



Board Meeting Agenda

5:00pm Tuesday October 12th, 2021

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

**Commissioner Craig Nathan attending via WebEx at 8986 Sugarberry Creek,
Brainerd, MN 56401**

Join from browser:

<https://brainerdhra.my.webex.com/brainerdhra.my/j.php?MTID=m514dec56d6f132f511fa6ee6e42780f7>

Join by phone: 415-655-0001

Meeting number (access code): 2557 915 5158

Meeting password: HVp5U3r3s2x

"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)** p.1
4. **REVIEW AND ACCEPT FINANCIAL STATEMENTS (Attachment 2)** p.5
5. **UNFINISHED BUSINESS**
6. **NEW BUSINESS:**
 - a. Approve Purchase & Redevelopment Agreement Between
Crow Wing County HRA and Level Contracting (Attachment 3)

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7. **REPORTS/UPDATES:**
 - a. Executive Director (Attachment 4)
 - b. Housing Trust Fund (Attachment 5)
 - c. Brainerd HRA/Rehab Programs (Attachment 6)
 - d. BLAEDC/CREDI (Attachment 7)
 - e. CWC

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8. **HRA Commissioner Comments**

9. NEXT MEETING: Tuesday, November 9th, 2021

10. ADJOURNMENT



Housing & Redevelopment Authority

Crow Wing County HRA BOARD MEETING MINUTES (DRAFT) September 14th, 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, September 14th, 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 Aulie, Zach Tabatt, and Richard (George) Burton. Absent: Michael Morford

Others present: Executive Director Eric Charpentier, Finance Director Karen Young, Rehab Coordinator John Schommer, Rehab Administrative Specialist Kristin Miller, BLAEDC Executive Director Tyler Glynn, and Crow Wing County Administrative Services Director Deborah (Debby) Erickson.
- 3. CHANGE TO AUGUST 3rd MEETING MINUTES:** Chair Aulie indicated that the previously adopted budget option 3 with a \$829,500 levy request and details presented would be changed to the option 1 budget.

Moved and seconded by Commissioners Richard Burton and Zach Tabatt to approve the amended minutes from the August 3rd, 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:**

- a. CWC HRA Tax Levy:**

Reflected in the July Financial Statements is the deposit of \$169,124.75 in Property Tax Revenue (levy) for total first half deposits of \$423,552.59. The total levy amount for 2021 is \$729,500. The second half property tax settlement will be in December.

Commissioner Zach Tabatt moved to approve the July and August financial statements as submitted, followed by a second from Commissioner Richard Burton 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: Nothing to report.

7. REPORTS:

a. Executive Director:

Crow Wing County Budget Presentation and Levy Request: On August 26th we gave a presentation to the Crow Wing County board of commissioners to update them on what we have been working on as well as present our 2022 levy request for their consideration. We presented a level levy request of \$729,500, the same funding level from 2020 and 2021. We also have sent a formal levy request to the County just as we have done in the past. The County will be setting their preliminary levy by the end of September. That preliminary levy will then be finalized in December for the following year. We have not typically been asked to come back to the board for additional questions and we are hopeful that the commissioners authorize our levy request. I have attached the formal request letter that was submitted to the County.

Hiring Update: Charpentier is happy to report that we have filled our Accounting Assistant position as well as our Rehab Administrative Assistant position. Joe Christenson started in our finance department on August 23rd and Kristin Miller started on September 7th. We are excited to have both of them on board with us!

b. Housing Trust Fund: On September 2nd I Charpentier took part in a resident recruitment focus group put together by the chamber and BLAEDC. This group was brought together to talk about the major challenges employers are having recruiting or retaining their workforce. There were representatives from the manufacturing sector, construction sector, hospitality sector as well as media members and representatives from local units of government to name a few. One of the central themes that we continue to hear throughout the County is the lack of housing and affordable housing. I was able to speak for 15-20 minutes regarding the HRA's role in addressing the housing needs. I highlighted the Housing Trust Fund and detailed our 4 programs. Ben Winchester, a rural sociologist with the University of Minnesota also spoke to this group, specifically about what he sees as the keys to recruiting and retaining our job force in Crow Wing County. There was some great discussion among the business owners and leaders in the group and the expectation coming out of this focus group was that this was a first step, and their planning group will continue to meet to discuss their next steps.

We have continued to meet with Mid Minnesota Federal Credit Union, and we have secured their commitment to servicing our loan portfolio for our Housing Trust Fund loans. We are thrilled to have them formally involved as our partner in this venture. We are meeting weekly to set up the framework of the servicing agreement.

c. Brainerd HRA/Rehab Programs:

NE Brainerd SCDP

Currently working on closing out this grant by the end of September.

Emily SCDD

Eight (8) Owner occupied projects complete and we have three (3) inquiries. We have received a one (1) year extension from DEED.

1 Project in construction

MHFA

Two (2) Projects are bidding

Two (2) Project in the owner review phase

Three (3) Applications are in process

FHLB

We submitted additional information Federal Home Loan Bank of Des Moines requested regarding the application and, provided they don't need any additional information, will find out in December if the application is funded.

Brainerd Oaks/Serene Pines/Dalmar Estates

Development	Total	# Sold to Developer	# Sold to End Buyer	For Sale	In Construction
Brainerd Oaks	81*	55	47	0	6
Serene Pines	23	16	14	0	2
Dalmar Estates	7	2	1	0	1

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

a. BLAEDC/CREDI: Glynn discussed the circumstances that they are seeing in CWC related to the shortages of workers, housing, and daycare. Glynn also shared that their logo is finished and on their website. He is looking for a possible HRA banner option or creating a separate page of its own.

b. CWC: Debby gave an update on the HARPA funding and the County land sale results. She also is welcoming everyone to the 100th Anniversary of the movie in Friday, September 24th from 12-1p.m. Hot dogs on the lawn. Also feel free to take a self-guided tour of the Museum during the Open House at starting at 3p.m. with ice cream cones being served as well.

8. HRA Commissioner Comments: Nothing to report.

9. NEXT MEETING: Tuesday, October 12th, 2021, at 5:00 p.m.

10. ADJOURNMENT:

Commissioner Craig Nathan made a motion to adjourn the meeting. Commissioner Zach 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 6:03 p.m.



Housing & Redevelopment Authority

To: CWC HRA Board Members
From: Karen Young, Finance Director
Date: October 5, 2021
Re: Review and Accept Financial Statements

Please find attached the financial information for September 2021.

Payments to BLAEDC and CREDI

Reflected in the September financial statements are the payments to BLAEDC in the amount of \$43,500 and to CREDI in the amount of \$12,500 for a total of \$56,000 per the Agreements for Professional Services for 2021.

Action Requested: Accept the September financial statements as submitted.

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Date/Time joe
10/5/2021 3:48:56 PM

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

Cumulative

ASSETS

550-000-1129.210 Cash Gen Fund	181,211.80
550-001-1129.210 Cash CWC SCDP	68,281.57
551-002-1129.210 Cash RLF TIF	380,519.04
556-000-1129.210 Cash Development Fund	-78.87
557-000-1129.210 Cash Tax Forf Property	-4,946.27
558-000-1129.210 Cash HTF	687,556.31
551-002-1141.000 Loans Rec RLF TIF	40,583.88
556-000-1450.000 Land Held for Resale	355,231.82
TOTAL ASSETS	<u>1,708,359.28</u>

LIABILITIES

550-000-2112.000 A/P Other	-225.00
556-000-2600.000 Def Inflow of Res - Dev	-355,231.82
TOTAL LIABILITIES	<u>-355,456.82</u>

SURPLUS

550-000-2700-000 Net Income	-241,348.08
550-000-2806.000 Retained Earnings	-1,111,554.38
TOTAL SURPLUS	<u>-1,352,902.46</u>

TOTAL LIABILITIES & SURPLUS

-1,708,359.28

Proof 0.00

Crow Wing County
CWC HRA Combined Operating Stmt
September, 2021

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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	-2.91	-37.26	-375.03	337.77
550-000-3690.000 Other Revenue	0.00	-2,565.41	-20,250.00	17,684.59
550-000-3691.000 Property Tax Revenue	0.00	-423,552.59	-438,000.00	14,447.41
551-002-3610.000 RLF TIF Interest Rev	-214.07	-2,121.82	-3,420.00	1,298.18
556-000-3696.000 Development Revenue	0.00	-87,080.77	-143,399.97	56,319.20
557-000-3696.000 TFP Revenue	0.00	-500.00	-7,499.97	6,999.97
TOTAL INCOME	-216.98	-515,857.85	-612,944.97	97,087.12
EXPENSE				
550-000-4110.000 Administrative Salaries	225.00	2,325.00	3,375.00	-1,050.00
550-000-4130.000 Legal	581.20	3,846.20	7,499.97	-3,653.77
550-000-4140.000 Staff Training	0.00	2,565.00	3,975.03	-1,410.03
550-000-4150.000 Travel	2.24	20.16	187.47	-167.31
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	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	0.00	88.40	450.00	-361.60
550-000-4510.000 Insurance	0.00	2,530.00	2,100.00	430.00
550-000-4540.000 Employer FICA	17.22	177.87	262.53	-84.66
550-000-4590.000 Other General Expense	56,000.00	56,367.50	103,500.00	-47,132.50
550-001-4600.000 CWC SCDP Expense	0.00	0.00	20,250.00	-20,250.00
556-000-4600.000 Development Expense	11.76	87,159.64	143,399.97	-56,240.33
557-000-4600.000 TFP Expense	0.00	0.00	7,499.97	-7,499.97
TOTAL EXPENSE	69,337.42	274,509.77	412,149.97	-137,640.20
NET INCOME(-) OR LOSS	69,120.44	-241,348.08	-200,795.00	-40,553.08

Crow Wing County HRA
September 2021 Payments

Payment Number	Payment Date	Vendor	Description	Check Amount
840	9/10/2021	John Schommer	Mileage	\$ 14.00
24146	9/9/2021	Brainerd Lakes Area Economic Development	1st Half of 2021 Funding	\$ 43,500.00
24154	9/9/2021	Cuyuna Range Economic Development Inc.	1st Half of 2021 Funding	\$ 12,500.00
24160	9/9/2021	Kennedy & Graven, Chartered	Legal-Serene Pines Master Agreement	\$ 581.20
Total				\$ 56,595.20

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Housing & Redevelopment Authority

To: CWC HRA Board Members

From: John Schommer, Rehabilitation Coordinator

Date: October 6, 2021

Re: Approve Purchase and Redevelopment Agreement Between CWC HRA and Level Contracting

On Thursday, October 14th, 2021, Level Contracting LLC requested to purchase five lots, four in Brainerd Oaks and one in Dalmar Estates with a total purchase price of \$33,159.76. Attorney Martha Ingram from Kennedy & Graven drafted the Purchase and Redevelopment Agreement and corresponding resolution (see attached).

Action Requested: Approve Resolution No. 2021-06, Approving the Purchase and Redevelopment Agreement between the Housing and Redevelopment Authority in and for the County of Crow Wing and Level Contracting LLC.

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PURCHASE AND REDEVELOPMENT AGREEMENT

Lots 8, 9, 10 and 11, Block 5, BRAINERD OAKS, Crow Wing County, Minnesota
Lot 2, Block 1, DALMAR ESTATES, Crow Wing County, Minnesota

1. **Parties.** This Purchase and Redevelopment Agreement (the “Agreement”) is made as of October 12, 2021, between HOUSING AND REDEVELOPMENT AUTHORITY IN AND FOR THE COUNTY OF CROW WING, a public body corporate and politic under the laws of Minnesota having its office located at 324 East River Road, Brainerd MN 56401 (the “Seller”), and LEVEL CONTRACTING, LLC, a Minnesota limited liability company, having its principal office at 3495 Northdale Blvd. NW, Suite 200, Coon Rapids, MN 55448 (the “Buyer”).
2. **Offer/Acceptance.** Buyer offers to purchase and Seller agrees to sell real property in Crow Wing County, Minnesota, legally described as follows (the “Property”):

Lots 8, 9, 10 and 11, Block 5, BRAINERD OAKS, Crow Wing County, Minnesota; and Lot 2, Block 1, DALMAR ESTATES, Crow Wing County, Minnesota.

Check here if part or all of the land is Registered (Torrens)

3. **Acceptance Deadline.** This offer to purchase, unless accepted sooner, shall be null and void at 4:30 p.m. on October 13, 2021. (*1 day from date of this Agreement*)
4. **Price and Terms.** The price for the Property is \$33,159.76 (“Purchase Price”), allocated to each lot of the Property as shown on Exhibit A, which Buyer shall pay in full by certified check or wire transfer on the Date of Closing; provided, however, that Earnest Money (as defined in the Master Agreement described in paragraph 6), if available, shall first be applied to pay the Purchase Price. The “Date of Closing” shall be no later than November 1, 2021.
5. **Personal Property Included in Sale.** There are no items of personal property or fixtures owned by Seller and currently located on the Property for purposes of this sale.
6. **Deed.** Upon performance by Buyer, Seller shall deliver a quit claim deed conveying title to the Property to Buyer, in substantially the form attached as Exhibit B, subject to the conditions subsequent required by Sections 15, 16, and 17 of this Agreement (the “Deed”), and further subject to the terms and conditions of the Master Purchase and Redevelopment Contract between the Seller and Paxmar-Brainerd, LLC dated as of September 13, 2016, and recorded in the office of the Crow Wing County Recorder on March 17, 2017 as document no.A-886215, as amended by a First Amendment thereto dated November 8, 2016 and a Second Amendment thereto dated as of March 14, 2017, and Assignment of Master Purchase and Development Agreement dated October 8, 2019 (hereafter collectively referred to as the “Master Agreement”).

7. Real Estate Taxes and Special Assessments.

- A. Seller shall pay, at or before closing, all real estate taxes due and payable in 2020 and prior years. Real estate taxes for taxes payable year 2021 are exempt.
- B. Seller represents that there are no special assessments payable or pending as of the date of this Agreement. If a special assessment becomes pending after the date of this Agreement and before the Date of Closing, Buyer may, as Buyer's option:
 - (1) Assume payment of the pending special assessment without adjustment to the purchase agreement price of the property; or
 - (2) Require Seller to pay the pending special assessment and Buyer shall pay a commensurate increase in the purchase price of the Property, which increase shall be the same as the estimated amount of the assessment; or
 - (3) Declare this Agreement null and void by notice to Seller, and earnest money shall be refunded to Buyer.

8. Closing Costs and Related Items. The Buyer will pay: (a) one-half the closing fees charged by the title insurance or other closing agent, if any, utilized to close the transaction contemplated by this Agreement; (b) fees for title evidence obtained by Buyer; (c) the recording fees for this Agreement and for the Deed transferring title to Buyer; and (d) any transfer taxes. Seller will pay all other fees normally paid by sellers, including (a) Well Disclosure fees required to enable Buyer to record its deed from Seller under this Agreement, (b) one-half the closing fees charged by the title insurance or other closing agent, if any, utilized to close the transaction contemplated by this Agreement, and (c) fees and charges related to the filing of any instrument required to make title marketable. Each party shall pay its own attorney fees. The Purchase Price shall be allocated and disbursed as provided in Sections 3.2 (b) and (c) of the Master Agreement.

9. Sewer and Water. Seller warrants that city sewer is available at the Property line, and that city water is available in the right of way adjacent to the Property. Seller makes no warranty regarding the conditions of any existing water stub from the main to the Property line. Seller advises Buyer to inspect the condition of the water stub.

10. Condition of Property. Buyer acknowledges that it has inspected or has had the opportunity to inspect the Property and agrees to accept the Property "AS IS." Buyer has the right, at its own expense to take soil samples for the purpose of determining if the soil is suitable for construction of the dwelling described in section 14 below. If the soil is determined to be unacceptable the Buyer may rescind this agreement by written notice to the Seller, in which case the agreement shall be null and void. Seller makes no warranties as to the condition of the Property.

11. Marketability of Title. As soon as reasonably possible after execution of this Agreement by both parties:

- A. Seller shall surrender any abstract of title and a copy of any owner's title insurance policy for the property, if in Seller's possession or control, to Buyer or to Legacy Title, Buyer's designated title service provider; and
- B. Buyer shall obtain the title evidence determined necessary or desirable by Buyer.

The Buyer shall have 20 days from the date it receives such title evidence to raise any objections to title it may have. Objections not made within such time will be deemed waived. The Seller shall have 30 days from the date of such objection to affect a cure; provided, however, that Seller shall have no obligation to cure any objections, and may inform Buyer of such. The Buyer may then elect to close notwithstanding the uncured objections or declare this Agreement null and void, and the parties will thereby be released from any further obligation hereunder.

12. Title Clearance and Remedies. If Seller shall fail to have title objections timely removed, the Buyer may, at its sole election: (a) terminate this Agreement without any liability on its part; or (b) take title to the Property subject to such objections.

If title is marketable, or is made marketable as provided herein, and Buyer defaults in any of the agreements herein, Seller may elect either of the following options, as permitted by law:

- A. Cancel this contract as provided by statute and retain all payments made hereunder as liquidated damages. The parties acknowledge their intention that any note given pursuant to this contract is a down payment note, and may be presented for payment notwithstanding cancellation;
- B. Seek specific performance within six months after such right of action arises, including costs and reasonable attorney's fees, as permitted by law.

If title is marketable, or is made marketable as provided herein, and Seller defaults in any of the agreements herein, Buyer may, as permitted by law:

- C. Seek damages from Seller including costs and reasonable attorney's fees;
- D. Seek specific performance within six months after such right of action arises.

13. Well Disclosure. Seller's knowledge of wells is as follows:

- The Seller certifies that the Seller does not know of any wells on the described real property.
- A well disclosure certificate accompanies this document.
- I am familiar with the property described in this instrument and I certify that the status and number of wells on the Property have not changed since the last previously filed well disclosure certificate.

14. Individual Sewage Treatment System Disclosure and Methamphetamine Disclosure. Seller certifies that there is no individual sewage treatment system on or serving the Property. To the best of Seller's knowledge, methamphetamine production has not occurred on the Property.

15. Construction and Sale of Dwelling. Buyer agrees that it will construct a new single family dwelling on each lot of the Property (each a "Lot"), intended for sale to a person or persons for residential occupancy (an "Owner Occupant"). This covenant shall survive the delivery of the Deed.

- A. Each single family dwelling described in this Section is referred to as the "Minimum Improvements."
- B. The Minimum Improvements shall consist of a new single family dwelling, and shall be constructed substantially in accordance with the Declaration of Covenants, Easements and Restrictions of record and applicable to each Lot, provided that approval of the building plans for such Minimum Improvements shall be evidenced by the issuance by the City of Brainerd of a building permit for the Minimum Improvements.
- C. Construction of the Minimum Improvements on each Lot must be substantially completed by one year from the Date of Closing. Construction of the Minimum Improvements on each Lot will be considered substantially complete when the final certificate of occupancy has been issued by the City of Brainerd building official.
- D. Promptly after substantial completion of the Minimum Improvements on each Lot in accordance with those provisions of this Agreement relating solely to the obligations of the Buyer to construct such Minimum Improvements (including the date for completion thereof), the Seller will furnish the Buyer with a Certificate of Completion, in the form attached hereto as Exhibit C, for the Minimum Improvements on such Lot. Such certification by the Seller shall be (and it shall be so provided in the Deed and in the certification itself) a conclusive determination of satisfaction and termination of the agreements and covenants in the Master Agreement, in this Agreement and in the Deed with respect to the obligations of the Buyer and its successors and assigns, to construct the Minimum Improvements on the applicable Lot and the dates for completion thereof.

The certificates provided for in this Section of this Agreement shall be in such form as will enable them to be recorded in the proper office for the recordation of deeds and other instruments pertaining to the Property. If the Seller shall refuse or fail to provide any certification in accordance with the provisions of this Section, the Seller shall, within thirty (30) days after written request by the Buyer, provide the Buyer with a written statement, indicating in adequate detail in what respects the Buyer has failed to complete the Minimum Improvements in accordance with the provisions of the Agreement, or is otherwise in default, and what measures or acts it will be necessary, in the opinion of the Seller for the Buyer to take or perform in order to obtain such certification.

E. The Buyer represents and agrees that until issuance of the Certificate of Completion for the Minimum Improvements on each Lot:

(1) Except for any agreement for sale to an Owner Occupant, the Buyer has not made or created and will not make or create or suffer to be made or created any total or partial sale, assignment, conveyance, or lease, or any trust or power, or transfer in any other mode or form of or with respect to this Agreement or the Property or any part thereof or any interest therein, or any contract or agreement to do any of the same, to any person or entity (collectively, a "Transfer"), without the prior written approval of the Seller's board of commissioners. Notwithstanding the foregoing, Developer may transfer or assign a Lot to a third-party builder for the purpose of construction of the Minimum Improvements on that Lot without the prior written consent of the Authority; provided that if Developer effects a such a Transfer to a third-party builder, Developer shall remain bound by all obligations with respect to the Property under this Agreement and the Master Agreement.

(2) If the Buyer seeks to effect a Transfer of any Lot with respect to this Agreement prior to issuance of the Certificate of Completion for that Lot, the Seller shall be entitled to require as conditions to such Transfer that:

(i) any proposed transferee shall have the qualifications and financial responsibility, in the reasonable judgment of the Seller, necessary and adequate to fulfill the obligations undertaken in this Agreement by the Buyer as to the portion of the Property to be transferred; and

(ii) Any proposed transferee, by instrument in writing satisfactory to the Seller and in form recordable in the public land records of Crow Wing County, Minnesota, shall, for itself and its successors and assigns, and expressly for the benefit of the Seller, have expressly assumed all of the obligations of the Buyer under this Agreement as to the portion of the Property to be transferred and agreed to be subject to all the conditions and restrictions to which the Buyer is subject as to such portion; provided, however, that the fact that any transferee of, or any other successor in interest whatsoever to, the Property, or any part thereof, shall not, for whatever reason, have assumed such obligations or so agreed, and shall not (unless and only to the extent otherwise specifically provided in this Agreement or agreed to in writing by the Seller) deprive the Seller of any rights or remedies or controls with respect to the Property, the Minimum Improvements or any part thereof or the construction of the Minimum Improvements; it being the intent of the parties as expressed in this Agreement that (to the fullest extent permitted at law and in equity and excepting only in the manner and to the extent specifically provided otherwise in this Agreement) no transfer of, or change with respect to, ownership in the Property or any part thereof, or any interest therein, however consummated or occurring, and whether voluntary or involuntary, shall operate, legally, or practically, to deprive or limit the Seller of or with

respect to any rights or remedies on controls provided in or resulting from this Agreement with respect to the Property that the Seller would have had, had there been no such transfer or change. In the absence of specific written agreement by the Seller to the contrary, no such transfer or approval by the Seller thereof shall be deemed to relieve the Buyer, or any other party bound in any way by this Agreement or otherwise with respect to the Property, from any of its obligations with respect thereto.

(iii) Any and all instruments and other legal documents involved in effecting the transfer of any interest in this Agreement or the Property governed by this subsection E. shall be in a form reasonably satisfactory to the Seller.

(3) If the conditions described in paragraph (2) above are satisfied then the Transfer will be approved and the Buyer shall be released from its obligation under this Agreement, as to the portion of the Property that is transferred, assigned, or otherwise conveyed. The provisions of this paragraph (3) apply to all subsequent transferors.

(4) Upon issuance of the Certificate of Completion for a Lot, the Buyer may Transfer such Lot and/or the Buyer's rights and obligations under this Agreement with respect to such Lot without the prior written consent of the Seller.

F. The Buyer, and its successors and assigns, agree that they (a) will use the Minimum Improvements only as a single family dwelling, and in the case of an Owner Occupant, will occupy the Property as a residence, (b) will not seek exemption from real estate taxes on the Property under State law, and (c) will not transfer or permit transfer of the Property to any entity whose ownership or operation of the Property would result in the Property being exempt from real estate taxes under State law (other than any portion thereof dedicated or conveyed to the City of Brainerd or Seller in accordance with this Agreement). **The covenants in this paragraph run with the land, survive both delivery of the Deed and issuance of the Certificate of Completion for the Minimum Improvements on each Lot, and shall remain in effect for ten years after the Date of Closing.**

16. Revesting Title in Seller upon Happening of Event Subsequent to Conveyance to Buyer. In the event that subsequent to conveyance of the Property or any part thereof to the Buyer and prior to receipt by the Buyer of the Certificate of Completion for the Minimum Improvements on any Lot, the Buyer, subject to Unavoidable Delays (as hereafter defined), fails to carry out its obligations with respect to the construction of the Minimum Improvements (including the nature and the date for the completion thereof), or abandons or substantially suspends construction work, and any such failure, abandonment, or suspension shall not be cured, ended, or remedied within thirty (30) days after written demand from the Seller to the Buyer to do so, then the Seller shall have the right to re-enter and take possession of the Property and to terminate (and revest in the Seller) the estate conveyed by the Deed to the Buyer, it being the intent of this provision, together with other provisions of the

Agreement, that the conveyance of the Property to the Buyer shall be made upon, and that the Deed shall contain a condition subsequent to the effect that in the event of any default on the part of the Buyer and failure on the part of the Buyer to remedy, end, or abrogate such default within the period and in the manner stated in such subdivisions, the Seller at its option may declare a termination in favor of the Seller of the title, and of all the rights and interests in and to the Property conveyed to the Buyer, and that such title and all rights and interests of the Buyer, and any assigns or successors in interest to and in the Property, shall revert to the Seller, but only if the events stated in this Section have not been cured within the time periods provided above.

Notwithstanding anything to the contrary contained in this Section, the Seller shall have no right to reenter or retake title to and possession of a portion of the Property for which a Certificate of Completion has been issued.

For the purposes of this Agreement, the term "Unavoidable Delays" means delays beyond the reasonable control of the Buyer as a result thereof which are the direct result of strikes, other labor troubles, prolonged adverse weather or acts of God, fire or other casualty to the Minimum Improvements, litigation commenced by third parties which, by injunction or other similar judicial action, directly results in delays, or acts of any federal, state or local governmental unit (other than the Seller in exercising its rights under this Agreement) which directly results in delays. Unavoidable Delays shall not include delays in the Buyer's obtaining of permits or governmental approvals necessary to enable construction of the Minimum Improvements by the dates such construction is required under this section of this Agreement.

17. Resale of Reacquired Property; Disposition of Proceeds. Upon the revesting in the Seller of title to and/or possession of the Property or any part thereof as provided in Section 16, the Seller shall apply the purchase price paid by the Buyer under Section 4 of this Agreement as follows:

A. First, to reimburse the Seller for all costs and expenses incurred by the Seller, including but not limited to proportionate salaries of personnel, in connection with the recapture, management, and resale of the Property or part thereof (but less any income derived by the Seller from the Property or part thereof in connection with such management); all taxes, assessments, and water and sewer charges with respect to the Property or part thereof (or, in the event the Property is exempt from taxation or assessment or such charge during the period of ownership thereof by the Seller, an amount, if paid, equal to such taxes, assessments, or charges (as determined by the Seller assessing official) as would have been payable if the Property were not so exempt); any payments made or necessary to be made to discharge any encumbrances or liens existing on the Property or part thereof at the time of revesting of title thereto in the Seller or to discharge or prevent from attaching or being made any subsequent encumbrances or liens due to obligations, defaults or acts of the Buyer, its successors or transferees; any expenditures made or obligations incurred with respect to the making or completion of the Minimum

Improvements or any part thereof on the Property or part thereof; and any amounts otherwise owing the Seller by the Buyer and its successor or transferee; and

B. Second, to reimburse the Buyer for the balance of the purchase price remaining after the reimbursements specified in paragraph (a) above. Such reimbursement shall be paid to the Buyer upon delivery of an executed, recordable warranty deed to the Property by the Buyer to the Seller.

18. Time is of the essence for all provisions of this Agreement.

19. Notices. All notices required herein shall be in writing and delivered personally or mailed to the address shown at paragraph 1 above and, if mailed, are effective as of the date of mailing.

20. Minnesota Law. This Agreement shall be governed by the laws of the State of Minnesota.

21. Specific Performance. This Agreement may be specifically enforced by the parties, provided that an action is brought within one year of the date of alleged breach of this Agreement.

22. No Remedy Exclusive. No remedy herein conferred upon or reserved to the Seller or Buyer is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient.

23. No Merger of Representations, Warranties. All representations and warranties contained in this Purchase Agreement shall not be merged into any instruments or conveyance delivered at closing, and the parties shall be bound accordingly.

24. Recording. This Agreement shall be filed of record with the Crow Wing County Registrar of Titles or Office of Recorder, as the case may be. Buyer shall pay all recording costs.

25. No Broker Involved. The Seller and represent and warrant to each other that there is no broker involved in this transaction with whom it has negotiated or to whom it has agreed to pay a broker commission. Buyer agrees to indemnify Seller for any and all claims for brokerage commissions or finders' fees in connection with negotiations for purchase of the Property arising out of any alleged agreement or commitment or negotiation by Buyer, and Seller agrees to indemnify Buyer for any and all claims for brokerage commissions or finders' fees in connection with negotiations for purchase of the Property arising out of any alleged agreement or commitment or negotiation by Seller.

In witness of the foregoing, the parties have executed this agreement on the year and date written above.

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

By: _____
Its Chair

By: _____
Its Executive Director

STATE OF MINNESOTA

} ss.

COUNTY OF CROW WING

The foregoing was acknowledged before me this _____ day of October 2021, by Michael Aulie and Eric Charpentier, the Chair and Executive Director, respectively, of 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 public body corporate and politic.

Notary Public

BUYER: LEVEL CONTRACTING, LLC

By: _____
Its _____

STATE OF MINNESOTA

} ss.

COUNTY OF _____

The foregoing was acknowledged before me this _____ day of October 2021, by Mary Traufler, the _____ of Level Contracting, LLC, a Minnesota limited liability company, on behalf of the company.

Notary Public

This document drafted by:

Kennedy & Graven, Chartered
150 South 5th Street, Suite 700
Minneapolis, MN 55402

EXHIBIT A

ALLOCATION OF PURCHASE PRICE BY LOT

Legal Description	PID	Price
Lot 8, Block 5, BRAINERD OAKS	41290553	\$4,581.74
Lot 9, Block 5, BRAINERD OAKS	41290552	\$4,581.74
Lot 10, Block 5, BRAINERD OAKS	41290551	\$4,080.61
Lot 11, Block 5, BRAINERD OAKS	41290550	\$4,581.74
Lot 2, Block 1, DALMAR ESTATES	41280531	\$15,333.93
Total		\$33,159.76

EXHIBIT B
FORM OF QUIT CLAIM DEED

Deed Tax Due: \$_____

ECRV: _____

THIS INDENTURE, between the Housing and Redevelopment Authority in and for the County of Crow Wing, a public body corporate and politic (the "Grantor"), and Level Contracting, LLC, a Minnesota limited liability company (the "Grantee").

WITNESSETH, that Grantor, in consideration of the sum of \$33,159.76 and other good and valuable consideration the receipt whereof is hereby acknowledged, does hereby grant, bargain, quitclaim and convey to the Grantee, its successors and assigns forever, all the tract or parcel of land lying and being in the County of Crow Wing and State of Minnesota described as follows, to-wit (such tract or parcel of land is hereinafter referred to as the "Property"):

Check here if part or all of the land is Registered (Torrens)

To have and to hold the same, together with all the hereditaments and appurtenances thereunto belonging.

SECTION 1.

It is understood and agreed that this Deed is subject to the covenants, conditions, restrictions and provisions of an agreement recorded with the Crow Wing County Recorder on March 17, 2017 as Document No. A-886215, entered into between the Grantor and Paxmar-Brainerd, LLC, on the 13th of September, 2016, identified as "Master Purchase and Redevelopment Agreement" as amended by a First Amendment thereto dated November 8, 2016, and a Second Amendment thereto dated as of March 14, 2017, and an Assignment and Assumption of Master Purchase and Development Agreement, dated October 8, 2019 (hereafter collectively referred to as the "Master Agreement") and of an agreement entered into between the Grantor and Grantee on the 12th of October, 2021, recorded herewith and identified as "Purchase and Redevelopment Agreement" (herein referred to as the "Agreement") and that the Grantee shall not convey this Property, or any part thereof, except as permitted by the Agreement until a certificate of completion releasing the Grantee from certain obligations of said Agreement as to this Property or such part thereof then to be conveyed, has been placed of record.

It is specifically agreed that the Grantee shall promptly begin and diligently prosecute to completion the redevelopment of the Property through the construction of the Minimum Improvements thereon, as provided in the Agreement.

Promptly after completion of the Minimum Improvements in accordance with the provisions of the Agreement, the Grantor will furnish the Grantee with an appropriate instrument so certifying. Such certification by the Grantor shall be (and it shall be so provided in the certification itself) a conclusive determination of satisfaction and termination of the agreements and covenants of the Agreement and of this Deed with respect to the obligation of the Grantee, and its successors and assigns, to construct the Minimum Improvements and the dates for the beginning and completion thereof. Such certification and such determination shall not constitute evidence of compliance with or satisfaction of any obligation of the Grantee to any holder of a mortgage, or any insurer of a mortgage, securing money loaned to finance the purchase of the Property hereby conveyed or the Minimum Improvements, or any part thereof.

All certifications provided for herein shall be in such form as will enable them to be recorded with the County Recorder, or Registrar of Titles, Crow Wing County, Minnesota. If the Grantor shall refuse or fail to provide any such certification in accordance with the provisions of the Agreement and this Deed, the Grantor shall, within thirty (30) days after written request by the Grantee, provide the Grantee with a written statement indicating in adequate detail in what respects the Grantee has failed to complete the Minimum Improvements in accordance with the provisions of the Agreement or is otherwise in default, and what measures or acts it will be necessary, in the opinion of the Grantor, for the Grantee to take or perform in order to obtain such certification.

SECTION 2.

The Grantee's rights and interest in the Property are subject to the terms and conditions of Sections 15, 16 and 17 of the Agreement relating to the Grantor's right to re-enter and revest in Grantor title to the Property under conditions specified therein, including but not limited to termination of such right upon issuance of a Certificate of Completion as defined in the Agreement.

SECTION 3.

The Grantee agrees for itself and its successors and assigns to or of the Property or any part thereof, hereinbefore described, that the Grantee and such successors and assigns shall comply with Section 15F of the Agreement for a period of ten years after the date hereof.

It is intended and agreed that the above and foregoing agreements and covenants shall be covenants running with the land for the respective terms herein provided, and that they shall, in any event, and without regard to technical classification or designation, legal or otherwise, and except only as otherwise specifically provided in this Deed, be binding, to the fullest extent permitted by law and equity for the benefit and in favor of, and enforceable by, the Grantor against the Grantee, its successors and assigns, and every successor in interest to the Property, or any part thereof or any interest therein, and any party in possession or occupancy of the Property or any part thereof.

In amplification, and not in restriction of, the provisions of the preceding section, it is intended and agreed that the Grantor shall be deemed a beneficiary of the agreements and covenants provided herein, both for and in its own right, and also for the purposes of protecting the interest of the community and the other parties, public or private, in whose favor or for whose

benefit these agreements and covenants have been provided. Such agreements and covenants shall run in favor of the Grantor without regard to whether the Grantor has at any time been, remains, or is an owner of any land or interest therein to, or in favor of, which such agreements and covenants relate. The Grantor shall have the right, in the event of any breach of any such agreement or covenant to exercise all the rights and remedies, and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breach of agreement or covenant, to which it or any other beneficiaries of such agreement or covenant may be entitled; provided that Grantor shall not have any right to re-enter the Property or revest in the Grantor the estate conveyed by this Deed, or any part thereof, on grounds of Grantee's failure to comply with its obligations under this Section 3.

IN WITNESS WHEREOF, the Grantor has caused this Deed to be duly executed in its behalf by its Chair and Executive Director, this _____ day of _____, 2021.

- The Seller certifies that the Seller does not know of any wells on the described real property.
- A well disclosure certificate accompanies this document or has been electronically filed. (If electronically filed, insert WDC number: _____).
- I am familiar with the property described in this instrument and I certify that the status and number of wells on the described real property have not changed since the last previously filed well disclosure certificate.

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

By _____

Its Chair

By _____

Its Executive Director

STATE OF MINNESOTA)
) ss
COUNTY OF CROW WING)

On this ____ day of _____, 2021, before me, a notary public within and for Crow Wing County, personally appeared Michael Aulie and Eric Charpentier to me personally known who by me duly sworn, did say that they are the Chair and Executive Director of the Housing and Redevelopment Authority in and for the County of Crow Wing (the “Authority”) named in the foregoing instrument; that said instrument was signed on behalf of said Authority pursuant to a resolution of its governing body; and said Michael Aulie and Erick Charpentier acknowledged said instrument to be the free act and deed of said Authority.

Notary Public

This instrument was drafted by:

Kennedy & Graven, Chartered
150 South 5th Street, Suite 700
Minneapolis, MN 55402
(612) 337-9300

Tax Statements should be sent to:

Level Contracting, LLC
3495 Northdale Blvd. NW, Suite 200
Coon Rapids, MN 55448

EXHIBIT C
TO

PURCHASE AND REDEVELOPMENT AGREEMENT
FORM OF CERTIFICATE OF COMPLETION

WHEREAS, the Housing and Redevelopment Authority in and for the County of Crow Wing, a public body corporate and politic (the "Grantor"), conveyed land in Crow Wing County, Minnesota to Level Contracting, LLC, a Minnesota limited liability company (the "Grantee"), by a Deed recorded in the Office of the County Recorder in and for the County of Crow Wing and State of Minnesota, as Document Number _____; and

WHEREAS, said Deed contained certain covenants and restrictions set forth in Sections 1 and 2 of said Deed; and

WHEREAS, said Grantee has performed said covenants and conditions insofar as it is able in a manner deemed sufficient by the Grantor to permit the execution and recording of this certification;

NOW, THEREFORE, this is to certify that all building construction and other physical improvements specified to be done and made by the Grantee have been completed and the above covenants and conditions in said Deed and the agreements and covenants in Sections 15A and 15B of the Agreement (as described in said Deed) have been performed by the Grantee therein, and the County Recorder [and the Registrar of Titles] in and for the County of Crow Wing and State of Minnesota are hereby authorized to accept for recording and to record, the filing of this instrument, to be a conclusive determination of the satisfactory termination of the covenants and conditions of Sections 15A and 15B of the Agreement and the covenants and restrictions set forth in Sections 1 and 2 of said Deed; provided that the covenants set forth in Sections 15F of the Agreement, and in Section 3 of the Deed, remain in full force and effect through the period stated thereon.

Dated: _____, 20____.

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

By _____
Its Chair

By _____
Its Executive Director

STATE OF MINNESOTA)
) ss
COUNTY OF CROW WING)

The foregoing instrument was acknowledged before me this _____ day of _____, 20____, by _____ and _____, the Chair and Executive Director, respectively, of the Housing and Redevelopment Authority in and for the County of Crow Wing, on behalf of the authority.

Notary Public

This document drafted by:
KENNEDY & GRAVEN, CHARTERED
150 South 5th Street, Suite 700
Minneapolis, MN 55402
(612) 337-9300

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QUIT CLAIM DEED

Deed Tax Due: _____
Date: _____
ECRV: _____

THIS INDENTURE, between the Housing and Redevelopment Authority in and for the County of Crow Wing, a public body corporate and politic (the "Grantor"), and Level Contracting, LLC, a Minnesota limited liability company (the "Grantee").

WITNESSETH, that Grantor, in consideration of the sum of \$33,159.76 and other good and valuable consideration the receipt whereof is hereby acknowledged, does hereby grant, bargain, quitclaim and convey to the Grantee, its successors and assigns forever, all the tract or parcel of land lying and being in the County of Crow Wing and State of Minnesota described as follows, to-wit (such tract or parcel of land is hereinafter referred to as the "Property"):

Lots 8, 9, 10, and 11, Block 5, BRAINERD OAKS, Crow Wing County, Minnesota
Lot 2, Block 1, DALMAR ESTATES, Crow Wing County, Minnesota

Check here if part or all of the land is Registered (Torrens)

To have and to hold the same, together with all the hereditaments and appurtenances thereunto belonging.

SECTION 1.

It is understood and agreed that this Deed is subject to the covenants, conditions, restrictions and provisions of an agreement recorded with the Crow Wing County Recorder on March 17, 2017 as Document No. A-886215, entered into between the Grantor and Paxmar-Brainerd, LLC, on the 13th of September, 2016, identified as "Master Purchase and Redevelopment Agreement" as amended by a First Amendment thereto dated November 8, 2016, and a Second Amendment thereto dated as of March 14, 2017, and an Assignment and Assumption

of Master Purchase and Development Agreement, dated October 8, 2019 (hereafter collectively referred to as the "Master Agreement") and of an agreement entered into between the Grantor and Grantee on the 12th of October, 2021, recorded herewith and identified as "Purchase and Redevelopment Agreement" (herein referred to as the "Agreement") and that the Grantee shall not convey this Property, or any part thereof, except as permitted by the Agreement until a certificate of completion releasing the Grantee from certain obligations of said Agreement as to this Property or such part thereof then to be conveyed, has been placed of record.

It is specifically agreed that the Grantee shall promptly begin and diligently prosecute to completion the redevelopment of the Property through the construction of the Minimum Improvements thereon, as provided in the Agreement.

Promptly after completion of the Minimum Improvements in accordance with the provisions of the Agreement, the Grantor will furnish the Grantee with an appropriate instrument so certifying. Such certification by the Grantor shall be (and it shall be so provided in the certification itself) a conclusive determination of satisfaction and termination of the agreements and covenants of the Agreement and of this Deed with respect to the obligation of the Grantee, and its successors and assigns, to construct the Minimum Improvements and the dates for the beginning and completion thereof. Such certification and such determination shall not constitute evidence of compliance with or satisfaction of any obligation of the Grantee to any holder of a mortgage, or any insurer of a mortgage, securing money loaned to finance the purchase of the Property hereby conveyed or the Minimum Improvements, or any part thereof.

All certifications provided for herein shall be in such form as will enable them to be recorded with the County Recorder, or Registrar of Titles, Crow Wing County, Minnesota. If the Grantor shall refuse or fail to provide any such certification in accordance with the provisions of the Agreement and this Deed, the Grantor shall, within thirty (30) days after written request by the Grantee, provide the Grantee with a written statement indicating in adequate detail in what respects the Grantee has failed to complete the Minimum Improvements in accordance with the provisions of the Agreement or is otherwise in default, and what measures or acts it will be necessary, in the opinion of the Grantor, for the Grantee to take or perform in order to obtain such certification.

SECTION 2.

The Grantee's rights and interest in the Property are subject to the terms and conditions of Sections 15, 16 and 17 of the Agreement relating to the Grantor's right to re-enter and revest in Grantor title to the Property under conditions specified therein, including but not limited to termination of such right upon issuance of a Certificate of Completion as defined in the Agreement.

SECTION 3.

The Grantee agrees for itself and its successors and assigns to or of the Property or any part thereof, hereinbefore described, that the Grantee and such successors and assigns shall comply with Section 15F of the Agreement for a period of ten years after the date hereof.

It is intended and agreed that the above and foregoing agreements and covenants shall be covenants running with the land for the respective terms herein provided, and that they shall, in any event, and without regard to technical classification or designation, legal or otherwise, and except only as otherwise specifically provided in this Deed, be binding, to the fullest extent permitted by law and equity for the benefit and in favor of, and enforceable by, the Grantor against the Grantee, its successors and assigns, and every successor in interest to the Property, or any part thereof or any interest therein, and any party in possession or occupancy of the Property or any part thereof.

In amplification, and not in restriction of, the provisions of the preceding section, it is intended and agreed that the Grantor shall be deemed a beneficiary of the agreements and covenants provided herein, both for and in its own right, and also for the purposes of protecting the interest of the community and the other parties, public or private, in whose favor or for whose benefit these agreements and covenants have been provided. Such agreements and covenants shall run in favor of the Grantor without regard to whether the Grantor has at any time been, remains, or is an owner of any land or interest therein to, or in favor of, which such agreements and covenants relate. The Grantor shall have the right, in the event of any breach of any such agreement or covenant to exercise all the rights and remedies, and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breach of agreement or covenant, to which it or any other beneficiaries of such agreement or covenant may be entitled; provided that Grantor shall not have any right to re-enter the Property or revest in the Grantor the estate conveyed by this Deed, or any part thereof, on grounds of Grantee's failure to comply with its obligations under this Section 3.

IN WITNESS WHEREOF, the Grantor has caused this Deed to be duly executed in its behalf by its Chair and Executive Director, this _____ day of _____, 2021.

- The Seller certifies that the Seller does not know of any wells on the described real property.
- A well disclosure certificate accompanies this document or has been electronically filed. (If electronically filed, insert WDC number: _____).
- I am familiar with the property described in this instrument and I certify that the status and number of wells on the described real property have not changed since the last previously filed well disclosure certificate.

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

By _____
Michael Aulie
Its Chair

By _____
Eric Charpentier
Its Executive Director

STATE OF MINNESOTA)
) ss
COUNTY OF CROW WING)

On this ____ day of _____, 2021, before me, a notary public within and for Crow Wing County, personally appeared Michael Aulie and Eric Charpentier to me personally known who by me duly sworn, did say that they are the Chair and Executive Director of the Housing and Redevelopment Authority in and for the County of Crow Wing (the “Authority”) named in the foregoing instrument; that said instrument was signed on behalf of said Authority pursuant to a resolution of its governing body; and said Michael Aulie and Eric Charpentier acknowledged said instrument to be the free act and deed of said Authority.

Notary Public

This instrument was drafted by:

Kennedy & Graven, Chartered
150 South 5th Street, Suite 700
Minneapolis, MN 55402
(612) 337-9300

Tax Statements should be sent to:

Level Contracting, LLC
3495 Northdale Blvd. NW, Suite 200
Coon Rapids, MN 55448

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

RESOLUTION NO. 2021-06

RESOLUTION APPROVING A PURCHASE AND REDEVELOPMENT CONTRACT BETWEEN THE HOUSING AND REDEVELOPMENT AUTHORITY IN AND FOR THE COUNTY OF CROW WING AND LEVEL CONTRACTING, LLC.

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 has determined a need to exercise the powers of a housing and redevelopment authority, pursuant to Minnesota Statutes, Sections 469.001 to 469.047 ("HRA Act"), and has established its Redevelopment Project No. 1 (the "Project") within Crow Wing County (the "County"), and has developed a Redevelopment Plan governing certain of its anticipated activities in the City of Brainerd (the "City") located within the Project, which was approved by the City on September 6, 2016 after a duly noticed public hearing, pursuant to Section 469.028 of the HRA Act.

1.02. The Authority and Paxmar-Brainerd, LLC ("Paxmar") entered into a Master Purchase and Redevelopment Contract, recorded in the office of the Crow Wing County Recorder as Document No. A886215, as amended by a First Amendment thereto dated as of November 16, 2016 and recorded as Document No. A886216 and a Second Amendment thereto dated as of March 14, 2017, recorded as Document No. A886217 (as so amended, the "Master Contract"), setting forth the terms and conditions of sale and redevelopment of certain property within the City and Project, currently owned by the County, located in the subdivisions known as Brainerd Oaks, Serene Pines, and Dal Mar Estates (the "Property"). By resolutions adopted on July 7, 2016 and July 12, 2016, the County approved the conveyance of the Property to the Authority, and the Authority accepted acquisition of the Property from the County.

1.03. Paxmar's interest in the Master Contract was assigned to Level Contracting, LLC, a Minnesota limited liability company (hereinafter "Buyer") by an Assignment and Assumption of Master Purchase and Development Agreement, dated October 8, 2019, and the Authority ratified its consent to the Assignment on October 8, 2019.

1.04. Pursuant to the Master Contract, the Buyer will acquire the Property in phases, pursuant to separate purchase and redevelopment agreements conforming to the Master Contract, and will construct single-family homes intended for owner occupancy, subject further to the Redevelopment Plan and to the City's zoning and building codes and policies.

1.05. The Planning Commission of the City reviewed the Redevelopment Plan and the general terms of the Master Contract on August 17, 2016 and found that the Redevelopment Plan and the conveyance of the Property are consistent with the City's comprehensive plan, in that the

sale of the Property and construction of the single-family homes will further the City's housing goals for this area of the City.

1.06. On August 29, 2016, the Board conducted a duly noticed public hearing regarding the sale of the Property to the Buyer, at which all interested persons were given an opportunity to be heard.

1.07. On September 13, 2016, the Board reviewed the Master Contract 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 housing goals of the City and County and will be consistent with the Redevelopment Plan for the Project.

1.08. The Board has reviewed a new proposed Purchase and Redevelopment Agreement (the "2021D Agreement") related to specific lots to be conveyed to the Buyer in 2021 and described on Exhibit A to this resolution (the "2021D Lots") and finds that conveyance of the 2021D Lots conforms to the provisions of the Master Contract and 2021D Agreement and is in the best interest of the City and County, for the reasons stated above.

Section 2. Authority Approval; Further Proceedings.

2.01. The 2021D Agreement as presented to the Board, including the sale of the 2021D Lots 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 Executive Director, provided that execution of the documents by such officials shall be conclusive evidence of approval.

2.02. The Chair and Executive Director are hereby authorized to execute on behalf of the Authority the 2021D Agreement and any documents referenced therein requiring execution by the Authority, including without limitation any deeds, and to carry out, on behalf of the Authority, its obligations thereunder.

2.03. Authority and City staff are authorized and directed to take all actions to implement the 2021D Agreement.

Approved by the Board of Commissioners of the Housing and Redevelopment Authority in and for the County of Crow Wing this 12th day of October 2021.

Chair

ATTEST:

Secretary

EXHIBIT A

2021D LOTS

Lots 8, 9, 10 and 11, Block 5, BRAINERD OAKS, Crow Wing County, Minnesota
Lot 2, Block 1, DALMAR ESTATES, Crow Wing County, Minnesota

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To: CWC HRA Board Members
From: Eric Charpentier, Executive Director
Date: October 12th, 2021
Re: Executive Director Report

Developer Meetings

We have had multiple meetings throughout the County in the last 4 weeks with developers that are interested in both multi-family and single-family development. I think this is an encouraging sign that there has been so much interest not only from developers but from the local municipalities and commissions on enticing and encouraging new development. We will continue to be at the table as these meetings continue to take place so that we can be a partner to help move some of these projects forward.

Downtown Brainerd Redevelopment Project

The developer that is interested in redeveloping the former Thrifty White site in downtown Brainerd was informed in late September that they were not one of the projects that would be funded through the LIHTC program through Minnesota Housing. While this is disappointing for the developer they are still interested in this site. We are still in communication with the developer and are hopeful that they can retool their project to still get the project moving forward.

Action Requested:

No action needed - for informational purposes only.

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Housing & Redevelopment Authority

To: CWC HRA Board Members
From: Eric Charpentier, Executive Director
Date: October 12th, 2021
Re: Housing Trust Fund Report

On September 28th John and I attended a housing task force meeting in Pequot Lakes that included City staff, members of the Pequot EDA, their housing task force, BLAEDC and a developer. The meeting centered around how to bring a multi family housing development to Pequot Lakes and what incentives, if any, are available for prospective developers. Through the discussion we were also able to talk about the Housing Trust Fund that is available for gap financing on these types of projects. The discussion overall was fruitful and we continue to be a partner with this community to help them with their development needs.

On October 6th, John and I attended the Crosslake EDA meeting to talk about the workforce housing study as well as share information about the Housing Trust Fund. In attendance were a couple of developers that are interested in multi family development in the Crosslake area as well. We supplied this group with the housing study and spoke about the new development program that is available through the fund. This was another great opportunity to get the information out about our programs as we try and peak interest from the community in utilizing our programs.

Our technical assistance grant with MHP is starting to wind down. We do expect that we will have at least one more in person session with them in the lakes area as we plan our roll out of these programs.

Action Requested: None requested, informational only.

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Housing & Redevelopment Authority

To: CWC HRA Board Members
 From: John Schommer, Rehab Coordinator
 Date: October 6, 2021
 Re: Rehab Programs Report

Emily SCDP

8 Owner occupied projects are complete
 1 Project is in the inspection phase
 3 Applications have been sent out

MHFA

2 Projects are in construction
 1 Project is in the contract phase
 1 Project is bidding
 1 Project is in work write-up

FHLB AHP

We submitted additional information Federal Home Loan Bank of Des Moines requested regarding the application and, provided they don't need any additional information, will find out in December if the application is funded.

Brainerd Oaks/Serene Pines/Dalmar Estates

Development	Total	# Sold to Developer	# Sold to End Buyer	For Sale	In Construction
Brainerd Oaks	81*	55	47	0	7
Serene Pines	23	16	14	0	2
Dalmar Estates	7	2	1	0	1

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

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2021 CWC HRA - BLAEDC/CREDI STAFF TIME- July



Date Range: 7/1/2021 -

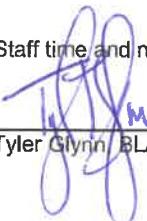
7/31/2021

Project Group	Project	Date	Comment	Hours	Billing Amount
Crow Wing County HRA					
	CWC HRA - Redev		Redevelopment Projects		
		7/1/2021	Brainerd EDA meeting, discussed open projects in the city of Brainerd. Staff time to prepare reports.	2.50	\$375.00
		7/6/2021	email correspondence with city of Pequot staff and city of Pequot EDA members regarding housing and redevelopment of existing commercial property that is listed for sale in the city.	2.00	\$300.00
		7/6/2021	Meetings w/project developers and lenders for 2 projects located in Crosby. Both projects involved redevelopment of 2 existing buildings located in the city limits.	3.00	\$450.00
		7/7/2021	email correspondence with Pequot Lakes EDC member regarding redevelopment opportunities in the Pequot area.	1.00	\$150.00
		7/7/2021	Report prep for CWC HRA meeting by staff.	2.00	\$300.00
		7/8/2021	email correspondence and phone call with SBDC rep discussing TIF options for a Deerwood redevelopment project.	1.50	\$225.00
		7/9/2021	Meeting w/city officials in Brainerd regarding housing options and potential to redevelop and rezone existing commercial property to convert for housing options inside the city limits of Brainerd.	3.50	\$525.00
		7/9/2021	email correspondence with local leaders regarding new multi family housing and commercial redevelopment project in downtown Brainerd	2.00	\$300.00
		7/12/2021	Meeting w/downtown Brainerd business owner regarding assistance and financing with redevelopment of current space. Owner is looking to redevelop space for another business use.	2.50	\$375.00
		7/13/2021	Business meeting w/lenders to discuss project in Crow Wing County to redevelop an existing business and provide gap financing to project. CWC HRA board meeting, staff time to prepare reports and attend meeting to present reports and work for month.	4.50	\$675.00
		7/14/2021	email communication and phone calls with lenders to finalize projects for redevelopment in Crosby, gap financing is being provided for both projects	2.00	\$300.00
		7/15/2021	follow up meeting w/Brainerd business owner who is working to redevelop existing property regarding financing assistance for he and his partner to redevelop a portion of their building	2.00	\$300.00
		7/15/2021	attendance at a meeting to discuss revitalization of downtown Brainerd business and redevelopment options for property	2.00	\$300.00
		7/16/2021	work w/unified fund board members to review documents and business plans for redevelopment projects and to communicate with lead lenders regarding project timelines	3.00	\$450.00
		7/19/2021	Meeting w/local bank leaders regarding development and housing options for county. Attendance and reports provided to city council meeting, staff time to create reports and staff presentations	5.00	\$750.00
		7/19/2021	phone meeting w/developer consider housing options in Pequot Lakes for existing commercial land that is available for redevelopment	1.50	\$225.00
		7/20/2021	communication with Pequot Lakes and Crosslake leaders regarding housing and opportunities to redevelop land in both communities and how to engage in talks with developers to address housing needs in both communities	2.50	\$375.00
		7/20/2021	Pequot Lakes EDC meeting which discussion occur regarding housing and redevelopment of some industrial park property to accommodate existing tenant. Reports provided for meeting by staff and presentation made by staff in attendance	3.50	\$525.00
		7/22/2021	Meeting w/CWC HRA staff, local leaders and Minnesota Housing Partnership to discuss housing trust fund and options for area housing needs	2.50	\$375.00
		7/23/2021	phone meeting w/sbdc staff to discuss options for tif in redevelopment project in Deerwood, project needs to complete needs assessment to determine if but for clause can make the project eligible for program	2.00	\$300.00
		7/26/2021	Meeting w/Brainerd Industrial park property owner to discuss expansion of existing building and options to redevelop space that is currently being unused to expand new business line	2.00	\$300.00

7/27/2021	Meeting w/Crosslake city officials and tour of property to redevelop from commercial property to housing. City staff have been working with a local developer to convert land to housing. Discussions with developer and city staff regarding use of unified fund dollars to assist developer. Review program to determine use of funds	3.00	\$450.00
7/28/2021	phone meeting with CREDI board members to discuss opportunities in Cuyuna area and what is available for redevelopment and where are blighted areas to focus on in all the communities in Cuyuna range.	2.50	\$375.00
7/29/2021	email correspondence and multiple phone calls with lead lender and participating lender for Crosby redevelopment projects	2.00	\$300.00
7/29/2021	Meeting w/ED professionals from the region. Staff time for reports to group and presentation by Director regarding redevelopment projects in CWC	3.00	\$450.00

CWC HRA - ReDev	Redevelopment Projects Total:	63.00	\$9,450.00
Crow Wing County HRA Total:		63.00	\$9,450.00
Grand Total		63.00	\$9,450.00

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



Tyler Glynn, BLAEDC Executive Director

2021 CWC HRA - BLAEDC/CREDI STAFF TIME-

August



Date Range: 8/1/2021 - 8/31/2021

Project Group	Project	Date	Comment	Hours	Billing Amount
Crow Wing County HRA					
CWC HRA - Redev Redevelopment Projects					
		8/2/2021	Local housing initiatives meeting attended by staff to assist with housing options available in Brainerd/Baxter	2.50	\$375.00
		8/3/2021	Communication with Crosby redevelopment projects as funding for these projects is almost complete, final preparations with borrower and lead lender	2.00	\$300.00
		8/3/2021	Attendance and participation in CWC HRA board meeting. Staff time to produce reports and presentation to staff and board members	3.00	\$450.00
		8/4/2021	River to Rail meeting, work with staff and blaedc volunteers to provide reports and hold the meeting. Updates provided by community of Brainerd leaders, as well as HRA staff, blaedc staff and other community leaders.	2.00	\$300.00
		8/5/2021	Email communication with developer and city staff in Pequot regarding 2 potential redevelopment projects in the city for housing options	2.50	\$375.00
		8/5/2021	Meeting with local bank leadership and local developer to discuss building options, redevelopment land, local, regional and state incentives to assist a developer to build affordable housing in Crow Wing County. Staff assisted in providing detailed city reports and options for the developer and lender to consider.	3.00	\$450.00
		8/9/2021	Meetings with local leaders of both Brainerd and Baxter regarding available land for redevelopment. Blaedc will produce a inventory listing for each community to work with developers and business owners alike to continue to promote this area. Staff time to create documents for meetings	4.00	\$600.00
		8/9/2021	Working with borrowers for final documentation for unified fund board meeting to review and approve loan requests. Communication with lenders and borrowers	2.50	\$375.00
		8/10/2021	Unified Fund board meeting to discuss and approve 2 redevelopment loans in Crosby. Both properties are redeveloping businesses to expand and offer new services in the community. Blaedc will partner with IF to offer financing for these projects	4.50	\$675.00
		8/11/2021	Crosslake EDA meeting. Staff time to prepare reports and ED making a presentation at meeting regarding monthly activity. Detailed discussions occurred regarding potential housing and redevelopment opportunities in Crosslake. City staff and city council were present to discuss city options	3.00	\$450.00
		8/13/2021	BLAEDC board meeting. Staff time related to providing reports for the board meeting and leading discussion as to the monthly activity of staff. Members of local government in attendance to discuss opportunities in their communities	3.50	\$525.00
		8/16/2021	Meetings with YMCA CEO and board chair to discuss grant opportunities through state and federal programs for the redevelopment of property in downtown Brainerd for child care.	2.00	\$300.00
		8/17/2021	Pequot Lakes EDC meeting. Staff time to complete reports for ED to present at meeting. Detailed discussion around the PL HRA and their responsibilities. TG provided options for redevelopment of existing Heart of the Good Life property for housing options. Meeting with building and banking leaders regarding state of county housing needs.	5.00	\$750.00
		8/18/2021	email correspondence and zoom meetings with local leaders and regional leaders to complete rfp for grant funds to redevelop downtown Brainerd building	2.50	\$375.00
		8/18/2021	CREDI board meeting. Staff time to prepare reports and attend meeting in person. Board provided updates from the community and new projects of redevelopment that are in process. TG informed group of recent loans approved for redevelopment projects and discussed housing in Cuyuna range area	3.50	\$525.00

8/20/2021	Meeting w/Brainerd city administration regarding redevelopment opportunities in the city limits of Brainerd. Meeting identified areas in the city that could be rezoned and offered as redevelopment for housing and potential commercial opportunities	2.50	\$375.00
8/23/2021	Meeting w/IF staff to review applications and to discuss opportunities for redevelopment grants for new projects being discussed in CWC.	3.00	\$450.00
8/23/2021	worked in conjunction with staff and Y ceo to complete the RFP for grant funding through MN DEED program to provide grant for specific redevelopment funds for downtown Brainerd building	5.00	\$750.00
8/25/2021	email communication and phone call w/state representatives and IF staff regarding completed rfp for downtown Brainerd redevelopment project. Staff participated in completion of rfp.	2.50	\$375.00
8/25/2021	Meeting w/local developer and site visits to review potential redevelopment opportunity in 2 cities located in Crow Wing County.	2.50	\$375.00
8/26/2021	Meeting w/local lender, staff and developer to review plans, financing options and local city involvement to provide incentives to developers to redevelop properties for housing needs	3.50	\$525.00
CWC HRA - Redev		Redevelopment Projects Total:	64.50
Crow Wing County HRA Total:		64.50	\$9,675.00
Grand Total		64.50	\$9,675.00

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

Tyler Givin, BLAEDC Executive Director

2021 CWC HRA - BLAEDC/CREDI STAFF TIME- September



Date Range: 9/1/2021 -
9/30/2021

Project Group	Project	Date	Comment	Hours	Billing Amount
Crow Wing County HRA					
CWC HRA - Redev Redevelopment Projects					
		9/2/2021	City of Brainerd EDA meeting, presentations made to board and other officials in attendance regarding all related projects as well as activities related to housing and redevelopment. Staff time to create reports. Presentation at county wide employment meeting to discuss housing/childcare and employment.	5.00	\$750.00
		9/3/2021	email correspondence with city of Pequot officials regarding Heart of the Good Life development and its opportunities for housing.	2.00	\$300.00
		9/7/2021	Phone call w/Crosslake business owner regarding potential funding opportunities from state, regional and local level to redevelop property.	1.00	\$150.00
		9/8/2021	email and phone communication with city of Crosby city staff regarding redevelopment of city owned buildings for possible redevelopment for child care facility	2.00	\$300.00
		9/8/2021	Crosslake EDA meeting. Staff time to present reports to board. Discussions with local business owner regarding redevelopment of existing owned property for the creation of a new community center.	3.50	\$525.00
		9/9/2021	Pequot Lakes meetings to discuss redevelopment of existing properties in the city to address housing issues as well as existing commercial properties that not being utilized in the city.	2.00	\$300.00
		9/10/2021	email communication with lead lender on redevelopment project completion in Crosby on properties that have been funded through Unified Fund.	1.50	\$225.00
		9/10/2021	BLAEDC Board of Directors meeting. Redevelopment projects in the county were presented to the board as well as information regarding housing projects in the area. Staff time to create and present reports to the board and government officials in attendance.	3.00	\$450.00
		9/13/2021	Meetings with county officials regarding the use of ARPA funds and whether or not these funds can be used for housing or public grant opportunities. These funds are eligible for multiple uses.	2.50	\$375.00
		9/14/2021	email and phone conversations with city of Baxter staff and developer to review development opportunities to build housing in the city of Baxter	2.00	\$300.00
		9/14/2021	Meetings with CWC HRA board, reports presented and meeting attended. Staff time to create reports and attend meeting.	2.50	\$375.00
		9/15/2021	CREDI monthly board meeting. Staff time to create reports, minutes and present meeting information. Discussions surrounded the opportunities for continued redevelopment in the entire region which is all inside Crow Wing County. Multiple redevelopment projects have been presented.	3.00	\$450.00
		9/16/2021	email correspondence with city of Pequot Lakes city administrator regarding development of city owned land. Also reviewing multiple sites in the city for development opportunities	2.50	\$375.00
		9/16/2021	Business meeting with developer who is looking for property to develop in and around Crow Wing County. Developer would like to redevelop a piece of commercial property for resale and is looking for housing opportunities. Staff time to pull available properties in the county.	2.50	\$375.00
		9/17/2021	email correspondence with lead lender for Crosby redevelopment project to finalize building project and provide final funding for project	1.00	\$150.00
		9/17/2021	Meeting with Y management team concerning the application for a MN DEED grant to redevelop downtown Brainerd property.	2.00	\$300.00

9/20/2021	Working session with blaedc staff, county staff and YMCA leadership and board members to work through MN DEED Child care grant to obtain funding for redevelopment grant to purchase building. Staff time to work through application.	3.50	\$525.00	
9/21/2021	City of Pequot Lakes EDC meeting. Staff time to create reports for presentation at meeting regarding redevelopment and housing opportunities. Meeting at Brainerd City Hall with developer, city staff, CWC HRA staff to discuss redevelopment of property for housing. Incentives and opportunities discussed.	6.00	\$900.00	
9/22/2021	email communication and phone calls with state officials regarding MN DEED grant application for redevelopment of Brainerd property	2.00	\$300.00	
9/23/2021	Meetings w/local individuals looking for redevelopment opportunities in the Brainerd area. Printed available property documents and discussed options and what funding opportunities are available to the developer to redevelop	2.50	\$375.00	
9/24/2021	email communication with city of Brainerd city staff regarding redevelopment opportunities and meetings that blaedc has conducted on behalf of the city	1.50	\$225.00	
9/27/2021	email and phone communication with state deed staff and Y ceo to complete application for funding for the redevelopment of Brainerd property.	2.50	\$375.00	
9/28/2021	Meeting w/developer, city of Pequot leadership, CWC HRA staff to discuss housing development in the city of Pequot. Items of discussion center around incentives available, cost of project, funding sources and partnerships.	4.00	\$600.00	
9/29/2021	Meetings with county staff regarding plans for arpa funding and decisions based on county commissioners planned use of funding. Decisions are looking through assistance for both housing and grant opportunities	2.50	\$375.00	
CWC HRA - Redev		Redevelopment Projects Total:	62.50	\$9,375.00
Crow Wing County HRA Total:		62.50	\$9,375.00	
Grand Total		62.50	\$9,375.00	

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

Tyler Glynn, BLAEDC Executive Director