



Brainerd HRA Board of Commissioners Meeting
Wednesday, July 26th, 2023 @ 1:00pm
City Council Chambers
501 Laurel Street, Brainerd, MN

*"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. REVIEW AND APPROVE AGENDA
4. READING AND APPROVAL OF MINUTES
 - a. Approval of Minutes from Regular Board Mtg. on June 28th, 2023 (*Attachment 1*) Pg. 3
5. UNFINISHED BUSINESS
 - a. Mainstreet Revitalization Grant to LAHFH (*Attachment 2*) Pg. 9
6. NEW BUSINESS
 - a. Proposed Redevelopment TIF District and Resolution for Proposed Mixed Use Project at 805 Laurel Street (*Attachment 3*) Pg. 29
 - b. Request for Authorization to Apply for DEED Redevelopment Grant in Support of Mixed Use Project at 805 Laurel Street (*Attachment 4*) Pg. 79
7. BILLS & COMMUNICATIONS
 - a. Financial Report (*Attachment 5*) Pg. 101
 - b. HCV Report (*Attachment 6*) Pg. 129
 - c. Housing Management Report (*Attachment 7*) Pg. 133
 - d. Rehab Programs Report (*Attachment 8*) Pg. 139
 - e. Executive Director Report (*Attachment 9*) Pg. 143
8. COMMISSIONER COMMENTS
9. NEXT MEETING: Wed. August 23rd, 2023
10. ADJOURN

Rebekah Kent-Ehlebracht, term expiring 12/31/23
Gabe Johnson, term expiring 12/31/24
Allie Verchota, term expiring 12/31/24
Michael Duval, term expiring 12/31/25
Wayne Erickson, term expiring 12/31/25
Janet Decker, term expiring 12/31/26
Kevin Yeager, term expiring 12/31/27



Brainerd HRA BOARD MEETING MINUTES

Wednesday, June 28th, 2023 @ 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 the Brainerd HRA Office Conference Room located at 324 East River Road, at 1:00 p.m., Wednesday, June 28th, 2023.

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

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. Absent:

3. **REVIEW AND APPROVE AGENDA:**

Moved and seconded by Commissioners Duval and Erickson to approve the agenda as amended for the June 28th, 2023, board meeting. 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 May 17th, 2023
- b. Approval of minutes from Joint Board Mtg. w/City Council on May 30th, 2023

Moved and seconded by Commissioners Erickson and Verchota to approve the minutes from the April 26th, 2023, regular board meeting and May 30th, 2023 joint board meeting with city council. All commissioners were in favor, and none were opposed. The minutes were approved.

5. **UNFINISHED BUSINESS:**

- a. Strategic Goals Discussion

Draft Shared Services Agreement

As has been requested by this board, we are bringing the strategic goals worksheet back every 3 months for review. We have updated the status of the goals that we have been working on in the past few months. As we review this quarterly it will be helpful for staff to get feedback and/or guidance from the board to ensure we are making any priority adjustments as we work towards fulfilling these goals. This will continue to help guide staff on our path forward. Many of these goals will be ongoing throughout this two-year cycle, but there could be shifts in the priority as we work through these. I have updated the status column with progress on specific goals that has occurred in the past 3 month period.

6. NEW BUSINESS:

a. Juneteenth Holiday

The Minnesota Legislature approved a bill this session to establish Juneteenth as a state recognized holiday. A provision included in the state and local government omnibus bill adjusted the previous effective date to make the holiday required this year. The holiday is to recognize the date on which slavery was abolished in the United States. Public business cannot be conducted on June 19th in observance of this holiday. We have adjusted our work schedule to reflect that our offices were closed on June 19th of this year and our staff will be paid for the holiday. We will be adding this holiday to our list of recognized holidays going forward.

b. Brainerd Lakes Chamber of Commerce Annual Contribution

As a public agency, we are not allowed to pay dues to the Chamber of Commerce. However, municipalities have been able to enter into a Contract for Services for services rendered through their local Chambers.

The Brainerd Lakes Chamber of Commerce has spent a considerable amount on revitalization efforts in downtown Brainerd including Destination Downtown and the Small Business Revolution. The chamber has also been involved with hosting town hall type meetings regarding the Washington St reconstruction that will be occurring in 2026 as well as hosting forums centered around the need for housing, childcare, and workers in the City as well as the region. These community forums help provide important feedback for the City as well as the HRA as we look at our strategic goals to create more affordable housing and redevelopment opportunities. I would recommend entering into a Contract for Services with the Brainerd Lakes Chamber to support their efforts.

Attached is the request and invoice from the Chamber for the Contract for Services and a Suggested Voluntary Contribution for Facilities and Technology. Staff would recommend a \$280 Contract for Services Investment.

Moved and seconded by Commissioners Duval and Verchota to Adopt Resolution 2023-04 authorizing the Contract for Services between the Brainerd Lakes Chamber of Commerce. Through a roll call vote (Duval, Erickson, Verchota, Johnson), all commissioners were in favor, and none were opposed. Resolution 2023-03 was approved.

7. BILLS & COMMUNICATIONS:

a. Financial Report:

Young presented the Financial Reports and supporting information.

Brainerd HRA General Fund Report

Staff are preparing the 2024 General Fund budget that will be presented at the August board meeting.

CWC HRA Budget Presentation

Similar to the 2023 CWC HRA budget process, we are presenting the 2024 CWC HRA budget to the board at a special meeting at the end of July. This allows the board to have discussions focused on just the budget presentation.

Crosby HRA Audit

The Crosby HRA audit fieldwork was conducted by the auditors from CLA on June 6th. There were no audit findings, and a clean audit report will be issued.

Commissioner Erickson moved to approve the payments as presented. Commissioner Duval 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 (Report was presented)

Please see the attached reports.

Our Unit Months Leased (UML) through May is 107% and HAP utilization through May is 49%.

On June 8th we received notice that our final SEMAP score for the fiscal year ending 12/31/2022 is 100% and our overall performance rating is High. Given the challenges that we faced in 2022 with the HCV program, this accomplishment means so much more than any other year.

Bridges Report (Report was presented)

We have 12 families on our program with a monthly HAP payment of \$7,785.

Family Self-Sufficiency (FSS) Report (Report was presented)

We have 49 families on our program. We have 27 families currently escrowing a total of \$10,242 per month.

An FSS participant graduated from the program and received her escrow balance of \$3,763.00

She purchased the unit she was renting while on our program with the help of these funds.

c. Housing Management Report:

Fortune presented her reports and supporting documents.

Vacancy Report for May 2023 (Report was presented)

Monthly Property Performance Report for May 2023 (Report was presented)

ROSS Program Updates

- 15 active participants in the ROSS program; 1 newly enrolled participant; 0 exited participant.
- 7 new contacts with non-enrolled residents for more limited resource/referral work.
- Food Program Participation
 - SNAP Food Boxes: 26 residents; shelf-stable box; elderly tenants only.
 - Catholic Charities: 10 residents; 180 frozen meals (10 - 30 each); elderly tenants only
- Activities Recap:
 - Humana-hosted health seminar "Preventing Falls" (3); weekly chair yoga/stretching sessions taking a summer break; several updates to the 24/7 info board in North Star common area, additional feedback for upcoming scheduled events for additional eye health topics and tips for making use of outdoor space for both mental health and fitness.
- Facebook Stats:
 - 5 new posts on the ROSS Facebook page this past month, which reached 24 individuals, with no likes, comments, or click-throughs, and no additional sharing of the posts.

Agency-Wide Software Update

A committee has formed to research, select, and transition into a much-needed new software product. Currently we are using one product for our housing programs and a separate/non-integrated product for finance needs, which opens us the risk for errors as well as being quite inefficient. Also, several aspects of our work (i.e. FSS escrow forfeiture, HCV homeownership,

Bridges vouchers), don't have a well-developed module and while we've been able to identify some "work arounds", it's not ideal. The committee researched several options, identified a must-have list of features, and followed up with other PHA's for feedback. The recommended transition timeline for a software change of this magnitude is up to 9 months, which aligns with when we will have access to the funding needed.

Discussion:

d. Rehab Programs Report:

Schommer presented his reports and supporting information.

SE Brainerd SCDP Application

The application for 8 units of owner-occupied rehab and 12 units of single-family rental rehab was submitted prior to the May 1st deadline. We should find out sometime around July if our application is funded.

e. Executive Director Report:

Charpentier presented his reports and supporting information.

Downtown Redevelopment Project

Progress continues on the proposed creation of a redevelopment TIF district to help support the redevelopment project at the corner of 8th Street and Laurel Street in downtown Brainerd. Staff met with Baker Tilly on 6/22 to discuss the TIF plan that is proposed and the amount of increment that would be available for the project. The tentative schedule calls for the City Council to review this at their July 17th meeting with the HRA board to review the request at our July 26th meeting. The creation of this district for the support of this project will be beneficial for the developer as they continue to apply for several funding sources. The TIF request and need for the financing is supported through the analysis by Baker Tilly. The developer has requested at least a 25-year term on the TIF note and this timeline is also supported by the initial analysis. Baker Tilly will be at our July meeting to present the TIF plan information for review.

Crow Wing County HRA Housing Trust Fund

The CWC HRA local housing trust fund has recently authorized funding for loan projects to effectively deplete the fund so that there is now a waiting list for project requests. There is additional funding that is to be allocated to the trust fund for 2023 when the County allocates tax levy funds in July and December. The CWC HRA board is going to be holding a budget meeting at the end of July to discuss their funding levy request for the housing trust fund for 2024 knowing that there are additional larger multi-family housing projects that are scheduled for 2024 and beyond. Staff believes that there is levy capacity available for additional funding for projects that are pending and will continue to work with developers, lenders and any other interested parties for the trust fund, to ensure that our County commissioners understand the impact that the trust fund is having and why it is important that we have support for additional funding through the levy, to keep the momentum going for these projects.

Counselors of Real Estate Consulting Corps

Dolly Matten, the Executive Director of the Greater Lakes Association of Realtors applied for a grant through the National Association of Realtors for a program through the Counselors of Real Estate to have a team of experts come to our community to help move forward a problem statement for that community. Dolly was successful in securing the grant from NAR to have the consulting corps team come to the lakes area, currently scheduled for August. The problem that they are going to hopefully help our community with is to encourage development of housing that meets the needs of local workers in support of economic development priorities. The Consulting Corps will build on

the work that has been undertaken and will not replicate or reproduce prior analyses and studies. The corps will be working specifically in Brainerd and in Pequot Lakes to help these two communities with their housing needs. This is a great opportunity to bring in professionals from around the country to offer advice and expertise on a problem that we continue to try and solve. I am working closely with Dolly as well as with both cities to create a list of stakeholders that the team will be reaching out to during the week that they are here. We anticipate that the team will have preliminary findings and suggestions for us at the end of the week that they are here. More information will be forthcoming. If there are any board members that would like to participate in these discussions, please let me know. If not, I will be reaching out to some of you for your inclusion in the community engagement interviews.

8. COMMISSIONER COMMENTS:

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 the meeting was adjourned at 2:00 p.m.



To: Brainerd HRA Board Members

From: Eric Charpentier, Executive Director

Date: July 26th, 2023

Re: Mainstreet Revitalization Program Grant Agreement with LAHFH

Mainstreet Revitalization Program

At our June 2022 meeting the board authorized allocating up to \$20,000 of the discretionary funds in our general budget to be added to the funds that had been allocated to the City of Brainerd for the DEED Mainstreet Revitalization program. The board authorized the Brainerd EDA and their selected sub-committee to review the applications for the program and allocate these funds if the funding projects met MN state statute 469. In October of 2022 the Brainerd EDA reviewed the recommendations from the sub-committee and approved these projects for funding. Our funding has been allocated to one project for the full \$20,000 for the construction of an affordable home to be located at 1108 Oak Street within the River to Rail corridor. The applicant that was awarded the funds was Lakes Area Habitat for Humanity for a home to be built on the property we have recently sold through the tax forfeit property policy. This project will meet the state statute guidelines in accordance with a policy to encourage owner occupancy of single-family residences in the City of Brainerd, as required under Minnesota Statutes, Section 469.012, subd. 13. Lakes Area Habitat for Humanity is planning to move forward with this build and are intending on starting during the last week of July. Our attorneys with Kennedy and Graven have drafted the grant agreement for the board to review.

Action Requested; Review and approve the proposed grant agreement between the Brainerd HRA and LAHFH for the allocation of \$20,000 for a home to be built at 1108 Oak Street by Resolution 2023-06.

GRANT AGREEMENT

THIS GRANT AGREEMENT entered into this ____ day of _____, 2023 (“Agreement”), by and 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 (“Authority”), and LAKES AREA HABITAT FOR HUMANITY, a Minnesota nonprofit corporation (the “Grantee”).

RECITALS

WHEREAS, pursuant to Minnesota Statutes, Sections 469.001 to 469.047, as amended (“HRA Act”), including in particular Section 469.012, subd. 13 and Resolution No. ____ adopted by the Board of Commissioners of the Authority on July __, 2023 (the “Resolution”), the Authority created a grant program (the “Grant Program”) to supplement the Main Street Economic Revitalization Program (the “Main Street Program”), a financing program administered by the Minnesota Department of Employment and Economic Development to spur investment and increase commercial activity within commercial corridors, in furtherance of a policy of the Authority to promote economic integration or to encourage owner occupancy of single family residences within the City, including through infill and redevelopment to address vacant and undeveloped or redeveloped lots for single-family housing (the “Policy”); and

WHEREAS, the Grantee submitted an application for a grant under the Main Street Program (the “Application”), a copy of which is attached hereto as Attachment A, to pay a portion of the costs of construction by the Grantee of affordable owner-occupied single-family homes on certain property within the City (the “Project”); and

WHEREAS, the Authority has concluded that the Grantee has the necessary expertise, skill and ability to successfully complete the Project and that the Project is in the best interests of the Authority and will contribute to meeting the goals of the Grant Program; and

WHEREAS, the Grantee works with families, local communities, volunteers and partners to enable persons of low and moderate income to access adequate, affordable homes; and

WHEREAS, the Authority agrees to provide grant funds to the Grantee pursuant to the Grant Program and the Resolution, subject to the terms, conditions, and clarifications hereof.

NOW THEREFORE, in consideration of the mutual covenants and agreement contained herein, the Authority and the Grantee agree as follows:

ARTICLE 1: TERMS OF GRANT

1.01 Grant Amount: The Authority agrees to provide a grant to the Grantee in the amount of not to exceed Twenty Thousand Dollars (\$20,000.00) (the “Grant”) from the Grant Program upon the terms and conditions and for the purposes set forth in this Agreement. The Grant constitutes a grant of funds and no portion of the Grant is to be repaid by the Grantee to the Authority unless mutually agreed to by all parties as part of this Agreement or an Event of Default (as defined below) occurs.

1.02 Use of Funds: The Grantee agrees to use the proceeds of the Grant solely for the purposes and activities in furtherance of the Project. Grant funds shall be used only for payment or reimbursement of hard costs of construction of Project and shall not be used for administration expenses.

1.03 Grant Term: The Project shall be completed in a timely manner and all Grant funds shall be expended no later than December 31, 2026 (the “End Date”).

1.04 Disbursement of Grant Funds: The Authority shall disburse the entire amount of Grant funds within 14 days of execution of this Agreement by the parties, or within such other period as determined by mutual agreement by the parties.

1.05 Unused Grant Funds: Upon the earlier of (a) the completion of the Project; (b) the End Date; or (c) the termination of this Agreement pursuant to Section 4.02 (the “Grant Termination Date”), any Grant funds previously disbursed to the Grantee but that remain unused by the Grantee for payment or reimbursement of eligible costs, as set forth in Section 1.02 hereof, shall be returned by the Grantee to the Authority.

ARTICLE 2: ACCOUNTING, AUDIT AND REPORTING REQUIREMENTS

2.01 Accounting and Records: The Grantee agrees to establish and maintain complete, accurate and detailed accounts and records relating to the receipt and expenditure of all Grant funds received under this Agreement. Such accounts and records shall be kept and maintained by the Grantee for a period of six (6) years following the Grant Termination Date. Such financial records shall sufficiently evidence the nature and expenditure of all Matching Funds required. Accounting methods shall be in accordance with generally accepted accounting principles.

2.02 Audits: The accounts and records of the Grantee described in Section 2.01 shall be audited in the same manner as all other accounts and records of the Grantee and may, for a period of six (6) years following the Grant Termination Date, be inspected on the Grantee’s premises by the Authority or individuals or organizations designated by the Authority, upon reasonable notice thereof to the Grantee. The books, records, documents and accounting procedures relevant to this Agreement are subject to examination by the State Auditor in accordance with Minnesota law.

2.03 Report Requirement: Upon completion of the Project, the Grantee shall obtain a certificate of occupancy from the City and shall provide a copy thereof to the Authority. This reporting requirement and any others required in this Agreement shall survive the termination or expiration of this Agreement.

ARTICLE 3: GRANTEE REPRESENTATIONS AND WARRANTIES

3.01 Authority: Grantee represents and warrants that it is duly organized in good standing under applicable laws of the State of Minnesota and that it has legal authority to execute, deliver, and perform its obligations under this Agreement. Grantee further represents and warrants that executing this Agreement will not violate any provisions of Grantee’s organizational documents, the laws of the State of Minnesota or the United States of America, or cause a breach or default of any other agreement to which the Grantee is a party.

3.02 Use of Grant Funds: Grantee represents and warrants that it shall use the proceeds of the Grant solely for eligible uses in accordance with Section 1.02 hereof and that it has not made any materially false statements or misstatements of fact to the Authority in connection with this Agreement or its Application.

3.03 [Reserved]

3.04 Assignment: Grantee shall not cause or permit any voluntary transfer, assignment, or other conveyance of this Agreement without the written consent of the Authority, which said consent may be withheld in the Authority's sole discretion. Any non-approved transfer, assignment or conveyance shall be void.

3.05 Indemnification: Grantee shall defend, hold harmless and indemnify the Authority and its elected and appointed officials, officers, agents and employees from and against all claims, liability, costs expenses, loss or damages of any nature whatsoever, including reasonable attorney's fees, arising out of or in any way connected with its failure to perform its covenants and obligations under this Agreement and any of its operations or activities related thereto. The provisions of this paragraph shall survive the termination of this Agreement. This indemnification shall not be construed as a waiver on the part of either the Grantee or the Authority of any immunities or limits on liability provided by applicable Minnesota law.

ARTICLE 4: DEFAULT AND REMEDIES

4.01 Event of Default: Any and all of the following events shall constitute an "Event of Default" under this Agreement:

- (a) Grantee uses any portion of the Grant proceeds for purposes other than specified herein.
- (b) Grantee fails to comply with any of the terms, conditions, requirements, representations, warranties or provisions contained in its Application, this Agreement or any other Authority document.
- (c) Any of the information, documentation or representations that Grantee supplied to the Authority in its Application, this Agreement or any other Authority document to induce the Authority to make the Grant is determined to be false, untrue, or misleading in any material manner.

4.02 Remedies: Upon the occurrence of an Event of Default, the Authority may immediately, without notice to Grantee, suspend its performance under this Agreement. After providing thirty (30) days written notice to Grantee of an Event of Default, but only if the alleged Event of Default has not been fully cured within said thirty (30) days by Grantee, the Authority may (a) refrain from disbursing any further Grant proceeds; (b) demand that any amount of Grant proceeds already disbursed to Grantee be immediately returned to the Authority, and upon such demand, Grantee shall immediately return such proceeds to the Authority; (c) terminate this Agreement by written notice; and (d) pursue whatever action, including legal, equitable or administrative action, which may appear necessary or desirable to collect all costs (including reasonable attorneys' fees) and any amounts due under this Agreement or to enforce the performance and observance of any obligation, agreement, or covenant hereof.

4.03 No Remedy Exclusive: No remedy herein conferred upon or reserved to the Authority 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 Event of 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. In order to entitle the Authority to exercise any remedy reserved to it, it shall not be necessary to give notice, other than such notice as provided in Section 4.02.

4.04 No Additional Waiver Implied by One Waiver: In the event any agreement contained in this Agreement should be breached by the Grantee and thereafter waived by the Authority, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other concurrent, previous or subsequent breach hereunder.

ARTICLE 5: GENERAL PROVISIONS

5.01 Amendments: This Agreement represents the entire agreement between the Authority and Grantee on the matters covered herein. No other agreement, statement, or promise made by any party, or

by any employee, officer, or agent of any party that is not in writing and signed by all the parties to this Agreement shall be binding. The Authority and the Grantee may amend this Agreement by mutual agreement and shall be effective only on the execution of written amendments signed by authorized representatives of the Authority and the Grantee.

5.02 Equal Opportunity: The Grantee agrees it will not discriminate against any employee or applicant for employment because of race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, membership or activity in local civil rights commission, disability, sexual orientation or age and will take affirmative action to insure applicants and employees are treated equally with respect to all aspects of employment, rates of pay and other forms of compensation, and selection for training.

5.03 Conflict of Interest: The members, officers and employees of the Grantee shall comply with all applicable state statutory and regulatory conflict of interest laws and provisions.

5.04 Severability: If one or more provisions of this Agreement are found invalid, illegal or unenforceable in any respect by a court of competent jurisdiction, the remaining provisions shall not in any way be affected, prejudiced, disturbed or impaired thereby, and all other provisions of this Agreement shall remain in full force.

5.05 Time: Time is of the essence in the performance of the terms and conditions of this Agreement.

5.06 Notices: All notices required herein shall be in writing and delivered personally or mailed to the addresses below and, if mailed, are effective as of the date of mailing:

If to the Authority: Brainerd HRA
Attn: Executive Director
324 East River Road
Brainerd, MN 56401

If to the Grantee: Lakes Area Habitat for Humanity
Attn: Kevin Pelkey
1110 Wright Street
Brainerd, MN 56401

5.07 Warranty of Legal Capacity: The individuals signing this Agreement on behalf of the Grantee and on behalf of the Authority represent and warrant on the Grantee's and the Authority's behalf respectively that the individuals are duly authorized to execute this Agreement on the Grantee's and the Authority's behalf, respectively and that this Agreement constitutes the Grantee's and the Authority's valid, binding and enforceable agreements.

5.08 Counterparts: This Agreement may be executed in multiple counterparts, and all such executed counterparts shall constitute the same Agreement. It shall be necessary to account for only one (1) such counterpart executed by each party hereto in proving the existence, validity or content of this Agreement. A signature on a copy of this Agreement transmitted by facsimile or .pdf file shall be deemed to have the same force and effect as an original signature.

5.09 Governing Law: This Agreement shall be governed by and construed in accordance with the laws of the State of Minnesota, without regard to choice of law principles.

IN WITNESS WHEREOF, the Grantee and the Authority have caused this Agreement to be executed by their duly authorized representatives. This Agreement is effective on the date of final execution by the Authority.

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

By: _____
Its Chair

By: _____
Its Executive Director

Dated: _____, 2023

GRANTEE: LAKES AREA HABITAT FOR HUMANITY

By: _____
Its: _____

Dated: _____, 2023

Main Street Revitalization Grant Application

A PDF version of the application questions and other relevant information are available to print or download at www.growbrainerdlakes.org. This will ensure you have all required information and documents to complete this online application. Once you begin the online application, you will not be able to save your progress. The Brainerd Lakes Area Economic Development Corporation (BLAEDC) is the organization administering this grant program. If you have any questions or need assistance with the application, please call 218-828-0096 or email tyler@growbrainerdlakes.org.

Email *

kevin.pelkey@lakesareahabitat.org

Applicant Information

Business or Organization Name: *

Lakes Area Habitat for Humanity

Name of Owner/Primary Contact: *

Kevin Pelkey

The physical location of the proposed project must be located within the River to Rail Corridor, which is one-half block north of Washington Street to one-half block south of Oak Street; from Mississippi River to 19th Street SE.

Is your proposed project located within the River to Rail Corridor? *



- ☒ Yes
- ☐ No (If your project is not located in the River to Rail Corridor, it is not eligible for these funds.)

Project Address: *

1108 Oak Street, Brainerd

Mailing Address: *

PO Box 234 Brainerd, MN 56401

Contact Phone Number: *

218-828-8517

Business or Organization Website:

Lakes Area Habitat for Humanity

Business or Organization Employee Identification Number (EIN) or Federal Tax ID Number: *

41-1659149

Business or Organization State Tax ID Number: *

2833063

How many current employees do you have total, including yourself? *

17

Who owns the property where this project is proposed? *

☒ I own the property.

☐ I rent the property.

Property Owner Information

You indicated you rent the property for this proposed project. Please provide the name, email *
and phone number of the property owner. We will confirm the owner supports this project.

Project Proposal Information

Please give a TITLE to your proposed project to be used through this grant selection process: *

1108 Oak Street Habitat build

The EDA identified priorities for funding. What priority fits your primary funding request? *

- ☒ Housing
- ☐ Landscaping/Lighting/Greenspace/Parking
- ☐ Small Business
- ☐ Child Care

Below are the eligible uses of these funds per MN DEED. What will be the primary use of these funds: *

- ☐ Repair or renovation of real property
- ☒ Building construction
- ☐ Landscaping and streetscaping
- ☐ Demolition and site preparation
- ☐ Project pre-design and design
- ☐ Engineering
- ☐ Non-municipal infrastructure

Please describe your project in detail. Include the following information below: (1) How your proposed project meets the identified EDA priorities you indicated above and (2) eligible uses if you receive funding. Maximum character count 250 words. *

The lot is vacant, ready to be infilled with a new home. We will identify a family who will partner with us to build and purchase the home. Next a survey will be ordered, permit requested, and construction will begin using staff & volunteers.

When do you expect to start your proposed project? *

MM DD YYYY

06 / 15 / 2023

Your project must be completed by December 31, 2026. What is the expected completion date for your proposed project? *

MM DD YYYY

12 / 01 / 2023

Upload any supporting documents you'd like to share about your proposed project.

Project Funding Sources

Grant requests should be no more than 30% of the project cost.
Maximum grant award is \$750,000.

NOTE: For projects under \$100,000, a local grant of no more than 35% of the total project cost may be available depending on eligibility and available funds. Preference for these funds will be a total project cost of \$50,000 or less.

What is your TOTAL project cost? *

\$140,800.00

What is the amount of Main Street Grant funding being requested? *

Note: Grant requests should be no more than 30% of the project cost.

\$42,240.00

As noted above, there is a local grant available to help offset your 70% matching requirement if * your total project cost is under \$100,000. Are you interested in receiving this local grant to help with no more than 35% of your total project cost?

☐ Yes

☐ No

☒ My total project cost is over \$100,000, so I am not eligible for the local grant.

Applicants must include a completed Funding Sources & Uses Form outlining funding sources. *



Copy of 3 Bedroo...

GRANT PROGRAM POLICY AUTHORIZATION FOR RELEASE OF INFORMATION

By submitting this form, I declare that the information provided in this application and on the accompanying exhibits is true and complete to the best of my knowledge. The Initiative Foundation, Brainerd EDA, and the Brainerd Lakes Area Economic Development Corporation (BLAEDC) have the right to verify any information contained in this application and may contact any individuals and institutions involved with the proposed project. *

☒ Agree

Authorized Signature (Full Name) *

Kevin Pelkey

Title: *

Executive Director

Date *

MM DD YYYY

08 / 03 / 2022

How did you hear about the Main Street Revitalization Grant Program? *

- ☐ Radio
- ☐ Direct Mailer
- ☐ Sign
- ☐ Newspaper
- ☒ Social Media
- ☐ City of Brainerd
- ☐ Destination Downtown Business Coalition (DDBC)
- ☐ Brainerd Lakes Area Economic Development Corporation (BLAEDC)
- ☐ Other: _____

Thank you for your application.

The Initiative Foundation and Brainerd EDA retains the right to determine if a project meets the eligibility criteria for this program. The Initiative Foundation and Brainerd EDA retains the right to fund grant applications at the requested amounts, but may also fund grant applications at less than that which is requested.



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For questions, please call (218) 828.0096 or
email tyler@growbrainerdlakes.org

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

Resolution No. 2023-06

**RESOLUTION APPROVING PROCEDURES AND APPLICATION FOR GRANT
PROGRAM, IN ACCORDANCE WITH POLICY TO ENCOURAGE OWNER
OCCUPANCY OF SINGLE-FAMILY RESIDENCES IN THE CITY OF
BRAINERD, MINNESOTA, AND APPROVING FORM OF GRANT AGREEMENT**

WHEREAS, the Housing and Redevelopment Authority in and for the City of Brainerd, Minnesota (“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, as amended (“HRA Act”); and

WHEREAS, pursuant to Section 469.012, subd. 13 of the HRA Act, the Authority may develop and administer a down payment assistance loan and grant program with respect to property located within its boundaries on terms and conditions it determines, so long as the Authority finds that the program is necessary in the areas in which it is made available in furtherance of a policy to promote economic integration or to encourage owner occupancy of single-family residences; and

WHEREAS, the Authority proposes to create a grant program to promote redevelopment in the City (the “Grant Program”) to supplement the Main Street Economic Revitalization Program (the “Main Street Program”), a financing program administered by the Minnesota Department of Employment and Economic Development to spur investment and increase commercial activity within commercial corridors, in furtherance of a policy of the Authority to promote economic integration or to encourage owner occupancy of single family residences within the City, including through infill and redevelopment to address vacant and undeveloped or redeveloped lots for single-family housing (the “Policy”); and

WHEREAS, the Authority’s staff has caused to have procedures created and has incorporated the application for the Main Street Program for purposes of the Grant Program, in accordance with the Policy, and the Board of Commissioners of the Authority has had an opportunity to review such procedures and application; and

WHEREAS, the Grant Program is limited to organizations that are eligible to submit a proposal for grant funding under the Main Street Program; and

WHEREAS, vacant/undeveloped land comprises 29 percent of the City’s total land area (of which 34 percent is wetland), as reported in the City’s current Comprehensive Plan; therefore, the Grant Program is necessary to encourage owner occupancy of single-family homes in the City through redevelopment by infill projects on undeveloped or redeveloped lots and construction of single-family homes thereon; and

WHEREAS, there has been presented to this Board of Commissioners (the “Board”) a form of Grant Agreement (the “Grant Agreement”) for use by the Authority in connection with the Grant Program; and

WHEREAS, Lakes Area Habitat for Humanity (the “Developer”), a Minnesota nonprofit corporation that works with families, local communities, volunteers and partners to enable persons of low and moderate income to access adequate, affordable homes, submitted an application in connection with the Main Street Program; and

WHEREAS, the Authority pledged available money from its general fund (the “Available Authority

Funds”) to a pool that includes money from the Main Street Program in order to broaden the impact of the Main Street Program; and

WHEREAS, a subcommittee tasked with allocating funds from the Main Street Program awarded to the Developer a grant from the Main Street Program, and the Authority proposes to grant an additional \$20,000 of Available Authority Funds to the Developer under the Grant Program in furtherance of the Policy, and to that end, the Authority and the Developer propose to enter into a Grant Agreement pursuant to which the Authority will grant to Developer \$20,000 of Available Authority Funds.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Housing and Redevelopment Authority in and for the City of Brainerd, Minnesota that:

1. The Grant Program described above is hereby approved.
2. The procedures and application for the Grant Program are in accordance with the Policy and are hereby approved.
3. A grant to the Developer of \$20,000 of Available Authority Funds under the Grant Program is hereby approved, and the Authority and the Developer shall enter into a Grant Agreement, substantially in the form on file with the Authority to memorialize such grant.

Approved by the Board of Commissioners of the Housing and Redevelopment Authority in and for the City of Brainerd, Minnesota this ____ day of July, 2023.

Chair

ATTEST:

Secretary