

City of Brainerd
Economic Development Authority
Meeting Agenda

Council Chambers
June 6, 2019
7:30 A.M.

- I. Call to order
- II. Roll call
- III. Approval/Amendment of Agenda
- IV. Approval of Minutes from April 4, 2019
- V. Financial Report
- VI. Updates
 - a) HRA
 - a. Revolving Loan Fund (RLF)
 - b. Small Cities Development Program (SCDP)
 - c. Housing Updates
 - d. Other
 - b) BLAEDC
 - a. Unified Fund
 - b. Other
- VII. New business
 - a) Industrial Lot Update
 - b) Financial Advisor
 - c) Strategic Planning
 - d) Fund Allocation
- VIII. Old Business
 - a. Elections – Treasurer, Assistant Treasurer & Secretary
 - b. Seal
- IX. Commissioners’ Comments/Questions
- X. Informational
 - a) August Meeting – Future Development Opportunities, Accept Final Audit Statement, Budget Discussion & Annual Report to Council (due by September 18)
 - b) October Meeting – Budget Discussion, Other
- XI. Adjournment

BRAINERD ECONOMIC DEVELOPMENT AUTHORITY

Thursday, April 4, 2019

Official Minutes

Pursuant to the call and notice thereof, President Menk called the meeting of the Brainerd Economic Development Authority to order at 7:30 a.m.

Present were Commissioners Ed Menk, Kelly Bevans, Matt Mallie, Jerry Sinner, Wayne Erickson and Gabe Johnson. Commissioner Dale Parks was noted as absent. Also present were City Administrator Torstenson, Community Development Director Chanski, Finance Director Hillman, Tyler Glenn, BLAEDC economic development officer, Jennifer Bergman, HRA executive director and John Schommer, HRA rehab coordinator.

Approval/Amendment of Agenda

MOVED AND SECONDED BY COMMISSIONERS ERICKSON AND BEVANS, DULY CARRIED, TO APPROVE THE AGENDA.

Approval of Minutes

MOVED AND SECONDED BY COMMISSIONERS ERICKSON AND BEVANS, DULY CARRIED, TO APPROVE THE MINUTES FROM THE FEBRUARY 14, 2019 EDA MEETING AS PRESENTED.

Approval of Financial Report

MOVED AND SECONDED BY COMMISSIONERS SINNER AND MALLIE, DULY CARRIED, TO APPROVE THE FINANCIAL REPORT AS PRESENTED.

Update from HRA

Revolving Loan Fund

Mr. John Schommer, HRA rehab coordinator stated he was recently contacted by the Traveling Art Pub as they are still interested in moving forward with the revolving loan program. He indicated the party that was previously interested in property at 821 and 823 Washington Street will not be taking advantage of the loan program. However, there is other interest in the property that may proceed.

Small Cities Development Program (SCDP)

Mr. Schommer indicated he continues to work with Chris VandePutte, owner of Iron Hills Gun & Pawn Shop on exterior building rehab and with Pueringer Investments to work on the storefront of Bob & Fran's. He stated the remaining work downtown has been completed and finalized.

Housing Updates

Mr. Schommer stated he received plans for two new homes in Brainerd Oaks this morning with three homes under construction currently in various stages. He said the lots that have been purchased by the developers in Serene Pines have homes on them. There has been no current activity in the Dal-Mar Estates development.

Mr. Schommer indicated he met with Sarah Hayden-Shaw regarding Rumbly Hall downtown and discussed both the rehab on the apartments and the commercial rehab.

Mr. Schommer said he has received three applications from northeast Brainerd homeowners for the northeast rehab projects. However, two of the applications were not within the income guidelines and were not eligible and the third is currently being processed.

Commissioner Menk asked how many homes have been constructed in each Brainerd Oaks and Serene Pines to date.

Mr. Schommer indicated twenty homes have been built in Brainerd Oaks with three in beginning stages and eight completed in Serene Pines. He said there were a total of 28 lots purchased and two of those lots were combined with other lots. He explained this resulted in a net amount of 26 lots, with one lot currently available. He anticipates the developers will be making contact shortly regarding the available lot. Dal-Mar has shown no recent activity with seven lots available.

Commissioner Menk asked the status of the apartments owned by Pueringer Investments and the anticipated date of completion.

Mr. Schommer said he spoke with Mr. Pueringer last month and they should be ready to lease out very soon.

Update from BLAEDC

Mr. Tyler Glynn, BLAEDC economic development officer stated they have funded eleven loans as of the end of March, which equals out to \$686,000 that has been loaned out. He said all the loans have been paid on as agreed to with none of them being past due. He indicated he has received two more applications to start working on this week.

Mr. Glynn indicated they are in the process of making business retention and expansion visits throughout the River to Rail corridor and have received interesting feedback from some of the businesses in this area. He said he will share a snapshot of the feedback at the next meeting in June.

Mr. Glynn explained at the beginning of the year, BLAEDC decided to organize informational sessions that will describe the history of BLAEDC and what they are doing to date and moving forward. He stated these sessions will be with the leaders of the City and throughout Crow Wing County to gather feedback. He said if the EDA would like to plan a session exclusively for the group, they would be willing to do so at a future meeting.

Mr. Glynn stated they are involved with the Destination Downtown team and are looking to take on a prominent role in the funding of contest winners. He indicated the BLAEDC funnel chart has been completed which shows how and what to report back to the City. He will bring it to Administrator Torstenson to review.

Mr. Glynn indicated the governor, along with the Department of Employment and Economic Development (DEED) will be touring our area the week of April 17th.

Mr. Glynn stated the rules for the Opportunity Zones are now available online to review and they are allowing comment periods. He stated Ms. Bergman will be joining him in attending a session in Minneapolis on April 17th to hopefully receive the final rules so they can start the process. He said an Opportunity Zones section has been uploaded to the newly updated BLAEDC website and showed a brief view of the site.

New Business

Responsibilities of the EDA – City Attorney Langel

City Attorney Langel presented a PowerPoint of the history and duties of the EDA as follows:

EDA Organization

- Statutory creation – Chapter 469
- Independent governmental entity
 - Can sue and be sued
- Statute authorizes, but City creates
- Enabling Resolution
 - Passed by the City Council
 - Controls the EDA by listing its powers
 - Can be modified by the Council at any time
 - City passed initial EDA enabling resolution on July 20, 1987
 - HRA already in place since 1966
 - City Council was the original EDA
 - Enabling resolution amended August 2, 1988 – 7 members, 3 from the Council
 - 1990 – Council members reduced to 2
- Enabling Resolution
 - Every year, within 60 days of anniversary, EDA “shall” submit a report to the Council regarding whether resolution should be modified
 - Due by September 18th each year
- City has the right to transfer control of projects to the EDA
- Council may place any HRA employee under the control of the EDA
- Many adopt bylaws
- Shall adopt an official seal

- Shall elect:
 - President and Vice President
 - Treasurer, Assistant Treasurer and Secretary
 - All but President and Vice President can be same person
 - Secretary and Assistant Treasurer – can be outside personnel

EDA Powers and Duties

- File (w/sec) financial statements annually and approve them
- Can hire employees
- Can contract for services
- May purchase supplies
- May delegate power to agents or employees
- Create economic development districts
- Contract for economic development
- Enabling resolution: all development must conform to comp plan and official controls, and plans must be approved by the Council
- Operate public parking facility
- Acquire property
 - May use option contracts
 - May condemn property
- Enter into JPAs with other entities
- Exercise powers of HRA
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- May develop and improve land to make it suitable for development
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 - Enabling resolution requires City approval, as does the statute
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- May operate a revolving loan fund

EDA Budget and Levy

- EDA must send its budget to the Council annually
- Estimate of money needed during next fiscal year
- Enabling resolution: must follow City's budget process
- The City may levy a tax for the benefit of the EDA
- Part of the City levy; not a separate levy like an HRA levy
- Capped at .01813% of estimated market value unless Council raises it
- Usually primary source of funding for EDAs
- EDA "shall" provide the Council with an annual report regarding its activities, receipts, expenditures, and recommendations
- EDA's financial statements "must" be audited like the City's statements

Commission discussion took place and questions were answered by City Attorney Langel.

Commissioner Sinner and Johnson requested a copy of the PowerPoint from City Attorney Langel and copies of the enabling resolutions and any updates to the EDA that took place.

Ms. Jennifer Bergman, executive director of the Brainerd HRA commented that the HRA operates as a nearby entity to the City for housing and redevelopment activities. She said the HRA employs 22 staff members, owns 325 units of housing, administers 320 vouchers, has two tax increment financing districts and have often considered themselves a partner with the City of Brainerd. She indicated the HRA is available to assist the City and EDA as needed and would be happy to do whatever is deemed fit.

Informational

Commissioner Menk indicated the following are suggested topics for the meetings taking place in June and August will be as follows:

- June – Fund Allocation, Economic Goals and Mission Statement
- August – Future Development Opportunities

City Administrator Torstenson stated these are suggestions and she would welcome any input as to what the group would like to discuss at future meetings.

Commissioners' Comments/Questions and Other Business

City Administrator Torstenson stated Region Five has sent out a request for proposals for possible locations for the Children's Museum. The City will be working on putting forth a proposal for the museum to be located within the City of Brainerd by the May 1st, 2019 deadline.

Commissioner Menk stated that after the BLAEDC presentation, there has been discussion regarding development of the lots in the industrial park to be more available and working for the City. He said when the values on the properties in Brainerd Oaks were lowered, there was a sudden increase of interest and now there are approximately 33 new homes. He indicated the infrastructure is aging in the shovel ready sites. He requested the commission be willing to allow him to assemble a small group, including City Administrator Torstenson to review the lots and possibly allow incentives with contingencies to an interested party.

Commissioner Sinner asked if anything is being done regarding maintenance at those properties. City Administrator Torstenson indicated there is minimal maintenance done at the sites, but they may be in need of further attention regarding trash and spring cleanup. Commissioner Menk will reach out to City staff regarding a plan to do cleanup at those sites.

City Administrator Torstenson stated though discussions with BLAEDC and others throughout the region, cost seems to be a large limitation in why businesses are not building new facilities.

Adjournment

The Authority adjourned at 8:26 a.m.

Matt Mallie, Secretary/Treasurer

Financial Report for EDA

As of April 30, 2019

	<u>Cash & Investments</u>	<u>Receivable Balance</u>	<u>Deferred Loans (as of 12/31/18) **</u>	<u>Awarded Grants</u>
General Funds:				
EDA Fund - #295	\$ 18,612	\$ -	\$ -	\$ -
Total	\$ 18,612	\$ -	\$ -	\$ -
CDBG (Housing/Commerical (Slum & Blight/Federal Objective)):				
Downtown - #298	\$ (8,956)	\$ 37,354	\$ 11,020	\$ 119,786
SE Brainerd - #215	25,057	-	439,852	-
Willows Project - #209	-	-	87,150	-
Old Housing - #209	43,602	-	65,475	-
Local Income - #275	3,835	26,032	26,489	-
Total	\$ 63,538	\$ 63,386	\$ 629,985	\$ 119,786
Federal & State MIF (Commerical (Jobs)):				
Commerical - #210 ^^^	\$ 6,099	\$ 646,827	\$ -	\$ -
Federal MIF - #296	13,812	4,020	-	-
Total	\$ 19,911	\$ 650,847	\$ -	\$ -
Grand Total	<u>\$ 102,061</u>	<u>\$ 714,233</u>	<u>\$ 629,985</u>	<u>\$ 119,786</u>

** Portion of the loan that is forgivable with the passage of time

^^^ The Receivable Balance **DOES** include the \$646,427 borrowed to pay for the industrial park land.

BALANCE SHEET

AS OF: APRIL 30TH, 2019

295-EDA FUND

ACCOUNT#	TITLE		
ASSETS			
=====			
10100	CASH	18,611.50	Cash balance at 12/31/18: \$32,795
10700	DELINQUENT TAX RECEIVABLE	6,625.40	
10800	ALLOWANCE FOR UNCOLLECT	(4,771.17)	
16160	FA-LAND HELD FOR RESALE	488,252.22	
		508,717.95	
TOTAL ASSETS		508,717.95	
=====			
LIABILITIES			
=====			
22200	DEFERRED REVENUE	488,252.22	
TOTAL LIABILITIES		488,252.22	
EQUITY			
=====			
28900	FUND BALANCE/EQUITY ACCT	33,987.52	
TOTAL BEGINNING EQUITY		33,987.52	
TOTAL REVENUE		1,854.23	
TOTAL EXPENSES		15,376.02	
TOTAL SURPLUS/(DEFICIT)		(13,521.79)	
TOTAL EQUITY & SURPLUS/(DEFICIT)		20,465.73	
TOTAL LIABILITIES, EQUITY & SURPLUS/DEFICIT		508,717.95	
=====			

INCOME STATEMENT BUDGET TO ACTUAL

AS OF:APRIL 30TH, 2019

295-EDA FUND
REVENUES

	CURRENT BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	BUDGET BALANCE	% OF BUDGET
<u>TAXES AND PENALTIES</u>					
295-31010 CURRENT AD VALOREM	124,351.00	0.00	1,734.36	122,616.64	1.39
295-31020 DELINQUENT AD VALOREM	0.00	0.00	119.87 (	119.87)	0.00
TOTAL TAXES AND PENALTIES	124,351.00	0.00	1,854.23	122,496.77	1.49
 <u>PROGRAM INCOME</u>					
 <u>STATE GRANTS & AIDS</u>					
 <u>PRINCIPAL & INTEREST</u>					
 <u>OTHER REVENUE</u>					
295-36210 INTEREST INCOME	100.00	0.00	0.00	100.00	0.00
TOTAL OTHER REVENUE	100.00	0.00	0.00	100.00	0.00
TOTAL REVENUE	124,451.00	0.00	1,854.23	122,596.77	1.49
	=====	=====	=====	=====	=====
 <u>OTHER FINANCING SOURCES</u>					
TOTAL REVENUE & OTHER FINANCING SOURCES	124,451.00	0.00	1,854.23	122,596.77	1.49
	=====	=====	=====	=====	=====

C I T Y O F B R A I N E R D
INCOME STATEMENT BUDGET TO ACTUAL
AS OF: APRIL 30TH, 2019

295-EDA FUND
ECONOMIC DEVELOPMENT AUTH
DEPARTMENTAL EXPENDITURES

	CURRENT BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	BUDGET BALANCE	% OF BUDGET
<u>PERSONAL SERVICES</u>					
295-46510-1101 SALARY	28,066.00	2,014.44	7,455.39	20,610.61	26.56
295-46510-1121 PERA	2,105.00	151.08	559.13	1,545.87	26.56
295-46510-1122 FICA	1,740.00	107.57	398.93	1,341.07	22.93
295-46510-1123 MEDICARE	407.00	25.16	93.30	313.70	22.92
295-46510-1131 HEALTH INSURANCE	4,892.00	374.98	1,500.76	3,391.24	30.68
295-46510-1133 LIFE INSURANCE	48.00	0.32	1.60	46.40	3.33
295-46510-1134 LTD INSURANCE	47.00	0.36	1.80	45.20	3.83
TOTAL PERSONAL SERVICES	37,305.00	2,673.91	10,010.91	27,294.09	26.84
<u>SUPPLIES</u>					
<u>SERVICES</u>					
295-46510-3330 PROFESSIONAL DEVELOPMENT	78,500.00	0.00	0.00	78,500.00	0.00
295-46510-3361 INS - GENERAL LIABILITY	125.00	0.00	15.11	109.89	12.09
295-46510-3430 MISCELLANEOUS	500.00	0.00	0.00	500.00	0.00
295-46510-3433 COALITION ASSMT	5,350.00	0.00	0.00	5,350.00	0.00
295-46510-3435 BOOKS/PAMPHLETS/DUES	0.00	0.00	5,350.00	(5,350.00)	0.00
TOTAL SERVICES	84,475.00	0.00	5,365.11	79,109.89	6.35
<u>CAPITAL OUTLAY</u>					
<u>DEBT PAYMENTS</u>					
TOTAL ECONOMIC DEVELOPMENT AUTH	121,780.00	2,673.91	15,376.02	106,403.98	12.63
=====					
TOTAL EXPENDITURES	121,780.00	2,673.91	15,376.02	106,403.98	12.63
=====					
<u>OTHER FINANCING USES</u>					
TOTAL EXPENDITURES & OTHER FINANCING (USES)	121,780.00	2,673.91	15,376.02	106,403.98	12.63
=====					
REVENUE & OTHER SOURCES IN EXCESS (DEFICIT) OF EXPENDITURES & OTHER (USES)	2,671.00	(2,673.91)	(13,521.79)	16,192.79	506.24-
=====					

20% of City Administrator,
5% Adm Specialist

*** END OF REPORT ***



Brainerd HRA

324 East River Road
Brainerd, MN 56401

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

To: EDA Board Members
From: Jennifer Bergman, Executive Director
John Schommer, Rehab Coordinator
Date: June 5, 2019
Re: Rehab Programs Report

Downtown Brainerd SCDP

Address	Business	Commercial	Rental Units	Status
214 & 216 S. 8th St.	Last Turn	1	11	Complete
216 S. 7th St.	Bridge of Harmony	1		Complete
217 S. 7th St.	Downtown Mall	1	14	Complete
602 Laurel St.	Olde Open Window	1	6	Complete
605 Laurel St.	Northwind Grill	1	11	Complete
606 Laurel St.	Sage on Laurel	1	2	Complete
711-717 Laurel St.	LAMF, Cross Arts Alliance, Vaenn Har	1		Complete
719 Laurel St.	Purple Fern	1		Complete
704 Front St.	Iron Hill's Gun, Pawn & Antiques	1		In Construction
724 Laurel St.	Bob & Fran's Factory Direct	1		Bidding
	Total	10	44	

NE Brainerd SCDP

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

FHLB AHP Application

Application for 6 units of rehab was submitted on May 31st, we will find out in December if we were funded.



Brainerd Revolving Loan Program

We are waiting on one interested property owner.

MHFA Rehab Loan Program

2 projects are in construction

2 applications are being processed

Brainerd Oaks/Serene Pines/Dalmar Estates

Development	Total	# Sold to Developer	# Sold to End Buyer	For Sale	In Construction
Brainerd Oaks	81*	28	23	3	3
Serene Pines	23	8	8	0	0
Dalmar Estates	7	0	0	0	0

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

Mikaela R. Huot, CIPMA, EDFP

Mikaela Huot, a director with Baker Tilly, has been with the firm for more than 19 years.

**Baker Tilly Municipal Advisors, LLC****Director**

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Suite 300
Saint Paul, MN 55101
United States

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M +1 (651) 368 2533

mikaela.huot@bakertilly.com
bakertilly.com

Education

Bachelor of Science, Applied Economics and Business
and Industry Education
University of Minnesota – Minneapolis

Mikaela is a member of Baker Tilly's housing and economic development practice group specializing in economic development, redevelopment and housing programs for municipal and non-profit clients.

Specific experience

- Assists communities with public policy development, developer review and negotiations, revenue projections and financial feasibility studies, tax increment establishment and compliance, project feasibility and financing
- Expertise working on complicated financing projects to provide creative solutions while balancing policy objectives and goals
- Extensive experience with tax increment financing, the "but-for" and needs test and review, cost-benefit analysis, bond cash flow analysis, fiscal impact study, tax impact analysis, proforma analysis, rate of return analysis and general project management
- Strong background in property tax and sales tax increment financing, tax abatement, state grant and loan programs, enterprise zones, community development authorities, and special service/business improvement districts
- Experience with economic incentive programs including work in North Dakota, Wisconsin, Georgia, Kansas, Missouri, Montana, Virginia, North Carolina, Iowa and extensively in Minnesota

Industry involvement

- Economic Development Association of Minnesota (EDAM)
- Virginia Economic Development Association (VEDA)
- Wisconsin Economic Development Association (WEDA)
- National Association of Housing Redevelopment Authorities (NAHRO)
- National Association of Municipal Advisors (NAMA)
- International Economic Development Council (IEDC)

Mikaela R. Huot, page 2

Community involvement

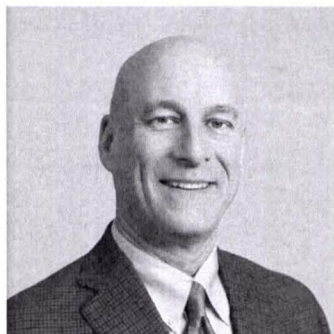
- United Way Ambassador
- Boy Scouts of America

Continuing professional education

- MSRB Municipal Advisor, Series 50 Qualified
- Economic Development Finance Professional (EDFP)
- Certified Independent Professional Municipal Advisor (CIPMA)

Paul T. Steinman, CIPMA

Paul Steinman, a Director with Baker Tilly, has more than 30 years of experience working in and for the public sector.



Baker Tilly Municipal Advisors, LLC
Director

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United States

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M +1 (612) 280-3915

paul.steinman@bakertilly.com
bakertilly.com

Education

Bachelor of Science, Business Administration
and Mass Communication
North Dakota State University – Fargo

Paul has provided technical and management assistance to clients on a variety of public finance, development and redevelopment projects. In addition to public finance, his skills include creative business retention and attraction methodologies, comprehensive knowledge of tax abatement/tax increment financing and core city redevelopment and project management. He also brings to the firm a broad understanding of public policy issues and the challenges of local government interaction with economic development and redevelopment projects

Specific experience

- Extensive knowledge of public finance, debt management, development and redevelopment tools, capital improvement and strategic planning
- Serves as primary representative to select municipal advisory clients
- Works directly with clients and staff to develop customized financing structures
- Develops individualized financial plans to meet clients financing needs
- Assists clients in analysis of new or complex financing options
- Presents financial concepts to staff and elected officials

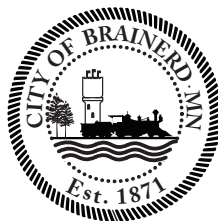
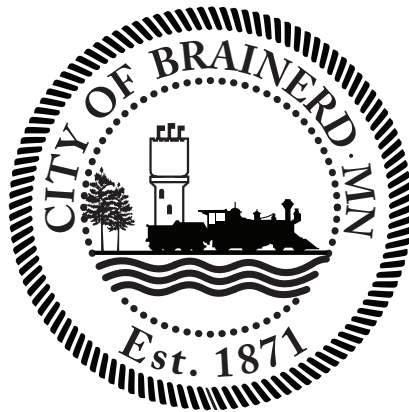
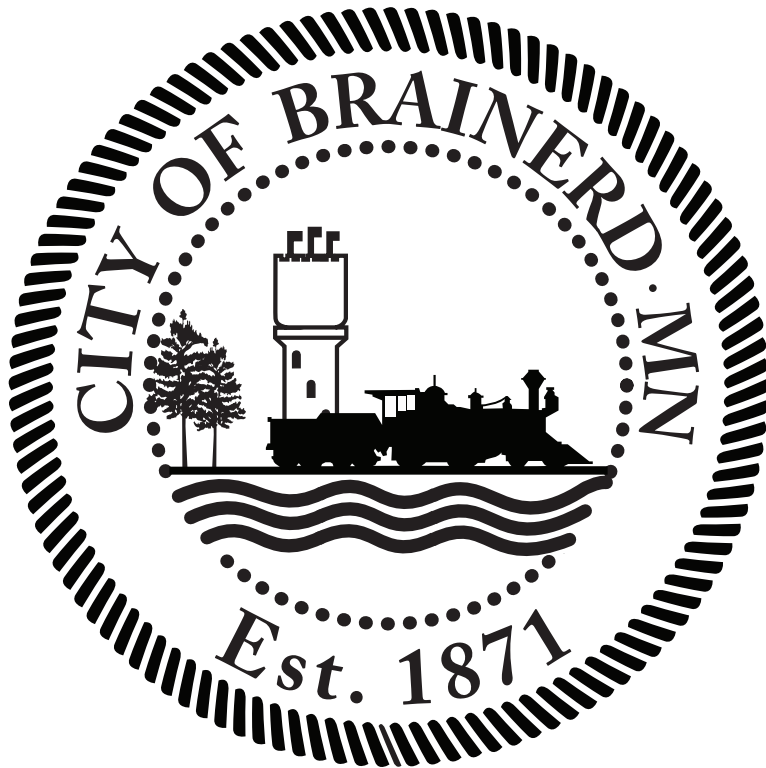
Industry involvement

- National Association of Independent Public Finance Advisors (NAIPFA)
- National Association of Housing and Redevelopment Officials, Minnesota Chapter member
- Wisconsin Economic Development Association
- Economic Development Association of Minnesota, Board of Directors, (1997-2003 and 2005-2008)
- Economic Development Association of Minnesota, past President (2004)

Paul Steinman, page 2

Continuing professional education (if applicable)

- Certified Independent Professional Municipal Advisor
- MSRB Municipal Advisor Series 50 Qualified
- Economic Development Business Finance
- National Development Council, St. Louis, Missouri, Certified Specialist





Brainerd EDA

APRIL 4, 2019

JOSEPH J. LANGEL, CITY ATTORNEY

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- ▶ Independent governmental entity
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- ▶ Statute authorizes, but City creates

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Questions?

RESOLUTION NO. 26:87

RESOLUTION ENABLING THE CREATION OF
AN ECONOMIC DEVELOPMENT AUTHORITY IN THE CITY:

BE IT RESOLVED By the City Council of the City of Brainerd, Minnesota
as follows:

Section 1. Background: Findings.

1.01. The City is authorized by Minnesota Statutes, Chapter 458C (Act) to establish an Economic Development Authority (EDA) to coordinate and administer economic development and redevelopment plans and programs of the City.

1.02. The City has heretofore established Development Districts Nos. 1 and 2 under Minnesota Statutes, Chapter 472A, and has established various programs for the economic development and redevelopment of the City.

1.03. It is found and determined by the City Council that the encouragement and financial support of economic development in the City is vital to the orderly development and financing of the City and in the best interests of the health, safety, prosperity and general welfare of the citizens of the City.

1.04. It is further found and determined that the economic development and redevelopment of the City can be best accomplished by the establishment of an EDA as authorized by the Act.

1.05. The City Council has in accordance with the Act conducted a public hearing on the establishment of an EDA at which all persons wishing to be heard expressed their views.

Sec. 2. Enabling Authority.

2.01. The Economic Development Authority of the City of Brainerd (EDA) is established effective July 20, 1987.

2.02 That the members of the City Council shall serve as the Commissioners of the Economic Development Authority and; that the terms of the Commissioners shall coincide with the terms of office of the City Council members.

2.03. The following rules apply to the EDA and its operation.

- a) The EDA has and may exercise all of the powers conferred by law upon a Housing and Redevelopment Authority of the City.
- b) The EDA has and may exercise all of the powers conferred upon the City by Minnesota Statutes, Chapter 472A, the Municipal Development District Act.
- c) The sale of bonds or other obligations of the EDA must be approved by the City Council.
- d) The EDA must follow the budget process for City departments in accordance with City policy, ordinance, resolution and the City charter.
- e) Development and redevelopment actions of the EDA must be in conformance with the City comprehensive plan and official controls implementing the comprehensive plan.
- f) The EDA must submit its plans for development and redevelopment to the City Council for approval in accordance with City planning procedures and law.
- g) The administrative structure and management practices and policies of the EDA must be approved by the City Council.

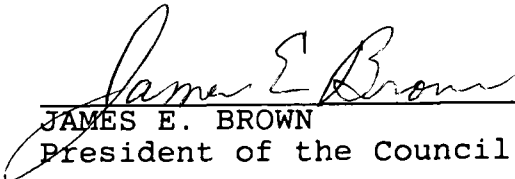
2.04. As provided in the Act it is the intention of the City Council that nothing in this resolution or any activities of the EDA are to be construed to impair the obligations of the City under any of its contracts or to affect in any detrimental manner the rights and privileges of a holder of a bond or other obligation heretofore issued by the City.

Sec. 3. Implementation.

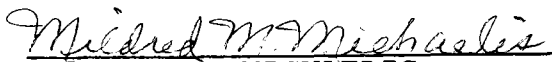
3.01. The City Council will from time to time and at the appropriate time adopt such ordinances and resolutions as are required and permitted by the Act to give full effect to the resolution.

3.02. The Mayor, City Clerk/Treasurer, Economic Developer and Attorney of the City are authorized and directed to take the actions and execute and deliver the documents necessary to give full effect to this resolution.

Adopted by the Council this 20th day of July, 1987.


JAMES E. BROWN
President of the Council

Approved by the Council this 21st day of July, 1987.


MILDRED M. MICHAELIS
Mayor

ATTEST:


MONA L. AUSTIN
Deputy City Clerk/Treasurer

RESOLUTION ENABLING THE CREATION OF
AN ECONOMIC DEVELOPMENT AUTHORITY IN
THE CITY TAKING CERTAIN CORRECTIVE ACTIONS

RESOLUTION NO. 30:88

BE IT RESOLVED By the City Council of the City of Brainerd, Minnesota, as follows:

Section 1. Background: Findings.

1.01. The City is authorized by Minnesota Statutes, Chapter 469 (Act) to establish an Economic Development Authority (EDA) to coordinate and administer economic development and redevelopment plans and programs of the City.

1.02. The City has heretofore established Development Districts and Redevelopment Project Areas under Minnesota Statutes, Chapter 469, and has established various programs for the economic development and redevelopment of the City.

1.03. It is found and determined by the City Council that the encouragement and financial support of economic development in the City is vital to the orderly development and financing of the City and in the best interests of the health, safety, prosperity and general welfare of the citizens of the City.

1.04. It is further found and determined that the economic development and redevelopment of the City can be best accomplished by the establishment of an EDA as authorized by the Act.

1.05. The City Council has in accordance with the Act, conducted public hearings on the establishment of an EDA at which all persons wishing to be heard expressed their views.

1.06. The City Council has by Resolution No. 26:87 duly established the EDA as of July 20, 1987. It is found and determined that it is essential to the efficient operation of the EDA that the enabling resolution be amended and readopted by the City Council. All action taken since July 20, 1987 by the City and its officers and employees in establishing the EDA are ratified and confirmed in all respects.

Section 2. Enabling Authority.

2.01. The Economic Development Authority of the City of Brainerd (EDA) established July 20, 1987, is confirmed and continued.

2.02. The number of members constituting the Authority shall be seven, three of whom shall be members of the City Council. Members shall be appointed by the Mayor with the approval of the City Council. The terms of the Commissioners who are members of the City Council shall coincide with their term of office as members of the City Council. Other members shall initially be appointed for terms of one, two, three and four years respectively and thereafter for six year terms.

2.03. The following rules apply to the EDA and its operation.

- a) The EDA has and may exercise all of the powers conferred by law upon a Housing and Redevelopment Authority of the City.
- b) The EDA has and may exercise all of the powers conferred upon the City by Minnesota Statutes, Chapter 274A, the Municipal Development District Act.
- c) The sale of bonds or other obligations of the EDA must be approved by the City Council.
- d) The EDA must follow the budget process for City departments in accordance with City policy, ordinance, resolution and the City charter.
- e) Development and redevelopment actions of the EDA must be in conformance with the City comprehensive plan and official controls implementing the comprehensive plan.
- f) The EDA must submit its plans for development and redevelopment to the City Council for approval in accordance with City planning procedures and law.
- g) The administrative structure and management practices and policies of the EDA must be approved by the City Council.

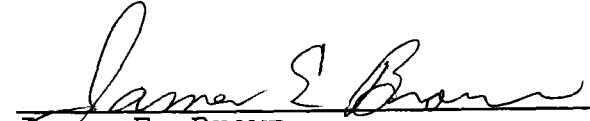
2.04. As provided in the Act it is the intention of the City Council that nothing in this resolution or any activities of the EDA are not to be construed to impair the obligations of the City under any of its contracts or to affect in any detrimental manner the rights and privileges of a holder of a bond or other obligation theretofore issued by the City.

Section 3. Implementation.

3.01. The City Council will from time to time and at the appropriate time adopt such ordinances and resolutions as are required and permitted by the Act to give full effect to the resolution.

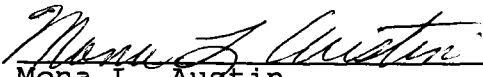
3.02. The Mayor, City Clerk-Treasurer, Economic Developer and Attorney of the City are authorized and directed to take the actions and execute and deliver the documents necessary to give full effect to this resolution.

Adopted by the Brainerd City Council this 1st day of August, 1988.


James E. Brown
President of the Council

Approved this 2nd day of August, 1988.


James E. Brown
Acting Mayor

ATTEST: 
Mona L. Austin
Acting City Clerk-Treasurer

RESOLUTION AMENDING
RESOLUTION NO. 30:88
RELATIVE TO THE MEMBERSHIP
OF THE ECONOMIC DEVELOPMENT
AUTHORITY

RESOLUTION NO. 26:90

BE IT RESOLVED by the City Council of the City of
Brainerd, Minnesota, as follows:

Section 1. That Paragraph 2.02 of Section 2 of Resolu-
tion No. 30:88 adopted August 1, 1988 be and hereby is
amended to read as follows:

a. "2.02. The number of members constituting the
Authority shall be seven, two of whom shall be members
of the City Council. Members shall be appointed by the
Mayor with the approval of the City Council. The terms
of the Commissioners who are members of the City Council
shall coincide with their term of office as members of
the City Council. The two Council members presently
serving as Commissioners shall continue in office for
the balance their unexpired terms. Further, the present
remaining Commission members shall continue in office
for the balance of their unexpired terms. The remaining
member shall be appointed for a term expiring on Sep-
tember 7, 1994. After the expiration of the initial
terms of office, all future appointments, excepting
Council member appointments, shall be for six year
terms."

Adopted this 4th day of June, 1990.


JAMES E. WALLIN
President of the Council

Approved this 5th day of June, 1990.


ROBERT E. OLSON
Mayor

ATTEST: 
DANIEL J. VOIGT
City Administrator