

CDA TODAY

Dakota County Community Development Agency



Main Street Manor



Cameo Place



Vermillion River Crossing



Mississippi Terrace

2013 Senior Showcase

Established in 2006, the Senior Showcase is an annual tradition of the CDA to provide the public and potential residents an opportunity to view the CDA's affordable senior housing units and to learn about the Senior Housing Program. Every year, the CDA hosts open houses at five or six senior housing developments located throughout Dakota County. The 2013 Senior Showcase will take place on Thursday, September 26 from 1 – 4 p.m.

CDA staff will provide guided tours of the developments and apartment units. Residents of each development generously volunteer to show their apartment units to visitors during the Showcase. In addition to development tours, local senior resource services and providers will host information booths at each of the featured developments. The CAP Agency, DARTS, Senior Linkage Line and Rambling River Center have volunteered to provide information about their programs during the Senior Showcase.

CDA staff looks forward to this event every year and have had large turnouts in years past making this a very successful event for the Senior Housing Program. Since the CDA is not able to offer tours on a daily basis, this is a great opportunity to showcase the Senior Housing Development properties annually while educating the public on all the CDA has to offer in their communities.

Developments featured at this year's Senior Showcase include:

- **Cameo Place:** Cameo Place is a 44-unit Senior Housing Development located in Rosemount west of Highway 3 on Lower 147th Street. The senior resource information available at this location will be the CAP Agency.
- **Haskell Court:** Haskell Court is a 42-unit Senior Housing Development located in West St. Paul east of South Robert Street on East Haskell Street. The senior resource information available at this location will be Senior Linkage Line.
- **Main Street Manor:** Main Street Manor is a 51-unit Senior Housing Development located in the heart of downtown Lakeville at the intersection of Holyoke Avenue and 209th Street. The senior resource information available at this location will be DARTS.
- **Mississippi Terrace:** Mississippi Terrace is a 40-unit Senior Housing Development located just east of Highway 61 on the corner of 3rd and Ramsey. The senior resource information available at this location will be DARTS.
- **Vermillion River Crossing:** Vermillion River Crossing is a 66-unit Senior Housing Development and one of the newest senior developments added to our portfolio. It is located on Dushane Parkway just south of County Road 50. The senior resource information available at this location will be Rambling River Center.



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VIEWPOINT

MARK S. ULFERS, EXECUTIVE DIRECTOR



CDA's Progress in 2013—Working Towards Our Vision

In 2006, the CDA adopted a new vision focusing on being an innovative leader in creating affordable housing opportunities and strengthening the communities of Dakota County. During the first half of this year, the CDA's dedicated staff and our community partners have moved us closer to making this vision a reality. Examples of our 2013 progress:

First Time Homebuyer Program

A long standing program of the CDA has been the Dakota County First Time Homebuyer Program. The program, first offered in 1983, has included a combination of financing options such as first mortgage financing, downpayment and closing cost assistance and mortgage credit certificates over the decades.

The CDA launched its 2013 First Time Homebuyer Program in March of this year. The program offers eligible buyers the opportunity to access and layer a low interest first mortgage, downpayment and closing cost assistance and a Mortgage Credit Certificate to purchase their first home in Dakota County. Over \$30 million in

first mortgage financing was made available with the release of the program. The program has assisted 31 buyers so far. Overall, the CDA expects to assist around 200 buyers in the coming months.

Workforce Housing Additions

The need for affordable rental housing is acute and growing. With the Great Recession renters are constrained by a lack of income growth and more people are deciding to rent, leading to a shortage in the supply of affordable rental units. In Dakota County, rental vacancy rates remain exceptionally low at 2.25%, far below the "balanced" rate of 5%.

Established in 1990, the CDA's Workforce Housing Program was created as a means to address the demand for affordable rental units by working households. Currently, 20 developments, totaling 670 units, are part of the CDA's Workforce Housing Program. Our latest addition, Northwood Townhomes in Eagan opened at the end of June and is now fully occupied with a waiting list of over 1,100 households. With 47 units, Northwood Townhomes is one of the larger developments in the program.



Northwood Townhomes opened in June 2013



Inver Hills Townhomes construction began in 2013

The CDA also started construction on two other Workforce Housing Developments this summer. Opening next summer will be 24 units at Inver Hills Townhomes located in Inver Grove Heights and 27 units at Riverview Ridge Townhomes located in Eagan. Looking ahead to 2015, the CDA secured approval from the Eagan City Council for the construction of 50 units at Lakeshore Townhomes located near LeMay Lake.

Rental Assistance Opportunities

Housing Choice Vouchers continue to be in high demand and especially so with the expensive rental market. It now takes an income of \$39,000 to afford the average rent on a two bedroom apartment and an income of \$51,000 to afford the average rent on a three bedroom apartment in Dakota County.

The CDA has administered the Housing Choice Voucher Program since 1977 and our allocation of vouchers has grown modestly over the years to just over 2,300 vouchers in size. This past May, the CDA was invited to apply for Veterans Affairs Supportive Housing (VASH) vouchers. The HUD-VASH program combines Housing Choice

Voucher rental assistance for homeless Veterans with case management and clinical services provided by the Department of Veterans Affairs (VA). HUD and the VA award VASH vouchers based on geographic need and public housing agency administrative performance. Since 2008, over 48,000 vouchers have been awarded nationally. The CDA was awarded 25 vouchers and will be partnering with the Minneapolis VA to offer the program.

In other voucher news, the CDA reached 100% utilization in its Family Unification Program. The Family Unification Program provides housing choice vouchers targeted to applicants in two categories including families for whom the lack of adequate housing is the primary reason for placement of a child in foster care, or is the cause of delays in reuniting a child with their family and for youth between the ages of 18 and 21 years who left foster care at 16 or older and who lack adequate housing. The program is carried out in connection with Dakota County Community Services.

Senior Housing Additions

The CDA continues to see a demand for affordable senior rental housing as the senior population looks to transition to retirement living. Interest lists for CDA Senior Housing Developments continue to be long. Overall, there are over 1,200 households on CDA interest lists for this type of housing.

With the support of the Dakota County Board of Commissioners, the CDA began developing affordable, independent senior housing in 1989. Now in Phase III of the Program, over 1,500 units have been added in Dakota County. In July, the CDA received approval from the Inver Grove Heights City Council for the construction of a 66 unit building located near Cahill Avenue and Concord Boulevard. Construction is expected to start later this year with the building ready for occupancy next fall. This will be the CDA's 27 building in its Senior Housing Development portfolio.



The Senior Housing Program provides independent living apartments throughout Dakota County.



The new plaque for the Certificate of Excellence in Financial Reporting awarded by the Government Finance Officers Association.

Comprehensive Annual Financial Review Receives Award

The Dakota County CDA has been awarded the Certificate for Excellence in Financial Reporting by the Government Finance Officers Association (GFOA). This award was given to recognize the CDA's preparation of its Comprehensive Annual Financial Report (CAFR) for the fiscal year ending June 30, 2012.

The Certificate of Achievement is the highest form of recognition in the area of government accounting and financial reporting, and its receipt represents a significant accomplishment by a government and its management. This is the eleventh consecutive year that the CDA has received the GFOA award.

The CDA's financial report was judged by an impartial panel to meet the high standards of the program including demonstrating a constructive "spirit of full disclosure" to clearly communicate its financial story and motivate potential users and user groups to read the CAFR.

The Comprehensive Annual Financial Report is available on the CDA's web site at www.dakotacda.org on the "Reports, Data & Resources" page.

Veteran's Affairs Supportive Housing (VASH) Vouchers Awarded to Dakota County CDA

This spring, the Department of Housing and Urban Development (HUD) announced that \$75 million had been appropriated for the 2013 Veterans Affairs Supportive Housing (VASH) program. \$60 million has been awarded so far in support of 8,635 new vouchers for homeless veterans under VASH throughout the United States. HUD invited the CDA to apply for, and was awarded, 25 VASH vouchers, totaling \$174,182 in new funding for the CDA.

The HUD-VASH Program seeks to serve the neediest, most vulnerable homeless Veterans. Since 2008, HUD and the Department of Veterans Affairs (VA) have awarded HUD-VASH vouchers based on geographical need and public housing agency administrative performance. HUD-VASH vouchers are funded annually. In this unique partnership, the program provides long-term case management, supportive services and permanent housing support for chronically homeless Veterans. A key component of the program is the VA's case management services. Case management services promote housing stability, support recovery from physical and mental illnesses and substance use disorders. These services are designed to improve the Veteran's physical and mental health and enhance their ability to live in safe, affordable housing within Dakota County.

To be considered for this program, Veterans must meet eligibility requirements. There are two components to the HUD-VASH program eligibility: VA requirements and HUD requirements. The VA requires that Veterans must be eligible for VA health care services, engage in case management services to obtain and sustain housing, and be homeless. Priority is given to those Veterans who meet the definition of chronically homeless. HUD considers an individual to be chronically homeless if they are an unaccompanied homeless individual with a disabling condition who has either been continuously homeless for a year or more, or has had at least four episodes of homelessness in the past three years. HUD requires that Veterans meet the income guidelines established for the program. For the 25 VASH vouchers awarded to the CDA, priority will be given to Dakota County residents or those with ties to Dakota County.

The VASH program will be administered in partnership with the Minneapolis VA, combining Housing Choice Voucher (HCV) rental assistance for homeless Veterans with case management and clinical services provided by the Minneapolis Department of Veterans Affairs.

2013 Market Rate Survey Results

The Dakota County CDA Housing Assistance Department has completed the 2013 Annual Market Survey. The survey covers a sample of the 28,000 conventional rental units located in the 592 residential rental developments throughout Dakota County. The cities included in the survey were: Apple Valley, Burnsville, Eagan, Farmington, Hastings, Inver Grove Heights, Lakeville, Lilydale, Mendota Heights, Randolph, Rosemount, South St. Paul and West St. Paul.

Dakota County Summary

Vacancy Rates: The overall vacancy rate for Dakota County continues to decline, falling from 2.9% in 2012 to 2.25% in 2013, a 22% decrease from last year. Reis, an industry leader in rental market research, reported a decline in the national vacancy rate to 4.5% at the end of the 4th quarter in 2012, compared to 4.9% in 2011. The Twin Cities rental market is reported to have one of the lowest vacancy rates in the nation.

Last year, Mendota Heights was the only city in Dakota County to have a vacancy rate below 2%. This year, four cities have vacancy rates below 2%: Apple Valley, Eagan, Hastings and Rosemount. The three-bedroom unit vacancy rate saw the sharpest decline, going from 4.24% in 2012 to 1.36% in 2013.

2013 County-wide Vacancy Rates Compared to 2012

This chart shows the county-wide vacancy rates for 2013 compared to the previous year.

Unit Size	2012 Vacancy Rate	2013 Vacancy Rate	Percent Change
Efficiency	1.35%	1.86%	37.78%
One Bedroom	2.74%	2.13%	-22.26%
Two Bedroom	2.72%	2.5%	-8.09%
Three Bedroom	4.24%	1.36%	-67.92%

Average Rents: The average rent for all units in Dakota County in 2013 increased by 2.58%. The rents of 3-bedroom units in Apple Valley, Eagan, Inver Grove Heights, Rosemount and West St. Paul dropped slightly compared to last year. According to the Twin Cities Rental Revue, the drop in rent for 3-bedroom units is a reoccurring trend throughout Twin Cities suburbs. The rates have decreased to become more competitive with private owners of townhomes, duplexes and single family homes. The trend of declining vacancy rates and increasing rental rates is consistent with other rental markets in the Twin Cities.

2013 County-wide Average Rents Compared to 2012

This chart show the 2013 average rents in Dakota County compared to the previous year.

Unit Size	2012 Average Rent	2013 Average Rents	Percent Change
Efficiency	\$624.10	\$634.65	1.69%
One Bedroom	\$776.74	\$794.08	2.23%
Two Bedroom	\$946.02	\$977.64	3.34%
Three Bedroom	\$1,267.77	\$1,275.84	0.64%

2013 Housing Choice Voucher Program Income Requirements

This chart shows the income required for participants of the Housing Choice Voucher program to afford an average 1-, 2- and 3-bedroom unit in Dakota County based on 40% of their annual salary. Housing Choice Voucher participants pay between 30-40% of the monthly adjusted income toward rent.

Unit Size	Hourly Rate	Annual Salary
1 Bedroom	\$11.49	\$23,900
2 Bedroom	\$14.11	\$29,350
3 Bedroom	\$18.41	\$38,300

The Dakota County Rental Market Survey is available on the CDA's website at www.dakotacda.org on the "Reports, Data & Resources" page.

Resident Profile: Oakwoods of Eagan's Social Butterflies Keep Resident Calendars Full

The Oakwoods of Eagan Senior Housing Community Room is bustling with people on a Wednesday morning in the middle of summer. Some residents work on puzzles while others visit quietly near the piano. Not a person who passes by walks away without hearing a friendly hello or a warm introduction from either Sheryl Dahl or Kathy Reimer who sit together and sip their coffee. Sheryl and Kathy are 100% at ease and visibly flattered when asked about their roles as the lone writer and Editor-in-Chief of the Oakwoods Resident Newsletter, which they founded over a year and a half ago in response to the growing need for sharing information among seniors in their building. Kathy, President of the Oakwoods Social Club, does most of the writing while Sheryl, Vice President of the Oakwoods Social Club, is the resident "computer whiz" and Editor-in-Chief of the Oakwoods Resident Newsletter.

"There's a need to share information with people about resources and services available to seniors. The word just doesn't get out," said Kathy who first got the idea for the newsletter when she overheard another resident talking about receiving a discount on her phone bill. "That was the main purpose in the beginning."

Since the inception of the newsletter, some changes have been made such as the addition of a resident social calendar that now accompanies each newsletter. The social calendar

shows all of the activities planned by the Oakwoods Social Club for the month ahead on a handy, refrigerator-ready calendar. The Social Club activities include: various card games, dice games, noon lunch events, Saturday night cocktail parties and monthly formal dinners.

In addition to the social calendar and information on resources available, another feature is the resident spotlight. The resident spotlight highlights the individual biography of one resident per month. The resident spotlights have become very popular among readers. Sheryl and Kathy feel residents of the building come from diverse backgrounds and have countless different stories to share.

"It's hard to cram 80-90 years of a person's life into one column," Kathy said. "Sheryl turns my six pages of handwriting into one column."

Since the first time the newsletter started circulating the hallways of Oakwoods of Eagan the response from the residents has been overwhelmingly positive. The newsletter has created a sense of camaraderie within the building and initiates many conversations throughout the common areas. In some cases, the newsletter has become so popular that residents often refer to it as their 'social bible' and their children ask to send them a copy so they know where their parents are.

"One resident said I've always wanted to respond to someone that I'd have to check my social calendar, and now I can," said Kathy about a resident who schedules other events around the social events that are planned almost nightly. Not only is attendance high at many of the activities, but the activities are taken quite seriously.

"If you are going to miss 500, you better find a replacement," said Sheryl laughing softly.

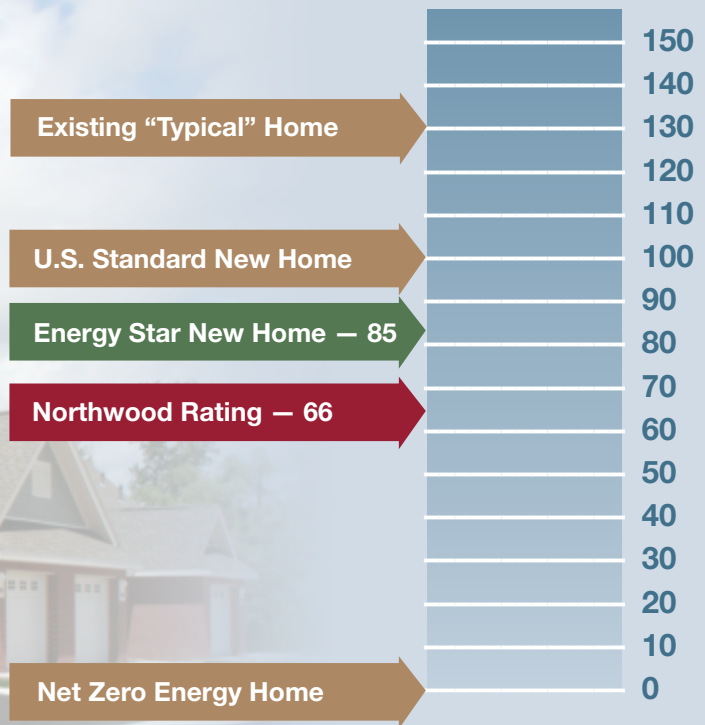
Both women feel that the newsletter has brought the residents of Oakwoods closer together in many ways. They feel that they are giving back by offering residents a choice between being social with their neighbors and sitting in their apartments watching television alone. The Social Club events and activities have played a key role for residents to establish lasting friendships with one another.

"This is not like anywhere I've ever lived," said Kathy. "It's like a family here."

Oakwoods Social Club President
Kathy Reimer and Vice
President Sheryl Dahl.



Northwood Townhomes in Eagan received a Home Energy Rating of 66; more energy efficient than a new Energy Star home.



High Energy Efficiency Ratings for Northwood Townhomes

In spring of this year, Residential Science Resources, LLC approached the Dakota County CDA to complete energy efficiency testing at Northwood Townhomes, the CDA's newest Workforce Housing Development in Eagan. The CDA is proud to report that Northwood Townhomes exceeded the efficiency provisions stated in the 2004 International Energy Conservation Code (IECC) standard resulting in an average Home Energy Rating (HERS) index of 66.

The testing performed on Northwood Townhomes measured the energy efficiency of each unit's insulation, heating, ventilation flow, and cooling systems, as well as several additional tests to measure the HERS index and to determine where the development falls in terms of the IECC. Test results also factored in the installation and use of high efficiency furnaces, ventilation fans, high levels of insulation, high efficiency water heaters and high performance windows.

The International Energy Conservation Code (IECC) was first established in 1998 to provide an internationally consistent set of provisions that adequately conserves energy, does not increase construction costs while doing so and does

not restrict or give preferential treatment for the use of new materials or construction methods. Northwood Townhomes testing exceeded these provisions significantly.

In addition to surpassing the 2004 IECC standard, Northwood Townhomes received a Home Energy Rating (HERS) index of 66. The HERS energy standards rating is one of the most in-depth energy audits available today. The lower the number, the more energy efficient the home is. A standard new home has a reference score of 100. Many existing homes exceed scores of 100 and score well into the 130s. A HERS index of 66 is over 30% more energy efficient than a standard new home built today.

As a government agency, it is important to the CDA to become a model for energy efficiency in the community. The benefits of scoring high on these efficiency tests will result in lower energy costs for residents, but will also make the CDA eligible for up to \$13,000 in energy efficiency rebates. The CDA plans to complete similar testing on Riverview Ridge Townhomes in Eagan and Inver Hills Townhomes in Inver Grove Heights, future workforce housing sites that are currently under construction.

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Public Housing Development receives high PHAS score

This spring, Colleen Loney Manor, an 80-unit public housing development in West St. Paul, was inspected by the United States Department of Housing and Urban Development (HUD). The HUD inspections are one component used to determine the CDA's overall Public Housing Assessment System score (PHAS). Four areas of scoring make up the final PHAS score: physical assessment, management assessment, financial assessment, and a capital fund program.

PHAS inspections were established to help with the delivery of services in public housing and to enhance trust in the public housing system among public housing agencies, public housing residents, HUD and the general public. PHAS inspections provide a management tool for effectively and fairly measuring the performance of public housing agencies, like the CDA, in essential housing operations. The Colleen Loney Manor physical assessment received a score resulting in one year off from inspections.



Colleen Loney Manor is an 80-unit apartment building located in West St. Paul.

In addition to Colleen Loney Manor, inspections are conducted on the scattered site public housing units in the CDA's public housing portfolio. The scattered site public housing units were last inspected in 2012 and received a rating that resulted in two years off of inspections. The scattered site units and Colleen Loney Manor will be inspected again in 2015.