



**Brainerd Housing and Redevelopment Authority**  
**BOARD MEETING MINUTES**  
**Wednesday, February 26, 2020**

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, February 26, 2020, at the Brainerd HRA Administrative Office, 324 East River Road, in Brainerd, Minnesota.

**1. CALL TO ORDER:** Secretary/Treasurer Charpentier called the meeting to order at 1:08 p.m

**2. ROLL CALL:**

**Board members present:** Commissioners Marlee Larson (via teleconference), Gabe Johnson, Patrick Wussow, and Eric Charpentier. **Others present:** Interim Executive Director/Finance Director Karen Young, Rental Assistance Manager Tania Eller, Rehab Coordinator John Schommer, and Executive Assistant LeAnn Goltz. **Absent:** Bekah Kent and Ashley Storm.

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

**Commissioner Charpentier moved to approve the minutes from the regular meeting on January 22 and special meeting on February 10, 2020. Commissioner Wussow seconded the motion. All commissioners voted in favor of the motion and none were opposed. The motion was approved.**

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

**5. NEW BUSINESS:**

**a. Approve Lease Subsidy Agreement with Loide' Oils & Vinegars Limited:** Loide' Oils & Vinegars Limited was a runner-up and the Brainerd HRA's contribution to this prize package was a lease subsidy for 50% of the rent or \$6,000, whichever is less, for one year. Loide' Oils & Vinegars Limited has chosen to locate their business at 617 Laurel Street owned by JJC Properties LLC. The rent is \$1,500 monthly and the lease began on January 17, 2020. The Brainerd HRA will provide a forgivable loan of up to \$6,000 at zero percent interest. The loan will be forgiven 20% per year and completely forgiven after five years. The Brainerd HRA will pay the subsidy directly to the property owner in the amount of \$500 per month beginning on March 1, 2020.

**Commissioner Wussow moved to adopt Resolution No. 2020-03 approving a loan agreement between the Housing and Redevelopment Authority in and for the City of Brainerd, Minnesota, and Loide' Oils & Vinegars Limited. Commissioner Charpentier seconded the motion. Via roll call voted, all commissioners were in favor and none were opposed. The motion was approved.**

**b. Designation of Official Depository:** Pursuant to Minnesota Statute 118A.02, the Brainerd HRA Board shall designate as a depository of its funds, one or more financial institutions. At this time, the official depository is Bremer Bank.

**Commissioner Charpentier moved to approve the designation of Bremer Bank as the official depository with Commissioner Larson seconding the motion. All commissioners were in favor and none were opposed. The motion was approved.**

- c. Approve Resolution No. 2020-04 Amending the Rental Payment Policy:** Currently, the Rental Payment Policy includes the statement, “We prefer not to accept cash for rental payments, but cash will not be refused. Other acceptable forms of payment are direct debit, personal checks, bank check, or money orders.” To reflect the no cash policy that went into effect on January 1st, 2020, staff recommended that the policy be amended to, “The Brainerd HRA does not accept cash for rental payments. Acceptable forms of payment are direct debit, personal checks, bank checks, or money orders.”

**Commissioner Wussow made a motion to approve Resolution No. 2020-04 Amending the Rental Payment Policy. Commissioner Charpentier seconded the motion. Via roll call, all commissioners voted in favor and none were opposed. The motion was approved.**

## 6. **BILLS AND COMMUNICATIONS**

- a. Financial Report:** Young provided the financial information for January 2020.

**Audit Schedule:** Auditors from CliftonLarsonAllen (CLA) were at our offices during the week of February 3<sup>rd</sup> for the Crow Wing County HRA audit. They were at our offices the following week of February 10<sup>th</sup> for the Brainerd HRA audit and Brainerd South compilation. Young reported that there were no findings. Mary will be at our March meeting to present the Brainerd HRA audit.

The Agency unaudited financial statements are due to the Real Estate Assessment Center (REAC) by February 28<sup>th</sup>, and the unaudited Brainerd South financial statements are due to REAC by March 31<sup>st</sup>.

**2020 Capital Fund Program (CFP) Award:** The 2020 CFP awards have been announced. Brainerd HRA was awarded \$379,530, which is an increase of almost 7% over last year and the most we have received for CFP. Staff is in the process of going out for bid on a significant public housing concrete project.

**Financial Statements:** Operating statements for the Bridges Program and housing rehab was included for review and will be included in all future packets.

**ASI TIF District Decertification:** The Brainerd HRA administered the City’s ASI Redevelopment TIF District which required decertification on 12/31/19. The City Council passed a resolution in February 2019 authorizing the decertification. The County did not receive the decertification in time to stop 2019 increment, so we collected July and December increment of \$5,886.02. A check was issued in December and this amount was remitted to the County along with the Confirmation of Decertification by the City.

**Commissioner Wussow made a motion for approval of payments as presented. Commissioner Charpentier seconded the motion. All commissioners voted in favor and none were opposed. The motion passed.**

- b. **HCV/Section 8:** Eller reported that the Unit Months Leased (UML) through January was 101% and HAP utilization through January was 8%.

**FYI Vouchers:** The request for seven vouchers was approved and is being forwarded to the Financial Management Division for processing.

**Shortfall Funding:** Lin Wang, from the Financial Management Division, confirmed the shortfall prevention team has submitted a request for an additional \$4,762 to cover our deficit in HAP from 2019.

- c. **Public Housing Report:** Fortune provided the Vacancy Report and Property Performance Report for January. She also reported that staff will soon be starting the notification, nomination, and resident-driven election process to fill the position of resident commissioner. The 30-day nomination window will be followed by a brief candidate questionnaire period and an election day will be scheduled for either late May or early June. The elected candidate can then be presented to the mayor for official appointment to the board. Warner has several initiatives going and currently has 11 participants in the ROSS Program.

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

**Executive Director Search:** Gary Weiers is continuing to stay in contact regarding the executive director search. The committee received an updated tentative timeline for the process restarting in May. We will continue to work through this process in the weeks to come.

**Workforce Housing Study:** The Workforce Housing Task Force met on January 23<sup>rd</sup> to discuss draft recommendations. Further revisions were suggested from the Task Force and an additional meeting is scheduled on February 27<sup>th</sup> to review the updates. The final study will be presented by Kristen Fish-Peterson from Redevelopment Resources at the March CWC HRA board meeting.

**Housing Trust Fund:** Staff presented the Housing Trust Fund Ordinance at the January 21<sup>st</sup> Committee of the Whole. The public hearing considering the adoption of the Ordinance Establishing a Housing Trust Fund in Crow Wing County took place yesterday, February 25<sup>th</sup> at 9:05 a.m. in the County Board Room. The County Board adopted the ordinance unanimously.

**Crow Wing Food Co-op:** Jennifer Jacquot-Devries, president of the Crow Wing Food Co-op Board, has asked about front loading the rent subsidy for the first four to six months of their lease, if possible, as they will have rent due on two locations while the buildout is happening at the new facility. They expect to sign their lease within the next three weeks and if everything stays on track would like to have the subsidy start April 1<sup>st</sup>. Staff will bring the loan agreement to the March or April meeting for the Board's approval.

**Resident Commissioner:** Section 3.9 of the Brainerd HRA Bylaws states, "Commissioners shall be expected to attend all meetings except with an excused absence. Any Commissioner who misses three consecutive meetings without an excused absence is considered to have resigned from the Board of Commissioners." Resident Commissioner Krista Brodal has been absent from the Brainerd HRA board meetings for more than three consecutive meetings. Pursuant to the bylaws, Ms. Brodal is officially considered to have resigned.

**Rehab Update:** Schommer reviewed his update and informed the Board that Level Contracting is interested in possible new developments in the area and will be attending a CWC HRA board meeting in the near future. Commissioner Wussow inquired about the outlot that the Brainerd HRA currently owns in Brainerd Oaks. He asked Schommer to follow up with the individual who was interested in it in the recent past.

**7. Commissioner Comments:** Commissioner Johnson informed the Board that Mayor Menk has resigned.

**8. Adjournment:**

**Commissioner Wussow made a motion to adjourn the meeting. Commissioner Charpentier seconded the motion. All commissioners voted in favor of the motion and none were opposed. The motion was approved and meeting was adjourned at 1:59 p.m.**