

Carver County Board of Commissioners
August 17, 2010
County Board Room
Carver County Government Center
Human Services Building
Chaska, Minnesota

County Board Work Session Agenda

Time	Topic	Page
4:00 p.m.	1. PUBLIC HEALTH AND ENVIRONMENT 1.1 Community Development Agency 2011 proposed budget and levy.....	1-7
4:30 p.m.	2. CARVER COUNTY REGIONAL RAIL AUTHORITY 2.1 Regional Rail Authority 2011 proposed budget and levy.....	8-10
5:00 p.m.	Board and Administrator Reports	

David Hemze
 County Administrator

UPCOMING MEETINGS

August 24, 2010	9:15 a.m. County Board Meeting
August 31, 2010	No Board Meeting - 1:00 p.m. County Board Tour - SCALE Regional Training Facility
September 7, 2010	9:15 a.m. County Board Meeting
September 14, 2010	9:15 a.m. County Board Meeting



CARVER
COUNTY

REQUEST FOR BOARD ACTION

AGENDA ITEM : Community Development Agency ("CDA") 2011 Proposed Budget and Levy

Originating Division: Land Water Services

Meeting Date: 08/17/10

Amount of Time Requested: 30 minutes

Attachments for packet: Yes No

Item Type: Consent Regular Session Closed Session Work Session Ditch/Rail Authority

BACKGROUND/EXPLANATION OF AGENDA ITEM: As summarized in the enclosed budget packet, the CDA's proposed 2011 tax levy of \$1,965,100 is \$33,209 less than the approved levy for 2010. The CDA's 2011 Levy will have a zero tax impact on the average valued home in Carver County.

At the workshop, the CDA will present its proposed 2011 budget and tax levy. Prior to September 15th, the County Board needs to approve a final 2011 budget and tax levy for the CDA.

ACTION REQUESTED: None - informational only

FUNDING

County Dollars = \$
 Other Sources & Amounts =
 = \$
TOTAL = \$

FISCAL IMPACT

None
Included in current budget
Budget amendment requested
Other:

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

Reviewed by Division Director

Date: 08/09/10

CARVER COUNTY COMMUNITY DEVELOPMENT AGENCY

THE CARVER COUNTY CDA FOR THE 2011 BUDGET IS PROPOSING A 0% IMPACT ON TAX PAYERS WHICH EQUATES TO A 6.06% REDUCTION IN THE BUDGET. FOR THE 2010 BUDGET, WE MAINTAINED OUR 2009 LEVY THAT REDUCED OUR 2010 BUDGET BY \$54,082.00 AND WHEN YOU ADD IN THE REDUCTION FOR 2011, OUR TOTAL CUT IN THE LEVY SINCE 2009 IS \$145,765.00. IF THE CDA WERE TO LEVY THE STATUTORILY AUTHORIZED LEVY FOR 2011, IT WOULD BE \$2,056,783.00. FOR 2011, THE CDA IS PROPOSING TO LEVY \$1,965,100.00 WHICH IS \$33,209 LESS THAN THE 2010 LEVY OF \$1,998,309.

RENTAL HOUSING PROGRAMS – the CDA administers a variety of rental 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 (\$45,100 for 1 person). The CDA waiting list is currently open for applicants to apply.

The CDA is contracted through the Metropolitan Council to administer the federally subsidized HUD Section 8 Rental Assistance Program. This program consists of approximately 603 rental housing vouchers offered to households at or below 50% of area median income (\$29,400 for 1 person). The Section 8 waiting lists remain very long; projected wait for assistance could be up to 7 years.

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

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

Senior Housing-the CDA also owns over 100 units of 55+ housing for seniors looking to down size into a more manageable housing unit in a senior, socially active community.

Housing Counseling Program-Fiscal years:

Oct 1, 2008 - Sept 30, 2009 assisted 3,110 clients

Oct 1, 2009 – June 30th, 2010 assisted 2,290 clients (partial year third quarter data as reported to HUD)

Of those 2,290 clients, 611 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)	1,299 households
50%-79% of AMI	469 households
80%-100% of AMI	240 households
100% of AMI	282 households

Counseling Services Provided:

142 Home Buyer Education Services
1,189 Mortgage Delinquency Counseling
21 Home Maintenance Inquiries
882 Rental Asst. Counseling

6 Homeless/Displacement

Carver County Sheriff sales from January 1 - June 30th, 2010 were at 203. Notably, our counselors were able to stop 25 households from losing their homes throughout this time period. Scott County Sheriff sales January 1 - June 30th, 2010 were at 460. Likewise, we have been able to stop 39 households in that county from losing their homes to foreclosure through June 2010. The federal dollars this agency receives through HUD covers the administrative costs for counselor time in Scott County. The most prevalent reasons our clients report default are due to a loss or decrease of income and/or job. Our counseling staff continues to be informed about the new *Making Home Affordable* program set forth by the Obama Administration in March 2009 and participates in bi-monthly conference calls with the Treasury Department in order to keep up-to-date with program directive changes. This knowledge helps us assist clients better in navigating through the daunting processes of foreclosure and loan modification while working with lenders and servicers. Staying informed with all these changes at the local, state and federal level is critical for the CDA in order to continue to offer high quality and efficient services to our clients. The CDA remains 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 both Scott and Carver Counties for their housing counseling needs.

COMMUNITY DEVELOPMENT GRANTS- In 2009, the CDA secured federal stimulus monies via the Neighborhood Stabilization Program (NSP) for the acquisition and rehabilitation of vacant, foreclosed homes in the downtown area of Chaska. To-date, two homes have been acquired and significantly rehabbed. Another is to be demolished and a new home constructed. These homes will be offered to area workforce at affordable prices. The dollars brought in from the sale will go into a revolving pool that will allow for additional property acquisition in this area as well as continue to help stabilize the neighborhood from additional vacant, foreclosed homes.

In the last year, the CDA has successfully worked to add four more homes into the CDA's Community Land Trust program. Three homes are located in Waconia and one in Victoria. This brings the land trust property count total up to 22 homes in Carver County.

Multiple grant applications have been submitted over the last couple months to help address rehab needs on CDA owned rental properties. If funded, these dollars would allow for capital improvements on various affordable housing units throughout Carver County.

ECONOMIC DEVELOPMENT PROGRAMS - economic development and planning activities occurring in several areas of the County.

- The CDA oversees the federal Small Cities Development Program funds for any cities awarded funding within Carver and Scott counties. Currently, Program Income Funds that are paid back by past SCDP recipients are put into an account in their respective cities. We then re-administer them as each city dictates via contract with that city and the State Department of Employment and Economic Development.
- The CDA has a partnership with the Land & Water Services, Planning & Water Management; 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 is an active partner in the 2030 Comprehensive Plan for Carver County.

- The CDA operates the CDA Business Loan Fund (BLF) and for three years prior, operated the Twin Cities Community Capital Fund (TCCCCF) (and did 4 economic development loans) for Carver County, until the 2008 credit crisis severely impacted that program and the CDA was forced to transfer TCCCCF funds to the BLF.
- The CDA actively looks for properties and development sites in the County to develop new senior and workforce affordable rental housing developments to meet the demand outlined in the Carver County 2030 Comprehensive Plan

2010 MAJOR ACCOMPLISHMENTS & CHALLENGES

Industrial Projects:

Chaska

Apex International: The CDA and City of Chaska worked with Apex International to purchase a lip balm manufacturing line from Ohio that will add another 40-75 jobs at the Chaska facility. Loan funds and state worker training dollars are the assistance being provided the company.

Bioscience Building: The CDA is working with the City of Chaska and a private medical device company to build a plant in the City and to also build a biosciences incubator facility. The CDA signed a listing agreement with Welsh Companies to pre-lease one half of the 10,000 sq. ft facility.

United Health Group Data Center: CDA staff worked with the State DEED and the City of Chaska to provide assistance and market the City so that they would make a major investment in a new data center in West Creek Corporate Center. The company broke ground in August of 2010.

Chanhassen

AMPAC: The CDA is providing AMPAC, a specialty manufacturer of a variety of frozen food and packaging materials, with a portion of financing (\$500,000) for its move to the former Teleplan facility in Chanhassen, at 1000 Park Road, which is a currently 150,000 sq. ft. vacant manufacturing facility that will be home to the company and its 50 new jobs and \$8 million investment.

General Mills: The CDA worked with General Mills to assist it in its efforts to invest over \$30,000,000 in equipment and expansion to hire 75 new workers at the Chanhassen facility planned for 2010- 2011.

Watertown

ATHC: The CDA is providing \$200,000 in loan/grants to ATHC so that it may build a 13,000 sq. ft specialty recycling center in the new Watertown Industrial Park. The project broke ground in the summer of 2010, construction is underway, and there will be a minimum of 25 new jobs created at the facility.

New Projects undertaken in 2010

- **Carver:** The CDA purchased 36 acres in Dahlgren Township along County 11 south of new Highway 212 that will be annexed to the City of Carver. The CDA and City are working together to develop concept plans for the eventual development of 18 acres of private single family housing and future senior and workforce apartment building, possible government office buildings, parks, trails, and a transit station.
- **Waconia:** The CDA is planning to purchase and close on approximately 7 acres of property in Waconia on Airport Road by target for future development of workforce rental apartment buildings.

Redevelopment projects:

- **City of NYA:** The \$10,000,000 redevelopment project broke ground on October 1, 2009 and will be completed in fall 2010 and be ready for occupancy. The project is a city hall, county library,

County Sherriff office, and a 50 unit CDA senior rental building on the site of the former Oak Grove Dairy facility in the southern downtown.

- **City of Watertown:** The Carver County CDA assisted the City of Watertown to obtain grant funds in 2010 from the Metropolitan Council LCDA program to redevelop a portion of the southern downtown Main Street for a new mixed use senior housing and commercial use along with public and private parking. The project involves the removal of three older manufacturing and processing buildings in the southern downtown area.

Grants:

- **City of NYA:** Assisted the City or wrote grants, obtaining a \$350,000 Met Council LCDA grant for the Oak Grove Redevelopment project in NYA. The CDA than applied for additional LCDA grant funds for the project in 2008, and was successful in obtaining an additional \$710,000 for the project. In 2010, the CDA applied for an additional \$70,000 from the State DEED and was successful in obtaining cleanup grants to remove contaminated soils and the site is clean.
- **NYA, Hamburg, Cologne:** The CDA recently worked in conjunction with the cities of Norwood Young America, Hamburg and Cologne to submit a Small Cities Development Program application to the Department of Employment & Economic Development for the rehab of up to 20 single-family homes within those communities. The application was funded for approximately \$300,000 and was implemented in 2010. 10 homes in Cologne, NYA and Hamburg have been rehabilitated and made more energy efficient. About that same amount of homes are expected in 2011.
- **Carver County:** The CDA applied for \$750,000 from the Federal USDA Rural Development for Intermediary Relending Funds. If awarded, the CDA will be able to make low interest business loans through the program to companies in Carver County that create jobs.
- **Carver County:** The CDA is assisting the County in a 2010 Tiger II grant for transportation enhancements in and around Hwy 212 in the Carver area. The grant will work to improve transportation access, improve linkages to the new 36 acres in carver for affordable housing and transit, and provide for better access, safety and acquisition of key rights of way for better turn lane design.

Loans:

- The CDA operates the CDA Business Loan Fund (BLF) for eligible businesses in Carver County.

Special Studies:

- Multi-Modal Rail Facility Study

The CDA completed a study to analyze the feasibility of development of a multi-modal rail industrial park in rural locations of Carver County. The plan was incorporated into the Carver County 2030 Comprehensive Plan. The CDA continues to work with the County and private developers to continue these efforts.

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 new Highway 212 project in the eastern side of the county.

- Provide marketing, technical assistance to cities, and business finance resources to industrial and business park developments in the county such as Tacoma Industrial Park in NYA, Pine Hill Business Park in Waconia, Chanhassen West and Arboretum Parks in Chanhassen. This also includes business projects in the development of the Watertown Industrial Park, Mayer Industrial Park, and the new Bioscience Park in Chaska, and others.
- Establish and maintain high quality service with interested stakeholders to build a collegial working relationship that contributes to CDA initiatives.
- Provide support services to Carver County Planning & Water and Environmental Services to coordinate, develop, and maintain efficiencies related to activities of the 2030 Comprehensive Plan.
- Work towards attracting new sources of capital and investment to Carver County through the establishment of Angel Fund Venture Investments for promising and high growth fields such as biosciences and alternative energy, animal health, medical devices, diagnostics/vaccinations and pharmaceuticals.
- Develop additional low interest revolving loan funds for business to complement the TCCCF program, which has temporarily shut down due to the financial crisis and credit markets meltdown of 2008-2009.
- Make strategic railroad investments in the Tacoma Industrial Park in NYA to assist industrial business.
- Participate in the planning and public process and support cities regarding the new Hwy. 212 MnDOT project proposal expanding from 4 lanes from the city of Carver to the city of NYA.
- Continue to work with the TC & W Railroad, Carver County cities, MNDOT, SW Transit, Vision 212 Group, and Carver County Board to promote the development of commuter rail, linked transit stations, with workforce housing centered on job/transportation hubs.
- Continue its support and representation on the Vision 212 Group.

PROJECTS ON HOLD - LACK OF FUNDING

- Project in the City of Watertown – Senior Housing
- Project in the City of Mayer – Senior Housing
- Chaska Bio Science Building
- Angel Investment Fund
- City of Carver Housing Project

COMMUNITY DEVELOPMENT AGENCY BUDGET SUMMARY

GENERAL FUND	2009 Actual	2010 Budget	2011 Requested Budget	Dollar Inc/Dec.	Percent Inc/Dec.
REVENUES					
Total Administrative Revenues	749,359	785,419	748,225	(37,194)	-4.74%
Total Pass-Through Grant Funds	719,992	1,954,606	1,453,000	(501,606)	-25.66%
Total CDA Special Benefit Levy	2,000,451	1,998,309	1,965,100	(33,209)	-1.66%
Total Revolving Loan Funds	7,008	200	175	(25)	-12.50%
Total Other Revenues	970,942	733,908	974,558	240,650	32.79%
TOTAL REVENUES	4,447,751.41	5,472,442	5,141,058	(331,384)	-6.06%
EXPENDITURES					
Total Administrative & Operating Expenses	3,074,465	2,589,036	2,950,608	361,572	13.97%
Total Pass-Through Grant Funds	719,992	1,954,606	1,453,000	(501,606)	-25.66%
Total Other Expenditures	613,384	928,800	737,450	(191,350)	-20.60%
TOTAL EXPENDITURES	4,407,841.41	5,472,442	5,141,058	(331,384)	-6.06%
DIFFERENCE BETWEEN GENERAL FUND REVENUES & EXPENDITURES	39,910.00	-	-	-	0.00%
ENTERPRISE FUND					
Total Apartment Buildings Revenues	4,004,190	3,986,799	4,347,602	360,803	9.05%
Total Apartment Buildings Expenditures	4,210,052	3,986,799	4,347,602	360,803	9.05%
DIFFERENCE BETWEEN ENTERPRISE REVENUES & EXPENDITURES	(205,862)	-	-	-	0.00%
TOTAL CDA DIFFERENCE BETWEEN REVENUES & EXPENDITURES	(165,952)	-	-	-	-



REQUEST FOR BOARD ACTION

AGENDA ITEM : Regional Rail Authority ("CCRRA") 2011 Proposed Levy

Originating Division: Rail Authority

Meeting Date: August 17, 2010

Amount of Time Requested: 30 minutes

Attachments for packet: Yes No

Item Type: Consent Regular Session Closed Session Work Session Ditch/Rail Authority

BACKGROUND/EXPLANATION OF AGENDA ITEM: The CCRRA is requesting \$120,000 levy for 2011. The amount remains unchanged since 2008. This levy amount will be used to accumulate the necessary local funding for activities related to the acquisition, development, preservation of infrastructure, and maintenance of CCRRA property.

Federal funding has been approved to a construct a pedestrian trail on the former Dakota Regional Rail Line. These Federal funds provide up to 80% of the construction cost to build the Dakota Rail Regional Trail. The other 20% of construction, plus the preliminary design and engineering fees will be paid for by the CCRRA. Phase I is expected to be completed by the end of December 2010 and Phase II is planned to begin construction in 2012.

CCRRA is also moving forward with land stewardship activities in the Cities of Mayer and New Germany at the former depot locations by removing buildings, purchasing property, and developing longer term plans for these locations.

Additionally, CCRRA is negotiating with others of the Minnesota River Valley Rail Line Joint Powers Agreement to acquire the Chaska industrial Lead of the Union Pacific Rail Line in Carver and Scott Counties.

ACTION REQUESTED: None – informational only

FUNDING

County Dollars = \$

Other Sources & Amounts =

= \$

TOTAL

= \$

FISCAL IMPACT

None

Included in current budget

Budget amendment requested

Other:

Related Financial Comments: The preliminary property tax levy for the CCRRA needs to be set by September 15th according to State Statute. Once this amount is set, a detailed budget will be developed and presented to the CCRRA Board in October.

Reviewed by Division Director

Date: 8/11/10

Carver County Regional Rail Authority

Description

Carver County's Regional Railroad Authority continues to participate in the Metro Transitways Development Board (MTDB) and continues to work on the management and development of the former Dakota Rail Line as a transportation corridor. The Regional Rail Authority will also be working on a new project in 2011 to acquire the Union Pacific Railroad Chaska Industrial Lead, a rail line that extends from the United Sugars business in Chaska to the City of Carver.

The Metro Transitways Development Board is a joint powers board comprised of representatives of the seven Metropolitan Area counties. This metro-wide board discusses a broad perspective of transit system needs that lead to the development of numerous transit improvement objectives.

Carver County's Regional Railroad Authority 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. A portion of this line extends 12 miles across the northern part of Carver County. Survey work has been done to identify what is railroad property, and initial signage has been installed to identify the railroad boundary. Additional signage to identify the regional railroad property is needed in areas of encroachment.

The former Dakota Rail Line is inviting to snowmobilers, hikers and others looking to explore the corridor and adjacent scenic areas of the Crow River, Lake Waconia and Lake Minnetonka. A salvage operation to remove railroad iron and ties has, however, left the corridor in a state of disrepair. The rutted condition makes the corridor difficult to inspect and treat for weeds, and it makes the corridor unsuitable for interim use for snowmobiling, hiking, or mountain biking.

The County completed a Regional Trail Master Plan for developing the Dakota Regional Trail in 2006. This master plan supports a number of non-motorized uses. It also allows for use by snowmobilers who have a permit issued by a qualifying snowmobile organization.

Federal funding has been approved for the 2009-2010 funding cycle to construct a pedestrian trail from the east County line to the city of Mayer. These federal funds will pay for more than 80% of the construction cost of the trail. Less than 20% of construction costs will be supported by the Carver County Regional Railroad Authority and Parks and Trails funding.

CARVER COUNTY RAIL AUTHORITY

Phase 1 construction of the Dakota Rail Regional Trail is underway and is expected to be completed by the end of the 2010 construction season. This new trail segment will be the first regional trail operated by Carver County. Funding for the construction of the trail on Carver County Regional Railroad Authority property is provided by Federal Transportation Enhancement Funds, American Recovery Reinvestment Act, Carver County Regional Railroad Authority levy, and from Legacy Amendment, Parks and Trails Fund (sales tax).

Two additional projects have been added to the Capital Improvement Plan (CIP) for the Carver County Regional Railroad Authority in 2011. The first project relates to the Dakota Rail Regional Trail and involves the removal of several buildings from railroad property at the Depot location in New Germany. The buildings are in poor condition and no longer serve a productive function.

The second project involves the acquisition of the Union Pacific Chaska Industrial Lead, which extends from United Sugars in Chaska, over to the City of Carver, and South into Scott County near Hwy 169. The Carver County Regional Railroad Authority has expressed interest in preserving the land that Union Pacific has in Carver County for transportation purposes, as it relates to right-of-way needed for County Road 6, and for trail purposes as identified in the 2030 County Comprehensive Plan.