

City of Brainerd
Economic Development Authority
Special Meeting Agenda

November 17, 2020
7:30am

In accordance with the requirements of Minn. Stat. Section 13D.021, Jennifer Bergman, the City Administrator, has determined that an in-person meeting is not practical or prudent because of a health pandemic declared under Chapter 12 of the Minnesota Statutes.

Members of the public may monitor the meeting via phone.

Meeting Number: 1-844-992-4726

Access Code: 146 027 2826

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|------|------------------------------|-------|-------------|
| I. | Call to Order | _____ | K. Bevens |
| II. | Roll Call | _____ | W. Erickson |
| III. | Approval/Amendment of Agenda | _____ | G. Johnson |
| | | _____ | M. Kirsch |
| IV. | 2021 Budget Discussion | _____ | E. Menk |
| | | _____ | M. O'Day |
| V. | Adjournment | _____ | J. Sinner |

MEMO



TO: EDA Board of Commissioners

FROM: David Chanski, Community Development Director

DATE: November 17, 2020

RE: 2021 Budget Discussion Cont.

During the EDA's August 6 meeting, the EDA sent their 2021 levy to the City Council. The request was for the maximum amount allowed per state statute, which for 2021 is a levy of \$133,789. It is .01813% of the previous years estimated market value. The City Council approved this levy during their September 21 council meeting.

At the August 6 meeting, the EDA directed staff to bring the discussion of the EDA's budget back during the October 8 meeting. During the meeting on October 8, there was extensive discussion regarding the budgeting of funds for economic initiatives. Specifically, most of the discussion was around how much to budget for economic initiatives, what such a line item should be called, and what would be considered as eligible expenses.

Since October 8, staff has reevaluated the EDA budget and discussed various options internally as well with BLAEDC. Attached to this memo is a worksheet with two separate possible budgets. The first (identified as 2021 Requested Budget) is the budget of \$126,000 as presented to the EDA on October 8. The second (identified as 2021 Proposed Budget) is a budget of \$136,000 drafted by staff.

The 2021 Proposed Budget includes a few significant changes. First, both the Professional Services line items with the City of Brainerd and BLAEDC have been reduced. The City was reduced from \$32,500 to \$30,000 and BLAEDC was reduced from \$78,500 to \$60,000. The Legal/Municipal Advisor line item was maintained at the 2020 level of \$5,000. The second major change is that the \$21,000 taken from the Professional Services budget was combined with approximately \$7,200 of net revenue and approximately \$1,800 of fund balance to create an Economic Incentives line item with a budget of \$30,000.

The purpose of the Economic Incentives monies would be for the EDA to use at their discretion to support economic projects, programs, etc. One such item that the EDA could use these monies to support would be to assist the Destination Downtown Brainerd Coalition (DDBC) in funding a part-time Downtown Coordinator. A funding request from the DDBC including a 2021 budget and Downtown Coordinator job description is also attached.

The EDA Board does not need to formally set their 2021 budget during this meeting. However, the budget must be set no later than their December 10 meeting.

EDA Fund

	2019			2021	2021	
	Budget	Actual	2020	Requested	Proposed	Difference
	Budget		Budget	Budget	Budget	
Revenues						
Taxes & Penalties						
31010 Current Ad Volorem **	124,351	122,178	127,817	133,789	133,789	5,972
31020 Delinquent Current Ad Volorem	-	1,598	-	-	-	-
	124,351	123,776	127,817	133,789	133,789	5,972
Other Revenue						
36210 Interest Income	100	643	250	400	400	150
39200 Sale of Land	-	-	-	-	-	-
	100	643	250	400	400	150
TOTAL REVENUE	124,451	124,419	128,067	134,189	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	30,000	(2,500)
BLAEDC	78,500	78,500	78,500	78,500	60,000	(18,500)
Legal/Municipal Advisors	-	2,871	5,000	4,000	5,000	-
-3350 Legal Publ	-	-	-	-	-	-
-3361 Ins. General Lib	125	138	100	150	150	50
-3430 Miscellaneous	500	40	500	500	500	-
Strategic Planning						
Marketing			5,000	5,000	5,000	-
Training/Events/Conferences						
-3434 Economic Initiatives	-	-		-	30,000	30,000
-3435 Memberships *	5,350	5,350	5,350	5,350	5,350	-
	84,475	86,899	126,950	126,000	136,000	9,050
-7720 Transfers Out	-	-				
TOTAL EXPENDITURES	121,780	118,804	126,950	126,000	136,000	9,050
NET REVENUE OVER EXPEND.	2,671	5,615	1,117	8,189	(1,811)	(2,928)
Fund Balance		39,602				

** Max allowed by state statute

* Initiative Foundation

November 5, 2020

City of Brainerd EDA
501 Laurel Street
Brainerd, MN 56401

To Brainerd EDA Commissioners:

On behalf of the Destination Downtown Brainerd Coalition (DDBC), I would like to thank you for letting me introduce our organization at your last meeting. I hope you found the information presented, and the work we are doing, to be of value to downtown Brainerd businesses, residents, and visitors. It is our goal to make Downtown Brainerd a vibrant and vital cultural and economic hub for the central lakes region.

I would like to give you some updates on where we are headed, and to provide you with the budget we have put together for 2021 (enclosed). We have put a considerable amount of time into planning and executing events, marketing, talking to local businesses and communicating with business owners. As stated in the meeting, this is all done with volunteers. We are at a point where we need to hire a Downtown Coordinator (job description enclosed) to organize and grow what we have started. We are in the process of applying for non-profit status to allow us to hire this staff person, who will be able to assist DDBC in growing the number and scope of downtown events and activities, and helping downtown businesses prosper with effectively executed marketing and advertising.

To make this a reality we are asking for a grant from the EDA in the amount of \$15,000. This will allow us to hire a part-time coordinator, put money towards activities and events, and positively promote and market downtown Brainerd. With this in place, we will continue to draw in quality businesses, expand on beautification efforts, provide more educational opportunities for existing downtown businesses, and support a downtown community that cares.

Thank you for your time and consideration. Together we can re-develop downtown Brainerd and make it a vibrant downtown for all.

Respectfully submitted,

Brenda Billman-Arndt
President, Destination Downtown Brainerd Coalition
Owner, Purple Fern Bath Company

Enclosures (2)

Job Description - Destination Downtown Brainerd Coordinator

Brainerd, MN

Position Title: Destination Downtown Brainerd Coordinator

Salary: \$20,800 a year (Part-Time Position, 20 hours/week)

Reports To: Destination Downtown Brainerd Coalition (DDBC) Board of Directors

Supervises: Interns, Volunteers, and Consultants obtained by the DDBC under the direction from the DDBC Board.

Position Summary:

This position works with the DDBC Board of Directors to develop and implement strategies to fulfill the program's mission and vision statements and the goals and objectives as outlined in the DDBC strategic plan. This position works closely with local businesses, property owners, city management, city council, local community members, economic development agencies, and volunteers to support the revitalization and preservation of Downtown Brainerd. This position will serve as the principal, on-site person responsible for these activities, partnerships and volunteers as well as representing the organization and community in these efforts.

Duties & Responsibilities:

Administrative

- Attend DDBC Board Meetings and Brainerd City Council Meetings, and other meetings as directed.
- Assist with writing of content for publications, including monthly newsletter.
- Assist in maintenance and management of online communications and social media, including DDBC website, Facebook, and Instagram pages.
- Assist with distribution of marketing and member materials.
- Creates and presents to the Board annual budgets that reflect the programs and goals of the organization and assures financial strength of the DDBC;
- Assures proper administration of the DDBC financial activities; maintains appropriate data, records and financial controls; communicates and coordinates, as appropriate, with the Board regarding financial matters;

Marketing & Events

- Assist in development, planning and implementation of DDBC events and activities, including but not limited to Halloween Spooktacular (October), Small Business Saturday (November), Hometown Holidays (December), Summer Farmers Market (May-September), First Fridays (Monthly Event), Annual Meeting (January).
- Develop and coordinate special downtown promotion events that increase foot traffic for businesses in Downtown Brainerd (e.g., advertising campaigns, punchcard promotions).

Member/Volunteer Recruitment & Management and Fundraising

- Work closely with the Organization Committee to develop and implement a continual membership recruitment effort.
- Manage and recruit volunteers as required and assist the volunteers and committees with the implementation of work plans.
- Regularly assesses the needs and interests of the membership and develops/delivers services according to those needs and interests; Provides leadership to ensure there is a compelling value proposition for current and prospective members.
- Plan, coordinate and execute fundraising strategies and campaigns; obtain sponsorships to support DDBC activities and events.

Public Relations

- Develop and coordinate on-going public awareness and education programs to communicate the mission and activities of the DDBC. May be asked to do speaking engagements, interviews, and presentations to foster an understanding of DDBC goals and objectives under the direction and with the approval of the Board of Directors.
- Assist in the coordination and planning and implementation of program marketing, including press releases, press conferences, event promotions, radio interviews, print advertising, and social media marketing.
- Collaborates with the Board and Organization Committee to identify and manage the DDBC's relationships with and advocacy efforts before local, state and federal government bodies to achieve desired outcomes.

Desired Skills & Abilities:

- Innovative and able to form strategic relationships with a diverse pool of businesses and members;
- Exceptional strategic thinking and problem solving skills, including demonstrated ability to anticipate and plan for the future and realign priorities quickly when dealing with unanticipated events;

- Proficient in the use of technology, including but not limited to Microsoft Office products, social media platforms, customer relationship management databases, and basic accounting systems;
- Demonstrated fundraising experience with events, campaigns and grant writing;
- Excellent communicator, oral and written; persuasive, passionate and able to present successfully to groups;
- Strong interpersonal and communication skills;
- Relentless positive energy and professionalism.

Requirements:

Bachelor's degree from an accredited college or university in public relations, marketing, communication, tourism, hospitality, public administration, computer science or a related field, such as social sciences or psychology OR related experiences which will yield the required knowledge, skills, and abilities. Demonstrated proficiency with computer software applications, website management and social media application management a must; Non-profit experience preferred.

Normal Work Hours:

Work hours (20 hours per week) are flexible, with the ability and willingness to work evenings/nights, holidays and/or weekends for special events and meetings as required.

Closing date for Applications:

Position will be Open Until Filled, with an initial review of applications XX/XX/XX. Applications can be found at XXXXX. Resumes without a completed application will not be considered.

Background Check required.

DESTINATION DOWNTOWN BRAINERD COALITION IS AN EQUAL OPPORTUNITY EMPLOYER

Destination Downtown Brainerd Coalition

Budget Worksheet

Date 10/22/2020

		2021					
	Startup	Total	% Total	Assumptions	\$ Rate	#'s	Source
Beginning Cash Balance	\$ 2,500	(\$500)			\$ 125	30	Business
Cash Inflows - REVENUE:					\$ 50	50	Individual
Membership Dues	-	6,250	10.3%		\$ 500	5	Sponsorships 1
Sponsorships	-	10,500	17.2%		\$ 1,000	2	Sponsorships 2
Farmers Market Vendor Fee	-	4,200	6.9%		\$ 3,000	2	Sponsorships 3
Grants	-	35,000	57.4%	\$15K HRA/\$15K EDA/\$5K IF			
Donation	-	-	0.0%		\$ 20	15	FM Vendor/14 Wks
Fundraising	-	5,000	8.2%	Street Dinner			
Other - Cash	-	-	0.0%				
Total Cash Inflows	\$0	\$60,950	100.0%				
Available Cash Balance	\$2,500	\$60,450					
Cash Outflows - EXPENSE:							
COGS/Inventory	-	-	0.0%				
Advertising & Promotion	-	3,850	6.3%				
Credit Card Fees	-	-	0.0%				
Current Events	-	5,450	8.9%				
Future Events	-	\$ 8,500	13.9%				
Insurance	-	500	0.8%				
Meetings (Annual)	-	500	0.8%				
Music Subscription	-	360	0.6%				
Office/Postage	Equip 1,500	500	0.8%				
Outside Services	-	-	0.0%				
Payroll - Coordinator	-	20,800	34.1%	Part-time@20 hours per week	\$ 20.00	1040	
Payroll - Intern	-	-	0.0%	Part-time@15 hours per week	\$ -	0	
Payroll Taxes	15%	3,120	5.1%	FICA/WC/FUTA/SUTA			
Professional Fees	-	-	0.0%				
Real Estate Taxes	-	-	0.0%				
Rent/Office Space	-	3,000	4.9%				
Repairs & Maintenance	-	-	0.0%				
Subscriptions & Dues	-	-	0.0%				
Supplies	-	-	0.0%				
Taxes & Licenses	-	-	0.0%				
Telephone/Internet	-	1,200	2.0%				
Utilities	-	-	0.0%				
Website	1,500	200	0.3%				
Subtotal	3,000	47,980	78.7%				
Other Cash Out Flows - EXPENSE:							
Capital Purchases	-	-	0.0%				
Loan Payments P & I	-	-	0.0%				
Other:	-	-	0.0%				
Other:	-	-	0.0%				
Subtotal	\$0	\$0	0.0%				
Total Cash Outflows - EXPENSE	\$3,000	\$47,980	78.7%				
NET = REVENUE - EXPENSE	(\$500)	\$12,470					
Ending Cash Balance	\$2,000	\$11,970					
Restricted Marketing Account	\$ 2,414						

Advertising:

Social Media	\$ 600	
Radio	\$ 1,000	
Print	\$ 1,500	
Marketing Materials/Printing	\$ 750	\$ 3,850

Current Events:

Farmers Market	\$ 2,700	
Spooktacular	\$ 500	
Small Business Saturday	\$ 1,500	
Window Walk	\$ 750	\$ 5,450

Future Events:

Summer Sunday's	\$ 3,000	
First Friday's	\$ 5,500	
Other??	0	\$ 8,500