

Crow Wing County HRA

AGENDA

5:00 p.m. Tuesday, January 14th, 2020

Crow Wing County Jinx Ferrari Room

(Located on 2nd floor of the Historic Courthouse, 326 Laurel Street, Brainerd, MN)

“Our mission is to support the creation and preservation of affordable housing, economic development, and redevelopment projects towards a more vibrant Crow Wing County.”

AGENDA

- 1. CALL to ORDER**
- 2. ROLL CALL**
- 3. ANNUAL MEETING (Attachment 1)**
 - a. Oath of Office
 - b. Election of Officers for 2020
 - c. Review Bylaws
- 4. REVIEW and APPROVE MINUTES (Attachment 2)**
- 5. REVIEW and ACCEPT FINANCIAL STATEMENTS (Attachment 3)**
- 6. UNFINISHED BUSINESS**
 - a. Consider Resolution No. 2020-01 Approving an Amendment to the Purcase and Redevelopment Agreement for LAHFH Crosby Lots (Attachment 4)
- 7. NEW BUSINESS**
 - a. Consider BLAEDC and CREDI Agreements for Professional Services (Attachment 5)
- 8. REPORTS**
 - a. Executive Director (Attachment 6)
 - b. Brainerd HRA/Rehab Programs (Attachment 7)
 - c. BLAEDC
 - d. CWC
- 9. NEXT MEETING AGENDA TOPICS:** Tuesday, February 11, 2020
- 10. ADJOURNMENT**

2020 Commissioners

Theresa Goble - District 1 (12-31-22)
Michael Morford - District 2 (12-31-23)
Zach Tabatt - District 3 (12-31-24)
Craig Nathan - District 4 (12-31-20)
Michael Aulie - District 5 (12-31-21)



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Housing & Redevelopment Authority

To: CWC HRA Board Members
From: Karen Young, Interim Executive Director/Finance Director
Date: January 6, 2020
Re: Annual Meeting

According to the bylaws, the CWC HRA is required to hold its annual meeting at the regular meeting in January. Typically at annual meetings, all new or reappointed members are given the oath of office, the Board elects new officers, and bylaws are reviewed.

The Crow Wing County Board imposed term limits of two 5-year terms on HRA commissioners on 9-23-08. Sharon Magnan was first appointed in 2010 and has reached her term limit. We appreciate Sharon's commitment to the HRA for the past ten years of service.

Oath of Office

At the December 11, 2019, county board meeting, Mr. Zach Tabatt was appointed as the District 3 representative on the Crow Wing County Housing and Redevelopment Authority for a term expiring 12/31/24. Following the official oath of office (see Attachment 1a), please join me in welcoming Mr. Tabatt.

Election of Officers for 2020

According to the bylaws, the chairman, vice chairman, and secretary shall be elected at the annual meeting of the HRA.

2019 Officers and Commissioners

Chair - Craig Nathan/District 4 (12-31-20)
Vice Chair - Theresa Goble/District 1 (12-31-22)
Secretary - Sharon Magnan/District 3 (12-31-19)
Commissioner - Michael Aulie/District 5 (12-31-21)
Commissioner - Michael Morford /District 2 (12-31-23)

Review Bylaws

Attachment 1b is a copy of the bylaws for your review.

Action Items: Conduct Oath of Office; Elect an HRA chair, vice chair and secretary; and review bylaws.



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Oath

STATE OF MINNESOTA

COUNTY OF CROW WING

} ss.

I, **Zach Tabatt**, do solemnly affirm that I will support the Constitution of the United States, the Constitution of the State of Minnesota, and that I will faithfully and impartially discharge the duties as a member of the **CROW WING COUNTY HOUSING AND REDEVELOPMENT AUTHORITY** representing the County of Crow Wing, to which I have been appointed to the best of my knowledge and ability, so help me God.

Zach Tabatt

Subscribed and sworn to before me this 14th day of January, 2020.

KAREN YOUNG
Interim Executive Director



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BY-LAWS OF THE HOUSING AND REDEVELOPMENT AUTHORITY IN AND FOR THE COUNTY OF CROW WING, MINNESOTA

Amended – January 11, 2011
Amended – January 9, 2017

1. THE AUTHORITY

Section 1.1 Name of the Authority. The name of the Authority shall be the Housing and Redevelopment Authority in and for the County of Crow Wing, Minnesota (hereinafter, the "Authority"), and its governing body shall be called the Board of Commissioners (hereinafter, the "Board").

Section 1.2. Office. The principal office of the Authority shall be the Crow Wing County Historic Courthouse.

Section 1.3. Seal. The Authority shall have no official seal.

2. ORGANIZATION

Section 2.1. Officers. The officers of the Authority shall consist of a Chair, a Vice Chair, a Secretary, and an Executive Director. The Chair, the Vice Chair and the Secretary shall be members of the board and shall be elected at the annual meeting of the Authority.

Section 2.2. Chair. The Chair shall preside at all meetings of the Board.

Section 2.3. Vice Chair. The Vice Chair shall preside at any meeting of the Board in the absence of the Chair and may exercise all powers and perform all responsibilities of the Chair if the Chair cannot exercise or perform the same due to absence or other inability.

Section 2.5. Secretary. The Secretary shall oversee the keeping of minutes of all meetings of the Board and shall oversee the maintenance of all records of the Authority. The Secretary shall also have such additional duties and responsibilities as the Board may from time to time by resolution prescribe.

Section 2.6. Executive Director. The Executive Director shall be appointed by resolution and shall serve at the pleasure of the Board of Commissioners, shall be the chief appointed executive officer of the Authority, and shall have such additional responsibilities and authority as the Board may from time to time by resolution prescribe.

3. PROCEDURES OF BOARD OF COMMISSIONERS

Section 3.1. Annual Meeting. The annual meeting of the Board shall coincide with the regular meeting of the month of January in each year.

Section 3.2. Regular Meetings. The Board shall hold regular meetings at such time and place as the Board may determine.

Section 3.3. Special Meetings. Special meetings of the Board may be called by the Chair or, in the event of the Chair's absence or inability, by the Vice Chair at any time, upon seventy-two hours prior notice exclusive of Saturdays, Sundays and holidays to all Commissioners and Executive Director. Upon the same notice, special meetings of the Board may also be called by any two Commissioners. Notice of any special meeting in the principal office of the Authority no less than seventy-two hours prior to such special meeting exclusive of Saturdays, Sundays and holidays.



Section 3.4. Quorum. A quorum of the Board shall consist of a simple majority of the appointed Commissioners. In the absence of a quorum, no official action may be taken by, on behalf of, or in the name of the Board or the Authority.

Section 3.5. Adoption of Resolutions. Resolutions of the Board shall be deemed adopted if approved by not less than a simple majority of all Commissioners present. Resolutions may but need not be read aloud prior to vote taken thereon and may but need not be executed after passage.

Section 3.6. Rules of Order. The meetings of the Board shall be governed by the most recent edition of Robert's Rules of Order.

4. MISCELLANEOUS

Section 4.1. Fiscal Year. The fiscal year of the Authority shall be the calendar year.

Section 4.2. Execution of Contracts. All contracts, notes, and other written agreements or instruments to which the Authority is a party or signatory or by which the Authority may be bound shall be executed by the Chair and/or the Executive Director or by such other Commissioner or officers of the Authority as the Board may by resolution prescribe.

Section 4.3. Amendment of By-Laws. These By-Laws may be amended by the Board only by not less than a majority vote of all the Commissioners, provided that any such proposed amendment shall first have been delivered to each Commissioner at least one regular meeting prior to the meeting at which such amendment is considered.

Minutes from Tuesday, December 10th, 2019
Crow Wing County
Housing and Redevelopment Authority
Board Meeting

A regular meeting of the Board of Commissioners of the Housing and Redevelopment Authority (HRA) in and for the County of Crow Wing, Minnesota, was held at 5:00 p.m., Tuesday, December 10th, 2019.

1. **CALL TO ORDER:** Chair Craig Nathan called the meeting to order at 4:59 p.m.
2. **ROLL CALL:** Those present at the meeting include Chair Craig Nathan and Commissioners Sharon Magnan, Theresa Goble, Michael Morford, and Michael Aulie. Also present were Executive Director Jennifer Bergman, Finance Director Karen Young, Executive Assistant LeAnn Goltz, and Rehab Coordinator John Schommer; Tyler Glynn, BLAEDC; and Commissioner Bill Brekken, Crow Wing County.
3. **REVIEW AND APPROVE MINUTES:**

Commissioner Goble moved to approve the minutes from the regular meeting on November 12th. Commissioner Magnan seconded the motion. All commissioners voted in favor of the motion and none were opposed. The minutes were approved.

4. **REVIEW AND APPROVE FINANCIAL STATEMENTS:** The 2019 audit fieldwork is scheduled with CliftonLarsonAllen (CLA) during the week of February 3rd.

Reflected in the November financial statements is the closing that took place for the purchase of three lots at Brainerd Oaks and one lot at Dalmar Estates for a total of \$36,171.15. Of this, \$9,200 went to the City for SAC/WAC/Park Fees and \$24,580.15 went to the City in lieu of assessments. The HRA was reimbursed for direct costs of \$2,001.

Moved by Commissioner Aulie and seconded by Commissioner Morford to accept the November financial statements as presented. All commissioners voted in favor and none were opposed. The motion passed.

5. **UNFINISHED BUSINESS:**

- a. **Consider Housing Trust Fund Ordinance:** A draft copy of the Ordinance Establishing a Housing Trust Fund in Crow Wing County was provided to the Board. Attorney Martha Ingram had reviewed it previously and provided recommended changes. Staff had also had a conference call with the Greater Minnesota Housing Fund (GMHF) who published the Local Housing Trust Fund Manual. GMHF was really helpful in making recommendations to the ordinance based on their experience.

Bergman explained that staff recommends changing the minimum loan amount to \$50,000 rather than \$25,000. In addition, in 4.4, change the submission of the report to the County rather than the County Board.

Bergman explained that the ordinance outlines ways allowed by statute to provide assistance using the housing trust fund. Then once this is approved, staff will create guidelines that provide detailed information of what the HRA will offer.



Bergman also shared the ordinance with Debby Erickson. Erickson gave positive feedback and appreciated the annual reporting portion of the ordinance.

Upon approval by the CWC HRA Board, the intent is to have this on the Committee of the Whole agenda on January 21st and then to the County Board for approval at the February 11th meeting. Following the adopted ordinance, staff will bring back guidelines for the Board's review.

Commissioner Goble moved to authorize staff to forward the amended Ordinance Establishing a Housing Trust Fund to county staff to be discussed at the January 21st Committee of the Whole. Commissioner Aulie seconded the motion. All commissioners voted in favor of the motion and none were opposed. The motion was approved.

6. NEW BUSINESS:

- a. Review & Discuss Fund Balance:** In August, the Board approved the 2020 General Fund budget with \$38,800 designated fund balance to offset the 2020 budget shortfall caused from non-operating expenses and legal expenses for housing and redevelopment initiatives. These funds will be classified as Assigned.

It was recommended that the Board take action to commit funds for Redevelopment and Housing Projects at this time, as it is a GASB 54 requirement that the Board commitments be established prior to year-end. The amount of the commitment will be determined after year-end when the calculation can be finalized.

Commissioner Goble, seconded by Commissioner Magnan, to commit fund balance for Redevelopment and Housing Projects with an amount to be determined after year-end financial statements are finalized. All commissioners were in favor and none were opposed. The motion was approved.

- b. Authorize Participation in the Minnesota City Participation Program:** The Minnesota City Participation Program (MCPP) provides cities throughout the state with a unique opportunity to easily access housing resources to meet the needs of their citizens.

Funds are available to local participating lenders to offer low interest loans to eligible home buyers. The funds are initially available to the specific community. Last year, \$1,049,445 was allocated for Crow Wing County and as of early November, \$2,310,528 in loans have been committed. This equates to a usage rate of 220%. (There is a minimum usage requirement of 50% of the allocation in order to participate the following year.) After a period of time, the funds are put into a state-wide pool. In order to participate in the MCPP, the application needs to be submitted by Wednesday, January 15th.

Commissioner Magnan made a motion to authorize staff to submit the 2020 Minnesota Cities Participation Program Application and Agreement to Minnesota Housing. Commissioner Goble seconded the motion. All commissioners were in favor and none were opposed. The motion was approved.



7. REPORTS:

a. Executive Director:

Executive Director Search

The Brainerd HRA Board held a special meeting on December 5th to consider next steps in the search for an executive director. The Board agreed to hire Gary Weiers from DDA Human Resources Inc. to conduct the search (the same firm who conducted the city administrator search for the City of Brainerd). The intent is to have the Brainerd HRA Board approve the profile, job description, salary range, and hiring process at their December 18th meeting. The tentative schedule is to have the position open from January 6th to February 3rd and conduct interviews on February 26th. The recommendation is to ask a representative from both the CWC HRA and the Crosby HRA to participate in the interviews. The Board had a discussion and selected Craig Nathan to participate in the interviews with Mike Aulie as back-up.

Management Agreement with BLAEDC

Staff is working on the management agreement between the CWC HRA and BLAEDC with Attorney Martha Ingram and Tyler Glenn from BLAEDC. Attorney Ingram has stressed that all of the funds provided to BLAEDC from the CWC HRA must be used on eligible activities in the HRA statute. Just prior to the meeting, she sent a draft agreement. The plan is to have the agreement finalized by the end of the year and on the January CWC HRA agenda for the Board's consideration.

Workforce Housing Study

The Workforce Housing Study is starting to take shape. Draft recommendations have been received from Redevelopment Resources. The Workforce Housing Task Force will be meeting on Thursday, December 19th to discuss these recommendations and start to review the draft of the housing study. It is anticipated that the final report will be provided to the CWC HRA Board at either the January or February meeting.

- b. Brainerd HRA/Rehab Programs:** Schommer reviewed his report. He also shared that FHLB will release results of applications on Thursday or Friday of this week. Interviews of five candidates for the housing specialist position are taking place tomorrow.
- c. BLAEDC:** Glynn reported that interviews start on Thursday for their executive director. Four will be interviewed including Glynn. BUF had its first \$200,000 loan payoff. The program has been successful with zero delinquencies to date.
- d. Crow Wing County:** Commissioner Brekken recommended a community meeting to share results of the workforce housing study.

8. JANUARY 14TH MEETING AGENDA TOPICS: BLAEDC Shared Services Agreement, Annual Meeting (election of officers and review of bylaws)

9. ADJOURNMENT:

Commissioner Magnan moved to adjourn the meeting. Commissioner Goble seconded the motion. All commissioners were in favor and none were opposed. The motion was approved at 6:12 p.m.



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Housing & Redevelopment Authority

To: CWC HRA Board Members
From: Karen Young, Finance Director
Date: January 8, 2020
Re: Review & Accept Financial Statements

Please find attached the financial information for December 2019.

CWC HRA Tax Levy

Reflected in the December General Fund financial statements is the deposit of \$40,203.03 in property tax and other tax. The tax payments received to date for 2019 totaled \$95,716.16.

2019 Audit

The 2019 audit fieldwork is scheduled with CliftonLarsonAllen (CLA) during the week of February 3rd.

Action Requested: Accept the December financial statements as submitted.



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Date/Time roberta
1/8/2020 7:43:36 AM

**Crow Wing County
CWC HRA Combined Balance Sheet
December, 2019**

Cumulative

ASSETS

556-000-1120.000 A/R Other - Dev	288.12
557-000-1120.000 A/R Other Tax Forf Prop	2,000.00
550-000-1121.000 Taxes Receivable	207.84
550-000-1129.210 Cash Gen Fund	199,380.31
550-001-1129.210 Cash CWC SCDP	45,491.60
551-002-1129.210 Cash RLF TIF	294,789.06
556-000-1129.210 Cash Development Fund	-288.12
557-000-1129.210 Cash Tax Forf Property	-4,767.67
551-002-1141.000 Loans Rec RLF TIF	65,375.42
551-002-1143.000 Loan Rec Grand Oaks	48,000.00
551-002-1153.000 Accrued Int Grand Oaks	7,200.00
556-000-1450.000 Land Held for Resale	549,925.67
TOTAL ASSETS	<u>1,207,602.23</u>

LIABILITIES

550-000-2600.000 Def Inflow of Resources	-7,200.00
556-000-2600.000 Def Inflow of Res - Dev	-549,925.67
TOTAL LIABILITIES	<u>-557,125.67</u>

SURPLUS

550-000-2700-000 Net Income	20,427.11
550-000-2806.000 Retained Earnings	-670,903.67
TOTAL SURPLUS	<u>-650,476.56</u>

TOTAL LIABILITIES & SURPLUS

Proof	0.00
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Date: 1/8/2020
Time: 7:43:39 AM
roberta

**Crow Wing County
CWC HRA Combined Operating Stmt
December, 2019**

Page: 1
Rpt File: F:\HMS\REP

	Current Period	Current Year	Year To Date	Budget	Variance
INCOME					
550-000-3690.000 Other Revenue	0.00	-29,653.01	-27,000.00	-2,653.01	
550-000-3691.000 Property Tax Revenue	-39,995.90	-95,509.03	-98,500.00	2,990.97	
550-000-3692.000 Other Tax Revenue	-414.97	-414.97	0.00	-414.97	
551-002-3610.000 RLF TIF Interest Rev	-327.90	-3,425.42	0.00	-3,425.42	
556-000-3696.000 Development Revenue	-288.12	-99,205.78	-191,200.00	91,994.22	
557-000-3696.000 TFP Revenue	-2,000.00	-2,500.00	-20,000.00	17,500.00	
TOTAL INCOME	-43,026.89	-230,708.21	-336,700.00	105,991.79	
EXPENSE					
550-000-4110.000 Administrative Salaries	375.00	4,650.00	4,500.00	150.00	
550-000-4130.000 Legal	336.00	366.00	5,000.00	-4,634.00	
550-000-4140.000 Staff Training	0.00	0.00	1,500.00	-1,500.00	
550-000-4150.000 Travel	0.00	87.58	200.00	-112.42	
550-000-4171.000 Auditing Fees	0.00	6,650.00	6,650.00	0.00	
550-000-4172.000 Management Fees	5,000.00	60,000.00	60,000.00	0.00	
550-000-4190.000 Other Administrative	0.00	0.00	200.00	-200.00	
550-000-4500.000 TIF Expense	0.00	823.80	600.00	223.80	
550-000-4510.000 Insurance	115.13	1,382.00	2,100.00	-718.00	
550-000-4540.000 Employer FICA	28.69	355.74	350.00	5.74	
550-000-4590.000 Other General Expense	10,500.00	39,042.27	61,000.00	-21,957.73	
550-001-4600.000 CWC SCDP Expense	0.00	31,822.65	27,000.00	4,822.65	
551-002-4600.000 RLF TIF Expense	1,141.80	1,141.80	0.00	1,141.80	
556-000-4600.000 Development Expense	1,231.50	99,187.39	-191,200.00	-92,012.61	
557-000-4600.000 TFP Expense	2,000.00	5,626.09	10,050.00	-4,423.91	
TOTAL EXPENSE	20,728.12	251,135.32	370,350.00	-119,214.68	
NET INCOME(-) OR LOSS	-22,298.77	20,427.11	33,650.00	-13,222.89	



Crow Wing County HRA
December 2019 Payments

Payment Number	Payment Date	Vendor	Description	Check Amount
22998	12/5/2019	Kennedy & Graven, Chartered	Legal Fees For Level Lots Purchased	\$ 1,231.50
23012	12/19/2019	Brainerd Lakes Area Economic Development	2019 1% Loan Fee Victual	\$ 570.90
23022	12/19/2019	Initiative Foundation	2019 1% Loan Fee Victual	\$ 570.90
23035	12/31/2019	Brainerd Lakes Area Economic Development	2nd 1/2 of 2019 Funding	\$ 10,500.00
23037	12/31/2019	Breen & Person, Ltd.	Legal Fees Habitat-Crosby Lots	\$ 2,000.00
23052	12/31/2019	Kennedy & Graven, Chartered	Legal Fees Hsg Trust Fund & HRA Levy	\$ 336.00
23053	12/31/2019	Lakes Area Habitat for Humanity	Crosby-Habitat Tax Forfiet Lots Holding Costs	\$ 1,000.00
Total				\$ 16,209.30



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Housing & Redevelopment Authority

To: CWC HRA Board Members
From: John Schommer, Rehab Coordinator
Date: January 9, 2020
Re: Consider Resolution No. 2020-01 Approving an Amendment to the Purchase and Redevelopment Agreement for LAHFH Crosby Lots

We recently sold LAHFH (Lakes Area Habitat for Humanity), a local non-profit organization, a tax-forfeited tract through our Tax Forfeited Property Policy. The sale was delayed due to them considering trading the tract for another piece of property. As a result of the delay, the closing dates in the PDA (Purchase and Development Agreement) our attorney drafted passed causing the need to do an amendment to correct the dates. A resolution approving an amendment would have to be approved allowing an amendment to the PDA. The attorney has drafted a resolution (Attachment 5a) along with the amendment to correct the dates (Attachment 5b).

Action Requested: Approve Resolution No. 2020-01 allowing a first amendment of a Purchase and Redevelopment Agreement between the Crow Wing County HRA and Lakes Area Habitat for Humanity.



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HOUSING AND REDEVELOPMENT AUTHORITY IN AND FOR THE COUNTY OF CROW WING**HRA RESOLUTION NO. 2020-01****RESOLUTION APPROVING A FIRST AMENDMENT OF A PURCHASE AGREEMENT BETWEEN THE HOUSING AND REDEVELOPMENT AUTHORITY IN AND FOR THE COUNTY OF CROW WING AND LAKES AREA HABITAT FOR HUMANITY**

BE IT RESOLVED BY the Board of Commissioners ("Board") of the Housing and Redevelopment Authority in and for the County of Crow Wing (the "Authority") as follows:

Section 1. Recitals.

1.01. The Authority currently administers its Redevelopment Project No. 1 within Crow Wing County (the "County"), pursuant to Minnesota Statutes, Sections 469.001 to 469.047, as amended.

1.02. Pursuant to a duly noticed public hearing on the sale of Authority property, the Authority and Lakes Area Habitat for Humanity (the "Buyer") executed a Purchase Agreement, dated as of June 11, 2019 (the "Agreement"), providing for the conveyance by the Authority to the Buyer of certain property located at XXX Poplar Street within the City of Crosby, legally described as follows:

Lots 4, 5, 6, and 7, except the West 10 feet of Lot 7, Block 5, West Park Addition to Crosby, according to the recorded plat thereof on file in the office of the County Recorder in and for Crow Wing County, Minnesota (the "Property").

1.03. The parties have negotiated and propose to execute a First Amendment to the Agreement (the "First Amendment") to extend the deadline for the conveyance of the Property.

Section 2. First Amendment Approved.

2.01. The First Amendment as presented to the Board is hereby in all respects approved, subject to modifications that do not alter the substance of the transaction and that are approved by the Chair and Interim Executive Director, provided that execution of the First Amendment by such officials shall be conclusive evidence of approval.

2.02. The Chair and Interim Executive Director are hereby authorized to execute on behalf of the Authority the First Amendment and any documents referenced therein requiring execution by the Authority, and to carry out, on behalf of the Authority, its obligations thereunder.



2.03. Authority staff and consultants are authorized to take any actions necessary to carry out the intent of this resolution.

Approved by the Board of Commissioners of the Housing and Redevelopment Authority in and for the County of Crow Wing this 14th day of January, 2020.

Chair

ATTEST:

Secretary

FIRST AMENDMENT TO PURCHASE AND REDEVELOPMENT CONTRACT

This Amendment is made as of _____, 2020, by and between the Housing and Redevelopment Authority in and for the County of Crow Wing, a public body corporate and politic and political subdivision of the State of Minnesota (the "Authority") and Lakes Area Habitat for Humanity, Inc., a Minnesota nonprofit corporation (the "Developer").

WHEREAS, the Authority and the Developer entered into that certain Purchase and Redevelopment Contract dated as of June 11, 2019 (the "Agreement") providing, among other things, for the conveyance of certain property legally described as Lots 4, 5, 6, and 7, except the West 10 feet of Lot 7, Block 5, West Park Addition to Crosby, according to the recorded plat thereof on file in the office of the County Recorder in and for Crow Wing County, Minnesota (the "Property") and the construction of certain improvements (the "Improvements") on the Property; and

WHEREAS, due to unanticipated delays in closing on the conveyance of the Property, the parties have determined to amend the Agreement to provide for a later Date of Closing.

NOW, THEREFORE, in consideration of the premises and the mutual obligations of the parties hereto, each of them does hereby covenant and agree with the other as follows:

1. Amendment to Section 4 of the Agreement. Section 4 of the Agreement is amended to provide that the Date of Closing shall be no later than January 31, 2020.

2. Miscellaneous. Except as amended by this Amendment, the Agreement shall remain in full force and effect.

(Remainder of this page intentionally left blank.)

IN WITNESS WHEREOF, the parties have caused this Amendment to be duly executed as of the day and year first above written.

**HOUSING AND REDEVELOPMENT
AUTHORITY IN AND FOR THE COUNTY OF
CROW WING**

By _____
Its Chair

By _____
Its Interim Executive Director

STATE OF MINNESOTA)
) SS
)
COUNTY OF CROW WING)

The foregoing instrument was acknowledged before me this _____ day of _____, 2020, by _____, the Chair of the Housing and Redevelopment Authority in and for the County of Crow Wing, a public body corporate and politic under the laws of Minnesota, on behalf of the authority.

Notary Public

STATE OF MINNESOTA)
) SS
)
COUNTY OF CROW WING)

The foregoing instrument was acknowledged before me this _____ day of _____, 2020, by Karen Young, the Interim Executive Director of the Housing and Redevelopment Authority in and for the County of Crow Wing, a public body corporate and politic under the laws of Minnesota, on behalf of the authority.

Notary Public

Authority Signature Page to First Amendment to Purchase and Redevelopment Contract



LAKES AREA HABITAT FOR HUMANITY, INC.

By _____
Its _____

STATE OF MINNESOTA)
) SS
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of
_____, 2020, by _____, the
_____, of Lakes Area Habitat for Humanity, Inc., a nonprofit corporation under
the laws of Minnesota, on behalf of the corporation.

Notary Public

THIS DOCUMENT DRAFTED BY:

Kennedy & Graven, Chartered
470 US Bank Plaza
200 South Sixth Street
Minneapolis, MN 55402
(612) 337-9300

Developer Signature Page to First Amendment to Purchase and Redevelopment Contract



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Housing & Redevelopment Authority

To: CWC HRA Board Members
From: Karen Young, Finance Director
Date: January 8, 2020
Re: Consider BLADC and CREDI Agreements for Professional Services

The 2020 budget approved by the Board included using levy dollars for funding economic development and redevelopment services of \$87,000 to the Brainerd Lakes Area Economic Development Corporation (BLADC) and \$25,000 to Cuyuna Range Economic Development Inc. (CREDI). As such, staff worked with our attorney, Martha Ingram, and Tyler Glynn from BLADC to draft Agreements for Professional Services for both organizations (see Attachments 5a and 5b).

A significant factor in drafting the agreements is that all of the funds provided to BLADC and CREDI from the CWC HRA must be used on eligible activities per the HRA statute. Monthly reports on activities and progress will be provided to the CWC HRA from both organizations and certification that all funds were expended on authorized activities.

Action Requested: Approve Resolutions No. 2020-02 and 2020-03, Approving the Agreements for Professional Services between the CWC HRA and BLADC and CREDI.



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HOUSING AND REDEVELOPMENT AUTHORITY
IN AND FOR THE COUNTY OF CROW WINGRESOLUTION NO. 2020-02RESOLUTION APPROVING AGREEMENT FOR PROFESSIONAL SERVICES
BETWEEN THE HOUSING AND REDEVELOPMENT AUTHORITY IN AND
FOR THE COUNTY OF CROW WING AND BRAINERD LAKES AREA
DEVELOPMENT CORPORATION

BE IT RESOLVED By the Board of Commissioners ("Board") of the Housing and Redevelopment Authority in and for the County of Crow Wing ("Authority") as follows:

Section 1. Recitals.

1.01. The Authority is a housing and redevelopment authority governed by Minnesota Statutes, Sections 469.001 to 469.047 ("HRA Act"), and has determined to carry out redevelopment activities within Crow Wing County (the "County") pursuant to the HRA Act.

1.02. The Authority and Brainerd Lakes Area Development Corporation ("BLADC") have proposed to enter into an Agreement for Professional Services (the "Agreement"), setting forth the scope and terms of various economic development and redevelopment activities to be performed by BLADC on behalf of the Authority.

1.03. The Board has reviewed the Agreement and found that the execution thereof and performance of the Authority's obligations thereunder are in the public interest and will further the objectives of its general plan of economic development and redevelopment, because it will further the above-stated redevelopment goals of the County.

Section 2. Authority Approval; Further Proceedings.

2.01. The Agreement as presented to the Board, including the terms of payment by the Authority for the Services described therein, is hereby in all respects approved, subject to modifications that do not alter the substance of the transaction and that are approved by the Chair and Interim Executive Director, provided that execution of the documents by such officials shall be conclusive evidence of approval.

2.02. The Chair and Interim Executive Director are hereby authorized to execute on behalf of the Authority the Agreement and any documents referenced therein requiring execution by the Authority, and to carry out, on behalf of the Authority, its obligations thereunder.

2.03. Authority staff are authorized and directed to take all actions to implement the Agreement.

Approved by the Board of Commissioners of the Housing and Redevelopment Authority in and for the County of Crow Wing this 14th day of January, 2020.

Chair

ATTEST:

Secretary



**AGREEMENT FOR PROFESSIONAL SERVICES BETWEEN HOUSING AND
REDEVELOPMENT AUTHORITY IN AND FOR THE COUNTY OF CROW WING
AND THE BRAINERD LAKES AREA DEVELOPMENT CORPORATION**

THIS AGREEMENT is entered into this 14th of January, 2020, by the Housing and Redevelopment Authority in and for the County of Crow Wing, a public body corporate and politic and political subdivision of the State of Minnesota (the “County HRA”) and the Brainerd Lakes Area Development Corporation, a Minnesota nonprofit corporation (“BLADC”).

WHEREAS, BLADC’s mission is to foster economic development and redevelopment throughout the Brainerd Lakes and Cuyuna Lakes area of Crow Wing County (the “County”), and to provide streamlined services to potential developers and employers throughout the County; and

WHEREAS, among its other mandates, the County HRA is tasked with promoting the redevelopment of areas within the County that are susceptible to blight or blighting factors, which redevelopment may include establishing new businesses or otherwise fostering the economic development of such areas; and

WHEREAS, BLADC has proposed to provide economic development and redevelopment services to the County HRA in furtherance of the mission of both parties, and the County HRA has determined that it is in the best interest of the County and its residents to enter into this Agreement.

NOW, THEREFORE, the parties hereto represent, warrant and agree as follows:

1. **SERVICES**. BLADC agrees to provide the following services (the “Services”) for the benefit of the County HRA:
 - a. To provide a focal point for economic development within the County by assisting business and industry with site location, financial assistance services, and business planning services;
 - b. To provide community services and marketing programs for the purpose of expanding the tax base and increasing employment within the County;
 - c. To maintain an office within the County to conduct its services, and to provide all staff necessary to carry out such services;
 - d. To provide monthly reports to the County HRA on its activities and progress; and
 - e. To attend monthly meetings of the board of commissioners of the County HRA when appropriate or requested by the County HRA.
2. **LIMITATIONS**. BLADC expressly agrees and acknowledges that the Services enumerated in Section 1 hereof shall be limited to activities authorized under the provisions of Minnesota Statutes, Sections 469.001 to 469.047, as amended (the “HRA

Act”), specifically activities fostering the redevelopment or rehabilitation of blighted areas within the County. “Blighted areas” shall mean any area with buildings or improvements which, by reason of dilapidation, obsolescence, overcrowding, faulty arrangement or design, lack of ventilation, light and sanitary facilities, excessive land coverage, deleterious land use, or obsolete layout, or any combination of these or other factors, are detrimental to the safety, health, morals, or welfare of the community.

3. **REPORTS.** BLADC further agrees and acknowledges that it will be BLADC’s responsibility to ensure that all Services provided under this Agreement meet all requirements for the use of HRA funds under the HRA Act, and that BLADC shall establish safeguards against the use of HRA funds for economic development activities not meeting such requirements. All reports provided to the County HRA pursuant to Section 1(d) hereof shall include certifications that all HRA funds provided to BLADC pursuant to this Agreement have been expended solely for the purposes authorized herein, subject to the limitations provided in Section 2.
4. **TERM OF AGREEMENT.** The term of this Agreement shall be one year, commencing January 1, 2020 and terminating December 31, 2020.
5. **COMPENSATION.** The County HRA agrees to pay BLADC a total of \$87,000 to provide the Services. This total shall be comprised of two equal payments of \$43,500, one due and payable on or before July 1, 2020 and the second due and payable on or before December 31, 2020. Notwithstanding the foregoing, the County HRA’s obligation to make any payments hereunder is subject to the prior receipt by the County HRA of all reports referenced in Section 3 and required to be delivered by BLADC prior to the applicable date of payment.
6. **NO ASSIGNMENT.** Neither party to this Agreement may assign or transfer its interest in this Agreement without the written consent of the other party.
7. **REPRESENTATIVES NOT INDIVIDUALLY LIABLE.** The County HRA and BLADC represent and agree that no member, official, or employee of the County HRA shall have any personal interest, direct or indirect, in this Agreement, nor shall any such member, official, or employee participate in any decision relating to this Agreement that affects their personal interests or the interests of any corporation, partnership, or association in which they, directly or indirectly, are interested. No member, official, or employee of the County HRA shall be personally liable to BLADC, or any successor in interest, in the event of any default or breach by the County HRA or for any amount that may become due to BLADC or successor or on any obligations under the terms of the Agreement.
8. **COUNTERPARTS.** This Agreement may be executed in any number of counterparts, each of which shall constitute one and the same instrument.

IN WITNESS THEREOF, the parties have caused this Agreement to be executed as of the date first written above.

BRAINERD LAKES AREA
DEVELOPMENT CORPORATION

President

Executive Director

HOUSING AND REDEVELOPMENT
AUTHORITY IN AND FOR THE
COUNTY OF CROW WING

Chair

Interim Executive Director



HOUSING AND REDEVELOPMENT AUTHORITY
IN AND FOR THE COUNTY OF CROW WINGRESOLUTION NO. 2020-03RESOLUTION APPROVING AGREEMENT FOR PROFESSIONAL SERVICES
BETWEEN THE HOUSING AND REDEVELOPMENT AUTHORITY IN AND
FOR THE COUNTY OF CROW WING AND CUYUNA RANGE ECONOMIC
DEVELOPMENT, INC.

BE IT RESOLVED By the Board of Commissioners ("Board") of the Housing and Redevelopment Authority in and for the County of Crow Wing ("Authority") as follows:

Section 1. Recitals.

1.01. The Authority is a housing and redevelopment authority governed by Minnesota Statutes, Sections 469.001 to 469.047 ("HRA Act"), and has determined to carry out redevelopment activities within Crow Wing County (the "County") pursuant to the HRA Act.

1.02. The Authority and Cuyuna Range Economic Development, Inc. ("CREDI") have proposed to enter into an Agreement for Professional Services (the "Agreement"), setting forth the scope and terms of various economic development and redevelopment activities to be performed by CREDI on behalf of the Authority.

1.03. The Board has reviewed the Agreement and found that the execution thereof and performance of the Authority's obligations thereunder are in the public interest and will further the objectives of its general plan of economic development and redevelopment, because it will further the above-stated redevelopment goals of the County.

Section 2. Authority Approval; Further Proceedings.

2.01. The Agreement as presented to the Board, including the terms of payment by the Authority for the Services described therein, is hereby in all respects approved, subject to modifications that do not alter the substance of the transaction and that are approved by the Chair and Interim Executive Director, provided that execution of the documents by such officials shall be conclusive evidence of approval.

2.02. The Chair and Interim Executive Director are hereby authorized to execute on behalf of the Authority the Agreement and any documents referenced therein requiring execution by the Authority, and to carry out, on behalf of the Authority, its obligations thereunder.

2.03. Authority staff are authorized and directed to take all actions to implement the Agreement.

Approved by the Board of Commissioners of the Housing and Redevelopment Authority in and for the County of Crow Wing this 14th day of January, 2020.

Chair

ATTEST:

Secretary

**AGREEMENT FOR PROFESSIONAL SERVICES BETWEEN HOUSING AND
REDEVELOPMENT AUTHORITY IN AND FOR THE COUNTY OF CROW WING
AND CUYUNA RANGE ECONOMIC DEVELOPMENT, INC.**

THIS AGREEMENT is entered into this 14th of January 2020, by the Housing and Redevelopment Authority in and for the County of Crow Wing, a public body corporate and politic and political subdivision of the State of Minnesota (the “County HRA”) and Cuyuna Range Economic Development, Inc. a Minnesota nonprofit corporation (“CREDI”).

WHEREAS, CREDI’s mission, in partnership with the Brainerd Lakes Area Development Corporation (BLADC), is to foster economic development and redevelopment throughout the Cuyuna Lakes area (the “Service Area”) of Crow Wing County, and to provide streamlined services to potential developers and employers throughout the Service Area; and

WHEREAS, among its other mandates, the County HRA is tasked with promoting the redevelopment of areas within the County that are susceptible to blight or blighting factors, which redevelopment may include establishing new businesses or otherwise fostering the economic development of such areas; and

WHEREAS, CREDI, through partnership with the BLADC staff, has proposed to provide economic development and redevelopment services to the County HRA in furtherance of the mission of both parties, and the County HRA has determined that it is in the best interest of the Service Area and its residents to enter into this Agreement.

NOW, THEREFORE, the parties hereto represent, warrant and agree as follows:

1. **SERVICES**. CREDI agrees to provide the following services (the “Services”) for the benefit of the County HRA:
 - a. To provide a focal point for economic development within the Service Area by assisting business and industry with site location, financial assistance services, and business planning services;
 - b. To provide community services and marketing programs for the purpose of expanding the tax base and increasing employment within the Service Area;
 - c. To maintain an office within the Service Area to conduct its services, and to provide all staff necessary to carry out such services;
 - d. To provide monthly reports to the County HRA on its activities and progress; and
 - e. To attend monthly meetings of the board of commissioners of the County HRA when appropriate or requested by the County HRA.
2. **LIMITATIONS**. CREDI expressly agrees and acknowledges that the Services enumerated in Section 1 hereof shall be limited to activities authorized under the

provisions of Minnesota Statutes, Sections 469.001 to 469.047, as amended (the “HRA Act”), specifically activities fostering the redevelopment or rehabilitation of blighted areas within the Service Area. “Blighted areas” shall mean any area with buildings or improvements which, by reason of dilapidation, obsolescence, overcrowding, faulty arrangement or design, lack of ventilation, light and sanitary facilities, excessive land coverage, deleterious land use, or obsolete layout, or any combination of these or other factors, are detrimental to the safety, health, morals, or welfare of the community.

3. **REPORTS.** CREDI further agrees and acknowledges that it will be CREDI’s responsibility to ensure that all Services provided under this Agreement meet all requirements for the use of HRA funds under the HRA Act, and that CREDI shall establish safeguards against the use of HRA funds for economic development activities not meeting such requirements. All reports provided to the County HRA pursuant to Section 1(d) hereof shall include certifications that all HRA funds provided to CREDI pursuant to this Agreement have been expended solely for the purposes authorized herein, subject to the limitations provided in Section 2.
4. **TERM OF AGREEMENT.** The term of this Agreement shall be one year, commencing January 1, 2020 and terminating December 31, 2020.
5. **COMPENSATION.** The County HRA agrees to pay CREDI a total of \$25,000 to provide the Services. This total shall be comprised of two equal payments of \$12,500, one due and payable on or before July 1, 2020 and the second due and payable on or before December 31, 2020. Notwithstanding the foregoing, the County HRA’s obligation to make any payments hereunder is subject to the prior receipt by the County HRA of all reports referenced in Section 3 and required to be delivered by CREDI prior to the applicable date of payment.
6. **NO ASSIGNMENT.** Neither party to this Agreement may assign or transfer its interest in this Agreement without the written consent of the other party.
7. **REPRESENTATIVES NOT INDIVIDUALLY LIABLE.** The County HRA and CREDI represent and agree that no member, official, or employee of the County HRA shall have any personal interest, direct or indirect, in this Agreement, nor shall any such member, official, or employee participate in any decision relating to this Agreement that affects their personal interests or the interests of any corporation, partnership, or association in which they, directly or indirectly, are interested. No member, official, or employee of the County HRA shall be personally liable to CREDI, or any successor in interest, in the event of any default or breach by the County HRA or for any amount that may become due to CREDI or successor or on any obligations under the terms of the Agreement.
8. **COUNTERPARTS.** This Agreement may be executed in any number of counterparts, each of which shall constitute one and the same instrument.

IN WITNESS THEREOF, the parties have caused this Agreement to be executed as of the date first written above.

CUYUNA RANGE ECONOMIC
DEVELOPMENT, INC.

President

Executive Director

HOUSING AND REDEVELOPMENT
AUTHORITY IN AND FOR THE
COUNTY OF CROW WING

Chair

Interim Executive Director





Housing & Redevelopment Authority

To: CWC HRA Board Members
From: Karen Young, Interim Executive Director
Date: January 8, 2020
Re: Executive Director Report

Executive Director Search

The Brainerd HRA Board met with Gary Weiers from DDA Human Resources, Inc. at their December 18th Board Meeting to finalize the position profile and hiring process for an executive director. The schedule is to have the position advertised (<https://www.ddahumanresources.com/active-searches>) and open from January 6th to February 3rd and conduct interviews on February 26th. The interview process will include one member from the CWC HRA Board and one member from the Crosby HRA Board. The two members from CWC HRA and Crosby HRA can provide input but will not take part in the candidate selection.

Workforce Housing Study

The Workforce Housing Task Force met on December 19th to discuss draft recommendations. The first draft of the Workforce Housing Study is expected on January 9th and the Task Force will meet again on January 23rd. The final study will be presented by Kristen Fish-Peterson from Redevelopment Resources at the February CWC HRA board meeting.

Housing Trust Fund Ordinance

At the December meeting, the Board authorized staff to present the Housing Trust Fund Ordinance at the January 21st Committee of the Whole and then for approval by the County Board at the February 11th meeting.

No Action Requested; Discussion Item



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Housing & Redevelopment Authority

To: CWC HRA Board Members
 From: John Schommer, Rehab Coordinator
 Date: January 8, 2020
 Re: Brainerd HRA/Rehab Programs Report

NE BRAINERD SCDP

Address	Type of Rehab	Units	Status
707 Laurel St.	Commercial	1	Complete
707 Laurel St.	Mixed-use	9	Bidding
212 1 st Ave. NE	Owner-occupied	1	Complete
612 2 nd Ave. NE	Owner-occupied	1	Complete
201 & 203 B St.	Rental	2	Work Write-up
419 3 rd Ave. NE	Rental	3	Work Write-up
726 4 th Ave. NE	Rental	3	Application Phase

Emily SCDP

- » 4 owner-occupied projects are complete
- » 1 application is being processed

FHLB AHP Application

Unfortunately, we found out we were not funded.

MHFA

- » 5 projects are in construction
- » 1 project is bidding
- » 1 project is in work write-up

BRAINERD OAKS/SERENE PINES

Development	Total	# Sold to Developer	# Sold to End Buyer	For Sale	In Construction
Brainerd Oaks	81*	35	25	6	5
Serene Pines	23	11	8	3	3
Dalmar Estates	7	1	1	0	1

*Originally 83 lots, two have been merged/combined into a single parcel.



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