



Housing & Redevelopment Authority

Board Meeting Agenda

5:00pm Tuesday May 10th, 2022

**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=m0a4b4e5b04cd5bf8fce40e3c14f19c29>

Join by phone: 415-655-0001

Meeting number (access code): 2558 195 2442

Meeting password: 3vS6m3nyM6e

"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 & APPROVAL OF AGENDA**
- 4. Public Hearing: Proposed Sale of Lot 5, Block 3, Serene Pines (Attachment 1) Pg. 3**
- 5. Public Hearing: Proposed Sale of Lot 2, Block 2 Jasperwood East (Attachment 2) Pg. 9**
 - a. Accept and Enter into a Purchase and Redevelopment Agreement with Lakes Area Habitat for Humanity and Approve Resolution No. 2022-06**
- 6. REVIEW & APPROVE MINUTES (Attachment 3) Pg. 42**
 - a. Approval of the Tuesday, April 12th, 2022, Meeting Minutes as presented**
- 7. REVIEW & ACCEPT FINANCIAL STATEMENTS (Attachment 4) Pg. 48**
 - a. CWC HRA Combined Balance Sheet April 2022**
 - b. CWC HRA Combined Operating Statement April 2022**
 - c. CWC HRA April 2022 Payments**
- 8. UNFINISHED BUSINESS**
- 9. NEW BUSINESS**

10. REPORTS/UPDATES:

- a.** Executive Director (*Attachment 5*) Pg. 54
- b.** Housing Trust Fund (*Attachment 6*) Pg. 58
- c.** Brainerd HRA/Rehab Programs (*Attachment 7*) Pg. 60
- d.** BLAEDC/CREDI (*Attachment 8*) Pg. 62
- e.** CWC

11. COMMISSIONER COMMENTS

12. NEXT MEETING Tuesday June 14th, 2022

13. ADJOURNMENT to Strategic Planning Session Thursday May 19th at Brainerd City Hall

CWC HRA Commissioners

Michael Aulie, Chair - District 5 (12-31-26)

Zach Tabatt, Vice Chair - District 3 (12-31-24)

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

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

Craig Nathan, Commissioner - District 4 (12-31-25)



To: CWC HRA Board Members Attachment 1

From: John Schommer, Rehab and Maintenance Director

Date: May 5, 2022

Re: Public Hearing for sale of a Tax Forfeited lot in Serene Pines

The board previously approved adding a tax forfeited lot in Serene Pines to the Master Purchase and Development Agreement with Level Contracting. In order to sell the property, we are required to hold a public hearing to allow comments from the public. A Notice of Public Hearing was published in the Brainerd Dispatch on April 27th (see Attachment).

Action Requested: Hold a public hearing for the sale of a tax forfeited parcel to Level Contracting through the Master Purchase and Development Agreement.

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NOTICE OF PUBLIC HEARING

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

NOTICE IS HEREBY GIVEN that the Board of Commissioners (the "Board") of the Housing and Redevelopment Authority in and for the County of Crow Wing (the "HRA"), will hold a public hearing on Tuesday, May 10, 2022, at or after 5:00 P.M. at the Crow Wing County Land Services Building in the Pine/Maple Meeting Room, 322 Laurel Street, Brainerd, Minnesota, to consider a proposal for the conveyance of land located in the City of Brainerd in Crow Wing County, Minnesota and legally described as follows:

Lot 5, Block 3, Serene Pines

The proposed terms of the conveyance are available for review by the public at the office of the Executive Director of the HRA on and after the date of this notice.

At the time and place fixed for the public hearing, the Board will give all persons who appear at the hearing an opportunity to express their views with respect to the proposal. In addition, interested persons may direct any questions or file written comments respecting the proposal with the Executive Director of the HRA, at or prior to said public hearing.

Dated: 4/27/2022

BY ORDER OF THE BOARD OF
COMMISSIONERS OF THE HOUSING AND
REDEVELOPMENT AUTHORITY IN AND
FOR THE COUNTY OF CROW WING

/s/ Eric Charpentier
Executive Director

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MN LEGALS

MEETINGS/MINUTES

(Published in the Brainerd Dispatch, April 27, 2022, 1t.)

NOTICE OF PUBLIC HEARING HOUSING AND REDEVELOPMENT AUTHORITY IN AND FOR THE COUNTY OF CROW WING

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Dated: 4/27/2022

BY ORDER OF THE BOARD OF
COMMISSIONERS OF THE HOUS-
ING AND REDEVELOPMENT AU-
THORITY IN AND FOR THE
COUNTY OF CROW WING

Eric Obermeyer

May 10, 2022
<https://epaper.brainerddispatch.com/html5/reader/production/print.aspx?edid=bccc81d5-b15b-444f-bdee-1bde7ecc2b72&type=clipping&clippingurls=h...> 1/2

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To: CWC HRA Board Members Attachment 2

From: John Schommer, Rehab and Maintenance Director

Date: May 5, 2022

Re: Public Hearing and Approval of Resolution 2022-06 Approving the Purchase and Development Agreement for sale of a Tax Forfeited lot to Lakes Area Habitat for Humanity

The board previously approved LAHFH (Lakes Area Habitat for Humanity), a local non-profit organization, acquiring a tax forfeited tract through our tax forfeited property policy. In order to sell the property, we are required to hold a public hearing to allow comments from the public. A Notice of Public Hearing was published in the Brainerd Dispatch on April 27th (see Attachment 1a).

Attachment 1b is the Purchase and Development Agreement and Resolution 2022-06 approving the Purchase and Development Agreement between the CWC HRA and LAHFH for the Board's review and approval.

Action Requested: Hold a public hearing regarding the sale of a tax forfeited parcel to Lakes Area Habitat For Humanity and approve Resolution No. 2022-06 allowing staff to execute a Purchase and Development Agreement with Lakes Area Habitat For Humanity for the sale of this parcel.

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Lot 2, Block 2, Jasperwood East

The proposed terms of the conveyance are available for review by the public at the office of the Executive Director of the HRA on and after the date of this notice.

At the time and place fixed for the public hearing, the Board will give all persons who appear at the hearing an opportunity to express their views with respect to the proposal. In addition, interested persons may direct any questions or file written comments respecting the proposal with the Executive Director of the HRA, at or prior to said public hearing.

Dated: 4/27/2022

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REDEVELOPMENT AUTHORITY IN AND
FOR THE COUNTY OF CROW WING

/s/ Eric Charpentier
Executive Director

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Housing & Redevelopment Authority

Application to Acquire Tax Forfeited Property

GENERAL INFORMATION

2023-02-27

Business Name: LAKES AREA HABITAT FOR HUMANITY

Address: PO BOX 234, BRAINERD, MN 56401

Type (Partnership): 501c3

Authorized Representative: KEVIN PIZKEY

Description of Business: affordable homeownership w/ ge
set at no more than 25% income

Previous experience with this type of development: 124 completed single
family homes since 1990

PROPERTY INFORMATION

Tract Number(s) 40240523

Do any of the tracts contain occupied buildings? NO

Acquisition price of property _____

PROJECT INFORMATION

Tax forfeited properties may only be purchased through the CWC HRA if they eliminate blight or for the construction of affordable housing.

Will the project eliminate blight? Yes No

If yes, please explain how. Include pictures with your explanation.

Does the proposed project include the construction of "affordable" housing (115% of AMI)?

Yes No

Description of the Proposed Project: 4 BEDROOM, 1.5 BATH HOME; 1296 sq. ft
AND 2 CAR DETACHED GARAGE

~~*ATTACHED PLANS FROM CROSBY BUILD = SAME PLAN PROPOSED FOR THIS PROPERTY~~

Will there be relocation as part of the project? NO

Who will be responsible for improvements and maintenance after closing?

Name KEVIN PELKEY /LAKES AREA HABITAT FOR HUMANITY

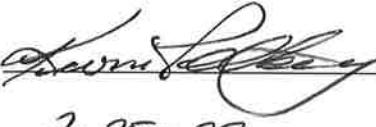
Phone 218-828-8517 Email Kevin.pelkey@lakesareahabitat.org

Will all improvements be complete within 12 months after closing? YES

PLEASE INCLUDE:

1. Plans and drawing of project
2. Print out of each tract from Crow Wing County tax forfeit list
3. Maintenance and holding cost fee of \$1,000 payable to Crow Wing County HRA
4. Non-refundable administrative fee of \$500 payable to Crow Wing County HRA

SIGNATURE

Applicant's signature: 

Date: 2-25-22



LAKES AREA HABITAT FOR HUMANITY
PO BOX 234
BRAINERD, MN 56401
(218) 828-8517

BREMER BANK, N.A.
BRAINERD OFFICE
PO BOX 687 (218) 829-8781
BRAINERD, MN 56401
75-1041/960

23282

2/28/2022

PAY TO THE ORDER OF BRAINERD HRA

\$ ***1,500.00

DOLLARS

One Thousand Five Hundred and 00/100*****

BRAINERD HRA
324 EAST RIVER ROAD
BRAINERD, MN 56401

MEMO

Kevin Bellamy
AUTHORIZED SIGNATURE

110 23 28 2111 10960 104 1511 06000 11520811

LAKES AREA HABITAT FOR HUMANITY

23282

BRAINERD HRA
1200 · CONSTRUCTION IN PROGRESS · MANCILLAS LOT

2/28/2022

1,500.00

BRAINERD - Mancilla

1,500.00

(Published in the Brainerd Dispatch,
April 27, 2022, 1t.)

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**BY ORDER OF THE BOARD OF
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THORITY IN AND FOR THE
COUNTY OF CROW WING**

/s/ Eric Charpentier
Executive Director

May 10, 2022

<https://epaper.brainerddispatch.com/html5/reader/production/print.aspx?edid=bccc81d5-b15b-444f-bdee-1bde7ecc2b72&type=clipping&clippingurls=h...> 1/2

Parcel ID: 40240523
TAX FORFEITED

Parcel

Assessment Year: 2022
Pay Year: 2023
Property Address:
City:
State: MN
Zip:
Multiple Addresses: No
Owner Mailing: CROW WING COUNTY LAND SERVICES
Mailing City: 322 LAUREL ST STE 15
Legacy Parcel ID: 033270020020009
Market NBHD: 03_5 - BAXTER NEIGHBORHOOD #5
Class: 960 - 5E TAX FORFEITURE NOT REPORTED
Lake:
Deeded Acres: .53
Plat: 03327 - JASPERWOOD EAST
Lot: 2
Block: 2
Section-Twp-Range: 24 - 133 - 029
Tax District: 40100 -
Town/City:
School District:
Fire District:
Rural Service:
Watershed:
Sewer District:
Hospital:
HRA:
Commissioner District: 3
TIF Project #: -

Values

Tax Market Value: 0
Estimated Market Value: 25,500
Ref Market Value:
New Construction Value: 0

Parcel Status

In Forfeiture: No
Escrow Company:
ACH: No
Delinquent: No
Homestead: N - Non-Homestead
Relative

Legal

Plat Name: JASPERWOOD EAST LOT 2 BLOCK 2

Sales

Sale Date	Sale Price	Instr. Type	CRV #	Grantor/Seller	Grantee/Buyer
10/01/2013		OTH	TF2013		TAX FORFEITED
01/06/2006		OTH	PLT03327		NAVILLUS LAND COMPANY
01/13/2004		OTH	0400478		NAVILLUS LAND COMPANY

Sale Details

1 of 3

Instrument Type: OTHER TYPE OF TRANSFER

May 10, 2022

17

<https://propertyinformation.crowning.us/Datalets/PrintDatalet.aspx?pin=40240523&gsp=PROFILEALL&taxyear=2022&jur=018&ownseq=0&card=1&ro...> 1/3

Grantor/Seller:
 Grantee/Buyer:
 Instrument/Sale Date:
 Transfer Date:
 Recorded Date:
 Improved/Vacant:
 State Validity Code:
 Sale Property Use:
 CRV #:
 Old Document Number:
 Total Sale Price:
 # of Pcls:
 Adjusted Sale Price:

Land Summary

Line	Class	Rec #	Code	Land Description	Square Feet	Acres	Land Type	Value
1	1		HGHOPN	HIGH OPEN/MEADOW/PASTURE	23,087	.53	A - ACREAGE	25,500
Total:						.53		25,500

Land

Line: 1
 Class:
 Rec #:
 Land Type: A - ACREAGE
 Land Code: HGHOPN
 Square Feet: 23,087
 Acres: .53
 Land Value: 25,500
 Frontage:
 Depth:
 Influence 1:
 Influence 2:
 Influence 3:
 Influence 4:

Green Acres/Rural Preserve

Land Program:
 Total Land Program EMV 0
 Tillable Land 0
 Land Program Tillable .00
 Acres .00
 Tillable Acres .00
 Land Program Tillable Acres .00

Values shown effective as of: May 05, 2022



Sorry, no sketch available
for this record

Item	Area

40240523 , MN



May 5, 2022

$$0 \quad 0$$

PURCHASE AND REDEVELOPMENT AGREEMENT
Lot 2, Block 2, Jasperwood East, Crow Wing County, Minnesota

1. **Parties.** This Purchase and Redevelopment Agreement (the “Agreement”) is made as of _____, 2022 between the 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 (the “Seller”), and LAKES AREA HABITAT FOR HUMANITY, a Minnesota nonprofit corporation, having its principal office at 1110 Wright Street, Brainerd, MN 56401 (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”):

Lot 2, Block 2, Jasperwood East, 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 _____, 2022. (***1 day from date of this Agreement***)
4. **Price and Terms.** The price for the Property is \$ _____ (“Purchase Price”), which Buyer shall pay in full by certified check or wire transfer on the Date of Closing. The “Date of Closing” shall be no later than _____, 2022.
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 A, subject to the conditions subsequent required by Sections 15, 16, and 17 of this Agreement (the “Deed”).
7. **Real Estate Taxes and Special Assessments.**
 - A. Seller shall pay, at or before closing, all real estate taxes due and payable in 2021 and prior years. Real estate taxes for taxes payable year 2022 are exempt.

B. Seller represents that there are special assessments payable or pending as of the date of this agreement and Buyer agrees to pay all outstanding assessments at closing. 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) 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; (d) any transfer taxes; and (e) all direct costs incurred by the Seller for the acquisition and sale of the Property to the Buyer, as provided in the Seller's Tax Forfeited Property Hold Policy and Sales Procedure (the "Tax Forfeited Property Policy"). 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, and (b) fees and charges related to the filing of any instrument required to make title marketable.

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 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/Sealing. The Seller certifies that the Seller does not know of any wells on the described real property. Buyer agrees to have a licensed well contractor examine the Property for purposes of locating a well. Buyer agrees to have all wells located on the Property, which are not in use, sealed by a licensed well contractor at Buyer's expense.

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 or relocate a single-family dwelling on the Property, intended for sale to a person or persons for

residential occupancy (an “Owner Occupant”). This covenant shall survive the delivery of the Deed.

- A. The 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 on the Property, and shall be constructed substantially in accordance with this Agreement and the Application to Acquire Tax Forfeited Property submitted by the Buyer to the Seller, including building plans and drawings (collectively, the “Buyer Plans”); provided that approval of the building plans for such Minimum Improvements shall be evidenced by the issuance by the City of Baxter of a building permit for the Minimum Improvements.
- C. Construction of the Minimum Improvements on the Property must be substantially completed by one year from the Date of Closing. Construction of the Minimum Improvements on the Property will be considered substantially complete when the final certificate of occupancy has been issued by the City of Baxter building official.
- D. Promptly after substantial completion of the Minimum Improvements on the Property 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 B, for the Minimum Improvements. 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 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 Property and the date 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.

(2) If the Buyer seeks to effect a Transfer of the Property with respect to this Agreement prior to issuance of the Certificate of Completion, 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 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 or 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, the Buyer may Transfer the Property and/or the Buyer's rights and obligations under this Agreement 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 Baxter 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, and shall remain in effect for ten years after the Date of Closing. In addition, the Buyer agrees and acknowledges that the Minimum Improvements will be for affordable housing, as provided the Buyer's Plans.**

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 the Buyer 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 _____ 2022, 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: LAKES AREA HABITAT FOR HUMANITY

By: _____
Kevin Pelkey
Its: Executive Director

STATE OF MINNESOTA
} ss.
COUNTY OF CROW WING

The foregoing was acknowledged before me this _____ day of _____, 2022, by Kevin Pelkey, Executive Director of Lakes Area Habitat for Humanity, a Minnesota nonprofit corporation, on behalf of the corporation.

Notary Public

This document drafted by:

Kennedy & Graven, Chartered
150 South Fifth Street, Suite 700
Minneapolis, MN 55402-1299

EXHIBIT A
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 Lakes Area Habitat for Humanity, a Minnesota nonprofit corporation (the "Grantee").

WITNESSETH, that Grantor, in consideration of the sum of \$_____ 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"):

Lot 2, Block 2, Jasperwood East, 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 _____, 2022 as document number _____, entered into between the Grantor and Grantee on the ___ of _____, 2022, 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 _____, 2022.

- 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 _____, 2022, 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 Fifth Street, Suite 700
Minneapolis, MN 55402-1299
(612) 337-9300

Tax Statements should be sent to:

Lakes Area Habitat for Humanity
1110 Wright Street
Brainerd, MN 56401

EXHIBIT C
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 Lakes Area Habitat for Humanity, a Minnesota nonprofit corporation (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 Section 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 Fifth Street, Suite 700
Minneapolis, MN 55402
(612) 337-9300

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

RESOLUTION NO. 2022-06

RESOLUTION APPROVING A PURCHASE AND REDEVELOPMENT AGREEMENT BETWEEN THE HOUSING AND REDEVELOPMENT AUTHORITY IN AND FOR THE COUNTY OF CROW WING AND LAKES AREA HABITAT FOR HUMANITY.

BE IT RESOLVED By the Board of Commissioners (“Board”) of the Housing and Redevelopment Authority in and for the County of Crow Wing (“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 determined to carry out a housing development project in order to alleviate a shortage of decent, safe, and sanitary housing for persons of low or moderate income and their families within the City of Baxter (the “City”).

1.02. The Authority and Lakes Area Habitat for Humanity (the “Buyer”) have proposed to enter into a Purchase and Redevelopment Agreement (the “Agreement”), setting forth the terms and conditions of sale and redevelopment of certain tax-forfeited property within the City, currently owned by Crow Wing County, Minnesota (the “County”), legally described in Exhibit A attached to this Resolution (the “Property”).

1.03. On April 12, 2022, the Board of Commissioners approved by resolution the conveyance of the Property to the Authority for the purpose of constructing affordable housing.

1.04. Pursuant to the Agreement, the Buyer will acquire the Property from the Authority, and will construct a single-family home thereon, subject to the City’s zoning and building codes and policies.

1.05. On the date hereof, 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.

1.06. The Board has reviewed the Agreement and finds 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.

Section 2. Authority Approval; Further Proceedings.

2.01. The Agreement as presented to the Board, including the sale of the Property 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 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 Agreement.

Approved by the Board of Commissioners of the Housing and Redevelopment Authority in and for the County of Crow Wing this 10th day of May, 2022.

Chair

ATTEST:

Secretary

EXHIBIT A

PROPERTY

Lot 2, Block 2, Jasperwood East, Crow Wing County, Minnesota.

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**Crow Wing County HRA
BOARD MEETING MINUTES
04/12/2022**

Attachment 3

A regular meeting of the Board of Commissioners of the Housing and Redevelopment Authority (HRA) in and for the County of Crow Wing, Minnesota, was held at the Crow Wing County Land Services Building, Pine/Maple Meeting Room and via Webex video/teleconference at 5:00 p.m., Tuesday, April 12th, 2022.

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

Others present: Executive Director Eric Charpentier, Finance Director Karen Young, Rehab and Maintenance Director John Schommer, Rehab Administrative Specialist Kristin Miller, Crow Wing County Administrative Services Director Deborah (Debby) Erickson.

3. **REVIEW AND APPROVE AGENDA:**

Moved and seconded by Commissioners Morford and Burton to approve the agenda as presented for the April 12th, 2022, board meeting. All commissioners were in favor, and none were opposed. The agenda was approved.

4. **REVIEW AND APPROVE MINUTES:**

Moved and seconded by Commissioners Tabatt and Morford to approve the minutes from the March 8th, 2022, board meeting. All commissioners were in favor, and none were opposed. The minutes were approved.

Craig Nathan entered meeting 5:02pm

5. **FINANCIAL:**

- a. **REVIEW and ACCEPT FINANCIAL STATEMENTS:**

The financial information for March 2022 was presented by Karen Young.

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

Level Contracting Closing:

Reflected in the March financial statements is the closing that took place for the purchase of the five lots in Brainerd Oaks for a total of \$26,273.42 as approved at the March meeting. Of this, \$11,500 went to the City for SAC/WAC/Park Fees,

\$11,864.52 went to the City in lieu of assessments, and \$812.50 were for closing costs. We were reimbursed for direct costs of \$2,096.40. With this closing, 74% of the total lots have been purchased by the developer.

6. UNFINISHED BUSINESS:

- a. Amendment to the Purchase & Redevelopment Agreement with Level Contracting, LLC. to add Serene Pines tax forfeited lot to the PDA.**

Presented by John Schommer

Monty Jensen with Level Contracting requested to purchase a tax forfeited lot in Serene Pines that was not available at the time of the original Purchase and Development Agreement and submitted a Letter Of Intent to purchase the tax forfeited lot. At the February meeting, the board approved Resolution 2022-01 accepting conveyance of the lot from Crow Wing County and at the March meeting, the board accepted the offer outlined in the Letter Of Intent. Staff recommends approving Resolution 2022-05 that approves a third amendment to the Master Purchase and Redevelopment Contract that will allow Level Contracting to purchase the lot for the agreed upon price using the same process as the other lots in the contract.

Moved by Commissioner Burton and seconded by Commissioner Tabatt to approve resolution No. 2022-05, and the Third Amendment to the Master Purchase and Redevelopment Contract with Level Contracting. Through a roll call vote, all commissioners were in favor and none were opposed. The motion passed.

7. NEW BUSINESS:

- a. Review Revisions to Housing Trust Fund Guidelines**

The Housing Trust Fund Ordinance was adopted unanimously by Crow Wing County commissioners on February 25th, 2020. The Crow Wing County HRA board approved the guidelines presented by staff at their May 2020 meeting which determines how the Housing Trust Fund monies can be distributed. Since then, we have been working to establish procedures to coincide with the guidelines that will help in administering the funds and in doing so we have realized some areas that could be changed. Some of these changes will help clarify the programs while others will help in making sure we are protecting the integrity of the intent of the funds and ensure they are a continually renewable source of revenue to meet, in part, the housing needs of Moderate, Low Income and Very Low-Income households of the County.

Staff has attached a copy of the Guidelines as proposed and also a copy that shows the revisions from the Guidelines as originally adopted at the May 2020 board meeting.

Moved by Commissioner Morford and seconded by Commissioner Burton to approve Adopting the Revised Housing Trust Fund Guidelines. Through a roll call vote, all commissioners were in favor and none were opposed. The motion passed.

8. REPORTS:

a. Executive Director:

Tax Forfeit Lot in Baxter

This process continues to move forward between the HRA and the developer for the purchase of one lot in Baxter through the Tax Forfeit Property Policy. The County Commissioners had this lot on their agenda today to convey the property to the County HRA. The next step will be to hold a public hearing and finalize a purchase agreement for this lot. The developer is willing to pay the entire balance of the assessment on the property and will then purchase this lot from the County HRA following the policy that was adopted by our commissioners. This developer has also stated that they are interested in purchasing additional tax forfeited lots in Baxter and we will work on crafting a development agreement to bring forward once we know the additional lot details.

Strategic Planning Session Updates:

Bruce Miles has been reaching out to our staff and commissioners and I hope that he has had the opportunity to connect with you all individually. We are planning on this session to be held on May 19th and I am awaiting confirmation on the location. We are looking for a room that has the tech capabilities to host a commissioner virtually as well, so we can get as much participation as possible. I will be connecting with Mr. Miles in the coming weeks to finalize our plans. Thank you all for your participation in the lead up to this session.

b. Housing Trust Fund:

Momentum is picking up on both the rehab program and our down payment assistance program for the trust fund. Our internal group met on March 31st to discuss updates to our guidelines as well as review 2 applicants for the rehab program. On April 6th we received a message from a mortgage originator stating that they had 3 borrowers that were pre-approved to receive a mortgage while also utilizing our down payment assistance program. Those clients are actively looking for property in Crow Wing County and could be signing a purchase agreement any day. We have also recently finalized our loan documentation for the down payment assistance program. We are optimistic that we will be able to fund our first project out of either one of these programs very soon! We are eager to get our first loan on the books and look forward to sharing that progress with the board as it is happening.

c. Brainerd HRA/Rehab Programs:

Emily SCDD

8 Owner occupied projects complete
2 Project is construction

Garrison SCDD

The Notice of Intent to Request Release of Funds for the Small Cities Development Program was published in the Mille Lacs Messenger and sent to all required on Wednesday, March 16th, 2022. Waiting to receive notice from DEED after our objection period has ended on Monday, April 11th, 2022.

Jenkins SCDD

The Notice of Intent to Request Release of Funds for the Small Cities Development Program was published in the Northland Press and sent to all required on Tuesday, March 15th, 2022. Waiting to receive notice from DEED after our objection period has ended on Friday, April 8th, 2022.

MHFA

5 Projects are in construction
2 Work Write-up
4 Applications are in process

Housing Trust Fund

6 Application have been sent out
2 Work Write-up

Brainerd Oaks/Serene Pines/Dalmar Estates

Development	Total	# Sold to Developer	# Sold to End Buyer	For Sale	In Construction
Brainerd Oaks	81*	59	57	0	5
Serene Pines	23	16	16	1	0
Dalmar Estates	7	3	1	0	2

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

d. BLAEDC/CREDI:

Staff time billing reports were presented for March 2022.

e. CWC:

Erickson gave an overview of all happenings in Crow Wing County.

- Tax Assessments for Crow Wing County; an average increase of 35%
- 2022 Precinct Redistricting have been approved; public mailing will go out in July
- Many available position through Crow Wing County;
<https://www.governmentjobs.com/careers/crowwingmn>
- National Public Safety Telecommunicators Week April 10-16, 2022



9. HRA Commissioner Comments:

None at this time

10. NEXT MEETING: Tuesday, May 10th, 2022

9. ADJOURNMENT:

Commissioner Burton made a motion to adjourn the meeting. Commissioner Morford seconded the motion. All commissioners voted in favor of the motion, and none were opposed. The motion was approved, and meeting was adjourned at 6:10 p.m.

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To: CWC HRA Board Members

Attachment 4

From: Karen Young, Finance Director

Date: May 2, 2022

Re: Review and Accept Financial Statements

Please find attached the financial information for April 2022.

Payments

In April we processed \$10,000 payments to the cities of Garrison and Jenkins for leverage dollars for their SCDP grants. These payments, out of CWC Local Income funds, were approved by the board at the November 10, 2020 board meeting.

Action Requested: Accept the April financial statements as submitted.

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Date/Time joe
5/4/2022 3:02:17 PM

**Crow Wing County
CWC HRA Combined Balance Sheet
April, 2022**

Cumulative

ASSETS

550-000-1129.210	Cash Gen Fund	23,551.27
550-001-1129.210	Cash CWC SCDP	63,884.51
551-002-1129.210	Cash RLF TIF	389,789.37
556-000-1129.210	Cash Development Fund	604.20
557-000-1129.210	Cash Tax Forf Property	-3,643.63
558-000-1129.210	Cash HTF	992,192.01
551-002-1141.000	Loans Rec RLF TIF	31,717.19
556-000-1450.000	Land Held for Resale	295,798.63
TOTAL ASSETS		<u>1,793,893.55</u>

LIABILITIES

550-000-2112.000	A/P Other	-975.00
557-000-2115.000	Escrow Account TFP	-1,000.00
556-000-2600.000	Def Inflow of Res - Dev	-295,798.63
TOTAL LIABILITIES		<u>-297,773.63</u>

SURPLUS

550-000-2700-000	Net Income	82,168.41
550-000-2806.000	Retained Earnings	-1,578,288.33
TOTAL SURPLUS		<u>-1,496,119.92</u>

TOTAL LIABILITIES & SURPLUS

-1,793,893.55

Proof 0.00

**Crow Wing County
 CWC HRA Combined Operating Stmt
 April, 2022**

	Current Period	Current Year	Year To Date Budget	Variance
INCOME				
550-000-3610.000 Investment Earnings	-5.98	-23.54	0.00	-23.54
550-000-3690.000 Other Revenue	0.00	-85.50	0.00	-85.50
551-002-3610.000 RLF TIF Interest Rev	-170.16	-702.84	-593.36	-109.48
556-000-3696.000 Development Revenue	0.00	-26,253.02	-63,733.32	37,480.30
557-000-3696.000 TFP Revenue	0.00	-500.00	-3,333.32	2,833.32
TOTAL INCOME	-176.14	-27,564.90	-67,660.00	40,095.10
EXPENSE				
550-000-4110.000 Administrative Salaries	300.00	1,125.00	1,500.00	-375.00
550-000-4130.000 Legal	0.00	0.00	3,333.32	-3,333.32
550-000-4140.000 Staff Training	0.00	0.00	500.00	-500.00
550-000-4150.000 Travel	0.00	43.07	83.32	-40.25
550-000-4171.000 Auditing Fees	1,365.00	7,140.00	7,140.00	0.00
550-000-4172.000 Management Fees	12,500.00	50,000.00	50,000.00	0.00
550-000-4190.000 Other Administrative	0.00	0.00	66.68	-66.68
550-000-4500.000 TIF Expense	0.00	30.00	200.00	-170.00
550-000-4510.000 Insurance	0.00	2,703.00	2,600.00	103.00
550-000-4540.000 Employer FICA	22.95	86.09	116.68	-30.59
550-000-4590.000 Other General Expense	1,952.50	1,952.50	8,668.00	-6,715.50
550-001-4600.000 CWC SCDP Expense	20,000.00	20,000.00	9,000.00	11,000.00
556-000-4600.000 Development Expense	4.10	24,984.62	63,733.32	-38,748.70
557-000-4600.000 TFP Expense	98.68	197.36	3,333.32	-3,135.96
558-000-4600.000 HTF Expense	1,108.67	1,471.67	13,333.36	-11,861.69
TOTAL EXPENSE	37,351.90	109,733.31	163,608.00	-53,874.69
NET INCOME(-) OR LOSS	37,175.76	82,168.41	95,948.00	-13,779.59

Crow Wing County HRA
April 2022 Payments

Payment Number	Payment Date	Vendor	Description	Check Amount
888	4/8/2022	John Schommer	Mileage	\$32.77
24549	4/7/2022	Big River Group, LLC	Strategic Planning Session	\$1,952.50
24555	4/7/2022	CliftonLarsonAllen LLP	Audit Fees	\$1,365.00
24580	4/21/2022	Atlas Abstract & Title	O&E Report-Housing Trust Fund Loans	\$180.00
24586	4/21/2022	City of Garrison	SCDP Leverage Funds	\$10,000.00
24587	4/21/2022	City of Jenkins	SCDP Leverage Funds	\$10,000.00
24588	4/21/2022	Crow Wing County Land Services Dept	Baxter Tax Forfeit Lot: 40240523	\$98.68
24600	4/21/2022	Miller Testing & Consulting LLC	LBP Assessment Housing Trust Fund Loans	\$900.00
Total				\$24,528.95

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To: CWC HRA Board Members Attachment 5

From: Eric Charpentier, Executive Director

Date: May 10th, 2022

Re: Executive Director Report

MN NAHRO Executive Directors Boot Camp

I recently attended an Executive Director Boot camp through the Minnesota chapter of NAHRO from April 20th – 22nd. This was a 2.5 day session with various round table discussions along with specific training from the national association geared specifically for executive directors. This was a great opportunity for me to network with several other directors from around the state and region as well as gain a deeper understanding of the role the director plays for an agency. I am looking forward to attending future trainings with this group.

Strategic Planning Session Update:

Planning continues for our goal setting session to be held on Thursday May 19th. I have attached a draft agenda that we will use for both our Brainerd board and our Crow Wing County board. We will be hosting a lunch for both boards at noon and our session for Crow Wing Count will start at 1pm. The session will be held at Brainerd City Hall on the 2nd floor in the conference room. For those that will need to attend remotely, I will have a Webex link that I will send out prior to the meeting.

Action Requested: No action requested, for informational purposes only

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2022 Planning Projects • May 19, 2022 @ Brainerd City Hall

Brainerd HRA • 9:00 AM to Noon

Crow Wing County HRA • 1:00 to 4:00 PM

Work Session Materials

Introduction for Each Board Planning Session

- Welcome & introductions
- Brief review of prior plans & goals (handout)

Worksheets for Each Board Planning Session

• Recent Successes & Issues	1
• Sample Vision & Priorities	2
• Vision & Priorities Worksheet	3
• Benchmarks Worksheet	4
• Types of Future Work	5

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To: CWC HRA Board Members Attachment 6

From: Eric Charpentier, Executive Director

Date: May 10th, 2022

Re: Housing Trust Fund Report

We have our first down payment assistance loan request for a borrower who is looking to purchase their home in May. We are working with a local mortgage lender who has provided us with the documentation necessary for us to qualify this individual for the program. We are also finalizing our partnership with MMFCU and believe we will be able to fund this loan by the end of May. The prospective borrower appears to qualify for the program, and we are thrilled to have this project moving forward. We also still have several owner-occupied rehab requests in the pipeline and our first project for rehab is going out to bid. We are hopeful that this first project will receive bids and can move forward with funding in late May or early June.

On Tuesday May 10th John and I will be speaking on Community Focus, a radio program on the local radio station WJJY. Our discussion will focus on the shortage of housing in Crow Wing County. We will be talking about the housing study that we commissioned as well as giving information on all our Housing Trust Fund programs. This slot was offered to us from the City of Baxter to help us continue to market our programs to get the word out in the community about them.

Action Requested: No action requested, for information only.

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To: Brainerd HRA Board Members
From: John Schommer, Rehab Coordinator
Date: May 5, 2022
Re: Rehab Programs Report

Attachment 7

Emily SCDP

8 Owner occupied projects are complete
2 Projects are in construction

Garrison SCDP

1 Owner Occupied project is ready to go out for bids
1 Commercial project is waiting for owner review
1 Owner Occupied application is in process

Jenkins SCDP

7 Applications have been sent out

MHFA

4 Projects are in construction
1 Project is in work write-up
6 Applications are in process

Housing Trust Fund

6 Applications have been sent out
1 Project is in work write-up
1 Project is in construction

Brainerd Oaks/Serene Pines/Dalmar Estates

Development	Total	# Sold to Developer	# Sold to End Buyer	For Sale	In Construction
Brainerd Oaks	81*	64	57	0	8
Serene Pines	23	16	16	0	0
Dalmar Estates	7	3	1	0	2

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

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2022 CWC HRA BLAEDC/CREDI STAFF TIME- APRIL

Attachment 8



Date Range: 4/1/2022 -
4/30/2022

Project Group	Project	Date	Comment	Hours	Billing Amount
Crow Wing County HRA	CWC HRA - Redev	Redevelopment Projects			
		4/1/2022	Phone calls with local Pequot Lakes developers to discuss housing for both single family homes and apartment complexes in Crosslake, Baxter and Pequot Lakes communities.	2.00	\$300.00
		4/4/2022	Meetings w/county staff to discuss final 3 childcare applications and the properties that each will be placing new facilities in 3 Crow Wing County communities. 2 of the 3 locations will be redeveloped properties that will reduce both blighted properties and improve the community. Funding options are challenging these properties.	4.50	\$675.00
		4/5/2022	Meeting w/local business owner in Pequot Lakes regarding his restaurant that he is looking to sell to another local business for redevelopment into a new restaurant. Property has been vacant for 3 years due to Covid and the building has become blighted. New buyer is looking to purchase and rebuild.	3.50	\$525.00
		4/6/2022	Visited a new business in Pequot Lakes, buyer is looking for financing assistance to help push business forward. Owner purchased the building and redeveloped it to place his new business inside.	3.00	\$450.00
		4/7/2022	email correspondence with Crosby business owner that is in the process of new plans for a redevelopment in downtown Crosby. Discussions around financial assistance and building plans and timelines were all part of the discussion.	2.00	\$300.00
		4/8/2022	Meeting w/business owner from Jenkins that is looking for assistance with business plan development, financial projections to purchase and redevelop Pequot Lakes property. Process will involve significant redevelopment and update to sewer system. Multiple blaedc staff involved in the meeting.	3.50	\$525.00
		4/11/2022	email and phone correspondence with Y ceo regarding county childcare funding and timing of assistance to redevelop property. Y leadership would like to move forward with plans for property as it will involve a full redevelopment.	1.50	\$225.00

4/12/2022	Meetings with local lenders regarding assistance with 2 projects in the Crosby area, that will be large redevelopment projects in that community. Multiple blaedc staff attended the meeting and prepare reports and overall cost estimates with lender as additional financing from blaedc may be required to make projects financially viable.	3.00	\$450.00
4/13/2022	phone, text and email correspondence with lender and proposed property owner who has a purchase agreement in place to purchase and redevelop the property located on Washington Street in Brainerd. Building has been sitting vacant for some time and needs significant improvement before a new business can relocate.	2.00	\$300.00
4/13/2022	River to Rail meeting w/community stakeholders from the city of Brainerd. Multiple projects were discussed among stakeholders as well as updates to some new properties that have been purchased and are about to begin redevelopment. Staff time to prepare minutes and meeting agendas was provided.	3.50	\$525.00
4/14/2022	email correspondence with local developers to set meetings with leaders of 2 communities to discuss housing needs and local community participation to assist with the cost of property as well as the assistance that each community can provide.	1.50	\$225.00
4/15/2022	In person meetings with property owners of Brainerd business. Local owners have purchased and will redevelop property located in northeast Brainerd. Building has significant issues and will need construction to bring the building to a level of use. Owners were discussing grant options and their business plan for the future use of property.	2.50	\$375.00
4/18/2022	On site meeting w/developers to discuss proposed plans for property in Nisswa. Meeting involved owners and blaedc staff to discuss use of property and involvement of financing needs to redevelop existing building to meet needs of expanding business.	2.00	\$300.00
4/19/2022	phone conversation and email communication with metro area developers that are working to purchase property in the Cuyuna area for future redevelopment projects.	1.50	\$225.00

4/19/2022	Pequot Lakes EDC meeting. Primary discussion is surrounding new mixed use of the Heart of the Good Life property. Group is in process of replating the land to provide options for mixed use of housing, commercial development and possible school sport fields. BLAEDC provided details around the use of TIF for future projects. Staff time to attend meetings and present findings and create reports.	4.50	\$675.00
4/20/2022	Meeting w/CREDI board members to discuss all projects that are in the process of redevelopment in and around the Cuyuna area. Projects involve the redevelopment of building in Crosby, Ironton, Emily and Riverton. Each project will begin this spring and summer. Staff time to attend meeting and present project information to local stakeholders.	3.50	\$525.00
4/21/2022	email correspondence with lender and possible owner of property located on Washington Street in Brainerd for assistance to purchase property for new business and redevelopment.	1.50	\$225.00
4/21/2022	BLAEDC staff meeting w/Representative Stauber to discuss Y funding options at the state and federal level that will support the redevelopment and start of Y childcare facility. This project will provide 75-80 childcare slots if the property can be redeveloped and financed with assistance. Staff time to attend meeting.	3.00	\$450.00
4/22/2022	BLAEDC staff members met with local company regarding the purchase of a new building to expand their business. The building in question is located in Crow Wing County, but would need to be modified significantly to accommodate their needs. Property is currently not occupied.	2.50	\$375.00
4/25/2022	Meeting w/Crosslake EDC staff and city staff regarding projects in the area. BLAEDC staff time to prepare reports for the meeting and to attend the meeting and present. Some new projects are moving forward that will redevelop 2 properties in the city.	3.50	\$525.00
4/26/2022	email and phone conversations with potential property owner of restaurant in Pequot Lakes that needs significant redevelopment and sewer upgrades before the building can be opened. Offer has been put on the table to purchase the building with discussion around cost to complete project.	2.00	\$300.00

4/26/2022	Meeting w/property owner of east Brainerd building as plans for redevelopment are moving forward. Owners are looking for grant options as well as River to Rail incentives to complete project.	2.50	\$375.00
4/27/2022	phone conversation and video conferencing with potential owner of new Brainerd business to discuss all available options of financing and what the new build out of the property will look like and timing of completion of project. Discussed all costs that include redevelopment.	2.50	\$375.00
<hr/>			
	CWC HRA - Redev	Redevelopment Projects Total:	61.50
	Crow Wing County HRA Total:	61.50	\$9,225.00
	Grand Total	61.50	\$9,225.00

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



Tyler Glynn, BLAEDC Executive Director