

# Crow Wing County HRA

## AGENDA

5:00 p.m. Tuesday, October 9<sup>th</sup>, 2018

Jinx Ferrari Meeting Room

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

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### AGENDA ITEM

1. Call to Order
2. Roll Call
3. Presentation: BLAEDC
4. Review and Approve Minutes (*Attachment 1*)
5. Review and Accept Financial Statements (*Attachment 2*)
6. Old Business
  - a. Consider Support for SCDP Rehabilitation in Ironton (*Attachment 3*)
7. New Business
8. Reports
  - a. Executive Director (*Verbal - no attachment*)
  - b. Brainerd HRA
  - c. BLAEDC
  - d. CWC
9. Meeting Agenda Topics for November 13, 2018
10. Adjourn

### 2018 Officers and Commissioners

Chair – Craig Nathan/District 4 (12-31-20)

Vice Chair – Theresa Goble/District 1 (12-31-22)

Secretary – Sharon Magnan/District 3 (12-31-19)

Commissioner – David Kennedy/District 2 (12-31-18)

Commissioner – Michael Aulie/District 5 (12-31-21)



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**Minutes from Tuesday, September 11<sup>th</sup>, 2018**  
**Crow Wing County**  
**Housing and Redevelopment Authority**  
**Board Meeting**

A regular meeting of the Board of Commissioners of the Housing and Redevelopment Authority (HRA) in and for the County of Crow Wing, Minnesota, was held at 5:00 p.m., Tuesday, September 11<sup>th</sup>, 2018.

1. **CALL TO ORDER:** Chair Craig Nathan called the meeting to order at 5:02 p.m.
2. **ROLL CALL:** Present at the meeting were Chair Craig Nathan and Commissioners Sharon Magnan, Mike Aulie, and David Kennedy; Executive Director Jennifer Bergman, Finance Director Karen Young, and Executive Assistant LeAnn Goltz. Absent: Theresa Goble.
3. **REVIEW AND APPROVE MINUTES:**

**Commissioner Kennedy made a motion to approve the minutes from the board meeting held on August 21<sup>st</sup>, 2018. Commissioner Aulie seconded the motion. All commissioners voted in favor of the motion and none were opposed. The minutes were approved.**
4. **REVIEW AND APPROVE FINANCIAL STATEMENTS:** The sale of the tax forfeit property to Habitat for Humanity as approved by the board in June meeting was reflected in the August financial statements.
 

The Board inquired about the high legal costs for the sale of the property and if staff anticipates similar costs for future sales. Staff explained they expect legal fees to be lower as this sale was the first since implementing the tax forfeited policy. They hope to streamline the process resulting in lower legal fees.

**Commissioner Kennedy made a motion to accept the August financial statements as presented. Commissioner Aulie seconded the motion. All commissioners voted in favor of the motion and none were opposed. The motion passed.**
5. **OLD BUSINESS:** Nothing to report.
6. **NEW BUSINESS:**
  - a. **Approve Submission of Proposal to DEED for the City of Ironton and Authorize Providing Leverage Dollars for the Project:** CFS is submitting an application for rental rehabilitation and public facilities improvements in the City of Ironton. They have asked the CWC HRA to partner with them on the project by sharing the administrative duties. The HRA would be the principal administrator and CFS would take on the public facilities portion of it. CFS has extensive experience and knowledge working with public facilities projects and would be a great asset administering that portion of the grant, if funded.

In addition, CFS has asked if the CWC HRA would consider providing contributing leverage dollars toward the project. Leverage could come from Local Income or possibly from the Revolving Loan Fund.



The Board had a discussion about CFS's requests. Although they support the partnership with CFS, they were not ready to make any decisions. They agreed that they would like more information and definitive numbers.

**Commissioner Kennedy made a motion to table the discussion until they can review the preliminary proposal as written with a defined scope of work and specific dollar amounts. Commissioner Aulie seconded the motion. All commissioners voted in favor and none were opposed. The motion was approved and the agenda item was tabled.**

**7. REPORTS:**

- a. **Executive Director:** Bergman reported that she presented at the County Board's Committee of the Whole meeting on Friday, September 7<sup>th</sup>. It went very well.

On August 15<sup>th</sup>, Bergman met with a developer interested in building affordable rental housing in Nisswa. The developer currently owns land in Nisswa and understands there is a need for some multi-family housing for local employers including Grand View. She provided the developer a copy of the housing TIF policy and application.

Bergman also provided the Board with an updated status report on the CWC HRA Board's goals and objectives. She suggested another strategic planning session at the end of 2018 for 2019-2020.

- b. **Brainerd HRA:** The Brainerd HRA was successful in receiving a SCDP grant for the rehab of owner-occupied and rental housing rehabilitation in NE Brainerd and commercial building rehabilitation the Koop Building in Downtown Brainerd.
- c. **BLAEDC:** Bergman shared that she spoke with Tyler Glynn about presenting to the Board in the future to show their accomplishments.
- d. **CWC:** Nothing to report.

**8. NEXT MEETING TOPICS:** Did not discuss.

**9. ADJOURNMENT:**

**Commissioner Magnan made a motion to adjourn the meeting. Commissioner Aulie seconded the motion. All commissioners voted in favor and none were opposed. The motion was approved and the meeting was adjourned at 5:56 p.m.**





## Housing &amp; Redevelopment Authority

To: CWC HRA Board Members  
From: Karen Young, Finance Director  
Date: October 2, 2018  
Re: Review & Accept Financial Statements

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Please find attached the financial information for September 2018.

**Paxmar Closing**

Reflected in the September financial statements is the closing that took place on September 7<sup>th</sup> for the purchase of three additional lots at Brainerd Oaks for a total of \$14,246. Of this, \$6,900 went to the City for SAC/WAC/Park Fees and \$5,673 went to the City in lieu of assessments. We were reimbursed for direct costs of \$1,448.

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

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Date/Time roberta  
10/2/2018 4:03:41 PM

**Crow Wing County  
CWC HRA Combined Balance Sheet  
September, 2018**

**Cumulative**

**ASSETS**

550-000-1129.210 Cash Gen Fund	197,549.80
550-001-1129.210 Cash CWC SCDP	26,325.59
551-002-1129.210 Cash RLF TIF	357,880.86
556-000-1129.210 Cash Development Fund	562.09
570-000-1129.210 Cash Tax Forf Property	358.42
551-002-1143.000 Loan Rec Grand Oaks	48,000.00
551-002-1153.000 Accrued Int Grand Oaks	6,874.30
550-000-1211.000 Prepaid Insurance	447.47
556-000-1450.000 Land Held for Resale	648,843.33
<b>TOTAL ASSETS</b>	<b><u>1,286,841.86</u></b>

**LIABILITIES**

550-000-2600.000 Def Inflow of Resources	-6,874.30
556-000-2600.000 Def Inflow of Res - Dev	-648,843.33
<b>TOTAL LIABILITIES</b>	<b><u>-655,717.63</u></b>

**SURPLUS**

550-000-2700-000 Net Income	18,483.55
550-000-2806.000 Retained Earnings	-649,607.78
<b>TOTAL SURPLUS</b>	<b><u>-631,124.23</u></b>

**TOTAL LIABILITIES & SURPLUS**

**-1,286,841.86**

Proof 0.00



**Crow Wing County**  
**CWC HRA Combined Operating Stmt**  
**September, 2018**

	Current Period	Current Year	Year To Date Budget	Variance
<b>INCOME</b>				
550-000-3690.000 Other Revenue	-92.00	-92.00	0.00	-92.00
550-000-3691.000 Property Tax Revenue	0.00	-58,179.17	-48,250.00	-9,929.17
550-000-3692.000 Other Tax Revenue	0.00	0.00	-1,000.00	1,000.00
556-000-3696.000 Development Revenue	-14,246.35	-121,798.04	-143,399.97	21,601.93
570-000-3696.000 TFP Revenue	0.00	-6,325.00	0.00	-6,325.00
<b>TOTAL INCOME</b>	<b>-14,338.35</b>	<b>-186,394.21</b>	<b>-192,649.97</b>	<b>6,255.76</b>
<b>EXPENSE</b>				
550-000-4110.000 Administrative Salaries	300.00	2,400.00	3,375.00	-975.00
550-000-4130.000 Legal	0.00	160.00	3,750.03	-3,590.03
550-000-4140.000 Staff Training	0.00	0.00	1,125.00	-1,125.00
550-000-4150.000 Travel	0.00	132.44	187.47	-55.03
550-000-4171.000 Auditing Fees	0.00	6,650.00	6,500.00	150.00
550-000-4172.000 Management Fees	5,000.00	45,000.00	45,000.00	0.00
550-000-4190.000 Other Administrative	0.00	108.00	150.03	-42.03
550-000-4500.000 TIF Expense	43.80	43.80	450.00	-406.20
550-000-4510.000 Insurance	149.17	1,342.53	1,575.00	-232.47
550-000-4540.000 Employer FICA	22.95	183.60	262.53	-78.93
550-000-4590.000 Other General Expense	0.00	21,654.86	32,500.00	-10,845.14
556-000-4600.000 Development Expense	12,809.01	121,235.95	143,399.97	-22,164.02
570-000-4600.000 TFP Expense	762.00	5,966.58	0.00	5,966.58
<b>TOTAL EXPENSE</b>	<b>19,086.93</b>	<b>204,877.76</b>	<b>238,275.03</b>	<b>-33,397.27</b>
<b>NET INCOME(-) OR LOSS</b>	<b>4,748.58</b>	<b>18,483.55</b>	<b>45,625.06</b>	<b>-27,141.51</b>





**Crow Wing County HRA  
September 2018 Payments**

Payment Number	Payment Date	Vendor	Description	Check Amount
548	9/13/2018	John Schommer	Brainerd Oaks & Serene Pines Mileage	\$ 10.91
21981	9/13/2018	Lakes Area Habitat for Humanity	Holding Fee Refunded-Baxter Tax Lots	\$ 1,000.00
21980	9/13/2018	Kennedy & Graven, Chartered	Baxter Habitat Tax Lots-Legal Fees	\$ 762.00
22010	9/27/2018	Forum Communications Company	MB TIF Disclosure Stmt	\$ 43.80
<b>Total</b>				<b>\$ 1,816.71</b>

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## Housing &amp; Redevelopment Authority

To: CWC HRA Board Members  
From: John Schommer, Rehab Coordinator  
Date: October 3, 2018  
Re: Consider Support for SCDP Rehabilitation in Ironton

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Community Fundraising Solutions (CFS) is currently administering a SCDP rehabilitation grant in Ironton and has identified there is a strong need for more rehab and that there is sufficient interest for more. As a result, they will be submitting a preliminary proposal in November for owner-occupied, single-family rental and commercial rehab along with public facilities improvements in Ironton. They are requesting \$10,000 as leverage for the proposed project, which includes five units of owner-occupied, eight units of single-family rental, and two units of commercial with \$2,000,000 of public facilities improvements. (See Attachment 3a.)

**Action Requested: Approve using \$10,000 from Local Income as leverage to support a SCDP preliminary proposal from CFS to DEED for public facilities improvements and rehabilitation in the City of Ironton.**



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