

Economic Development Authority

Brainerd, Minnesota
July 1, 2021
7:30 A.M.
City Council Chambers

Member of the public may monitor the meeting via phone.
CALL TOLL-FREE: 1-844-992-4726
Access Code: 146 926 4163

1. **Call To Order**

2. **Roll Call**

K. Bevans M. O'Day G. Johnson Vacant
 T. Bieser M. Kirsch W. Erickson

3. **Approval/Amendment Of Agenda**

4. **Approval Of Minutes**

Regular Meeting Held on June 3, 2021

Documents:

[2021-06-03 Draft Meeting Minutes .pdf](#)

5. **Financial Report**

Documents:

[EDA Financials - July 1 Meeting.pdf](#)

6. **Updates**

- a. Executive Director
- b. HRA
- c. BLAEDC

Documents:

[Brainerd HRA Update Report 6-24-21.pdf](#)

7. **Old Business**

A. Adoption Of Mission And Goals

Documents:

Adoption of Mission and Goals.pdf

8. New Business

A. 2022 Budget Calendar

Documents:

2022 Budget Calendar.pdf

9. Informational

A. Sesquicentennial Update

Documents:

Sesquicentennial Memo.pdf

10. Commissioner's Comments/Questions

11. Adjournment

BRAINERD ECONOMIC DEVELOPMENT AUTHORITY

Thursday, June 3rd, 2021, 7:30 a.m.

City Hall Council Chambers

WebEx Teleconference Meeting

Pursuant to due call and notice thereof, President Erickson called the meeting of the Brainerd Economic Development Authority to order at 7:30 a.m.

Upon roll call Commissioners Marie Kirsch, Michael O'Day, Toni Bieser, and Wayne Erickson were noted as present. Commissioner Kelly Bevans joined the meeting virtually after the approval of the Minutes. Also, present were Community Development Director Chanski, Finance Director Hillman, City Administrator Bergman, Eric Charpentier, HRA Director, and Tyler Glynn, BLAEDC.

Approval/Amendment of the Agenda- Approved

MOVED AND SECONDED BY COMMISSIONERS JOHNSON AND O'DAY, DULY CARRIED, TO APPROVE THE AGENDA AS PRESENTED.

Approval of Minutes- Approved

MOVED AND SECONDED BY COMMISSIONERS JOHNSON AND O'DAY, DULY CARRIED, TO APPROVE THE MINUTES FROM THE MAY 6TH, 2021 MEETING AND THE MAY 18TH, 2021 STRATEGIC PLANNING RETREAT WITH THE CORRECTION OF DATE ON THE RETREAT MINUTES.

Financial Report- Approved

MOVED AND SECONDED BY COMMISSIONERS O'DAY AND BIESER, TO APPROVE THE FINANCIAL REPORT AS PRESENTED.

Commissioner Bevans joined the meeting virtually. Due to a member attending the meeting electronically, all motions will be voted on by a roll call vote for accuracy.

Upon roll call, members Bevans, O'Day, Johnson, Bieser, Kirsch, and Erickson voted "aye". No member voted "nay". The Chair declared the motion carried.

Updates

Executive Director

City Administrator, Jennifer Bergman, gave update on the Sesquicentennial happening September 18th-25th, 2021. The committee and staff, including the communications intern, will be meeting in June with City partners to plan events. Banners for light poles were expected to be delivered at the end of the week. The banners are available for purchase on the Visit Brainerd website. The proceeds will go toward historical markers. Commissioner Bieser inquired to see how many of the banners had been purchased. Administrator Bergman will provide update as to how many have been sold at the next meeting.

Community Development Director, David Chanski, reported that the Planning Commission had a special meeting on May 26th, 2021, to consider planning development for Country Manor. This will go before the City Council on June 7th for approval. They are in the development stage of the multi-stage process. He stated that the EDA should anticipate a financial aid request to be heard for vetting prior to going to the City Council. Parking Commission will hold a Townhall meeting on Tuesday, June 8th in the Council Chambers to hear concerns from citizens about parking. Also, the Parking Commission will be conducting a new parking study for downtown because of the significant changes since 2019.

HRA Update

Eric Charpentier, HRA Director, reported an update on Serene Pines. HRA has two job openings, one for an accounting specialist and the other for an administrative specialist. Maintenance Supervisor started on June 1st, he has a wealth of experience and has already visited all properties. Rehabilitation continues in Northeast and the HRA is still seeking applicants to aid.

BLAEDC Update

Tyler Glynn, Executive Director, reported that BLAEDC is assisting the County with needs assessment and disbursement of American Rescue Plan Act Funds. The County has received the first half of their funding and are looking at housing, broadband, and childcare as areas of need. The BLAEDC website is being updated in response to their rebranding. The unified fund has had 4 loan requests in the last month, 1 of which is a Brainerd business. Key recruitment through April 2021 has filled 4 jobs by bringing families into local communities. Marketing advertising is being updated at the Brainerd Airport.

Old Business

Strategic Planning Retreat

Community Development Director Chanski reviewed the retreat held on May 18th, 2021, with Big River Group. Based on the worksheets and work at the retreat, staff drafted a Mission statement and Goals for the EDA. He led the commission through discussion of the draft.

Discussion was held to continue to make mission and goals more specific by removing education as a part of the mission and to make goals time sensitive.

Based on discussion, staff will update the mission and goals framework so the EDA can adopt the mission and goals at the July meeting.

American Rescue Plan Update

Community Development Director, David Chanski, gave an update on the American Rescue Plan Act (ARPA) as it applies to the City of Brainerd. Brainerd is considered a “non-

entitlement” City as it has less than fifty thousand residents. Based on population of the City, considering the number of townships, and how the state chooses to distribute to these townships it is estimated that the City will receive \$1.4 million in aid. He also discussed areas of interest for the EDA when considering disbursement and the role the EDA will have in this area in line with Goals discussed.

The commission held discussion on disbursement, possible uses, and the role of the EDA in the disbursement of the monies.

Comments/Questions

1 Vacancy for EDA- Mayoral appointment. Mayor Badeaux will have them on the June 21st Agenda.

Commissioner O’Day is excited to see direction for the committee after the retreat.

Commissioner Bieser is excited about the retreat and the ARPA information and how it will help our community.

Commissioner Johnson echoes the retreat excitement, as well as the effective creation of mission and goals for the EDA.

Chair Erickson stated that this is the most active he has seen the EDA and it is exciting to see the aggressive commissioner’s mission.

Adjournment

MOVED AND SECONDED BY COMMISSIONERS JOHNSON AND O’DAY TO ADJOURN THE MEETING, DULY CARRIED.

The Authority adjourned at 8:50 a.m.

Secretary/Treasurer

Financial Report for EDA

As of May 31, 2021

| | <u>Cash & Investments</u> | <u>Receivable Balance</u> | <u>Deferred Loans (as of 12/31/20) **</u> | <u>Awarded Grants</u> |
|---|-----------------------------------|-------------------------------|---|---------------------------|
| General Funds: | | | | |
| EDA Fund - #295 | \$ 17,370 | \$ - | \$ - | \$ - |
| Total | \$ 17,370 | \$ - | \$ - | \$ - |
| CDBG (Housing/Commerical (Slum & Blight/Federal Objective)): | | | | |
| Downtown - #298 | \$ 47,833 | \$ 23,764 | \$ 497,881 | \$ - |
| SE Brainerd - #215 | 44,162 | - | 294,046 | - |
| NE Brainerd - #218 | (51,554) | - | 150,432 | 464,358 |
| Willows Project - #209 | - | - | 37,500 | - |
| Old Housing - #209 | 3,300 | - | 59,286 | - |
| Local Income - #275 | 50,142 | 16,094 | 15,800 | - |
| Total | \$ 93,882 | \$ 39,858 | \$ 1,054,945 | \$ 464,358 |
| Federal & State MIF (Commerical (Jobs)): | | | | |
| Commerical - #210 ^{^^} | \$ - | \$ 646,427 | \$ - | \$ - |
| Federal MIF - #296 | 18,244 | - | - | - |
| Total | \$ 18,244 | \$ 646,427 | \$ - | \$ - |
| Grand Total | \$ 129,496 | \$ 686,285 | \$ 1,054,945 | \$ 464,358 |

** Portion of the loan that is forgivable with the passage of time

^{^^} The Receivable Balance **DOES** include the \$646,427 borrowed to pay for the industrial park land.

Fund 295 EDA FUND

| GL Number | Description | PERIOD ENDED 05/31/2020 | PERIOD ENDED 05/31/2021 |
|---|---------------------------|----------------------------|----------------------------|
| *** Assets *** | | | |
| 295-0000-10100 | CASH | 123,927.72 | 17,369.63 |
| 295-0000-10700 | DELINQUENT TAX RECEIVABLE | 7,330.90 | 7,917.80 |
| 295-0000-11500 | ACCOUNTS RECEIVABLE | 0.00 | 10,000.00 |
| 295-0000-16160 | FA-LAND HELD FOR RESALE | 488,252.22 | 488,252.22 |
| Total Assets | | 619,510.84 | 523,539.65 |
| *** Liabilities *** | | | |
| 295-0000-20600 | DEPOSITS PAYABLE | 0.00 | 10,000.00 |
| 295-0000-22200 | DEFERRED REVENUE | 488,252.22 | 488,252.22 |
| 295-0000-22210 | DEFERRED TAXES RECEIVABLE | 5,521.89 | 4,344.68 |
| Total Liabilities | | 493,774.11 | 502,596.90 |
| *** Fund Balance *** | | | |
| 295-0000-28900 | FUND BALANCE/EQUITY ACCT | 39,602.39 | 53,498.12 |
| Total Fund Balance | | 39,602.39 | 53,498.12 |
| Beginning Fund Balance | | 39,602.39 | 53,498.12 |
| Net of Revenues VS Expenditures | | 86,134.34 | (32,555.37) |
| Ending Fund Balance | | 125,736.73 | 20,942.75 |
| Total Liabilities And Fund Balance | | 619,510.84 | 523,539.65 |

PERIOD ENDING 05/31/2021

| ACCOUNT DESCRIPTION | ACTIVITY FOR | | YTD BALANCE | AVAILABLE | % BGD USED |
|---|--------------------------------|-----------------|-----------------|-----------------|--------------------|
| | 2021 ONTH | 05/31/2021 | 05/31/2021 | BALANCE | |
| | AMENDED BUDGET | EASE (DECREASE) | RMAL (ABNORMAL) | RMAL (ABNORMAL) | |
| Fund 295 - EDA FUND | | | | | |
| Revenues | | | | | |
| Function: Unclassified | | | | | |
| Dept 0000 | | | | | |
| TAXES & PENALTIES | | | | | |
| 31010 | CURRENT AD VALOREM | 133,789.00 | 0.00 | 3,386.93 | 130,402.07 2.53 |
| 31020 | DELINQUENT AD VALOREM | 0.00 | 0.00 | 186.19 | (186.19) 100.00 |
| | TAXES & PENALTIES | 133,789.00 | 0.00 | 3,573.12 | 130,215.88 2.67 |
| OTHER REVENUE | | | | | |
| 36210 | INTEREST INCOME | 400.00 | 0.00 | 0.00 | 400.00 0.00 |
| | OTHER REVENUE | 400.00 | 0.00 | 0.00 | 400.00 0.00 |
| Total Dept 0000 | | | | | |
| | | 134,189.00 | 0.00 | 3,573.12 | 130,615.88 2.66 |
| Total - Function Unclassified | | | | | |
| | | 134,189.00 | 0.00 | 3,573.12 | 130,615.88 2.66 |
| TOTAL REVENUES | | | | | |
| | | 134,189.00 | 0.00 | 3,573.12 | 130,615.88 2.66 |
| Expenditures | | | | | |
| Function: Unclassified | | | | | |
| Dept 6510 - ECONOMIC DEVELOPMENT AUTH | | | | | |
| SERVICES | | | | | |
| 43300 | PROFESSIONAL SERVICES | 95,000.00 | 2,500.00 | 12,500.00 | 82,500.00 13.16 |
| 43322 | POSTAGE | 0.00 | 16.32 | 16.32 | (16.32) 100.00 |
| 43361 | INS - GENERAL LIABILITY | 150.00 | 44.50 | 67.67 | 82.33 45.11 |
| 43430 | MISCELLANEOUS | 5,500.00 | 3,112.50 | 3,194.50 | 2,305.50 58.08 |
| 43434 | ECONOMIC INITIATIVES | 30,000.00 | 15,000.00 | 15,000.00 | 15,000.00 50.00 |
| 43435 | BOOKS/PAMPHLETS/DUES | 5,350.00 | 5,350.00 | 5,350.00 | 0.00 100.00 |
| | SERVICES | 136,000.00 | 26,023.32 | 36,128.49 | 99,871.51 26.57 |
| Total Dept 6510 - ECONOMIC DEVELOPMENT AUTH | | | | | |
| | | 136,000.00 | 26,023.32 | 36,128.49 | 99,871.51 26.57 |
| Total - Function Unclassified | | | | | |
| | | 136,000.00 | 26,023.32 | 36,128.49 | 99,871.51 26.57 |
| TOTAL EXPENDITURES | | | | | |
| | | 136,000.00 | 26,023.32 | 36,128.49 | 99,871.51 26.57 |
| Fund 295 - EDA FUND: | | | | | |
| | TOTAL REVENUES | 134,189.00 | 0.00 | 3,573.12 | 130,615.88 2.66 |
| | TOTAL EXPENDITURES | 136,000.00 | 26,023.32 | 36,128.49 | 99,871.51 26.57 |
| | NET OF REVENUES & EXPENDITURES | (1,811.00) | (26,023.32) | (32,555.37) | 30,744.37 1,797.65 |

To: EDA Board of Commissioners
From: John Schommer, Rehab Coordinator
Date: June 24th, 2021
Re: Brainerd HRA Update

General Agency Update

At our most recent board meeting on June 23rd our board passed a resolution of support for TIF financing for the redevelopment project that is being planned for the corner of Laurel and 8th St. in Brainerd. Our board also authorized a letter of support to the developer to look into utilizing project based vouchers for some of the planned units. The developer will be submitting an application for a financing package to the Minnesota Housing Finance Agency by July 15th and will then wait until December to find out if they have been awarded that financing. We will continue to work in support of this project and we are hopeful that the financing package is awarded.

We are also working with Minnesota Housing Partnership with our Crow Wing County Housing Trust Fund. This team from MHP will be coming up to visit our area in late July and we are going to be communicating out to our local units of government to gauge interest in meeting with them as we look to identify potential development and redevelopment properties throughout the County and understand what our partners envision for their respective jurisdictions as far as development of new or revitalized housing stock. We will also be reaching out to other strategic partners to join in on this conversation.

We will be starting a large boiler and water heater replacement project in our Northstar public housing building in the coming weeks. We are updating and upgrading our boiler and hot water heating system throughout the building at an estimated cost \$840,000.00 and are hoping to have the project completed by August 31st. The upgrade will replace an aging and leaking system and provide for energy efficiencies throughout the building.

Rehab

The NE Brainerd SCDP grant has rehab completed on one commercial unit, nine mixed use units, one single family rental rehab and three owner occupied units. We have two owner occupied units and one duplex unit in construction with one owner occupied unit bidding. There are two multi-family rental rehab applications in the verification process. We continue to seek four more single-family rental and owner-occupied rehabs.

Brainerd Oaks/Serene Pines/Dalmar Estates

| Development | Total | # Sold to Developer | # Sold to End Buyer | For Sale | In Construction |
|--------------------|--------------|----------------------------|----------------------------|-----------------|------------------------|
| Brainerd Oaks | 81* | 55 | 47 | 0 | 4 |
| Serene Pines | 23 | 16 | 14 | 0 | 2 |
| Dalmar Estates | 7 | 2 | 1 | 0 | 0 |

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

MEMO



TO: EDA Board of Commissioners

FROM: David Chanski, Community Development Director

DATE: July 1, 2021

RE: Adoption of Mission and Goals

During the June 3 EDA meeting, the Commission considered a draft mission and goals for the EDA. The mission and goals were drafted from the various ideas, visions, and priorities that were identified during the retreat. Upon discussion, the Commission gave staff one amendment to remove the word “education” from the mission.

Attached is a finalized mission and goals for 2021-2022 for the Commission to formally adopted. Additionally, staff has provided as goal status document that will be used and periodically updated to keep the Commission up-to-date of the progress toward reaching each of these goals.

City of Brainerd Economic Development Authority

Mission & Goals

Mission: Make Brainerd an attractive and vibrant business community by providing economic support through programs, marketing, development, and redevelopment.

2021-2022 Goals:

- Interview existing businesses to identify each business's individual needs to take the next step in their business development.
- Create programs and seek funding to address the following needs:
 - Residential and commercial building façade improvements
 - Small business support services
 - Shared workspaces and incubator spaces
 - Succession planning for local businesses
- Work with community partners to develop a cohesive marketing strategy for the community.
- Create an inventory of under-used and under-developed properties and work with property owners to market them for redevelopment.
- Evaluate the City's vacant industrial property for compatible non-industrial uses that would address current and future needs of the community.



Brainerd Economic Development Authority

Goals Status

July 1, 2021 to December 31, 2022

| City of Brainerd | | | |
|---|--|--|---|
| Goal | Strategies/Action Steps | Status | Staff Member/Dept |
| Create programs and seek funding to address the following needs: | Evaluate the results of BLAEDC's business interviews to assess needs and categorize them. | Pending completion of business interviews. | Community Development Director |
| | Develop and propose programs to address the needs identified from | Pending completion and assessment of business interviews. | Community Development Director and City Administrator |
| | Seek funding sources to support proposed programs. | Pending development of proposed programs. | Community Development Director and Finance Director |
| Create an inventory of under-used and under-developed properties and work with property owners to makret them for redevelopment. | Conduct GIS assessment of under-utilized properties. | On-going | Community Development Director |
| | Identify possible uses for under-utilized properties. | Pending completion of GIS assessment | Community Development Director |
| | Engage property owners to assess interest in participating in redevelopment program. | Pending completion of GIS assessment | Community Development Director |
| | Develop program for marketing identified properties for redevelopment. | Pending completion of GIS assessment, use identification, and property owner engagement. | Community Development Director |
| Evaluate the City's vacant industrial property for compatible non-industrial uses that would address current and future needs of the community. | Create an inventory of the City's undeveloped industrial property with an assessment of each property's surrounding uses. | On-going | Community Development Director |
| | Develop a list of non-industrial uses for the City's undeveloped industrial property that may be compatible with each properties surrounding uses. | Pending completion of property inventory and surrouding uses assessment. | Community Development Director |



Brainerd Economic Development Authority

Goals Status

July 1, 2021 to December 31, 2022

| BLAEDC | | | |
|---|---|---|---|
| Goal | Strategies/Action Steps | Status | Staff Member/Dept |
| Interview existing businesses to identify each business's individual needs to take the next step in their business development. | Complete Business Retention and Expansion visits that involve interviews and information gathering. | On-going | BLAEDC |
| | Summarize information gathered from Business Retention and Expansion visits and submit to Community Development Director. | Pending completion of business interviews. | BLAEDC |
| | Seek funding sources to support proposed programs. | Pending development of proposed programs. | Community Development Director and Finance Director |
| Other Community Partners | | | |
| Goal | Strategies/Action Steps | Status | Staff Member/Dept |
| Work with community partners to develop a cohesive marketing strategy for the community. | Identify and engage strategic community partners | On-going | City Administrator |
| | Create marketing strategy | Pending identification and engagement of community partners | City Administrator |

MEMO



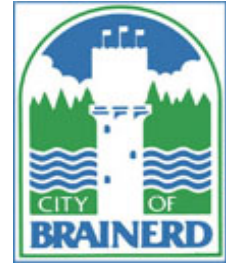
TO: EDA Board of Commissioners
FROM: David Chanski, Community Development Director
DATE: July 1, 2021
RE: 2022 Budget Calendar

As the calendar turns into July, it is time for the EDA to begin discussing its 2022 budget. As a kick-off to the 2022 budget approval process, staff recommends adoption of the following budget calendar.

- July 1 – Set budget calendar
- August 5 – Set levy and discuss budget priorities
- September 2 – Discuss preliminary budget
- October 7 – Adopt 2022 Budget

This proposed calendar does not lock the EDA into passing a budget by October. The purpose of the calendar is to give guidance to the process.

Staff seeks any comments or amendments the Commission has to this calendar and any guidance the Commission has for staff as we guide the Commission through the budget process.



MEMO

TO: Brainerd Economic Development Authority

FROM: Jessie Ernster, Communications Intern

DATE: 6/28/21

SUBJECT: Sesquicentennial Update

Local organizations are planning a full line up of events that celebrate Brainerd's Sesquicentennial the week of September 18th - 25th. The events center on history, fun activities, and community building.

The following are events that have been confirmed and have dates lined up:

- 18th– Kick-off proclamation from Mayor Badeaux (City of Brainerd)
- 18th– Time capsule event (Chamber of Commerce)
- 18th – Downtown scratch off sales (Destination Downtown Business Coalition)
- 20th– City Hall open house + historic display (City of Brainerd)
- 21st– Here for Good Market (Destination Downtown Business Coalition)
- 22nd– Trivia Night (Dan Hegstad)
- 24th– “The Crossing” dedication (Brainerd History Group)
- 25th– Stride n’ Seek (Shelia DeChantel)
- 25th– Brainerd Parks and Recreation community event (City of Brainerd)
- 25th– Downtown Soup-quicentennial (soup walk) (Destination Downtown Business Coalition)

The following are events in progress or have dates yet to be confirmed:

- Paul Bunyan musical production (Stage North)
- 21st– Memorial Park movie night (City of Brainerd)
- Ribbon cutting for Memorial Park (City of Brainerd)
- 23rd– Northern Pacific Center event (Northern Pacific Center)
- Brainerd Schools event (ISD 181)
- 19th– All Faith Service (ministerial leaders)
- Traveling Art Pub demonstration (Traveling Art Pub)

- Historical Society grand reopening (Historical Society)
- Historical Society ribbon cutting for research library (Historical Society)

The promotion for the Sesquicentennial is through several channels and will ramp up as we get closer to the Sesquicentennial.

- Light pole Sesquicentennial banners installed on Washington St, South 6th St, **Downtown, and Mill Ave**
- Weekly history tidbits in the Brainerd Dispatch on Mondays
- Sesquicentennial page on the City's website including calendar of events, history tidbits, etc: <https://www.ci.brainerd.mn.us/596/150-Years>
- September 11th Dispatch wrap and Echoland shopper for Sesquicentennial Week
- Community Focus leading up to Sesquicentennial Week
- Advertisement to the schools
- Contributing organizations' individual media channels