

BRAINERD ECONOMIC DEVELOPMENT AUTHORITY

Thursday, June 4, 2020 6:00 P.M.

WebEx Teleconference Meeting

Official Minutes

Pursuant to the call and notice thereof, Vice-Chair Campbell called the meeting of the Brainerd Economic Development Authority to order at 6:00 p.m.

Present were Commissioners Ed Menk, Kelly Bevans, Yvette Campbell, and Gabe Johnson. Also present were City Administrator Bergman, Finance Director Hillman, Community Development Director Chanski, John Schommer, HRA rehab director, and Tyler Glynn, BLAEDC executive director. Commissioners Sinner and Erickson were noted as absent.

Due to conducting the meeting electronically, all motions will be voted on by a roll call vote for accuracy.

Approval/Amendment of the Agenda

MOVED AND SECONDED BY COMMISSIONERS JOHNSON AND BEVANS TO APPROVE THE AGENDA AS PRESENTED.

Upon roll call, Commissioners Menk, Bevans, Campbell, and Johnson voted "aye". No member voted "nay".

Approval of Minutes

MOVED AND SECONDED BY COMMISSIONERS BEVANS AND JOHNSON TO AMEND PAGE THREE, PARAGRAPH NINE OF THE MAY 7, 2020 MEETING MINUTES TO READ "ALL BUSINESSES" AND TO APPROVE THE MAY 19, 2020 MEETINGS AS PRESENTED.

Upon roll call, Commissioners Menk, Bevans, Campbell, and Johnson voted "aye". No member voted "nay".

Approval of Financial Report

Finance Director Hillman explained there were no changes to note on the revolving loan fund from the statement from April 30th. She indicated the \$90,000 grant funds have been transferred to the EDA fund.

MOVED AND SECONDED BY COMMISSIONERS BEVANS AND JOHNSON TO APPROVE THE FINANCIAL REPORT AS PRESENTED.

Upon roll call, Commissioners Menk, Bevans, Campbell, and Johnson voted "aye". No member voted "nay".

Updates

HRA Update

Executive Director Search

John Schommer stated the interviews for the HRA executive director position interviews took place on May 27th. He said Eric Charpentier, who serves as an HRA Board member applied and is a potential candidate contingent upon HUD approval.

HRA Tax Forfeited Property Policy

Mr. Schommer gave an update to the revised Tax Forfeited Property Policy, which includes the incorporation of the Workforce Housing Study.

Small Cities Development Program (SCDP)

Mr. Schommer indicated the grant continues to move forward with rehab complete on one commercial unit and two owner occupied homes.

Housing Updates

Mr. Schommer announced the developer of Brainerd Oaks/Serene Pines and Dalmar Estates recently closed on five more lots with an additional five requested. He said the developer also indicated he has received numerous comments from people who would like a model home to walk through.

BLAEDC Update

Unified Fund

Tyler Glynn, executive director of BLAEDC gave a brief presentation and update of the Unified Fund. He announced the Teeny Bubbles Daycare Center located in Brainerd will be funded at the end of next week. Mr. Glynn also indicated the program has been working extremely well with no late payments or delinquencies from the current participants.

Old Business

Call for Applicants

Community Development Director Chanski announced there is one vacancy on the commission and encouraged anyone who may be interested to apply.

Small Business Relief Grant

Community Development Director Chanski stated the Small Business Relief Grant process opened for applications on May 27, 2020. He said 49 applications have been submitted and were reviewed in the order they were received. He explained of those, 32 applications are being recommended to the EDA with five of those needing further review as there were questions to discuss with the commission.

Community Development Director Chanski explained the details of the following businesses applications that needed more discussion:

- Minnesota Makerspace – Were not open on March 1st but did have a building lease active January 1, 2020 and have been doing business. Commissioners approved this business application.
- Dragon Forge – Intended to open March 1st and has issues with the condition of the building they are leasing to where they were unable to open in time. Commissioners approved this business application.
- Pampered Pets – This is not a retail business. Automatic car wash remained open; self-serve pet wash was closed. This business was not affected by Executive Orders 20-04 and 20-08. Commissioners denied this business application.
- Etherial Threads – This is not a retail business and interested shoppers would need to call the owner for an appointment to purchase goods. No Brainerd address shown on website. Commissioners denied this business application.
- ISMS – This is not a retail business. No Brainerd address shown on website. Commissioners denied this business application.

MOVED AND SECONDED BY COMMISSIONERS MENK AND BEVANS TO REMOVE PAMPERED PETS, ETHERIAL THREADS AND ISMS FROM THE GRANT APPLICANTS AS THEY DO NOT MEET THE NECESSARY QUALIFICATIONS.

Upon roll call, Commissioners Menk, Bevans, Campbell, and Johnson voted “aye”. No member voted “nay”.

MOVED AND SECONDED BY COMMISSIONERS BEVANS AND JOHNSON TO ADD DRAGON FORGE TO THE QUALIFIED APPLICANTS.

Commission discussion took place.

Upon roll call, Commissioners Menk, Bevans, Campbell, and Johnson voted “aye”. No member voted “nay”.

Community Development Director Chanski indicated due to the removal and addition of the above -mentioned applicants, this allows for the addition of the next two qualified applicants. He stated the next qualified applications in the order received are Hair & Beyond Inc, and Shep's on 6th.

MOVED AND SECONDED BY COMMISSIONERS BEVANS AND JOHNSON TO FUND HAIR & BEYOND INC AND SHEP'S ON 6TH AS THESE ARE THE NEXT QUALIFIED APPLICATIONS THAT WERE RECEIVED WITH SHEP'S RECEIVING THE REMAINING FUND AMOUNT OF \$2,960.

Upon roll call, Commissioners Menk, Bevans, Campbell, and Johnson voted “aye”. No member voted “nay”.

MOVED AND SECONDED BY COMMISISONERS BEVANS AND JOHNSON TO APPROVE THE AMENDED LIST OF QUALIFIED CANDIDATES AS PRESENTED.

Minnesota Makerspace	\$3,000	Bridge of Harmony	\$3,000
O'Neary's Irish Pub	\$3,000	Northwind Grille	\$3,000
612 Station	\$3,000	The Fold	\$2,055
Purple Fern	\$1,500	Vapor North	\$3,000
Open City Thrift	\$3,000	SE'z Bar	\$3,000
Music General	\$3,000	The Gallery	\$3,000
9 th Street Social Club	\$3,000	Hair It Is	\$3,000
Knotty Pine Bakery	\$3,000	The Parlor	\$3,000
Cat Tales	\$3,000	The Barn	\$3,000
Sage on Laurel	\$3,000	Creative Corner	\$3,000
Elysium Hair Studio	\$3,000	Parlor Hair Salon	\$1,500
Lakes Vape & Rec	\$985	North Country Floral	\$3,000
Belle Creations	\$3,000	Mickey's Subs	\$3,000
Front Street Cafe	\$3,000	Strength' Studios	\$3,000
Bargains on 7 th	\$3,000	Shep's on 6 th	\$2,960
Dragon Forge Games	\$3,000		

Upon roll call, Commissioners Menk, Bevans, Campbell, and Johnson voted "aye". No member voted "nay".

Community Development Director Chanski stated there were eight additional applications received that could not be funded due to the exhaustion of the \$90,000 allocated. He indicated the businesses are as follows:

- Yesterday's Gone \$3,000
- Pit Stop Bar \$3,000
- Harding Shoe Repair \$3,000
- Kevin Matthews Pottery LLC \$3,000
- 5 Rocks Distilling Co. \$3,000
- Lakes Area Flooring Co. \$2,500
- Jack's House \$3,000
- Adapt Family Martial Arts and Fitness \$3,000

MOVED AND SECONDED BY COMMISSIONERS MENK AND BEVANS TO REQUEST TO THE CITY COUNCIL AT THE JUNE 15, 2020 MEETING TO APPROVE FUNDING IN THE TOTAL AMOUNT OF \$23,500 FROM THE BALANCE OF MIF DOLLARS TO THE REMAINING EIGHT APPLICANTS.

Upon roll call, Commissioners Menk, Bevans, Campbell, and Johnson voted "aye". No member voted "nay".

Informational

COVID-19 Temporary Extension of Premises

Community Development Director Chanski stated the City Council has approved to proceed with a temporary extension of premises for restaurants and bars in order to open up outdoor dining areas. He explained the details of the application and it has been well received with six applications submitted as of today.

Finance Director Hillman explained the City Council also approved a motion to waive three months of liquor license fees and a pro-rating of the remaining months.

Comments/Questions

Vice-Chair Campbell stated there was a question asked at the Destination Downtown Business Coalition meeting regarding a marketing campaign being created. City Administrator Bergman confirmed the City Council passed a marketing plan campaign program. Jessie Ernster, Communications Intern for the City gave a brief explanation of the campaign details.

City Administrator Bergman announced the City Council appointed three community members to the Region 5 Children's Museum Masterplan Task Force. She also stated the downtown Farmer's Market has been canceled for this year due to the strict COVID-19 regulations.

Adjournment

The Authority adjourned at 7:20 p.m.

Wayne Erickson, Secretary/Treasurer