ECONOMIC DEVELOPMENT AUTHORITY

City of Brainerd, Minnesota
City Hall, 501 Laurel Street, Council Chambers
Thursday, June 2nd, 2022 @ 7:30am

The public is invited to attend this meeting in person
Attend by phone: 1-844-992-4726 Meeting Access Code: 2482 232 8567
Meeting is also streamed live on YouTube: www.youtube.com/CityOfBrainerdMN

1. **Call To Order**

2. **Roll Call**

___ K. Bevans ___ T. Bieser ___ M. Kirsch

___ M. O'Day ___ K. Yeager ___ G. Johnson ___ Vacant

3. **Approval/Amendment Of Agenda**

4. **Consent Calendar**

NOTICE TO PUBLIC - all matters listed are considered routine by the Commission and will all be enacted by one (1) motion. There will be no separate discussion of these items unless good cause is shown prior to the time the Commission votes on the motion to be ADOPTED BY ROLL CALL

A. **Approval Of Minutes**

Regular Meeting held May 5th, 2022 meeting.

Documents:

2022-05-05 EDA Meeting Minutes.pdf

B. **Financial Report**

Documents:

EDA Financials.pdf

C. **DDBC Report**

Documents:

DDBC Monthly Report Form 05.2022.pdf

D. **Visit Brainerd Report**

Documents:

Visit Brainerd Monthly Report Form_05_22.pdf

E. **Swanson Haskamp Consulting Report**

Documents:

SHC Monthly Report May 2022.pdf

F. **EDA Goals Update**

Documents:

EDA Goals Status Updated 5.27.22.pdf

5. **Old Business**

A. **Discussion Business Retention Questions- BLAEDC**

Documents:

BLAEDC Questions Final.pdf

B. **Review Draft Set Of Tier 1 Materials- Swanson Haskamp**

Documents:

SHC Memo_Tier 1 Underutilized Lots .pdf

6. **New Business**

A. **Discussion On DEED Main Street Revitalization Program**

Documents:

IF DEED Grant Final.pdf

7. **Informational**

8. **Staff Reports**
City Administrator
HRA Director

Documents:

Brainerd HRA Update Report 5-23-22.pdf

9. **Commissioner's Comments/Questions**

10. **Adjourn**

BRAINERD ECONOMIC DEVELOPMENT AUTHORITY
Thursday, May 5th, 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, and Gabe Johnson were noted as present. Also, present were City Administrator Bergman, Acting Community Development Director Kramvik, Finance Director Hillman, Eric Charpentier, HRA Director, and Tyler Glynn, BLAEDC.

Approval/Amendment of the Agenda- Approved

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

Approval of Consent Calendar

MOVED AND SECONDED BY COMMISSIONERS BEVANS AND O'DAY, DULY CARRIED, TO APPROVE THE CONSENT CALENDAR AND PLACING THE VISIT BRAINERD AS ITEM B IN NEW BUSINESS.

Commissioners Bevans, Bieser, Kirsch, O'Day, and Johnson voted "aye". No commissioner voted "nay". The Chair declared the motion carried.

New Business

Discussion on Business Questions- BLAEDC

Commissioner Bieser stated that the commissioners should review the questionnaire.

Commissioner Kirsch asked what goals of the EDA the questionnaire is designed to meet.

Tyler Glynn stated that the commissioners could e-mail him with any suggestions before the next meeting. The survey is used to help businesses with facilities, financing, and workforce.

Visit Brainerd Report

Commissioner Bieser stated that Visit Brainerd asked for opinion on URL and marketing based upon their report.

Executive Director Bergman stated that she could ask Mary Devine-Johnson to present to the Commission and ask for direction at the June meeting.

Informational

Staff Reports

Executive Director Bergman stated that Commissioner O'Day informed her that Crisp & Green, a restaurant out of Wayzata is looking to expand to the Brainerd Lakes Area. Jennifer Haskamp and Director Bergman reached out to the company to present possibilities to the developer, they have not yet replied. Kwik Trip is also looking for a location in the Brainerd Lakes Area as well and the City has reached out. She stated that applications for Community Development Director and City Engineer are posted. The 210 reconstruction has been postponed to 2026. The Mississippi Landing Trailhead Park has approved bids for construction of the park and reconstruction of East River Road. Finally, the City is in the final stages of agreement with CLC for putting City meetings back on cable.

HRA Director Charpentier stated that the Crow Wing County HRA will be holding a public hearing to sell the final tax forfeited lot in Serene Pines to the developer. He attended the Minnesota NAHRO bootcamp, it was a good experience and chance to network. He will be featured on Community Focus on May 10th as a follow-up to Crow Wing County's discussion on the housing shortage. Finally, a developer dropped off applications for 3 parcels for in-fill of single-family homes.

Commissioner Comments/ Questions

Commissioner Bieser asked for an ARPA funds update in June.

Commissioner Kirsch stated that the DDBC Here for Good Market is starting in June, it should be a fun summer of markets with lots of vendors and street music. The podcast will drop in mid-May.

Commissioner O'Day stated that he would like to see the southern end of South 6th street businesses being engaged through BLAEDC.

Commissioner Bevans stated that he attended the Washington Street Visual Quality meeting. He thinks the project will look very nice.

Commissioner Johnson stated that he would like to hear from the businesses that will be affected by the Washington Street construction.

Adjourn

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

The Authority adjourned at 8:03 a.m.

_____
Secretary/Treasurer

Financial Report for EDA

As of March 31, 2022

	Cash & Investments	Receivable Balance	Deferred Loans (as of 12/31/21) **	Awarded Grants
General Funds:				
EDA Fund - #295	$ 67,364	$ -	$ -	$ -
Total	**$ 67,364**	**$ -**	**$ -**	**$ -**
CDBG (Housing/Commerical (Slum & Blight/Federal Objective)):				
Downtown - #298	$ 51,030	$ 21,507	$ 428,144	$ -
SE Brainerd - #215	56,429	-	230,716	-
NE Brainerd - #218	-	-	251,426	-
Willows Project - #209	-	-	12,500	-
Old Housing - #209	3,320	-	59,286	-
Local Income - #275	51,822	15,122	13,825	-
Total	**$ 162,602**	**$ 36,629**	**$ 995,897**	**$ -**
Federal & State MIF (Commerical (Jobs)):				
Commerical - #210 ^^^	$ -	$ 646,427	$ -	$ -
Federal MIF - #296	18,359	-	-	-
Total	**$ 18,359**	**$ 646,427**	**$ -**	**$ -**
Grand Total	**$ 248,325**	**$ 683,056**	**$ 995,897**	**$ -**

** 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.

Fund 295 EDA FUND

GL Number	Description	PERIOD ENDED 03/31/2021	PERIOD ENDED 03/31/2022
	*** Assets ***		
295-0000-10100	CASH	45,974.95	67,364.30
295-0000-10700	DELINQUENT TAX RECEIVABLE	7,917.80	6,578.78
295-0000-16160	FA-LAND HELD FOR RESALE	488,252.22	488,252.22
	Total Assets	**542,144.97**	**562,195.30**
	*** Liabilities ***		
295-0000-20600	DEPOSITS PAYABLE	0.00	7,828.50
295-0000-22200	DEFERRED REVENUE	488,252.22	488,252.22
295-0000-22210	DEFERRED TAXES RECEIVABLE	4,344.68	4,431.78
	Total Liabilities	**492,596.90**	**500,512.50**
	*** Fund Balance ***		
295-0000-28900	FUND BALANCE/EQUITY ACCT	53,498.12	53,498.12
	Total Fund Balance	**53,498.12**	**53,498.12**
	Beginning Fund Balance	**53,498.12**	**53,498.12**
	Net of Revenues VS Expenditures - 2021		**15,273.58**
	***2021 End FB/2022 Beg FB**	**68,771.70**	
	Net of Revenues VS Expenditures - Current Year	**(3,950.05)**	**(7,088.90)**
	Ending Fund Balance	**49,548.07**	**61,682.80**
	Total Liabilities And Fund Balance	**542,144.97**	**562,195.30**

* Year Not Closed

ACCOUNT	DESCRIPTION	2022 AMENDED BUDGET	MONTH 03/31/2022 INCREASE (DECREASE)	ACTIVITY FOR ABNORMAL	YTD BALANCE 03/31/2022 (ABNORMAL)	ABNORMAL	AVAILABLE BALANCE (ABNORMAL)	% BDGT USED
Fund 295 - EDA FUND								
Function: Unclassified								
Dept 0000								
TAXES & PENALTIES								
31010	CURRENT AD VALOREM	145,036.00	0.00		2,087.46		142,948.54	1.44
31020	DELINQUENT AD VALOREM	0.00	0.00		59.54		(59.54)	100.00
TAXES & PENALTIES		145,036.00	0.00		2,147.00		142,889.00	1.48
OTHER REVENUE								
36210	INTEREST INCOME	460.00	0.00		0.00		460.00	0.00
OTHER REVENUE		460.00	0.00		0.00		460.00	0.00
Net - Dept 0000		145,496.00	0.00		2,147.00		143,349.00	
Dept 6510 - ECONOMIC DEVELOPMENT AUTH								
SERVICES								
43300	PROFESSIONAL SERVICES	139,996.00	1,312.00		3,812.00		136,184.00	2.72
43350	PRINTING/LEGAL PUBLICATION	0.00	59.07		59.07		(59.07)	100.00
43361	INS - GENERAL LIABILITY	150.00	0.00		14.83		135.17	9.89
43435	BOOKS/PAMPHLETS/DUES	5,350.00	0.00		5,350.00		0.00	100.00
SERVICES		145,496.00	1,371.07		9,235.90		136,260.10	6.35
Net - Dept 6510 - ECONOMIC DEVELOPMENT AUTH		(145,496.00)	(1,371.07)		(9,235.90)		(136,260.10)	
Total - Function Unclassified		0.00	(1,371.07)		(7,088.90)		7,088.90	100.00
Fund 295 - EDA FUND:								
TOTAL REVENUES		145,496.00	0.00		2,147.00		143,349.00	1.48
TOTAL EXPENDITURES		145,496.00	1,371.07		9,235.90		136,260.10	6.35
NET OF REVENUES & EXPENDITURES		0.00	(1,371.07)		(7,088.90)		7,088.90	100.00

INVOICE REGISTER REPORT FOR CITY OF BRAINERD
EXP CHECK RUN DATES 03/01/2022 - 03/31/2022
BOTH JOURNALIZED AND UNJOURNALIZED
BOTH OPEN AND PAID

Inv Num / Inv Ref#	Vendor / Description / GL Distribution	Inv Date / Entered By	Due Date	Inv Amt	Amt Due	Status	Jrnlized / Post Date
Vendor 0078 - BRAINERD LAKES:							
50							
70416	BRAINERD LAKES AREA DEV C	12/31/2021	03/23/2022	30,000.00	0.00	Paid	Y
	2021 2ND HALF FUNDING	pziemer					12/31/2021
	295-6510-43300 PROFESSIONAL SERVICES			30,000.00			
	Total for vendor 0078 - BRAINERD LAKES:			30,000.00	0.00		
Vendor 0071 - FORUM COMMUNICA:							
MP3161230222/CD							
70491	FORUM COMMUNICATIONS COMPANY	02/28/2022	03/23/2022	59.07	0.00	Paid	Y
	NOH - EDA MEETING	pziemer					03/23/2022
	295-6510-43350 PRINTING/LEGAL PUBLICATION			59.07			
	Total for vendor 0071 - FORUM COMMUNICA:			59.07	0.00		

# of Invoices:	2	# Due: 0	Totals:	30,059.07	0.00
# of Credit Memos:	0	# Due: 0	Totals:	0.00	0.00
Net of Invoices and Credit Memos:				30,059.07	0.00

--- TOTALS BY GL DISTRIBUTION ---

295-6510-43300	PROFESSIONAL SERVICES	30,000.00	
295-6510-43350	PRINTING/LEGAL PUBLICATION	59.07	

--- TOTALS BY FUND ---

295 - EDA FUND	30,059.07	0.00

--- TOTALS BY DEPT/ACTIVITY ---

6510 - ECONOMIC DEVELOPMENT AUTH	30,059.07	0.00

JOURNAL REGISTER FOR CITY OF BRAINERD
Post Dates: 03/01/2022 to 03/31/2022
Posted and Unposted Journal Entries

Journal Number / GL Number	Date / Description	JNL	Description	User	DR	CR
1147	03/31/2022	GJ	TO RECORD SERVICES TO EDA PER BUDGET	chillman		
POSTED BY chillman	Approval Level: JE APPROVED					
295-6510-43300	PROFESSIONAL SERVICES				1,250.00	
					1,250.00	0.00
			Total:		1,250.00	0.00

City of Brainerd

Economic Development Authority

Scope of Services Monthly Report

Destination Downtown Business Coalition

Report Date: 5/23/22

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1. **Coordinate a main street job fair where job seekers can pick-up employment applications, apply on-site for job opportunities, and have on-site interviews with participating employers.**

Update : DDBC Org Committee is planning a Mainstreet Job Fair for late summer/early fall and plans to work with downtown businesses to target new employees to downtown businesses for busy holiday months.

Working on adding a "Job Openings" tab for the downtownbrainerd.org website to be available prior to the job fair(s) so prospective employees can pre-apply for positions prior to interviewing.

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2. **Produce and distribute promotional videos featuring local business owners monthly.**

Update: DDBC Org Committee has identified the first three Business Owners that will be featured as a Business Owners Spotlight each month. From these spotlights, DDBC will produce a 3–5 minute video that can be used a promotional video for "Why Downtown Brainerd".

Each business with be the featured Business of the Month on DDBC social media pages with various coordinated posts to coincide with the video from each business owner. The first video/social media series will begin June 6.

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3. **Conduct 4 classes designed to provide instruction in areas of business operations unique to small and start-up businesses.**

Update: We have set dates for our classes to coordinate with DDBC's Business Owner Socials as our first B.O.S event received a great turn out of the Downtown Brainerd Business Community. We will run these classes on the same day of the BOS events prior to each social for maximum attendance from downtown business owners.

1. Mindset & Balance (June 22)
2. Marketing (September 21)
3. Human Resources (December 21)
4. Financial Planning (January 2023)

The topics for each class have been coordinated with the podcast series and we are aiming to have the instructors for the classes join us as guest/experts for the podcasts.

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4. **Develop a podcast and publish 12 episodes designed to educated small businesses and further build the Brainerd business brand that Brainerd is a great city to own and operate a business in.**

   Update: Mainstreet Matters is now available on iHeart Radio, Spotify, Amazon Podcasts & Audible. We have released a trailer, introductory episode & first episode of our Expert Series: Mental Health & Mindset with Paula Chapulis. Episodes will be released biweekly, continuing 6/6/22 and we are currently working on the production of our second experts series Marketing to be released starting in Mid-July.

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5. **Coordinate 4 business owners socials.**

   Update: The DDBC will host the second Business Owners Social of the year on June 22, following our class on Mindset & Balance for Small Business Owners.

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6. **Apply for and obtain membership in the Main Street America program through the National Main Street Center on behalf of the EDA and the City of Brainerd**

   Update **3/28/22**: DDBC has secured a Main St America membership. The organization committee is looking at upcoming conferences to attend, as we continue to work towards Main Street Certification for Brainerd.

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7. **Other Misc. Updates**

DDBC's Here for Good Market will return for a second season on June 7 and will run through August 30 on Tuesdays from 3-6pm. Join us each week for a unique blend of vendors, live music and activities in the heart of Downtown Brainerd.

City of Brainerd

Economic Development Authority

Scope of Services Monthly Report

Visit Brainerd

Report Date: 5/25/2022

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1. **Develop and implement an advertising campaign focused on recruiting workers to find employment with business located within the corporate limits of the City of Brainerd.**

   Update: In progress. The draft Landing Page (on Visit Brainerd's website) has been developed; it will continue to be a work in progress as content changes. Still working out details with local staffing organizations re: populating the content.

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2. **Develop and implement an advertising campaign focused on recruiting entrepreneurs, developers, investors, and the like to start a business within the corporate limits of the City of Brainerd.**

   Update: In progress. Finalizing the ad copy using the key message Brainerd Works; finalizing cost estimates for advertising campaign. Will work with the DDBC to create videos of business owners telling their stories; the DDBC included videos in their proposal so we will re-purpose that content for this campaign too.

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3. **Develop and implement an advertising campaign focused on recruiting existing businesses outside of Brainerd to relocate to areas within the corporate limits of the City of Brainerd.**

   Update: On hold per EDA.

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4. **Develop and implement a summer advertising campaign designed to draw locals, seasonal/second homeowners, and visitors to shop at businesses located within the corporate limits of the City of Brainerd.**

   Update: In progress. Finalizing budget depending on inventory availability; DRAFT cost estimate below. Will use the "You Betcha Brainerd" key message naming shopping districts and types of businesses in the scripts; it'll be a modified version of the 2020 and 2021 campaigns.

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5. **Develop and implement a winter advertising campaign designed to draw locals, seasonal/second homeowners, and visitors to shop at businesses located within the corporate limits of the City of Brainerd.**

Update: On hold until Fall 2022.

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6. Other Misc. Updates

Nothing to report.

Ideal Place to Shop: Summer Campaign DRAFT Budget

Vendor	Cost		Notes
Brainerd Dispatch	$1,855.00		2 col. X 3" color ad running June 1 - Sept 2 weekly (13x) print edition, E-edition + SEO boost and website ad
Hubbard Radio	$6,300.00		Radio ads on KBLB, KLIZ, KUAL, WJJY; 105 ads per station total; 35 ads per week and 1 week per month June-August
Lakeland PTV	$500.00		65 spots; no charge for production
MPR	$3,000.00		Radio ads on MPR Brainerd stations (KBPN and KBPR); 425 spots total
Spectrum Reach	$3,000.00		50,000 Streaming TV spots + :30 commecial production
Contract Total	$14,655.00		
Visit Brainerd	$1,500.00		Contract administration fee

City of Brainerd

Economic Development Authority

Scope of Services Monthly Report

Swanson Haskamp Consulting

Report Date: **May 23, 2022**

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1. **Develop and implement marketing, advertising, and communications plan for identified properties within the corporate limits of the City of Brainerd.**
   Update:
   - Working with City Administrator on contents for presentation to EDA. Identified high-risers and key demographic and market characteristics for consideration and discussion.
   - Compiled market research/analysis for residential uses in region. Working through initial conversations with property managers, developers, real estate agents, etc., to confirm and understand market data trends.
   - Draft site analysis including initial fit tests for Tier 1 parking lot areas and PUC property. Key findings and initial site concepts will be presented for feedback.

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2. **Promote property with the corporate limits of the City of Brainerd for commercial development/redevelopment and residential development.**
   Update:

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3. **Solicit developers on behalf of the EDA.**
   Update:

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4. **Engage identified private property owners on behalf of the EDA who have property prioritized for redevelopment.**
   Update:
   - Compiling list of property owners of Tier 2 properties. Planned contact/reach out of property owners in June and July.

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5. **Develop partnerships with local real estate agents and professionals.**

   Update:

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6. **Other Misc. Updates**
   Update:
   - SHC is planning to attend the EDA meeting in-person in June or July, (depending on EDA agenda schedule) to present draft Tier 1 properties that include a residential use component.

Brainerd EDA 2021-2022 Goals

Goal	Strategies/Action Steps	Status	Staff Member/Dept/Consultant
Create programs and seek funding to address identified needs:	Evaluate the results of BLAEDC's business interviews to assess needs and categorize them.	EDA Board will be reviewing and discussing the business interview questions at the June meeting; BLAEDC will conduct interviews and provide the EDA with a summary.	BLAEDC
	Develop and propose programs to address the needs identified from BLAEDC's business interviews.	Pending completion and assessment of business interviews.	BLAEDC, Community Development Director and City Administrator
	Seek funding sources to support proposed programs.	Will review business responses to determined potential programs for EDA consideration	Community Development Director, Executive DIrector, and Finance Director
Create an inventory of under-used and under-developed properties and work with property owners to market them for redevelopment.	Conduct GIS assessment of under-utilized properties.	Swanson Haskamp Consulting presented a list of properties at the March EDA meeting; based on the discussion at the EDA meeting, SHC is revising the list and presenting it to the EDA in June	Executive Director, Community Development Director and Swanson Haskamp Consulting

	Identify possible uses for under-utilized properties.	Pending approval of priorities properties by the EDA.	Community Development Director and Swanson Haskamp Consulting
	Engage property owners to assess interest in participating in redevelopment program.	EDA directed staff to reach the property owners of the properties owned on Washington Street to see if they have any interest in marketing some of their property for redevelopment; SHC will provide an update at the June meeting	Executive Director, Community Development Director and Swanson Haskamp Consulting
	Develop program for marketing identified properties for redevelopment.	Pending approval of priorities properties by the EDA and agreement to participate by property owners.	Community Development Director and Swanson Haskamp Consulting
Evaluate the City's vacant industrial property for compatible non-industrial uses that would address current and future needs of the community.	Create an inventory of the City's undeveloped industrial property with an assessment of each property's surrounding uses.	An inventory of the City's vacant industrial property is underway.	Community Development Director and Swanson Haskamp Consulting
	Develop a list of non-industrial uses for the City's undeveloped industrial property that may be compatible with each properties surrounding uses.	SHC presented a list of Tier 1 properties to the EDA; SHC is working on developing a list of uses for the properties	Community Development Director and Swanson Haskamp Consulting
Goal	**Strategies/Action Steps**	**Status**	**Staff Member/Dept/Consultant**

Interview existing businesses to identify each business's individual needs to take the next step in their business development.	Complete Business Retention and Expansion visits that involve interviews and information gathering.	BLAEDC presented the questions at the May EDA Board meeting; will bring back to June meeting for further discussion	BLAEDC
	Summarize information gathered from Business Retention and Expansion visits and submit to Community Development Director.	Pending completion of business interviews.	BLAEDC
	Seek funding sources to support proposed programs.	Awaiting results of the business interviews	Community Development Director, Executive Director, and Finance Director
Work with community partners to develop a cohesive marketing strategy for the community.	Identify and engage strategic community partners	EDA has contracted with Visit Brainerd to conduct community and business marketing on behalf of the EDA.	Visit Brainerd
	Create marketing stategy	Visit Brainerd is preparing a summer shopping marketing campaign. Campaigns for a Place to Work, Place to Shop and Place to Start a Business in development	Visit Brainerd

M E M O

TO: EDA Members

FROM: Executive Director, Jennifer Bergman

DATE: May 27, 2022

RE: Discussion on Business Retention Questions

At the May EDA meeting, BLAEDC provided a copy of their Business Retention and Expansion Survey questionnaire. Since the questionnaire was handed out during the meeting, the Board wanted some time to review the questions and provide comments to BLAEDC. Attached are the questions.

No Action; Discussion Item

Business Retention and Expansion Survey

blaedc

Date:_____ **Interviewer(s):** _____

Company Name:_____ **Contact/Title:**_____

Street Address & City: _____

Year Company was founded:_____

Corporate Structure: □ **LLC** □ **C-Corp (privately held)** □ **C-Corp (publicly held)** □ **S-Corp** □ **Cooperative** □ **Professional Assn.**
□ **Sole Proprietor** □ **Non Profit** □ **Partnership** □ **ESOP** □ **Public Benefit Corp.**

Has this company's ownership or top management changed over the last year? ◯ **Yes** ◯ **No**

Is this business locally owned? ◯ **Yes** ◯ **No**

*If No, where is the ownership or Headquarters located?*_____

Which business life stage level represents your business?
□ **Seed Stage** □ **Start-up Stage** □ **Growth Stage** □ **Established Stage** □ **Expansion Stage** □ **Decline Stage** □ **Exit Stage**

Facility

- Is this facility owned or leased? ◯ **Owned** ◯ **Leased**
- Is there room for expansion at this site? ◯ **Yes** ◯ **No**
- Do you have other facilities in MN? ◯ **Yes** ◯ **No**

*If YES, where?*_____

Products & Services

- What are your major products/services & certifications?_____

_____

- Have you introduced new products/services in past year? ◯ **Yes** ◯ **No**
- Do you plan to add new products/services in the next year? ◯ **Yes** ◯ **No**

*Explain new products/services.*_____

- New technologies added in past year?: ◯ **Yes** ◯ **No**
- Plans to add new technologies in the next year: ◯ **Yes** ◯ **No**

*Explain new technologies.*_____

- Are there any opportunities to add MN suppliers? *If so, please explain.*_____

Revenue & Expenses

- Change in total revenue over past year?: □ **Increased** □ **Decreased** □ **Stable**
- Expected change in revenue next year?: □ **Increase** □ **Decrease** □ **Stable**
- Change in total expenses over past year?: □ **Increased** □ **Decreased** □ **Stable**
- Expected change in expenses next year?: □ **Increase** □ **Decrease** □ **Stable**
- Fastest growing expenses?:

  □ **Wages** □ **Healthcare** □ **Other employee benefits** □ **Utilities** □ **Facility costs** □**Transportation/Shipping costs**

  □ **Equipment** □**Supplies/Inputs** □ **Government compliance** □ **Other**

  *(Explain):*_____

Workforce

- What is your total employment number?*(Full time/Part time/& Seasonal)*_____
- Change in total employment number over past year?: □ **Increased** □ **Decreased** □ **Stable**
- Expected change in employment number next year?: □ **Increase** □ **Decrease** □ **Stable**
- Are you having difficulty recruiting workers? ◯ **Yes** ◯ **No**

- What types of skills/workers are most difficult to recruit? *Explain.*_____

_____

- What are your most successful strategies for finding workers?
  *Explain.*_____

_____

- In general, what is it about the applicants that make the openings hard to fill (check all that apply).
  □ **Lack of basic education** □ **Lack of technical skills** □ **Lack of candidates** □ **Poor work ethic**

  Other: _____

- What is your biggest barrier to **increasing** your workforce? **(Select one)**

  □ **Insufficient demand** *(Don't need employees right now)* □ **Lack of available workers** □ **Labor wage costs**

  □ **Labor benefit costs** □ **Cost of labor laws & regulations** □ **Lack of access to diverse populations** □ **Immigration laws**

  □ **Other:** _____

- In what ways do you engage with schools in workforce-related activities? *Check all that apply.*

  □ **Apprenticeships** □ **High School internships** □ **Youth employment programs** □ **High School job fairs** □ **College internships**
  □ **College job fairs** □ **Other:** _____

Market information

- In what **geographic** location/s are your **primary markets**?
  □ **Local (w/in 50 mi)** □ **Minnesota** □ **Midwest (includes MN)** □ **US** □ **International**
- In what **geographic** location/s are your **fastest growing markets**?
  □ **Local (w/in 50 mi)** □ **Minnesota** □ **Midwest (includes MN)** □ **US** □ **International**

Export activities

- Does your company export directly? ◯ **Yes** ◯ **No**
- *If YES, to what countries?*_____
- Change in total exports last year? □ **Increased** □ **Decreased** □ **Stable**
- Expected change in exports next year? □ **Increase** □ **Decrease** □ **Stable**

Investment plans

- Does company have plans for new investments? ◯ **Yes** ◯ **No**
- **If 'Yes',** check **all** that apply: □ **Invest in new facilities** □ **Make major equipment purchases**
  □ **Renovate/Expand current facilities** □ **Other:**_____
- What is the approximate date of this investment? □ **Within one year** □ **Within two years** □ **Within three years** □ **Unsure**
- Where will your investment occur?
  □ **At current location** □ **At another location-same community** □ **In another community in MN**
  □ **In another state** □ **In another country** □ **Unsure**

*If in another community, state, or country – Top reason/s why?*_____

- Will your expansion add jobs? ◯ **Yes** ◯ **No** ◯ **Unsure** ◯ **N/A** ***If yes, number & types of jobs added?***_____

_____

Public policy - What local/state/federal policies affect your business most?

*Please Explain:*_____

_____

_____

****For Interviewers ONLY:** ***Does this company require follow-up?*** ◯ **Yes** ◯ **No**

If yes, please explain: _____

MEMO

To: Brainerd EDA

CC: Jennifer Bergman, City Administrator

From: Jennifer Haskamp, AICP, SHC

Date: May 27, 2022

RE: Opportunity Sites – Underutilized Parking Lots

At the regular EDA meeting on April 7, 2022 SHC provided a summary memo establishing the approach to evaluate the identified Tier 1 Opportunity Sites for development potential. As a reminder, the Tier 1 properties were prioritized because the sites were owned by, or expected to be owned by, the City of Brainerd or an associated entity. The EDA directed SHC to begin the evaluation and development potential analysis based on the proposed approach.

After the EDA provided direction SHC and City Staff further categorized the Tier 1 properties into 1) properties with residential use development potential; and 2) properties with industrial or business development use potential. The analysis prepared in this memo focuses on the three parking lot sites located in Brainerd's downtown because all three sites have similar physical characteristics and development market potential.

This memo is broken into three sections:

SECTION 1: Socio-economic and Demographic Considerations

This section provides a summary of demographic and socio-economic characteristics of the City of Brainerd and the larger Brainerd Lakes Area Region. This section provides a foundation for the subsequent sections of the report and identifies indicators of what types of housing or mixed-use development may be viable.

SECTION 2: Summary Market Analysis & Trends

This section summarizes the regional and local markets to establish and define the market potential of the subject sites. Information regarding trends in real estate and employment that have the potential to impact the Brainerd economy are identified and are supplemented with more localized analysis and information.

SECTION 3: Tier 1 Sites – Underutilized Parking Lots

There are three (3) parking lots identified as Tier 1 opportunity sites for potential development. All three sites share similar characteristics and opportunities related to market and development potential, but each has a different development capacity. This section provides the initial development capacity analysis of each site.

SECTION 1: Socio-economic and Demographic Considerations

The socio-economic and demographic characteristics of the region and the City are an important indicator of future real estate demands. For example, the Millennial generation is the largest home-buyer cohort, but their housing preferences are specific and in some respects are different than previous generations. Likewise, Gen Z is coming of age and in many cases looking for their first homes away from their parents. Gen Z's preferences and needs are different than the Millennial generation. To be successful the housing market needs to provide diverse housing choices that are tailored to the needs and demands of the potential population it aims to serve. A snapshot of the Region (defined as Crow Wing County) and the City of Brainerd is provided below.

Figure 1: City of Brainerd Demographic Analysis

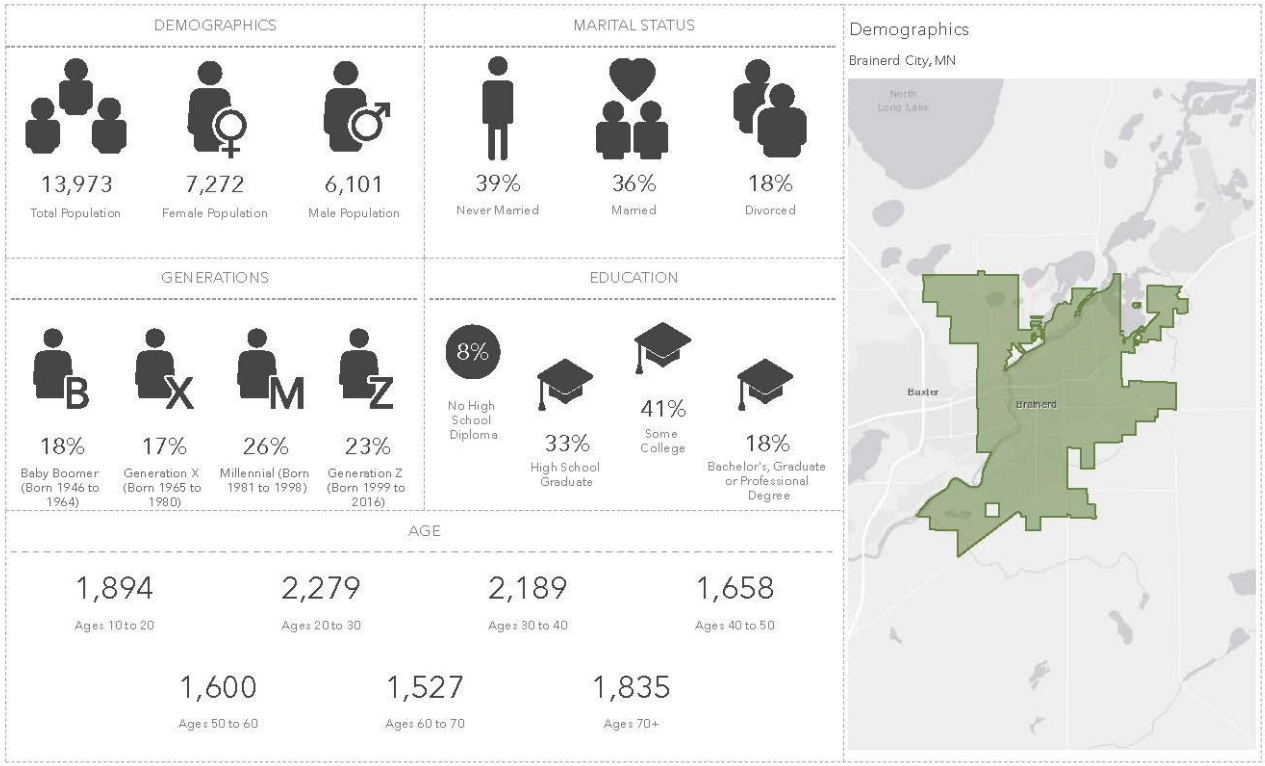
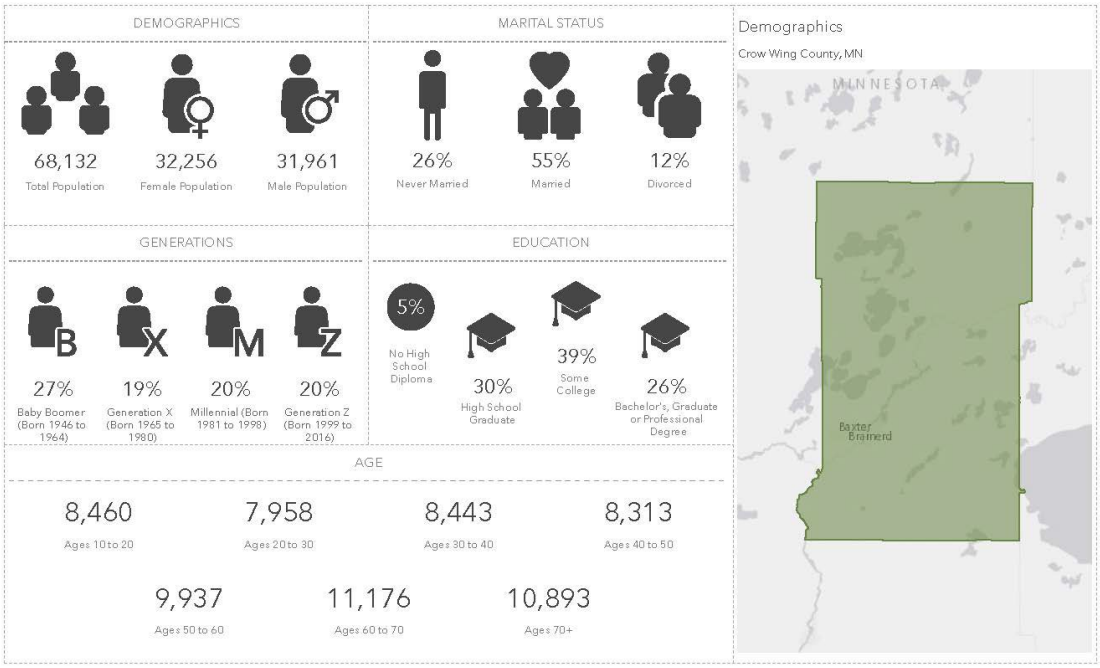


Figure 2: Crow Wing County Demographic Analysis



Demographic Observations

- A larger percentage of the population in Brainerd as compared to the County are Millennial and Gen Z.
- Nearly 40% of the adult population in Brainerd has never been married. This is correlated with a younger population and has the potential to impact the housing demand.
- A higher percentage of residents in Brainerd as compared to the County have some higher education or college/graduate degrees. Whether this trend continues remains to be seen given the impact of the pandemic on higher education. But, nevertheless, a more educated workforce generally leads to higher salaries and greater demand for market-rate housing.

Figure 3: Brainerd Consumer Analysis

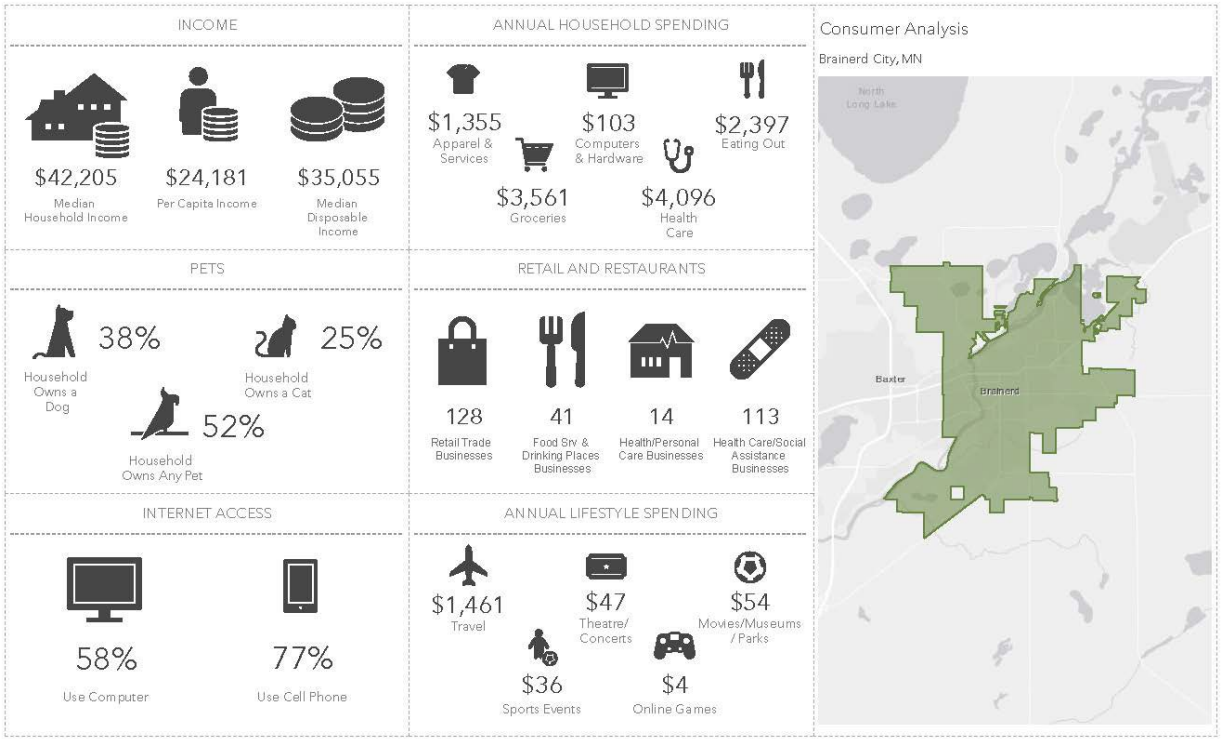
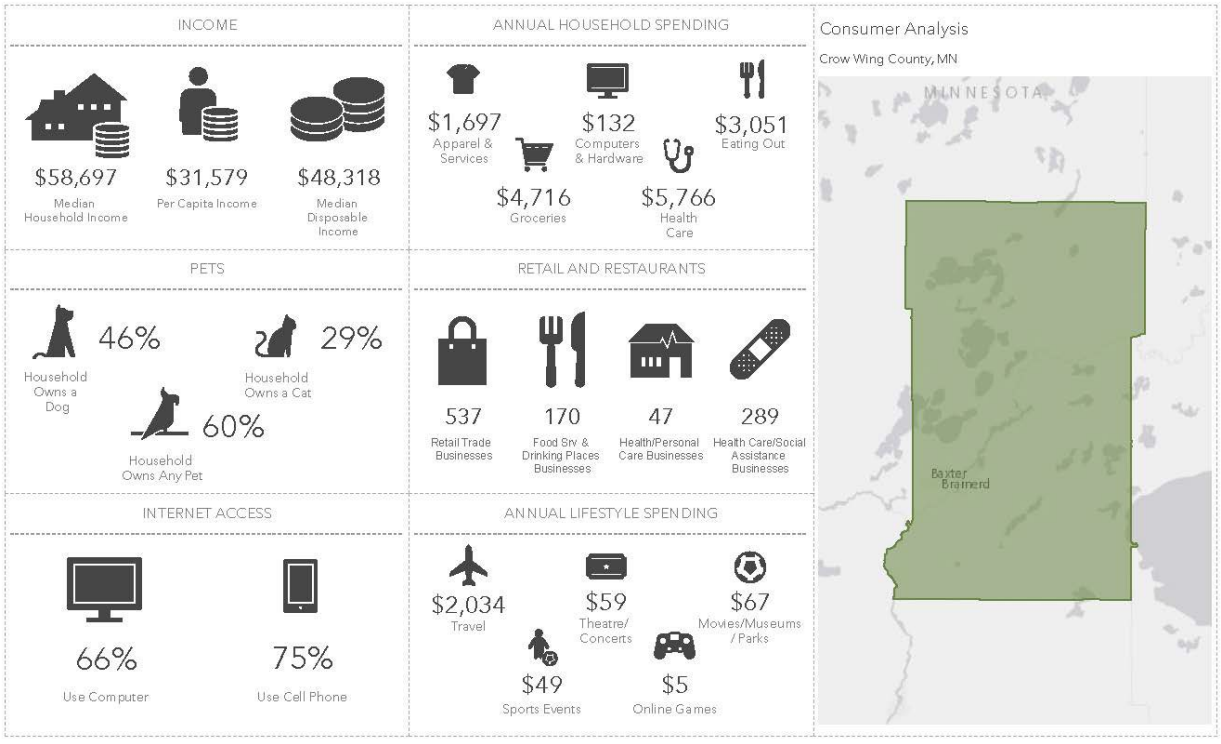


Figure 4: Crow Wing County Consumer Analysis



Consumer Analysis Observations

- The Median Household income of the County is approximately 30% more than Median Household income in the City of Brainerd. This difference is likely in part due to the higher percentage of unmarried, dual income households, and the younger population.
- Lifestyle spending is similar and there is not a significant difference between the City and the County. Lifestyle spending is strongly correlated to disposable income, and is also correlated with the types of businesses that might be supported in the City.
- Internet access is critical for any workers that now have the option to work from home either part-time or full-time.
- Brainerd's share of the retail trade businesses and food service and driving places make up approximately 25% of the total business types in the County. This is a significant part of the local economy and of the larger region.

Figure 5: Brainerd Housing and Employment

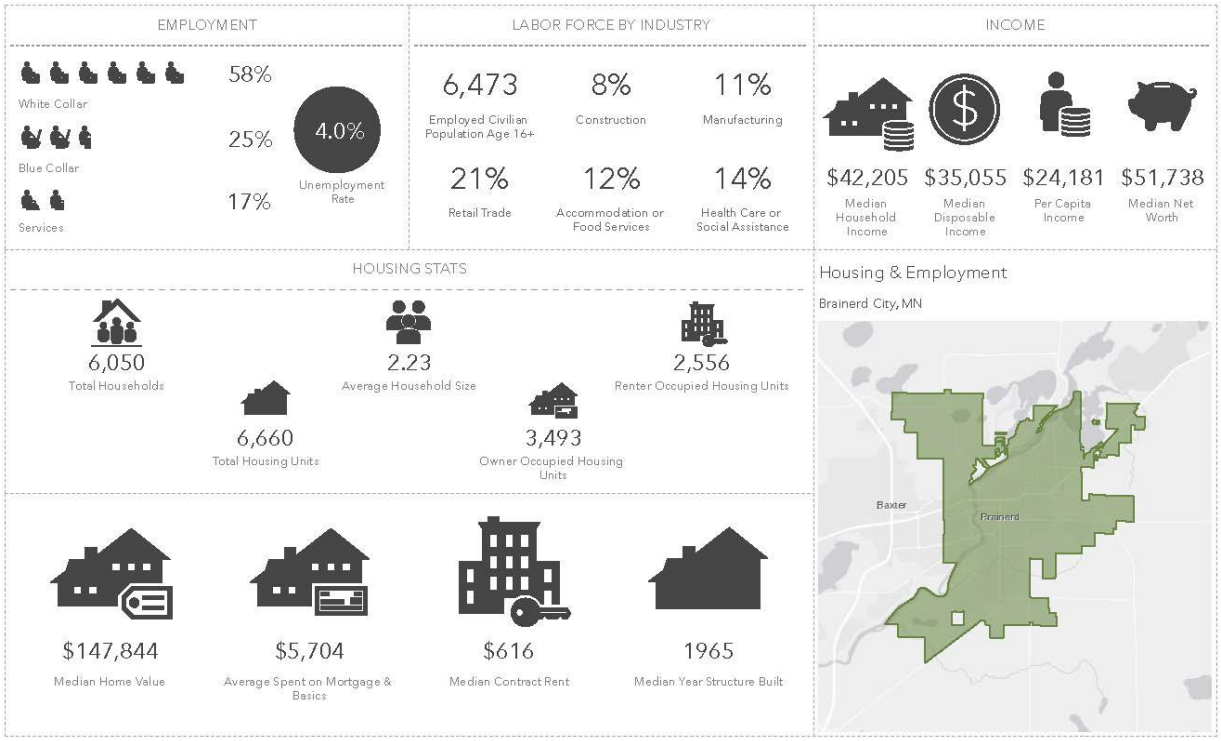
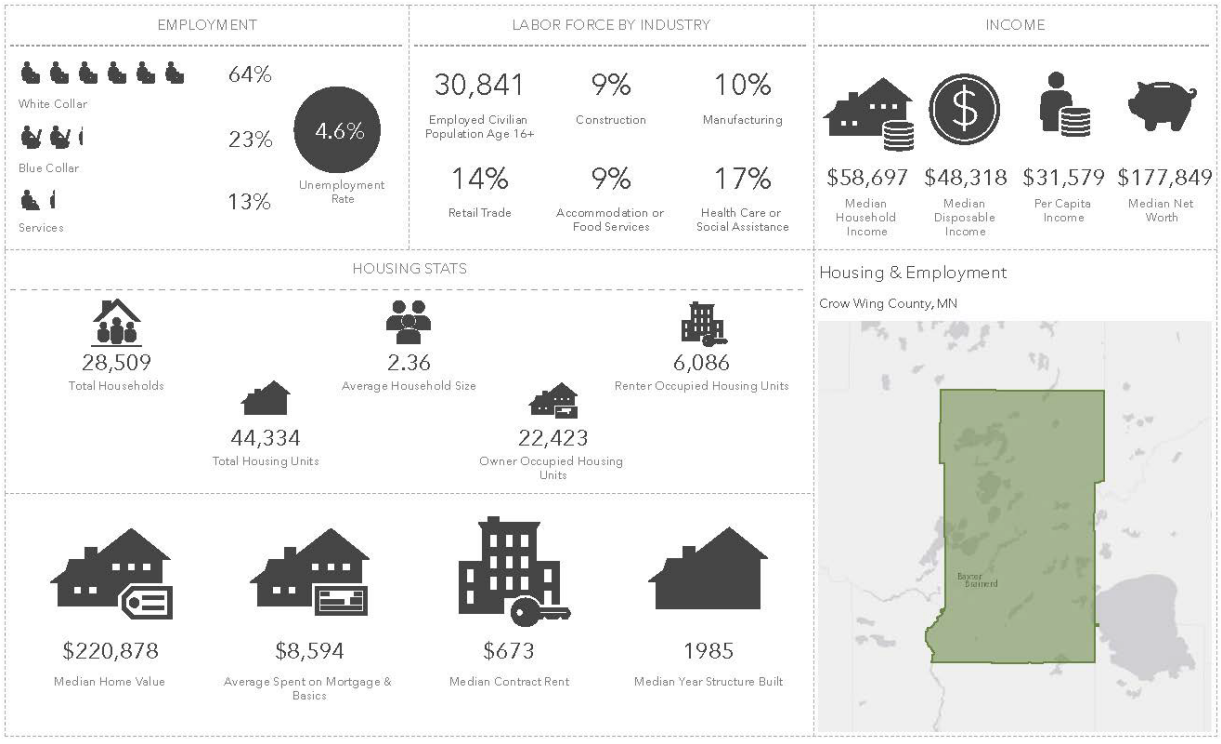


Figure 6: Crow Wing County Housing and Employment



Consumer Analysis Observations

- Nearly 60% of the Brainerd Population is employed in careers categorized as "white collar" professions. These jobs are the most likely to offer work-from-home and hybrid opportunities (see Market Analysis and Trends in the following section).
- A higher percentage of the households in Brainerd are renters compared to countywide. There are several factors that contribute to this difference include age of housing stock (Brainerd's housing stock is 20 years older than the County), age of residents, marital status and housing costs.
- The median contract rent in Brainerd is $57 less per month than countywide. While this is not a significant difference, it is when the rental market is dominated by subsidized housing. As described in the Market Analysis and Trends section, the majority of rental units in the Crow Wing County area, including Brainerd, are subsidized with rental income restrictions.

SECTION 2: Summary Market Analysis &Trends

The following summary includes an overview of the regional context followed by the local Brainerd context. The real estate market has been volatile since the onset of the pandemic, and long-term trends particularly in the retail/commercial/office markets are still relatively unknown (more information regarding this issue will be presented in ta subsequent report). The housing market has been more stable, though recent concerns over rising interest rates and the home-ownership market are beginning to emerge. Regardless of the cost of borrowing money, the fact remains that there is a housing supply shortage in both the rental and owner-occupied markets in the Brainerd Lakes Area. The following observations are provided for reference and consideration.

Regional Context and Market Considerations

General Market Trends:

- Most large companies, including Minnesota's largest Fortune 500 and 100 companies have announced permanent plans to transition to hybrid work models. There is not a one-size-fits-all plan for how companies will implement a hybrid model. Some companies are allowing workers to select a few days or a week a month to be onsite, while some require workers to be in the office a set number of days per week. The flexibility and hybrid model will impact where people choose to live if commuting is largely removed from the equation.
- The Brainerd Lakes Area experienced an increase in population during the pandemic as workers from other regions were able to work from home and decided to make their cabins and/or second homes their permanent residence. This trend could extend to other housing types such as apartments, condominiums, etc., depending on the availability of housing options in the region.
- Housing prices continue to rise and price-out buyers and renters in hot markets. The rise in housing costs in urban markets such as the Twin Cities has the potential to make places like Brainerd more desirable, especially if employment opportunities are available (whether because of a flexible work environment or more jobs relocating to markets such as Brainerd Lakes Area).
- Generationally, Gen Z's and Millennials are drawn to communities with a strong downtown or main street, but currently many are priced out of traditional large metropolitan areas. There is a strong trend towards smaller communities and "*surban*" (areas with suburban & urban characteristics) locations that offer a walkable, main street with local businesses and restaurants but without the price tag. Brainerd can offer this environment and could be competitive if housing choices that meet this demographic need are available. (Note in Figure 1, more than 50% of Brainerd's population as of 2021 was part of the Gen X and Millennial generations).

- Infrastructure, especially high-speed and fiber internet, is critical to attract new businesses and residents. Given the new hybrid and/or work from home environment, it is critical that the infrastructure is available for workers to remain connected to the jobs and employers.

Housing Market Considerations:

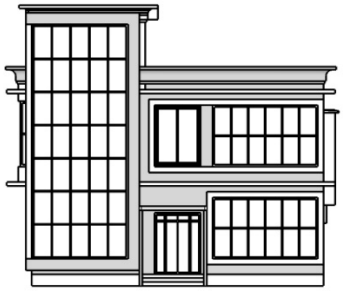
- Crow Wing County identified an undersupply of workforce housing in the Workforce Housing Study (2020). As we researched, we found that to still be an accurate statement in 2022.
- Crow Wing County predicts housing demand will be sufficient enough to require 320 new units each year until 2033, for a total of 4,800 new housing units needed in the County.
- Both the Brainerd 2035 Comprehensive Plan Update and the Crow Wing County Workforce Housing Study have identified the area will continue to grow over the coming years. The Brainerd Comprehensive Plan estimates the population will grow by 1,760 by 2030. Crow Wing County estimates the county population will grow by approximately 4,500 people and households by approximately 3,000 by 2033.
- The current rental housing market is dominated by subsidized income-restricted units. Few apartments in the region, including within Brainerd city limits offer market rate apartments.
- The City of Baxter recently approved a development that will provide a total of 289 apartment units, built in phases over the next five years. Even with the new units, demand will still outnumber the added supply.
- There are 10 market-rate apartment buildings in Brainerd and Baxter, and at the time of this report there were only three (3) units vacant based on our interviews and research.
- Reports prepared by the HRA and BLAEDC indicate that local companies and employers cannot attract talent (employees) to the region because of the lack of available housing (employers indicated that there is a lack of both rental and owner-occupied options).
- The Brainerd Lakes Area is known to be an outdoor playground. The identity as a desirable location increases the appeal of the area, and if leveraged properly, could bring more permanent residents and businesses to the area.
- As part of our market research efforts we reviewed development opportunities and existing development patterns of neighboring communities (i.e. Pequot Lakes, Breezy Point, Baxter). Brainerd is unique from the other surrounding communities because it has an established, and historic "downtown" or "main street" atmosphere that does not exist in other communities. This downtown environment should be attractive to the housing market for diverse options including market rate and affordable apartments, townhomes and eventually condominiums.
- More housing in downtown will create a more active 24-7 environment. This will increase patronage at local businesses and provide greater support for more local establishments.
- Brainerd has a unique advantage within the area to attract multi-family housing that caters to Millennials and Gen Z's preferences. Within a half-mile of Downtown there are approximately 20 restaurants and approximately 20 retail locations. There are some existing housing units on the second floor of some buildings in the downtown area, but the market demand indicates more units could be absorbed.

SECTION 3: Tier 1 Sites – Underutilized Parking Lots

The following analysis is provided for each Tier 1 Site identified with an underutilized parking lot. All three lots have similar characteristics, but the development capacity of each site varies. The common characteristics of all three sites include the following:

- All sites are zoned Main Street (MS) in the proposed zoning code updated. The new code is anticipated to take effect in July 2022, if approved by the City Council.
- The Main Street Zoning District is established to reinforce the character of the "core" downtown area that is defined by specific building types and patterns. The code permits the following building frontage types:

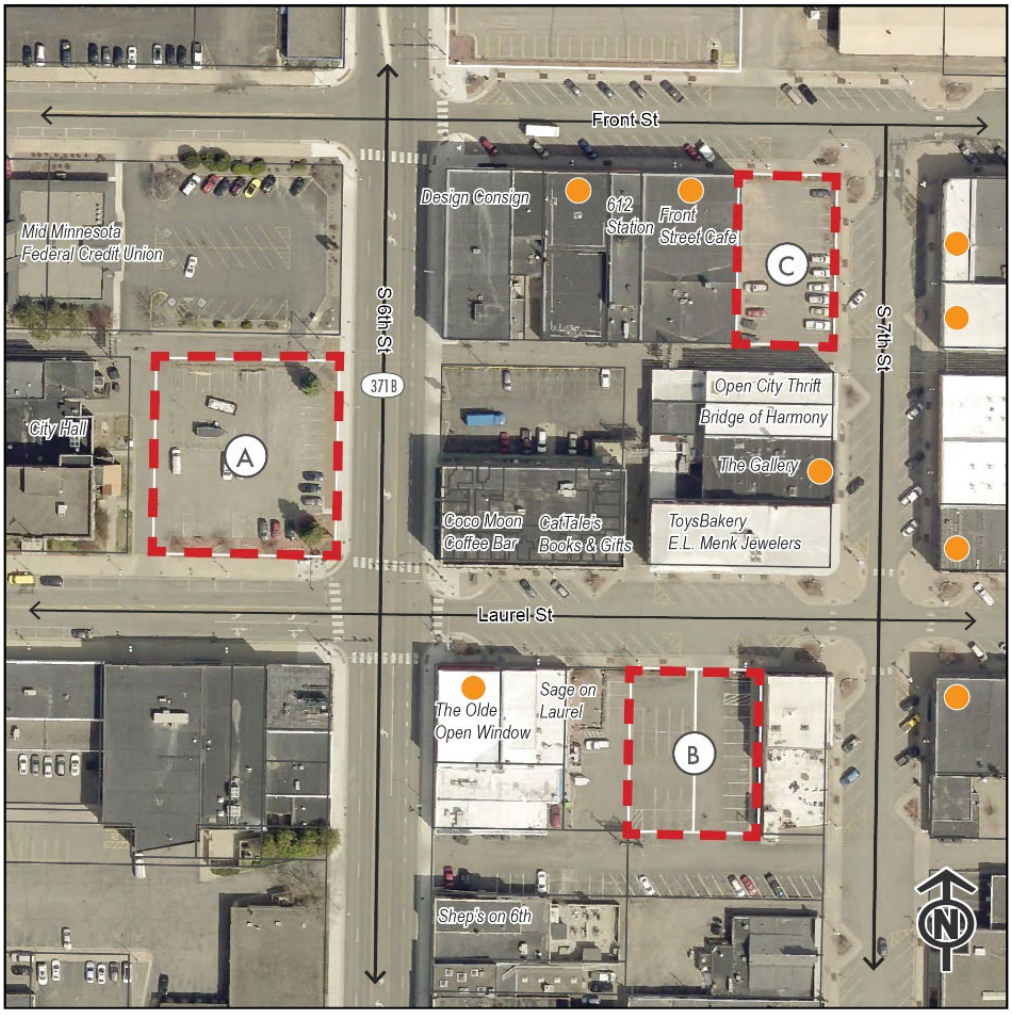
Shopfront



Common Entry

- No residential uses are permitted on the main floor of a building in the Main Street district. However, residential uses on the upper floors is encouraged. Main floor uses may include retail, office, commercial, and service businesses. The intent is to create a walkable, experience-based downtown core.
- The development capacity analysis provided in the following sections assumes that residential uses on the upper floors is desirable, and that the ground floor is reserved for non-residential uses.
- The new code does not require a minimum parking requirement in the Main Street District. While no parking is required, based on our market research, the housing market expects parking options to be provided. Therefore, all concepts include a designated parking area, though additional shared-parking agreements may be needed for a project to be economically competitive.
    - Note: While underground parking may be possible, it is likely that it is not economically feasible based on the current market rents in the area. Therefore, any underground or structured parking would likely require some incentives.

Figure 7. City-Owned Parking Lots and Surrounding Area



Map Key	Address	Location Characteristics
A	501 Laurel Street	Existing parking lot on southwest corner of S 6th St. and Laurel St.
B	616 Laurel Street	Existing parking lot mid-block on Laurel Street between S 6th St. and S 7th St.
C	212 7th Street	Existing parking lot on southwest corner of Front Street and S 7th St.

Site A: 501 Laurel Street (City Hall Parking Lot)

The following site development capacity analysis is provided based on the proposed Main Street zoning district:

MS Zoning Standard	Site Characteristics Applicable
Site Location	501 Laurel Street Parking lot, adjacent and east of City Hall
Proposed Zoning	Main Street (MS)
Site Size	0.48 Acres ~20,909 SF
Setbacks • Side yard • Rear yard • Front yard • Surface Parking Lot	 0' 0' 0-6' (Build-to range) 60' from ROW
Buildable Area	20,853 SF (Area less Sight Triangle)
Permitted Surface Parking Lot Area*	~7,100 SF Assuming approximately 300 SF per space, 24 surface parking spaces could be developed.
Estimated number of Residential Units	22-28 Units
Estimated Retail/Commercial SF	13,753 SF
Impervious	100%
Sight Triangle	15' from public ROW of intersecting Streets, 15' from corner
Maximum Height	45', ability for taller with Conditional Use Permit (CUP)

** Note, structured or underground parking is not calculated in this analysis. The zoning requirement is that surface parking must be setback from the ROW, and the calculation is based on only surface parking area.*

Site A: Development Capacity Analysis

The subject property is located at the corner of S 6th Street and Laurel Street adjacent and east of the City Hall. It is a corner lot, therefore protection of the sight triangle is necessary. As shown on the development capacity diagram, a small portion of the sight triangle impacts the southeast corner of the site, and no building could be placed in this area. The existing sidewalks along S 6th Street and Laurel Street would be maintained as part of any redevelopment of the site. Development Capacity Notes:

- The buildable area as calculated in the table is the full site area less the sight triangle.
- All new buildings must be constructed within 6-feet of the property line abutting a public right-of-way (see diagram). This is intentional to reinforce the form of main street.
- The largest permitted surface parking lot area was derived by calculating the area outside the required setback. For purposes of the residential unit analysis, it is assumed that there is no covered or structured parking. The building could be expanded, and surface parking reduced, depending on the developer's proforma.
- If you max out the surface parking and assume the remainder of the site is developed with a three story building the total building footprint is approximately 13,753 square feet, and the total residential building area is 27,506 square feet.
- Residential Analysis: Assuming circulation area would be about 15% of each floor (4,125 sq ft), total useable area is approximately 23,831 sq ft. Assuming an average of 950 SF per unit, the total number of units is approximately 24.

Figure 8. Site A (501 Laurel St.) Development Capacity Diagram

Site B: 616 Laurel Street

The following site development capacity analysis is provided based on the proposed Main Street zoning district:

MS Zoning Standard	Site Characteristics Applicable
Site Location	616 Laurel Street Parking lot, mid-block
Proposed Zoning	Main Street (MS)
Site Size	0.28 Acres (both lots combined) ~12,197 SF
Setbacks • Side yard • Rear yard • Front yard • Surface Parking Lot	 0' 0' 0-6' (Build-to range) 60' from ROW
Buildable Area	~12,197 SF
Permitted Surface Parking Lot Area*	~8,000 SF Assuming approximately 300 SF per space, 26 surface parking spaces could be developed.
Estimated number of Residential Units	12-15 Units
Estimated Retail/Commercial SF	4,197 SF
Impervious	100%
Sight Triangle	Not Applicable
Maximum Height	45', ability for taller with Conditional Use Permit (CUP)

** Note, structured or underground parking is not calculated in this analysis. The zoning requirement is that surface parking must be setback from the ROW, and the calculation is based on only surface parking area.*

Site B: Development Capacity Analysis

The subject property is located mid-block on Laurel Street. Since it is not located on a corner, the available surface parking makes up a higher percentage of the site due to only one setback requirement. As shown on the development capacity diagram, the full site is developable, and a larger building footprint could be placed anywhere on the site provided it complies with the build-to range. Development Capacity Notes:

- All new buildings must be constructed within 6-feet of the property line abutting a public right-of-way (see diagram). This is intentional to reinforce the form of main street.
- As shown on Figure 9, there are no applicable setbacks on the site and 100% of the site could be covered with either building or surface parking, which renders the full site buildable.
- The largest permitted surface parking lot area was derived by calculating the area outside the required setback. For purposes of the residential unit analysis, it is assumed that there is no covered or structured parking. The building could be expanded, and surface parking reduced, depending on the developer's proforma.
- If you max out the surface parking and assume the remainder of the site is developed with a four-story building the total building footprint is approximately 4,197 square feet, and the total residential building area is 12,591 square feet. (Note, a four story building would likely require a CUP).
- Residential Analysis: Assuming circulation area would be about 15% of each floor (1,889 sq ft), total useable area is approximately 10,702 sq ft. Assuming an average of 850 SF per unit (smaller building, more 1-bdrm units) the total number of units is approximately 13.

Figure 9. Site B (616 Laurel St.) Development Capacity Diagram

Site C: 212 S 7th Street

The following site development capacity analysis is provided based on the proposed Main Street zoning district:

MS Zoning Standard	Site Characteristics Applicable
Site Location	212 S 7th Street
Proposed Zoning	Main Street (MS)
Site Size	0.22 Acres ~9,583 SF
Setbacks • Side yard • Rear yard • Front yard • Surface Parking Lot	 0' 0' 0-6' (Build-to range) 60' from ROW
Buildable Area	~9,583 SF
Permitted Surface Parking Lot Area*	~4,000 SF Assuming approximately 300 SF per space, 13 surface parking spaces could be developed.
Estimated number of Residential Units	15-18 Units
Estimated Retail/Commercial SF	~5,583 SF
Impervious	100%
Sight Triangle	15' from public ROW of intersecting Streets, 15' from corner (does not encroach onto site)
Maximum Height	45', ability for taller with Conditional Use Permit (CUP)

** Note, structured or underground parking is not calculated in this analysis. The zoning requirement is that surface parking must be setback from the ROW, and the calculation is based on only surface parking area.*

Site C: Development Capacity Analysis

The subject property is located on the corner of S 7th Street and Front Street. As shown on the development capacity diagram due to the larger sidewalk and on-street parking the full site is developable. A larger building footprint could be placed anywhere on the site provided it complies with the build-to range, thus increase the number of residential units that could be developed. Development Capacity Notes:

- All new buildings must be constructed within 6-feet of the property line abutting a public right-of-way (see diagram). This is intentional to reinforce the form of main street.
- As shown on Figure 10, there are no applicable yard setbacks on the site and 100% of the site could be covered with either building or surface parking, which renders the full site buildable.
- The largest permitted surface parking lot area was derived by calculating the area outside the required setback. For purposes of the residential unit analysis, it is assumed that there is no covered or structured parking. The building could be expanded, and surface parking reduced, depending on the developer's proforma.
- If you max out the surface parking and assume the remainder of the site is developed with a four-story building the total building footprint is approximately 5,583 square feet, and the total residential building area is 16,749 square feet. (Note, a four story building would likely require a CUP).
- Residential Analysis: Assuming circulation area would be about 15% of each floor (2,512 sq ft), total useable area is approximately 14,239 sq ft. Assuming an average of 850 SF per unit (smaller building, more 1-bdrm units) the total number of units is approximately 16.

Figure 10. Site C (212 S. 7th Street) Development Capacity Diagram

M E M O

TO: EDA Members

FROM: Executive Director, Jennifer Bergman

DATE: May 27, 2022

RE: Discussion on DEED Main Street Revitalization Program

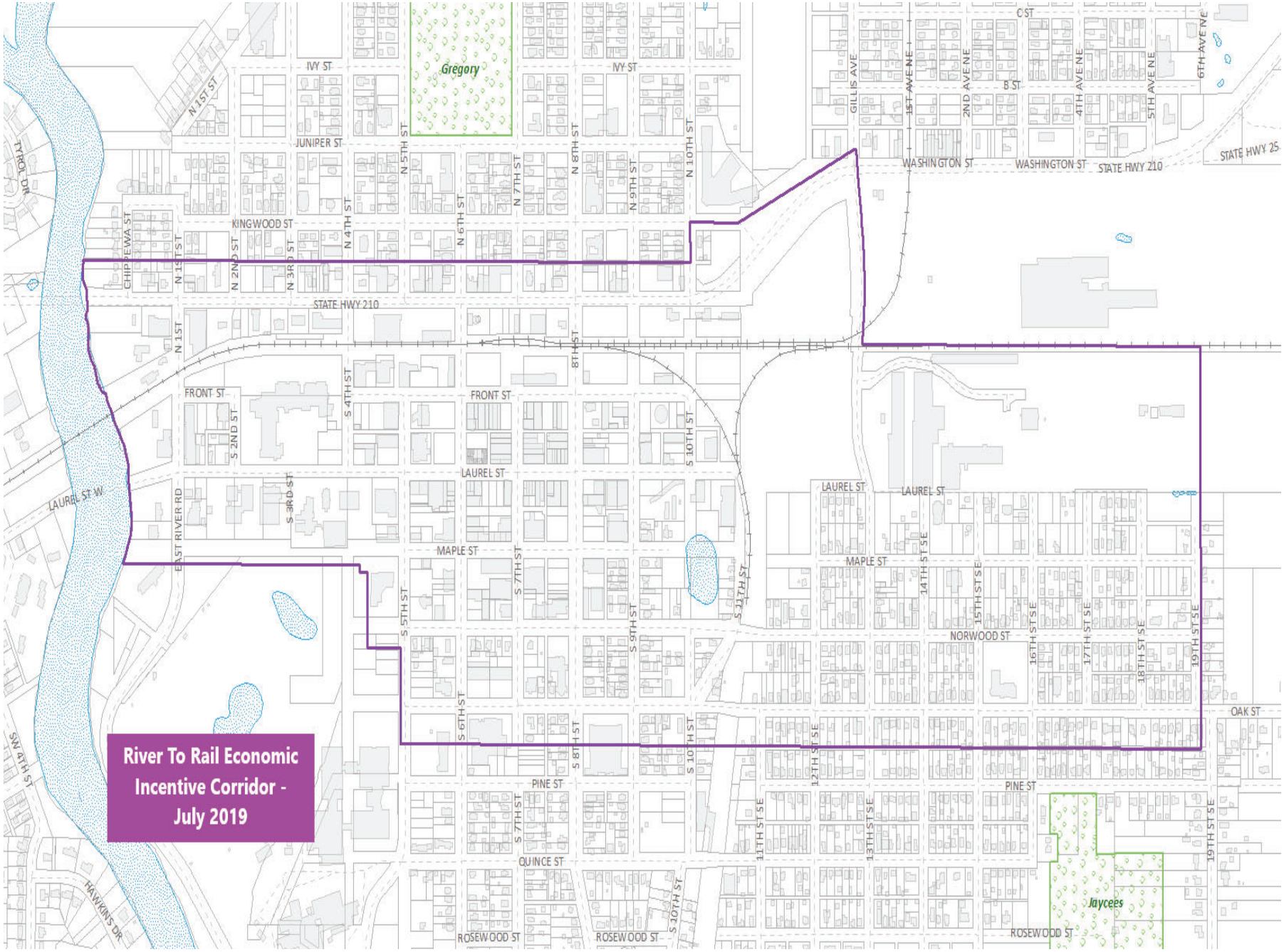
The Initiative Foundation (IF) was notified that they were funded for the DEED Main Street Revitalization Program in the amount of $4.5 million. I spoke with Don Hickman, IF's Vice President of Community and Workforce Development, who stated that the Brainerd EDA will be responsible for designing the process, defining the criteria, and preparing a schedule for the funds that will be used in Brainerd.

The EDA held a strategic planning session in February of 2020 and identified goals and objectives (see under Consent Calendar – Update on EDA Goals) which is really the foundation by which we will be able to build our process and criteria for the funds. In addition, the River to Rail Initiative helped to define an area in which the City would like to invest (see attached map).

The IF would like to have weighted investments (such as anchor institutions and façade improvements) that support a community benefit such as child care, workforce expansion and development, supporting the growth of businesses, affordable housing, etc. IF would like the EDA to determine what percentage would go to what type of investment. The majority of projects in Brainerd could fall under the category of anchor investments/improvements.

The IF has asked that we create guidelines on how we will establish this criterion. Staff would like to discuss these criteria and next steps with the EDA.

Action Requested: Direct staff to develop guidelines, based on the discussion at the meeting, to be considered by the EDA at their July Board meeting.


River To Rail Economic Incentive Corridor - July 2019
Gregory
Jaycees
IVY ST
JUNIPER ST
KINGWOOD ST
STATE HWY 210
FRONT ST
LAUREL ST
MAPLE ST
PINE ST
QUINCE ST
ROSEWOOD ST
NORWOOD ST
OAK ST
WASHINGTON ST
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To: EDA Board of Commissioners

From: Eric Charpentier, Executive Director

Date: May 5th, 2022

Re: Brainerd HRA Update

General Agency Update

Our board and department leaders recently went through a strategic planning session to help set goals for the next number of years. We had some productive breakout sessions and staff is excited for the next steps to get the plan implemented.

We continue to work on getting 3 parcels of tax forfeited land conveyed to the HRA to sell to a local builder for two infill projects. We anticipate that the sale of these lots will occur by August of this year with building commencing in the spring of 2023.

Rehab

We currently have 2 homeowners we are working with through the MHFA program and 1 through the Housing Trust Fund.

Brainerd Oaks/Serene Pines/Dalmar Estates

Development	Total	# Sold to Developer	# Sold to End Buyer	For Sale	In Construction
Brainerd Oaks	81*	66	57	0	9
Serene Pines	23	19	16	0	0
Dalmar Estates	7	3	1	0	2

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