

**Brainerd Housing and Redevelopment Authority
BOARD MEETING MINUTES
July 25, 2018**

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, July 25, 2018, at the Brainerd HRA Administrative Office, 324 East River Road, in Brainerd, Minnesota.

1. **CALL TO ORDER:** Chair Marlee Larson called the meeting to order at 12:58 p.m.
2. **ROLL CALL:** Present at the meeting were Commissioners Marlee Larson, Gabe Johnson, Eric Charpentier, Ashley Storm, and Patrick Wussow. Others present include Finance Director Karen Young, Rental Assistance Manager Tania Eller, Executive Assistant LeAnn Goltz, Rehab Coordinator John Schommer, Tom Demers, Paul, and Cassandra Torstenson. Absent: Krista Brodal and Bekah Kent.

3. **PUBLIC HEARING: Proposed Sale of 1201 Pine Street**
 Brainerd HRA received a proposal from Galilee Ministries of Minnesota, a local non-profit organization, to acquire a tax forfeited parcel (1201 Pine St.) through the Tax Forfeited Property Policy. They are proposing building an owner-occupied home on the parcel for a LMI family. Staff will utilize the policy to have the parcel conveyed to the Brainerd HRA and will sell the parcel to Galilee Ministries of Minnesota for 25% of the estimated market value (\$2,475) plus special assessments of \$2,242.68, which will be paid to the City of Brainerd after the conveyance process is complete and we have received the deed from the state.

Tom Demers from Galilee Ministries was present at the meeting and provided the Board with a background on the non-profit organization.

Chair Larson opened the public hearing at 1:06 p.m. and invited the audience to speak or offer any comments in regards to the published public hearing subject matter. She asked two more times, but no comments were made.

Chair Larson closed the public hearing at 1:07 p.m.

Commissioner Johnson made a motion to accept the proposal from Galilee Ministries of Minnesota. Commissioner Wussow seconded the motion. All commissioners voted in favor and the motion was approved.

Commissioner Johnson made a motion to approve Resolution No. 2018-14 allowing staff to enter into a purchase and redevelopment agreement with Galilee Ministries of Minnesota for the sale of this parcel. Commissioner Wussow seconded the motion. Via roll call vote, all commissioners voted in favor of the motion and none were opposed. The motion was approved.

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

Commissioner Charpentier made a motion to approve the minutes from the June 27th, 2018, board meeting. Commissioner Wussow seconded the motion. All commissioners voted in favor of the motion and none were opposed. The minutes were approved.



5. BILLS AND COMMUNICATIONS:

- a. Financial Report:** The 2018 budgeted levy amount is \$124,725. A deposit of \$47,484.21 was received from Crow Wing County in June. This represented a 70% advance on estimated property tax collections for the first half of 2018. The remaining 30% of \$21,598.99 was received in July for total levy deposits of \$69,083.20.

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

- b. HCV Programs Report:** Eller reported that the Unit Months Leased (UML) through June was 100% and HAP utilization for June was 50%.

She also updated the Board about the meeting with Region V+ Mental Health Initiative on Tuesday, June 10th to discuss the future of the Bridges Program. Burrell and Bergman shared their concerns with Region V+ MHI about the amount of staff time it is taking to implement the program. Region V+ MHI shared that they recently hired a regional transition specialist (through a grant from Sourcewell-NJPA) that has the capability to work with the bridges coordinator in developing a system that will assist applicants with a Bridges Voucher in getting leased up in units and after lease up supportive services. Region V+ MHI will also discuss amongst themselves in regards to the supportive services Bridges tenants are needing once they are leased up in units. They will also begin trying to map out the housing services within the regional to get a better grasp on what is available to providers and how do these housing program work together.

Discussion took place surrounding the waiting list and it was agreed upon that applications can be accepted if they come directly from Region V+ MHI and the county supervisor. This process will be further laid out with assistance from the regional transition specialist. It is likely that Brainerd HRA staff will amend the Bridges Service Agreement to reflect the changes.

Danny Banks, construction analyst with HUD, was here on July 24th to train HCV staff on the new UPCS-V Protocol. They inspected six units and learned how to use the software to upload data rather than the current paper format.

Eller also reported that the FUP grant application was submitted on July 23rd. The Brainerd HRA applied for \$61,000 and 10 vouchers.

- c. Public Housing Report:** The insurance claim process at the North Star is progressing. On Thursday, July 19th, an architect went into each unit and created a detailed scope of work. The scope and estimate will be submitted to the insurance company and if they approve, a contractor will begin the work. The goal is to have them start by mid-August.

Young shared that Hettver made a request to HUD to have units 907 and 708 removed as “off due to casualty loss.” Unit 708 was the “showroom,” so it was vacant on the date of the fire. They had intended to have the unit filled by July 31st, but the sheetrock has been removed from some walls so they could dry and could not rent it in that condition.



- d. **Executive Director Report:** Bergman was attending the National NAHRO Conference July 24th–27th and was not present at the board meeting. Young reported on the following in her absence:

To date, 35 applications have been submitted for the Destination Downtown 2.0 contest. There are several business ideas. The deadline to apply is Sunday, July 29th. The judges met to review the process and get organized. Commissioner Johnson added that they've received a few more applications since Bergman's report and the first judging session is scheduled for August 3rd.

Bergman was invited by Bill Brekken, ReMAX Realty, to speak to a group of investors (Minnesota Real Estate Exchangers (MREE)) on July 18th in Minneapolis. The purpose of the presentation was to discuss the potential redevelopment of the block between 8th and 9th and Front and Laurel. One of the investors in this group is Jim Bingham, the owner of the Thirfty White property. There were approximately 55 investors in attendance. Mr. Bingham has requested a follow-up meeting to discuss a potential redevelopment of that block.

Staff interviewed an individual for the maintenance supervisor position and made a conditional offer. The applicant shadowed Banick yesterday, July 24th. A decision has not been made and the position will remain open until filled.

- e. **Rehab Programs Report:** Schommer reported that the Brainerd HRA no longer owns 601 10th Street. The Downtown Mall project is progressing. They are currently waiting on the electrical work to be completed. In addition, the property to the south of the Last Turn Saloon is nearly complete with only the installation of the commercial wheelchair lift remaining.

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

7. **NEW BUSINESS:**

- a. **Approve 2018 Ross Program Application:** Fortune is in the final stages of finishing the application. A copy of the draft application was provided to the Board. The application includes a request for \$215,325 to fund salary, training, travel, and supplies.

Commissioner Johnson made a motion to approve the 2018 Ross Program Application. Commissioner Charpentier seconded the motion. All commissioners voted in favor and none were opposed. The motion passed.

8. **POLICY REVIEW AND APPROVAL:**

- a. **Cash Management Policy:** The purpose of the Cash Management Policy is to adopt and implement financial management policies and procedures to maintain the financial health of the Brainerd Housing and Redevelopment Authority.



This Cash Management Policy defines the accounting policies and procedures for several areas including:

- » Financial Reporting
- » Cash Receipts
- » Bank Account Reconciliations
- » Accounts Payable and Disbursements
- » Payroll
- » Petty Cash
- » Line of Credit Control System (LOCCS)
- » Cash Management
- » Credit Card Usage and Protection

Commissioner Johnson made a motion to approve Resolution No. 2018-15 adopting the Cash Management Policy. Commissioner Storm seconded the motion. Via roll call vote, all commissioners voted in favor and none were opposed. The motion passed.

- 9. COMMISSIONER COMMENTS:** Commissioner Johnson shared that the City of Brainerd received authorization to demolish the Downtown Motel. The owner has until September 1st and if it is not done, the City will move forward with the demolition. Commissioner Charpentier reminded the Board that this weekend is the Jaycees Streetfest. Commissioner Larson also shared that Thursday evening is the Mark Munson Memorial Concert.

10. ADJOURN:

Commissioner Johnson made a motion to adjourn the meeting. Commissioner Charpentier seconded the motion. All commissioners voted in favor of the motion and none were opposed. The motion was approved and meeting was adjourned at 1:37 p.m.

