

**Brainerd Housing and Redevelopment Authority
BOARD MEETING MINUTES
August 23, 2017**

A regular meeting of the Board of Commissioners of the Housing and Redevelopment Authority (HRA) in and for the City of Brainerd, Minnesota, was held at 1:00 p.m., Wednesday, August 23, 2017, at the Brainerd HRA Administrative Office, 324 East River Road, in Brainerd, Minnesota.

1. **CALL TO ORDER:** Chair Patrick Wussow called the meeting to order at 1:00 p.m.
2. **ROLL CALL:** Present at the meeting were Chair Patrick Wussow, Commissioners Gabe Johnson, Dale Parks, Rick Fargo, Marlee Larson, and Krista Brodal. Also present were Executive Director Jennifer Bergman, Finance Director Karen Young, Housing Manager Teresa Hettver, Rental Assistance Manager Tania Eller, and Executive Assistant LeAnn Goltz. Absent: Eric Charpentier

3. **READING AND APPROVAL OF MINUTES:**

Commissioner Parks made a motion to approve the minutes from the July 26, 2017, board meeting. Commissioner Fargo seconded the motion. All commissioners voted in favor of the motion and none were opposed. The minutes were approved.

4. **BILLS AND COMMUNICATIONS:**

- a. **Financial Report:** Young reported the 2017 budgeted levy amount is \$121,407. We received a deposit of \$44,902.61 from Crow Wing County in June, which represented a 70% advance on estimated property tax collections for the first half of 2017. We received the remaining 30% of \$20,241.07 in July for total levy deposits of \$65,143.68.

The deadline was extended for bids on the Downtown TIF Bond Refunding but still no responses were received. The Community Reinvestment Fund recommended looking into CDFIs. BPU is still not able to assist. Young suggested having a discussion about it in November when the Board considers the budget.

Young also reported that there is an opening on the Brainerd South Board. In the past, non-resident members have been HRA board members. Commissioner Brodal expressed interest in the possibility.

Commissioner Johnson made a motion to approve the July payments as presented. Commissioner Brodal seconded the motion. All commissioners voted in favor of the motion and none were opposed. The motion passed.

- b. **HCV Report:** Eller reported that the Unit Months Leased (UML) is averaging 96% and utilization is at 61%. Staff are working hard to increase the UML percentage, but it has been difficult for people to find available units and lease up. There is potential that using funds from admin will be needed. Should that be necessary, it would put the agency in a shortfall and regularly scheduled calls with HUD would be required.



- c. **Public Housing Report:** Hettver reported that our three-bedroom waiting list is closed.

PHAS Small PHA Designation Notification

We are qualified for the Small PHA deregulation (SPD) based upon the number of units and our previous PHAS score, so we are officially scored every three years. As a reference tool for the past fiscal year (2016), HUD provided a report to advise what the indicator scores would have been if not for the SPD. The physical score is carried forward from the previous inspections, however, the financial, management and Capital Fund scores are calculated based on this fiscal year's data. Our PHAS score for 2016 is 99!

An update on the ROSS Program was provided along with a new newsletter for the North Star. Fortune is now assisting the Resident Council with their meetings. She recently gave a presentation to Crow Wing Energized per their request as they had previously donated \$500 for the container garden projects. The Board expressed interest in seeing a copy of the presentation.

MHFA visited the North Star to complete random inspections on August 16th. They had no concerns and do not anticipate a reason to come back.

- d. **Executive Director Report:** Bergman reported on the following items:

Destination Downtown Brainerd

The Destination Downtown Brainerd competition received 49 applications for Phase 1. The judges narrowed that down to the top 10 and those selected are working with the Small Business Development Center (SBDC) to complete their business plans, which must be completed by September 8th. The judges will select three finalists for Phase 3 who will be required to make a Shark Tank-like presentation to the judges the week of October 8th. A winner will be announced at the November 16th Chamber Annual Event.

River to Rails Presentation

Bruce Buxton will be presenting his River to Rails Initiative to the City Council at 5:30 p.m. on August 28th. He will be unveiling his concepts for the revitalization of downtown Brainerd. Bergman encouraged the Board to attend.

Legislative Tour

The Legislative Tour has been scheduled for September 20th. Invitations have been sent to the Brainerd City Council, Crosby City Council, Crow Wing County Board as well as our local representatives.

Crow Wing County HRA

On August 15th, staff presented to the County Board's Committee of the Whole to provide them with an update on the CWC HRA and to request the 2018 levy. Bergman also reported that the CWC HRA adopted their own SSRP program and Schommer is looking into an SCDP application for the City of Emily.



Policies

The Policy Committee met on August 11th to review the rest of the policies. A number of the policies are included in our larger polices: the ACOP, the Personnel Policy and the Admin Plan. The goal of the committee is to complete this process by the end of the year.

Chair Wussow reported that the ACOP is very complex and the committee decided to leave any necessary revisions to staff. If they need to make any changes, staff can bring them to the Board for approval. The next meeting is scheduled for September 22nd.

Bergman also informed the Board that staff is working on scheduling a downtown tour. Towns being considered include Detroit Lakes, Fargo, Fergus Falls, and Alexandria.

Schommer is currently working on a SCDP pre-application for NE Brainerd.

5. REPORTS FROM COMMITTEES:

- a. **Brainerd Riverfront Committee (BRC):** The BRC had a preliminary meeting with the City of Baxter, Crow Wing County and the Mississippi Headwaters Board to talk about a regional trail and if they could work together in the future. The BRC is also meeting with ISD 181 on September 7th to talk about using the parking lot along the riverfront for a plaza.

6. UNFINISHED BUSINESS: Nothing to report.

7. NEW BUSINESS:

- a. **Authorize the Submission of the FSS Program Grant Application:** On August 15th, 2017, the Family Self-Sufficiency Program grant was released and the due date for the grant application submission is Friday, September 15th, 2017. The grant is for one year and covers the salary and benefits of a full-time position.

Commissioner Brodal made a motion to authorize the submission of the Family Self-Sufficiency Program grant application. Commissioner Parks seconded the motion. All commissioners voted in favor and none were opposed. The motion passed.

- b. **2018 Preliminary General Fund Budget Filing with City:** For the August Board meeting each year, staff are directed to prepare a letter to the Mayor and City requesting the full HRA levy of .0185 percent of the estimated market value.

Per Minnesota State Statute, the authority shall each year formulate and file a budget in accordance with the budget procedure of the city in the same manner as required of executive departments of the city, or if no budgets are required to be filed, by August 1st.

To meet this requirement, staff prepared the attached preliminary General Fund budget to be filed with the City. This budget is based on estimates and assumptions that will change before the final budget is presented to the Board in November.



Commissioner Johnson made a motion to authorize staff to file the attached General Fund budget with the City. Commissioner Fargo seconded the motion. All commissioners voted in favor and none were opposed. The motion passed.

Bergman will draft a letter to be filed with the City.

- c. Authorize the Amendment to the SEH Contract:** The Brainerd Riverfront Committee is recommending amending the Year 2 Mississippi Partnership Plan Implementation Year 2 Contract to include the designing of a plaza located at the parking lot just to the South of the North Star.

This concept was originally recommended by the Center for Rural Design in the Mississippi Partnership Plan. The BRC recognizes that the Three Bridges Trail is a long term plan and the BRC would like to have a project completed prior to the sesquicentennial in June of 2021.

Since the plaza is a much smaller project in scale, they believe this could be accomplished by June of 2021. In addition, the plaza would be the start of the Three Bridges Trail that could be constructed prior to securing funds for the trail. This would be a standalone project in addition to the trail but it could ultimately be connected to the Three Bridges Trail. They have requested to have SEH design the plaza in the Year 2 grant.

Currently, there is approximately \$6,000 left in the Year 2 BLACF grant and SEH stated that they would be able to modify the contract to include the design of the Plaza for the balance of the Year 2 grant. The stakeholder meeting and final report would be deferred to the Year 3 grant.

Commissioner Larson made a motion to amend the Mississippi Partnership Plan Implementation Year 2 Contract. Commissioner Brodal seconded the motion. Five commissioners voted in favor and one opposed. The motion passed on a 5:1 vote.

- 8. COMMISSIONER COMMENTS:** Commissioner Fargo met with LSS and the Brainerd Police Chief to discuss and explore possibilities for educating tenants, landlords, and officers about mental illness. Commissioner Johnson is looking into meeting with NJPA to discuss possible funding for Downtown Brainerd.
- 9. NEXT MEETING:** Wednesday, September 27, 2017

ADJOURN:

Commissioner Johnson made a motion to adjourn to the August 28th Brainerd City Council Work Session at 501 Laurel Street, Brainerd, MN 56401 and the Sept. 20th project tour at 324 East River Road, Brainerd, MN 56401. Commissioner Brodal seconded the motion. All commissioners voted in favor of the motion and none were opposed. The motion was approved and meeting was adjourned at 2:24 p.m.

