



Presentations for October 1, 2024 Board Meeting

REGULAR SESSION

| | | |
|---------|--|--------|
| 3.1 | CDA Carver Oaks Update and Agreement Amendment for Trails..... | 2-15 |
| 3.2 | Master Space Plan | 16--26 |
| 3.3-3.5 | 2025 Health Insurance Benefits..... | 27-42 |



CARVER COUNTY
COMMUNITY
DEVELOPMENT
AGENCY

Carver County CDA

The CDA strives to provide quality affordable housing for residents of Carver County. The proposed CDA projects meet that need for affordable housing throughout Carver County.

CDA Housing Project Fund

| Projects | Funding Amount | Description |
|---------------------|----------------|---|
| Carver Place | \$1,000,000 | 60 units affordable, general occupancy |
| Carver Oaks | \$1,000,000 | 43 units affordable, senior (55+) |
| Trail's Edge Senior | \$1,000,000 | 76 units affordable, general occupancy |



Carver Place



Carver Oaks Senior Residence

Carver Oaks

1593 Hartwell Dr Carver



Awarded funding in 2023



43 units of senior housing

All units will target households at or below 50% AMI

- Seven units of VASH for homeless Veterans

Land currently owned by the CDA

| Name of Source | Funding Amount (subject to change) |
|--|---|
| MN Housing First Mortgage | \$1,715,000 |
| Syndication Proceeds (4% LIHTC) | \$4,567,345 |
| Sales Tax Rebate | \$258,629 |
| Energy Rebates | \$17,000 |
| County CDA Project Funding | \$1,000,000 |
| General Partner Contribution | \$100 |
| Housing Infrastructure Appropriations | \$7,446,000 |
| LHIA | \$400,000 |
| Total | \$15,404,074 |

Carver Oaks Amenities

- Unit
 - Washing machine and dryer
 - Magic pak/central air
 - Full kitchen package (stove, fridge, dishwasher, microwave)
 - Wire for high -speed internet
 - One parking space included with rent
- Property
 - Smoke free
 - Controlled access and cameras
 - Enclosed parking
 - Community and fitness room

Carver Oaks timeline

Anticipating early start in January and closing by March 1, 2025

County funding will need to come in at closing as a source

Twelve-month construction schedule

Six-month lease-up schedule



Trail's Edge Senior

Trail's Edge Senior Amenities

- Unit
 - Washing machine and dryer
 - Magic pak/central air
 - Full kitchen package (stove, fridge, dishwasher, microwave)
 - Wire for high -speed internet
- Property
 - Smoke free
 - Controlled access and cameras
 - Enclosed parking
 - Community and fitness room

Trail's Edge Senior

905 Airport Rd, Waconia

Up to 76 units of affordable 55+ housing

- Previous funding application included eight units of housing supports for high priority homeless

Land currently owned by the CDA

Submitted for funding to MN Housing for this project in 2023 and 2024 and was not funded

- The total development cost at the time this application was submitted was \$26,011,870 for the 2024 RFP
- Funding options for this project include County GO bonds, 4% low-income housing tax credits and Housing Infrastructure Bonds

Trail's Edge Senior timeline

September 2024 Received an early reject letter from MN Housing



```
graph TD; A[September 2024 Received an early reject letter from MN Housing] --> B[Meeting with Ehlers to discuss potential funding option]; B --> C[Will also discuss funding options with MMB]
```

Meeting with Ehlers to discuss potential funding option

Will also discuss funding options with MMB

Recommendation

- Carver Oaks-Requesting funds be released for this project.
- Trail's Edge Senior-Requesting a timeline extension to the agreement to apply for an additional round of funding.
- Action Requested: Motion to release \$1,000,000 to the CDA from the CDA Housing Project Account for the Carver Oaks project and to amend the agreement by extending the obligation timelines for Trail's Edge Senior to January 31, 2026, pending contract finalization process.

County Board Questions

County Board Direction

Master Space Plan

Carver County Board

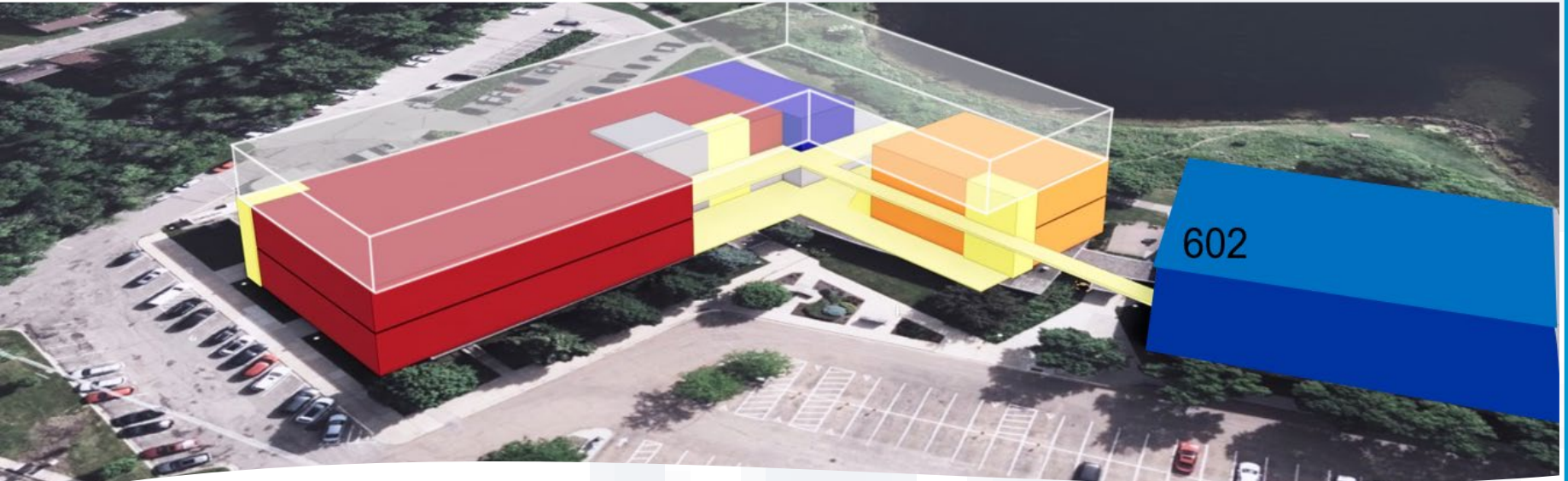
October 1, 2024



Master Space Plan Scope

- Build a realistic plan for current and long-term (20 year) space needs – at a building block level
- County owned office space (does not include city owned libraries, PW shop/storage space, EC, etc.)
- Study completed pre-COVID and refreshed in 2023 due to change in how we use space (telework/hybrid)





September 5, 2023, Board Meeting

Master Space Plan Findings and Recommendations:

- Government Center - demo 600 and 601 buildings; construct new 2-3 story building; full remodel of 602 building; 604/606 minor refresh and build out in Sheriff's Office.
- HHS - Behavioral Health - seek building or land for replacement facility in Waconia; explore a family resource center.
- Former Encore Building - use as swing space in short term; refresh for Extension or another purpose long-term.
- Public Works - light interior remodel of office space; expand break room and sign shop; potential relocation of non-public works operations (e.g. Extension, bus, etc.).





Budget

- Government Center – new building and 602 building
- Estimated between \$74-90 Million
 - Initial project estimate \$65M
 - Estimate based on 2023 construction costs (inflating costs to 2027-2029) – 3.5%-3.75% escalation per year
 - Several large unknowns currently – cost range includes contingency to enable these decisions
- Estimate includes big assumptions – will have better estimate after predesign phase.
 - Total square footage to be constructed or shelled out
 - Any adjacent or back fill renovation
 - Start date for construction and escalation
 - Duration of construction



Budget (Continued)

2025 Budget Plan

– Planning for Future Bonding

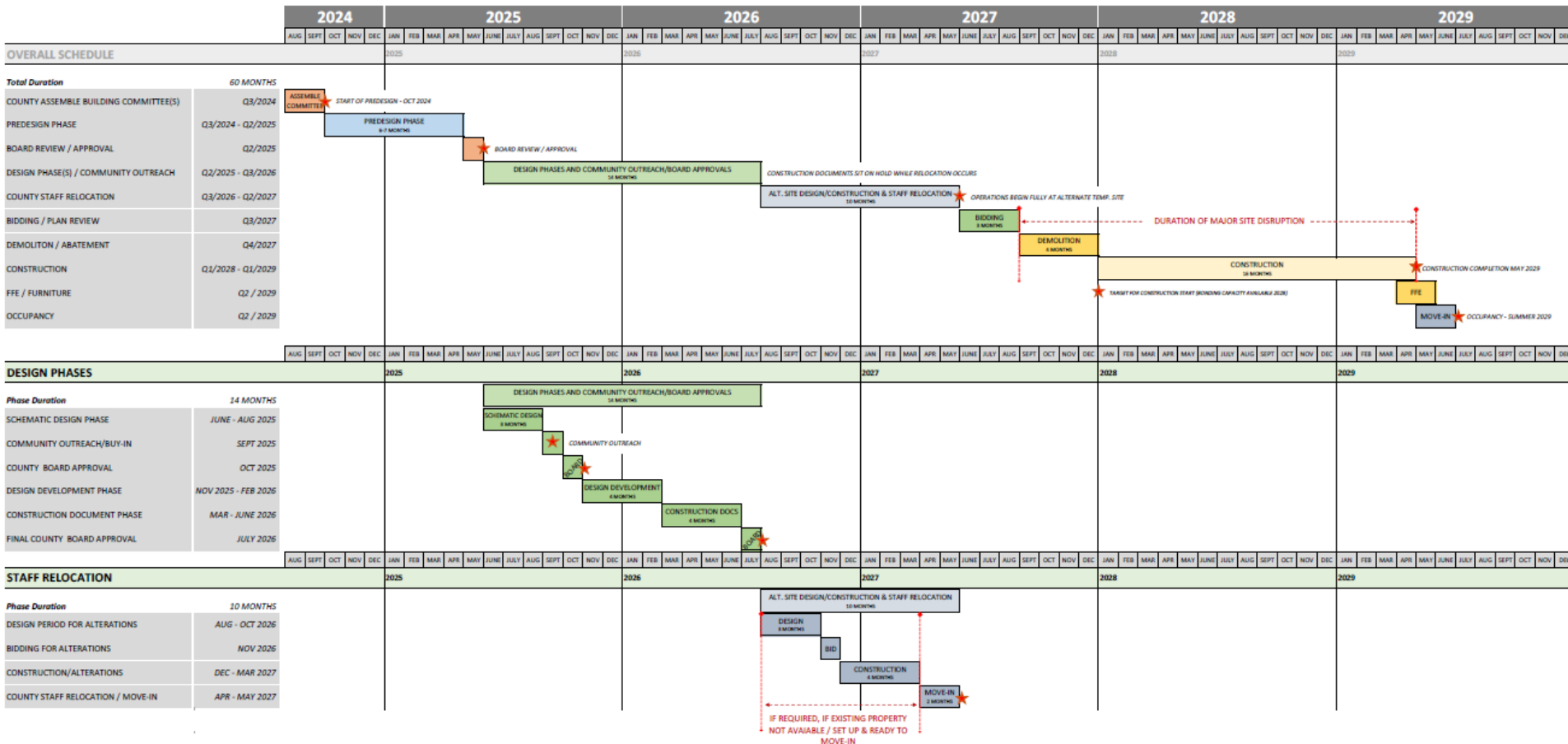
- Majority of cost in 2027/2028/2029
- Plan based on mid-point of project range - \$82M
- Timing project to align with retiring debt
- Debt levy – build up over 4 years
 - \$250,000 increased to \$450,000 on Attachment A

– Upfront Costs

- Architecture, engineering, design, survey, etc. starting in 2025
- Attachment E includes \$1.5M from YES



Project Schedule



Schedule Summary

- Predesign: Oct 2024 – May 2025
- Design: May 2025 - Aug 2026
- Relocation: Aug 2026 – June 2027
- Bidding: June 2027 – Sept 2027
- Demo: Sept 2027 – Jan 2028
- Construction: Jan 2028 – May 2029
- Move-in: May 2029 – July 2029



Committees

Executive Committee

- Membership: County Commissioner; Assistant County Administrator; HHS Director; Property & Finance Director.
- Primary “authority” body on issues related to design direction, overall decisions and when to bring decisions to the full County Board.

Planning Committee

- Membership: up to 10 County staff. Include: Assistant County Administrator, HHS Deputy Directors (2), Public Services Deputy Director, Assistant Finance Director, ER Senior Business Partner, Chief Information Officer, Chief Communications Officer, and Facilities Manager.
- Provide input and feedback on the building.



Subcommittees

- Subcommittees:
 - Limited scope
 - Provide suggestions and input
 - Possible topics:
 - Staff amenities: breakrooms, showers, fitness, patio, etc.
 - Building and grounds: landscape, walking paths, signage, etc.
 - Furniture and finish: color palettes, furnishings, etc.
 - Technology (common areas): conference room AV equipment, monitors and digital signs in lobby, etc.
 - Security: access, separation of public vs. employee areas, etc.



Next Phase: Engagement & Predesign

- Utilize as the basis, the Space Study completed in 2023.
- Seek and integrate staff and stakeholder input into the space needs and vision for the campus and future project.
- Affirm the anticipated square footage of new construction, affirm anticipated square footage of renovation, locate each division/department within the future complex, develop phasing strategies and budgetary costs.
- Based upon the affirmation of space and cost, develop a prioritized clearly defined scope and budget to be utilized as the basis of design moving forward.



Action Requested

Motion to approve the master space plan phase one project including schedule, next steps, committees, projected budget, and appoint Commissioner _____ to serve on the executive committee.



2025 Health Insurance

October 1, 2024



Overview

- **Q1-Q2 2024:** Completed RFP for group health insurance and group dental insurance, multiple self-funded and fully insured proposals received
- **July 9, 2024:** County Board approved multiyear agreement with HealthPartners for 2025-2026 fully insured health insurance
 - Total annual renewal estimate: \$11,600,000 with the potential to reduce if County adopts the recommended industry standard HSA plan structure
 - Employees and County share the cost of health insurance
 - County cafeteria contributions are negotiated with each unit
- **October 21, 2024:** Open Enrollment begins



2025 Health Insurance
All AFSCME Bargaining Units
All Teamsters Bargaining Units



Health Insurance Plan Designs

Update Plan Designs and Continue to Offer 3 Plan Options:

- **\$3,300/\$6,600 HSA Plan** (single/family deductibles increase from \$3,200/\$5,400)
- Add NEW **\$5,000/\$10,000 HSA Plan** (higher deductibles / lower premium rates)
- *Eliminate HRA High Deductible Plan*
- Maintain **Distinctions Plan**



2025 County Contributions

| Employee Coverage Tier | 2025 Monthly County Cafeteria Contributions | 2025 County Contribution % of Monthly Premium | 2025 Monthly County Contribution Increase from 2024 |
|------------------------|---|---|---|
| Employee | \$933.34 | 100% | N/A |
| Employee + Child(ren) | \$1,525.06 | 86% | + \$119.48 |
| Employee + Spouse | \$2,207.33 | 86% | + \$326.72 |
| Family | \$2,448.13 | 86% | + \$78.25 |

- Annual County HSA Contributions Increased to Offset Higher Deductibles: Single: \$1,325 / Family: \$3,000
- **County Additional Investment Estimate: Approx. \$500K**



Employee Health Insurance Cost Comparison

| Employee Coverage Tier | 2024 Employee Monthly Cost - HSA HDHP <i>\$3,200/\$5,400</i> | 2025 Employee Monthly Cost - HSA HDHP <i>\$3,300/\$6,600</i> | 2025 Employee Monthly Cost Savings |
|------------------------|---|---|------------------------------------|
| Employee | Maintain 100% Coverage | | |
| Employee + Child(ren) | \$542.58 | \$248.26 | \$294.32 |
| Employee + Spouse | \$725.93 | \$359.33 | \$366.60 |
| Family | \$737.24 | \$398.53 | \$338.71 |



Action Requested

Motion to approve the memoranda of agreement regarding 2025 health insurance benefits package with the following bargaining units:

- Teamsters Detention Deputies/911 Dispatchers/TAC Officer
- Teamsters Licensed Management
- Teamsters Detention Sergeants and Emergency Communications Supervisors
- AFSCME Health and Human Services
- AFSCME Public Works
- AFSCME Assistant County Attorneys
- AFSCME General Unit



2025 Health Insurance **Non-Bargaining**



Health Insurance Plan Designs

Update Plan Designs and Continue to Offer 3 Plan Options:

- **\$3,300/\$6,600 HSA Plan** (single/family deductibles increase from \$3,200/\$5,400)
- Add NEW **\$5,000/\$10,000 HSA Plan** (higher deductibles / lower premium rates)
- *Eliminate HRA High Deductible Plan*
- Maintain **Distinctions Plan**



2025 County Contributions

| Employee Coverage Tier | 2025 Monthly County Cafeteria Contributions | 2025 County Contribution % of Monthly Premium | 2025 Monthly County Contribution Increase from 2024 |
|------------------------|---|---|---|
| Employee | \$933.34 | 100% | N/A |
| Employee + Child(ren) | \$1,525.06 | 86% | + \$119.48 |
| Employee + Spouse | \$2,207.33 | 86% | + \$326.72 |
| Family | \$2,448.13 | 86% | + \$78.25 |

- Annual County HSA Contributions Increased to Offset Higher Deductibles: Single: \$1,325 / Family: \$3,000
- **County Additional Investment Estimate: Approx. \$500K**



Employee Health Insurance Cost Comparison

| Employee Coverage Tier | 2024 Employee Monthly Cost - HSA HDHP <i>\$3,200/\$5,400</i> | 2025 Employee Monthly Cost - HSA HDHP <i>\$3,300/\$6,600</i> | 2025 Employee Monthly Cost Savings |
|------------------------|---|---|------------------------------------|
| Employee | Maintain 100% Coverage | | |
| Employee + Child(ren) | \$542.58 | \$248.26 | \$294.32 |
| Employee + Spouse | \$725.93 | \$359.33 | \$366.60 |
| Family | \$737.24 | \$398.53 | \$338.71 |



Action Requested

Motion to approve the 2025 benefits for non-bargaining employees as outlined, including 2025 monthly cafeteria contribution amounts for full-time benefit eligible non-bargaining employees based on the employee's election of health insurance with \$933.34 for single, \$2,207.33 for employee + spouse, \$1,525.06 for employee + child(ren), \$2,448.13 for family; maintaining the \$250.00 per month toward the cost of single health insurance for employees budgeted at least half-time but less than 0.8 FTE; and providing contributions for those electing an HSA High Deductible Health Plan option in the amounts of \$1,325 for single and \$3,000 for family.



2025 Retiree Health Insurance Contributions



Special Retiree Health Coverage

- Must have been hired as a regular employee prior to June 1, 2010,
- Must be retiring from a non-bargaining role covered by the policy or from a position covered by a collective bargaining agreement referring to this policy,
- Must have been employed by Carver County with uninterrupted full time service of twenty (20) years or more,
- Must have attained age 60, but not yet be Medicare-eligible,
- Must have maintained County-sponsored insurance since retirement,
- Must accept coverage offered by the provider of health insurance coverage to Carver County non-bargaining employees, and the terms of coverage being offered to non-bargaining employees,
- And must maintain health coverage through the County.



Recommended 2025 Contributions

| 2025 Monthly County Contribution – Special Retiree Health Coverage | |
|---|------------|
| Employee | \$933.34 |
| Employee + Child(ren) | \$1,525.06 |
| Employee + Spouse | \$2,207.33 |
| Family | \$2,448.13 |



Action Requested

Motion to set 2025 health insurance contributions for eligible retirees as follows, not to exceed the coverage tier level provided at the time of separation: Retirees selecting family coverage would receive \$2,448.13 per month toward their insurance, employee + spouse would receive \$2,207.33, employee + children would receive \$1,525.06, and those electing single coverage would receive the lesser of the single premium amount or \$933.34 per month.

