



## **ECONOMIC DEVELOPMENT AUTHORITY AGENDA**

City of Brainerd, Minnesota  
City Hall, 501 Laurel Street, Council Chambers  
Thursday, October 5, 2023 @ 7:30 AM

The public is invited to attend these meetings in person

**Meetings are broadcast on CTC ch 8, Charter ch 181, YouTube, AppleTV, Roku, and Amazon FireTV**

1. **Call To Order**

2. **Roll Call**

\_\_\_K. Bevans \_\_\_T. Bieser \_\_\_J. Grecula \_\_\_G. Johnson \_\_\_M. Kirsch \_\_\_M. O'Day \_\_\_P.  
Sandy \_\_\_K. Yeager

3. **Approval Of Agenda - Voice Vote**

4. **Consent Calendar**

NOTICE TO PUBLIC - all matters listed are considered routine by the Board 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 Board votes on the motion to be ADOPTED BY ROLL CALL

A. **Approval of Minutes**

B. **Financial Reports**

C. **Swanson Haskamp Report**

D. **DDBC Report**

E. **Visit Brainerd Report**

5. **Unfinished Business**

A. **Approve Reallocation of Deed Mainstreet Grant Funds**

B. **Consider Recommendation to Remove Section 435 of the City Code Pertaining to Manufactured Home Park Closings**

C. **Update on Framework Progress**

D. **Approve Final Logo and Slogan for the EDA**

6. **New Business**

- A. **Presentation on Industrial Park Concept Plans by SHC**
- B. **Consider Consultant Agreements for 2024**
- 7. **Staff Reports**  
(Verbal: Any Updates since Packet)
- 8. **Commission Member Reports**
- 9. **Adjourn**

Visit the City's Website at [www.ci.brainerd.mn.us](http://www.ci.brainerd.mn.us)

MISSION

*"Provide high quality, cost effective public services and leadership in creating a sustainable city"*

**BRAINERD ECONOMIC DEVELOPMENT AUTHORITY**  
**Thursday, August 3rd, 2023, 7:30 a.m.**  
**City Hall Council Chambers**

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

Upon roll call Commissioners Kelly Bevans, Toni Bieser, Justin Grecula, Gabe Johnson, Marie Kirsch, Mike O'Day, and Kevin Yeager, were noted as present. Also, present were Executive Director Bergman, Finance Director Hillman, Community Development Director Kramvik, and HRA Director Charpentier.

**Approval of Agenda**

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

**Consent Calendar**

**Approval of Minutes**  
**Financial Report**  
**DDBC Report**  
**Swanson-Haskamp Consulting Report**  
**Visit Brainerd Report**

MOVED AND SECONDED BY COMMISSIONERS JOHNSON AND BEVANS TO APPROVE THE CONSENT CALENDAR.

Upon roll call Commissioners Bevans, Bieser, Grecula, Johnson, Kirsch, O'Day, and Yeager voted "aye". No Commissioner voted "nay". The Chair declared the motion carried.

**New Business**

**Update by DDBC**

Commissioner Kirsch gave an update on the work to date for 2023 that the DDBC has conducted. The organization is volunteer lead that encompasses 94 businesses. The goal of the DDBC for 2023 is to engage with more business owners in downtown, build up organizational committee, and leverage all of the talents to move the organization forward. She highlighted the promotion, special events, and economic vitality efforts of the DDBC. On August 28<sup>th</sup> RETHOS will be doing a visit downtown, EDA members will be invited to the tour.

**Update on YMCA Childcare Facility**

Shane Riffle, CEO Brainerd YMCA, gave an update on the childcare facility and funds that have been raised to date to support the new facility. The facility has been funded to about \$1.2 million through various fundraising efforts, with \$440,000 left to fundraise through their capital campaign. There will be a groundbreaking ceremony on September 8<sup>th</sup>. The facility will utilize 32 new teachers for 66 new spots.

Commissioner Bevans asked why daycare is so hard to find.

Mr. Riffle stated that there is no profit margin considering the space, teachers, food, and regulations. Home care providers have left the market due to the regulations.

### **Set the 2024 Preliminary EDA Tax Levy Request**

Finance Director Hillman stated that the EDA historically requests the maximum levy amount set by State statute. For 2024, the amount is \$186,812 which is an increase of \$33,951 due to a significant increase in City market value. How the EDA determines how to spend the funds by line item can be determined in the upcoming months.

Commissioner Bieser stated that the taxes have increased with the increase of market value. The EDA should be able to operate at the same amount as 2023 to reduce the burden.

Commissioner Johnson stated that he would be comfortable requesting the maximum. The Council can deny that amount. The EDA could also reduce their actual levy prior to December 31<sup>st</sup> when the budget is being determined. If all of the consultant contracts stay the same, which he doesn't think will happen, this creates another \$34,000 to create initiative programs like the EDA has discussed at its workshops.

Commissioner O'Day stated that he would push for the maximum levy for the EDA as he believes it is some of the most important funding that the City has.

**MOVED AND SECONDED BY COMMISSIONERS O'DAY AND BEVANS TO REQUEST THE MAXIMUM LEVY AMOUNT FOR THE EDA FROM THE CITY COUNCIL.**

Commissioners Bevans, Grecula, Johnson, Kirsch, O'Day, and Yeager voted "aye". Commissioner Bieser voted "nay". The Chair declared the motion carried.

### **Update on Framework Progress**

Community Development Director Kramvik gave an overview of the deliverables. The consultants met on July 11<sup>th</sup>. Visit Brainerd would like to schedule a workshop to present the draft website, logo, and slogan. The Planning Commission has agreed to hear considerations for Washington Street Mixed-Use. Staff attended the BPU Coordination meeting to discuss waiving SAC and WAC along Washington Street, there will be an update on this at a future meeting.

### **Set Workshop for Website Review and Discussion of EDA Vision**

Community Development Director Kramvik stated that the workshop will discuss the branding and consultants agreements/ long-term vision of EDA. Staff will send out a poll.

### **Staff Reports**

Tyler Glynn, BLAEDC, gave an update on the DEED Mainstreet Grant funds. Most projects have been paid or are close to being invoiced to DEED. Mr. Glynn deferred to HRA Director Charpentier to discuss the funding for DW Jones. BLAEDC's staff has also made contact with 25 of the businesses on Washington, 7 surveys have been returned.

Chair Yeager asked if the subcommittee should schedule a meeting to have a backup plan in case DW Jones does not incur costs.

Commissioner Johnson stated that it would not be a bad idea for the subcommittee to meet. DW Jones attended the last HRA meeting, it was indicated to them that the only thing they need to do to

quality would be to engage with architects and start incurring costs. He also knows that the next two projects on the list are already under way as well.

Chair Yeager stated that at the last Planning Commission meeting Mr. Stangler's project that was awarded DEED Mainstreet Funds was questioned whether it properly qualified for funding.

Mr. Glynn stated that they have not heard back from DEED on this.

HRA Director Charpentier stated that DW Jones will be getting the project started with architectural aspects. The Planning Commission reviewed the project and City Council approved the HRA to establish the Redevelopment TIF District with DW Jones. This will be helpful for DW Jones to continue pursuing other funding streams. The HRA approved and dispersed the grant for Lakes Area Habitat for Humanity in the amount of \$20,000.

Executive Director Bergman stated that she and Community Development Director Kramvik toured the "Just for Krypto" site, it was fascinating. Any EDA members wishing to tour, she strongly encourages it.

### **Commissioner Comments/Questions**

Commissioner Johnson stated that he attended the DDBC downtown businesses visits, they visited Dragon Forge Games and Fancy Pants Chocolates. It was informative and fun. There is a new business downtown, creating forever jewelry.

Commissioner Bevans stated that he also attended the downtown business visits, very interesting in reference to the challenges that they will face in the future for location. He went to the Parlor to the DDBC Business Social it was very interesting.

Commissioner Kirsch stated that Knotty Pine participated in Street Fest. It was the best attended that she's seen. The vendor market seemed to bring a lot of traffic downtown, that was a very positive addition to the event. Hopefully, coordination with the Jaycee's and DDBC can happen in the future to encourage movement through shops.

### **Adjourn**

MOVED AND SECONDED BY COMMISSIONERS BEVANS AND JOHNSON, DULY CARRIED, TO ADJOURN THE MEETING.

The Authority adjourned at 8:23 a.m.

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Secretary/Treasurer

**BRAINERD ECONOMIC DEVELOPMENT AUTHORITY**  
**Wednesday, September 6th, 2023, 7:30 a.m.**  
**City Hall Council Chambers**

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

Upon roll call Commissioners Kelly Bevans, Toni Bieser, Justin Grecula, Gabe Johnson, Marie Kirsch, Mike O'Day, Paul Sandy, and Kevin Yeager, were noted as present. Also, present were Executive Director Bergman, Finance Director Hillman, Community Development Director Kramvik, HRA Director Charpentier, Mary Devine-Johnson, Consultant Visit Brainerd, and Tyler Glynn, Consultant BLAEDC.

**Discussion on Branding and Website**

Mary Devine-Johnson, Visit Brainerd Consultant, gave an overview of the two logo designs she developed. She gave the Authority scorecards to score the designs developed.

Commissioner Kirsch asked whether omitting "Authority" was intentional in the designs.

Ms. Devine-Johnson stated that it was intentional from the perspective of the forward action of the authority.

Commissioner Johnson stated that he does not like "Let's Shine", he thinks its corny.

Ms. Devine-Johnson stated that "Let's Shine" could be eliminated, there could be other options for the tagline.

The Commission asked Ms. Devine-Johnson to bring back three versions of the "Our Future is Bright" version of the logo.

Ms. Devine-Johnson introduced the website being developed.

**Discussion on 2024 Consultants Agreements and Future Scope of Services**

Community Development Director Kramvik gave an overview of the staff's recommended scope of services for 2024, as well as future planning. He introduced a program that BLAEDC currently has that uses AI technology and location services to give metrics for visits to businesses or areas.

Tyler Glynn stated that they received a grant for the Placer AI program, which is a "foot traffic analytics". The program is \$15,000 per year. This could be something that could be added to the scope of services for BLAEDC.

Commissioner Sandy stated that he did a google search to see what replacements would be for Placer AI, ArcGIS which is a system that the City already has license to. Would it be worthwhile using other programs, or to use the software that we already have if it is capable of all these things.

Commissioner Bevans stated that marketing and getting properties listed is an absolute priority.

Chair Yeager stated that moving forward we wanted groups to be getting together quarterly. He would like to see quarterly meetings.

**Adjourn**

The Authority adjourned at 9:21 a.m.

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Secretary/Treasurer

# Financial Report for EDA

As of August 31, 2023

|   | <u>Cash &amp;<br/>Investments</u> | <u>Receivable<br/>Balance</u> | <u>Deferred<br/>Loans (as of<br/>12/31/22) **</u> | <u>Awarded<br/>Grants</u> |
|---|-----------------------------------|-------------------------------|---|---------------------------|
| <b>General Funds:</b>   |                                   |                               |   |                           |
| EDA Fund - #295   | \$ 77,340                         | \$ -                          | \$ -  | \$ -                      |
| <b>Total</b>  | <b>\$ 77,340</b>                  | <b>\$ -</b>                   | <b>\$ -</b>                                       | <b>\$ -</b>               |
| <b>CDBG (Housing/Commerical (Slum &amp; Blight/Federal Objective)):</b> |                                   |                               |   |                           |
| Downtown - #298   | \$ 64,834                         | \$ 5,622                      | \$ 359,515  | \$ -                      |
| SE Brainerd - #215  | 52,316                            | -                             | 149,924   | -                         |
| NE Brainerd - #218  | -                                 | -                             | 223,090   | -                         |
| Willows Project - #209  | -                                 | -                             | 47,286  | -                         |
| Old Housing - #209  | 3,358                             | -                             | -   | -                         |
| Local Income - #275   | 78,632                            | 13,412                        | 11,850  | -                         |
| <b>Total</b>  | <b>\$ 199,141</b>                 | <b>\$ 19,034</b>              | <b>\$ 791,666</b>                                 | <b>\$ -</b>               |
| <b>Federal &amp; State MIF (Commerical (Jobs)):</b>                     |                                   |                               |   |                           |
| Commerical - #210 ^^^   | \$ -                              | \$ 646,427                    | \$ -  | \$ -                      |
| Federal MIF - #296  | 18,568                            | -                             | -   | -                         |
| <b>Total</b>  | <b>\$ 18,568</b>                  | <b>\$ 646,427</b>             | <b>\$ -</b>                                       | <b>\$ -</b>               |
| <b>Grand Total</b>  | <b>\$ 295,049</b>                 | <b>\$ 665,461</b>             | <b>\$ 791,666</b>                                 | <b>\$ -</b>               |

\*\* 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<br>08/31/2022 | PERIOD ENDED<br>08/31/2023 |
|---|---------------------------|----------------------------|----------------------------|
| *** Assets ***                            |                           |                            |                            |
| 295-0000-10100                            | CASH                      | 69,445.83                  | 77,339.86                  |
| 295-0000-10700                            | DELINQUENT TAX RECEIVABLE | 6,578.78                   | 6,467.34                   |
| 295-0000-16160                            | FA-LAND HELD FOR RESALE   | 488,252.22                 | 460,396.74                 |
| <b>Total Assets</b>                       |                           | <b>564,276.83</b>          | <b>544,203.94</b>          |
| *** Liabilities ***                       |                           |                            |                            |
| 295-0000-20600                            | DEPOSITS PAYABLE          | 11,591.00                  | 9,258.00                   |
| 295-0000-22200                            | DEFERRED REVENUE          | 488,252.22                 | 460,396.74                 |
| 295-0000-22210                            | DEFERRED TAXES RECEIVABLE | 4,431.78                   | 4,202.29                   |
| <b>Total Liabilities</b>                  |                           | <b>504,275.00</b>          | <b>473,857.03</b>          |
| *** Fund Balance ***                      |                           |                            |                            |
| 295-0000-28900                            | FUND BALANCE/EQUITY ACCT  | 68,771.70                  | 69,279.63                  |
| <b>Total Fund Balance</b>                 |                           | <b>68,771.70</b>           | <b>69,279.63</b>           |
| <b>Beginning Fund Balance</b>             |                           | <b>68,771.70</b>           | <b>69,279.63</b>           |
| <b>Net of Revenues VS Expenditures</b>    |                           | <b>(8,769.87)</b>          | <b>1,067.28</b>            |
| <b>Ending Fund Balance</b>                |                           | <b>60,001.83</b>           | <b>70,346.91</b>           |
| <b>Total Liabilities And Fund Balance</b> |                           | <b>564,276.83</b>          | <b>544,203.94</b>          |

PERIOD ENDING 08/31/2023

| GL NUMBER                                   | DESCRIPTION                | ACTIVITY FOR                 |                                 | YTD BALANCE                     | % BGD<br>USED |
|---|----------------------------|------------------------------|---------------------------------|---------------------------------|---------------|
|   |                            | 2023 MONTH<br>AMENDED BUDGET | 08/31/2023<br>CREASE (DECREASE) | 08/31/2023<br>NORMAL (ABNORMAL) |               |
| Fund 295 - EDA FUND                         |                            |                              |                                 |                                 |               |
| Function: Unclassified                      |                            |                              |                                 |                                 |               |
| Dept 0000                                   |                            |                              |                                 |                                 |               |
| Revenues                                    |                            |                              |                                 |                                 |               |
| TAXES & PENALTIES                           |                            |                              |                                 |                                 |               |
| 295-0000-31010                              | CURRENT AD VALOREM         | 152,861.00                   | 0.00                            | 86,123.28                       | 56.34         |
| 295-0000-31020                              | DELINQUENT AD VALOREM      | 0.00                         | 0.00                            | 1,087.09                        | 100.00        |
| TAXES & PENALTIES                           |                            | 152,861.00                   | 0.00                            | 87,210.37                       | 57.05         |
| OTHER REVENUE                               |                            |                              |                                 |                                 |               |
| 295-0000-36210                              | INTEREST INCOME            | 460.00                       | 0.00                            | 381.52                          | 82.94         |
| OTHER REVENUE                               |                            | 460.00                       | 0.00                            | 381.52                          | 82.94         |
| OTHER FINANCING SOURCES                     |                            |                              |                                 |                                 |               |
| 295-0000-39101                              | SALE OF ASSETS             | 0.00                         | 0.00                            | 227,815.00                      | 100.00        |
| OTHER FINANCING SOURCES                     |                            | 0.00                         | 0.00                            | 227,815.00                      | 100.00        |
| TOTAL REVENUES                              |                            | 153,321.00                   | 0.00                            | 315,406.89                      | 205.72        |
| Net - Dept 0000                             |                            | 153,321.00                   | 0.00                            | 315,406.89                      |               |
| Dept 6510 - ECONOMIC DEVELOPMENT AUTH       |                            |                              |                                 |                                 |               |
| Expenditures                                |                            |                              |                                 |                                 |               |
| SERVICES                                    |                            |                              |                                 |                                 |               |
| 295-6510-43300                              | PROFESSIONAL SERVICES      | 137,000.00                   | 11,492.44                       | 80,954.66                       | 59.09         |
| 295-6510-43350                              | PRINTING/LEGAL PUBLICATION | 0.00                         | 0.00                            | 27.10                           | 100.00        |
| 295-6510-43361                              | INS - GENERAL LIABILITY    | 91.00                        | 36.45                           | 123.85                          | 136.10        |
| 295-6510-43430                              | MISCELLANEOUS              | 10,880.00                    | 44.00                           | 69.00                           | 0.63          |
| 295-6510-43435                              | BOOKS/PAMPHLETS/DUES       | 5,350.00                     | 0.00                            | 5,350.00                        | 100.00        |
| SERVICES                                    |                            | 153,321.00                   | 11,572.89                       | 86,524.61                       | 56.43         |
| TOTAL EXPENDITURES                          |                            | 153,321.00                   | 11,572.89                       | 86,524.61                       | 56.43         |
| Net - Dept 6510 - ECONOMIC DEVELOPMENT AUTH |                            | (153,321.00)                 | (11,572.89)                     | (86,524.61)                     |               |
| Dept 9300 - TRANSFERS OUT                   |                            |                              |                                 |                                 |               |
| Expenditures                                |                            |                              |                                 |                                 |               |
| OTHER FINANCING USES                        |                            |                              |                                 |                                 |               |
| 295-9300-47720                              | TRANSFERS OUT              | 0.00                         | 0.00                            | 227,815.00                      | 100.00        |
| OTHER FINANCING USES                        |                            | 0.00                         | 0.00                            | 227,815.00                      | 100.00        |
| TOTAL EXPENDITURES                          |                            | 0.00                         | 0.00                            | 227,815.00                      | 100.00        |
| Net - Dept 9300 - TRANSFERS OUT             |                            | 0.00                         | 0.00                            | (227,815.00)                    |               |
| Total - Function Unclassified               |                            | 0.00                         | (11,572.89)                     | 1,067.28                        | 100.00        |
| TOTAL REVENUES                              |                            | 153,321.00                   | 0.00                            | 315,406.89                      | 205.72        |
| TOTAL EXPENDITURES                          |                            | 153,321.00                   | 11,572.89                       | 314,339.61                      | 205.02        |
| NET OF REVENUES & EXPENDITURES              |                            | 0.00                         | (11,572.89)                     | 1,067.28                        | 100.00        |

CHECK DISBURSEMENT REPORT FOR CITY OF BRAINERD  
 CHECK DATE FROM 07/01/2023 - 08/31/2023

| Check Date                    | Bank | Check # | Invoice                    | Payee                         | Description                       | Account        | Dept         | Amount         |
|-------------------------------|------|---------|----------------------------|-------------------------------|-----------------------------------|----------------|--------------|----------------|
| Fund: 295 EDA FUND            |      |         |                            |                               |                                   |                |              |                |
| 07/05/2023                    | BB   | 96179   | JUNE 2023                  | BRAINERD LAKES AREA DEV C     | PROFESSIONAL SERVICES             | 43300          | 6510         | 2,916.67       |
| 07/05/2023                    | BB   | 96191   | JUNE 2023                  | DESTINATION DOWNTOWN BRAINERD | PROFESSIONAL SERVICES             | 43300          | 6510         | 909.09         |
| 07/05/2023                    | BB   | 96225   | JUNE 2023                  | SWANSON HASKAMP CONSULTING    | PROFESSIONAL SERVICES             | 43300          | 6510         | 2,916.67       |
| 07/05/2023                    | BB   | 96230   | JUNE 2023                  | VISIT BRAINERD                | PROFESSIONAL SERVICES             | 43300          | 6510         | 3,333.34       |
| 07/19/2023                    | BB   | 96324   | 234269-1                   | FORUM COMMUNICATIONS COMPANY  | PRINTING/LEGAL PUBLICATION        | 43350          | 6510         | 14.14          |
| 08/09/2023                    | BB   | 96477   | JULY 2023                  | BRAINERD LAKES AREA DEV C     | PROFESSIONAL SERVICES             | 43300          | 6510         | 2,916.67       |
| 08/09/2023                    | BB   | 96494   | JULY 2023                  | DESTINATION DOWNTOWN BRAINERD | PROFESSIONAL SERVICES             | 43300          | 6510         | 909.09         |
| 08/09/2023                    | BB   | 96514#  | BR345-00135<br>BR345-00135 | KENNEDY & GRAVEN              | DEPOSITS PAYABLE<br>MISCELLANEOUS | 20600<br>43430 | 0000<br>6510 | 66.00<br>44.00 |
| CHECK BB 96514 TOTAL FOR FUND |      |         |                            |                               |                                   |                |              | 110.00         |
| 08/09/2023                    | BB   | 96546   | JULY 2023                  | SWANSON HASKAMP CONSULTING    | PROFESSIONAL SERVICES             | 43300          | 6510         | 2,916.67       |
| 08/09/2023                    | BB   | 96553   | JULY 2023                  | VISIT BRAINERD                | PROFESSIONAL SERVICES             | 43300          | 6510         | 3,333.34       |
| 08/24/2023                    | BB   | 96619   | 40001339/3RD 2023          | LEAGUE MN CITIES INS TRUS     | INS - GENERAL LIABILITY           | 43361          | 6510         | 36.45          |
| Total for fund 295 EDA FUND   |      |         |                            |                               |                                   |                |              | 20,312.13      |

'#'-INDICATES CHECK DISTRIBUTED TO MORE THAN ONE DEPARTMENT

| Date               | JNL | Type | Description                                      | Reference # | Debits       | Credits   | Balance      |
|--------------------|-----|------|--|-------------|--------------|-----------|--------------|
| Fund 295 EDA FUND  |     |      |  |             |              |           |              |
| Assets             |     |      |  |             |              |           |              |
| 07/01/2023         |     |      | <b>295-0000-10100 CASH</b>                       |             | BEG. BALANCE |           | 73,986.62    |
| 07/05/2023         | GJ  | JE   | TO RECEIPT IN TAX SETTLEMENT                     | 1774        | 26,498.71    |           | 100,485.33   |
| 07/31/2023         | GJ  | JE   | TO RECORD SERVICES TO EDA PER BUDGET             | 1788        |              | 1,416.67  | 99,068.66    |
| 08/31/2023         | GJ  | JE   | TO RECORD SERVICES TO EDA PER BUDGET             | 1810        |              | 1,416.67  | 97,651.99    |
| 08/31/2023         |     |      | 295-0000-10100                                   | END BALANCE | 26,498.71    | 2,833.34  | 97,651.99    |
| 07/01/2023         |     |      | <b>295-0000-10700 DELINQUENT TAX RECEIVABLE</b>  |             | BEG. BALANCE |           | 6,467.34     |
| 08/31/2023         |     |      | 295-0000-10700                                   | END BALANCE | 0.00         | 0.00      | 6,467.34     |
| 07/01/2023         |     |      | <b>295-0000-16160 FA-LAND HELD FOR RESALE</b>    |             | BEG. BALANCE |           | 460,396.74   |
| 08/31/2023         |     |      | 295-0000-16160                                   | END BALANCE | 0.00         | 0.00      | 460,396.74   |
| TOTAL Assets       |     |      |  |             | 26,498.71    | 2,833.34  | 564,516.07   |
| Liabilities        |     |      |  |             |              |           |              |
| 07/01/2023         |     |      | <b>295-0000-20600 DEPOSITS PAYABLE</b>           |             | BEG. BALANCE |           | (9,324.00)   |
| 08/31/2023         |     |      | 295-0000-20600                                   | END BALANCE | 0.00         | 0.00      | (9,324.00)   |
| 07/01/2023         |     |      | <b>295-0000-22200 DEFERRED REVENUE</b>           |             | BEG. BALANCE |           | (460,396.74) |
| 08/31/2023         |     |      | 295-0000-22200                                   | END BALANCE | 0.00         | 0.00      | (460,396.74) |
| 07/01/2023         |     |      | <b>295-0000-22210 DEFERRED TAXES RECEIVABLE</b>  |             | BEG. BALANCE |           | (4,202.29)   |
| 08/31/2023         |     |      | 295-0000-22210                                   | END BALANCE | 0.00         | 0.00      | (4,202.29)   |
| TOTAL Liabilities  |     |      |  |             |              |           | (473,923.03) |
| Revenues           |     |      |  |             |              |           |              |
| 07/01/2023         |     |      | <b>295-0000-31010 CURRENT AD VALOREM</b>         |             | BEG. BALANCE |           | (60,018.41)  |
| 07/05/2023         | GJ  | JE   | TO RECEIPT IN TAX SETTLEMENT                     | 1774        |              | 26,103.98 | (86,122.39)  |
| 07/05/2023         | GJ  | JE   | TO RECEIPT IN TAX SETTLEMENT                     | 1774        |              | 0.89      | (86,123.28)  |
| 08/31/2023         |     |      | 295-0000-31010                                   | END BALANCE | 0.00         | 26,104.87 | (86,123.28)  |
| 07/01/2023         |     |      | <b>295-0000-31020 DELINQUENT AD VALOREM</b>      |             | BEG. BALANCE |           | (693.25)     |
| 07/05/2023         | GJ  | JE   | TO RECEIPT IN TAX SETTLEMENT                     | 1774        |              | 357.92    | (1,051.17)   |
| 07/05/2023         | GJ  | JE   | TO RECEIPT IN TAX SETTLEMENT                     | 1774        |              | 35.92     | (1,087.09)   |
| 08/31/2023         |     |      | 295-0000-31020                                   | END BALANCE | 0.00         | 393.84    | (1,087.09)   |
| 07/01/2023         |     |      | <b>295-0000-36210 INTEREST INCOME</b>            |             | BEG. BALANCE |           | (381.52)     |
| 08/31/2023         |     |      | 295-0000-36210                                   | END BALANCE | 0.00         | 0.00      | (381.52)     |
| 07/01/2023         |     |      | <b>295-0000-39101 SALE OF ASSETS</b>             |             | BEG. BALANCE |           | (227,815.00) |
| 08/31/2023         |     |      | 295-0000-39101                                   | END BALANCE | 0.00         | 0.00      | (227,815.00) |
| TOTAL Revenues     |     |      |  |             |              | 26,498.71 | (315,406.89) |
| Expenditures       |     |      |  |             |              |           |              |
| 07/01/2023         |     |      | <b>295-6510-43300 PROFESSIONAL SERVICES</b>      |             | BEG. BALANCE |           | 57,969.78    |
| 07/31/2023         | GJ  | JE   | TO RECORD SERVICES TO EDA PER BUDGET             | 1788        | 1,416.67     |           | 59,386.45    |
| 08/31/2023         | GJ  | JE   | TO RECORD SERVICES TO EDA PER BUDGET             | 1810        | 1,416.67     |           | 60,803.12    |
| 08/31/2023         |     |      | 295-6510-43300                                   | END BALANCE | 2,833.34     | 0.00      | 60,803.12    |
| 07/01/2023         |     |      | <b>295-6510-43350 PRINTING/LEGAL PUBLICATION</b> |             | BEG. BALANCE |           | 12.96        |
| 08/31/2023         |     |      | 295-6510-43350                                   | END BALANCE | 0.00         | 0.00      | 12.96        |
| 07/01/2023         |     |      | <b>295-6510-43361 INS - GENERAL LIABILITY</b>    |             | BEG. BALANCE |           | 87.40        |
| 08/31/2023         |     |      | 295-6510-43361                                   | END BALANCE | 0.00         | 0.00      | 87.40        |
| 07/01/2023         |     |      | <b>295-6510-43435 BOOKS/PAMPHLETS/DUES</b>       |             | BEG. BALANCE |           | 5,350.00     |
| 08/31/2023         |     |      | 295-6510-43435                                   | END BALANCE | 0.00         | 0.00      | 5,350.00     |
| 07/01/2023         |     |      | <b>295-9300-47720 TRANSFERS OUT</b>              |             | BEG. BALANCE |           | 227,815.00   |
| 08/31/2023         |     |      | 295-9300-47720                                   | END BALANCE | 0.00         | 0.00      | 227,815.00   |
| TOTAL Expenditures |     |      |  |             | 2,833.34     |           | 294,068.48   |

**City of Brainerd**  
**Economic Development Authority**  
**Scope of Services Monthly Report**

Date: September 28, 2023  
 From: Jennifer Haskamp, SHC  
 RE: Activities performed through September 2023

**Overview of Monthly Activities:**

SHC prepared one-page marketing documents/flyers for the priority Industrial land and the Underutilized Parking Lots that were studied in 2022. The marketing documents and flyers are available on the Brainerd EDA properties website. Over the past couple of months, SHC has been working to develop Concept Plans for the Industrial land priority areas. The preliminary Concept Plans will be presented at the October meeting for discussion.

**Activities by Scope Task:**

| SCOPE | TASK   |
|-------|--|
| a.    | Create and maintain an inventory of under-utilized and/or undeveloped property.  |
|       | SHC Activities: <ul style="list-style-type: none"> <li>• Working with Staff to perform analysis. Report/summary to be provided in Q4. Note this analysis will be incomplete until it is known whether changes on Washington will allow/permit residential uses. Staff plans to have discussion with Planning Commission in the coming months.</li> </ul> |
| b.    | Develop strategy for marketing and promotion for identified properties established in 2023 priority.   |
|       | SHC Activities: <ul style="list-style-type: none"> <li>• Prepared marketing flyers for priority areas identified in 2022 and 2023. Flyers include: Industrial areas and underutilized parking lots.</li> <li>• Updated BrainerdEDAProperties to include priority properties.</li> <li>• Prepared Concept Plans for Industrial land</li> </ul>            |
| c.    | Establish relationship with developers on behalf of the EDA.   |
|       | SHC Activities:  |
| d.    | Participate in quarterly roundtable discussions with the City of Brainerd Staff and all other consultants.   |
|       | SHC Activities:  |

|    |  |
|----|--|
|    | <ul style="list-style-type: none"> <li>• Attended meeting on September 21, 2023</li> </ul>   |
| e. | Lead/Participate in one (1) business roundtable. Topic to address growth (location/site/physical building) and future plans in Brainerd.   |
|    | SHC Activities: <ul style="list-style-type: none"> <li>• Working with BLAEDC to prepare preliminary survey and identify date for round table. Planning meeting schedule 10/05</li> </ul> |
| f. | Attend regular meetings of the EDA (minimum of four meetings.)   |
|    | SHC Activities: <ul style="list-style-type: none"> <li>• Attending 10/5 meeting to present Concept Plans</li> </ul>  |

**City of Brainerd**  
**Economic Development Authority**  
**Scope of Services Monthly Report**  
**Destination Downtown Business Coalition**

**Report Date:** September 27<sup>th</sup>, 2023

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**1. Produce promotional videos featuring local business owners.**

Update: Contract has been set to work with Katie Lange for 12 video's featuring different businesses in the downtown district. Videos will start production in October.

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**2. Host 4 business owner networking events.**

Update: The last business owner social networking event of the year is scheduled for October 25<sup>th</sup>.

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**3. Main Street Programming**

- a. Mainstreet America Affiliate Membership**
- b. Organize/Host Kickoff Meeting with Main Street America/Rethos Staff**
- c. Attend Educational Events/Classes to Support a Main Street Program**
- d. Main Street Events**

Update:

- a. Our application for Main Street Affiliate membership was approved on May 25<sup>th</sup>, 2023. Downtown Brainerd is now officially part of the Minnesota Main Streets network as an Associate Community. The membership status is stated as Associate Community, Main Street America has changed accreditation titles from affiliate to associate. No other changes to the program were made besides the name.
  - b. Kick-off meeting and tour occurred on August 28<sup>th</sup>, 2023. Emily from Rethos (Main Street MN) toured downtown, then presented an informational session that was well attended.
  - c. No current classes scheduled.
  - d.
    - 1. Spooktacular event is currently being planned and will take place on October 28<sup>th</sup>, 2023.
    - 2. The next monthly business showcase will take place on October 19<sup>th</sup>, 2023.
    - 3. Small Business Saturday committee is currently being formed and planning will start in October. Small Business Saturday events take place on November 25<sup>th</sup>, 2023.
-

**4. Participate in quarterly consultant meetings.**

Update: Mary represented the DDBC at the last consultant meeting on September 21<sup>st</sup>.

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**5. Other Misc. Updates**

Update: No update.

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**City of Brainerd**  
**Economic Development Authority**  
**Scope of Services Monthly Report**  
**Visit Brainerd**

**Report Date: 9/28/2023**

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**a. Develop website.**

Update: In progress. The framework of the website design is about 85% complete and the copy for the website is about 75% complete. We are waiting to finalize the logo and brand (expected approval at the regular EDA meeting in October) before we can finalize the design. We are on schedule to go live before the end of the year.

---

**b. Develop a branding package including a slogan and logo.**

Update: In progress. Presented two designs at a special EDA meeting on Aug. 3, narrowed it down to one design and the directive of bringing three versions of that design to the October EDA meeting.

---

**c. 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: Ads running in IQ magazine; rest TBD.

Recommendation: Develop a LinkedIn page for the Brainerd EDA; ownership and management of it must be discussed before doing this though.

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**d. 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: No updates.

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**e. 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: Finalizing the ad buy for this campaign but intend to do a multi-media campaign similar to previous years:

- On-air radio ads on Hubbard Broadcasting
- On-air radio ads on MPR Brainerd stations
- Print ads in Brainerd Dispatch
- Digital billboards on Hwy. 371
- Over-the-Top (OTT) streaming ads with Spectrum Reach
- Ads in Best of Coupon book TBD

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**f. Participate in quarterly roundtable discussions with City of Brainerd staff and all other consultants providing services to the EDA**

Update:

- Attended consultants meeting on Sept. 21

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**g. Attend the regular meeting of the EDA no less than 4 times during the duration of this contract.**

Update: Attended the following meetings:

- Attended regular EDA meeting August 2023
- Attended regular EDA meeting June 2023
- Attended regular EDA meeting April 2023
- Attended regular EDA meeting February 2023

Attended additional EDA-related meetings:

- Attended the DDBC Downtown Business Visits on Jul. 20
- Attended the DDBC Downtown Business Visits on Aug. 17
- Attended the DDBC/Brainerd Main Street Lunch & Learn on Aug. 28
- Attended Main Street Grant Meeting on Sept. 28

# MEMO



**TO:** EDA Board of Commissioners

**FROM:** James Kramvik, Community Development Director

**DATE:** October 5<sup>th</sup>, 2023

**RE:** Approve Reallocation of Deed Mainstreet Grant Funds

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## INTRODUCTION

The EDA subcommittee met on June 1<sup>st</sup> to reallocate funds that were declined after they were originally allocated in October of 2022. Ya-Sure Kombucha, Knotty Pine Bakery, and Region 5 declined a total of \$59,017. The Donut Company declined \$26,100; however, Big Jay's proposed a project for \$15,000 in the same space. The EDA approved funding \$15,000 to Big Jay's Pizza at 215 S 7<sup>th</sup> St., and funding \$70,117 to 416 S 6<sup>th</sup> Street LLC at the June 8<sup>th</sup>, 2023 meeting.

Since the reallocation of funds at the June 8<sup>th</sup> EDA meeting;

- 1) Big Jays Pizza was unable to move forward with their expansion project which was awarded \$15,000 in grant funding.
- 2) Teeny Bubbles was originally awarded \$150,000 but was only able to use \$69,766.80 of the grant money leaving a total of \$80,233.20 for reallocation.
- 3) Lakes Chiropractic has a remainder of \$1,896.49 of grant funding from their project that was completed in 2023.

A total of **\$97,129.69** must be reallocated to alternate projects that have previously applied for the Deed Mainstreet Grant. The EDA subcommittee met on September 28<sup>th</sup> and recommended additional funding for the Brainerd YMCA and Severson Porter Law Office.

- **Brainerd Family YMCA** – Original request was for \$300,000 and was awarded \$100,000 for a difference of \$200,000. The Project is currently under construction.
- **Severson Porter Law Office** – Original request was for \$180,000 and has not received funds. The Project is currently under construction.

## RECOMMENDATION

Recommend awarding the Brainerd Family YMCA an additional \$50,000 and Severson Porter Law Office the remaining \$47,129.69.

# MEMO



**TO:** EDA Board of Commissioners

**FROM:** James Kramvik, Community Development Director

**DATE:** October 5<sup>th</sup>, 2023

**RE:** Consider Recommendation to Remove Section 435 of the City Code Pertaining to Manufactured Home Park Closings

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## INTRODUCTION

The EDA held a workshop on June 28<sup>th</sup> to discuss Westwood Mobile Home Park. Staff presented a summary of Minnesota Statute 327C.095 which pertains to park closings as well as information about the Minnesota Manufactured Home Relocation Trust Fund. Staff also presented a summary of Brainerd City Code Section 435 which also pertains to manufactured home park closings. Brainerd was one of a few cities in Minnesota that adopted an Ordinance prior to the State passing Statute 327C.095 in order to protect citizens residing in manufactured home parks. The City adopted the Ordinance in 2005, which was two years prior to the State Statute.

Upon further research in preparation for the report, Staff discovered an expiration provision in Section 435 which states “This effect of this ordinance denoted as Section 435 Regulating Manufactured Home Park Closings shall expire on July 1, 2015.” In addition to the expiration of the ordinance, the State Statute has clear language that ensures the entity closing the park does not pay additional fees due to local ordinance language.

## RECOMMENDATION

Staff recommends no action at this time as Section 435 has expired. Staff will work with the property owners of Westwood Mobile Home Park to list their property on the EDA website. Staff will recommend removal of Section 435 if City Council approves codification of the City Code.

# MEMO



**TO:** EDA Board of Commissioners

**FROM:** James Kramvik, Community Development Director

**DATE:** October 5<sup>th</sup>, 2023

**RE:** Update on Framework Progress

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## INTRODUCTION

Staff organized and held the third quarter EDA consultants meeting on September 21<sup>st</sup> to coordinate ongoing goals and projects of the EDA. Staff does not view this as a rigid timeline, but as a guide to create collaboration between consultants to ensure all goals and objectives are completed by the end of the year. This report details upcoming deliverables from the consultants and other activities. Refer to the monthly report from the consultants for a list of all services provided.

## CONSULTANT OBJECTIVES AND ACTIVITIES

- 1) Visit Brainerd and SHC discussed collaboration for the final website.
- 2) Visit Brainerd will present options for the final logo and slogan at the October meeting.
- 3) SHC and City Staff met virtually to discuss the preliminary concept plans for the industrial park. SHC will present the concept plans at the October EDA meeting.
- 4) SHC and BLAEDC discussed the business roundtable breakfast and chose a potential date at the end of October.
- 5) Visit Brainerd or SHC will provide City Staff with a realty sign design for available Brainerd properties. Staff will reach out to a printing company for quotes.
- 6) BLAEDC indicated that they have received seven responses so far from the Washington St. survey.
- 7) DDBC held the kick-off meeting and toured downtown on August 28<sup>th</sup> as part of the Main Street program.
- 8) The City of Brainerd toured one business and will perform their BRE interviews in the 4<sup>th</sup> quarter.
- 9) City Staff updated the downtown business inventory.
- 10) City Staff will reach out to property owners with vacant storefronts for interest in marketing on the EDA website.
- 11) The Community Development Department recommends the Planning Commission work on mixed-use development in the Commercial Corridor District as the next ordinance project after the review of the short-term rental ordinance.
- 12) City Staff will continue to work with BPU on the River to Rails incentive program and possible extension in the Commercial Corridor District.

## Brainerd EDA Framework

| EDA Goals   | 1 <sup>st</sup> Quarter  | 2 <sup>nd</sup> Quarter  | 3 <sup>rd</sup> Quarter   | 4 <sup>th</sup> Quarter  |
|---|--|--|---|--|
| <p><b>Goal 1</b> - Create programs to seek funding to address identified needs.</p>   | <p><b>BLAEDC</b> provides City staff with a summary of needs identified from 2022 BRE interviews.</p> <p><b>BLAEDC</b> provides recommendations to improve BRE interviews.</p> | <p><b>City Staff</b> identifies areas of need for funding based on review of BLAEDC’s report.</p> <p><b>City Staff</b> Identifies programs in other locations similar to Destination Downtown.</p>   | <p><b>City Staff</b> seeks/ develops funding ideas for proposed programs and presents proposed programs to the EDA.</p> | <p><b>Visit Brainerd</b> prepares marketing strategy for 2024 Scope of Services agreement.</p>   |
| <p><b>Goal 2</b> - Create an inventory of under-used and under-developed properties and work with property owners to market them for redevelopment.</p> | <p><b>City Staff &amp; SHC</b> conduct a GIS assessment of underutilized properties and develop a metric system for underutilized properties</p>                               | <p><b>SHC</b> identifies possible uses for underutilized properties with staff and engages property owners to assess interest in participating in a redevelopment program. Underutilized property includes James St. Mobile Home Park.</p> | <p><b>SHC</b> provides a report to the EDA on interested properties.</p>  | <p><b>SHC</b> imports properties and information to website. <b>Visit Brainerd</b> prepares marketing strategy for 2024 Scope of Services agreement.</p> |

| <b>EDA Goals</b>  | <b>1<sup>st</sup> Quarter</b>   | <b>2<sup>nd</sup> Quarter</b>   | <b>3<sup>rd</sup> Quarter</b>   | <b>4<sup>th</sup> Quarter</b>   |
|---|---|---|---|---|
| <b>Goal 3</b> - Evaluate the City's vacant industrial property for compatible non-industrial uses that would address current and future needs of the community. | <b>SHC &amp; City Staff</b> prepares an inventory of all City owned property and analyzes the properties that are underutilized.  | <b>City Staff &amp; SHC</b> identify possible uses for underutilized city property and provides a report to the EDA       | <b>City Staff &amp; SHC</b> import vacant properties and property analysis onto website and create a policy to keep properties updated. | <b>Visit Brainerd</b> prepares marketing strategy for 2024 Scope of Services agreement.     |
| <b>Goal 4</b> - Interview existing businesses to identify each businesses' individual needs to take the next step in their business development                 | <b>BLAEDC</b> provides City staff with a summary of needs identified from 2022 BRE interviews.  | <b>City Staff</b> identifies 10 additional businesses to conduct interviews to assess needs for the business.             |   | <b>City Staff &amp; BLAEDC</b> evaluate and summarize the results from 2023 BRE interviews. |
|   |   | <b>City Staff</b> conducts 4 BRE interviews.  | <b>City Staff</b> conducts 3 BRE interviews.  | <b>City Staff</b> conducts 3 BRE interviews.  |
|   | <b>BLAEDC</b> conducts BRE interviews.<br><br>A portion of BRE interviews should include businesses along Washington Street to begin an inventory of business needs for the Washington Street reconstruction project. | <b>BLAEDC</b> conducts BRE interviews.<br><b>BLAEDC</b> develops an overall matrix to be able to evaluate business needs. | <b>BLAEDC</b> conducts BRE interviews.  | <b>BLAEDC</b> presents updated matrix to EDA.<br><b>BLAEDC</b> conducts BRE interviews.     |
|   |   | <b>SHC &amp; BLAEDC</b> creates and sends out a survey prior to roundtable breakfast to gauge interest and needs.         | <b>SHC &amp; BLAEDC</b> host 1 roundtable business owner breakfasts   | <b>SHC</b> provides a final report and summary from roundtable business owner breakfasts.   |

| <b>EDA Goals</b>   | <b>1<sup>st</sup> Quarter</b>  | <b>2<sup>nd</sup> Quarter</b>  | <b>3<sup>rd</sup> Quarter</b>  | <b>4<sup>th</sup> Quarter</b>   |
|--|--|--|--|---|
| <b>Goal 5</b> - Work with community partners to develop a cohesive marketing strategy for the Community. | All consultants participate in quarterly meeting to update and strategically plan completion of EDA goals.   | All consultants participate in quarterly meeting to update and strategically plan completion of EDA goals.   | All consultants participate in quarterly meeting to update and strategically plan completion of EDA goals.   | All consultants participate in quarterly meeting to update and strategically plan completion of EDA goals.  |
|  | <p><b>SHC</b> creates a web page for property marketing.</p> <p><b>Visit Brainerd</b> begins working with the City IT department on a website for the EDA.</p> | <p><b>SHC</b> designs a template page to describe all important characteristics of a marketable property.</p> <p><b>SHC</b> begins preparing a concept/ general master plan for a 10+ acre private property for residential use, Wright Street Industrial Property, and Brainerd Industrial Park Properties.</p> | <p><b>Visit Brainerd &amp; SHC</b> determine method to promote identified properties to developers and buyers.</p> <p><b>Visit Brainerd</b> works with City IT staff on developing web location to host marketable properties.</p> <p><b>SHC</b> presents to the EDA concepts/ general master plan for three areas of focus.</p> | <p>Marketable properties are hosted on determined web location.</p> <p><b>Visit Brainerd</b> proposes a marketing strategy in the 2024 Scope of Services.</p> |
|  | Consultants discuss cohesive and comprehensive marketing plan for the EDA at the quarterly meeting.  |  | <b>Visit Brainerd</b> provides options for slogan and branding at a regularly scheduled EDA meeting.   | <b>Visit Brainerd</b> inserts logo and slogan into the EDA website and future marketing plans   |
|  |  | <b>City Staff</b> compiles a list of vacant storefronts in the City of Brainerd.   | <b>Marketing Intern</b> reaches out to property owners with vacant storefronts and gauges interest in marketing opportunities. <b>Marketing Intern</b> coordinates with <b>Visit</b>   | <b>City Staff</b> works with interested property owners to create descriptive page on vacant tenant space.  |

|  |  |   |  |  |
|--|--|---|--|--|
|  |  |   | <b>Brainerd</b> on potential marketing campaign.   |  |
|  | DDBC applies for Mainstreet America Affiliate Membership | <b>DDBC</b> Organize and host kickoff meeting with Mainstreet America/ Rethos Staff.<br><b>DDCB</b> supports Mainstreet events through the summer with advertising materials. | <b>DDBC</b> updates the EDA on the Mainstreet Program and <b>DDBC</b> attend education events and classes to support the Mainstreet program. | <b>DDBC</b> provides a final report of main street activities, arranges for a main street representative to present to the EDA, and provides a recommendation forward for a main street coordinator. |
|  |  |   | <b>City Staff</b> provides options and pricing to the EDA for public signage of marketable properties.                                       | <b>City Staff</b> contracts for printing services.   |
|  |  | <b>Visit Brainerd</b> develops and implements a summer advertising campaign to shop at Brainerd businesses.   |  | <b>Visit Brainerd</b> develops and implements a winter advertising campaign to shop at Brainerd businesses.  |
|  |  |   |  | <b>DDBC</b> Hosts 4 business owner networking events.<br><b>DDBC</b> produces and distributes 12 promotional videos featuring local business owners.   |

*Note: All items in quarters address action steps and scope of service directed and agreed upon by the EDA.*

# MEMO



**TO:** EDA Board of Commissioners

**FROM:** James Kramvik, Community Development Director

**DATE:** October 5<sup>th</sup>, 2023

**RE:** Approve Final Logo and Slogan for the EDA

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## INTRODUCTION

Visit Brainerd presented two logos and slogans for the EDA at the September 6<sup>th</sup> workshop. The EDA considered the two logo options and wrote down rankings on a scoring sheet. City Staff tabulated the totals and option one, which stated “Our Future is Bright. Let’s Shine”, had the highest score. The EDA Board liked option one but did want to see possible slight adjustments made to the logo and slogan. The EDA directed Visit Brainerd to return to the October meeting with slight variations for a final approval of the logo and slogan.

The final logo and slogan design options are not included in the packet but will be handed out at the October 5<sup>th</sup> EDA meeting.

## OPTION ONE

















MEMO

To: Members of Brainerd EDA

CC: James Kramvik, Community Development Director

From: Jennifer Haskamp, AICP, SHC

Date: September 28, 2023

RE: Concept Plans for Industrial Priority Sites

As part of SHC’s scope of services for 2023 the EDA directed our team to prepare a Concept Plan for the priority Industrial properties in the City. At the upcoming October 5, 2023 SHC will present a couple concept plans for each identified area: 1) Wright Street Extension; and 2) Thiesse Drive Industrial Park. The following background information regarding each area is provided as a reference to assist with your review of the Concept Plans.

As a refresher, the EDA classified both areas as Tier 1 priorities.

**Tier 1 Industrial Properties:**

| USE Category (FLU/Zoning)   | Summary Characteristics   | Approach   |
|---|---|--|
| <ul style="list-style-type: none"> <li>➤ Wright Street Extension (unplatted)</li> <li>➤ Thiesse Drive (platted lots)</li> </ul> | <ul style="list-style-type: none"> <li>▪ Unplatted area is large contiguous acreage, with road network; does not appear “shovel ready” but could be opportunity for larger user</li> <li>▪ Platted industrial lots are “shovel ready” however their layout may need to be adjusted based on a user’s needs</li> <li>▪ Roads are available, both areas are accessible. However, in the Wright Street extension new local roads and/or driveways will likely be needed depending on the type of development.</li> </ul> | <ul style="list-style-type: none"> <li>▪ Establish base map, including existing utility information. (Potential to use as part of future marketing)</li> <li>▪ Perform “fit test” on platted lots for building size/developability analysis</li> <li>▪ Prepare summary high-level proforma</li> <li>▪ Perform general market research to identify leading industry sectors in area</li> </ul> <p>The approach outlined provided the base information from which the concepts were developed. As described in the following sections, it is likely that there is an oversupply of industrial land, and that the market will not support the full development of the Wright Street Extension and Thiesse Drive land. Therefore a mix of uses was considered as part of the Concept Plan process.</p> |

The following base maps and figures are provided as reference for each industrial area evaluated for the concept planning process.

Figure 1. Wright Street Extension (unplatted)

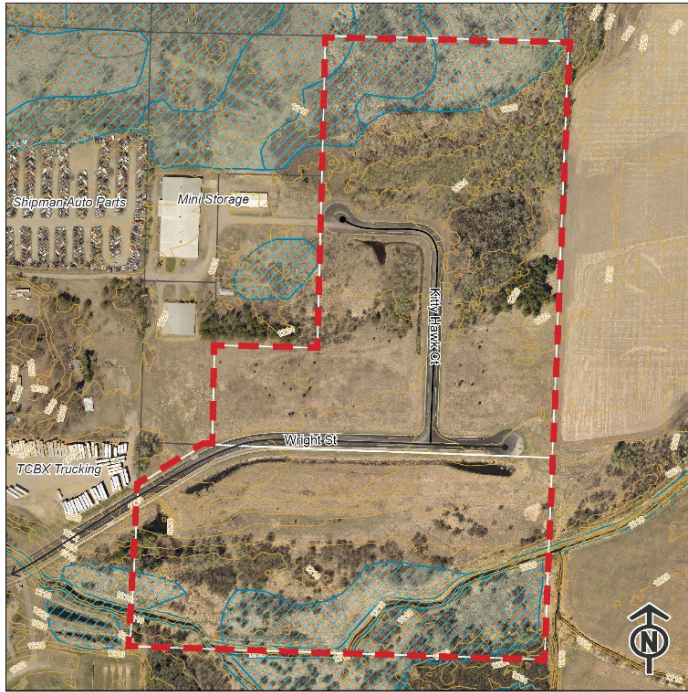


Figure 2. Wright Street Extension (unplatted) Buildable Acres



Figure 3. Thiesse Drive (platted)



Figure 3. Thiesse Drive (platted) Industrial Park Acres





The following market background is provided as reference. Please note that while there is market demand for Industrial land in Brainerd, the amount of land available likely exceeds what is needed unless a large user takes up a significant amount of acreage. Given that it is known that there is also a housing shortage, the concept plans that will be presented in October provide options to meet both housing and industrial demand.

**Industrial Market Considerations:**

- It is understood the EDA just sold two shovel-ready parcels at approximately \$78,557/Acre in the Thiesse Drive Industrial Park. This is a good comp to consider, especially for the remaining parcels that are platted in this area.
- The Brainerd Comprehensive Plan states that approximately 10% of workers in Brainerd work in either Construction or Manufacturing Industries.
- According to the JLL 2021 Midwest Industrial Report, the Midwest will need an additional 275 million square feet of modern warehouse product by 2025.
- The CBRE Industrial and Logistics U.S. Real Estate Market Outlook 2022 identified a need nationally for increased space to hold inventory to prevent supply chain disruptions, such as the one caused by COVID-19. CBRE also identifies a demand for “first-generation facilities” to support automated technologies in 2022 and beyond.

**Industrial Market Challenges**

- A challenge regarding attracting national industrial users in Brainerd is the lack of connection to a large interstate highway system. Brainerd may have better luck marketing to users based in Central Minnesota.
- It is widely known that there is a lack of workers in the Brainerd Lakes Area to support new industrial facilities. Crow Wing County unemployment rate is at a “full employment level” of 4% (March 2022).
- The St. Cloud NAR Commercial Real Estate Metro Market Report from Quarter 2 of 2021 states that while the area has a higher vacancy rate, slower rent growth, and slower construction activity than nationally, the industrial property market is stronger than nationally.
- The State of Minnesota has identified there are only 1.9 job seekers per job vacancy in Northwest Minnesota (includes the Brainerd Lakes Region.)

**Leading Industry Sectors in Area**

- Healthcare, Tourism, Education, Manufacturing

Major Employers (BLAEDC – data as of 2022)

| <b>Employers</b>                 | <b>Employees</b> | <b>Industry</b> |
|----------------------------------|------------------|-----------------|
| Essentia Health – Central Region | 1,496            | Healthcare      |
| Grandview Lodge                  | 997              | Tourism         |
| Cuyuna Regional Medical Center   | 973              | Healthcare      |
| Brainerd School District         | 900              | Education       |
| Clow Stamping                    | 545              | Manufacturing   |
| Breezy Point Resort              | 525              | Tourism         |
| Madden’s Resort                  | 500              | Tourism         |
| Ascensus                         | 480              | Tech. Services  |
| Crow Wing County                 | 471              | Government      |

# MEMO



**TO:** EDA Board of Commissioners

**FROM:** James Kramvik, Community Development Director

**DATE:** October 5<sup>th</sup>, 2023

**RE:** Consider Consultant Agreements for 2024

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## INTRODUCTION

At the January 5, 2023 EDA Board meeting, the Board authorized the chair and executive director to enter into shared services agreements with BLAEDC, Swanson-Haskamp, and Visit Brainerd. Prior to authorization, the consultants presented on their 2022 deliverables and scope of services. The EDA Board also authorized and adjusted the contract amount of \$10,000 to fund DDBC and authorized the chair and executive director to enter into the shared services agreement at the February 2, 2023 regular EDA Board meeting.

|                 | 2022      | 2023      |
|-----------------|-----------|-----------|
| BLAEDC          | \$35,000  | \$35,000  |
| DDBC            | \$23,350  | \$10,000  |
| Swanson Haskamp | \$31,900  | \$35,000  |
| Visit Brainerd  | \$35,250  | \$40,000  |
| Total           | \$125,500 | \$120,000 |

In addition to the consultants shared services agreements, the Board also authorized fully funding the agreement with the City of Brainerd for \$17,000 in 2023.

## 2024 EDA FUND PRELIMINARY LEVY REQUEST

At the August 3<sup>rd</sup> EDA Board Meeting, the Board approved a preliminary tax levy request of \$186,812, which is the maximum EDA fund allowed by state statute (469.107 s.1). The request was forwarded to City Council for consideration.

## 2023 GOALS AND OBJECTIVES OF THE EDA

A primary deliverable from the consultant agreements in 2023 is the creation of a branding package along with a website. A website, logo, and slogan are important steps in order to begin marketing the EDA and to create a space for all of the data and deliverables that have already been completed by the consultants. The EDA website, among other economic development information, will reference available properties owned by the City of Brainerd, concept plans for

Brainerd properties, and a list of underutilized or vacant properties. The website will become a “one stop shop” for potential business owners or developers.

## **2024 SCOPE OF SERVICES**

The following scope of services are recommended in addition to the routine deliverables in 2022 and 2023:

- 1) A marketing strategy and campaign for the new website and available Brainerd properties.
- 2) A plan or transition plan for website updates.
- 3) Available properties, both public and private, will need to be updated on a continual basis.
- 4) Consider entering into an agreement with a realty company to market Brainerd properties.
- 5) Printing and placement of signage on available properties.
- 6) Master planning trailside park.
- 7) Creation of a revolving loan fund for small businesses or façade improvements.

## **CONSULTANT OPTIONS**

- 1) The EDA continue with the current consultants with an adjusted scope of services to reflect new 2024 deliverables. Consultants should present their accomplishments and proposed contract at the December EDA meeting.
- 2) The EDA sends out an RFP for consultant services.
- 3) Begin research on job descriptions, duties, and salary for an Executive Director Position of the EDA.

## **STAFF RECOMMENDATION**

- 1) Approve staff to begin working with the current consultants on their 2024 scope of services and present a new contract to the EDA at the December meeting.
- 2) Direct staff to work with Kamp Realty on a proposal to market available Brainerd properties and present it at the December meeting.
- 3) Direct staff to research job descriptions, duties, and salary for a potential Executive Director Position of the EDA and present it at the February 2024 EDA meeting.