



Housing & Redevelopment Authority

Board Meeting Agenda

5:00pm Tuesday November 8th, 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=mbdeacb7f60bbde11dab75b6ceffb85c6>

Join by phone: 415-655-0001

Meeting number (access code): 2555 818 0665

Meeting password: pkQPPuAf982

"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. REVIEW & APPROVE MINUTES (Attachment 1) Pg. 3**
 - a.** Approval of the Tuesday, October 11th, 2022, Meeting Minutes as presented
- 5. REVIEW & ACCEPT FINANCIAL STATEMENTS (Attachment 2) Pg. 9**
 - a.** CWC HRA Combined Balance Sheet October 2022
 - b.** CWC HRA Combined Operating Statement October 2022
 - c.** CWC HRA October 2022 Payments
- 6. UNFINISHED BUSINESS - *Nothing at this time***

7. NEW BUSINESS

- a. Shared Services Agreement between CWC HRA and Brainerd HRA (*Attachment 3*) Pg. 15
 - i. 2023 Shared Services Agreement Draft
 - ii. Shared Services Agreement Appendix A
- b. Resolution 2022-07 for the Conveyance of Tax Forfeited Property from Crow Wing County (*Attachment 4*) Pg. 23

8. REPORTS/UPDATES:

- a. Executive Director (*Attachment 5*) Pg. 27
- b. Housing Trust Fund (*Attachment 6*) Pg. 29
- c. Brainerd HRA/Rehab Programs (*Attachment 7*) Pg. 31
- d. BLAEDC/CREDI (*Attachment 8*) Pg. 33
- e. CWC

9. COMMISSIONER COMMENTS**10. NEXT MEETING** Tuesday December 13th, 2022**11. ADJOURNMENT**

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)



Housing & Redevelopment Authority

Crow Wing County HRA BOARD MEETING MINUTES 10/11/2022

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, October 11th, 2022.

1. **CALL TO ORDER:** Chair Michael Aulie called the meeting to order at 5:01 p.m.
2. **ROLL CALL:** Present: Commissioners Craig Nathan (via webex), Michael Aulie, Michael Morford, & Richard (George) Burton.
Absent: Zach Tabatt

Others present: Finance Director Karen Young, Rehab Administrative Specialist Kristin Miller, Rehab and Maintenance Director John Schommer & Crow Wing County Administrative Services Director Deborah (Debby) Erickson(via webex). Absent: BLAEDC Executive Director Tyler Glynn
3. **REVIEW AND APPROVE AGENDA:**

Moved and seconded by Commissioners Burton and Morford to approve the agenda as presented for the October 11th, 2022, board meeting. Upon Roll Call, All commissioners were in favor, and none were opposed. The agenda was approved.
4. **REVIEW AND APPROVE MINUTES:**

Moved and seconded by Commissioners Nathan and Burton to approve the minutes from the August 9th, 2022, board meeting. Upon Roll Call, All commissioners were in favor, and none were opposed. The minutes were approved.
5. **FINANCIAL:**
 - a. **REVIEW and ACCEPT FINANCIAL STATEMENTS:**

The financial information for August and September 2022 was presented by Karen Young.

Payment to BLAEDC
Reflected in the August financial statements is the first half payment to BLAEDC in the amount of \$43,500 per the Agreement for Professional Services.

Housing Trust Fund Loan
Reflected in the September financial statements is the contractor payment for the first HTF owner-occupied rehab loan to be completed.

Commissioner Nathan moved to approve the August and September 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.

6. UNFINISHED BUSINESS:

a. Strategic Plan Update

In May we spent an afternoon going through chainsaw planning to update and put forward a strategic plan for the agency. Staff has taken the input and ideas from that planning session and crafted a two-year plan with specific goals and action steps that we believe encompass what our board and staff discussed. Also attached to this report is a secondary chart that allows staff to track our progress as we get through these goals. The next steps from the board would be to review these goals and if the board agreed, we would like to have these goals adopted when you are ready. If you all would like some additional time to read through and edit or make suggestions to these goals that would be perfectly acceptable as well. With the chart document, the idea would be to bring this back in front of the board periodically to ensure we are making progress on these initiatives and reassess if we are on the correct path.

Commissioner Morford moved to Adoption the strategic plan and goals for the agency for the next two-year period., followed by a second from Commissioner Burton Upon roll call, all commissioners voted in favor of the motion, and none were opposed. The motion carried.

Noted: Commissioner Aulie requested that the 2022-2024 CWC HRA Goals and Action Steps Status Report be review on a quarterly schedule for this first year.

7. NEW BUSINESS:

8. REPORTS:

a. Executive Director:

Update on Levy Request:

Karen and I presented our budget request to the CWC Commissioners on Thursday August 11th at their budget committee meeting. This presentation to the Commissioners also allows them to ask questions of our budget and gives us an opportunity to update the County on our initiatives that we have worked in the prior year. We had a good dialogue and fielded questions, much of them revolving around the housing trust fund as well as our increased funding request. Chair Aulie was present for this meeting and provided his insight as well as Tyler from BLAEDC who also fielded questions from the Commissioners. I also attended the September 29th CWC Commissioners meeting which is where they set their preliminary levy for 2023. I again fielded a couple of questions regarding our request for an increase to our budget for 2023. Our levy request was approved as presented, but this is a preliminary levy as is always the case at this time. The Commissioners do have the ability to decrease their general levy percentage and also have the right to decrease our levy request as well, at their final levy meeting that will be held in December. We have typically not had any adjustments to our request

after the preliminary budget is set, but there is a possibility. I will attend the final levy meeting in December to field any additional questions that the Commissioners may have at that time. It is also noteworthy that the City of Pequot Lakes did authorize the levy request from the Pequot Lakes HRA for the West Grove townhomes that we are involved with. Our staff will be travelling to their agency on October 20th to do some inspections of these units as well as a review of their files and financial statements. This will be a good opportunity to continue to assess the status of these units.

Brainerd Oaks/Serene Pines/Dal Mar Estate Update:

As you will see in the financials that were presented, we had some larger engineering fees that were paid out to a local engineering firm. This was due to stormwater permitting that was required by the Minnesota Pollution Control Agency for the three developments that we are the owners of. We have been in contact with the MPCA, the City of Brainerd and the developer on these three developments due to concerns that the MPCA raised earlier in the spring. To keep these developments moving forward and to comply with what the MPCA was requiring, we had a local engineering firm complete a stormwater plan for these three developments. This work was originally done by the individual developers circa 2010, once each of these developments went into tax forfeit the stormwater plans and permits were closed out in error. The MPCA has also started enforcement action on development across the state regarding stormwater and runoff and have been paying attention to these three developments in particular. We are working to try and bridge the gap between the developer, the City and the MPCA to ensure that the buildout of the rest of the developments occurs in a timely manner.

Tax Forfeit Properties in Baxter

We continue to work with a local affordable housing developer on the purchase of 4 tax forfeit lots in the City of Baxter. The developer is also working with the City to negotiate on the repayment of special assessments that are tied to these lots. We believe that the developer and City have come to an agreement so we will be moving forward through the process to sell these lots. We anticipate the request for sale and public hearing to come before the board in the first quarter of 2023 if not sooner.

Crosslake EDA Market Study

The City of Crosslake along with their EDA continue to research new ways of bringing in housing developers to their community. I was recently approached by a member of their EDA with a question of if we would be interested in helping pay for a market study for the City of Crosslake specifically for housing units. The EDA did not have a specific amount they were requesting and also had not settled on a scope of work for their market study. I did mention that I would bring this question to this board for discussion and get back in touch with her.

b. Housing Trust Fund:

Commissioner Burton, Chair Aulie, and myself went on a site visit to a business entity located in Deerwood at the end of August. Chair Aulie had spoken with these business owners prior to our meeting and found out that they had some interest in developing housing units, primarily to house their staff as they continue to expand. They had

previously purchased some units to rent to their staff and are having a difficult time finding additional units for purchase. This was a great initial meeting to get to know their business as well as promote our local housing trust fund. I had a subsequent meeting with their ownership in early October to further discuss development options and what funding could be available to them. This was a great engagement opportunity and thank you to Commissioner Burton who had inquired with me about talking with this business entity. Without that question, we may not have had the opportunity to explore these opportunities for development.

John and I spoke with a new developer on October 6th regarding opportunities to utilize both tax forfeiture as well as the housing trust fund as they are also interested in building single family homes within the County. This developer also owns a number of rental properties throughout the County and have also realized the need for workforce housing units.

We continue to receive applications for both our rehab programs and our homebuyer assistance program. We believe we will have another rehab loan that we will be funding soon and believe we will have another viable application for the homebuyer program. There are also a number of developers that are in varying initial stages of projects that they are working on and I do anticipate to receive development applications for review in the next 2-3 months. We will get these applications reviewed internally and then will hopefully be able to bring some projects in front of this board for discussion.

c. Brainerd HRA/Rehab Programs:

Garrison SCDP

- 1 Completed Project
- 1 Owner Occupied Rehab project bid
- 1 Commercial Rehab project bid
- 4 Commercial Application in collection of documents

Jenkins SCDP

- 2 Owner Occupied Rehab out for Bidding

MHFA

- 4 Projects are in construction
- 1 Submitted for approval
- 1 Scheduling Lead Inspection
- 2 Applications are in collection process

Housing Trust Fund

- 1 Down Payment Assistance Closed 7/7/22
- 1 Owner Occupied Project Completed 9/14/22
- 1 Owner Occupied Under Construction
- 1 Owner Occupied Loan Signing Scheduled
- 1 Owner Occupied Application Mailed
- 1 Rental Rehab Application in Review (Collecting documents)

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	19	16	0	3
Dalmar Estates	7	3	3	0	0

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

d. BLAEDC/CREDI:

Staff time billing reports were presented for September 2022.

e. CWC:

Reminder that next meeting is scheduled on Election Day so we need to end the meeting before 6pm that night

Second half of taxes are due postmarked by Monday the 17th

9. HRA Commissioner Comments: Nothing at this time

10. NEXT MEETING: Tuesday, November 8th, 2022

11. ADJOURNMENT:

Commissioner Morford made a motion to adjourn the meeting. Commissioner Burton seconded the motion. Upon Roll Call, All commissioners voted in favor of the motion, and none were opposed. The motion was approved, and meeting was adjourned at 5:50 p.m.

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Housing & Redevelopment Authority

To: CWC HRA Board Members
From: Karen Young, Finance Director
Date: November 2, 2022
Re: Review and Accept Financial Statements

Please find attached the financial information for October 2022.

Payment to CREDI

Reflected in the October financial statements is the first half payment to CREDI in the amount of \$12,500 per the Agreement for Professional Services.

Housing Trust Fund Loan

Reflected in the October financial statements is the contractor payment for the second HTF owner-occupied rehab loan to be completed.

Action Requested: Accept the October financial statements as submitted.

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Date/Time joe
11/3/2022 7:47:04 AM

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

Cumulative

ASSETS

550-000-1129.210	Cash Gen Fund	217,882.08
550-001-1129.210	Cash CWC SCDP	63,884.51
551-002-1129.210	Cash RLF TIF	398,768.19
556-000-1129.210	Cash Development Fund	-7,880.70
557-000-1129.210	Cash Tax Forf Property	2,955.05
558-000-1129.210	Cash HTF	1,016,199.02
551-002-1141.000	Loans Rec RLF TIF	23,873.22
558-000-1141.000	HTF Loan Receivable	68,788.00
556-000-1450.000	Land Held for Resale	236,511.70
TOTAL ASSETS		2,020,981.07

LIABILITIES

550-000-2112.000	A/P Other	-975.00
557-000-2115.000	Escrow Account TFP	-5,000.00
556-000-2600.000	Def Inflow of Res - Dev	-236,511.70
TOTAL LIABILITIES		-242,486.70

SURPLUS

550-000-2700-000	Net Income	-200,206.04
550-000-2806.000	Retained Earnings	-1,578,288.33
TOTAL SURPLUS		-1,778,494.37

TOTAL LIABILITIES & SURPLUS

-2,020,981.07

Proof	0.00
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Date: 11/3/2022

Time: 7:47:09 AM

joe

Crow Wing County
CWC HRA Combined Operating Stmt
October, 2022

Page: 1

Rpt File: F:\HMS\REP

	Current Period	Current Year	Year To Date Budget	Variance
INCOME				
550-000-3610.000 Investment Earnings	-484.97	-972.94	0.00	-972.94
550-000-3690.000 Other Revenue	-100.00	-385.50	-27,000.00	26,614.50
550-000-3691.000 Property Tax Revenue	0.00	-422,377.64	-424,500.00	2,122.36
551-002-3610.000 RLF TIF Interest Rev	-268.49	-1,837.69	-1,483.40	-354.29
556-000-3696.000 Development Revenue	0.00	-85,539.95	-159,333.30	73,793.35
557-000-3696.000 TFP Revenue	-2,500.00	-5,374.84	-8,333.30	2,958.46
TOTAL INCOME	-3,353.46	-516,488.56	-620,650.00	104,161.44
EXPENSE				
550-000-4110.000 Administrative Salaries	225.00	2,625.00	3,750.00	-1,125.00
550-000-4130.000 Legal	0.00	0.00	8,333.30	-8,333.30
550-000-4140.000 Staff Training	0.00	0.00	1,250.00	-1,250.00
550-000-4150.000 Travel	26.96	209.89	208.30	1.59
550-000-4171.000 Auditing Fees	0.00	7,140.00	7,140.00	0.00
550-000-4172.000 Management Fees	12,500.00	125,000.00	125,000.00	0.00
550-000-4190.000 Other Administrative	0.00	0.00	166.70	-166.70
550-000-4500.000 TIF Expense	0.00	85.60	500.00	-414.40
550-000-4510.000 Insurance	0.00	2,703.00	2,600.00	103.00
550-000-4540.000 Employer FICA	17.20	200.80	291.70	-90.90
550-000-4590.000 Other General Expense	12,500.00	60,799.59	77,670.00	-16,870.41
550-001-4600.000 CWC SCDP Expense	0.00	20,000.00	22,500.00	-2,500.00
556-000-4600.000 Development Expense	750.00	92,756.45	159,333.30	-66,576.85
557-000-4600.000 TFP Expense	0.00	2,473.52	8,333.30	-5,859.78
558-000-4600.000 HTF Expense	1,155.59	2,288.67	33,333.40	-31,044.73
TOTAL EXPENSE	27,174.75	316,282.52	450,410.00	-134,127.48
NET INCOME(-) OR LOSS	23,821.29	-200,206.04	-170,240.00	-29,966.04

Crow Wing County HRA
October 2022
Payments

Payment Number	Payment Date	Vendor	Description	Check Amount
933	10/7/2022	John Schommer	Mileage	\$45.64
934	10/7/2022	Karen Young	Mileage	\$26.33
24946	10/6/2022	Crow Wing Cty Recorder's Office	Recording Fee-HTF	\$46.00
24963	10/6/2022	Miller Testing & Consulting LLC	Lead Base Paint Assessment -HTF	\$380.00
24968	10/6/2022	R and R Landscaping and Construction Inc	HTF Rehab Loan Payment	\$22,365.00
24977	10/20/2022	Cuyuna Range Economic Development Inc.	1/2 Funding 2022	\$12,500.00
24982	10/20/2022	Kennedy & Graven, Chartered	Legal - HTF	\$1,104.00
24983	10/20/2022	Kristin Miller	Mileage	\$1.58
24985	10/20/2022	LandWerx LLC	Brainerd Oaks Brushmowing	\$750.00
Total				\$37,218.55

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Housing & Redevelopment Authority

To: CWC HRA Board Members
From: Eric Charpentier, Executive Director
Date: November 3rd, 2022
Re: Shared Services Agreement

In 2012 the Crow Wing County HRA entered into a shared services agreement with the Brainerd HRA to implement and conduct the day to day business of the agency. This shared services contract continues to renew on a yearly basis unless there are updates to that agreement. We reviewed the services agreement in 2021 and updated the document to reflect updates in services that we were performing. In 2022 we are keeping the language of the agreement the same but we are updating the amount laid out in the services agreement to reflect the budget that was passed in August to increase the contract fee.

I have attached a draft of the updated services agreement that reflects the current compensation amount.

We will continue to update the agreement when there are changes to the scope of work or compensation and make sure to get this to the board for approval in those instances.

Recommendation: Authorize and adopt the updated shared services agreement between the Crow Wing County HRA and the Brainerd HRA.

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SHARED SERVICES AGREEMENT

This agreement is entered into this the 8th day of November, 2022; between the Crow Wing County Housing & Redevelopment Authority (CWC HRA) and the Brainerd Housing and Redevelopment Authority (Brainerd HRA).

WHEREAS, the Brainerd HRA is a government agency local and politic with a similar mission and has the professional and administrative capacity to support the CWC HRA; and,

WHEREAS, both parties are desirous of entering into an agreement whereby the Brainerd HRA shall provide services to the CWC HRA;

NOW, THEREFORE IT IS HEREBY AGREED THAT:

I. Scope of Services

On behalf of the CWC HRA, the Brainerd HRA will carry out all business of the CWC HRA as prescribed by the CWC HRA Board of Commissioners, Minnesota State Statutes, funding source requirements and all other related Federal, State, and local laws and regulations. This includes, but is not limited to:

- A. Fiscal/Other Administrative Responsibility
 - a. Oversee the overall financial management of the CWC HRA by working closely with the CWC HRA Board of Commissioners
 - b. Prepare an annual budget for approval by the CWC HRA Board
 - c. Operate per the approved budget, oversee accounts payable, and prepare checks for CWC HRA Board approval and signature
 - d. Oversee accounts receivable processes and ensure that adequate bank security pledges for CWC HRA deposits are maintained
 - e. Communicate potential problems to the CWC HRA Board and offer viable solutions
 - f. Schedule CWC HRA Board meetings, prepare Agendas and materials (including program/project reports, fiscal reports, resolutions and minutes), attend Board meetings
 - g. Maintain all records of the CWC HRA per laws and regulations
 - h. The Brainerd HRA will use its own computer hardware and software programs for maintaining the CWC HRA's financial records

II. Compensation

The agreed upon compensation will be \$162,770 annually to be paid in monthly installments of \$13,564.16.

These fees will cover all costs listed in Section I. The fees received by the Brainerd HRA will not cover the following costs:

- A. The cost of the CWC HRA audit if required by any investor, private party, local, state or federal government
- B. Bank fees and check charges

- C. CWC HRA Board costs such as stipend for attending meetings, mileage, Board liability, insurance, other
- D. Fees incurred for legal or other professional services/representation/consultation related to CWC HRA programs and initiatives
- E. TIF related expenses including continued TIF reporting fees incurred from BakerTilly or other financial advisor
- F. Costs incurred for Brainerd HRA staff including mileage, training and meeting costs

The fees paid to the Brainerd HRA will cover CWC HRA's current programs and projects as of the date this Agreement is signed, as listed in Appendix A. Any new ventures pursued by the CWC HRA would require a renegotiation of fees and an amendment to the Agreement.

III. Term

The term of this agreement shall be for a period of 12 months commencing on the 1st day of January, 2023 and terminating on the 31st day of December, 2023. This agreement shall automatically renew for successive one year terms there after unless one of the parties hereto provides at least 60 days notice of its intent to terminate this agreement at the end of the then current term. However, either party may terminate this agreement for any reason upon sixty (60) day advance written notice. In the event either party terminates this agreement before its expiration any fees owed to the Brainerd HRA will be prorated through the last day of the 60 day termination period.

IV. Indemnification

The Crow Wing County HRA and the Brainerd HRA agree to indemnify, hold harmless and defend each other, together with their respective elected officials, officers and employees from any and all liability arising out of their respective acts and omissions, and those of their respective officers and employees, in the execution, performance or failure to adequately perform obligations pursuant to this agreement.

V. Insurance

CWC HRA will maintain adequate insurance to protect themselves and the Brainerd HRA from claims and liability for all work performed by the Brainerd HRA and its respective employees or agents. The minimum accepted coverage is \$500,000 per Claimant and \$1,500,000 per occurrence.

VI. Compliance With Laws

The Brainerd HRA shall abide by all Federal, State or local laws, statutes, ordinances, rules and regulations now in effect, or here after adopted, pertaining to this Agreement or the subject matter of this Agreement. This shall include obtaining all licenses, permits or other rights required for the provision of services contemplated by this Agreement. This Agreement shall be governed by and construed in accordance with the substantive and procedural laws of the State of Minnesota without giving effect to the principles of conflict of laws. All proceedings related to this Agreement shall be venued in the County of Crow Wing, State of Minnesota.

VII. Independent Contractor Status

The Brainerd HRA is an independent Contractor and nothing herein contained shall be construed to create the relationship of an employer and employee between County and Brainerd HRA or

Brainerd HRA's agents, servants or employees. The Brainerd HRA shall at all times be free to exercise initiative, judgment and discretion as to how to best perform or provide services. The Brainerd HRA acknowledges and agrees that the Brainerd HRA, agents, servants and employees, are not entitled to receive any of the benefits received by County employees and is not eligible for workers' or unemployment compensation benefits. The Brainerd HRA also acknowledges and agrees that no withholding or deduction for State or Federal income taxes, FICA, FUTA, or otherwise, will be made from the payments due the Brainerd HRA and that it is the Brainerd HRA's sole obligation to comply with applicable provisions of all Federal and State tax laws.

VIII. Assignment Of Interest

The parties shall not enter into any subcontract for the performance of services contemplated under this Agreement nor assign any interest in the Agreement without prior written consent of all parties and subject to such conditions and provisions as are deemed necessary. Any subcontracting or assigning party shall be responsible for the performance of its subcontractors or assignees unless otherwise agreed.

IX. Non-Discrimination

During the performance of this agreement, the Brainerd HRA agrees that no person shall, on the grounds of race, color, religion, age, sex, disability, marital status, public assistance status, criminal record, creed or national origin be excluded from full employment rights and, participation in, be denied the benefits of or be otherwise subjected to discrimination under any and all applicable Federal and State laws against discrimination.

X. Authorized Representative

Notification required to be provided pursuant to this Agreement shall be provided to the following named persons and addresses unless otherwise stated in this Agreement or in a modification of this Agreement.

Brainerd HRA

Brainerd HRA
Eric Charpentier
324 East River Road
Brainerd, MN 56401
(218) 824-3425

CWC HRA

Crow Wing County HRA
Michael Aulie
326 Laurel St. Suite 13
Brainerd, MN 56401
(218) 824-1067

XI. Severability

The provisions of this Agreement shall be deemed severable. If any part of this Agreement is rendered void, invalid, or unenforceable, such rendering shall not affect the validity and enforceability of the remainder of this Agreement unless the part or parts which are void, invalid or otherwise unenforceable shall substantially impair the value of the entire Agreement with respect to either party.

XII. Modifications

The CWC HRA and the Brainerd HRA hereby acknowledge that they have read this Agreement and affirmatively states and represents that they understand its contents. Further, that the above constitutes the entire agreement by and between the CWC HRA and the Brainerd HRA and is binding upon themselves, their heirs, assigns and successors in interest and any alterations, variations, modifications or waivers of the provisions of this Agreement shall only be valid when they have been reduced to writing and signed by the authorized representatives of the CWC HRA and the Brainerd HRA.

Approved this the 8th day of November, 2022.

Crow Wing County Housing and Redevelopment Authority

By: _____

Michael Aulie

Its: _____

Chair

Brainerd Housing and Redevelopment Authority

By: _____

Eric Charpentier

Its: _____

Executive Director

Appendix A

CROW WING COUNTY HRA – CURRENT PROJECTS

1. TIF Revolving Loan Fund
2. Brainerd Oaks/Serene Pines/Dal Mar Estates: Oversee the Development Agreement for the construction of new single-family homes in all three subdivisions
3. BLAEDC Economic Development/CREDI Shared Services Agreement administration
4. MCPP Annual Application and Program Management
5. West Grove Townhomes Annual Project Management and Oversight
6. Administer the Tax Forfeit Property Policy
7. Administer Small Cities Development Program (SCDP) Local Income
8. Apply for a Small Cities Development Program (SCDP) grant every other year on behalf of a city in Crow Wing County outside of Brainerd
9. Housing Trust Fund administration
10. Veterans Service Member Housing

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To: CWC HRA Board Members

From: John Schommer, Rehabilitation Coordinator

Date: November 1, 2022

Re: Approve Resolution 2022-07 Accepting the Conveyance of Tax Forfeited Property by Crow Wing County to the Housing and Redevelopment Authority in and for the County of Crow Wing

Kevin Pelkey, Executive Director with LAHFH (Lakes Area Habitat for Humanity), has submitted an application to purchase five (5) tax forfeited lot(s) through the Tax Forfeited Property Policy. The lot(s) are located in Baxter and would have 4 bedroom, 1 ½ bath homes constructed for five (5) LMI families. We have requested the lot(s) from Crow Wing County and Kennedy and Graven, our legal counsel, has drafted a resolution allowing conveyance of the lot to the CWC HRA.

Action Requested: Approve Resolution No. 2022-07, accepting conveyance of a tax forfeited lot from Crow Wing County to the Crow Wing County Housing and Redevelopment Authority.

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

Resolution No. 2022-7

**Resolution Accepting the Conveyance of Tax Forfeited Property by Crow Wing County to
the Housing and Redevelopment Authority in and for the County of Crow Wing**

WHEREAS, Crow Wing County (the “County”) has completed the tax forfeiture process as required by law for certain properties (the “Properties”) located in the City of Baxter (the “City”) and legally described as set forth in Exhibit A attached hereto; and

WHEREAS, the Housing and Redevelopment Authority in and for the County of Crow Wing (“County HRA”) has previously established its Redevelopment Project No. 1 pursuant to Minnesota Statutes, Sections 469.001 to 469.047 (“HRA Act”), the area of which includes all property in the County; and

WHEREAS, the County HRA has developed a plan to acquire the Properties from the County pursuant to Minnesota Statutes, Section 469.012, subd. 1g. of the HRA Act, in order to manage and dispose of the Properties for the purpose of preventing and eliminating blight or for the purpose of providing decent, safe, and sanitary housing for persons of low and moderate income; and

WHEREAS, the County HRA proposes to enter into negotiations with Lakes Area Habitat for Humanity (the “Developer”) with respect to a Purchase and Redevelopment Agreement providing for the conveyance of the Properties by the County HRA to the Developer and the construction by the Developer of owner-occupied single-family homes on the Properties.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Housing and Redevelopment Authority in and for the County of Crow Wing will accept title to the Properties from the County upon transfer of title to such Property from the State of Minnesota.

Chair – Michael Aulie

ATTEST:

Brainerd HRA Executive Director – Eric Charpentier

Dated at Brainerd, Minnesota this 8th day of November, 2022.

Exhibit A

PID	Legal Description
40060839	South 1/2 of Lot 13, Block 1 – Kirkwood
40240508	Lot 8, Block 3 – Jasperwood East
40240510	Lot 6, Block 3 – Jasperwood East
40240519	Lot 6, Block 2 – Jasperwood East
40240521	Lot 4, Block 2 – Jasperwood East



Housing & Redevelopment Authority

To: CWC HRA Board Members
From: Eric Charpentier, Executive Director
Date: November 2nd, 2022
Re: Executive Director Report

Meeting with Pequot Lakes HRA:

Staff visited the Pequot Lakes HRA offices and completed inspections on half of the West Grove townhomes on October 20th. Karen and our housing manager went through financial and housing documentation with the agency staff and made some recommendations on changes that they could make with their files. John and I inspected the townhome units with their maintenance supervisor to get a sense of the overall condition of these units. The townhomes were in good condition, the units were clean and tidy while the exteriors and yards were all in good repair. The curb appeal of these units was a net positive for the neighborhood and were the nicest homes in the neighborhood in our opinion. We are continuing to follow up with their staff to track the progress of the suggestions that we made, and we plan on continuing to monitor these units on a yearly basis.

Action Requested: No action requested, for informational purposes only

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Housing & Redevelopment Authority

To: CWC HRA Board Members
From: Eric Charpentier, Executive Director
Date: November 3rd, 2022
Re: Housing Trust Fund Report

We have approved our 2nd homebuyer assistance loan through the trust fund with an anticipated closing date on November 10th. This will be for the purchase of a home in Brainerd through a lender that we have been working with for a couple of months to get a project funded. We are excited to have this opportunity and hope that we will be able to encourage this lender to utilize the program for more home purchases.

John and I met with the County Social Services team on 11/2 to discuss the HTF and how our rehab programs can be of assistance to some of their clients. This was a great opportunity to share ideas with their team and reiterate the importance of having these funds available to help homeowners for safety and soundness projects that they may qualify for. We are going to continue to meet on a quarterly basis to keep this dialogue open and we believe we will see some future referrals from social services.

I continue to meet with several developers that are in varying stages of vetting potential housing projects throughout the County. I continue to be encouraged by the number of different developers that are looking at the viability of building both multifamily and single-family residences. I feel like there is a lot of momentum moving forward and believe we will be able to help with gap financing on some of these projects in the near future.

Action Requested: No action requested, for information only.

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Housing & Redevelopment Authority

To: Crow Wing County HRA Board Members
 From: John Schommer, Rehab & Maintenance Director
 Date: November 2, 2022
 Re: Rehab Programs Report

Garrison SCDP

1 Completed Project
 1 Owner Occupied Rehab project bidding
 1 Commercial Rehab in contract
 4 Commercial Application in collection of documents

Jenkins SCDP

2 Owner Occupied Rehab out for Bidding

MHFA

5 Projects are in construction
 1 Out for Bid
 1 Scope of Work Write Up (Morrison County)
 1 Inspection Scheduled
 1 Applications are in collection process

Housing Trust Fund

1 Down Payment Assistance Closed 7/7/22
 1 Down Payment Assistance Loan Closing Nov. 10th
 1 Owner Occupied Project Completed 9/14/22
 2 Owner Occupied Under Construction
 1 Owner Occupied Loan Signing Scheduled
 1 Owner Occupied in collection process
 1 Rental Rehab Application in Review (Collecting documents)

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	6
Serene Pines	23	19	16	0	3
Dalmar Estates	7	3	3	0	0

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

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2022 CWC HRA BLAEDC/CREDI

STAFF TIME - OCTOBER



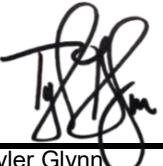
Date Range: 10/1/2022 - 10/31/2022

Project Group	Project	Task	Date	Comment	Hours	Amount
Crow Wing County HRA						
CWC HRA-Redev Redevelopment Projects						
	Dev	Development			40.50	\$6,075.00
			10/4/2022	Working w/Baxter developer through county approval process for wetlands. This project is developing a 65 unit apartment complex in Baxter.	40.50	\$6,075.00
			10/5/2022	BLAEDC staff attended Crosslake EDA meeting to discuss potential housing project with city staff and community members. Presented information regarding the housing trust fund and options for developer. Project may be put on hold until spring of '23, but city officials discussed options for incentives.	2.00	\$300.00
			10/10/2022	BLAEDC staff assisting with Main Street grant applications and processing for projects in the river to rail corridor that will address blight, redevelopment and housing. Staff also attended Central Lakes College housing meeting and presented updates to that board	2.50	\$375.00
			10/11/2022	BLAEDC staff prepared reports for CWC HRA monthly meeting. Staff attended a site visit with developer for Pequot Lakes multi-family housing project. Met with city staff, developer and mayor to discuss next steps in approval process	4.00	\$600.00
			10/12/2022	Meeting with CWC HRA executive director to discuss Housing Trust Fund for project in Pequot Lakes. BLAEDC ED will bring HRA ED to discussions with developer and provide details of program to developers to review and discuss. This will be a \$10-\$12 million project with 65 units of multifamily housing. Following meeting, sent trust fund information to developer and had call to discuss	2.50	\$375.00
			10/14/2022	Crosslake meeting w/city council members and EDA members to discuss housing project. After speaking with the developer, it appears he will move project to the spring and hope rates and materials come down a bit, his proforma will struggle to pencil out with the increase in rates. City wants to stay in contact and for BLAEDC to keep working with the developer.	2.00	\$300.00
			10/17/2022	Site visit to property in Brainerd for redevelopment. Location will need funding from main street grant to complete project.	1.50	\$225.00
			10/18/2022	Pequot Lakes EDC meeting, BLAEDC staff attended meeting, provided presentation and prepared reports. Updated members regarding the housing development and the final approval from city council after approval from P&Z. Updated board with incentives being discussed with developer as well as other housing infill that is occurring in the city.	3.50	\$525.00
			10/19/2022	Meetings in Crosby with new development opportunities and progress of downtown redevelopment projects. Staff time touring properties. Staff also went through Deerwood to review site for Essentia new facility.	3.00	\$450.00
			10/20/2022	BLAEDC staff meeting with Brainerd business that is involved in the downtown development.	2.50	\$375.00
Crow Wing County HRA Board Meeting Packet ~ Tuesday, November 8th, 2022						

working to redevelop their current business to expand their services which involves significant investment. BLAEDC is working with them to develop new business plan and financing options					
10/24/2022	Meeting and tour of Brainerd building that is to be redeveloped for childcare facility. Owner currently has childcare services in the area, but this building would allow them to own and operate. Building needs significant redevelopment to meet codes for childcare facility.	2.00	\$300.00		
10/25/2022	BLAEDC staff time to prepare reports and administer, facilitate and attend main street grant subcommittee meeting. Discussions centered on use of funds for redevelopment projects and additional funding that has been returned for use. Committee reviewed all applications again to make recommendations for additional funding for approved projects	4.00	\$600.00		
10/26/2022	Meeting w/Baxter city administrator and staff regarding new housing project in Baxter and assisting city and county. Project will not be eligible for housing trust fund resources as the rents do not meet the requirements set forth in the guidelines. Additional meeting with Developer who will move forward with traditional financing and will also look to Unified Fund for local assistance.	4.00	\$600.00		
10/27/2022	Meeting and tour of Crosby business that is looking to expand and possibly redevelop part of their existing building. This is an existing business that has seen significant growth and would like to consider options for expansion and possible redevelopment. Owners will start to design plans for project	3.00	\$450.00		
<i>E-mail</i>	<i>E-mail Correspondence</i>	22.00	\$3,300.00		
		22.00	\$3,300.00		
10/4/2022	Staff communication with Brainerd project that has applied for Main Street grant for river to rail corridor. Staff reviewed plans for redevelopment, bids and overall application for funding	2.00	\$300.00		
10/5/2022	zoom call with county staff, blaedc staff and Emily daycare provider regarding her funding and the build out of daycare facility in Emily. County approved funding but provider has yet to move forward. This project requires a redevelopment to an Emily building and will create 35 childcare slots.	2.50	\$375.00		
10/7/2022	Multiple emails and phone conference call with potential redevelopment opportunity in downtown Brainerd. Project is looking to access ARPA funds from the city along with grant funds through Main Street grant program	3.00	\$450.00		
10/10/2022	email and phone conversations with projects that are working through the grant approval process inside the river to rail corridor. All the projects will involve some type of redevelopment. Staff is working with property owners to obtain bids and provide appropriate information for grant approval	1.50	\$225.00		
10/11/2022	email communication with local officials regarding proposed housing project in Pequot Lakes.	1.50	\$225.00		
10/13/2022	zoom meeting with developer of both Baxter and Pequot Lakes housing complexes. Staff has identified funding options as well as local assistance that could benefit Pequot development, in particular that housing trust fund	2.00	\$300.00		
10/17/2022	email correspondence with developer looking at Ironton property for potential housing or long term rental options. Phone discussion followed to discuss plans. Follow up from developer to occur over the next couple of months	1.50	\$225.00		

10/18/2022	email correspondence with city administrator regarding heart of the good life development and changes to zoning for housing project that has been approved by the city.	1.00	\$150.00
10/19/2022	virtual meetings with Florida developer to discuss both crow wing county projects and funding discussions	2.00	\$300.00
10/21/2022	Phone conversation with Crosslake developer. Potential housing developer needs financial assistance to move project forward. Project will get moved to the spring but developer would like to have options available as continued projections occur	1.50	\$225.00
10/24/2022	email and phone correspondence with projects that have been preliminary approved for grant funds and assistance to help them through process to obtain funding for projects in the city of Brainerd	2.00	\$300.00
10/26/2022	email communication with Emily daycare provider and county staff regarding redevelopment project and funding sources	1.50	\$225.00
		62.50	\$9,375.00
		62.50	\$9,375.00
		62.50	\$9,375.00

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

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