

City of Brainerd
Economic Development Authority
Meeting Agenda

Fire Department Training Room
23 Laurel St
August 6, 2020
7:30 A.M.

- | | | | |
|-------|---------------------------------------|-------|-------------|
| I. | Call to Order | | |
| II. | Roll Call | _____ | K. Bevans |
| III. | Welcome to Michael O'Day | _____ | Y. Campbell |
| IV. | Approval/Amendment of Agenda | _____ | W. Erickson |
| V. | Approval of Minutes from June 4, 2020 | _____ | G. Johnson |
| VI. | Financial Report | _____ | E. Menk |
| VII. | Updates | _____ | M. O'Day |
| | a. Executive Director | | J. Sinner |
| | b. HRA | | |
| | c. BLAEDC | | |
| VIII. | Old Business | | |
| | a. Marketing Update | | |
| IX. | New Business | | |
| | a. 2021 Budget Discussion | | |
| | b. CARES Act | | |
| X. | Informational | | |
| XI. | Commissioner's Comments/Questions | | |
| XII. | Adjournment | | |

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, Wayne Erickson, 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. Commissioner 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

Financial Report for EDA

As of June 30, 2020

	<u>Cash & Investments</u>	<u>Receivable Balance</u>	<u>Deferred Loans (as of 12/31/19) **</u>	<u>Awarded Grants</u>
General Funds:				
EDA Fund - #295	\$ 77,592	\$ -	\$ -	\$ -
Total	\$ 77,592	\$ -	\$ -	\$ -
CDBG (Housing/Commerical (Slum & Blight/Federal Objective)):				
Downtown - #298	\$ 28,514	\$ 25,970	\$ 600,617	\$ -
SE Brainerd - #215	43,036	-	358,377	-
NE Brainerd - #218	(141,885)	-	81,462	638,338
Willows Project - #209	9,230	-	99,650	-
Old Housing - #209	6,540	-	59,286	-
Local Income - #275	19,399	17,136	17,775	-
Total	\$ (35,167)	\$ 43,106	\$ 1,217,167	\$ 638,338
Federal & State MIF (Commerical (Jobs)):				
Commerical - #210 ^^^	\$ -	\$ 646,427	\$ -	\$ -
Federal MIF - #296	18,188	-	-	-
Total	\$ 18,188	\$ 646,427	\$ -	\$ -
Grand Total	\$ 60,614	\$ 689,533	\$ 1,217,167	\$ 638,338

** 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.

08/04/2020 08:17 AM
User: chillman
DB: Brainerd

BALANCE SHEET FOR CITY OF BRAINERD
Period Ending 06/30/2020

Page: 1/1

Fund 295 EDA FUND

GL Number	Description	Balance
*** Assets ***		
295-0000-10100	CASH	77,592.17
295-0000-10700	DELINQUENT TAX RECEIVABLE	7,330.90
295-0000-16160	FA-LAND HELD FOR RESALE	488,252.22
Total Assets		573,175.29
*** Liabilities ***		
295-0000-22200	DEFERRED REVENUE	488,252.22
295-0000-22210	DEFERRED TAXES RECEIVABLE	5,521.89
Total Liabilities		493,774.11
*** Fund Balance ***		
295-0000-28900	FUND BALANCE/EQUITY ACCT	39,602.39
Total Fund Balance		39,602.39
Beginning Fund Balance		39,602.39
Net of Revenues VS Expenditures		39,798.79
Ending Fund Balance		79,401.18
Total Liabilities And Fund Balance		573,175.29

PERIOD ENDING 06/30/2020

GL NUMBER	DESCRIPTION	2020		ACTIVITY FOR	YTD BALANCE	AVAILABLE	% BDGT USED
		AMENDED	BUDGET	MONTH 06/30/2020 (INCREASE (DECREASE))	06/30/2020 (NORMAL (ABNORMAL))	BALANCE (NORMAL (ABNORMAL))	
Fund 295 - EDA FUND							
Revenues							
Dept 0000							
TAXES & PENALTIES							
295-0000-31010	CURRENT AD VALOREM	127,817.00		42,141.92	43,763.04	84,053.96	34.24
295-0000-31020	DELINQUENT AD VALOREM	0.00		1,249.74	1,437.63	(1,437.63)	100.00
TAXES & PENALTIES		127,817.00		43,391.66	45,200.67	82,616.33	35.36
OTHER REVENUE							
295-0000-36210	INTEREST INCOME	250.00		342.29	342.29	(92.29)	136.92
OTHER REVENUE		250.00		342.29	342.29	(92.29)	136.92
OTHER FINANCING SOURCES							
295-0000-39200	TRANSFERS IN	0.00		23,500.00	113,500.00	(113,500.00)	100.00
OTHER FINANCING SOURCES		0.00		23,500.00	113,500.00	(113,500.00)	100.00
Total Dept 0000		128,067.00		67,233.95	159,042.96	(30,975.96)	124.19
TOTAL REVENUES		128,067.00		67,233.95	159,042.96	(30,975.96)	124.19
Expenditures							
Dept 6510 - ECONOMIC DEVELOPMENT AUTH							
SERVICES							
295-6510-43300	PROFESSIONAL SERVICES	116,000.00		0.00	300.00	115,700.00	0.26
295-6510-43361	INS - GENERAL LIABILITY	100.00		69.50	94.17	5.83	94.17
295-6510-43430	MISCELLANEOUS	5,500.00		0.00	0.00	5,500.00	0.00
295-6510-43435	BOOKS/PAMPHLETS/DUES	5,350.00		0.00	5,350.00	0.00	100.00
295-6510-43438	COVID-19 GRANTS	0.00		113,500.00	113,500.00	(113,500.00)	100.00
SERVICES		126,950.00		113,569.50	119,244.17	7,705.83	93.93
Total Dept 6510 - ECONOMIC DEVELOPMENT AUTH		126,950.00		113,569.50	119,244.17	7,705.83	93.93
TOTAL EXPENDITURES		126,950.00		113,569.50	119,244.17	7,705.83	93.93
Fund 295 - EDA FUND:							
TOTAL REVENUES		128,067.00		67,233.95	159,042.96	(30,975.96)	124.19
TOTAL EXPENDITURES		126,950.00		113,569.50	119,244.17	7,705.83	93.93
NET OF REVENUES & EXPENDITURES		1,117.00		(46,335.55)	39,798.79	(38,681.79)	3,563.01

To: EDA Board Members
From: John Schommer, Rehab Coordinator
Date: July 28, 2020
Re: Brainerd HRA Update

Executive Director Search

The Brainerd HRA board has made an offer to a local candidate contingent upon approval of a waiver from HUD, we are currently waiting on HUD's response.

Workforce Housing Study & Housing Trust Fund

We continue to share the information whenever and wherever we are able. Most recently we presented at BLAEDC's quarterly business meeting and the Pequot Lakes/Crosslake EDC meeting. We are scheduled to present for Riverwood Bank's on August 11th.

Rehab

The current Brainerd SCDP (Small Cities Development Program) grant continues to move forward with rehab complete on one commercial unit, two Owner Occupied homes and nine units of mixed use rental units nearing completion. We have six units of rental rehab bidding soon and two owner occupied applications in approval stage.

Brainerd Oaks/Serene Pines/Dalmar Estates

Development	Total	# Sold to Developer	# Sold to End Buyer	For Sale	In Construction
Brainerd Oaks	81*	43	40	0	6
Serene Pines	23	13	12	0	2
Dalmar Estates	7	1	1	0	1

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

MEMO



TO: EDA Board of Commissioners

FROM: David Chanski, Community Development Director

DATE: August 6, 2020

RE: Marketing Update

On May 18, the City Council approved up to \$25,000 of State MIF funds to be use for a marketing campaign aimed to bring awareness that Brainerd is open for business. On June 15, the Council approved the messaging and design of the campaign while authorizing staff to purchase a full-page ad in the Lakes County Journal as well as begin a series of social media boosted posts and radio ads.

The City Council authorized an additional \$25,000 of CARES Act funds on August 3rd to be used to further continue the marketing campaign.

Communications Intern Jessie Ernster will provide the EDA an update on the status of the marketing campaign and plans moving forward.

You Betcha We're Open

Downtown - Washington St



West Brainerd - East Brainerd

Come on in and see what
Brainerd has in store.

Shop Small. Shop Safely.



BRAINERD
MINNESOTA
A City for all Seasons



You Betcha We're Local

Downtown - South 6th St - Mill



Washington St - East Brainerd

**Come on in and see what
Brainerd has in store.**

Shop Small. Shop Safely.



BRAINERD
MINNESOTA



You
Betcha



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WE'RE
HERE
FOR
GOOD



DOWNTOWNBRAINERD.ORG

MEMO



TO: EDA Board of Commissioners

FROM: David Chanski, Community Development Director

DATE: August 6, 2020

RE: 2021 Budget Discussion

The EDA traditionally considers and determines the recommendation to the City Council to set the preliminary revenue number during its August meeting. From year to year, there is generally little change in the proposed expenditures. In 2020, the EDA's request was for the City Council to set the levy at the maximum amount allowed per state statute. For 2021, the maximum allowed by state statute is a levy of \$133,789. It is .01813% of the previous years estimated market value.

Staff did fill in preliminary expenditure amounts. The primary expenditures for the EDA are the professional services with the City of Brainerd and with the Brainerd Lakes Area Economic Development Corporation (BLAEDC). In 2019, the EDA passed a motion to fund BLAEDC in the amount of \$78,500 for years 2020, 2021 and 2022 (minutes are attached), as well as the membership/financial request to the Initiative Foundation (request is attached). Other preliminary expenditures were adjusted slightly based on usage.

Staff requests the EDA Board discuss and set the preliminary levy request for the City Council and discussion on the 2021 budget.

EDA Fund

	2019			2021	
	Budget	Actual	2020 Budget	Requested Budget	Difference
Revenues					
Taxes & Penalties					
31010 Current Ad Volorem **	124,351	122,178	127,817	133,789	5,972
31020 Delinquent Current Ad Volorem	-	1,598	-	-	-
	124,351	123,776	127,817	133,789	5,972
Other Revenue					
36210 Interest Income	100	643	250	400	150
39200 Sale of Land	-	-	-	-	-
	100	643	250	400	150
TOTAL REVENUE	124,451	124,419	128,067	134,189	6,122
Expenditures					
Personnel Services ^					
-1101 Salary	28,066	24,502	-	-	-
-1121 PERA	2,105	1,543	-	-	-
-1122 FICA	1,740	1,343	-	-	-
-1123 Medicare	407	314	-	-	-
-1131 Health Ins	4,892	4,195	-	-	-
-1133 Life Ins	48	4	-	-	-
-1134 LTD	47	5	-	-	-
	37,305	31,905	-	-	-
Services					
-3300 Professional Services	-	-	-	-	-
City	-	-	32,500	32,500	-
BLAEDC	78,500	78,500	78,500	78,500	-
Legal/Municipal Advisors	-	2,871	5,000	4,000	(1,000)
-3350 Legal Publ	-	-	-	-	-
-3361 Ins. General Lib	125	138	100	150	50
-3430 Miscellaneous	500	40	500	500	-
Strategic Planning					-
Marketing			5,000	5,000	-
Training/Events/Conferences					-
-3435 Memberships *	5,350	5,350	5,350	5,350	-
	84,475	86,899	126,950	126,000	(950)
-7720 Transfers Out	-	-			
TOTAL EXPENDITURES	121,780	118,804	126,950	126,000	(950)
NET REVENUE OVER EXPEND.	2,671	5,615	1,117	8,189	7,072

** Max allowed by state statute

* Initiative Foundation

Mr. Schommer stated a construction contract has been completed for the old Iron Rail building owned by Sarah Hayden Shaw for larger windows and facade work for the Knotty Pine Bakery. He indicated Ms. Hayden Shaw has submitted the application for the nine apartments above and is currently obtaining bids.

Update from BLAEDC – Bruce Buxton

Mr. Buxton stated Mr. Tyler Glynn could not attend this morning and he distributed a flow chart to the group.

New Business

Fund Allocation / Budget

City Administrator Torstenson stated a worksheet is included in the packet to view the line items and blank areas for the EDA to fill in as desired. She indicated the packet also includes allocation requests from the Initiative Foundation and BLAEDC to consider for 2020.

Discussion took place regarding the levy.

MOVED AND SECONDED BY COMMISSIONERS SINNER AND ERICKSON, DULY CARRIED, FOR THE LEVY TO BE SET AT THE MAXIMUM AMOUNT ALLOWED BY STATE STATUTE.

Commissioner Bevans suggested the City Administrator and the Finance Director salary allocations be listed as one sum.

Commissioner Johnson stated there needs to be a contract between the EDA and the City for using city staff for EDA duties.

Mayor Menk suggested a draft contract to be drawn up and presented to the EDA at the meeting in October.

Commissioner Sinner stated the contract should be a single line item showing the dollar amount.

MOVED AND SECONDED COMMISSIONERS SINNER AND BEVANS, DULY CARRIED, FOR \$30,000 TO BE THE SET LEVY AMOUNT.

Discussion took place.

The previous motion was rescinded.

MOVED AND SECONDED BY COMMISSIONERS SINNER AND BEVANS, DULY CARRIED, TO MODIFY THE AMOUNT LEVIED TO \$32,500.

Accept Final Audit Statement

MOVED AND SECONDED BY COMMISSIONERS SINNER AND ERICKSON, DULY CARRIED, TO BUDGET \$5,000 TOWARDS LEGAL AND MUNICIPAL ADVISORS AND \$5,000 TO MISCELLANEOUS.

BLAEDC

MOVED AND SECONDED BY COMMISSIONERS SINNER AND CAMPBELL TO ACCEPT THE 3 YEAR COMMITMENT PROPOSAL FOR FUNDING TO BLAEDC IN THE AMOUNT OF \$78,500 FOR YEARS 2020, 2021 AND 2022.

Commissioners Menk, Sinner, Erickson and Campbell voted "aye". Commissioner Johnson voted "nay". The Chair declared the motion carried.

Call for Applicants

Mayor Menk called for applicants to fill the one vacant seat on the EDA Committee.

Informational

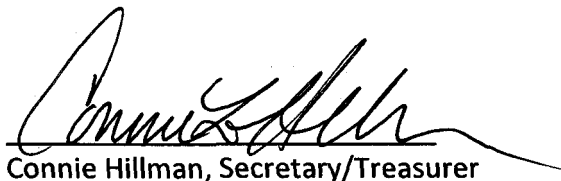
Mayor Menk stated to send reminders of the upcoming EDA meetings two weeks and one week in advance.

- December Meeting – December 5, 2019 7:30 a.m.
 - 2020 Goals & Priorities
 - 2020 Budget

The commission set a Special EDA Meeting for Thursday, October 31, 2019 at 7:30 a.m. to discuss the industrial lots. Mayor Menk directed staff to update the EDA Members as well as the City Council.

Adjournment

The Authority adjourned at 9:04 a.m.



Connie Hillman, Secretary/Treasurer



The Initiative Foundation is guided by its Board of Trustees and is supported and advised by a host of regional partners and committee members:

BOARD OF TRUSTEES

Brett Anderson
Sentry Bank
Rick Bauerly
Granite Equity Partners
Jessica Bitz
Falcon National Bank
Charles Black Lance
Central Lakes College
Santo Cruz
CentraCare Health
Kim Ellingson
Bremer Bank
Terri Hoggarth
Edward Jones, Little Falls
David Monroy
Monroy Law Office, PLLC
Joe Nayquonabe Jr.
Mille Lacs Corporate Ventures
Julie Nelson
Mayer, Porter & Nelson, LTD
Tim Nelson
Chief Deputy Isanti County Atty.
Steve Shurts
East Central Energy
Traci Tapani
Wyoming Machine
Robbyn Wacker
St. Cloud State University
Kristi Westbrook
Consolidated
Telecommunications Company

June 5, 2020

Jennifer Bergman, City Administrator
City of Brainerd
501 Laurel St
Brainerd, MN 56401-3595

Dear Mayor Menk, City Council and Ms. Bergman,

For 34 years the Initiative Foundation has focused on building strong local economies and vibrant communities. In Crow Wing County, we have contributed a total of \$4,495,097 in grants to support nonprofit organizations and local government projects, as well as \$9,519,264 in business loans to create and retain 1,951 quality jobs.

City and county partners are vital to our ability to support business growth and the creation and retention of quality jobs in our region. We sincerely appreciate your past investment and hope to count on your continued support in 2021.

We respectfully request that you consider allocating \$5,350 to the Initiative Foundation in your 2021 budget.

The Initiative Foundation's grant-making, lending and programmatic activities will continue to support for-profit business and nonprofit growth, empower new entrepreneurs, address workforce shortages, and increase access to quality child care for the region's workforce. The Foundation has historically generated a substantial return on the investment of supporters like you, as local contributions make it possible for us to leverage additional resources from sources outside Central Minnesota. Specifically, for every local dollar raised, we are able to invest an average of \$3.77 back into the communities we serve through grants, loans and scholarships.

In response to the COVID-19 crisis, the Foundation has moved quickly to aid our local economies through emergency grants, loans, and other resources. As we move beyond COVID-19, your support will continue to power our daily work, strengthening local economies and building thriving communities.

Please contact us if you have any questions or to request a presentation at an upcoming meeting. We can present in-person or facilitate an online option if you desire. If possible, after your 2021 budget is finalized, please let us know your decision by signing and returning the enclosed confirmation form. Thank you for your consideration!

All the best,

Matt Varilek
President

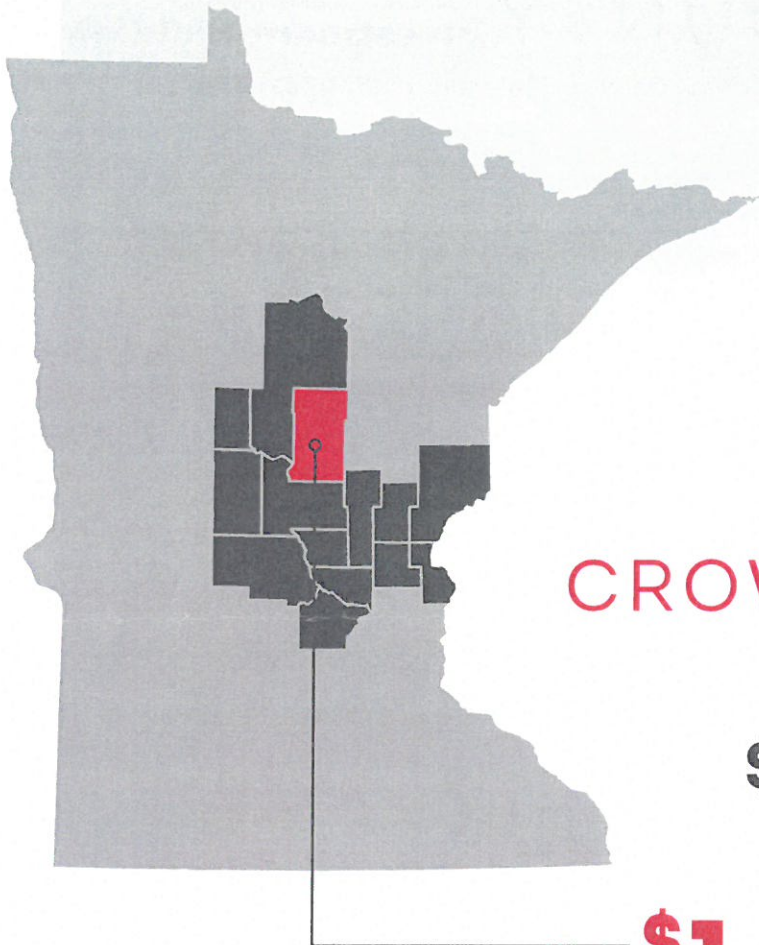
Carl Newbanks
Grants and Development Manager

RECEIVED

JUN 09 2020

CITY OF BRAINERD
ADMINISTRATION

The Initiative Foundation is a 501c(3) nonprofit organization. All contributions to the Foundation are tax-deductible to the extent allowed by law. The Foundation owns and manages all financial contributions for the benefit of communities served in the 14-county region of Central Minnesota.



Initiative Foundation at work in
CROW WING COUNTY

\$3.1 MILLION

in local donations to the Initiative Foundation.

\$14.6 MILLION

returned to Crow Wing County in grants, loans, and scholarships.

Our Mission:

To empower people to
build thriving communities
and a vibrant region
across Central Minnesota.

405 First Street SE
Little Falls, MN 56345
(877) 632-9255
ifound.org

Return on Investment

For every local dollar contributed, the Initiative
Foundation has invested **\$4.66** back into Crow Wing
County.

Economic Impact

[1986 to present]

- Awarded 802 grants totaling **\$4.5 million**
- Awarded 19 scholarships totaling **\$25,835**
- 182 loans totaling **\$9.5 million**
- Created or retained **1,950 quality jobs**
- **\$71.7 million** in outside capital leveraged
- Hosted **17** Partner Funds



Powering Possible

Equal opportunity lender, provider and employer.

CROW WING COUNTY Investment Highlights

For a full listing of Initiative Foundation investments in Crow Wing County, Contact us at (877) 632-9255.

Grants Thriving Economy, Thriving Communities

Advocates Against Domestic Abuse	Strategic Planning
Blandin Foundation	Sponsorship Grant for Border to Border Broadband Conference
Brainerd School District	Brainerd Lakes Area Early Childhood Coalition
Brainerd Lakes Area Chamber of Commerce Education Association	Lakes Area Manufacturers Alliance scholarships
Central Lakes College Foundation, Brainerd	Small Business Growth and Success Initiative
City of Nisswa	Gull Lake Trail
Friends of Pequot Lakes Community Library, Inc.	Support for general operations
City of Riverton	Sanitary Sewer System records mapping
Crow Wing County United Way, Inc.	Operation Sandwich
Cuyuna Range Youth Center	Job skills development and employability training
Bridges of Hope	Self-healing communities project
Region Five Development Commission	Downtown Brainerd revitalization
Lakes Area Restorative Justice Project	Strategic planning
Brainerd Family YMCA	General operating support
The National Loon Center Foundation	Northern lakes initiative
City of Manhattan Beach	Community planning support
Salem Lutheran Church, Deerwood	Director transition project

Business Financing Local Ownership, Quality Jobs

Corral Auto Repair, LLC, Brainerd	Service
Dr. Spoden Investments, LLC, Brainerd	Tourism
GreenForest Recycling Resources, LLC, Brainerd	Recycling Center
JAO Properties, LLC, Little Falls	Service
Michelle L. Fussy, Fifty Lakes	Service
Benjamin Lin, LLC	Retail

Charitable Funds Activating Generosity

Cuyuna Lakes Education Foundation | Anderson Brothers Family Fund | Betty Ford Menzel Scholarship Fund | Crow Wing Environment Protection Advised Fund | Gull Chain Preservation Endowment | Lake Region Christian School Education Foundation | Land and Waters Preservation Trust | Patriot Foundation | Greater Pequot Lakes Community Foundation | Patriot Foundation | Bert and Helen LeBlanc Legacy Scholarship Fund | Bridges Manufacturing Workforce Development Fund | Lakes Area Medical Development Fund | Julius Kurpius Family Fund | National Loon Center Project Fund | Salem Community Outreach Fund | Irene Myres Memorial Endowed Scholarship Fund | Brainerd Public Schools Foundation Early Childhood Fund

Nonprofit Assistance Helping Organizations Thrive

Bridges of Hope	Lunchtime Learning
Brainerd-Baxter Youth Center	Lunchtime Learning
Brainerd Community Action	Financial Resiliency Program
Lakes Area Restorative Justice Program	Financial Resiliency Program

Community Action The Power of Partnership

→ Each year, more than 475,000 Americans die from cardiac arrest. Thanks to the Brainerd Fire Department and a host of community sponsors, including the Initiative

Foundation, the PulsePoint app will soon help drive that number down in Crow Wing County. PulsePoint pushes CPR notifications when there is a sudden cardiac arrest incident and

directs responders to the nearest automated external defibrillator.



Initiative Foundation COVID-19 Response Efforts

Updated 6/1/2020

ifound.org

In response to the COVID-19 crisis, the Initiative Foundation has adapted our work, responding quickly to the needs of small businesses, childcare providers, nonprofits, and individuals. In addition to our existing lending, training and grantmaking, and in partnership with State agencies and other Foundations, the Initiative Foundation has taken the following actions:

- Our regional Emergency Relief and Recovery Fund has provided \$153,500 in emergency relief grants (food, shelter, basic services support) to regional nonprofits. Much of this funding was secured from sources outside our region through grant requests and fundraising efforts.
- At Governor Walls' request, the Initiative Foundation seeded a fund to support childcare providers serving the children of emergency workers. Our initial investment, and support from the MN Council on Foundations, combined to provide \$150,000 in immediate aid to childcare providers across the region.
- We have deployed \$1,200,000 in emergency loans to 56 small businesses. These emergency loan funds are provided through MN DEED, and the Foundation assumes the responsibility to process and service these loans.
- Local Emergency Relief Funds, hosted by the Initiative Foundation, have raised and distributed over \$250,000 to support their communities.
- The Foundation also has extended options (full deferment or interest-only payments) to more than 40 existing small business loan clients. The value of the loans where deferment options were implemented is \$2.85 million.
- All current grantees have been allowed to redirect their awards to operational needs or other immediate relief efforts as they determine. Over \$50,000 in grant dollars have been repurposed to meet the general operating needs of local nonprofits, keeping urgent services and supports functioning during the crisis.
- We have adjusted our grant guidelines for the remainder of 2020 to allow more flexibility for COVID-19 relief and recovery. Priority will be given to new or existing programs or services that provide for the basic needs of individuals and families negatively affected by the COVID-19 health crisis. Examples include food security, housing, clothing, health care, and employment.

Foundation staff have hosted countless calls, webinars, and Zoom meetings. Our team has worked tirelessly to understand regional needs, advise local leaders, assist nonprofits, support for-profit businesses, link funding to critical needs, and secure funds from sources outside our region.

As we continue to address the unprecedented level of need, we are steadfast in our commitment to build vibrant communities and thriving economies across Central Minnesota. We will work collaboratively with our partners to maximize the efficiency and effectiveness of all relief and recovery efforts, seeking additional funding from state agencies and other funders, deploying our own grant dollars, and continuing our programmatic work.



2021 Budget Confirmation

Please indicate below your city council's decision regarding support for the Initiative Foundation in 2021 and kindly return this form to:

Initiative Foundation
405 First St. SE, Little Falls, MN 56345
Or Email it to: cnewbanks@ifound.org Fax: (320) 632-9258

Name of City : _____

☐ **YES**, city council has approved funding to the Initiative Foundation in 2021 in the amount of \$ _____

Would you like the Initiative Foundation to send you a payment reminder?

☐ Yes, please send invoice to us in _____ / _____.
Month / Year

☐ Not necessary, we'll send payment to IF without an invoice.

☐ Payment attached.

☐ **NO**, we are unable to fund the work of the Initiative Foundation in 2021.

City official _____
Printed Name Title

Signature Date

Email Address Phone #

We do want to hear from you to discuss your needs, answer questions, and provide an update on our local projects. Please call Carl Newbanks at 320-631-2042 if you would like to schedule a presentation.

Thank you for considering our request. Together, we can continue to serve this great region that we all call home.

MEMO



TO: EDA Board of Commissioners

FROM: David Chanski, Community Development Director

DATE: August 6, 2020

RE: CARES Act

On June 25, Governor Tim Walz announced the distribution of \$841 million in CARES Act funds to local and county governments. The City of Brainerd received a distribution of \$75.34 per resident for a total of \$1,034,572.

On August 3, City staff presented a plan to the City Council for the use of these funds. The Council adopted this plan as presented.

Attached is the memo to the City Council from City Administrator Jennifer Bergman and Finance Director Connie Hillman regarding these funds as well as the proposed (now adopted) line item expenses.

After reimbursing \$320,946.22 in incurred expenses and allocating \$467,051.89 for anticipated COVID-19 related expenses, approximately \$246,573.89 remains. The intention is to make these funds available to small business and/or non-profit entities as grants for COVID-19 related expenditures.

Additionally, Crow Wing County has reached out to each municipality within its jurisdiction, proposing a pool of funds with a single, uniform application and grant criteria to maximize reimbursements. Please see the attached email from Administrator Bergman and letter from County Administrator Tim Houle.

City staff will present a formal plan for the use of the small business and non-profit grant funds to the City Council during their regular meeting on Monday, August 17.

MEMO



TO: Mayor & Council

FROM: City Administrator Bergman
Finance Director Hillman

DATE: July 30, 2020

RE: CARES Relief Funding (CRF)

The City of Brainerd received \$1,034,572 of the \$841 million the state received in federal COVID-19 relief funds. These are federal dollars and are subject to a single audit and have to be used in accordance with federal guidelines.

The current guidance has listed out 3 distinct elements that are to be considered and present when determining if Coronavirus/CARES Relief Funds (CRF) can be used:

- The expense is to be necessary and due to COVID-19. A municipality should document this fact.
- Unaccounted. The expenditure wasn't part of the 2020 adopted budget. Another way to look at this is that the cost cannot lawfully be funded; OR it is substantially different than what the line budgeted line item was to be used for. Funds cannot be used to replace lost revenue.
- Incurred during the covered period of 3/1/2020-11/15/2020.

The funds are also able to cover Brainerd Public Utilities and Library.

Staff has been working internally and with external partners on how to properly spend the funds. Attached is a list breaking the use of the funds into 3 part or buckets if you will:

- **Bucket #1 – COVID-19 Expenditures to Date.** To date the City has paid \$320,946 in expenditures for what Staff beliefs to be eligible CRF uses. Staff has also justified the use of the funds as well.
 - Staff has been diligently working on tracking and capturing all COVID-19 expenditures. As you can see, staff has included the cost of various staff being not able to work but who were still paid per Council's direction. What is not included in this list is the time that department heads have spent on COVID related activities i.e. working on the preparedness plan, the work from home plan, how to spend the CRF, etc.

- **Bucket #2 – COVID-19 Expenditures between now and 11/15/2020.** This list is not all inclusive. Cost estimates were not able to be obtained for all items. There is also a contingency line of \$100,000 included in this bucket.
- **Bucket #3 – Small Business and/or Non-Profit Grants for COVID-19 Related Expenditures.** This is the amount left over after use of the \$1,034,572 in buckets 1 & 2.

This item appears on the agenda for Council:

- To review, provide authorization, and approve documentation to use CRF dollars for the items staff has put together for buckets 1 and 2. Staff will want to move forward quickly with the items in bucket #2 if Council approves, as staff is aware that supplies of certain items and contractors are in short supply.
- For initial discussion on how Council would like to use bucket #3. As mentioned, Staff has been working with the administration of Crow Wing County and the City of Baxter discussing a plan to appropriate CRF to the County and each community. Also attached to this agenda request is the email sent earlier this week and the documents that were attached to the email.

/clh

CARES Relief Funding

AMOUNT AVAILABLE

1,034,572.00

BUCKET #1 - COVID-19

EXPENDITURES TO DATE	DATE PAID	AMOUNT	DOCUMENTATION/JUSTIFICATION
Small Business Relief Grants	6/5/2020	113,500.00	These were small business relief grants. Businesses had to show a need and could receive up to a \$3,000 grant.
Precautionary Administrative Leave for Patrol Officers	4/3/2020 - 6/25/2020	40,039.60	The City implemented a precautionary administrative leave policy starting April 3rd to about June 25th. This only affected patrol staff in which employees received 10 hours of pay without being at work to help ensure staff stayed healthy due to COVID.
Parks Maintenance Staff	3/29/2020- 4/11/2020	18,711.92	When the Stay-at-Home order was put into place, the City did not have precautions in place to allow our maintenance staff to be able to work. For two weeks, they received pay. Since they were at home, their duties substantially changed due to COVID for those 2 weeks and the City lost time relating to the maintenance operations of the City due to COVID.
Street Maintenance Staff	3/29/2020- 4/11/2020	23,187.44	When the Stay-at-Home order was put into place, the City did not have precautions in place to allow our maintenance staff to be able to work. For two weeks, they received pay. Since they were at home, their duties substantially changed due to COVID for those 2 weeks and the City lost time relating to the maintenance operations of the City due to COVID.
Records Management Staff	3/30/2020- 5/15/2020	19,880.00	When the Stay-at-Home order was put into place, the City did not have precautions in place or the ability to allow our police records management staff the ability to work remotely. For several weeks, Staff alternated days of work to be able to social distance in the office and to ensure staff stayed healthy due to COVID. Since they were at home and unable to work, their duties substantially changed due to COVID. This cost represents time that Staff was paid for the hours they were not at work.
COVID -19 Leave	Various	1,917.00	One employee to date has qualified for COVID leave to be paid out at 2/3rds of the employee's hourly rate.

CARES Relief Funding

BUCKET #1 - COVID-19

EXPENDITURES TO DATE (Continued)	DATE PAID	AMOUNT	DOCUMENTATION/JUSTIFICATION
Liquor License Fee Grant Reduction		33,033.33	The City Council provided relief to all liquor license holders as they were closed due to COVID. The reduction was applied to a certain group of businesses. Rather than giving a bar/restaurant \$3,800 for example their small business grant, the City reduced the fee on a consistent basis.
Marketing Campaign		25,000.00	Launched the You Betcha We're Open campaign for Brainerd businesses purchased ads in Lakes Country Journal and began a campaign series on social media as a result of being shut down due to COVID.
School Resource Officer Wage and Benefits	3/21/2020-5/23/2020	20,756.50	When the schools closed due to COVID, the officer dedicated as the School Resource Officer was placed on patrol duties. Since the officer's duties are substantially different as a patrol officer and a school resource officer, the employee's wages and benefits are eligible for use of CARES funding.
Street Foreman Overtime	4/12/2020-7/18/2020	5,796.00	When the street maintenance returned to work, the street foreman had to work overtime to be present for the cross over of the shifts. The maintenance personal were working staggered shifts due to COVID.
Cleaning/Sanitation Supplies	3/1/2020-7/23/2020	2,035.95	Cleaning supplies are specifically allowed for CRF use to help stop the spread of COVID-19. The quantity and what was purchased is different than what was budgeted in 2020.
Personal Protection Equipment (PPE)	3/1/2020-7/23/2020	2,667.53	PPE is specifically allowed for CRF use to help stop the spread of COVID-19. The quantity and what was purchased is different than what was budgeted in 2020
Work from Home	3/1/2020-7/23/2020	4,001.80	Expenditures for Staff to be able to work from home are specifically allowed for CRF use. Expenditures incurred to comply with the work from home order were not budgeted in 2020.
Miscellaneous Item (Supplies for decon trailer, attorney fees, etc.)	3/1/2020-7/23/2020	4,980.23	These items were not budgeted in 2020 and were per the State to get the trailer ready for use and fees incurred for preparation of the work from home order, preparedness plan, and COVID-19 questions.
Pavilion Rental Refunds			

CARES Relief Funding

BUCKET #1 - COVID-19

EXPENDITURES TO DATE (Continued)	DATE PAID	AMOUNT	DOCUMENTATION/JUSTIFICATION
Tournament & Program Refunds			
Park-A-Day Rental			
Library	3/1/2020-7/23/2020	25.76	Trak phone- to be able to have contact during work from home order and postage for furlough notices.
BPU	3/1/2020-7/23/2020	5,413.16	Early morning cleaning labor to date/ various cleaning supplies and barriers
TOTAL BUCKET #1		320,946.22	

BUCKET #2 - COVID-19

EXPENDITURES BETWEEN NOW AND 11/15/2020	ESTIMATED AMOUNT	DOCUMENTATION/JUSTIFICATION
BPU - Access Control system and IP camera	89,531.39	The new access system would allow BPU to remotely control access to the Service Center and Wastewater Treatment Plant. Our interaction with customers and vendors is in the process of changing and this new security and control system would allow this change to occur.
Permeant Camera Access System - City Hall, PD & FD	10,000.00	We have been using the ring system this week and we are running into glitches. System not always working, short timeframe to communicate with individuals entering City Hall etc. This will allow for a permanent solution.
Fire Department Door Camera and Access		To control access to building to prevent the spread of COVID-19
Street Camera and Access Control		To control access to building to prevent the spread of COVID-19
Chamber Upgrades	20,000.00	So that we can remote in and televise meetings due to COVID and council meetings having to be done remotely and for social distancing of council meetings.
Monitors	8,000.00	To be able to work remotely
Laptops	26,000.00	To be able to work remotely
Desktops	3,600.00	To be able to work remotely
Webcams	1,400.00	To be able to work remotely
Dual Factor Authentication for all	4,000.00	Ability for all City staff to work remotely

CARES Relief Funding

BUCKET #2 - COVID-19

EXPENDITURES BETWEEN NOW AND
11/15/2020 (Continued)

		ESTIMATED AMOUNT	DOCUMENTATION/JUSTIFICATION
Migrating Office 365 to Cloud		30,000.00	To better secure the network to able to work remotely
			Per Executive Order 20-81- face coverings can be temporary removed - When alone, such as when working in an office or a cubicle with walls higher than face level when social distancing is maintained, in an enclosed indoor area, in a vehicle, or in the cab of heavy equipment or machinery. In such situations, persons should still carry face coverings to be prepared to wear when no longer alone. Our current cubicles do not meet this requirement and therefore without a temporary fix, employees would be required to wear masks all day. Fire Chief has some concerns about the makeshift higher cubicle walls. New cubicles for City Hall are not in the 5 year capital plan.
Cubicles		50,000.00	
			Continuation of the You Betcha We're Open campaign for Brainerd businesses as a result of businesses being closed due to COVID-19.
Additional Marketing Campaign		25,000.00	
			Cleaning supplies are specifically allowed for CRF use to help stop the spread of COVID-19. The quantity and what was purchased is different than what was budgeted in 2020.
Additional Cleaning/Sanitation Supplies		8,000.00	
			PPE is specifically allowed for CRF use to help stop the spread of COVID-19. The quantity and what was purchased is different than what was budgeted in 2020
Additional Personal Protection Equipment (PPE)		20,000.00	
			This is an eligible expense under the CARES Act. Our current understanding is that a customer would need to petition to the City Council for relief of utility bills in arrears, in which the City Council would then release the CARES funding to the utility company.
Delinquent Utility Bills		50,000.00	
			When the street maintenance returned to work, the street foreman had to work overtime to be present for the cross over of the shifts. The maintenance personal were working staggered shifts due to COVID.
Estimated Continued Street Foreman OT	7/19/2020- 11/15/2020	6,520.50	
Emergency Operations Center Upgrades		5,000.00	Finishing connecting TV's through HDMI switches to be able to handle the pandemic. Not included in the 2020 budget

CARES Relief Funding

BUCKET #2 - COVID-19

EXPENDITURES BETWEEN NOW AND
11/15/2020 (Continued)

	ESTIMATED AMOUNT	DOCUMENTATION/JUSTIFICATION
Parks/City Facilities Restrooms Upgrades to Touchless Facets, Soap Dispensers, Towels		To help prevent the spread of COVID-19. Item was not budgeted in 2020 or in the foreseeable future capital plans.
Jabber Phone System Upgrades	10,000.00	Use work phones remotely. If staff had to work remotely they had to use their cell phones/or personal phones to call.
<i>Contingency</i>	<i>100,000.00</i>	Additional COVID leave for employees, corrections to estimates, additional WebEx subscriptions
TOTAL BUCKET #2	467,051.89	

**BUCKET #3 - Small Business and/or
Non-Profit Grants for COVID-19 Related
Expenditures.**

246,573.89

Connie Hillman

From: Jennifer Bergman
Sent: Wednesday, July 29, 2020 10:27 AM
To: City Council
Cc: Connie Hillman; David Chanski
Subject: FW: {external} CARES Act info from County Administrator Tim Houle
Attachments: CARES Act Letter to CWC city and township officials.pdf; CARES Act City.pdf; CARES Act Township.pdf

Mr. Mayor and City Council Members,

Crow Wing County staff met with the cities of Brainerd and Baxter staff last week to discuss the plan for CARES Act funds appropriated to the County and each community.

In the discussion, I shared with the group that staff's recommendation to Council was going to be to consider the use of Brainerd's CARES Act funds in three categories: 1) COVID-19 expenses to date; 2) Anticipated COVID-19 expenses between now and 11/15/2020; and, 3) Small business and/or non-profit grants for COVID-19 related expenses.

The discussion at the meeting was to consider criteria to be applied uniformly across the County for business/non-profit grants that can be made with CARES Act monies. Further, to have one administrator (BLAEDC) manage the small business grants for all communities in Crow Wing County. The County suggested that BLAEDC would draw down the funds appropriated by each city first and then, after those funds are gone, businesses can access the County's pool of funds.

On Monday, the Committee of the Whole discussed the appropriations of the CARES Act funds and then yesterday the County Board took action to:

- 1) enter into a contract with CTC for \$1.5 million for 3 broadband projects;
- 2) enter into a contract with BLAEDC to allocate up to \$3 million for economic assistance grants for small businesses up to \$10,000;
- 3) allocation \$1 million up to \$10,000 assistance grants for tax-exempt non-profits who have suffered economic losses or program expansion;
- 4) \$5 million for expenses incurred by Crow Wing County; and,
- 5) the remaining allocation of approximately \$1 million to be reserved for contingencies or to be reallocated to any of the other programs.

On Friday, County Administrator Houle sent a letter to all cities and townships in Crow Wing County encouraging cities and townships to draw down their CARES Act funds and to apply a uniform set of criteria so that none of us are offering a sweeter or less-sweet grants within our jurisdictions. County Administrator Houle is also suggesting that we work together to try to maximize the amount of reimbursements we can provide for those in our community. See attached letter.

The CARES Act funds Crow Wing County received was based on a per capita amount for the County's population which includes Brainerd's population. The funds that have been appropriated for a small business and non-profit grant program can be used by Brainerd businesses/non-profits. However, I would like to draw your attention the second to the last paragraph where Houle states: ***"County grant dollars will be made available for any jurisdiction that pools our resource, but may not be available if a jurisdiction decides to have its own granting program because we will not want to duplicate efforts."***

I wanted to send you this information ASAP and obtain initial thoughts prior to next week's meeting. If you have any questions or would like additional information regarding this, please contact me.

Jennifer



Jennifer Bergman, City Administrator
City of Brainerd
501 Laurel Street
Brainerd, MN 56401
Office: (218) 454-3404
Cell: (218) 821-3546

Email correspondence to and from the City of Brainerd government offices is subject to the Minnesota Government Data Practices Act and may be disclosed to third parties.

From: Darcy Dwyer <Darcy.Dwyer@crowwing.us>

Sent: Friday, July 24, 2020 10:15 AM

To: Bradley Chapulis <cityhall@baxtermn.gov>; Bradley Chapulis <cityhall@baxtermn.gov>; Connie Hillman <chillman@ci.brainerd.mn.us>; pwussow@cityofbreezypointmn.us; Jennifer Bergman <jbergman@ci.brainerd.mn.us>; Char Nelson <cityclerk@crosslake.net>; steve.karels@cityofcrosby.com; info@cuyuna.mn.us; leerussell@cityofdeerwood.com; Cari Johnson clerk <clerk@emily.net>; Karen Stern <50lakes@emily.net>; tderosier56@gmail.com; Loren Larson <ctygarri@frontiernet.net>; clerk@cityofironton.org;

kokerman@ci.jenkins.mn.us; clerk@manhattanbeachmn.org; jmax@ci.nisswa.mn.us; nmalech@pequotlakes-mn.gov; cityhall@pequotlakes-mn.gov; Cari Johnson <riverton@centurylink.net>; lostin50s@mlecwb.net

Cc: Carol Pundt <baylaketown@gmail.com>; Coralea Borden <mcborden@brainerd.net>; Duane Ruona <crowwingtownship@gmail.com>; Gretchen Nelson <daggett.clerk1@outlook.com>; Carol Pundt Deerwood <deerwoodtownship1@gmail.com>; Marianne Auge <fairfieldmn@gmail.com>; forttripleyclerk@gmail.com; Carol Johnson <gaillaketownship@gmail.com>; amy.mickelson@yahoo.com; John Plein <info@idealtownship.com>; Gayle Hanson <irondaletownship2@gmail.com>; tonto1@tds.net; Martha Look <mlook32@q.com>; Abra Hawley <littlepineclerk@gmail.com>; Patsy Olson <olsonpat@q.com>; Anna Anderson <missionclerk@gmail.com>; Alan Cunningham <acunning@brainerd.net>; Kathy Wessel <oaklawntwp@gmail.com>; pelicantownship@gmail.com; Sherry Rocholl <crosbybarn@gmail.com>; Linda Danielson <rabbittownhall@gmail.com>; Bonnie Orton <rsvlt@brainerd.net>; Joyce Neumann <jeneumann@centurylink.net>; stmathiasclerk@gmail.com; loniporta430@gmail.com; wolfordclerk@castle-web.com

Subject: {external} CARES Act info from County Administrator Tim Houle

Good Morning City and Township Officials, Attached is a letter from County Administrator Tim Houle about CARES Act Funding. Also attached are eligible funding spreadsheets. If you have questions or are interested in working together to pool our resources on these grants, please contact Tim Houle at tim.houle@crowwing.us or call his direct phone number is 218-822-7019. Stay healthy everyone!

Darcy Dwyer
Executive Assistant/Media Specialist

County Administrator's Office
326 Laurel Street, Suite 13
Brainerd, MN 56401

Office: (218) 822-7025

Toll Free: (888) 829-6680

Fax: (218) 824-1054

www.crowwing.us



Our Vision: Being Minnesota's favorite place.

Our Mission: Serve well. Deliver value. Drive results.

Our Values: Be responsible. Treat people right. Build a better future.



Dear City and Township Officials:

As you are by now aware, you are eligible to receive funding under the federal CARES Act in the amount listed on the attached spreadsheet. These funds are separate and distinct from funding that we are receiving for any election-related expenses due to COVID-19. The CARES Act funds are to reimburse you for any other costs you have incurred for COVID-19 related expenses but cannot be used to reimburse you for any revenue losses. They can also be used for grants to for-profit businesses and non-profit organizations in our community that have experienced significant disruptions when they were forced to stay closed.

I am writing today to encourage your city or township to draw down the maximum allowed amount for your jurisdiction. Even if you do not need those dollars to reimburse yourselves for your own expenses, Crow Wing County can be a recipient of your funds and we would propose to pool your contributions, and those from all other cities and townships in Crow Wing County, into one larger pool of funds we will use to give grants to our area non-profit and for-profit organizations. We are already going to allocate \$4 million for these purposes, which seems like a huge sum. When compared to the economic devastation and losses within our community due to COVID-19, however, it will not come close to making anyone whole. At this point, for instance, we are contemplating grants of no more than \$10,000 to any one organization.

We will be using a single grant application process to receive applications from area businesses and anticipate that application process to be open sometime in September so time is of the essence. Because of that, I am offering assistance from our county finance staff to assist you with drawing down the funds and assisting with the reporting requirements and audit documentation for any dollars you put into the shared pool for business and non-profit grants.

I think it makes sense for all of us to apply one set of criteria uniformly across the county so that none of us are offering sweeter or less-sweet grants within our jurisdiction compared to our neighbors. I also think it makes sense that we work together to try to maximize the amount of reimbursements we can provide for those in our community who have suffered the most and have received the least assistance. At this time, our plan is to focus our pooled resources to small businesses with fewer than 50 employees. We understand that you would want any contribution from your jurisdiction to be spent within your jurisdiction and we will commit to accommodating that for you. County grant dollars will be made available for any jurisdiction that pools our resource, but may not be available if a jurisdiction decides to have its own granting program because we will not want to duplicate effort. We believe that by working together, it can be better for everyone, most importantly, for the communities businesses and non-profits.

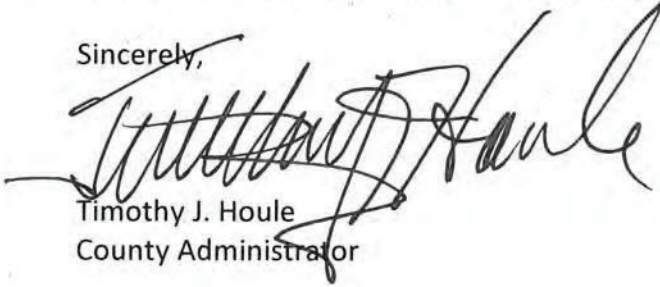
Our Vision: Being Minnesota's favorite place.

Our Mission: Serve well. Deliver value. Drive results.

Our Values: Be responsible. Treat people right. Build a better future.

It is our sincere desire that we work together for the greater good of our community. I know the County Board wants that and we want to invite you to be part of that, too. Please get back to me at tim.houle@crowwing.us or 218-822-7019 as soon as you can to let me know if you are interested in working together and pooling our resources on these grants. All funds at the city/township level must be expended by no later than November 1, which will be very soon. All county funds must be expended by no later than December 1.

Sincerely,

A handwritten signature in black ink, appearing to read "Timothy J. Houle", written over a printed name and title.

Timothy J. Houle
County Administrator