

**CITY OF PLYMOUTH
AGENDA
Housing and Redevelopment Authority
June 25, 2020, 7:00 PM
City Hall**

1. **CALL TO ORDER**
2. **PUBLIC FORUM**
3. **APPROVE AGENDA**
4. **CONSENT AGENDA**—*These items are considered to be routine and will be enacted by one motion. There will be no separate discussion of these items unless a Commissioner or citizen so requests, in which event the item will be removed from the Consent Agenda and placed elsewhere on the agenda.*
 - 4A Approve proposed May 28, 2020 and June 4, 2020 minutes
 - 4B Plymouth Town Square. Accept monthly housing reports
 - 4C Vicksburg Crossing. Accept monthly housing reports
5. **NEW BUSINESS**
 - 5A Consider Removal of Restrictive Covenants from 13802 52nd Avenue
6. **UPDATES**
7. **ADJOURNMENT**

Instructions to participate in virtual HRA Meeting

HRA meetings will be conducted virtually (via Zoom webinar/conference call) due to the state of local emergency for the COVID 19 pandemic. The chair, commissioners, and staff will participate in this meeting via telephone/video conference.

Written comments may be submitted for inclusion in the HRA packet by emailing Community Development Coordinator Matt Lupini at mlupini@plymouthmn.gov. You may also request that comments of up to one page be read into the record by the Community Development Coordinator.

You may speak during the meeting via telephone or via Zoom Conferencing Service at no cost. Please notify the Community Development Coordinator at mlupini@plymouthmn.gov if you wish to speak to an item at the meeting or if you have questions about connecting to speak during the meeting. We ask that you notify him **at least one hour prior to the meeting** time to ensure he receives your message. He will provide the password to the meeting to you at that time.

Please click the link below to join the webinar:

<https://zoom.us/join>

Password will be needed – obtain from Community Development Coordinator at least one hour prior to meeting - mlupini@plymouthmn.gov

For audio only: Call 312-626-6799

Webinar ID: 859 4016 0399

Password will be needed – obtain from Community Development Coordinator at least one hour prior to meeting - mlupini@plymouthmn.gov

DRAFT MINUTES
PLYMOUTH HOUSING AND REDEVELOPMENT AUTHORITY
May 28, 2020

MEMBERS PRESENT: Chair Michelle Soderberg, Commissioners Robert Huddleston, Aqueelah Whitfield (arrived at 7:10 p.m.), and Lucas Larson.

ABSENT: Commissioner Jeff Kulaszewicz

STAFF PRESENT: HRA Executive Director Steve Juetten, HRA Manager Jim Barnes, Support Services Manager Denise Whalen, Community Development Coordinator Matt Lupini, and Permit Technician Tina Beckfeld.

OTHERS PRESENT: Council Member Jim Davis, and Andy Hughes, representative of CommonBond

1. CALL TO ORDER

Chair Soderberg called the Plymouth Housing and Redevelopment Authority meeting to order at 7:05 p.m.

2. PUBLIC FORUM

Chair Soderberg opened and closed the Public Forum, as there was no one present to speak.

3. APPROVE AGENDA

MOTION by Commissioner Huddleston, seconded by Commissioner Larson, to approve the Agenda. **Roll Call Vote.** 3 Ayes. (Chair Soderberg, Commissioners Huddleston, and Larson). **MOTION** passed unanimously.

4. CONSENT AGENDA

4A. Approve proposed March 26, 2020 and May 7, 2020 minutes.

4B. Plymouth Towne Square. Accept monthly housing reports.

4C. Vicksburg Crossing. Accept monthly housing Reports.

4D. Approve Covid-19 statutory and regulatory waivers for the Housing Choice Voucher Program

MOTION by Commissioner Huddleston, seconded by Commissioner Larson, to approve the Consent Agenda. **Roll Call Vote.** 3 Ayes. (Chair Soderberg, Commissioners Huddleston and Larson). **MOTION** passed unanimously.

5. NEW BUSINESS

5A. Strategic Plan Process. Overview by Cathy Bennett

Cathy Bennett, President/CEO/Owner of Bennett Community Consulting, gave her background and credentials. She gave an overview of the Power Point presentation of the HRA Strategic Planning process.

Chair Soderberg asked if the timeline would be shifting a month because May is almost over.

Ms. Bennett stated the start date could be after the surveys are returned or surveys can be sent out in June and keep the same schedule.

Chair Soderberg inquired about the timing of the joint meetings with the City Council.

HRA Manager Barnes stated there are two; one in July 2020 (development discussion) and another in October 2020 (SWOT analysis).

Chair Soderberg asked Ms. Bennett how many times she has worked with various communities.

Ms. Bennett replied that she has done hundreds of public presentations, and approximately a dozen HRA Strategic Plans, noting her latest one for Golden Valley.

Chair Soderberg asked what would be the key to success.

Ms. Bennett answered getting as many participants as possible to reply to the survey. Many times businesses do not see the connection between their businesses and housing, so it is important to inform them. The surveys and SWOT analysis is most essential. The emphasis will be on distilling data and the results from the survey as to what is important.

Chair Soderberg asked about the timing of the joint City Council meetings.

HRA Executive Director Juetten stated the process might not move fast enough to meet the planned July meeting with the City Council so it may need to be moved back. The engagement of the HRA will be easy, but he asked Council Member Davis to facilitate a good response from the City Council members. Engaging the council and the general public will be the biggest challenge. The city council is engaged in a parallel process; Strategic Planning for City Center, that the HRA is not a part of, but may be of benefit to HRA housing. The study will provide market data the HRA can use.

Ms. Bennett said that she could be flexible in shifting schedules to meet the needs of the HRA.

5B. Stone Creek Village Apartments. Approve subordination of HRA loans.

HRA Manager Barnes gave an overview of the staff report.

Chair Soderberg ask for clarification of the subordination.

HRA Manager Barnes stated that the loan is already in a subordinate position. The master subordination agreement will keep all loans in the same position.

Commissioner Larson asked if they are refinancing with the city or just with Bridgewater.

HRA Manager Barnes said they are refinancing their Fannie Mae mortgage for 5 years with Bridgewater, intending to solidify more permanent financing in the future.

Commissioner Larson asked if the principle balance would change with the City of Plymouth.

HRA Manager Barnes answered no, the principle balance will not change.

MOTION by Commissioner Huddleston, seconded by Commissioner Whitfield to approve the subordination request for the \$236,000 Tax Increment Housing Assistance Program loan and the \$130,000 Affordable Housing Fund Program loan. **Roll Call Vote.** 4 Ayes. (Chair Soderberg, Commissioners Huddleston, Whitfield, and Larson). **MOTION** passed unanimously.

5C. Willow Woods Apartments. Approve assumption of HRA loan

HRA Manager gave an overview of the staff report.

Chair Soderberg asked for clarification of item number two of the letter from CommonBond, which states, "There should not be an expectation of repayment in the case of a preservation project like this."

HRA Manager Barnes stated that many cities or funders consider the forgiveness of interest to assist and preserve the projects affordable housing units.

Chair Soderberg asked if we would consider forgiving the interest.

HRA Manager Barnes answered that staff is proposing to wait to make sure the project is going forward and they are executing the HAP funding contract for another 20 years.

Chair Soderberg asked the condition of Willow Woods Apartment.

Mr. Andy Hughes, representative of CommonBond, answered the property is in good condition. They are planning a moderate rehab in 2022 consisting of select roofing, siding, and some interior refresh of some units. Funding is being set aside for future improvements.

Commissioner Larson asked why Dominion doesn't pay the interest before CommonBond assumes the loan.

HRA Manager Barnes said the interest repayment is negotiated between Dominion and CommonBond.

Commissioner Larson asked if the \$50,000 loan was with the City of Plymouth.

HRA Manager Barnes answered the loan is from Plymouth HRA.

Chair Soderberg asked if the terms of the loan just required accrual not repayment.

HRA Manager Barnes replied full payment; principle and interest, of the note would be in 2035 when the note becomes due.

Commissioner Larson asked if the loan transfers with the change in ownership.

HRA Manager Barnes replied it does not. That is why CommonBond is requesting an assumption of the loan.

Commissioner Larson raised the concern of the HRA losing repayment of interest when CommonBond assumes the loan, if the interest is not already paid by Dominion.

HRA Manager Barnes stated the majority of loans are issued at 0% interest and all loans are a myriad of terms conditions that are negotiated between the owner and either the HRA or City.

Mr. Hughes stated it is important to note that CommonBond is requesting to assume the loan to include the interest to help fund the purchase price. It will actually reduce the purchase price that will be going to the seller.

Commissioner Larson noted he wants to make sure the HRA will not be losing out on any interest payment.

HRA Manager Barnes stated when CommonBond comes back in 2022 staff will evaluate their entire financial package to determine if interest forgiveness make sense.

Chair Soderberg noted assumption of the loan would guarantee 20 more years of affordable housing in those units.

Commissioner Whitfield asked what impact this assumption would have on the residents.

HRA Manager Barnes stated the assumption may require temporary relocation of some of the residents to a different unit or another property for the duration of planned upgrades, but that this would not occur until 2022.

MOTION by Commissioner Larson, seconded by Commissioner Whitfield, to approve the assumption of the \$50,000 Affordable Housing Fund loan to facilitate the preservation of affordable housing. **Roll Call Vote.** 4 Ayes. (Chair Soderberg, Commissioners Huddleston, Whitfield, and Larson). **MOTION** passed unanimously.

5D. Election of Vice-Chair

Chair Soderberg nominated Commissioner Larson to fill the Vice-President position.

MOTION by Chair Soderberg, seconded by Commissioner Whitfield, nominating Commissioner Larson as HRA Vice-chair. **Roll Call Vote.** 4 Ayes. (Chair Soderberg, Commissioners Huddleston, Whitfield, and Larson). **MOTION** passed unanimously.

6. UPDATES

HRA Manager Barnes provided an update to the Board on the following items.

- Element/Sand Companies
- Beacon Interfaith/Cranberry Ridge
- Senior Building updates
- Vicksburg Crossing windows
- HRA Strategic Plan

7. ADJOURNMENT

MOTION by Chair Soderberg, with no objection, to adjourn the meeting at 7:56 p.m.

**DRAFT MINUTES
PLYMOUTH HOUSING AND REDEVELOPMENT AUTHORITY –
SPECIAL MEETING
JUNE 4, 2020**

MEMBERS PRESENT: Chair Michelle Soderberg, Commissioners Robert Huddleston, Lucas Larson, and Aqueelah Whitfield

OTHER PRESENT: Councilmember Jim Davis

ABSENT: Commissioner Jeff Kulaszewicz

STAFF PRESENT: HRA Manager Jim Barnes, and Community Development Coordinator Matt Lupini.

1. CALL TO ORDER

Chair Soderberg called the Plymouth Housing and Redevelopment Authority meeting to order at 6:01 p.m.

2. APPROVE AGENDA

MOTION by Commissioner Larson, seconded by Commissioner Huddleston, to approve the Agenda. **Roll Call Vote.** 4 Ayes. (Chair Soderberg, Commissioners Huddleston, Whitfield and Larson). **MOTION** passed unanimously.

3. PUBLIC HEARING

3A Amend 2019 Community Development Block Grant (CDBG) Annual Action Plan

Community Development Coordinator Matt Lupini gave an overview of the staff report.

Chair Soderberg opened and closed the public hearing as there was no one present to speak on the issue.

Councilmember Davis asked if the proposal was to change the program year of the funding amendment, and not to change any of the previously proposed allocations. Community Development Coordinator Lupini answered yes, this resolution just changes the funding year from 2020 to 2019.

MOTION by Commissioner Huddleston, seconded by Commissioner Larson, to adopt Resolution 2020-07 recommending the City Council amend the 2019 CDBG Annual Action Plan. **Roll Call Vote.** 4 Ayes. (Chair Soderberg, Commissioners Huddleston, Whitfield and Larson). **MOTION** passed unanimously.

4. UPDATES

HRA Manager Barnes provided an update to the Board on the following items.

- Covid-19 at HRA-owned senior buildings
- Element
- Cranberry Ridge

5. ADJOURNMENT

MOTION by Chair Soderberg, with no objection, to adjourn the meeting at 6:12 p.m.

4B

P
PLYMOUTH
TOWNE SQUARE

MEMORANDUM

To: Jim Barnes

From: Phil Marston

Date: June 17, 2020

RE: Plymouth Towne Square Monthly Report for May 2020.
The June 2020 Newsletter and Calendar are attached.

Rentals:

As of May 1st we had 99 occupied apartments.

Apartment Type	Occupied	Vacant	Deposits	Estimated Move in
1 Bedroom	59	0	1	7/1/20
2 Bedroom 1-Bath	20	0	0	
2 Bedroom 2-Bath	19	0	0	
Totals	98	0	1	

Move-Ins/Move-Outs:

We had zero move in and one move out during May. As of May 31st we had 98 occupied apartments.

Marketing

The wait lists remain open with 90 names on the 1-bedroom list and 25 names on the 2-bedroom list. We receive inquiry calls daily and send applications out when requested.

Resident Services

Due to COVID-19 and the need to practice social distancing, all resident activities at Plymouth Towne Square were canceled during May. We celebrated May birthdays by offering free packets of cookies in the lobby on the third Thursday of the month.

Building Issues

No issues to report at this time.

Balance Sheet

PLYMOUTH TOWNE SQUARE

As Of May 31, 2020

	Ending Balance	Total
ASSETS		
CURRENT ASSETS		
US BANK OPER ACCT	97,654	
US BANK SEC DEP ACCT	68,099	
INVESTMENTS - WORKING CAPITAL FUND	746,172	
INVESTMENTS - NEW DEBT SERVICE	194,982	
ACCOUNTS REC-TENANTS	(430)	
DUE FROM CITY OF PLYMOUTH	113,333	
INTEREST RECEIVABLE	834	
PREPAID PROPERTY INSURANCE	2,515	
PREPAID WORKERS COMP INSUR	248	
PREPAID OTHER	3,385	
TOTAL CURRENT ASSETS		1,226,792
FIXED ASSETS		
LAND	459,247	
SITE IMPROVEMENTS	205,947	
BUILDING	5,767,619	
BUILDING IMPROVEMENTS	1,092,290	
FURN, FIXT & EQUIP-GENERAL	448,327	
FURNITURE & FIXTURES - HOUSEKEEPING	8,696	
COMPUTERS/OFFICE EQUIPMENT	13,060	
ACCUMULATED DEPRECIATION	(4,552,667)	
TOTAL FIXED ASSETS		3,442,519
NON-CURRENT ASSETS		
TOTAL ASSETS		4,669,311
LIABILITIES		
CURRENT LIABILITIES		
ACCOUNTS PAYABLE-TRADE	14,950	
ACCRUED PAYROLL	2,616	
ACCRUED COMPENSATED BALANCES	488	
ACCRUED INTEREST	6,563	
ACCRUED REAL ESTATE TAXES	14,675	
ACCRUED PROPERTY INSURANCE	2,413	
BONDS PAYABLE-SERIES 2011A ST	305,000	
ACCRUED OTHER	1,747	
TOTAL CURRENT LIABILITIES		348,451
LONG-TERM LIABILITIES		
SECURITY DEPOSITS	67,706	
BONDS PAYABLE - SERIES 2011A LT	980,000	
BOND PREMIUM	21,060	
TOTAL LIABILITIES		1,417,217
EQUITY		
RETAINED EARNINGS RSRVD FOR DS	140,561	
RETAINED EARNINGS	810,011	
NET INVESTMENT IN CAPITAL ASSETS	2,215,989	
TOTAL EQUITY		3,166,562
CURRENT YEAR INCOME/(LOSS)		85,532
TOTAL LIABILITIES & EQUITY		4,669,311

Profit and Loss Variance

PLYMOUTH TOWNE SQUARE

Through May 31, 2020

	MTD Actual	Budget	Var.	YTD Actual	Budget	Var.	Year Budget
INCOME							
APARTMENT RENTAL REVENUE	59,985	57,888	2,097	299,488	289,440	10,048	694,656
HRA INDIVIDUAL	14,583	14,583	0	72,915	72,915	0	175,000
GARAGE RENT	3,150	3,250	(100)	16,025	16,250	(225)	39,000
GUEST ROOM REVENUE	0	130	(130)	325	650	(325)	1,560
LAUNDRY REVENUE	0	950	(950)	2,945	4,750	(1,805)	11,400
APPLICATION FEE REVENUE	0	70	(70)	70	280	(210)	630
TRANSFER FEE REVENUE	0	0	0	0	500	(500)	500
INVESTMENT INCOME	13,388	417	12,971	15,403	2,085	13,318	5,000
CONTRIBUTED CAPITAL REVENUE	0	7,104	(7,104)	0	35,520	(35,520)	85,250
MISCELLANEOUS REVENUE	(1)	100	(101)	423	500	(77)	1,200
TOTAL INCOME	91,105	84,492	6,613	407,593	422,890	(15,297)	1,014,196
EXPENSES							
ADMINISTRATION							
MANAGER SALARIES/WAGES	5,025	4,917	(108)	24,521	24,585	64	59,000
PAYROLL TAXES	996	928	(68)	3,494	4,640	1,146	11,142
HEALTH INSURANCE	985	1,187	202	7,074	5,935	(1,139)	14,243
WORKERS COMP INSURANCE	178	180	2	654	900	246	2,160
MAINTENANCE SALARIES/WAGES	4,826	4,857	31	23,212	24,285	1,073	58,281
EMPLOYEE COSTS	120	110	(10)	440	550	110	1,400
SEMINAR/TRAINING	0	0	0	0	255	255	255
BANK FEES	115	100	(15)	483	500	17	1,200
DUES, SUBS & MEMBERSHIPS	0	0	0	60	60	0	60
LICENSE & PERMITS	0	0	0	0	165	165	1,119
MILEAGE REIMBURSEMENT	82	52	(30)	390	262	(128)	630
POSTAGE/OVERNIGHT EXPRESS	0	45	45	55	90	35	135
PRINTING	0	20	20	826	100	(726)	240
MANAGEMENT FEES	4,840	4,840	0	24,200	24,200	0	58,080
PROFESSIONAL FEES	0	160	160	76	800	724	1,920
TELEPHONE EXPENSE	373	400	27	1,868	2,000	132	4,800
EQUIPMENT LEASE/REPAIR	342	265	(77)	1,821	1,325	(496)	3,180
OFFICE SUPPLIES	0	93	93	504	465	(39)	1,116
TOTAL ADMIN EXPENSES	17,882	18,154	272	89,678	91,117	1,439	218,961
LIFE ENRICHMENT							
RESIDENT PROGRAM/ACTIVITIES	14	255	241	1,147	1,375	228	6,480
TOTAL LIFE ENRICHMENT EXPENSES	14	255	241	1,147	1,375	228	6,480

Profit and Loss Variance

PLYMOUTH TOWNE SQUARE

Through May 31, 2020

	MTD Actual	Budget	Var.	YTD Actual	Budget	Var.	Year Budget
MARKETING							
ADVERTISING	0	10	10	0	50	50	120
TOTAL MARKETING EXPENSES	0	10	10	0	50	50	120
HOUSEKEEPING							
CONTRACT LABOR	2,122	1,509	(613)	8,590	7,545	(1,045)	18,108
CLEANING SUPPLIES	160	175	15	1,111	875	(236)	2,100
TOTAL HOUSEKEEPING EXPENSES	2,282	1,684	(598)	9,701	8,420	(1,281)	20,208
BUILDING & GROUNDS							
CABLE TV EXPENSE	89	84	(5)	434	420	(14)	1,128
UTILITIES - ELECTRICITY	1,436	2,200	765	7,520	10,000	2,480	24,500
UTILITIES - GAS	994	900	(94)	10,314	13,900	3,586	22,800
UTILITIES - WATER/SEWER	1,747	1,900	153	8,471	8,900	429	22,000
WATER SOFTENING SERVICE	525	525	0	2,359	2,625	266	6,300
DOORS, KEYS & WINDOWS	0	300	300	419	1,500	1,081	3,600
FIRE SYSTEM SERVICE	210	600	390	1,048	3,000	1,952	7,200
LAWN SERVICE/LANDSCAP/SNOW RMVL	2,815	2,500	(315)	8,310	12,900	4,590	28,200
PEST CONTROL	0	0	0	290	150	(140)	730
TRASH REMOVAL	1,276	992	(284)	6,327	4,960	(1,367)	11,904
UNIT TURNOVER REPAIRS	0	3,439	3,439	5,682	17,195	11,513	41,264
ELEVATOR-REPAIRS & MAINTENANCE	634	790	156	3,168	3,950	782	9,480
REPAIRS & MAINTENANCE	6,118	2,733	(3,385)	20,654	13,665	(6,989)	32,800
BUILDING & GROUNDS SUPPLIES	1,382	1,667	285	13,096	8,335	(4,761)	20,000
HVAC - REPAIRS & MAINTENANCE	265	2,000	1,735	4,491	10,000	5,509	24,000
MISCELLANEOUS B & G EXPENSES	0	833	833	0	4,166	4,166	10,000
TOTAL BUILDING & GROUNDS	17,489	21,463	3,974	92,582	115,666	23,084	265,906
OTHER OPERATING EXPENSES							
PROPERTY & LIABILITY INSURANCE	2,464	2,524	60	12,320	12,620	300	30,606
PAYMENT IN LIEU OF PROPERTY TAX	2,935	2,935	0	14,675	14,675	0	35,225
TOTAL OTHER OPERATING EXPENSES	5,399	5,459	60	26,995	27,295	300	65,831
TOTAL OPERATING EXPENSES	43,067	47,025	3,958	220,104	243,923	23,819	577,506
NET OPERATING INCOME / (LOSS)	48,039	37,467	10,572	187,489	178,967	8,522	436,690
DEPREC, INTEREST & OTHER							
DEPRECIATION EXPENSE	16,433	16,433	0	82,165	82,165	0	197,197
AMORTIZATION EXPENSE	(527)	(527)	0	(2,635)	(2,635)	0	(6,320)
RESERVE/REPLACE CAPITAL EXPENSE	13,457	22,000	8,543	39,195	98,875	59,680	169,250
INTEREST EXPENSE	3,282	3,282	0	16,566	16,410	(156)	39,388
HRA SUBSIDY-TIF	(6,667)	(6,667)	()	(33,333)	(33,335)	(2)	(80,000)
TOTAL DEPREC, INTEREST & OTHER	25,978	34,521	8,543	101,957	161,480	59,523	319,515
NET INCOME / (LOSS)	22,060	2,946	19,114	85,532	17,487	68,045	117,175

Twelve Month Profit and Loss

PLYMOUTH TOWNE SQUARE

For Year 2020

	Period End Jun 30, 2019	Period End Jul 31, 2019	Period End Aug 31, 2019	Period End Sep 30, 2019	Period End Oct 31, 2019	Period End Nov 30, 2019	Period End Dec 31, 2019	Period End Jan 31, 2020	Period End Feb 29, 2020	Period End Mar 31, 2020	Period End Apr 30, 2020	Period End May 31, 2020	Period End Total
INCOME													
APARTMENT RENTAL REVENUE	58,212	59,046	58,963	59,076	59,885	59,830	58,712	58,987	60,386	60,174	59,956	59,985	713,202
HRA INDIVIDUAL	15,417	15,417	15,417	15,417	15,417	15,417	15,417	14,583	14,583	14,583	14,583	14,583	180,832
GARAGE RENT	3,350	3,325	3,300	3,200	3,350	3,250	3,210	3,200	3,300	3,250	3,125	3,150	39,010
GUEST ROOM REVENUE	325	130	0	0	260	780	65	130	185	0	0	0	1,885
LAUNDRY REVENUE	836	858	925	519	891	815	905	1,020	890	1,025	10	0	8,694
APPLICATION FEE REVENUE	0	140	0	35	70	35	35	70	0	0	0	0	420
INVESTMENT INCOME	628	11,799	609	617	4,758	626	1,336	562	558	476	419	0	13,388
UNREALIZED GAIN/LOSS	0	0	0	0	0	0	(3,398)	0	0	0	0	0	36,776
MISCELLANEOUS REVENUE	0	0	186	27	0	0	0	421	3	0	0	0	(8,368)
TOTAL INCOME	79,768	90,715	79,370	78,891	84,820	80,788	71,282	78,972	79,916	79,507	78,093	91,105	972,026
EXPENSES													
ADMINISTRATION													
MANAGER SALARIES/WAGES	4,669	4,825	4,825	4,669	4,825	4,669	4,620	4,909	4,701	5,025	4,883	5,025	57,821
PAYROLL TAXES	605	603	595	548	562	840	783	436	722	662	677	966	8,041
HEALTH INSURANCE	1,393	1,394	1,394	1,394	1,394	957	1,050	1,768	1,441	1,441	1,441	985	16,050
WORKERS COMP INSURANCE	120	120	120	120	69	173	115	119	119	119	119	178	1,492
MAINTENANCE SALARIES/WAGES	4,393	4,414	4,546	3,919	4,281	4,008	4,552	4,728	4,544	4,587	4,527	4,826	53,324
EMPLOYEE COSTS	80	80	80	80	80	120	80	80	80	80	80	120	1,040
BANK FEES	104	132	104	97	119	71	110	88	88	87	95	115	1,221
DUES, SUBS & MEMBERSHIPS	0	0	0	0	0	0	0	60	0	0	0	0	60
LICENSE & PERMITS	0	0	200	0	694	60	0	0	0	0	0	0	954
MILEAGE REIMBURSEMENT	63	71	41	55	46	25	96	81	17	81	129	82	787
POSTAGE/OVERNIGHT EXPRESS	0	0	0	55	0	0	0	0	55	0	0	0	110
PRINTING	0	0	0	0	0	0	0	0	826	0	0	0	826
MANAGEMENT FEES	4,840	4,840	4,840	4,840	4,840	4,840	4,840	4,840	4,840	4,940	4,840	4,840	58,050
PROFESSIONAL FEES	6,752	0	1,224	73	0	252	0	0	75	1	0	0	8,377
TELEPHONE EXPENSE	368	368	394	367	364	373	373	373	372	375	374	373	4,424
EQUIPMENT LEASE/REPAIR	64	64	784	206	343	396	1,088	347	152	665	314	342	4,767
OFFICE SUPPLIES	0	49	86	190	0	53	0	258	0	121	126	0	892
TOTAL ADMIN EXPENSES	23,440	16,951	19,202	16,512	17,516	16,539	17,718	18,086	18,042	18,083	17,584	17,882	218,056
LIFE ENRICHMENT													
RESIDENT PROGRAM/ACTIVITIES	252	119	864	84	1,752	361	1,852	65	792	204	73	14	6,231
TOTAL LIFE ENRICHMENT EXPENSES	252	119	864	84	1,752	361	1,852	65	792	204	73	14	6,231

Twelve Month Profit and Loss

PLYMOUTH TOWNE SQUARE

For Year 2020

	Period End Jun 30, 2019	Period End Jul 31, 2019	Period End Aug 31, 2019	Period End Sep 30, 2019	Period End Oct 31, 2019	Period End Nov 30, 2019	Period End Dec 31, 2019	Period End Jan 31, 2020	Period End Feb 29, 2020	Period End Mar 31, 2020	Period End Apr 30, 2020	Period End May 31, 2020	Period End Total
HOUSEKEEPING													
CONTRACT LABOR	1,332	1,332	1,412	1,332	1,372	1,372	1,372	1,452	1,372	1,597	2,047	2,122	18,114
CLEANING SUPPLIES	0	48	473	54	232	178	100	49	80	680	182	180	2,196
TOTAL HOUSEKEEPING EXPENSES	1,332	1,380	1,885	1,386	1,604	1,550	1,472	1,501	1,452	2,257	2,199	2,282	20,310
BUILDING & GROUNDS													
CABLE TV EXPENSE	64	84	84	84	84	84	84	84	84	89	89	89	1,001
UTILITIES - ELECTRICITY	1,941	2,134	2,303	1,965	1,890	1,098	1,611	1,619	1,522	1,394	1,549	1,436	20,163
UTILITIES - GAS	665	531	463	456	979	2,034	2,889	3,061	2,826	1,894	1,580	984	18,112
UTILITIES - WATER/SEWER	1,392	1,975	1,701	1,838	1,934	1,756	1,540	1,048	1,581	1,615	1,879	1,747	20,606
WATER SOFTENING SERVICE	537	276	500	248	726	226	456	507	496	391	440	525	5,328
DOORS, KEYS & WINDOWS	0	225	0	585	405	0	11	410	0	0	0	0	1,644
FIRE SYSTEM SERVICE	210	688	280	2,594	753	210	392	210	210	210	210	210	1,644
LAWN SERVICE/LANDSCAPING/SNOW RMVL	1,005	955	7,505	955	1,530	2,705	4,604	3,440	2,055	0	0	2,815	6,163
PEST CONTROL	145	63	54	145	0	0	0	145	0	145	0	0	687
TRASH REMOVAL	1,184	856	1,181	1,079	853	1,224	1,122	1,108	1,376	1,285	1,283	1,276	13,925
UNIT TURNOVER REPAIRS	0	4,752	0	649	0	1,692	2,440	3,237	0	0	2,445	0	15,464
ELEVATOR REPAIRS & MAINTENANCE	613	613	249	613	634	634	764	634	634	634	634	634	7,652
REPAIRS & MAINTENANCE	4,550	4,610	1,742	2,848	672	1,159	11,931	0	0	6,815	7,721	6,118	48,066
BUILDING & GROUNDS SUPPLIES	2,546	1,257	1,449	1,493	1,467	1,116	1,276	2,705	3,534	2,555	2,921	1,382	23,699
HVAC - REPAIRS & MAINTENANCE	408	679	1,417	1,319	771	704	923	266	2,674	578	709	285	10,714
TOTAL BUILDING & GROUNDS	20,013	14,927	19,550	16,770	12,598	14,641	29,721	19,072	16,990	17,603	21,428	17,489	220,802
OTHER OPERATING EXPENSES													
PROPERTY & LIABILITY INSURANCE	2,579	2,372	2,484	2,484	2,464	2,464	2,464	2,464	2,464	2,464	2,464	2,464	29,581
PAYMENT IN LIEU OF PROPERTY TAX	2,801	2,801	2,801	2,801	2,801	2,801	4,509	2,835	2,835	2,835	2,935	2,835	35,990
TOTAL OTHER OPERATING EXPENSES	5,380	5,173	5,285	5,285	5,265	5,265	6,973	5,399	5,399	5,399	5,399	5,399	65,581
TOTAL OPERATING EXPENSES	50,417	38,550	46,766	40,116	36,835	38,656	57,537	44,123	42,685	43,547	46,682	43,067	530,980
NET OPERATING INCOME / (LOSS)	28,351	52,166	32,604	38,774	45,785	42,132	13,744	34,849	37,230	35,961	31,410	48,039	441,046
DEPRECIATION, INTEREST & OTHER													
DEPRECIATION EXPENSE	15,750	15,750	15,750	15,750	15,750	15,750	20,707	16,433	16,433	16,433	16,433	16,433	197,372
AMORTIZATION EXPENSE	(927)	(927)	(927)	(927)	(927)	(927)	(522)	(527)	(527)	(527)	(527)	(527)	(6,319)
RESERVE/REPLACE CAPITAL EXPENSE	6,470	25,966	967	11,262	967	6,103	(62,674)	15,687	8,158	719	0	13,457	38,246
INTEREST EXPENSE	4,174	4,020	4,020	4,172	4,020	4,020	1,957	3,282	3,282	3,438	3,282	3,282	42,949
HRA SUBSIDY-THE	(6,667)	(6,667)	(6,667)	(6,667)	(6,667)	(6,667)	(6,667)	(6,667)	(6,667)	(6,667)	(6,667)	(6,667)	(90,000)
TOTAL DEPREC, INTEREST & OTHER	19,201	38,532	13,543	23,990	13,543	18,680	(37,198)	28,388	21,679	13,390	12,521	25,978	192,249
NET INCOME / (LOSS)	9,151	13,634	19,060	14,784	32,242	23,453	50,942	6,461	15,551	22,571	18,889	22,060	248,797

MEMORANDUM**To: Jim Barnes****From: Sara Paquette****Date: June 11, 2020****RE: Vicksburg Crossing Monthly Report for May 2020****Rentals:**

As of May 31st, we have 95 occupied apartments with 0 vacant apartments, and we have 0 deposits at this time. We have a total of 0 apartments available to rent. The affordable apartment waiting list now has 82 names and we have been adding interested people to the list. We have 32 people on our moderately priced one-bedroom wait list and 34 people on our moderately priced 1+ and two-bedroom wait list.

Style (Total #)	Square Feet	Bedrooms	Occupied	Vacant	Deposits	Est'd Move in
Style A (23)	850 Sq Ft	1 Bedroom	23	0	0	
Style C (8)	884 Sq Ft	1 + Den	8	0	0	
Style C2 (8)	950 Sq Ft	1 + Den	8	0	0	
Style D (8)	1187 Sq Ft	2 Bedroom	8	0	0	
Style D2 (4)	1281 Sq Ft	2 Bedroom	4	0	0	
Style E (8)	1055 Sq Ft	2 Bedroom	8	0	0	
Style E2 (3)	1055 Sq Ft	2 Bedroom	3	0	0	
Affordable (33)	725 Sq Ft	1 Bedroom	33	0	0	
TOTALS			95	0	0	

Move-Ins/Move-Outs:

We had two new residents move in during the month of May. One person moved into a moderately priced one-bedroom (Style A). The other person moved into an affordable one-bedroom.

Marketing

Our waiting lists continue to be strong. In May we had a noticeable increase in the number of prospective residents who contacted the office for information.

Resident Services

To encourage social distancing, we have suspended our resident services during the COVID-19 pandemic.

Our monthly birthday party has evolved during the pandemic. We are now having a resident birthday party to go. The residents pick up their cupcakes outside my office and take them home. This month the residents got to choose from different flavors of Bundtinis, from Nothing Bundt Cakes. We use our birthday plates and napkins.

Building Issues

On Tuesday, May 26th we had our underground parking garage cleaned.

Balance Sheet

VICKSBURG CROSSING

As Of May 31, 2020

	Ending Balance	Total
ASSETS		
CURRENT ASSETS		
US BANK OPER ACCT	1,048,173	
US BANK SEC DEP ACCT	71,334	
INVESTMENTS - WORKING CAPITAL FUND	804,832	
INVESTMENTS - DEBT SERVICE	(120,197)	
ACCOUNTS REC-TENANTS	1,335	
INTEREST RECEIVABLE	2,500	
PREPAID PROPERTY INSURANCE	2,610	
PREPAID WORKERS COMP INSUR	263	
PREPAID OTHER	4,435	
TOTAL CURRENT ASSETS		1,815,286
FIXED ASSETS		
LAND	874,593	
SITE IMPROVEMENTS	251,060	
BUILDING	9,055,273	
FURNITURE, FIXTURES & EQUIP-GENERAL	395,282	
COMPUTERS/OFFICE EQUIPMENT	8,680	
ACCUMULATED DEPRECIATION	(4,693,578)	
TOTAL FIXED ASSETS		5,891,311
NON-CURRENT ASSETS		
TOTAL ASSETS		7,706,596
LIABILITIES		
CURRENT LIABILITIES		
ACCOUNTS PAYABLE-TRADE	17,796	
ACCRUED PAYROLL	2,704	
ACCRUED COMPENSATED BALANCES	3,367	
ACCRUED INTEREST	72,700	
ACCRUED REAL ESTATE TAXES	25,250	
ACCRUED PROPERTY INSURANCE	2,519	
ACCRUED OTHER	1,271	
TOTAL CURRENT LIABILITIES		125,607
LONG-TERM LIABILITIES		
SECURITY DEPOSITS	71,333	
BOND PAYABLE-2012A	8,020,000	
BOND DISCOUNT-2012A	(18,186)	
TOTAL LIABILITIES		8,198,755
EQUITY		
NET INVESTMENTS IN CAPITAL ASSETS	(2,421,699)	
RESTRICTED FOR DEBT SERVICE	421,406	
UNRESTRICTED	1,391,272	
TOTAL EQUITY		(609,021)
CURRENT YEAR INCOME/(LOSS)		116,862
TOTAL LIABILITIES & EQUITY		7,706,596

Profit and Loss Variance

VICKSBURG CROSSING

Through May 31, 2020

	MTD Actual	Budget	Var.	YTD Actual	Budget	Var.	Year Budget
INCOME							
APARTMENT RENTAL REVENUE	102,594	100,129	2,465	511,769	498,165	13,604	1,203,298
APARTMENT RENTAL REVENUE - COUNTY	2,926	1,736	1,190	11,702	8,680	3,022	20,832
HRA SUBSIDY - TAX LEVY	3,333	3,333	0	16,665	16,665	0	40,000
GARAGE RENT	3,740	3,795	(55)	18,699	18,975	(276)	45,540
GUEST ROOM REVENUE	0	210	(210)	120	770	(650)	2,100
APPLICATION FEE REVENUE	0	35	(35)	175	175	0	420
TRANSFER FEE REVENUE	0	0	0	500	500	0	500
INVESTMENT INCOME	5,897	1,250	4,647	13,012	6,250	6,762	15,000
CONTRIBUTED CAPITAL REVENUE	0	4,458	(4,458)	0	23,040	(23,040)	54,250
MISCELLANEOUS REVENUE	300	285	15	2,357	1,425	932	3,420
TOTAL INCOME	118,790	115,231	3,559	574,999	574,645	354	1,385,360
EXPENSES							
ADMINISTRATION							
MANAGER SALARIES	5,536	5,417	(119)	27,044	27,085	41	65,000
PAYROLL TAXES	1,043	989	(54)	3,627	4,945	1,318	11,870
HEALTH INSURANCE	833	1,508	675	7,221	7,540	319	18,099
WORKERS COMP INSURANCE	179	140	(39)	657	700	43	1,680
MAINTENANCE SALARIES/WAGES	5,181	4,995	(186)	23,961	24,975	1,014	59,943
EMPLOYEE COSTS	120	85	(35)	440	460	20	1,125
SEMINAR/TRAINING	0	0	0	0	200	200	200
BANK FEES	120	100	(20)	454	500	46	1,200
DUES, SUBS & MEMBERSHIPS	0	0	0	120	0	(120)	65
LICENSE & PERMITS	0	0	0	676	706	30	906
MILEAGE REIMBURSEMENT	52	60	8	181	300	119	720
POSTAGE/OVERNIGHT EXPRESS	6	16	10	51	80	29	192
PRINTING	0	10	10	0	50	50	120
MANAGEMENT FEES	4,614	4,614	0	23,070	23,070	0	55,373
PROFESSIONAL FEES	75	223	148	125	1,115	990	2,676
TELEPHONE EXPENSE	448	445	(3)	2,243	2,225	(18)	5,340
EQUIPMENT LEASE/REPAIR	229	185	(44)	801	925	124	2,220
OFFICE SUPPLIES	146	110	(36)	594	550	(44)	1,320
TOTAL ADMIN EXPENSES	18,583	18,897	314	91,265	95,426	4,161	228,049
LIFE ENRICHMENT							
RESIDENT PROGRAM/ACTIVITIES	226	800	574	1,071	2,150	1,079	6,300
TOTAL LIFE ENRICHMENT EXPENSES	226	800	574	1,071	2,150	1,079	6,300

Profit and Loss Variance

VICKSBURG CROSSING

Through May 31, 2020

	MTD Actual	Budget	Var.	YTD Actual	Budget	Var.	Year Budget
MARKETING							
ADVERTISING	0	0	0	18	400	382	800
TOTAL MARKETING EXPENSES	0	0	0	18	400	382	800
HOUSEKEEPING							
CONTRACT LABOR	1,541	1,140	(401)	6,727	5,700	(1,027)	13,680
CLEANING SUPPLIES	148	195	47	435	975	540	2,340
TOTAL HOUSEKEEPING EXPENSES	1,689	1,335	(354)	7,162	6,675	(487)	16,020
BUILDING & GROUNDS							
CABLE TV EXPENSE	207	203	(4)	1,016	1,015	(1)	2,436
UTILITIES - ELECTRICITY	1,427	1,850	423	8,713	8,650	(63)	23,870
UTILITIES - GAS	776	1,500	724	11,202	13,000	1,798	24,500
UTILITIES - WATER/SEWER	1,271	1,300	29	6,218	6,450	232	16,750
WATER SOFTENING SERVICE	184	143	(41)	978	715	(263)	1,716
DOORS, KEYS & WINDOWS	0	162	162	222	810	588	1,944
FIRE SYSTEM SERVICE	55	1,000	945	1,073	2,890	1,817	6,570
LAWN SERVICE/LANDSCAP/SNOW RMVL	1,680	1,750	70	6,695	10,370	3,675	23,120
PEST CONTROL	0	0	0	306	245	(61)	3,595
TRASH REMOVAL	1,023	1,038	15	5,572	5,190	(382)	12,456
UNIT TURNOVER REPAIRS	0	4,355	4,355	13,762	21,775	8,013	52,260
ELEVATOR-REPAIRS & MAINTENANCE	518	651	133	2,574	3,255	681	7,812
REPAIRS & MAINTENANCE	5,607	1,300	(4,307)	10,123	11,700	1,577	23,400
BUILDING & GROUNDS SUPPLIES	1,585	1,500	(85)	5,652	7,500	1,848	18,000
HVAC - REPAIRS & MAINTENANCE	248	500	253	1,782	5,000	3,218	13,500
MISCELLANEOUS B & G EXPENSES	0	833	833	0	4,166	4,166	10,000
TOTAL BUILDING & GROUNDS	14,582	18,085	3,503	75,888	102,731	26,843	241,929
OTHER OPERATING EXPENSES							
PROPERTY & LIABILITY INSURANCE	2,565	2,628	63	12,823	13,140	317	31,857
PAYMENT IN LIEU OF PROPERTY TAX	5,050	5,050	0	45,029	25,250	(19,779)	60,598
TOTAL OTHER OPERATING EXPENSES	7,615	7,678	63	57,852	38,390	(19,462)	92,455
TOTAL OPERATING EXPENSES	42,693	46,795	4,102	233,256	245,772	12,516	585,553
NET OPERATING INCOME / (LOSS)	76,096	68,436	7,660	341,743	328,873	12,870	799,807
DEPREC, INTEREST & OTHER							
DEPRECIATION EXPENSE	25,658	25,658	0	128,290	128,290	0	307,891
AMORTIZATION EXPENSE	103	103	0	515	515	0	1,240
RESERVE/REPLACE CAPITAL EXPENSE	4,200	10,000	5,800	4,575	53,500	48,925	133,500
INTEREST EXPENSE	18,267	18,267	0	91,501	91,335	(166)	219,200
TOTAL DEPREC, INTEREST & OTHER	48,228	54,028	5,800	224,881	273,640	48,759	661,831
NET INCOME / (LOSS)	27,869	14,408	13,461	116,862	55,233	61,629	137,976

Twelve Month Profit and Loss

VICKSBURG CROSSING

For Year 2020

	Period End Jun 30, 2019	Period End Jul 31, 2019	Period End Aug 31, 2019	Period End Sep 30, 2019	Period End Oct 31, 2019	Period End Nov 30, 2019	Period End Dec 31, 2019	Period End Jan 31, 2020	Period End Feb 29, 2020	Period End Mar 31, 2020	Period End Apr 30, 2020	Period End May 31, 2020	Period End Total
INCOME													
APARTMENT RENTAL REVENUE	100,294	99,619	100,599	100,873	99,366	102,116	102,976	102,374	102,006	103,116	101,679	102,584	1,217,602
APARTMENT RENTAL REVENUE - COUNTY	1,736	1,736	1,736	1,692	2,165	2,194	2,194	2,194	2,194	2,194	2,194	2,228	25,125
HRA SUBSIDY - TAX LEVY	4,583	4,583	4,583	4,583	4,583	4,583	4,587	3,333	3,333	3,333	3,333	3,333	48,750
GARAGE RENT	3,545	3,590	3,610	3,635	3,660	3,740	3,740	3,740	3,740	3,740	3,739	3,740	44,209
GUEST ROOM REVENUE	480	550	0	720	420	0	240	0	120	0	0	0	2,540
APPLICATION FEE REVENUE	0	70	0	0	140	0	35	70	0	0	105	0	480
TRANSFER FEE REVENUE	0	0	0	0	0	0	0	500	0	0	0	0	500
INVESTMENT INCOME	1,055	9,780	1,015	1,056	4,739	1,030	2,151	2,152	2,100	1,596	1,287	5,987	33,817
MISCELLANEOUS REVENUE	250	288	419	250	290	280	385	795	622	340	300	300	4,499
TOTAL INCOME	111,943	120,166	111,952	112,849	115,353	113,943	116,308	115,158	114,115	114,319	112,517	118,790	1,377,532
EXPENSES													
ADMINISTRATION													
MANAGER SALARIES	5,192	5,366	5,366	5,192	5,366	5,192	5,708	5,437	5,179	5,536	5,357	5,536	64,425
PAYROLL TAXES	665	573	537	610	875	920	861	488	724	897	688	1,043	8,488
HEALTH INSURANCE	1,597	1,588	1,597	1,597	520	3	49	1,952	1,479	1,479	1,479	833	14,182
WORKERS COMP INSURANCE	114	114	114	114	114	115	110	120	120	120	120	179	1,453
MAINTENANCE SALARIES/WAGES	4,833	3,808	3,448	6,625	5,813	4,202	2,392	4,947	4,524	4,387	4,453	5,181	55,081
EMPLOYEE COSTS	80	80	80	80	80	120	80	80	80	80	80	80	1,040
SEMINAR/TRAINING	0	0	0	0	28	0	0	0	0	0	0	0	28
BANK FEES	118	151	99	96	113	72	98	90	82	78	84	120	1,202
DUES, SUBS & MEMBERSHIPS	0	80	0	0	0	0	0	0	120	0	0	0	180
LICENSE & PERMITS	200	0	0	0	0	0	0	0	0	0	0	0	875
MILEAGE REIMBURSEMENT	63	71	41	55	46	28	119	43	17	35	35	52	602
POSTAGE/OVERNIGHT EXPRESS	19	10	0	18	5	5	2	13	8	4	21	6	109
MANAGEMENT FEES	4,480	4,480	4,480	4,480	4,490	4,480	4,480	4,614	4,614	4,614	4,614	4,814	54,430
PROFESSIONAL FEES	0	25	1,157	25	0	125	0	0	50	0	0	75	1,457
TELEPHONE EXPENSE	435	439	439	439	439	449	449	447	450	450	448	448	5,333
EQUIPMENT LEASE/REPAIR	73	73	153	813	819	279	79	239	79	173	79	229	3,089
OFFICE SUPPLIES	0	179	103	6	353	124	89	92	143	128	84	146	1,448
TOTAL ADMIN EXPENSES	17,868	17,027	17,614	20,152	19,052	16,111	14,336	18,542	17,668	18,925	17,548	18,583	213,424
LIFE ENRICHMENT													
RESIDENT PROGRAM/ACTIVITIES	305	373	581	220	897	402	1,811	164	455	94	132	226	5,860
TOTAL LIFE ENRICHMENT EXPENSES	305	373	581	220	897	402	1,811	164	455	94	132	226	5,860

Twelve Month Profit and Loss

VICKSBURG CROSSING For Year 2020

	Jun 30, 2019	Jul 31, 2019	Aug 31, 2019	Sep 30, 2019	Oct 31, 2019	Nov 30, 2019	Dec 31, 2019	Jan 31, 2020	Feb 29, 2020	Mar 31, 2020	Apr 30, 2020	May 31, 2020	Period End Total
MARKETING													
ADVERTISING	0	0	698	0	0	0	0	0	18	0	0	0	716
TOTAL MARKETING EXPENSES	0	0	698	0	0	0	0	0	18	0	0	0	716
HOUSEKEEPING													
CONTRACT LABOR	1,001	1,001	1,001	1,001	1,193	1,243	1,001	1,351	1,088	1,287	1,481	1,541	14,188
CLEANING SUPPLIES	0	288	42	708	37	127	244	0	84	132	60	148	1,248
TOTAL HOUSEKEEPING EXPENSES	1,001	1,289	1,042	1,107	1,229	1,370	1,244	1,351	1,162	1,420	1,541	1,689	15,415
BUILDING & GROUNDS													
CABLE TV EXPENSE	187	193	193	183	183	193	193	193	202	207	207	207	2,368
UTILITIES - ELECTRICITY	1,877	1,969	2,149	1,734	1,550	1,377	1,389	1,976	1,927	1,717	1,665	1,427	20,538
UTILITIES - GAS	475	397	376	350	585	1,887	3,134	3,389	3,513	1,988	1,536	778	18,405
UTILITIES - WATER/SEWER	1,206	1,518	1,320	1,418	1,192	1,291	1,135	1,151	1,252	1,202	1,341	1,271	15,289
WATER SOFTENING SERVICE	121	0	114	87	112	0	107	220	441	0	133	184	1,519
DOORS, KEYS & WINDOWS	0	209	218	90	0	94	163	28	144	52	0	0	995
FIRE SYSTEM SERVICE	53	53	53	282	53	55	55	55	55	55	55	55	675
LAWN SERVICE/LANDSCAPING/SNOW RMVL	4,715	1,532	1,215	1,204	1,376	2,075	3,928	2,540	1,500	1,880	875	1,880	22,740
PEST CONTROL	0	153	0	153	0	0	0	153	0	153	0	0	812
TRASH REMOVAL	855	864	1,038	1,738	1,038	1,038	1,041	1,327	1,153	1,037	1,032	1,023	13,283
UNIT TURNOVER REPAIRS	75	10,001	5,837	4,158	10,828	4,239	2,170	6,844	3,194	0	3,724	0	51,130
ELEVATOR REPAIRS & MAINTENANCE	502	502	502	502	502	502	502	502	518	518	518	518	6,087
REPAIRS & MAINTENANCE	700	3,427	288	8,850	2,516	516	881	1,885	1,047	605	880	5,607	27,409
BUILDING & GROUNDS SUPPLIES	2,379	998	510	542	1,149	1,638	1,998	802	1,041	1,047	1,177	1,585	14,986
HVAC - REPAIRS & MAINTENANCE	225	225	2,201	225	1,612	248	248	430	248	810	248	248	6,784
TOTAL BUILDING & GROUNDS	13,289	22,100	16,022	21,625	22,705	15,151	16,922	21,492	16,235	9,190	14,390	14,582	203,881
OTHER OPERATING EXPENSES													
PROPERTY & LIABILITY INSURANCE	2,885	2,468	2,565	2,565	2,565	2,565	2,565	2,565	2,565	2,565	2,565	2,565	30,789
PAYMENT IN LIEU OF PROPERTY TAX	4,899	4,899	4,939	4,999	4,989	4,989	6,088	5,050	5,050	5,050	24,829	5,050	81,111
TOTAL OTHER OPERATING EXPENSES	7,683	7,467	7,564	7,564	7,564	7,564	8,652	7,615	7,615	7,615	27,394	7,615	111,909
TOTAL OPERATING EXPENSES	40,127	48,225	43,521	50,688	51,446	40,598	42,965	49,163	43,153	37,243	61,004	42,693	550,805
NET OPERATING INCOME / (LOSS)	71,816	71,941	68,441	62,181	63,917	73,345	73,343	65,995	70,962	77,076	51,613	76,096	826,726
DEPRECIATION, INTEREST & OTHER													
DEPRECIATION EXPENSE	25,417	25,417	25,417	25,417	25,417	25,417	28,186	25,658	25,658	25,658	25,658	25,658	308,977
AMORTIZATION EXPENSE	103	103	103	103	103	103	107	103	103	103	103	103	1,240
RESERVE/REPLACE CAPITAL EXPENSE	14,257	466	23,214	20,697	0	18,986	(68,280)	0	375	0	0	4,200	(22)
INTEREST EXPENSE	19,156	18,988	18,986	19,156	18,986	18,986	15,535	18,287	18,287	18,436	18,287	18,287	221,333
TOTAL DEPREC, INTEREST & OTHER	58,933	44,982	67,730	65,373	44,516	44,516	(19,403)	44,028	44,403	44,196	44,028	48,228	531,628
NET INCOME / (LOSS)	12,883	26,959	711	(3,192)	19,401	28,829	92,746	21,968	26,560	32,881	7,585	27,869	295,199

**PLYMOUTH HOUSING AND
REDEVELOPMENT AUTHORITY
STAFF REPORT**

TO: Plymouth Housing and Redevelopment Authority

FROM: Matt Lupini, Community Development Coordinator through Jim Barnes,
HRA Manager & Steve Juetten, Executive Director

MEETING DATE: June 25, 2020

SUBJECT: **CDBG First Time Homebuyer Program – Remove Restrictive
Covenants from 13808 52nd Avenue N (The Reserve)**

BACKGROUND:

In 2004, the HRA provided a First Time Homebuyer (FTHB) loan to Keith & Kelly Kudla to assist them with the purchase of a townhome in the Reserve development. The HRA provided a \$25,000 loan from the CDBG program.

In addition to the loan, the HRA placed Restrictive Covenants on the property. The intent of the Covenants were twofold – first, to ensure the unit would continue to be sold to subsequent buyers who were also at or below 80% of the Area Median Income (AMI), which is the same requirement to qualify for the FTHB program. Second, the Covenants would cap the future sales price so the unit would remain affordable for a period of 20 years.

While the Kudla's still own the property, they are now renting the home. Under the conditions of the FTHB program, once the home is no longer the principal residence of loan recipients a full repayment is required. Prior to the HRA removing the restrictive covenants, the Kudla's will have paid back their FTHB loan, thus satisfying the conditions of the mortgage. As such, staff recommends removal of the restrictive covenants from the property, since leaving the restrictive covenants in place would require continual income certification of renters or owner without any vested financial interest in the property.

BUDGET IMPACT:

As a condition of removing the restrictive covenants, the homeowners satisfied their mortgage to the City by paying off the \$25,000 First Time Homebuyer loan. Those funds will be returned to the FTHB program to be issued as future loans. There is no further impact to the budget as a result of removing the restrictive covenants.

RECOMMENDATION:

Staff recommends that the Housing and Redevelopment Board of Commissioners adopt the attached resolution, which removes the Restrictive Covenants from the property located at 13808 52nd Avenue N, Plymouth, MN.

ATTACHMENTS:

1. Removal of Restrictive Covenants
2. Resolution 2020-08

**RELEASE OF DECLARATION
OF RESTRICTIVE COVENANTS**

THIS RELEASE OF DECLARATION OF RESTRICTIVE COVENANTS ("Release"), dated the 25th day of June, 2020, is executed by the Housing and Redevelopment Authority in and for the City of Plymouth, Minnesota, a public body corporate and politic ("HRA").

RECITALS:

WHEREAS, on October 28, 2004, Keith M. Kudla and Kelly M. Kudla, a married couple (the "Declarant") executed a Declaration of Restrictive Covenants (the "Declaration") which was recorded with the Hennepin County Office of the Registrar of Titles on April 11, 2005, as Document No. 4100380 over property legally described as:

Lot 89, Block 7, The Reserve, Hennepin County, Minnesota

(hereinafter referred to as the "Subject Property");

WHEREAS, the HRA included the Subject Property in a program intended to assist low- and moderate-income families to afford homeownership within the City of Plymouth, Minnesota and provided Anderson financial assistance to purchase the Subject Property;

WHEREAS, the Declarant satisfied their mortgage with the City of Plymouth through repayment of their First Time Homebuyer (FTHB) loan;

WHEREAS, the Declarant has requested release of the Declarations as no longer applicable;

WHEREAS, the HRA agrees that the Declaration should be released by the terms of the Declaration;

NOW, THEREFORE, BE IT KNOWN AS FOLLOWS:

1. Recitals set forth above shall be incorporated herein for all purposes.
2. The Declaration of Restrictive Covenants filed for record with the Hennepin County Registrar of Titles on April 11, 2005, as Document No. 4100380 is hereby released.

**HOUSING AND REDEVELOPMENT AUTHORITY
IN AND FOR THE CITY OF PLYMOUTH**

By: _____
Michelle Soderberg, Chair

By: _____
Steve Juetten, Executive Director

STATE OF MINNESOTA)
)
COUNTY OF HENNEPIN)

The foregoing instrument was acknowledged before me this _____ day of _____, 2020, by Michelle Soderberg, the Chair and Steve Juetten, the Executive Director, of the Housing and Redevelopment Authority in and for the City of Plymouth, a Minnesota public body corporate and politic, on behalf of said public body.

Notary Public

THIS INSTRUMENT WAS DRAFTED BY:
City of Plymouth
3400 Plymouth Boulevard
Plymouth, MN 55447

CITY OF PLYMOUTH

HRA RESOLUTION 2020-08

RELEASING DECLARATION OF RESTRICTIVE COVENANTS

WHEREAS, on October 28, 2004, Keith M. Kudla and Kelly M. Kudla (hereinafter referred to as “Kudla”) executed a Declaration of Restrictive Covenants (the “Declaration”) which was filed for record on April 11, 2005 as Document No. 4100380 in the Hennepin County Office of the Registrar of Titles and encumbered real property legally described as:

Lot 89, Block 7, The Reserve, Hennepin County, Minnesota

(hereinafter referred to as the “Subject Property”); and

WHEREAS, the Housing and Redevelopment Authority in and for the City of Plymouth, Minnesota (hereinafter referred to as “HRA”) included the Subject Property in a program intended to assist low- and moderate-income families to afford homeownership within the City of Plymouth, Minnesota and provided Kudla financial assistance to purchase the Subject Property; and

WHEREAS, Kudla has satisfied their mortgage with the City of Plymouth through full repayment of their loan, and requests that the HRA consent to release the Declaration.

NOW, THEREFORE, BE IT RESOLVED BY THE HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF PLYMOUTH, MINNESOTA, that it hereby consents to the release of the Declaration of Restrictive Covenants dated October 28, 2004, and recorded April 11, 2005 with the Hennepin County Office of the Registrar of Titles as Document No. 4100380.

BE IT FURTHER RESOLVED, that the HRA hereby authorizes the Executive Director to execute all documents necessary in the opinion of the City Attorney to release the Declaration.

Approved this 25th day of June, 2020 by the Plymouth Housing and Redevelopment Authority.