

**INVER GROVE HEIGHTS ECONOMIC DEVELOPMENT AUTHORITY MEETING
MONDAY, AUGUST 14, 2023 - 8150 BARBARA AVE**

The Economic Development Authority (EDA) of Inver Grove Heights met in regular session August 14, 2023, at City Hall. President Gliva called the meeting to order at 5:00 p.m. Present were Economic Development Authority Members T’Kach, Scales, Dietrich, Murphy, and Gliva. City Attorney Nason, City Administrator Wilson, and City Clerk Kiernan.

CONSENT AGENDA

- A. Minutes of the June 5, 2023, Regular Economic Development Authority Meeting

**Motion by Dietrich; Second by Murphy to approve consent agenda item.
Motion approved 5-0.**

REGULAR AGENDA

- A. Presentation by Tony Schertler, Executive Director, Dakota County Community Development Agency Overview.

Kris Wilson, City Administrator, introduced Tony Schertler, Executive Director, Dakota County Community Development Agency.

Mr. Schertler introduced his staff to council . He gave a presentation on the overview of what the Dakota County Community Development Agency does to assist the Dakota County residents.

Their mission is to improve the lives of Dakota County residents and enhance the economic vitality of communities through housing and community development. Over 10,000 people are served by CDA housing programs. They have a portfolio of nearly 2,900 units of affordable rental housing serving homeless youth, single person households, disabled households, families and seniors. There is rental assistance programs that serve over 2,900 households, some resources target specific households. They also have homebuyer education and foreclosure counseling services.

The Dakota County CDA are funded from local, state, and federal resource and rental revenue. They award housing finance resources for affordable housing developments, assist cities with addressing redevelopment needs, allocate federal CBDG resources to eligible activities, and provide support for economic development initiatives.

The CDA provides housing for Seniors age 62+, families with children, Individuals or households with no more than two members, and homeless youth. The CDA is looking to sell their single-family housing to Habitat for Humanity.

Member T’Kach asked what the AMI maximums are for the different groups. Mr. Schertler responded as follows:

80% AMI	1 person	\$66,300
	2 people	\$75,750
60% AMI (50% targeted for the Workforce Housing program)	1 person	\$52,200

2 people	\$59,600
3 people	\$67 080
4 people	\$74,520

They also have homeownership initiatives such as:

1. Pre-purchase counseling - grant funded (HECAT)
2. Homebuyer Education (Home Stretch) - grant funded (HECAT)
3. Home Improvement Loans - CDBG/HOPE (HOPE is CDA levy)
 - 32 homes received loans over the past 5 years totaling \$883,000
4. Weatherization Grants - funded through MN Dept of Commerce
 - 27 properties weatherized in IGH over past 5 years
5. Disposition of CDA Section 18 units of homeownership - pilot program with Habitat for Humanity.

Dakota County CDA also assists with Redevelopment Incentive Grant (RIG) Program. RIG was created in 2006 to assist city partners with redevelopment projects with the goal to increase the tax based and improve the quality of live in Dakota County.

Inver Grove Heights has received \$280,000 in RIG funding.

- \$250,000 to support redevelopment efforts on Dickman Trail North to help acquire, demolish and cleanup sites.
- \$15,000 planning grant for Concord Redevelopment Plan
- \$15,000 for Arbor Pointe Commercial Plan

Dakota County CDA provides tax assistance with Townhome Tax Credit Development (9%) for

- Babcock Crossing which has 49 tax credit units. 5 units are set aside for homeless and opened fall of 2022. Their 2021 & 2022 tax credits equaled \$1,276,611.
- Prairie Estates Townhomes which has 40 tax credit units. 5 units are set aside for homeless. Their 2020 tax credits equaled \$809,212

The DC CDA has development opportunities of new affordable rental housing. The board have been discussing a development plan of 1,000 units in the next 15 years.

Development area that the CDA is working on currently:

- Concord Development - looking to create workforce family townhomes or workforce apartments. CDA has site control over the entire parcel and the housing type and site plan be discussed with the city.
- Hillcrest Pointe - looking to create approximately 60 senior apartment with an estimated development cost of \$15,600,000.

The overall investment in affordable housing listed below are for the FY24-25 biennium which includes \$1 Billion in one-time money, \$50 million in on-going funds plus an additional \$400 million annually in the seven metro counties. Moreover, the bonding bill includes \$79 million for housing and \$21 million for shelter capital projects.

Investment in Housing Programs

- Local Affordable Housing Aid - \$294 million (NEW)
- State Rent Assistance Program - \$134.3 million (NEW)
- Greater Minnesota Workforce Housing Development - \$39 million (NEW)
- Challenge Fund - \$120.85 million
- Community Stabilization (NOAH) - \$90 million (NEW)
- Emergency Rental Assistance - \$115.5 million
- Workforce Homeownership Program - \$20.5 million (NEW)
- Homeownership Downpayment Assistance - \$150 million (NEW)

Kris Wilson, City Administrator, mention that there is a new funding source coming from the metro sales tax that was approved by legislators in 2023. The funding would go to County fifty percent; city twenty-five percent and housing and finance twenty-five percent starting in spring of 2024. The City will need to work with the CDA in their HOPE program to implement some new programs for this new funding source of approximately \$300,000. There is a three-year spending opportunity and if it is not spent within those three years, the money goes back to the state.

ADJOURNMENT

Motion by Murphy; second by T’Kach; all in favor to adjourn. The meeting was adjourned by unanimous vote at 5:48 p.m.

Minutes prepared by City Clerk Rebecca Kiernan.