

Carver County Board of Commissioners August 14, 2012 Work Session County Board Room Carver County Government Center Human Services Building Chaska, Minnesota

PAGE

WORK SESSION

9:00 a.m.	A.	FINANCES: Improve the County's financial health and economic profile	
		Presentation and discussion of Carver County Community Development Agence 2013 budget	•
		Budget Hearing – Carver County Regional Rail Authority	
10:00 a.m.		BOARD REPORTS 1. Chair 2. Report March are	
		 Board Members Administrator Adjourn 	

David Hemze County Administrator

UPCOMING MEETINGS

August 21, 2012 4:00 p.m. Board Meeting
August 28, 2012 9:00 a.m. Board Meeting
September 4, 2012 9:00 a.m. Board Meeting
September 11, 2012 9:00 a.m. Board Work Session
September 18, 2012 4:00 p.m. Board Meeting

Carver County Board of Commissioners Request for Board Action



Agenda Item:	
Presentation and discussion of Carver County Community I	Development Agency (CDA) 2013 Budget
Primary Originating Division/Dept: Public Health & Environmen	Date: 0/14/2012
Contact: Randy Wolf Title: Director F	Public Health and En Work Session
Amount of Time Requested: 30 minutes Presenter: Julie Frick Title: Director of	Carver County Com Attachments: • Yes • No
Strategic Initiative:	·
Finances: Improve the County's financial health and economic profile	
budget. The Carver County Community Development Ager for the 2013 budget which reduces the impact on a CDA is a 13.06% reduction from the 2012 budget. \$320,000 cut to the levy. In 2012 we cut an additional without additional cuts. If cuts were to take p	with various affordable housing options. get and the Special Benefit Levy necessary to fund the ncy (CDA) is requesting a levy of \$1,798,927 \$252,000 home by \$5.96. The overall budget for the Since 2009, the CDA has sustained an approximate onal four staff that allows us the ability to move into place, it would be to grant funded positions.
ACTION REQUESTED: Take questions and input from Board Members on CDA Propose	ed 2013 Budget.
FISCAL IMPACT: Other	FUNDING

	See Related Fiscal/FTE Comments	County Dollars =	
If "Other", specify:	below	CDA Levy	\$1,798,927.00
FTE IMPACT: None		Total	\$1,798,927.00
Related Financial/FTE	Comments:		

Related Financial Comments: The CDA's special benefit tax levy is spread upon all property within Carver County and is

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completely separate from the County's property tax levy.

RBA 2012- 1297

Carver County Community Development Agency

MISION STATEMENT:

"The Carver County Community Development Agency through collaboration and partnering shall provide affordable housing opportunities for Carver County residents through construction of new housing and maintenance of existing housing and foster economic and community development to cities in Carver County.

2013 Budget Narrative

For the 2013 budget, the Carver County Community Development Agency (CDA) is requesting a levy of \$1,798,927 which reduces the impact on a \$252,000 home by \$5.96. The overall budget for the CDA is a 13.06% reduction from the 2012 budget. Since 2009, the CDA has sustained an approximate \$320,000 cut to the levy. In 2012 we cut an additional four staff that allows us the ability to move into 2013 without additional cuts. If cuts were to take place, it would be due to grant funded positions.

Rental Housing Programs

The CDA administers a variety of housing programs in Carver County that assist households with various affordable housing options. The following is a summary of the major rental programs:

Public Housing - The CDA owns and operates a Federally subsidized Public Housing Rental Program that consists of 81 units scattered thru-out the county that range from apartment style units to single family homes. This program is for households at or below 80% of Area Median Income (\$44,950 for 1 person). The CDA waiting list is currently open for applicants to apply.

The CDA administers a variety of smaller rental assistance programs with funding provided through a variety of agencies that include HUD, the State of MN and Minnesota Housing. These programs are offered in collaboration with the First Street Center/Mental Health Department and The Carver-Scott Educational Cooperative's New Beginnings Program.

The CDA owns four rental developments within Carver County that consist of affordable, work force housing. These developments consist of over 200 units that range from efficiency type units to three-bedroom townhomes.

Senior Housing - The CDA also owns 300 units of 55+ housing for seniors looking to down size into a more manageable housing unit in a senior, socially active community.

Housing Counseling -Fiscal years:

Housing Counseling -Fiscal years:

Oct 1, 2010 - Sept 30, 2011 assisted 2545 clients

Oct 1, 2011 – June 30th, 2012 assisted 1014 clients (partial year third quarter data as reported to HUD)

Of those 1014 clients, 238 were "underserved populations", i.e. people of color, single head of household, disabled head of household

Incomes Served:

30-<50% of Area Median Income (AMI)</td>505 households50%-79% of AMI240 households80%-100% of AMI136 households100% of AMI133 households

Counseling Services Provided:

57 Home Buyer Education Services
687 Mortgage Delinquency Counseling
7 Home Maintenance Inquiries
257 Rental Asst. Counseling
6 Homeless/Displacement

Carver County Sheriff sales from January 1 - June 30th, 2012 were at 141. The CDA continues to be a high performing agency through its key partnerships with the Minnesota Housing and Home Ownership Center coupled with its recent achievements the CDA will continue to be a viable resource to residents of Carver County for their housing counseling needs.

CDA Economic and Community Development Programs

The CDA oversees a variety of Federal and State programs including the Small Cities Development Program, the Minnesota Housing Finance Agency Programs, Livable Communities Demonstration Account Program grants through the Metropolitan Council and other grants that are awarded to the CDA at various times.

The CDA has a partnership with the Carver County Department of Public Health and Environmental Services Departments to process applications, administer low interest loan funds, and apply special assessments to properties for homeowners that replace Individual Sewage Treatment Systems (ISTS) throughout Carver County.

- The CDA actively works with Carver County cities, Chambers of Commerce and local businesses to promote Carver County as a prospective place to locate their business.
- The CDA provides technical assistance to cities and their businesses with expansion plans; and to develop funds for development and redevelopment projects.
- The CDA operates the CDA Business Loan Fund (BLF) and makes loans for commercial/industrial companies that are eligible. The main focus of the BLF is job creation and redevelopment and/or expansion of business properties. The CDA typically

requires a minimum 50% bank or private financing, a minimum of 10% equity from the borrower, and will be subordinate to the local bank. The CDA BLF primarily serves as "gap financing" and requires participation from other parties.

• The CDA actively looks for properties and development sites in the County to develop new senior and affordable workforce rental housing to meet the housing demand outlined in the Carver County 2030 Comprehensive Plan.

2012 Major Accomplishments & Challenges

Commercial/Industrial Projects:

Chaska

1057 and 1059 Stoughton Avenue Redevelopment Project: The Carver County CDA and City of Chaska jointly financed a redevelopment project at two historic Chaska Brick buildings that were vacant and falling into disrepair. The CDA loaned \$150,000 to project developer Topaz Investments, LLC (Jason Palmby) of Chanhassen for purposes of acquiring and redeveloping the buildings for lease to CD Recovery Services, Inc. for the creation of a minimum of 8 new jobs and the rehabilitation of two historic structures near downtown. 5 Star CD Recovery Services operates the facilities as a residential chemical dependency treatment center for men. The City provided a \$25,000 loan in partnership with the CDA. Majority mortgage funding of the project was provided by Security Bank of Waconia. The project began in July 2011 and was completed in spring of 2012.

Waconia

Ground Round Restaurant: The Carver County CDA, City of Waconia, U.S. Small Business Administration and Security Bank of Waconia jointly financed a construction project for a new approximately 5,000 square foot \$2.6 million Ground Round Restaurant that broke ground on June 27, 2012. The project will create approximately 30 full time job equivalents, and 60+ total including part-time. The new restaurant is located on the north side of highway 5 adjacent to the AmercInn Hotel and within close proximity to Ridgeview Hospital.

NYA

The CDA extended a \$50,000 loan for Auto Body Specialties in NYA for an additional three year period and the borrower retained two full time jobs and the project was jointly financed by the Carver County CDA and Citizens Bank NYA.

Projects undertaken in 2012

• Carver: The CDA purchased 36 acres in Dahlgren Township along County 11 south of new Highway 212 in 2010. The CDA and City of Carver are working together to develop plans for a transit oriented design project and the eventual development of the remaining 32 acres. The first phase development will be designed in 2012-2013 with

construction planned to begin on phase one infrastructure and the 50 units of single family housing and 400 Unit Park and Ride spring of 2013.

• At full buildout, the CDA and City of Carver envision the following for the property:

100 units of senior assisted living (private developer)

100 units of workforce rental housing

400 stall park and ride to be operated and serviced via contract by Southwest Transit 50 single family housing units to be developed and owned by private for profit builders Connector roads, water and sewer, regional stormwater pond, park area, trail connections, COFI fiber served

Small retail area on northeast corner of site

- Waconia: The Carver County CDA is planning and developing a financing plan for a new approximately 75 unit workforce rental apartment building to be called Trails Edge South located on Airport Road south of Target. The CDA has been applying for grants and low interest loans from the State DEED and Metropolitan Council for funding of a portion of the project. The CDA would like to begin construction in 2013-2014.
- Chaska: The Carver County CDA and the City of Chaska are working closely together on developing ready to build sites for new data centers. The recently developed and constructed 250,000 sq. ft. United Health Care data center has placed the City of Chaska high in the ranking in Minnesota with larger companies seeking to build data centers. The CDA is currently working with the City, Greater MSP Economic Development Partnership, DEED and commercial real estate brokers and data center developers to enhance the viability, visibility, and marketability of developing additional data centers in Chaska. Chaska is a strong candidate and is currently the most competitive site location in Carver County due to the fact is has its own City utility, allowing it to negotiate rates up front and be more cost competitive for the long run. In addition, it is located along Highway 212 and the brand new extended and enhanced County Road 10 with a newly installed Carver County Fiber Ring and a newly developed City of Chaska substation uniquely developed to serve additional growth and data centers in the vicinity.

Special Studies/Projects:

Multi-Modal Rail Facility

The CDA continues to work with the County, City of NYA and rail developers to continue these efforts.

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• Carver County Fiber Ring Project

The CDA is an active participant and financial partner with Carver County to develop and implement the COFI fiber network throughout Carver County and to the following CDA properties:

Oak Grove City Center NYA
Carver 36 acres Transit Oriented Development
Waconia Trails Edge South Apartments Airport Road
Chaska Brickyard Apartments
Chaska Waybury Apartments
Chanhassen Centennial Apartments
Waconia Crossings

• Metropolitan Consortium of Community Developers (MCCD) Open to Business Program.

The CDA and all cities in Carver County, as of September 1, 2012 running for one year through July 31, 2013 will be partnering with the MCCD, an association of nonprofit community development organizations committed to expanding the wealth and resources of neighborhoods through housing and economic development initiatives, on the "Open to Business Program'. The program, which provides technical assistance and entrepreneurial consultants to small businesses, has been a model success program since its establishment in 2010. Current members of the Open to Business program that Carver County will be joining include the following:

Blaine

Bloomington

Burnsville

Brooklyn Park

Coon Rapids

Crystal

Excelsior

Lakeville

Minneapolis

Minnetonka

Richfield

Robbinsdale

Roseville

Shorewood

St. Anthony

St. Louis Park

*Dakota County CDA in January 2013

In addition, the MCCD operates a loan fund. This MCCD loan fund could work in conjunction with the CDA Business Loan Fund and newly introduced SWIF Microloan Program recently offered to Carver County by the US Small Business Administration. Jointly participating in loans with the MCCD's loan program could reduce the CDA's risk, allow for more loan dollars to come into the County and provide for additional loan dollars and services that the CDA currently lacks due to its current budget.

Ongoing Initiatives

- Develop workforce, senior, and affordable housing in Carver County so workers can live and work here in Carver County, which will support economic development and business throughout the county.
- Promote redevelopment within the cities of Carver County through new mixed use projects which promote downtown living and shopping.
- Plan and integrate economic development and housing projects that will occur as the result of the Highway 212 corridor being improved.
- Provide marketing, technical assistance to cities, and business finance resources to industrial and business park developments in the county.
- Establish and maintain high quality service with interested stakeholders to build a collegial working relationship that contributes to CDA initiatives.
- Participate in the Greater MSP Economic Development Partnership; represent Carver County
 as the Public Sector Representative on the Greater MSP Advisory Group; Serve on Greater
 MSP Operational Protocol Committee; work in conjunction with Private Sector Greater MSP
 Representative Jon Holt, Chairman of Super Radiator Coils, Chaska.
- Work towards attracting new sources of capital and investment to Carver County.
- CDA integration of SharePoint software use in conjunction with Carver County IT and Public Health and Administrative staff
- Joint CDA-Carver County Public Works fuel purchasing and maintenance of CDA vehicles
- Enhanced partnerships with Carver County and GIS applications

Carver County Community Development Agency

For the 2013Budget, the Carver County Community Development Agency (CDA)2013 levy has been reduced by \$137,206 as a result of a 2011 State Law change related to the Homestead Market Value Credit.

The following table summarizes the budget for the CDA.

Carver County Community Development Authority								
2011 2012 2013 2013 % Change						Change		
Budget Summary	Actual	Budget	Requested	Approved	2012-2013	In Levy		
Revenue total	7,153,757`	6,587,287	6,117,819		(7.68%)			
Expenditure total	9,118,857	8,523,420	7,916,746		(7.67%)			
Tax dollars needed	1,965,100	1,936,133	1,798,927		(7.63%)	(137,206)		

The attached chart summarizes the proposed 2013 Budget changes compared to the 2012 Budget.

COMMUNITY DEVELOPMENT AGENCY BUDGET SUMMARY

		2013		
GENERAL FUND	2012	Requested		Percent
	Budget	Budget	Dollar Inc/Dec.	Inc/Dec.
REVENUES		Charles No.		
Total Administrative Revenues	427,995	350,220	(77,775)	-18.17%
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Total Pass-Through Grant Funds	584,420	272,472	(311,948)	-53.38%
Total CDA Special Benefit Levy	1,936,133	1,798,927	(137,206)	-7.09%
10				
Total Revolving Loan Funds	155	100	(55)	-35.48%
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Total Other Revenues	1,054,248	1,058,424	4,176	0.40%
			-,	31.070
TOTAL REVENUES	4,002,951	3,480,143	(522,808)	-13.06%
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EXPENDITURES				
Total Administrative & Operating Expenses	2,705,529	2,420,501	(285,028)	-10.54%
			()	
Total Pass-Through Grant Funds	584,420	272,472	(311,948)	-53.38%
	,		(0.11,0.10)	
Total Other Expenditures	713,002	787,170	74,168	10.40%
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TOTAL EXPENDITURES	4,002,951	3,480,143	(522,808)	-13.06%
			(022,000)	1010070
DIFFERENCE BETWEEN GENERAL FUND REVENUES				
& EXPENDITURES	-	-		0.00%
				0.00 /8
ENTERPRISE FUND				
LIVIENPRISE PUND	*			
Total Apartment Buildings Revenues	4,520,469	4,436,603	(83,866)	-1.86%
Total Apartment Buildings Expenditures	4,520,469	4,436,603	(83,866)	-1.86%
DIFFERENCE BETWEEN ENTERPRISE REVENUES &				
EXPENDITURES		-	-	0.00%
TOTAL CDA DIFFERENCE BETWEEN REVENUES				
& EXPENDITURES				
W EXI LIMITOTILS		-	-	-

Carver County Board of Commissioners Request for Board Action



Agenda Item:				
Budget Hearing - Carver County Regional Rail Authority				
Primary Originating Division/Dept: Public Works Contact: Lyndon Robjent Title: Public V	Vorks Division Director	Meeting Date: 8/14/2012 Item Type: Work Session		
Amount of Time Requested: 20 minutes Presenter: Robjent/Frischmon Title:		Attachments:	: • Yes • No	
Strategic Initiative: Finances: Improve the County's financial health and economic profile	2			
BACKGROUND/JUSTIFICATION: The Carver County Regional Rail Authority will present their 20 \$120,000 which is the same as 2012. Major initiatives to be accomplished in 2013 include the de Union Pacific (UP) rail corridor and the hiring of a combine responsible for rail corridor stewardship and trail maintena highways. The position is proposed to be funded fifty (50) Bridge levy. The 2013 budget narrative is attached for more information.	esign of the Minnesota River d Parks/Highway Maintenan ance as well as winter snow percent with CCRRA levy an	Bluffs Regiona ce Worker. Th and ice contro	al Trail on the former ne position will be I on the county	
ACTION REQUESTED: None - informational only				
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FISCAL IMPACT: None If "Other", specify:	FUNDING County Dollar	s =		
FTE IMPACT: Increase budgeted staff	CCRRA levy Total		\$120,000.00	
Related Financial/FTE Comments:			ţ_ _ 0,000.00	
The proposed budget includes funding 50% of the cost of a	Parks/Highway Maintenand	ce Worker		
Office use only:				

Carver County Regional Rail Authority

Description

The Carver County Regional Rail Authority (CCRRA) is governed by five Commissioners appointed by the Carver County Board of Commissioners. In Carver County the CCRRA Commissioners are the County Board Commissioners. The Public Works Division manages projects and work activities for the CCRRA. The purpose of the CCRRA is to provide for the preservation and improvement of local rail service for agriculture, industry, or passenger traffic and provide for the preservation of abandoned rail right-of-way for future transportation uses, when determined to be practicable and necessary for the public welfare, particularly in the case of abandonment of local rail lines. The CCRRA levies separately from Carver County to fund regional rail projects and activities. **The proposed 2013 levy is \$120,000, the same as 2012.** Several other funding sources are used to augment the CCRRA levy for property acquisition, corridor preservation, management and development. The following table summarizes the CCRRA Fund.

Revenue	S	2011 Actual	2012 Budget	2013 Requested Budget	Dollar Inc/Dec 2012-13	Percent Inc/Dec 2012-13
Account #/Category						
5000	Taxes & Penalties	114,310	120,000	120,000	-	0.00%
5100	Licenses & Permits	-	-	-	-	0.00%
5200-5400	Intergovernmental	184	-	-	-	0.00%
5500	Charges for Services	-	-	-	-	0.00%
5600	Fines & Forfeitures	-	-	-	-	0.00%
5700	Investment Earnings	-	-	-	-	0.00%
5750	Gifts & Contributions	-	-	-	-	0.00%
5800-5900	Other Revenues	1,689,085	-	2,100	2,100	0.00%
TOTAL REVENUES		1,803,579	120,000	122,100	2,100	1.75%
Expenditures						
6000	Public Assistance	-	-	-	-	0.00%
6100	Personal Services	-	-	-	-	0.00%
6200-6300	Services & Charges	28,767	50,000	81,100	33,600	62.20%
6400-6500	Material & Supplies	84	-	5,000	5,000	0.00%
6600	Capital Outlay	2,124,345	-	-	1	0.00%
6700	Debt Services	-	-	-	-	0.00%
6800	Other Expenses	711	-	-	-	0.00%
6900 Transfers		144,704	170,000	36,000	(134,000)	-78.82%
TOTAL EXPENDITURES		2,298,611	220,000	122,100	(95,400)	-44.50%
CAPITAL RESERVES USED		495,032	100,000	-	(100,000)	-100.00%

DIFFERENCES BETWEEN					
REVENUES & EXPENDITURES	-	-	-	-	0%

CCRRA is currently involved with two rail corridors, the Dakota Rail Line and the Union Pacific Rail Line, both of which have been abandoned. Activities and projects on these corridors are described below.

Dakota Rail Line

The CCRRA partnered with the Hennepin County and McLeod County Regional Railroad Authorities and the Minnesota Department of Transportation (MnDOT) in 2000 to acquire the abandoned Dakota Rail Line. The goal of the acquisition was to preserve the corridor for future transportation and provide an interim trail use along the abandoned line which serves several purposes including providing a non-motorized transportation corridor, a recreational corridor and an effective method to preserve and manage the corridor for future rail transportation. A portion of this line extends 12 miles across the northern part of Carver County from the west to east county line. Survey work has been done to identify what is railroad property, and signage has been installed to identify the railroad boundary.

The County Parks Department completed a Regional Trail Master Plan for developing the Dakota Regional Trail in 2006. This master plan supports a number of non-motorized uses along the abandoned rail line while preserving it for future transportation.

Phase I Dakota Rail Regional Trail

Federal Transportation Enhancement funding was awarded to Carver County through the 2007 Regional Solicitation process to construct a pedestrian trail from the east County line to the city of Mayer. In 2009 the project received additional federal funds through the American Recovery Reinvestment Act (ARRA). This new trail segment completed in 2011 is the first regional trail operated by Carver County. Additional funding for the construction of the trail on Carver County Regional Railroad Authority property was provided by the CCRRA levy and funds from the Legacy Amendment, Parks and Trails Fund (sales tax).

Phase II Dakota Rail Regional Trail

This segment of trail connects to Phase I of the trail in Mayer and continues west to the county line past the City of New Germany a distance of approximately 5 miles. The trail is a 10-foot wide bituminous trail consistent with the previously constructed Phase I segment of the trail. Construction for this segment of trail was completed in 2012. In the 2009 Regional Solicitation, Carver County was awarded \$1 million in federal Transportation Enhancement funds to construct the trail. Additional funding for the trail was provided by the CCRRA levy and funds from the Legacy Amendment, Parks and Trails Fund (sales tax). This project completes the Dakota Rail Regional Trail and provides an effective way to preserve the corridor for future rail.

Dakota Rail Corridor Management and Stewardship

During 2010 and 2011, buildings were removed from Dakota Rail corridor in New Germany. These building included a feed mill, storage building and an old garage building located in the depot area of New Germany. The buildings were in a dilapidated state and no longer served a productive function.

With completion of the trail construction comes long term maintenance and stewardship. A long term maintenance plan (e.g. seal coating, crack filling, pavement repair etc) will be developed in 2013 which will be used for future budget planning. The day to day stewardship (e.g. weed control, tree trimming, cleanup, grooming, sweeping, drainage corrections etc) of the corridor is proposed to be accomplished with the addition of a new Parks/Highway Maintenance Worker position for 2013. The position is proposed to be funded 50% out of the CCRRA levy and 50% out of the Public Works Road and Bridge fund. The 50% from CCRRA will be transferred to the Road and Bridge operating budget. This position will perform tail maintenance in the summer and plow snow on the county highways in the winter.

Union Pacific Rail Line

Corridor Acquisition

Beginning in 2008, the Carver County Regional Rail Authority in conjunction with the Scott County Regional Railroad Authority have worked to acquire the Union Pacific Railroad Chaska Industrial Lead, a 5 mile rail line that extends from the United Sugars business in Chaska to the City of Carver and across the Minnesota River near Merriam Junction. The acquisition was completed in 2011. Stated purposes for acquiring the railroad corridor included preservation of the corridor for future transportation, utilities, road right-of-way, as well as interim trail use. Acquisition of the railroad corridor was funded from Metropolitan Council Acquisition Opportunity Fund, Metropolitan Council Environmental Services fund, as well as the Carver and Scott County Regional Railroad Authorities.

Extension of the Minnesota River Bluffs Regional Trail

In 2011, Carver County submitted an application for federal Transportation Enhancement funding to construct an extension of the Minnesota River Bluffs Regional Trail along the Union Pacific Rail corridor from Chaska Athletic Park to the City of Carver. The project was awarded \$551,200 in federal funding for construction in 2015. The local match for the project will come from the CCRRA levy and the Legacy Parks and Trail Fund. Engineering work will begin in 2013.

The 2013 CCRRA projects and activities are summarized below.

2013 Major Planned Projects/Activities

- Minnesota River Bluffs Trail (UP Rail Line) Project Memorandum and Design \$74,000.
- Hire new Parks/Highway Maintenance Worker for railroad corridor stewardship and trail maintenance (50% CCRRA levy) - \$36,000. Transfer funds to Road and Bridge operating fund.

Goals and Objectives

Goal #1: Complete Project Memorandum and Design for Mn River Bluffs Trail

<u>Supports County Goal #1 Communities:</u> Create and maintain safe, healthy and livable communities

Objective: Address any environmental considerations and then proceed with preliminary engineering design.

Goal #2: Provide ongoing stewardship activities to maintain railroad infrastructure and land.

<u>Supports County Goal #1 Communities</u>: Create and Maintain safe, healthy and livable communities

<u>Objective:</u> Maintain investment in infrastructure and address land stewardship issues such as weeds, diseased trees, and drainage issues, cleanup, sweeping, blowing etc.