



Housing & Redevelopment Authority

## Board Meeting Agenda

5:00 p.m. Tuesday, June 8, 2021

**Crow Wing County Land Services Building, Pine/Maple Meeting Room  
322 Laurel St. Brainerd, MN 56401**

Join from browser:

<https://brainerdhra.my.webex.com/brainerdhra.my/j.php?MTID=mbda1efee3ae01e34a1412cbdd89b9bfa>

Join by phone: 415-655-0001

Meeting number (access code): 182 875 4658

Meeting password: 0608

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

- 1. CALL TO ORDER**
- 2. ROLL CALL**
- 3. REVIEW AND APPROVE MINUTES** *(Attachment 1)*
- 4. REVIEW and ACCEPT FINANCIAL STATEMENTS** *(Attachment 2)*
- 5. UNFINISHED BUSINESS**
- 6. NEW BUSINESS**
- 7. REPORTS/UPDATES**
  - a. Executive Director *(Attachment 3)*
  - b. Housing Trust Fund *(Attachment 4)*
  - c. Brainerd HRA/Rehab Programs *(Attachment 5)*
  - d. BLAEDC/CREDI *(Attachment 6)*
  - e. CWC
- 8. HRA Commissioner Comments**
- 9. NEXT MEETING:** July 13, 2021
- 10. ADJOURNMENT**



Housing &amp; Redevelopment Authority

## Crow Wing County HRA BOARD MEETING MINUTES May 11, 2021

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, May 11th, 2021.

1. **CALL TO ORDER:** Chair Michael Aulie called the meeting to order at 5:00 p.m.
2. **ROLL CALL:** Present: Commissioners Craig Nathan, Michael Morford, Michael Aulie, and Zach Tabatt. Absent: Richard (George) Burton.

Others present: Executive Director Eric Charpentier, Finance Director Karen Young, Executive Assistant LeAnn Goltz, Rehab Coordinator John Schommer, and Crow Wing County Commissioner Steve Barrows.

### 3. REVIEW AND APPROVE MINUTES:

**Moved and seconded by Commissioners Nathan and Tabatt to approve the minutes from the April 13th, 2021, board meeting. Through a roll call vote, all commissioners were in favor and none were opposed. The minutes were approved.**

### 4. REVIEW and ACCEPT FINANCIAL STATEMENTS:

#### Payments

Another payment for National Development Corporation (NDC) training in the amount of \$1,425 was processed in April. This will be reimbursed from Minnesota Housing Partnership (MHP) upon completion by John.

**Commissioner Tabatt moved to approve the April financial statements as submitted, followed by a second from Commissioner Nathan. Upon roll call, all commissioners voted in favor of the motion and none were opposed. The motion carried.**

5. **UNFINISHED BUSINESS:** Nothing to report.
6. **NEW BUSINESS:**

- a. **Approve Purchase and Redevelopment Agreement Between CWC HRA and Level Contracting:** Level Contracting LLC requested the purchase of four lots—two

in Brainerd Oaks, one in Serene Pines, and one in Dalmar Estates for a total purchase price of \$42,230.51. A copy of the Purchase and Redevelopment Agreement and corresponding resolution was provided to the board.

**Commissioner Nathan moved to adopt Resolution No. 2021-05, approving the Purchase and Redevelopment Agreement between the Housing and Redevelopment Authority in and for the County of Crow Wing and Level Contracting LLC. Commissioner Tabatt seconded the motion. Upon roll call, all commissioners voted in favor of the motion and none were opposed. The motion carried.**

## **7. REPORTS:**

### **a. Executive Director:**

#### Brainerd Oaks/Serene Pines/Dal Mar Estates Development Agreement

Level Contracting LLC formally expressed interest in Lot 5, Block 3 of Serene Pines. Martha Ingram and her office have started the process of amending the development agreement to include this lot. We are working with the City of Brainerd to ensure that they will not re-certify the assessments on this lot and anticipate selling the lot to Level Contracting to ensure that a home will be built on it. This will go to the personnel and finance committee at the City of Brainerd first for a recommendation to the whole council. After they have taken action, it will come back to this board with a sale price and recommendation for discussion.

#### Meeting with Pequot Lakes Housing Task Force

Charpentier and Schommer recently met with the Pequot Lakes Housing Task Force as well as their city administrator to share ideas and provide them feedback as they assess their current housing stock and make plans for the future of their community. It was a good discussion and they plan on touching base every 4-6 months as their community continues to delve into both new and rehab housing.

- b. Housing Trust Fund:** On April 20th, Charpentier gave an update to the Crow Wing County commissioners about the Housing Trust Fund and its progress. They were receptive to the update and interested in where the four programs are headed. He explained that the program is geared towards affordability for homes and rental units and defined what affordable means (paying no more than 30% of a family's gross income) and the targeted income levels (low- to moderate-income earners up to 115% of area median income). The commissioners did not have any questions and two commissioners spoke of their support for the program.

Charpentier has traded messages with the director of mortgage services at MMFCU regarding servicing the loan portfolio for the fund. He will continue his efforts at setting up a meeting to continue down this path.

Schommer has received two applications for rental rehab and two inquiries about the down payment assistance program.

Charpentier met with the Brainerd Chamber of Commerce along with the Director of the Greater Lakes Association of Realtors (GLAR) to discuss the HTF. They had a general discussion on the state of housing in the county and the goals for the HTF. The Chamber was excited to hear about the four new programs and offered their marketing expertise as a full rollout of these programs gets closer.

**c. Brainerd HRA/Rehab Programs:**

NE Brainerd SCDP

Address	Owner/Name	Type of Rehab	Units	Status
707 Laurel St.	Knotty Pine Bakery	Commercial	1	Complete
707 Laurel St.	Sarah H.S.	Mixed Use	9	Complete
212 1 <sup>st</sup> Ave. NE	Andrea B.	Owner Occupied	1	Complete
612 2 <sup>nd</sup> Ave. NE	Kelly R.	Owner Occupied	1	Complete
201 & 203 B St.	Travis B.	Rental	2	In Construction
215 Gillis Ave. NE	Cheri S.	Owner Occupied	1	In Construction
414 3 <sup>rd</sup> Ave. NE	Select Rental Properties	Rental	1	Complete
206 Gillis Ave NE	Herbert & Robin J.	Owner Occupied	1	In Construction
721 2 <sup>nd</sup> Ave NE	Darin K.	Owner Occupied	1	Complete
315 4 <sup>th</sup> Ave NE	Wayne A.	Rental	3	Application Phase
113 B St NE	Diana L.	Rental	1	Application Phase
507 2 <sup>nd</sup> Ave NE	Bob Long	Owner Occupied	1	Application Phase

Emily SCDD

7 Owner occupied projects complete  
1 Project in construction

MHFA

1 Project in construction  
1 Project in the inspection phase  
2 Applications in process

Brainerd Oaks/Serene Pines/Dalmar Estates

Development	Total	# Sold to Developer	# Sold to End Buyer	For Sale	In Construction
Brainerd Oaks	81*	53	47	1	4
Serene Pines	23	15	14	0	3
Dalmar Estates	7	1	1	0	0

\*Originally 83 lots, 2 have been merged/combined into a single parcel

- d. **BLAEDC/CREDI:** Glynn was absent. The board can expect to see reports for April and May at the June meeting.
- e. **CWC:** Commissioner Barrows reported that Crow Wing County buildings will open May 17<sup>th</sup> and offered the Land Services Building conference rooms as an option if the HRA board would like to meet in person. Those rooms are larger and can accommodate social distancing. The county has vaccines available and asked the board to spread the word.
8. **HRA Commissioner Comments:** The overall consensus of the board was to have an in-person meeting in June with a Webex option for those who would like to participate remotely.
9. **NEXT MEETING:** Tuesday, June 8, 2021, in the Land Services Building. Conference room name TBD.
10. **ADJOURNMENT:**

**Commissioner Nathan made a motion to adjourn the meeting. Commissioner Tabatt seconded the motion. All commissioners voted in favor of the motion and none were opposed. The motion was approved and meeting was adjourned at 5:47 p.m.**



Housing & Redevelopment Authority

To: CWC HRA Board Members  
From: Karen Young, Finance Director  
Date: May 26, 2021  
Re: Review and Accept Financial Statements

---

Please find the attached the financial information for May 2021.

**Level Contracting Closing**

Reflected in the May financial statements is the closing that took place for the purchase of the four lots at Brainerd Oaks for a total of \$19,687.17 as approved at the April meeting. Of this, \$9,200 went to the City for SAC/WAC/Park Fees, \$8,855.69 went to the City in lieu of assessments, and \$390 were for closing costs. We were reimbursed for direct costs of \$1,241.48. With this closing, 61% of the total lots have been purchased by the developer.

**Minnesota Housing Partnership (MHP) Technical Assistance Grant**

We received reimbursement of \$1,425 from MHP for the National Development Corporation (NDC) training that was processed in April.

**Action Requested: Accept the May financial statements as submitted.**

Date/Time roberta  
5/26/2021 3:24:45 PM

**Crow Wing County  
CWC HRA Combined Balance Sheet  
May, 2021**

**Cumulative**

**ASSETS**

550-000-1129.210 Cash Gen Fund	58,275.74
550-001-1129.210 Cash CWC SCDP	68,281.57
551-002-1129.210 Cash RLF TIF	374,710.16
556-000-1129.210 Cash Development Fund	1,207.66
557-000-1129.210 Cash Tax Forf Property	-4,946.27
558-000-1129.210 Cash HTF	493,805.89
551-002-1141.000 Loans Rec RLF TIF	45,501.15
556-000-1450.000 Land Held for Resale	397,462.33
<b>TOTAL ASSETS</b>	<b><u>1,434,298.23</u></b>

**LIABILITIES**

550-000-2112.000 A/P Other	-225.00
556-000-2600.000 Def Inflow of Res - Dev	-397,462.33
<b>TOTAL LIABILITIES</b>	<b><u>-397,687.33</u></b>

**SURPLUS**

550-000-2700-000 Net Income	74,943.48
550-000-2806.000 Retained Earnings	-1,111,554.38
<b>TOTAL SURPLUS</b>	<b><u>-1,036,610.90</u></b>

**TOTAL LIABILITIES & SURPLUS**

**-1,434,298.23**

Proof	0.00
-------	------

Date: 5/26/2021  
Time: 3:24:50 PM  
roberta

**Crow Wing County**  
**CWC HRA Combined Operating Stmt**  
**May, 2021**

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

	<b>Current Period</b>	<b>Current Year</b>	<b>Year To Date Budget</b>	<b>Variance</b>
<b>INCOME</b>				
550-000-3610.000 Investment Earnings	0.00	-19.43	-208.35	188.92
550-000-3690.000 Other Revenue	-1,425.00	-1,425.00	-11,250.00	9,825.00
551-002-3610.000 RLF TIF Interest Rev	-230.40	-1,230.21	-1,900.00	669.79
556-000-3696.000 Development Revenue	-19,687.17	-44,850.25	-79,666.65	34,816.40
557-000-3696.000 TFP Revenue	0.00	-500.00	-4,166.65	3,666.65
<b>TOTAL INCOME</b>	<b>-21,342.57</b>	<b>-48,024.89</b>	<b>-97,191.65</b>	<b>49,166.76</b>
<b>EXPENSE</b>				
550-000-4110.000 Administrative Salaries	300.00	1,350.00	1,875.00	-525.00
550-000-4130.000 Legal	0.00	2,950.00	4,166.65	-1,216.65
550-000-4140.000 Staff Training	0.00	2,565.00	2,208.35	356.65
550-000-4150.000 Travel	0.00	0.00	104.15	-104.15
550-000-4171.000 Auditing Fees	0.00	6,930.00	7,000.00	-70.00
550-000-4172.000 Management Fees	12,500.00	62,500.00	62,500.00	0.00
550-000-4190.000 Other Administrative	0.00	0.00	83.35	-83.35
550-000-4500.000 TIF Expense	0.00	30.00	250.00	-220.00
550-000-4510.000 Insurance	0.00	2,530.00	2,100.00	430.00
550-000-4540.000 Employer FICA	22.96	103.28	145.85	-42.57
550-000-4590.000 Other General Expense	0.00	367.50	57,500.00	-57,132.50
550-001-4600.000 CWC SCDP Expense	0.00	0.00	11,250.00	-11,250.00
556-000-4600.000 Development Expense	18,456.13	43,642.59	79,666.65	-36,024.06
557-000-4600.000 TFP Expense	0.00	0.00	4,166.65	-4,166.65
<b>TOTAL EXPENSE</b>	<b>31,279.09</b>	<b>122,968.37</b>	<b>233,016.65</b>	<b>-110,048.28</b>
<b>NET INCOME(-) OR LOSS</b>	<b>9,936.52</b>	<b>74,943.48</b>	<b>135,825.00</b>	<b>-60,881.52</b>



**Crow Wing County HRA  
May 2021 Payments**

Payment Number	Payment Date	Vendor	Description	Check Amount
813	5/6/2021	John Schommer	BO,SP & DE Mileage & Postage	\$10.44
<b>Total</b>				<b>\$10.44</b>



Housing & Redevelopment Authority

To: CWC HRA Board Members  
From: Eric Charpentier, Executive Director  
Date: June 8<sup>th</sup>, 2021  
Re: Executive Director Report

---

**Brainerd Oaks/Serene Pines/Dal Mar Estates Development Agreement**

We have received a list of steps needed to be taken to complete the process of adding Lot 5, Block 3 of Serene Pines into the Master Purchase and Redevelopment Agreement with Level Contracting LLC. We are reviewing the tax forfeiture proceedings of the lot before requesting that the County convey this lot to the Crow Wing County HRA with the intent that upon sale of this lot to Level Contracting that all net proceeds will go to the City of Brainerd as compensation for the City's waiver of the special assessments and a resolution by the City to waive its right to reinstate the special assessments levied against the lot.

**Action Requested:**

No action needed - for informational purposes only.



Housing &amp; Redevelopment Authority

To: CWC HRA Board Members  
 From: Eric Charpentier, Executive Director  
 Date: June 8<sup>th</sup>, 2021  
 Re: Housing Trust Fund Update

---

I have had the opportunity to talk with the director of mortgage services with Mid MN Federal Credit Union and supplied her with more in-depth detail on our four trust fund programs. She has sent that info on to her team and we are anticipating hearing back from them with any questions on our programs before taking next steps in solidifying our partnership.

We are planning on having Minnesota Housing Partnership on site on June 24<sup>th</sup> as they continue to offer technical assistance to us regarding our programs. This will give their team an opportunity to visit some of the sites that we are looking at for potential development as well as work with our staff face to face. We are excited for this opportunity.

We continue to have interest in both our rehab program and the down payment assistance program. We will continue to process info from potential borrowers as they come in, but we do not have a fully completed application yet.

**Action Requested:**

No action needed - for informational purposes only.



## Housing &amp; Redevelopment Authority

To: CWC HRA Board Members  
 From: John Schommer, Rehab Coordinator  
 Date: June 8, 2021  
 Re: Rehab Programs Report

**NE Brainerd SCDP**

Address	Owner/Name	Type of Rehab	Units	Status
707 Laurel St.	Knotty Pine Bakery	Commercial	1	Complete
707 Laurel St.	Sarah H.	Mixed Use	9	Complete
212 1 <sup>st</sup> Ave. NE	Andrea B.	Owner Occupied	1	Complete
612 2 <sup>nd</sup> Ave. NE	Kelly R.	Owner Occupied	1	Complete
201 & 203 B St.	Travis B.	Rental	2	In Construction
215 Gillis Ave. NE	Cheri S.	Owner Occupied	1	In Construction
414 3 <sup>rd</sup> Ave. NE	Select Rental Properties	Rental	1	Complete
206 Gillis Ave. NE	Herbert & Robin J.	Owner Occupied	1	In Construction
721 2 <sup>nd</sup> Ave. NE	Darin K.	Owner Occupied	1	Complete
315 4 <sup>th</sup> Ave. NE	Wayne A.	Rental	3	Application Phase
113 B St. NE	Diana L.	Rental	1	Application Phase
507 2 <sup>nd</sup> Ave. NE	Bob L.	Owner Occupied	1	Application Phase

**Emily SCDP**

7 Owner occupied projects complete  
 1 Project in construction

**MHFA**

1 Project in construction  
1 Project in inspection phase  
2 Applications in process

**Brainerd Oaks/Serene Pines/Dalmar Estates**

<b>Development</b>	<b>Total</b>	<b># Sold to Developer</b>	<b># Sold to End Buyer</b>	<b>For Sale</b>	<b>In Construction</b>
Brainerd Oaks	81*	53	47	1	4
Serene Pines	23	15	14	0	3
Dalmar Estates	7	1	1	0	0

\*Originally 83 lots, 2 have been merged/combined into a single parcel

**Action Requested: None**

**2021 CWC HRA - BLAEDC/CREDI STAFF TIME- APRIL**

Date Range: 4/1/2021 - 4/30/2021

Project Group	Project	Date	Comment	Hours	Billing Amount
Crow Wing County HRA					
	CWC HRA - Redev	Redevelopment Projects			
		4/1/2021	staff participation at Brainerd EDA meeting, staff discussed current projects and initiatives of BLAEDC to address blight and redevelopment of properties in the city of Brainerd	2.00	\$300.00
		4/5/2021	staff communicating with River to Rail leadership to set agenda and discussion points of BLAEDC staff and executives concerning all current projects in the River to Rail corridor	2.00	\$300.00
		4/7/2021	River to Rail bi-monthly meeting. Presentations from all groups inside the R2R corridor. Meeting minutes and agenda have been completed by staff for meeting	3.00	\$450.00
		4/8/2021	meetings w/baxter city officials and group looking for redevelopment projects in the city, referring specifically to the old JC Penny property and future use for that building	2.00	\$300.00
		4/9/2021	email communication w/city official in Crosby concerning federal funds and the use of the dollars to support removal of blighted properties in the area. Administrator wants to understand the full use of these funds	1.50	\$225.00
		4/9/2021	Meetings w/Brainerd City officials surrounding industrial parks and possible housing development in the city.	3.50	\$525.00
		4/12/2021	email communication w/y executive director and board members concerning purchase of building in Brainerd for redevelopment	1.00	\$150.00
		4/12/2021	Staff meeting w/Brainerd business owner who has purchased industrial park building that needs to be redeveloped, owner discussing financing options as well as possible city programs they may be eligible for	2.00	\$300.00
		4/13/2021	Communication w/Crosby business owner and local bank discussing funding options for redevelopment of existing property to expand footprint and add additional business on property, also communicated with other local funding partners to assist property owners project	2.00	\$300.00
		4/13/2021	Crow Wing County HRA meeting. Present and monthly meeting and staff time to prepare reports for meeting	3.00	\$450.00
		4/14/2021	Communication w/Crosby business owner and local bank discussing funding options for redevelopment of existing property to expand footprint and add additional business on property	1.50	\$225.00
		4/15/2021	meetings w/YMCA executive director and board members regarding property purchase, redevelopment plans and financing options at local, state and federal level. Meeting also involved commercial real estate agent to discuss purchase options	3.50	\$525.00
		4/16/2021	email w/county leadership to discuss American Relief Act guidelines and needs of the business community regarding assistance and possible grant help	1.50	\$225.00
		4/16/2021	BLAEDC Unified Fund meeting w/board members to discuss fund with new members and to identify 2 projects that will utilize funds to redevelop 2 properties in Crosby and Unorganized Territory. Staff time to prepare documents and reports for board members	4.50	\$675.00

4/19/2021	email communication w/Y leadership on purchase agreement to buy and redevelop Brainerd property	1.00	\$150.00
4/19/2021	meeting w/local business looking for viable options to build to suit or relocate to existing building in Brainerd Industrial park to redevelop property to fit to needs	1.50	\$225.00
4/20/2021	Pequot Lakes EDC meeting. Discussions centered around housing and existing industrial lots that are currently vacant, EDC would like to have options available for new businesses looking to redevelop and work w/BLAEDC and city	2.50	\$375.00
4/20/2021	phone and email correspondence w/Brainerd/Unorganized territory business owner regarding addressing blight of existing building. communicated w/hra staff regarding options	1.50	\$225.00
4/21/2021	Meeting w/Brainerd business owner regarding expansion/redevelopment options for current building to expand his business offerings	1.00	\$150.00
4/22/2021	meetings w/YMCA executive director and board members regarding property purchase, redevelopment plans and financing options at local, state and federal level	3.00	\$450.00
4/23/2021	email communications w/Crosby business owner to confirm Baxter location for expansion of existing business, property owner would need to redevelop building to meet needs	2.00	\$300.00
4/23/2021	meetings w/YMCA executive director and board members regarding property purchase, redevelopment plans	2.50	\$375.00
4/26/2021	email communication w/multiple local banking partners discussing expansion of Brainerd business	2.00	\$300.00
4/27/2021	Meeting w/Crosslake EDA staff and business owner who would like to redevelop a Crosslake building he owns to allow for a new business to move in and either lease or buy property	1.50	\$225.00
4/28/2021	Communication w/Crosby business owner and local bank discussing funding options for redevelopment of existing property to utilize the BLAEDC Unified Fund as an option to fund redevelopment	2.50	\$375.00
4/28/2021	Communication w/Unorganized business owner and local bank discussing funding options for redevelopment of existing property to add to business footprint and bring on my equipment and space to accommodate	2.00	\$300.00
4/29/2021	Communication w/Crosby business owner and local bank discussing funding options for redevelopment of existing property to expand footprint and add additional business on property	2.00	\$300.00
4/29/2021	Meeting w/Brainerd Industrial park business owner and partner to discuss redevelopment and expansion of existing business. Staff time to prepare grant and possible funding options	2.00	\$300.00
4/30/2021	email communication w/local and regional stakeholders in Y blight and redevelopment grant options	1.50	\$225.00
4/30/2021	Meeting w/regional EDA rep and staff from Region 5 along w/Y leadership and board members surrounding grant options for purchase of Brainerd building. Property would be redeveloped to house child care. Building addresses both slum and blight with redevelopment	3.50	\$525.00

CWC HRA - Redev	Redevelopment Projects Total:	65.00	\$9,750.00
	<b>Crow Wing County HRA Total:</b>	<b>65.00</b>	<b>\$9,750.00</b>
	<b>Grand Total</b>	<b>65.00</b>	<b>\$9,750.00</b>

The staff time and details listed above have been reviewed and approved by BLAEDC's Executive Director, Tyler Glynn, upon submittal of this report.

Tyler Glynn  
BLAEDC Executive Director

Prepared by ClickTime on 5/11/2021 4:16:16 PM

www.clicktime.com

Page 1 of 1