

Crow Wing County HRA

AGENDA

5:00 p.m. Tuesday, January 9, 2018

Jinx Ferrari Meeting Room

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

AGENDA ITEM

1. **Roll Call**
2. **Call to Order**
3. **Review and Approve Minutes** (*Attachment 1*)
4. **Review and Approve Financial Statements** (*Attachment 2*)
5. **Annual Meeting** (*Attachment 3*)
 - a. Oath of Office
 - b. Election of Officers for 2018
 - c. Review Bylaws
6. **Old Business**
 - a. Consider Tax Forfeited Property Policy (*Attachment 4*)
7. **New Business**
 - a. Authorize Participation in the Minnesota City Participation Program (*Attachment 5*)
8. **Reports**
 - a. Executive Director (*Attachment 6*)
 - b. Brainerd HRA
 - c. BLAEDC
 - d. CWC
9. **Meeting Agenda Topics for February 13, 2018**
10. **Adjourn**

2017 Officers and Commissioners

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

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

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

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

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



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Minutes from Tuesday, December 12th, 2017
Crow Wing County
Housing and Redevelopment Authority
Board Meeting

1. **ROLL CALL:** Present at the meeting were Chair Craig Nathan, Commissioners Theresa Goble, Sharon Magnan, Mike Aulie, and David Kennedy; Executive Director Jennifer Bergman, Finance Director Karen Young, and Executive Assistant LeAnn Goltz. Also present: Sheila Haverkamp, Marlee Larson, and John Schommer.

2. **CALL TO ORDER:** Chair Craig Nathan called the meeting to order at 5:00 p.m.

3. **REVIEW AND APPROVE MINUTES FROM NOVEMBER 14, 2017:**

Commissioner Goble made a motion to approve the minutes from the regular board meeting held on November 14, 2017. Commissioner Magnan seconded the motion. All commissioners voted in favor of the motion and none were opposed. The minutes were approved.

4. **OATH OF OFFICE: DAVID KENNEDY:** A formal Oath of Office was given to David Kennedy. Appointed by the Crow Wing County Board to serve on the Crow Wing County HRA Board as the representative from District 2, Kennedy is filling Darrell Schneider's term, which expires 12-31-18.

5. **REVIEW AND APPROVE FINANCIAL STATEMENTS:**

CWC Local Income

The November financial statements show the receipt of \$26,325.59 in Local Income from CWC. This was used this as leverage dollars in the Emily SCDP grant application.

2017 Audit

Young also informed the Board that the 2017 audit is scheduled with CliftonLarsonAllen (CLA) during the week of February 5th.

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

6. **OLD BUSINESS:**

a. **Authorize Contract Agreement between the CWC HRA and the Brainerd Lakes Area Development Corporation:** The Non-TIF Revolving funds have been available for over a decade and have not been used on any project. There has been a concern with the TIF Revolving funds since there are limitations on the use of the funds and the CWC HRA is responsible for reporting on these funds to the Office of the State Auditor annually.

The BUF Service Agreement, which was provided to the Board, specifies that the CWC HRA will have final authority to approve or deny loans made with the TIF funds. In addition, it also allows the CWC HRA to make loans with the TIF Revolving funds outside of the BUF. Staff recommended that each request is accompanied with a legal opinion stating that it meets all TIF laws.



The Board inquired about the “existing guidelines” that were referenced in the agreement. They proposed a friendly amendment to the agreement by removing the word “existing.”

Commissioner Aulie made a motion to approve Resolution No. 2017-06 approving an agreement concerning the participation in the BLADC Unified Fund between the CWC HRA and BLADC as amended. Commissioner Goble seconded the motion. Upon roll call, Commissioners Nathan, Goble, Aulie, and Magnan voted “aye” and Commissioner Kennedy voted “nay.” The motion passed on a 4:1 vote.

The Board had a discussion about who would be the appointee or representative for CWC HRA. Commissioner Goble expressed interest.

Commissioner Aulie made a motion to appoint Commissioner Goble as the CWC HRA representative on the BUF Board as noted in 2.03 of the agreement. The motion was seconded by Commissioner Magnan. All commissioners were in favor and none were opposed. The motion passed.

7. NEW BUSINESS:

- a. **Adopt TIF Loan Guidelines:** The original guidelines were from an old TIF district from 1990. In 2014, Bergman presented revised guidelines that were not accepted.

To address the current TIF Revolving Funds, Bergman provided the Board with new guidelines that were based on the City of Brainerd’s Commercial Rehab Guidelines, the Brainerd HRA Commercial Guidelines and the existing CWC HRA Revolving Loan Guidelines. These guidelines allow the CWC HRA Board to consider projects that may not meet the requirement of the BUF Guidelines but will still meet the TIF Guidelines.

Attorney Martha Ingram briefly reviewed the new guidelines but will thoroughly look into them next month.

A motion was moved and seconded by Commissioner Goble and Magnan, to approve the TIF Loan Guidelines as presented. All commissioners voted in favor of the motion and none were opposed. The motion passed.

- b. **Consider Application for Asbestos Abatement:** Sarah Hayden Shaw, the owner of 606 Laurel Street, recently purchased the Iron Rail building located at 707 Laurel Street. The commercial space is currently vacant and she will be vacating the residential property on the 2nd floor to remove the asbestos, replace the insulation, and install new furnaces.

An application from Hayden Shaw to the CWC HRA for assistance with this program was provided to the Board. The total project cost is \$98,000; however, the only eligible expense through the TIF Loan Program is the abatement of the asbestos with a cost of \$30,000. According to the guidelines, the property owner is required to provide a 1:1 match. Although the only eligible item is the asbestos abatement, the entire project cost would be considered when determining a match.

The CWC HRA Board previously discussed that they would be willing to contribute funds to this project if the City of Brainerd also contributed funds. The City of Brainerd will be calling an EDA meeting to discuss this application at some point before the year’s end and anticipate this being on the City Council agenda in January of 2018.



Staff recommended allocating up to a maximum of \$24,999 towards the asbestos abatement contingent upon the City of Brainerd contribution of a minimum of \$24,999. The CWC HRA's funds would be provided to Ms. Shaw in the form of a forgivable loan which would be a 0% interest loan, forgiven at a rate of 10% per year and completely forgiven after the 10th year.

Commissioner Goble made a motion to authorize a forgivable loan of up to \$24,999 to Sarah Hayden Shaw for the abatement of asbestos at 707 Laurel Street contingent upon a City of Brainerd's contribution of at least \$25,000. Commissioner Aulie seconded the motion. All commissioners voted in favor of the motion and none were opposed. The motion passed.

- c. Consider Request from the City of Deerwood:** Commissioner Aulie abstained from voting on the request from the City of Deerwood.

The City of Deerwood was awarded a Small Cities Development Program (SCDP) grant in 2015 for owner-occupied rehab which was administered by the Central Minnesota Housing Partnership (CMHP) and Community Fundraising Solutions (CFS).

In one of the rehab projects, the contractor did not follow lead-safe work practices, which resulted in the family of six being displaced for 25 days so that the lead could be safely cleaned. The City of Deerwood requested \$2,000 from the Crow Wing County SCDP program income and \$2,000 from CMHP to cover the relocation costs. Crow Wing County provided the \$2,000; however, CMHP declined to provide the other \$2,000.

The City of Deerwood is now requesting \$2,000 from the CWC HRA for the balance of the relocation cost that was not paid by CMHP. Crow Wing County has transferred the SCDP program income funds to the CWC HRA; however, those funds have been committed as leverage dollars for an owner-occupied rehabilitation proposal for the City of Emily.

There was discussion among the Board about the request. If they were to provide the \$2,000 to the City of Deerwood, the funds would need to be from the general fund since the SCDP program income funds were previously committed. The Board agreed that the general fund should not be used for this request.

- d. Review and Discussion of Fund Balance:** The Board adopted the Fund Balance Policy in February and set the recommended unassigned fund balance to be maintained at eight to 12 months of General Fund operating expenses for the year.

In August, the Board approved the 2018 General Fund budget with \$32,500 assigned as Budgeted Stabilization from Prior Year to utilize current fund balance to offset the 2018 budget shortfall. The Board also previously assigned funds for redevelopment and housing projects. Changes to assigned fund balance can occur when the 2017 financial statements are finalized early next year.

Young informed the Board that in order to change the funds designated as committed, they would be required to take formal action prior to year-end. Because the Board approved the transfer of the Non-TIF Revolving Loan Funds to the BUF, there were no longer any funds committed.



The Board chose to leave things as-is and take no action.

8. REPORTS:

a. Executive Director: Bergman reported on the following items:

Destination Downtown Brainerd

The three finalists for the Destination Downtown competition were announced in October: Brainerd Distillery, Last Turn Saloon and Event Center, and the Purple Fern Bath Company. At the Chamber Event held on November 16th, Purple Fern Bath Company was announced as the winner of the Destination Downtown competition. They will be opening by July 1st and will be located at 718 Laurel Street. Purple Fern Bath Company will sell bath products but will also hold classes for people to make their own bath products.

Crosby HRA

The Crosby HRA will be submitting an application to the Minnesota Housing Finance Agency (MHFA) for their Public Owned Housing Program (POHP). The Crosby HRA is requesting approximately \$928,000 for a variety of improvements. In order to make the application competitive, MHFA considers leveraged dollars. Staff asked the Board to discuss the potential of using the TIF Loan Program funds towards this project. The application is due to MHFA on December 20th and the Crosby HRA would like to include some of these dollars as “requested” on the application. A formal request would be brought at a later meeting.

The Board had a discussion and agreed to consider a formal request at a later date.

b. Brainerd HRA: Bergman, Buxton and Haverkamp had a great meeting with DEED today about the River to Rails project.

c. BLAEDC: Nothing to report.

d. CWC: Nothing to report.

9. NEXT MEETING TOPICS: Annual Meeting

Commissioner Goble informed the Board and staff that she was reappointed to the CWC HRA Board today, December 12th, 2017.

10. ADJOURNMENT:

Commissioner Aulie made a motion to adjourn the meeting. Commissioner Kennedy seconded the motion. All commissioners voted in favor of the motion and none were opposed. The motion was approved and meeting was adjourned at 6:49 p.m.





Housing & Redevelopment Authority

To: CWC HRA Board Members
 From: Karen Young, Finance Director
 Date: January 3, 2018
 Re: Review and Accept Financial Statements

Please find attached the financial information for December 2017.

2017 Tax Revenue

Reflected in the December General Fund financial statements are the deposits of \$39,850.61 in property tax and other tax revenue. The tax revenue payments for 2017 totaled \$94,542.85.

2017 Audit

The 2017 audit is scheduled with CliftonLarsonAllen (CLA) during the week of February 5th.

Non-TIF Revolving Loan Funds

As per Resolution 2017-06, a check was issued to BLADC Unified Fund for the total Non-TIF Revolving Loan Funds of \$119,245.03. These funds will no longer be reflected on the financial statements and will be retained by BLAEDC.

CWC Local Income

At the May 9th, 2017, board meeting, the Board made a motion approving the allocation of \$20,000 from CWC Local Income to the City of Ironton for local support for their SCDP application if it was funded by DEED. The City of Ironton was funded for their SCDP application and requested the \$20,000 for utilization with the grant. The check was processed in December out of the CWC SCDP Cash Account.

Action Requested: Accept the December financial statements as submitted.



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Date/Time roberta
1/3/2018 11:48:03 AM

**Crow Wing County
CWC HRA Combined Balance Sheet
December, 2017**

Cumulative

ASSETS

| | |
|---|----------------------------|
| 556-000-1120.000 A/R Other - Dev | 2,295.76 |
| 550-000-1129.210 Cash Gen Fund | 214,021.86 |
| 550-001-1129.210 Cash CWC SCDP | 26,325.59 |
| 551-002-1129.210 Cash RLF TIF | 357,880.86 |
| 556-000-1129.210 Cash - Development | -2,295.76 |
| 551-002-1143.000 Loan Rec Grand Oaks | 48,000.00 |
| 551-002-1153.000 Accrued Int Grand Oaks | 6,874.30 |
| 556-000-1450.000 Land Held for Resale | 772,954.63 |
| TOTAL ASSETS | <u>1,426,057.24</u> |

LIABILITIES

| | |
|--|---------------------------|
| 550-000-2600.000 Def Inflow of Resources | -6,874.30 |
| 556-000-2600.000 Def Inflow of Res - Dev | -772,954.63 |
| TOTAL LIABILITIES | <u>-779,828.93</u> |

SURPLUS

| | |
|------------------------------------|---------------------------|
| 550-000-2700-000 Net Income | 107,136.49 |
| 550-000-2806.000 Retained Earnings | -753,364.80 |
| TOTAL SURPLUS | <u>-646,228.31</u> |

TOTAL LIABILITIES & SURPLUS

-1,426,057.24

Proof 0.00



Crow Wing County
CWC HRA Combined Operating Stmt
December, 2017

| | Current Period | Current Year | Year To Date Budget | Variance |
|--|-------------------|--------------------|---------------------|------------------|
| INCOME | | | | |
| 550-000-3690.000 Other Income | 0.00 | -49,243.59 | 0.00 | -49,243.59 |
| 550-000-3691.000 Property Tax Revenue | -38,954.84 | -93,647.08 | -98,500.00 | 4,852.92 |
| 550-000-3692.000 Other Tax Revenue | -895.77 | -1,026.26 | 0.00 | -1,026.26 |
| 556-000-3696.000 Development Revenue | -2,295.76 | -119,068.02 | -191,200.00 | 72,131.98 |
| TOTAL INCOME | -42,146.37 | -262,984.95 | -289,700.00 | 26,715.05 |
| EXPENSE | | | | |
| 550-000-4110.000 Administrative Salaries | 450.00 | 3,750.00 | 4,500.00 | -750.00 |
| 550-000-4130.000 Legal | 0.00 | 0.00 | 5,000.00 | -5,000.00 |
| 550-000-4140.000 Staff Training | 0.00 | 0.00 | 1,500.00 | -1,500.00 |
| 550-000-4150.000 Travel | 16.59 | 236.48 | 250.00 | -13.52 |
| 550-000-4171.000 Auditing Fees | 0.00 | 6,500.00 | 6,500.00 | 0.00 |
| 550-000-4172.000 Management Fees | 5,000.00 | 60,000.00 | 60,000.00 | 0.00 |
| 550-000-4190.000 Other Administrative | 0.00 | 132.44 | 200.00 | -67.56 |
| 550-000-4194.000 Office Supplies | 0.00 | 64.00 | 0.00 | 64.00 |
| 550-000-4430.000 Contracts Costs | 20,000.00 | 22,500.00 | 0.00 | 22,500.00 |
| 550-000-4500.000 TIF Expense | 0.00 | 1,315.80 | 1,100.00 | 215.80 |
| 550-000-4510.000 Insurance | 147.88 | 1,775.00 | 2,100.00 | -325.00 |
| 550-000-4540.000 Employer FICA | 34.43 | 286.89 | 350.00 | -63.11 |
| 550-000-4590.000 Other General Expense | 129,245.03 | 154,492.81 | 50,000.00 | 104,492.81 |
| 556-000-4600.000 Development Expense | 63.74 | 119,068.02 | 191,200.00 | -72,131.98 |
| TOTAL EXPENSE | 154,957.67 | 370,121.44 | 322,700.00 | 47,421.44 |
| NET INCOME(-) OR LOSS | 112,811.30 | 107,136.49 | 33,000.00 | 74,136.49 |



**Crow Wing County HRA
December 2017 Payments**

| Payment Number | Payment Date | Vendor | Description | Check Amount |
|-----------------------|---------------------|--|--------------------------------------|---------------------|
| 475 | 12/21/2017 | Jennifer Bergman | Meeting Mileage | \$16.59 |
| 476 | 12/21/2017 | John Schommer | Brainerd Oaks & Serene Pines Mileage | \$8.03 |
| 21428 | 12/21/2017 | Brainerd Lakes Area Economic Development | 2nd Payment 2017 | \$10,000.00 |
| 21433 | 12/21/2017 | City of Ironton | Small Cities Grant | \$20,000.00 |
| 21455 | 12/21/2017 | Brainerd Lakes Area Economic Development | Unified Fund Payout | \$119,245.03 |
| 21475 | 12/28/2017 | Mike's Tree Company LLC | Serene Pines Snow Removal | \$52.50 |
| Total | | | | \$149,322.15 |



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Housing & Redevelopment Authority

To: CWC HRA Board Members
From: Jennifer Bergman, Executive Director
Date: January 4, 2018
Re: Annual Meeting

According to the bylaws, the CWC HRA is required to hold its annual meeting at the regular meeting in January.

Typically at annual meetings, all new or reappointed members are given the oath of office, the Board elects new officers, and bylaws are reviewed.

Oath of Office

There are no new board members.

Election of Officers for 2018

According to the bylaws, the chairman, vice chairman, and secretary shall be elected at the annual meeting of the HRA.

Review Bylaws

Attachment 3a is a copy of the bylaws for your review.

Action Items: Elect an HRA chair, vice chair and secretary.

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

Amended – January 11, 2011

Amended – January 9, 2017

1. THE AUTHORITY

Section 1.1 Name of the Authority. The name of the Authority shall be the Housing and Redevelopment Authority in and for the County of Crow Wing, Minnesota (hereinafter, the "Authority"), and its governing body shall be called the Board of Commissioners (hereinafter, the "Board").

Section 1.2. Office. The principal office of the Authority shall be the Crow Wing County Historic Courthouse.

Section 1.3. Seal. The Authority shall have no official seal.

2. ORGANIZATION

Section 2.1. Officers. The officers of the Authority shall consist of a Chair, a Vice Chair, a Secretary, and an Executive Director. The Chair, the Vice Chair and the Secretary shall be members of the board and shall be elected at the annual meeting of the Authority.

Section 2.2. Chair. The Chair shall preside at all meetings of the Board.

Section 2.3. Vice Chair. The Vice Chair shall preside at any meeting of the Board in the absence of the Chair and may exercise all powers and perform all responsibilities of the Chair if the Chair cannot exercise or perform the same due to absence or other inability.

Section 2.5. Secretary. The Secretary shall oversee the keeping of minutes of all meetings of the Board and shall oversee the maintenance of all records of the Authority. The Secretary shall also have such additional duties and responsibilities as the Board may from time to time by resolution prescribe.

Section 2.6. Executive Director. The Executive Director shall be appointed by resolution and shall serve at the pleasure of the Board of Commissioners, shall be the chief appointed executive officer of the Authority, and shall have such additional responsibilities and authority as the Board may from time to time by resolution prescribe.

3. PROCEDURES OF BOARD OF COMMISSIONERS

Section 3.1. Annual Meeting. The annual meeting of the Board shall coincide with the regular meeting of the month of January in each year.

Section 3.2. Regular Meetings. The Board shall hold regular meetings at such time and place as the Board may determine.

Section 3.3. Special Meetings. Special meetings of the Board may be called by the Chair or, in the event of the Chair's absence or inability, by the Vice Chair at any time, upon seventy-two hours prior notice exclusive of Saturdays, Sundays and holidays to all Commissioners and Executive Director. Upon the same notice, special meetings of the Board may also be called by any two Commissioners. Notice of any special meeting in the principal office of the Authority no less than seventy-two hours prior to such special meeting exclusive of Saturdays, Sundays and holidays.

Section 3.4. Quorum. A quorum of the Board shall consist of a simple majority of the appointed Commissioners. In the absence of a quorum, no official action may be taken by, on behalf of, or in the name of the Board or the Authority.

Section 3.5. Adoption of Resolutions. Resolutions of the Board shall be deemed adopted if approved by not less than a simple majority of all Commissioners present. Resolutions may but need not be read aloud prior to vote taken thereon and may but need not be executed after passage.

Section 3.6. Rules of Order. The meetings of the Board shall be governed by the most recent edition of Robert's Rules of Order.

4. MISCELLANEOUS

Section 4.1. Fiscal Year. The fiscal year of the Authority shall be the calendar year.

Section 4.2. Execution of Contracts. All contracts, notes, and other written agreements or instruments to which the Authority is a party or signatory or by which the Authority may be bound shall be executed by the Chair and/or the Executive Director or by such other Commissioner or officers of the Authority as the Board may by resolution prescribe.

Section 4.3. Amendment of By-Laws. These By-Laws may be amended by the Board only by not less than a majority vote of all the Commissioners, provided that any such proposed amendment shall first have been delivered to each Commissioner at least one regular meeting prior to the meeting at which such amendment is considered.





Housing & Redevelopment Authority

To: CWC HRA Board Members
From: Jennifer Bergman, Executive Director
Date: January 4, 2018
Re: Consider Tax Forfeited Property Policy

Attached is a letter from Patrick Wussow requesting the assistance of the CWC HRA to purchase a tax forfeited property located at 1201 Pine Street in Brainerd (see Attachment 4a). There is approximately \$2,242.68 in assessments from the City of Brainerd and an additional \$4,822.83 in proposed assessments. Mr. Wussow is requesting that the CWC HRA request that the County convey the property to the CWC HRA and solicit proposals to sell the lot for the construction of a new single-family home.

In July of 2017, the CWC HRA considered a Tax Forfeited Policy; however, the Board had decided to table it at that time until further discussion with county staff.

Since we have a formal request to consider acquiring a tax forfeited property, I thought we should revisit the Tax Forfeited Policy that was discussed in July. I have revised the Taxed Forfeited Property Policy (see Attachment 4b) for your consideration.

Action Requested: Adopt Crow Wing County Tax Forfeited Hold Policy and Sales Procedure



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January 2, 2018

Jennifer Bergman
 Crow Wing County HRA Executive Director
 324 E River Road
 Brainerd MN, 56401

RE: 1201 Pine Street Brainerd MN, Tax forfeited property

Dear Jennifer:

I am contacting you as the Executive Director for the Crow Wing County HRA about a property in the City of Brainerd that I have discussed with you during the past month. The parcel of land is 1201 Pine Street, Brainerd MN.

The Crow Wing County 2017 winter tax forfeited land sale took place in December and none of the properties in the City of Brainerd sold. After reviewing each of the properties, I have decided to follow up on the parcel on Pine Street with the intent of demolishing the house and building a new home on the lot.

Because I am a Board member of the City HRA, I would like to avoid a potential conflict of interest and work with the County HRA to put this parcel back on the tax rolls. A quick review of the parcel listed by the County shows an assessed value of \$9,900.00 and city assessments of \$2,242.68 and a requirement that the structures be demolished. I have estimated a demolition cost of \$5,000.00. Additionally, in talking with the City they have an additional assessment "outstanding" of \$4,822.83. For an estimated lot cost of \$22,000. Which is probably why the parcel didn't sell at the recent land sale?

| | |
|---|------------|
| County Assessed value..... | \$9,900.00 |
| City of Brainerd listed assessments..... | \$2,242.68 |
| City requirement to demolish structure EST..... | \$5,000.00 |
| Additional potential assessment (City)..... | \$4,822.83 |

I propose that the County HRA publicly seek written proposals for the property at 1201 Pine Street Brainerd MN. If the County HRA would review proposals at their February meeting, my timeline would have a home built on the property in the summer of 2018.

At this time I am planning on attending January 2018 Crow Wing County HRA meeting to address questions.

Thank you.

Patrick Wussow



PID 09174006011Z009
 ADDRESS 1201 PINE STREET

| ASSESSMENT TYPE | Citation Number/Date | Description | Amount | Admin Fee | Total Citations | Interest | TOTAL CERTIFIED |
|--------------------------|-----------------------|------------------|--------|-------------|-----------------|----------|--------------------|
| 2010 Nuisance Assessment | 10-0016 | Grass/Weeds | 100.00 | 25.00 | 125.00 | | |
| | 8/20/2010 | Clean-Up Inv | 133.84 | 25.00 | 158.84 | | |
| | 8/11/2010 | Mowing Abatement | 210.54 | 25.00 | 235.54 | | |
| | 6/10/2010 | Mowing Abatement | 252.25 | 25.00 | 277.25 | 28.44 | 825.07 |
| | | | | \$ 796.63 | | | |
| 2011 Nuisance Assessment | 6/7/2011 | Mowing Abatement | 221.23 | 25.00 | 246.23 | | |
| | 7/12/2011 | Mowing Abatement | 221.23 | 25.00 | 246.23 | | |
| | 8/12/2011 | Mowing Abatement | 242.07 | 25.00 | 267.07 | | |
| | 9/16/2011 | Mowing Abatement | 221.23 | 25.00 | 246.23 | | |
| | 11-0073 | Grass/Weeds | 100.00 | 25.00 | 125.00 | | |
| | 11-0095 | Grass/Weeds | 100.00 | 25.00 | 125.00 | 59.65 | 1,315.41 |
| | | | | \$ 1,255.76 | | | |
| 2012 Nuisance Assessment | 12-0230 | Grass/Weeds | 100.00 | 25.00 | 125.00 | | |
| | 8/31/2012 | Mowing Abatement | 305.66 | 25.00 | 330.66 | 15.95 | 471.61 |
| | | | | \$ 455.66 | | | |
| 2013 Nuisance Assessment | 6/26/2013 | Mowing Abatement | 69.47 | 25.00 | 94.47 | | |
| | 8/6/2013 | Mowing Abatement | 69.47 | 25.00 | 94.47 | | |
| | GR2013-00143-6/25/13 | Grass/Weeds | 100.00 | 25.00 | 125.00 | | |
| | GR2013-00143-8/15/13 | Grass/Weeds | 100.00 | 25.00 | 125.00 | | |
| | PM2013-00181 | Property Maint | 100.00 | 25.00 | 125.00 | | |
| | PM2013-00181 | Property Maint | 100.00 | 25.00 | 125.00 | 34.45 | 723.39 |
| | | | | \$ 688.94 | | | |
| 2014 Nuisance Assessment | 6/13/2014 | Mowing Abatement | 65.00 | 25.00 | 90.00 | | |
| | 7/15/2014 | Mowing Abatement | 65.00 | 25.00 | 90.00 | | |
| | 8/14/2014 | Mowing Abatement | 65.00 | 25.00 | 90.00 | | |
| | GR2014-00023-6/10/14 | Grass/Weeds | 100.00 | 25.00 | 125.00 | | |
| | GR2014-00087-7/14/14 | Grass/Weeds | 100.00 | 25.00 | 125.00 | | |
| | GR2014-00175-8/13/14 | Grass/Weeds | 100.00 | 25.00 | 125.00 | | |
| PM2014-00227-8/25/14 | Property Maint | 100.00 | 25.00 | 125.00 | 38.50 | 808.50 | |
| | | | | \$ 770.00 | | | |
| 2015 Nuisance Assessment | PM2014-00227-9/29/14 | Property Maint | 100.00 | 25.00 | 125.00 | | |
| | GR2014-00243-9/16/14 | Grass/Weeds | 100.00 | 25.00 | 125.00 | | |
| | PM2014-00227-10/30/14 | Property Maint | 100.00 | 25.00 | 125.00 | | |
| | 6/1/2015 | Mowing Abatement | 65.00 | 25.00 | 90.00 | | |
| | 6/11/2015 | Mowing Abatement | 65.00 | 25.00 | 90.00 | | |
| | 7/15/2015 | Mowing Abatement | 65.00 | 25.00 | 90.00 | 25.16 | 670.16 |
| | | | | \$ 645.00 | | | |
| IMP 09-01 | 2010-2019 | | | \$ 1,754.70 | 496.76 | 2,251.46 | |
| | | | | | | | \$ 7,065.51 |



Tax Forfeited Property Hold Policy and Sales Procedure

Tax Forfeited Hold Policy

The purpose of this policy is to ensure tax forfeited property in Crow Wing County is returned to productive use.

Primary goals of this policy are:

- To build Crow Wing County's density and tax base by ensuring tax forfeited properties are developed
- To eliminate blight and reinvest in our neighborhoods
- To create a clear, straightforward, and efficient procedure for the HRA and developers to act on acquisition of tax forfeited property
- To encourage developer investment to stabilize Brainerd neighborhoods

The Crow Wing County HRA receives a list of tax forfeited properties ("Properties") from Crow Wing County annually and has 30 days to put properties on hold and 3 months to complete due diligence related to acquiring the properties from the State of Minnesota through Crow Wing County as the administrator.

The Crow Wing County HRA will put a hold on properties that are required to achieve commercial or residential redevelopment strategies by the Crow Wing County HRA Board

Residential Properties that the Crow Wing County HRA does not desire to acquire will be made available to developers or community development organizations ("Developers") utilizing the Tax Forfeited Hold Sale Procedure outlined below. Properties that both are not desired by the Crow Wing County HRA and do not receive eligible applications through the Tax Forfeited Hold Sale Procedure shall be released to Crow Wing County.

Sale of Tax Forfeited Properties Procedure

The following procedure will apply:

1. **Application:** The CWC HRA will solicit proposals from Developers for the purchase of the lot. All interested Developers must submit a purchase agreement which will be contingent upon the approval the CWC HRA Board.
 - **Relocation:** If a Property is an occupied building, relocation costs may apply. The Developer will be responsible for any relocation costs. The CWC HRA will clarify whether relocations costs will apply and assist the Developer to estimate the amount of payment required.
 - **Discount for Affordable Housing:** A discounted price will be targeted at 50% of the market value for for-profit developers and targeted at 25% of the market value for non-profit developers for the construction of an affordable unit. The market price is the estimated market value of the lot as determined by Crow Wing County Assessor. "Affordable" means the end occupant is at or below 115% of the Area Median Income, as defined by the Department of Housing and Urban Development.



2. **Contract:** When a purchase agreement has been executed with the Developer, the Crow Wing County HRA staff will send a contract to the Developer. CWC HRA staff require the following before taking further action:
 - Signed contract between the Developer and the CWC HRA.
 - Crow Wing County acquisition price: The price will either be the full market value or the discounted price for affordable housing per Crow Wing County policy plus fees known
 - A non-refundable acquisition fee payable to the CWC HRA.
 - \$1,000 maintenance and holding cost payment payable to the CWC HRA: The maintenance and holding cost payment will be used to pay Crow Wing County or the CWC HRA's holding and maintenance costs; any funds not expended will be returned to the Developer.
3. **HRA Board Approval:** CWC HRA staff will seek Board approval for the acquisition. If approved, the CWC HRA will execute the contract and proceed to seek Crow Wing County approval. If denied, the CWC HRA will either review additional applications received until Board approval is achieved, or the property will be released to Crow Wing County and refundable fees returned.
4. **Crow Wing County Approval:** Once the CWC HRA Board approves the application, staff will send a request to the County Board asking for the property to be conveyed to the CWC HRA. If approved by the Crow Wing County Board, the CWC HRA will proceed to schedule closing with the Developer. If denied, the CWC HRA will request the acquisition price be returned to the CWC HRA and subsequently the Developer. If the Crow Wing County Board denies an acquisition discount request, at the discretion of Crow Wing County, the Developer may have the option to pay the remaining balance owed to Crow Wing County or withdraw its application and request a refund of its acquisition price.
5. **Closing:** Once the Crow Wing County Board approves the application, a deed to the Crow Wing County HRA will be prepared and recorded by Crow Wing County. The Crow Wing County will schedule a closing with the Developer. At the closing, the Developer will be responsible to pay from fund held or directly all closing costs, holding costs or additional fees charged by Crow Wing County and will immediately take title to the tax forfeited property.
6. **Property Management:** After closing, the Developer will be responsible to pay for all improvements and maintenance to the property. The Crow Wing County HRA and Crow Wing County expects that improvements will be complete within 18 months.
7. **Failure to Perform:** If Developer fails to complete the improvements within 18 months of closing, no additional property may be acquired by that developer through the tax forfeit acquisition process until the default is cured.





Housing & Redevelopment Authority

To: CWC HRA Board Members
 From: Jennifer Bergman, Executive Director
 Date: December 7, 2017
 Re: Authorize Participation in the Minnesota City Participation Program

Minnesota Housing sells mortgage revenue bonds on behalf of cities to meet locally identified housing needs. The proceeds of these bonds provide below-market interest rate home mortgage loans for low- and moderate-income, first-time homebuyers. The Minnesota City Participation Program (MCP) provides cities throughout the state with a unique opportunity to easily access housing resources to meet the needs of their citizens.

Funds are available to local participating lenders to offer low interest loans to eligible home buyers. The funds are initially available to the specific community. Last year, Crow Wing County was allocated \$997,045 and used \$650,679, which was up significantly from 2016 (see Attachment 5a). After a period of time, the funds are put into a state-wide pool.

In order to participate in the MCP, we need to submit the application by Monday, January 15th (see Attachment 5b).

This program provides another mortgage option for potential home buyers in Crow Wing County.

Action Requested: Authorize Executive Director to submit the 2018 Minnesota Cities Participation Program application to Minnesota Housing.

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2017 MCPP Usage Report as of 12-4-17 (Applies to Start Up Program Loans Only)

For Informational Purposes Only

| Applicant Name | Allocation Amount | Committed Loans | Committed Amount | Funds Available | Percentage of Usage | Non-MCPP Eligible Start Up Loans | | All MCC Loans | | All Step Up Loans | |
|-------------------------------------|------------------------|-----------------|-------------------------|-------------------|---------------------|----------------------------------|-------------------------|-----------------|-------------------------|-------------------|-------------------------|
| | | | | | | Committed Loans | Committed Amount | Committed Loans | Committed Amount | Committed Loans | Committed Amount |
| Albert Lea/Freeborn Co. | \$ 481,269.09 | 13 | \$1,027,933.00 | (\$546,663.91) | 214% | 0 | \$ - | 0 | \$ - | 0 | \$ - |
| Alexandria | \$ 209,520.58 | 3 | \$353,876.00 | (\$144,355.42) | 169% | 1 | \$ 206,060.00 | 0 | \$ - | 1 | \$ 166,920.00 |
| Anoka | \$ 5,416,091.36 | 340 | \$59,894,398.00 | (\$54,478,306.64) | 1106% | 68 | \$ 13,714,304.00 | 10 | \$ 2,212,027.00 | 50 | \$ 10,330,975.00 |
| Blue Earth | \$ 1,039,419.99 | 17 | \$2,438,152.00 | (\$1,398,732.01) | 235% | 4 | \$ 495,978.00 | 0 | \$ - | 5 | \$ 791,548.00 |
| Bluff Country HRA | \$ 622,185.04 | 8 | \$938,686.00 | (\$316,500.96) | 151% | 0 | \$ - | 0 | \$ - | 2 | \$ 232,275.00 |
| Breckenridge | \$ 100,000.00 | 3 | \$404,242.00 | (\$304,242.00) | 404% | 0 | \$ - | 0 | \$ - | 0 | \$ - |
| Carver | \$ 1,551,740.22 | 36 | \$5,967,702.00 | (\$4,415,961.78) | 385% | 14 | \$ 2,628,615.00 | 2 | \$ 364,390.00 | 1 | \$ 203,250.00 |
| Chippewa | \$ 190,311.91 | 1 | \$75,151.00 | \$115,160.91 | 39% | 0 | \$ - | 0 | \$ - | 0 | \$ - |
| Chisago | \$ 853,348.75 | 38 | \$6,506,854.00 | (\$5,653,505.25) | 763% | 10 | \$ 1,987,051.00 | 0 | \$ - | 3 | \$ 549,366.00 |
| Clay | \$ 976,626.64 | 37 | \$5,526,774.00 | (\$4,550,147.36) | 566% | 11 | \$ 1,771,411.00 | 0 | \$ - | 2 | \$ 394,753.00 |
| Cloquet | \$ 192,730.67 | 4 | \$475,730.00 | (\$282,999.33) | 247% | 1 | \$ 221,906.00 | 0 | \$ - | 1 | \$ 77,503.00 |
| Crow Wing | \$ 997,044.69 | 6 | \$650,679.00 | \$346,365.69 | 65% | 2 | \$ 299,067.00 | 0 | \$ - | 0 | \$ - |
| Grant | \$ 100,000.00 | 1 | \$53,055.00 | \$46,945.00 | 53% | 1 | \$ 72,020.00 | 0 | \$ - | 0 | \$ - |
| Headwaters Regional Dev. Commission | \$ 1,330,864.06 | 16 | \$2,135,525.00 | (\$804,660.94) | 160% | 8 | \$ 1,126,867.00 | 0 | \$ - | 2 | \$ 301,034.00 |
| Hennepin | \$ 12,709,229.57 | 464 | \$82,651,822.00 | (\$69,942,592.43) | 650% | 108 | \$ 22,279,400.00 | 19 | \$ 3,790,756.00 | 45 | \$ 9,254,303.00 |
| Kandiyohi | \$ 667,670.16 | 22 | \$2,609,332.00 | (\$1,941,661.84) | 391% | 6 | \$ 958,009.00 | 0 | \$ - | 2 | \$ 259,792.00 |
| McLeod | \$ 564,323.43 | 18 | \$2,446,059.00 | (\$1,881,735.57) | 433% | 3 | \$ 446,182.00 | 0 | \$ - | 2 | \$ 351,515.00 |
| Mower | \$ 615,384.26 | 70 | \$6,352,820.00 | (\$5,737,435.74) | 1032% | 4 | \$ 551,411.00 | 2 | \$ 273,849.00 | 6 | \$ 701,788.00 |
| North Mankato | \$ 215,002.04 | 2 | \$319,324.00 | (\$104,321.96) | 149% | 2 | \$ 293,485.00 | 0 | \$ - | 1 | \$ 229,163.00 |
| NW MN Multi-Co. HRA | \$ 1,351,517.70 | 10 | \$1,100,948.00 | \$250,569.70 | 81% | 3 | \$ 334,715.00 | 0 | \$ - | 2 | \$ 212,970.00 |
| Olmsted | \$ 2,377,728.79 | 77 | \$11,336,112.00 | (\$8,958,383.21) | 477% | 23 | \$ 4,235,844.00 | 0 | \$ - | 11 | \$ 1,784,895.00 |
| Otter Tail | \$ 905,917.37 | 3 | \$267,642.00 | \$638,275.37 | 30% | 0 | \$ - | 0 | \$ - | 0 | \$ - |
| Owatonna/Steele County | \$ 576,542.85 | 5 | \$551,462.00 | \$25,080.85 | 96% | 2 | \$ 310,303.00 | 0 | \$ - | 0 | \$ - |
| Ramsey | \$ 3,664,631.22 | 131 | \$22,895,790.00 | (\$19,231,158.78) | 625% | 30 | \$ 6,202,289.00 | 8 | \$ 1,454,999.00 | 23 | \$ 4,502,269.00 |
| Red Wing | \$ 259,686.16 | 5 | \$715,489.00 | (\$455,802.84) | 276% | 0 | \$ - | 1 | \$ 91,859.00 | 0 | \$ - |
| Rice | \$ 1,027,498.99 | 13 | \$1,819,734.00 | (\$792,235.01) | 177% | 0 | \$ - | 0 | \$ - | 1 | \$ 186,725.00 |
| Scott | \$ 2,212,970.85 | 72 | \$13,463,527.00 | (\$11,250,556.15) | 608% | 25 | \$ 5,449,402.00 | 5 | \$ 935,114.00 | 7 | \$ 1,265,862.00 |
| SE MN Multi-Co. HRA | \$ 1,176,063.85 | 11 | \$1,618,750.00 | (\$442,686.15) | 138% | 5 | \$ 754,054.00 | 0 | \$ - | 3 | \$ 614,365.00 |
| Sherburne | \$ 1,335,057.62 | 57 | \$10,281,125.00 | (\$8,946,067.38) | 770% | 14 | \$ 2,922,696.00 | 1 | \$ 187,500.00 | 12 | \$ 2,583,190.00 |
| Saint Cloud | \$ 1,052,471.83 | 61 | \$7,709,069.00 | (\$6,656,597.17) | 732% | 8 | \$ 980,933.00 | 0 | \$ - | 0 | \$ - |
| Saint James | \$ 100,000.00 | 1 | \$39,590.00 | \$60,410.00 | 40% | 0 | \$ - | 0 | \$ - | 0 | \$ - |
| Saint Louis | \$ 3,147,222.18 | 53 | \$5,509,727.00 | (\$2,362,504.82) | 175% | 11 | \$ 1,375,705.00 | 0 | \$ - | 12 | \$ 1,399,520.00 |
| Stevens | \$ 153,983.49 | 3 | \$302,019.00 | (\$148,035.51) | 196% | 0 | \$ - | 0 | \$ - | 0 | \$ - |
| SW Regional Dev. Commission | \$ 1,849,608.13 | 12 | \$869,527.00 | \$980,081.13 | 47% | 1 | \$ 175,757.00 | 1 | \$ 79,696.00 | 1 | \$ 101,850.00 |
| Swift | \$ 147,025.65 | 4 | \$392,321.00 | (\$245,295.35) | 267% | 0 | \$ - | 0 | \$ - | 0 | \$ - |
| Washington | \$ 3,942,489.44 | 153 | \$27,613,384.00 | (\$23,670,894.56) | 700% | 38 | \$ 7,786,456.00 | 4 | \$ 818,224.00 | 23 | \$ 4,902,133.00 |
| Winona | \$ 433,349.51 | 7 | \$824,667.00 | (\$391,317.49) | 190% | 0 | \$ - | 0 | \$ - | 0 | \$ - |
| Wright | \$ 2,063,180.91 | 64 | \$10,753,102.00 | (\$8,689,921.09) | 521% | 10 | \$ 1,745,437.00 | 2 | \$ 384,663.00 | 13 | \$ 2,811,745.00 |
| Totals | \$56,609,709.00 | 1,841 | \$298,892,099.00 | | 528% | 413 | \$ 79,325,357.00 | 55 | \$ 10,593,077.00 | 231 | \$ 44,209,709.00 |

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Minnesota Housing 2018 Minnesota City Participation Program (MCP) Application

Minnesota Housing must receive your application by email on January 15, 2018 at 5:00 p.m.

Please provide all the information below.

Agency Contact Information

Agency Name: Crow Wing County HRA
Contact Person: Jennifer Bergman
Mailing Address: 324 East River Road Physical Address: _____
City: Brainerd State: MN Zip: 56401 Website: _____
Phone #: (218) 824-3425 E-Mail: Jennifer@brainerdhra.org

Administrative Information

1. Check agency type: City City HRA/CDA/EDA County HRA/CDA/EDA Port Authority
 Multi-County HRA: Receive single allocation for all counties within your jurisdiction
 Consortium of local government units applying jointly by agreement (please submit evidence of agreement with this application, even if you provided one in previous years).
 2. List the legal name(s) of all cities and counties where the funds will be utilized. For county and multicounty applications, only list the counties.
Housing and Redevelopment Authority in and for the County of Crow Wing
 3. Check the box below to confirm this statement:
 MCP helps the community meet an identified housing need and the program is economically viable.
 4. Does your City (or County) offer a down payment program or other homeownership assistance?
 Yes No
- If yes, list program names (For informational purposes only; does not impact your application status):

Signature

Provide authorized signature(s) from the organization submitting this application, including printed or typewritten name, title and phone number. Scan original and email application to Tim.Eiswirth@state.mn.us (Original not needed).

Signature

Name (Print) Title

Phone number or check here if same as above. E-mail or check here if same as above.

Program and Contact Information

Minnesota Statute sets Borrower Income Limits and House Purchase Price Limits. Minnesota Housing makes final determinations of the total amount of program funds available and individual allotments (in compliance with a per capita distribution method specified in statute).

Questions about MCP and this application can be directed to Nicola Viana at (651)297-9510 or Nicola.Viana@state.mn.us



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Housing & Redevelopment Authority

To: CWC HRA Board Members
From: Jennifer Bergman, Executive Director
Date: January 4, 2018
Re: Executive Director Report

Deluxe Small Business Revolution – Main Street Program

Brainerd made the top 10 for the Deluxe Corporation’s Small Business Revolution – Main Street Program. Representatives from Deluxe will be visiting all of the top 10 cities and Brainerd’s has been scheduled for January 10th and 11th. There will be a reception at Roundhouse Brewery on January 10th from 5:30–7:30. I encourage you all to attend to support downtown Brainerd. The winner will receive a prize package of \$500,000 that will assist 5–6 downtown businesses.

Emily SCDP Application

We were notified by the Department of Employment and Economic Development (DEED) that our Small Cities Development Program (SCDP) for owner-occupied rehab in Emily has received a “marginally competitive” designation (see Attachment 6a). As a result, we have been invited to submit a full application to DEED, which is due on February 22nd.

No Action Requested; Discussion Item

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From: Armon, Patrick (DEED) [mailto:patrick.armon@state.mn.us]

Sent: Thursday, December 14, 2017 3:01 PM

To: Armon, Patrick (DEED) <patrick.armon@state.mn.us>; Barbes, Andrew (DEED) <andrew.barbes@state.mn.us>; Friend, Hillary (DEED) <hillary.friend@state.mn.us>; Schieber, Christine (DEED) <christine.schieber@state.mn.us>

Subject: SCDP Preliminary Proposal Review Assignments

The Small Cities Development Program (SCDP) staff has reviewed the preliminary proposals submitted for the 2018 funding cycle. The program received 48 preliminary proposals totaling approximately \$28.9 million. Of those proposals, 36 have been determined to be either competitive or marginally competitive. The remaining proposals were determined to be not competitive. We have based these decisions with the expectation of receiving a 2018 allocation from HUD of approximately the same amount of money as last year. However, it is hard for us to project the allocation amount with much accuracy considering the current budget climate at the federal level.

Assigning three degrees of competitiveness is a way to ensure that only full applications with a sound chance of receiving awards will be submitted. This process is intended to allow applicants to make informed decisions about whether or not to pursue the time and expense associated with submitting an application.

We anticipate that communities with proposals that receive a competitive and marginally competitive label will move forward with the submission of a full application, but we caution that this does not guarantee project funding. We also anticipate that improvements to the original proposals with rehabilitation will be made in order to compete; justifying the numbers presented and solidifying interest in participants and contractors to achieve the full goals proposed. We do not expect to receive full applications from proposals that were determined to be not competitive. If your community is not listed below, the proposal is considered not-competitive.

All proposals involving housing rehabilitation should thoroughly examine for accuracy their "Plan A" and "Plan B" target areas. Remember that if an awarded application does not have a plan B target area, there will be no option for a target area expansion approval during the grant. With that in mind, if a community's project involves rehabilitation and does not currently contain a Plan B option, the community may want to consider adding one in the full application.

Do not hesitate to contact the SCDP Representative assigned to respective proposals with questions about their suggestions to improve a competitive or marginally competitive proposal. However, if your proposal was assigned a label of not competitive, please allow us time to work with competitive and marginally competitive proposals. We will provide those associated with not competitive proposals the opportunity to work with us after the 2018 grant implementation workshops on improvements for possible resubmission for the 2019 application cycle.

Full applications are due to our office by 4:30 p.m. on February 22nd. No fax or electronic copies will be accepted.

The following is the result of the SCDP preliminary proposal review:

Competitive

Clarkfield
Granite Falls
Kensington
Lake Benton
Lake City
Onamia
Starbuck



Tyler/Ruthton
Verndale
Warroad
Willmar
Willow River
Windom
Winger
Winnebago
Winona

Marginally Competitive

Aitkin County
Brainerd
Caledonia
Deerwood
Elgin
Emily
Eyota
Kerkhoven
Lake County
Mahnomen
Marshall
St. Joseph

Patrick H. Armon, Grants Specialist Coordinator

Minnesota Department of Employment and Economic Development

1st National Bank Building, 332 Minnesota St., Suite E200, St. Paul MN 55101

Direct: 651-259-7455

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