

BRAINERD ECONOMIC DEVELOPMENT AUTHORITY

Thursday, February 3rd, 2022, 7:30 a.m.

City Hall Council Chambers

WebEx Teleconference Meeting

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

Upon roll call Commissioners Kelly Bevans, Toni Bieser, Marie Kirsch, Mike O'Day, Gabe Johnson were noted as present. Also, present were City Administrator Bergman, Community Development Director Chanski, Finance Director Hillman, and Eric Charpentier, HRA Director.

Approval/Amendment of the Agenda- Approved

MOVED AND SECONDED BY COMMISSIONERS BEVANS AND O'DAY, DULY CARRIED, TO APPROVE THE AGENDA AS PRESENTED.

Approval of Minutes

MOVED AND SECONDED BY COMMISSIONERS BEVANS AND BIESER, DULY CARRIED, TO APPROVE THE MINUTES FROM REGULAR MEETING HELD JANUARY 6TH, 2022.

Financial Report

Finance Director Hillman stated the report is not final due to the January tax settlement only being received last week, as well as the 2nd half interest being recorded.

Updates

Executive Director

Executive Director Bergman stated that the Initiative Foundation applied for a DEED Mainstreet Revitalization Program grant in the fall for two projects, but neither were successful. The Initiative Foundation will be applying again for the grant this round with an ask of \$8.4 million. They will not be specifying projects, as requested by DEED, but have projects in mind that would qualify for the monies. The City has received an invoice from Kennedy and Graven for B&D Power Solutions negotiations and Clough Properties, Just for Crypto negotiations. The EDA requested that both entities be invoiced for those expenses.

HRA

Eric Charpentier, HRA Director, stated that Eight05 Laurel conversations still continue. The developer is looking into financing options. He will be attending TIF and tax abatement training. Rehab through the Housing Trust Fund has one project still in

progress. The developer for Brainerd Oaks, Serene Pines, and Dal-Mar is working through the winter on a number of properties. Crow Wing County HRA will consider a resolution to allow to take the last lot in Serene Pines that is County tax forfeit.

Old Business

Consideration of Industrial Park Land Sale to B&D Power Solutions, LLC

Community Development Director Chanski stated that the development agreement was sent to B&D Power LLC on December 23rd and not received in time for the February 3rd meeting to be review prior. Staff recommends to formally table the sale of the industrial park land to B&D Power Solutions.

Commissioner Bevans stated that the reason for tabling the matter is because the purchaser's inability to complete paperwork.

MOVED AND SECONDED BY COMMISSIONERS BEVANS AND O'DAY, DULY CARRIED, TO TABLE THE SALE OF THE LAND TO MARCH 3RD.

Approval of Economic Development Consulting Services Contract

Community Development Director Chanski stated that the EDA approved the economic development proposals. The EDA has received signed copies of the shared services agreements with the DDBC, Swanson Haskamp, Visit Brainerd, and the City of Brainerd. There is a report form along with the shared services agreements for the organizations to submit monthly, if it is not submitted the organization does not receive payment until it is submitted.

Chair Johnson stated that he would be abstaining from voting due to a conflict of interest.

MOVED AND SECONDED BY COMMISSIONERS BEVANS AND BIESER TO APPROVE THE SIGNED SERVICES AGREEMENTS.

Commissioners Bieser, Bevans, Kirsch, and O'Day voted "aye". No commissioner voted "nay". Commissioner Johnson abstained from voting.

Commissioner Bieser stated that all forms should allow for additional information.

Chair Johnson stated that the forms are a good place to start and can be adapted as needed.

Community Development Director Chanski stated that BLAEDC did meet with him to ask questions and comment. Mr. Chanski will update the EDA once some of their questions have been answered and to allow the EDA to respond.

New Business

Consideration of Application for Public Financing by Country Manor

Community Development Director Chanski stated the City received an application for public financing for tax abatement from Health Care Continuums for their Country Manor Project. The EDA has been tasked to vet projects and make recommendations to the City Council regarding economic development projects.

Brian Kelm, CEO Healthcare Continuums (Country Manor), gave an overview of Country Manor's campuses and their mission to provide excellent healthcare. He also gave an overview of the plan for the Brainerd campus, which would include 112 senior living beds and 90 slots for child daycare. He requested that the City abate \$1.7 million in taxes over 15 years.

Commission discussion took place.

MOVED AND SECONDED BY COMMISSIONERS BEVANS AND O'DAY, DULY CARRIED, TO RECOMMEND TO CITY COUNCIL BAKER TILLY'S SCHEDULE FOR TAX ABATEMENT FOR 10 YEARS AT 45%.

Chair Johnson stated that the City could assist Country Manor in approaching the School District and County if the matter passes the City Council.

Commissioner Comments/Questions

Commissioner Bieser stated that she is excited for the opportunities ahead with the EDA.

Commissioner Kirsch stated that the DDBC has had initial strategic planning conversations for the funding from the EDA.

Commissioner O'Day stated that he is disappointed in only having 4 of the 5 contracts to consider.

Adjourn

MOVED AND SECONDED BY COMMISSIONERS BEVANS AND O'DAY, DULY CARRIED, TO ADJOURN THE EDA MEETING.

The Authority adjourned at 8:12 a.m.


Secretary/Treasurer

February 3, 2022