

Crow Wing County HRA

AGENDA

5:00 p.m. Tuesday, July 16th, 2019

Crow Wing County Jinx Ferrari Room

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

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

AGENDA ITEMS

1. **CALL to ORDER**
2. **ROLL CALL**
3. **PRESENTATION & DISCUSSION**
 - a. BLAEDC Informational Series (*Attachment 1*)
4. **REVIEW and APPROVE MINUTES** (*Attachment 2*)
5. **REVIEW and ACCEPT FINANCIAL STATEMENTS** (*Attachment 3*)
6. **UNFINISHED BUSINESS**
 - a. Approval of Leverage Funds for the City of Emily (*Attachment 4*)
7. **NEW BUSINESS**
 - a. Discussion on 2020 HRA Levy (*Attachment 5*)
8. **REPORTS**
 - a. Executive Director (*Attachment 6*)
 - b. Brainerd HRA/Rehab Programs (*Attachment 7*)
 - c. BLAEDC
 - d. CWC
9. **MEETING AGENDA TOPICS**
10. **ADJOURNMENT**

2019 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 – Michael Morford /District 2 (12-31-23)

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



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Brainerd Lakes Area Economic Development Corp.

Informational Series

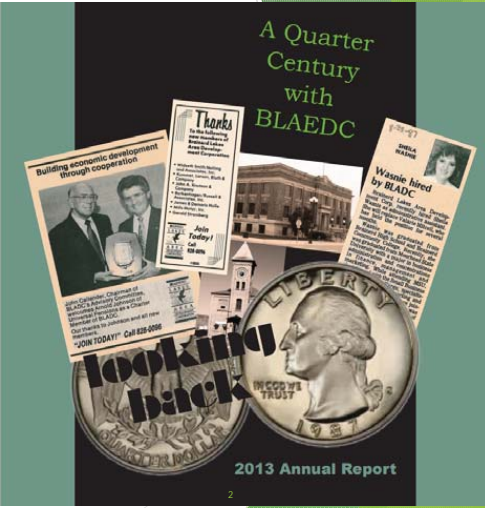
Discussion and Vision for the Future

Sheila Haverkamp
July 2019

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History

- ▶ Formed in the mid-1980's
- ▶ Started by Private Business and Community Leaders
- ▶ Supported and funded by:
 - ▶ Government Partnerships
 - ▶ Private Business Membership
 - ▶ Grants and Other Ventures



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Mission

BLAEDC is a private non-profit 501c3 organization with a mission to:

Expand Business, Build Community and Grow Jobs

and is funded by the local units of government, businesses, community leaders, and individuals who believe that together we create our own destiny and make a difference in our community.

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BLAEDC Staff

- ▶ Sheila Haverkamp
- ▶ Mike Bjerkness
- ▶ Tyler Glynn
- ▶ Megan Rehbein
- ▶ Chelby Rediske

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BOARD MEMBERS

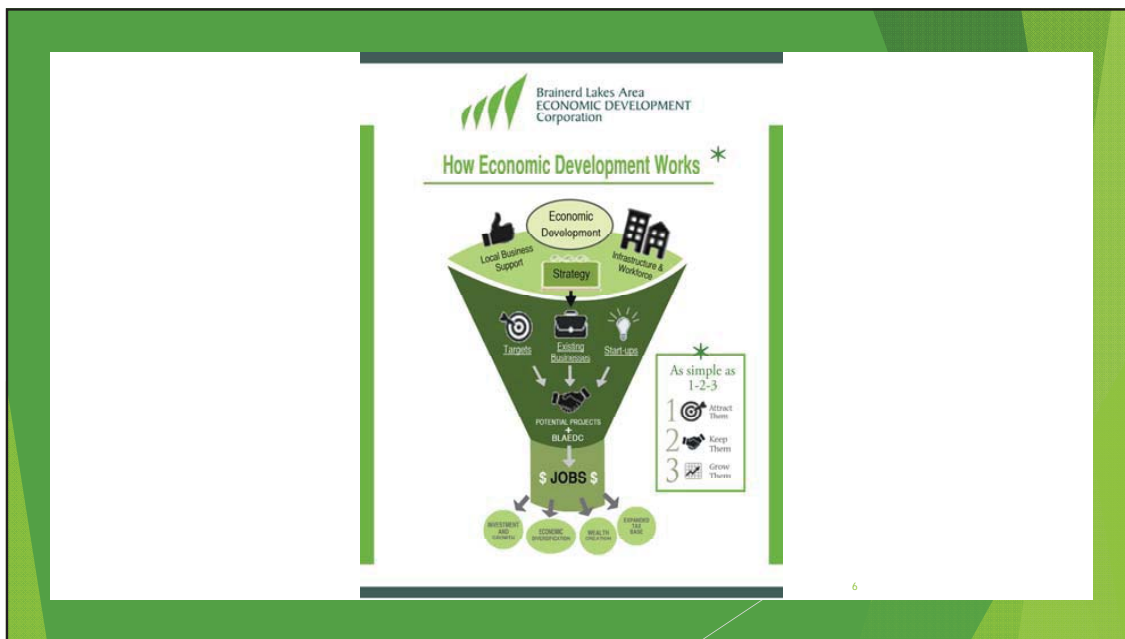
▶ 2019 BLAEDC Board

- ▶ President Janelle Riley - President and Co-Owner, Syvantis Technologies, Inc.
- ▶ Vice President Tom Haglin - Owner and CEO, LINDAR/Avantech
- ▶ Secretary/Treasurer Mike Larson - COO, Essentia Health
- ▶ Past President Karlo Goerges - CEO, Pequot Tool and Mfg.
- ▶ Past President Paul Means - Chairman and Director of RiverWood Bank
- ▶ Pam O'Rourke - SVP and Managing Principal, Integrated Retirement Initiatives
- ▶ Mike Dillon - President, Lexington Manufacturing
- ▶ Terry McFarlin - President and CEO, Anderson Brothers Construction
- ▶ Jim Haakonson - Principal, CliftonLarsonAllen

▶ 2019 CREDI Board

- ▶ President Eric Charpentier - Retail Manager, Deerwood Bank
- ▶ Vice President Richard West - Retired
- ▶ Secretary/Treasurer James Traylor - Retired
- ▶ Chris Albrecht - Owner, Spalding House and Dairy Queen
- ▶ Jennifer Smith - Owner, Cycle Path & Paddle
- ▶ Dan Brown - Owner, Oars-N-Mine
- ▶ Johnna Johnson - Owner, Mixed Company At Kava House
- ▶ Kyle Bauer - CEO, Cuyuna Regional Medical Center

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BLAEDC Services

- ▶ Technical Assistance
- ▶ Financing
- ▶ Sites and Facility Availability
- ▶ Workforce Development and Attraction Efforts
- ▶ Area Data and Marketing Info
- ▶ Special Projects

Brainerd Lakes Area ECONOMIC DEVELOPMENT Corporation
We're ready. Let's grow!

Economic Development Programs

How Can BLAEDC Help Your Business?

Technical Assistance <ul style="list-style-type: none"> Local Government Introductions Permitting Processes Facilitation of Resources and Connections 	Financing <ul style="list-style-type: none"> Banking Institutions ED Programs BLAEDC Unified Fund
Sites and Facility Availability <ul style="list-style-type: none"> Existing Buildings Shovel Ready Sites Vacant Land 	Workforce Development and Attraction Efforts <ul style="list-style-type: none"> Key Recruitment Program Spousal Placement Support of Community Workforce Efforts
EXECs Program <ul style="list-style-type: none"> Mentoring and Counseling Rent-A-Board Business Planning 	Area Data and Marketing Info <ul style="list-style-type: none"> Demographics Video and Brochures Growth Trends

Contact Us Today! 218-828-0096
www.GrowBrainerdLakes.org

Special Initiatives

- ▶ EXECs
- ▶ Workforce Development Program/Key Recruitment Program
- ▶ BLAEDC Unified Fund
- ▶ River to Rail
- ▶ Tech Services



Success Stories

► Start-up, Business Retention and Expansion (BRE), Attraction

	2018 Accomplishments	Total Program Accomplishments
BLAEDC Organization		1987-2018
	15 Projects	446 Projects
	\$13.08 million in capital investments	\$707.06 million in capital investments
	119 Jobs Created, 93 Jobs Retained	5,013 jobs created
KEY Recruitment Program		2016-2018
	13 Hires	24 Hires
	12 Spousal Referrals	12 Spousal Referrals
	28 New People to Area	50 New People to Area
BLAEDC Unified Fund		2016-2018
	6 Projects	7 Projects
	\$5.14 Million Total Project Investment	\$5.27 Million Total Project Investment
	\$532,126 Total BUF Financing	\$556,626 Total BUF Financing
	31 Jobs Created, 35 Jobs Retained	34 Jobs Created, 37 Jobs Retained

2019 Workplan Priorities

- Provide Technical Assistance and Expertise to Strategic Prospects/Projects, Respond to Attraction Opportunities (BLAEDC Unified Fund)
- Support Workforce Development/KEY Recruitment Program/Other Initiatives as Appropriate
- Support Individual Communities - Economic and Community Development Projects
- Implement Business Retention and Expansion Efforts
- Promote Awareness of BLAEDC/CREDI, Economic Development and our Community
- Others?

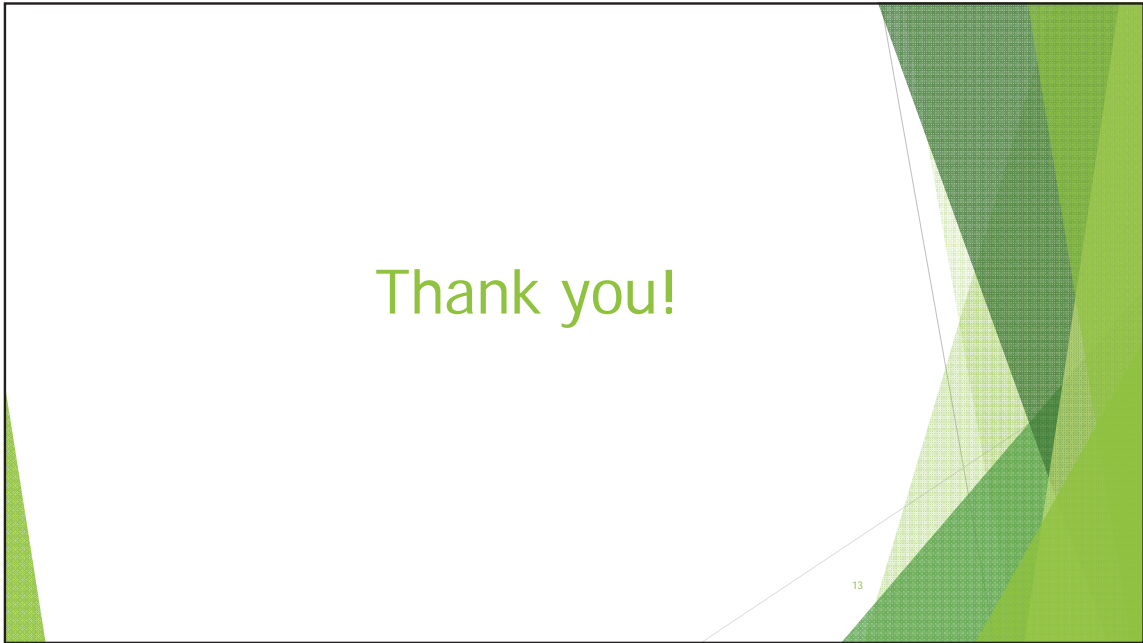
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Funding Overview and Discussion

- ▶ Local Government
- ▶ Members/Private Investment
- ▶ Other

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What's Your
Vision for Our
Future?
Discussion and
Questions



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Minutes from Tuesday, June 11th, 2019
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, June 11th, 2019.

1. **CALL TO ORDER:** Chair Craig Nathan called the meeting to order at 4:59 p.m.
2. **ROLL CALL:** Those present at the meeting include Chair Craig Nathan and Commissioners Sharon Magnan, Theresa Goble, and Michael Aulie. Also present were Executive Director Jennifer Bergman, Finance Director Karen Young, Rehab Coordinator John Schommer, Executive Assistant LeAnn Goltz, and Debby Erickson. Absent: Michael Morford.
3. **PUBLIC HEARING:**
 - a. **Sale of Tract No. 41-17, Crosby, MN, and Approval of Resolution No. 2019-03:** The board previously approved a proposal from LAHFH (Lakes Area Habitat for Humanity) to acquire the above-referenced tax forfeited tract through our tax forfeited property policy. In order to sell the property, the HRA is required to hold a public hearing to allow comments from the public. A Notice of Public Hearing was published in the Brainerd Dispatch on May 24th.

Chair Nathan opened the public hearing at 5:02 p.m. and invited the audience to speak or offer any comments in regards to the published public hearing subject matter. He asked a second time and there were no comments from the public.

A copy of the Purchase and Redevelopment Agreement between the CWC HRA and LAHFH and corresponding resolution was provided for the Board's review and approval.

Commissioner Goble moved to approve Resolution No. 2019-03 allowing staff to execute a purchase and redevelopment agreement with Lakes Area Habitat For Humanity for the sale of Tract No. 41-17, Crosby, MN. Commissioner Aulie seconded the motion. Via roll call vote, all commissioners voted in favor of the motion and none were opposed. The motion was approved.

Chair Nathan closed the public hearing at 5:06 p.m.

4. **REVIEW AND APPROVE MINUTES:**

Commissioner Aulie made a motion to approve the minutes from the May 14, 2019, board meeting. Commissioner Magnan seconded the motion. All commissioners voted in favor of the motion and none were opposed. The minutes were approved.
5. **REVIEW AND APPROVE FINANCIAL STATEMENTS:** The closing that took place on May 30th for the purchase of four lots at Brainerd Oaks and three lots at Serene Pines for a total of \$62,746.51 was reflected in the May financial statements. Of this, \$16,100 went to the City for SAC/WAC/Park Fees and \$44,476.44 went to the City in lieu of assessments. The CWC HRA was reimbursed for direct costs of \$1,945.07.



Young reported that there was an issue with the processing of the Victual loan. Only four percent interest had been collected rather than the entire six percent as the 1% interest from Initiative Foundation and BLAEDC was withheld. It was decided that moving forward the HRA will collect the entire amount and then will disburse to the others annually to adhere to TIF reporting requirements.

Commissioner Goble made a motion to accept the April financial statements as presented. Commissioner Magnan seconded the motion. All commissioners voted in favor of the motion and none were opposed. The motion passed.

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

7. **NEW BUSINESS:**

- a. **Approval of Grand Oaks Amended Loan Documents:** The \$48,000 Grand Oaks TIF Revolving Loan matures on 7/22/19. The General Partner (Central MN Housing Partnership) requested an extension to the loan until June 2020 as the investor is exiting and they would like to refinance at that time to pay off the mortgage.

The following documents were provided to the Board for their approval:

- » First Amendment to Mortgage
- » First Amendment to Loan Agreement
- » Amended Promissory Note
- » Resolution No. 2019-04, Approving First Amendment to Loan Agreement with Grand Oaks Townhomes of Baxter, Limited Partnership

Upon approval of these documents, the loan will be extended to June 1st, 2020.

Commissioner Goble moved to approve Resolution No. 2019-04, Approving First Amendment to Loan Agreement with Grand Oaks Townhomes of Baxter, Limited Partnership. Commissioner Magnan seconded the motion. Via roll call vote, all commissioners voted in favor of the motion and none were opposed. The motion was approved.

8. **REPORTS:**

a. **Executive Director:**

Workforce Housing Study

Bergman verified the references for Redevelopment Resources. Attorney Don Ryan is reviewing the contract between HRA and RR.

A task force has been assembled, which includes:

- » Craig Nathan, CWC HRA Board Chair and also works for Rural MN CEP
- » Cassandra Torstenson, City Administrator, City of Brainerd
- » Patrick Wussow, City Administrator, City of Breezy Point and Brainerd HRA Board



- » Dolly Matten, Executive Director of the Greater Lakes Realtors Association (GLAR)
- » Mike Bjerkness, Workforce Director, Brainerd Lakes Area Economic Development Corporation (BLAEDC)
- » Brad Chapulis, City Administrator, City of Baxter
- » Nancy Malecha, City Administrator, City of Pequot Lakes
- » Mark Ronnei, General Manager for Grand View Resort in Nisswa
- » Council Person Andrews, Crosslake City Council
- » Bill Brekken, Crow Wing County Board

Commissioner Aulie suggested having a representative from the eastern part of county such as someone from the Crosby school or the hospital. Bergman will reach out to someone.

Redevelopment Resources has already started gathering the data for the study and they have scheduled their first visit for June 13th and 14th. They will be touring the area and having their first meeting with the task force.

NP Center

Bergman had a couple of meetings with the owners of the NP Center to discuss their potential redevelopment plans. She let them know that both the Brainerd HRA and CWC HRA would be willing to assist them in their plans where it's appropriate. She also suggested doing a master plan with all the moving parts and potential projects.

BLAEDC Funding

Bergman met with Tyler Glynn and Sheila Haverkamp of BLAEDC and Crow Wing County Commissioner Bill Brekken this past week about BLAEDC's future funding. They had a discussion about the possibility of discontinuing the County's funding to BLAEDC and instead having it come from the HRA by increasing its levy. Another meeting has been scheduled with Tim Houle and Bill Brekken to have further discussion. Debby Erickson suggested that BLAEDC discuss it with the Budget Committee who meets on July 12 at 9:00 a.m.

The Board had a discussion. They asked for the reasoning as to why the HRA began funding BLAEDC in the first place and suggested that the County provide the funding since the HRA's appropriation does not include the cities within the county with HRAs. Because the Board had concerns, they requested that that BLAEDC attend the next board meeting so they could have additional discussion.

- b. Brainerd HRA/Rehab Programs:** Bergman shared that HUD's initiative is to eliminate public housing and transition into another form of subsidy. Several HRA staff attended a repositioning public housing training at the Minnesota NAHRO conference the week of May 20th. She explained that they are still in researching mode and that at this point conversion is optional and strongly encouraged.

The Destination Downtown 3.0 kick-off is next week on June 20th. Schommer shared an update on rehab programs.

- c. BLAEDC:** Nothing to report.



d. **Crow Wing County:** Erickson reported that the County is hosting a community meeting about substance abuse to determine what resources are needed. The Elk's Club Flag Day Ceremony is coming up and will be held in front of the Veterans Memorial. The Museum project is now completed and she shared that there is a new reading room that was donated in memory of a citizen's loved one. The County has begun its budgeting process. She suggested the HRA attend the August 2nd Budget Committee Meeting.

9. **NEXT MEETING:** Topics to include: BLAEDC Funding Discussion. Bergman is not able to attend. The Board decided to move the meeting date from July 9th to July 16th.

10. **ADJOURNMENT:**

Commissioner Goble moved to adjourn the meeting, seconded by Commissioner Aulie. All commissioners voted in favor of the motion and none were opposed. The motion was approved and meeting was adjourned at 6:15 p.m.





Housing & Redevelopment Authority

To: CWC HRA Board Members
From: Karen Young, Finance Director
Date: July 9, 2019
Re: Review & Accept Financial Statements

Please find attached the financial information for June 2019.

CWC HRA Tax Levy

Reflected in the June General Fund Financial Statements is the deposit of \$38,351.69 in Property Tax Revenue (levy). This amount is approximately 70% of the first half property tax settlement. The remaining 30% of \$17,161.44 was deposited in July for total deposits of \$55,513.13. The total levy amount for 2019 is \$98,500. The second half property tax settlement will be in December.

Action Requested: Accept the June financial statements as submitted.

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Date/Time roberta
7/8/2019 3:50:31 PM

Crow Wing County
CWC HRA Combined Balance Sheet
June, 2019

	Cumulative
ASSETS	
550-000-1129.210 Cash Gen Fund	209,124.52
550-001-1129.210 Cash CWC SCDP	53,802.24
551-002-1129.210 Cash RLF TIF	286,783.46
557-000-1129.210 Cash Tax Forf Property	333.04
551-002-1141.000 Loans Rec RLF TIF	71,992.18
551-002-1143.000 Loan Rec Grand Oaks	48,000.00
551-002-1151.000 Accrued Loan Interest	447.40
551-002-1153.000 Accrued Int Grand Oaks	7,200.00
550-000-1211.000 Prepaid Insurance	690.98
556-000-1450.000 Land Held for Resale	586,096.82
557-000-1450.000 Land Held for Resale TF	8,000.00
TOTAL ASSETS	<u>1,272,470.64</u>
LIABILITIES	
557-000-2115.000 Escrow Account TFP	-1,000.00
550-000-2600.000 Def Inflow of Resources	-7,200.00
556-000-2600.000 Def Inflow of Res - Dev	-586,096.82
557-000-2600.000 Defd Inflow of Res TFP	-8,000.00
TOTAL LIABILITIES	<u>-602,296.82</u>
SURPLUS	
550-000-2700-000 Net Income	729.85
550-000-2806.000 Retained Earnings	-670,903.67
TOTAL SURPLUS	<u>-670,173.82</u>
TOTAL LIABILITIES & SURPLUS	<u>-1,272,470.64</u>
Proof	0.00

**Crow Wing County
 CWC HRA Combined Operating Stmt
 June, 2019**

	Current Period	Current Year	Year To Date Budget	Variance
INCOME				
550-000-3690.000 Other Revenue	0.00	0.00	-13,500.00	13,500.00
550-000-3691.000 Property Tax Revenue	-38,351.69	-38,351.69	-60,000.00	21,648.31
551-002-3610.000 RLF TIF Interest Rev	-939.41	-1,342.18	0.00	-1,342.18
556-000-3696.000 Development Revenue	0.00	-62,746.51	-95,599.98	32,853.47
557-000-3696.000 TFP Revenue	0.00	-500.00	-10,000.02	9,500.02
TOTAL INCOME	-39,291.10	-102,940.38	-179,100.00	76,159.62
EXPENSE				
550-000-4110.000 Administrative Salaries	300.00	1,875.00	2,250.00	-375.00
550-000-4130.000 Legal	0.00	0.00	2,500.02	-2,500.02
550-000-4140.000 Staff Training	0.00	0.00	750.00	-750.00
550-000-4150.000 Travel	0.00	27.26	100.02	-72.76
550-000-4171.000 Auditing Fees	500.00	6,650.00	6,650.00	0.00
550-000-4172.000 Management Fees	5,000.00	30,000.00	30,000.00	0.00
550-000-4190.000 Other Administrative	0.00	0.00	100.02	-100.02
550-000-4500.000 TIF Expense	0.00	30.00	300.00	-270.00
550-000-4510.000 Insurance	115.17	691.02	1,050.00	-358.98
550-000-4540.000 Employer FICA	22.96	143.45	175.02	-31.57
550-000-4590.000 Other General Expense	0.00	0.00	30,499.98	-30,499.98
550-001-4600.000 CWC SCDP Expense	0.00	0.00	13,500.00	-13,500.00
556-000-4600.000 Development Expense	1,914.50	62,728.12	95,599.98	-32,871.86
557-000-4600.000 TFP Expense	83.95	1,525.38	5,025.00	-3,499.62
TOTAL EXPENSE	7,936.58	103,670.23	188,500.04	-84,829.81
NET INCOME(-) OR LOSS	-31,354.52	729.85	9,400.04	-8,670.19



**Crow Wing County HRA
June 2019 Payments**

Payment Number	Payment Date	Vendor	Description	Check Amount
22513	43622	Forum Communications Company	Public Hearing Notice-Crosby Lots	\$ 83.95
22516	43622	Kennedy & Graven, Chartered	Paxmar Exit & Spring Lot Sales	\$ 1,914.50
22532	43636	CliftonLarsonAllen LLP	2018 Audit	\$ 500.00
Total				\$ 2,498.45



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Housing & Redevelopment Authority

To: CWC HRA Board Members
From: John Schommer, Rehab Coordinator
Date: July 9, 2019
Re: Approval of Leverage Funds for the City of Emily

In February of 2018, we applied for and received a SCDP grant from DEED for 10 units of owner-occupied rehabilitation in the City of Emily. As discussed in prior meetings, as part of the application we committed \$26,000 of Local Income that we received in 2017 to be used as leverage dollars for the project. (See Attachment 4a.)

The City of Emily will be submitting a disbursement request soon as costs have been incurred to complete the environmental review, screen applications, conduct property inspections, and write the scope of work for them. DEED requires the City of Emily to spend leverage dollars prior to them disbursing funds from the grant proposal and we have two projects bidding currently and will need to pay contractors soon.

Action Requested: Approve sending the City of Emily \$26,000 from Local Income as leverage funds for the SCDP rehabilitation grant.



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EMPLOYMENT AND ECONOMIC DEVELOPMENT

Small Cities Development Program Application

Applicant (City/County): City of Emily, Crow Wing County

If Multi-Community Proposal, List Partnering Community(ies) N/A

Application Author: John Schommer

SCDP Amount Requested	\$ <u>229,000</u>
Estimated Amount of Other Funds	\$ <u>68,000</u>
Program Income	\$ <u>26,000</u>
Estimated Total Project Cost	\$ <u>323,000</u>

If Program Income, Identify the source(s) with an "x": SCDP Minnesota Investment Fund (MIF)

**Note: Budget page must be attached after this page.
The budget page can also be found on our website.**

SCDP Application
Budget Page

Small Cities Development Program Application

APPLICANT: City of Emily

Federal Objective/Goals/Budget Form

Fed. Obj. Codes*	Activity	# of units/goals	SCDP Cost Per unit	SCDP Cost/without admin	Total SCDP Admin	SCDP Admin %	Total SCDP Costs	PI	Total Leverage Resources	Source of Leverage Funds (Mark (e) if funds are committed**.)	Totals
LMI	Owner Rehab	10	20,000	200,000			200,000	26,000	68,000	HRA-C, TCCAP-C	294,000
LMI	Owner Rehab Admin	10	2,900		29,000	14.5%	29,000				29,000
Totals											323,000





Housing & Redevelopment Authority

To: CWC HRA Board Members
From: Jennifer Bergman, Executive Director
Date: July 3, 2019
Re: Discussion on 2020 HRA Levy

Finance Director Karen Young and I met with County Commissioner Bill Brekken and County Administrator Tim Houle. During our meeting, we discussed the shortage of workforce and affordable housing. They suggested that the Crow Wing County HRA may want to consider an increase in our 2020 levy to address the shortage and challenged us to think about what the CWC HRA may be able to do. We discussed the Workforce Housing Study that is currently in progress but that we won't have the completed study until the end of the year.

The Minnesota Legislature created and adopted a Housing Trust Fund for Local Housing Development (see Attachment 5a), which allows a local unit of government to allocate levy dollars into a Housing Trust Fund that can only be used for: 1) administrative fees; 2) grants, loans and loan guarantees for the development, rehab and financing of housing; 3) match other funds from federal, state or private resources for housing projects; or, 4) provide down payment assistance, rental assistance and homebuyer counseling services.

The Minnesota Housing Partnership has been coordinating efforts with local units of government to secure \$10 million in appropriations from the Legislature to match local investments. They have not been successful in appropriations but their work did result in the new program. They will continue to request appropriations from the Legislature.

Staff would like to discuss this at the board meeting.

No Action Requested; Discussion Item

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462C.16 HOUSING TRUST FUNDS FOR LOCAL HOUSING DEVELOPMENT.

Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have the meanings given to them.

(b) "Commissioner" means the commissioner of the Minnesota Housing Finance Agency.

(c) "Fund" means a local housing trust fund or a regional housing trust fund.

(d) "Local government" means any statutory or home rule charter city or a county.

(e) "Local housing trust fund" means a fund established by a local government with one or more dedicated sources of public revenue for housing.

(f) "Regional housing trust fund" means a fund established and administered under a joint powers agreement entered into by two or more local governments with one or more dedicated sources of public revenue for housing.

Subd. 2. **Creation and administration.** (a) A local government may establish a local housing trust fund by ordinance or participate in a joint powers agreement to establish a regional housing trust fund.

(b) A local or regional housing trust fund may be, but is not required to be, administered through a nonprofit organization. If administered through a nonprofit organization, that organization shall encourage private charitable donations to the fund.

Subd. 3. **Authorized expenditures.** Money in a local or regional housing trust fund may be used only to:

(1) pay for administrative expenses, but not more than ten percent of the balance of the fund may be spent on administration;

(2) make grants, loans, and loan guarantees for the development, rehabilitation, or financing of housing;

(3) match other funds from federal, state, or private resources for housing projects; or

(4) provide down payment assistance, rental assistance, and homebuyer counseling services.

Subd. 4. **Funding.** (a) A local government may finance its local or regional housing trust fund with any money available to the local government, unless expressly prohibited by state law. Sources of these funds include, but are not limited to:

(1) donations;

(2) bond proceeds;

(3) grants and loans from a state, federal, or private source;

(4) appropriations by a local government to the fund;

(5) investment earnings of the fund; and

(6) housing and redevelopment authority levies.

(b) The local government may alter a source of funding for the local or regional housing trust fund, but only if, once altered, sufficient funds will exist to cover the projected debts or expenditures authorized by the fund in its budget.

Subd. 5. **Reports.** A local or regional housing trust fund established under this section must report annually to the local government that created the fund. The local government or governments must post this report on its public website.

Subd. 6. **Effect of legislation on existing local or regional housing trust funds.** A local or regional housing trust fund existing on July 1, 2017, is not required to alter the existing terms of its governing documents or take any additional authorizing actions required by subdivision 2.

History: 2017 c 94 art 11 s 8



Housing & Redevelopment Authority

To: CWC HRA Board Members
 From: Jennifer Bergman, Executive Director
 Date: July 10, 2019
 Re: Executive Director Report

Workforce Housing Study

Redevelopment Resources had a site visit on June 13th and 14th. We held our first task force meeting on June 13th and had some great discussion on the workforce housing study. Redevelopment Resources asked questions and gathered input from the Task Force (see Attachment 6a – Meeting Notes). On June 14th, we toured most of Crow Wing County starting with Brainerd then drove to Ironton, Crosby, Crosslake, Pequot Lakes, and Baxter. Redevelopment Resource is gathering data and has drafted a survey to send out.

Pequot Lakes SCDP

A couple years ago we had a discussion with the City of Pequot Lakes staff about a potential SCDP application. At the time, they were just completing the 371 bypass but asked if we would consider an application on their behalf in the future. Last fall, we met with them again and they requested that we consider a 2019 application. On July 2nd, John and I attended the Pequot Lakes City Council meeting to discuss the SCDP program and they made a motion to move forward with a preliminary proposal. Staff wanted to discuss this potential application with the Board before moving forward. The survey conducted by Community Fundraising Solutions ranked Pequot Lakes as #3 with Brainerd and Garrison being #1 and #2. Since this discussion started with Pequot Lakes prior to the study and they are positioned to move forward, we believe that we should apply on behalf of Pequot Lakes in 2019 and begin working with Garrison for our next application.

No Action Requested; Discussion Item

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Workforce Housing Task Force Meeting Notes June 13, 2019

Present:

- » Cassandra Torstenson, City Administrator, City of Brainerd
- » Patrick Wussow, City Administrator, City of Breezy Point and Brainerd HRA Board
- » Dolly Matten, Executive Director of the Greater Lakes Realtors Association (GLAR)
- » Mike Bjerkness, Workforce Director, Brainerd Lakes Area Economic Development Corporation (BLAEDC)
- » Brad Chapulis, City Administrator, City of Baxter
- » Nancy Malecha, City Administrator, City of Pequot Lakes
- » John Andrews, Crosslake City Council
- » Jennifer Bergman, Crow Wing County HRA
- » LeAnn Goltz, Crow Wing County HRA
- » Kristen Fish-Peterson, Redevelopment Resources
- » Scott Meitus, Redevelopment Resources

1. **BACKGROUND OF WORKFORCE HOUSING STUDY & NEEDS ANALYSIS:** CWC HRA issued the RFP to select a consultant to perform the study. HRA received five proposals and selected Redevelopment Resources (RR). Results of study/needs analysis will help decision makers, stakeholders, and community members develop a meaningful sense of the availability and needs for workforce housing as well as an understanding of key housing issues. The report is intended to offer community leaders and stakeholders a basis for formulating community-specific workforce housing priorities, policy alternatives, and strategies.
2. **ROLE OF TASK FORCE:** Assist the CWC HRA and Redevelopment Resources in guiding the study and provide input along the way.
 - a. **Questions presented:** Why did you agree to participate on the Task Force? What are you hoping to learn? What outcomes do you expect to get?
 - » **John/Crosslake** – Mayor appointed; wants to address solution for workforce housing and hopes to change public perception; wants to know numbers and exactly what the need is; would like to see what people are willing to do for commute time; would like to see political buy-in and hopes to keep CWC informed; 80-unit senior housing community needs employees
 - » **Nancy/Pequot Lakes**– EDC - redevelopment and workforce housing are areas of focus; wants to know workforce housing need in Pequot
 - » **Cassandra/Brainerd** – Continues to hear there isn't enough housing to fill jobs, wants to know what kind of housing we are missing
 - » **Brad/Baxter** – Sees there is an economic issue; all-inclusive community yet much of the housing is higher-end, need more affordable housing; concerned about reaching an economic ceiling; will use study as a guide for policy on the local and state level; also hopes it will help employers see they need to be part of the solution;

- » looks forward to having the data and getting out into the community to put it to work
- » **Dolly/GLAR** – Works in the eight county area; their focus is all types of housing; main objective is to clarify the difference of workforce housing and affordable housing; interested in the results and hopes to improve retention (high school grads leave, want them to come back); wants to change our culture and way of thinking; encourage employers to help with repayment of loans or provide employee housing; everything all comes back to the world of real estate
- » **Mike/BLAEDC** – Works entirely within CWC, about 110 businesses, executive level recruitment; sees a great need for workforce housing, he isn't able to help his clients, \$14-15 range of workforce particularly hard; big issue is high-speed internet or fiber optics, hard to get people to work and live in places that do not have good internet access; shared that Cuyuna area is getting fiber optics
- » **Patrick/Breezy** – Would like to see strategies to educate the public and business community; is there enough land to do new housing?

3. ROLE OF REDEVELOPMENT RESOURCES: Immerse themselves and tour community, research, surveys, interviews with community; will be back in community a couple times at least; will provide a report plus a presentation piece

- » Task force would like RR to put together a questionnaire to get answers from them
- » Task force would like to know information they find as they go – don't necessarily have to wait until the end, RR to share things along the way
- » Mike has contact info for businesses; will share email list with RR

4. DISCUSSION:

- » Median home age CWC - 1983
- » Construction world – many baby boomers retired during the economic downturn, which decreased the number of workers and construction companies
- » Seniors - large part of population; if they move to senior housing, will free up homes for FTHM population
- » 20% higher to live in WI than MN - could we get govt. involved to offer incentives to bring businesses and companies here, development, tax breaks?
- » Pocket housing/neighborhoods - 800–1,100 sq.ft. homes
- » How many housing units? Price points? Is the mix correct?
- » Strategies - public and businesses
- » Commute patterns?
- » Continue conversation after it's done; good recommendations to move forward

5. TIMELINE OF STUDY: time line from RFP extended a month, completed by December

6. NEXT MEETINGS: 3rd Thursday of each month, 2–4 p.m.; would like a call-in option to participate remotely; LeAnn will send recurring invite





Housing & Redevelopment Authority

To: CWC HRA Board Members
 From: John Schommer, Rehab Coordinator
 Date: July 11, 2019
 Re: Brainerd HRA/Rehab Programs Report

BRAINERD OAKS/SERENE PINES

Development	Total	# Sold to Developer	# Sold to End Buyer	For Sale	In Construction
Brainerd Oaks	81*	28	23	3	3
Serene Pines	23	8	8	0	0
Dalmar Estates	7	0	0	0	0

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

MHFA

- » 2 projects are in construction
- » 1 project is in work write-up
- » 1 application is being processed

Emily SCDP

- » 2 Owner-occupied units are bidding
- » 1 Owner-occupied unit is in work write-up

NE Brainerd SCDP

- » 1 Commercial project is bidding
- » 9 Mixed-use units are in processing
- » 2 Owner-occupied projects are in work write-up

FHLB AHP Application

Application for six units of rehab was submitted on May 31st. We will find out in December if we were funded.

Brainerd Revolving Loan Program

We are waiting on one interested property owner.

(Continues on opposite side)



DOWNTOWN BRAINERD SCDP

Address	Business	Commercial	Rental Units	Status
214 & 216 S. 8th St.	Last Turn	1	11	Complete
216 S. 7th St.	Bridge of Harmony	1		Complete
217 S. 7th St.	Downtown Mall	1	14	Complete
602 Laurel St.	Olde Open Window	1	6	Complete
605 Laurel St.	Northwind Grill	1	11	Complete
606 Laurel St.	Sage on Laurel	1	2	Complete
711-717 Laurel St.	LAMF, Cross Arts Alliance, Vaenn Har	1		Complete
719 Laurel St.	Purple Fern	1		Complete
704 Front St.	Iron Hill's Gun, Pawn & Antiques	1		In Construction
724 Laurel St.	Bob & Fran's Factory Direct	1		Bidding
Total		10	44	

