



BOARD OF COMMISSIONERS MEETING

Wednesday, April 24, 2019 @ 1:00 p.m.

**Brainerd Housing & Redevelopment Authority (HRA) Administrative Office
324 East River Road | Brainerd, Minnesota**

AGENDA

- 1. Call to Order**
 - 2. Roll Call**
 - 3. Presentation of the 2018 Brainerd HRA Audit:** Mary Reedy, CliftonLarsonAllen
 - 4. Reading and Approval of Minutes** (*Attachment 1*)
 - 5. Unfinished Business**
 - 6. New Business**
 - a. Discuss 2019 Destination Downtown Competition (*Attachment 2*)
 - b. Adopt Resolution 2019-03 Adopting the Post Issuance Debt Compliance Policy (*Attachment 3*)
 - c. Authorize Letter of Support for the Children's Museum (*Attachment 4*)
 - 7. Bills and Communications**
 - a. Financial Report (*Attachment 5*)
 - b. HCV/Section 8 Report (*Attachment 6*)
 - c. Public Housing Report (*Attachment 7*)
 - d. Executive Director (*Attachment 8*)
 - e. Rehab Update (*Attachment 9*)
 - 8. Commissioner Comments**
 - 9. Adjourn**

Next Meeting: Wednesday, May 29, 2019
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Brainerd Housing and Redevelopment Authority
BOARD MEETING MINUTES
Wednesday, March 27, 2019

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, March 27th, 2019, at the Brainerd HRA Administrative Office, 324 East River Road, in Brainerd, Minnesota.

1. **CALL TO ORDER:** Vice Chair Wussow called the meeting to order at 1:00 p.m.
2. **ROLL CALL:** Present at the meeting were Vice Chair Wussow, Commissioners Eric Charpentier, Gabe Johnson, Ashley Storm, and Chair Marlee Larson (via teleconference). Others present: Executive Director Jennifer Bergman, Housing Manager Teresa Hettver, Rehab Coordinator John Schommer, Rental Assistance Manager Tania Eller, Finance Director, Karen Young, Resident Programs Specialist Carrie Burrell, Rental Assistance Specialist Ryan Barnett, Rick Fargo, Kathy Sauve (LSS), and Nathan Bertram (Crow Wing County). Absent: Commissioners Rebekah Kent and Krista Brodal.
3. **HOUSING SUPPORTS DISCUSSION:** Nathan Bertram from Crow Wing County and Kathy Sauve from LSS were in attendance to discuss the Housing Supports program. This program provides funding for eligible individuals for room, board and supportive services. Mr. Bertram explained the Housing Supports Program in detail. The program would provide \$904 for “Rate 1,” which is room and board. This includes rent, utilities, household supplies, and admin. The program also provides \$483 for “Rate 2,” which is supplemental services. The Brainerd HRA would administer the rent and utility portion and be a pass-through for the rest of the funds for LSS who would provide the household supplies and supplemental services. The discussion was if we were to administer this program, we would draft a Memorandum of Understanding (MOU) between the one or two clients. There was discussion around the administrative fee, which was estimated to be 5% of Rate 1. The Board directed staff to work with CWC and LSS to draft an MOU to bring back to a future meeting for the Board’s consideration.
4. **READING AND APPROVAL OF MINUTES:**

Commissioner Johnson made a motion to approve the minutes from the February 27th, 2019, board meeting. Commissioner Storm seconded the motion. All commissioners voted in favor of the motion and none were opposed. The minutes were approved.
5. **UNFINISHED BUSINESS:**
 - a. **Adopt 2019–2020 Strategic Plan:** The Board was provided with a new set of goals and objectives based on their discussion from the February 27th, 2019, strategic planning session.

Commissioner Larson made a motion to adopt the 2019–2020 Brainerd HRA Strategic Plan. Commissioner Johnson seconded the motion. All commissioners voted in favor of the motion and none were opposed. The motion was approved.

6. NEW BUSINESS:

a. Review Committed and Assigned Fund Balance:

Commissioner Johnson made a motion to commit \$12,010 to the Scattered Site Replacement Program, \$29,670 to Housing Rehab, and \$834 to Tax Forfeited Property; and assign \$15,000 for downtown redevelopment. Commissioner Charpentier seconded the motion. All commissioners voted in favor of the motion and none were opposed. The motion was approved.

7. BILLS AND COMMUNICATIONS

a. Financial Report: Young provided the financial reports for February of 2019. She also informed the Board that Mary Reedy from CliftonLarsonAllen (CLA) will be at the April board meeting to present the agency audit. The unaudited financial information was due to the Real Estate Assessment Center (REAC) by February 28th and has been submitted.

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

b. HCV/Section 8: Eller reported that HAP utilization through February was 17% and Unit Months Leased was 98%.

c. Public Housing Report: Hettver provided the Vacancy Report and Property Performance Reports for February. She also informed the Board that she has accepted the position as executive director of the Aitkin County Housing and Redevelopment Authority. She will be leaving the Brainerd HRA at the end of March.

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

Downtown Brainerd

A developer who is interested in developing a boutique hotel and a bar and restaurant provided Ed Menk with a Letter of Intent to purchase the Parker Building. Bergman and Schommer, along with BLAEDC and the City of Brainerd, met with the developer to discuss downtown in general and potential incentives including TIF to assist in their development.

Bergman has continued to have conversations with Bremer and DW Jones about the potential mixed-use redevelopment project on the Bremer lot. This project continues to move forward, but the request is to begin this process in 2020.

Potential Downtown Redevelopment TIF District

City and HRA staff have been meeting to discuss a potential downtown TIF District, which would include several parcels downtown that have potential upcoming redevelopments projects. Bergman and Young attended a meeting with the City of Brainerd, BLAEDC and Springsted on Friday, March 22nd, and the consensus of the group was to request this be an HRA TIF district. Commissioner Wussow suggested discussing this potential TIF district with Sourcwell since they have helped fund the costs to establish TIF districts for both the cities of Breezy Point and Nisswa

City of Brainerd Comprehensive Plan

The HRA has been asked to participate in the creation of the housing section of the Comprehensive Plan. Ms. Bergman has a meeting scheduled with representatives from Sourcewell, Region 5, and the City of Brainerd on Monday, April 1st, to discuss.

Workforce Housing Study and Needs Analysis

The CWC HRA has released an RFP to hire a consultant to conduct a Workforce Housing Study and Needs Analysis. The study will evaluate the workforce housing needs for all 18 cities in Crow Wing County. Proposals are due by May 2nd.

Additional Items

Schommer provided an update Rehab Report to the Board that included a breakdown of the number of lots in Brainerd Oaks, Serene Pines and Dal Mar Estates, the number sold to the developer, and the number sold to end buyers. In addition, he informed the Board that there will be another update to the Tax Forfeited Property Policy. After going through the process with a couple of tax forfeited lots, we have some suggested changes. This will be on the agenda of a future meeting.

Bergman also handed out an article about a potential workforce housing development that is proposed in the city of Crosslake. Bergman would like to write a letter to the editor to address the negative comments about the Section 8 program in the article.

- 8. **COMMISSIONER COMMENTS:** Former Commissioner Rick Fargo asked if there was an update on the Northeast Brainerd Small Cities Development Program. Schommer stated that Goltz had sent out 10 owner-occupied applications and has received two back. Unfortunately, both were over income. They are waiting for the other eight and then will begin to send out applications to rental property owners.

Commissioner Johnson asked if Visit Brainerd could put a camera on top of the North Star pointed at the Mississippi River. Bergman stated that the Brainerd Riverfront Committee had explored this a few years ago and were told that they could. They should work with John Luce who handles our cell towers.

9. **ADJOURNMENT**

Commissioner Johnson made a motion to adjourn to Teresa Hettver’s Farewell Party at Roundhouse Brewery on Thursday, March 28th, at 4:30 p.m. 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 2:13 p.m.

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To: Brainerd HRA Board Members
From: Jennifer Bergman, Executive Director
Date: April 19, 2019
Re: Discuss 2019 Destination Downtown Competition

The Brainerd Lakes Chamber will be leading the third and final Destination Downtown Brainerd competition. This year, the steering committee decided to offer prizes to the winner, the runner-up, and the second runner-up. Attachment 2a is the list of prizes that will be offered to all three.

The past two competitions the Brainerd HRA has provided the winner with a rent subsidy for one year in the amount of 50% of the rent or \$6,000, whichever is less. Staff would like to have a discussion with the Board to determine what our prize will be for the 2019 competition. All of the other organizations have agreed to offer prizes to the two runners-up.

The Board budgeted \$26,000 in 2019 for downtown initiatives. The Board could elect to keep the prize amount at \$6,000 but give the winner \$4,000 and the runners up \$1,000 each. Or, the Board could consider increasing the budget and offer the winner \$6,000 and the two runners-up with \$1,000.

Staff would like to discuss this and get some direction.

Action Requested: Set prize amounts for the 2019 Destination Downtown Brainerd competition.

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2019 Destination Downtown - Secured Prizes

	Winner	Runner Up	Runner Up
Range/Deluxe	20000	2500	2500
WSN	3500	3500	3500
Brainerd HRA	6000	?	?
The Teehive	1000	500	500
Brainerd Lakes YMCA	900	450	450
Hubbard Broadcasting	5000	3000	3000
Brainerd Dispatch	2000	750	750
CTC	2000	2000	2000
Close-Converse	2000	2000	2000
BSKK Law	2000	500	500
CliftonLarsonAllen	2500	2500	2500
Brainerd Lakes Chamber	4000	4000	4000
BLAEDC/SBDC	5000	5000	5000
Builder's First Source	?	?	?
Hy-Tec	?	?	?
	\$55,900	\$26,700	\$26,700

Total Value of All Prizes: \$109,300

Contest Timeline Scenarios

	2018 Actual		Option 1 2019 Traditional		Option 2 2019 Public Voting		
Launch Party	Jun 28	4 weeks	May 30	4 weeks	Launch Party	Jun 20	4 weeks
Phase 1 Apps Due	July 29	1 week	Jul 1	2 weeks	Phase 1 Apps Due	Jul 22	2 weeks
Phase 1 Judging	Aug 3	6 weeks	Jul 15-19	8 weeks	Phase 1 Judging	Aug 4-9	8 weeks
Phase 2 Plans Due	Sep 16	1 week	Sep 13	2 weeks	Phase 2 Plans Due	Sept 29	2 weeks
Phase 2 Judging	Sep 20	3 weeks	Sep 22-27	4 weeks	Phase 2 Presentations	Oct 6-11	4 weeks
Phase 3 Presentations	Oct 10	5 weeks	Oct 20-25	4 weeks	Phase 3 Public Voting	Nov 10-16	1 week
Celebration Event	Nov 15		Nov 21		Celebration Event	Nov 21	

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To: Brainerd HRA Board Members
From: Jennifer Bergman, Executive Director
Date: April 19, 2019
Re: Approve Resolution 2019-03 Adopting the Post Issuance Debt Compliance Policy

Under State Statute, HRAs have the authority to issue bonds. We currently have one lease revenue bond issued on behalf of ISD 181. The Brainerd HRA issued \$4,330,000 in lease revenue bonds on behalf of ISD 181 to acquire and rehab the former Super One store for the Early Childhood Family Education building. The Brainerd HRA, in turn, entered into a lease agreement with ISD 181. The bonds were refunded in 2014 in the amount of \$2,175,000 and will be paid off in 2022. Once the bonds are paid in full, the property will revert to ISD 181.

Ehlers assisted us with updating our Post Issuance Debt Compliance policy based on the requirements set forth by the IRS and the SEC – see Attachment 3a. We have had several conversations with Ehlers to make sure that the Brainerd HRA is in compliance with this policy. Ehlers will be drafting a checklist for us to send to ISD 181 to complete to provide us with assurances that they are in compliance with our policy.

Attached is Resolution 2019-03 to adopt the updated policy.

Action Requested: Adopt Resolution 2019-03 adopting the Post-Issuance Debt Compliance Policy for Tax-exempt and Tax-advantaged Governmental Bonds.

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Housing and Redevelopment Authority in and for the City of Brainerd, Minnesota Post-Issuance Debt Compliance Policy

The **Board of Commissioners** (the “**Board**”) of the **Housing and Redevelopment Authority in and for the City of Brainerd, Minnesota** (the “**HRA**”) has chosen, by policy, to take steps to help ensure that all obligations will be in compliance with all applicable federal regulations. This policy may be amended, as necessary, in the future.

IRS Background

The Internal Revenue Service (IRS) is responsible for enforcing compliance with the Internal Revenue Code (the “Code”) and regulations promulgated thereunder (“Treasury Regulations”) governing certain obligations (for example: tax-exempt obligations, Build America Bonds, Recovery Zone Development Bonds and various “Tax Credit” Bonds). The IRS encourages issuers and beneficiaries of these obligations to adopt and implement a post-issuance debt compliance policy and procedures to safeguard against post-issuance violations.

SEC Background

The Securities and Exchange Commission (SEC) is responsible for enforcing compliance with the SEC Rule 15c2-12 (the “Rule”). Governments or governmental entities issuing obligations generally have a requirement to meet specific continuing disclosure standards set forth in continuing disclosure agreements (“CDA”). Unless the issuer, obligated person, or a specific obligation is exempt from compliance with CDAs, these agreements are entered into at the time of obligation issuance to enable underwriter(s) to comply with the Rule. The Rule sets forth certain obligations of (i) underwriters to receive, review and disseminate official statements prepared by issuers of most primary offerings of municipal securities, (ii) underwriters to obtain CDAs from issuers and other obligated persons to provide material event disclosure and annual financial information on a continuing basis, and (iii) broker-dealers to have access to such continuing disclosure in order to make recommendations of municipal securities transactions in the secondary market. The SEC encourages issuers and beneficiaries adopt and implement a post-issuance debt compliance policy and procedures to safeguard against Rule violations.

When obligations are issued, the CDA commits the issuer or obligated person to provide certain annual financial information and material event notices to the public. Issuers and other obligated persons may also choose to provide periodic, voluntary financial information and filings to investors in addition to fulfilling the specific responsibilities delineated in their CDA. It is important to note that issuers and other obligated persons should not give any one investor certain information that is not readily available to all market participants by disseminating information to the marketplace, at large. Issuers and other obligated persons should be aware that any disclosure activities determined to be “communicating to the market” can be subject to regulatory scrutiny.

Post-Issuance Debt Compliance Policy Objective

The **HRA** desires to monitor these obligations to ensure compliance with the IRS Code, Treasury Regulations and the SEC Rule. To help ensure compliance, the **HRA** has

developed the following policy (the “Post-Issuance Debt Compliance Policy”). The Post-Issuance Debt Compliance Policy shall apply to the obligations mentioned above, including bonds, notes, loans, lease purchase contracts, lines of credit, commercial paper or any other form of debt that is subject to compliance.

Post-Issuance Debt Compliance Policy

The **Executive Director** of the **HRA** is designated as the **HRA**’s agent who is responsible for post-issuance compliance of these obligations.

The **Executive Director** shall assemble all relevant documentation, records and activities required to ensure post-issuance debt compliance as further detailed in corresponding procedures (the “Post-Issuance Debt Compliance Procedures”). At a minimum, the Post-Issuance Debt Compliance Procedures for each qualifying obligation will address the following:

1. General Post-Issuance Compliance
2. General Recordkeeping
3. Arbitrage Yield Restriction and Rebate Recordkeeping
4. Expenditure and Asset Documentation to be Assembled and Retained
5. Miscellaneous Documentation to be Assembled and Retained
6. Additional Undertakings and Activities that Support Sections 1 through 5 above
7. Continuing Disclosure Obligations
8. Compliance with Future Requirements

The **Executive Director** shall apply the Post-Issuance Debt Compliance Procedures to each qualifying obligation and maintain a record of the results. Further, the **Executive Director** will ensure that the Post-Issuance Debt Compliance Policy and Procedures are updated on a regular and as needed basis.

The **Executive Director** or any other individuals responsible for assisting the **Executive Director** in maintaining records needed to ensure post-issuance debt compliance, are authorized to expend funds as needed to attend training or secure use of other educational resources for ensuring compliance such as consulting, publications, and compliance assistance.

Most of the provisions of this Post-Issuance Debt Compliance Policy are not applicable to taxable governmental obligations unless there is a reasonable possibility that the **HRA** may refund their taxable governmental obligation, in whole or in part, with the proceeds of a tax-exempt governmental obligation. If this refunding possibility exists, then the **Executive Director** shall treat the taxable governmental obligation as if such issue were an issue of tax-exempt governmental obligations and comply with the requirements of this Post-Issuance Debt Compliance Policy.

Private Activity Bonds

The **HRA** may issue tax-exempt obligations that are “private activity” bonds because either (1) the bonds finance a facility that is owned by the **HRA** but used by one or more qualified 501(c)(3) organizations, or (2) the bonds are so-called “conduit bonds”, where the proceeds are loaned to a qualified 501(c)(3) organization or another private entity that finances activities eligible for tax-exempt financing under federal law (such as certain

manufacturing projects and certain affordable housing projects). Prior to the issuance of either of these types of bonds, the **Executive Director** shall take steps necessary to ensure that such obligations will remain in compliance with the requirements of this Post-Issuance Debt Compliance Policy.

In a case where compliance activities are reasonably within the control of a private party (i.e., a 501(c)(3) organization or conduit borrower), the **Executive Director** may determine that all or some portion of compliance responsibilities described in this Post-Issuance Debt Compliance Policy shall be assigned to the relevant party. In the case of conduit bonds, the conduit borrower will be assigned all compliance responsibilities other than those required to be undertaken by the **HRA** under federal law. In a case where the **Executive Director** is concerned about the compliance ability of a private party, the **Executive Director** may require that a trustee or other independent third party be retained to assist with record keeping for the obligation and/or that the trustee or such third party be responsible for all or some portion of the compliance responsibilities.

The **Executive Director** is additionally authorized to seek the advice, as necessary, of bond counsel and/or its financial advisor to ensure the **HRA** is in compliance with this Post-Issuance Debt Compliance Policy.

Adopted this date [REDACTED] by the **Housing and Redevelopment Authority in and for the City of Brainerd, Minnesota.**

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Housing and Redevelopment Authority in and for the City of Brainerd, Minnesota Post-Issuance Debt Compliance Procedures

The **Board of Commissioners** (the “**Board**”) of the **Housing and Redevelopment Authority in and for the City of Brainerd, Minnesota** (the “**HRA**”) has adopted the attached Post-Issuance Debt Compliance Policy dated [REDACTED]. The Post-Issuance Debt Compliance Policy applies to qualifying debt obligations issued by the **HRA**. As directed by the adoption of the Post-Issuance Debt Compliance Policy, the **Finance Director** of the **HRA** will perform the following Post-Issuance Debt Compliance Procedures for all of the **HRA**’s outstanding debt.

1) General Post-Issuance Compliance

- a) Ensure written procedures and/or guidelines have been put in place for individuals to follow when more than one person is responsible for ensuring compliance with Post-Issuance Debt Compliance Procedures.
- b) Ensure training and/or educational resources for post-issuance compliance have been approved and obtained.
- c) The **Finance Director** understands that there are options for voluntarily correcting failures to comply with post-issuance compliance requirements (e.g. as remedial actions under Section 1.141-12 of the Treasury Regulations and the ability to enter into a closing agreement under the Tax-Exempt Bonds Voluntary Closing Agreement Program described in Notice 2008-31(the “**VCAP Program**”)).

2) General Recordkeeping

- a) Retain records and documents for the obligation and all obligations issued to refund the obligation for a period of at least seven years following the final payment of the obligation. If an obligation is refunded, then the final payment of the refunding obligation becomes the beginning of the period unless otherwise directed by the **HRA**’s bond counsel.
- b) Retain electronic (preferred) and/or paper versions of records and documents for the obligation.
- c) General records and documentation to be assembled and retained:
 - i) Description of the purpose of the obligation (i.e. the project or projects) and the state statute authorizing the project.
 - ii) Record of tax-exempt status or revocation of tax-exempt status, if applicable, especially for any **HRA Conduit Borrower(s)**.
 - iii) Any correspondence between the **HRA**, the **HRA Conduit Borrower(s)** and the IRS.
 - iv) Audited financial statements including those of the **HRA Conduit Borrower(s)**.
 - v) All accounting audits of property financed by the obligation including those from the **HRA Conduit Borrower(s)**.
 - vi) Obligation transcripts, official statements, and other offering documents of the obligation.
 - vii) Minutes and resolutions authorizing the issuance of the obligation including those from the **HRA Conduit Borrower(s)**.
 - viii) Certifications of the issue price of the obligation.
 - ix) Any formal elections for the obligation (i.e. an election to employ an accounting methodology other than the specific tracing method).

- x) Appraisals, demand surveys, or feasibility studies for property financed by the obligation.
- xi) All information reports filed for the obligations including those from the **HRA Conduit Borrower(s)**.
- xii) All management contracts and other service agreements, research contracts, and naming rights contracts including those from the **HRA Conduit Borrower(s)**.
- xiii) Documents related to governmental grants associated with construction, renovation or purchase of property financed by the obligation including those from the **HRA Conduit Borrower(s)**.
- xiv) Reports of any prior IRS examinations of the **HRA** or the **HRA's** obligation.
- xv) All correspondence related to the above (faxes, emails, or letters) including those from the **HRA Conduit Borrower(s)**.

3) Arbitrage Yield Restriction and Rebate Recordkeeping

- a) Investment and arbitrage documentation to be assembled and retained:
 - i) An accounting of all deposits, expenditures, interest income and asset balances associated with each fund established in connection with the obligation. This includes an accounting of all monies deposited to the debt service fund to make debt service payments on the obligation, regardless of the source derived. Accounting for expenditures and assets is described in further detail in Section 4.
 - ii) Statements prepared by Trustee and/or Investment Provider.
 - iii) Documentation of at least quarterly allocations of investments and investment earnings to each obligation.
 - iv) Documentation for investments made with obligation proceeds such as:
 - (1) investment contracts (i.e. guaranteed investment contracts),
 - (2) credit enhancement transactions (i.e. obligation insurance contracts),
 - (3) financial derivatives (e.g. swaps, caps, and collars), and
 - (4) bidding of financial products:
 - (a) Investments acquired with obligation proceeds are purchased at fair market value (e.g. three bid safe harbor rule for open market securities needed in advance refunding escrows).
- b) Computations of the arbitrage yield.
- c) Computations of yield restriction and rebate amounts including but not limited to:
 - i) Compliance in meeting the “Temporary Period from Yield Restriction Exception” and limiting the investment of funds after the temporary period expires.
 - ii) Compliance in meeting the “Rebate Exception.”
 - (1) qualifying for the “Small Issuer Exception,”
 - (2) qualifying for a “Spending Exception,”
 - (a) 6-Month Spending Exception
 - (b) 18-Month Spending Exception
 - (c) 24-Month Spending Exception
 - (3) qualifying for the “Bona Fide Debt Service Fund Exception,” and

- (4) quantifying arbitrage on all funds established in connection with the obligation in lieu of satisfying arbitrage exceptions including reserve funds and debt service funds.
 - d) Computations of yield restriction and rebate payments.
 - e) Timely Tax Form 8038-T filing, if applicable.
 - i) Remit any arbitrage liability associated with the obligation to the IRS at each five-year anniversary date of the obligation, and the date in which the obligation is no longer outstanding (redemption or maturity date), whichever comes sooner, within 60 days of said date.
 - f) Timely Tax Form 8038-R filing, if applicable.
 - i) Remit the form after the date in which the obligation is no longer outstanding (redemption or maturity date), whichever comes sooner, within 2 years of said date.
 - g) Procedures or guidelines for monitoring instances where compliance with applicable yield restriction requirements depends on subsequent reinvestment of obligation proceeds in lower yielding investments (e.g. reinvestment in zero coupon SLGS).
- 4) Expenditure and Asset Documentation to be Assembled and Retained
- a) Documentation of allocations of obligation proceeds to expenditures (e.g. allocation of proceeds to expenditures for the construction, renovation or purchase of facilities owned and used in the performance of exempt purposes).
 - i) Such allocation will be done not later than the earlier of:
 - (1) eighteen (18) months after the later of the date the expenditure is paid, or the date the project, if any, that is financed by the obligation is placed in service; or
 - (2) the date sixty (60) days after the earlier of the fifth anniversary of the issue date of the obligation, or the date sixty (60) days after the retirement of the obligation.
 - b) Documentation of allocations of obligation proceeds to issuance costs.
 - c) Copies of requisitions, draw schedules, draw requests, invoices, bills, and cancelled checks related to obligation proceed expenditures during the construction period.
 - d) Copies of all contracts entered into for the construction, renovation or purchase of facilities financed with obligation proceeds.
 - e) Records of expenditure reimbursements incurred prior to issuing obligations for projects financed with obligation proceeds (declaration of official intent/reimbursement resolutions including all modifications).
 - f) List of all facilities and equipment financed with obligation proceeds.
 - g) Depreciation schedules for depreciable property financed with obligation proceeds.
 - h) Documentation that tracks the purchase and sale of assets financed with obligation proceeds.
 - i) Documentation of timely payment of principal and interest payments on the obligation.

- j) Tracking of all issue proceeds and the transfer of proceeds into the debt service fund as appropriate.
 - k) Documentation that excess earnings from a Reserve Fund are transferred to the Debt Service Fund on an annual basis. Excess earnings are balances in a Reserve Fund that exceed the Reserve Fund requirement.
- 5) Miscellaneous Documentation to be Assembled and Retained
- a) Ensure that the project, while the obligation is outstanding, will avoid IRS private activity concerns.
 - b) The **Finance Director** shall monitor the use of all obligation-financed facilities in order to:
 - i) Determine whether private business uses of obligation-financed facilities have exceeded the *de minimus* limits set forth in Section 141(b) of the Code as a result of:
 - (1) sale of the facilities;
 - (2) sale of **HRA** or **HRA Conduit Borrower(s)** capacity rights;
 - (3) leases and subleases of facilities including easements or use arrangements for areas outside the four walls (e.g. hosting of cell phone towers);
 - (4) leasehold improvement contracts, licenses, management contracts in which the **HRA** or **HRA Conduit Borrower(s)** authorize a third party to operate a facility (e.g. cafeteria);
 - (5) research contracts;
 - (6) preference arrangements in which the **HRA** or **HRA Conduit Borrower(s)** permit a third-party preference (e.g. parking in a public parking lot, joint ventures, limited liability companies or partnership arrangements);
 - (7) output contracts or other contracts for use of utility facilities including contracts with large utility users;
 - (8) development agreements which provide for guaranteed payments or property values from a developer;
 - (9) grants or loans made to private entities including special assessment agreements;
 - (10) naming rights agreements; and
 - (11) any other arrangements that provide special legal entitlements to nongovernmental persons.
 - ii) Determine whether private security or payments that exceed the *de minimus* limits set forth in Section 141(b) of the Code have been provided by nongovernmental persons with respect to such obligation-financed facilities.
 - c) The **Finance Director** shall provide training and educational resources to any **HRA** staff that have the primary responsibility for the operation, maintenance, or inspection of obligation-financed facilities with regard to the limitations on the private business use of obligation-financed facilities and as to the limitations on the private security or payments with respect to obligation-financed facilities.
 - d) The **HRA** shall undertake the following with respect to the obligations:

- i) An annual review of the books and records maintained by the HRA and HRA Conduit Borrower(s) with respect to such obligations.
 - ii) An annual physical inspection of the facilities financed with the proceeds of such obligations, conducted by the Finance Director with the assistance of any HRA or HRA Conduit Borrower(s) staff who have the primary responsibility for the operation, maintenance, or inspection of such obligation-financed facilities.
- e) Changes in the project that impact the terms or commitments of the obligation are properly documented and necessary certificates or opinions are on file.

6) Additional Undertakings and Activities that Support Sections 1 through 5 above:

- a) The Finance Director will notify the HRA's bond counsel, financial advisor and arbitrage provider of any survey or inquiry by the IRS immediately upon receipt. Usually responses to IRS inquiries are due within 21 days of receipt. Such IRS responses require the review of the above-mentioned data and must be in writing. As much time as possible is helpful in preparing the response.
- b) The Finance Director will consult with the HRA's bond counsel, financial advisor and arbitrage provider before engaging in post-issuance credit enhancement transactions (e.g. obligation insurance, letter of credit, or hedging transaction).
- c) The Finance Director will monitor all "qualified tax-exempt debt obligations" (often referred to as "bank qualified" obligations) within the first calendar year to determine if the limit is exceeded, and if exceeded, will address accordingly. For obligations issued during years 2009 and 2010 the limit was \$30,000,000. During this period, the limit also applied to pooled financings of the governing body and provides a separate \$30,000,000 for each 501 (c)(3) conduit borrower. In 2011 and thereafter it is \$10,000,000 unless changed by Congress.
- d) Identify any post-issuance change to terms of obligations which could be treated as a current refunding of "old" obligations by "new" obligations, often referred to as a "reissuance."
- e) The Finance Director will consult with the HRA's bond counsel prior to any sale, transfer, change in use or change in users of obligation-financed property which may require "remedial action" under applicable Treasury Regulations or resolution pursuant to the VCAP Program.
 - i) A remedial action has the effect of curing a deliberate action taken by the HRA which results in satisfaction of the private business test or private loan test. Remedial actions under Section 1.141-12(d)(e) and (f) include the redemption of non-qualified obligations and/or the alternative uses of proceeds or the facility (i.e. to be used for another qualified purpose).
- f) The Finance Director will ensure that the appropriate tax form for federal subsidy payments is prepared and filed in a timely fashion for applicable obligations (e.g. Build America Bonds).

7) Continuing Disclosure Obligations

- a) Identify a position at the HRA to be responsible for compliance with continuing disclosure obligations as defined by the Rule and any policies of the HRA.
- b) The position responsible for compliance may have the ability to assign responsibilities, delegate where appropriate or engage a dissemination agent or third-party service providers to perform all or some of the duties described in this section. The HRA cannot delegate its compliance responsibilities.
- c) The HRA should specify how providers or delegated authorities will be monitored and supervised.
- d) The HRA should identify the documents that set forth the respective requirements being monitored at the time of closing for each obligation.
- e) The HRA should catalog all outstanding Continuing Disclosure Agreements and establish consolidated filing requirements based on the outstanding CDAs.
- f) The HRA should identify the frequency of the actions to be undertaken to ensure compliance, establish a system or filing alerts or reminders to administer the filing requirements.
- g) The Finance Director for compliance must be made aware of any new outstanding debt, changes to obligation or loan covenants, events of acceleration or default that would materially affect investors.
- h) The HRA should review a compliance checklist to verify compliance with CDA requirements, at least annually, although it may be advisable to provide more frequent reviews in connection to specific material events.
- i) The HRA should monitor mandatory material events specifically identified in accordance with the Rule and file required notices within 10 days of occurrence.
 - i) Principal and interest payment delinquencies.
 - ii) Non-payment related defaults, if material.
 - iii) Unscheduled draws on debt service reserves reflecting financial difficulties.
 - iv) Unscheduled draws on credit enhancements reflecting financial difficulties.
 - v) Substitution of credit or liquidity providers or their failure to perform.
 - vi) Adverse tax opinion, IRS notices or material events affecting the tax status of the obligation.
 - vii) Modifications to rights of security holders, if material.
 - viii) Obligation calls, if material.
 - ix) Defeasances.
 - x) Release, substitution or sale of property securing repayment of the obligations, if material.
 - xi) Rating Changes.
 - xii) Bankruptcy, insolvency, receivership, or similar event of the obligated person(s).
 - xiii) Merger, consolidation, or acquisition of the obligated person, if material.
 - xiv) Appointment of a successor or additional trustee, or change of name of a trustee, if material.

- xv) Incurrence of financial obligation of the HRA or HRA Conduit Borrower(s), if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the HRA or HRA Conduit Borrower(s), any of which affect security holders, if material.
 - xvi) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the financial obligation of the HRA or HRA Conduit Borrower(s), any of which reflect financial difficulties.
 - j) In addition to the mandatory material events, the HRA should review and file any additional or voluntary event notices.
 - k) The HRA should maintain a catalog of all outstanding obligations whether publicly offered or privately placed, and the terms and conditions that govern default or acceleration provisions.
 - l) Any missed filing requirement should be remedied with a failure to file notice as soon as possible once the late filing is identified and the required information is available to file.
 - m) Sensitive information such as bank accounts and wire information should be redacted from documents prior to posting on EMMA.
 - n) The HRA needs to monitor for changes in law and regulations that effect continuing disclosure obligations and review disclosure policies and procedures periodically to ensure compliance and consistency with regulation and market expectations.
- 8) Compliance with Future Requirements
- a) Take measures to comply with any future requirements issued beyond the date of these Post-Issuance Debt Compliance Procedures which are essential to ensuring compliance with the applicable state and federal regulations.

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**Housing and Redevelopment Authority in and for
the City of Brainerd, Minnesota
Resolution 2019-03**

**Adopting Post-Issuance Debt Compliance Policy for Tax-exempt and Tax-
advantaged Governmental Bonds**

WHEREAS, the Housing and Redevelopment Authority in and for the City of Brainerd, Minnesota (the “HRA”) from time to time will issue tax-exempt and tax-advantaged governmental bonds; and

WHEREAS, under the Internal Revenue Code of 1986, as amended and related regulations (the “Code”), and Securities and Exchange Commission (the “SEC”) the HRA is required to take certain actions after bond issuance to ensure that interest on those bonds remains in compliance with the Code and SEC; and

WHEREAS, the HRA has determined to adopt a policy regarding how the HRA will carry out its compliance responsibilities via written procedures, and to that end, has caused to be prepared documents titled Post-Issuance Debt Compliance Policy and Post-Issuance Debt Compliance Procedures; and

WHEREAS, The Board of Commissioners (the “Board”) of the HRA has reviewed the Post-Issuance Debt Compliance Policy in connection with the Post-Issuance Debt Compliance Procedures and has determined that it is in the best interest of the HRA to adopt the Policy.

NOW THEREFORE, BE IT RESOLVED BY THE HOUSING AND REDEVELOPMENT AUTHORITY IN AND FOR THE CITY OF BRAINERD, MINNESOTA; the Board approves the Policy as shown in the form attached; and

BE IT FURTHER RESOLVED; the HRA staff is authorized to take all actions necessary to carry out the Post-Issuance Debt Compliance Policy and Post-Issuance Debt Compliance Procedures.

Adopted by the Housing and Redevelopment Authority in and for the City of Brainerd, Minnesota this ____ day of ____.

ATTEST:

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To: Brainerd HRA Board Members
From: Jennifer Bergman, Executive Director
Date: April 19, 2019
Re: Authorize Letter of Support for the Children's Museum

The Board of Directors of the Region 5 Children's Museum has released a Request for Proposal (RFP) containing the process and search criteria for site selection of the permanent location for the new museum (see Attachment 4a). The City of Brainerd will be responding to the RFP and is requesting letters of support from community partners.

Attachment 4b is a draft letter of support for your consideration.

Action Requested: Authorize the executive director to send the Children's Museum Letter of Support to the City of Brainerd.

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March 11, 2019

Region 5 Children's Museum Site Selection Request for Proposal

To Whom it May Concern:

The Board of Directors of Region 5 Children's Museum (the "Children's Museum") is pleased to make available the following request for proposal, containing the process and search criteria for site selection of the permanent location for the new museum. As the Board of the Children's Museum, an independent nonprofit corporation and 501(c)(3) organization, we are dedicated to a transparent and fair site selection process. We understand that selecting the optimal site is a critical step in establishing a thriving children's museum befitting the unlimited potential of our region's children.

To create an inspiring vision and to spur action to achieve it, Sourcewell has contributed seed funding aimed at initiating a community-wide development effort. By working together across the region, we can create a state-of-the-art children's museum, that is truly of the region, by the region, and for the region. The vision of the children's museum has the power to transform, but it will take collaboration and collective investment.

To move forward with the site selection process, we are supplying interested property owners, whether private or public, with a clear process for submitting locations for consideration. We ask that each submission not only describe the property and its attributes, but also identify creative opportunities for further contributions and incentives. If you are interested in submitting a location that you own or have jurisdiction over, please review the enclosed packet and respond with a proposal narrative no later than May 3, 2019.

Request for Proposal Index

1. Board of Directors
2. Opportunity
3. Response
4. Vision, Mission, and Organizational Goals
5. Audience & How People Visit
6. Search Area
7. Site Selection Goal & Objectives
8. Site Selection Process
9. Proposal Narrative
 - Basic Information
 - Priority Criteria
 - Submission Requirements
10. Master Plan Access

On behalf of the founding Board of Directors, thank you for your interest in the Children's Museum, and we look forward to reviewing your proposal.

Sincerely,



Paul Drange, Board Chair Region 5 Children's Museum

1 of 7

1. Board of Directors, Region 5 Children's Museum

Paul Drange, Board Chair
Director of Regional Programs, Sourcewell

Cheryal Hills, Treasurer
Executive Director, Region Five Development Commission

Matt Kilian, Director
President, Brainerd Lakes Chamber of Commerce

Peter Olson, President, Ex Officio Director
Museum Project Director, Region 5 Children's Museum

Quinn Swanson, Secretary
Executive Director, Happy Dancing Turtle

Shannon Wheeler, Director
Early Childhood Coordinator, Pequot Lakes Public Schools

2. Opportunity

The region, community, or city where a museum, or any organization, is located is more than an address or destination. It is the place, the people, the past, stories, and possibilities. It is the backdrop and a starting point for understanding, planning, serving, and benefitting an area, its residents, businesses, and communities.

Located approximately three hours from the Twin Cities, Region 5 is one of 13 economic development regions in Minnesota. It is a rural and small-town area with deep pine forests in the north, rich farmland in the south, chains of lakes in the middle, and the Mississippi River running through it. The region's population of approximately 162,000 annually expands by approximately 300,000 with tourists and seasonal residents.

Region 5, like any other area, is characterized by both promise and challenge. Together these attributes inspire and shape the opportunity the children's museum intends to pursue in serving children, families, and community well.

Over the last decade, regional population has grown and is expected to continue. Population is expected to grow about 8% and to be increasingly ethnically diverse. The region enjoys a diversifying economy. The Brainerd Lakes Area is viewed as being on the cusp of positive and transformative change with multiple development initiatives. Families are considered vital to the growth and development of the region, apparent in housing, employment, educational, and recreational strategies.

Along with indicators of population and economic growth, the region can expect some challenges. While population is growing, it is uneven across the region, it is aging, and is older than the state average. Child poverty rates in the region are somewhat-to-significantly higher than statewide. The lakes, woodlands, and waterways of the region, critical assets to the local economy and quality of life, are also resources that are threatened. Visitors and permanent residents have access to a wide range of outdoor and recreational opportunities, yet there are relatively few out-of-school learning resources, especially during the area's long winters.

Covering a large geographic area, Region 5 holds diverse and varied landscapes, areas of wealth and poverty, urban and rural lifestyles, and a range of historical legacies. While these elements don't reveal a clear regional identity, there is evidence of certain social habits and values shared by many in the region, including: a love of the outdoors, being involved in civic life, cherished family traditions, and shared stories around events and locations. An understanding of these factors has guided Region 5 Children's Museum in envisioning a dynamic community asset for the region's children and families.

3. Response

Region 5 Children's Museum believes it can contribute to the vitality of the region by shining a bright light on children, their potential, and their role in strengthening community life.

The Museum's strategic master plan positions the museum to take an active role around valuing children, childhood, and play. It describes a place-based, informal learning setting that engages children with a particular focus on youth who are twelve years old and younger, their parents, caregivers, and teachers in making connections between ideas and actions, and across systems. A clear focus on children and families exploring and learning together, its understanding of the value of play, and its attention to 21st century skills come together in dynamic environments, experiences, and programs that are richly layered, locally relevant, and open to the wider world. These hands-on, informal learning environments complement and support school priorities and are a resource for field trip visits and professional development for teachers across the region.

As a year-round family destination, the museum will be a highly valued resource for local families and for schools in the winter as well as for visiting families in the summer. Long term, the museum will be an asset as the region strives to attract young families to the area. With time, the museum can expect to be an anchor in the lives of children and families, deepen regional pride, and strengthen connections across the region.

Places To Go is the overarching theme for six indoor and outdoor exhibit areas. It invites children and adults to explore places in the museum, in the region, and in the world; and to see the next challenge and get to it.

- At the Lake focuses on what is fascinating about the area lakes: fishing, catching the big one, sitting on the dock, and exploring water's ways.
- From the Garden is the museum's food hub; food-growing activities connect with eating, cooking, and occasional community gatherings around food and nutrition.
- Into the Woods straddles inside and out and invites exploration of several woodland-themed areas nestled together, from forest to pastures and farm fields.
- On the Road provides the set-up for imaginative travels, where children find familiar place names and landmarks while discovering clues about faraway places.
- Open for Possibilities is a changing space for changing exhibits or community projects.
- In the Great Outdoors is the place for big messy activities that can't happen indoors; for a year-round greenhouse, seasonal gardening, and living ecosystems.

Region 5 Children's Museum is on track to join a small but growing number of children's museums in smaller cities, serving rural areas, and spread across large geographic areas.

4. Vision, Mission, and Organizational Goals

Vision: Region 5 Children's Museum and its partners envision a more vibrant and connected region because all children enjoy the supportive relationships, expanding opportunities, and wellbeing they need to thrive.

Mission: The mission of Region 5 Children’s Museum is to bring together the region’s children and families in shared experiences that are grounded locally and open to the wider world. Dynamic, material-rich environments, exhibits, events, & programs engage children in the joy of play and the wonder of learning.

Organizational Goals: There are six areas in which the Museum intends to channel its efforts and measure its mission success. The Children’s Museum will be:

- A consistently rich array of play and learning experiences and environments that strengthen connections to the region and create openings to the world beyond;
- An indispensable asset in the region for families of all backgrounds to meet and engage around common interests and priorities for their children;
- A recognized regional convener that advances the larger regional agenda around children and the challenges and opportunities they face;
- An organization that connects and helps grow regional assets; people, nature, schools, business, agriculture, and the arts;
- A disciplined organization engaged in learning for itself, children and families, and the region;
- A sustainable organization that leverages regional assets, enjoys diverse support, and monitors selected measures.

5. Audience and How People Visit

The sustainability of the Children’s Museum depends on easy access for various audiences traveling from a large geographic region. While the museum will be enjoyed by a broad cross-section of the general public, our core audience will consist of children twelve years old and younger, their parents, siblings, grandparents, caregivers, and educators living in and visiting the five-county region. Special attention and effort will be leveraged to reach children experiencing participation barriers.

When considering location and access, it is important to remember that every child visiting the Children’s Museum will be accompanied by an adult, and the configuration of each visit may vary widely. We know from market research industry studies that most visits to a children’s museum are decided by the female head of household, that is true whether the child’s mother is attending or not. On the majority of visits, children are accompanied by either or both parents and arrive by car, or are brought by either or either or both grandparent, which seems especially true on school breaks during holidays and over the summer. Multi-generational family groups, including aunts, uncles, and cousins may visit in one or more vehicles. During the school year, it is the intention that all schools in the five-county region will be visiting the museum via field trips. While the children and chaperones will arrive on school buses, sometimes parents and even grandparents join the field trip by driving separately, increasing the need for weekday parking spots. Children may arrive with their childcare provider, and sometimes play-dates at the Children’s Museum will be arranged by parent friend-groups. Weather permitting, it is not uncommon for families to bike to the children’s museum, or for nearby neighbors to enjoy walking to the museum. In urban centers, public transportation is often an option with fare discounts offered. Home schoolers will visit, supplementing their at-home curriculum and will often use the museum as a venue to meet-up with other home school families. To reach children experiencing participation barriers, shuttle services may be chartered, along with accompanying volunteers and social service providers. To be successful, the Children’s Museum will need to be accessible in multi-modal ways to welcome a wide-range of visitation diversity.

6. Search Area

For the Children's Museum to truly serve all of Region Five and those who visit, setting a search area for locating the museum site has been given much thought. In concentrating the search area, a range of factors have been considered:

- Central location to all communities in the five-county region
- Areas of concentrated population including:
 - General population
 - Seasonal population
 - Children birth to twelve
 - Early childhood and early elementary classrooms
- Hubs for economic activity including retail and tourism
- Accessibility to major highway corridors
- Regionally identifiable, with scenic value

When analyzing all these factors, placing the Children's' Museum in proximity to the 210 corridor through the Cities of Brainerd and Baxter and along the 371 corridor from Baxter to Pequot Lakes would likely provide the greatest access from across the five-county region.

7. Site Selection Goal and Objectives

The goal of the site selection process is to secure the optimal permanent site for an accessible, thriving, and fundable Children's Museum destination. Through the site selection process, objectives include:

- Identify incentives and development opportunities to help fund construction and operations
- Increase awareness and generate excitement for the new Children's Museum
- Communicate a site selection process that is transparent and fair to all

8. Site Selection Process

The Board of Directors is committed to carrying out the following anticipated steps in the site selection process. Please note that as circumstances require, the Board of Directors in its discretion may consider alternative steps to achieve the site selection goal and objectives. The anticipated steps in the site selection process include:

- A. Board members available to meet with individual property owners, both private and public, gathering insight for establishing the site selection process
- B. Search criteria and the selection process determined by Board of Directors
- C. Request for Proposal packet made available to all interested property owners
- D. Site Proposals submitted by May 3, 2019
- E. Board of Directors reviews all proposals to narrow options to top-rated sites per established criteria
- F. Board members and client representative interviews and site tours with owners of the top-rated sites
- G. Board of Directors selects one or more preferred site/s
- H. Additional input sought as deemed necessary or valuable
- I. Terms negotiated and settled, letter of intent signed
- J. Launch fund-development strategies

9. Proposal Narrative

For any property to be considered for the physical location of the Region 5 Children’s Museum, please submit a narrative proposal document, thoroughly answering the following questions and providing any further information you believe will be helpful to the Board of Directors’ consideration of the site.

Basic Information:

1. Applicant’s name, statement confirming that the applicant is the site’s owner of record, contact information, and address of the site.
2. State whether this site will require new construction or renovation of an existing building. If a renovation, describe the existing building/s with as much detail as possible and what renovations will be necessary to become museum-ready. Include interior and exterior photos, as applicable.
3. What is the size of the property in acres or square feet and what is building size, if existing, in square feet and stories? Is there opportunity for expansion?
4. Are there any purchase costs for the Children’s Museum to acquire the site? List examples of purchase costs.
5. Is this property available to lease or to own? Describe any covenants to be expected and if there are any on-going CAM or association requirements and fees.
6. What are the zoning requirements for this property and is a children’s museum a permissible use under the current zoning requirements? Describe the zoning of the immediately surrounding area.
7. Describe access to utilities. If utilities are not present, describe what it would take to acquire utilities. Is there Broadband access?
8. Describe how long the current owner has owned the property, and describe the current use of the property and all historical uses to the extent known by the present owner.
9. Are there any known or suspected adverse environmental conditions or hazards associated with the property? If yes, please describe. You may be asked to provide copies of any existing environmental reports.
10. Does the owner of the property own the adjacent or surrounding land, or other land in close proximity to the site? If so, please describe.
11. Are there any known easements on the property? If so, please describe.

Priority Criteria:

Please describe in detail how well the site contributes to the following priorities:

12. Is it a recognized location, known to the people of Region 5, that’s easy to access for families and field trips? Provide a description of proximity and access to either Highways 371 or 210. Includes maps and identify the property location.

13. Is there available parking and easy bus drop off? State how many parking spots are available and explain if any of the parking spots are shared with other businesses or individuals.
14. Is there space for outdoor learning environments that include natural elements? Describe if natural elements exist, such as trees, water view, water access, hills or berms, adequate soil for garden plots, etc.
15. Describe how the location would support and amplify the vision described in the Master Plan. See Section 10 of this RFP, below, for instructions on how to access the Master Plan.
16. Does the location contain historic, cultural, or environmental relevance? If so, please describe.
17. Are there family-focused businesses and resources existing in the area or in development? Are there nearby family-friendly food options? Please describe what currently exists, what is known to be in development, and if this is an area where momentum is building with synergy to locate the Children's Museum here.
18. Will the site be donated to the Children's Museum? Please list and describe if there are other contributions or incentives related to this site that would be financially beneficial to the Children's Museum.

Submission Requirements:

Please email a PDF of your proposal to polsonregion5cm@gmail.com no later than May 3, 2019. Attach any maps, images, or other support documentation. Submit questions to Peter Olson, Museum Project Director, by email at polsonregion5cm@gmail.com or by calling 507-995-2242.

The Region 5 Children's Museum reserves the sole right to not select a submitted site in its discretion. While the factors and guidelines in this Request for Proposal are intended to guide the selection process, they are not determinative. The Children's Museum retains the right and discretion to consider any other factors it considers relevant.

The Children's Museum may request additional documents and information from applicants during the site selection and development process to assist with its decision-making. Although an applicant is not obligated by this document to provide further documents or information, failure to provide such information to the Children's Museum may result in the applicant's property not being selected as the final site of the Children's Museum.

10. Master Plan Access

To access the full Master Plan:

<https://mft.sourcewell-mn.gov:4443> (using google chrome)
User: r5museum
Password: 2018Childrensmuseum
Select "Secure Folders" for illustrations and the narrative

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April 24, 2019

Region 5 Children's Museum
ATTN: Paul Drange, Board Chair
202 12th St NE
Staples, MN 56479

Dear Mr. Grange:

The Brainerd HRA is pleased to submit this letter of support on behalf of the City of Brainerd. Our organization is actively involved in several redevelopment initiatives in the City of Brainerd, including the creation of a substantial rehab program in downtown Brainerd. This program has provided approximately \$1 million dollars towards the improvement of our downtown properties.

In addition, we are partnering with several other community organizations on the River to Rail Initiative, Destination Downtown Competition, and other exciting initiatives happening in the City of Brainerd.

We are excited to have new businesses such as the Crossing Arts Alliance and Lakes Area Music Festival locate downtown Brainerd and also the new Performing Arts Center, which will be constructed as a part of ISD 181's upcoming projects.

The Brainerd HRA believes that the Children's Museum will be a wonderful addition to the City of Brainerd. As the largest in Crow Wing County, the Brainerd School District prepares thousands of students each year for a successful future.

As we learned from Nelson Mandela, "Education is the most powerful weapon which you can use to change the world."

In addition to providing many opportunities for our children, the museum would be an investment in the future of our community.

Sincerely,

Jennifer Bergman
Executive Director

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To: Brainerd HRA Board Members
From: Karen Young, Finance Director
Date: April 16, 2019
Re: April Financial Report

Please find attached the financial information for March 2019.

Agency Audit

Mary Reedy from CliftonLarsonAllen (CLA) will be at the April Board Meeting to present the agency audit. The Auditor's Report expresses an unmodified opinion with no findings or misstatements. Bound copies of the audit will be available at the meeting.

The unaudited financial information was due to the Real Estate Assessment Center (REAC) by February 28th and has been submitted.

Crow Wing County HRA Audit

The Crow Wing County HRA audit has been finalized by CLA. CLA issued an unmodified Auditor's Report with no findings or misstatements. The audit will be presented to the CWC HRA Board at their May meeting.

Brainerd South Compilation

The Brainerd South compilation was completed by CLA. CLA issued a Compilation Report with no findings.

The unaudited information was due to REAC by March 31st. The information was submitted and accepted.

Action Requested: Motion for approval of payments as presented.

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Brainerd Housing & Redevelopment Authority 2019 Ratios (and December, 2018)

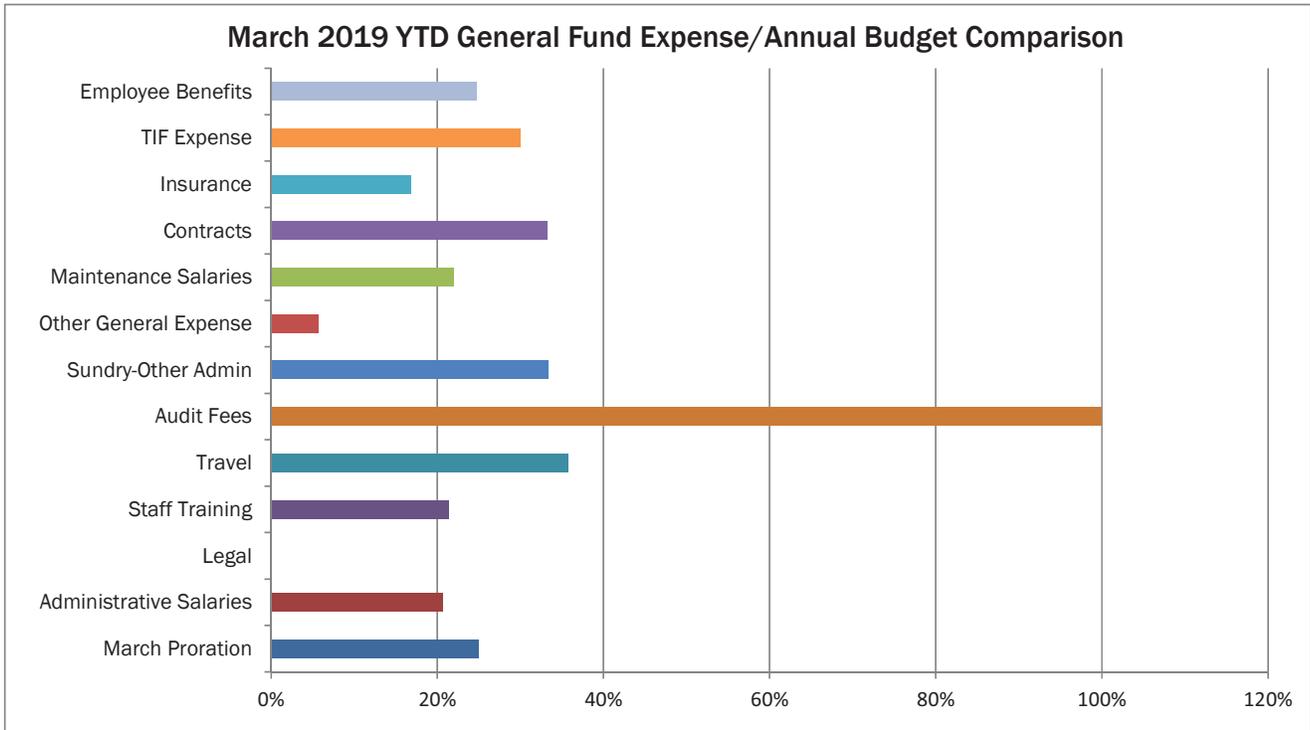
FASS Ratios	Max Pts	Scoring	Dec 2018 After YE JE, B4 audit	Jan	Feb	Mar
Quick Ratio	12	QR <1 =0-, QR >2 =12	12.00	12.00	12.00	12.00
Months Expended Net Assets	11	MENA <1.0= 0, ME >4 =11	11.00	11.00	11.00	11.00
Debt Svc Coverage	2	DSC < 1 = 0, DSC >1.25 =2	2.00	2.00	2.00	2.00
Total Points	25		25.00	25.00	25.00	25.00

MASS Ratios	Max Pts	Scoring				
Occupancy	16	O <90% =0, O >98% =16	16.00	12.00	12.00	16.00
Tenant Accounts Receivable	5	TAR <1.5%=5, TAR >2.5% =0	5.00	0.00	0.00	0.00
Accounts Payable	4	AP < .75 = 4, AP >1.5 =0	4.00	4.00	4.00	4.00
Total Points	25		25.00	16.00	16.00	20.00
Total of Above Ratios	50		50	41	41	45

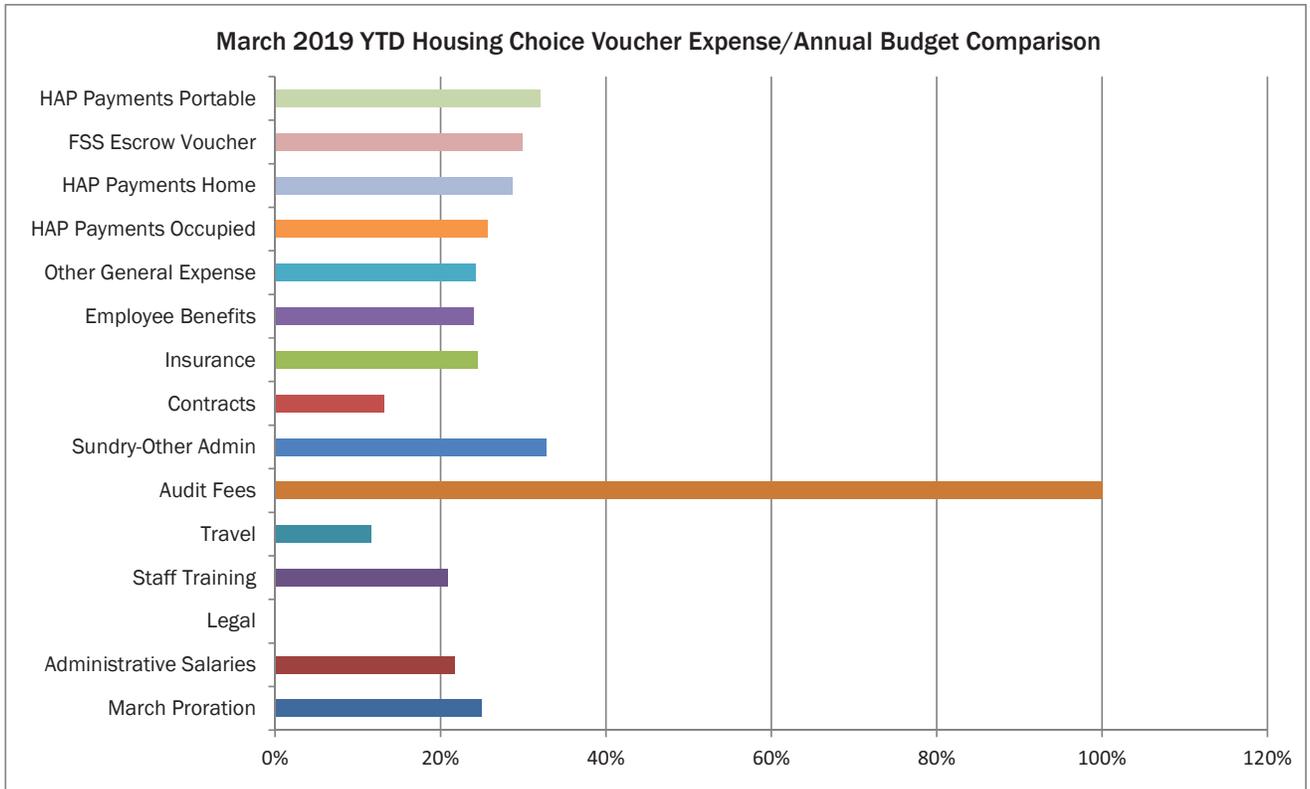
MASS Ratios	Max Pts	Scoring				
Timeliness of Obligation	5	>90% at OED = 5 <90% at OED = 0	5.00	5.00	5.00	5.00
Occupancy Rate	5	OR <93% = 0, OR >96% =5 Must have 5 points or	5.00	5.00	5.00	5.00
Total Points	10	Capital Fund Troubled	10.0	10.0	10.0	10.0

March 2019 Operating Account Balances

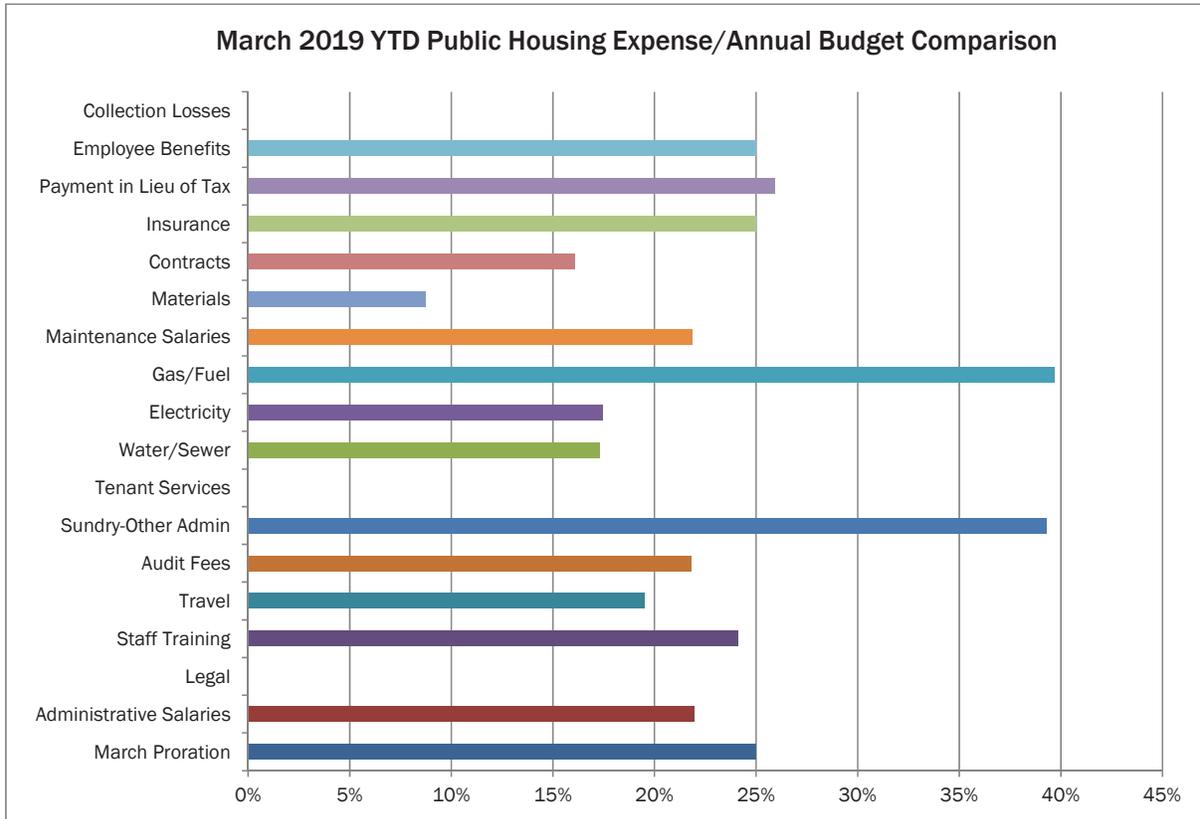
Property/Program	March 2018	February 2019	March 2019
General Fund	\$185,021.45	\$254,048.29	\$235,575.51
Brainerd Revolving Loan Program	\$0.00	\$99,077.00	\$99,077.00
SSRP	\$21,108.14	\$12,010.80	\$12,010.80
Housing Rehab Program	\$14,655.87	\$20,989.35	\$15,457.23
Bridges	\$12,130.29	\$11,137.79	\$11,932.57
Crow Wing County HRA	\$574,578.60	\$535,649.14	\$525,728.52
Public Housing	\$616,390.86	\$642,002.68	\$651,913.95
Brainerd South	\$2,875.02	\$15,794.47	\$22,465.05
Housing Choice Voucher	\$48,478.40	\$33,839.64	\$27,925.40
Total	\$1,475,238.63	\$1,624,549.16	\$1,602,086.03



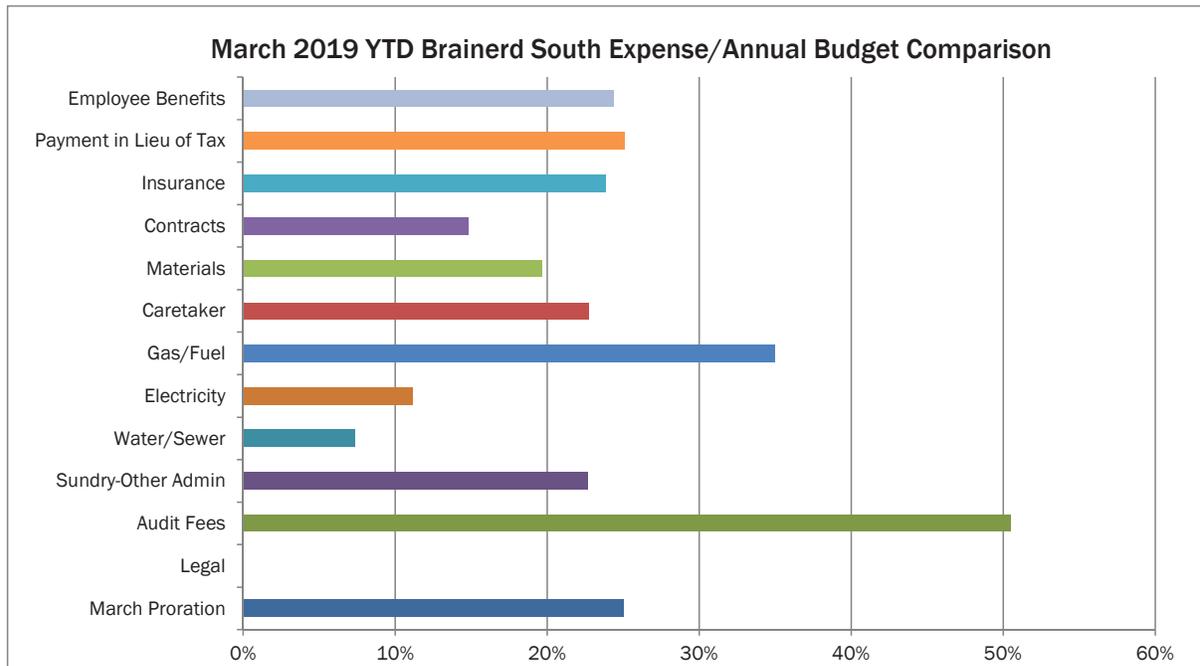
Auditing Fees: One time payment for entire budget for year made early in the year.



Audit: Yearly audit fees incurred early in the year for the entire budget.



Sundry-Other Admin: Purchased postage for year before 10% increase in rates. Purchased laptop for Karen.
 Gas/Fuel: Higher in winter months of year due to heating costs.



Gas/Fuel: Higher in winter months due to heating costs.

Date: 4/17/2019
 Time: 9:38:33 AM
 roberta

**Brainerd HRA
 General Fund Operating Statement
 March, 2019**

Page: 1
 Rpt File: F:\HMS\REP

	Current Period	Current Year	Year To Date Budget	Variance
General Fund Operating INCOME				
Management Fees	-14,179.30	-42,525.67	-42,249.99	-275.68
Other Income	-86.00	-122.04	-8,288.76	8,166.72
Loan Interest Revenue	0.00	0.00	-1,250.01	1,250.01
TOTAL INCOME	-14,265.30	-42,647.71	-51,788.76	9,141.05
EXPENSE				
Administrative				
Administrative Salaries	12,268.14	32,910.64	39,870.00	-6,959.36
Legal	0.00	0.00	500.01	-500.01
Staff Training	340.83	854.86	999.99	-145.13
Travel	216.96	250.02	174.99	75.03
Auditing Fees	6,700.00	6,700.00	4,020.00	2,680.00
Sundry-Other Admin	727.60	1,887.43	1,415.01	472.42
Total Administration	20,253.53	42,602.95	46,980.00	-4,377.05
Maintenance				
Maintenance Salaries	876.96	2,495.50	2,844.99	-349.49
Contracts	89.56	265.86	200.01	65.85
Total Maintenance	966.52	2,761.36	3,045.00	-283.64
General				
TIF Expense	0.00	30.00	24.99	5.01
Insurance	0.00	696.54	1,035.00	-338.46
Employee Benefits	5,603.64	19,295.84	19,465.08	-169.24
Other General Expense	500.00	1,500.00	6,500.01	-5,000.01
Total General	6,103.64	21,522.38	27,025.08	-5,502.70
TOTAL EXPENSE	27,323.69	66,886.69	77,050.08	-10,163.39
Net Income/Loss	13,058.39	24,238.98	25,261.32	-1,022.34

Date: 4/17/2019
 Time: 9:38:42 AM
 roberta

**Brainerd HRA
 HCV Operating Statement
 March, 2019**

Page: 1
 Rpt File: F:\HMS\REP

	Current Period	Current Year	Year To Date Budget	Variance
Housing Choice Voucher Operating				
INCOME				
HUD HAP Received	-112,453.00	-335,319.00	-334,242.51	-1,076.49
Admin Fees Earned	-30,392.00	-61,370.00	-63,862.50	2,492.50
Interest Income	-20.26	-64.65	0.00	-64.65
Other Income	-2,567.00	-4,993.63	-2,169.99	-2,823.64
TOTAL INCOME	-145,432.26	-401,747.28	-400,275.00	-1,472.28
EXPENSE				
Administrative				
Administrative Salaries	11,391.12	32,228.78	37,020.00	-4,791.22
Legal	0.00	0.00	75.00	-75.00
Staff Training	1,340.83	1,588.76	1,899.99	-311.23
Travel	300.05	460.13	990.00	-529.87
Accounting & Audit Fees	3,500.00	3,500.00	2,100.00	1,400.00
Sundry-Other Admin	317.48	1,752.01	1,337.49	414.52
Total Administration	16,849.48	39,529.68	43,422.48	-3,892.80
Maintenance				
Contracts	89.55	395.85	750.00	-354.15
Total Maintenance	89.55	395.85	750.00	-354.15
General				
Insurance	420.48	1,261.45	1,284.99	-23.54
Employee Benefits	5,789.21	19,958.27	23,537.49	-3,579.22
Other General Expense	210.60	631.80	650.01	-18.21
Total General	6,420.29	21,851.52	25,472.49	-3,620.97
HAP Payments				
HAP Payments Occupied	112,545.00	326,668.00	317,469.99	9,198.01
HAP Payments Home	4,130.00	12,345.00	10,742.49	1,602.51
FSS Escrow Voucher	1,550.00	5,245.00	4,385.01	859.99
HAP Payments Portable	3,631.00	10,893.00	8,502.51	2,390.49
Total HAP	121,856.00	355,151.00	341,100.00	14,051.00
TOTAL EXPENSE	145,215.32	416,928.05	410,744.97	6,183.08
Net Income/Loss	-216.94	15,180.77	10,469.97	4,710.80



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**Brainerd HRA
 Public Housing Operating Statement
 March, 2019**

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	Current Period	Current Year	Year To Date Budget	Variance
Public Housing Operating INCOME				
Dwelling Rental	-59,902.00	-179,958.00	-180,992.49	1,034.49
Excess Utilities	0.00	0.00	-774.99	774.99
Operating Subsidy	-18,160.00	-55,377.00	-60,932.49	5,555.49
Investment Interest	59.33	139.66	129.99	9.67
Other Income	-9,798.89	-32,043.57	-44,032.50	11,988.93
Other Income Tenants	-1,097.67	-4,814.59	-8,060.01	3,245.42
Capital Fund Income	0.00	-122,348.00	-16,500.00	-105,848.00
Laundry Income	-1,606.00	-4,996.00	-5,795.01	799.01
TOTAL INCOME	-90,505.23	-399,397.50	-316,957.50	-82,440.00
EXPENSE				
Administrative				
Administrative Salaries	23,451.18	66,932.44	76,220.01	-9,287.57
Legal	0.00	0.00	1,250.01	-1,250.01
Staff Training	2,073.34	2,651.30	2,750.01	-98.71
Travel	234.70	390.14	500.01	-109.87
Accounting & Audit Fees	2,300.00	2,300.00	6,470.00	-4,170.00
Sundry-Other Admin	1,824.72	7,368.66	4,686.27	2,682.39
Total Administration	29,883.94	79,642.54	91,876.31	-12,233.77
Rec Public and Other	0.00	0.00	1,237.50	-1,237.50
Total Tenant Services	0.00	0.00	1,237.50	-1,237.50
Utilities				
Water/Sewer	4,668.35	10,744.42	15,500.04	-4,755.62
Electricity	6,591.82	12,641.16	18,097.50	-5,456.34
Gas/Fuel	0.00	14,821.14	9,337.50	5,483.64
Total Utilities	11,260.17	38,206.72	42,935.04	-4,728.32
Maintenance				
Labor	14,615.68	42,292.22	48,352.50	-6,060.28
Materials	706.65	2,442.74	6,999.99	-4,557.25
Contracts	8,771.76	27,759.91	43,187.49	-15,427.58
Total Maintenance	24,094.09	72,494.87	98,539.98	-26,045.11
General				
Insurance	6,607.34	19,822.01	19,819.98	2.03
Payment in Lieu of Tax	2,326.31	6,745.13	6,500.01	245.12
Employee Benefits	15,457.76	53,083.01	53,070.00	13.01
Collection Losses	0.00	0.00	2,100.00	-2,100.00
Total General	24,391.41	79,650.15	81,489.99	-1,839.84
TOTAL EXPENSE	89,629.61	269,994.28	316,078.82	-46,084.54
Net Income/Loss	-875.62	-129,403.22	-878.68	-128,524.54



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Brainerd South Operating Statement
March, 2019

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	Current Period	Current Year	Year To Date Budget	Variance
Brainerd South Operating				
INCOME				
Dwelling Rental	-19,431.00	-58,520.00	-57,519.99	-1,000.01
Rental Supplement	-3,827.00	-11,051.00	-10,862.49	-188.51
Investment Interest	7.42	23.37	0.00	23.37
Other Income	-2,040.00	-7,067.38	-7,987.50	920.12
Laundry Income	-501.50	-1,740.25	-2,139.99	399.74
TOTAL INCOME	-25,792.08	-78,355.26	-78,509.97	154.71
EXPENSE				
Administrative				
Legal	0.00	0.00	75.00	-75.00
Accounting & Audit Fees	2,450.00	2,450.00	3,350.00	-900.00
Sundry-Other Admin	3,628.30	11,156.28	12,317.52	-1,161.24
Total Administration	6,078.30	13,606.28	15,742.52	-2,136.24
Utilities				
Water	0.00	1,047.66	3,549.99	-2,502.33
Electricity	0.00	614.84	1,374.99	-760.15
Gas/Fuel	0.00	5,247.53	3,750.00	1,497.53
Total Utilities	0.00	6,910.03	8,674.98	-1,764.95
Maintenance				
Labor	882.28	2,589.56	2,850.00	-260.44
Materials	1,330.68	3,950.01	5,024.97	-1,074.96
Contracts	2,858.98	11,129.08	18,737.49	-7,608.41
Total Maintenance	5,071.94	17,668.65	26,612.46	-8,943.81
General				
Insurance	2,668.57	7,998.52	8,379.99	-381.47
Payment in Lieu of Tax	950.24	2,434.89	2,424.99	9.90
Employee Benefits	101.68	305.02	312.51	-7.49
Total General	3,720.49	10,738.43	11,117.49	-379.06
TOTAL EXPENSE	14,870.73	48,923.39	62,147.45	-13,224.06
Net Income/Loss	-10,921.35	-29,431.87	-16,362.52	-13,069.35

**March 2019
Prior Year Comparative Statements**

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**Brainerd HRA
 General Fund Operating Statement
 March, 2019**

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	YTD 2019	YTD 2019 Budget	YTD 2018	YTD 2017
General Fund Operating				
INCOME				
Management Fees	-42,525.67	-42,249.99	-42,288.08	-42,562.39
Other Income	-122.04	-8,288.76	-225.51	0.00
Loan Interest Revenue	0.00	-1,250.01	0.00	0.00
TOTAL INCOME	-42,647.71	-51,788.76	-42,513.59	-42,562.39
EXPENSE				
Administrative				
Administrative Salaries	32,910.64	39,870.00	37,276.86	32,012.24
Legal	0.00	500.01	1,007.00	24.44
Staff Training	854.86	999.99	245.82	393.67
Travel	250.02	174.99	76.70	123.42
Auditing Fees	6,700.00	4,020.00	6,700.00	3,900.00
Sundry-Other Admin	1,887.43	1,415.01	1,280.31	1,573.21
Total Administration	42,602.95	46,980.00	46,586.69	38,026.98
Maintenance				
Maintenance Salaries	2,495.50	2,844.99	2,479.24	2,491.69
Contracts	265.86	200.01	114.74	106.79
Total Maintenance	2,761.36	3,045.00	2,593.98	2,598.48
General				
TIF Expense	30.00	24.99	0.00	30.00
Insurance	696.54	1,035.00	974.17	744.33
Employee Benefits	19,295.84	19,465.08	21,090.01	18,085.27
Other General Expense	1,500.00	6,500.01	46.00	0.00
Total General	21,522.38	27,025.08	22,532.96	19,981.96
TOTAL EXPENSE	66,886.69	77,050.08	71,713.63	60,607.42
Net Income/Loss	24,238.98	25,261.32	29,200.04	18,045.03



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**Brainerd HRA
 HCV Operating Statement
 March, 2019**

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	YTD 2019	YTD 2019 Budget	YTD 2018	YTD 2017
Housing Choice Voucher Operating INCOME				
HUD HAP Received	-335,319.00	-334,242.51	-340,851.00	-294,806.00
Admin Fees Earned	-61,370.00	-63,862.50	-56,120.00	-58,307.00
Interest Income	-64.65	0.00	-2.85	-4.48
Other Income	-4,993.63	-2,169.99	-1,322.69	-2,265.00
TOTAL INCOME	-401,747.28	-400,275.00	-398,296.54	-355,382.48
EXPENSE				
Administrative				
Administrative Salaries	32,228.78	37,020.00	31,734.93	32,274.10
Legal	0.00	75.00	0.00	14.66
Staff Training	1,588.76	1,899.99	252.50	975.81
Travel	460.13	990.00	415.45	994.10
Accounting & Audit Fees	3,500.00	2,100.00	3,500.00	3,500.00
Sundry-Other Admin	1,752.01	1,337.49	1,089.55	1,235.13
Total Administration	39,529.68	43,422.48	36,992.43	38,993.80
Maintenance				
Contracts	395.85	750.00	178.84	206.78
Total Maintenance	395.85	750.00	178.84	206.78
General				
Insurance	1,261.45	1,284.99	1,210.02	1,057.27
Employee Benefits	19,958.27	23,537.49	20,017.29	18,709.20
Other General Expense	631.80	650.01	561.60	552.75
Total General	21,851.52	25,472.49	21,788.91	20,319.22
HAP Payments				
HAP Payments Occupied	326,668.00	317,469.99	316,547.00	287,885.00
HAP Payments Home	12,345.00	10,742.49	8,890.00	7,633.00
FSS Escrow Voucher	5,245.00	4,385.01	6,283.00	5,434.00
HAP Payments Portable	10,893.00	8,502.51	7,520.00	8,658.00
Total HAP	355,151.00	341,100.00	339,240.00	309,610.00
TOTAL EXPENSE	416,928.05	410,744.97	398,200.18	369,129.80
Net Income/Loss	15,180.77	10,469.97	-96.36	13,747.32

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**Brainerd HRA
 Public Housing Operating Statement
 March, 2019**

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	YTD 2019	YTD 2019 Budget	YTD 2018	YTD 2017
Public Housing Operating INCOME				
Dwelling Rental	-179,958.00	-180,992.49	-170,984.50	-175,436.00
Excess Utilities	0.00	-774.99	0.00	0.00
Operating Subsidy	-55,377.00	-60,932.49	-55,721.00	-58,458.00
Investment Interest	139.66	129.99	117.79	192.88
Other Income	-32,043.57	-44,032.50	-32,938.67	-24,203.03
Other Income Tenants	-4,814.59	-8,060.01	-16,755.36	-17,278.49
Capital Fund Income	-122,348.00	-16,500.00	-66,000.00	-66,000.00
Laundry Income	-4,996.00	-5,795.01	-5,488.00	-6,152.00
TOTAL INCOME	-399,397.50	-316,957.50	-347,769.74	-582,782.94
EXPENSE				
Administrative				
Administrative Salaries	66,932.44	76,220.01	60,762.73	59,471.33
Legal	0.00	1,250.01	64.50	1,006.64
Staff Training	2,651.30	2,750.01	1,804.16	974.00
Travel	390.14	500.01	251.05	573.17
Accounting & Audit Fees	2,300.00	6,470.00	4,400.00	3,000.00
Sundry-Other Admin	7,368.66	4,686.27	4,896.13	4,106.80
Total Administration	79,642.54	91,876.31	72,178.57	69,131.94
Rec Public and Other	0.00	1,237.50	28.31	0.00
Total Tenant Services	0.00	1,237.50	28.31	0.00
Utilities				
Water/Sewer	10,744.42	15,500.04	10,321.75	9,831.57
Electricity	12,641.16	18,097.50	12,786.68	10,249.03
Gas/Fuel	14,821.14	9,337.50	20,959.32	10,082.72
Total Utilities	38,206.72	42,935.04	44,067.75	30,163.32
Maintenance				
Labor	42,292.22	48,352.50	42,326.04	41,040.40
Materials	2,442.74	6,999.99	7,672.12	4,125.71
Contracts	27,759.91	43,187.49	46,488.83	41,515.29
Total Maintenance	72,494.87	98,539.98	96,486.99	86,681.40
General				
Insurance	19,822.01	19,819.98	17,333.97	15,249.64
Payment in Lieu of Tax	6,745.13	6,500.01	5,946.41	6,507.69
Employee Benefits	53,083.01	53,070.00	52,890.25	50,099.70
Collection Losses	0.00	2,100.00	0.00	0.00
Total General	79,650.15	81,489.99	76,170.63	72,017.46
TOTAL EXPENSE	269,994.28	316,078.82	288,932.25	257,994.12
Net Income/Loss	-129,403.22	-878.68	-58,837.49	-324,788.82



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**Brainerd South Operating Statement
 March, 2019**

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	YTD 2019	YTD 2019 Budget	YTD 2018	YTD 2017
Brainerd South Operating				
INCOME				
Dwelling Rental	-58,520.00	-57,519.99	-56,828.00	-58,398.00
Rental Supplement	-11,051.00	-10,862.49	-10,286.00	-11,747.00
Investment Interest	23.37	0.00	25.31	32.16
Other Income	-7,067.38	-7,987.50	-6,327.56	-7,512.50
Laundry Income	-1,740.25	-2,139.99	-1,834.25	-2,017.75
TOTAL INCOME	-78,355.26	-78,509.97	-75,348.07	-79,643.09
EXPENSE				
Administrative				
Legal	0.00	75.00	0.00	0.00
Accounting & Audit Fees	2,450.00	3,350.00	2,850.00	2,550.00
Sundry-Other Admin	11,156.28	12,317.52	10,633.61	10,969.49
Total Administration	13,606.28	15,742.52	13,483.61	13,519.49
Utilities				
Water	1,047.66	3,549.99	2,798.84	3,670.06
Electricity	614.84	1,374.99	1,840.25	1,461.59
Gas/Fuel	5,247.53	3,750.00	7,362.08	3,868.04
Total Utilities	6,910.03	8,674.98	12,001.17	8,999.69
Maintenance				
Labor	2,589.56	2,850.00	2,580.20	2,577.16
Materials	3,950.01	5,024.97	4,309.58	3,974.63
Contracts	11,129.08	18,737.49	15,742.60	11,967.07
Total Maintenance	17,668.65	26,612.46	22,632.38	18,518.86
General				
Insurance	7,998.52	8,379.99	7,685.20	7,179.63
Payment in Lieu of Tax	2,434.89	2,424.99	2,185.00	2,271.33
Employee Benefits	305.02	312.51	305.02	300.42
Total General	10,738.43	11,117.49	10,175.22	9,751.38
TOTAL EXPENSE	48,923.39	62,147.45	58,292.38	50,789.42
Net Income/Loss	-29,431.87	-16,362.52	-17,055.69	-28,853.67

Brainerd Housing Authority Payment Summary Report March 2019

Payment Date	Payment Number	Remit to Vendor	Total Check Amt
3/1/2019	596	Nick and Joe's Mow and Snow LLC	\$500.00
3/14/2019	597	Void	\$0.00
3/14/2019	598	Void	\$0.00
3/14/2019	599	Void	\$0.00
3/14/2019	600	Void	\$0.00
3/14/2019	601	Void	\$0.00
3/14/2019	602	Void	\$0.00
3/14/2019	603	Void	\$0.00
3/14/2019	604	Carrie Burrell	\$114.84
3/14/2019	605	Dudley Gangestad	\$48.72
3/14/2019	606	Jennifer Bergman	\$505.35
3/14/2019	607	John Schommer	\$160.30
3/14/2019	608	Nancy Thull	\$16.24
3/14/2019	609	Roberta Piekarski	\$6.67
3/14/2019	610	Ryan Barnett	\$72.50
3/28/2019	611	Roberta Piekarski	\$14.50
3/14/2019	1450	Minnesota State Retirement System	\$975.00
3/14/2019	1451	MN Dept of Revenue	\$1,355.93
3/14/2019	1452	Health Savings Accounts	\$1,099.34
3/14/2019	1453	Security Benefit	\$3,745.72
3/14/2019	1454	Electronic Federal Tax Payment System	\$7,449.70
3/15/2019	1455	EBSO	\$21,925.02
3/28/2019	1456	Minnesota State Retirement System	\$975.00
3/28/2019	1457	Electronic Federal Tax Payment System	\$7,529.36
3/28/2019	1458	MN Dept of Revenue	\$1,355.25
3/28/2019	1459	Health Savings Accounts	\$1,099.34
3/28/2019	1460	Security Benefit	\$3,771.92
3/14/2019	22330	Ace Hardware	\$11.68
3/14/2019	22331	AmeriPride Linen & Apparel Svcs	\$271.28
3/14/2019	22332	Birchdale Fire & Security LLP	\$960.00
3/14/2019	22333	Brainerd Public Utilities	\$11,279.17
3/14/2019	22334	CTCIT	\$500.00
3/14/2019	22335	CTC	\$2,495.67
3/14/2019	22336	Capital One Commercial	\$162.18
3/14/2019	22337	CliftonLarsonAllen LLP	\$22,600.00
3/14/2019	22338	College Drive Townhouses	\$2,845.14
3/14/2019	22339	Culligan	\$129.10
3/14/2019	22340	Dacotah Paper Co	\$426.79
3/14/2019	22341	Dearborn National	\$216.12
3/14/2019	22342	Duluth HRA	\$750.00
3/14/2019	22343	Void / Electronic Federal Tax Payment Sy	\$0.00
3/14/2019	22344	Handyman's, Inc.	\$33.60
3/14/2019	22345	HealthPartners	\$864.53
3/14/2019	22346	Hillyard / Hutchinson	\$200.13
3/14/2019	22347	Hirshfield's Inc.	\$169.43
3/14/2019	22348	Holden Electric Company Inc	\$484.20

Brainerd Housing Authority Payment Summary Report March 2019

Payment Date	Payment Number	Remit to Vendor	Total Check Amt
3/14/2019	22349	Life Insurance Company of North America	\$86.69
3/14/2019	22350	MN Elevator, Inc.	\$728.00
3/14/2019	22351	Marco, Inc.	\$1,561.88
3/14/2019	22352	Midwest Machinery Co	\$62.23
3/14/2019	22353	Mike Jones	\$58.58
3/14/2019	22354	Mike's Tree Company LLC	\$1,155.00
3/14/2019	22355	Nisswa Sanitation	\$2,412.24
3/14/2019	22356	Office Shop	\$770.64
3/14/2019	22357	Postmaster	\$225.00
3/14/2019	22358	Rental History Reports	\$125.00
3/14/2019	22359	Sun Life Financial	\$281.10
3/14/2019	22360	Synchrony Bank (Mills Fleet Farm)	\$61.49
3/14/2019	22361	Terry Quick	\$29.00
3/14/2019	22362	Trail Ridge Townhomes	\$173.00
3/14/2019	22363	Valley View Townhomes	\$2,507.00
3/14/2019	22364	Verizon Wireless	\$312.54
3/21/2019	22365	Bruce M. Hoyt	\$66.83
3/21/2019	22366	Jeremy L. Anderson	\$515.00
3/28/2019	22367	Adam's Pest Control, Inc.	\$180.00
3/28/2019	22368	Batteries Plus	\$33.44
3/28/2019	22369	Birchdale Fire & Security LLP	\$240.00
3/28/2019	22370	College Drive Townhouses	\$2,506.00
3/28/2019	22371	Cursor Control Inc.	\$1,500.00
3/28/2019	22372	Fyle's Jet Flush Pipe Cleaning	\$225.00
3/28/2019	22373	Green Lights Recycling Inc.	\$129.53
3/28/2019	22374	HRdirect	\$78.99
3/28/2019	22375	Hillyard / Hutchinson	\$58.43
3/28/2019	22376	MN Chapter NAHRO	\$3,600.00
3/28/2019	22377	MN Dept of Labor and Industry	\$10.00
3/28/2019	22378	Northland Fire Protection	\$570.25
3/28/2019	22379	Pike Plumbing & Heating, Inc	\$100.00
3/28/2019	22380	Roto-Rooter Sewer & Drain Service	\$170.00
3/28/2019	22381	Wells Fargo - CC	\$358.23
3/28/2019	22382	Wells Fargo - CC	\$100.64
3/28/2019	22383	Wells Fargo - CC	\$621.45
		Report Total	\$118,732.90



To: Brainerd HRA Board Members
From: Tania Eller, Rental Assistance Manager
Date: April 17, 2019
Re: HCV Programs Report

HCV Report

Please see the Attachment 6a. Our Unit Months Leased (UML) through March was 99% and HAP utilization through March was 26%.

Bridges Report

Please see Attachment 6b.

Family Self-Sufficiency (FSS) Report

Please see Attachment 6c.

No Action Requested; Discussion Items

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March Housing Choice Voucher Programs (HCV)

<u>Voucher Allocation</u>	320
March Move-ins	6
March Move-outs	2
March Vouchers - looking for housing	39
March Vouchers - first day of month	316
Average Vouchers to date	316
Unit Months Leased	99%
HAP Utilization through 3/31/19	26%
<u>Reasons For Leaving Program</u>	
Voluntarily Left	2
Terminated	0
Passed Away	0
<u>Payments</u>	
Housing Assistance Payment (HAP)	\$121,380
March HUD Administrative Fee	\$15,230
<u>Port Out Vouchers</u>	6
St. Cloud (1), Cass (1), Clay (1) Florida (1) Wadena (1) NW MN (1)	\$3,631
<u>Homeownership</u>	10
Homeownership HAP	\$4,130
<u>Annual Average Income</u>	\$13,506
<u>Length of Time on Program</u>	
< 1 year	24%
< 2 years	15%
< 3 years	7%
< 4 years	10%
< 5 years	5%
> 5 years	41%
<u>Demographics</u>	
Elderly Households	76
Disabled/Handicapped Households	154
Families with Children	149
<u>Waiting List Total</u>	230
Crow Wing County Preference	116
Non Preference	114

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Bridges Program for March 2019

Currently

- » Waiting list: 14
- » Tenants leased up in units: 13
- » Tenants in Shop Mode: 0
- » Participants issued a voucher & searching for a unit: 5
- » Notified: 2
- » Participants receiving HCV voucher: 0
- » Participants giving up Bridges voucher: 0

Tenants' Residing Counties

- » Cass County: 0
- » Morrison: 2
- » Aitkin: 1
- » Crow Wing: 10
- » Todd: 0
- » Wadena: 0

Total HAP payment: \$5,641.00

Family Self-Sufficiency Report for March 2019

Currently:

- » Active FSS participants: 24
- » Tenants going OFF for month: 2
- » Tenants going ON for month: 2
- » Tenants start ESCROWING: 0
- » Total number of FSS participants escrowing monthly: 9
- » Total amount of escrow: \$1,550.00
- » Total escrow: \$28,638.80

Summary:

We had one FSS participant graduate early from the program due to becoming over income and giving up her voucher. She received her escrow in the amount of \$5,060.38. She gained her RN degree and accepted a full-time position while on the program. Below is from an email she sent and wanted to share it with the Board.

"Thank you! I am very proud of myself. It was not an easy road that is for sure! I have been here for four months now and I am very happy in my position, which is why I accepted the position even with it being a longer drive. So, I do not see me leaving this position in the next six months. I think closing out would be the best option for me at this time. Thank you for all you have done & all the support you have shown me throughout the years."



To: Brainerd HRA Board Members
From: Shannon Fortune, Housing Manager
Date: April 17, 2019
Re: Public Housing Report

Vacancy Report for March 2019

Please see Attachment 7a.

Monthly Property Performance Report for March 2019

Please see Attachment 7b.

ROSS

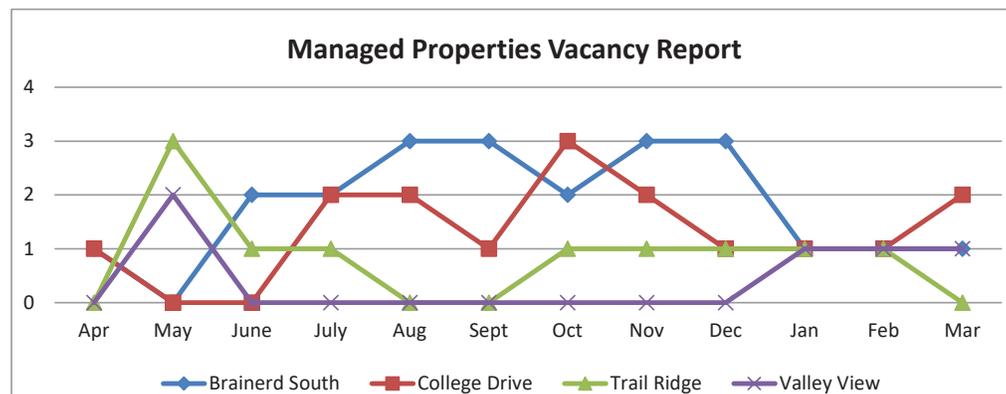
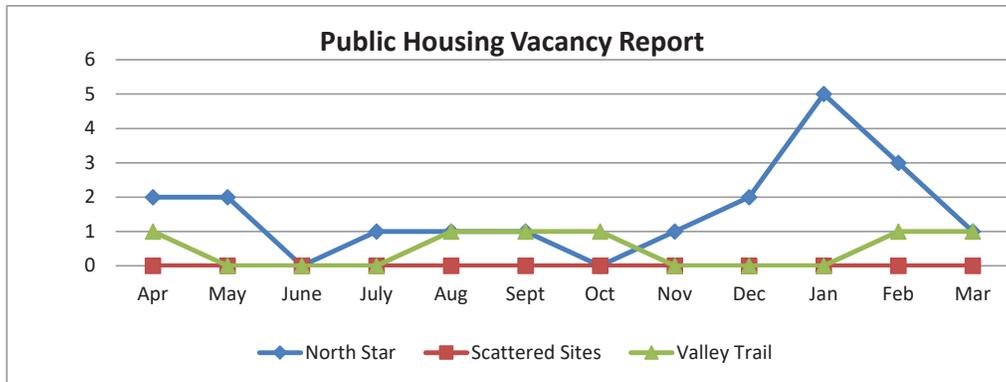
Interviews for the ROSS Service Coordinator will be completed by April 18th. A performance report for the period of 9/18/18 through 3/17/19 was submitted to close out the 3rd year of the FY15 ROSS grant. This report is less than a full 12 months because the FY18 funding started on 3/18/19. The report is attached.

No Action Requested; Discussion Items

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Brainerd HRA 2019 Vacancy Report

	Public Housing				Section 236 Brainerd South	Tax Credit - DW Jones		
	North Star	Scattered Sites	Valley Trail	Total PH Vac/%		College Drive	Trail Ridge	Valley View
# units	162	16	25	203	60	24	18	20
Jan 31 Jan %	5 3.09%	0 0.00%	0 0.00%	5 2.46%	1 1.67%	1 4.17%	1 5.56%	1 5.00%
Feb 28 Feb %	3 1.85%	0 0.00%	1 4.00%	4 1.97%	1 1.67%	1 4.17%	1 5.56%	1 5.00%
March 31 March %	1 0.62%	0 0.00%	1 4.00%	2 0.99%	1 1.67%	2 8.33%	0 0.00%	1 5.00%
April 30 April %	0 0.00%	0 0.00%	0 0.00%	0 0.00%	0 0.00%	0 0.00%	0 0.00%	0 0.00%
May 31 May %	0 0.00%	0 0.00%	0 0.00%	0 0.00%	0 0.00%	0 0.00%	0 0.00%	0 0.00%
June 30 June %	0 0.00%	0 0.00%	0 0.00%	0 0.00%	0 0.00%	0 0.00%	0 0.00%	0 0.00%
July 31 July %	0 0.00%	0 0.00%	0 0.00%	0 0.00%	0 0.00%	0 0.00%	0 0.00%	0 0.00%
Aug 31 Aug %	0 0.00%	0 0.00%	0 0.00%	0 0.00%	0 0.00%	0 0.00%	0 0.00%	0 0.00%
Sept 30 Sept %	0 0.00%	0 0.00%	0 0.00%	0 0.00%	0 0.00%	0 0.00%	0 0.00%	0 0.00%
Oct 31 Oct %	0 0.00%	0 0.00%	0 0.00%	0 0.00%	0 0.00%	0 0.00%	0 0.00%	0 0.00%
Nov 30 Nov %	0 0.00%	0 0.00%	0 0.00%	0 0.00%	0 0.00%	0 0.00%	0 0.00%	0 0.00%
Dec 31 Dec %	0 0.00%	0 0.00%	0 0.00%	0 0.00%	0 0.00%	0 0.00%	0 0.00%	0 0.00%
Total %	9 1.85%	0 0.00%	2 2.67%	11 1.81%	3 1.67%	4 5.56%	2 3.70%	3 5.00%



Brainerd Housing and Redevelopment Authority
Monthly Property Performance Report
April 2019

1. Property Narrative
2. Physical Occupancy

Unit Size	Total Units	Occupied Units	Mod Rehab	Make Ready	Vacant Units	Percent Occupied
North Star	162	161			1	99%
Valley Trail	25	24			1	96%
Scattered Sites	16	16			0	100%
TOTAL	203	201	0	0	2	99%

3. Customer Traffic

Applications Requested	32
Applications Placed on PH Wait List	19
Applications Denied on PH Wait List	6

4. Waiting List

Unit Size	# of Units	Total # on Wait List	Notified	Screening	Denied
1 bdrm	160	70	10	8	3
2 bdrm	14	39	0	0	0
3 bdrm	24	26	3	1	0
4 bdrm	5	0	3	1	0
TOTAL	203	135	16	10	3

5. Move-Ins and Move Outs

	This Month	Year-to-Date
Move-Ins	3	8
Move-Outs	1	3

6. Lists of Vacant Units and Unit Status

Unit	Unit Size	Anticipated Lease Date	Applicant Approved?
NS 708 - Show Room	1	n/a	n/a

NS 514	1	04/23/19	Yes
VT 613	4	04/01/19	Yes

7. Recertifications

Interim Recertifications	9
Annual Recertifications	2
Completed for this month	11

8. Annual Unit Inspections

Total units to be inspected this year	203
Number completed start of month	0
Number inspected for the month	0
Number completed year-to-date	0
Total left to be inspected this year	203
Have all building system inspections been completed?	No
If yes, please enter date	

9. Lease Enforcements

Lease warnings/violations issued	1
30-day lease terminations	1

10. Evictions

Resident	Reason	Summons Date	Judgment Action
None in March			

11. Non-Emergency Work Orders

Beginning Balance	0
Received	90
Closed	90
Ending Balance	0
Total Completed Work Orders for Year	203

	This Month	Year-to-Date
Requested	0	2
Completed within 24 hours	0	2
Percent completed within 24 hours	#DIV/0!	100%

13. Rent Collection

	This Month
Rent Charges	60,052
Other Charges	644
Total New Charges	60,696
Arrears, tenants in possession	547

Accounts Receivable

Current Tenant Accounts Receivable (Rent)	510
Current Rent Charges	60,052
Current Rent Collections	59,542
Accounts Receivable Rate	1%
Collection Rate	99%

Collections - Prior 12 Month Period

Prior Tenants Accounts Receivable (Rent)	3,744
Prior Rent Charges	720,147
Collection Rate	99%



To: Brainerd HRA Board Members
From: Jennifer Bergman, Executive Director
Date: April 18, 2019
Re: Executive Director Report

Staffing Changes

As you all know, Teresa Hettver accepted the Aitkin County executive director position and we are happy to report that Shannon Fortune has replaced Teresa as our new housing manager. Shannon and I conducted interviews for the ROSS coordinator and we expect to make an offer by the Board meeting. We will report on that at the meeting. In addition, Deanna Heglund, assistant director of the Crosby HRA, has announced that she will be retiring on May 31st. We restructured the position and are pleased to inform the Board that Mallory Smith from DW Jones has accepted the housing specialist position. She will begin her employment on April 29th. She will spend the first week working here at the Brainerd HRA to learn our processes and we will be implementing some of those at the Crosby HRA.

NAHRO Legislative Conference - DC

I attended the NAHRO Legislative Conference in Washington DC in April. It was a very productive conference. We had the opportunity to have sessions with the HUD leadership on both the Public Housing and Housing Choice Voucher programs. In addition, we spent a day on the Hill meeting with our delegation. I had the opportunity to meet Representative Stauber along with the executive director of the Itasca County HRA and Duluth HRA to discuss the importance of our programs.

Telecommunication Towers on the North Star

We continue to work with Verizon on their request to place a cell tower on the North Star. Since we have a lien against the property for the POHP program which is funded with GO bonds, we have to get permission from both Minnesota Housing and the office of Minnesota Management and Budget (MMB). We are awaiting their review of our request to enter into a lease with Verizon. In addition, we received a request from AT&T to do some upgrades to the equipment currently on the North Star. John Luce, our telecommunications coordinator, has been invaluable in these negotiations on our behalf.

River to Rail Incentives

The City Council will be holding a special meeting on Monday, April 29th at 7:30 p.m. to discuss an incentive package proposed by Bruce Buxton. Since Tax Increment Financing is one of the proposed tools, I would encourage the Brainerd HRA board members to attend this work session.

Opportunity Zone Training

Tyler Glenn from BLAEDC and I attended an Opportunity Zone training on April 17th. Although the training was more focused on the investor, I had the opportunity to connect with a couple of developers to discuss opportunities in Brainerd.

Creating a Performance Based Culture Training

I know several of you will be attending the Performance Based Culture Training sponsored by the City of Brainerd in April. All of our staff will be attending. For those who were not able to attend, I'd like to take a few minutes to share what we learned in this training at our Board meeting.

No Action Requested; Discussion Item

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To: Brainerd HRA Board Members
From: John Schommer, Rehab Coordinator
Date: March 18, 2019
Re: Rehab Update

DOWNTOWN BRAINERD SCDP

Address	Business	Commercial	Rental Units	Status
214 & 216 S. 8th St.	Last Turn	1	11	Complete
216 S. 7th St.	Bridge of Harmony	1		Complete
217 S. 7th St.	Downtown Mall	1	14	Complete
602 Laurel St.	Olde Open Window	1	6	Complete
605 Laurel St.	Northwind Grill	1	11	Complete
606 Laurel St.	Sage on Laurel	1	2	Complete
711-717 Laurel St.	LAMF, Cross Arts Alliance, Vaenn Har	1		Complete
719 Laurel St.	Purple Fern	1		Complete
704 Front St.	Iron Hill's Gun, Pawn & Antiques	1	1	Bidding
724 Laurel St.	Bob & Fran's Factory Direct	1		Bidding
Total		10	45	

NE Brainerd SCDP

- » 1 Commercial project is in work write-up
- » 9 Mixed-use units are in work write-up
- » 1 Owner-occupied project is in work write-up

Brainerd Revolving Loan Program

We are waiting on one interested property owner.

MHFA

- » 2 projects are in bid review
- » 1 application processing

BRAINERD OAKS/SERENE PINES

Development	Total	# Sold to Developer	# Sold to End Buyer	For Sale	In Construction
Brainerd Oaks	81*	28	23	3	3
Serene Pines	23	8	8	0	0
Dalmar Estates	0	0	0	0	0

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

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