



Brainerd Board of Commissioners Meeting

Wednesday, September 28th @ 1:00pm

Brainerd City Hall Council Chambers & Via WebEx Conference

501 Laurel Street, Brainerd, MN 56401

Join from browser:

<https://brainerdhra.my.webex.com/brainerdhra.my/j.php?MTID=mc76e7b3682b88dca4ec0d0025ea5c97d>

Join by phone: 415-655-0001 / Meeting number (access code): 2557 495 8986 / Meeting password fpJv24j7eaZ

*"Our mission is to provide affordable housing and redevelopment opportunities
to strengthen our neighborhoods and community."*

AGENDA

- 1. CALL TO ORDER**
- 2. ROLL CALL**
- 3. PUBLIC HEARING: Approve Annual Plan and Adopt Resolution No. 2022-05 (Attachment 1) Pg. 3**
- 4. REVIEW AND APPROVE AGENDA**
- 5. READING AND APPROVAL OF MINUTES (Attachment 2) Pg. 66**
 - a. Approval of Minutes from Regular Board Meeting on August 24th, 2022**
- 6. UNFINISHED BUSINESS**
- 7. NEW BUSINESS**
 - a. Public Hearing: Proposed Sale of Lots to Lakes Area Habitat for Humanity (Attachment 3) Pg. 76**
 - b. HUD Payment Standard Increase (Attachment 4) Pg. 118**
 - c. Review and Approve the FSS Grant Renewal Submission to HUD (Attachment 5) Pg. 120**
- 8. BILLS & COMMUNICATIONS**
 - a. Financial Report (Attachment 6) Pg. 130**
 - b. HCV Report (Attachment 7) Pg. 158**
 - c. Housing Management Report (Attachment 8) Pg. 164**
 - d. Rehab Programs Report (Attachment 9) Pg. 170**
 - e. Executive Director Report (Attachment 10) Pg. 172**
- 9. COMMISSIONER COMMENTS**
- 10. NEXT MEETING: Wed. October 26th, 2022**
- 11. ADJOURN**

Gabe Johnson, Chair, term expiring 12/31/22
Rebekah Kent-Ehlebracht, Vice Chair, term expiring 12/31/23
Michael Duval, Secretary/Treasurer, term expiring 12/31/25
Marlee Larson, Commissioner, term expiring 12/31/24
Wayne Erickson, Commissioner, term expiring 12/31/25
Kevin Yeager, Commissioner, term expiring 12/31/22
Janet Decker, Resident Commissioner, term expiring 12/31/26

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Brainerd HRA BOARD MEETING MINUTES

Wednesday, August 24th, 2022 @ 1:00pm

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 in person at City Hall Council Chambers and via Webex video/teleconference at 1:00 p.m., Wednesday, August 24th, 2022.

1. **CALL TO ORDER:** Chair Johnson called the meeting to order at 1:00 p.m.
2. **ROLL CALL:** Present: Commissioners Gabe Johnson, Wayne Erickson, Kevin Yeager, Marlee Larson, Janet Decker, Michael Duval & Rebekah Kent-Ehlebracht.

Others present: Executive Director Eric Charpentier, Finance Director Karen Young, Housing Manager Shannon Fortune, Rental Assistance Manager Tania Eller, Rehab & Maintenance Director John Schommer, & Rehab Administrative Specialist Kristin Miller. Guests: Mikaela Huot, North Star Apartment Association (Webex) & Tad Johnson

3. **REVIEW AND APPROVE AGENDA:**
Agenda was amended to add 5a Unfinished Business

Moved and seconded by Commissioners Yeager and Kent-Ehlebracht to approve the amended agenda for the August 24th, 2022, board meeting. Through a vote all commissioners were in favor, and none were opposed. The agenda was approved.

4. **READING AND APPROVAL OF MINUTES:**
 - a. Approval of minutes from Regular Board Meeting on July 27th, 2022

Moved and seconded by Commissioners Larson and Kent-Ehlebracht to approve the minutes from the July 27th, 2022, board meeting. Through a vote, all commissioners were in favor, and none were opposed. The minutes were approved.

5. **UNFINISHED BUSINESS:**
 - a. TIF District Assessment

Background

The Brainerd HRA established Tax Increment Financing (TIF) Redevelopment District No. 1-1 (Downtown TIF Project) in 2005 that included property located at 410 S 6th in Brainerd, otherwise referred to as the SEH building. There are 4 parcels included within the development identified as follows:

- PID: 41241113
- PID: 41241112
- PID: 41241110
- PID: 41241111

There is a Minimum Assessment Agreement (the “Agreement”) in place that was entered into by the HRA and the investment group when the project was initially completed. Based on the terms of the Agreement, the current assessed value for the 4 parcels is \$2,562,100. The current assessed value of the property would generate approximately \$45,747 of tax increment revenues for taxes payable 2022. The Agreement also includes a provision that minimum annual taxable values include a 3% annual inflator.

The HRA issued a Tax Increment Revenue Note in 2005 in the principal amount of \$753,000 to facilitate redevelopment of the project site with the expectation that annual tax increment revenues generated from the new building would support annual debt service payments. The annual tax increment revenues generated by the project (approximately \$44-\$45k) are collected by the HRA for repayment of the TIF Revenue Note. It is our understanding that the tax increment generated by the development has not been sufficient to support repayment of the debt service and the HRA has been pledging a portion of its annual levy to support the annual shortfall (approximately \$12,000/annually plus additional accrued interest on the unpaid interfund loan).

Developer Request

Since the district was created, the current property owner has been considering a possible sale. The HRA was initially approached by the owner of the building with a perspective buyer in early 2022. At the time, the issue for the potential buyer had been agreeing to maintain the terms of the Assessment Agreement due to the higher tax level the minimum value was generating. The potential buyer had been willing to pay off the bonds outright with their financing package, allowing the HRA to continue collecting increment until the district decertifies as of December 31, 2031 to recoup all or a portion of the annual shortfall payments made in prior years.

Since initial conversations, the owner reached a purchase agreement with a perspective buyer and the property has now been sold. The buyer of the property has requested the Minimum Assessment Agreement be terminated between the HRA, County and property owner with the expectation that the taxable value and required property taxes would decrease.

At the time of sale, the buyer provided the HRA with a check for remaining debt payoff in the amount of \$266,000 (outstanding principal balance prior to August 1, 2022 debt payment). The check has remained in escrow to allow for analysis of the potential implications for early debt payoff and potential termination of the Assessment Agreement.

Financial Analysis

The remaining principal due on the obligation is \$266,000 prior to the August 1, 2022 payment. After the August 1 payment principal is made, the outstanding balance will be \$248,000. Additional interest will continue to accrue as the debt service principal remains unpaid and until the next payment date of February 1, 2023 (and continued semi-annual debt service payments). As of December 31, 2021, the HRA has an outstanding interfund loan amount of \$229,461 that includes both accrued interfund loan interest (\$69,505) and prior years’ annual shortfall payments pledging a portion of the annual HRA levy (\$159,956) to support debt service. The HRA allocated an approximate additional \$10,000 to make the August 1 principal and interest payments with an estimated fund balance close to \$169k as of December 31, 2022.

Should the Assessment Agreement be terminated, the County assessor’s office has estimated the current taxable value of the property would be closer to \$978,800 (\$154,200 land \$824,600 building values). For comparison purposes, assuming termination of the Assessment Agreement and the property being reassessed at the lower value, the estimated increment available would be approximately \$12,208 for 2023/2024, as opposed to an estimated increment of \$49,052 if the Agreement were to remain.

The table on the following page illustrates two scenarios the HRA may consider regarding the remaining terms of the TIF District and Assessment Agreement and recouping previous HRA funds that were used to support debt repayment. The underlying assumption is that the HRA would use the available tax increment revenues generated by the district to repay the HRA levy payments made in prior (and potential future) years. A summary of the scenarios is as follows:

Column 1: Assessment Agreement remains. Results in no changes to current terms including annual tax increment revenues, debt service payments and no cash payments from the buyer. Projected balance as of December 31, 2031 assuming HRA levy repayment only (and no additional accrued interest is accrued or paid) is estimated to be \$22,940.

Column 2: Assessment Agreement terminates. Results in reduction in taxable value based on initial information provided by County Assessor (Reduction from \$2.5M to \$978k taxable value), reduction in annual tax increment revenues, cash payment of \$266,000 from the buyer to pay outstanding principal as of July 1, 2022 – and prior to August 1 principal payment due of \$18,000 – and debt service paid in full as of 12/31/22. Projected balance as of December 31, 2031 assuming HRA levy repayment only (and no additional accrued interest is repaid) estimated to be \$12,201.

The projected fund balances as of December 31, 2031 when the tax increment district is required to be decertified and tax increment revenues will no longer be collected as estimated for the two scenarios is listed below:

Projected Balance as of 12/31/31	22,940	12,201
Plus Unpaid Interfund Loan Interest *	(181,600)	(143,238)
Total Outstanding Liability with Interest	(158,661)	(131,037)
* included within unpaid interfund loan interest		

If we were to compare the projected ending fund balance if the Assessment Agreement were to remain over the life of the district and the interfund loan interest is not paid, the projected fund balance would be \$22,940 and \$(166,063), respectively, with the inclusion of unpaid accrued interest on the annual HRA levy shortfall payments. Assuming a similar calculation but the Agreement terminates with the \$266,000 buyer payment for full payoff of the TIF obligation, the projected fund balance would be \$12,201 and \$(133,155),

	Assessment Agreement Remains	Assessment Agreement Terminates
Current Taxable Value	2,562,100	978,800
Current Tax Capacity	50,492	18,826
Base Tax Capacity	7,298	7,298
	43,194	11,528
Frozen Tax Rate	105.910%	105.910%
Annual Increment	45,747	12,209
Future Increment (Collection 2022-2031)	536,913	209,297
Developer Payment for Bond Payoff	-	266,000
Future Debt Payments (2022-2031)	(354,018)	(303,140)
Future Interfund Loan Interest Payments *	-	-
Subtotal Future Activities	182,895	172,157
Prior Years Shortfall Levy Supplement	(159,956)	(159,956)
Prior Years Interfund Loan Interest *	-	-
Outstanding Liabilities	(159,956)	(159,956)
Projected Balance as of 12/31/31	22,940	12,201
Plus Unpaid Interfund Loan Interest *	(181,600)	(143,238)
Total Outstanding Liability with Interest	(158,661)	(131,037)
* included within unpaid interfund loan interest		

respectively, with the inclusion of unpaid accrued interest on the annual HRA levy shortfall payments. The table below provides additional details on the calculations:

Included with the above and potential additional options the HRA may consider include the following:

- 1) Do nothing (do not accept payment of \$266,000 and terms of agreement remain)
 - a. (Column 1)
- 2) Terminate Assessment Agreement and accept payment of \$266,000 with nothing further
 - a. (Column 2)
- 3) Terminate Assessment Agreement, accept payment and request additional payment to offset future estimated difference in outstanding balance
- 4) Modify Assessment Agreement to reflect taxable value that allows for full repayment of HRA levy payments made for annual shortfalls
- 5) Terminate Assessment Agreement, accept payment of \$266,000 and include annual shortfall payment provisions in the event annual tax increments received are less than what is required to repay HRA levy payments made for annual shortfalls.

Not directly calculated within the analysis but a contributing factor to the difference in projected ending fund balances between the 2 scenarios with termination of the Agreement is the relief of the HRA's levy contribution of up to \$12,000 per year through 2027. Assuming the Agreement is terminated and the HRA accepts the developer's payment, the debt will be paid in full with no further obligation to allocate a portion of the future levies to make debt service payments. With the Assessment Agreement terminating, the HRA will be able to collect all future tax increments generated by the District to repay the interfund loan obligations (annual levy shortfall payments plus unpaid accrued interest) over the remaining life through December 31, 2031. Subject to actual collection of tax increment revenues over the remaining 9 years, the outstanding combined interfund loan balance (levy shortfall payments plus unpaid accrued interest) is projected to be less with termination of the Agreement as compared to the Agreement remaining.

Thank you for the opportunity to be of assistance to the Brainerd HRA. Please contact me at 651-368-2533 or mikaela.huot@bakertilly.com with any questions or to discuss.

6. NEW BUSINESS:

a. 2023 Preliminary General Fund Budget Filing with the City of Brainerd

For the August board meeting each year, staff is directed to prepare a letter to the Mayor and City requesting the full HRA levy of .0185 percent of the estimated market value.

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

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

Commissioner Kent-Ehlebracht made a motion to Authorize staff to file the attached General Fund budget with the City. Commissioner Erickson seconded the motion. Through a vote, all commissioners were in favor, and none were opposed. The motion was approved.

7. **BILLS & COMMUNICATIONS:**

a. **Financial Report:**

Young presented the Financial Reports and supporting information.

General Fund Tax Levy

Reflected in the July General Fund Financial Statements is the deposit of \$26,898.90 in Property Tax Revenue (levy) for total first half deposits of \$78,109.01. The total levy amount for 2022 is \$147,996. The second half property tax settlement will be in December.

CWC HRA Budget

The 2023 budget for CWC HRA was presented to the CWC HRA Board at their August 4th meeting. The CWC HRA Commissioners approved the budget option with a total levy request of \$748,320. This is a levy increase of \$18,820 (2.58%) with the intent to fund the Housing Trust Fund at the same level for another year and to fund increasing operating costs. The management fee amount to the Brainerd HRA for the Shared Services Agreement was increased by 8.5% to cover estimated increases to wages, benefits, and over-head costs.

Sales Tax Refund

In July we received a \$35,490.47 Sales Tax Refund primarily for sales tax paid on the North Star boiler project and also flooring materials. Under MN Statute we are allowed to file for a sales tax refund for construction materials purchased by our contractors for qualified low-income housing projects.

Commissioner Duval moved to approve the payments as presented. Commissioner Larson seconded the motion. All commissioners voted in favor of the motion, and none were opposed. The motion carried.

b. **HCV Report:**

Eller presented HCV reports and supporting information.

HCV Report

Please see the attached reports.

Our Unit Months Leased (UML) through July is 96% and HAP utilization through July is 51%.

HUD has released new guidance on the use of HCV administrative fees to include housing search activities. We are working with Penmac Staffing to hire a Housing Coordinator to provide housing search assistance. This is currently a temporary position with the goal of helping increase our voucher utilization.

Bridges Report

Please see the attached report.

We have 8 families on our program with a monthly HAP payment of \$3,498.

Family Self-Sufficiency (FSS) Report

Please see the attached report.

We have 31 families on our program. We have 14 families currently escrowing a total of \$4,956 per month.

HUD has released the NOFO for the FSS grant. Due October 3rd. The grant funds the salary and benefits of the FSS Coordinator.

Foster Youth Initiative (FYI) Report

Please see the attached report.

We have 2 families leased up with a total HAP payment of \$480.

Per HUD regulation, we have returned two of our four FYI vouchers. The two returned were not being utilized, and we did not have any youth identified to use them. HUD has accepted these vouchers back effective January 1, 2022. This will decrease our total vouchers from 324 to 322 for 2022 and should help us with our overall utilization since these two were not filled.

c. Housing Management Report:

Fortune presented her reports and supporting documents.

Vacancy Report for July 2022 Report was presented.

Monthly Property Performance Report for July 2022 Report was presented.

Section 3 Program Compliance

HUD has recently updated their guidance related to compliance with Section 3 requirements. For background information, Section 3 is the provision of the Housing and Urban Development Act of 1968 that directs employment and contracting opportunities to low and very low income communities. (See attached brochure for more detailed information.) Housing Authorities are required to document their Section 3 related efforts, either quantitatively or qualitatively. We will be providing periodic updates to the Board on our outreach and compliance activities.

Initial efforts to encourage Section 3 participation include the following initiatives:

- Section 3 brochures are included with all HCV briefing packets & Public Housing new move-in folders
- New FSS and ROSS program enrollees will be given information related to the Section 3 program with an opportunity to opt-in for additional follow-up and resources on how they may benefit from participation.
- Job opportunities from Section 3 participating vendors are being posted on the ROSS bulletin board in the North Star building.
- Section 3 information is featured as a slide in the presentation of useful notifications being played on a display monitor in the community lounge area in the North Star building.
- Section 3 information has been uploaded to our website and will be featured in upcoming posts in our Facebook pages.
- Staff from HCV, Public Housing, ROSS, and Finance plan to meet quarterly to continue brainstorming ways to increase program awareness and evaluating the efficacy of previous efforts.

Revenue Recapture Program Audit

An audit of the Minnesota Revenue Recapture program has been concluded and we are pleased to report that we did well. Our auditor reviewed 5 current claims in detail, our notification letter formats, and our internal processes related to oversight of the program. As a result, we modified our notification letter and made some adjustments to increase in-office efficiency and tracking. As a

point of interest, so far in 2022 we have intercepted \$19,357.37 through our participation in the Revenue Recapture program.

ROSS Program Updates

- 11 active participants in the ROSS program; 1 newly enrolled participants; 0 exited participants.
- 5 new contact with non-enrolled residents for more limited resource/referral work.
- Food Program Participation
 - SNAP Food Boxes: 27 residents; shelf-stable box; elderly tenants only.
- Activities Recap:
 - 15 residents participated in the “Let’s Ask Law Enforcement” presentation hosted in conjunction with 2 officers from Brainerd Police Department.
- Facebook Stats:
 - ROSS Facebook page posts are temporarily on hold while we strategize on our goals for this platform.

North Star Furniture Replacement Project

Replacement furniture for the 1st floor waiting area and the 2nd floor community lounge space arrived and was installed. We have received quite a few positive comments from tenants in the building.



d. Rehab Programs Report:

Schommer presented his reports and supporting information.

Emily SCDP

9 Owner occupied projects complete

1 Scheduling Final Walk through for the morning of 8/24/22

Garrison SCDP (Owner-Occupied/Commercial Rehab)

1 Scheduling Final Walk through for the morning of 8/23/22

1 Owner Occupied Rehab project bid

1 Owner Occupied Application being delivered

1 Commercial Rehab received contractor list ready to bid

4 Commercial Application in collection of documents

Jenkins SCDP (Owner-Occupied)

1 Owner Occupied Rehab out for Bidding

1 Owner Occupied Rehab Scope of Work Write-up Process

2 Owner Occupied Rehab Applications mailed

MHFA

4 Projects are in construction

1 Project is out for bid

3 Completed Paperwork Signing

2 Applications are in process

Housing Trust Fund

1 Down Payment Assistance Closed 7/7/22

1 Owner Occupied Rehab Paperwork Signed 7/27/22

3 Owner Occupied Rehab Out for Bidding

1 Owner Occupied Rehab Application in Review (Collecting documents)

1 Rental Rehab Application in Review (Collecting documents)

Brainerd Oaks/Serene Pines/Dalmar Estates

5 lots selling May 18th 2-Brainerd Oaks & 3 Serene Pines

Development	Total	# Sold to Developer	# Sold to End Buyer	For Sale	In Construction
Brainerd Oaks	81*	64	57	0	9
Serene Pines	23	16	16	1	0
Dalmar Estates	7	3	1	0	2

**Originally 83 lots, 2 have been merged/combined into a single parcel*

e. Executive Director Report:

Charpentier presented his reports and supporting information.

Tax Forfeit Property Purchase

On August 15th, the Brainerd City Council agreed to not recertify the nuisance assessments on the 3 parcel ID #'s 41250768, 41191554 & 41191555. Further, the City Council has agreed to satisfy the outstanding mortgage on parcel ID 41250768 in the amount of \$12,000, from a previous CDBG loan on the property. With this action taken now we will schedule a public hearing for our September meeting regarding the proposed sale of these parcels through the Tax Forfeit Property Policy to Lakes Area Habitat for Humanity.

Redevelopment Opportunities

The former Thrifty White building is scheduled to be purchased on 8/22 by an interested developer. We are working with the developer to offer insights on financing that is available should they move forward with their redevelopment plans. This would potentially include partial funding through the Crow Wing County Housing Trust Fund. This is an exciting opportunity for the downtown district and for the City as a whole.

Presentation to Sertoma Group

I was given the opportunity to speak to the noon Sertoma group on August 10th. It is always a pleasure to speak to our service organizations to give them insight into our programs and what it is that we do here. A staff member from Habitat for Humanity that is in the Sertoma group reached out to me with this opportunity.

Update on Downtown TIF District

We have been working with our financial advisors at Baker Tilly to analyze the financial implications of accepting the bond payment from the purchase of the building located at 416 S 6th St in lieu of terminating the property tax assessment agreement that the HRA holds on the property. The HRA has been supplementing the shortfall on our bond payments via our general fund levy dollars since 2005 with the goal of being paid back throughout the life of the district which expires in 2031. We spoke with our advisors on 8/18 as we had some questions for them regarding their analysis on the draft report that they had prepared for us. The advisors are still waiting for some information from the County Assessor's office before finalizing their report and analysis. We will be setting up a

meeting between the purchaser, our financial advisors, and staff to discuss possible options to address any shortfalls prior to bringing this back to the board with a recommendation.

September Meeting Location

Staff is wondering if we could schedule an upcoming board meeting in our office on East River Road and allow for time after the meeting to give a tour of our Northstar Apartment building for those commissioners that would be interested. We would like to show the board the boiler and water heater system that was installed last year as well as upgrades to our laundry room facility and community space on the 2nd floor. If the board agrees, I would suggest we move the September board meeting to our office and plan on going on a quick tour of the building.

8. Commissioner Comments: None at this time

Gabe Johnson – Applications are available for the Main Street Revitalization Grant Program.

Rebekah Kent-Ehlebracht

Michael Duval

Marlee Larson

Wayne Erickson – Sending a big thank you to staff!

Kevin Yeager

Janet Decker

9. ADJOURN:

Commissioner Duval made a motion to adjourn the meeting. Commissioner Erickson seconded the motion. All commissioners voted in favor of the motion, and none were opposed. The motion was approved, and meeting was adjourned at 2:08 p.m.

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To: Brainerd HRA Board Members

From: Kristin Miller, Rehab Administrative Specialist

Date: September 19, 2022

Re: Public Hearing and Approval of Resolution 2022-06 Approving the Purchase and Development Agreement for sale of a Tax Forfeited lot(s) to Lakes Area Habitat for Humanity

The board previously approved LAHFH (Lakes Area Habitat for Humanity), a local non-profit organization, acquiring tax forfeited tract(s) through our tax forfeited property policy. In order to sell the properties, we are required to hold a public hearing to allow comments from the public. A Notice of Public Hearing was published in the Brainerd Dispatch on September 10th (see Attachment Notice).

Attachment is the Purchase and Development Agreement and Resolution 2022-06 approving the Purchase and Development Agreement between the Brainerd HRA and LAHFH for the Board's review and approval.

Action Requested: Hold a public hearing regarding the sale of tax forfeited parcel(s) to Lakes Area Habitat for Humanity and approve Resolution No. 2022-06 allowing staff to execute a Purchase and Development Agreement with Lakes Area Habitat for Humanity for the sale of this parcel(s).

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NOTICE OF PUBLIC HEARING

HOUSING AND REDEVELOPMENT AUTHORITY IN AND FOR THE CITY OF BRAINERD, MINNESOTA

NOTICE IS HEREBY GIVEN that the Board of Commissioners (the “Board”) of the Housing and Redevelopment Authority in and for the City of Brainerd, Minnesota (the “HRA”), will hold a public hearing on Wednesday, September 28, 2022, at or after 1:00 P.M. at the Brainerd City Hall, 501 Laurel Street, Brainerd, Minnesota, to consider a proposal for the conveyance of land located in the City of Brainerd in Crow Wing County, Minnesota and legally described as follows: Lot 7 Block 20, Farrar & Forsyth’s 1st Addition to Brainerd; Lot 8 Block 20, Farrar & Forsyth’s 1st Addition to Brainerd; and Lots 15 & 16 Block 7, 2nd Addition to Brainerd, according to the recorded plat thereof on file in the office of the County Recorder in and for Crow Wing County, Minnesota.

The proposed terms of the conveyance are available for review by the public at the office of the Executive Director of the HRA on and after the date of this notice.

At the time and place fixed for the public hearing, the Board will give all persons who appear at the hearing an opportunity to express their views with respect to the proposal. PLEASE NOTE, due to COVID-19, the public hearing will be conducted in person and virtually via Webex video/teleconference, an interactive technology, as allowed under Minnesota Statutes, Section 13D.021. Interested persons may attend the public hearing virtually by using the following instructions and all such persons shall be given an opportunity to express their views. To attend the public hearing via interactive technology, visit <http://brainerdhra.org/resources/> for Webex information, including the Webex link, access code, and password. In addition, interested persons may direct any questions or file written comments respecting the proposal with the Executive Director of the HRA, at or prior to said public hearing.

Dated: [date of publication]

BY ORDER OF THE BOARD OF
COMMISSIONERS OF THE HOUSING AND
REDEVELOPMENT AUTHORITY IN AND
FOR THE CITY OF BRAINERD, MINNESOTA

/s/ Eric Charpentier _____
Executive Director

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324 East River Road
Brainerd, MN 56401

Phone: 218/828-3705
Fax: 218/828-8817

Application to Acquire Tax Forfeited Property

GENERAL INFORMATION

Business Name: Lakes Area Habitat for Humanity
 Address: PO Box 234, Brainerd, MN 56401
 Type (Partnership): _____
 Authorized Representative: Kevin Felkey
 Description of Business: Affordable Home ownership

 Previous experience with this type of development: 30+ years in the
Brainerd Area

PROPERTY INFORMATION

Tract Number(s) 41191555 & 41191554
 Do any of the tracts contain occupied buildings? No
 Acquisition price of property _____

PROJECT INFORMATION

Tax forfeited properties may only be purchased through the Brainerd HRA if they eliminate blight or for the construction of affordable housing.



Will the project eliminate blight? Yes ☒ No ☐

If yes, please explain how. Include pictures with your explanation.

Home Demolition in 2020

Does the proposed project include the construction of "affordable" housing (115% of AMI)?

Yes ☒ No ☐

Description of the Proposed Project: New home (either 2, 3 or 4 bedroom home depending on family selection for a build in 2023)

Will there be relocation as part of the project? No

Who will be responsible for improvements and maintenance after closing?

Name Kevin Pelley

Phone 218-828-8517

Email Kevin.pelley@lakescreekhabitat.org

Will all improvements be complete within 12 months after closing? Permit will be pulled but construction will take longer (completed by end of 2023)

PLEASE INCLUDE:

1. Plans and drawing of project
2. Print out of each tract from Crow Wing County tax forfeit list
3. Maintenance and holding cost fee of \$1,000 payable to Brainerd HRA
4. Non-refundable administrative fee of \$500 payable to Brainerd HRA

SIGNATURE

Applicant's signature:

Kevin Pelley

Date:

5-12-22





 LAKES AREA HABITAT FOR HUMANITY PO BOX 234 BRAINERD, MN 56401 (218) 828-8517	BREMER BANK, N.A. BRAINERD OFFICE PO BOX 687 (218) 829-8781 BRAINERD, MN 56401 75-1041/980	23421
PAY TO THE ORDER OF <u>BRAINERD HRA</u>		<u>5-4-22</u>
<u>One thousand five hundred & ¹⁰/₁₀₀</u>		\$ <u>1,500.00</u>
MEMO <u>506 1st AVE NE</u>		 AUTHORIZED SIGNATURE
⑈023421⑈ ⑈096010415⑈ 0600⑈5208⑈		

Photo Safe Deposit
Details on Back

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Parcel

Assessment Year:	2022
Pay Year:	2023
Property Address:	504 1ST AVE NE
City:	BRAINERD
State:	MN
Zip:	56401
Multiple Addresses:	No
Owner Mailing:	CROW WING COUNTY LAND SERVICES
Mailing City:	322 LAUREL ST STE 15
Legacy Parcel ID:	091280200070009
Market NBHD:	09_NERES - BRAINERD-NE RESIDENTIAL
Class:	960 - 5E TAX FORFEITURE NOT REPORTED
Lake:	
Deeded Acres:	0
Plat:	09128 - FARRAR AND FORSYTH'S FIRST ADDITION TO B
Lot:	007
Block:	020
Section-Twp-Range:	19 - 045 - 030
Tax District:	41100 - 41 - CITY OF BRAINERD
Town/City:	010200 - CITY OF BRAINERD
School District:	020181 - BRAINERD
Fire District:	
Rural Service:	
Watershed:	
Sewer District:	
Hospital:	
HRA:	080110 – BRAINERD HRA
Commissioner District:	3
TIF Project #:	-

Values

Tax Market Value:	0
Estimated Market Value:	8,500
Ref Market Value:	
New Construction Value:	0

Parcel Status

In Forfeiture:	No
Escrow Company:	
ACH:	No
Delinquent	No
Homestead	N – Non-Homestead
Relative	

Legal

Plat Name:	
FARRAR AND FORSYTH'S FIRST ADDITION TO B	LOT 7 BLOCK 20

Sales

Sale Date	Sale Price	Instr. Type	CRV #	Grantor/Seller	Grantee/Buyer
10/23/2003		OTH	CO030226		PETERSON, SHIRLEY L V
10/06/1997		OTH	0502588		PETERSON, SHIRLEY L V
01/01/1800		OTH			TAX FORFEITED

Instrument Type:	OTHER TYPE OF TRANSFER
Grantor/Seller:	
Grantee/Buyer:	PETERSON, SHIRLEY L V
Instrument/Sale Date:	10/23/2003
Transfer Date:	10/23/2003
Recorded Date:	11/12/2003
Improved/Vacant:	-
State Validity Code:	-
Sale Property Use:	-
CRV #:	CO030226
Old Document Number:	
Total Sale Price:	
# of Pcls:	
Adjusted Sale Price:	

Land Summary

Line	Class	Rec #	Code	Land Description	Square Feet	Acres	Land Type	Value
2		1	HGHOPN	HIGH OPEN/MEADOW/PASTURE	6,970	.16	A – ACREAGE	8,500
Total:						.16		8,500

Land

Line:	2
Class:	
Rec #	1
Land Type:	A – ACREAGE
Land Code:	HGHOPN
Square Feet:	6,970
Acres:	.16
Land Value:	8,500
Frontage:	
Depth:	
Influence 1:	
Influence 2:	
Influence 3:	
Influence 4:	

Green Acres/Rural Preserve

Land Program:	
Total Land Program EMV	0
Tillable Land	0
Land Program Tillable	.00
Acres	.00
Tillable Acres	.00
Land Program Tillable Acres	.00

Values shown effective as of: September 07, 2022



Sorry, no sketch available
for this record

Item	Area
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Parcel

Assessment Year:	2022
Pay Year:	2023
Property Address:	506 1ST AVE NE
City:	BRAINERD
State:	MN
Zip:	56401
Multiple Addresses:	No
Owner Mailing:	CROW WING COUNTY LAND SERVICES
Mailing City:	322 LAUREL ST STE 15
Legacy Parcel ID:	091280200080009
Market NBHD:	09_NERES - BRAINERD-NE RESIDENTIAL
Class:	960 - 5E TAX FORFEITURE NOT REPORTED
Lake:	
Deeded Acres:	0
Plat:	09128 - FARRAR AND FORSYTH'S FIRST ADDITION TO B
Lot:	008
Block:	020
Section-Twp-Range:	19 - 045 - 030
Tax District:	41100 - 41 - CITY OF BRAINERD
Town/City:	010200 - CITY OF BRAINERD
School District:	020181 - BRAINERD
Fire District:	
Rural Service:	
Watershed:	
Sewer District:	
Hospital:	
HRA:	080110 – BRAINERD HRA
Commissioner District:	3
TIF Project #:	-

Values

Tax Market Value:	0
Estimated Market Value:	8,500
Ref Market Value:	
New Construction Value:	0

Parcel Status

In Forfeiture:	No
Escrow Company:	
ACH:	No
Delinquent	No
Homestead	N – Non-Homestead
Relative	

Legal

Plat Name:	
FARRAR AND FORSYTH'S FIRST ADDITION TO B	LOT 8 BLOCK 20

Sales

Sale Date	Sale Price	Instr. Type	CRV #	Grantor/Seller	Grantee/Buyer
04/17/1998		OTH	982390		PETERSON, SHIRLEY L V
10/06/1997		OTH	0502588		PETERSON, SHIRLEY L V

Sale Details

Brainerd HRA Board Packet ~ Wednesday, September 26th 2022

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1 of 2

Instrument Type:	OTHER TYPE OF TRANSFER
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Grantor/Seller: PETERSON, SHIRLEY L V
 Grantee/Buyer:
 Instrument/Sale Date: 04/17/1998
 Transfer Date: 04/17/1998
 Recorded Date: 04/17/1998
 Improved/Vacant: -
 State Validity Code: -
 Sale Property Use: -
 CRV #: 982390
 Old Document Number:
 Total Sale Price:
 # of Pcls:
 Adjusted Sale Price:

Land Summary

Line	Class	Rec #	Code	Land Description	Square Feet	Acres	Land Type	Value
1		1	HGHOPN	HIGH OPEN/MEADOW/PASTURE	6,970	.16	A – ACREAGE	8,500
Total:						.16		8,500

Land

Line: 1
 Class:
 Rec #: 1
 Land Type: A – ACREAGE
 Land Code: HGHOPN
 Square Feet: 6,970
 Acres: .16
 Land Value: 8,500
 Frontage:
 Depth:
 Influence 1:
 Influence 2:
 Influence 3:
 Influence 4:

Green Acres/Rural Preserve

Land Program:
 Total Land Program EMV: 0
 Tillable Land: 0
 Land Program Tillable: .00
 Acres: .00
 Tillable Acres: .00
 Land Program Tillable Acres: .00

Values shown effective as of: September 07, 2022



Sorry, no sketch available
for this record

Item	Area



Direct Sale to Brainerd HRA Tract 118-20

These data are provided on an "AS-IS" basis, without warranty of any type, expressed or implied, including but not limited to any warranty as to their performance, merchantability, or fitness for any particular purpose.

Brainerd HRA Board Packet ~ Wednesday, September 26th 2022

Date: 7/5/2022 Time: 11:17:33 AM



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324 East River Road
Brainerd, MN 56401

Phone: 218/828-3705
Fax: 218/828-8817

Application to Acquire Tax Forfeited Property

GENERAL INFORMATION

Business Name: Lakes Area Habitat for Humanity

Address: PO Box 234, Brainerd, MN 56401

Type (Partnership): _____

Authorized Representative: Kevin Pelkey

Description of Business: Affordable Home ownership

Previous experience with this type of development: 30+ years in Brainerd Area

PROPERTY INFORMATION

Tract Number(s) 41250768

Do any of the tracts contain occupied buildings? No

Acquisition price of property _____

PROJECT INFORMATION

Tax forfeited properties may only be purchased through the Brainerd HRA if they eliminate blight or for the construction of affordable housing.



Will the project eliminate blight? Yes ☒ No ☐

If yes, please explain how. Include pictures with your explanation.

Demolition of house in 2020

Does the proposed project include the construction of "affordable" housing (115% of AMI)?

Yes ☒ No ☐

Description of the Proposed Project: New Home (either 2,3 or 4 bedroom home depending on family selection) for a build in 2023

Will there be relocation as part of the project? No

Who will be responsible for improvements and maintenance after closing?

Name Kenn Pelkey

Phone 218-828-8517

Email Kenn.pelkey@lakesarea-habitat.org

Will all improvements be complete within 12 months after closing? Permit will be pulled but construction will take longer (completed by end of 2023)

PLEASE INCLUDE:

1. Plans and drawing of project
2. Print out of each tract from Crow Wing County tax forfeit list
3. Maintenance and holding cost fee of \$1,000 payable to Brainerd HRA
4. Non-refundable administrative fee of \$500 payable to Brainerd HRA

SIGNATURE

Applicant's signature:



Date:

5-12-22





	LAKES AREA HABITAT FOR HUMANITY PO BOX 234 BRAINERD, MN 56401 (218) 828-8517	BREMER BANK, N.A. BRAINERD OFFICE PO BOX 687 (218) 829-8781 BRAINERD, MN 56401 75-1041/960	23422
PAY TO THE ORDER OF <u>BRAINERD HRA</u>		<u>54-22</u>	
<u>One thousand five hundred & ^{NO}/₁₀₀</u>		\$ <u>1,500.00</u>	
MEMO <u>1108 OAK ST.</u>		 AUTHENTICATED SIGNATURE	
⑈023422⑈ ⑆096010415⑆ 0600⑈5208⑈			

Photo Safe Deposit®

Details on Back.

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Parcel

Assessment Year:	2022
Pay Year:	2023
Property Address:	1108 OAK ST
City:	BRAINERD
State:	MN
Zip:	56401
Multiple Addresses:	No
Owner Mailing:	CROW WING COUNTY LAND SERVICES
Mailing City:	322 LAUREL ST STE 15
Legacy Parcel ID:	09174007015Z009
Market NBHD:	09_SERES - BRAINERD-SE RESIDENTIAL
Class:	960 - 5E TAX FORFEITURE NOT REPORTED
Lake:	
Deeded Acres:	0
Plat:	09174 - SECOND ADDITION TO BRAINERD
Lot:	15
Block:	7
Section-Twp-Range:	25 - 045 - 031
Tax District:	41100 - 41 - CITY OF BRAINERD
Town/City:	010200 - CITY OF BRAINERD
School District:	020181 - BRAINERD
Fire District:	
Rural Service:	
Watershed:	
Sewer District:	
Hospital:	
HRA:	080110 – BRAINERD HRA
Commissioner District:	3
TIF Project #:	-

Values

Tax Market Value:	0
Estimated Market Value:	12,600
Ref Market Value:	
New Construction Value:	0

Parcel Status

In Forfeiture:	No
Escrow Company:	
ACH:	No
Delinquent	No
Homestead	N – Non-Homestead
Relative	

Legal

Plat Name:	
SECOND ADDITION TO BRAINERD	LOTS 15 & 16 BLOCK 7

Sales

Sale Date	Sale Price	Instr. Type	CRV #	Grantor/Seller	Grantee/Buyer
07/23/1999		OTH	955010		ERICKSON, YVONNE L
01/01/1800		OTH			TAX FORFEITED

Sale Details

Brainerd HRA Board Packet ~ Wednesday, September 26th 2022

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Instrument Type:	OTHER TYPE OF TRANSFER
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Grantor/Seller: ERICKSON, YVONNE L
 Grantee/Buyer:
 Instrument/Sale Date: 07/23/1999
 Transfer Date: 07/23/1999
 Recorded Date: 07/23/1999
 Improved/Vacant: -
 State Validity Code: -
 Sale Property Use: -
 CRV #: 955010
 Old Document Number:
 Total Sale Price:
 # of Pcls:
 Adjusted Sale Price:

Land Summary

Line	Class	Rec #	Code	Land Description	Square Feet	Acres	Land Type	Value
2		1	HGHOPN	HIGH OPEN/MEADOW/PASTURE	6,970	.16	A – ACREAGE	12,600
Total:						.16		12,600

Land

Line: 2
 Class:
 Rec #: 1
 Land Type: A – ACREAGE
 Land Code: HGHOPN
 Square Feet: 6,970
 Acres: .16
 Land Value: 12,600
 Frontage:
 Depth:
 Influence 1:
 Influence 2:
 Influence 3:
 Influence 4:

Green Acres/Rural Preserve

Land Program:
 Total Land Program EMV: 0
 Tillable Land: 0
 Land Program Tillable: .00
 Acres: .00
 Tillable Acres: .00
 Land Program Tillable Acres: .00

Values shown effective as of: September 07, 2022



Sorry, no sketch available
for this record

Item	Area



These data are provided on an "AS-IS" basis, without warranty of any type, expressed or implied, including but not limited to any warranty as to their performance, merchantability, or fitness for any particular purpose.

Direct Sale to City of Brainerd HRA Tract 005-19

Brainerd HRA Board Packet ~ Wednesday, September 26th 2022

Date: 7/5/2022 Time: 11:19:32 AM



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**NOTICE OF PUBLIC HEARING
HOUSING AND
REDEVELOPMENT AUTHORITY
IN AND FOR THE CITY OF
BRainerd, MINNESOTA**

NOTICE IS HEREBY GIVEN that the Board of Commissioners (the "Board") of the Housing and Redevelopment Authority in and for the City of Brainerd, Minnesota (the "HRA"), will hold a public hearing on Wednesday, September 28, 2022, at or after 1:00 P.M. at the Brainerd City Hall, 501 Laurel Street, Brainerd, Minnesota, to consider a proposal for the conveyance of land located in the City of Brainerd in Crow Wing County, Minnesota and legally described as follows: Lot 7 Block 20, Farrar & Forsyth's 1st Addition to Brainerd; Lot 8 Block 20, Farrar & Forsyth's 1st Addition to Brainerd; and Lots 15 & 16 Block 7, 2nd Addition to Brainerd, according to the recorded plat thereof on file in the office of the County Recorder in and for Crow Wing County, Minnesota.

The proposed terms of the conveyance are available for review by the public at the office of the Executive Director of the HRA on and after the date of this notice.

At the time and place fixed for the public hearing, the Board will give all persons who appear at the hearing an opportunity to express their views with respect to the proposal. PLEASE NOTE, due to COVID-19, the public hearing will be conducted in person and virtually via Webex video/teleconference, an interactive technology, as allowed under Minnesota Statutes, Section 13D.021. Interested persons may attend the public hearing virtually by using the following instructions and all such persons shall be given an opportunity to express their views. To attend the public hearing via interactive technology, visit <http://brainerdhra.org/resources/> for Webex information, including the Webex link, access code, and password. In addition, interested persons may direct any questions or file written comments respecting the proposal with the Executive Director of the HRA, at or prior to said public hearing.

Dated: September 10, 2022

BY ORDER OF THE BOARD OF
COMMISSIONERS OF THE HOUSING
AND REDEVELOPMENT AUTHORITY
IN AND FOR THE CITY OF
BRainerd, MINNESOTA

/s/ Eric Charpentier
Executive Director

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PURCHASE AND REDEVELOPMENT AGREEMENT
Lot 7 Block 20, Farrar & Forsyth's 1st Addition to Brainerd,
Lot 8 Block 20, Farrar & Forsyth's 1st Addition to Brainerd,
and Lots 15 & 16 Block 7, 2nd Addition to Brainerd
Crow Wing County, Minnesota

1. **Parties.** This Purchase and Redevelopment Agreement (the "Agreement") is made as of [____], 2022 between the HOUSING AND REDEVELOPMENT AUTHORITY IN AND FOR THE CITY OF BRAINERD, MINNESOTA, a public body corporate and politic under the laws of Minnesota having its office located at 324 East River Road, Brainerd, MN 56401 (the "Seller"), and LAKES AREA HABITAT FOR HUMANITY, a Minnesota nonprofit corporation, having its principal office at 1110 Wright Street, Brainerd, MN 56401 (the "Buyer").
2. **Offer/Acceptance.** Buyer offers to purchase and Seller agrees to sell real property in Crow Wing County, Minnesota, legally described as follows (each, a "Property" and collectively, the "Properties"):
 - **Lot 7 Block 20, Farrar & Forsyth's 1st Addition to Brainerd**
 - **Lot 8 Block 20, Farrar & Forsyth's 1st Addition to Brainerd**
 - **Lots 15 & 16 Block 7, 2nd Addition to Brainerd**

Check here if part or all of the land is Registered (Torrens) ☐
3. **Acceptance Deadline.** This offer to purchase, unless accepted sooner, shall be null and void at 4:30 p.m. on _____, 2022. *(1 day from date of this Agreement)*
4. **Price and Terms.** The aggregate price for the Properties is \$ _____ ("Purchase Price"), (comprised of \$ _____ for Lot 7, \$ _____ for Lot 8, and \$ _____ for Lots 15 and 16) which Buyer shall pay in full by certified check or wire transfer on the Date of Closing. The "Date of Closing" shall be no later than _____, 2022.
5. **Personal Property Included in Sale.** There are no items of personal property or fixtures owned by Seller and currently located on the Properties for purposes of this sale.
6. **Deed.** Upon performance by Buyer, Seller shall deliver a quit claim deed conveying title to each of the Properties to Buyer, in substantially the form attached as Exhibit A, subject to the conditions subsequent required by Sections 15, 16, and 17 of this Agreement (the "Deed").

7. Real Estate Taxes and Special Assessments.

- A. Seller shall pay, at or before closing, (i) all real estate taxes due and payable in 2018 for Lot 8 Block 20 and prior years, (ii) all real estate taxes due and payable in 2017 and prior years for Lot 7 Block 20, and (iii) all real estate taxes due and payable in 2017 and prior years for Lots 15 and 16 Block 7. Real estate taxes for taxes payable year 2019 as to Lot 8 Block 20 and for taxes payable year 2018 as to Lot 7 Block 20 and Lots 15 and 16 Block 7 are exempt.
- B. Seller represents that there are special assessments payable or pending as of the date of this agreement and Buyer agrees to pay all outstanding assessments at closing. If a special assessment becomes pending after the date of this agreement and before the Date of Closing, Buyer may, as Buyer's option:
 - (1) Assume payment of the pending special assessment without adjustment to the purchase agreement price of the Property; or
 - (2) Require Seller to pay the pending special assessment and Buyer shall pay a commensurate increase in the purchase price of the Property, which increase shall be the same as the estimated amount of the assessment; or
 - (3) Declare this agreement null and void by notice to Seller, and earnest money shall be refunded to Buyer.

8. Closing Costs and Related Items. The Buyer will pay: (a) the closing fees charged by the title insurance or other closing agent, if any, utilized to close the transaction contemplated by this Agreement; (b) fees for title evidence obtained by Buyer; (c) the recording fees for this Agreement and for each Deed transferring title to Buyer; (d) any transfer taxes; and (e) all direct costs incurred by the Seller for the acquisition and sale of the Properties to the Buyer, as provided in the Seller's Tax Forfeited Property Hold Policy and Sales Procedure (the "Tax Forfeited Property Policy"). Seller will pay all other fees normally paid by sellers, including (a) Well Disclosure fees required to enable Buyer to record each deed from Seller under this Agreement, and (b) fees and charges related to the filing of any instrument required to make title to each Property marketable.

9. Sewer and Water. Seller warrants that city sewer is available at each Property line, and that city water is available in the right of way adjacent to each Property. Seller makes no warranty regarding the conditions of any existing water stub from the main to each Property line. Seller advises Buyer to inspect the condition of the water stub.

10. Condition of Properties. Buyer acknowledges that it has inspected or has had the opportunity to inspect each Property and agrees to accept each Property "AS IS." Buyer has the right, at its own expense to take soil samples for the purpose of determining if the soil is suitable for construction of the dwellings described in section 14 below. If the soil is determined to be unacceptable the Buyer may rescind this agreement by written notice to the Seller, in which case the agreement shall be null and void. Seller makes no warranties as to the condition of any Property.

11. Marketability of Title. As soon as reasonably possible after execution of this Agreement by both parties:

- A. Seller shall surrender any abstract of title and a copy of any owner's title insurance policy for any Property, if in Seller's possession or control, to Buyer or to Buyer's designated title service provider; and

B. Buyer shall obtain the title evidence determined necessary or desirable by Buyer.

The Buyer shall have 20 days from the date it receives such title evidence to raise any objections to title it may have. Objections not made within such time will be deemed waived. The Seller shall have 30 days from the date of such objection to affect a cure; provided, however, that Seller shall have no obligation to cure any objections, and may inform Buyer of such. The Buyer may then elect to close notwithstanding the uncured objections or declare this Agreement null and void, and the parties will thereby be released from any further obligation hereunder.

- 12. Title Clearance and Remedies.** If Seller shall fail to have title objections timely removed, the Buyer may, at its sole election: (a) terminate this Agreement without any liability on its part; or (b) take title to any Property subject to such objections.

If title is marketable, or is made marketable as provided herein, and Buyer defaults in any of the agreements herein, Seller may elect either of the following options, as permitted by law:

- A. Cancel this contract as provided by statute and retain all payments made hereunder as liquidated damages. The parties acknowledge their intention that any note given pursuant to this contract is a down payment note, and may be presented for payment notwithstanding cancellation;
- B. Seek specific performance within six months after such right of action arises, including costs and reasonable attorney's fees, as permitted by law.

If title is marketable, or is made marketable as provided herein, and Seller defaults in any of the agreements herein, Buyer may, as permitted by law:

- C. Seek damages from Seller including costs and reasonable attorney's fees;
- D. Seek specific performance within six months after such right of action arises.

- 13. Well Disclosure/Sealing.** The Seller certifies that the Seller does not know of any wells on the Properties. Buyer agrees to have a licensed well contractor examine each Property for purposes of locating a well. Buyer agrees to have all wells located on the Properties, which are not in use, sealed by a licensed well contractor at Buyer's expense.

- 14. Individual Sewage Treatment System Disclosure and Methamphetamine Disclosure.** Seller certifies that there is no individual sewage treatment system on or serving any Property. To the best of Seller's knowledge, methamphetamine production has not occurred on any Property.

- 15. Construction and Sale of Dwelling.** Buyer agrees that it will construct or relocate a single-family dwelling on each Property, intended for sale to a person or persons for residential occupancy (an "Owner Occupant"). This covenant shall survive the delivery of the Deed.

- A. Each single-family dwelling described in this Section is referred to as "Minimum Improvements."
- B. The Minimum Improvements shall consist of new single-family dwellings on the Properties, and shall be constructed substantially in accordance with this Agreement and the Application to Acquire Tax Forfeited Property submitted by the Buyer to the Seller,

including building plans and drawings (collectively, the “Buyer Plans”); provided that approval of the building plans for such Minimum Improvements shall be evidenced by the issuance by the City of Brainerd of building permits for the Minimum Improvements on each Property.

- C. Construction of the Minimum Improvements on each Property must be substantially completed by one year from the Date of Closing. Construction of the Minimum Improvements on each Property will be considered substantially complete when a final certificate of occupancy as to each single-family dwelling has been issued by the City of Brainerd building official.
- D. Promptly after substantial completion of the Minimum Improvements on each Property in accordance with those provisions of this Agreement relating solely to the obligations of the Buyer to construct such Minimum Improvements (including the dates for completion as to each single-family dwelling thereof), the Seller will furnish the Buyer with a Certificate of Completion, in the form attached hereto as Exhibit B, for the Minimum Improvements. Such certification by the Seller shall be (and it shall be so provided in the Deed for each Property and in the certification itself) a conclusive determination of satisfaction and termination of the agreements and covenants in this Agreement and in the Deed with respect to the obligations of the Buyer and its successors and assigns, to construct the Minimum Improvements on each Property and the date for completion thereof.

The certificates provided for in this Section of this Agreement shall be in such form as will enable them to be recorded in the proper office for the recordation of deeds and other instruments pertaining to the respective Property. If the Seller shall refuse or fail to provide any certification in accordance with the provisions of this Section, the Seller shall, within thirty (30) days after written request by the Buyer, provide the Buyer with a written statement, indicating in adequate detail in what respects the Buyer has failed to complete the Minimum Improvements in accordance with the provisions of the Agreement, or is otherwise in default, and what measures or acts it will be necessary, in the opinion of the Seller for the Buyer to take or perform in order to obtain such certification.

- E. The Buyer represents and agrees that until issuance of the Certificate of Completion for the Minimum Improvements on each Property:

- (1) Except for any agreement for sale to an Owner Occupant, the Buyer has not made or created and will not make or create or suffer to be made or created any total or partial sale, assignment, conveyance, or lease, or any trust or power, or transfer in any other mode or form of or with respect to this Agreement or any Property or any part thereof or any interest therein, or any contract or agreement to do any of the same, to any person or entity (collectively, a “Transfer”), without the prior written approval of the Seller’s board of commissioners.

- (2) If the Buyer seeks to effect a Transfer of a Property with respect to this Agreement prior to issuance of the Certificate of Completion as to such Property, the Seller shall be entitled to require as conditions to such Transfer that:

- (i) any proposed transferee shall have the qualifications and financial responsibility, in the reasonable judgment of the Seller, necessary and adequate to fulfill the obligations undertaken in this Agreement by the Buyer as to the Property to be transferred; and

(ii) Any proposed transferee, by instrument in writing satisfactory to the Seller and in form recordable in the public land records of Crow Wing County, Minnesota, shall, for itself and its successors and assigns, and expressly for the benefit of the Seller, have expressly assumed all of the obligations of the Buyer under this Agreement as to the portion of a Property or Properties to be transferred and agreed to be subject to all the conditions and restrictions to which the Buyer is subject as to such portion; provided, however, that the fact that any transferee of, or any other successor in interest whatsoever to, a Property or Properties, or any part thereof, shall not, for whatever reason, have assumed such obligations or so agreed, and shall not (unless and only to the extent otherwise specifically provided in this Agreement or agreed to in writing by the Seller) deprive the Seller of any rights or remedies or controls with respect to any Property, the Minimum Improvements or any part thereof or the construction of the Minimum Improvements; it being the intent of the parties as expressed in this Agreement that (to the fullest extent permitted at law and in equity and excepting only in the manner and to the extent specifically provided otherwise in this Agreement) no transfer of, or change with respect to, ownership in a Property or Properties or any part thereof, or any interest therein, however consummated or occurring, and whether voluntary or involuntary, shall operate, legally, or practically, to deprive or limit the Seller of or with respect to any rights or remedies or controls provided in or resulting from this Agreement with respect to any Property that the Seller would have had, had there been no such transfer or change. In the absence of specific written agreement by the Seller to the contrary, no such transfer or approval by the Seller thereof shall be deemed to relieve the Buyer, or any other party bound in any way by this Agreement or otherwise with respect to any Property, from any of its obligations with respect thereto.

(iii) Any and all instruments and other legal documents involved in effecting the transfer of any interest in this Agreement or any Property governed by this subsection E. shall be in a form reasonably satisfactory to the Seller.

(3) If the conditions described in paragraph (2) above are satisfied then the Transfer will be approved and the Buyer shall be released from its obligation under this Agreement, as to the portion of a Property or Properties that is or are transferred, assigned, or otherwise conveyed. The provisions of this paragraph (3) apply to all subsequent transferors.

(4) Upon issuance of a Certificate of Completion for a Property, the Buyer may Transfer such Property and/or the Buyer's rights and obligations under this Agreement without the prior written consent of the Seller.

- F. The Buyer, and its successors and assigns, agree that they (a) will use the Minimum Improvements only as single family dwellings, and in the case of an Owner Occupant, will occupy the Property as a residence, (b) will not seek exemption from real estate taxes on any Property under State law, and (c) will not transfer or permit transfer of any Property to any entity whose ownership or operation of such Property would result in the Property being exempt from real estate taxes under State law (other than any portion thereof dedicated or conveyed to the City of Brainerd or Seller in accordance with this Agreement). **The covenants in this paragraph run with the land, survive both delivery of the Deed and issuance of a Certificate of Completion for the Minimum Improvements on a Property, and shall remain in effect for ten years after the Date of Closing. In addition, the Buyer**

agrees and acknowledges that the Minimum Improvements will be for affordable housing, as provided the Buyer's Plans.

- 16. Revesting Title in Seller upon Happening of Event Subsequent to Conveyance to Buyer.** In the event that subsequent to conveyance of a Property or any part thereof to the Buyer and prior to receipt by the Buyer of the Certificate of Completion for the Minimum Improvements on any Property, the Buyer, subject to Unavoidable Delays (as hereafter defined), fails to carry out its obligations with respect to the construction of the Minimum Improvements on such Property (including the nature and the date for the completion thereof), or abandons or substantially suspends construction work, and any such failure, abandonment, or suspension shall not be cured, ended, or remedied within thirty (30) days after written demand from the Seller to the Buyer to do so, then the Seller shall have the right to re-enter and take possession of the Property and to terminate (and revest in the Seller) the estate conveyed by the Deed to the Buyer, it being the intent of this provision, together with other provisions of the Agreement, that the conveyance of the Property to the Buyer shall be made upon, and that the Deed for such Property shall contain a condition subsequent to the effect that in the event of any default on the part of the Buyer and failure on the part of the Buyer to remedy, end, or abrogate such default within the period and in the manner stated in such subdivisions, the Seller at its option may declare a termination in favor of the Seller of the title, and of all the rights and interests in and to the Property conveyed to the Buyer, and that such title and all rights and interests of the Buyer, and any assigns or successors in interest to and in the Property, shall revert to the Seller, but only if the events stated in this Section have not been cured within the time periods provided above.

Notwithstanding anything to the contrary contained in this Section, the Seller shall have no right to reenter or retake title to and possession of a portion of the Property for which a Certificate of Completion has been issued.

For the purposes of this Agreement, the term "Unavoidable Delays" means delays beyond the reasonable control of the Buyer as a result thereof which are the direct result of strikes, other labor troubles, prolonged adverse weather or acts of God, fire or other casualty to the Minimum Improvements, litigation commenced by third parties which, by injunction or other similar judicial action, directly results in delays, or acts of any federal, state or local governmental unit (other than the Seller in exercising its rights under this Agreement) which directly results in delays. Unavoidable Delays shall not include delays in the Buyer's obtaining of permits or governmental approvals necessary to enable construction of the Minimum Improvements by the dates such construction is required under this section of this Agreement.

- 17. Resale of Reacquired Property; Disposition of Proceeds.** Upon the revesting in the Seller of title to and/or possession of a Property or any part thereof as provided in Section 16, the Seller shall apply the purchase price paid by the Buyer under Section 4 of this Agreement as follows:

- A. First, to reimburse the Seller for all costs and expenses incurred by the Seller, including but not limited to proportionate salaries of personnel, in connection with the recapture, management, and resale of the Property or part thereof (but less any income derived by the Seller from the Property or part thereof in connection with such management); all taxes, assessments, and water and sewer charges with respect to the Property or part thereof (or, in the event the Property is exempt from taxation or assessment or such charge during the period of ownership thereof by the Seller, an amount, if paid, equal to such taxes, assessments, or charges (as determined by the Seller assessing official) as would have been payable if the Property were not so exempt); any payments made or necessary to be made to discharge any encumbrances or liens existing on the Property or part thereof at the time of revesting of title thereto in the Seller or to discharge or prevent from attaching or being

made any subsequent encumbrances or liens due to obligations, defaults or acts of the Buyer, its successors or transferees; any expenditures made or obligations incurred with respect to the making or completion of the Minimum Improvements or any part thereof on the Property or part thereof; and any amounts otherwise owing the Seller by the Buyer and its successor or transferee; and

- B. Second, to reimburse the Buyer for the balance of the purchase price remaining after the reimbursements specified in paragraph (a) above. Such reimbursement shall be paid to the Buyer upon delivery of an executed, recordable warranty deed to the Property by the Buyer to the Seller.

18. **Time is of the essence for all provisions of this Agreement.**
19. **Notices.** All notices required herein shall be in writing and delivered personally or mailed to the address shown at paragraph 1 above and, if mailed, are effective as of the date of mailing.
20. **Minnesota Law.** This Agreement shall be governed by the laws of the State of Minnesota.
21. **Specific Performance.** This Agreement may be specifically enforced by the parties, provided that an action is brought within one year of the date of alleged breach of this Agreement.
22. **No Remedy Exclusive.** No remedy herein conferred upon or reserved to the Seller or Buyer is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient.
23. **No Merger of Representations, Warranties.** All representations and warranties contained in this Purchase Agreement shall not be merged into any instruments or conveyance delivered at closing, and the parties shall be bound accordingly.
24. **Recording.** This Agreement shall be filed of record with the Crow Wing County Registrar of Titles or Office of Recorder, as the case may be. Buyer shall pay all recording costs.
25. **No Broker Involved.** The Seller and the Buyer represent and warrant to each other that there is no broker involved in this transaction with whom it has negotiated or to whom it has agreed to pay a broker commission. Buyer agrees to indemnify Seller for any and all claims for brokerage commissions or finders' fees in connection with negotiations for purchase of each Property arising out of any alleged agreement or commitment or negotiation by Buyer, and Seller agrees to indemnify Buyer for any and all claims for brokerage commissions or finders' fees in connection with negotiations for purchase of each Property arising out of any alleged agreement or commitment or negotiation by Seller.

In witness of the foregoing, the parties have executed this agreement on the year and date written above.

SELLER: HOUSING AND REDEVELOPMENT AUTHORITY IN AND FOR THE CITY OF BRAINERD, MINNESOTA

By: _____
Its Chair

By: _____
Its Executive Director

STATE OF MINNESOTA

} ss.

COUNTY OF CROW WING

The foregoing was acknowledged before me this _____ day of _____ 2022, by Gabe Johnson and Eric Charpentier, the Chair and Executive Director, respectively, of the Housing and Redevelopment Authority in and for the City of Brainerd, Minnesota, a public body corporate and politic under the laws of Minnesota, on behalf of the public body corporate and politic.

Notary Public

BUYER: LAKES AREA HABITAT FOR HUMANITY

By: _____
 Kevin Pelkey
Its: Executive Director

STATE OF MINNESOTA

} ss.

COUNTY OF CROW WING

The foregoing was acknowledged before me this _____ day of _____, 2022, by Kevin Pelkey, Executive Director of Lakes Area Habitat for Humanity, a Minnesota nonprofit corporation, on behalf of the corporation.

Notary Public

This document drafted by:

Kennedy & Graven, Chartered
150 South Fifth Street, Suite 700
Minneapolis, MN 55402-1299

EXHIBIT A

FORM OF QUIT CLAIM DEED

Deed Tax Due: \$ _____

ECRV: _____

THIS INDENTURE, between the Housing and Redevelopment Authority in and for the City of Brainerd, Minnesota, a public body corporate and politic (the “Grantor”), and Lakes Area Habitat for Humanity, a Minnesota nonprofit corporation (the “Grantee”).

WITNESSETH, that Grantor, in consideration of the sum of \$ _____ and other good and valuable consideration the receipt whereof is hereby acknowledged, does hereby grant, bargain, quitclaim and convey to the Grantee, its successors and assigns forever, all the tract or parcel of land lying and being in the County of Crow Wing and State of Minnesota described as follows, to-wit (such tract or parcel of land is hereinafter referred to as the “Property”):

[Lot 7 Block 20, Farrar & Forsyth’s 1st Addition to Brainerd]

[Lot 8 Block 20, Farrar & Forsyth’s 1st Addition to Brainerd]

[Lots 15 & 16 Block 1, 2nd Addition to Brainerd]

Check here if part or all of the land is Registered (Torrens) ☐

To have and to hold the same, together with all the hereditaments and appurtenances thereunto belonging.

SECTION 1.

It is understood and agreed that this Deed is subject to the covenants, conditions, restrictions and provisions of an agreement recorded with the Crow Wing County Recorder on _____, 2022 as document number _____, entered into between the Grantor and Grantee on the ____ of _____, 2022, identified as “Purchase and Redevelopment Agreement” (herein referred to as the “Agreement”) and that the Grantee shall not convey this Property, or any part thereof, except as permitted by the Agreement until a certificate of completion releasing the Grantee from certain obligations of said Agreement as to this Property or such part thereof then to be conveyed, has been placed of record.

It is specifically agreed that the Grantee shall promptly begin and diligently prosecute to completion the redevelopment of the Property through the construction of the Minimum Improvements thereon, as provided in the Agreement.

Promptly after completion of the Minimum Improvements in accordance with the provisions of the Agreement, the Grantor will furnish the Grantee with an appropriate instrument so certifying. Such certification by the Grantor shall be (and it shall be so provided in the certification itself) a conclusive determination of satisfaction and termination of the agreements and covenants of the Agreement and of this Deed with respect to the obligation of the Grantee, and its successors and assigns, to construct the Minimum Improvements and the dates for the beginning and completion thereof. Such certification and such determination shall not constitute evidence of compliance with or satisfaction of any obligation of the Grantee to any holder of a mortgage, or any insurer of a mortgage, securing money loaned to finance the purchase of the Property hereby conveyed or the Minimum Improvements, or any part thereof.

All certifications provided for herein shall be in such form as will enable them to be recorded with the County Recorder, or Registrar of Titles, Crow Wing County, Minnesota. If the Grantor shall refuse or fail to provide any such certification in accordance with the provisions of the Agreement and this Deed, the Grantor shall, within thirty (30) days after written request by the Grantee, provide the Grantee with a written statement indicating in adequate detail in what respects the Grantee has failed to complete the Minimum Improvements in accordance with the provisions of the Agreement or is otherwise in default, and what measures or acts it will be necessary, in the opinion of the Grantor, for the Grantee to take or perform in order to obtain such certification.

SECTION 2.

The Grantee's rights and interest in the Property are subject to the terms and conditions of Sections 15, 16 and 17 of the Agreement relating to the Grantor's right to re-enter and revest in Grantor title to the Property under conditions specified therein, including but not limited to termination of such right upon issuance of a Certificate of Completion as defined in the Agreement.

SECTION 3.

The Grantee agrees for itself and its successors and assigns to or of the Property or any part thereof, hereinbefore described, that the Grantee and such successors and assigns shall comply with Section 15F of the Agreement for a period of ten years after the date hereof.

It is intended and agreed that the above and foregoing agreements and covenants shall be covenants running with the land for the respective terms herein provided, and that they shall, in any event, and without regard to technical classification or designation, legal or otherwise, and except only as otherwise specifically provided in this Deed, be binding, to the fullest extent permitted by law and equity for the benefit and in favor of, and enforceable by, the Grantor against the Grantee, its successors and assigns, and every successor in interest to the Property, or any part thereof or any interest therein, and any party in possession or occupancy of the Property or any part thereof.

In amplification, and not in restriction of, the provisions of the preceding section, it is intended and agreed that the Grantor shall be deemed a beneficiary of the agreements and covenants provided herein, both for and in its own right, and also for the purposes of protecting the interest of the community and the other parties, public or private, in whose favor or for whose benefit these agreements and covenants have been provided. Such agreements and covenants shall run in favor of the Grantor without regard to whether the Grantor has at any time been, remains, or is an owner of any land or interest therein to, or in favor of, which such agreements and covenants relate. The Grantor shall have the right, in the event of any breach of any such agreement or covenant to exercise all the rights and remedies, and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breach of agreement or covenant, to which it or any other beneficiaries of such agreement or covenant may be entitled; provided that Grantor shall not have any right to re-enter the Property or revest in the Grantor the estate conveyed by this Deed, or any part thereof, on grounds of Grantee's failure to comply with its obligations under this Section 3.

IN WITNESS WHEREOF, the Grantor has caused this Deed to be duly executed in its behalf by its Chair and Executive Director, this _____ day of _____, 2022.

- ☒ The Seller certifies that the Seller does not know of any wells on the described real property.
- ☐ A well disclosure certificate accompanies this document or has been electronically filed. (If electronically filed, insert WDC number: _____).
- ☐ I am familiar with the property described in this instrument and I certify that the status and number of wells on the described real property have not changed since the last previously filed well disclosure certificate.

HOUSING AND REDEVELOPMENT AUTHORITY
IN AND FOR THE CITY OF BRAINERD,
MINNESOTA

By: _____
Gabe Johnson

Its: Chair

By: _____
Eric Charpentier

Its: Executive Director

STATE OF MINNESOTA)
) ss
COUNTY OF CROW WING)

On this ____ day of _____, 2022, before me, a notary public within and for Crow Wing County, personally appeared Gabe Johnson and Eric Charpentier to me personally known who by me duly sworn, did say that they are the Chair and Executive Director of the Housing and Redevelopment Authority in and for the City of Brainerd, Minnesota (the "Authority") named in the foregoing instrument; that said instrument was signed on behalf of said Authority pursuant to a resolution of its governing body; and said Gabe Johnson and Eric Charpentier acknowledged said instrument to be the free act and deed of said Authority.

Notary Public

This instrument was drafted by:

Kennedy & Graven, Chartered
150 South Fifth Street, Suite 700
Minneapolis, MN 55402-1299
(612) 337-9300

Tax Statements should be sent to:

Lakes Area Habitat for Humanity
1110 Wright Street
Brainerd, MN 56401

EXHIBIT B

FORM OF CERTIFICATE OF COMPLETION

WHEREAS, the Housing and Redevelopment Authority in and for the City of Brainerd, Minnesota, a public body corporate and politic (the "Grantor"), conveyed land in Crow Wing County, Minnesota to Lakes Area Habitat for Humanity, a Minnesota nonprofit corporation (the "Grantee"), by a Deed recorded in the Office of the County Recorder in and for the County of Crow Wing and State of Minnesota, as Document Number _____;
and

WHEREAS, said Deed contained certain covenants and restrictions set forth in Sections 1 and 2 of said Deed; and

WHEREAS, said Grantee has performed said covenants and conditions insofar as it is able in a manner deemed sufficient by the Grantor to permit the execution and recording of this certification;

NOW, THEREFORE, this is to certify that all building construction and other physical improvements specified to be done and made by the Grantee have been completed and the above covenants and conditions in said Deed and the agreements and covenants in Sections 15A and 15B of the Agreement (as described in said Deed) have been performed by the Grantee therein, and the County Recorder in and for the County of Crow Wing and State of Minnesota is hereby authorized to accept for recording and to record, the filing of this instrument, to be a conclusive determination of the satisfactory termination of the covenants and conditions of Sections 15A and 15B of the Agreement and the covenants and restrictions set forth in Sections 1 and 2 of said Deed; provided that the covenants set forth in Section 15F of the Agreement, and in Section 3 of the Deed, remain in full force and effect through the period stated thereon.

Dated: _____, 20__.

HOUSING AND REDEVELOPMENT AUTHORITY
IN AND FOR THE CITY OF BRAINERD,
MINNESOTA

By _____
Its Chair

By _____
Its Executive Director

STATE OF MINNESOTA)
) ss
COUNTY OF CROW WING)

The foregoing instrument was acknowledged before me this ____ day of _____, 20__, by _____ and _____, the Chair and Executive Director, respectively, of the Housing and Redevelopment Authority in and for the City of Brainerd, Minnesota, on behalf of the authority.

Notary Public

This document drafted by:
KENNEDY & GRAVEN, CHARTERED
150 South Fifth Street, Suite 700
Minneapolis, MN 55402
(612) 337-9300

THE HOUSING AND REDEVELOPMENT AUTHORITY
IN AND FOR THE CITY OF BRAINERD, MINNESOTA

Resolution No. 2022-06

RESOLUTION APPROVING A PURCHASE AND REDEVELOPMENT
AGREEMENT BETWEEN THE HOUSING AND REDEVELOPMENT
AUTHORITY IN AND FOR THE CITY OF BRAINERD, MINNESOTA AND
LAKES AREA HABITAT FOR HUMANITY.

BE IT RESOLVED By the Board of Commissioners (“Board”) of the Housing and Redevelopment Authority in and for the City of Brainerd, Minnesota (“Authority”) as follows:

Section 1. Recitals.

1.01. The Authority has determined a need to exercise the powers of a housing and redevelopment authority, pursuant to Minnesota Statutes, Sections 469.001 to 469.047 (“HRA Act”), and has determined to carry out a housing development project in order to alleviate a shortage of decent, safe, and sanitary housing for persons of low or moderate income and their families within the City of Brainerd (the “City”).

1.02. The Authority and Lakes Area Habitat for Humanity (the “Buyer”) have proposed to enter into a Purchase and Redevelopment Agreement (the “Agreement”), setting forth the terms and conditions of sale and redevelopment of certain tax-forfeited properties within the City, currently owned by Crow Wing County, Minnesota (the “County”), legally described in Exhibit A attached to this Resolution (the “Property”).

1.03. On July 12, 2022, the Board of Commissioners of Crow Wing County (the “County”) approved by motion, which motion was carried on a unanimous vote of 5-0, the withdrawal of the Properties from the County’s list of tax forfeited lands and authorized direct sale of the Properties to the Authority for the purpose of constructing affordable housing thereon.

1.04. On June 22, 2022, the Board of the Authority adopted a resolution accepting conveyance of the Properties by the County to the Authority.

1.05. Pursuant to the Agreement, the Buyer will acquire the Properties from the Authority, and will construct affordable owner-occupied single-family homes thereon, subject to the City’s zoning and building codes and policies.

1.06. On the date hereof, the Board conducted a duly noticed public hearing regarding the sale of the Properties to the Buyer, at which all interested persons were given an opportunity to be heard.

1.07. The Board has reviewed the Agreement and finds that the execution thereof and performance of the Authority’s obligations thereunder are in the public interest and will further the objectives of its general plan of economic development and redevelopment, because it will further the above-stated housing goals of the City and the Authority.

Section 2. Authority Approval; Further Proceedings.

2.01. The Agreement as presented to the Board, including the sale of the Properties described therein, is hereby in all respects approved, subject to modifications that do not alter the substance of the transaction and that are approved by the Chair and Executive Director of the Authority, provided that execution of the documents by such officials shall be conclusive evidence of approval.

2.02. The Chair and Executive Director of the Authority are hereby authorized to execute on behalf of the Authority the Agreement and any documents referenced therein requiring execution by the Authority, including without limitation any deeds, and to carry out, on behalf of the Authority, its obligations thereunder.

2.03. Authority and City staff are authorized and directed to take all actions to implement the Agreement.

Approved by the Board of Commissioners of the Housing and Redevelopment Authority in and for the City of Brainerd, Minnesota, Minnesota this 28th day of September, 2022.

Chair

ATTEST:

Secretary

EXHIBIT A
PROPERTIES

Property Address	506 1st Avenue NE	504 1st Avenue NE	1108 Oak Street
PID	41191554	41191555	41250768
Legal Description	Lot 8 Block 20, Farrar & Forsyth's 1st Addition to Brainerd	Lot 7 Block 20, Farrar & Forsyth's 1st Addition to Brainerd	Lots 15 & 16 Block 7, 2 nd Addition to Brainerd

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To: Brainerd HRA Board Members

From: Tania Eller, Rental Assistance Manager

Date: September 21, 2022

RE: Payment Standard Increases for 2022

FY 2023 Fair Market Rents (FMRs) have been published. We are required to have our payment standards fall between 90 and 110 percent of the FMRs.

FY 2022 and 2023 Fair Market Rents (FMR) are below, as well as our recommendation.

2022 FMRs

0	1	2	3	4
\$588	\$673	\$885	\$1,150	\$1,232

2023 FMRs

0	1	2	3	4
\$665	\$755	\$994	\$1,280	\$1,397

We are proposing to increase the payment standards to 110% of the FMRs for November 1, 2022:

Bedroom Size	0	1	2	3	4
Current Payment Standard	\$646	\$740	\$973	\$1,265	\$1,355
% of 2023 FMR	97%	98%	97%	98%	97%
Proposed Payment Standard	\$730	\$830	\$1,090	\$1,400	\$1,530
% of FMR	110%	110%	110%	110%	110%

As we discussed in our June meeting, we did get funded at 100% plus an 11% inflation factor and we do have reserves to cover the increase to the payment standard as well.

We will continue to monitor funding to make sure our spending stays on track.

Action Requested: Adopt 2023 Payment Standards

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To: Brainerd HRA Board Members
From: Tania Eller, Rental Assistance Manager
Date: September 28th, 2022
RE: Approval of Family Self-Sufficiency (FSS) Program Grant Application

Family Self-Sufficiency (FSS) Program Grant Application

On September 8th, the FY 2022 Family Self-Sufficiency Program grant was released. Attached is a copy of the grant application. The grant will be submitted on Wednesday, September 28th as it is recommended to submit a few days before the due date. The due date for the grant submission Friday, October 7th, 2022. The grant period is 1/1/23 – 12/31/23, and covers the salary and benefits of a full time position. The NOFO is allowing PHA to request additional dollars to support FSS coordinator trainings and/or other educational expenses. We will be asking for an additional \$3000 in training expense. The total amount we will be asking for is \$85,519. We are anticipating announcement by the end of December, 2022.

Action Requested: Motion for approval of the submission of the Family Self-Sufficiency Program grant application.

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WORKSPACE FORM

1-800-518-4726
SUPPORT@GRANTS.GOV

This Workspace form is one of the forms you need to complete prior to submitting your Application Package. This form can be completed in its entirety offline using Adobe Reader. You can save your form by clicking the "Save" button and see any errors by clicking the "Check For Errors" button. In-progress and completed forms can be uploaded at any time to Grants.gov using the Workspace feature.

When you open a form, required fields are highlighted in yellow with a red border. Optional fields and completed fields are displayed in white. If you enter invalid or incomplete information in a field, you will receive an error message. Additional instructions and FAQs about the Application Package can be found in the Grants.gov Applicants tab.

OPPORTUNITY & PACKAGE DETAILS:

Opportunity Number:	FR-6600-N-04
Opportunity Title:	2022 Family Self-Sufficiency NOFO
Opportunity Package ID:	PKG00276281
CFDA Number:	14.896
CFDA Description:	Family Self-Sufficiency Program
Competition ID:	FR-6600-N-04
Competition Title:	2022 Family Self-Sufficiency NOFO
Opening Date:	08/04/2022
Closing Date:	10/07/2022
Agency:	Department of Housing and Urban Development
Contact Information:	Jason Amirhadji

APPLICANT & WORKSPACE DETAILS:

Workspace ID:	WS00962434
Application Filing Name:	Brainerd HRA FSS FY22
UEI:	ZTD1JH7FDHP6
Organization:	BRAINERD, CITY OF
Form Name:	Application for Federal Assistance (SF-424)
Form Version:	4.0
Requirement:	Mandatory
Download Date/Time:	Sep 21, 2022 10:48:20 AM EDT
Form State:	No Errors

FORM ACTIONS:

Application for Federal Assistance SF-424		
* 1. Type of Submission: <input type="checkbox"/> Preapplication <input checked="" type="checkbox"/> Application <input type="checkbox"/> Changed/Corrected Application		
* 2. Type of Application: <input checked="" type="checkbox"/> New <input type="checkbox"/> Continuation <input type="checkbox"/> Revision		
* If Revision, select appropriate letter(s): <input type="text"/> * Other (Specify): <input type="text"/>		
* 3. Date Received: Completed by Grants.gov upon submission.		4. Applicant Identifier: <input type="text"/>
5a. Federal Entity Identifier: MN032		5b. Federal Award Identifier: <input type="text"/>
State Use Only:		
6. Date Received by State: <input type="text"/>		7. State Application Identifier: <input type="text"/>
8. APPLICANT INFORMATION:		
* a. Legal Name: Brainerd, city of		
* b. Employer/Taxpayer Identification Number (EIN/TIN): 41-0950146		* c. UEI: ZTD1JH7FDHP6
d. Address:		
* Street1: 324 East River RD		
Street2: <input type="text"/>		
* City: Brainerd		
County/Parish: <input type="text"/>		
* State: MN: Minnesota		
Province: <input type="text"/>		
* Country: USA: UNITED STATES		
* Zip / Postal Code: 56401-3504		
e. Organizational Unit:		
Department Name: <input type="text"/>		Division Name: <input type="text"/>
f. Name and contact information of person to be contacted on matters involving this application:		
Prefix: <input type="text"/>		* First Name: Carrie
Middle Name: <input type="text"/>		
* Last Name: Burrell		
Suffix: <input type="text"/>		
Title: FSS Coordinator		
Organizational Affiliation: <input type="text"/>		
* Telephone Number: 218-824-3427		Fax Number: <input type="text"/>
* Email: cburrell@brainerdhra.org		

Application for Federal Assistance SF-424

*** 9. Type of Applicant 1: Select Applicant Type:**

L: Public/Indian Housing Authority

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

*** Other (specify):**

*** 10. Name of Federal Agency:**

Department of Housing and Urban Development

11. Catalog of Federal Domestic Assistance Number:

14.896

CFDA Title:

Family Self-Sufficiency Program

*** 12. Funding Opportunity Number:**

FR-6600-N-04

*** Title:**

2022 Family Self-Sufficiency NOFO

13. Competition Identification Number:

FR-6600-N-04

Title:

2022 Family Self-Sufficiency NOFO

14. Areas Affected by Project (Cities, Counties, States, etc.):

Add Attachment

Delete Attachment

View Attachment

*** 15. Descriptive Title of Applicant's Project:**

Brainerd HRA FSS

Attach supporting documents as specified in agency instructions.

Add Attachments

Delete Attachments

View Attachments

Application for Federal Assistance SF-424**16. Congressional Districts Of:*** a. Applicant * b. Program/Project

Attach an additional list of Program/Project Congressional Districts if needed.

Add Attachment

Delete Attachment

View Attachment

17. Proposed Project:* a. Start Date: * b. End Date: **18. Estimated Funding (\$):**

* a. Federal	<input type="text" value="85,519.00"/>
* b. Applicant	<input type="text" value="0.00"/>
* c. State	<input type="text" value="0.00"/>
* d. Local	<input type="text" value="0.00"/>
* e. Other	<input type="text" value="0.00"/>
* f. Program Income	<input type="text" value="0.00"/>
* g. TOTAL	<input type="text" value="85,519.00"/>

*** 19. Is Application Subject to Review By State Under Executive Order 12372 Process?**

- ☐ a. This application was made available to the State under the Executive Order 12372 Process for review on
- ☐ b. Program is subject to E.O. 12372 but has not been selected by the State for review.
- ☒ c. Program is not covered by E.O. 12372.

*** 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)**☐ Yes ☒ No

If "Yes", provide explanation and attach

Add Attachment

Delete Attachment

View Attachment

21. *By signing this application, I certify (1) to the statements contained in the list of certifications and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 18, Section 1001)**

☒ ** I AGREE

** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

Authorized Representative:

Prefix: * First Name:

Middle Name:

* Last Name:

Suffix:

* Title: * Telephone Number: Fax Number: * Email: * Signature of Authorized Representative: * Date Signed:



WORKSPACE FORM

1-800-518-4726
SUPPORT@GRANTS.GOV

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Opening Date:	08/04/2022
Closing Date:	10/07/2022
Agency:	Department of Housing and Urban Development
Contact Information:	Jason Amirhadji

APPLICANT & WORKSPACE DETAILS:

Workspace ID:	WS00962434
Application Filing Name:	Brainerd HRA FSS FY22
UEI:	ZTD1JH7FDHP6
Organization:	BRAINERD, CITY OF
Form Name:	HUD Applicant-Recipient Disclosure Report
Form Version:	3.0
Requirement:	Mandatory
Download Date/Time:	Sep 21, 2022 09:35:50 AM EDT
Form State:	No Errors

FORM ACTIONS:

Applicant/Recipient Disclosure/Update Report

U.S. Department of Housing
and Urban Development

OMB Number: 2510-0011
Expiration Date: 08/31/2022

Applicant/Recipient Information

*UEI:

ZTD1JH7FDHP6

* Report Type:

INITIAL

1. Applicant/Recipient Name, Address, and Phone (include area code):

* Applicant Name:

Brainerd, city of

* Street1:

324 East River RD

Street2:

* City:

Brainerd

County:

* State:

MN: Minnesota

* Zip Code:

56401-3504

* Country:

USA: UNITED STATES

* Phone:

218-824-3427

2. Social Security Number or Employer ID Number:

41-0950146

* 3. HUD Program Name:

Family Self-Sufficiency Program

* 4. Amount of HUD Assistance Requested/Received: \$

85,519.00

5. State the name and location (street address, City and State) of the project or activity:

* Project Name:

Brainerd HRA FSS

* Street1:

324 East River RD

Street2:

* City:

Brainerd

County:

* State:

MN: Minnesota

* Zip Code:

56401-3504

* Country:

USA: UNITED STATES

Part I Threshold Determinations

* 1. Are you applying for assistance for a specific project or activity? These terms do not include formula grants, such as public housing operating subsidy or CDBG block grants. (For further information see 24 CFR Sec. 4.3).

☒ Yes

☐ No

* 2. Have you received or do you expect to receive assistance within the jurisdiction of the Department (HUD), involving the project or activity in this application, in excess of \$200,000 during this fiscal year (Oct. 1-Sep. 30)? For further information, see 24 CFR Sec. 4.9

☐ Yes

☒ No

If you answered " No " to either question 1 or 2, **Stop!** You do not need to complete the remainder of this form.

However, you must sign the certification at the end of the report.

Part II Other Government Assistance Provided or Requested / Expected Sources and Use of Funds.

Such assistance includes, but is not limited to, any grant, loan, subsidy, guarantee, insurance, payment, credit, or tax benefit.

Department/State/Local Agency Name:

* Government Agency Name:

Government Agency Address:

* Street1:

Street2:

* City:

County:

* State:

* Zip Code:

* Country:

* Type of Assistance:

* Amount Requested/Provided: \$

* Expected Uses of the Funds:

Department/State/Local Agency Name:

* Government Agency Name:

Government Agency Address:

* Street1:

Street2:

* City:

County:

* State:

* Zip Code:

* Country:

* Type of Assistance:

* Amount Requested/Provided: \$

* Expected Uses of the Funds:

(Note: Use Additional pages if necessary.)

Add Attachment

Delete Attachment

View Attachment

Form HUD-2880 (3/99)

Part III Interested Parties. You must disclose:

1. All developers, contractors, or consultants involved in the application for the assistance or in the planning, development, or implementation of the project or activity and
2. Any other person who has a financial interest in the project or activity for which the assistance is sought that exceeds \$50,000 or 10 percent of the assistance (whichever is lower).

* Alphabetical list of all persons with a reportable financial interest in the project or activity (For individuals, give the last name first)	* Social Security No. or Employee ID No.	* Type of Participation in Project/Activity	* Financial Interest in Project/Activity (\$ and %)
<input type="text"/>	<input type="text"/>	<input type="text"/>	\$ <input type="text"/> <input type="text"/> %
<input type="text"/>	<input type="text"/>	<input type="text"/>	\$ <input type="text"/> <input type="text"/> %
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(Note: Use Additional pages if necessary.)

Add Attachment

Delete Attachment

View Attachment

Certification

Warning: If you knowingly make a false statement on this form, you may be subject to civil or criminal penalties under Section 1001 of Title 18 of the United States Code. In addition, any person who knowingly and materially violates any required disclosures of information, including intentional non-disclosure, is subject to civil money penalty not to exceed \$10,000 for each violation.
I certify that this information is true and complete.

* Signature:

* Date: (mm/dd/yyyy)

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to Grants.gov



To: Brainerd HRA Board Members
From: Karen Young, Finance Director
Date: September 21, 2022
Re: September Financial Report

Please find attached the financial information for August 2022.

Capital Fund Draws

Reflected in the August Public Housing operating statement is \$74,082 in Capital Fund Program (CFP) revenue. These funds were drawn down to cover the costs of the new furniture for 1st and 2nd floor North Star common areas and office conference room chairs. The funds were also used to cover the costs of the new washers and dryers in the North Star laundry room.

Action Requested: Motion for approval of payments as presented.

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Brainerd Housing & Redevelopment Authority

2022 Ratios (and December, 2021)

FASS Ratios	Max Pts	Scoring	Dec 2021 After YE JE, B4 audit	Jan	Feb	Mar	Apr	May	June	July	Aug
Quick Ratio	12	QR <1 =0-, QR >2 =12	12.00	12.00	12.00	12.00	12.00	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	11.00	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	2.00	2.00	2.00	2.00	2.00
Total Points	25		25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00

MASS Ratios	Max Pts	Scoring									
Occupancy	16	O <90% =0, O >98% =16	16.00	16.00	16.00	16.00	16.00	16.00	16.00	16.00	16.00
Tenant Accounts Receivable	5	TAR <20%=5, TAR >40% =0	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Accounts Payable	4	AP < .75 = 4, AP >1.5 =0	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Total Points	25		25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00
Total of Above Ratios	50		50.00	50	50	50	50	50	50	50	50

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	5.00	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	5.00	5.00	5.00	5.00	5.00
Total Points	10	Capital Fund Troubled	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0

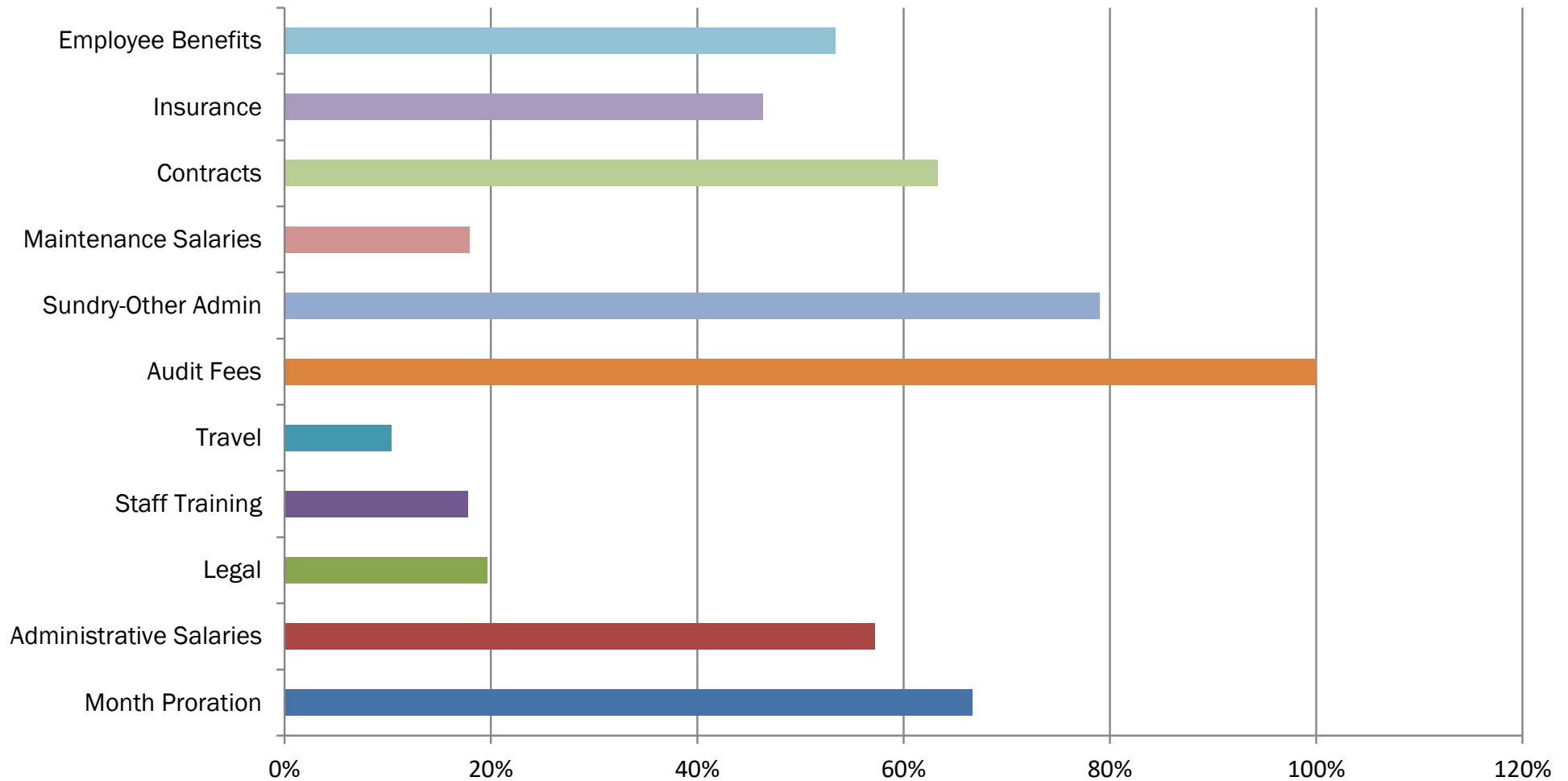
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August 2022 Operating Account Balances

Property/Program	August 2021	July 2022	August 2022
General Fund	\$364,428.37	\$461,362.33	\$460,938.21
Housing Rehab Program	\$86,693.50	\$187,120.84	\$170,142.65
Bridges	\$3,520.12	\$3,818.97	\$4,417.72
Crow Wing County HRA	\$1,380,426.99	\$1,815,750.30	\$1,772,315.32
Public Housing	\$753,048.31	\$796,242.47	\$782,434.69
Brainerd South	\$65,722.52	\$66,256.87	\$71,145.62
Housing Choice Voucher	\$47,826.35	\$75,837.33	\$92,324.42
Total	\$2,701,666.16	\$3,406,389.11	\$3,353,718.63

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August 2022 YTD General Fund Expense/Annual Budget Comparison

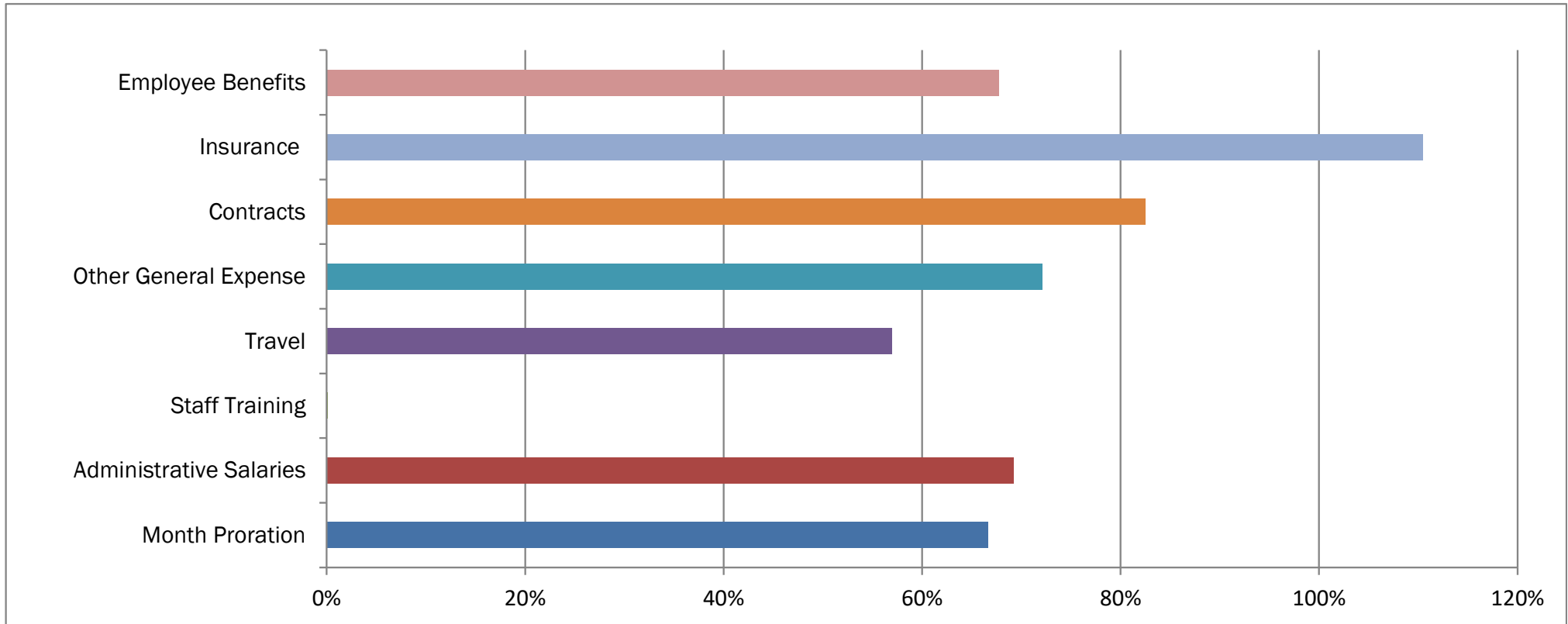


Sundry-Other Admin: Advertising, Office Supplies, BLAHDC Annual Reporting.

Audit Fees: Audit was completed.

Contracts: Quarterly billing for City HR services.

August 2022 YTD Housing Rehab Expense/Annual Budget Comparison

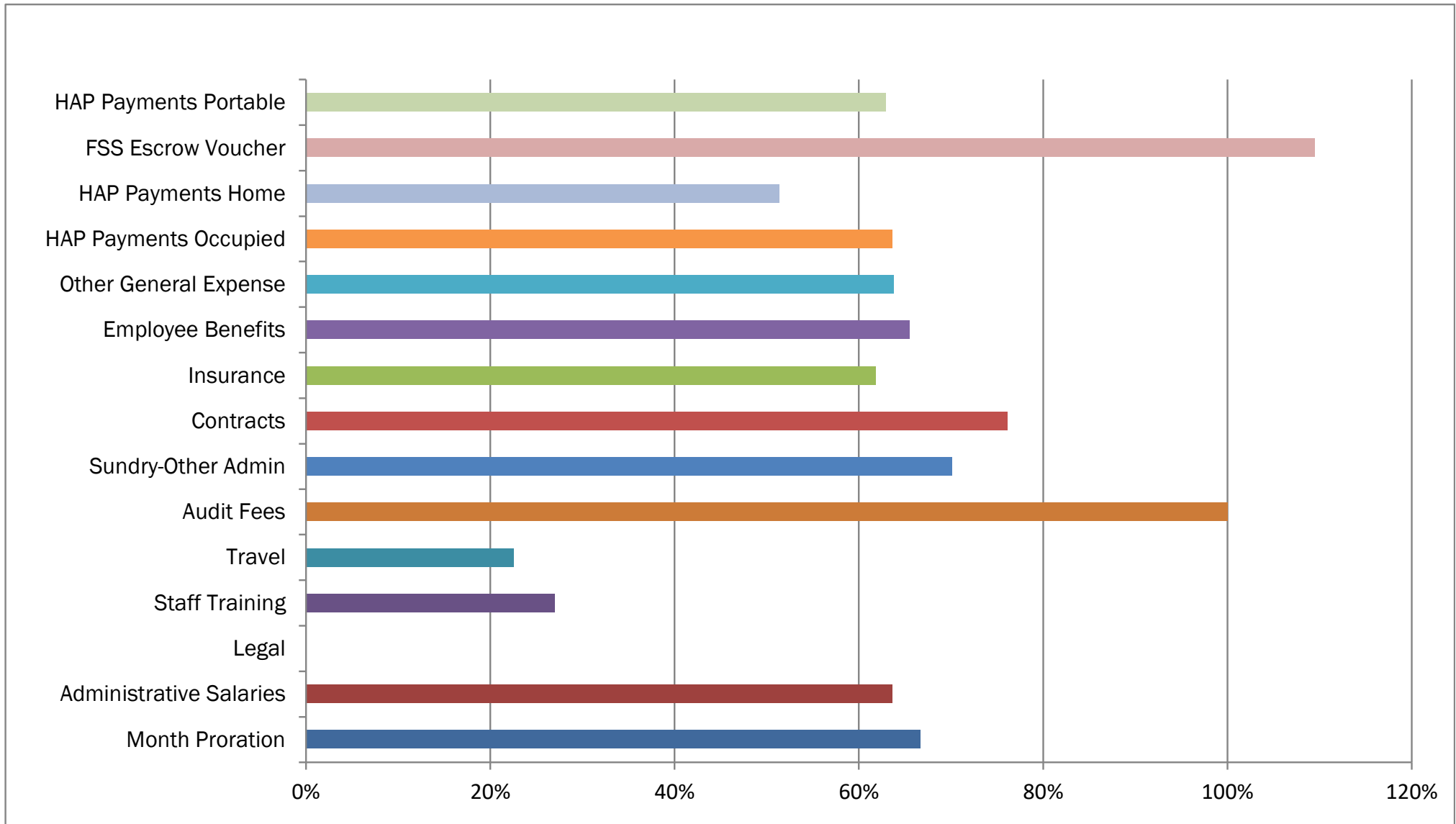


Other General Expense: Happy software purchased for rehab department.

Insurance: Worker's Comp insurance annual premium paid in February.

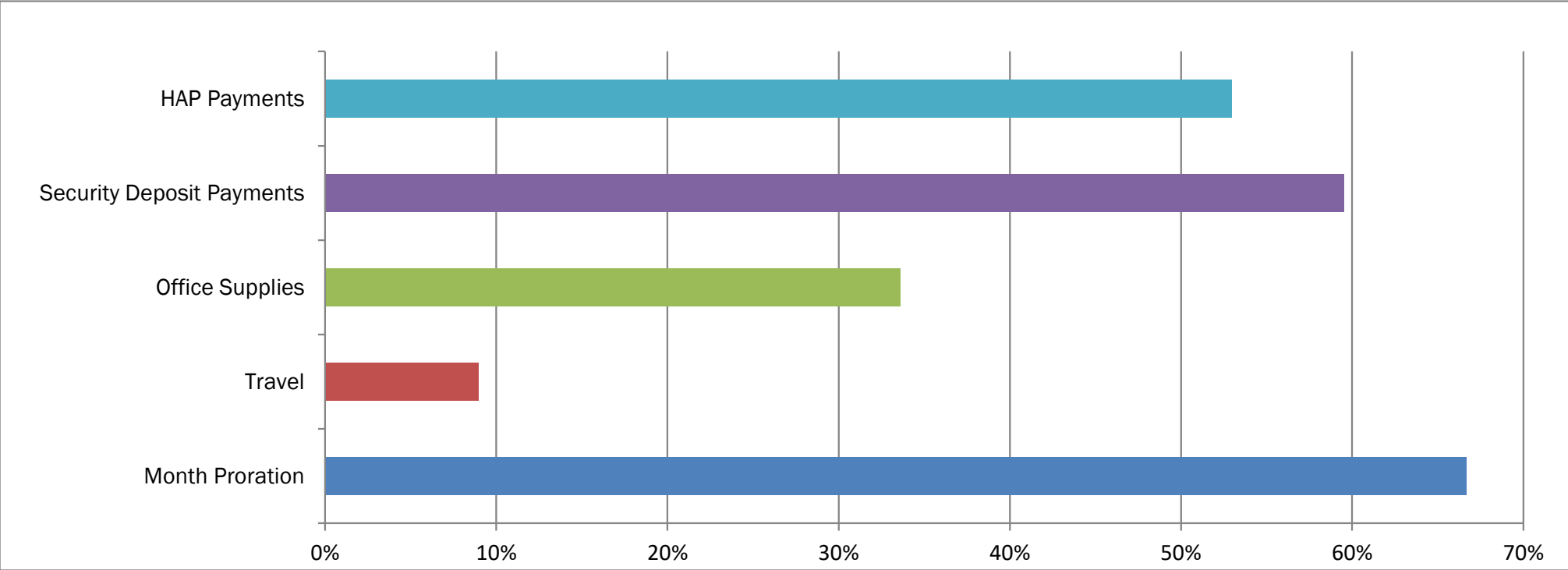
Contracts: Completed more MHFA Loans than budgeted.

August 2022 YTD Housing Choice Voucher Expense/Annual Budget Comparison

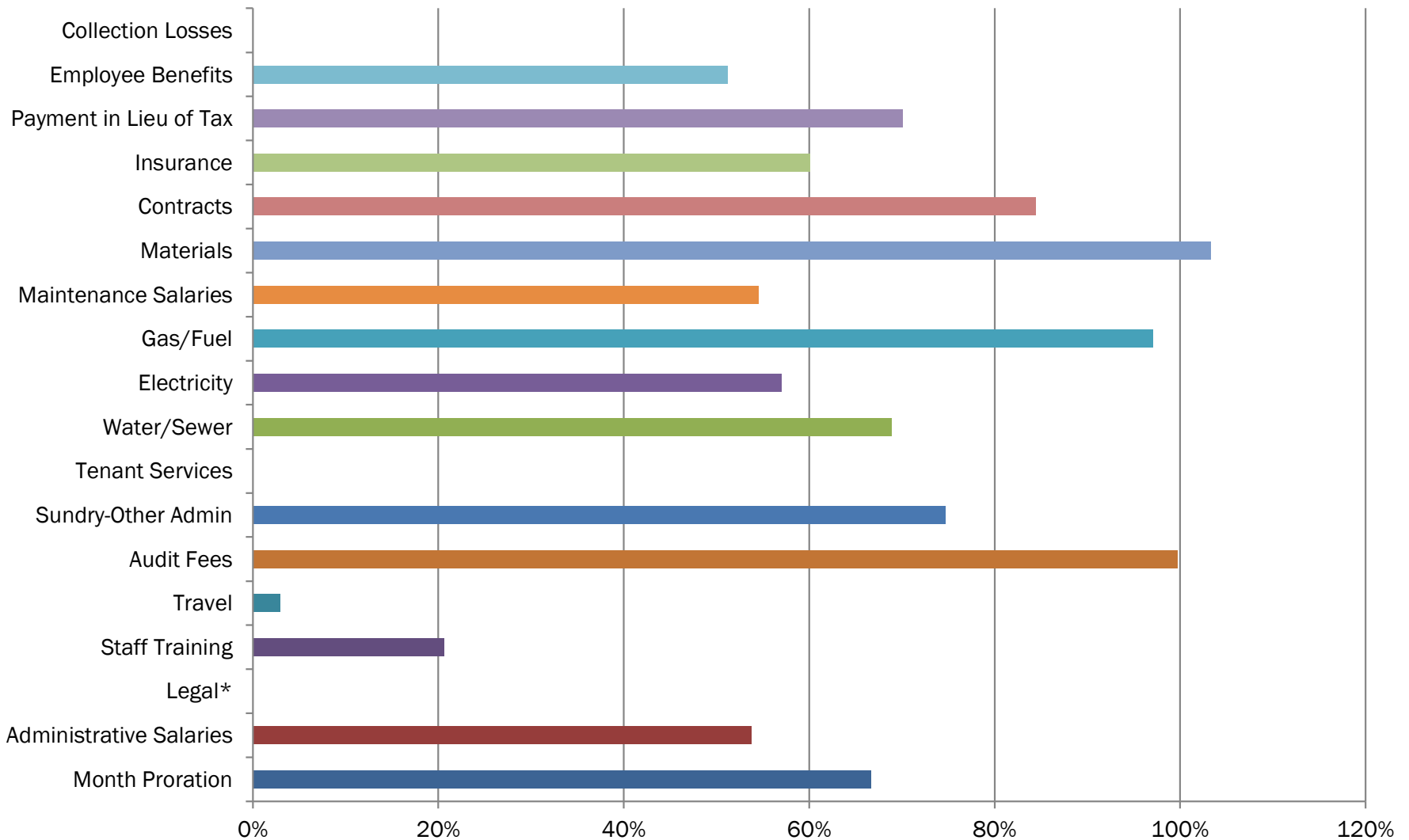


Sundry-Other Admin: Office Supplies, Advertising, Postage
 Contracts: A study was conducted to update utility allowance for 2022.
 Audit Fees: Audit was completed.

August 2022 YTD Bridges Expense/Annual Budget Comparison



August 2022 YTD Public Housing Expense/Annual Budget Comparison



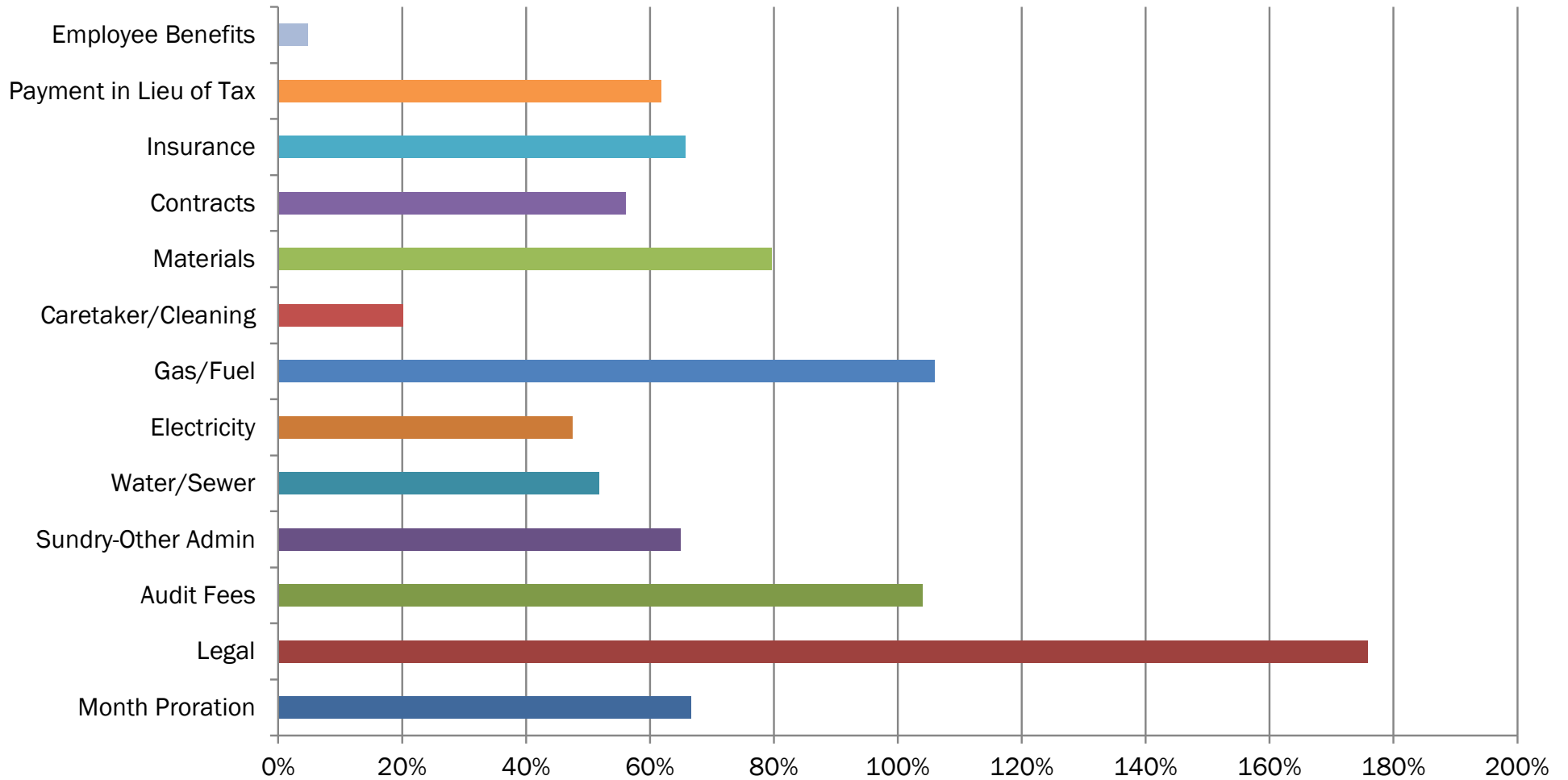
Materials: Purchase of refrigerators.

Sundry-Other Admin: Advertising, annual NAHRO membership.

Legal*: \$10,313 Total. Service and construction contracts.

Contracts: Scattered site unit with mold and relocation costs. Purchased housekeeping equipment.

August 2022 YTD Brainerd South Expense/Annual Budget Comparison



Audit Fees: Audit was completed.

Legal: Assistance with human resource issues.

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**Brainerd HRA
General Fund Operating Statement
August, 2022**

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	Current Period	Current Year	Year To Date Budget	Variance
General Fund Operating INCOME				
Management Fees	-14,598.73	-116,756.91	-114,666.64	-2,090.27
Interest Income	-66.53	-111.49	-33.36	-78.13
Other Income	-2,452.22	-103,742.81	-90,533.28	-13,209.53
TOTAL INCOME	-17,117.48	-220,611.21	-205,233.28	-15,377.93
EXPENSE				
Administrative				
Administrative Salaries	13,538.69	99,580.78	116,043.36	-16,462.58
Legal	0.00	491.05	1,666.64	-1,175.59
Staff Training	0.00	887.07	3,333.36	-2,446.29
Travel	0.00	62.04	400.00	-337.96
Auditing Fees	0.00	6,900.00	6,900.00	0.00
Sundry-Other Admin	255.07	5,569.39	4,816.56	752.83
Total Administration	13,793.76	113,490.33	133,159.92	-19,669.59
Maintenance				
Maintenance Salaries	0.00	2,092.65	7,800.00	-5,707.35
Contracts	192.30	5,423.76	5,713.36	-289.60
Total Maintenance	192.30	7,516.41	13,513.36	-5,996.95
General				
TIF Expense	55.60	85.60	86.64	-1.04
Insurance	356.61	2,852.88	4,103.28	-1,250.40
Employee Benefits	5,886.38	45,028.23	56,210.00	-11,181.77
Other General Expense	0.00	3,949.60	16,666.64	-12,717.04
Total General	6,298.59	51,916.31	77,066.56	-25,150.25
TOTAL EXPENSE	20,284.65	172,923.05	223,739.84	-50,816.79
Net Income/Loss	3,167.17	-47,688.16	18,506.56	-66,194.72

Housing Rehab Operating Statement
August, 2022

	Current Period	Current Year	Year To Date Budget	Variance
Housing Rehab Operating INCOME				
Other Income	-10,064.02	-195,380.82	-182,833.36	-12,547.46
Grant Admin Revenue	0.00	0.00	-2,400.00	2,400.00
TOTAL INCOME	-10,064.02	-195,380.82	-185,233.36	-10,147.46
EXPENSE				
Administrative				
Administrative Salaries	5,962.88	56,070.68	54,023.36	2,047.32
Legal	0.00	200.00	0.00	200.00
Staff Training	0.00	5.27	3,333.36	-3,328.09
Travel	155.01	569.86	666.64	-96.78
Other Admin Exp	10.50	2,647.07	2,488.28	158.79
Total Administration	6,128.39	59,492.88	60,511.64	-1,018.76
Maintenance				
Contracts	18,000.00	111,335.00	90,000.00	21,335.00
Total Maintenance	18,000.00	111,335.00	90,000.00	21,335.00
General				
Insurance	0.00	552.29	333.36	218.93
Employee Benefits	2,913.82	25,411.43	25,016.72	394.71
Total General	2,913.82	25,963.72	25,350.08	613.64
TOTAL EXPENSE	27,042.21	196,791.60	175,861.72	20,929.88
Net Income/Loss	16,978.19	1,410.78	-9,371.64	10,782.42

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**Brainerd HRA
HCV Operating Statement
August, 2022**

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	Current Period	Current Year	Year To Date Budget	Variance
Housing Choice Voucher Operating INCOME				
HUD HAP Received	-119,892.00	-902,119.00	-987,933.36	85,814.36
Admin Fees Earned	-19,050.00	-205,638.04	-188,853.36	-16,784.68
Interest Income	-7.73	-11.07	0.00	-11.07
Other Income	-2,533.60	-17,663.93	-20,000.00	2,336.07
TOTAL INCOME	-141,483.33	-1,125,432.04	-1,196,786.72	71,354.68
EXPENSE				
Administrative				
Administrative Salaries	15,463.99	124,532.18	130,520.00	-5,987.82
Legal	0.00	0.00	333.36	-333.36
Staff Training	0.00	1,349.71	3,333.36	-1,983.65
Travel	48.13	563.54	1,666.64	-1,103.10
Accounting & Audit Fees	0.00	3,650.00	3,650.00	0.00
Sundry-Other Admin	153.55	3,820.30	3,916.56	-96.26
Total Administration	15,665.67	133,915.73	143,419.92	-9,504.19
Maintenance				
Contracts	192.30	7,126.07	6,240.00	886.07
Total Maintenance	192.30	7,126.07	6,240.00	886.07
General				
Insurance	509.03	4,072.24	4,389.92	-317.68
Employee Benefits	8,232.27	66,844.44	68,073.28	-1,228.84
Collection Losses	0.00	1,973.00	0.00	1,973.00
Other General Expense	232.90	1,020.76	1,066.64	-45.88
Total General	8,974.20	73,910.44	73,529.84	380.60
HAP Payments				
HAP Payments Occupied	116,363.00	876,933.00	918,780.64	-41,847.64
HAP Payments Home	2,280.00	22,837.00	29,637.36	-6,800.36
FSS Escrow Voucher	5,277.00	32,439.99	19,756.00	12,683.99
HAP Payments Portable	2,084.00	18,640.00	19,759.36	-1,119.36
Total HAP	126,004.00	950,849.99	987,933.36	-37,083.37
TOTAL EXPENSE	150,836.17	1,165,802.23	1,211,123.12	-45,320.89
Net Income/Loss	9,352.84	40,370.19	14,336.40	26,033.79

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Bridges Program
Bridges Operating Statement
August, 2022

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	Current Period	Current Year	Year To Date Budget	Variance
Bridges Operating INCOME				
HAP Received MHFA	-5,036.00	-31,338.00	-39,233.36	7,895.36
Admin Revenue	-600.00	-4,440.00	-4,800.00	360.00
Total Income	-5,636.00	-35,778.00	-44,033.36	8,255.36
EXPENSE				
Administrative				
Travel	1.25	35.80	266.64	-230.84
Office Supplies	0.00	16.80	33.36	-16.56
Total Administration	1.25	52.60	300.00	-247.40
General				
Security Deposit Pmts	740.00	1,530.00	1,713.36	-183.36
HAP Payment to Landlords	4,296.00	29,808.00	37,520.00	-7,712.00
Total General	5,036.00	31,338.00	39,233.36	-7,895.36
TOTAL EXPENSE	5,037.25	31,390.60	39,533.36	-8,142.76
Net Income/Loss	-598.75	-4,387.40	-4,500.00	112.60

**Brainerd HRA
Public Housing Operating Statement
August, 2022**

	Current Period	Current Year	Year To Date Budget	Variance
Public Housing Operating INCOME				
Dwelling Rental	-69,565.00	-533,877.00	-525,593.36	-8,283.64
Excess Utilities	-846.99	-3,094.99	-2,880.00	-214.99
Operating Subsidy	-27,063.00	-215,366.00	-220,000.00	4,634.00
Investment Interest	-34.12	193.64	0.00	193.64
Other Income	-15,464.86	-103,397.77	-123,053.36	19,655.59
Other Income Tenants	-2,423.62	-19,212.55	-13,033.36	-6,179.19
Capital Fund Income	-74,082.03	-74,082.03	-44,000.00	-30,082.03
Laundry Income	-1,730.50	-14,588.57	-12,733.36	-1,855.21
TOTAL INCOME	-191,210.12	-963,425.27	-941,293.44	-22,131.83
EXPENSE				
Administrative				
Administrative Salaries	24,321.44	180,116.57	223,273.36	-43,156.79
Legal	6,685.13	10,313.95	2,666.64	7,647.31
Staff Training	1,675.00	2,889.04	9,333.36	-6,444.32
Travel	0.00	29.25	666.64	-637.39
Accounting & Audit Fees	0.00	11,541.51	11,575.00	-33.49
Sundry-Other Admin	1,994.46	15,372.68	14,313.28	1,059.40
Total Administration	34,676.03	220,263.00	261,828.28	-41,565.28
Tenant Services				
Rec Public and Other	0.00	0.00	3,300.00	-3,300.00
Total Tenant Services	0.00	0.00	3,300.00	-3,300.00
Utilities				
Water/Sewer	7,996.43	52,296.03	50,626.64	1,669.39
Electricity	8,823.21	45,820.17	53,573.36	-7,753.19
Gas/Fuel	1,323.29	41,220.34	28,310.00	12,910.34
Total Utilities	18,142.93	139,336.54	132,510.00	6,826.54
Maintenance				
Labor	13,740.14	123,177.92	150,493.36	-27,315.44
Materials	1,148.35	30,993.20	20,000.00	10,993.20
Contracts	47,520.64	153,842.67	121,433.28	32,409.39
Total Maintenance	62,409.13	308,013.79	291,926.64	16,087.15
General				
Insurance	8,292.79	66,342.32	73,560.00	-7,217.68
Payment in Lieu of Tax	2,502.20	19,632.31	18,666.64	965.67
Employee Benefits	15,893.87	133,718.94	174,046.72	-40,327.78
Collection Losses	0.00	0.00	2,800.00	-2,800.00
Other General Expense	0.00	1,000.00	0.00	1,000.00
Total General	26,688.86	220,693.57	269,073.36	-48,379.79
TOTAL EXPENSE	141,916.95	888,306.90	958,638.28	-70,331.38
Net Income/Loss	-49,293.17	-75,118.37	17,344.84	-92,463.21

Brainerd South Operating Statement
August, 2022

	Current Period	Current Year	Year To Date Budget	Variance
Brainerd South Operating				
INCOME				
Dwelling Rental	-22,013.00	-171,835.00	-163,493.36	-8,341.64
Rental Supplement	-4,175.00	-37,374.00	-33,800.00	-3,574.00
Investment Interest	-135.82	-177.25	0.00	-177.25
Other Income	-1,950.00	-17,108.54	-17,733.36	624.82
Laundry Income	-576.00	-5,053.50	-5,786.64	733.14
TOTAL INCOME	-28,849.82	-231,548.29	-220,813.36	-10,734.93
EXPENSE				
Administrative				
Legal	459.00	8,792.45	3,333.36	5,459.09
Accounting & Audit Fees	0.00	5,512.50	5,300.00	212.50
Sundry-Other Admin	3,592.91	30,703.44	31,493.36	-789.92
Total Administration	4,051.91	45,008.39	40,126.72	4,881.67
Utilities				
Water	1,982.12	8,454.71	10,893.36	-2,438.65
Electricity	336.84	2,751.79	3,866.64	-1,114.85
Gas/Fuel	844.17	18,900.47	11,893.36	7,007.11
Total Utilities	3,163.13	30,106.97	26,653.36	3,453.61
Maintenance				
Labor	92.62	3,894.13	12,866.64	-8,972.51
Materials	2,147.21	14,415.20	16,466.72	-2,051.52
Contracts	6,605.75	38,458.88	45,666.64	-7,207.76
Total Maintenance	8,845.58	56,768.21	75,000.00	-18,231.79
General				
Insurance	3,347.16	23,532.59	23,866.64	-334.05
Payment in Lieu of Tax	915.61	6,796.71	7,333.36	-536.65
Employee Benefits	0.00	59.63	833.36	-773.73
Total General	4,262.77	30,388.93	32,033.36	-1,644.43
TOTAL EXPENSE	20,323.39	162,272.50	173,813.44	-11,540.94
Net Income/Loss	-8,526.43	-69,275.79	-46,999.92	-22,275.87

August 2022
Prior Year Comparative Operating
Statements

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**Brainerd HRA
General Fund Operating Statement
August, 2022**

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	YTD 2022	YTD 2022 Budget	YTD 2021	YTD 2020
General Fund Operating INCOME				
Management Fees	-116,756.91	-114,666.64	-115,548.49	-115,276.54
Interest Income	-111.49	-33.36	-32.32	-1,176.59
Other Income	-103,742.81	-90,533.28	-107,008.84	-101,987.58
TOTAL INCOME	-220,611.21	-205,233.28	-225,818.65	-218,440.71
EXPENSE				
Administrative				
Administrative Salaries	99,580.78	116,043.36	100,292.44	121,971.95
Legal	491.05	1,666.64	0.00	2,531.00
Staff Training	887.07	3,333.36	96.25	238.63
Travel	62.04	400.00	14.56	1.15
Auditing Fees	6,900.00	6,900.00	6,900.00	6,700.00
Sundry-Other Admin	5,569.39	4,816.56	4,147.36	4,763.88
Total Administration	113,490.33	133,159.92	111,450.61	136,206.61
Maintenance				
Maintenance Salaries	2,092.65	7,800.00	3,448.73	7,460.70
Contracts	5,423.76	5,713.36	1,461.42	1,483.53
Total Maintenance	7,516.41	13,513.36	4,910.15	8,944.23
General				
TIF Expense	85.60	86.64	88.40	0.00
Insurance	2,852.88	4,103.28	4,108.67	3,699.89
Employee Benefits	45,028.23	56,210.00	46,960.00	58,081.21
Other General Expense	3,949.60	16,666.64	3,750.00	20,700.00
Total General	51,916.31	77,066.56	54,907.07	82,481.10
TOTAL EXPENSE	172,923.05	223,739.84	171,267.83	227,631.94
Net Income/Loss	-47,688.16	18,506.56	-54,550.82	9,191.23

Housing Rehab Proj Operating PY
Housing Rehab Operating Statement
August, 2022

	YTD 2022	YTD 2022 Budget	YTD 2021	YTD 2020
Housing Rehab Operating				
INCOME				
Other Income	-195,380.82	-182,833.36	-111,037.50	-119,560.49
Grant Admin Revenue	0.00	-2,400.00	0.00	-4,707.34
TOTAL INCOME	-195,380.82	-185,233.36	-111,037.50	-124,267.83
EXPENSE				
Administrative				
Administrative Salaries	56,070.68	54,023.36	54,954.23	59,183.66
Legal	200.00	0.00	105.00	0.00
Staff Training	5.27	3,333.36	0.00	154.80
Travel	569.86	666.64	432.32	558.96
Other Admin Exp	2,647.07	2,488.28	3,836.99	4,281.96
Total Administration	59,492.88	60,511.64	59,328.54	64,179.38
Maintenance				
Contracts	111,335.00	90,000.00	47,289.88	111,676.55
Total Maintenance	111,335.00	90,000.00	47,289.88	111,676.55
General				
Insurance	552.29	333.36	507.32	496.47
Employee Benefits	25,411.43	25,016.72	21,253.46	20,785.00
Total General	25,963.72	25,350.08	21,760.78	21,281.47
TOTAL EXPENSE	196,791.60	175,861.72	128,379.20	197,137.40
Net Income/Loss	1,410.78	-9,371.64	17,341.70	72,869.57

**Brainerd HRA
HCV Operating Statement
August, 2022**

	YTD 2022	YTD 2022 Budget	YTD 2021	YTD 2020
Housing Choice Voucher Operating INCOME				
HUD HAP Received	-902,119.00	-987,933.36	-1,005,662.00	-978,785.00
Admin Fees Earned	-205,638.04	-188,853.36	-181,664.69	-261,101.36
Interest Income	-11.07	0.00	-1.35	-94.50
Other Income	-17,663.93	-20,000.00	-29,667.52	-12,020.55
TOTAL INCOME	-1,125,432.04	-1,196,786.72	-1,216,995.56	-1,252,001.41
EXPENSE				
Administrative				
Administrative Salaries	124,532.18	130,520.00	108,840.10	89,637.58
Legal	0.00	333.36	0.00	366.00
Staff Training	1,349.71	3,333.36	404.00	674.00
Travel	563.54	1,666.64	127.68	324.88
Accounting & Audit Fees	3,650.00	3,650.00	3,650.00	3,500.00
Sundry-Other Admin	3,820.30	3,916.56	2,432.19	4,540.65
Total Administration	133,915.73	143,419.92	115,453.97	99,043.11
Maintenance				
Contracts	7,126.07	6,240.00	4,193.62	3,608.95
Total Maintenance	7,126.07	6,240.00	4,193.62	3,608.95
General				
Insurance	4,072.24	4,389.92	4,157.84	4,197.73
Employee Benefits	66,844.44	68,073.28	60,672.95	56,096.24
Collection Losses	1,973.00	0.00	2,174.00	2,302.00
Other General Expense	1,020.76	1,066.64	819.66	810.19
Total General	73,910.44	73,529.84	67,824.45	63,406.16
HAP Payments				
HAP Payments Occupied	876,933.00	918,780.64	910,527.00	884,742.00
HAP Payments Home	22,837.00	29,637.36	24,419.00	29,745.00
FSS Escrow Voucher	32,439.99	19,756.00	16,705.00	13,170.00
HAP Payments Portable	18,640.00	19,759.36	21,542.00	15,237.00
Total HAP	950,849.99	987,933.36	973,193.00	942,894.00
TOTAL EXPENSE	1,165,802.23	1,211,123.12	1,160,665.04	1,108,952.22
Net Income/Loss	40,370.19	14,336.40	-56,330.52	-143,049.19

Date: 9/20/2022
Time: 11:49:14 AM
joe

Bridges Program PY
Bridges Operating Statement
August, 2022

Page: 1
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	YTD 2022	YTD 2022 Budget	YTD 2021	YTD 2020
Bridges Operating INCOME				
HAP Received MHFA	-31,338.00	-39,233.36	-31,850.00	-34,781.00
Admin Revenue	-4,440.00	-4,800.00	-3,510.00	-4,050.00
Total Income	-35,778.00	-44,033.36	-32,131.00	-38,831.00
EXPENSE				
Administrative				
Travel	35.80	266.64	42.56	59.23
Office Supplies	16.80	33.36	0.00	0.00
Total Administration	52.60	300.00	42.56	59.23
General				
Security Deposit Pmts	1,530.00	1,713.36	500.00	0.00
HAP Payment to Landlords	29,808.00	37,520.00	31,350.00	34,557.00
Total General	31,338.00	39,233.36	31,850.00	34,557.00
TOTAL EXPENSE	31,390.60	39,533.36	31,892.56	34,616.23
Net Income/Loss	-4,387.40	-4,500.00	-238.44	-4,214.77

**Brainerd HRA
Public Housing Operating Statement
August, 2022**

	YTD 2022	YTD 2022 Budget	YTD 2021	YTD 2020
Public Housing Operating INCOME				
Dwelling Rental	-533,877.00	-525,593.36	-505,774.00	-491,540.00
Excess Utilities	-3,094.99	-2,880.00	-2,944.00	-2,869.48
Operating Subsidy	-215,366.00	-220,000.00	-248,862.00	-173,977.00
Investment Interest	193.64	0.00	387.36	-1,460.85
Other Income	-103,397.77	-123,053.36	-97,459.91	-109,662.85
Other Income Tenants	-19,212.55	-13,033.36	-10,265.75	-11,814.56
Capital Fund Income	-74,082.03	-44,000.00	-102,920.80	-175,719.40
Laundry Income	-14,588.57	-12,733.36	-13,033.75	-11,862.25
TOTAL INCOME	-963,425.27	-941,293.44	-980,872.85	-978,906.39
EXPENSE				
Administrative				
Administrative Salaries	180,116.57	223,273.36	188,234.93	175,825.76
Legal	10,313.95	2,666.64	3,303.49	915.50
Staff Training	2,889.04	9,333.36	1,086.75	1,223.32
Travel	29.25	666.64	8.40	209.66
Accounting & Audit Fees	11,541.51	11,575.00	9,212.50	8,700.00
Sundry-Other Admin	15,372.68	14,313.28	12,677.63	15,956.98
Total Administration	220,263.00	261,828.28	214,523.70	202,831.22
Tenant Services				
Rec Public and Other	0.00	3,300.00	0.00	0.00
Total Tenant Services	0.00	3,300.00	0.00	0.00
Utilities				
Water/Sewer	52,296.03	50,626.64	46,284.49	41,437.55
Electricity	45,820.17	53,573.36	43,400.67	45,439.52
Gas/Fuel	41,220.34	28,310.00	25,677.36	22,543.67
Total Utilities	139,336.54	132,510.00	115,362.52	109,420.74
Maintenance				
Labor	123,177.92	150,493.36	112,033.43	132,015.64
Materials	30,993.20	20,000.00	9,704.04	8,048.30
Contracts	153,842.67	121,433.28	106,403.81	90,889.63
Total Maintenance	308,013.79	291,926.64	228,141.28	230,953.57
General				
Insurance	66,342.32	73,560.00	68,966.67	60,692.89
Payment in Lieu of Tax	19,632.31	18,666.64	19,142.68	18,846.35
Employee Benefits	133,718.94	174,046.72	144,768.12	146,992.46
Collection Losses	0.00	2,800.00	0.00	0.00
Other General Expense	1,000.00	0.00	1,000.00	1,000.00
Total General	220,693.57	269,073.36	233,877.47	227,531.70
TOTAL EXPENSE	888,306.90	958,638.28	791,904.97	770,737.23
Net Income/Loss	-75,118.37	17,344.84	-188,967.88	-208,169.16

Brainerd South Operating Statement
August, 2022

	YTD 2022	YTD 2022 Budget	YTD 2021	YTD 2020
Brainerd South Operating				
INCOME				
Dwelling Rental	-171,835.00	-163,493.36	-168,543.00	-164,168.00
Rental Supplement	-37,374.00	-33,800.00	-33,829.00	-33,143.00
Investment Interest	-177.25	0.00	77.11	-2,128.92
Other Income	-17,108.54	-17,733.36	-16,992.07	-16,085.83
Laundry Income	-5,053.50	-5,786.64	-4,746.00	-5,727.75
TOTAL INCOME	-231,548.29	-220,813.36	-224,032.96	-221,253.50
EXPENSE				
Administrative				
Legal	8,792.45	3,333.36	8,600.99	0.00
Accounting & Audit Fees	5,512.50	5,300.00	5,250.00	4,961.25
Sundry-Other Admin	30,703.44	31,493.36	33,343.87	32,655.21
Total Administration	45,008.39	40,126.72	47,194.86	37,616.46
Utilities				
Water	8,454.71	10,893.36	9,840.77	9,638.64
Electricity	2,751.79	3,866.64	2,959.50	2,977.09
Gas/Fuel	18,900.47	11,893.36	10,991.64	9,930.55
Total Utilities	30,106.97	26,653.36	23,791.91	22,546.28
Maintenance				
Labor	3,894.13	12,866.64	10,082.80	10,403.42
Materials	14,415.20	16,466.72	14,289.96	18,080.03
Contracts	38,458.88	45,666.64	31,537.64	30,193.13
Total Maintenance	56,768.21	75,000.00	55,910.40	58,676.58
General				
Insurance	23,532.59	23,866.64	22,719.01	22,019.73
Payment in Lieu of Tax	6,796.71	7,333.36	6,969.12	6,839.53
Employee Benefits	59.63	833.36	1,001.96	654.71
Total General	30,388.93	32,033.36	30,690.09	29,513.97
TOTAL EXPENSE	162,272.50	173,813.44	157,587.26	148,353.29
Net Income/Loss	-69,275.79	-46,999.92	-66,445.70	-72,900.21

Brainerd Housing and Redevelopment Authority
Payment Summary Report
August 2022

Payment Date	Payment Number	Remit to Vendor	Total Check Amt
8/12/2022	916	Carrie Burrell	\$5.64
8/12/2022	917	Creo Block	\$6.25
8/12/2022	918	Eric Charpentier	\$52.25
8/12/2022	919	John Schommer	\$198.77
8/12/2022	920	Keri Weitalla	\$31.27
8/12/2022	921	Nancy Thull	\$11.25
8/12/2022	922	Ryan Barnett	\$48.13
8/12/2022	923	Shannon Fortune	\$43.14
8/11/2022	2026	Harpers Payroll Service	\$103.51
8/11/2022	2027	Minnesota State Retirement System	\$786.00
8/11/2022	2028	Harpers Payroll Service	\$9,483.86
8/11/2022	2029	Health Savings Accounts	\$3,349.39
8/11/2022	2030	Security Benefit	\$4,037.59
8/2/2022	2031	90 Degree Benefits Inc.	\$20,475.12
8/25/2022	2032	Harpers Payroll Service	\$91.64
8/25/2022	2033	Minnesota State Retirement System	\$561.00
8/25/2022	2034	Harpers Payroll Service	\$9,184.26
8/25/2022	2035	Health Savings Accounts	\$932.72
8/25/2022	2036	Security Benefit	\$4,037.59
8/2/2022	24796	Payroll Check	\$241.01
8/11/2022	24797	Aramark Uniform Services	\$322.02
8/11/2022	24798	Atlas Abstract & Title	\$90.62
8/11/2022	24799	Borden Steinbauer Krueger & Knudson, PA	\$1,614.62
8/11/2022	24800	Brainerd Lakes Area Economic Development	\$43,500.00
8/11/2022	24801	Brainerd Public Utilities	\$18,309.75
8/11/2022	24802	CTCIT	\$720.00
8/11/2022	24803	Capital One Commercial	\$688.39
8/11/2022	24804	Cash	\$61.83
8/11/2022	24805	CenturyLink	\$111.46
8/11/2022	24806	City of Brainerd	\$100.44
8/11/2022	24807	College Drive Townhouses	\$1,009.48
8/11/2022	24808	Crescent Electric Supply Company	\$96.00
8/11/2022	24809	Culligan	\$116.50
8/11/2022	24810	Forum Communications Company	\$860.20
8/11/2022	24811	Gelded Acres LLC	\$2,280.00
8/11/2022	24812	Granite Pest Control, LLC	\$367.00
8/11/2022	24813	Gull Lake Glass	\$1,397.21
8/11/2022	24814	Harpers Time & Attendance Division	\$240.00
8/11/2022	24815	Hillyard / Hutchinson	\$3,995.72
8/11/2022	24816	Holden Electric Company Inc	\$4,319.90
8/11/2022	24817	Home Depot Credit Services	\$221.56
8/11/2022	24818	Home Depot Supply	\$128.72
8/11/2022	24819	Kennedy & Graven, Chartered	\$183.00
8/11/2022	24820	Kristin Miller	\$14.40
8/11/2022	24821	Krueger International Inc.	\$38,431.85
8/11/2022	24822	MN Elevator, Inc.	\$826.64
8/11/2022	24823	MRI Software LLC	\$100.00
8/11/2022	24824	Mike Jones	\$89.06
8/11/2022	24825	Miller Testing & Consulting LLC	\$450.00
8/11/2022	24826	North Central Lawn Care & Irrigation	\$112.50
8/11/2022	24827	Office Shop	\$463.36
8/11/2022	24828	Paper Storm	\$26.00
8/11/2022	24829	Ratwik, Roszak & Maloney, P.A.	\$3,603.01
8/11/2022	24830	Servpro of St. Cloud	\$16,990.93
8/11/2022	24831	Strike Painting & Finishing	\$1,200.00
8/11/2022	24832	T-Mobile	\$183.05
8/11/2022	24833	The Hartford	\$7.03
8/11/2022	24834	Thelen Heating and Roofing, Inc.	\$325.00
8/11/2022	24835	Turf & More	\$525.00
8/11/2022	24836	VSP	\$48.80
8/11/2022	24837	Waste Partners, Inc.	\$2,749.67
8/11/2022	24838	Wex Health	\$7.50
8/11/2022	24839	Yde's Major Appliance	\$114.95
8/18/2022	24840	Tenant Refund	\$600.40

Brainerd Housing and Redevelopment Authority
Payment Summary Report
August 2022

Payment Date	Payment Number	Remit to Vendor	Total Check Amt
8/18/2022	24841	Tenant Refund	\$213.17
8/18/2022	24842	Tenant Refund	\$315.87
8/25/2022	24843	BDS Laundry Systems	\$33,598.00
8/25/2022	24844	Batteries Plus	\$49.99
8/25/2022	24845	Brainerd Public Utilities	\$915.85
8/25/2022	24846	Bremer Bank Credit Card	\$922.30
8/25/2022	24847	CTC	\$2,419.45
8/25/2022	24848	CenterPoint Energy	\$2,167.46
8/25/2022	24849	Crow Wing County Sheriff's Office	\$75.00
8/25/2022	24850	Dearborn National	\$208.51
8/25/2022	24851	Delta Dental	\$800.66
8/25/2022	24852	Footings To Trim Inc.	\$18,000.00
8/25/2022	24853	Granite Pest Control, LLC	\$398.00
8/25/2022	24854	Hillyard / Hutchinson	\$774.84
8/25/2022	24855	Home Depot Supply	\$1,478.87
8/25/2022	24856	Housing Agency Procurement Assistance	\$1,600.00
8/25/2022	24857	Housing Insurance Svc Inc.	\$2,098.00
8/25/2022	24858	Kennedy & Graven, Chartered	\$1,836.00
8/25/2022	24859	Lakes Printing Inc.	\$205.25
8/25/2022	24860	Midwest Machinery Co	\$818.15
8/25/2022	24861	Mike's Tree Company LLC	\$75.00
8/25/2022	24862	Ratwik, Roszak & Maloney, P.A.	\$15.50
8/25/2022	24863	Roto-Rooter Sewer & Drain Service	\$529.00
8/25/2022	24864	Strike Painting & Finishing	\$350.00
8/25/2022	24865	West Central Flooring	\$2,278.86
8/25/2022	24866	West Central Flooring	\$9,154.92
		Report Total	\$282,582.61



To: Brainerd HRA Board Members
From: Tania Eller, Rental Assistance Manager
Date: September 19, 2022
RE: Housing Choice Voucher Programs Report

HCV Report

Please see the attached reports.

Our Unit Months Leased (UML) through August is 97% and HAP utilization through August is 59%.

HUD published a notice on August 26, 2022 regarding new Incremental Housing Choice Vouchers/General Purpose Vouchers. Our agency received notice stating we were awarded four of these vouchers effective October 1, 2022. According to the notice, these vouchers become part of our current UML, and are considered regular vouchers with no special purpose or reporting requirements. In addition to these vouchers, we were also awarded \$750 for each voucher awarded as a special fee to support the anticipated immediate start-up costs that the PHA will incur and to facilitate leasing of these vouchers.

Bridges Report

Please see the attached report.

We have 10 families on our program with a monthly HAP payment of \$5,036.

Family Self-Sufficiency (FSS) Report

Please see the attached report.

We have 31 families on our program. We have 15 families currently escrowing a total of \$5,277 per month.

Foster Youth Initiative (FYI) Report

Please see the attached report.

We have 2 families leased up with a total HAP payment of \$480.

No Action Requested; Discussion Items

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August Housing Choice Voucher Programs (HCV)

<u>Voucher Allocation</u>	322
August Move-ins	9
August Move-outs	9
August Vouchers - looking for housing	57
August Vouchers - first day of month	316
Average Vouchers to date	311
Unit Months Leased	97%
HAP Utilization through 8/31/2022	59%

Reasons For Leaving Program

Voluntarily Left	7
Terminated	1
Port Absorbed	1

Payments

Housing Assistance Payment (HAP)	\$125,245
August HUD Administrative Fee	\$19,050

Port Out Vouchers

	3
St. Cloud HRA (3)	\$1,696

Homeownership

	8
Homeownership HAP	\$2,280

FYI Vouchers

	2
FYI Vouchers HAP	\$480

Length of Time on Program

< 1 year	23%
< 2 years	11%
< 3 years	12%
< 4 years	8%
< 5 years	8%
> 5 years	37%

Demographics

Elderly Households	104
Disabled/Handicapped Households	158
Families with Children	116
Average Annual Income	\$14,768
Average HAP	\$388

Waiting List Total

	25
Crow Wing County Preference	2
Non Preference	23

HUD-52681-B Report

Attachment 7b

Vouchers

Jun 2022

Jul 2022

Aug 2022

TAB 1: Voucher UML and HAP

Homeownership (UML)	8	8	8
Homeownership (HAP)	3,295	3,265	2,280
Portable Vouchers Paid (UML)	4	4	3
Portable Vouchers Paid (HAP)	3,338	3,338	1,696
Foster Youth To Independence (UML)	2	2	2
Foster Youth To Independence (HAP)	480	480	480
All Other Vouchers (UML)	295	298	303
All Other Vouchers (HAP)	110,388	110,409	115,512
HCV-All Voucher HAP Expenses for contracts after the first of month	85	0	0
HCV-FSS Escrow Deposits	3,640	4,956	5,277

TAB 1: Other Voucher Reporting Requirements

HCV-Number of vouchers under Lease on the last day of Month	310	312	315
HCV-Number of vouchers issued but not under contract as of last day of Month	36	39	57

TAB 2: Other Income and Expense - Memorandum Reporting

Number of Hard to House Families Leased	0	0	1
---	---	---	---

Bridges Program August 2022

Summary

- Tenants leased up in units: 10
- Participants issued a Voucher & searching for a unit: 5
- Notified: 0
- Participants receiving HCV voucher: 0
- Participants giving up Bridges voucher: 0
- Tenants' Residing Counties:
 - Cass County: 0
 - Morrison: 0
 - Aitkin: 0
 - Crow Wing: 10
 - Todd:
 - Wadena:

Total HAP Payment: \$5,036.00

Additional Info: Continue to notify, applicants struggling to lease up due to no housing and background barriers. Assisted in paying one security deposit in the amount of \$740.

Family Self-Sufficiency Program August 2022

Summary

- Active FSS participants: 31
- Tenants going OFF for month: 0
- Tenants going ON for month: 0
- New tenants ESCROWING: 1
- Total number of FSS participants escrowing monthly: 15
- Total amount of escrow: \$5,277.00
- Total combined amount of monthly escrow: \$70,831.70

Update: HUD also released the FSS FY 2022 NOFO and application is included in board packet. The deadline for the FY 2022 application is Oct. 7th.

Foster Youth to Independence Program August 2022

Summary

- Active FYI participants: 2
- Searching for a unit: 0
- Working on getting a voucher: 0
- Declined voucher: 0
- Gave up voucher: 0

Additional Info: no additional information to report



To: Brainerd HRA Board Members
From: Shannon Fortune, Housing Manager
Date: Sep-22-2022
Re: Housing Management Report

Vacancy Report for August 2022

Please see attachment.

Monthly Property Performance Report for August 2022

Please see attachment.

ROSS Program Updates

- 14 active participants in the ROSS program; 3 newly enrolled participants; 1 exited participant.
- 4 new contacts with non-enrolled residents for more limited resource/referral work.
- Food Program Participation
 - SNAP Food Boxes: 23 residents; shelf-stable box; elderly tenants only.
 - Catholic Charities: 12 residents; 210 frozen meals (10 - 30 each); elderly tenants only
- Activities Recap:
 - 15 residents attended a “how to” demonstration on the new coinless laundry machines.
- Facebook Stats:
 - ROSS Facebook page posts are temporarily on hold while we strategize on our goals for this platform.
- Other Activities:
 - During this past month Patsy has been very involved with the team responsible for helping North Star tenants navigate the parking lot resurfacing project with minimal negative impact despite some weather-related delays. Both phases of the project have been completed.

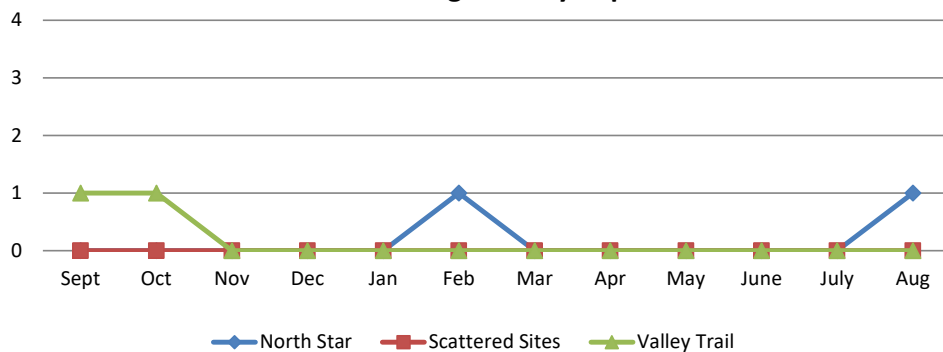
No Action Requested; Discussion Items

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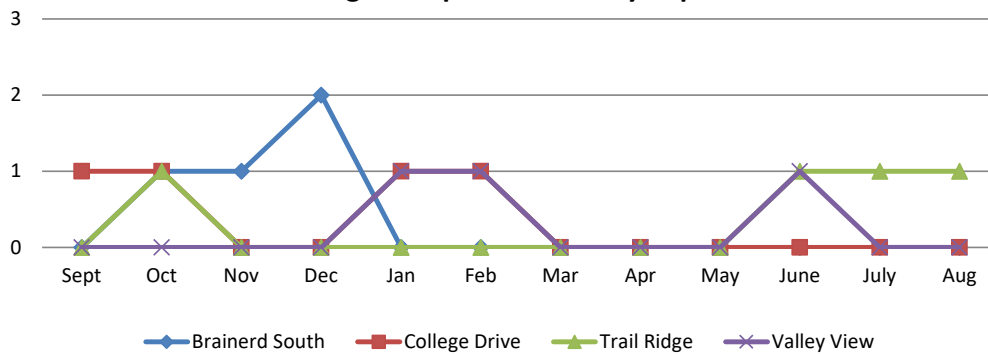
Brainerd HRA 2022 Vacancy Report

	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	0	0	0	0	0	1	0	1
Jan %	0.00%	0.00%	0.00%	0.00%	0.00%	4.17%	0.00%	5.00%
Feb 28	1	0	0	1	0	1	0	1
Feb %	0.62%	0.00%	0.00%	0.49%	0.00%	4.17%	0.00%	5.00%
March 31	0	0	0	0	0	0	0	0
March %	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
April 30	0	0	0	0	0	0	0	0
April %	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
May 31	0	0	0	0	0	0	0	0
May %	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
June 30	0	0	0	0	0	0	1	1
June %	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	5.56%	5.00%
July 31	0	0	0	0	0	0	1	0
July %	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	5.56%	0.00%
Aug 31	1	0	0	1	0	0	1	0
Aug %	0.62%	0.00%	0.00%	0.49%	0.00%	0.00%	5.56%	0.00%
Sept 30								
Sept %	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Oct 31								
Oct %	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Nov 30								
Nov %	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Dec 31								
Vacancies	2	0	0	2	0	2	3	3
%	0.15%	0.00%	0.00%	0.12%	0.00%	1.04%	2.08%	1.88%

Public Housing Vacancy Report



Managed Properties Vacancy Report



Brainerd Housing and Redevelopment Authority

Monthly Property Performance Report August 2022

1. Property Narrative

2. Physical Occupancy

Unit Size	Total Units	Occupied Units	Mod Rehab	Make Ready	Vacant Units	Percent Occupied
North Star	162	161	n/a	n/a	1	99%
Valley Trail	25	25	n/a	n/a	0	100%
Scattered Sites	16	16	n/a	n/a	0	100%
TOTAL	203	202	0	0	1	100%

3. Customer Traffic

Applications Requested	43
Applications Placed on PH Wait List	15
Applications Denied on PH Wait List	11

4. Waiting List

Unit Size	# of Units	Total # on Wait List	Notified	Screening	Denied
1 bdrm	160	89	5	4	0
2 bdrm	14	17	1	1	1
3 bdrm	24	12	0	0	0
4 bdrm	5	2	1	1	0
TOTAL	203	120	7	6	1

5. Move-Ins and Move Outs

	This Month	Year-to-Date
Move-Ins	3	10
Move-Outs	2	9

6. Lists of Vacant Units and Unit Status

Unit	Unit Size	Anticipated Lease Date	Applicant Approved?
NS#809	1BR	09/22/22	Yes

7. Recertifications

Interim Recertifications	5
Annual Recertifications	5
Completed for this month	10

8. Annual Unit Inspections

Total units to be inspected this year	203
Number completed start of month	162
Number inspected for the month	0
Number completed year-to-date	162
Total left to be inspected this year	41
Have all building system inspections been completed?	In Process
If yes, please enter date	n/a

9. Lease Enforcements

Lease warnings/violations issued	4
30-day lease terminations	3

10. Evictions

Resident	Reason	Summons Date	Judgment Action
None			

11. Non-Emergency Work Orders

Beginning Balance	11
Received	84
Closed	86
Ending Balance	9
Total Completed Work Orders for Year	688

12. Emergency Work Orders

	This Month	Year-to-Date
Requested	2	8
Completed within 24 hours	2	8
Percent completed within 24 hours	n/a	n/a

13. Rent Collection

	This Month
Rent Charges	69,775
Other Charges	2,324
Total New Charges	72,099
Arrears, tenants in possession	333

Accounts Receivable

Current Tenant Accounts Receivable (Rent)	253
Current Rent Charges	69,775
Current Rent Collections	69,522
Accounts Receivable Rate	0%
Collection Rate	100%

Collections - Prior 12 Month Period

Prior Tenants Accounts Receivable (Rent)	4,455
Prior Rent Charges	4,455
Collection Rate	0%



To: Brainerd HRA Board Members
 From: Kristin A. Miller, Rehab Administrative Specialist
 Date: September 19, 2022
 Re: Rehab Programs Report

Garrison SCDP

1 Completed Project
 1 Owner Occupied Rehab project bid
 1 Commercial Rehab project bid
 4 Commercial Application in collection of documents

Jenkins SCDP

2 Owner Occupied Rehab out for Bidding

MHFA

4 Projects are in construction
 1 Project bid
 1 Scheduling Inspection
 2 Applications are in collection process

Housing Trust Fund

1 Down Payment Assistance Closed 7/7/22
 1 Owner Occupied Project Completed 9/14/22
 1 Owner Occupied Lead Clearance In Process
 1 Owner Occupied Loan Signing Scheduled
 1 Owner Occupied Rehab Out for Bidding
 1 Rental Rehab Application in Review (Collecting documents)

Brainerd Oaks/Serene Pines/Dalmar Estates

Development	Total	# Sold to Developer	# Sold to End Buyer	For Sale	In Construction
Brainerd Oaks	81*	64	57	0	8
Serene Pines	23	19	16	0	3
Dalmar Estates	7	3	3	0	0

**Originally 83 lots, 2 have been merged/combined into a single parcel*

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To: Brainerd HRA Board Members

From: Eric Charpentier, Executive Director

Date: September 22nd, 2022

Re: Executive Director Report

Sealcoating of Northstar and Office

Within the last 3 weeks we have worked on some preventative maintenance of our parking lots at Northstar and our office building. We have seal coated, crack sealed and repainted our parking lines. It is always amazing what a difference this makes to the properties and it was much needed preventative maintenance. We also contracted to get the Brainerd South apartment complex parking lot seal coated and crack sealed.

Other Preventative Maintenance

Our maintenance staff has started going around to our scattered site properties to ensure that their furnaces are ready to go for the upcoming heating season. This is a good opportunity for us to get into units prior to completing our annual inspections, which are tentatively scheduled for November. We have also gone out for proposal for our snow removal and shoveling services and expect to have contracts lined up for snow removal by the middle of October.

Update on Downtown TIF District

We continue to work on finalizing the paperwork to accept the bond payment from the investment group that purchased the SEH building. There are a number of steps that we need to complete to ensure that we have terminated the minimum assessment agreement. The Brainerd City Council took action in September to allow the termination. We must do this for the other two taxing districts that are affected by this, which are Crow Wing County and Independent School District 181. We are scheduled to have this in front of Crow Wing County on Tuesday September 27th. I have been attempting to reach the finance director at the school district to keep this moving forward.

Update on 805 Laurel St Redevelopment Project

The developer is still working to finalize the scope of the redevelopment project at the former Thrifty White building as he is looking to maximize the footprint that they have available to them. The developer continues to look for funding sources and they have applied for the DEED main street program grant. They will be looking at an additional revitalization grant through DEED, potentially a demolition grant through MN housing. They are interested in exploring the viability of a redevelopment TIF district along with utilization of the CWC Housing Trust Fund. I will continue to provide updates as I get them from the developer.

Resignation of Commissioner Larson

It is with appreciation and sadness that I report that Commissioner Larson will be resigning her seat on our board, effective after our meeting on September 28th. Marlee and her husband will be selling their primary household in the City of Brainerd in October, and as such, will no longer meet the criteria to be a commissioner. I would like to personally thank Marlee for her years of service, her measured guidance and valuable insight. We will miss her voice on this commission and wish her nothing but the best as she splits her time between Arizona and the Brainerd Lakes Area for many years to come.

No Action Requested; Discussion Items