

Crow Wing County HRA Board Meeting

5:00 p.m. Tuesday, October 13th, 2020

Webex Video/Teleconference

Join from your browser: <https://brainerdhra.my.webex.com/brainerdhra.my/j.php?MTID=mf5de06962cb11b80e551d7d4d355baa0>

Join by phone: 415-655-0001

Meeting number (access code): 126 949 0174

Meeting password: 101320

"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. REVIEW and APPROVE MINUTES (Attachment 1).....p. 3
4. REVIEW and ACCEPT FINANCIAL STATEMENTS (Attachment 2).....p. 5
5. UNFINISHED BUSINESS
6. NEW BUSINESS
7. REPORTS
 - a. Executive Director (Attachment 3).....p. 11
 - b. Rehab Programs (Attachment 4).....p. 13
 - c. BLAEDC/CREDI (Attachment 5).....p. 15
 - d. CWC
8. HRA COMMISSIONER COMMENTS
9. NEXT MEETING AGENDA TOPICS: Tuesday, November 10, 2020
10. ADJOURNMENT

2020 Commissioners

Craig Nathan, Chair - District 4 (12-31-20)

Michael Aulie, Vice Chair - District 5 (12-31-21)

Michael Morford, Secretary/Treasurer - District 2 (12-31-23)

Richard (George) Burton - District 1 (12-31-22)

Zach Tabatt, Commissioner - District 3 (12-31-24)



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Crow Wing County HRA Board Meeting Minutes from Tuesday, September 8th, 2020

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 via Webex video/teleconference at 5:00 p.m., Tuesday, September 8th, 2020.

1. **CALL TO ORDER:** Chair Craig Nathan called the meeting to order at 5:04 p.m.
2. **ROLL CALL:** Those present include Chair Craig Nathan and Commissioners Michael Aulie, Michael Morford, Zach Tabatt, and Richard (George) Burton; Executive Director Eric Charpentier, Finance Director Karen Young, Rehab Coordinator John Schommer, and Executive Assistant LeAnn Goltz; Tyler Glynn with BLAEDC and Debbie Erickson with CWC.
3. **OATH OF OFFICE:** Mr. Richard (George) Burton was appointed to serve as the District 1 HRA representative filling a term expiring 12-31-22. An oath of office was conducted and the Board welcomed Commissioner Burton.
4. **REVIEW and APPROVE MINUTES**

Moved by Commissioner Aulie and seconded by Commissioner Tabatt to approve the minutes from August 11, 2020. Through a roll call vote, all commissioners were in favor of the motion and none were opposed. The minutes were approved.
5. **REVIEW and ACCEPT FINANCIAL STATEMENTS:** Per the action taken by the Board at the August board meeting, upon approval of the 2021 budget, staff sent a letter to the CWC commissioners requesting approval of a level levy for 2021. The letter, signed by Chair Nathan, was submitted to CWC staff on August 17th. There is a CWC Budget Committee meeting scheduled on September 10th and presentations are not needed for those departments not asking for a budget increase.

Moved by Commissioner Tabatt and seconded by Commissioner Morford to accept the August 2020 financial statements as presented. Through a roll call vote, all commissioners voted in favor and none were opposed. The motion passed.
6. **UNFINISHED BUSINESS:** Nothing to report.
7. **NEW BUSINESS:** Nothing to report.
8. **REPORTS**
 - a. **Executive Director:** The technical assistance grant that was awarded by Minnesota Housing Partnership (MHP) is moving forward. A Memorandum of Understanding between MHP and the Brainerd HRA has been executed and a copy was provided to the Board. It explains that the technical assistance is for the Housing Trust Fund, a CWC HRA initiative, but it recognizes that the assistance will be provided to the staff of the Brainerd HRA, whom will administer the program.



- b. **Brainerd HRA/Rehab Programs:** Schommer provided an update on the projects in progress for NE Brainerd SCDP, Emily SCDP, MHFA, and Brainerd Oaks/Serene Pines. He also reported on the following:

SCDP Preliminary Proposal: Staff is working with the City of Garrison to submit a SCDP preliminary proposal this fall for single-family owner-occupied and commercial rehab. They are also working with the City of Jenkins to submit a preliminary proposal for owner-occupied and possibly rental or commercial rehab.

FHLB: Funding decisions will be announced in December.

Workforce Housing Study and Housing Trust Fund

Schommer presented on the Workforce Housing Study and Housing Trust Fund at the Crosslake EDA Regional Workshop via a Zoom meeting for the communities of Ideal, 50 Lakes, Emily, Crosby, Deerwood, Mission Township, and of course Crosslake. He, along with Charpentier and Goltz, attended the meeting on Wednesday, September 2nd and were able to share the Workforce Housing Study with the group. There were approximately 15 people that attended the meeting.

- c. **BLAEDC/CREDI:** Glynn reported that there has been a lot of redevelopment activity in the Crosby-Ironton area and he has been working with a developer. BLAEDC has been extremely busy with the CARES Act program as there are many businesses in need. September 18 is the deadline for applications.
9. **CWC:** Erickson reported that CWC has been working on capturing costs incurred since March due to the pandemic. Budget season is also underway and staff has been busy preparing for 2021. They are also getting ready for the approaching elections.
10. **HRA COMMISSIONER COMMENTS:** Nothing to report.
11. **NEXT MEETING AGENDA TOPICS:** CWC HRA Budget
12. **ADJOURNMENT:**

Commissioner Burton moved to adjourn the meeting. Commissioner Tabatt seconded the motion. Via roll call vote, all commissioners were in favor and none were opposed. The motion was approved at 5:49 p.m.





Housing & Redevelopment Authority

To: CWC HRA Board Members
From: Karen Young, Finance Director
Date: October 6, 2020
Re: Review & Accept Financial Statements

Please find attached the financial information for September 2020.

2021 Levy Request

At the September 22nd, 2020, CWC Board of Commissioners meeting, the CWC commissioners set the preliminary 2021 CWC HRA levy at \$729,500. Historically this action has been considered final for the CWC HRA levy approval.

Action Requested: Accept the September financial statements as submitted.

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Date/Time roberta
10/7/2020 7:13:03 AM

**Crow Wing County
CWC HRA Combined Balance Sheet
September, 2020**

	Cumulative
ASSETS	
550-000-1129.210 Cash Gen Fund	179,638.16
550-001-1129.210 Cash CWC SCDP	35,491.60
551-002-1129.210 Cash RLF TIF	364,266.59
556-000-1129.210 Cash Development Fund	1,275.54
557-000-1129.210 Cash Tax Forf Property	-5,446.27
558-000-1129.210 Cash HTF	278,227.30
551-002-1141.000 Loans Rec RLF TIF	55,074.72
556-000-1450.000 Land Held for Resale	442,419.88
TOTAL ASSETS	<u>1,350,947.52</u>
LIABILITIES	
556-000-2600.000 Def Inflow of Res - Dev	-442,419.88
TOTAL LIABILITIES	<u>-442,419.88</u>
SURPLUS	
550-000-2700-000 Net Income	-256,558.68
550-000-2806.000 Retained Earnings	-651,968.96
TOTAL SURPLUS	<u>-908,527.64</u>
TOTAL LIABILITIES & SURPLUS	<u>-1,350,947.52</u>
Proof	0.00

Date: 10/7/2020
Time: 7:13:07 AM
roberta

Crow Wing County
CWC HRA Combined Operating Stmt
September, 2020

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Rpt File: F:\HMS\REP

	Current Period	Current Year	Year To Date Budget	Variance
INCOME				
550-000-3610.000 Investment Earnings	-20.41	-578.62	0.00	-578.62
550-000-3690.000 Other Revenue	0.00	0.00	-20,250.00	20,250.00
550-000-3691.000 Property Tax Revenue	0.00	-403,634.27	-438,000.00	34,365.73
551-002-3610.000 RLF TIF Interest Rev	-301.19	-11,096.69	-8,377.56	-2,719.13
556-000-3696.000 Development Revenue	-35,291.59	-107,217.68	-143,399.97	36,182.29
557-000-3696.000 TFP Revenue	500.00	0.00	-7,499.97	7,499.97
TOTAL INCOME	-35,113.19	-522,527.26	-617,527.50	95,000.24
EXPENSE				
550-000-4110.000 Administrative Salaries	300.00	2,700.00	3,375.00	-675.00
550-000-4130.000 Legal	0.00	809.00	7,499.97	-6,690.97
550-000-4140.000 Staff Training	0.00	0.00	1,125.00	-1,125.00
550-000-4150.000 Travel	4.03	21.29	187.47	-166.18
550-000-4171.000 Auditing Fees	0.00	6,798.75	6,800.00	-1.25
550-000-4172.000 Management Fees	12,500.00	112,500.00	112,500.00	0.00
550-000-4190.000 Other Administrative	0.00	0.00	150.03	-150.03
550-000-4500.000 TIF Expense	54.75	54.75	450.00	-395.25
550-000-4510.000 Insurance	0.00	1,579.00	1,575.00	4.00
550-000-4540.000 Employer FICA	22.95	206.55	262.53	-55.98
550-000-4590.000 Other General Expense	0.00	23,034.40	106,499.97	-83,465.57
550-001-4600.000 CWC SCDP Expense	0.00	10,000.00	20,250.00	-10,250.00
556-000-4600.000 Development Expense	33,979.70	105,942.14	143,399.97	-37,457.83
557-000-4600.000 TFP Expense	0.00	2,322.70	7,499.97	-5,177.27
TOTAL EXPENSE	46,861.43	265,968.58	411,574.91	-145,606.33
NET INCOME(-) OR LOSS	11,748.24	-256,558.68	-205,952.59	-50,606.09



**Crow Wing County HRA
September 2020 Payments**

Payment Number	Payment Date	Vendor	Description	Check Amount
749	44085	John Schommer	Mileage-Hsg Trust Fund & Developments (BO, SP & DE)	\$ 12.09
23517	44084	Forum Communications Company	TIF Disclosure Statements	\$ 54.75
23528	44084	Robert Warcheza	Refund Escrow & TFP Application Fees	\$ 1,500.00
Total				\$ 1,566.84



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Housing & Redevelopment Authority

To: CWC HRA Board Members
From: Eric Charpentier, Executive Director
Date: October 13, 2020
Re: Executive Director Report

Technical Assistance (TA) Grant

Minnesota Housing Partnership held our first meeting for the TA grant on 9/25/20 where we laid out our working timeline and a meeting schedule. We also discussed our goals for these work sessions. Our next meeting is set for 10/22/20.

Minnesota Housing Workforce Housing Program

MN Housing is currently accepting applications for their workforce-housing program for 2020. This program has been funded through the MN legislature since 2017 and would be a potential way to leverage some HTF dollars for a larger project with a developer. The deadline to apply is December 17th, 2020. We will continue to research and look for a developer to partner with. Ideally, we would be able to utilize this in 2021 after establishing a proposed project with a developer.

Action Requested: No action needed, for informational purposes only

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Housing & Redevelopment Authority

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

NE BRAINERD SCDP

Address	Owner	Type of Rehab	Units	Status
707 Laurel St.	Knotty Pine Bakery	Commercial	1	Complete
707 Laurel St.	Sarah H.S.	Mixed-use	9	Substantially Complete
212 1 st Ave. NE	Andrea B.	Owner-occupied	1	Complete
612 2 nd Ave. NE	Kelly R.	Owner-occupied	1	Complete
201 & 203 B St.	Travis B.	Rental	2	In Construction
419 3 rd Ave. NE	Mary & Richard M.	Rental	3	Contract Phase
726 4 th Ave. NE	John G.	Rental	3	In Work Write-up
215 Gillis Ave. NE	Cheri S.	Owner-occupied	1	Bidding
414 3 rd Ave. NE	Select Rental Properties	Rental	1	Contract Phase
206 Gillis Ave. NE	Herbert & Robin J.	Owner-occupied	1	In Work Write-up
721 2 nd Ave. NE	Darin K.	Owner-occupied	1	In Work Write-up

Emily SCDP

- » 6 owner-occupied projects are complete
- » 2 projects are in construction
- » 1 application is being processed

MHFA

- » 1 project is in construction
- » 1 project is in work write-up
- » 1 application is in process

BRAINERD OAKS/SERENE PINES/DALMAR ESTATES

Development	Total	# Sold to Developer	# Sold to End Buyer	For Sale	In Construction
Brainerd Oaks	81*	47	44	0	7
Serene Pines	23	14	13	0	1
Dalmar Estates	7	1	1	0	0

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



SCDP Preliminary Proposal

We are working with the City of Garrison to submit a SCDP preliminary proposal this fall for single-family owner-occupied and commercial rehab and we are also working with the City of Jenkins to submit a preliminary proposal for owner-occupied and possibly rental or commercial rehab. We know that both cities will need leverage dollars to have competitive preliminary proposals and anticipate requesting funds from the Local Income we receive from Crow Wing County next month.

FHLB

We are waiting on funding decisions, which are announced in December.

Housing Trust Fund

We are currently working with a property owner to rehabilitate two properties they own in NE Brainerd and made them aware of the Housing Trust Fund when asked if we were able to help rehab some of their other properties. They have an eight-plex they need some work done on and asked for the HTF guidelines. I sent them the guidelines last week and they are going to let me know if or when they are ready to move forward.

No Action Requested; Discussion Item





Project and Task Summary with Comments

Date Range: 9/1/2020 - 10/1/2020

Project	Gro Project	Task	Date	Employee	Comment	Hours	Amount
Crow Wing County HRA							
	CWC HRA-Blight		Blighted Projects				
		Dev	Development			17.00	\$2,550.00
			9/10/2020	Tyler Glynn	CARES Act grant fund meetings with businesses to determine if they are eligible for the grants that will keep their business open through the winter months	2.00	\$300.00
			9/14/2020	Tyler Glynn	CARES Act grant webinar. Questions and updates regarding available funding and time period that was still available for struggling businesses to apply for grant funds through the county.	2.00	\$300.00
			9/16/2020	Tyler Glynn	CARES Act grant funding review	2.00	\$300.00
			9/18/2020	Tyler Glynn	Review of final applications, discussions with city staff, county staff and eligible businesses to ensure funding is approved for county wide business community	2.00	\$300.00
			9/21/2020	Tyler Glynn	Meeting with a potential buyer of a blighted property on Washington Avenue in Brainerd	2.00	\$300.00
			9/23/2020	Tyler Glynn	Meeting with potential buyer of blighted property in Brainerd, lender and SBDC consultant to review business plan and possible assistance through Unified Fund	2.00	\$300.00
			9/25/2020	Tyler Glynn	Review of full list of grant applicants with county commissioners to approve grants for county businesses that have been impacted by COVID pandemic	2.00	\$300.00
			9/28/2020	Tyler Glynn	Toured blighted property in Ironton with council member and city clerk to determine next steps with TIF request from new developer of blighted property in downtown Ironton.	2.00	\$300.00
			9/29/2020	Tyler Glynn	Follow up discussion with city staff regarding TIF next steps for Ironton project	1.00	\$150.00
		Impl	Implementation			2.00	\$300.00
			9/2/2020	Tyler Glynn	Spoke with grant applicants regarding applications and how funds would be dispersed and when. Many county businesses are fearful that without grant approval, they will have to close their doors	2.00	\$300.00
Blighted Projects Subtotal						19.00	\$2,850.00
	CWC HRA-Redev		Redevelopment Projects				
		Dev	Development			20.00	\$3,000.00



Project and Task Summary with Comments



Date Range: 9/1/2020 - 10/1/2020

Project	Gro Project	Task	Date	Employee	Comment	Hours	Amount
Crow Wing County HRA							
			9/3/2020	Tyler Glynn	Meeting with Brainerd city staff to review application and business subsidy agreements for purchase of land for redevelopment	2.00	\$300.00
			9/4/2020	Tyler Glynn	Assisted business with applications for business subsidy and review full company information with owner and CFO to complete information for city of Brainerd.	3.00	\$450.00
			9/8/2020	Tyler Glynn	CWC HRA Board meeting. Updates to full board of new projects and CARES Act grant updates.	2.00	\$300.00
			9/9/2020	Tyler Glynn	Meeting with developer in Ironton to discuss new project, tour property and meet with city staff regarding funding options	3.00	\$450.00
			9/10/2020	Tyler Glynn	CARES Act updates for county staff involving numerous discussions regarding existing properties and potential redevelopment options	2.00	\$300.00
			9/11/2020	Tyler Glynn	Board meeting with HRA updates and introduction of new HRA Executive Director	2.00	\$300.00
			9/15/2020	Tyler Glynn	Pequot Lakes EDA meeting where discussion occurred to redevelop property located south of the city for housing. Interested developer would like to remove existing structures and redevelop the property for workforce housing	2.00	\$300.00
			9/16/2020	Tyler Glynn	River to Rail meeting where community leaders discussed R2R program incentives. Extensive discussions surrounding open buildings and lots in Brainerd R2R corridor and measures to bring additional attention to vacant properties to ensure redevelopment	2.00	\$300.00
			9/17/2020	Tyler Glynn	Tour of facility in Brainerd that will be a huge redevelopment project in the city that will be available in the next 6 months	2.00	\$300.00
		Mtgs Meetings				19.50	\$2,925.00
			9/21/2020	Tyler Glynn	Brainerd City Council meeting discussion regarding new project for south Brainerd, redevelopment of property in east Brainerd and CARES Act updates	3.00	\$450.00
			9/23/2020	Tyler Glynn	CREDI Board Meeting, discussion of new projects in the CREDI area and resignation of board members. Attended Zoom meeting involving discussions around CREDI territory and redevelopment opportunities.	4.50	\$675.00
			9/24/2020	Tyler Glynn	Updates w/county staff regarding grant numbers and consideration of another round of funding	2.00	\$300.00



Project and Task Summary with Comments



Date Range: 9/1/2020 - 10/1/2020

Project	Gro Project	Task	Date	Employee	Comment	Hours	Amount
Crow Wing County HRA							
			9/25/2020	Tyler Glynn	Meeting with Breezy Point business owner to redevelop existing property and create new business in current property.	2.00	\$300.00
			9/28/2020	Tyler Glynn	Communication w/CREDI board member regarding redevelopment of property located near the C-I school. Board member has been contacted as school would be impacted by project to redevelop property.	1.00	\$150.00
			9/29/2020	Tyler Glynn	Meetings with real estate professionals from Kraus Anderson to review redevelopment opportunities in Crow Wing County.	5.00	\$750.00
			9/30/2020	Tyler Glynn	Forwarded Crow Wing County Housing Study and information about Crow Wing County Housing Trust Fund to representatives of Kraus Anderson and held conference call to review information provided together.	2.00	\$300.00
Redevelopment Projects Subtotal						39.50	\$5,925.00
Crow Wing County HRA Subtotal						58.50	\$8,775.00
Grand Total						58.50	\$8,775.00



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