \$0 |
| | | | | | |
| 121 Accounts Receivable - PHA Projects | \$56,634 | | | | |
| 122 Accounts Receivable - HUD Other Projects | \$153,195 | \$23,334 | | | \$18,889 |
| 124 Accounts Receivable - Other Government | | | | | |
| 125 Accounts Receivable - Miscellaneous | \$38,973 | | | | |
| 126 Accounts Receivable - Tenants | | | | | |
| 126.1 Allowance for Doubtful Accounts -Tenants | \$0 | | | | |
| 126.2 Allowance for Doubtful Accounts - Other | \$0 | \$0 | | | \$0 |
| 127 Notes, Loans, & Mortgages Receivable - Current | | | | | |
| 128 Fraud Recovery | \$310,948 | | \$1,811 | | |
| 128.1 Allowance for Doubtful Accounts - Fraud | -\$310,948 | | -\$1,811 | | |
| 129 Accrued Interest Receivable | | | | | |
| 120 Total Receivables, Net of Allowances for Doubtful Accounts | \$248,802 | \$23,334 | \$0 | \$0 | \$18,889 |
| | | | | | |
| 131 Investments - Unrestricted | | | | | |
| 132 Investments - Restricted | | | | | |
| 135 Investments - Restricted for Payment of Current Liability | | | | | |
| 142 Prepaid Expenses and Other Assets | \$13,801 | | | | |
| 143 Inventories | | | | | |
| 143.1 Allowance for Obsolete Inventories | | | | | |

DAKOTA COUNTY CDA (MN147)

Eagan, MN

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2025

| | 14.871 Housing Choice Vouchers | 14.231 Emergency Shelter Grants Program | 14.EHV Emergency Housing Voucher | 14.249 Section 8 Moderate Rehabilitation Single Room Occupancy | 14.169 Housing Counseling Assistance Program |
|---|-----------------------------------|---|-------------------------------------|---|--|
| 144 Inter Program Due From | | | | | |
| 145 Assets Held for Sale | | | | | |
| 150 Total Current Assets | \$4,955,530 | \$23,334 | \$181,534 | \$15,973 | \$18,889 |
| 161 Land | | | | | |
| 162 Buildings | | | | | |
| 163 Furniture, Equipment & Machinery - Dwellings | | | | | |
| 164 Furniture, Equipment & Machinery - Administration | \$158,057 | | | | |
| 165 Leasehold Improvements | | | | | |
| 166 Accumulated Depreciation | -\$130,939 | | | | |
| 167 Construction in Progress | | | | | |
| 168 Infrastructure | | | | | |
| 160 Total Capital Assets, Net of Accumulated Depreciation | \$27,118 | \$0 | \$0 | \$0 | \$0 |
| 171 Notes, Loans and Mortgages Receivable - Non-Current | | | | | |
| 172 Notes, Loans, & Mortgages Receivable - Non Current - Past | | | | | |
| 173 Grants Receivable - Non Current | | | | | |
| 174 Other Assets | | | | | |
| 176 Investments in Joint Ventures | | | | | |
| 180 Total Non-Current Assets | \$27,118 | \$0 | \$0 | \$0 | \$0 |
| 200 Deferred Outflow of Resources | | | | | |
| 290 Total Assets and Deferred Outflow of Resources | \$4,982,648 | \$23,334 | \$181,534 | \$15,973 | \$18,889 |
| 311 Bank Overdraft | | | | | |

DAKOTA COUNTY CDA (MN147)

Eagan, MN

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2025

| | 14.871 Housing Choice Vouchers | 14.231 Emergency Shelter Grants Program | 14.EHV Emergency Housing Voucher | 14.249 Section 8 Moderate Rehabilitation Single Room Occupancy | 14.169 Housing Counseling Assistance Program |
|--|-----------------------------------|---|-------------------------------------|---|--|
| 312 Accounts Payable <= 90 Days | \$13,452 | \$22,645 | | | |
| 313 Accounts Payable >90 Days Past Due | | | | | |
| 321 Accrued Wage/Payroll Taxes Payable | | \$65 | \$145 | | \$1,052 |
| 322 Accrued Compensated Absences - Current Portion | | | | | |
| 324 Accrued Contingency Liability | | | | | |
| 325 Accrued Interest Payable | | | | | |
| 331 Accounts Payable - HUD PHA Programs | | | | | |
| 332 Account Payable - PHA Projects | | | | | |
| 333 Accounts Payable - Other Government | | | | | |
| 341 Tenant Security Deposits | | | | | |
| 342 Unearned Revenue | \$1,127 | | \$60,652 | | |
| 343 Current Portion of Long-term Debt - Capital | | | | | |
| 344 Current Portion of Long-term Debt - Operating Borrowings | | | | | |
| 345 Other Current Liabilities | \$46,136 | | | | |
| 346 Accrued Liabilities - Other | | | | | |
| 347 Inter Program - Due To | | \$624 | | | \$17,837 |
| 348 Loan Liability - Current | | | | | |
| 310 Total Current Liabilities | \$60,715 | \$23,334 | \$60,797 | \$0 | \$18,889 |
| | | | | | |
| 351 Long-term Debt, Net of Current - Capital Projects/Mortgage | | | | | |
| 352 Long-term Debt, Net of Current - Operating Borrowings | | | | | |
| 353 Non-current Liabilities - Other | | | | | |
| 354 Accrued Compensated Absences - Non Current | | | | | |
| 355 Loan Liability - Non Current | | | | | |
| 356 FASB 5 Liabilities | | | | | |
| 357 Accrued Pension and OPEB Liabilities | | | | | |

DAKOTA COUNTY CDA (MN147)

Eagan, MN

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2025

| | 14.871 Housing Choice Vouchers | 14.231 Emergency Shelter Grants Program | 14.EHV Emergency Housing Voucher | 14.249 Section 8 Moderate Rehabilitation Single Room Occupancy | 14.169 Housing Counseling Assistance Program |
|---|-----------------------------------|---|-------------------------------------|---|--|
| 350 Total Non-Current Liabilities | \$0 | \$0 | \$0 | \$0 | \$0 |
| | | | | | |
| 300 Total Liabilities | \$60,715 | \$23,334 | \$60,797 | \$0 | \$18,889 |
| | | | | | |
| 400 Deferred Inflow of Resources | | | | | |
| | | | | | |
| 508.4 Net Investment in Capital Assets | \$27,118 | | | | |
| 511.4 Restricted Net Position | \$181,940 | | | | |
| 512.4 Unrestricted Net Position | \$4,712,875 | \$0 | \$120,737 | \$15,973 | \$0 |
| 513 Total Equity - Net Assets / Position | \$4,921,933 | \$0 | \$120,737 | \$15,973 | \$0 |
| | | | | | |
| 600 Total Liabilities, Deferred Inflows of Resources and Equity - | \$4,982,648 | \$23,334 | \$181,534 | \$15,973 | \$18,889 |

DAKOTA COUNTY CDA (MN147)

Eagan, MN

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2025

| | 14.228 Community Development Block Grants/State's Program | Subtotal | ELIM | Total |
|--|--|---------------|------|---------------|
| 111 Cash - Unrestricted | \$52,637 | \$159,628,020 | | \$159,628,020 |
| 112 Cash - Restricted - Modernization and Development | | | | |
| 113 Cash - Other Restricted | | \$40,143,215 | | \$40,143,215 |
| 114 Cash - Tenant Security Deposits | | \$726,075 | | \$726,075 |
| 115 Cash - Restricted for Payment of Current Liabilities | | \$40,910 | | \$40,910 |
| 100 Total Cash | \$52,637 | \$200,538,220 | \$0 | \$200,538,220 |
| | | | | |
| 121 Accounts Receivable - PHA Projects | | \$56,634 | | \$56,634 |
| 122 Accounts Receivable - HUD Other Projects | | \$464,559 | | \$464,559 |
| 124 Accounts Receivable - Other Government | \$18,128 | \$8,535,355 | | \$8,535,355 |
| 125 Accounts Receivable - Miscellaneous | | \$7,134,511 | | \$7,134,511 |
| 126 Accounts Receivable - Tenants | | \$346,519 | | \$346,519 |
| 126.1 Allowance for Doubtful Accounts -Tenants | | \$0 | | \$0 |
| 126.2 Allowance for Doubtful Accounts - Other | \$0 | \$0 | | \$0 |
| 127 Notes, Loans, & Mortgages Receivable - Current | | \$4,637,187 | | \$4,637,187 |
| 128 Fraud Recovery | | \$312,759 | | \$312,759 |
| 128.1 Allowance for Doubtful Accounts - Fraud | | -\$312,759 | | -\$312,759 |
| 129 Accrued Interest Receivable | | \$195,698 | | \$195,698 |
| 120 Total Receivables, Net of Allowances for Doubtful Accounts | \$18,128 | \$21,370,463 | \$0 | \$21,370,463 |
| | | | | |
| 131 Investments - Unrestricted | | \$47,622,588 | | \$47,622,588 |
| 132 Investments - Restricted | | | | |
| 135 Investments - Restricted for Payment of Current Liability | | | | |
| 142 Prepaid Expenses and Other Assets | | \$753,397 | | \$753,397 |
| 143 Inventories | | \$65,873 | | \$65,873 |
| 143.1 Allowance for Obsolete Inventories | | \$0 | | \$0 |

DAKOTA COUNTY CDA (MN147)

Eagan, MN

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2025

| | 14.228 Community Development Block Grants/State's Program | Subtotal | ELIM | Total |
|---|--|----------------|---------------|----------------|
| 144 Inter Program Due From | | \$12,166,015 | -\$12,166,015 | \$0 |
| 145 Assets Held for Sale | | | | |
| 150 Total Current Assets | \$70,765 | \$282,516,556 | -\$12,166,015 | \$270,350,541 |
| | | | | |
| 161 Land | \$30,034 | \$66,123,322 | | \$66,123,322 |
| 162 Buildings | \$168,300 | \$344,144,711 | | \$344,144,711 |
| 163 Furniture, Equipment & Machinery - Dwellings | \$1,050 | \$4,955,448 | | \$4,955,448 |
| 164 Furniture, Equipment & Machinery - Administration | | \$7,424,004 | | \$7,424,004 |
| 165 Leasehold Improvements | | | | |
| 166 Accumulated Depreciation | -\$64,956 | -\$164,843,005 | | -\$164,843,005 |
| 167 Construction in Progress | | \$4,458,596 | | \$4,458,596 |
| 168 Infrastructure | | | | |
| 160 Total Capital Assets, Net of Accumulated Depreciation | \$134,428 | \$262,263,076 | \$0 | \$262,263,076 |
| | | | | |
| 171 Notes, Loans and Mortgages Receivable - Non-Current | \$4,700 | \$72,269,019 | | \$72,269,019 |
| 172 Notes, Loans, & Mortgages Receivable - Non Current - Past | | | | |
| 173 Grants Receivable - Non Current | | | | |
| 174 Other Assets | | \$8,412,124 | | \$8,412,124 |
| 176 Investments in Joint Ventures | | \$5,533,394 | | \$5,533,394 |
| 180 Total Non-Current Assets | \$139,128 | \$348,477,613 | \$0 | \$348,477,613 |
| | | | | |
| 200 Deferred Outflow of Resources | | | | |
| | | | | |
| 290 Total Assets and Deferred Outflow of Resources | \$209,893 | \$630,994,169 | -\$12,166,015 | \$618,828,154 |
| | | | | |
| 311 Bank Overdraft | | | | |

DAKOTA COUNTY CDA (MN147)

Eagan, MN

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2025

| | 14.228 Community Development Block Grants/State's Program | Subtotal | ELIM | Total |
|--|--|--------------|---------------|--------------|
| 312 Accounts Payable <= 90 Days | \$307 | \$1,966,842 | | \$1,966,842 |
| 313 Accounts Payable >90 Days Past Due | | | | |
| 321 Accrued Wage/Payroll Taxes Payable | | \$256,640 | | \$256,640 |
| 322 Accrued Compensated Absences - Current Portion | | \$803,408 | | \$803,408 |
| 324 Accrued Contingency Liability | | | | |
| 325 Accrued Interest Payable | | \$1,010,225 | | \$1,010,225 |
| 331 Accounts Payable - HUD PHA Programs | | | | |
| 332 Account Payable - PHA Projects | | | | |
| 333 Accounts Payable - Other Government | \$381 | \$849,360 | | \$849,360 |
| 341 Tenant Security Deposits | \$1,210 | \$2,150,452 | | \$2,150,452 |
| 342 Unearned Revenue | | \$1,692,594 | | \$1,692,594 |
| 343 Current Portion of Long-term Debt - Capital | | \$4,904,817 | | \$4,904,817 |
| 344 Current Portion of Long-term Debt - Operating Borrowings | | | | |
| 345 Other Current Liabilities | | \$1,997,230 | | \$1,997,230 |
| 346 Accrued Liabilities - Other | | \$23,112 | | \$23,112 |
| 347 Inter Program - Due To | | \$12,166,015 | -\$12,166,015 | \$0 |
| 348 Loan Liability - Current | | | | |
| 310 Total Current Liabilities | \$1,898 | \$27,820,695 | -\$12,166,015 | \$15,654,680 |
| | | | | |
| 351 Long-term Debt, Net of Current - Capital Projects/Mortgage | | \$90,388,755 | | \$90,388,755 |
| 352 Long-term Debt, Net of Current - Operating Borrowings | | | | |
| 353 Non-current Liabilities - Other | | \$2,823,503 | | \$2,823,503 |
| 354 Accrued Compensated Absences - Non Current | | \$731,501 | | \$731,501 |
| 355 Loan Liability - Non Current | | | | |
| 356 FASB 5 Liabilities | | | | |
| 357 Accrued Pension and OPEB Liabilities | | | | |

DAKOTA COUNTY CDA (MN147)

Eagan, MN

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2025

| | 14.228 Community Development Block Grants/State's Program | Subtotal | ELIM | Total |
|---|--|---------------|---------------|---------------|
| 350 Total Non-Current Liabilities | \$0 | \$93,943,759 | \$0 | \$93,943,759 |
| | | | | |
| 300 Total Liabilities | \$1,898 | \$121,764,454 | -\$12,166,015 | \$109,598,439 |
| | | | | |
| 400 Deferred Inflow of Resources | | \$17,921,703 | | \$17,921,703 |
| | | | | |
| 508.4 Net Investment in Capital Assets | \$134,428 | \$170,549,164 | | \$170,549,164 |
| 511.4 Restricted Net Position | \$73,567 | \$122,868,791 | | \$122,868,791 |
| 512.4 Unrestricted Net Position | \$0 | \$197,890,057 | | \$197,890,057 |
| 513 Total Equity - Net Assets / Position | \$207,995 | \$491,308,012 | \$0 | \$491,308,012 |
| | | | | |
| 600 Total Liabilities, Deferred Inflows of Resources and Equity - | \$209,893 | \$630,994,169 | -\$12,166,015 | \$618,828,154 |

DAKOTA COUNTY CDA (MN147)
Eagan, MN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2025

| | Project Total | 14.EFA FSS Escrow Forfeiture Account | 14.218 Community Development Block Grants/Entitlement Grants | 81.042 Weatherization Assistance for Low- Income Persons | 6.1 Component Unit - Discretely Presented |
|---|---------------|---|---|---|--|
| 70300 Net Tenant Rental Revenue | \$1,527,446 | | \$47,888 | | \$4,177,318 |
| 70400 Tenant Revenue - Other | \$53,886 | | \$64 | | \$123,183 |
| 70500 Total Tenant Revenue | \$1,581,332 | \$0 | \$47,952 | \$0 | \$4,300,501 |
| | | | | | |
| 70600 HUD PHA Operating Grants | \$369,198 | | \$1,918,632 | | |
| 70610 Capital Grants | \$724,448 | | | | |
| 70710 Management Fee | | | | | |
| 70720 Asset Management Fee | | | | | |
| 70730 Book Keeping Fee | | | | | |
| 70740 Front Line Service Fee | | | | | |
| 70750 Other Fees | | | | | |
| 70700 Total Fee Revenue | | | | | |
| | | | | | |
| 70800 Other Government Grants | | | | \$1,008,879 | |
| 71100 Investment Income - Unrestricted | \$368,573 | | | | |
| 71200 Mortgage Interest Income | | | | | |
| 71300 Proceeds from Disposition of Assets Held for Sale | | | | | |
| 71310 Cost of Sale of Assets | | | | | |
| 71400 Fraud Recovery | | | | | |
| 71500 Other Revenue | \$29,400 | \$10,691 | \$42,375 | \$500 | \$20,110 |
| 71600 Gain or Loss on Sale of Capital Assets | | | | | |
| 72000 Investment Income - Restricted | | | | | \$9,095 |
| 70000 Total Revenue | \$3,072,951 | \$10,691 | \$2,008,959 | \$1,009,379 | \$4,329,706 |
| | | | | | |
| 91100 Administrative Salaries | \$174,878 | | \$383,752 | \$275,532 | \$221,437 |

DAKOTA COUNTY CDA (MN147)
Eagan, MN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2025

| | Project Total | 14.EFA FSS Escrow Forfeiture Account | 14.218 Community Development Block Grants/Entitlement Grants | 81.042 Weatherization Assistance for Low- Income Persons | 6.1 Component Unit - Discretely Presented |
|--|---------------|---|---|---|--|
| 91200 Auditing Fees | \$5,206 | | \$2,590 | \$688 | \$41,625 |
| 91300 Management Fee | | | | | |
| 91310 Book-keeping Fee | | | | | |
| 91400 Advertising and Marketing | | | | | |
| 91500 Employee Benefit contributions - Administrative | \$57,892 | | \$128,069 | \$100,013 | \$77,919 |
| 91600 Office Expenses | \$196,366 | | \$186,589 | \$119,144 | \$424,547 |
| 91700 Legal Expense | \$13,058 | | \$1,444 | | \$4,681 |
| 91800 Travel | \$7,180 | | \$3,807 | \$8,447 | |
| 91810 Allocated Overhead | | | | | |
| 91900 Other | | | | | |
| 91000 Total Operating - Administrative | \$454,580 | \$0 | \$706,251 | \$503,824 | \$770,209 |
| | | | | | |
| 92000 Asset Management Fee | | | | | |
| 92100 Tenant Services - Salaries | | | | | |
| 92200 Relocation Costs | | | | | |
| 92300 Employee Benefit Contributions - Tenant Services | | | | | |
| 92400 Tenant Services - Other | \$11,040 | | | | |
| 92500 Total Tenant Services | \$11,040 | \$0 | \$0 | \$0 | \$0 |
| | | | | | |
| 93100 Water | \$144,976 | | \$2,781 | | \$204,478 |
| 93200 Electricity | \$19,996 | | | | \$21,128 |
| 93300 Gas | \$23,990 | | | | \$5,805 |
| 93400 Fuel | | | | | |
| 93500 Labor | | | | | |
| 93600 Sewer | | | | | |
| 93700 Employee Benefit Contributions - Utilities | | | | | |

DAKOTA COUNTY CDA (MN147)
Eagan, MN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2025

| | Project Total | 14.EFA FSS Escrow Forfeiture Account | 14.218 Community Development Block Grants/Entitlement Grants | 81.042 Weatherization Assistance for Low- Income Persons | 6.1 Component Unit - Discretely Presented |
|---|---------------|---|---|---|--|
| 93800 Other Utilities Expense | | | | | |
| 93000 Total Utilities | \$188,962 | \$0 | \$2,781 | \$0 | \$231,411 |
| | | | | | |
| 94100 Ordinary Maintenance and Operations - Labor | \$141,783 | | \$1,486 | | \$208,297 |
| 94200 Ordinary Maintenance and Operations - Materials and | \$70,453 | | \$493 | | \$115,596 |
| 94300 Ordinary Maintenance and Operations Contracts | \$445,660 | | \$11,232 | | \$640,149 |
| 94500 Employee Benefit Contributions - Ordinary Maintenance | \$51,071 | | \$724 | | \$70,952 |
| 94000 Total Maintenance | \$708,967 | \$0 | \$13,935 | \$0 | \$1,034,994 |
| | | | | | |
| 95100 Protective Services - Labor | | | | | |
| 95200 Protective Services - Other Contract Costs | | | | | |
| 95300 Protective Services - Other | | | | | |
| 95500 Employee Benefit Contributions - Protective Services | | | | | |
| 95000 Total Protective Services | \$0 | \$0 | \$0 | \$0 | \$0 |
| | | | | | |
| 96110 Property Insurance | \$127,813 | | \$2,592 | | \$191,998 |
| 96120 Liability Insurance | | | | | |
| 96130 Workmen's Compensation | | | | | |
| 96140 All Other Insurance | | | | | |
| 96100 Total insurance Premiums | \$127,813 | \$0 | \$2,592 | \$0 | \$191,998 |
| | | | | | |
| 96200 Other General Expenses | \$13,913 | | \$675,646 | \$505,555 | \$471,436 |
| 96210 Compensated Absences | | | | | |
| 96300 Payments in Lieu of Taxes | \$130,032 | | \$2,211 | | \$193,695 |
| 96400 Bad debt - Tenant Rents | \$23,892 | | | | \$39,265 |
| 96500 Bad debt - Mortgages | | | \$56,135 | | |

DAKOTA COUNTY CDA (MN147)
Eagan, MN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2025

| | Project Total | 14.EFA FSS Escrow Forfeiture Account | 14.218 Community Development Block Grants/Entitlement Grants | 81.042 Weatherization Assistance for Low- Income Persons | 6.1 Component Unit - Discretely Presented |
|---|---------------|---|---|---|--|
| 96600 Bad debt - Other | | | | | |
| 96800 Severance Expense | | | | | |
| 96000 Total Other General Expenses | \$167,837 | \$0 | \$733,992 | \$505,555 | \$704,396 |
| | | | | | |
| 96710 Interest of Mortgage (or Bonds) Payable | | | | | \$382,435 |
| 96720 Interest on Notes Payable (Short and Long Term) | | | | | |
| 96730 Amortization of Bond Issue Costs | | | | | \$25,931 |
| 96700 Total Interest Expense and Amortization Cost | \$0 | \$0 | \$0 | \$0 | \$408,366 |
| | | | | | |
| 96900 Total Operating Expenses | \$1,659,199 | \$0 | \$1,459,551 | \$1,009,379 | \$3,341,374 |
| | | | | | |
| 97000 Excess of Operating Revenue over Operating Expenses | \$1,413,752 | \$10,691 | \$549,408 | \$0 | \$988,332 |
| | | | | | |
| 97100 Extraordinary Maintenance | \$97,288 | | | | \$182,291 |
| 97200 Casualty Losses - Non-capitalized | | | | | |
| 97300 Housing Assistance Payments | | | | | |
| 97350 HAP Portability-In | | | | | |
| 97400 Depreciation Expense | \$481,695 | | \$11,584 | | \$1,829,541 |
| 97500 Fraud Losses | | | | | |
| 97600 Capital Outlays - Governmental Funds | | | | | |
| 97700 Debt Principal Payment - Governmental Funds | | | | | |
| 97800 Dwelling Units Rent Expense | | | | | |
| 90000 Total Expenses | \$2,238,182 | \$0 | \$1,471,135 | \$1,009,379 | \$5,353,206 |
| | | | | | |
| 10010 Operating Transfer In | \$710,714 | | \$1,372,052 | | |
| 10020 Operating transfer Out | -\$710,714 | | -\$1,372,052 | | |

DAKOTA COUNTY CDA (MN147)
Eagan, MN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2025

| | Project Total | 14.EFA FSS Escrow Forfeiture Account | 14.218 Community Development Block Grants/Entitlement Grants | 81.042 Weatherization Assistance for Low- Income Persons | 6.1 Component Unit - Discretely Presented |
|---|---------------|---|---|---|--|
| 10030 Operating Transfers from/to Primary Government | | | | | |
| 10040 Operating Transfers from/to Component Unit | | | | | |
| 10050 Proceeds from Notes, Loans and Bonds | | | | | |
| 10060 Proceeds from Property Sales | | | | | |
| 10070 Extraordinary Items, Net Gain/Loss | | | | | |
| 10080 Special Items (Net Gain/Loss) | | | | | |
| 10091 Inter Project Excess Cash Transfer In | | | | | |
| 10092 Inter Project Excess Cash Transfer Out | | | | | |
| 10093 Transfers between Program and Project - In | | | | | |
| 10094 Transfers between Project and Program - Out | | | | | |
| 10100 Total Other financing Sources (Uses) | \$0 | \$0 | \$0 | \$0 | \$0 |
| | | | | | |
| 10000 Excess (Deficiency) of Total Revenue Over (Under) Total | \$834,769 | \$10,691 | \$537,824 | \$0 | -\$1,023,500 |
| | | | | | |
| 11020 Required Annual Debt Principal Payments | \$0 | \$0 | \$0 | \$0 | \$0 |
| 11030 Beginning Equity | \$17,530,428 | \$7,165 | \$18,327,184 | \$0 | \$52,221,551 |
| 11040 Prior Period Adjustments, Equity Transfers and | | | | | -\$663,327 |
| 11050 Changes in Compensated Absence Balance | | | | | |
| 11060 Changes in Contingent Liability Balance | | | | | |
| 11070 Changes in Unrecognized Pension Transition Liability | | | | | |
| 11080 Changes in Special Term/Severance Benefits Liability | | | | | |
| 11090 Changes in Allowance for Doubtful Accounts - Dwelling | | | | | |
| 11100 Changes in Allowance for Doubtful Accounts - Other | | | | | |
| 11170 Administrative Fee Equity | | | | | |
| | | | | | |
| 11180 Housing Assistance Payments Equity | | | | | |

DAKOTA COUNTY CDA (MN147)
Eagan, MN
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2025

| | Project Total | 14.EFA FSS Escrow Forfeiture Account | 14.218 Community Development Block Grants/Entitlement Grants | 81.042 Weatherization Assistance for Low- Income Persons | 6.1 Component Unit - Discretely Presented |
|--|---------------|---|---|---|--|
| 11190 Unit Months Available | 2410 | | 48 | | 4320 |
| 11210 Number of Unit Months Leased | 2367 | | 48 | | 4196 |
| 11270 Excess Cash | \$7,836,681 | | | | |
| 11610 Land Purchases | \$0 | | | | |
| 11620 Building Purchases | \$724,448 | | | | |
| 11630 Furniture & Equipment - Dwelling Purchases | \$0 | | | | |
| 11640 Furniture & Equipment - Administrative Purchases | \$0 | | | | |
| 11650 Leasehold Improvements Purchases | \$0 | | | | |
| 11660 Infrastructure Purchases | \$0 | | | | |
| 13510 CFFP Debt Service Payments | \$0 | | | | |
| 13901 Replacement Housing Factor Funds | \$0 | | | | |

DAKOTA COUNTY CDA (MN147)
Eagan, MN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2025

| | 6.2 Component Unit - Blended | 14.896 PIH Family Self-Sufficiency Program | 1 Business Activities | 2 State/Local | 14.228 Community Development Block Grants/State's Program |
|---|---------------------------------|--|-----------------------|---------------|--|
| 70300 Net Tenant Rental Revenue | \$7,325,566 | | \$18,032,659 | | \$17,139 |
| 70400 Tenant Revenue - Other | \$241,912 | | \$1,311,252 | | \$75 |
| 70500 Total Tenant Revenue | \$7,567,478 | \$0 | \$19,343,911 | \$0 | \$17,214 |
| | | | | | |
| 70600 HUD PHA Operating Grants | | \$273 | | | |
| 70610 Capital Grants | | | | | |
| 70710 Management Fee | | | | | |
| 70720 Asset Management Fee | | | | | |
| 70730 Book Keeping Fee | | | | | |
| 70740 Front Line Service Fee | | | | | |
| 70750 Other Fees | | | | | |
| 70700 Total Fee Revenue | | | | | |
| | | | | | |
| 70800 Other Government Grants | | | \$150,000 | \$337,687 | |
| 71100 Investment Income - Unrestricted | \$67,508 | | \$6,564,172 | \$1,644,346 | |
| 71200 Mortgage Interest Income | | | \$52 | \$960,880 | |
| 71300 Proceeds from Disposition of Assets Held for Sale | | | | | |
| 71310 Cost of Sale of Assets | | | | | |
| 71400 Fraud Recovery | | | | | |
| 71500 Other Revenue | \$44,167 | | \$8,376,125 | \$14,177,937 | |
| 71600 Gain or Loss on Sale of Capital Assets | \$3,094,545 | | -\$98,643 | \$188,072 | |
| 72000 Investment Income - Restricted | \$2,484 | | \$639,036 | | |
| 70000 Total Revenue | \$10,776,182 | \$273 | \$34,974,653 | \$17,308,922 | \$17,214 |
| | | | | | |
| 91100 Administrative Salaries | \$370,792 | | \$3,706,764 | \$552,202 | \$629 |
| 91200 Auditing Fees | \$5,713 | | \$22,305 | \$6,110 | \$9 |

DAKOTA COUNTY CDA (MN147)
Eagan, MN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2025

| | 6.2 Component Unit - Blended | 14.896 PIH Family Self-Sufficiency Program | 1 Business Activities | 2 State/Local | 14.228 Community Development Block Grants/State's Program |
|--|---------------------------------|--|-----------------------|---------------|--|
| 91300 Management Fee | | | | | |
| 91310 Book-keeping Fee | | | | | |
| 91400 Advertising and Marketing | | | | | |
| 91500 Employee Benefit contributions - Administrative | \$132,991 | | \$1,065,433 | \$155,931 | \$228 |
| 91600 Office Expenses | \$892,989 | | \$5,273,819 | \$331,440 | \$1,463 |
| 91700 Legal Expense | \$20,591 | | \$16,325 | \$8,835 | \$1 |
| 91800 Travel | | | \$8,815 | \$8,663 | \$1 |
| 91810 Allocated Overhead | | | | | |
| 91900 Other | | | | | |
| 91000 Total Operating - Administrative | \$1,423,076 | \$0 | \$10,093,461 | \$1,063,181 | \$2,331 |
| | | | | | |
| 92000 Asset Management Fee | | | | | |
| 92100 Tenant Services - Salaries | | \$180 | | | |
| 92200 Relocation Costs | | | | | |
| 92300 Employee Benefit Contributions - Tenant Services | | \$93 | | | |
| 92400 Tenant Services - Other | | | \$100,000 | | |
| 92500 Total Tenant Services | \$0 | \$273 | \$100,000 | \$0 | \$0 |
| | | | | | |
| 93100 Water | \$391,447 | | \$654,147 | \$2,058 | \$1,175 |
| 93200 Electricity | \$36,631 | | \$512,011 | | |
| 93300 Gas | \$14,063 | | \$463,854 | | |
| 93400 Fuel | | | | | |
| 93500 Labor | | | | | |
| 93600 Sewer | | | | | |
| 93700 Employee Benefit Contributions - Utilities | | | | | |
| 93800 Other Utilities Expense | | | | | |

DAKOTA COUNTY CDA (MN147)
Eagan, MN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2025

| | 6.2 Component Unit - Blended | 14.896 PIH Family Self-Sufficiency Program | 1 Business Activities | 2 State/Local | 14.228 Community Development Block Grants/State's Program |
|---|---------------------------------|--|-----------------------|---------------|--|
| 93000 Total Utilities | \$442,141 | \$0 | \$1,630,012 | \$2,058 | \$1,175 |
| 94100 Ordinary Maintenance and Operations - Labor | \$410,519 | | \$1,081,249 | \$198 | \$82 |
| 94200 Ordinary Maintenance and Operations - Materials and | \$195,623 | | \$335,234 | | \$11 |
| 94300 Ordinary Maintenance and Operations Contracts | \$1,249,902 | | \$2,871,952 | \$24,681 | \$1,305 |
| 94500 Employee Benefit Contributions - Ordinary Maintenance | \$146,535 | | \$354,548 | \$71 | \$23 |
| 94000 Total Maintenance | \$2,002,579 | \$0 | \$4,642,983 | \$24,950 | \$1,421 |
| 95100 Protective Services - Labor | | | | | |
| 95200 Protective Services - Other Contract Costs | | | | | |
| 95300 Protective Services - Other | | | | | |
| 95500 Employee Benefit Contributions - Protective Services | | | | | |
| 95000 Total Protective Services | \$0 | \$0 | \$0 | \$0 | \$0 |
| 96110 Property Insurance | \$453,997 | | \$1,245,342 | \$4,870 | \$685 |
| 96120 Liability Insurance | | | | | |
| 96130 Workmen's Compensation | | | | | |
| 96140 All Other Insurance | | | | | |
| 96100 Total insurance Premiums | \$453,997 | \$0 | \$1,245,342 | \$4,870 | \$685 |
| 96200 Other General Expenses | \$262,847 | | \$686,208 | \$1,192,673 | \$61 |
| 96210 Compensated Absences | | | | | |
| 96300 Payments in Lieu of Taxes | \$338,863 | | \$852,594 | | \$787 |
| 96400 Bad debt - Tenant Rents | \$25,802 | | \$104,713 | | |
| 96500 Bad debt - Mortgages | | | | \$172,000 | |
| 96600 Bad debt - Other | | | | | |

DAKOTA COUNTY CDA (MN147)
Eagan, MN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2025

| | 6.2 Component Unit - Blended | 14.896 PIH Family Self-Sufficiency Program | 1 Business Activities | 2 State/Local | 14.228 Community Development Block Grants/State's Program |
|---|---------------------------------|--|-----------------------|---------------|--|
| 96800 Severance Expense | | | | | |
| 96000 Total Other General Expenses | \$627,512 | \$0 | \$1,643,515 | \$1,364,673 | \$848 |
| | | | | | |
| 96710 Interest of Mortgage (or Bonds) Payable | \$238,690 | | \$1,679,738 | \$3,559 | |
| 96720 Interest on Notes Payable (Short and Long Term) | | | | | |
| 96730 Amortization of Bond Issue Costs | | | | | |
| 96700 Total Interest Expense and Amortization Cost | \$238,690 | \$0 | \$1,679,738 | \$3,559 | \$0 |
| | | | | | |
| 96900 Total Operating Expenses | \$5,187,995 | \$273 | \$21,035,051 | \$2,463,291 | \$6,460 |
| | | | | | |
| 97000 Excess of Operating Revenue over Operating Expenses | \$5,588,187 | \$0 | \$13,939,602 | \$14,845,631 | \$10,754 |
| | | | | | |
| 97100 Extraordinary Maintenance | \$447,656 | | \$1,541,011 | | |
| 97200 Casualty Losses - Non-capitalized | | | \$3,991 | | |
| 97300 Housing Assistance Payments | | | | \$240,303 | |
| 97350 HAP Portability-In | | | | | |
| 97400 Depreciation Expense | \$1,799,132 | | \$5,222,476 | | \$5,012 |
| 97500 Fraud Losses | | | | | |
| 97600 Capital Outlays - Governmental Funds | | | | | |
| 97700 Debt Principal Payment - Governmental Funds | | | | | |
| 97800 Dwelling Units Rent Expense | | | | | |
| 90000 Total Expenses | \$7,434,783 | \$273 | \$27,802,529 | \$2,703,594 | \$11,472 |
| | | | | | |
| 10010 Operating Transfer In | \$1,088,385 | | \$13,966,221 | \$2,120,970 | |
| 10020 Operating transfer Out | | | | -\$8,965,964 | |
| 10030 Operating Transfers from/to Primary Government | | | | | |

DAKOTA COUNTY CDA (MN147)
Eagan, MN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2025

| | 6.2 Component Unit - Blended | 14.896 PIH Family Self-Sufficiency Program | 1 Business Activities | 2 State/Local | 14.228 Community Development Block Grants/State's Program |
|---|---------------------------------|--|-----------------------|---------------|--|
| 10040 Operating Transfers from/to Component Unit | | | | | |
| 10050 Proceeds from Notes, Loans and Bonds | | | | | |
| 10060 Proceeds from Property Sales | | | | | |
| 10070 Extraordinary Items, Net Gain/Loss | | | | | |
| 10080 Special Items (Net Gain/Loss) | | | | | |
| 10091 Inter Project Excess Cash Transfer In | | | | | |
| 10092 Inter Project Excess Cash Transfer Out | | | | | |
| 10093 Transfers between Program and Project - In | | | | | |
| 10094 Transfers between Project and Program - Out | | | | | |
| 10100 Total Other financing Sources (Uses) | \$1,088,385 | \$0 | \$13,966,221 | -\$6,844,994 | \$0 |
| | | | | | |
| 10000 Excess (Deficiency) of Total Revenue Over (Under) Total | \$4,429,784 | \$0 | \$21,138,345 | \$7,760,334 | \$5,742 |
| | | | | | |
| 11020 Required Annual Debt Principal Payments | \$815,000 | \$0 | \$0 | \$0 | \$0 |
| 11030 Beginning Equity | \$52,354,441 | \$0 | \$188,575,674 | \$111,396,937 | \$202,253 |
| 11040 Prior Period Adjustments, Equity Transfers and | -\$3,214 | | \$3,214 | | |
| 11050 Changes in Compensated Absence Balance | | | | | |
| 11060 Changes in Contingent Liability Balance | | | | | |
| 11070 Changes in Unrecognized Pension Transition Liability | | | | | |
| 11080 Changes in Special Term/Severance Benefits Liability | | | | | |
| 11090 Changes in Allowance for Doubtful Accounts - Dwelling | | | | | |
| 11100 Changes in Allowance for Doubtful Accounts - Other | | | | | |
| 11170 Administrative Fee Equity | | | | | |
| | | | | | |
| 11180 Housing Assistance Payments Equity | | | | | |
| 11190 Unit Months Available | 6783 | | 20976 | 315 | 12 |

DAKOTA COUNTY CDA (MN147)
Eagan, MN
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2025

| | 6.2 Component Unit - Blended | 14.896 PIH Family Self-Sufficiency Program | 1 Business Activities | 2 State/Local | 14.228 Community Development Block Grants/State's Program |
|--|---------------------------------|--|-----------------------|---------------|--|
| 11210 Number of Unit Months Leased | 6495 | | 20614 | 224 | 12 |
| 11270 Excess Cash | | | | | |
| 11610 Land Purchases | | | | | |
| 11620 Building Purchases | | | | | |
| 11630 Furniture & Equipment - Dwelling Purchases | | | | | |
| 11640 Furniture & Equipment - Administrative Purchases | | | | | |
| 11650 Leasehold Improvements Purchases | | | | | |
| 11660 Infrastructure Purchases | | | | | |
| 13510 CFFP Debt Service Payments | | | | | |
| 13901 Replacement Housing Factor Funds | | | | | |

DAKOTA COUNTY CDA (MN147)
Eagan, MN
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2025

| | 14.267 Continuum of Care Program | 8 Other Federal Program 1 | 9 Other Federal Program 2 | 93.568 Low-Income Home Energy Assistance | 14.879 Mainstream Vouchers |
|---|-------------------------------------|------------------------------|------------------------------|--|-------------------------------|
| 70300 Net Tenant Rental Revenue | | | | | |
| 70400 Tenant Revenue - Other | | | | | |
| 70500 Total Tenant Revenue | \$0 | \$0 | \$0 | \$0 | \$0 |
| 70600 HUD PHA Operating Grants | | | | | \$557,660 |
| 70610 Capital Grants | | | | | |
| 70710 Management Fee | | | | | |
| 70720 Asset Management Fee | | | | | |
| 70730 Book Keeping Fee | | | | | |
| 70740 Front Line Service Fee | | | | | |
| 70750 Other Fees | | | | | |
| 70700 Total Fee Revenue | | | | | |
| 70800 Other Government Grants | | \$1,871,118 | \$19,908 | \$572,600 | |
| 71100 Investment Income - Unrestricted | | | | | |
| 71200 Mortgage Interest Income | | | | | |
| 71300 Proceeds from Disposition of Assets Held for Sale | | | | | |
| 71310 Cost of Sale of Assets | | | | | |
| 71400 Fraud Recovery | | | | | |
| 71500 Other Revenue | | | | \$6,250 | |
| 71600 Gain or Loss on Sale of Capital Assets | | | | | |
| 72000 Investment Income - Restricted | | | | | |
| 70000 Total Revenue | \$0 | \$1,871,118 | \$19,908 | \$578,850 | \$557,660 |
| 91100 Administrative Salaries | | | \$2,226 | \$42,378 | \$23,701 |
| 91200 Auditing Fees | | | | \$1,065 | \$469 |

DAKOTA COUNTY CDA (MN147)
Eagan, MN
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2025

| | 14.267 Continuum of Care Program | 8 Other Federal Program 1 | 9 Other Federal Program 2 | 93.568 Low-Income Home Energy Assistance | 14.879 Mainstream Vouchers |
|--|-------------------------------------|------------------------------|------------------------------|--|-------------------------------|
| 91300 Management Fee | | | | | |
| 91310 Book-keeping Fee | | | | | |
| 91400 Advertising and Marketing | | | | | |
| 91500 Employee Benefit contributions - Administrative | | | \$628 | \$10,467 | \$7,308 |
| 91600 Office Expenses | | | \$17,054 | \$17,490 | \$22,102 |
| 91700 Legal Expense | | | | | |
| 91800 Travel | | | | | |
| 91810 Allocated Overhead | | | | | |
| 91900 Other | | | | | |
| 91000 Total Operating - Administrative | \$0 | \$0 | \$19,908 | \$71,400 | \$53,580 |
| | | | | | |
| 92000 Asset Management Fee | | | | | |
| 92100 Tenant Services - Salaries | | | | | |
| 92200 Relocation Costs | | | | | |
| 92300 Employee Benefit Contributions - Tenant Services | | | | | |
| 92400 Tenant Services - Other | | | | | |
| 92500 Total Tenant Services | \$0 | \$0 | \$0 | \$0 | \$0 |
| | | | | | |
| 93100 Water | | | | | |
| 93200 Electricity | | | | | |
| 93300 Gas | | | | | |
| 93400 Fuel | | | | | |
| 93500 Labor | | | | | |
| 93600 Sewer | | | | | |
| 93700 Employee Benefit Contributions - Utilities | | | | | |
| 93800 Other Utilities Expense | | | | | |

DAKOTA COUNTY CDA (MN147)
Eagan, MN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2025

| | 14.267 Continuum of Care Program | 8 Other Federal Program 1 | 9 Other Federal Program 2 | 93.568 Low-Income Home Energy Assistance | 14.879 Mainstream Vouchers |
|---|-------------------------------------|------------------------------|------------------------------|--|-------------------------------|
| 93000 Total Utilities | \$0 | \$0 | \$0 | \$0 | \$0 |
| 94100 Ordinary Maintenance and Operations - Labor | | | | | |
| 94200 Ordinary Maintenance and Operations - Materials and | | | | | |
| 94300 Ordinary Maintenance and Operations Contracts | | | | | |
| 94500 Employee Benefit Contributions - Ordinary Maintenance | | | | | |
| 94000 Total Maintenance | \$0 | \$0 | \$0 | \$0 | \$0 |
| 95100 Protective Services - Labor | | | | | |
| 95200 Protective Services - Other Contract Costs | | | | | |
| 95300 Protective Services - Other | | | | | |
| 95500 Employee Benefit Contributions - Protective Services | | | | | |
| 95000 Total Protective Services | \$0 | \$0 | \$0 | \$0 | \$0 |
| 96110 Property Insurance | | | | | |
| 96120 Liability Insurance | | | | | |
| 96130 Workmen's Compensation | | | | | |
| 96140 All Other Insurance | | | | | |
| 96100 Total insurance Premiums | \$0 | \$0 | \$0 | \$0 | \$0 |
| 96200 Other General Expenses | | \$33,852 | | \$507,450 | |
| 96210 Compensated Absences | | | | | |
| 96300 Payments in Lieu of Taxes | | | | | |
| 96400 Bad debt - Tenant Rents | | | | | |
| 96500 Bad debt - Mortgages | | | | | |
| 96600 Bad debt - Other | | | | | |

DAKOTA COUNTY CDA (MN147)
Eagan, MN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2025

| | 14.267 Continuum of Care Program | 8 Other Federal Program 1 | 9 Other Federal Program 2 | 93.568 Low-Income Home Energy Assistance | 14.879 Mainstream Vouchers |
|---|-------------------------------------|------------------------------|------------------------------|--|-------------------------------|
| 96800 Severance Expense | | | | | |
| 96000 Total Other General Expenses | \$0 | \$33,852 | \$0 | \$507,450 | \$0 |
| | | | | | |
| 96710 Interest of Mortgage (or Bonds) Payable | | | | | |
| 96720 Interest on Notes Payable (Short and Long Term) | | | | | |
| 96730 Amortization of Bond Issue Costs | | | | | |
| 96700 Total Interest Expense and Amortization Cost | \$0 | \$0 | \$0 | \$0 | \$0 |
| | | | | | |
| 96900 Total Operating Expenses | \$0 | \$33,852 | \$19,908 | \$578,850 | \$53,580 |
| | | | | | |
| 97000 Excess of Operating Revenue over Operating Expenses | \$0 | \$1,837,266 | \$0 | \$0 | \$504,080 |
| | | | | | |
| 97100 Extraordinary Maintenance | | | | | |
| 97200 Casualty Losses - Non-capitalized | | | | | |
| 97300 Housing Assistance Payments | | | | | \$509,364 |
| 97350 HAP Portability-In | | | | | |
| 97400 Depreciation Expense | | | | \$12,194 | |
| 97500 Fraud Losses | | | | | |
| 97600 Capital Outlays - Governmental Funds | | | | | |
| 97700 Debt Principal Payment - Governmental Funds | | | | | |
| 97800 Dwelling Units Rent Expense | | | | | |
| 90000 Total Expenses | \$0 | \$33,852 | \$19,908 | \$591,044 | \$562,944 |
| | | | | | |
| 10010 Operating Transfer In | | | | | |
| 10020 Operating transfer Out | | -\$7,653,306 | | | |
| 10030 Operating Transfers from/to Primary Government | | | | | |

DAKOTA COUNTY CDA (MN147)
Eagan, MN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2025

| | 14.267 Continuum of Care Program | 8 Other Federal Program 1 | 9 Other Federal Program 2 | 93.568 Low-Income Home Energy Assistance | 14.879 Mainstream Vouchers |
|---|-------------------------------------|------------------------------|------------------------------|--|-------------------------------|
| 10040 Operating Transfers from/to Component Unit | | | | | |
| 10050 Proceeds from Notes, Loans and Bonds | | | | | |
| 10060 Proceeds from Property Sales | | | | | |
| 10070 Extraordinary Items, Net Gain/Loss | | | | | |
| 10080 Special Items (Net Gain/Loss) | | | | | |
| 10091 Inter Project Excess Cash Transfer In | | | | | |
| 10092 Inter Project Excess Cash Transfer Out | | | | | |
| 10093 Transfers between Program and Project - In | | | | | |
| 10094 Transfers between Project and Program - Out | | | | | |
| 10100 Total Other financing Sources (Uses) | \$0 | -\$7,653,306 | \$0 | \$0 | \$0 |
| | | | | | |
| 10000 Excess (Deficiency) of Total Revenue Over (Under) Total | \$0 | -\$5,816,040 | \$0 | -\$12,194 | -\$5,284 |
| | | | | | |
| 11020 Required Annual Debt Principal Payments | \$0 | \$0 | \$0 | \$0 | \$0 |
| 11030 Beginning Equity | \$0 | \$5,816,040 | \$0 | \$48,775 | \$44,340 |
| 11040 Prior Period Adjustments, Equity Transfers and | | | | | |
| 11050 Changes in Compensated Absence Balance | | | | | |
| 11060 Changes in Contingent Liability Balance | | | | | |
| 11070 Changes in Unrecognized Pension Transition Liability | | | | | |
| 11080 Changes in Special Term/Severance Benefits Liability | | | | | |
| 11090 Changes in Allowance for Doubtful Accounts - Dwelling | | | | | |
| 11100 Changes in Allowance for Doubtful Accounts - Other | | | | | |
| 11170 Administrative Fee Equity | | | | | |
| | | | | | |
| 11180 Housing Assistance Payments Equity | | | | | |
| 11190 Unit Months Available | 0 | | | | 552 |

DAKOTA COUNTY CDA (MN147)
Eagan, MN
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2025

| | 14.267 Continuum of Care Program | 8 Other Federal Program 1 | 9 Other Federal Program 2 | 93.568 Low-Income Home Energy Assistance | 14.879 Mainstream Vouchers |
|--|-------------------------------------|------------------------------|------------------------------|--|-------------------------------|
| 11210 Number of Unit Months Leased | 0 | | | | 526 |
| 11270 Excess Cash | | | | | |
| 11610 Land Purchases | | | | | |
| 11620 Building Purchases | | | | | |
| 11630 Furniture & Equipment - Dwelling Purchases | | | | | |
| 11640 Furniture & Equipment - Administrative Purchases | | | | | |
| 11650 Leasehold Improvements Purchases | | | | | |
| 11660 Infrastructure Purchases | | | | | |
| 13510 CFFP Debt Service Payments | | | | | |
| 13901 Replacement Housing Factor Funds | | | | | |

DAKOTA COUNTY CDA (MN147)
Eagan, MN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2025

| | 14.239 HOME Investment Partnerships Program | 14.871 Housing Choice Vouchers | 14.231 Emergency Shelter Grants Program | 14.EHV Emergency Housing Voucher | 14.249 Section 8 Moderate Rehabilitation Single Room Occupancy |
|---|---|-----------------------------------|---|-------------------------------------|---|
| 70300 Net Tenant Rental Revenue | | | | | |
| 70400 Tenant Revenue - Other | | \$20 | | | |
| 70500 Total Tenant Revenue | \$0 | \$20 | \$0 | \$0 | \$0 |
| | | | | | |
| 70600 HUD PHA Operating Grants | \$4,304,378 | \$33,202,841 | \$184,888 | \$527,604 | |
| 70610 Capital Grants | | | | | |
| 70710 Management Fee | | | | | |
| 70720 Asset Management Fee | | | | | |
| 70730 Book Keeping Fee | | | | | |
| 70740 Front Line Service Fee | | | | | |
| 70750 Other Fees | | | | | |
| 70700 Total Fee Revenue | | | | | |
| | | | | | |
| 70800 Other Government Grants | | | | | |
| 71100 Investment Income - Unrestricted | | \$255,148 | | | |
| 71200 Mortgage Interest Income | \$100,716 | | | | |
| 71300 Proceeds from Disposition of Assets Held for Sale | | | | | |
| 71310 Cost of Sale of Assets | | | | | |
| 71400 Fraud Recovery | | \$198,752 | | \$325 | |
| 71500 Other Revenue | \$288,987 | \$3,846,493 | | | |
| 71600 Gain or Loss on Sale of Capital Assets | | | | | |
| 72000 Investment Income - Restricted | \$62,098 | | | | |
| 70000 Total Revenue | \$4,756,179 | \$37,503,254 | \$184,888 | \$527,929 | \$0 |
| | | | | | |
| 91100 Administrative Salaries | \$68,807 | \$1,435,464 | \$8,862 | \$17,021 | |
| 91200 Auditing Fees | \$1,635 | \$30,783 | \$144 | \$534 | |

DAKOTA COUNTY CDA (MN147)
Eagan, MN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2025

| | 14.239 HOME Investment Partnerships Program | 14.871 Housing Choice Vouchers | 14.231 Emergency Shelter Grants Program | 14.EHV Emergency Housing Voucher | 14.249 Section 8 Moderate Rehabilitation Single Room Occupancy |
|--|---|-----------------------------------|---|-------------------------------------|---|
| 91300 Management Fee | | | | | |
| 91310 Book-keeping Fee | | | | | |
| 91400 Advertising and Marketing | | | | | |
| 91500 Employee Benefit contributions - Administrative | \$15,959 | \$442,592 | \$1,951 | \$5,961 | |
| 91600 Office Expenses | \$33,770 | \$1,325,541 | \$3,502 | \$28,991 | |
| 91700 Legal Expense | | \$6,435 | | | |
| 91800 Travel | \$1,675 | \$11,067 | | | |
| 91810 Allocated Overhead | | | | | |
| 91900 Other | | | | | |
| 91000 Total Operating - Administrative | \$121,846 | \$3,251,882 | \$14,459 | \$52,507 | \$0 |
| | | | | | |
| 92000 Asset Management Fee | | | | | |
| 92100 Tenant Services - Salaries | | | | | |
| 92200 Relocation Costs | | | | | |
| 92300 Employee Benefit Contributions - Tenant Services | | | | | |
| 92400 Tenant Services - Other | | | | | |
| 92500 Total Tenant Services | \$0 | \$0 | \$0 | \$0 | \$0 |
| | | | | | |
| 93100 Water | | | | | |
| 93200 Electricity | | | | | |
| 93300 Gas | | | | | |
| 93400 Fuel | | | | | |
| 93500 Labor | | | | | |
| 93600 Sewer | | | | | |
| 93700 Employee Benefit Contributions - Utilities | | | | | |
| 93800 Other Utilities Expense | | | | | |

DAKOTA COUNTY CDA (MN147)
Eagan, MN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2025

| | 14.239 HOME Investment Partnerships Program | 14.871 Housing Choice Vouchers | 14.231 Emergency Shelter Grants Program | 14.EHV Emergency Housing Voucher | 14.249 Section 8 Moderate Rehabilitation Single Room Occupancy |
|---|---|-----------------------------------|---|-------------------------------------|---|
| 93000 Total Utilities | \$0 | \$0 | \$0 | \$0 | \$0 |
| 94100 Ordinary Maintenance and Operations - Labor | | | | | |
| 94200 Ordinary Maintenance and Operations - Materials and | | | | | |
| 94300 Ordinary Maintenance and Operations Contracts | | | | | |
| 94500 Employee Benefit Contributions - Ordinary Maintenance | | | | | |
| 94000 Total Maintenance | \$0 | \$0 | \$0 | \$0 | \$0 |
| 95100 Protective Services - Labor | | | | | |
| 95200 Protective Services - Other Contract Costs | | | | | |
| 95300 Protective Services - Other | | | | | |
| 95500 Employee Benefit Contributions - Protective Services | | | | | |
| 95000 Total Protective Services | \$0 | \$0 | \$0 | \$0 | \$0 |
| 96110 Property Insurance | | | | | |
| 96120 Liability Insurance | | | | | |
| 96130 Workmen's Compensation | | | | | |
| 96140 All Other Insurance | | | | | |
| 96100 Total insurance Premiums | \$0 | \$0 | \$0 | \$0 | \$0 |
| 96200 Other General Expenses | \$3,087,006 | | \$170,429 | | |
| 96210 Compensated Absences | | | | | |
| 96300 Payments in Lieu of Taxes | | | | | |
| 96400 Bad debt - Tenant Rents | | | | | |
| 96500 Bad debt - Mortgages | | \$22,957 | | | |
| 96600 Bad debt - Other | | | | | |

DAKOTA COUNTY CDA (MN147)
Eagan, MN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2025

| | 14.239 HOME Investment Partnerships Program | 14.871 Housing Choice Vouchers | 14.231 Emergency Shelter Grants Program | 14.EHV Emergency Housing Voucher | 14.249 Section 8 Moderate Rehabilitation Single Room Occupancy |
|---|---|-----------------------------------|---|-------------------------------------|---|
| 96800 Severance Expense | | | | | |
| 96000 Total Other General Expenses | \$3,087,006 | \$22,957 | \$170,429 | \$0 | \$0 |
| | | | | | |
| 96710 Interest of Mortgage (or Bonds) Payable | | | | | |
| 96720 Interest on Notes Payable (Short and Long Term) | | | | | |
| 96730 Amortization of Bond Issue Costs | | | | | |
| 96700 Total Interest Expense and Amortization Cost | \$0 | \$0 | \$0 | \$0 | \$0 |
| | | | | | |
| 96900 Total Operating Expenses | \$3,208,852 | \$3,274,839 | \$184,888 | \$52,507 | \$0 |
| | | | | | |
| 97000 Excess of Operating Revenue over Operating Expenses | \$1,547,327 | \$34,228,415 | \$0 | \$475,422 | \$0 |
| | | | | | |
| 97100 Extraordinary Maintenance | | | | | |
| 97200 Casualty Losses - Non-capitalized | | | | | |
| 97300 Housing Assistance Payments | | \$29,998,745 | | \$484,867 | |
| 97350 HAP Portability-In | | \$3,584,449 | | | |
| 97400 Depreciation Expense | | \$935 | | | |
| 97500 Fraud Losses | | | | | |
| 97600 Capital Outlays - Governmental Funds | | | | | |
| 97700 Debt Principal Payment - Governmental Funds | | | | | |
| 97800 Dwelling Units Rent Expense | | | | | |
| 90000 Total Expenses | \$3,208,852 | \$36,858,968 | \$184,888 | \$537,374 | \$0 |
| | | | | | |
| 10010 Operating Transfer In | | | | | |
| 10020 Operating transfer Out | -\$178,264 | -\$378,042 | | | |
| 10030 Operating Transfers from/to Primary Government | | | | | |

DAKOTA COUNTY CDA (MN147)
Eagan, MN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2025

| | 14.239 HOME Investment Partnerships Program | 14.871 Housing Choice Vouchers | 14.231 Emergency Shelter Grants Program | 14.EHV Emergency Housing Voucher | 14.249 Section 8 Moderate Rehabilitation Single Room Occupancy |
|---|---|-----------------------------------|---|-------------------------------------|---|
| 10040 Operating Transfers from/to Component Unit | | | | | |
| 10050 Proceeds from Notes, Loans and Bonds | | | | | |
| 10060 Proceeds from Property Sales | | | | | |
| 10070 Extraordinary Items, Net Gain/Loss | | | | | |
| 10080 Special Items (Net Gain/Loss) | | | | | |
| 10091 Inter Project Excess Cash Transfer In | | | | | |
| 10092 Inter Project Excess Cash Transfer Out | | | | | |
| 10093 Transfers between Program and Project - In | | | | | |
| 10094 Transfers between Project and Program - Out | | | | | |
| 10100 Total Other financing Sources (Uses) | -\$178,264 | -\$378,042 | \$0 | \$0 | \$0 |
| | | | | | |
| 10000 Excess (Deficiency) of Total Revenue Over (Under) Total | \$1,369,063 | \$266,244 | \$0 | -\$9,445 | \$0 |
| | | | | | |
| 11020 Required Annual Debt Principal Payments | \$0 | \$0 | \$0 | \$0 | \$0 |
| 11030 Beginning Equity | \$11,158,374 | \$4,655,689 | \$0 | \$130,182 | \$15,973 |
| 11040 Prior Period Adjustments, Equity Transfers and | | | | | |
| 11050 Changes in Compensated Absence Balance | | | | | |
| 11060 Changes in Contingent Liability Balance | | | | | |
| 11070 Changes in Unrecognized Pension Transition Liability | | | | | |
| 11080 Changes in Special Term/Severance Benefits Liability | | | | | |
| 11090 Changes in Allowance for Doubtful Accounts - Dwelling | | | | | |
| 11100 Changes in Allowance for Doubtful Accounts - Other | | | | | |
| 11170 Administrative Fee Equity | | \$4,739,993 | | | |
| | | | | | |
| 11180 Housing Assistance Payments Equity | | \$181,940 | | | |
| 11190 Unit Months Available | 0 | 33504 | | 518 | 0 |

DAKOTA COUNTY CDA (MN147)
Eagan, MN
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2025

| | 14.239 HOME Investment Partnerships Program | 14.871 Housing Choice Vouchers | 14.231 Emergency Shelter Grants Program | 14.EHV Emergency Housing Voucher | 14.249 Section 8 Moderate Rehabilitation Single Room Occupancy |
|--|---|-----------------------------------|---|-------------------------------------|---|
| 11210 Number of Unit Months Leased | | 33511 | | 518 | 0 |
| 11270 Excess Cash | | | | | |
| 11610 Land Purchases | | | | | |
| 11620 Building Purchases | | | | | |
| 11630 Furniture & Equipment - Dwelling Purchases | | | | | |
| 11640 Furniture & Equipment - Administrative Purchases | | | | | |
| 11650 Leasehold Improvements Purchases | | | | | |
| 11660 Infrastructure Purchases | | | | | |
| 13510 CFFP Debt Service Payments | | | | | |
| 13901 Replacement Housing Factor Funds | | | | | |

DAKOTA COUNTY CDA (MN147)
Eagan, MN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2025

| | 14.169 Housing Counseling Assistance Program | Subtotal | ELIM | Total |
|---|--|---------------|--------------|---------------|
| 70300 Net Tenant Rental Revenue | | \$31,128,016 | | \$31,128,016 |
| 70400 Tenant Revenue - Other | | \$1,730,392 | | \$1,730,392 |
| 70500 Total Tenant Revenue | \$0 | \$32,858,408 | \$0 | \$32,858,408 |
| | | | | |
| 70600 HUD PHA Operating Grants | \$34,320 | \$41,099,794 | | \$41,099,794 |
| 70610 Capital Grants | | \$724,448 | | \$724,448 |
| 70710 Management Fee | | | | |
| 70720 Asset Management Fee | | | | |
| 70730 Book Keeping Fee | | | | |
| 70740 Front Line Service Fee | | | | |
| 70750 Other Fees | | | | |
| 70700 Total Fee Revenue | | \$0 | \$0 | \$0 |
| | | | | |
| 70800 Other Government Grants | | \$3,960,192 | | \$3,960,192 |
| 71100 Investment Income - Unrestricted | | \$8,899,747 | | \$8,899,747 |
| 71200 Mortgage Interest Income | | \$1,061,648 | -\$186,987 | \$874,661 |
| 71300 Proceeds from Disposition of Assets Held for Sale | | | | |
| 71310 Cost of Sale of Assets | | | | |
| 71400 Fraud Recovery | | \$199,077 | | \$199,077 |
| 71500 Other Revenue | | \$26,843,035 | -\$6,520,746 | \$20,322,289 |
| 71600 Gain or Loss on Sale of Capital Assets | | \$3,183,974 | | \$3,183,974 |
| 72000 Investment Income - Restricted | | \$712,713 | | \$712,713 |
| 70000 Total Revenue | \$34,320 | \$119,543,036 | -\$6,707,733 | \$112,835,303 |
| | | | | |
| 91100 Administrative Salaries | \$19,771 | \$7,304,216 | | \$7,304,216 |
| 91200 Auditing Fees | | \$118,876 | | \$118,876 |

DAKOTA COUNTY CDA (MN147)
Eagan, MN
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2025

| | 14.169 Housing Counseling Assistance Program | Subtotal | ELIM | Total |
|--|--|--------------|--------------|--------------|
| 91300 Management Fee | | | | |
| 91310 Book-keeping Fee | | | | |
| 91400 Advertising and Marketing | | | | |
| 91500 Employee Benefit contributions - Administrative | \$5,691 | \$2,209,033 | | \$2,209,033 |
| 91600 Office Expenses | \$8,858 | \$8,883,665 | -\$6,314,429 | \$2,569,236 |
| 91700 Legal Expense | | \$71,370 | | \$71,370 |
| 91800 Travel | | \$49,655 | | \$49,655 |
| 91810 Allocated Overhead | | | | |
| 91900 Other | | | | |
| 91000 Total Operating - Administrative | \$34,320 | \$18,636,815 | -\$6,314,429 | \$12,322,386 |
| | | | | |
| 92000 Asset Management Fee | | | | |
| 92100 Tenant Services - Salaries | | \$180 | | \$180 |
| 92200 Relocation Costs | | | | |
| 92300 Employee Benefit Contributions - Tenant Services | | \$93 | | \$93 |
| 92400 Tenant Services - Other | | \$111,040 | | \$111,040 |
| 92500 Total Tenant Services | \$0 | \$111,313 | \$0 | \$111,313 |
| | | | | |
| 93100 Water | | \$1,401,062 | | \$1,401,062 |
| 93200 Electricity | | \$589,766 | | \$589,766 |
| 93300 Gas | | \$507,712 | | \$507,712 |
| 93400 Fuel | | | | |
| 93500 Labor | | | | |
| 93600 Sewer | | | | |
| 93700 Employee Benefit Contributions - Utilities | | | | |
| 93800 Other Utilities Expense | | | | |

DAKOTA COUNTY CDA (MN147)
Eagan, MN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2025

| | 14.169 Housing Counseling Assistance Program | Subtotal | ELIM | Total |
|---|--|-------------|------------|-------------|
| 93000 Total Utilities | \$0 | \$2,498,540 | \$0 | \$2,498,540 |
| | | | | |
| 94100 Ordinary Maintenance and Operations - Labor | | \$1,843,614 | | \$1,843,614 |
| 94200 Ordinary Maintenance and Operations - Materials and | | \$717,410 | | \$717,410 |
| 94300 Ordinary Maintenance and Operations Contracts | | \$5,244,881 | | \$5,244,881 |
| 94500 Employee Benefit Contributions - Ordinary Maintenance | | \$623,924 | | \$623,924 |
| 94000 Total Maintenance | \$0 | \$8,429,829 | \$0 | \$8,429,829 |
| | | | | |
| 95100 Protective Services - Labor | | | | |
| 95200 Protective Services - Other Contract Costs | | | | |
| 95300 Protective Services - Other | | | | |
| 95500 Employee Benefit Contributions - Protective Services | | | | |
| 95000 Total Protective Services | \$0 | \$0 | \$0 | \$0 |
| | | | | |
| 96110 Property Insurance | | \$2,027,297 | | \$2,027,297 |
| 96120 Liability Insurance | | | | |
| 96130 Workmen's Compensation | | | | |
| 96140 All Other Insurance | | | | |
| 96100 Total insurance Premiums | \$0 | \$2,027,297 | \$0 | \$2,027,297 |
| | | | | |
| 96200 Other General Expenses | | \$7,607,076 | -\$206,317 | \$7,400,759 |
| 96210 Compensated Absences | | | | |
| 96300 Payments in Lieu of Taxes | | \$1,518,182 | | \$1,518,182 |
| 96400 Bad debt - Tenant Rents | | \$193,672 | | \$193,672 |
| 96500 Bad debt - Mortgages | | \$251,092 | | \$251,092 |
| 96600 Bad debt - Other | | | | |

DAKOTA COUNTY CDA (MN147)
Eagan, MN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2025

| | 14.169 Housing Counseling Assistance Program | Subtotal | ELIM | Total |
|---|--|---------------|---------------|--------------|
| 96800 Severance Expense | | | | |
| 96000 Total Other General Expenses | \$0 | \$9,570,022 | -\$206,317 | \$9,363,705 |
| | | | | |
| 96710 Interest of Mortgage (or Bonds) Payable | | \$2,304,422 | -\$186,987 | \$2,117,435 |
| 96720 Interest on Notes Payable (Short and Long Term) | | | | |
| 96730 Amortization of Bond Issue Costs | | \$25,931 | | \$25,931 |
| 96700 Total Interest Expense and Amortization Cost | \$0 | \$2,330,353 | -\$186,987 | \$2,143,366 |
| | | | | |
| 96900 Total Operating Expenses | \$34,320 | \$43,604,169 | -\$6,707,733 | \$36,896,436 |
| | | | | |
| 97000 Excess of Operating Revenue over Operating Expenses | \$0 | \$75,938,867 | \$0 | \$75,938,867 |
| | | | | |
| 97100 Extraordinary Maintenance | | \$2,268,246 | | \$2,268,246 |
| 97200 Casualty Losses - Non-capitalized | | \$3,991 | | \$3,991 |
| 97300 Housing Assistance Payments | | \$31,233,279 | | \$31,233,279 |
| 97350 HAP Portability-In | | \$3,584,449 | | \$3,584,449 |
| 97400 Depreciation Expense | | \$9,362,569 | | \$9,362,569 |
| 97500 Fraud Losses | | | | |
| 97600 Capital Outlays - Governmental Funds | | | | |
| 97700 Debt Principal Payment - Governmental Funds | | | | |
| 97800 Dwelling Units Rent Expense | | | | |
| 90000 Total Expenses | \$34,320 | \$90,056,703 | -\$6,707,733 | \$83,348,970 |
| | | | | |
| 10010 Operating Transfer In | | \$19,258,342 | -\$19,258,342 | \$0 |
| 10020 Operating transfer Out | | -\$19,258,342 | \$19,258,342 | \$0 |
| 10030 Operating Transfers from/to Primary Government | | | | |

DAKOTA COUNTY CDA (MN147)
Eagan, MN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2025

| | 14.169 Housing Counseling Assistance Program | Subtotal | ELIM | Total |
|---|--|---------------|------|---------------|
| 10040 Operating Transfers from/to Component Unit | | | | |
| 10050 Proceeds from Notes, Loans and Bonds | | | | |
| 10060 Proceeds from Property Sales | | | | |
| 10070 Extraordinary Items, Net Gain/Loss | | | | |
| 10080 Special Items (Net Gain/Loss) | | | | |
| 10091 Inter Project Excess Cash Transfer In | | | | |
| 10092 Inter Project Excess Cash Transfer Out | | | | |
| 10093 Transfers between Program and Project - In | | | | |
| 10094 Transfers between Project and Program - Out | | | | |
| 10100 Total Other financing Sources (Uses) | \$0 | \$0 | \$0 | \$0 |
| | | | | |
| 10000 Excess (Deficiency) of Total Revenue Over (Under) Total | \$0 | \$29,486,333 | \$0 | \$29,486,333 |
| | | | | |
| 11020 Required Annual Debt Principal Payments | \$0 | \$0 | | \$0 |
| 11030 Beginning Equity | \$0 | \$462,485,006 | | \$462,485,006 |
| 11040 Prior Period Adjustments, Equity Transfers and | | -\$663,327 | | -\$663,327 |
| 11050 Changes in Compensated Absence Balance | | | | |
| 11060 Changes in Contingent Liability Balance | | | | |
| 11070 Changes in Unrecognized Pension Transition Liability | | | | |
| 11080 Changes in Special Term/Severance Benefits Liability | | | | |
| 11090 Changes in Allowance for Doubtful Accounts - Dwelling | | | | |
| 11100 Changes in Allowance for Doubtful Accounts - Other | | | | |
| 11170 Administrative Fee Equity | | \$4,739,993 | | \$4,739,993 |
| | | | | |
| 11180 Housing Assistance Payments Equity | | \$181,940 | | \$181,940 |
| 11190 Unit Months Available | | 69438 | | 69438 |

DAKOTA COUNTY CDA (MN147)
Eagan, MN
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2025

| | 14.169 Housing Counseling Assistance Program | Subtotal | ELIM | Total |
|--|--|-------------|------|-------------|
| 11210 Number of Unit Months Leased | | 68511 | | 68511 |
| 11270 Excess Cash | | \$7,836,681 | | \$7,836,681 |
| 11610 Land Purchases | | \$0 | | \$0 |
| 11620 Building Purchases | | \$724,448 | | \$724,448 |
| 11630 Furniture & Equipment - Dwelling Purchases | | \$0 | | \$0 |
| 11640 Furniture & Equipment - Administrative Purchases | | \$0 | | \$0 |
| 11650 Leasehold Improvements Purchases | | \$0 | | \$0 |
| 11660 Infrastructure Purchases | | \$0 | | \$0 |
| 13510 CFFP Debt Service Payments | | \$0 | | \$0 |
| 13901 Replacement Housing Factor Funds | | \$0 | | \$0 |

Dakota County Community Development Agency
Schedule of Net Position
Combining Schedule - Business Activities
June 30, 2025

| | Common Bond Housing | Lincoln Place | Nicols Pointe | Real Estate Operations | Internal Service | Total Business Activities |
|--|---------------------------|------------------|------------------|---------------------------|---------------------|---------------------------------|
| Assets and Deferred Outflows of Resources | | | | | | |
| Current assets: | | | | | | |
| Cash and cash equivalents | \$ 47,511,112 | \$ 46,429 | \$ 96,684 | \$ 29,855,917 | \$ 205,246 | \$ 77,715,388 |
| Investments | - | - | - | 47,132,829 | - | 47,132,829 |
| Restricted cash and cash equivalents | 13,551,325 | 12,933 | - | - | - | 13,564,258 |
| Restricted investments | - | - | - | - | - | - |
| Accounts receivable - tenants | 67,124 | 3,285 | 779 | - | - | 71,188 |
| Accounts receivable - other | 1,374 | - | - | 255,756 | - | 257,130 |
| Due from other governments | 77,932 | 690,493 | - | 44,543 | - | 812,968 |
| Interest receivable - investments | 59,449 | - | - | 99,269 | - | 158,718 |
| Lease receivable | 333,770 | - | - | - | - | 333,770 |
| Other current assets | - | - | - | 3,640,456 | - | 3,640,456 |
| Notes and mortgages receivable, current portion | 9,168 | - | 517 | - | - | 9,685 |
| Prepaid items and inventory | 16,317 | - | - | 216,828 | - | 233,145 |
| Total current assets | 61,627,571 | 753,140 | 97,980 | 81,245,598 | 205,246 | 143,929,535 |
| Noncurrent assets: | | | | | | |
| Notes and mortgages receivable, net of allowance for loan losses | - | - | - | - | - | - |
| Other assets | 4,580,912 | - | - | - | - | 4,580,912 |
| Capital assets not being depreciated: | | | | | | |
| Land | 18,652,336 | 584,353 | 390,515 | 6,875,979 | 428,622 | 26,931,805 |
| Construction in progress | - | - | - | - | - | - |
| Capital assets (net of accumulated depreciation): | | | | | | |
| Land improvements | 1,106,252 | - | 215,781 | - | 202,458 | 1,524,491 |
| Buildings | 101,326,290 | 2,198,964 | 7,290,031 | - | 2,102,420 | 112,917,705 |
| Furniture and equipment | 1,140,315 | - | 211,033 | 80,869 | 252,528 | 1,684,745 |
| Total noncurrent assets | 126,806,105 | 2,783,317 | 8,107,360 | 6,956,848 | 2,986,028 | 147,639,658 |
| Total assets | 188,433,676 | 3,536,457 | 8,205,340 | 88,202,446 | 3,191,274 | 291,569,193 |
| Deferred outflow of resources | - | - | - | - | - | - |
| Total assets and deferred outflows of resources | \$ 188,433,676 | \$ 3,536,457 | \$ 8,205,340 | \$ 88,202,446 | \$ 3,191,274 | \$ 291,569,193 |

Dakota County Community Development Agency
Schedule of Net Position
Combining Schedule - Business Activities
June 30, 2025

| | Common Bond Housing | Lincoln Place | Nicols Pointe | Real Estate Operations | Internal Service | Total Business Activities |
|--|---------------------------|------------------|------------------|---------------------------|---------------------|---------------------------------|
| Liabilities, Deferred Inflows of Resources and Net Position | | | | | | |
| Current liabilities: | | | | | | |
| Accounts payable | \$ 945,513 | \$ 9,936 | \$ 3,953 | \$ 367,674 | \$ 25,849 | \$ 1,352,925 |
| Accrued payroll and benefits | 17,524 | 304 | 337 | 192,771 | 227 | 211,163 |
| Other current liabilities | 75,100 | 1,314 | 451 | 2,002,217 | 680 | 2,079,762 |
| Security deposits payable | 1,246,214 | 11,953 | 16,910 | - | 5,000 | 1,280,077 |
| Due to other governments | 415,318 | 3,729 | 3,374 | - | - | 422,421 |
| Accrued interest payable | 1,010,225 | - | - | - | - | 1,010,225 |
| Accrued compensated absences | 1,765 | 89 | 193 | 799,761 | - | 801,808 |
| Current portion of long-term debt | 4,000,000 | - | - | - | - | 4,000,000 |
| Unearned revenue | 84,167 | 460 | 509 | - | 17,926 | 103,062 |
| Total current liabilities | 7,795,826 | 27,785 | 25,727 | 3,362,423 | 49,682 | 11,261,443 |
| Noncurrent liabilities | | | | | | |
| Accrued compensated absences | - | - | - | 731,501 | - | 731,501 |
| Notes payable, net of current portion | - | 4,221,029 | - | - | - | 4,221,029 |
| Bonds payable | 61,131,155 | - | - | - | - | 61,131,155 |
| Total noncurrent liabilities | 61,131,155 | 4,221,029 | - | 731,501 | - | 66,083,685 |
| Total liabilities | 68,926,981 | 4,248,814 | 25,727 | 4,093,924 | 49,682 | 77,345,128 |
| Deferred inflow of resources | 4,506,832 | - | - | - | - | 4,506,832 |
| Total liabilities and deferred inflows of resources | 73,433,813 | 4,248,814 | 25,727 | 4,093,924 | 49,682 | 81,851,960 |
| Net position: | | | | | | |
| Net investment in capital assets | 61,518,910 | (1,437,712) | 8,107,360 | 6,956,848 | 2,986,028 | 78,131,434 |
| Restricted for capital projects | 13,551,325 | 690,492 | - | - | - | 14,241,817 |
| Unrestricted | 39,929,628 | 34,863 | 72,253 | 77,151,674 | 155,564 | 117,343,982 |
| Total net position | 114,999,863 | (712,357) | 8,179,613 | 84,108,522 | 3,141,592 | 209,717,233 |
| Total liabilities, deferred inflows of resources and net position | \$ 188,433,676 | \$ 3,536,457 | \$ 8,205,340 | \$ 88,202,446 | \$ 3,191,274 | \$ 291,569,193 |

Dakota County Community Development Agency
Schedule of Revenues, Expenses, and Changes in Net Position
Combining Schedule - Business Activities
Year Ended June 30, 2025

| | Common Bond Housing | Lincoln Place | Nicols Pointe | Real Estate Operations | Internal Service | Total Business Activities |
|---|---------------------------|------------------|------------------|---------------------------|---------------------|---------------------------------|
| Operating revenues: | | | | | | |
| Dwelling rents | \$ 17,744,371 | \$ 180,532 | \$ 107,756 | \$ - | \$ - | \$ 18,032,659 |
| Operating subsidies and grants | - | 150,000 | - | - | - | 150,000 |
| Other | 1,667,215 | 10,883 | 8,450 | 7,278,719 | 722,161 | 9,687,428 |
| Total revenues | 19,411,586 | 341,415 | 116,206 | 7,278,719 | 722,161 | 27,870,087 |
| Operating expenses: | | | | | | |
| Administrative | 4,345,204 | 63,671 | 37,103 | 5,224,068 | 423,415 | 10,093,461 |
| Tenant services | - | 100,000 | - | - | - | 100,000 |
| Utilities | 1,521,233 | 33,929 | 16,133 | - | 58,716 | 1,630,011 |
| Ordinary maintenance and operation | 4,373,524 | 86,061 | 43,900 | 32,080 | 107,420 | 4,642,985 |
| General expense | 2,326,124 | 39,080 | 18,029 | 474,630 | 30,993 | 2,888,856 |
| Nonroutine maintenance | 1,499,589 | - | - | - | 45,412 | 1,545,001 |
| Depreciation | 4,776,597 | 90,893 | 114,096 | 34,696 | 206,194 | 5,222,476 |
| Total operating expenses | 18,842,271 | 413,634 | 229,261 | 5,765,474 | 872,150 | 26,122,790 |
| Operating income (loss) | 569,315 | (72,219) | (113,055) | 1,513,245 | (149,989) | 1,747,297 |
| Nonoperating revenues (expenses): | | | | | | |
| Investment earnings | 2,794,200 | 30,895 | - | 4,377,844 | 270 | 7,203,209 |
| Interest expense | (1,679,738) | - | - | - | - | (1,679,738) |
| Gain (loss) on disposal of capital assets | (98,643) | - | - | - | - | (98,643) |
| Total nonoperating revenues (expenses) | 1,015,819 | 30,895 | - | 4,377,844 | 270 | 5,424,828 |
| Income (loss) before contributions | 1,585,134 | (41,324) | (113,055) | 5,891,089 | (149,719) | 7,172,125 |
| Capital contributions/internal transfers | 5,934,872 | - | 7,653,306 | - | 378,042 | 13,966,220 |
| Change in net position | 7,520,006 | (41,324) | 7,540,251 | 5,891,089 | 228,323 | 21,138,345 |
| Total net position - beginning | 107,479,857 | (671,033) | 639,362 | 78,217,433 | 2,913,269 | 188,578,888 |
| Total net position - ending | \$ 114,999,863 | \$ (712,357) | \$ 8,179,613 | \$ 84,108,522 | \$ 3,141,592 | \$ 209,717,233 |

Statistical Section

This part of the Dakota County Community Development Agency's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the CDA's overall financial health.

| <u>Contents</u> | <u>Page</u> |
|---|--------------------|
| Financial Trends | 115 |
| These schedules contain trend information to help the reader understand how the CDA's financial performance and well-being have changed over time. | |
| Revenue Capacity | 117 |
| These schedules contain information to help the reader assess the CDA's most significant local revenue sources, property tax and rental revenues. | |
| Debt Capacity | 122 |
| These schedules present information to help the reader assess the affordability of the CDA's current levels of outstanding debt and the CDA's ability to issue additional debt in the future. | |
| Demographic and Economic Information | 124 |
| These schedules offer demographic and economic indicators to help the reader understand the environment within which the CDA's financial activities take place and to help make comparisons over time. | |
| Operating Information | 126 |
| These schedules contain information about the CDA's operations and resources to help the reader understand how the CDA's financial information relates to the services the CDA provides and the activities it performs. | |

Sources: Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Reports for the relevant year.

Dakota County Community Development Agency
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

| Fiscal Year | Net Investment in Capital Assets | Restricted | Unrestricted | Total |
|-------------|--|---------------|----------------|----------------|
| 2016 | \$ 92,249,133 | \$ 58,413,028 | \$ 111,191,184 | \$ 261,853,345 |
| 2017 | 97,672,468 | 64,440,381 | 113,281,529 | 275,394,378 |
| 2018 | 98,375,590 | 66,425,750 | 118,506,607 | 283,307,947 |
| 2019 | 97,768,709 | 71,370,422 | 125,078,174 | 294,217,305 |
| 2020 | 102,120,878 | 75,268,971 | 135,688,825 | 313,078,674 |
| 2021 | 99,326,312 | 79,071,637 | 150,856,028 | 329,253,977 |
| 2022 | 105,795,678 | 91,787,833 | 153,202,794 | 350,786,305 |
| 2023 | 108,902,615 | 102,014,365 | 164,623,406 | 375,540,386 |
| 2024 | 118,818,718 | 108,106,956 | 183,337,782 | 410,263,456 |
| 2025 | 129,398,604 | 113,484,157 | 197,890,527 | 440,773,288 |

Dakota County Community Development Agency
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

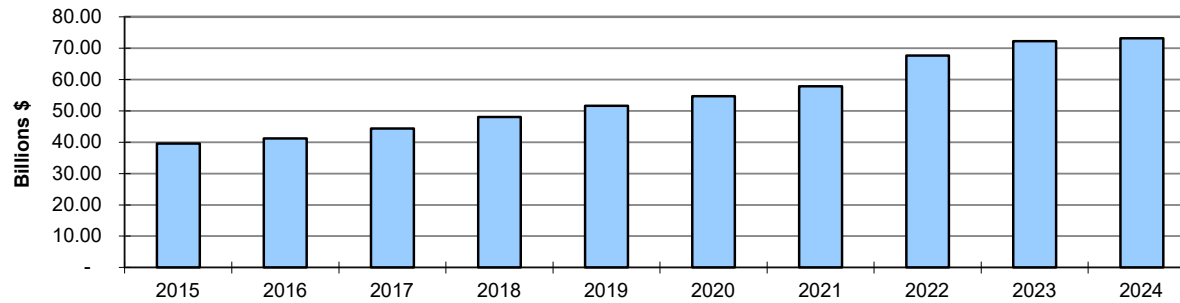
| | Fiscal Year Ending | | | | | | | | | |
|---|--------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
| Operating revenue: | | | | | | | | | | |
| Charges for services | \$ 21,527,263 | \$ 24,781,740 | \$ 18,921,016 | \$ 19,506,696 | \$ 20,643,740 | \$ 22,363,037 | \$ 23,646,276 | \$ 24,615,389 | \$ 25,784,865 | \$ 26,950,698 |
| Operating grants and contributions | 27,359,700 | 29,440,325 | 26,584,439 | 28,488,699 | 29,640,974 | 33,099,844 | 37,438,621 | 43,458,064 | 43,666,580 | 44,871,103 |
| Other | 71,233 | 65,420 | 6,233,234 | 6,596,092 | 7,569,734 | 9,050,868 | 7,245,332 | 7,692,918 | 9,577,101 | 10,283,834 |
| Total operating revenue | 48,958,196 | 54,287,485 | 51,738,689 | 54,591,487 | 57,854,448 | 64,513,749 | 68,330,229 | 75,766,371 | 79,028,546 | 82,105,635 |
| Operating expense: | | | | | | | | | | |
| Administrative | - | - | 8,040,592 | 8,482,269 | 9,000,902 | 9,505,113 | 9,461,850 | 9,619,741 | 10,569,478 | 11,552,180 |
| Tenant services | - | - | 149,598 | 200,567 | 215,784 | 217,861 | 218,849 | 165,269 | 114,151 | 111,314 |
| Utilities | - | - | 1,915,125 | 1,694,485 | 1,757,000 | 1,788,197 | 2,259,346 | 2,417,001 | 2,084,061 | 2,267,129 |
| Ordinary maintenance | - | - | 5,451,803 | 5,788,842 | 6,350,256 | 6,007,270 | 6,254,003 | 7,006,872 | 7,217,969 | 7,394,837 |
| General expense | - | - | 7,740,659 | 8,665,611 | 5,933,071 | 6,777,200 | 8,352,913 | 9,832,903 | 10,888,737 | 14,079,057 |
| Depreciation | - | - | 6,345,145 | 6,320,814 | 6,515,516 | 6,467,611 | 6,852,900 | 6,952,820 | 7,228,827 | 7,533,028 |
| Nonroutine maintenance | - | - | 1,238,418 | 1,012,674 | 864,339 | 808,222 | 1,093,280 | 2,484,516 | 1,362,170 | 2,089,946 |
| Housing assistance payments | - | - | 20,230,211 | 20,126,405 | 22,151,499 | 25,286,872 | 27,401,798 | 30,504,368 | 28,020,293 | 31,233,279 |
| Governmental activities | 9,491,189 | 9,710,148 | - | - | - | - | - | - | - | - |
| Business activities | 40,700,893 | 44,470,544 | - | - | - | - | - | - | - | - |
| Total operating expense | 50,192,082 | 54,180,692 | 51,111,551 | 52,291,667 | 52,788,367 | 56,858,346 | 61,894,939 | 68,983,490 | 67,485,686 | 76,260,770 |
| Operating income (loss) | (1,233,886) | 106,793 | 627,138 | 2,299,820 | 5,066,081 | 7,655,403 | 6,435,290 | 6,782,881 | 11,542,860 | 5,844,865 |
| Nonoperating revenues (expenses): | | | | | | | | | | |
| Investment earnings | 817,637 | 662,688 | 1,325,113 | 2,559,754 | 1,730,992 | 183,092 | (1,704,954) | 5,025,778 | 9,859,768 | 9,603,366 |
| Taxes and tax increments | 8,242,384 | 8,542,946 | 9,125,928 | 9,532,762 | 10,312,761 | 11,065,743 | 11,189,769 | 11,098,998 | 11,122,800 | 12,699,294 |
| Interest expense | - | - | (3,370,134) | (3,264,941) | (3,136,626) | (3,047,262) | (2,166,094) | (2,021,768) | (1,912,635) | (1,734,999) |
| Gain (loss) on disposal of capital assets | - | - | (503,784) | (161,819) | 345,764 | 318,327 | 3,946,998 | 2,709,361 | 469,649 | 3,183,973 |
| Total nonoperating revenues (expenses) | 9,060,021 | 9,205,634 | 6,577,123 | 8,665,756 | 9,252,891 | 8,519,900 | 11,265,719 | 16,812,369 | 19,539,582 | 23,751,634 |
| Net gain/loss | 7,826,135 | 9,312,427 | 7,204,261 | 10,965,576 | 14,318,972 | 16,175,303 | 17,701,009 | 23,595,250 | 31,082,442 | 29,596,499 |
| Capital contributions | 705,192 | 4,228,516 | 1,251,114 | - | 3,944,374 | - | 3,831,319 | 1,158,831 | 1,404,371 | 913,333 |
| Change in net position | \$ 8,531,327 | \$ 13,540,943 | \$ 8,455,375 | \$ 10,965,576 | \$ 18,263,346 | \$ 16,175,303 | \$ 21,532,328 | \$ 24,754,081 | \$ 32,486,813 | \$ 30,509,832 |

Note: The CDA elected to change the presentation of its financial statements to a single business activity for the fiscal year ended June 30, 2018. As a result, revenues and expenses may be categorized differently than in prior fiscal years. Prior fiscal years were not restated.

Dakota County Community Development Agency
Assessed and Estimated Actual Value of Taxable Property
Last Ten Calendar Years

| Year Assessed | Real Property | | Personal Property | | Total | | Total Direct Tax Rate** | % of Total Assessed to Total Estimated Market Value |
|------------------|---------------------|---------------------------|-------------------|---------------------------|-------------------|---------------------------|-------------------------------|--|
| | Assessed * Value | Estimated Market Value | Assessed Value | Estimated Market Value | Assessed Value | Estimated Market Value | | |
| 2015 | \$ 454,661,066 | \$ 39,093,256,221 | \$ 9,845,321 | \$ 504,162,445 | \$ 464,506,387 | \$ 39,597,418,666 | 0.01559 | 1.2% |
| 2016 | 471,286,219 | 40,645,907,860 | 10,787,023 | 552,044,681 | 482,073,242 | 41,197,952,541 | 0.01547 | 1.2% |
| 2017 | 507,139,039 | 43,796,489,603 | 11,400,448 | 582,982,924 | 518,539,487 | 44,379,472,527 | 0.01548 | 1.2% |
| 2018 | 547,666,437 | 47,405,446,930 | 11,603,384 | 593,137,563 | 559,269,821 | 47,998,584,493 | 0.01479 | 1.2% |
| 2019 | 589,610,832 | 51,055,156,039 | 11,572,869 | 591,828,463 | 601,183,701 | 51,646,984,502 | 0.01479 | 1.2% |
| 2020 | 626,417,610 | 54,081,034,984 | 12,229,486 | 624,354,483 | 638,647,096 | 54,705,389,467 | 0.01469 | 1.2% |
| 2021 | 662,362,315 | 57,381,581,817 | 9,048,457 | 465,275,490 | 671,410,772 | 57,846,857,307 | 0.01375 | 1.2% |
| 2022 | 770,676,492 | 67,134,746,569 | 9,600,612 | 492,676,896 | 780,277,104 | 67,627,423,465 | 0.01391 | 1.2% |
| 2023 | 830,424,687 | 71,756,314,696 | 9,579,710 | 491,998,940 | 840,004,397 | 72,248,313,636 | 0.01176 | 1.2% |
| 2024 | 845,256,262 | 72,681,765,207 | 8,861,294 | 455,902,145 | 854,117,556 | 73,137,667,352 | 0.01309 | 1.2% |

Estimated Market Value-Real and Personal Property



* Valuations are determined as of January 1 of the year preceding the tax collection year. Amounts are shown for the year in which taxes are payable.

Assessed value is prior to Fiscal Disparity and Tax Increment District Adjustments.

** This is the Direct Tax Capacity Rate for the Dakota County Community Development Agency

Data Source: Dakota County Minnesota 2024 ACFR

Dakota County Community Development Agency
Direct and Overlapping Governments
Tax Capacity Rates
Last Ten Calendar Years

| Governments | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|--------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| COUNTY | | | | | | | | | | |
| Dakota County | 0.29633 | 0.28570 | 0.28004 | 0.26580 | 0.25386 | 0.24133 | 0.22716 | 0.21630 | 0.18816 | 0.18323 |
| CITIES | | | | | | | | | | |
| Apple Valley | 0.45274 | 0.44721 | 0.44473 | 0.42475 | 0.39603 | 0.38782 | 0.38192 | 0.38182 | 0.35273 | 0.36789 |
| Burnsville | 0.44790 | 0.46525 | 0.46557 | 0.43552 | 0.43595 | 0.43148 | 0.42853 | 0.43054 | 0.42374 | 0.42503 |
| Coates | 0.20081 | 0.17482 | 0.17490 | 0.17399 | 0.15688 | 0.17196 | 0.13838 | 0.14258 | 0.12739 | 0.11370 |
| Eagan | 0.36525 | 0.37097 | 0.37385 | 0.36378 | 0.35227 | 0.35262 | 0.36333 | 0.36119 | 0.33566 | 0.33585 |
| Farmington | 0.61455 | 0.59239 | 0.58760 | 0.57161 | 0.54372 | 0.50971 | 0.49251 | 0.50623 | 0.42933 | 0.45069 |
| Hampton | 0.46932 | 0.42776 | 0.45342 | 0.40813 | 0.34468 | 0.44044 | 0.37915 | 0.41069 | 0.31361 | 0.32708 |
| Hastings | 0.62581 | 0.63577 | 0.62518 | 0.60864 | 0.59612 | 0.57391 | 0.57351 | 0.58807 | 0.53267 | 0.55230 |
| Inver Grove Heights | 0.48131 | 0.49266 | 0.51644 | 0.51112 | 0.53537 | 0.51037 | 0.50590 | 0.51925 | 0.48814 | 0.50132 |
| Lakeville | 0.38948 | 0.38669 | 0.37510 | 0.36419 | 0.35607 | 0.34615 | 0.34351 | 0.32846 | 0.29676 | 0.30213 |
| Lilydale | 0.32619 | 0.30133 | 0.30276 | 0.28772 | 0.27155 | 0.26130 | 0.25889 | 0.24826 | 0.24390 | 0.24294 |
| Mendota | 0.46806 | 0.49808 | 0.44384 | 0.51502 | 0.27453 | 0.30252 | 0.29374 | 0.27020 | 0.24974 | 0.28265 |
| Mendota Heights | 0.34964 | 0.35247 | 0.37487 | 0.37826 | 0.39294 | 0.38315 | 0.37849 | 0.39741 | 0.36889 | 0.72560 |
| Miesville | 0.32255 | 0.31950 | 0.31635 | 0.30821 | 0.29797 | 0.31106 | 0.30174 | 0.30460 | 0.27365 | 0.26593 |
| New Trier | 0.55227 | 0.52333 | 0.67619 | 0.53348 | 0.58132 | 0.52669 | 0.54828 | 0.52702 | 0.52814 | 0.52592 |
| Northfield | 0.56750 | 0.57552 | 0.55667 | 0.57164 | 0.56216 | 0.58161 | 0.56610 | 0.59867 | 0.62643 | 0.62224 |
| Randolph | 0.26076 | 0.26284 | 0.28171 | 0.24722 | 0.21488 | 0.31845 | 0.24405 | 0.26849 | 0.26199 | 0.25367 |
| Rosemount | 0.45152 | 0.43149 | 0.41832 | 0.40961 | 0.39355 | 0.38580 | 0.36954 | 0.36949 | 0.32345 | 0.33360 |
| South St. Paul | 0.60405 | 0.64693 | 0.63853 | 0.64041 | 0.64582 | 0.60847 | 0.63388 | 0.64411 | 0.60180 | 0.59453 |
| Sunfish Lake | 0.23869 | 0.25558 | 0.26178 | 0.26168 | 0.26206 | 0.28528 | 0.22716 | 0.28529 | 0.21814 | 0.26658 |
| Vermillion | 0.47954 | 0.41978 | 0.48789 | 0.41866 | 0.46032 | 0.41116 | 0.38087 | 0.35757 | 0.30192 | 0.30738 |
| West St. Paul | 0.70642 | 0.69795 | 0.71412 | 0.69287 | 0.28780 | 0.70106 | 0.69427 | 0.70684 | 0.67362 | 0.64708 |
| TOWNSHIPS | | | | | | | | | | |
| Castle Rock | 0.12364 | 0.12161 | 0.12145 | 0.12259 | 0.39603 | 0.11248 | 0.10448 | 0.10332 | 0.09018 | 0.08083 |
| Douglas | 0.18509 | 0.15701 | 0.15190 | 0.22048 | 0.16226 | 0.16392 | 0.18881 | 0.17360 | 0.16560 | 0.16133 |
| Empire | 0.29823 | 0.29445 | 0.29462 | 0.29892 | 0.27430 | 0.29131 | 0.27250 | 0.27623 | 0.24073 | 0.25491 |
| Eureka | 0.14688 | 0.13672 | 0.14463 | 0.14534 | 0.13685 | 0.20183 | 0.19310 | 0.19139 | 0.17284 | 0.16663 |
| Greenvale | 0.18013 | 0.17263 | 0.17123 | 0.16966 | 0.16868 | 0.16215 | 0.14722 | 0.14046 | 0.11872 | 0.12738 |
| Hampton | 0.14439 | 0.14581 | 0.13322 | 0.13514 | 0.12713 | 0.11824 | 0.13208 | 0.11223 | 0.10495 | 0.09384 |
| Marshan | 0.12860 | 0.12635 | 0.16613 | 0.16708 | 0.15110 | 0.19431 | 0.17084 | 0.17011 | 0.14053 | 0.11935 |
| Nininger | 0.16495 | 0.15829 | 0.16477 | 0.15484 | 0.15261 | 0.14610 | 0.14461 | 0.13636 | 0.13410 | 0.12880 |
| Randolph | 0.08665 | 0.08940 | 0.07345 | 0.09617 | 0.08630 | 0.08779 | 0.08270 | 0.07036 | 0.06094 | 0.06268 |
| Ravenna | 0.17452 | 0.18196 | 0.18164 | 0.17242 | 0.16870 | 0.15964 | 0.17435 | 0.13176 | 0.11035 | 0.12026 |
| Sciota | 0.13745 | 0.10887 | 0.07750 | 0.11892 | 0.13674 | 0.14562 | 0.13129 | 0.13398 | 0.13353 | 0.12171 |
| Vermillion | 0.17214 | 0.16724 | 0.16279 | 0.16282 | 0.15723 | 0.14728 | 0.14070 | 0.16031 | 0.14204 | 0.13911 |
| Waterford | 0.11909 | 0.16816 | 0.17375 | 0.28812 | 0.28780 | 0.28368 | 0.26483 | 0.25143 | 0.22066 | 0.18612 |
| SCHOOL DISTRICTS | | | | | | | | | | |
| 6 | 0.35881 | 0.36719 | 0.35868 | 0.31367 | 0.29622 | 0.28878 | 0.30270 | 0.29116 | 0.25628 | 0.24175 |
| 191 | 0.24554 | 0.31065 | 0.27529 | 0.25759 | 0.26202 | 0.23765 | 0.03432 | 0.02073 | 0.19403 | 0.17021 |
| 192 | 0.53474 | 0.57584 | 0.54269 | 0.52825 | 0.51401 | 0.53105 | 0.02394 | 0.49481 | 0.38497 | 0.36439 |
| 194 | 0.31459 | 0.35319 | 0.32914 | 0.32992 | 0.32535 | 0.34851 | 0.03722 | 0.33983 | 0.29473 | 0.29650 |
| 195 | 0.16685 | 0.18661 | 0.17065 | 0.17509 | 0.19879 | 0.20376 | 0.18555 | 0.18555 | 0.16691 | 0.15405 |
| 196 | 0.23271 | 0.24317 | 0.23336 | 0.21352 | 0.20613 | 0.19860 | 0.02394 | 0.19971 | 0.17904 | 0.23624 |
| 197 | 0.24063 | 0.22170 | 0.22295 | 0.21224 | 0.24246 | 0.22125 | 0.03432 | 0.20391 | 0.17067 | 0.17391 |
| 199 | 0.34864 | 0.30272 | 0.28572 | 0.26680 | 0.26537 | 0.22896 | 0.23368 | 0.22296 | 0.20009 | 0.20100 |
| 200 | 0.20965 | 0.20938 | 0.20305 | 0.20545 | 0.19079 | 0.17924 | 0.02394 | 0.16214 | 0.14207 | 0.16733 |
| 252 | 0.24900 | 0.28498 | 0.26310 | 0.24453 | 0.24663 | 0.20806 | 0.02394 | 0.19835 | 0.20363 | 0.20979 |
| 659 | 0.34064 | 0.32847 | 0.30937 | 0.33150 | 0.31216 | 0.30468 | 0.02394 | 0.27017 | 0.23821 | 0.36439 |
| SPECIAL DISTRICTS | | | | | | | | | | |
| Watershed M | 0.00679 | 0.00691 | 0.00745 | 0.00712 | 0.00664 | 0.00540 | 0.00540 | 0.00523 | 0.00493 | 0.00675 |
| Watershed V | 0.00466 | 0.00449 | 0.00449 | 0.00429 | 0.00403 | 0.00399 | 0.00370 | 0.00348 | 0.00287 | 0.00270 |
| Transit District | 0.01292 | 0.01261 | 0.01215 | 0.01104 | 0.01244 | 0.01150 | 0.01038 | 0.00969 | 0.00849 | 0.00750 |
| Mosquito Control | 0.00518 | 0.00491 | 0.00475 | 0.00443 | 0.00435 | 0.00406 | 0.00384 | 0.00372 | 0.00325 | 0.00315 |
| Metro Council | 0.00827 | 0.00958 | 0.00878 | 0.00821 | 0.00666 | 0.00606 | 0.00635 | 0.00649 | 0.00564 | 0.00620 |
| Dakota County CDA | 0.01559 | 0.01547 | 0.01548 | 0.01479 | 0.01479 | 0.01469 | 0.01375 | 0.01391 | 0.01176 | 0.01309 |
| Burnsville EDA | 0.00860 | 0.00891 | 0.00897 | 0.00955 | 0.00924 | 0.00136 | 0.00290 | 0.00317 | 0.00992 | 0.01081 |
| Hastings HRA | 0.01379 | 0.01551 | 0.01500 | 0.01454 | 0.01453 | 0.01455 | 0.01472 | 0.01491 | 0.01310 | 0.01531 |
| Northfield EDA | 0.01697 | 0.01702 | 0.01638 | 0.01624 | 0.01599 | 0.01572 | 0.01536 | 0.01600 | 0.01490 | 0.01550 |
| Northfield HRA | 0.01732 | 0.01763 | 0.01670 | 0.01655 | 0.01629 | 0.01602 | 0.01566 | 0.01633 | 0.01521 | 0.01582 |
| South St. Paul EDA | ----- | 0.01363 | 0.01685 | 0.01358 | 0.01516 | 0.01383 | 0.01558 | 0.01475 | 0.01371 | 0.01591 |
| South St. Paul HRA | 0.01468 | 0.01649 | 0.01492 | 0.01453 | 0.01527 | 0.01417 | 0.01558 | 0.01506 | 0.01399 | 0.01624 |
| South Metro EMS | 0.01264 | 0.01784 | 0.01541 | 0.01402 | 0.01333 | 0.01200 | 0.01162 | 0.01800 | 0.02289 | 0.03499 |
| Light Transit Rail | 0.00371 | 0.00357 | 0.00342 | 0.00031 | ----- | ----- | ----- | ----- | ----- | ----- |

The Tax Capacity Rate is determined by dividing a taxing district's property tax levy amount by the taxing district's total tax capacity.
Data Source: Dakota County Minnesota 2024 ACFR

Dakota County Community Development Agency
Principal Taxpayers
December 31, 2024 and December 31, 2015

| Name | Type of Business | 2024 Tax Capacity Value | % of Total County Tax Capacity |
|--|-------------------------|--|---|
| Northern States Power Co (Xcel Energy) | Utility | \$ 8,674,113 | 1.0% |
| Flint Hills Resources Pine Bend LLC | Industrial | 4,786,931 | 0.6% |
| Northern Natural Gas Co. | Utility | 1,953,772 | 0.2% |
| SVC CPC Eagan LLC | Commercial | 1,739,680 | 0.2% |
| Paragon Outlets Eagan LLC | Commercial | 1,699,250 | 0.2% |
| Stag Industrial Holdings LLC | Industrial | 1,498,622 | 0.2% |
| MV Eagan Ventures LLC | Commercial | 1,404,872 | 0.2% |
| Eagan Property Owner LLC | Industrial | 1,327,114 | 0.2% |
| Chicago & NW Trans Co | Railroad | 1,321,001 | 0.2% |
| Breit Dakota Industrial Owner LLC | Industrial | 1,224,446 | 0.1% |
| | | \$ 25,629,801 | 3.1% |

| Name | Type of Business | 2015 Tax Capacity Value | % of Total County Tax Capacity |
|--|-------------------------|--|---|
| Northern States Power Co (Xcel Energy) | Electric Utility | \$ 7,712,529 | 1.7% |
| Flint Hills | Refinery | 3,466,876 | 0.7% |
| Burnsville Center Spe LP | Burnsville Center | 2,149,250 | 0.5% |
| Dakota Electric Assn | Electric Utility | 1,610,590 | 0.3% |
| West Publishing Co. | Book Publishing | 1,464,158 | 0.3% |
| Northern Natural Gas Co. | Natural Gas Utility | 1,397,192 | 0.3% |
| Health Landlord (MN) LLC | Commercial | 1,203,628 | 0.3% |
| Minnegasco Inc. | Natural Gas Utility | 1,198,396 | 0.3% |
| Eagan Promenade Inc | Health Care | 802,242 | 0.2% |
| Menard Inc | Retail | 728,960 | 0.2% |
| | | \$ 21,733,821 | 4.8% |

Data Source: Dakota County Minnesota 2024 ACFR

**Dakota County Community Development Agency
Property Tax Levies and Collections
Last Ten Fiscal Years**

| Fiscal Year | Total Tax Levy | | Current Collections | | Delinquent Collections | Total Collections | | % of Current Levy | Outstanding Delinquent Taxes | Total Delinquent Taxes as a % of Current Levy |
|----------------|-------------------|------------|---------------------|------------|---------------------------|----------------------|--------|-------------------------|------------------------------------|---|
| | | | Amount | % of Levy | | | | | | |
| 2016 | \$ | 6,829,714 | \$ | 6,774,274 | 99.19% | \$ | 11,860 | \$ | 58,584 | 0.86% |
| 2017 | | 7,048,156 | | 6,994,097 | 99.23% | | 38,283 | | 66,953 | 0.95% |
| 2018 | | 7,348,023 | | 7,293,830 | 99.26% | | 41,329 | | 56,360 | 0.77% |
| 2019 | | 7,624,549 | | 7,607,466 | 99.78% | | 31,311 | | 51,359 | 0.67% |
| 2020 | | 8,176,928 | | 8,162,792 | 99.83% | | 48,835 | | 54,723 | 0.67% |
| 2021 | | 8,786,895 | | 8,732,070 | 99.38% | | 64,798 | | 47,242 | 0.54% |
| 2022 | | 9,269,456 | | 8,737,207 | 94.26% | | 46,968 | | 50,792 | 0.55% |
| 2023 | | 9,269,456 | | 9,252,584 | 99.82% | | 42,123 | | 56,469 | 0.61% |
| 2024 | | 10,773,670 | | 9,236,710 | 85.73% | | 41,860 | | 52,885 | 0.49% |
| 2025 | | 11,483,710 | | 10,726,694 | 93.41% | | - | | 58,375 | 0.51% |

Dakota County Community Development Agency
Rental Revenues
Last Ten Fiscal Years

| Fiscal Year | Common Bond | | | Public Housing | | | Blended Component Units | | | Other Housing | | |
|----------------|----------------------------|----------------------------|--------------------------------------|----------------------------|----------------------------|--------------------------------------|----------------------------|----------------------------|--------------------------------------|----------------------------|----------------------------|--------------------------------------|
| | Total Tenant Revenue | Average Units per Mo | Average Revenue per Unit Month | Total Tenant Revenue | Average Units per Mo | Average Revenue per Unit Month | Total Tenant Revenue | Average Units per Mo | Average Revenue per Unit Month | Total Tenant Revenue | Average Units per Mo | Average Revenue per Unit Month |
| 2016 | \$ 12,061,330 | 1,614 | \$ 623 | \$ 2,052,456 | 323 | \$ 530 | \$ 1,963,078 | 215 | \$ 761 | \$ 146,273 | 25 | 488 |
| 2017 | 14,163,831 | 1,674 | 705 | 2,117,841 | 323 | 546 | 2,533,832 | 246 | 858 | 130,705 | 25 | 436 |
| 2018 | 14,933,937 | 1,731 | 719 | 2,167,865 | 323 | 559 | 2,878,002 | 296 | 810 | 141,141 | 25 | 470 |
| 2019 | 15,326,653 | 1,731 | 738 | 2,302,286 | 323 | 594 | 2,994,179 | 296 | 843 | 152,881 | 25 | 510 |
| 2020 | 15,703,584 | 1,731 | 756 | 2,410,024 | 323 | 622 | 3,655,095 | 364 | 837 | 160,832 | 25 | 536 |
| 2021 | 16,231,496 | 1,731 | 781 | 1,474,305 | 213 | 577 | 5,667,764 | 484 | 976 | 167,420 | 25 | 558 |
| 2022 | 16,698,237 | 1,772 | 785 | 1,427,401 | 203 | 586 | 6,736,376 | 535 | 1,049 | 151,421 | 25 | 505 |
| 2023 | 17,577,087 | 1,785 | 821 | 1,391,467 | 203 | 571 | 6,937,003 | 541 | 1,069 | 145,951 | 25 | 487 |
| 2024 | 18,228,655 | 1,785 | 851 | 1,539,874 | 203 | 632 | 7,341,613 | 572 | 1,070 | 175,750 | 25 | 586 |
| 2025 | 19,040,677 | 1,785 | 889 | 1,581,332 | 203 | 649 | 7,567,478 | 557 | 1,132 | 303,235 | 41 | 616 |

Note: Rent is determined based on resident income. Common Bond and Nicols provide locally-funded housing, Public Housing provides housing to seniors, families, and individuals with disabilities, Youth Housing provides supportive housing for young adults and the Blended Component Units primarily provide housing to families.

Dakota County Community Development Agency
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

| Fiscal Year | Notes Payable | Housing Development Bonds | Deferred Loans | Total Debt | Debt Ratio |
|-------------|---------------|---------------------------|----------------|----------------|------------|
| 2016 | \$ 600,000 | \$ 110,466,516 | \$ 8,274,039 | \$ 119,340,555 | 65% |
| 2017 | 600,000 | 107,165,863 | 10,110,835 | 117,876,698 | 64% |
| 2018 | 600,000 | 84,492,611 | 10,627,704 | 95,720,315 | 59% |
| 2019 | 600,000 | 80,834,441 | 10,625,021 | 92,059,462 | 57% |
| 2020 | 600,000 | 77,089,030 | 12,627,128 | 90,316,158 | 55% |
| 2021 | 600,000 | 82,650,813 | 12,580,391 | 95,831,204 | 54% |
| 2022 | 600,000 | 78,578,662 | 12,533,871 | 91,712,533 | 51% |
| 2023 | 600,000 | 74,170,139 | 11,599,871 | 86,370,010 | 47% |
| 2024 | 600,000 | 69,415,263 | 11,151,871 | 81,167,134 | 44% |
| 2025 | 600,000 | 65,131,155 | 10,982,871 | 76,714,026 | 41% |

Note: The outstanding debt is specifically related to construction and renovation of housing projects. The personal income of the county residents would not be a meaningful ratio relating to this debt. The ratio shown is to the assets of the funds to which the debt applies.

Dakota County Community Development Agency
Pledged-Revenue Coverage
Housing Development Bonds
Last Ten Fiscal Years

| Fiscal Year | Gross Revenues | Direct Operating Expenses | Transfers and Contributions | Net Revenue Available for Debt Service | Debt Service Requirements | | | Coverage |
|----------------|-------------------|---------------------------------|--------------------------------|---|---------------------------|--------------|---------------|----------|
| | | | | | Principal | Interest | Total | |
| 2016 | \$ 13,508,758 | \$ 8,399,881 | \$ 5,600,000 | \$ 10,708,877 | \$ 8,460,000 | \$ 4,172,023 | \$ 12,632,023 | 0.85 |
| 2017 | 14,203,760 | 9,100,510 | 5,600,000 | 10,703,250 | 2,970,000 | 4,668,299 | 7,638,299 | 1.40 |
| 2018 | 15,432,612 | 9,614,724 | 5,600,000 | 11,417,888 | 3,085,000 | 3,313,646 | 6,398,646 | 1.78 |
| 2019 | 16,175,270 | 10,154,532 | 5,600,000 | 11,620,738 | 3,360,000 | 3,208,359 | 6,568,359 | 1.77 |
| 2020 | 16,466,269 | 10,439,285 | 5,600,000 | 11,626,984 | 3,460,000 | 3,064,738 | 6,524,738 | 1.78 |
| 2021 | 16,369,961 | 10,357,120 | 5,600,000 | 11,612,841 | 3,490,000 | 2,957,754 | 6,447,754 | 1.80 |
| 2022 | 17,322,114 | 11,430,704 | 5,600,000 | 11,491,410 | 3,525,000 | 2,697,763 | 6,222,763 | 1.85 |
| 2023 | 19,256,824 | 13,216,455 | 5,600,000 | 11,640,369 | 3,895,000 | 2,537,813 | 6,432,813 | 1.81 |
| 2024 | 20,692,317 | 12,806,145 | 5,600,000 | 13,486,172 | 3,910,000 | 2,360,313 | 6,270,313 | 2.15 |
| 2025 | 21,823,048 | 14,048,758 | 5,600,000 | 13,374,290 | 3,850,000 | 2,189,375 | 6,039,375 | 2.21 |

Note: Details about the housing development bonds can be found in the notes to the financial statements (Note 2 G). Revenues pledged for debt service include all rents and other operating revenues of the housing developments financed by the bonds plus additional amounts pledged from the Agency's tax levy and tax increment revenues which are included in the transfers and contributions column.

Dakota County Community Development Agency
Demographic Statistics
Last Ten Calendar Years

| Year | Population¹ | Personal Income¹ | Per Capita Income¹ | Median Age² | School Enrollment K through 12³ | Annual Average Unemployment Rate⁴ |
|-------------|-------------------------------|--|--|-----------------------------------|---|---|
| 2015 | 414,686 | 22,272,614,000 | 53,710 | 37.3 | 75,336 | 3.3% |
| 2016 | 417,487 | 22,951,451,000 | 54,975 | 37.6 | 75,123 | 3.4% |
| 2017 | 421,751 | 24,308,945,000 | 57,638 | 37.8 | 76,323 | 3.1% |
| 2018 | 425,423 | 25,802,276,000 | 60,651 | 38.2 | 76,821 | 2.5% |
| 2019 | 429,021 | 26,562,417,000 | 61,914 | 38.3 | 77,228 | 2.9% |
| 2020 | 431,807 | 27,958,762,000 | 64,748 | 37.7 | 77,711 | 5.9% |
| 2021 | 442,038 | 30,026,160,000 | 67,927 | 38.5 | 75,499 | 3.1% |
| 2022 | 443,341 | 31,026,692,000 | 69,984 | 39.0 | 77,007 | 2.0% |
| 2023 | 447,440 | 33,566,347,000 | 75,019 | 39.1 | 77,293 | 2.7% |
| 2024 | 453,156 | * | * | 39.3 | 76,965 | 2.9% |

Data Sources: Dakota County Minnesota 2024 ACFR

(1) US Dept Of Commerce, Bureau of Economic Analysis

(2) US Census Bureau

(3) State Department of Education; Public, Private, & Charter school enrollment.

(4) State Department of Employment and Economic Development

* Information for current year was not available at time of publication

Dakota County Community Development Agency
Principal Employers
Dakota County, Minnesota

| Employer | 2024 Employees | Percentage of Total County Employment |
|---------------------------------|-------------------|---|
| Reuters Thomson West | 6,700 | 2.79% |
| Independent School District 196 | 4,367 | 1.82% |
| Blue Cross-Blue Shield of MN | 3,000 | 1.25% |
| Burnsville Center* | 3,000 | 1.25% |
| US Postal Service (Eagan) | 2,704 | 1.13% |
| CHS Inc | 2,300 | 0.96% |
| Dakota County | 2,052 | 0.85% |
| UTC Aerospace Systems | 1,900 | 0.79% |
| Independent School District 191 | 1,355 | 0.56% |
| Independent School District 194 | 1,334 | 0.56% |
| Total County Employment | 240,319 | 11.96% |

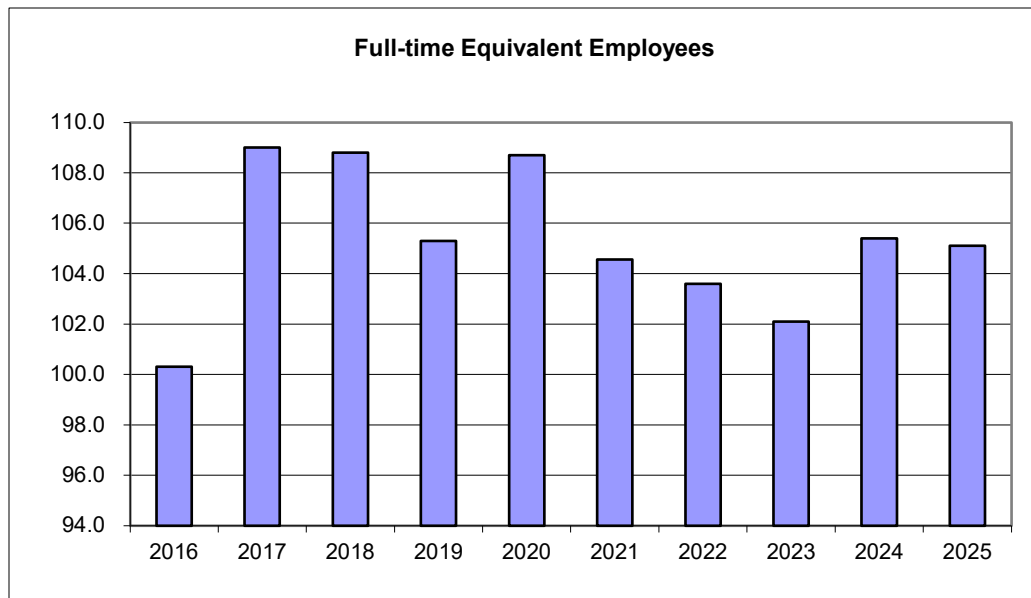
| Employer | 2015 Employees | Percentage of Total County Employment |
|---------------------------------|-------------------|---|
| Reuters Thomson West | 7,000 | 2.99% |
| Independent School District 196 | 4,000 | 1.71% |
| Blue Cross-Blue Shield | 3,120 | 1.33% |
| Burnsville Center | 3,000 | 1.28% |
| Prime Therapeutics | 2,700 | 1.15% |
| Dakota County | 1,776 | 0.76% |
| Fairview Ridges Hospital | 1,500 | 0.64% |
| Sun Country Airlines | 1,500 | 0.64% |
| Independent School District 191 | 1,500 | 0.64% |
| UTC Aerospace | 1,481 | 0.63% |
| Total County Employment | 234,087 | 11.77% |

*Includes part-time employees

Data Source: Dakota County Minnesota 2024 ACFR, Minnesota Department of Employment and Economic Development

Dakota County Community Development Agency
Full-Time Equivalent Employees
Last Ten Years

| Department | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|----------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Administration | 9.7 | 11.6 | 11.7 | 11.6 | 11.2 | 10.1 | 8.5 | 6.0 | 6.0 | 6.0 |
| Community & Economic Development | 9.5 | 10.7 | 11.2 | 11.3 | 10.7 | 10.5 | 12.2 | 12.6 | 13.7 | 13.4 |
| Finance | 7.8 | 8.8 | 9.0 | 8.9 | 9.8 | 10.0 | 10.0 | 10.0 | 10.0 | 10.0 |
| Housing Assistance | 15.1 | 16.8 | 16.0 | 15.5 | 17.3 | 16.0 | 17.3 | 17.1 | 17.2 | 19.0 |
| Housing Development | 5.0 | 5.9 | 5.2 | 5.2 | 5.2 | 5.0 | 5.0 | 5.5 | 6.0 | 6.0 |
| Property Management | 53.2 | 55.2 | 55.7 | 52.8 | 54.5 | 53.0 | 50.6 | 50.9 | 52.5 | 50.7 |
| Total | 100.3 | 109.0 | 108.8 | 105.3 | 108.7 | 104.6 | 103.6 | 102.1 | 105.4 | 105.1 |



Data Source: Dakota County CDA Budgets

Note: Full-time equivalents are calculated by dividing the total labor hours by 2,080.

Dakota County Community Development Agency
Capital Asset Statistics
Last Ten Fiscal Years

| | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|-----------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Common Bond | | | | | | | | | | |
| Senior Buildings | 28 | 29 | 29 | 29 | 29 | 29 | 30 | 30 | 30 | 30 |
| Units Available | 1,669 | 1,731 | 1,731 | 1,731 | 1,731 | 1,731 | 1,785 | 1,785 | 1,785 | 1,785 |
| Nicols Pointe | | | | | | | | | | |
| Units Available | - | - | - | - | - | - | - | - | - | 24 |
| Public Housing | | | | | | | | | | |
| Senior Building | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Scattered site units | 243 | 243 | 243 | 243 | 243 | 123 | 123 | 123 | 123 | 123 |
| Units Available | 323 | 323 | 323 | 323 | 323 | 203 | 203 | 203 | 203 | 203 |
| Youth Housing | | | | | | | | | | |
| Lincoln Place | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Units Available | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 25 |
| DCCDA Section 18 LLC | | | | | | | | | | |
| Scattered site units | - | - | - | - | - | 120 | 101 | 86 | 85 | 70 |
| Workforce Housing LLC | | | | | | | | | | |
| Family Townhomes | 7 | 9 | 10 | 10 | 12 | 12 | 14 | 15 | 16 | 16 |
| Units Available | 215 | 268 | 296 | 296 | 364 | 364 | 434 | 455 | 487 | 487 |
| Governmental | | | | | | | | | | |
| NSP Fund | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Units Available | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| Office Building | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Employees (FTE's) | 100 | 109 | 109 | 105 | 109 | 105 | 104 | 102 | 105 | 105 |

Data Sources:

- [1] - Dakota County CDA Utilization Reports and Asset Records
- [2] - Dakota County Budgets / Personnel Records

Dakota County Community Development Agency
Housing Units Managed
Last Ten Fiscal Years

| By Fund | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|-----------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Common Bond | 1,669 | 1,731 | 1,731 | 1,731 | 1,731 | 1,731 | 1,785 | 1,785 | 1,785 | 1,785 |
| Nicols Pointe | - | - | - | - | - | - | - | - | - | 24 |
| Public Housing | 323 | 323 | 323 | 323 | 323 | 203 | 203 | 203 | 203 | 203 |
| DCCDA Section 18 LLC | - | - | - | - | - | 120 | 101 | 86 | 85 | 70 |
| Youth Housing | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 25 |
| Partnerships (DPCUs) | 556 | 539 | 511 | 511 | 443 | 443 | 373 | 352 | 320 | 320 |
| Workforce Housing LLC | 215 | 268 | 296 | 296 | 364 | 364 | 434 | 455 | 487 | 487 |
| NSP | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |

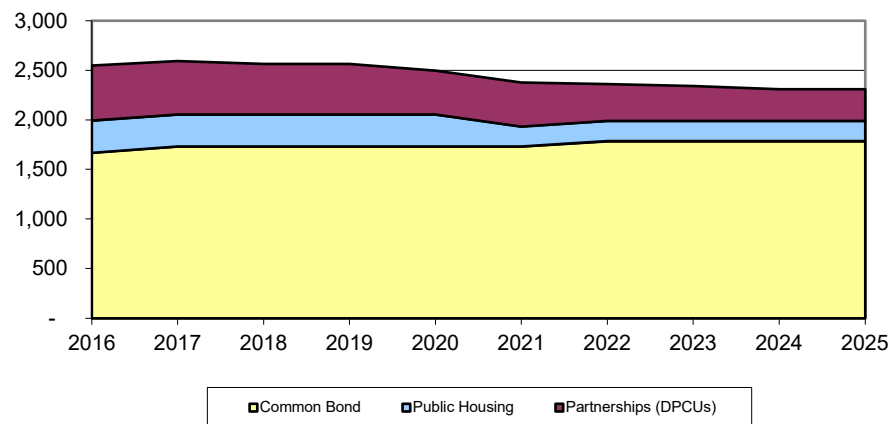
| | | | | | | | | | | |
|---------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Total Units Managed | 2,793 | 2,891 | 2,891 | 2,891 | 2,891 | 2,891 | 2,926 | 2,911 | 2,910 | 2,919 |
|---------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|

By Location

| | | | | | | | | | | |
|---------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| Apple Valley | 336 | 336 | 336 | 336 | 336 | 336 | 332 | 332 | 332 | 330 |
| Burnsville | 323 | 323 | 323 | 323 | 323 | 323 | 323 | 322 | 322 | 322 |
| Eagan | 498 | 498 | 498 | 498 | 498 | 498 | 496 | 491 | 491 | 511 |
| Farmington | 124 | 124 | 124 | 124 | 124 | 124 | 123 | 123 | 123 | 121 |
| Hastings | 203 | 203 | 203 | 203 | 203 | 203 | 202 | 198 | 198 | 197 |
| Inver Grove Heights | 266 | 266 | 266 | 266 | 266 | 266 | 264 | 263 | 263 | 263 |
| Lakeville | 364 | 462 | 462 | 462 | 462 | 462 | 462 | 461 | 461 | 461 |
| Mendota Heights | 150 | 150 | 150 | 150 | 150 | 150 | 149 | 149 | 149 | 149 |
| Rosemount | 167 | 167 | 167 | 167 | 167 | 167 | 162 | 160 | 160 | 156 |
| South St. Paul | 170 | 170 | 170 | 170 | 170 | 170 | 170 | 170 | 170 | 170 |
| West St. Paul | 192 | 192 | 192 | 192 | 192 | 192 | 243 | 242 | 241 | 239 |

| | | | | | | | | | | |
|---------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Total Units Managed | 2,793 | 2,891 | 2,891 | 2,891 | 2,891 | 2,891 | 2,926 | 2,911 | 2,910 | 2,919 |
|---------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|

Housing Units Managed

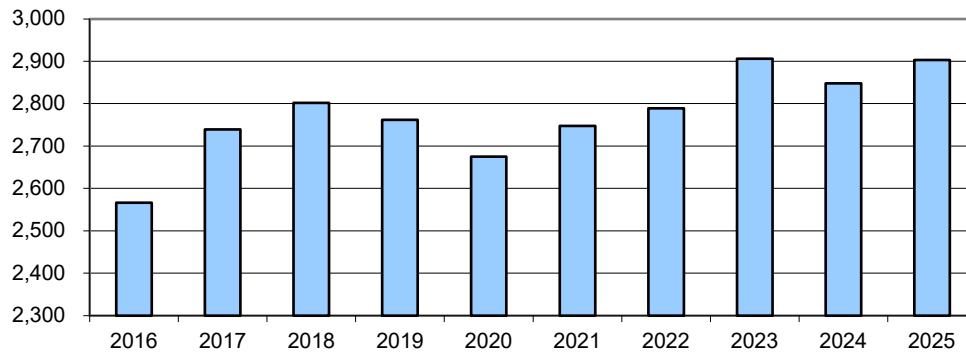


Note: The number of units shown is the number of units available at the end of the fiscal year. Data source is Dakota

Dakota County Community Development Agency
Housing Units Assisted
Last Ten Fiscal Years

| Program | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|-----------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Vouchers | 2,454 | 2,605 | 2,664 | 2,630 | 2,577 | 2,644 | 2,673 | 2,780 | 2,744 | 2,796 |
| Other Federal | 31 | 30 | 28 | 26 | 27 | 27 | 53 | 80 | 93 | 87 |
| Non Federal | 61 | 86 | 94 | 92 | 47 | 45 | 43 | 42 | 6 | 15 |
| Levy | 20 | 18 | 16 | 14 | 24 | 31 | 20 | 4 | 5 | 5 |
| Average Units Assisted | | | | | | | | | | |
| Per Month | 2,566 | 2,739 | 2,802 | 2,762 | 2,675 | 2,747 | 2,789 | 2,906 | 2,848 | 2,903 |
| Net Port Activity Included | | | | | | | | | | |
| in Vouchers | | | | | | | | | | |
| Port-Ins | 307 | 190 | 99 | 131 | 109 | 154 | 173 | 172 | 227 | 275 |
| Port-Outs | (247) | (283) | (315) | (404) | (380) | (405) | (410) | (417) | (438) | (477) |
| | 60 | (93) | (216) | (273) | (271) | (251) | (237) | (245) | (211) | (202) |

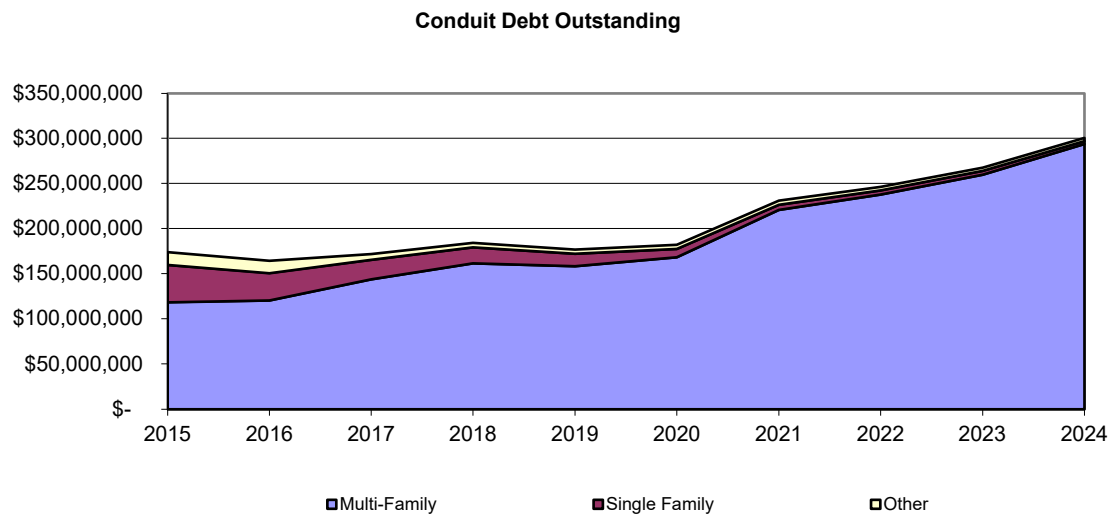
Average Units Assisted Per Month



Data Source: HUD VMS Reports and Dakota County CDA Utilization Reports

Dakota County Community Development Agency
Conduit Debt Outstanding
Last Ten Calendar Years

| Year | Multi-Family | | Total | Single Family | Other | Total |
|------|------------------------|--------------------|----------------|---------------|------------|----------------|
| | Apartment Complexes | Assisted Living | | | | |
| 2015 | \$ 22,767,296 | \$ 95,735,608 | \$ 118,502,904 | \$ 41,225,595 | 14,130,860 | \$ 173,859,359 |
| 2016 | 22,432,967 | 97,830,474 | 120,263,441 | 30,478,889 | 13,628,575 | 164,370,905 |
| 2017 | 32,943,719 | 110,625,641 | 143,569,360 | 21,786,420 | 6,286,347 | 171,642,127 |
| 2018 | 52,424,722 | 109,123,698 | 161,548,420 | 17,714,405 | 4,851,174 | 184,113,999 |
| 2019 | 51,024,444 | 107,310,559 | 158,335,003 | 13,744,408 | 4,671,198 | 176,750,609 |
| 2020 | 66,634,941 | 101,515,186 | 168,150,127 | 9,281,871 | 4,486,242 | 181,918,240 |
| 2021 | 128,308,918 | 92,342,055 | 220,650,973 | 5,806,853 | 4,295,390 | 230,753,216 |
| 2022 | 146,868,844 | 90,630,619 | 237,499,463 | 4,648,113 | 4,098,851 | 246,246,427 |
| 2023 | 174,485,183 | 85,324,263 | 259,809,446 | 3,917,514 | 3,896,455 | 267,623,415 |
| 2024 | 210,078,695 | 83,661,995 | 293,740,690 | 3,305,000 | 3,688,345 | 300,734,035 |



Data Source: Financial institution trustee reports

**DAKOTA COUNTY COMMUNITY
DEVELOPMENT AGENCY**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND INDEPENDENT AUDITOR'S REPORTS**

For The Year Ended June 30, 2025

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DAKOTA COUNTY COMMUNITY DEVELOPMENT AGENCY
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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

To the Board of Commissioners
Dakota County Community Development Agency
Eagan, Minnesota

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and the aggregate discretely presented component units, of Dakota County Community Development Agency (the Agency), a component unit of Dakota County, Minnesota as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements, and have issued our report thereon dated December 18, 2025. Our report includes a reference to other auditors who audited the financial statements of discretely presented component units, as described in our report on the Agency's financial statements. The financial statements of the discretely presented component units were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or compliance and other matters associated with the discretely presented component units or that are reported on separately by those auditors who audited the financial statements of the discretely presented component units.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Agency's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.



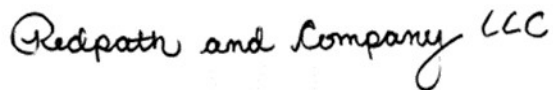
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Agency's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Redpath and Company LLC". The signature is written in a cursive, flowing style.

REDPATH AND COMPANY, LLC
St. Paul, Minnesota

December 18, 2025

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE AND REPORT ON
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE
UNIFORM GUIDANCE

To the Board of Commissioners
Dakota County Community Development Agency
Eagan, Minnesota

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Dakota County Community Development Agency's (the Agency) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Agency's major federal programs for the year ended June 30, 2025. The Agency's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Agency complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the agency and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Agency's compliance with the compliance requirements referred to above.



Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Agency's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Agency's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Agency's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Agency's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Agency's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the business-type activities and the aggregate discretely presented component units of the Agency as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements. We issued our report thereon dated December 18, 2025, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other

records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Redpath and Company LLC

REDPATH AND COMPANY, LLC
St. Paul, Minnesota

December 18, 2025

DAKOTA COUNTY COMMUNITY DEVELOPMENT AGENCY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2025

| Federal Grantor/Pass Through Grantor/Program Cluster | Pass-through Number | Federal Assistance Listing Number (ALN) | Federal Expenditures | Provided to Subrecipients |
|--|------------------------|--|-------------------------|------------------------------|
| U.S. Department of Housing and Urban Development (HUD) | | | | |
| Direct Program: | | | | |
| Public Housing Operating Fund | -- | 14.850 | 180,314 | - |
| Housing Voucher Cluster: | | | | |
| Section 8 Housing Choice Vouchers | -- | 14.871 | 33,202,841 | - |
| Emergency Housing Vouchers (EHV) - COVID 19 | -- | 14.EHV | 527,604 | - |
| Total ALN 14.871 | | | 33,730,445 | - |
| Mainstream Vouchers | -- | 14.879 | 557,660 | - |
| Total Housing Voucher Cluster | | | 34,288,105 | - |
| Public Housing Capital Fund | -- | 14.872 | 913,333 | - |
| Family Self-Sufficiency | -- | 14.896 | 273 | - |
| Passed through Dakota County, Minnesota: | | | | |
| CDBG - Entitlement Grants Cluster: | | | | |
| Community Development Block Grant: | | | | |
| Entitlement grants | DCA20675 | 14.218 | 1,866,258 | 376,440 |
| Entitlement Grants - COVID-19 | DCA20675 | 14.218 | 22,439 | 17,844 |
| Neighborhood Stabilization Program | -- | 14.218 | 29,935 | - |
| | | | 1,918,632 | 394,284 |
| Total ALN 14.218 / Total CDBG - Entitlement Grants Cluster | | | | |
| Emergency Solutions Grant | DCA20675 | 14.231 | 184,888 | 170,429 |
| Emergency Solutions Grant - COVID-19 | DCA20675 | 14.231 | - | - |
| Total ALN 14.231 | | | 184,888 | 170,429 |
| HOME Investment Partnerships Program | DCA20675 | 14.239 | 4,020,343 | 2,137,616 |
| HOME Investment Partnerships Program - COVID-19 | DCA20675 | 14.239 | 284,035 | 259,288 |
| Total ALN 14.239 | | | 4,304,378 | 2,396,904 |
| Passed through MN Homeownership Center: | | | | |
| Housing Counseling Assistance Program | n/a | 14.169 | 34,320 | - |
| Total HUD | | | 41,824,243 | 2,961,617 |
| U.S. Environmental Protection Agency | | | | |
| Direct Program: | | | | |
| Brownfields Multipurpose, Assessment, Revolving Loan, and Cleanup Cooperative | -- | 66.818 | 19,908 | - |
| Total U.S. Environmental Protection Agency | | | 19,908 | - |
| U.S. Department of Energy | | | | |
| Passed through Minnesota Department of Commerce: | | | | |
| Weatherization Assistance for Low-income Persons | SC-229124 | 81.042 | 1,008,879 | - |
| Total U.S. Department of Energy | | | 1,008,879 | - |
| U.S. Department of Health & Human Services | | | | |
| Passed through Minnesota Department of Commerce: | | | | |
| Low-income Home Energy Assistance | SC-229124 | 93.568 | 572,600 | - |
| Total U.S. Department of Health & Human Services | | | 572,600 | - |
| U.S. Department of the Treasury | | | | |
| Passed through Dakota County, Minnesota: | | | | |
| COVID 19 Coronavirus State and Local Fiscal Recovery Funds | n/a | 21.027 | 1,871,118 | - |
| Total U.S. Department of the Treasury | | | 1,871,118 | - |
| Total expenditures of federal awards | | | \$ 45,296,748 | \$ 2,961,617 |

DAKOTA COUNTY COMMUNITY DEVELOPMENT AGENCY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2025

Note 1: Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Agency under programs of the federal government for the year ended June 30, 2025, except for the federal grant activity, if any, of the Agency's discretely presented component units. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards" (Uniform Guidance). Because this schedule presents only a selected portion of the operations of the Agency, it is not intended to present the financial position, changes in financial position or cash flows, where applicable, of the Agency.

Note 2: Summary of Significant Accounting Policies

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are reported following the cost principles contained in the Uniform Guidance, where certain types of expenditures are not allowable or are limited to reimbursement. Pass-through entity identifying numbers are presented where available. The Agency has elected not to use the de minimis cost rate as allowed under the Uniform Guidance.

DAKOTA COUNTY COMMUNITY DEVELOPMENT AGENCY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2025

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

- A. Type of auditors' report issued: Unmodified
- B. Internal control over financial reporting:
- Material weakness(es) identified? ☐ Yes ☒ No
 - Significant deficiency(ies) identified? ☐ Yes ☒ No
- C. Noncompliance material to financial statements noted? ☐ Yes ☒ No

Federal Awards

- D. Internal control over major programs:
- Material weakness(es) identified? ☐ Yes ☒ No
 - Significant deficiency(ies) identified? ☐ Yes ☒ No
- E. Type of auditor's report issued on compliance for major programs: Unmodified
- F. Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)? ☐ Yes ☒ No
- G. Identification of major federal programs:

| Name of Federal Programs or Clusters | Assistance Listing Numbers |
|--------------------------------------|----------------------------|
| Housing Voucher Cluster | 14.871, 14.879 |
| HOME Investment Partnerships Program | 14.239 |

- H. Dollar threshold used to distinguish between Type A and Type B programs: \$1,358,902
- I. Auditee qualified as a low-risk auditee? ☒ Yes ☐ No

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DAKOTA COUNTY COMMUNITY DEVELOPMENT AGENCY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2025

| |
|--|
| SECTION II – FINANCIAL STATEMENT FINDINGS |
|--|

No current year findings.

| |
|---|
| SECTION III – FEDERAL AWARD FINDINGS |
|---|

No current year findings.

DAKOTA COUNTY COMMUNITY DEVELOPMENT AGENCY
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
For the Year Ended June 30, 2025

| |
|---|
| SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS |
|---|

FINANCIAL STATEMENT FINDINGS

None.

FEDERAL AWARD FINDINGS

None.

COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

To the Board of Commissioners
Dakota County Community Development Agency
Eagan, Minnesota

We have audited the financial statements of the business-type activities and the aggregate discretely presented component units of Dakota County Community Development Agency (the Agency), a component unit of Dakota County, Minnesota for the year ended June 30, 2025. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and, *Government Auditing Standards* and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated October 28, 2025. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Agency are described in Note 1 to the financial statements. For the year ended June 30, 2025, the Agency implemented Governmental Accounting Standards Board Statements No. 101, *Compensated Absences* and No. 102 *Certain Risk Disclosures*. The implementation of these standards did not have a material effect on the financial statements. We noted no transactions entered into by the Agency during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

The most sensitive estimate affecting the financial statements is the estimated present value of the Agency's lease receivable.

This estimate is based on the Agency's estimated incremental borrowing rate. We evaluated the key factors and assumptions used to develop the estimates in determining that they are reasonable in relation to the financial statements taken as a whole.



Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. Determining sensitivity is subjective, however, we believe the disclosure most likely to be considered sensitive is Note 5.F. – Subsequent Events.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. There were no corrected or uncorrected misstatements identified during the audit.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 18, 2025.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Agency's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Agency's auditors.

However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the management's discussion and analysis, which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the financial data schedules, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the introductory and statistical sections, which accompany the financial statements but are not RSI. Such information has not been subjected to auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the information and use of the Board of Commissioners and management of the Agency and is not intended to be, and should not be, used by anyone other than these specified parties.

Redpath and Company LLC

REDPATH AND COMPANY, LLC
St. Paul, Minnesota

December 18, 2025

MINNESOTA LEGAL COMPLIANCE REPORT

To the Board of Commissioners
Dakota County Community Development Agency
Eagan, Minnesota

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the business-type activities and the aggregate discretely presented component units of Dakota County Community Development Agency (the Agency), a component unit of Dakota County, Minnesota as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Agency's basic financial statements, and have issued our report thereon dated December 18, 2025. Our report includes a reference to other auditors who audited the financial statements of discretely presented component units, as described in our report on the Agency's financial statements. This report does not include the results of this other auditor's testing of compliance.

In connection with our audit, nothing came to our attention that caused us to believe that the Agency failed to comply with the provisions of the contracting – bid laws, depositories of public funds and public investments, conflicts of interest, claims and disbursements, miscellaneous provisions, and tax increment financing sections of the *Minnesota Legal Compliance Audit Guide for Other Political Subdivisions*, promulgated by the State Auditor pursuant to Minnesota Statute § 6.65, insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the Agency's noncompliance with the above referenced provisions, insofar as they relate to accounting matters.

The purpose of this report is solely to describe the scope of our testing of compliance and the results of that testing, and not to provide an opinion on compliance. Accordingly, this communication is not suitable for any other purpose.

Redpath and Company LLC

REDPATH AND COMPANY, LLC
St. Paul, Minnesota

December 18, 2025





Board of Commissioners

Request for Board Action

Meeting Date: January 20, 2026

Agenda #: 5A

DEPARTMENT: Finance

FILE TYPE: Regular - Consent

TITLE

Approval Of Record Of Disbursements – December 2025

PURPOSE/ACTION REQUESTED

Approve Record of Disbursements for December 2025.

SUMMARY

In December 2025, the Dakota County Community Development Agency (CDA) had \$9,487,447.79 in disbursements and \$593,339.38 in payroll expenses. Attachment A provides the breakdown of disbursements. Additional detail is available from the Finance Department.

RECOMMENDATION

Staff recommend approval of the Record of Disbursements for December 2025.

EXPLANATION OF FISCAL/FTE IMPACTS

These disbursements are included in the Fiscal Year Ending June 30, 2026 budget.

☐ None ☒ Current budget ☐ Amendment Requested ☐ Other

RESOLUTION

BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, That the December 2025 Record of Disbursements is approved as written.

PREVIOUS BOARD ACTION

N/A

ATTACHMENTS

Attachment A: Record of Disbursements – December 2025

CONTACT

Department Head: Ken Bauer, Finance Director

Author: Chris Meyer, Assistant Director of Finance

**Dakota County CDA
Record of Disbursements
For the month of December 2025**

| | Date | Amount | Total |
|--|-------------|----------------------|-------------------------------|
| Common Bond Housing | | | |
| | 12/19/25 | <u>\$ 14,137.98</u> | |
| | | | \$ 14,137.98 |
| Disbursing | | | |
| | 12/01/25 | \$ 54,767.51 | |
| | 12/04/25 | \$ 780,577.55 | |
| | 12/11/25 | \$ 2,063,071.14 | |
| | 12/18/25 | \$ 1,258,976.79 | |
| | 12/26/25 | \$ 950,861.96 | |
| | 12/31/25 | <u>\$ 326,975.19</u> | |
| | | | \$ 5,435,230.14 |
| HOPE Program | | | |
| | 12/04/25 | \$ 19,500.00 | |
| | 12/18/25 | <u>\$ 39,000.00</u> | |
| | | | \$ 58,500.00 |
| Housing Assistance | | | |
| | 12/01/25 | \$ 3,190,788.12 | |
| | 12/18/25 | <u>\$ 119,247.00</u> | |
| | | | \$ 3,310,035.12 |
| Housing Development & Renewal | | | |
| | 12/17/25 | \$ 15,281.25 | |
| | 12/26/25 | <u>\$ 654,263.30</u> | |
| | | | \$ 669,544.55 |
| Total Disbursements | | | <u><u>\$ 9,487,447.79</u></u> |
| December 2025 Payroll | | | |
| | 12/12/25 | \$ 302,120.62 | |
| | 12/26/25 | <u>\$ 291,218.76</u> | |
| Total Payroll | | | <u><u>\$ 593,339.38</u></u> |

Disbursement detail is available in the Finance Office



Board of Commissioners

Request for Board Action

Meeting Date: January 20, 2026

Agenda #: 5B

DEPARTMENT: Community and Economic Development

FILE TYPE: Regular - Consent

TITLE

Approval Of Budget Amendment For Countywide Radon Mitigation Grant And Home Improvement Loan Programs

PURPOSE/ACTION REQUESTED

Approve an amendment to the FYE26 operating budget to use up to \$300,000 of Local Affordable Housing Aid for the Countywide Radon Mitigation Grant and Home Improvement Loan Programs.

SUMMARY

The CDA has successfully managed a Home Improvement Loan Program, also known as the rehab program, since the early 1980s, serving homeowners with incomes at or below 80 percent of Area Median Income. The rehab program has been funded primarily with Community Development Block Grant (CDBG) funds, some local CDA levy resources, and loan payoffs. Starting in 2024, the Department of Housing and Urban Development required all CDBG-funded construction activities, including home rehabilitation, test for radon and install radon mitigation systems if elevated levels are found.

In 2024, the Dakota County CDA began working with Dakota County cities to administer their Local Affordable Housing Aid (LAHA) funds. The CDA has executed agreements with nine cities to use their LAHA funds for the rehab program and a new radon mitigation grant that is paired with a home improvement loan. The radon mitigation grant program provides LAHA funds for professional radon testing and, if high radon levels are detected, installation of a radon mitigation system. In the six months since CDA began administering the cities' LAHA funds, the CDA has committed nearly 70 percent of the cities' 2024 LAHA funds for loans and radon grants to 33 households.

The cities of Burnsville and West St. Paul chose not to have the CDA administer their LAHA funds as these cities have identified other qualifying affordable housing projects. Small cities and townships in Dakota County do not receive LAHA. The CDA continues to fund home improvement loans and radon testing mitigation in these communities with a combination of local and county CDBG funds and CDA HOPE funds. The CDA pays for professional radon testing with countywide CDBG funds. If a radon mitigation system is needed, the cost is wrapped into the rehab loan.

Administration of the radon testing and mitigation grants would be administratively more efficient if one funding source (LAHA) for radon grants could be utilized throughout the entire county. Dakota County has transferred \$5.4 million of its 2025 LAHA funds to the Dakota County CDA for affordable housing projects. CDA staff would like to use up to \$300,000 of those funds for radon testing and mitigation to supplement CDBG funds, if needed, for residents in cities and townships that do not receive LAHA or in those cities that have programmed LAHA for other qualifying affordable housing projects. Funds may also be used for rehab loans if there are no other available funding sources.

The Home Improvement Loan Program policy and procedures handbook (Attachment A) has been modified to include the use of LAHA funds.

RECOMMENDATION

Staff recommends approving the resolution amending the CDA FYE26 Local Affordable Housing Aid budget to include up to \$300,000 of Dakota County Local Affordable Housing Aid for the Radon Mitigation Grant Program and Home Improvement Loan Program.

EXPLANATION OF FISCAL/FTE IMPACTS

The amendment would add up to \$300,000 to the LAHA-funded Radon Mitigation Grant Program and Home Improvement Loan Program budgets.

☐ None ☐ Current budget ☒ Amendment Requested ☐ Other

RESOLUTION

WHEREAS, the Dakota County Community Development Agency (CDA) has successfully managed a Home Improvement Loan Program since the early 1980s, serving homeowners with incomes at or below 80 percent of Area Median Income; and

WHEREAS, the CDA administers all or some of the Local Affordable Housing Aid (LAHA) funds for nine of 11 cities that receive those funds, which are currently deployed in the CDA's Home Improvement Loan Program and Radon Mitigation Grant Program; and

WHEREAS, Dakota County has transferred a portion of its 2025 LAHA funding for the CDA to use on qualified affordable housing development activities; and

WHEREAS, CDA staff request a budget amendment to use up to \$300,000 of the County LAHA funding for the Radon Mitigation Grant Program and Home Improvement Loan Program.

NOW, THEREFORE BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, That the Fiscal Year Ending 2026 operating budget be amended to include up to \$300,000 of budget authority of Local Affordable Housing Aid for the Radon Mitigation Grant Program and Home Improvement Loan Program.

PREVIOUS BOARD ACTION

24-6829; 4/24/24, 24-6891; 9/25/24

ATTACHMENTS

Attachment A: Revised Policy and Procedures Handbook for the Home Improvement Loan Program

CONTACT

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POLICY AND PROCEDURES HANDBOOK
FOR THE
HOME IMPROVEMENT LOAN PROGRAM

DAKOTA COUNTY, MINNESOTA

Administered by the Dakota County Community Development Agency

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May 13, 1986

Last Amendment:

January 15, 2026

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I. Purpose

The purpose of this Home Improvement Loan Program (the “Rehab Program”) is to provide affordable financing to low- and moderate-income households to maintain the safety and integrity of existing homes, to remove architectural barriers in homes to allow independent living for the handicapped, to reduce lead-based paint hazards, to test and mitigate for high radon levels, and to improve the overall livability and function of the structure.

- A. The purpose of this Policy and Procedures Handbook (the “Handbook”) is to set forth the policies and uniform procedures regarding the implementation of the Dakota County Rehab Program. This program uses a variety of funding sources including the federal Community Development Block Grant (“CDBG”) and HOME Investment Partnerships (“HOME”) programs from the Department of Housing and Urban Development (HUD); local funds including the CDA HOPE Program (“HOPE”) and Local Affordable Housing Aid (“LAHA”) funds; and state funding including the Minnesota Housing Finance Agency (MHFA) funds. .
- B. Copies of this Handbook are available for review at the office of the Dakota County Community Development Agency, 1228 Town Centre Drive, Eagan, MN, 55123. Please contact the CDA at 651-675-4400 if you need a copy.

II. Delegation of Authority

Dakota County has agreed to contract with the CDA for the administration of the CDBG, and HOME Programs. Certain cities in Dakota County have agreed to contract with the CDA to administer their LAHA funds. The Board of Commissioners of the CDA has been given the authority to set the guidelines for participation in the program and may amend this Handbook from time to time as it finds necessary, within the regulations established by HUD and the State of Minnesota, as applicable. The CDA shall be responsible for ensuring that funds are provided only to eligible Applicants and expended only for allowable costs. For CDBG and HOME funding, the County and CDA are bound by the terms agreed to by both parties within the Subgrantee Agreement. Section XVI of this Handbook describes the process necessary to make modifications to the Handbook.

The Board of Commissioners of the CDA has further delegated the authority to execute agreements necessary to implement the loan programs, including, but not limited to the Rehabilitation Loan Repayment Agreement and Mortgage, to the Executive Director and the Deputy Executive Director. Generally, the administration of the loan programs and the authority to make decisions necessary for the normal implementation of the programs is delegated to the Director of Community and Economic Development. Approval of standard forms and documents will be done by Community and Economic Development staff working with the housing rehabilitation programs.

III. Definitions

- A. Accessibility Improvements - include structural improvements, exterior improvements, bathroom improvements, kitchen improvements, and other improvements to one-, two- or three-unit dwellings which are necessary to enable a handicapped person to function independently in a residential setting.
- B. Allowable Costs - are those which meet federal, state, or local requirements and guidelines herein established and interpreted by staff of the administering agency.
- C. Applicant - is the person(s) who is /are currently applying for assistance, as well as their spouse, if the spouse resides in the property to be improved, and any other person(s) with an ownership interest in and who resides in the property to be improved. All Applicants (as well as all persons whose name appears on the Title to the property to be improved who are not Applicants) must execute the Repayment Agreement or Mortgage.
- D. Assets - means the gross value of all assets of the Applicant excluding the following:
 - 1. The structure to be improved and up to 160 surrounding acres.
 - 2. Clothing and Household furnishings, appliances, and equipment.
 - 3. Private vehicles unless used exclusively for the purposes of operating a business, and excluding collector vehicles.
 - 4. Private retirement funds and accounts, including, but not necessarily limited to, 401K plans, IRAs, and employer sponsored retirement plans, where the assets are not liquid and there is a substantial penalty incurred upon early withdrawal.
- E. CDA - refers to the Dakota County Community Development Agency.
- F. CDBG - refers to the Community Development Block Grant program.
- G. Eligible Applicant - means an Applicant who meets both income and property criteria established for this program.
- H. Gross Annual Income - is income from all sources, before the deduction of taxes and withholding, of all residents of a household who are over the age of 18 years, that is anticipated to be received over the 12 months following the date eligibility is determined. The definition of annual income used by the Housing Choice Voucher program at 24 CFR 5.609 shall be used for determining the Applicant's eligibility, Gross Annual Income for an Applicant's household will be assumed to remain the same for a period not to exceed 120 days from the date of initial determination, during which the loan must be closed. If the loan closing takes place after 120 days from the time of income verification, the Home Improvement Program Coordinator must update all outdated and irrelevant documentation. The Applicant is initially informed that it is his/her responsibility to notify the CDA of any household financial changes prior to loan closing.

- I. Handicapped Person - means a person residing in the unit to be improved who has a permanent physical condition which substantially reduces such person's ability to function independently in a residential setting, or which substantially limits such person's ability to become employed or to participate in the community. A person with a condition such as chronic emphysema, arthritis, heart disease, and other “invisible” conditions not requiring the use of devices to increase mobility shall not be deemed a handicapped person, unless a licensed physician verifies in writing that such person's condition does substantially limit his or her ability to function independently in a residential setting or to become employed or to participate in the community.
- J. HOME – refers to the HOME Investment Partnerships Program.
- K. Housing Quality Standards (HQS) - are those regulations set by the Department of Housing and Urban Development (HUD - 24 CFR 982.401) to establish minimum housing conditions that are “decent, safe, and sanitary”.
- L. Income Eligible - means an Applicant's Gross Annual Income is within the guidelines established for this program at the time the Applicant is scheduled for assistance.
- M. Indebtedness - means the principal, interest, taxes, insurance, and utilities owned on a structure to be improved.
- N. Lead-based Paint - means paint or other surface coatings that contain lead equal to or exceeding 1.0 milligram per square centimeter or 0.5 percent by weight or 5,000 parts per million by weight.
- O. Lead-based Paint Hazard - means any condition that causes exposure to lead from dust-lead hazards, soil-lead hazards, or lead-based paint that is deteriorated or present in chewable surfaces, friction surfaces, or impact surfaces, and that would result in adverse human health effects.
- P. Local Affordable Housing Aid – refers to funds transferred from the Minnesota Department of Revenue to metropolitan local governments to help develop and preserve affordable housing within their jurisdictions.
- Q. Median Income - is the income determined by HUD to be the median for a household of four. Median income for other household sizes is derived by HUD required formulas.
- R. Manufactured Home - shall mean a structure, transportable in one or more sections, which is built on a permanent chassis and designed to be used as a dwelling with or without a permanent foundation when connected to the required utilities, and includes the plumbing, heating, air conditioning and electrical system, contained

therein, which is erected on a site that may be either owned, rented, or leased; except that this definition includes any structure which meets all the requirements and with respect to which the manufacturer voluntarily files a certification required by the secretary and complies with the standards established under Minnesota Statutes, chapter 327.

- S. Manufactured Home Building Code - for manufactured homes manufactured after July 1, 1972 and prior to June 15, 1976, the standards code promulgated by the American National Standards Institute and identified as ANSI A119.1, including all revisions thereof in effect on May 21, 1971, or the provisions of the National Fire Protection Association identified as NFPA 501B, and further revisions adopted by the commissioner. For manufactured homes constructed after June 14, 1976, the Manufactured Home Construction and Safety Standards promulgated by the United States Department of Housing and Urban Development which are in effect at the time of the manufactured home's manufacture will apply.
- T. Overcrowding - shall be defined to be consistent with the Section 8 Rental Assistance program. The CDA will determine if a unit is overcrowded by applying the following criteria:
 - 1. No more than two people shall be required to share a sleeping area.
 - 2. The age, sex, and relationship of the members of the family will be taken into consideration in determining appropriate unit sizes. In any case, minors six years or older will not be required to share a bedroom with a child of the opposite sex.
- U. Property Rehabilitation Standards - are the minimum rehabilitation standards ("Rehab Standards) for family and manufactured homes, as identified in Appendix V. Loans funded with HOME shall follow the standards listed in the "Dakota County Community Development Agency HOME Investment Partnerships Program Rehabilitation Standards."
- V. Radon Testing and Mitigation Grant Program – provides free radon testing to clients of the Home Improvement Loan Program and free mitigation services for those clients whose homes have radon levels greater than 4.0 pCi/L.
- W. Rehab Loan – any form of assistance defined in Section V of this document.
- X. Energy Standards – are the standards established in the State Energy Code, chapter 7672, as they apply to the remodeling of existing residential structures.

IV. Funding Availability

The Rehab Program is dependent on availability of CDBG, HOME, LAHA, and HOPE funds to Dakota County and/or the CDA. To help maximize the availability of these funds and counter the cyclical nature of such federal funding, the Dakota County CDA has placed a strong emphasis on the need to recover expended funds through loan repayments. Such recovered funds are utilized in revolving accounts to provide additional rehabilitation loans to Dakota County residents. Repayment of rehabilitation loans by eligible borrowers is frequently triggered by sale of property. A borrower's ability to repay under such circumstances is enhanced by the appreciation in value of the improved property. To take advantage of this enhancement in the ability of borrowers to repay rehabilitation loans, the CDA's Rehab Program stresses making loans to owners of property that can reasonably be expected to appreciate due to the improvements made to the property.

V. Forms of Assistance

Based on the availability of funds and the eligibility of the Applicant and property, the following forms of assistance shall be available for eligible work items:

- A. Rehabilitation Deferred Loan (hereafter referred to as “Deferred Loan”).
- B. Emergency Loan (hereafter referred to as “Emergency Loans”).
- C. Accessibility Deferred Loan (hereafter referred to as “Accessibility Loan”).
- D. Radon Testing and Mitigation Grant Program (hereafter referred to as “Radon Grant”).

In addition, residents of Dakota County may be eligible for other rehabilitation programs, such as the Minnesota Housing Finance Agency (“MHFA”) Rehabilitation Loan program, administered by the CDA for Dakota County. Residents should check with the CDA on the availability of and eligibility for any other funds.

VI. Property Eligibility

- A. Property must be in Dakota County and in need of repairs or improvements that are eligible.
- B. Manufactured Homes may receive Deferred Loans using MHFA funding. Emergency Loans or Accessibility Loans for Manufactured Homes may be funded with CDBG or LAHA regardless of the age of the structure provided they need eligible repairs or improvements and meet all other criteria for eligibility. Work to be financed on manufactured homes shall comply with the Manufactured Home Rules, Chapter 1350, promulgated by the Minnesota Department of Administration.

- C. Property must comply with applicable local zoning ordinances or other land use regulations.
- D. The property must be structurally sound as determined by CDA staff. An exception may be made in cases where threats to health and safety exist and no alternatives to the continued occupancy of the structure can be identified.
- E. One-, two- or three-unit structures that are permanent in nature shall be eligible provided that the owner occupies one of the units and is the Applicant. Work financed on structures containing rental units shall be limited to common systems or structural components and work directly on the owner-occupied portion of the structure.
- F. The maximum amounts secured by a single property at any given time shall be \$35,000 for Deferred Loans, \$25,000 for Accessibility Loans, and \$15,000 for Emergency Loans. Deferred and Accessibility Loans may not be combined to exceed \$35,000.
- G. Mortgage payments and property taxes must be current on the property to be improved, whether taxed as real property or personal property.
- H. Properties with reverse mortgages are not eligible unless deemed an emergency repair to eliminate imminent serious threats to health and safety.
- I. The most recent county-estimated property value must not exceed 120% of the current median price for homes sold in Dakota County as determined by the St. Paul Area Association of Realtors. This limit may be adjusted annually by the Executive Director to respond to changing markets. Exceptions to the limit may be made for properties where land values inflate prices of otherwise modest homes. The limit will not apply to emergencies or situations where accessibility work is involved.
- J. Properties must be at least 15 years old to qualify. This requirement will not apply to emergencies or situations where accessibility work is involved.

VII. Applicant Eligibility

- A. The recipient of funds under this program must have at least one-third interest in one of the following types of ownership in the property to be improved:
 - 1. A fee title; or
 - 2. A life estate; or
 - 3. A fee title or life estate subject to mortgage, or other lien securing a debt; or

4. A certificate of title for a manufactured home; or
 5. A mutually binding contract for the purchase of the property where the borrower is rightfully in possession and the purchase price is payable in installments.
 6. A property held in Trust, provided that at least one of the Applicants is a Trustee. The one-third ownership interest requirement does not apply.
- B. An Applicant must have been a full-time resident of the unit to be improved for at least six months prior to the date assistance is to be provided. This requirement will be waived in cases where an immediate threat is present, or where architectural barriers to mobility or access have prevented an impaired person from occupying the property to be improved. The CDA's Executive Director may temporarily suspend this requirement to make loans available to persons purchasing a home during times of high foreclosure rates; this clause does not apply those purchasing manufactured homes.
- C. An Applicant will be deemed income eligible if the Applicant's gross income is within the current income limits annually published by HUD.
1. Income Limits and Qualifications:
 - a. The Program is generally limited to and prioritizes homeowners whose household incomes do not exceed 80% of Area Median Income (AMI) as defined by HUD. When LAHA funding is available, the CDA may open the Rehab Program waiting list to homeowners with documented household incomes not greater than 115% AMI. Documented verification of a household's income is required before a loan is approved.
 - b. Owners of property must give evidence of acceptable credit risk and demonstrate adequate capacity to repay the loan.
 2. Income Determination. The determination of income for this program shall generally be done in accordance with the provisions of 24 CFR 5.609 (a), (b) & (c):
 - a. Gross annual income includes, but is not limited to the following: salary; commissions; bonuses; interest dividends; tips; gains or sales of securities; annuities; pension; farm rental; partnership, estate or trust income; child support payments; alimony; Social Security benefits, including disability; and miscellaneous income.
 - b. Projected overtime may be determined by CDA staff through contacting an employer and/or reviewing year-to-date salary

information on a pay stub or employment verification form. The amount may be based on prior years' figures or average amounts awarded to other employees with the same status.

- c. Projected bonus may be determined by CDA staff through contacting the employer. The amount may be based on previous years' figures or average amounts awarded to other employees with the same status.
- d. Self-Employment. Gross annual income from self-employment is the net profit from said self-employment as declared by the Applicant in Schedule C; F; or E, Part III, as appropriate, of the United States Internal Revenue Service Form 1040, or any other schedule the IRS may promulgate. ALL DEPRECIATION is to be included as income. If it can be demonstrated that the depreciation being used is straight line depreciation, the amount of said depreciation can be used as a deduction.

If the business is an S-Corporation, LLC, or any type of business where taxes are filed separately from personal taxes, the following income calculation process should be used. Obtain copies of the most recent year's personal and business federal tax forms. Establish who the officers are (form 1125-E attached to the 1120 S business tax form). Count the portion of the Compensation of Officers (line 7 of the business 1120 S tax form) attributable to the Applicant(s). Divide the profit (line 21 of the 1120 S) by the number of officers and count the portion of profit attributed to the Applicant(s). If the profit is less than zero, it should be counted as zero, and not used as a tool to reduce Compensation of Officers (or any other source of income). Depreciation may only be used as a deduction if it is straight-line depreciation. Form 4562 identifies the type of depreciation used.

- e. Income from rental properties shall be included in gross annual income. Expenses allocated to Rental Dwelling Units may be deducted from rental income received from these units. Expenses allowable for deduction include mortgage interest payments, utilities, taxes, insurance, and maintenance.
- f. Payments from contract-for-deed property sales are to be considered as income. This income will be reduced by regularly scheduled out-of-pocket expenses the contract vendor/applicant has in connection with the Property being sold, including mortgage or contract-for-deed principal and interest payment.
- g. Unemployment Compensation. Applications of those who are unemployed for an unknown period shall not be considered until the

unemployed household member has exhausted all eligibility for unemployment compensation and the employer indicates that a call-back date is unknown. This requirement may be exempt for individual Applicants during high county unemployment rates above six percent (6%) if home equity exceeds normal standards as stated in this Handbook. Unemployment standards as required by HUD for purposes of income verification shall still apply. At that point, CDA staff shall determine that there will be a sufficient flow of income throughout the year for the purpose of making payment on the loan and for maintaining ownership of the home in the foreseeable future.

If unemployment is seasonal and recurs on a regular basis, gross annual income shall include the sum of wages and unemployment compensation minus any employee business expense, except depreciation, that may be reported on Federal Tax Form 2106. Generally gross annual income from seasonal employment/unemployment shall be calculated by averaging income and expenses from the most recent tax year. However, if the nature of the seasonally employed household member's employment has changed considerably, CDA staff may utilize an employer's projection of wages, along with a projection of unemployment compensation. Employee business expenses may not be projected.

Temporary non-recurring reduction of income of known duration, such as that caused by lay-offs, maternity leave, sabbatical leave, etc. may not be considered when calculating gross annual income. Rather, income shall be calculated based on the normal annual income of the temporarily unemployed person.

- h. Retirement Accounts. When an Applicant is not retired and not receiving periodic payments (regular withdrawals) from a retirement account, imputed interest will be calculated on retirement accounts that the Applicant has access to. "Having access to" will be defined as being able to get funds from the account without having to terminate employment. Most retirement accounts are convertible to cash and an Applicant can borrow against them. The CDA will calculate imputed rather than actual income from the asset, using the most recent balance for the account. The asset balance may be reduced by the IRS rate of 30% (20% income tax withholding and a 10% penalty) when performing the calculation. No interest income will be imputed against an account that is not accessible. An example of account that is not accessible without terminating employment is a Public Employees Retirement Account (PERA).

In cases where the Applicant is taking regular withdrawals from a retirement account, such withdrawals are considered periodic

payments and are counted as income. This income can be documented in several ways including a copy of the most recent year's 1099. When this type of income is counted, it is no longer necessary to impute income from the asset.

- i. In cases where the Applicants' income is verified as being extremely low, verification of normal household expenses, including, but not limited to, principal and interest of mortgage payments, homeowners' insurance premiums, property tax payments, and an allowance for maintenance costs, may be done to determine whether the Applicants' ownership of the property to be improved can reasonably be expected to continue.
- j. Income from children under 18 years of age will be counted as follows:
 - 1. Income from employment will not be counted.
 - 2. Unearned income which lists both parent (or guardian) and child as payees, such as Social Security and trust accounts, shall be counted.
 - 3. Bank accounts in both parent (or guardian) and child's name shall be counted as assets, and interest earned from them shall be counted as income.
- k. Earnings for each full-time student 18 years old or older who are not the head of household or spouse shall be excluded.
- l. Housing allowances for clergy must be counted as income.

3. Income Verification:

- a. Current gross annual income is projected from the date of application. All sources of income must be disclosed by the Applicant and included in the calculation of gross annual income.
- b. Written verification of Applicant income and assets is required for all assistance.
- c. Verifications must be no greater than 120 days old at the time the Applicant either executes a Work Agreement or closes on the loan for work to be performed with loan funds.
- d. At the time of loan closing, income and assets are assumed to have remained the same since the determination of eligibility. If changes have occurred, it is the responsibility of the Applicant to inform the

CDA staff of this fact. Reported changes must be verified and documented, and may affect the eligibility of the Applicant.

4. Asset Verification:

- a. Checking accounts shall be verified using consecutive copies of the three most recent bank statements. Emergency Loans will require the most recent bank statement.
- b. Savings accounts shall be verified using the most recent bank statement.
- c. A single statement shall be sufficient to review other types of assets such as money market accounts, CDs, retirement accounts, etc.

5. CDA staff may reject an application if it is determined that additional, unreported residents and/or sources of income are present and are not acknowledged by the Applicant. The CDA may further decide to submit the file to law enforcement for investigation.

D. Asset Limits:

1. Eligible Applicants cannot have Assets greater than \$60,000.

E. Equity Requirements:

Applicants for the Deferred Loan must have a combined loan-to-value (CLTV) ratio of 110% or less. The CLTV is calculated by dividing the amount of debt secured against the property (including the Deferred Loan), by the after-rehab value of the property. The after-rehab value is determined by using the County's most recent Estimated Market Value multiplied by the Case Schiller index, plus an estimated increase in value resulting from the rehab itself. The CDA concludes that \$0.50 of each Deferred Loan \$1.00 results in a direct increase in the property's market value. There are no equity requirements for Accessibility and Emergency Loans.

F. Applicant Financial Evaluation:

The Applicant's status of mortgage and tax payments, and the Applicant's credit score is reviewed by the CDA to determine overall credit worthiness. This financial evaluation shall not be required for Emergency and Accessibility Loans.

An Applicant that is delinquent on any mortgage will be ineligible for a Rehab Loan. An Applicant with delinquent property or income taxes will be ineligible for a loan until evidence is provided showing that taxes have either been paid in full, or taxes will be paid as part of a payment plan, including at least three months of successful

payments within the plan. An Applicant that has a FICO credit score less than 580 will be ineligible for a Rehab Loan. An Applicant who owns their house free and clear of any debt will be exempt from the credit score standard.

- G. Applicants will be considered on a first-come, first-serve basis subject to available funds. Applicants who received Deferred or Accessibility Loans will not be eligible to re-apply unless an emergency exists (see Section XII on Emergencies).
- H. No Applicant may receive more than \$35,000 in loans that are secured by a single property at any given time. Emergency Loans made after the Applicant receives a Deferred Loan or Accessibility Loan may exceed this limit.
- I. Applicants found to have outstanding debts to other departments of the CDA (such as Property Management or Housing Assistance) may be denied eligibility for the Rehab Program until such debts are fully satisfied.
- J. Applicants residing in Manufactured Homes located in Manufactured Home parks must be current on their lot rent at the time of loan closing.
- K. Individuals whose Rehab Loan applications are cancelled or denied because they did not meet deadlines established by the Rehab program must wait a minimum of one year from the date of cancellation or denial before they can re-apply. Time spent on a waiting list shall not be included as part of the calculation. The CDA reserves the right to deny future eligibility to individuals who cancel an approved Rehab Loan.

VIII. Loan Limits and Conditions

- A. Deferred Loans:
 - 1. The maximum available is \$35,000 for all rehabilitation work on single family detached or properties with two or three living units where one unit is owner occupied. The minimum loan amount is \$15,000. The maximum loan amount may be reduced depending on program funding. Maximum loan amounts shall be determined at the start of the CDA's fiscal year and shall be communicated to all program participants.

Applicants with outstanding Deferred Loan balances will be allowed to borrow less than the minimum if they are within \$15,000 of the maximum allowable amount secured by the property. This only applies to Applicants with previous loans received before January 1, 2012. Applicants who received non-emergency loans after that date cannot apply again as per Section VII.G of this manual. In no case will the new loan amount be less than \$5,000.

When a Deferred Loan is combined with an Accessibility Loan, the \$15,000 minimum applies to the total project rather than the Deferred Loan.

2. A Repayment Agreement for the terms and conditions explained below shall be signed by all Applicants as well as all parties listed on the title/deed of the property to be improved. This agreement shall be recorded with the County and/or Public Safety Department. Copies of all recorded documents will be forwarded to the Applicant.
3. Deferred Loans must be paid back in their entirety when the property is sold, transferred, or no longer the principal residence of the original Applicant. Deferred loans may be paid early by arrangement with the CDA. Deferred Loans may include a simple interest charge between 0% and 3% as determined by the CDA's Executive Director. The interest rate may be adjusted and set semi-annually, including on January 1 and July 1 of each year. Deferred Loan features shall include:
 - a. Payoff amounts will only change annually.
 - b. Accessibility Loans shall be exempt from interest.
 - c. Interest rates shall be locked in at the time the Applicant is approved. Exceptions may be made if rates drop at any time between the time the borrower is approved and the time the Applicant closes on a loan.
4. All necessary work shall be completed with a single application unless the approval is to address an Emergency.

B. Accessibility Loans:

A loan for accessibility improvements may be funded for up to \$25,000 for one, two, or three-unit structures, and manufactured homes, for the accessibility items only. The Accessibility Loan terms shall be the same as those for a Deferred Loan except that the Accessibility Loan shall not charge interest and shall not be required to be repaid if the Applicant resides in the improved property for 10 years after the date of the Accessibility Loan Repayment Agreement. An Applicant for these funds must meet the definition of "handicapped person" as defined in Section III. G., and the Applicant must be Income Eligible. The maximum loan limits as established in Section VIII will apply to the combined Accessibility Loan or Deferred Loan received by an Applicant.

Eligible improvements for financing through an Accessibility Loan shall be those improvements necessary to remove physical barriers to mobility or access or to allow normal functional use of the property to be improved by an impaired Applicant or a permanent member of their household. Improvements that do not remove physical barriers shall only be eligible if they can be proven to be effective

in correcting or eliminating the condition which is interfering with the Applicants' normal functional use of the property. The responsibility for providing such proof shall lie with the Applicant.

- C. The CDA shall ensure that the work items funded constitute the highest priority for health, safety, and/or energy efficiency and structural improvements.
- D. Once the CDA has approved the eligibility of an Applicant, a loan file is issued for the Applicant's address. If a loan closing or fund reservation is not scheduled within 90 days of the date of issuing the file, that file will be fully terminated unless a hardship can be shown by the Applicant.
- E. The amount of funds committed by the CDA to a property owner shall be reserved by the CDA from available funds. Upon satisfactory completion of the rehabilitation work, payment from the reserved funds will be made to the contractor(s). The Applicant's approval is required prior to payment.
- F. Fund reservations may be maintained on the Applicant's behalf for a maximum time of 180 days. All work must be completed, and funds disbursed, within this time period. Extensions will be granted only when necessary due to conditions beyond the Applicant's control. Failure to complete construction within this time period will result in the loss or reduction of funding.
- G. Self-help work is not permitted under this Rehab Program.
- H. Loan recipients must demonstrate that they have a current enforceable homeowners' insurance policy in place for the full insurable value of the property. Insurance must be maintained on the property until such time as the Deferred Loan is paid off. A clause identifying the CDA as a mortgagee must be added to the policy for all Deferred Loans.

IX. Eligible Work Items and Conditions

A. The Home Improvement Loan Program is designed to address health, safety, habitability, energy, and structural deficiencies or defects. The CDA will prioritize those improvements that remove and repair various health, safety, or other related deficiencies to comply with the Rehab Standards in Appendix V.

- 1. Eligible Improvements shall include repairs or specified improvements that will result in:
 - preservation of safe, decent and sanitary housing,
 - correction of hazardous structural conditions,
 - modifications necessary to ensure access for persons with disabilities,
 - elimination of blight, mold, and broken or damaged and/or deteriorated elements of the dwelling unit;
 - correction of building or city code violations;

- lead-based paint or radon mitigation improvements required by HUD; and
 - improvement of the function of the dwelling.
2. The Rehab Specialist will complete an assessment of the property's condition and, in consultation with the homeowner, will determine which improvements should be made to the property. Improvements needed to alleviate conditions that present an immediate threat to the health and safety of the property's occupants and those needed to correct existing hazardous building, zoning and public nuisance code violations will be approved before other home improvement projects are considered. Excepting appliances, the pre-emptive replacement of system elements will also be considered if these are nearing the end of their useful life.
 3. Improvements Not Eligible (except as necessary to remove health and safety deficiencies, to comply with approved Property Rehabilitation Standards as detailed in Appendix V, or to address health-related requirements) include:
 - a. Free-standing or built-in appliances (except; to replace built-ins that are deteriorated and hazardous; to install permanent over-the-range microwave ovens; and to comply with approved Property Rehabilitation Standards as detailed in Appendix V;).
 1. In cases where a refrigerator is not present, not functional, or not safe, consideration may be given to repair or replace.
 2. In cases where a stove or range is not present, not functional, or not safe, consideration may be given to repair or replace.
 3. When replacing refrigerators or stoves/ranges, the new unit must be Energy Star rated, of a basic style, with a minimal number of features. The Rehab Specialist should establish an appropriate material allowance to achieve this. Unlike other material allowances, this cannot be pooled with other allowances to purchase a better model.
 - b. The installation of sod or seed, mulches, and the planting of flowers, shrubs, and trees. Tree trimming and removal is also not allowed. Exceptions may be made in the following situations:
 1. Emergencies.
 2. When re-grading is necessary to correct drainage problems.
 3. Repairing yards that have had excavations occur as part of addressing sewer line (or similar) repair or replacement.
 4. Cutting back tree branches that are touching the roof or other parts of the house or garage.
 5. When addressing lead in soil.
 - c. Work begun or completed before the date of the Proceed to Work Order, or reimbursement of an Applicant's personal labor.

- d. New construction of sheds, outbuildings, or fences (except fences that are necessary for security and/or screening purposes as determined by the CDA).
 - e. Additions (except to prevent overcrowding or to address verified medical conditions).
 - f. Fireplaces (except repairs to existing fireplaces necessary to correct safety hazards or increase energy efficiency).
 - g. Construction alterations on manufactured homes, as defined in the Manufactured Home Rules, Chapter 1350.3800, of the Minnesota Department of Administration.
 - h. Greenhouses, kennels, swimming pools, hot tubs, spas, whirlpools, outdoor fireplaces, basketball/tennis courts, and other luxury items as determined by the CDA. Intercom and central vacuum systems are generally not allowed unless required for accessibility purposes.
 - i. Purchase, installation, or repair of furnishings. Furnishings are considered items not permanently affixed to the property.
 - j. Replacement of new or like-new items, unless the Rehab Specialist determines that replacement is necessary for reasons other than cosmetic.
- B. The program shall allow for the use of good quality items and materials, not luxury items. Good quality items and materials shall include those determined to be most cost-effective over the anticipated useful life of the product, not necessarily those with the lowest prices. CDA staff will regularly monitor prices, products and quality of available materials and will be the final arbiters of materials that meet with the purpose of the program. All construction or work performed under contract shall comply with an approved CDA warranty covering workmanship and materials.
- C. Deferred Loans shall not be used for refinancing any existing mortgage or debt, except in cases where the outstanding indebtedness secured by the property to be improved plus the cost of necessary rehabilitation equal an amount that is within the established rehab loan limits, the CDA would have a first mortgage position after refinancing, and the refinancing is determined to be necessary and appropriate to achieve the Authority's community development objectives. Such determination shall be made by the Director of Community and Economic Development.
- D. All work or construction completed with Rehab Loan funds must comply with the Rehab Standards in Appendix V. .

X. Procedures for Processing Loans

- A. In most cases the homeowner makes the first contact. The Community and Economic Development Department in turn briefly describes the program, and the homeowner may submit an application. All applications are handled in the order they were received. It is the Applicant's responsibility to submit verification information on income, assets, and ownership interest in the property in a timely manner. Eligible Applicants will be placed on a waiting list and served in turn.
- B. CDA staff or its representative visits the home to identify eligible work items. The Applicant is also invited to provide input on their housing improvement needs. The Applicant is made fully aware that he/she is not obligated to submit to the proposed work.
- C. Following the inspection, CDA staff or its representative prepares a cost estimate of the proposed improvements which is discussed with the Applicant. A detailed work write-up is then prepared which outlines the proposed work and materials to be used. This document is returned to the Applicant who is responsible for obtaining the necessary bids.
- D. A minimum of two (2) bids are required per job. Exceptions may be made where obtaining multiple bids is impractical or extremely difficult. CDA staff or its representative must provide a written explanation if an exception is made.

The applicant may select any acceptable bid. An acceptable bid must meet the following conditions: (i) the contractor submitting the proposal is licensed (if applicable) and insured; (ii) the price is within 15% of the cost estimate for the work being completed OR the price is the lowest price received; (iii) all the required work relating to the contractor in question has been identified in the proposal; and (iv) the contractor can complete the job within an acceptable time frame.

If contractor supplied prices are too high and the Applicant does not want to use the lowest bidder, CDA staff or its representative and Applicant should consider the following: (i) a revised scope of work which will help to lower the project cost while still meeting program requirements; (ii) revising the in-house cost estimate based on the new and/or additional information that may be provided by the contractor; (iii) a change in materials/techniques to be used to accomplish a task which reduce costs without compromising quality or program requirements; and/or (iv) obtaining proposals from other contractors. Any deviation from this format must be documented in writing and approved by the Director of Community and Economic Development.

- E. After an acceptable bid is received, reviewed, and approved by the CDA and the Applicant, a loan closing is scheduled. At the closing, the appropriate documents

are executed as required for the CDA to secure the loan (see Appendix IV for copies of documents). A Work Agreement is executed by the Applicant and contractor and approved by the CDA. This agreement outlines the contractual conditions that both parties are required to follow. Work will be authorized to begin by the CDA after all documents are signed and the loan is secured by being recorded with Dakota County Recorder's Office.

- F. During construction, CDA staff or its representative monitors the work. When work is completed, the property and work are inspected and a Completion Certificate is executed between the Applicant, contractor and the CDA. Payments from the loan account are made directly to the contractor by the CDA after Lien Waivers are obtained from the general contractor and all subcontractors and suppliers.

XI. Homeowner's Responsibility

The Rehab Program requires Applicants to be active partners. Applicants must submit accurate verification information on personal income and assets to the Rehab Program Coordinator within 30 days. Applicants must obtain contractor bids within 60 days. , Contracts for work to be performed must be signed by the 150-day verification deadline. If the Applicant does not comply with these timelines, the project may be terminated, and the owner will need to reapply to be considered for the Rehab Program. The Rehab Specialist may allow for some deviations from the above-mentioned timelines if an Applicant is making progress on meeting these timelines.

Homeowners must regularly communicate with their chosen contractor(s) and with the Rehab Specialist assigned to assist them with the rehabilitation project. Homeowners must provide the best contact information so that the CDA and the chosen contractor(s) can remain in regular contact with them. If CDA staff cannot contact an Applicant or a program participant in a timely manner, the CDA reserves the right to terminate participation in the Rehab Program.

XII. Emergencies

In this Rehab Program, emergency situations are identified as inoperable furnaces that must be replaced to provide heat within the home or Manufactured Home. On a case-by-case basis, the Director of Community and Economic Development may approve other emergencies related to clear and imminent life/safety conditions causing the home to be uninhabitable. These types of other emergencies do **not** include situations including, but not limited to, roof leaks, water in basements, non-functioning water heaters, rotted/leaking windows, mold, ice dams, non-functioning air conditioners and storm damage. The \$15,000 loan limit may increase to \$35,000 for emergencies that are deemed to be a valid non-furnace emergency, if determined necessary to address that condition.

XIII. Appeals

Each person making application for financial assistance under the program shall have the right to appeal any determination of the CDA staff to the Director of Community and Economic Development of the agency. Appeals should be made in writing within 30 days of the event causing the appeal.

XIV. Statement of Affirmative Action

The CDA shall ensure that every person be given full and equal opportunities for employment in the Rehab Program undertaken by the CDA. It shall be the policy of the CDA that no individual shall be discriminated against with respect to compensation, terms, conditions, or other privileges of employment, because of race, color, religion, creed, sex, national origin, disability, marital status, age, or status with respect to public assistance. The CDA as the administrator of the Dakota County Rehab Program shall do what is necessary to guarantee that minority and women-owned contractors and subcontractors are provided equal opportunity to perform rehabilitation work.

XV. Residential Mortgage Originator Licensing/Standards of Conduct

The CDA has received an exemption from the licensing requirements for Residential Mortgage Originators found in Minnesota Statutes Chapter 58. The Standards of Conduct found in Section 58.13 of the statute will apply to the CDA and the agency employees administering the Home Improvement Loan Program.

XVI. Modifications

The Executive Director of the CDA has the authority to make modifications to this document as deemed necessary for the continued implementation of same, including but not limited to: (1) policy revisions necessary due to a change in design of the Rehab Program; and (2) policy revisions necessary due to changes in the rules and regulations of the funding sources. The Executive Director has the right to amend this policy and/or discontinue the Rehab Program at any time.

XVII. Walk-Away Policy

The Dakota County CDA reserves the right to “walk away” or deny eligibility to Applicants for the following reasons:

1. Structurally unsound dwellings that are deemed uninhabitable by a local municipality. The determination must be documented in writing.
2. Dwellings that have evidence of substantial, persistent infestation of rodents, insects or other vermin.

3. Dwellings that have excessive odors, clutter, garbage, or other unsanitary conditions that affect or may affect the health or safety of CDA staff or contractors.
4. Dwellings that have environmental hazards such as serious moisture problems, friable asbestos or other hazardous materials that cannot be resolved before the rehab work is to start.
5. Animals, either wild or domestic, that present a physical threat to the health or safety of CDA staff or contractors.
6. Applicants, occupants, or others associated with the Applicant's household that threaten or have threatened the health or safety of CDA staff or contractors. This can include physical violence, threats of physical harm, verbal harassment or abuse, false accusations, or other behavior deemed hostile by CDA staff.

In cases where CDA staff encounters hoarding behaviors that represent a serious and immediate hazard**, the staff member will not move forward with the project until a duly appointed official from the city in which the property is located inspects and declares the property to be habitable. The Applicant shall be informed of this action. If the Applicant chooses not to allow the city to inspect the property, the file shall be immediately closed and no further work will proceed. If the Applicant allows the city to inspect the property, the CDA may move forward with the loan provided that the city declares the home habitable or identifies deficiencies which can be corrected through the loan program. These deficiencies must be incorporated into the scope of work. If the Applicant decides not to move forward with the project, and if vulnerable adults or children are present and subject to maltreatment, the CDA shall report those instances to the local welfare agency or the police. If children or vulnerable adults are not present in the home, the CDA does not have an obligation to report instances of hoarding unless otherwise provided by city ordinance. However, in extreme cases the CDA may choose to report households to the appropriate authority. These hoarding standards do not apply to Emergency Loans.

** Serious and immediate hazards include the storage or accumulation of objects or substances of a nature or quantity reasonably likely to create a hazard to the safety or health of an occupant, or that will impede the project. This pertains to objects or substances stored inside the home as well as anywhere on the property.

APPENDIX I

SUBORDINATION / AMENDMENT / SATISFACTION POLICY

1. Subordinations:

- A. Requests for subordination of the interest of the Dakota County CDA in real property shall be considered after the lender has submitted a Subordination Request Form. The completed form shall contain the following information:
 - 1. The reason for the requested subordination.
 - 2. The amount of the loan the CDA is requested to subordinate.
 - 3. The full name of the lending institution as it will appear on the subordination.
 - 4. The current principal balance of any other superior lien secured by the property.
 - 5. The value of the property. The lender shall attach a copy of the current appraisal or other evidence of market value of the property that is acceptable to the CDA.
 - 6. An attached copy of any current title work that has been prepared.
 - 7. Estimated closing costs/settlement statement.
- B. The Dakota County CDA will subordinate its mortgage interest to a “rate and term” refinance if the closing costs are reasonable, and if the CDA believes that the refinance will improve the financial situation of the borrower.
 - 1. Closing costs for the new superior mortgage must be deemed to be reasonable by the CDA. Generally, this shall mean that the sum of all discount points, origination fees, and lender ancillary fees generally shall not exceed 3% of the new first mortgage amount.
 - 2. Property taxes, if not escrowed by the superior mortgage holder, must be current.
 - 3. In most cases, interest-only loans or loans with interest-only options will not be allowed unless the Director of Community and Economic Development determines that an acceptable reason warrants this type of loan.

4. The CDA will not subordinate its mortgage interest to a Reverse Mortgage.

The Director of Community and Economic Development may approve other subordination requests on a case-by-case basis that are clearly in the best interests of the CDA, and the security of the CDA loan remains acceptable, and denial of the request will cause or contribute to a documented hardship on the part of the borrower.

- C. Subordination requests will be processed by Community and Economic Development Department staff, who will submit the request, with a recommendation for action, to the Director of Community and Economic Development. The Director shall approve or disapprove all requests for subordination. Requests for subordination should be submitted a minimum of ten (10) working days prior to the date the agreement to subordinate is needed.
- D. Fees:
 1. Subordination requests, if approved, will be subject to a processing fee as established annually by the CDA, which must be paid prior to the CDA providing the Subordination Agreement. Fees are not refundable.

2. Amendments:

- A. Amendments of the terms of existing loans may be authorized by the Director of Community and Economic Development upon the recommendation of Community and Economic Development Department staff. Such amendments shall be limited to increases in the remaining term of a loan to lower the monthly payment amount to accommodate a financial hardship of the borrower that has been documented by Department staff. Any other changes in the terms for repayment of a loan are subject to approval by the CDA's Board of Commissioners.

3. Satisfactions:

- A. When a loan made by the CDA is paid in full, a document satisfying the lien will be prepared by the CDA and delivered to the borrower for recording.

APPENDIX II

DELINQUENCY, DEFAULT, AND FORECLOSURE POLICY

The Dakota County CDA shall generally require all borrowers through its Home Improvement Loan Program to conform to the terms and conditions contained in the loan documents. If a borrower defaults on these terms and conditions, or is delinquent in making payments on an installment loan, the CDA retains its right to correct the default through all available legal means. However, within reasonable limits and at the CDA's full discretion, the CDA will attempt to negotiate a correction of the default or delinquency with the borrower. General guidelines for protection of the CDA's interests against default or delinquency shall be as follows:

1. Installment Loans:

- A. Delinquency in making payments on installment loans shall be handled first through action within prescribed legal limits by the CDA's contract Loan Servicer. Such action shall include negotiations with the Borrower to establish a modified payment schedule designed to cure the delinquency within as short a time span as possible. These negotiations should consider any unforeseen changes in the borrower's income. If such changes appear to be of a long duration or permanent in nature, the Servicer may recommend a modification in the terms of the CDA's Security Agreement with the borrower (see Appendix II regarding Amendments).
- B. Delinquency in making payments for four (4) months or more may result in the CDA's filing of a claim with the Minnesota Department of Revenue under the Revenue Recapture Program. The claim shall be for the full amount that the borrower is in arrears, including principal, accrued interest, and penalties. The claim shall be released upon the borrower regaining current status in regard to loan payments.
- C. Delinquency for six (6) months or more, combined with the borrower's failure to cooperate with the Loan Servicer in establishing a repayment plan or in providing information that might justify a modification in the terms of the loan, may result in the CDA initiating a foreclosure action. Such action shall be subject to the recommendations of the Loan Servicer and/or the CDA's legal counsel. If so advised, the CDA may seek legal remedies other than foreclosure to collect the amounts owed.
- D. Foreclosure by a superior mortgage holder shall be considered a default on the Dakota County CDA's Installment Loan and may result in the CDA taking any legal action to cure this default. The CDA shall protect its security interest by retaining its rights of redemption under State law and may redeem these interests if the value of the property justifies this action, and funding is available to acquire the property through redemption. Purchase of a property through redemption of the CDA's

security interests shall take place only upon approval by the Executive Director with recommendations made by the Director of Community and Economic Development.

2. Deferred and Accessibility Loans:

- A. Foreclosure by Superior Mortgage. If a borrower who has received a Deferred or Accessibility Loan from Dakota County CDA defaults on the terms of a superior loan, resulting in foreclosure action by the superior lien holder, the Deferred or Accessibility Loan shall be considered in default as well. In these cases, the CDA will not agree to subordinate its interest to a new or renegotiated superior mortgage, unless failure to do so would result in loss of its security. However, the CDA will cooperate with the borrower in any effort to retain their homeownership, providing that the CDA's security can be fully protected. If the foreclosure of the superior mortgage results in sale of the property, the CDA will protect its security by retaining its redemption rights in the property, and may redeem those rights if the value of the property justifies this action, and funding is available to acquire the property through redemption. Purchase of a property through redemption of the CDA's security interests shall take place only upon approval by the Executive Director with recommendations made by the Director of Community and Economic Development.
- B. Sale of Property. If a Deferred or Accessibility Loan borrower is working with a lender to sell the property during a foreclosure (a "Short Sale"), the CDA may negotiate a pay-off less than the full pay-off value of the CDA loan. The CDA will attempt to get as much repaid as possible in order for the sale to proceed based on a review including, but not limited to: (1) a history of the property's time on the market and asking prices, if applicable; (2) a CDA staff review of recent home sale prices in the surrounding neighborhood; and (3) a CDA staff analysis of the potential gain vs. loss of its rehab loan funds due to a partial pay-off in comparison to a pending foreclosure. All partial payoffs must be approved by the Director of Community and Economic Development. If a partial pay-off is approved, then no further action will be taken by the CDA to collect the remaining portion of the rehab loan balance (i.e., filing a Revenue Recapture Claim). Other situations may include the borrower needing to sell his/her property due to circumstances including, but not limited to, employment change, overcrowding, medical condition or health/safety conditions of the home. Equity in this property may not be enough to pay off the CDA loan in whole or in part. Therefore, the Director of Community and Economic Development may evaluate and approve other options including, but not limited to, a promissory note to pay the loan balance secured by other collateral, or a new repayment agreement secured by new property acquired by the borrower. A Revenue Recapture Lien may also be filed by the CDA.
- C. Revenue Recapture Program. Except as provided for in Section 2.B of Appendix II, if a Deferred or Accessibility Loan borrower loses title to the property provided as security through foreclosure of a superior mortgage, abandonment, or other default, and this results in the loss of all or part of the CDA's security amount, the CDA shall

file a Revenue Recapture Claim for the balance of the original loan amount. Such claim will be released only upon full satisfaction of the amount of the claim. The CDA shall also file a Revenue Recapture Claim for the full amount of the loan if the Borrower defaults on the Deferred Loan through its ceasing to be the borrower's principal place of residence, as defined in this Handbook. The CDA may also file a Revenue Recapture Claim for Forgivable Loans based on the balance of the amount due within the graduated forgiveness time period. Any Revenue Recapture Claim filed by the CDA must be allowable under State law.

- D. The CDA reserves its right to take any other legal means to collect funds owed by borrowers who have defaulted on the terms and conditions of a Deferred or Accessibility Loan.

3. Loan Write Offs:

- A. Loans will be written off as accounts receivable after a Sheriff's Sale (or auction) takes place or upon the acceptance of a reduced payoff. A loan may be written off if it is in default, no maturity date is identified in the loan documents, and over fifteen years have elapsed since the loan was made. Other cases may be considered on a case-by-case basis if the loan is in default and CDA staff determines the likelihood of repayment is minimal. All write offs must be approved by the Director of Community and Economic Development and the Executive Director.

APPENDIX III

APPROVED PROGRAM DOCUMENTS

1. Community Development Rehabilitation Loan Repayment Agreement and Mortgage (Sample Repayment Agreement Attached).
2. Work Agreement.

SAMPLE REPAYMENT AGREEMENT

DAKOTA COUNTY COMMUNITY DEVELOPMENT AGENCY COMMUNITY DEVELOPMENT REHABILITATION LOAN REPAYMENT AGREEMENT AND MORTGAGE

THIS AGREEMENT, made and entered into this ____ th day of _____, 20____ (the "Effective Date") by and between _____, a person, (hereinafter referred to as "Borrower"), and the Dakota County Community Development Agency, a body corporate and politic (hereinafter referred to as "Lender").

RECITALS

A. The Lender, under the contracting authority of the County of Dakota, has initiated the Community Development Rehabilitation Deferred Loan Program in the County of Dakota.

B. The Borrower has applied for a loan under said program in the amount of **\$0.00** (the "Loan") to improve and rehabilitate that certain real property located in Dakota County, Minnesota, a legal description of which is attached hereto as Exhibit A (the "Property").

C. Borrower and Lender desire to set forth herein the provisions for the Loan, its repayment, and the mortgage securing such repayment.

IN CONSIDERATION of the promises and mutual obligations contained herein, the sufficiency of which is hereby acknowledged, the Borrower and the Lender do hereby agree as follows:

1. **Deposit/Disbursement of Loan Proceeds.** Upon execution of this Agreement, Lender shall allocate **\$0.00** of its funds to the payment of certain improvement and/or rehabilitation costs incurred by Borrower with respect to the Property (the "Loan Proceeds"). Borrower agrees to enter into a "Work Agreement" with a contractor that will provide for improvements and/or rehabilitation. The Loan Proceeds shall be disbursed by Lender to the contractor in accordance with the terms and conditions of said Work Agreement.
2. **Mortgage Maturity Date and Borrower's Promise to Pay.**
 - a. Unless repayment of the Loan has been required earlier in accordance with the terms and conditions of this Agreement as set out below, the maturity date of the Mortgage (defined herein below) shall be twenty (20) years from the Effective Date as provided herein. At such time, if all terms and conditions of the Agreement are still in force and effect, and the Borrower is not otherwise in default, the Borrower may choose to extend the Mortgage for a definite term, the length of which shall not be less than three (3) years nor more than thirty (20) years, complies with applicable law, and is mutually agreeable to the parties.

b. Prior to Maturity Date described in paragraph 2a, Borrower hereby promises to repay to Lender at its offices designated herein, the entire principal balance of the Loan **\$0.00** without interest, within thirty (30) days after the occurrence of either of the following events:

- (1) The voluntary or involuntary sale, transfer, lease, or other conveyance of the Property in whole or in part, whether by deed, contract for deed, or otherwise, while the Borrower is living or by reason of the death of the Borrower; or
- (2) The Property ceases for any reason to be the Borrower's principal place of residence. For the purposes of this Agreement "Principal Residence" shall mean Borrower's permanent residence and dwelling for at least nine (9) months per year.

Borrower shall notify Lender in writing of either of the foregoing occurrences within ten (10) days thereof.

Repayment of the Loan as required under the terms of this paragraph 2b shall be made to Lender not later than the thirtieth (30th) day after the earlier of the following: (i) the date of the sale, transfer, lease, or other conveyance referred to in paragraph 2b(1), above, or (ii) the date upon which the real estate ceases to be the Borrower's principal place of residence as provided in paragraph 2b(2) above. Upon the occurrence of these events requiring repayment, the earlier of date (i) or (ii) shall become the Maturity Date of the Loan granted herein.

The Maturity Date shall occur regardless of whether the ten (10) day notice required above is given or received; and upon said Maturity Date if repayment of the entire amount of the Loan has not been sooner received by Lender, then at the discretion of the Lender interest may commence to accrue on the amount of the Loan effective upon said Maturity Date at the rate of eight percent (8.00%) per annum; and together with the unpaid principal amount of the Loan, be due and payable without demand or notice by Lender, effective upon said Maturity Date.

3. **Grant of Mortgage.** In consideration of the Loan, Borrower does hereby grant, sell, warrant and convey to Lender a mortgage against the Property (including all improvements thereon and accessions thereto) for the purpose of securing Borrower's obligations to repay the Loan and/or any other fees and expenses due Lender under this Agreement in the event of default or otherwise (the "Mortgage"). Borrower represents and warrants that he/she is lawfully seized of the Property in fee simple absolute and has the right to convey the Mortgage interest to Lender in accordance with this Agreement. Borrower agrees to defend title to Lender's Mortgage against all claims not specifically excepted herein.

Defaults.

- a.** Any of the following events shall constitute defaults under this agreement:
- i. Failure to repay the principal amount of the Loan pursuant to Paragraph 2 of this Agreement.
 - ii. The existence of any misrepresentations by Borrower with respect to this Agreement and/or Borrower's application for the Loan.
 - iii. The filing of a petition by or against Borrower in bankruptcy for any reorganization, liquidation, or similar relief under the United State Bankruptcy Act of 1978, as amended or under any similar federal or state law .
 - iv. Failure by borrower to maintain insurance with respect to the Property pursuant to Paragraph 6 of this Agreement.
 - v. Borrower admits in writing its inability to pay its debts generally as they become due.
 - vi. Failure by Borrower to pay when due all taxes and assessments levied against the Property.
 - vii. Failure by Borrower to keep the Property in good repair and condition.
 - viii. Failure by Borrower to pay any expenses and fees (including attorney's fees) incurred by Lender, its successors, or assigns in order to protect its mortgage lien against the Property provided in Paragraph 3 of this Agreement.
 - ix. Failure by Borrower to comply with any material terms or conditions contained in this Agreement.
 - x. If an event of default occurs under any mortgage secured against this property.
 - xi. Failure by Borrower to comply with any Lead Based Paint and/or Radon requirements.
- b.** Upon the occurrence of any of the foregoing events of default, Lender shall have the right to exercise any rights and remedies available to it at law or in equity, including the right to full repayment of the principal amount of the Loan and the right to foreclose its Mortgage pursuant to Paragraph 5 of this Agreement. Prior to exercising any of its rights or remedies, however, Lender shall deliver written notice of the default giving rise to the same and Borrower shall have thirty (30) days after receipt of such notice to cure such default(s) to the reasonable satisfaction of Lender.
- c.** Notwithstanding any of the provisions contained in this Paragraph 4, Lender shall not be required to exercise any of its rights or remedies upon default by Borrower and no failure by Lender to insist upon the strict performance of any covenant, duty, agreement, or condition contained in this Agreement shall constitute a waiver of any such breach or any other covenant, agreement, term, or condition, nor does it imply that such covenant, agreement, term, or condition may be waived again by Lender.
- d.** Borrower shall be obligated to pay all expenses and attorney's fees incurred by Lender in enforcing its rights to repayment of the Loan under this Agreement, including such expenses and attorney's fees incurred in connection with the foreclosure of the Mortgage. Payment of such expenses and attorney's fees shall be secured by the Mortgage.

5. **Acceleration; Foreclosure of Mortgage.**

a. In the event Lender notifies Borrower of a default(s) and Borrower fails to cure such default(s) pursuant to Paragraph 4(b) above, Lender shall have the option of declaring, by written notice to Borrower, the entire principal amount of the Loan immediately due and payable together with all costs of collection recoverable pursuant to Paragraph 4(d) hereof.

b. In the event Borrower does not repay the entire amount due Lender within ten (10) days of the notice of acceleration provided under Paragraph 5(a), Lender shall have the right to foreclose the Mortgage by action or advertisement in accordance with Minnesota Statutes and retain such proceeds from the foreclosure sale as are necessary to pay the full amount due Lender pursuant to this Agreement. The foreclosure of the Mortgage shall proceed pursuant to Minnesota Statute despite any terms or conditions herein that are inconsistent or conflict with such statutory requirements.

c. Lender's rights to foreclose the Mortgage set forth herein shall be in addition to any other remedies available to Lender at law or in equity in the event of a default, including the right to bring an action against Borrower personally based on Borrower's contractual obligation to pay the Loan set forth in paragraph 2 hereof.

6. **Insurance.** Borrower shall, at its expense, procure and maintain in full force and effect comprehensive property damage insurance coverage insuring the Property and improvements thereto against all risks of loss, theft, destruction, or damage. The insurance shall provide coverage of 100% of the replacement cost for repairing or replacing the Property and/or improvements thereon. All insurance coverage obtained by Borrower pursuant to this Paragraph 6 shall be with a reputable insurance company having a rating of A+ or better. Such insurance policies shall contain a standard "mortgagee" clause naming Lender as a loss payee.

7. **Miscellaneous Provisions.**

a. Any notice to the Borrower provided for in this Agreement shall be given by mailing such notice by certified mail addressed to the Borrower at:

or at such other address as the Borrower may designate by notice in writing to the Lender as provided herein. Any notice to the Lender shall be given by certified mail, return receipt requested, addressed to Lender, the Dakota County Community Development Agency, 1228 Town Centre Drive, Eagan, MN 55123, or to such other address as Lender may designate by notice in writing to the Borrower as provided herein. Any notice provided for in this Agreement shall be deemed to have been given to Borrower or Lender when given in the manner designated herein.

b. This Agreement shall run with the Property and shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, representatives, successors and assigns.

c. None of the provisions of this Agreement are intended to or shall be merged by reason of the Mortgage granted by Borrower herein and such Mortgage shall not impair the provisions of this Agreement.

d. No member, official, or employee of the Lender or the County of Dakota shall have any personal interest in this Agreement. No member, official, or employee of Lender or the County of Dakota shall be personally liable to the Borrower, or his/her successors or assigns, in the event of any default or breach by the Lender under this Agreement or with respect to transactions related hereto.

e. This Agreement shall be governed and construed in accordance with the laws of the State of Minnesota.

f. Borrower acknowledges and agrees that this Agreement and the Mortgage contained herein will be recorded at the County Recorder's or Registrar's Office by Lender.

g. This Agreement may not be amended or assigned without the prior written approval of both Lender and Borrower. An exception can be made by the Lender if after 180 days from the date of this document, all of the Loan Proceeds have not been spent, and the Lender believes that the Loan Proceeds will not likely be spent within a short period of time. At that time, the Lender reserves the right to modify the Loan amount to reflect the actual amount spent, without consent of the Borrower.

h. In the event any one or more of the provisions of this Agreement, or any application thereof, shall be found to be invalid, illegal, or otherwise unenforceable, the validity, legality, and enforceability of the remaining provisions or any application thereof shall not in any way be affected or impaired thereby.

i. This Agreement is the complete agreement between the Borrower and Lender with respect to the transactions provided herein and shall, as of the date hereof, supersede all prior agreements between the parties with respect to the same, both oral and written.

8. **Joint and Several.** In the event the Borrower as described above consists of two or more individuals or entities, all such individuals or entities shall be considered jointly and severally liable for the obligations of the Borrower set forth herein.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

STATE OF MINNESOTA)
)ss
COUNTY OF DAKOTA)

The foregoing instrument was acknowledged before me this ____ day of _____, 20____
by _____, married to _____, the Borrower.

Notary Public

STATE OF MINNESOTA)
)ss
COUNTY OF DAKOTA)

The foregoing instrument was acknowledged before me this ____ day of _____, 20____
by _____

Notary Public

**DAKOTA COUNTY
COMMUNITY DEVELOPMENT AGENCY**

Its Director of Community and Economic Development

STATE OF MINNESOTA)
)ss
COUNTY OF DAKOTA)

The foregoing instrument was acknowledged before me this ____ day of _____, 20 ____,
by Lisa Alfson, the Director of Community and Economic Development for the Dakota County
Community Development Agency, a body corporate and politic on behalf of the Agency.

Notary Public

Tax Statement for the real property described in this instrument should be sent to:

Return recorded document to Mark Hanson, Dakota County CDA

THIS INSTRUMENT WAS DRAFTED BY:

**DAKOTA COUNTY COMMUNITY DEVELOPMENT AGENCY
1228 TOWN CENTRE DRIVE
EAGAN, MN 55123**

This instrument secures a loan made by the mortgagee pursuant to an affordable housing
program, as described in Minnesota Statutes, Section 287.04(6).

EXHIBIT A
Legal Description

APPENDIX IV

POLICY AND PROCEDURES FOR THE LEAD-BASED PAINT HAZARD REDUCTION IN THE DAKOTA COUNTY HOUSING REHABILITATION LOAN PROGRAM

1. Purpose:

The purpose of this Policy is to establish policies and procedures for the implementation of the requirements of 24 CFR Part 35, the Requirements for Notification, Evaluation and Reduction of Lead-Based Paint in Federally Owned Residential Property and Housing Receiving Federal Assistance, in the Dakota County Home Improvement Loan Program (the “Rehab Program”). The Rehab Program is funded through the federal Community Development Block Grant (CDBG) Program; thus, the requirements of Part 35 apply to housing assisted through the Program. This Program is administered by the Dakota County Community Development Agency (the “CDA”).

2. Definitions:

All terms used in this Policy shall have the meaning given in 24 CFR Part 35.110.

3. Applicability:

The policies outlined here apply to Rehab Program assistance provided to any residential property constructed prior to 1978.

4. Procedures:

The procedures to be followed in administration of the Rehab Program shall include the following:

- A. Lead-based Paint Hazard Evaluation: For all properties assisted through the Program that were constructed prior to 1978, a Risk Assessment shall be performed, the total cost to be paid directly by the CDA. The Risk Assessment will be performed by a qualified independent contractor, and will be conducted in accordance with the requirements of Part 35, Chapter 5 of the Guidelines for the Evaluation and Control of Lead-Based Paint in Housing published by the U.S. Department of Housing and Urban Development, and of State laws and regulations. The Risk Assessment will consider the planned rehabilitation work, and will include testing of any deteriorated paint, or paint to be disturbed by the rehabilitation. A copy of the Risk Assessment will be provided to the homeowner once it has been submitted to the CDA.
- B. Lead-based Paint Hazard Reduction: The results and recommendations of the Risk Assessment will be incorporated into the planned rehabilitation of affected properties. Lead-based paint hazard reduction will be performed, as required by Part 35. The

homeowner will be informed, in writing, of the lead-based paint hazard reduction work required to be performed on their housing unit. Only qualified, licensed, and certified contractors will be utilized to perform lead-based paint hazard reduction activities, or any rehabilitation work that is determined to be likely to create a lead-based paint hazard by disturbing lead-based paint on painted surfaces or building components. All such work will be done according to the Lead Safe Work Practices as outlined in Part 35.

- C. Clearance Testing: Prior to payment of contractors performing lead-based paint hazard reduction work, or any work disturbing lead-based paint on surfaces or building components, a clearance test for the presence of lead in dust will be performed, the total cost to be paid directly by the CDA. Contractor payment will not be authorized, nor will a rehabilitation project be considered complete, until a successful clearance test has been obtained. The homeowner will be provided the results of all clearance testing done in their housing unit.

5. Relocation:

- A. For Lead-based Paint Hazard Reduction to be safely accomplished, it is necessary that the impacted areas in a residence be vacated by the occupants until the area has been determined to be safe for use through a clearance test. When the impacted areas include the sole means of entry or all entries to the dwelling, the kitchen or food preparation areas, or the sole bathroom or all bathrooms, or the entire dwelling area, the occupants must completely vacate the unit until the lead-based hazard reduction work shall be completed and successful clearance tests obtained. The occupants' personal property must also be either removed from the unit or protected from exposure to lead dust.
- B. Relocation from the affected areas of the unit or the entire unit shall be done on a voluntary basis by the homeowner. The homeowner shall sign a waiver form acknowledging that they are relocating voluntarily, and that the CDA shall not be responsible for any costs associated with this relocation, other than a stipend payment specified in Section 5(C) of this Policy.
- C. The CDA shall compensate any homeowner required to completely vacate their dwelling unit for a period exceeding a continuous time of 24 hours (or one full day and one full night) during the lead-based paint hazard reduction work on their unit a stipend amount of five hundred dollars (\$500.00).

APPENDIX V

PROPERTY REHABILITATION STANDARDS Dakota County Home Improvement Loan Program

Purpose: The Dakota County Community Development Agency (the “CDA”) administers an owner-occupied housing rehabilitation program (“Rehab Program”) using funds from a variety of sources including the federal Community Development Block Grant (“CDBG”) program, the federal HOME Investment Partnerships (“HOME”) program, the local HOPE program, and the Local Affordable Housing Aid (“LAHA”) program. These Property Rehabilitation Standards provide a basis for assuring that a rehabilitated house meets minimum health, safety, and quality conditions. Deficiencies identified in the property inspection must be prioritized and cured as funding allows. The CDA will be responsible for insuring that funds are provided to eligible homeowners and expended for allowable costs as defined in the CDA’s Policy and Procedures Handbook for the Rehab Program.

The completed rehabilitation project must meet the current Minnesota State Building Code. Manufactured homes must meet the Manufactured Home Building Code standards upon completion of rehabilitation. Loans funded with HOME shall follow the standards listed in the “Dakota County Community Development Agency HOME Investment Partnerships Program Rehabilitation Standards.”

The following minimum housing standards are hereby accepted for implementation throughout Dakota County.

A. SITE. The home site shall be reasonably free from hazards to the health, safety, and general welfare of the occupants.

ACCEPTABILITY CRITERIA - The site should not be subject to serious adverse environmental conditions, natural or manmade, such as:

1. Steps and Walks. Concrete steps and walks that are cracking, crumbling, or heaving should be repaired and replaced as necessary. Dangerous walks and steps where serious hazards are present such as missing or broken stair treads, rotten stringers and dangerous cracks shall be repaired or replaced.
2. Flooding, Poor drainage, or Mudslides. The subject lot should have positive drainage away from the dwelling to prevent standing water at the foundation.
3. Trash Accumulation. Excessive accumulations of trash or any materials which accumulate on a property should be removed, or screened and arranged in a manner which does not detract from the general appearance of the neighborhood.

4. Fire Hazards. The subject site should be free from fire hazards, such as the storage of highly flammable materials, etc.

B. ACCESS. The dwelling shall have adequate access for the occupants.

ACCEPTABILITY CRITERIA

1. The dwelling shall be usable and capable of being maintained without unauthorized use of other private properties. The property should be adjacent to an access street or road. Each unit shall have a separate entrance without passing through other units.
2. The building shall provide an alternative means of egress in case of fire (e.g., fire stairs or egress through windows).

C. STRUCTURE AND MATERIALS. The dwelling shall be structurally sound, free from threats to the health and safety of the occupants, and shall protect the occupants from the environment.

ACCEPTABILITY CRITERIA

1. Ceilings, walls (interior and exterior), floors, roofs, porches, etc., shall not have any serious defects such as severe bulging or leaning, large holes, loose surface materials, severe buckling or noticeable movement under walking stress, missing parts, or other serious damage. Where crawl spaces or basements exist, all first-floor structural wood members, including floor joists, plates, piers and pilings, should be inspected for cracked, broken, rotten or otherwise damaged conditions. Damaged members should be repaired or replaced as required. The exterior and interior walls should be weather tight in a manner that prevents, as much as possible, heat loss in the winter and cooling loss in the summer. This includes the repainting or installation of siding to protect the exterior surface from the elements. The interior walls should be repaired or replaced as required to facilitate this criterion.
2. The roof structure shall be firm, and the roof shall be weather-tight. All roof framing members should be free from cracks and rot. The roof sheathing should be solid and free from sagging, buckling, and heaving. If the roof appears to be well worn, it should be replaced. If possible, the roof should be stripped all the way down to the sheathing and replaced.
3. The foundation and exterior wall structure as well as the exterior and interior wall surfaces shall not have any serious defects such as serious leaning, buckling, sagging, large cracks or holes, large sections of loose materials, or other serious damage. Undermined footings, walls, posts, or slabs must be addressed. A chimney showing signs of serious leaning or significant deterioration or disintegration (such as many missing bricks) must be repaired or replaced.

4. The condition of interior steps, halls, walkways, and porches should be free of tripping hazards. Crumbling, cracked, broken, missing or uneven conditions should be repaired or replaced as necessary. Handrails shall be properly installed on all stairways where required by code.
5. In the case of a manufactured home, the home shall be securely anchored by a tie-down device which distributes and transfers loads imposed by the unit to appropriate ground anchors to resist wind, overturning, and sliding.
6. All detached garages should be repaired to a usable condition or removed from the property; other out-buildings may be removed and/or demolished based on hazardous conditions.
7. The general appearance of the outside of the structure and the lot, after rehabilitation, should make a positive contribution to the general appearance of the neighborhood.
8. Installation of gutters and downspouts is strongly recommended to divert water away from foundations.

D. LEAD-BASED PAINT. The dwelling shall comply with the HUD lead-based paint regulations.

ACCEPTABILITY CRITERIA

1. The dwelling shall comply with HUD lead based paint regulations (24 CFR Part 35), issued pursuant to the Lead-Based Paint Poisoning Prevention Act, 42 USC 4801, including the following actions:
 - a. Notification to all occupants that the property may contain lead-based paint if constructed prior to 1978, and the hazards, symptoms, and treatment of such poisoning, including information on testing for elevated blood levels (EBL) for children.
 - b. Inclusion of contract language prohibiting the use of lead-based paint.
 - c. Inspection for and elimination of "immediate hazards," which are defined as chipping, peeling, flaking, cracking, or other defects in previously painted surfaces.
2. If the property was constructed prior to 1978, any tenant or family shall be furnished a notice as required by the lead-based paint regulations. Such notice shall inform them of the procedures regarding the hazards of lead-based paint poisoning, the symptoms and treatment of lead poisoning, and the precautions to be taken against lead poisoning.

3. If the property was constructed prior to 1978 the property must have a Lead-Paint Risk Assessment if the rehab cost is to exceed \$5,000.00.

E. WATER SUPPLY. The water supply shall be free from contamination.

ACCEPTABLE CRITERIA

1. The dwelling shall be served by an approved public or private sanitary water supply. The dwelling shall have a water heater of sufficient capacity to serve present and anticipated future residents. Water heaters should not be allowed in bathrooms, bedrooms, sleeping rooms or closets unless contained in an enclosed area, with at least one hour rated fire walls and adequate fresh air intake. All water heaters must be free of leaks, have temperature / pressure relief valves, and a discharge line.
2. Hot and cold water shall be supplied to all kitchens, baths, and laundry facilities.
3. All water lines should be protected from freezing.

F. INTERIOR AIR QUALITY. The dwelling should be free of pollutants in the air at levels which threaten the health of the occupants.

ACCEPTABILITY CRITERIA

1. The dwelling shall be free from dangerous levels of air pollution from carbon monoxide, sewer gas, fuel gas, dust, and other harmful air pollutants. All gas or oil-fired appliances should have proper venting to the outside of the dwelling for combustion gases.
2. Air circulation shall be adequate throughout the dwelling. All windows designed to open shall open easily and have screens which are properly installed. They should be provided with the proper window hardware, and with storm windows if the windows are single glazed. All windows with easy access from the outside shall have locks.
3. Bathroom areas shall have at least one operable window or other adequate exhaust ventilation, vented to the outside. Kitchen areas should also have proper ventilation.

G. ILLUMINATION AND ELECTRICITY. Each room shall have adequate natural or artificial illumination to permit normal indoor activities and to support the health and safety of the occupants. Sufficient electrical sources shall be provided to permit use of essential electrical appliances while assuring safety from fire.

ACCEPTABILITY CRITERIA

1. Living and sleeping rooms shall include at least one window; if the sleeping room is in the basement, the window must meet egress requirements.

2. At least two electric outlets (or one outlet and one permanently installed wall or ceiling fixture) shall be present and operable in the living area, and each bedroom area. A kitchen must have at least one working outlet and one permanently installed wall or ceiling fixture. A bathroom must have a permanent light fixture in working condition. Outlets installed as a result of the rehabilitation work in a kitchen, bathroom, the exterior, or in the general location of water shall be protected by a ground fault interrupter. All outlets installed because of the rehabilitation work should be grounded.
3. If the existing service panel is unsafe, or if it is undersized relative to current demand, the unit should be provided with at least 100-amp service and enough circuits to service present/anticipated use of the dwelling. The new service should meet the following requirements:
 - a. There should be separate circuits for any air conditioners (window included), electric dryers, electric stoves, and other special appliances.
 - b. There should be a separate minimum 20-amp circuit for the heavy workload area in the kitchen. The furnace shall have a separate 20-amp circuit.
 - c. Apart from kitchens (see b. above), all other rooms should be assessed relative to their use of electricity and additional outlets and switches installed based on usage and safety factors.
4. Connection at the main service to the unit should be in an acceptable manner.
 - a. Placement of the connection should be out of the reach of children.
 - b. Proper anchoring should be used.
5. All exposed "knob & tube" wiring should be replaced if hazardous or when replacing the service panel.
6. All hazardous conditions such as broken switches and outlets, missing covers, bare wiring, fixtures not properly installed or anchored, shall be repaired or replaced in an acceptable manner. It is recommended that all "pendant" type fixtures be replaced with an appropriate ceiling or wall fixture.
7. Even though a room may meet acceptability criteria #3 above, if the inspection reveals the use of octopus plugs, adapters, extension/zip cords, or other unsafe practices, additional outlets should be installed.

H. THERMAL ENVIRONMENT. The dwelling unit shall have and be capable of maintaining a thermal environment healthy for the human body.

ACCEPTABILITY CRITERIA

1. The dwelling shall contain safe heating facilities which are in proper operating condition and provide adequate heat to each room in the dwelling appropriate for the climate to insure a healthy living environment. All parts of the venting system for central heating units should be in proper working condition. For example:
 - a. Vent pipes should be free of rust and be properly maintained by the homeowner.
 - b. Where vent pipes are connected to a masonry chimney, that chimney should be properly maintained by the homeowner so that all mortar joints are tightly sealed.
2. Unvented room heaters which burn gas, oil or kerosene are unacceptable.
3. The existing level of attic insulation should be R-20 or greater. If the level is less than R-20, more insulation should be added to bring the level up to a minimum rating of R-44 if possible. Cellulose bags should be labeled with acceptable ratings derived from flame-spread tests. Air sealing should accompany all efforts to add insulation to the attic.
4. Weather stripping should be applied as needed around all doors and windows.
5. Storm doors should be installed whenever possible.
6. Any inside walls that are on an exterior wall, if opened down to the studs during the rehabilitation, should be fully insulated with an acceptable insulating material.
7. All joints in the building envelope should be caulked and sealed. All brittle or loose caulking should be replaced.
8. Supply and return heating and air conditioning ducts should be insulated whenever they run through unheated spaces.
9. It is strongly recommended that whenever space heaters or floor furnaces are used, they be replaced with a properly installed, more efficient central heating and cooling system.

I. SANITARY FACILITIES. The dwelling shall include its own sanitary facilities which are in proper operating condition, can be used in privacy, and are adequate for personal cleanliness and the disposal of human waste.

ACCEPTABILITY CRITERIA

1. A flush toilet in a separate, private room, a fixed basin with hot and cold running water, and a bathtub or shower with hot and cold running water shall be present in the dwelling and shall be fully operational. The toilet, basin, and tub or shower should all be in the same room, if possible.

2. These facilities shall utilize an approved public or private sewage disposal system. Where a public sewage system is not available, a visual inspection is required by the Rehab Specialist for any raw sewer seeping to the surface on the exterior and for any evidence of interior backup.

J. SPACE AND SECURITY. The dwelling shall afford the family adequate space and security.

ACCEPTABILITY CRITERIA

1. A living room, kitchen area, and bathroom shall all be present.
2. Exterior doors and windows accessible from outside the dwelling shall be lockable.
3. Each dwelling must have smoke and carbon monoxide detectors in accordance with local codes. It is recommended that all smoke and carbon monoxide detectors be U.L. approved and be hard wired. U.L. approved battery type or a combination electric/battery type may also be used. Older smoke and carbon monoxide detectors should be replaced at the discretion of CDA staff.

K. FOOD PREPARATION AND REFUSE DISPOSAL.

ACCEPTABILITY CRITERIA

1. The unit shall contain the following equipment in operating condition: (1) cooking equipment, (2) refrigerator of appropriate size for the dwelling, and (3) a kitchen sink. Stove, range, and microwave ovens are acceptable cooking equipment
2. The sink shall drain into an approved public or private sewer system.
3. Adequate space for the storage, preparation and serving of food shall be provided. Food storage space should be cabinets or pantry type storage. Food preparation space should be counters or other horizontal workspace.
4. There shall be adequate facilities and services for the sanitary disposal of food wastes and refuse, including facilities for temporary storage where necessary (e.g., garbage cans).

L. SANITARY CONDITION. The unit and its equipment shall be in sanitary condition.

ACCEPTABILITY CRITERIA

1. The dwelling unit and its equipment shall be free of serious vermin and rodent infestation.

M. RADON. The dwelling shall comply with the HUD's Radon requirements.

ACCEPTABILITY CRITERIA

1. The dwelling shall comply with HUD's radon policy notice from January 11, 2024, *Departmental Policy for Addressing Radon in the Environmental Review Process*. The policy states that radon mitigation is required when radon tests show levels at 4.0 pCi/L or greater. The CDA will order radon tests using continuous radon monitors (CRMs) for all Home Improvement Loans.
2. For those properties with tests that are at 4.0 pCi/L or greater, a professionally installed radon mitigation system must be installed.
3. The radon mitigation system must reduce radon levels to under 2.0 pCi/L.

Revisions to the *Policy and Procedures Handbook for the Home Improvement Loan Program*
(aka the Home Improvement Loan Program), as approved by:

Tony Schertler
Executive Director
Dakota County Community Development Agency

Date



Board of Commissioners

Request for Board Action

Meeting Date: January 20, 2026

Agenda #: 5C

DEPARTMENT: Community and Economic Development

FILE TYPE: Regular - Consent

TITLE

Authorize Forgiveness And Release Of Dakota County HOME Investment Partnerships Program Loan And Interest And Release Of Dakota County CDA Gap Loan And Interest For Oak Ridge Townhomes (Eagan)

PURPOSE/ACTION REQUESTED

Authorize forgiveness and release of the outstanding balance, including interest, on a HOME loan and a CDA Gap loan for Oak Ridge Townhomes in Eagan.

SUMMARY

In 1995, the Dakota County Housing and Redevelopment Authority, now the Dakota County Community Development Agency (CDA), provided a \$70,000 federal HOME Investment Partnerships (HOME) Program loan and a not to exceed \$200,000 CDA Gap loan to the Eagan Family Housing Limited Partnership, which was the initial owner of the 42-unit Oak Ridge Townhomes, generally located at 1613-1670 Oak Ridge Circle in Eagan. The development is now owned by the Dakota County CDA Workforce Housing, LLC.

The property completed the HOME Program 20 year affordability requirement on September 1, 2016 and has maintained this affordability. The outstanding balance of the loan is currently \$70,094.08, including interest. The loan was due December 14, 2025.

The CDA Gap Loan was initially made in 1995 to fill a gap in financing until the subsidy from the Federal Home Loan Bank (FHLB) became available. This FHLB subsidy became available in 1996 and the CDA was reimbursed \$147,000 to pay for the costs of development and construction of the townhomes. The outstanding balance of the loan is currently \$190,971.58, including interest. The loan was due December 14, 2025.

To support the on-going affordability of Oak Ridge Townhomes, CDA staff propose forgiving and releasing the remaining and outstanding principal and interest on the HOME Loan and CDA Gap Loan.

RECOMMENDATION

Staff recommends the forgiveness and release of the remaining balance, which is currently \$70,094.08, including all interest, of the HOME Loan and the forgiveness and release of the remaining balance, which is currently \$190,971.58, including all interest, of a CDA Gap Loan for Oak Ridge Townhomes, a property in the Dakota County CDA Workforce Housing, LLC. The property will remain an affordable housing community.

EXPLANATION OF FISCAL/FTE IMPACTS

The forgiveness and release of the remaining \$70,094.08 HOME Loan, including interest, and the remaining \$190,971.58 CDA Gap Loan, including interest, will remove the debt from the property's liability and remove the corresponding loan payment to the CDA for an offsetting net financial impact.

☐ None ☐ Current budget ☒ Amendment Requested ☒ Other

RESOLUTION

WHEREAS, in 1995, the Dakota County Housing and Redevelopment Authority, now the Dakota County Community Development Agency (CDA), approved a \$70,000 HOME Loan and a not to exceed \$200,000 CDA Gap Loan to assist with the construction of Oak Ridge Townhomes, a 42-unit development in Eagan; and

WHEREAS, Oak Ridge Townhomes is owned by the Dakota County CDA Workforce Housing LLC; and

WHEREAS, the current balance of the HOME Loan, including interest, is now \$70,094.08 and the current balance of the CDA Gap Loan, including interest, is now \$190,971.58; and

WHEREAS, the CDA wishes to forgive and release the remaining balance and interest on the HOME Loan and the CDA Gap Loan to ensure the long-term affordability of Oak Ridge Townhomes.

NOW, THEREFORE BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, That the remaining balance and interest of the HOME Loan, currently in the amount of \$70,094.08, and the remaining balance and interest of the CDA GAP Loan, currently in the amount of \$190,971.58, for Oak Ridge Townhomes are hereby forgiven and released; and

BE IT FUTHER RESOLVED, That 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.

PREVIOUS BOARD ACTION

None.

ATTACHMENTS

None.

CONTACT

Department Head: Lisa Alfson, Director of Community and Economic Development
Author: Kathy Kugel, Housing Finance Manager



Board of Commissioners

Request for Board Action

Meeting Date: January 20, 2026

Agenda #: 5D

DEPARTMENT: Property Management

FILE TYPE: Regular - Consent

TITLE

Approval Of 1.0 FTE Budget Authority To Hire A Resident Services Manager For The Property Management Department

PURPOSE/ACTION REQUESTED

Approval to add 1.0 FTE Resident Services Manager in the Property Management department.

SUMMARY

In 2025, an organizational study was finalized for the Property Management department. Conclusions of this study included recommendations for adjustments to staffing levels to better serve the 2,900+ households that live in CDA housing units.

Property Management and Human Resources have developed a Resident Services Manager job description that will provide additional capacity on the Property Manager team. Currently, there are nine Property Managers that have portfolios ranging from 268 to 354 units that they oversee and manage. The Resident Services Manager position will assist with these portfolios in the absence of a Property Manager, will directly manage the CDA's commercial properties (Lakeville and West St. Paul), oversee reasonable accommodation and VAWA requests for the entire CDA portfolio, and serve as the main point of contact for the department's use of Yardi (housing database software).

This position will be posted after Board approval with an anticipated start date in February 2026.

RECOMMENDATION

Staff recommends revising the authorized full-time positions schedule in the FYE26 Operating Budget and Plan to increase Property Management staffing by 1.0 FTE.

EXPLANATION OF FISCAL/FTE IMPACTS

The cost to add this position (salary, benefits and overhead administrative costs) for the remainder of FYE26 is estimated to be \$60,000.

☐ None ☐ Current budget ☒ Amendment Requested ☐ Other

RESOLUTION

WHEREAS, to provide high levels of service to CDA residents, the Property Management department has determined the need for additional capacity; and

WHEREAS, the department has requested an additional 1.0 FTE Resident Services Manager position.

WHEREAS, the cost to add this position for the remainder of the FYE26 budget is estimated to be \$60,000.

NOW, THEREFORE BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, That the FYE26 Operating Budget and Plan for Property Management is hereby increased by 1.0 FTE; and

BE IT FURTHER RESOLVED, That the Property Management budget authority in the FYE26 Operating Budget be increased by \$60,000.

PREVIOUS BOARD ACTION

25-6979; 6/24/2025

ATTACHMENTS

N/A

CONTACT

Department Head: Anna Judge, Director of Property Management

Author: Anna Judge



Board of Commissioners

Request for Board Action

Meeting Date: January 20, 2026

Agenda #: 5E

DEPARTMENT: Administration

FILE TYPE: Regular - Consent

TITLE

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

PURPOSE/ACTION REQUESTED

Summarize the CDA Board of Commissioners' conclusions regarding the closed session annual performance review of the Executive Director.

SUMMARY

The Open Meeting Law, Minn. Stat. § 13D.05, permits a public body to close a meeting to evaluate the performance of an individual subject to its authority. On December 16, 2025 (Resolution No. 25-7049) the Dakota County CDA Board of Commissioners held a closed executive session to hold a discussion of the performance of the Executive Director.

The annual review of the Executive Director resulted in an Exceptional Performer rating. The session included discussion of the Executive Director's accomplishments and observations in 2025, and challenges and opportunities he and the Board foresee for 2026.

RECOMMENDATION

Staff recommends adoption of the resolution.

EXPLANATION OF FISCAL/FTE IMPACTS

The Executive Director's 2026 compensation is included in the current FYE26 budget and will be included in the FYE27 budget proposal presented to the Board in May 2026.

☐ None ☒ Current budget ☐ Amendment Requested ☐ Other

RESOLUTION

WHEREAS, pursuant to Minn. Stat. § 13D.05, subd. 3(a), the CDA Board held a closed executive session on December 16, 2025, to evaluate the performance of the CDA Executive Director; and

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

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 Exceptional Performer, and is approved for a 7.25% pay increase effective January 1, 2026.

PREVIOUS BOARD ACTION

25-7049; 12/16/2025

ATTACHMENTS

None.

CONTACT

Department Head: Sara Swenson, Director of Administration and Communications

Author: Sara Swenson



Board of Commissioners

Request for Board Action

Meeting Date: January 20, 2026

Agenda #: 6A

DEPARTMENT: Housing Development

FILE TYPE: Regular - Action

TITLE

Conduct Public Hearing To Receive Comments On The Disposition Of A DCCDA Section 18, LLC Property And Authorization To Enter Into Purchase Agreement With Qualified Buyer

PURPOSE/ACTION REQUESTED

- Conduct and close the public hearing regarding the disposition of a vacant property.
- Authorize the Executive Director to enter into a purchase agreement on behalf of DCCDA Section 18, LLC for one property.

SUMMARY

The Dakota County CDA, as the sole member of the DCCDA Section 18, LLC, owns single family homes and duplexes that were previously part of the Public Housing Program and were acquired by the LLC through the U.S. Department of Housing and Urban Development (HUD) Section 18 Demo/Dispo Program.

HUD's Special Applications Center has approved the disposition of the Section 18 units. If a current resident has an interest in purchasing the property or if a property becomes vacant, CDA staff assesses the property to determine if it should be sold. The units must be sold at Fair Market Value to the current resident or on the market through public bid.

On December 16, 2025, the CDA Board set a public hearing for the disposition of one DCCDA Section 18, LLC property, a duplex located in Burnsville. Twelve offers were received for this property and a buyer and contingency buyers have been identified after review of the offers.

RECOMMENDATION

Staff recommends conducting and closing the public hearing and approving the sale of the property to the selected buyer.

EXPLANATION OF FISCAL/FTE IMPACTS

HUD requires the proceeds from the sale of the properties be placed in a restricted bank account to be used for all allowable purposes which includes acquiring and/or constructing replacement affordable housing units.

☐ None ☐ Current budget ☐ Amendment Requested ☒ Other

RESOLUTION

WHEREAS, the Dakota County CDA is able to dispose of property after holding a public hearing for which a notice is published; and

WHEREAS, a notice of the public hearing was published in the Dakota County Tribune per Minnesota Statute Sec. 469.105; and

WHEREAS, the property proposed for sale is part of the DCCDA Section 18, LLC that was created for the transition of public housing units through the U.S. Housing and Urban Development's Section 18 Demo/Dispo program; and

WHEREAS, the U.S. Department of Housing and Urban Development's Special Applications Center has approved the disposition of the Section 18 units on the open market through public bid; and

WHEREAS, Kerr Properties, a qualified buyer, submitted the highest and/or best offer to purchase 12951 & 12955 Girard Street, Burnsville and Megan Peterson and Noble Jesudas Pilli submitted the second and third highest and/or best offer/bid; and

WHEREAS, a public hearing was conducted on January 20, 2026, on the proposed terms of the sale of the property:

| Address | Buyer | Contingency Buyers |
|--|-----------------|---|
| 12951 & 12955 Girard Street, Burnsville | Kerr Properties | 1 st Megan Peterson 2 nd Noble Jesudas Pilli |

NOW, THEREFORE BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners, That the Executive Director is authorized to negotiate with and enter into a Purchase Agreement with the buyer; and

BE IT FURTHER RESOLVED, That the public hearing is closed.

PREVIOUS BOARD ACTION

25-7045; 12/16/2025

ATTACHMENTS

Attachment A: Affidavit of Public Hearing

CONTACT

Department Head: Kari Gill, Deputy Executive Director

Author: Lori Zierden, Real Estate Manager

AFFIDAVIT OF PUBLICATION

STATE OF MINNESOTA) ss
COUNTY OF DAKOTA

I do solemnly swear that the notice, as per the proof, was published in the edition of the

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 01/02/2026 and the last insertion being on 01/02/2026.

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.

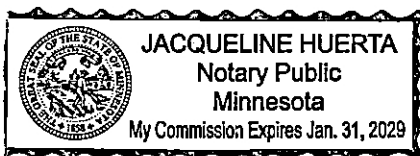
By: _____

Designated Agent

Subscribed and sworn to or affirmed before me on 01/02/2026

J Huerta

Notary Public

**Rate Information:**

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

\$999.99 per column inch

Ad ID 1510397

**DAKOTA COUNTY
COMMUNITY DEVELOPMENT AGENCY
PUBLIC NOTICE**

Notice is provided that the Board of Commissioners of the Dakota County Community Development Agency (CDA), as the sole member of DCCDA Section 18, LLC will hold a public hearing on Tuesday, January 20, 2026, at or after 3:15 p.m. at the CDA offices located at 1228 Town Centre Drive, Eagan, Minnesota to consider the sale, transfer, and/or exchange of the following described property currently owned by DCCDA Section 18 LLC is advisable:

| Address | Legal Description |
|---|---|
| 12951 & 12955 Girard Avenue, Burnsville | That part of the Northwest quarter (NW ¼) of the Southwest quarter (SW ¼) of Section Thirteen (13), Township One hundred fifteen (115), Range Twenty one (21), Dakota County, Minnesota, described as follows: Beginning at the Southwest corner of Lot Seven (7), Block One (1), Vista View 7th Addition; thence South 88 degrees, 15 minutes East on an assumed bearing along the South line of said Lot Seven (7), a distance of 71.00 feet; thence South 44 degrees, 11 minutes West, a distance of 129.21 feet; thence North 45 degrees, 39 minutes 01 seconds West, a distance of 1.81 feet; thence northwesterly and northerly, a distance of 101.19 feet along a tangential curve concave to the Northeast having a central angle of 50 degrees 27 minutes 35 seconds and a radius of 114.90 feet; thence North 4 degrees 48 minutes 34 seconds East tangent to the last described curve, a distance of 53.60 feet to the point of beginning. |
| | Residential (1-4 Family, RESPA Definitions) |

The terms and conditions for offers that staff are recommending to the CDA Board will be available at the CDA's office beginning January 20, 2026. For more information on this proposed sale, transfer, and/or exchange of property contact Lori Zierden at the Dakota County CDA, 1228 Town Centre Drive, Eagan, MN 55123, telephone (651) 675-4479. Public comments may be submitted orally or in writing to the CDA through the public hearing to be held on January 20, 2026.

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
January 2, 2026
1510397



Dakota County
Community Development
Agency

1228 Town Centre Drive | Eagan, MN 55123
PHONE 651-675-4400 | TDD/TTY 711
www.dakotacda.org

MEMO

December 16, 2026

TO: CDA Board of Commissioners
Dakota County Manager and Physical Development Director
City Administrators & Managers

FROM: Tony Schertler, Executive Director

RE: Status Report - Quarter 4, 2025

This Status Report provides summary information on the use of affordable housing and community development programs in Dakota County. The Status Report reflects statistics through the fourth quarter of 2025 and not the entire life of programs. As a reference tool, the appendix has an explanation of each program.

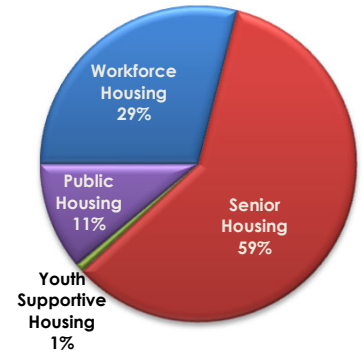


Rental Assisted Housing

| Development-Based Housing Programs | as of September 30 | | as of December 31 | | */ Previous Quarter |
|--|----------------------|------------------|----------------------|------------------|---------------------------|
| | Elderly/ Disabled | Youth/ Family | Elderly/ Disabled | Youth/ Family | |
| CDA Housing Programs | 1,669 | 831 | 1,669 | 831 | 0 |
| Project Based Housing Choice Vouchers | All | 126 | All | 128 | 2 |
| Other Affordable Housing Programs | 1100 | 1,730 | 1100 | 1,730 | 0 |
| Total Development-Based Housing Units | 2,769 | 2,687 | 2,769 | 2,689 | 2 |
| | | | | | |
| Tenant-Based Housing Programs | All | | All | | */ Quarter |
| Tenant Based Housing Choice Vouchers | 2,295 | | 2,274 | | -21 |
| Portable Incoming Vouchers | 516 | | 557 | | 41 |
| Outgoing Vouchers | 483 | | 482 | | -1 |
| Other Rental Housing Subsidy Programs | 28 | | 38 | | 10 |
| Total Tenant-Based Housing Vouchers | 0 | 3,322 | 0 | 3,351 | 29 |

Tenant-based program vouchers may be used by residents of development-based housing.

CDA Property Portfolio



CDA Properties include:

- 29 Senior Housing Developments
- 24 Workforce Housing Developments
- 3 Other Developments: Lincoln Place (Youth Supportive Housing), Gateway Place, and Nicols Pointe
- 123 units Scattered Site Public Housing
- 80 units Public Housing (Colleen Loney)

Rental Assisted Housing includes:

Development-Based Housing Programs

- CDA Senior Housing
- CDA Workforce Housing
- CDA Youth Supportive Housing
- Section 8 Housing Choice Vouchers
- 202 Housing
- 811 Housing
- 236 Housing
- Low Rent Housing
- Non-CDA Bond Financed Housing
- Non-CDA Tax Credit Housing
- FMHA

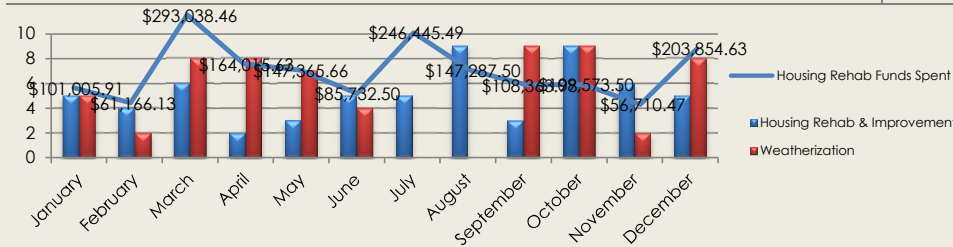
Tenant-Based Housing Programs

- Section 8 Housing Choice Vouchers
- Continuum of Care
- Bridges
- Family Unification Program
- Veteran Affairs Supportive Housing
- Housing Trust Fund
- Single Room Occupancy

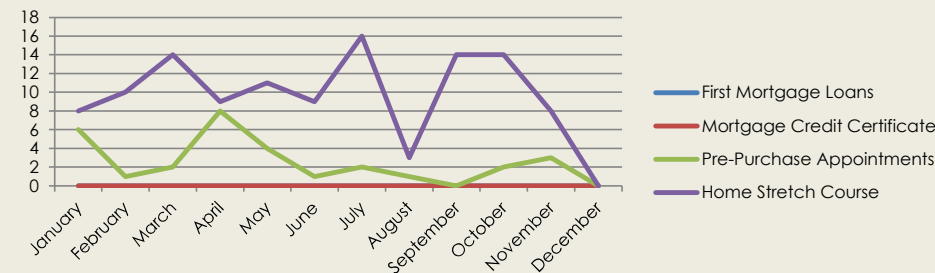
Program statistics are available upon request.

Home Ownership

| Housing Improvement Programs | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | 2025 YTD |
|-----------------------------------|-----------|-----------|-----------|-----------|----------|
| Rehab & Improvement Loans Closed | 15 | 10 | 17 | 20 | 62 |
| Weatherization Projects Completed | 15 | 19 | 9 | 19 | 62 |



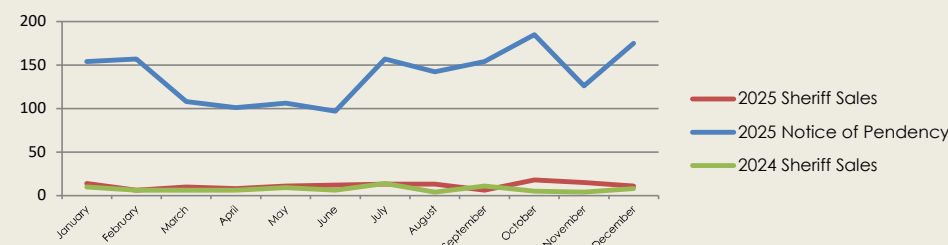
| First Time Homebuyer Programs | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | 2025 YTD |
|------------------------------------|-----------|-----------|-----------|-----------|----------|
| First Mortgage Loans & Downpayment | 0 | 0 | 0 | 0 | 0 |
| Mortgage Credit Certificates | 0 | 0 | 0 | 0 | 0 |
| Pre-Purchase Counseling | 9 | 13 | 3 | 5 | 30 |
| Home Stretch Homebuyer Education | 32 | 29 | 33 | 22 | 116 |



Graph represents monthly data.

Foreclosure

| Home Foreclosure | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | 2025 YTD | 2024 CY |
|--------------------|-----------|-----------|-----------|-----------|----------|---------|
| Sheriff Sales | 30 | 31 | 32 | 44 | 137 | 89 |
| Notice of Pendency | 419 | 304 | 453 | 486 | 1,662 | 1,209 |





Rental Assisted Housing

| | as of September 30 | | as of December 31 | | +/- |
|--|----------------------|------------------|----------------------|------------------|---------------------|
| Development-Based Housing Programs | Elderly/ Disabled | Youth/ Family | Elderly/ Disabled | Youth/ Family | Previous Quarter |
| CDA Housing Programs | 170 | 111 | 170 | 111 | 0 |
| Project Based Housing Choice Vouchers | All | 17 | All | 16 | -1 |
| Other Affordable Housing Programs | 215 | 117 | 215 | 117 | 0 |
| Total Development-Based Housing Units | 385 | 245 | 385 | 244 | -1 |
| Tenant-Based Housing Programs | | All | | All | +/- Quarter |
| Tenant Based Housing Choice Vouchers | | 254 | | 243 | -11 |
| Portable Incoming Vouchers | | 44 | | 43 | -1 |
| Other Rental Housing Subsidy Programs | | 0 | | 1 | 1 |
| Total Tenant-Based Housing Vouchers | | 298 | | 287 | -11 |

Tenant-based program vouchers may be used by residents of development-based housing.

CDA Properties in Apple Valley

Senior Housing Developments

Orchard Square • 50 units
Cortland Square • 60 units
Cobblestone Square • 60 units

Workforce Housing Developments

Glenbrook Townhomes • 39 units
Chasewood Townhomes • 27 units
Quarry View Townhomes • 45 units

Scattered Site Public Housing

35 units

Other Affordable Housing in Apple Valley

Project Based Vouchers

Apple Valley Villa • 72 senior units
Whitney Grove Townhomes • 56 family units

Section 811 Housing

Apple Grove Apartments • 16 units

Non-CDA Managed Tax Credit

Haralson Apartments • 36 units

Non-CDA Bond Financed Housing

Hidden Ponds • 19 affordable family units of 84 total units
Hearthstone Apartments & Townhomes • 46 affordable family units of 228 total units
Legends of Apple Valley • 163 affordable senior units

Non-CDA Other

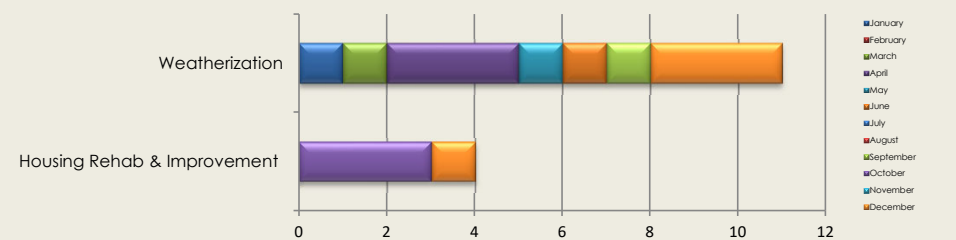
Scott-Carver-Dakota CAP Agency • 1 affordable unit

Future Developments

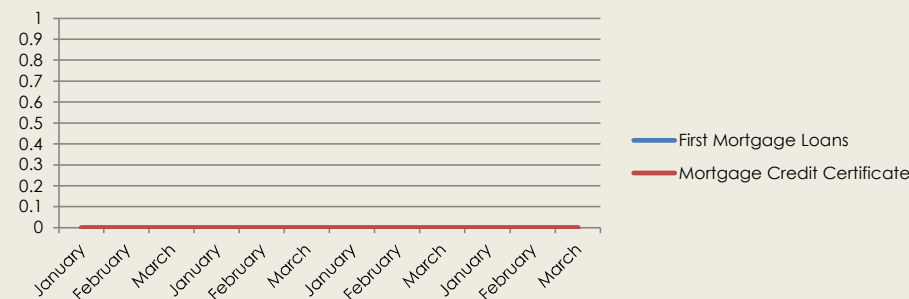
• Founders Circle Site, Roers Developer, TIF funded 36 units to be affordable for 15 years (after building is occupied).

Home Ownership Connection

| Housing Improvement Programs | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | 2025 YTD |
|-------------------------------------|-----------|-----------|-----------|-----------|----------|
| Rehab & Improvement Loans Closed | 0 | 0 | 0 | 4 | 4 |
| Weatherization Projects Completed | 2 | 5 | 1 | 3 | 11 |

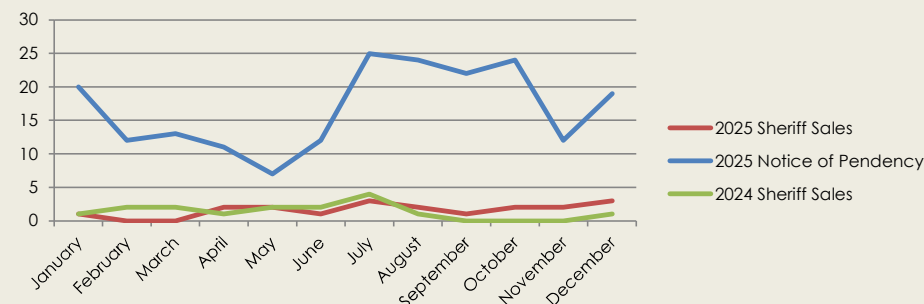


| First Time Homebuyer Programs | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | 2025 YTD |
|---------------------------------------|-----------|-----------|-----------|-----------|----------|
| First Mortgage Loans & Downpayment | 0 | 0 | 0 | 0 | 0 |
| Mortgage Credit Certificate Requested | 0 | 0 | 0 | 0 | 0 |



Foreclosure

| Home Foreclosure | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | 2025 YTD | 2024 |
|-------------------------|-----------|-----------|-----------|-----------|----------|------|
| Sheriff Sales | 1 | 5 | 6 | 7 | 19 | 16 |
| Notice of Pendency | 45 | 30 | 71 | 55 | 201 | 155 |





Rental Assisted Housing

| | as of September 30 | | as of December 31 | | +/- |
|--|----------------------|------------------|----------------------|------------------|---------------------|
| | Elderly/ Disabled | Youth/ Family | Elderly/ Disabled | Youth/ Family | Previous Quarter |
| Development-Based Housing Programs | | | | | |
| CDA Housing Programs | 206 | 56 | 206 | 56 | 0 |
| Project Based Housing Choice Vouchers | All | 4 | All | 3 | -1 |
| Other Affordable Housing Programs | 83 | 496 | 83 | 496 | 0 |
| Total Development-Based Housing Units | 289 | 556 | 289 | 555 | -1 |
| Tenant-Based Housing Programs | | All | | All | +/- Quarter |
| Tenant Based Housing Choice Vouchers | | 416 | | 412 | -4 |
| Portable Incoming Vouchers | | 97 | | 101 | 4 |
| Other Rental Housing Subsidy Programs | | 8 | | 7 | -1 |
| Total Tenant-Based Housing Vouchers | | 521 | | 520 | -1 |

Tenant-based program vouchers may be used by residents of development-based housing.

CDA Properties in Burnsville

Senior Housing Developments:

Eagle Ridge Place • 60 units
Park Ridge Place • 66 units
Valley Ridge • 80 units

Workforce Housing Developments:

Parkside Townhomes • 22 units
Heart of the City Townhomes • 34 units

Scattered Site Public Housing

52 units

Other Affordable Housing in Burnsville

Project Based Vouchers

Chowen Bend Townhomes • 32 units
Cliff Hill • 32 units
Horizon Heights • 25 units

Section 811 Housing

West Apartments • 24 units
Leah's Apartments • 17 units

Section 236 Housing

Chancellor Manor • 200 units

Section 202 Housing

Ebenezer Ridge Point • 42 units

Non-CDA Managed Tax Credit

Timber Ridge • 48 units
Andrew's Pointe • 57 units

Non-CDA Bond Financed Housing

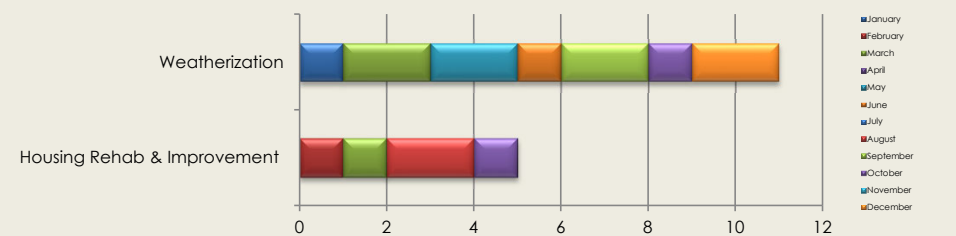
Grande Market Place • 46 affordable units of 113 total units
Dakota Station • 60 affordable units of 150 total units
Wyngate Townhomes • 10 affordable units of 505 total units

Non-CDA Other

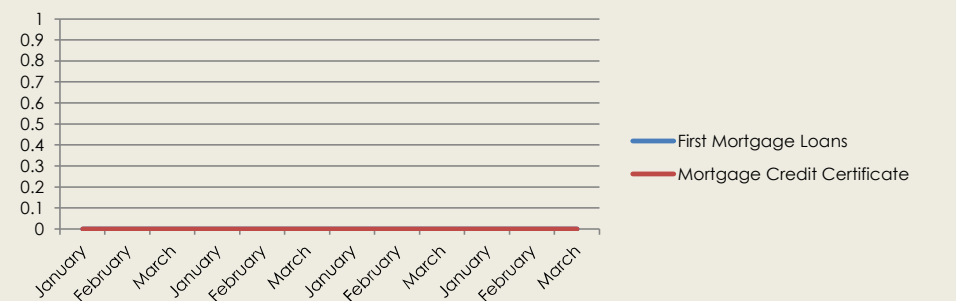
County Road 5 - Tasks Unlimited • 6 affordable units
Scott-Carver-Dakota CAP Agency • 8 affordable units

Home Ownership Connection

| Housing Improvement Programs | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | 2025 YTD |
|-----------------------------------|-----------|-----------|-----------|-----------|----------|
| Rehab & Improvement Loans Closed | 2 | 0 | 2 | 1 | 5 |
| Weatherization Projects Completed | 3 | 3 | 2 | 3 | 11 |

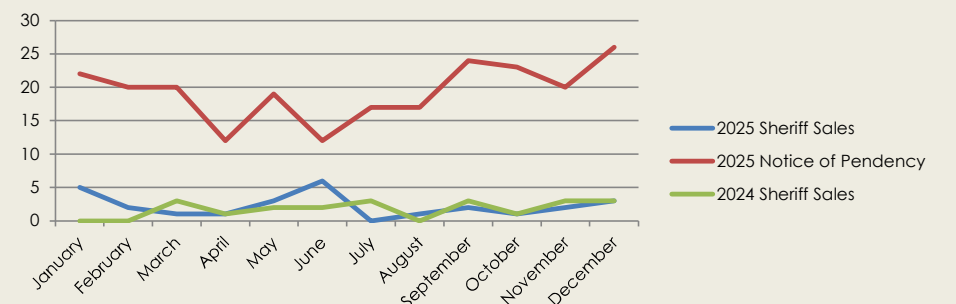


| First Time Homebuyer Programs | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | 2025 YTD |
|---------------------------------------|-----------|-----------|-----------|-----------|----------|
| First Mortgage Loans & Downpayment | 0 | 0 | 0 | 0 | 0 |
| Mortgage Credit Certificate Requested | 0 | 0 | 0 | 0 | 0 |



Foreclosure

| Home Foreclosure | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | 2025 YTD | 2024 |
|--------------------|-----------|-----------|-----------|-----------|----------|------|
| Sheriff Sales | 8 | 10 | 3 | 6 | 27 | 21 |
| Notice of Pendency | 62 | 43 | 58 | 69 | 232 | 175 |





Rental Assisted Housing

| | as of September 30 | | as of December 31 | | +/- |
|--|----------------------|------------------|----------------------|------------------|---------------------|
| | Elderly/ Disabled | Youth/ Family | Elderly/ Disabled | Youth/ Family | Previous Quarter |
| Development-Based Housing Programs | | | | | |
| CDA Housing Programs | 245 | 224 | 245 | 224 | 0 |
| Project Based Housing Choice Vouchers | All | 30 | All | 32 | 2 |
| Other Affordable Housing Programs | 32 | 132 | 32 | 132 | 0 |
| Total Development-Based Housing Units | 277 | 386 | 277 | 388 | 2 |
| Tenant-Based Housing Programs | | | | | |
| | | All | | All | +/- Quarter |
| Tenant Based Housing Choice Vouchers | | 379 | | 382 | 3 |
| Portable Incoming Vouchers | | 77 | | 92 | 15 |
| Other Rental Housing Subsidy Programs | | 10 | | 17 | 7 |
| Total Tenant-Based Housing Vouchers | | 466 | | 491 | 25 |

Tenant-based program vouchers may be used by residents of development-based housing.

CDA Properties in Eagan

Senior Housing Developments

O'Leary Manor • 65 units
Oakwoods of Eagan • 65 units
Lakeside Pointe • 60 units
Oakwoods East • 55 units
Nicols Pointe • 24 units

Workforce Housing Developments

Oak Ridge Townhomes • 42 units
Erin Place Townhomes • 34 units
Northwood Townhomes • 42 units
Riverview Ridge Townhomes • 27 units
Lakeshore Townhomes • 50 units

Youth Supportive Housing

Lincoln Place • 24 units

Other Affordable Housing in Eagan

Non-CDA Bond Financed Housing

Cedar Villas • 21 affordable family units of 104 total units
Commons on Marice • 32 affordable senior units of 156 total units
View Pointe Apartments • 60 affordable units of 327 total units

Non-CDA Other

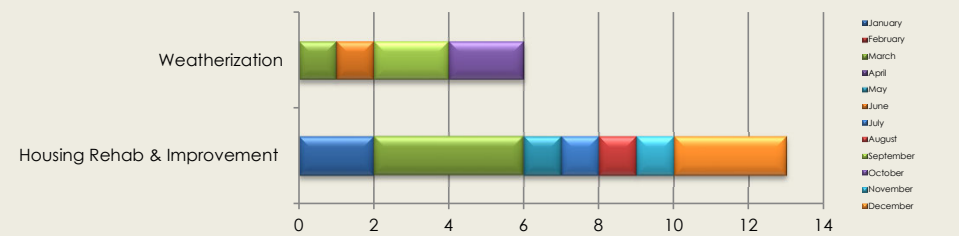
Scott-Carver-Dakota CAP Agency • 8 affordable units
Dakota Woodlands (Mary's Shelter) • 21 units

Future Developments

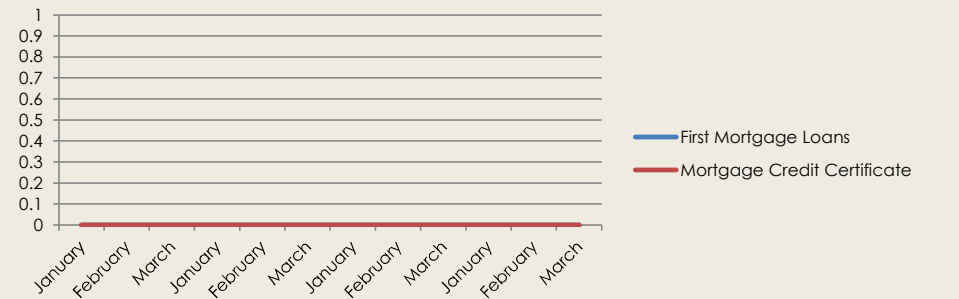
- Aster House, REE Developer, bond financing; 204 units (anticipated occupancy in 2022).
- Lexington Flats, MWF Developer, tax credit; 49 units (anticipated occupancy 2021).

Home Ownership Connection

| Housing Improvement Programs | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | 2025 YTD |
|-----------------------------------|-----------|-----------|-----------|-----------|----------|
| Rehab & Improvement Loans Closed | 6 | 1 | 2 | 4 | 13 |
| Weatherization Projects Completed | 1 | 1 | 2 | 2 | 6 |

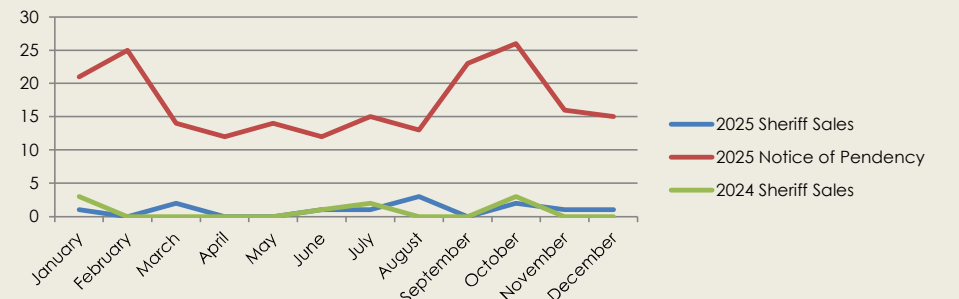


| First Time Homebuyer Programs | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | 2025 YTD |
|---------------------------------------|-----------|-----------|-----------|-----------|----------|
| First Mortgage Loans & Downpayment | 0 | 0 | 0 | 0 | 0 |
| Mortgage Credit Certificate Requested | 0 | 0 | 0 | 0 | 0 |



Foreclosure

| Home Foreclosure | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | 2025 YTD | 2024 |
|--------------------|-----------|-----------|-----------|-----------|----------|------|
| Sheriff Sales | 3 | 1 | 4 | 4 | 12 | 9 |
| Notice of Pendency | 60 | 38 | 51 | 57 | 206 | 166 |



Rental Assisted Housing

| | as of September 30 | | as of December 31 | | +/- |
|--|----------------------|------------------|----------------------|------------------|---------------------|
| | Elderly/ Disabled | Youth/ Family | Elderly/ Disabled | Youth/ Family | Previous Quarter |
| Development-Based Housing Programs | | | | | |
| CDA Housing Programs | 66 | 51 | 66 | 51 | 0 |
| Project Based Housing Choice Vouchers | All | 3 | All | 3 | 0 |
| Other Affordable Housing Programs | 37 | 115 | 37 | 115 | 0 |
| Total Development-Based Housing Units | 103 | 169 | 103 | 169 | 0 |
| Tenant-Based Housing Programs | | All | | All | +/- Quarter |
| Tenant Based Housing Choice Vouchers | | 54 | | 52 | -2 |
| Portable Incoming Vouchers | | 10 | | 11 | 1 |
| Other Rental Housing Subsidy Programs | | 0 | | 0 | 0 |
| Total Tenant-Based Housing Vouchers | | 64 | | 63 | -1 |

Tenant-based program vouchers may be used by residents of development-based housing.

CDA Properties in Farmington

Senior Housing Developments

Vermillion River Crossing • 66 units

Workforce Housing Developments

Twin Ponds Townhomes • 51 units

Scattered Site Public Housing

6 units

Other Affordable Housing in Farmington

Project Based Vouchers

Spruce Place • 60 senior units

FMHA

Red Oak Manor • 37 senior units

Westview Apartments • 60 units

Non-CDA Managed Tax Credit

Farmington Family Townhomes •
28 affordable family units of
32 total units

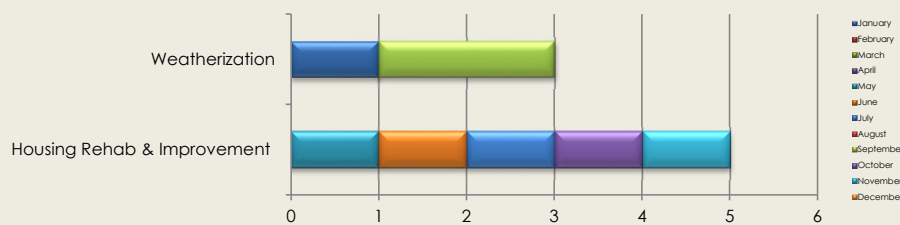
Farmington Townhomes • 16 units

Non-CDA Other

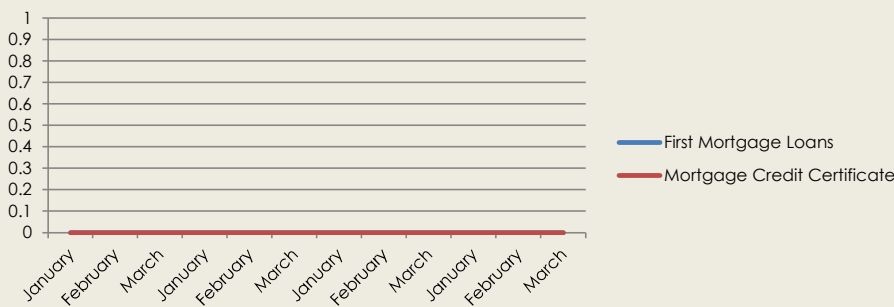
Elim Terrace • 4 affordable units
of 18 total units

Home Ownership Connection

| Housing Improvement Programs | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | 2025 YTD |
|-------------------------------------|-----------|-----------|-----------|-----------|----------|
| Rehab & Improvement Loans Closed | 0 | 2 | 1 | 2 | 5 |
| Weatherization Projects Completed | 1 | 0 | 2 | 0 | 3 |

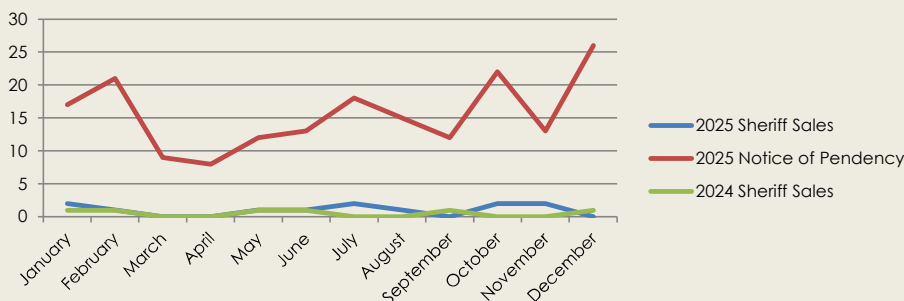


| First Time Homebuyer Programs | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | 2025 YTD |
|---------------------------------------|-----------|-----------|-----------|-----------|----------|
| First Mortgage Loans & Downpayment | 0 | 0 | 0 | 0 | 0 |
| Mortgage Credit Certificate Requested | 0 | 0 | 0 | 0 | 0 |



Foreclosure

| Home Foreclosure | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | 2025 YTD | 2024 |
|-------------------------|-----------|-----------|-----------|-----------|----------|------|
| Sheriff Sales | 3 | 2 | 3 | 4 | 12 | 6 |
| Notice of Pendency | 47 | 33 | 45 | 61 | 186 | 153 |



Rental Assisted Housing

| | as of September 30 | | as of December 31 | | +/- |
|--|----------------------|------------------|----------------------|------------------|---------------------|
| Development-Based Housing Programs | Elderly/ Disabled | Youth/ Family | Elderly/ Disabled | Youth/ Family | Previous Quarter |
| CDA Housing Programs | 103 | 80 | 103 | 80 | 0 |
| Project Based Housing Choice Vouchers | All | 6 | All | 6 | 0 |
| Other Affordable Housing Programs | 109 | 83 | 109 | 83 | 0 |
| Total Development-Based Housing Units | 212 | 169 | 212 | 169 | 0 |
| | | | | | +/- |
| Tenant-Based Housing Programs | All | | All | | Quarter |
| Tenant Based Housing Choice Vouchers | | | | | -3 |
| Portable Incoming Vouchers | | | | | 1 |
| Other Rental Housing Subsidy Programs | | | | | 0 |
| Total Tenant-Based Housing Vouchers | 136 | | 134 | | -2 |

Tenant-based program vouchers may be used by residents of development-based housing.

CDA Properties in Hastings

Senior Housing Developments

Mississippi Terrace • 40 units
Rivertown Court • 63 units

Workforce Housing Developments

Marketplace Townhomes • 28 units
Pleasant Ridge Townhomes • 31 units
West Village Townhomes • 21 units

Scattered Site Public Housing

8 units

Other Affordable Housing in Hastings

Section 202 Housing

Oak Ridge • 109 senior units

Non-CDA Managed Tax Credit

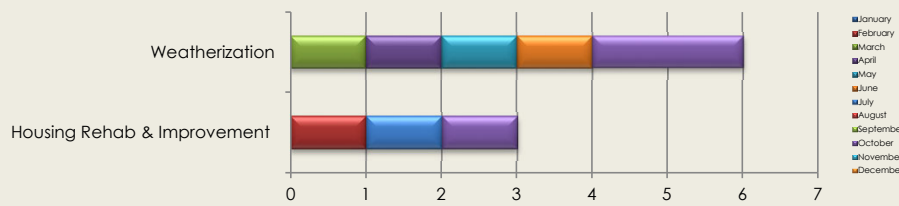
Guardian Angels Apartments &
Townhomes • 33 family units
Artspace Hastings Lofts • 37 affordable
units

Future Developments

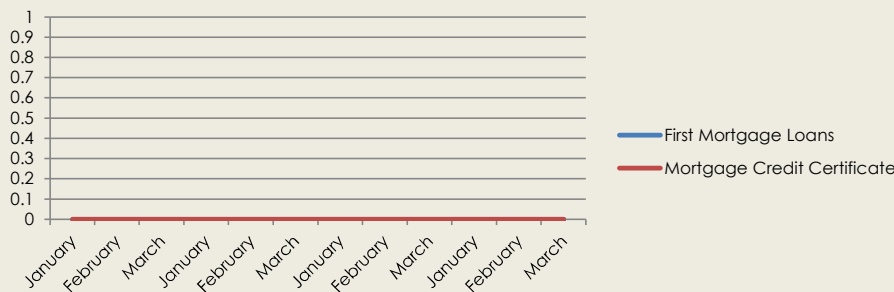
• Senior apartments, REE Developer; financing
and occupancy TBD; still in process of being
approved.

Home Ownership Connection

| Housing Improvement Programs | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | 2025 YTD |
|-------------------------------------|-----------|-----------|-----------|-----------|----------|
| Rehab & Improvement Loans Closed | 1 | 0 | 1 | 1 | 3 |
| Weatherization Projects Completed | 1 | 3 | 0 | 2 | 6 |

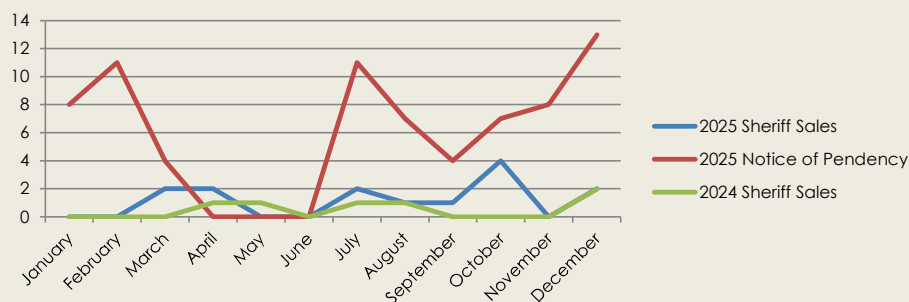


| First Time Homebuyer Programs | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | 2025 YTD |
|---------------------------------------|-----------|-----------|-----------|-----------|----------|
| First Mortgage Loans & Downpayment | 0 | 0 | 0 | 0 | 0 |
| Mortgage Credit Certificate Requested | 0 | 0 | 0 | 0 | 0 |



Foreclosure

| Home Foreclosure | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | 2025 YTD | 2024 |
|-------------------------|-----------|-----------|-----------|-----------|----------|------|
| Sheriff Sales | 2 | 2 | 4 | 6 | 14 | 6 |
| Notice of Pendency | 23 | 0 | 22 | 28 | 73 | 76 |





Rental Assisted Housing

| | as of September 30 | | as of December 31 | | +/- |
|--|----------------------|------------------|----------------------|------------------|---------------------|
| | Elderly/ Disabled | Youth/ Family | Elderly/ Disabled | Youth/ Family | Previous Quarter |
| Development-Based Housing Programs | | | | | |
| CDA Housing Programs | 177 | 78 | 177 | 78 | 0 |
| Project Based Housing Choice Vouchers | All | 52 | All | 55 | 3 |
| Other Affordable Housing Programs | 0 | 305 | 0 | 305 | 0 |
| Total Development-Based Housing Units | 177 | 435 | 177 | 438 | 3 |
| Tenant-Based Housing Programs | | All | | All | +/- Quarter |
| Tenant Based Housing Choice Vouchers | | 167 | | 160 | -7 |
| Portable Incoming Vouchers | | 36 | | 37 | 1 |
| Other Rental Housing Subsidy Programs | | 1 | | 2 | 1 |
| Total Tenant-Based Housing Vouchers | | 204 | | 199 | -5 |

Tenant-based program vouchers may be used by residents of development-based housing.

CDA Properties in Inver Grove Heights

Senior Housing Developments

Carmen Court • 51 units
Cahill Commons • 60 units
Hillcrest Pointe • 66 units

Workforce Housing Developments

Spruce Pointe Townhomes • 24 units
Lafayette Townhomes • 30 units
Inver Hills Townhomes • 24 units

Scattered Site Public Housing

9 units

Other Affordable Housing in Inver Grove Heights

Project Based Vouchers

Prairie Estates • 40 family units
Cahill Place • 40 family units

Section 236 Housing

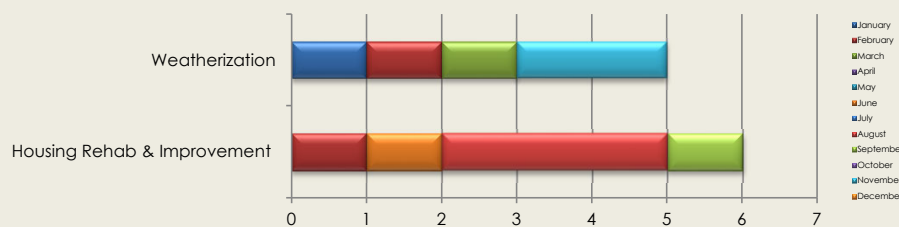
Rolling Meadows Cooperative •
202 units

Non-CDA Bond Financed Housing

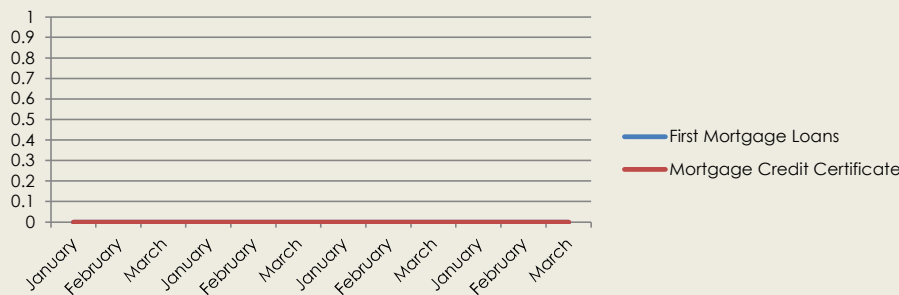
Blackberry Pointe • 92 affordable
family units of 219 total units

Home Ownership Connection

| Housing Improvement Programs | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | 2025 YTD |
|-----------------------------------|-----------|-----------|-----------|-----------|----------|
| Rehab & Improvement Loans Closed | 1 | 1 | 4 | 0 | 6 |
| Weatherization Projects Completed | 3 | 0 | 0 | 2 | 5 |

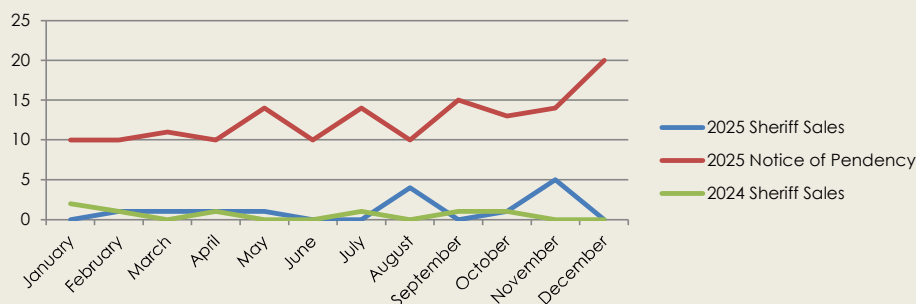


| First Time Homebuyer Programs | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | 2025 YTD |
|---------------------------------------|-----------|-----------|-----------|-----------|----------|
| First Mortgage Loans & Downpayment | 0 | 0 | 0 | 0 | 0 |
| Mortgage Credit Certificate Requested | 0 | 0 | 0 | 0 | 0 |



Foreclosure

| Home Foreclosure | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | 2025 YTD | 2024 |
|--------------------|-----------|-----------|-----------|-----------|----------|------|
| Sheriff Sales | 2 | 2 | 4 | 6 | 14 | 7 |
| Notice of Pendency | 31 | 34 | 39 | 47 | 151 | 85 |





Rental Assisted Housing

| | as of September 30 | | as of December 31 | | +/- |
|--|----------------------|------------------|----------------------|------------------|---------------------|
| | Elderly/ Disabled | Youth/ Family | Elderly/ Disabled | Youth/ Family | Previous Quarter |
| Development-Based Housing Programs | | | | | |
| CDA Housing Programs | 264 | 175 | 264 | 175 | 0 |
| Project Based Housing Choice Vouchers | All | 8 | All | 7 | -1 |
| Other Affordable Housing Programs | 24 | 126 | 24 | 126 | 0 |
| Total Development-Based Housing Units | 288 | 309 | 288 | 308 | -1 |
| Tenant-Based Housing Programs | | | | | |
| | | All | | All | +/- Quarter |
| Tenant Based Housing Choice Vouchers | | 157 | | 160 | 3 |
| Portable Incoming Vouchers | | 23 | | 23 | 0 |
| Other Rental Housing Subsidy Programs | | 1 | | 2 | 1 |
| Total Tenant-Based Housing Vouchers | | 181 | | 185 | 4 |

Tenant-based program vouchers may be used by residents of development-based housing.

CDA Properties in Lakeville

Senior Housing Developments

Winsor Plaza • 64 units
Main Street Manor • 51 units
Crossroads Commons • 87 units
Argonne Hills • 62 units

Workforce Housing Developments

Country Lane Townhomes • 29 units
Prairie Crossing Townhomes • 40 units
Meadowlark Townhomes • 40 units
Cedar Valley Townhomes • 30 units
Keystone Crossing • 36 units

Scattered Site Public Housing

8 units

Other Affordable Housing in Lakeville

Section 202 Housing

Fairfield Terrace • 24 units

Non-CDA Managed Tax Credit

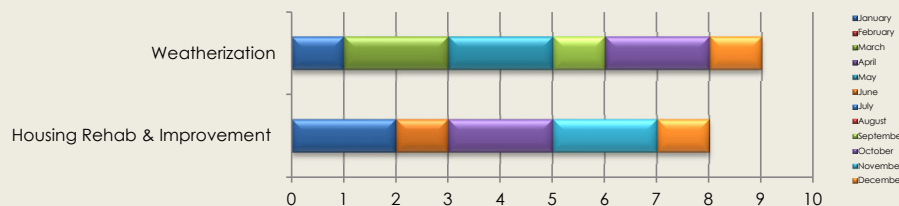
Lakeville Court Apartments • 50 units
Lakeville Pointe • 49 units

Non-CDA Other

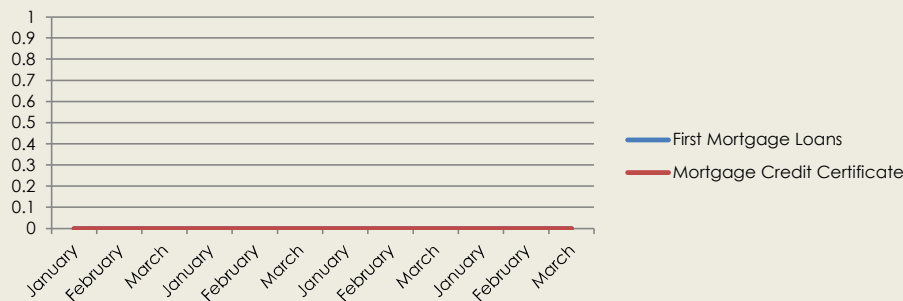
Scott-Carver-Dakota • 4 affordable units

Home Ownership Connection

| Housing Improvement Programs | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | 2025 YTD |
|-----------------------------------|-----------|-----------|-----------|-----------|----------|
| Rehab & Improvement Loans Closed | 2 | 1 | 0 | 5 | 8 |
| Weatherization Projects Completed | 3 | 2 | 1 | 3 | 9 |

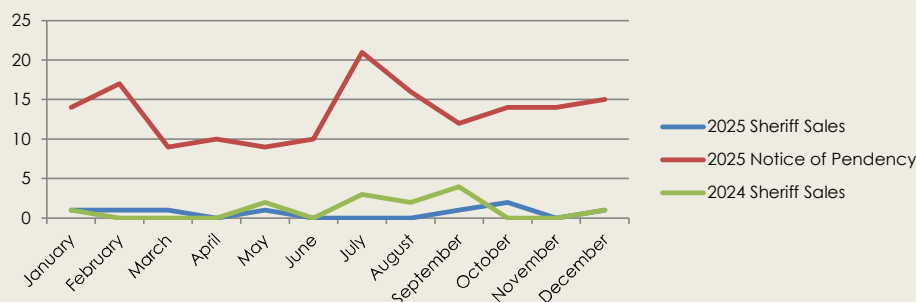


| First Time Homebuyer Programs | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | 2025 YTD |
|---------------------------------------|-----------|-----------|-----------|-----------|----------|
| First Mortgage Loans & Downpayment | 0 | 0 | 0 | 0 | 0 |
| Mortgage Credit Certificate Requested | 0 | 0 | 0 | 0 | 0 |



Foreclosure

| Home Foreclosure | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | 2025 YTD | 2024 |
|--------------------|-----------|-----------|-----------|-----------|----------|------|
| Sheriff Sales | 3 | 1 | 1 | 3 | 8 | 13 |
| Notice of Pendency | 40 | 29 | 49 | 43 | 161 | 110 |





Rental Assisted Housing

| | as of September 30 | | as of December 31 | | +/- |
|--|----------------------|------------------|----------------------|------------------|---------------------|
| | Elderly/ Disabled | Youth/ Family | Elderly/ Disabled | Youth/ Family | Previous Quarter |
| Development-Based Housing Programs | | | | | |
| CDA Housing Programs | 125 | 24 | 125 | 24 | 0 |
| Project Based Housing Choice Vouchers | All | 0 | All | 0 | 0 |
| Other Affordable Housing Programs | 0 | 1 | 0 | 1 | 0 |
| Total Development-Based Housing Units | 125 | 25 | 125 | 25 | 0 |
| Tenant-Based Housing Programs | | All | | All | +/- Quarter |
| Tenant Based Housing Choice Vouchers | | 37 | | 35 | -2 |
| Portable Incoming Vouchers | | 1 | | 1 | 0 |
| Other Rental Housing Subsidy Programs | | 0 | | 0 | 0 |
| Total Tenant-Based Housing Vouchers | | 38 | | 36 | -2 |

Tenant-based program vouchers may be used by residents of development-based housing.

CDA Properties in Mendota Heights

Senior Housing Developments

Parkview Plaza • 65 units
Village Commons • 60 units

Workforce Housing Developments

Hillside Gables Townhomes • 24 units

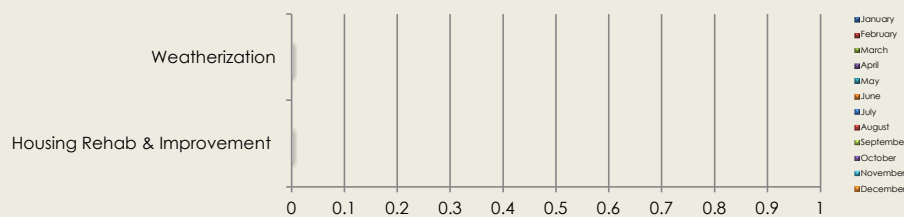
Other Affordable Housing in Mendota Heights

Project Based Vouchers

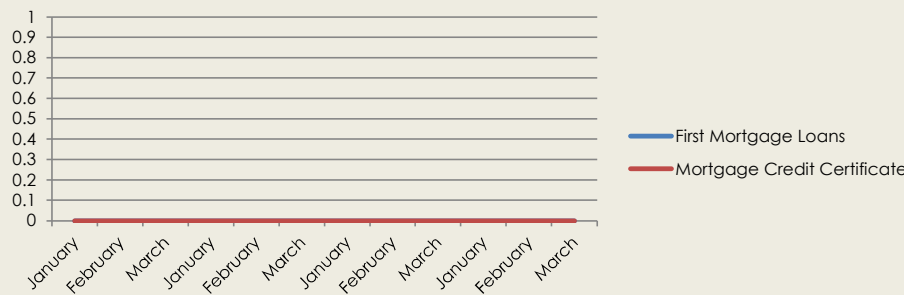
Dakota Adults •
12 handicapped units

Home Ownership Connection

| Housing Improvement Programs | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | 2025 YTD |
|-------------------------------------|-----------|-----------|-----------|-----------|----------|
| Rehab & Improvement Loans Closed | 0 | 0 | 0 | 0 | 0 |
| Weatherization Projects Completed | 0 | 0 | 0 | 0 | 0 |

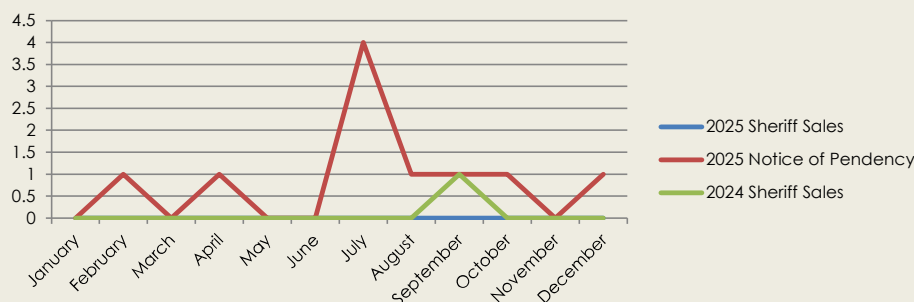


| First Time Homebuyer Programs | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | 2025 YTD |
|---------------------------------------|-----------|-----------|-----------|-----------|----------|
| First Mortgage Loans & Downpayment | 0 | 0 | 0 | 0 | 0 |
| Mortgage Credit Certificate Requested | 0 | 0 | 0 | 0 | 0 |



Foreclosure

| Home Foreclosure | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | 2025 YTD | 2024 |
|-------------------------|-----------|-----------|-----------|-----------|----------|------|
| Sheriff Sales | 0 | 0 | 0 | 0 | 0 | 1 |
| Notice of Pendancy | 1 | 1 | 6 | 2 | 10 | 13 |



Rental Assisted Housing

| | as of September 30 | | as of December 31 | | +/- |
|--|----------------------|------------------|----------------------|------------------|---------------------|
| | Elderly/ Disabled | Youth/ Family | Elderly/ Disabled | Youth/ Family | Previous Quarter |
| Development-Based Housing Programs | | | | | |
| CDA Housing Programs | 104 | 32 | 104 | 32 | 0 |
| Project Based Housing Choice Vouchers | All | 6 | All | 6 | 0 |
| Other Affordable Housing Programs | 0 | 90 | 0 | 90 | 0 |
| Total Development-Based Housing Units | 104 | 128 | 104 | 128 | 0 |
| Tenant-Based Housing Programs | | All | | All | +/- Quarter |
| Tenant Based Housing Choice Vouchers | | 142 | | 146 | 4 |
| Portable Incoming Vouchers | | 51 | | 62 | 11 |
| Other Rental Housing Subsidy Programs | | 5 | | 6 | 1 |
| Total Tenant-Based Housing Vouchers | | 198 | | 214 | 16 |

Tenant-based program vouchers may be used by residents of development-based housing.

CDA Properties in Rosemount

Senior Housing Developments

Cameo Place • 44 units
Cambrian Commons • 60 units

Workforce Housing Developments

Carbury Hills Townhomes • 32 units
Prestwick Place • 40 units

Scattered Site Public Housing

20 units

Other Affordable Housing in Rosemount

Project Based Vouchers

Rosemount Plaza • 39 senior units
Rosemount Greens • 28 family units

Non-CDA Bond Financed Housing

Waterford Commons • 23 affordable units
of 106 total units

Non-CDA Managed Tax Credit

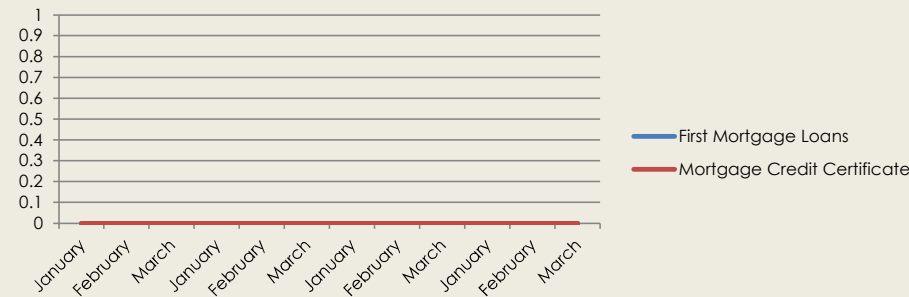
Park Place • 36 units
Wexford Place • 49 units

Home Ownership Connection

| | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | 2025 YTD |
|-------------------------------------|-----------|-----------|-----------|-----------|----------|
| Housing Improvement Programs | | | | | |
| Rehab & Improvement Loans Closed | 2 | 0 | 1 | 1 | 4 |
| Weatherization Projects Completed | 1 | 0 | 0 | 1 | 2 |

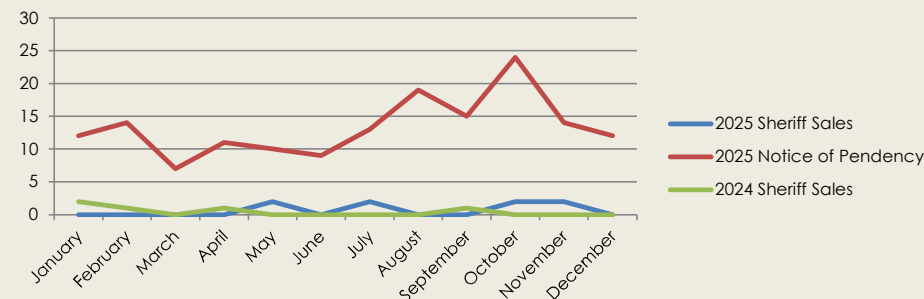


| | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | 2025 YTD |
|---------------------------------------|-----------|-----------|-----------|-----------|----------|
| First Time Homebuyer Programs | | | | | |
| First Mortgage Loans & Downpayment | 0 | 0 | 0 | 0 | 0 |
| Mortgage Credit Certificate Requested | 0 | 0 | 0 | 0 | 0 |



Foreclosure

| | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | 2025 YTD | 2024 |
|-------------------------|-----------|-----------|-----------|-----------|----------|------|
| Home Foreclosure | | | | | | |
| Sheriff Sales | 0 | 2 | 2 | 4 | 8 | 5 |
| Notice of Pendency | 33 | 30 | 47 | 50 | 160 | 77 |





Rental Assisted Housing

| | as of September 30 | | as of December 31 | | +/- |
|--|----------------------|------------------|----------------------|------------------|---------------------|
| | Elderly/ Disabled | Youth/ Family | Elderly/ Disabled | Youth/ Family | Previous Quarter |
| Development-Based Housing Programs | | | | | |
| CDA Housing Programs | 170 | 0 | 170 | 0 | 0 |
| Project Based Housing Choice Vouchers | All | 0 | All | 0 | 0 |
| Other Affordable Housing Programs | 296 | 51 | 296 | 51 | 0 |
| Total Development-Based Housing Units | 466 | 51 | 466 | 51 | 0 |
| | | | | | |
| Tenant-Based Housing Programs | | All | | All | +/- Quarter |
| Tenant Based Housing Choice Vouchers | | 181 | | 175 | -6 |
| Portable Incoming Vouchers | | 29 | | 29 | 0 |
| Other Rental Housing Subsidy Programs | | 0 | | 0 | 0 |
| Total Tenant-Based Housing Vouchers | | 210 | | 204 | -6 |

Tenant-based program vouchers may be used by residents of development-based housing.

CDA Properties in South St. Paul

Senior Housing Developments

River Heights Terrace • 54 units
Dakota Heights • 56 units
Thompson Heights • 60 units

Other Affordable Housing in South St. Paul

Project Based Vouchers

Camber Hills Townhomes • 44 units

Low Rent

John Carroll • 165 units
Nan McKay • 131 units

Non-CDA Managed Tax Credit

Kaposia Terrace Townhomes •
19 affordable units of 20 total units

Non-CDA Bond Financed Housing

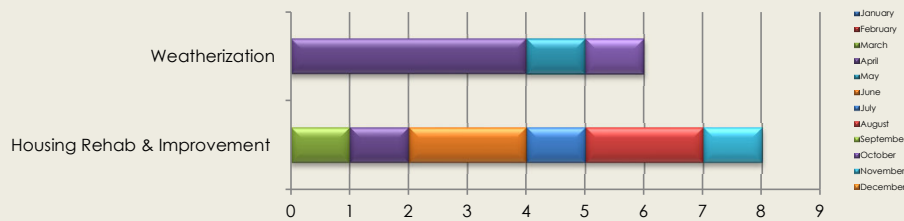
Kaposia (Rose) Apartments •
20 affordable units of 48 total units

Non-CDA Other

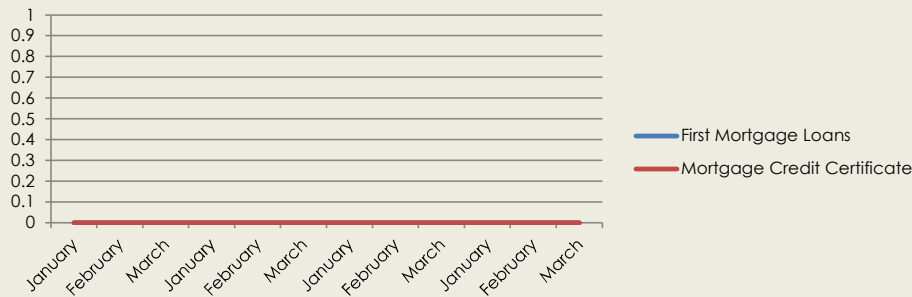
Scott-Carver-Dakota CAP Agency •
12 affordable units

Home Ownership Connection

| | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | 2025 YTD |
|-------------------------------------|-----------|-----------|-----------|-----------|----------|
| Housing Improvement Programs | | | | | |
| Rehab & Improvement Loans Closed | 1 | 3 | 3 | 1 | 8 |
| Weatherization Projects Completed | 0 | 5 | 0 | 1 | 6 |

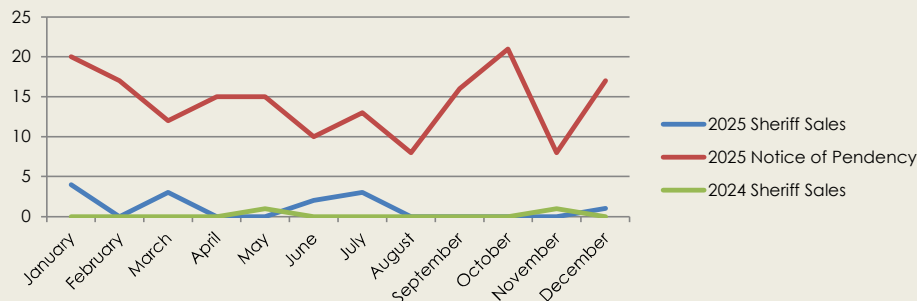


| | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | 2025 YTD |
|---------------------------------------|-----------|-----------|-----------|-----------|----------|
| First Time Homebuyer Programs | | | | | |
| First Mortgage Loans & Downpayment | 0 | 0 | 0 | 0 | 0 |
| Mortgage Credit Certificate Requested | 0 | 0 | 0 | 0 | 0 |



Foreclosure

| | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | 2025 YTD | 2024 |
|-------------------------|-----------|-----------|-----------|-----------|----------|------|
| Home Foreclosure | | | | | | |
| Sheriff Sales | 7 | 2 | 3 | 1 | 13 | 2 |
| Notice of Pendency | 49 | 40 | 37 | 46 | 172 | 120 |





Rental Assisted Housing

| | as of September 30 | | as of December 31 | | +/- |
|--|----------------------|------------------|----------------------|------------------|---------------------|
| | Elderly/ Disabled | Youth/ Family | Elderly/ Disabled | Youth/ Family | Previous Quarter |
| Development-Based Housing Programs | | | | | |
| CDA Housing Programs | 101 | 0 | 101 | 0 | 0 |
| Project Based Housing Choice Vouchers | All | 0 | All | 0 | 0 |
| Other Affordable Housing Programs | 304 | 214 | 304 | 214 | 0 |
| Total Development-Based Housing Units | 405 | 214 | 405 | 214 | 0 |
| Tenant-Based Housing Programs | | All | | All | +/- Quarter |
| Tenant Based Housing Choice Vouchers | | 383 | | 387 | 4 |
| Portable Incoming Vouchers | | 135 | | 144 | 9 |
| Other Rental Housing Subsidy Programs | | 3 | | 3 | 0 |
| Total Tenant-Based Housing Vouchers | | 521 | | 534 | 13 |

Tenant-based program vouchers may be used by residents of development-based housing.

CDA Properties in West St. Paul

Senior Housing Developments

Haskell Court • 42 units
The Dakotah • 59 units

Scattered Site Public Housing

7 units
Colleen Loney Manor • 80 units

Other

Gateway Place • 54 units

Other Affordable Housing in West St. Paul

Section 202 Housing

Mount Carmel • 60 units

Low Rent

4 units

Non-CDA Bond Financed Housing

The Sanctuary of West St. Paul •
164 senior units
The Winslow • 172 units

Non-CDA Tax Credit

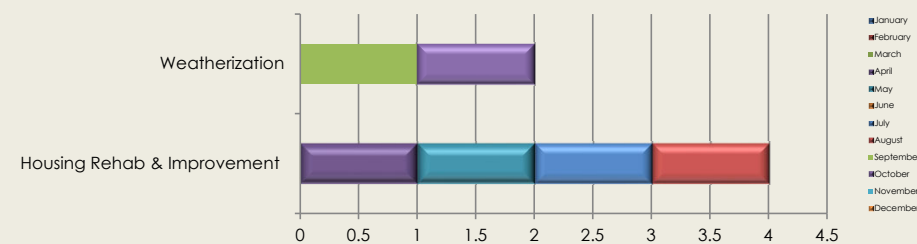
Covington Court • 160 units

Non-CDA Other

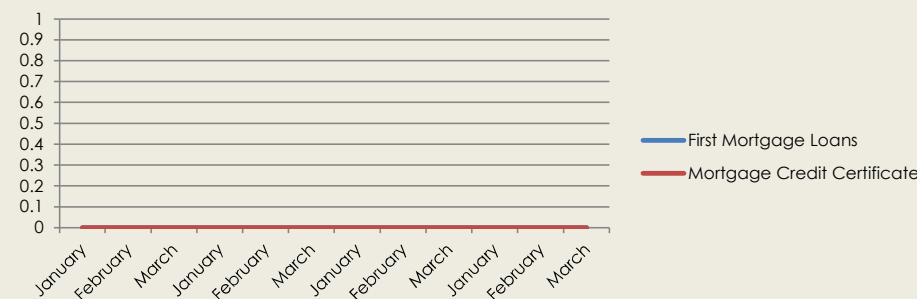
The Oaks of West St. Paul • 25 affordable
units of 132 total units
Westview Park • 15 affordable units
of 72 total units

Home Ownership Connection

| Housing Improvement Programs | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | 2025 YTD |
|-------------------------------------|-----------|-----------|-----------|-----------|----------|
| Rehab & Improvement Loans Closed | 0 | 2 | 2 | 0 | 4 |
| Weatherization Projects Completed | 0 | 0 | 1 | 1 | 2 |

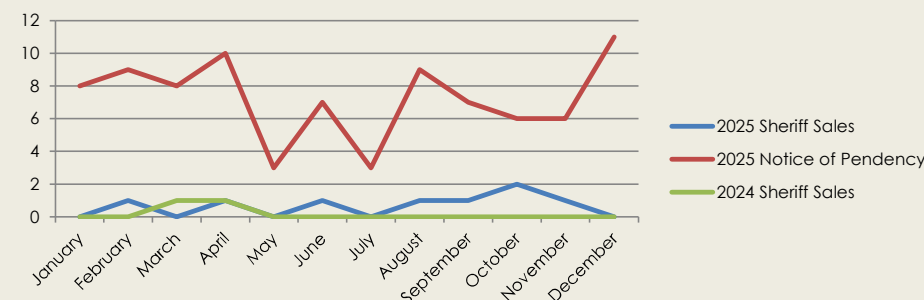


| First Time Homebuyer Programs | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | 2025 YTD |
|---------------------------------------|-----------|-----------|-----------|-----------|----------|
| First Mortgage Loans & Downpayment | 0 | 0 | 0 | 0 | 0 |
| Mortgage Credit Certificate Requested | 0 | 0 | 0 | 0 | 0 |



Foreclosure

| Home Foreclosure | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | 2025 YTD | 2024 |
|-------------------------|-----------|-----------|-----------|-----------|----------|------|
| Sheriff Sales | 1 | 2 | 2 | 3 | 8 | 2 |
| Notice of Pendency | 25 | 20 | 19 | 23 | 87 | 65 |





Rental Assisted Housing

| | as of September 30 | as of December 31 | ±/ Quarter |
|---|--------------------|-------------------|---------------|
| Tenant-Based Housing Programs | All | All | |
| Cannon Falls | | | 0 |
| Castle Rock | | | 0 |
| Douglas Township | | | 0 |
| Empire | | | 0 |
| Hampton | 2 | 2 | 0 |
| Lilydale | | | 0 |
| Mendota | | | 0 |
| Miesville | | | 0 |
| Northfield | | | 0 |
| Randolph | 0 | 0 | 0 |
| Ravenna | | | 0 |
| Sunfish Lake | | | 0 |
| Vermillion | | | 0 |
| Waterford | | | 0 |
| Total Tenant-Based Housing Vouchers | 2 | 2 | 0 |
| Tenant-based programs include Tenant Based Housing Vouchers and Other Rental Housing Subsidy programs | | | |

Small Cities include:

Cannon Falls
Castle Rock
Douglas Rowntship
Empire
Hampton
Lilydale
Mendota
Miesville
Northfield
Randolph
Ravenna
Sunfish Lake
Vermillion
Waterford

Home Ownership

| Home Improvement Programs | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | 2025 YTD |
|--|-----------|-----------|-----------|-----------|----------|
| Cannon Falls | | | | | 0 |
| Castle Rock | | | | | 0 |
| Douglas Township | | | | | 0 |
| Empire | | | | | 0 |
| Hampton | | | | | 0 |
| Lilydale | | | | | 0 |
| Mendota | | | | | 0 |
| Miesville | | | | | 0 |
| Northfield | | | | | 0 |
| Randolph | | | | | 0 |
| Ravenna | | | | | 0 |
| Sunfish Lake | | | | | 0 |
| Vermillion | | | | | 0 |
| Waterford | | | | | 0 |
| Programs include Weatherization, Home Improvement & Rehabilitation Loan programs | | | | | |
| First Time Homebuyer Programs | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | 2025 YTD |
| First Mortgage Loans Closed & Downpayment | 0 | 0 | 0 | 0 | 0 |
| Mortgage Credit Certificate | 0 | 0 | 0 | 0 | 0 |

Foreclosure

| Home Foreclosure | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | 2025 YTD | 2024 CY |
|-------------------------|-----------|-----------|-----------|-----------|----------|---------|
| Sheriff Sales | 0 | 2 | 0 | 0 | 2 | 1 |
| Notice of Pendancy | 3 | 8 | 9 | 5 | 25 | 16 |

Appendix

Assisted Housing

Development Based Housing Programs

Development Based Housing Programs are housing sites where the eligible subsidy is tied to the site and the units remain affordable for the duration of the funding contract. The site is made affordable usually through public funding for construction along with an ongoing operating subsidy. Units may target special needs while others may be general occupancy units. Development Based Housing is listed separately at the bottom of each city's report. Development Based Housing Programs include:

CDA Senior Housing Program provides one- and two-bedroom rental apartment units for persons 62 years of age and older. The CDA issues tax exempt bonds, credit enhanced with a general obligation pledge from Dakota County and has created a common bond fund. Under this financing structure, rental revenue from all of the buildings is pooled to pay to expenses and debt service for all the buildings. About 72% of the debt service on the bonds is paid from the supplemental revenues, including tax increment revenue and the CDA's property tax levy that is exclusively dedicated to senior housing. Land and public improvements are paid for in part with CDBG, HOME and other local funds.

CDA Workforce Housing Program provides high quality housing at an affordable rate to meet the needs of households earning modest wages. The affordable workforce housing units are financed through a the CDA's Family Housing Partnership Program, which was developed as a public/private limited partnership to syndicate low income housing tax credits and raise equity from the private sector for the development's construction. Financing packages also include below market loans and grants from public, private and non-profit sources.

CDA Youth Supportive Housing Program is a supportive housing development that provides 24 units of affordable, safe, stable housing at Lincoln Place with services for young adults ages 18-25 who are homeless or are at significant risk of becoming homeless. The CDA is the owner, developer and property manager of Lincoln Place. Dakota County Community Services is the sponsor of the project and serves as a referral service for youth who would be good candidates for Lincoln Place. To provide one-on-one case management at Lincoln Place, Dakota County Community Services contracted with The Link to provide advocacy, life skills training, goal setting around education, employment and overall health (chemical, mental and physical) to help residents transition to independence.

Project Based Housing Choice Vouchers (Section 8) is a rental subsidy that can cover all of the units in a given housing development or a designated number of units. Rents are set at 40% of the tenant's income and are paid to the project's owner. The remainder of the rent (the subsidy amount) is paid by the federal government. Since the assistance is tied to the unit, a household who moves from the project-based unit does not have any right to continued housing assistance. However, they may be eligible for a tenant based voucher when one becomes available. These rental units are owned and operated by private owners, either for-profit or not-for-profit.

Section 202 Housing units are available to elderly or handicapped residents. This program aims to expand the supply of affordable housing with supportive services for the elderly by providing capital advances to private, not-for-profit organizations to finance property acquisition, site improvement, conversion, demolition, relocation and other expenses associated with supportive housing for the elderly. Project Rental Assistance Contracts are used to cover the difference between the HUD approved operating costs per unit and the

tenant's rent. Housing financed under this program may include appropriate support services and activities such as cleaning, cooking and transportation for elderly persons who are frail or at risk of being institutionalized. Section 202 is a federally funded program.

Section 811 Housing is a supportive housing program with units available to persons with disabilities. This program provides capital advances to not-for-profit sponsors to finance the development of rental housing with supportive services for persons with disabilities. The capital advance is interest free and does not have to be repaid as long as the housing remains available for very low-income persons with disabilities for at least 40 years. The program also provides project rental assistance to cover the difference between the HUD approved operating costs per unit and the amount the resident pays. This is a federally funded program.

Section 236 Housing units are generally fixed or flat rents, meaning that they do not vary according to tenant income. The government provided a large mortgage subsidy that reduced interest rates to as little as 1%. These rental units are owned and operated by private owners.

Scattered Site Public Housing are rental units owned and operated by a Public Housing Agency, such as the CDA. These housing units consist of high-rise apartments, single family homes, duplexes and townhomes. Tenant income eligibility is based on 80% of area median income. Residents of public housing units pay 30% of their income for rent. Rental payments go to the public housing agency and are used for the operation and maintenance costs of the housing. Federal subsidies also assist with operating costs.

In addition to scattered site units, the CDA owns Colleen Loney Manor, which is an apartment building for low-to-moderate income person who are 62 years of age and older, handicapped or disabled, near elderly (50 years or older) and single persons.

South St. Paul HRA administers public housing program for the City of South St. Paul.

Low Rent Housing are units of housing for families, seniors and disabled households, which are federally subsidized.

Farmers Home Administration (FMHA) are units if housing for the elderly or families, which are federally funded.

Tenant Based Housing Programs

Tenant Based Housing Programs are when the eligible housing subsidy is tied to the tenant and the subsidy travels with the tenant. The housing subsidy makes up the difference between the market rate rent and the tenant's income based payment. Tenant Based Housing Programs include:

Tenant Based Housing Choice Voucher (Section 8) Program is the federal government's major program for assisting very low-income families, the elderly and the disabled to afford decent and safe housing in the private market. A household that is issued a housing voucher is responsible for finding a suitable housing unit of the household's choice where the owner agrees to rent under the program. Rental units must meet minimum standards of health and safety, as determined by the public housing authority.

The CDA administers this program in Dakota County.

Tenant Based Portable Incoming Vouchers (Section 8) are Housing Choice Vouchers that are issued by a Public Housing Authority other than the CDA but are administered by the CDA because the tenant eligible for the housing subsidy moved into Dakota County.

Tenant Based Portable Outgoing Vouchers (Section 8) are Housing Choice Vouchers that are issued by the CDA but are administered by another Public Housing Authority because the tenant eligible for the housing subsidy moved out of Dakota County.

Mainstream Vouchers assist non-elderly persons with disabilities. Aside from serving a special population, Mainstream vouchers are administered using the same rules as other housing choice vouchers. Funding and financial reporting for Mainstream vouchers is separate from the regular tenant-based voucher program.

Emergency Housing Vouchers (EHV) program is available through the American Rescue Plan Act (ARPA) to assist 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; or were recently homeless or have a high risk of housing instability.

Continuum of Care is a Federally funded program that provides rental assistance to homeless persons with disabilities. The CDA administers the housing subsidy while Dakota County Social Services refers applicants and provides supportive services for program participants. This program provides intensive case management for households most at risk for chronic homelessness to help them to achieve long-term stability. Continuum of Care is a Federally funded program through the Department of Housing and Urban Development.

Bridges serves persons with chronic and persistent mental illness. The CDA administers the housing subsidy portion of this program and Dakota County Social Services provides supportive services to help stabilize participating households. This is a temporary subsidy that “bridges” the gap between homelessness, treatment centers, institutional facilities, and permanent affordable housing. Bridges is a state funded program through a grant from the Minnesota Housing Finance Agency.

Family Unification Program provides housing vouchers targeted to applicants in two categories:

- 1) Families for whom the lack of adequate housing is the primary reason for placement of a child in foster care, or is the cause for delays in reuniting a child with their family, and
- 2) Youth between the ages of 18 and 21 years who left foster care at 16 or older and who lack adequate housing.

The CDA works with Dakota County Community Services to identify and connect with families and youth who might be eligible for the program. Family Unification Program is a federally funded program.

Veteran Affairs Supportive Housing (VASH) is a unique partnership between the Department of Veteran Affairs and the Department of Housing and Urban Development that provides long-term case management, supportive services and permanent housing support for chronically homeless Veterans. The program seeks to serve the neediest, most vulnerable homeless Veterans. A key component of the program is VA's case management services. Case management services promote housing stability and support recoveries from physical and mental illnesses and substance use disorders. These services are designed to improve the Veteran's physical and mental health and enhance the veteran's ability to live in safe and affordable housing within Dakota County.

Housing Trust Fund (+Homeless) is a State Funded program for all individuals or families who must be referred by Dakota County Supportive Housing Unit (SHU). This program is administered by the Dakota County CDA.

Home Ownership Connection

Home Improvement Loan Program assists low and moderate income homeowners with making repairs and improvements to their homes. Funds are commonly used for roof replacement, furnace replacement, electrical and plumbing repairs, insulation and special needs improvements such as ramp and bathroom and kitchen modifications. The Home Improvement Loan Program is funded by a variety of sources including Community Development Block Grant (CDBG), Home Investment Partnership Program (HOME), and Housing Opportunities Enhancement Program (HOPE).

MHFA Home Rehab Loan is State funded to provide no-interest loans to eligible extremely low-income homeowners (30% Area Median Income) to make homes more livable, accessible and energy efficient.

Community Development Block Grant (CDBG) Loans - federally funded program for public facilities, housing, neighborhood revitalization, public services, planning and project administration.

HOME Program Loans is a federally funded program available for home rehabilitation, homebuyer programs, rehabilitation of rental housing, tenant based rental assistance and new construction of affordable housing.

Weatherization services are cost-effective energy efficiency measures for existing residential and multifamily housing with low-income residents. A wide variety of energy measures that encompass the building envelope, its heating and cooling systems, its electrical systems and electricity consumption are the focus. This program is targeted to recipients of fuel assistance. It has the effect of reducing the demand for future fuel assistance by increasing energy efficiency. The Weatherization Program is administered as a joint effort between the CAP Agency and the CDA. Funding is provided to the CDA on an annual basis from the Minnesota Department of Commerce.

Home Stretch Homebuyer Education is a course that teaches homebuyers about the entire homebuying process and the responsibilities of homeownership. Classes are taught by CDA Housing Counselors and industry professionals such as mortgage lenders, Realtors and inspectors.

Pre-Purchase Counseling Sessions are individual counseling sessions for homebuyers to meet with a trained homeownership specialist to answer questions about homeownership and review the household's financial situation to develop a plan to become a homeowner.

Foreclosure

Sheriff Sales are distressed public property auctions. It is generally the last step in the foreclosure process after the homeowner has exhausted all their options to avoid defaulting on a mortgage. Once the borrower has defaulted, the lender will file suit in court to recover its loan loss, and if the court awards a judgment, the property will be scheduled to be sold at a public auction.

Notice of Pendency is filed by a mortgage company's attorney as official notification that the foreclosure process has begun. Not all of these result in Sheriff Sales.