



ECONOMIC DEVELOPMENT AUTHORITY AGENDA

City of Brainerd, Minnesota
City Hall, 501 Laurel Street, Council Chambers
Thursday, December 5, 2024 @ 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**

5. **Unfinished Business**

A. **Approve 2025-2026 EDA Goals**

B. **Final Framework Progress Report**

C. **Consultant Year End Reports/ Presentations**

1. DDBC Report

2. BLAEDC Report

3. Visit Brainerd Report

4. Swanson Haskamp Report

D. **Consider 2025 Shared Services Agreements and EDA Budget**

1. DDBC Shared Services Agreement

2. BLAEDC Shared Services Agreement
3. Visit Brainerd Shared Services Agreement
4. Swanson Haskamp Shared Services Agreement
5. City of Brainerd Shared Services Agreement
6. Initiative Foundation Request

E. Review Trailside Park Concept Plan

6. New Business

- A. **Discussion of Tax Abatement Request by County Manor**
- B. **Approve 2025 Meeting Schedule**
- C. **Discuss EDA Bylaws Amendment**

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

MISSION

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

BRAINERD ECONOMIC DEVELOPMENT AUTHORITY
Thursday, August 1st, 2024, 8:30 a.m.
City Hall Council Chambers

Pursuant to due call and notice thereof, President Yeager called the 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. Commissioner Sandy was noted as absent.

Staff present were Executive Director Broyles, Community Development Director Kramvik, Finance Director Hillman, and HRA Director Charpentier.

Approval of Agenda

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

Consent Calendar

Approval of Minutes
Financial Reports
Swanson Haskamp Report
DDBC Report
Visit Brainerd Report

Commissioner Bieser asked about the charge for Baker Tilly.

Finance Director stated that Baker Tilly is the City's Financial Advisor, they have been assisting with the VCV lot sale.

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

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

Commissioner Kirsch was noted as present (7:02 a.m.).

Unfinished Business

Update on VCV Industrial Park Property

Community Development Director Kramvik gave the overview on where the City stands with the VCV Industrial Park Property. A workshop has been scheduled between the EDA, PUC, City Council, and VCV. At this time, staff is recommending no action.

Commissioner O'Day asked whether there has been interest in the property from other parties.

Community Development Director Kramvik stated that there has not been any interest.

Update on Façade Improvement Grant Program and Request for Additional Funds

Community Development Director gave an overview of the grant program. The projects were reviewed by BLAEDC, Community Development Director, and Chair Yeager. There was a total grant request for \$20,534. Staff is requesting direction on how to handle the additional \$534 requested.

Tyler Glynn, BLAEDC, stated that the grant was only open for 1 week. When the grant closed, there were four additional inquiries. The projects were of good quality.

Finance Director Hillman stated that the additional funding would come from the EDA fund. In 2024 revenues exceed expenditures.

Member O'Day stated that he was glad the funds were spread throughout the City. He is wondering if in the future, whether the EDA should consider a rating system or stay with the first come first served method.

Mr. Glynn stated that the nice thing about advertising first come first served they were able to answer questions previous to the application being live and then the application process went very smoothly.

Commissioner Kirsch asked what the timeline for expenditures is.

Mr. Glynn stated that they have 18 months to expend, the money will be held until the project is completed by the applicant.

Commissioner Johnson asked about "Pearl Swan LLC" and the type of economic activity they're engaged in.

Community Development Director Kramvik stated that he will need to follow-up with the company as to what their retail business is.

MOVED AND SECONDED BY COMMISSIONERS O'DAY AND GRECULA TO FULLY FUND ALL FIVE PROJECTS BY ADDING \$534 TO THE TOTAL ALLOCATION AMOUNT, FOR A TOTAL OF \$20,534.

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

New Business

Consider Marketing Strategy for Industrial Park Properties

Jennifer Haskamp, Kamp Realty, gave an overview of the previous land sale incentives. The \$1/acre incentive has expired. Per statute, the business needs to demonstrate public benefit if the EDA decides to continue the incentive. If the metrics are not met, the City could receive payment by the company if metrics are not met. Metrics could include number of employees, certain number of housing units, employment with benefits, etc.

Commissioner Bieser asked how successful Sandstone's incentive is.

Ms. Haskamp stated that she did not research the success, it was during COVID, but she would be happy to follow-up. The program that the City had, was done while the City did not have an active broker to get it out to the larger market.

Chair Yeager asked about other incentives that may be more successful.

Ms. Haskamp stated that this system is used by EDAs, it is usually in combination with TIF, waiving SAC/WAC, waiving permit fees. This system does have a monitoring component to make sure that dollars were used appropriately. It is more complicated to do the dollar an acre incentive.

Mr. Glynn stated that there was only one business who successfully went through the application process. The most recent purchases in the industrial park, the incentive was on the table at the time.

Commissioner Bieser stated that there should be a workshop if the Commission chooses the \$1/acre route to hammer details.

Member O'Day stated that he would like to see how the metrics could be personalized per the industries. He would be interested in a workshop as well.

Ms. Haskamp stated that a month would be needed to do some research in order to have an effective workshop. There should be some basic structure to the program, specifics could vary.

Commissioner Bevans stated that this information could be presented at the next EDA meeting.

Commissioner O'Day would like details on the current employment details, open lots, vacant buildings, businesses, etc.

MOVED AND SECONDED BY COMMISSIONERS BEVANS AND O'DAY, DULY CARRIED, TO DIRECT STAFF TO DRAFT PARAMETERS FOR THE \$1/ACRE INCENTIVE PROGRAM.

Set the 2025 EDA Preliminary Levy

Finance Director Hillman corrected her statement regarding Baker Tilly, the EDA is utilizing their services as a part of the Country Manor TIF agreement.

Finance Director Hillman stated that the statutory limit for 2025 is \$214,612, this is an increase of \$27,800 over 2025.

MOVED AND SECONDED BY COMMISSIONER BEVANS AND O'DAY TO SET THE 2025 PRELIMINARY EDA LEVY AT \$214,612.

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

Staff Reports

Community Development Director Kramvik stated that the Personnel and Finance Committee meeting the City is considering distribution of the Affordable Housing Aid.

HRA Director Charpentier stated that the City and HRA continue to work with developers, including the developer for the school district property. Central Minnesota Housing Partnership is looking to come into the Brainerd area again, the HRA is working on putting pieces together for this effort. There are single family homes being built in Serene Pines, Dal-Mar, and Brainerd Oaks. Finally, Minnesota Housing is going to their board on the Workforce Housing projects late in August for the Eight05 Laurel and Brainerd Oaks projects.

Commissioner Kirsch asked about the 210 project stakeholders meeting.

Mr. Glynn stated that the stakeholders meeting will hopefully start meeting in mid to late September.

Commissioner Reports

Commissioner Johnson stated that the City of Brainerd owns the property directly behind Giovanni's. He asked if staff could look into sale or transfer of City land to make the company's operations smoother.

Adjourn

MOVED AND SECONDED BY COMMISSIONERS BEVANS AND O'DAY DULY CARRIED, TO ADJOURN THE MEETING TO THE AUGUST 6TH WORKSHOP AT 6:00 P.M.

The Authority adjourned at 8:11 a.m.

Respectfully Submitted by
Toni Gage

Financial Report for EDA

As of October 31, 2024

	<u>Cash & Investments</u>	<u>Receivable Balance</u>	<u>Deferred Loans (as of 12/31/23) **</u>	<u>Awarded Grants</u>
General Funds:				
EDA Fund - #295	\$ 71,440	\$ -	\$ -	\$ -
Total	\$ 71,440	\$ -	\$ -	\$ -
CDBG (Housing/Commerical (Slum & Blight/Federal Objective)):				
Downtown - #298	\$ 51,566	\$ 4,105	\$ 290,887	\$ -
SE Brainerd - #215	53,156	-	99,135	-
NE Brainerd - #218	14,988	-	194,675	-
2023 SE Brainerd	(9,095)	-	-	-
Willows Project - #209	-	-	47,286	-
Old Housing - #209	3,395	-	-	-
Local Income - #275	105,137	11,948	9,875	-
Total	\$ 219,145	\$ 16,054	\$ 641,857	\$ -
Federal & State MIF (Commerical (Jobs)):				
Commerical - #210 ^^^	\$ -	\$ 646,427	\$ -	\$ -
Federal MIF - #296	18,861	-	-	-
Total	\$ 18,861	\$ 646,427	\$ -	\$ -
Grand Total	\$ 309,446	\$ 662,481	\$ 641,857	\$ -

** 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 10/31/2023	PERIOD ENDED 10/31/2024
*** Assets ***			
295-0000-10100	CASH	54,329.98	71,440.23
295-0000-10700	DELINQUENT TAX RECEIVABLE	6,467.34	7,003.02
295-0000-16160	FA-LAND HELD FOR RESALE	460,396.74	460,396.74
Total Assets		521,194.06	538,839.99
*** Liabilities ***			
295-0000-20600	DEPOSITS PAYABLE	9,258.00	763.49
295-0000-22200	DEFERRED REVENUE	460,396.74	460,396.74
295-0000-22210	DEFERRED TAXES RECEIVABLE	4,202.29	3,473.95
Total Liabilities		473,857.03	464,634.18
*** Fund Balance ***			
295-0000-28900	FUND BALANCE/EQUITY ACCT	69,279.63	80,283.50
Total Fund Balance		69,279.63	80,283.50
Beginning Fund Balance		69,279.63	80,283.50
Net of Revenues VS Expenditures		(21,942.60)	(6,077.69)
Ending Fund Balance		47,337.03	74,205.81
Total Liabilities And Fund Balance		521,194.06	538,839.99

PERIOD ENDING 10/31/2024

GL NUMBER	DESCRIPTION	ACTIVITY FOR		YTD BALANCE	% BDGT USED
		2024 MONTH AMENDED BUDGET	10/31/2024 CREASE (DECREASE)	10/31/2024 NORMAL (ABNORMAL)	
Fund 295 - EDA FUND					
Function: Unclassified					
Dept 0000					
Revenues					
TAXES & PENALTIES					
295-0000-31010	CURRENT AD VALOREM	186,812.00	0.00	103,434.25	55.37
295-0000-31020	DELINQUENT AD VALOREM	0.00	0.00	1,791.28	100.00
TAXES & PENALTIES		186,812.00	0.00	105,225.53	56.33
OTHER REVENUE					
295-0000-36210	INTEREST INCOME	550.00	0.00	928.90	168.89
OTHER REVENUE		550.00	0.00	928.90	168.89
TOTAL REVENUES		187,362.00	0.00	106,154.43	56.66
Net - Dept 0000		187,362.00	0.00	106,154.43	
Dept 6510 - ECONOMIC DEVELOPMENT AUTH					
Expenditures					
SERVICES					
295-6510-43300	PROFESSIONAL SERVICES	138,000.00	12,137.02	106,575.85	77.23
295-6510-43322	POSTAGE	0.00	0.00	0.64	100.00
295-6510-43350	PRINTING/LEGAL PUBLICATION	0.00	0.00	194.00	100.00
295-6510-43361	INS - GENERAL LIABILITY	142.14	29.11	111.63	78.54
295-6510-43435	BOOKS/PAMPHLETS/DUES	5,350.00	0.00	5,350.00	100.00
SERVICES		143,492.14	12,166.13	112,232.12	78.21
TOTAL EXPENDITURES		143,492.14	12,166.13	112,232.12	78.21
Net - Dept 6510 - ECONOMIC DEVELOPMENT AUTH		(143,492.14)	(12,166.13)	(112,232.12)	
Total - Function Unclassified		43,869.86	(12,166.13)	(6,077.69)	13.85
TOTAL REVENUES		187,362.00	0.00	106,154.43	56.66
TOTAL EXPENDITURES		143,492.14	12,166.13	112,232.12	78.21
NET OF REVENUES & EXPENDITURES		43,869.86	(12,166.13)	(6,077.69)	13.85

CHECK DISBURSEMENT REPORT FOR CITY OF BRAINERD
 CHECK DATE FROM 07/01/2024 - 10/31/2024

Check Date	Bank	Check #	Invoice	Payee	Description	Account	Dept	Amount
Fund: 295 EDA FUND								
07/03/2024	BB	98863	JUNE 2024	BRAINERD LAKES AREA DEV C	PROFESSIONAL SERVICES	43300	6510	3,000.00
07/03/2024	BB	98873	JUNE 2024	DESTINATION DOWNTOWN BRAINERD	PROFESSIONAL SERVICES	43300	6510	833.34
07/03/2024	BB	98881	182037	KENNEDY & GRAVEN	DEPOSITS PAYABLE	20600	0000	1,518.00
07/03/2024	BB	98907	JUNE 2024	SWANSON HASKAMP CONSULTING	PROFESSIONAL SERVICES	43300	6510	2,916.67
07/03/2024	BB	98912	JUNE 2024	VISIT BRAINERD	PROFESSIONAL SERVICES	43300	6510	3,333.34
08/07/2024	BB	99121	JULY 2024	BRAINERD LAKES AREA DEV C	PROFESSIONAL SERVICES	43300	6510	3,000.00
08/07/2024	BB	99142	JULY 2024	DESTINATION DOWNTOWN BRAINERD	PROFESSIONAL SERVICES	43300	6510	833.34
08/07/2024	BB	99200	JULY 2024	SWANSON HASKAMP CONSULTING	PROFESSIONAL SERVICES	43300	6510	2,916.67
08/07/2024	BB	99210	JULY 2024	VISIT BRAINERD	PROFESSIONAL SERVICES	43300	6510	3,333.34
08/21/2024	BB	99279	182521	KENNEDY & GRAVEN	DEPOSITS PAYABLE	20600	0000	414.00
08/21/2024	BB	99296	JUNE 2024	RATWIK, ROSZAK AND MALONEY	PROFESSIONAL SERVICES	43300	6510	714.00
09/04/2024	BB	99330	AUGUST 2024	BRAINERD LAKES AREA DEV C	PROFESSIONAL SERVICES	43300	6510	3,000.00
09/04/2024	BB	99345	AUGUST 2024	DESTINATION DOWNTOWN BRAINERD	PROFESSIONAL SERVICES	43300	6510	833.34
09/04/2024	BB	99429	AUGUST 2024	SWANSON HASKAMP CONSULTING	PROFESSIONAL SERVICES	43300	6510	2,916.67
09/04/2024	BB	99437	AUGUST 2024	VISIT BRAINERD	PROFESSIONAL SERVICES	43300	6510	3,333.34
09/18/2024	BB	99539	183042	KENNEDY & GRAVEN	PROFESSIONAL SERVICES	43300	6510	138.00
10/09/2024	BB	99637	SEPT 2024	BRAINERD LAKES AREA DEV C	PROFESSIONAL SERVICES	43300	6510	3,000.00
10/09/2024	BB	99659	SEPT 2024	DESTINATION DOWNTOWN BRAINERD	PROFESSIONAL SERVICES	43300	6510	833.34
10/09/2024	BB	99680	183632	KENNEDY & GRAVEN	PROFESSIONAL SERVICES	43300	6510	637.00
10/09/2024	BB	99710	SEPT 2024	SWANSON HASKAMP CONSULTING	PROFESSIONAL SERVICES	43300	6510	2,916.67
10/09/2024	BB	99716	SEPT 2024	VISIT BRAINERD	PROFESSIONAL SERVICES	43300	6510	3,333.34
10/23/2024	BB	99783	40001339/3RD 2024	LEAGUE MN CITIES INS TRUS	INS - GENERAL LIABILITY	43361	6510	29.11
Total for fund 295 EDA FUND								43,783.51

Date	JNL	Type	Description	Reference #	Debits	Credits	Balance
Fund 295 EDA FUND							
07/01/2024			295-0000-10100 CASH		BEG. BALANCE		83,542.87
07/03/2024	GJ	JE	TO RECEIPT IN TAX SETTLEMENT	2168	35,941.41		119,484.28
07/10/2024	GJ	JE	TO RECORD SERVICES TO EDA PER BUDGET	2159		1,416.67	118,067.61
07/10/2024	GJ	JE	WRONG DATE	2162	1,416.67		119,484.28
07/15/2024	GJ	JE	TO ALLOCATE 1ST AND 2ND QUARTER INS 1	2169		58.22	119,426.06
07/19/2024	GJ	JE	TO RECORD POSTAGE USE/REFILL	2174		0.64	119,425.42
07/31/2024	GJ	JE	TO RECORD SERVICES TO EDA PER BUDGET	2198		1,416.67	118,008.75
08/31/2024	GJ	JE	TO RECORD SERVICES TO EDA PER BUDGET	2223		1,416.67	116,592.08
09/11/2024	CR	RCPT			1,465.00		118,057.08
09/30/2024	GJ	JE	TO RECORD SERVICES TO EDA PER BUDGET	2252		1,416.67	116,640.41
10/31/2024	GJ	JE	TO RECORD SERVICES TO EDA PER BUDGET	2280		1,416.67	115,223.74
10/31/2024			295-0000-10100	END BALANCE	38,823.08	7,142.21	115,223.74
07/01/2024			295-0000-10700 DELINQUENT TAX RECEIVABLE		BEG. BALANCE		7,003.02
10/31/2024			295-0000-10700	END BALANCE	0.00	0.00	7,003.02
07/01/2024			295-0000-11500 ACCOUNTS RECEIVABLE		BEG. BALANCE		0.00
09/11/2024	CR	RCPT				1,465.00	(414.00)
10/31/2024			295-0000-11500	END BALANCE	0.00	1,465.00	(1,465.00)
07/01/2024			295-0000-16160 FA-LAND HELD FOR RESALE		BEG. BALANCE		460,396.74
10/31/2024			295-0000-16160	END BALANCE	0.00	0.00	460,396.74
07/01/2024			295-0000-20600 DEPOSITS PAYABLE		BEG. BALANCE		(1,230.49)
10/31/2024			295-0000-20600	END BALANCE	0.00	0.00	(1,230.49)
07/01/2024			295-0000-22200 DEFERRED REVENUE		BEG. BALANCE		(460,396.74)
10/31/2024			295-0000-22200	END BALANCE	0.00	0.00	(460,396.74)
07/01/2024			295-0000-22210 DEFERRED TAXES RECEIVABLE		BEG. BALANCE		(3,473.95)
10/31/2024			295-0000-22210	END BALANCE	0.00	0.00	(3,473.95)
07/01/2024			295-0000-31010 CURRENT AD VALOREM		BEG. BALANCE		(67,966.15)
07/03/2024	GJ	JE	TO RECEIPT IN TAX SETTLEMENT	2168		35,467.25	(103,433.40)
07/03/2024	GJ	JE	TO RECEIPT IN TAX SETTLEMENT	2168		0.85	(103,434.25)
10/31/2024			295-0000-31010	END BALANCE	0.00	35,468.10	(103,434.25)
07/01/2024			295-0000-31020 DELINQUENT AD VALOREM		BEG. BALANCE		(1,317.97)
07/03/2024	GJ	JE	TO RECEIPT IN TAX SETTLEMENT	2168		346.14	(1,664.11)
07/03/2024	GJ	JE	TO RECEIPT IN TAX SETTLEMENT	2168		127.17	(1,791.28)
10/31/2024			295-0000-31020	END BALANCE	0.00	473.31	(1,791.28)
07/01/2024			295-0000-36210 INTEREST INCOME		BEG. BALANCE		(928.90)
10/31/2024			295-0000-36210	END BALANCE	0.00	0.00	(928.90)
07/01/2024			295-6510-43300 PROFESSIONAL SERVICES		BEG. BALANCE		59,086.77
07/10/2024	GJ	JE	TO RECORD SERVICES TO EDA PER BUDGET	2159	1,416.67		60,503.44
07/10/2024	GJ	JE	WRONG DATE	2162		1,416.67	59,086.77
07/31/2024	GJ	JE	TO RECORD SERVICES TO EDA PER BUDGET	2198	1,416.67		60,503.44
08/31/2024	GJ	JE	TO RECORD SERVICES TO EDA PER BUDGET	2223	1,416.67		61,920.11
09/30/2024	GJ	JE	TO RECORD SERVICES TO EDA PER BUDGET	2252	1,416.67		63,336.78
10/31/2024	GJ	JE	TO RECORD SERVICES TO EDA PER BUDGET	2280	1,416.67		64,753.45
10/31/2024			295-6510-43300	END BALANCE	7,083.35	1,416.67	64,753.45
07/01/2024			295-6510-43322 POSTAGE		BEG. BALANCE		0.00
07/19/2024	GJ	JE	TO RECORD POSTAGE USE/REFILL	2174	0.64		0.64
10/31/2024			295-6510-43322	END BALANCE	0.64	0.00	0.64
07/01/2024			295-6510-43350 PRINTING/LEGAL PUBLICATION		BEG. BALANCE		194.00
10/31/2024			295-6510-43350	END BALANCE	0.00	0.00	194.00
07/01/2024			295-6510-43361 INS - GENERAL LIABILITY		BEG. BALANCE		24.30
07/15/2024	GJ	JE	TO ALLOCATE 1ST AND 2ND QUARTER INS 1	2169	58.22		82.52
10/31/2024			295-6510-43361	END BALANCE	58.22	0.00	82.52
07/01/2024			295-6510-43435 BOOKS/PAMPHLETS/DUES		BEG. BALANCE		5,350.00
10/31/2024			295-6510-43435	END BALANCE	0.00	0.00	5,350.00
GRAND TOTALS:					45,965.29	45,965.29	80,283.50

MEMO

TO: EDA Board of Commissioners

FROM: James Kramvik, Community Development Director

DATE: December 5th, 2024

RE: Approve 2025-2026 EDA Goals

INTRODUCTION

In October of 2022, the EDA adopted 2023-2024 goals and action steps. The EDA identified five goals with multiple action steps to guide board decisions and create the consultant's scope of services contracts. The following are established goals by the EDA:

- 1) Create programs to seek funding to address identified needs
- 2) Create an inventory of under-used and under-developed properties and work with property owners to market them for redevelopment
- 3) Evaluate the City's vacant industrial property for compatible non-industrial uses that would address current and future needs of the community
- 4) Interview existing businesses to identify each business's individual needs to take the next step in their business development
- 5) Work with community partners to develop a cohesive marketing strategy for the community

The EDA hired 4 consultants (BLAEDC, DDBC, Swanson Haskamp Consulting and Visit Brainerd) to help the EDA accomplish the goals and actions steps.

2025-2026 EDA GOALS AND ACTION STEPS

At the October 3rd, 2024 EDA meeting, the Board reviewed proposed 2025-2026 goals and action steps and generally approved of staff's recommendations. EDA members submitted items to staff beyond what was discussed at the meeting.

1. Any additional items in the goals and action steps table have been highlighted in yellow.
2. Staff recommend removing the action steps that have been struck out as they have been completed.

RECOMMENDATION

Adopt the Brainerd EDA 2025-2025 Goals and Action Steps.

Brainerd EDA 2025-2026 Goals and Action Steps



GOAL 1: Create programs to seek funding to address identified needs

Action Steps:

1. Develop and propose programs to address the needs identified from BLAEDC's BRE interviews.
2. Use EDA funds to create programs in other locations similar to Destination Downtown.
3. Developing/defining/branding our different neighborhood districts with the goal of being able to be more strategic about how we roll out initiatives and deciding which neighborhoods to target.
4. Implement a grant program to improve business signage in the downtown district with new adopted design standards.
5. Seek funding to support proposed programs.

GOAL 2: Create an inventory of under-used and under-developed properties and work with property owners to market them for redevelopment

Action Steps:

1. Conduct GIS assessment of under-utilized properties and update annually.
2. Identify possible uses for under-utilized properties
3. Engage property owners to assess interest in participating in redevelopment program.
4. Create a program and contract for private property owners to list underutilized properties on the EDA website.
- ~~5. Prepare a list of all city-owned properties that are under-utilized.~~
6. Prepare an inventory for all privately held and city-owned properties to market for infill.
7. Continue to work with the School District in developing the parcel North of Buffalo Hills Park.
- ~~8. Develop a strategy on how to prepare an inventory of vacant property.~~
9. Create a comprehensive plan for Brainerd's Downtown.
10. Create a development strategy, specifically for infrastructure, for potential developers.

GOAL 3: Evaluate the City's vacant industrial property for compatible non-industrial uses that would address current and future needs of the community

Action Steps:

- ~~1. Create an inventory of the City's underdeveloped industrial property with an assessment of each property's surrounding uses.~~
- ~~2. Develop a list of non industrial uses for the City's undeveloped industrial property that may be compatible with each properties surrounding uses.~~
3. Expand residential properties (i.e. Wright Street extension)
4. Explore relocation of the James Street Mobile Home Park.

GOAL 4: Interview existing businesses to identify each businesses' individual needs to take the next step in their business development

Action Steps:
1. Develop a Key Performance Indicators/Metrics report that the EDA can both use internally to track the progress we are making as well as demonstrate to outside developers that we are a good place to invest in.
2. Complete Business Retention and Expansion (BRE) visits that involve interviews and information gathering.
3. Conduct quarterly EDA business tours.
4. Tour childcare facilities to understand difficulties in operation and potential for expansion.
5. Explore contract with another vendor to increase the number of business interviews conducted.
6. Summarize and evaluate the results of BLAEDC's BRC interviews to assess needs and categorize them
7. Summarize information gathered from BRE visits.
8. Host roundtable business owner breakfasts.
GOAL 5: Work with community partners to develop a cohesive marketing strategy for the community
Action Steps:
1. Identify and engage strategic community partners.
2. Create a marketing strategy and campaign for the EDA website and available Brainerd properties.
3. 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.
4. Update the EDA website quarterly.
5. Optimize the website with additional links, contact information, and land prices to make it easier for developers and interested businesses.
6. Create a cohesive and comprehensive marketing plan for the EDA which includes a slogan, branding and campaign.
7. Explore marketing opportunities for vacant store fronts.
8. Explore education campaigns which include public signage.
9. Explore a partnership between DDBC and the City for a main street coordinator.

MEMO

TO: EDA Board of Commissioners

FROM: James Kramvik, Community Development Director

DATE: December 5th, 2024

RE: Presentation by Consultants on the 2024 Deliverables

The following sections are a list of the 2024 deliverables based on the consultant agreements. Staff highlighted sections within the scope of services and the framework that may not have been fully completed in 2024 and will be listed as priorities in 2025.

Goal 2 - Update inventory of under-used and under-developed properties and work with property owners to market them for redevelopment.

Staff and SHC have been discussing the best approach to this goal. Staff have reached out to the owners of the mobile home park and heard from other property owners interested in advertising on the EDA website. SHC has consulted an attorney to ensure the listings do not violate any real estate laws. The creation of an EDA listing agreement and completion of this goal will be a high priority in 2025.

BLAEDC

The EDA entered into an Agreement for Professional Services, as opposed to a Shared Services Agreement, with BLAEDC. This Agreement states that BLAEDC will:

- a. BLAEDC agrees to provide a focal point for economic development in the Brainerd area, to assist businesses and industry with their site location needs, provide financial packaging services, and business planning assistance. BLAEDC will provide these services in cooperation with others such as the Brainerd office of the Small Business Development Center.
- b. BLAEDC will provide community services and marketing programs throughout the year to fulfill its mission to expand the tax base and increase employment.
- c. BLAEDC does hereby agree to maintain an office within the city limits of Brainerd to conduct its services under this contract.
- d. BLAEDC will provide an annual report to the Brainerd EDA on the activities and progress to fulfill the services identified above.
- e. A BLAEDC representative will attend Brainerd EDA meetings whenever appropriate or requested by the Brainerd EDA.

DDBC (Destination Downtown Business Coalition)

The following are the items listed in DDBC's Scope of Services in their 2024 Shared Services Agreement:

- a. Maintain Main Street America Associate Membership status;
- b. Attend educational events and classes to support the Main Street Program;
- c. Support Main Street events with advertising and promotional materials;
- d. Research funding mechanisms and strategies for filling a Main Street Coordinator position;
- e. Participate in quarterly roundtable discussion with City of Brainerd staff and all other consultants providing services to the EDA.
- f. Produce and distribute 12 promotional videos featuring local business owners, funding for producing videos is from 2022 received payments;

SWANSON HASKAMP CONSULTING

The following are the items listed in Swanson Haskamp Consulting's Scope of Services in their 2024 Shared Services Agreement.

- a. Maintain, and update bi-annual, an inventory of under-utilized and/or undeveloped property including:
 1. City owned or other publicly owned/government-controlled property.
 2. Identify priority areas for infill;
 3. Revisit Washington Street corridor properties, re-evaluate based on mixed-use land use designation.
 - i. *Note: The Planning Commission is finalizing a proposed ordinance that would allow mixed-use development in the Commercial Corridor District.*
 4. Identify priority greenfield development areas to meet housing goals.
- b. Identify up to three priority properties/areas for 2024. Strategy includes:
 1. Review of high-level proforma to inform marketing strategy.
 2. Prepare concept/general master plans for priority properties (1 to 3 properties, depending on scale) to be used for promotion and solicitation.
 3. Prepare flyers and/or marketing information for placement on the website.
 4. Engage identified private property owners on behalf of the EDA, as directed, who have property prioritized for redevelopment.
- c. Establish relationships with developers on behalf of the EDA. Activities will include:
 1. Proforma refinement and cost input.
 2. Site review/collaboration to determine interest in priority areas.
 3. Submit priority site information to MNCAR Expo and/or other regional real estate events.
- d. Participate in quarterly roundtable discussions with the City of Brainerd staff and all other consultants providing services to the EDA.
 1. Continue to refine the strategy with other EDA consultants to maintain (electronically) data generated through this process.

- 2. Collaborate with other EDA consultants to refine the strategy for inventory and promotion of vacant properties (this may include for sale, space for lease, spaces expected to become available, etc.)
- e. Lead/Participate in one (1) business roundtable or another City sponsored event focused on Washington Street corridor. Topic to address growth (location/site/physical building) and future plans in Brainerd.
- f. Attend the regular meeting of the EDA no less than 4 times during the duration of this contract.

VISIT BRAINERD

The following are the items listed in Visit Brainerd’s Scope of Services in their 2024 Shared Services Agreement:

- a. Update content on EDA website;
- b. Create a marketing strategy and campaign for the EDA website and available Brainerd properties;
- 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;
- 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;
- 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;
- f. Participate in quarterly roundtable discussions with City of Brainerd staff and all other consultants providing services to the EDA; and,
- g. Attend the regular meeting of the EDA no less than 4 times during the duration of this contract.

CITY OF BRAINERD 2024 FRAMEWORK ACCOMPLISHMENTS

- a. Provided a recommendation for a façade improvement grant and worked with BLAEDC to advertise and administer the grant.
- b. Recommended \$1/Acre Incentive Program for City owned industrial property and worked with SHC on parameters. Approved by City Council.
- c. Worked with the Planning Commission on design standards and allowing mixed-use development in the Commercial Corridor District.
- d. Provided a recommendation for the expansion of the River to Rails Incentive District. City Council approved the Central Business District Incentive Program.
- e. Coordinated EDA tours at Lake’s Printing, Giovanni’s Frozen Pizza, Lexington Manufacturing, Anderson Brothers, and Just for Krypto.
- f. Continued to work with the School District on the property North of Buffalo Hills Park.

- g. Oversaw the EDA's Strategic Plan and complete goals and objectives, reported results to the EDA.
- h. Schedule EDA Board meetings, prepare Agendas and materials (including program/project reports, fiscal reports, resolutions and minutes), attend Board meetings.
- i. Coordinated quarterly roundtable discussions with all consultants providing services to the EDA.
- j. Compiled and updated a spreadsheet with all properties owned by the City of Brainerd.
- k. Facilitated a brokerage agreement with Kamp Realty and installed for sale signage.
- l. Compile and update a spreadsheet of all potentially usable tax forfeited properties within Brainerd.
- m. Attended monthly business showcases organized by DDBC.
- n. Present a proposed agreement with private property owners to market on the EDA website.
- o. Provide a report to the EDA on interested private properties.

Each consultant will be in attendance to present their 2024 accomplishments thus far as the contracts end on December 31st of 2024.

Brainerd EDA Preliminary Framework

EDA Goals	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter
<p>Goal 1 - Create programs to seek funding to address identified needs.</p>	<p>City Staff provides a recommendation for a revolving loan fund for façade improvements in the CC District and River to Rails District.</p>	<p>BLAEDC provides a proposal for administering revolving loan fund for façade improvements.</p> <p>City Staff presents a policy to extend the River to Rails District to the Commercial Corridor District.</p>	<p>BLAEDC provides City staff with a summary of needs identified from 2023 BRE interviews.</p> <p>City Staff seeks direction from the City Council to allow for mixed-use development in the CC District to help incentivize redevelopment.</p>	<p>City Staff schedules a workshop to begin strategizing goals and objectives for 2025 based on the City and BLAEDC’s BR&E interviews. (Occurred during meeting)</p> <p>SHC Revisits Washington Street corridor properties, re-evaluate based on mixed-use land use designation.</p>
<p>Goal 2 - Update inventory of under-used and under-developed properties and work with property owners to market them for redevelopment.</p>	<p>SHC conducts and updates GIS assessment of underutilized properties and score properties based on a metric system for underutilized properties.</p> <p>City Staff presents a proposed agreement with private property owners to market on the EDA website.</p>	<p>SHC 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>City Staff updates a list of vacant storefronts in the City of Brainerd.</p>	<p>City Staff provide a report to the EDA on interested private properties.</p> <p>SHC imports properties and information to the EDA website.</p> <p>City Staff works with interested property owners to create descriptive page on vacant tenant space.</p>	<p>Visit Brainerd considers marketing vacant buildings and properties in their marketing campaign.</p>

EDA Goals	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter
<p>Goal 3 - Evaluate the City's vacant industrial property for compatible non-industrial uses that would address current and future needs of the community.</p>	<p>SHC – EDA reviews website created by SHC and Visit Brainerd to market available Brainerd owned properties.</p> <p>KAMP Realty submits a proposal for a brokerage contract to list Brainerd industrial properties.</p>	<p>KAMP Realty lists properties on a brokerage website.</p> <p>Visit Brainerd creates a marketing strategy and campaign for the EDA website and available Brainerd properties;</p>	<p>City Staff & Kamp Realty engage with interested businesses and developers regarding City owned property.</p>	<p>Kamp Realty provides an update to the EDA on the property listings and recommend any changes that may be needed to better market properties.</p>
<p>Goal 4 - Interview existing businesses to identify each businesses' individual needs to take the next step in their business development</p>	<p>City Staff finish conducting 6 BR&E interviews from 2023</p>			<p>City Staff conducts 5 additional BRE interviews by 4th Quarter.</p>
	<p>BLAEDC conducts BRE interviews.</p>	<p>BLAEDC conducts BRE interviews.</p>	<p>BLAEDC conducts BRE interviews.</p>	<p>BLAEDC conducts BRE interviews.</p>
	<p>SHC & BLAEDC host 1 roundtable business owner breakfasts</p>		<p>SHC provides a final report and summary from roundtable business owner breakfasts.</p>	

EDA Goals	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Goal 5 - 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.
	Visit Brainerd & SHC finalize EDA website. City Staff continue to engage with the School District regarding conveying ISD 181 property North of Buffalo Hills Park.	SHC proposes a concept/ general master plan for a Brainerd property for residential use. City Staff & SHC meet with representatives from ISD 181 to facilitate redevelopment of the property North of Buffalo Hills Park.	Visit Brainerd & SHC determine method to promote identified properties to developers and buyers. SHC presents to the EDA a concepts plan for one large area of focus or three smaller areas.	SHC presents a final concept plan and imports it to the website.
	Consultants discuss cohesive and comprehensive marketing plan for the EDA at the quarterly meeting.	Consultants discuss a strategy to continually update properties on the EDA website		
	DDBC Hosts 4 business owner networking events. DBBC produces and distributes 12 promotional	DDBC updates the EDA on the Mainstreet Program	DDBC attends education events and classes to support the Mainstreet program.	DDBC provides a final report of main street activities.
	City Staff provides options for public signage of marketable properties.	City Staff contracts for printing services.		
		Visit Brainerd develops and implements a summer advertising campaign to shop at Brainerd businesses.		Visit Brainerd develops and implements a winter advertising campaign to shop at Brainerd businesses.

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: DDBC Board of Directors

Date: December 2, 2024

Re: 2024 Year End Report

Detailed below is a summary of work completed by Destination Downtown Brainerd Coalition (DDBC) in 2024 as it relates to our Scope of Services agreement with the Brainerd EDA.

Overview

DDBC is a grassroots, non-profit organization whose mission is to revitalize, preserve and promote historic downtown Brainerd through collaborative planning, advocacy, and action. Initially formed in 2018, DDBC is made up of local business owners working side-by-side with organizations and individuals who seek to further establish Downtown Brainerd as a vibrant and vital cultural and economic hub for the central lakes region. The downtown district boundary is currently defined as the six-block area from 5th Street to 8th Street, and Front Street to Maple Street, encompassing approximately 80 businesses, over half of which are active retail and food service establishments. According to foot traffic data provided by BLAEDC, downtown visitorship continues to trend upwards, with 896,500 unique visits logged in the last 12 months as of September 2024, up 4.1% compared to the previous year.

Since 2022 DDBC has contracted with the Brainerd EDA to carry out services in support of the shared objective of developing and implementing a robust main street program. Sustaining a strong main street program for Brainerd's downtown district is a vital component to driving city-wide economic growth. These efforts help support local entrepreneurship and strengthen community collaboration within the district, and in turn, make the city as a whole a more

attractive place for outside businesses and developers to invest in, and for visitors and workers to spend time in.

Over the past year, DDBC helped support and grow Downtown Brainerd's Main Street Program in the following key ways:

- Recruited 40+ businesses and organizations to participate in Downtown events and promotions, raising \$9,450 in donations, sponsorships, and in-kind gifts.
- Logged 577 volunteer hours, translating to an estimated \$17,310 in donated time.
- Facilitated effective and efficient communication with Downtown Businesses by implementing a private Facebook Group (42 current business members), while growing our email contact list to over 100 subscribers.
- Conducted approximately 250 in-person visits to individual businesses to share information and collect feedback.

Provided below is a more detailed list of activities completed by task that are specifically outlined in DDBC's 2024 Shared Services Agreement:

A. Maintain Main Street America Associate Membership status

Status: Complete

DDBC successfully submitted annual renewal materials for Downtown Brainerd to the Minnesota Main Streets program and received our renewed "Associate" level membership status in Spring 2024. Throughout the year, we continued to monitor and track metrics (including updating a directory of district businesses) to facilitate reporting to the Main Street program to maintain membership status.

B. Attend educational events and classes to support the Main Street Program

Status: Complete

DDBC attended bi-monthly video conference calls led by Main Street Minnesota program staff and attended by Main Street directors from across the state to give updates and share resources/information to facilitate Main Street programming. Throughout the year, DDBC monitored Main Street America's online database and subscribed to relevant email lists to stay up-to-date on relevant resources and opportunities that could benefit our local Main Street Program. In Spring of 2024, DDBC applied for and received a \$500 Program Assistance Grant from Minnesota Main Street to support promotional/branding efforts for the downtown district. In Fall of 2024, DDBC researched resources available through the Main Street portal related to business mitigation planning for construction projects in anticipation of the planned 210/Washington Street Reconstruction project, and forwarded information to the Brainerd Lakes Area Chamber and BLAEDC to help facilitate scheduling a stakeholders meeting, currently set to take place in early December 2024.

C. Support Main Street events with advertising and promotional materials

Status: Complete

2024 activities and events included:

- *Quarterly Business Owner Socials.* Held the 4th Wednesday of the month in January (Shep's on 6th); April (9th Street Social Club); July (Sage on Laurel), and October (Big Jay's Pizza Arcade). Attendance averaged around 15 individuals per event.
- *Monthly Business Visits.* Held January 18 (Elysium Salon; Bargains on 7th); February 15 (Wicks and Broomsticks); March 21 (The Good Village Co.); April 18 (Brainerd Skate Park; Blue Oyster), and May 16 (The Office Shop; The Crossing Arts).
- *Shamrock Shop Promotion (March).* Promotional shopping stamp card activity to coincide with St. Patrick's Day festivities. This activity was free to the public and encouraged individuals to explore downtown and visit local businesses. Twenty-eight (28) businesses participated.
- *Crazy Days Shopping Promotion (October).* DDBC created a Facebook event and advertised participating businesses to promote discounts and specials being offered by downtown businesses.
- *Spooktacular (October).* This annual event brings upwards of 1000 kids and their parents to Downtown Brainerd to participate in free, family friendly activities. Close to 30 businesses signed up to participate and handed out candy in downtown.
- *Hometown Holidays (December).* This annual event encompasses promotions and activities starting Small Business Saturday (11/30) and running throughout the month of December that encourage community members to shop local for the holidays. Activities include Downtown Brainerd's Window Walk, a holiday decorating competition for downtown businesses; Christmas Tree lighting and Santa's Arrival to Downtown in partnership with the City of Brainerd and Brainerd Fire Department; and the Holiday Shopping Passport promotion, which raised over \$1,400 in donated gift certificates to go towards a grand prize drawing for participants who shop local during the promotion period.
- *Sharing Social Media Content (Ongoing).* DDBC monitored Facebook and Instagram accounts for Downtown Businesses and other community organizations and re-shared content to DDBC's social media pages to help boost their reach and provide a centralized place for the public to view info on relevant downtown events and promotions.

D. Research funding mechanisms and strategies for filling a Main Street Coordinator position.

Status: Complete

DDBC attended an informational webinar sponsored by Main Street America (“Funding Main Street Management – 3 Models”) on February 8, 2024. DDBC also scheduled a call with Minnesota Main Street Manager to discuss next steps, followed by an informational call with Entrepreneur Fund staff to discuss strategies used by Lincoln Park Duluth and their Main Street Program. Based on the information gathered in 2024, DDBC’s recommended next step would be to maintain our current “Associate”-level status for 2025 and to continue to develop Downtown Brainerd’s Main Street Program with a longer-term goal of seeking additional funding sources to support a Coordinator position.

E. Participate in quarterly roundtable discussion with City of Brainerd staff and all other consultants providing services to the EDA.

Status: Complete

DDBC attended all scheduled consultant meetings and provided written reports/status updates to the EDA for review at regularly scheduled meetings.



Brainerd ACTIVITY REPORT 2024

BLAEDC ACTIVITY

STRENGTHENING BRAINERD'S COMMUNITY THROUGH ENGAGEMENT AND INNOVATION



In 2024, BLAEDC continues to lead community and economic development initiatives with a dynamic, results-driven approach. The BLAEDC Recruitment Program exemplifies our dedication to attracting skilled talent and fostering workforce growth across the region. Similarly, the BLAEDC Unified Fund remains a cornerstone of our efforts, providing critical financial support to initiatives that strengthen economic resilience in Crow Wing County.

Our commitment to building community is evident through robust partnerships and collaborations that drive progress and innovation. The successful administration of the Main Street Grant has further fueled local development, empowering projects that enhance the Brainerd area's vitality and sustainability.

Additionally, BLAEDC's business consulting services continue to provide entrepreneurs and businesses with the tools and insights needed to navigate growth challenges and achieve lasting success. The Washington Street business visits, launched in 2023, has become a platform for fostering meaningful relationships and addressing the needs of the Brainerd business community.

In 2025, BLAEDC will launch foot-traffic analytics through the Placer platform, helping partners and members understand consumer behaviors and make data-driven decisions. A recent presentation to the Brainerd EDA highlighted its potential to drive economic development. As we advance into 2025, BLAEDC remains steadfast in its mission to expand businesses, build community, and grow jobs—creating a thriving and prosperous region for all.



Workforce

The BLAEDC Recruitment Program has provided 7 years of service to our Crow Wing County based businesses. Since the inception of the Recruitment Program, 93 new hires have been completed. In 2024 so far, 5 out of the 9 hires through the program have been key professional positions for Brainerd based companies.



Financing for Businesses

The BLAEDC Unified Fund program supports economic development by providing financing to strengthen the economic base and vitality of Crow Wing County. As of November 26, 2024, the program has an outstanding loan balance of \$870,530, with \$1,833,790 dispersed since its inception. It has funded 24 loans, creating or retaining 286 jobs, including 12 loans to Brainerd businesses totaling \$1,032,500.



Business Consulting

As a satellite site for the North Central Small Business Development Center (SBDC), BLAEDC offers free consulting services to new and existing businesses. So far in 2024, the North Central SBDC, part of the Minnesota SBDC and funded by the U.S. Small Business Administration, has delivered over 473 consulting hours to 100 unique clients located in Brainerd. Of those hours, over 99 hours are through BLAEDC serving 27 unique clients.



Foot-Traffic Analytics - Placer.ai

After an 18 month pilot, we will now offer foot-traffic analytic data to our government partners and members in 2025. This information can help businesses understand consumer behaviors and patterns, along with using data to make informed business decisions. During our recent presentation to the Brainerd EDA, we shared about the variety of ways this platform can be used to support economic development.

Business Development

BLAEDC staff continue to collaborate with developers and businesses nationwide who are exploring commercial and residential development opportunities in Brainerd. Staff have organized and participated in meetings and site tours to help developers better understand the area. When requested, BLAEDC provides detailed reports on population, workforce, and other relevant data to support business owners and developers. In 2024, BLAEDC responded to five MN DEED RFP requests. Moving forward, BLAEDC will continue to work closely with city officials to ensure that city resources and incentives are available to support each development opportunity.

“Since 1987, BLAEDC has actively supported the economic vitality of our communities. We do so through traditional economic development efforts and innovative lending, recruiting, and other programs for businesses looking to move to, expand, or remain in our region. Our culture of innovation, optimism, and service reflects our values, and we’re personally invested in this work because, after all, this is our home.”

Housing

Housing remains a key focus for BLAEDC, recognizing its critical impact on economic development. BLAEDC will continue working with developers and facilitating public-private partnerships to address housing rehabilitation and leverage new opportunities in the market. With population growth in Crow Wing County projected to continue, BLAEDC’s long-term strategy will focus on expanding affordable housing options to meet the evolving workforce needs. Both single-family and multi-family housing in the Brainerd area will remain a priority for BLAEDC.

Brainerd Business Visits



Terry McFarlin, President and CEO, along with Joe Herberg, HR/Safety Director, gave a presentation on Anderson Brothers' history, safety protocols, and operations. Afterward, they provided a tour of the offices and the shop, where we observed their operations in action and gained insight into the company's daily processes and work environment.



After The Office Shop merged with Advanced Business Methods, we had the opportunity to tour the Brainerd location and learn more about the ownership transition. We met with Sheila, Garrett, and the new owners to discuss the changes. While most aspects of the local business remain the same, they are introducing some exciting new products.



Jennifer Jacquot-DeVries, Executive Director of the Crossing Arts Alliance, gave us a tour of the gallery, which features new artwork each season. She also shared insights about the artists and the community event room, which hosts workshops and youth programs. The visit provided a deeper appreciation for the Alliance's role in fostering creativity and community engagement in the area.



The President of Lexington Manufacturing, Mike Dillon, kicked off our visit with an informative presentation about the company's history, operations, and innovative processes. We then toured the facility, including the manufacturing floor, where we saw their advanced equipment and skilled workforce in action. The tour provided valuable insight into Lexington's production capabilities and their commitment to quality and efficiency.

CHILD CARE

Crow Wing County Child Care Assistance Grants

BLAEDC continues to assist Crow Wing County with the administration of the Child Care Assistance Grants.

2024 Child Care Summit hosted at Central Lakes College

Tyler Glynn, Executive Director, presented to future providers on funding options. There were two tracks: One for the future provider to gain practical tools to start a successful child care business and a Community Champion track designed for community leaders to learn how to improve and support the mission of increasing access to child care.

DRIVING PROGRESS: COMMUNITY GROWTH AND GRANT ADMINISTRATION

Building Community



BLAEDC has actively supported Brainerd High School by sponsoring six students and their business instructor to attend High School Innovation Day at the University of St. Thomas in November. Additionally, BLAEDC has worked to develop an advisory board for the Business Department in partnership with the Brainerd Chamber and local business leaders. BLAEDC also continues to manage funds on behalf of the school's Investment Club, further fostering student engagement in business and community development.

Grant Administration

2024 Brainerd Exterior Improvement Grant

BLAEDC administered the Brainerd EDA's Exterior Improvement Grant. By incentivizing businesses to invest in aesthetic and structural improvements, the program has enhanced curb appeal and functionality of local commercial properties. Five projects were funded and as of November 2024, four out of five projects have been completed. This initiative not only supports local businesses by offsetting costs but also continues to contribute to the economic appeal of the area.

Main Street Economic Improvement Grant

In 2024, BLAEDC continued to work with local businesses who received funding through the MN DEED Main Street Revitalization Grant in partnership with the Initiative Foundation and the Brainerd EDA.

Washington Street Construction Preparation

Our efforts to engage Washington Street businesses continue as we gather information for construction readiness. In the past two years, we connected with 36 local businesses, receiving 20 replies. In the past year, we've observed the shifting landscape of businesses, with more than ten either relocating, moving, or ceasing operations. During our conversations, when businesses expressed concerns, we shared available resources. This survey aims to gather insights on the potential impacts of the 210 Road Construction Project, set for 2026

Challenges Anticipated During Construction

When asked about anticipated challenges during the construction, businesses identified several key concerns:

- Disruptions to access to businesses
- Concerns about a decline in customer traffic or difficulties reaching locations
- Parking issues, such as blocked spaces or removal of parking areas
- Challenges with detours and road closures affecting business access
- The need for clear signage to ensure customers can find businesses

Specific Information Needed for Success During Construction

When asked about specific information needed to navigate the construction period, businesses identified key areas of concern:

- Details about detours and alternative routes to guide customers
- Information on how parking will be managed or alternate access routes
- Clear timelines and phases of construction, specifying when areas will be impacted
- Real-time or regularly updated information on road closures, detours, and project progress

Road Construction Listening Sessions

A Road Construction Listening Session was held in the Spring of 2024 at the CTC room, co-hosted by BLAEDC and the Brainerd Chamber of Commerce. A total of 23 individuals attended, engaging in a productive dialogue about how the construction might impact businesses, residents, and traffic flow.

Mitigation Planning

BLAEDC, along with Matt Killian, Marie Kirsch, and Nick Broyles, recently met to discuss mitigation planning for the upcoming 210 Road Construction Project. This ongoing collaboration will ensure that all stakeholders are aligned and ready for the project's impact.

MEET THE TEAM

BLAEDC is a small but passionate team of four skilled professionals, each with unique expertise and a shared commitment to fostering economic growth in the Brainerd Lakes Area. With diverse backgrounds in business development, marketing, and community engagement, we are here to support local businesses, strengthen partnerships, and help create a thriving community.



TYLER GLYNN
Executive Director



MIKE BJERKNES
Workforce Director



ALISON MEDECK
Special Initiatives Director



HALIE MAJERUS
Marketing Manager

2024 BLAEDC Board of Directors

The BLAEDC Board of Directors is comprised of business and community leaders who volunteer their time and expertise to improve the economic conditions of the area and create jobs for area residents. Their collective experiences and knowledge guide the organization.



Terry McFarlin
Board President
President and CEO
Anderson Brothers Construction



John Ohlin
Board Vice President
President and CEO
Deerwood Bank



Julie Anderholm
Board Treasurer
Owner
Anderholm Consulting



Jim Haakonson, CPA
Past Board President
Principal
CLA



Mike Dillon
Past Board President
President
Lexington Manufacturing



Tom Haglin
Past Board President
Co-Owner/CEO
LINDAR Corporation



Sandy Zutz-Wiczek
Vice President
Clinic Operations
Essentia Health-Brainerd



Hara Charlier
President
Central Lakes College



Andy Isackson
Chief Marketing Officer
CTC



MAILING ADDRESS

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Brainerd, MN 56401

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PHONE NUMBER

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City of Brainerd
Economic Development Authority
Scope of Services Annual Report
2025 Proposed Services Agreement
Visit Brainerd

Report Date: 12/1/2024

a. Update content on EDA website.

The Brainerd EDA website is live, and we updated the content as it became available. We need to work with the consultants to remind them we have a website and to make sure that when they have updates to share them with Visit Brainerd. A couple of final action items from 2024 to be finished are integrating Swanson-Haskamp materials and finalizing a content management handbook.

2024 Budget: \$3,020

2025 Proposed Budget: \$2,500

Fee going down because scope of services is less hands-on work this year.

b. Create a marketing strategy and campaign for EDA website and available Brainerd properties.

The website technical SEO is completed, the on-page SEO is ongoing, and the keyword search and digital display campaigns are in progress. We need to consider a more targeted campaign and will work with the other consultants on that in Q1 of 2025 to better determine key words, establish back links, and geographic targets. We also need to finalize the Google Analytics set-up in order to better track website usage, trends and opportunities.

2024 Budget: \$20,000

2025 Proposed Budget: \$27,600

Fee is going up to account for SEO reporting services and ad costs.

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.

This campaign continues to be an important aspect of raising awareness about opportunities in Brainerd. For the second year we completed a Top-Of-Mind-Awareness advertising campaign with a multi-media approach targeting Brainerd, Bemidji, St. Cloud and the Northwest Metro.

We need to further analyze where our best opportunities are geographically; I'd still recommend budgeting for billboards on major highways coming into Brainerd but welcome feedback on specific corridors. I'd also recommend that in 2025 this campaign shift slightly from only TOMA to targeting developers and entrepreneurs in more print and digital campaigns. The TOMA works to reassure the region that Brainerd is a great option, so that needs to remain a strategy but as the available properties and opportunities come into focus, we should be targeting them.

2024 Budget: \$10,000

2025 Proposed Budget: \$18,000

Fee is going up to account for billboards and more targeted print and digital ads.

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.

This campaign was completed as proposed except for the ads on Hubbard Radio did not run as planned but will run in the Recruitment campaign instead. It's very hard to measure the ROI of this strategy; I will tell you that after visiting Downtown Brainerd businesses there is an overall sentiment that spending and attention is down. This was an election year which commonly causes an economic dip, so it could be that, but I think there is value in continuing the campaign to help educate people there is more to Brainerd than what they think is here. Refining the message will be important going forward.

2024 Budget: \$10,000

2025 Proposed Budget: \$5,000

Fee is going down because we can shorten the timeframe for this campaign and still accomplish the Return On Objective.

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.

This campaign is in progress as proposed. Again, it's very hard to measure the ROI of this strategy but I do know businesses appreciate the effort.

2024 Budget: \$10,000

2025 Proposed Budget: \$10,000

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

Completed.

-
- g. Attend the regular meeting of the EDA at least 4 times during this contract.**

Completed.



MEMO

Date: November 30, 2024
 From: Jennifer Haskamp, SHC
 RE: End of Year Summary

2024 Year in Review

In 2024 SHC, Kamp and the Brainerd EDA have worked together on various efforts to bring attention to development opportunities and properties for sale in the community. Working collaboratively with the consultant team our efforts have resulted in the development of an online digital presence of real estate listings that has brought new interest to the community. While the website and online listing has created the greatest response, several other activities have been completed which continue to support the mission and objectives of the EDA. The following summary of work completed per the 2023 contract is provided below (please reference SHC bi-monthly reports provided throughout 2024 for more detail).

Activities by Scope Task:

SCOPE	TASK
a.	Create and maintain an inventory of under-utilized and/or undeveloped property.
	<ul style="list-style-type: none"> • Attached to this memo is a snapshot of the matrix and mapping completed to understand the City’s under-utilized and/or undeveloped properties (SHC will provide a brief overview at the meeting in December). The matrix compiles the data and provides a Score for each property, identifying areas with greatest opportunities. The analysis included various metrics for evaluation including: <ul style="list-style-type: none"> ○ Proximity to major roadway ○ Wetlands ○ Buildable area ○ Availability ○ EMV (building vs. land) • Given the timing of reconstruction on Washington Street, properties with the highest scores along the corridor were identified. These properties are planned to remain high priority into 2025 as a more specific plan is developed to align with the reconstruction. • Supplementing the matrix is a value analysis which identifies properties where the land value exceeds the building/structural EMV. This data, in combination with planned land uses, establishes and identifies potential opportunities for residential development in the coming years.



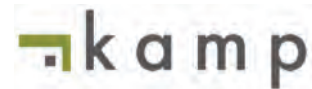
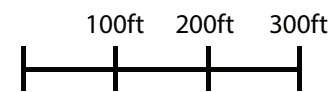
b.	Identify up to three priority properties/areas for 2024
	<ul style="list-style-type: none"> • Priority 2024 areas for marketing included: <ul style="list-style-type: none"> ○ Thiesse Industrial Park properties ○ Wright Street Industrial Properties ○ Annex Building/City Parking Lot redevelopment (concept planning completed in 2024) • Marketing collateral, including signs and digital, were created for all properties identified. Materials included: <ul style="list-style-type: none"> ○ Concept Plans ○ Proforma analysis ○ Estimated values • Materials are now available online and are listed. This has created interest in the market, with interest expressed by several properties including the Thiesse Industrial Park, Wright Street and redevelopment/repurposing of the Annex Building. • To help market the Thiesse Industrial Park, SHC prepared the \$1/acre incentive program outline and documentation. This program has been approved by the City Council and we have started to promote the opportunity to the local market. SHC has attached one of the marketing documents that provides prospective businesses/developers information regarding the program for your reference. • In addition to the listed priority sites, SHC prepared Concept Plans for Trailside Park and updated concepts are attached to this memo reflecting the EDA's comments at the October meeting. • Heading into 2025, refinement of the strategy to promote properties that are privately owned and not publicly listed will be prepared. Discussions with the quarterly consultant team have begun, and initial strategies must be vetted by the City's attorney before properties are marketed on the public domain.
c.	Establish relationship with developers on behalf of the EDA.
	SHC has had ongoing discussions with various developers regarding opportunities in both the Thiesse Industrial Park and the Wright Street Extension. Large scale housing redevelopment/development continues to be challenging, though developers are beginning to be more optimistic in light of recent interest rate reductions. SHC plans to continue discussion into 2025.
d.	Participate in quarterly roundtable discussions with the City of Brainerd Staff and all other consultants.
	We attended all quarterly consultant meetings scheduled to date. The meetings have provided an opportunity to discuss each consultant's activities, and to coordinate on how to effectively market the EDA and the available properties.
e.	Participate in one (1) business roundtable. Topic to address Washington Street.



	The Washington Street corridor reconstruction roundtable discussion did not align with the timing of the project. The plan is to reschedule the round table for 2025 when it will align with other corridor initiatives.
f.	Attend regular meetings of the EDA (minimum of four meetings.)
	SHC has attended three of the regular EDA meetings to date and will be in attendance at the regular December meeting. At the upcoming meeting we will provide a summary of our work throughout the year, including review of the property listing website.
OTHER	
	<p>While not included in the original scope of services, SHC has continued to work and support the consultant group on additional efforts as budget has allowed. A couple key activities to note include:</p> <ul style="list-style-type: none"> • Update/maintain directory of businesses in DT • DT map for Kiosks (see attached) • Attendance at various meetings as requested by staff

Attachments:

- A: Underutilized/Under-development property matrix summary
- B: Updated Concept Plans for Trailside Park
- C: \$1/acre Program Property Information
- D: DT Kiosk Map



Listing by Kamp Real Estate & Development

Contact:
Jennifer Haskamp
jhaskamp@kamp-mn.com
651.341.4193

\$1/Acre Incentive Program Summary Terms:

- Sales and acceptance subject to approval by EDA and City of Brainerd
- Buyers/Businesses must meet program criteria
- Land and construction value to be determined at time of sale by appraisal
- Business/Developer must enter Development Agreement with EDA/City upon project approval.

Incentive Program Calculation Estimate

- Estimated Land Market Value Calculated at \$1.38/SF. Price based on recent Industrial Land appraisal.
- Estimated Construction Value = 3*Estimated Land Value

**Land may be purchased at market rate and not enrolled in Incentive Program upon acceptance and approval by the Brainerd EDA&City of Brainerd.*

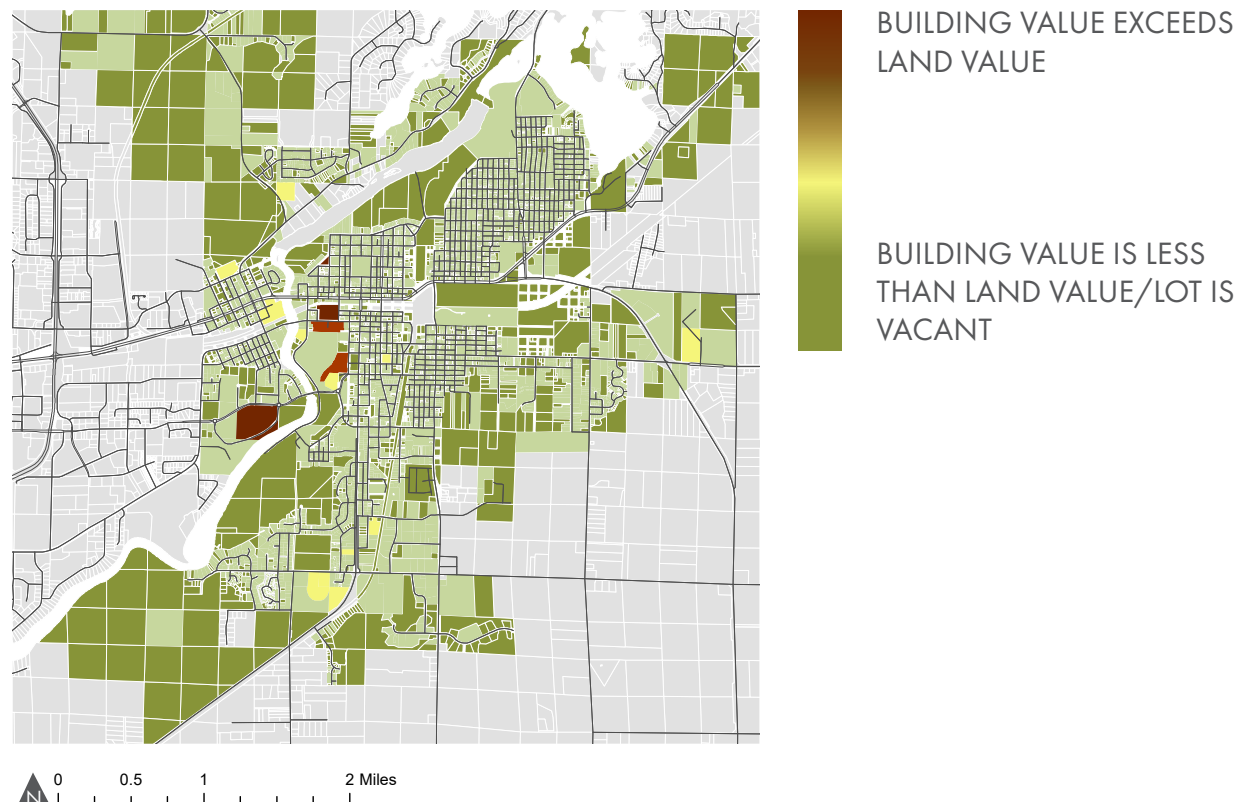
BRAINERD UNDERDEVELOPED & UNDERUTILIZED LOT ANALYSIS

UNDERDEVELOPED LOTS

PID	Site Details							Variables						
	Zoning	Adjacent Zoning	Land Value	Size (acres)	Buildable (acres)	Buildable %	Grade Change (ft)	Proximity to Major Road	Wetlands on Site		Topography	Buildable Area	Availability	Score
									0 ≥ 50% Wetland	0 ≥ 15 FT Change	0 ≤ 60% Buildable	0 Not available	0	
									1 < 50 Wetland	1 < 15 FT Change	1 > 60% Buildable	1 Available	1	
2 No Wetland	2 < 5FT Change	2 > 70% Buildable	2 City Owns	2										
41300887	CN-2	CN-2/GL	9,000.00	9.43	7.5	80%	2	0	0	2	2	2	0	4
41301091	CN-2	CN-2/PSP	93,700.00	27.8	25.2	91%	20	2	1	0	2	2	0	5
41290695	CN-2	GC/CN-2	54,100.00	8.95	8	89%	6	2	2	1	2	2	0	7
41300885	CN-2	CN-2/GL	12,000.00	5.54	4.6	83%	16	0	1	0	2	2	2	5
41300886	CN-2	CN-2/GL	6,000.00	4.71	3.9	83%	10	0	0	1	2	2	0	3



UNDERUTILIZED LOTS

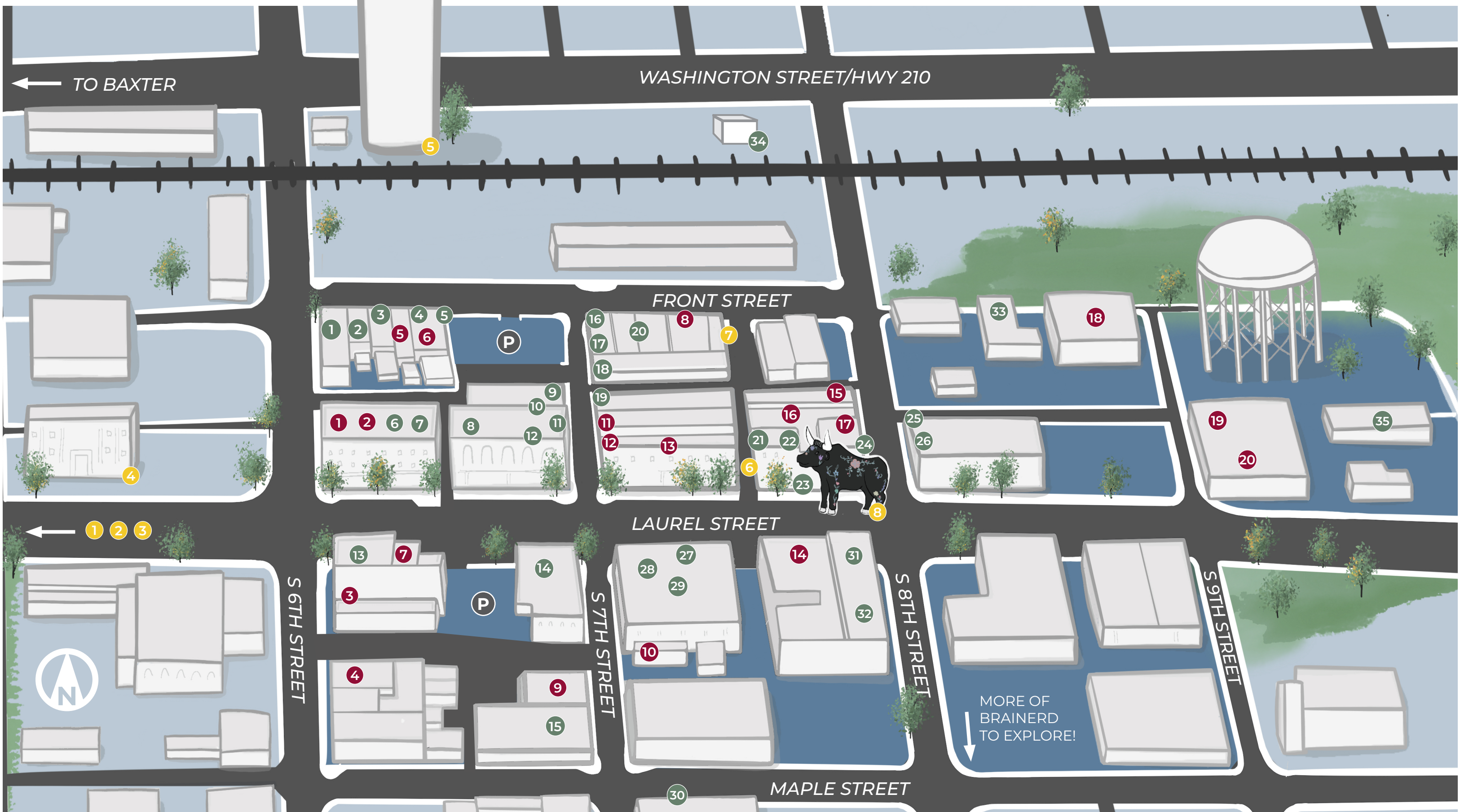
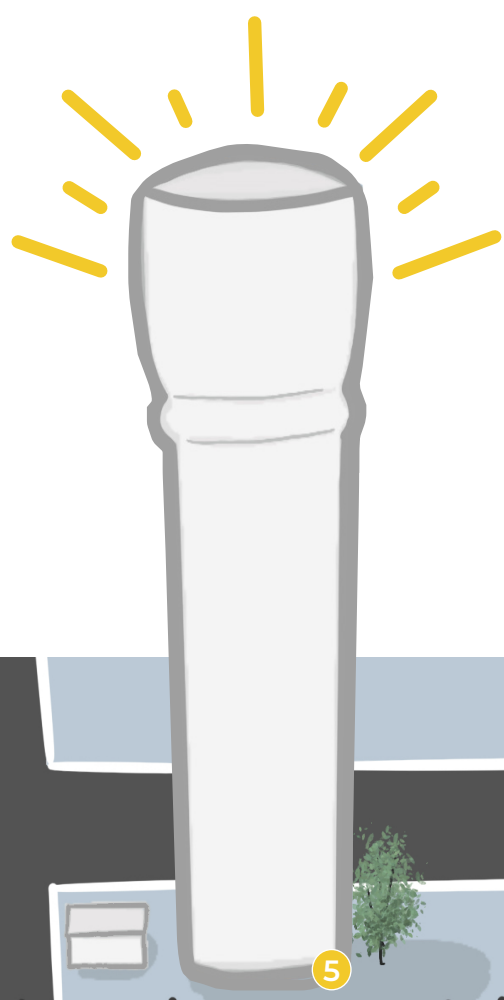


EAT

SHOP

EXPLORE

DOWNTOWN BRAINERD



FOOD & DRINK

- 1 COCO MOON COFFEE BAR
- 2 CHICK N RICE
- 3 BRAINERD VFW
- 4 SHEP'S ON 6TH
- 5 BLUE OYSTER
- 6 FRONT STREET CAFE
- 7 SAGE ON LAUREL
- 8 AMERICAN LEGION
- 9 EL POTRO MEXICAN RESTAURANT
- 10 O'NEARY'S IRISH PUB
- 11 BIG JAY'S PIZZA ARCADE
- 12 SE'Z BAR
- 13 KNOTTY PINE BAKERY
- 14 THE PARLOR
- 15 LAST TURN SALOON
- 16 YA SURE KOMBUCHA
- 17 THE PIT STOP
- 18 9TH STREET SOCIAL CLUB
- 19 ELK'S LODGE
- 20 YESTERDAY'S GONE BAR & GRILL

SHOPPING & ATTRACTIONS

- 1 DESIGN CONSIGN
- 2 SPORTS CARD CENTRAL
- 3 PICTURE PERFECT FRAMING STUDIO
- 4 FUSION JEWELRY STUDIO
- 5 THAIRAPY LASH & BEAUTY BAR
- 6 COPPER CAT ESCAPE GAMES
- 7 CAT TALE'S BOOKS & GIFTS
- 8 BREKKEN'S
- 9 VISIT BRAINERD
- 10 BRIDGE OF HARMONY
- 11 THE GALLERY
- 12 E.L. MENK JEWELERS
- 13 THE OLDE OPEN WINDOW
- 14 CROW WING FOOD CO-OP
- 15 HAIR & BEYOND
- 16 LAKES LASH STUDIO
- 17 ELYSIUM HAIR STUDIO
- 18 BARGAINS ON 7TH
- 19 BELLE CREATIONS
- 20 IRON HILLS GUN AND PAWN
- 21 CROSSING ARTS ALLIANCE
- 22 VAENN HAR HAIR STUDIO
- 23 PURPLE FERN BATH CO.
- 24 ARLENE'S BRIDAL
- 25 CRAZY PLANT COMPANY
- 26 DRAGON FORGE GAMES
- 27 ECTOTHERMIC NIRVANA
- 28 THE GOOD VILLAGE CO.
- 29 WOOD, WAX, & WEARABLES
- 30 THE OFFICE SHOP
- 31 BOB & FRAN'S FACTORY DIRECT
- 32 VINTAGE VIBES
- 33 THE 218 URBAN NEST
- 34 BELLS & BLOSSOM BOUTIQUE
- 35 PLAY N TRADE

COMMUNITY & HISTORICAL SITES

- 1 CROW WING COUNTY CAMPUS & HISTORICAL MUSEUM
- 2 UNITED STATES POST OFFICE
- 3 BRAINERD PUBLIC LIBRARY
- 4 BRAINERD CITY HALL
- 5 HISTORIC WATER TOWER
- 6 'YOU BETCHA' MURAL
- 7 LEGION MURAL
- 8 BABE THE WAABIGWAN OX

P PARKING



M E M O

TO: EDA Board of Commissioners

FROM: James Kramvik, Community Development Director
Connie Hillman, Finance Director

DATE: December 5th, 2024

RE: Consider the 2025 Shared Services Agreements and EDA Budget

INTRODUCTION

At the August 1st EDA Board Meeting, the Board approved a preliminary tax levy request of \$214,612, which is the maximum EDA fund allowed by state statute (469.107 s.1). The request was forwarded to the City Council for consideration. The final tax levy has not been set by the City Council. However, the City Council did vote to keep the EDA funds at the 2024 funding amount of \$186,812.

Staff recommend continuing with the current consultants in 2025 as the EDA’s website is now online and properties are listed. The consultants revised their scope of service based on the proposed work to be performed in 2025. The increase from 2024 is a result of the marketing strategy and campaign for the EDA website and for developing and implementing 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.

	2024	2025
BLAEDC	\$36,000	\$37,000
Swanson Haskamp	\$35,000	\$35,000
Visit Brainerd	\$40,000	\$63,100
DDBC	\$10,000	\$10,000
City of Brainerd	\$17,000	\$17,000
IF Request	\$5,350	\$5,350
Total	\$137,000	\$167,450

If the EDA elects to fully fund all five of these contracts and requests based on the proposed budget, the EDA would have a net revenue of \$19,362 for 2025.

Staff recommend that \$15,000 is allocated in the 2025 EDA budget for grants with the grant programing determined at a future meeting.

The final proposed EDA budget is attached as a spreadsheet.

RECOMMENDATION

- 1) Authorize the Chair to enter into the Shared Services Agreements as presented with BLAEDC, DDBC, Swanson Haskamp, Visit Brainerd, and the City of Brainerd.
- 2) Approve the Initiative Foundation Request.
- 3) Approve the 2025 EDA budget.

EDA Fund

	2023		2024 Amended Budget	2025 Proposed Budget	Difference
	Budget	Actual			
Revenues					
Taxes & Penalties					
31010 Current Ad Volorem	152,861	151,857	186,812	186,812	-
31020 Delinquent Current Ad Volorem	-	1,609	-	-	-
	152,861	153,466	186,812	186,812	-
Other Revenue					
34102 Developer Application Fee	-	-	-	-	-
36210 Interest Income	460	834	550	550	-
39200 Sale of Land	-	227,815	-	-	-
	460	228,649	550	550	-
TOTAL REVENUE	153,321	382,116	187,362	187,362	-
Services					
-3300 Professional Services					
City	17,000	17,000	17,000	17,000	-
BLAEDC	35,000	35,000	36,000	37,000	1,000
Legal/Municipal Advisors	-	683	-	-	-
Visit Brainerd	40,000	40,000	40,000	63,100	23,100
Swanson Haskamp	35,000	35,000	35,000	35,000	-
DDBC	10,000	10,000	10,000	10,000	-
-3350 Printing/Legal Publication	-	27	-	-	-
-3361 Ins. General Lib	91	136	142	142	0
-3430 Miscellaneous	10,880	101	-	-	-
-3434 Economic Initiatives	-	-	20,000	15,000	(5,000)
-3435 Memberships *	5,350	5,350	5,350	5,350	-
	153,321	143,297	163,492	182,592	19,100
-7720 Transfers Out	-	227,815	-	-	-
TOTAL EXPENDITURES	153,321	371,112	163,492	182,592	19,100
NET REVENUE OVER EXPEND.	-	11,004	23,870	4,770	(19,100)
Fund Balance		80,284	104,154	108,923	

* Initiative Foundation



Memo

To: EDA Board of Commissioners

From: DDBC Board of Directors

Date: December 2, 2024

Re: Proposed 2025 Scope of Services

In 2025 Destination Downtown Brainerd Coalition (DDBC) proposes to provide the following services in support of the Brainerd EDA's objective of developing and implementing a robust main street program:

- Maintain Main Street America Associate Membership status;
- Coordinate networking opportunities for downtown district businesses and other stakeholders;
- Support Main Street events and promotions;
- Participate in quarterly roundtable discussion with City of Brainerd staff and all other consultants providing services to the EDA.

The proposed budget for this scope of work is \$10,000. DDBC looks forward to continuing to work with the EDA and helping meet our shared objective of enhancing economic vitality for the City of Brainerd.

SHARED SERVICES AGREEMENT

This agreement is entered into this ____ day of _____, 2024; between Brainerd Restoration (dba Destination Downtown Business Coalition), a non-profit organization, and the Brainerd Economic Development Authority (EDA), a public body, corporate and politic.

WHEREAS, the EDA issued a Request for Proposals (RFP) for economic development consulting services; and

WHEREAS, the EDA has selected the Destination Downtown Business Coalition (DDBC) to work with downtown Brainerd and Highway 210 business owners and property owners within City of Brainerd corporate limits to develop and implement a robust main street program.

NOW, THEREFORE, IT IS HEREBY AGREED THAT:

I. Scope of Service

On behalf of the EDA, the Destination Downtown Business Coalition will provide the following services, consistent with State law and the directives of the EDA:

- a. Maintain Main Street America Associate Membership status;
- b. Coordinate networking opportunities for downtown district businesses and other stakeholders;
- c. Support Main Street events with advertising and promotional materials;
- d. Participate in quarterly roundtable discussion with City of Brainerd staff and all other consultants providing services to the EDA.

II. Compensation

In consideration of the services rendered by Destination Downtown Business Coalition, the EDA shall compensate the Destination Downtown Business Coalition \$10,000 annually, to be paid in monthly installments on the 15th of each month beginning January 1, 2025. Bi-monthly reports, aligning with regular meeting dates, demonstrating execution of each service identified in the Scope of Services shall be delivered to the EDA by the 25th of each month prior to payments being made the following month. Monthly reports shall be delivered in the format provided by the EDA.

III. Term

The term of this agreement shall be for a period of one year commencing on the 1st day of January 2025 and terminating on the 31st day of December 2025 and may be extended in one-year increments through mutual agreement by the EDA and the Destination Downtown Business Coalition. Either party may terminate this agreement for any reason prior to the listed expiration date upon 30-days' advance written notice. In the event either party terminates this agreement before its expiration any fees owed to the Destination Downtown Business Coalition will be prorated through the last day of the 30-day termination period.

IV. Indemnification

To the fullest extent permitted by law, the Destination Downtown Business Coalition agrees to defend, indemnify and hold harmless the EDA, and its employees, officials, and agents from and against all claims, actions, damages, losses and expenses, including reasonable attorney fees, arising out of the Destination Downtown Business Coalition's negligence or the Destination Downtown Business Coalition's failure to perform its obligations under this Agreement.

V. Compliance with Laws

The EDA and the Destination Downtown Business Coalition shall abide by all Federal, State or local laws, statutes, ordinances, rules and regulations now in effect, or hereafter adopted, pertaining to this Agreement or the subject matter of this Agreement. This Agreement shall be governed by and construed in accordance with the substantive and procedural laws of the State of Minnesota without giving effect to the principles of conflict of laws. All proceedings related to this Agreement shall be venued in the County of Crow Wing, State of Minnesota.

VI. Independent Contractor Status

The Destination Downtown Business Coalition is an independent Contractor and nothing herein contained shall be construed to create the relationship of an employer and employee between EDA and Destination Downtown Business Coalition employees. The Destination Downtown Business Coalition shall at all times be free to exercise initiative, judgment and discretion as to how to best perform or provide services. The Destination Downtown Business Coalition also acknowledges and agrees that no withholding or deduction for State or Federal income taxes, FICA, FUTA, or otherwise, will be made from the payments due the Destination Downtown Business Coalition and that it is the Destination Downtown Business Coalition's sole obligation to comply with applicable provisions of all Federal and State tax laws.

VII. Authorized Representative

Notification required to be provided pursuant to this Agreement shall be provided to the following named persons and addresses unless otherwise stated in this Agreement or in a modification of this Agreement.

<i>Destination Downtown Business Coalition</i>	<i>Brainerd EDA</i>
President	Chair
Brenda Billman-Arndt	Kevin Yeager
P.O. Box 1216	501 Laurel Street
Brainerd, MN 56401	Brainerd, MN 56401

VIII. Severability

The provisions of this Agreement shall be deemed severable. If any part of this Agreement is rendered void, invalid, or unenforceable such rendering shall not affect the validity and enforceability of the remainder of this Agreement unless the part or parts which are void, invalid or otherwise unenforceable shall substantially impair the value of the entire Agreement with respect to either party.

IX. Modifications

The EDA and the Destination Downtown Business Coalition hereby acknowledge that they have read this Agreement and affirmatively states and represents that they understand its contents. Further, that the above constitutes the entire agreement by and between the EDA and the Destination Downtown Business Coalition and is binding upon themselves, their heirs, assigns and successors in interest and any alterations, variations, modifications or waivers of the provisions of this Agreement shall only be valid when they have been reduced to writing and signed by the authorized representatives of the EDA and the Destination Downtown Business Coalition.

Approved this the ___ day of _____ 2024.

Brainerd Economic Development Authority

Destination Downtown Business Coalition

By: _____

By: _____

KEVIN YEAGER, CHAIR

MIKE ANGLAND,
PRESIDENT, BRAINERD RESTORATION

**AGREEMENT FOR PROFESSIONAL SERVICES
BY AND BETWEEN THE BRAINERD
ECONOMIC DEVELOPMENT AUTHORITY (EDA)
AND
THE BRAINERD LAKES AREA
ECONOMIC DEVELOPMENT CORPORATION

FOR CALENDAR YEAR 2025**

Whereas, the Brainerd EDA desires to actively implement an ongoing program to assist in the retention and support of its existing business community, promote the location of new businesses in the community, and support economic development in Crow Wing County; and

Whereas, the Brainerd Lakes Area Economic Development Corporation (BLAEDC), a private non-profit organization created “To Expand Business, Build Community, and Grow Jobs in Crow Wing County”, has established a comprehensive program to accomplish this mission;

Therefore, the Brainerd EDA does hereby enter into this agreement with the Brainerd Lakes Area Economic Development Corporation.

I. SERVICES

BLAEDC does hereby agree to provide the following services on behalf of the Brainerd EDA:

- a) BLAEDC agrees to provide a focal point for economic development in the Brainerd area, to assist businesses and industry with their site location needs, provide financial packaging services, and business planning assistance. BLAEDC will provide these services in cooperation with others such as the Brainerd office of the Small Business Development Center.
- b) BLAEDC will provide community services and marketing programs throughout the year to fulfill its mission to expand the tax base and increase employment.
- c) BLAEDC does hereby agree to maintain an office within the city limits of Brainerd to conduct its services under this contract.
- d) BLAEDC will provide an annual report to the Brainerd EDA on the activities and progress to fulfill the services identified above.
- e) A BLAEDC representative will attend Brainerd EDA meetings whenever appropriate or requested by the Brainerd EDA.

II. TERM OF CONTRACT

The term of this contract shall be one year, commencing January 1, 2025, and terminating on December 31, 2025.

III. COMPENSATION

Services Relating to Accomplishing Our Mission

The Brainerd EDA agrees to pay BLAEDC **\$37,000** for these services, payable in 12 monthly payments of **\$3,084**.

IV. REPRESENTATION

- a) The Brainerd EDA does hereby acknowledge that BLAEDC will be conducting similar and complimentary services throughout the 1,000 square miles of Crow Wing County. This acknowledgment recognizes that when BLAEDC successfully helps a company expand or locate in Crow Wing County, it ultimately helps the community of Brainerd. Depending on the locality of the business, there could be employment opportunities for residents in your area and increased spending with local businesses. With the expansion of the economic base of Crow Wing County, it enables the community to stabilize and hopefully lower property taxes, and allow an expansion and enrichment of community amenities such as parks, service programs and the like.
- b) Each party to this agreement binds himself and his partners, successors, executors, administrators, and assigns to the other party of this agreement and to the partners, successors, executors, administrators, and assigns of such other party, in respect to all covenants of this agreement. Except as above, neither party shall assign, sublet, or transfer his interest in this agreement without the written consent of the other. Nothing herein shall be construed as creating any personal liability on the part of any officer or agent of any public body which may be party hereto, nor shall it be construed as giving any rights or benefits hereunder to anyone other than the parties to this agreement.

IN WITNESS WHEREOF, the parties have executed this agreement in the Brainerd EDA, Minnesota on this day _____.

BRAINERD EDA

BRAINERD LAKES AREA ECONOMIC DEVELOPMENT CORPORATION (BLAEDC)

By EDA President

By Its President

Terry McFarlin

ATTEST:

Its Representative

BLAEDC Executive Director
Tyler Glynn

Brainerd Lakes Area
Economic Development Corporation

224 West Washington Street
Brainerd, MN 56401

growbrainerdlakes.org (218) 828-0096

SHARED SERVICES AGREEMENT

This agreement is entered into this ____ day of _____, 2024; between Visit Brainerd, Inc., a non-profit organization, and the Brainerd Economic Development Authority (EDA), a public body, corporate and politic.

WHEREAS, the EDA issued a Request for Proposals (RFP) for economic development consulting services; and

WHEREAS, the EDA has selected Visit Brainerd to develop and implement marketing, advertising, and communications plans that promote the City of Brainerd as the ideal place to live, work, start or relocate a business, and shop; and

NOW, THEREFORE, IT IS HEREBY AGREED THAT:

I. Scope of Service

On behalf of the EDA, Visit Brainerd will provide the following services, consistent with State law and the directives of the EDA:

- a. Update content on EDA website;
- b. Create a marketing strategy and campaign for the EDA website and available Brainerd properties;
- 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;
- 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;
- 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;
- f. Participate in quarterly roundtable discussions with City of Brainerd staff and all other consultants providing services to the EDA; and,
- g. Attend the regular meeting of the EDA no less than 4 times during the duration of this contract.

II. Compensation

In consideration of the services rendered by Visit Brainerd, the EDA shall compensate Visit Brainerd \$63,100 annually, to be paid in monthly installments on the 15th of each month, January through December.

Monthly reports demonstrating execution of each service identified in the Scope of Services shall be delivered to the EDA by the 25th of each month prior to payments being made the following month. Monthly reports shall be delivered in the format provided by the EDA.

III. Term

The term of this agreement shall be for a period of one year commencing on the 1st of January 2025 and terminating on the 31st day of December 2025 and may be extended in one-year increments through mutual agreement by the EDA and Visit Brainerd. In the event either party terminates this agreement before its expiration any fees owed to Visit Brainerd will be prorated through the last day of the 30-day termination period.

IV. Indemnification

To the fullest extent permitted by law, Visit Brainerd agrees to defend, indemnify and hold harmless the EDA, and its employees, officials, and agents from and against all claims, actions, damages, losses and expenses, including reasonable attorney fees, arising out of Visit Brainerd’s negligence or Visit Brainerd’s failure to perform its obligations under this Agreement.

V. Compliance with Laws

The EDA and Visit Brainerd shall abide by all Federal, State or local laws, statutes, ordinances, rules and regulations now in effect, or hereafter adopted, pertaining to this Agreement or the subject matter of this Agreement. This Agreement shall be governed by and construed in accordance with the substantive and procedural laws of the State of Minnesota without giving effect to the principles of conflict of laws. All proceedings related to this Agreement shall be venued in the County of Crow Wing, State of Minnesota.

VI. Independent Contractor Status

Visit Brainerd is an independent contractor and nothing herein contained shall be construed to create the relationship of an employer and employee between EDA and Visit Brainerd employees. Visit Brainerd shall at all times be free to exercise initiative, judgment and discretion as to how to best perform or provide services. Visit Brainerd also acknowledges and agrees that no withholding or deduction for State or Federal income taxes, FICA, FUTA, or otherwise, will be made from the payments due Visit Brainerd and that it is the Visit Brainerd’s sole obligation to comply with applicable provisions of all Federal and State tax laws.

VII. Authorized Representative

Notification required to be provided pursuant to this Agreement shall be provided to the following named persons and addresses unless otherwise stated in this Agreement or in a modification of this Agreement.

Visit Brainerd

Brainerd EDA

Executive Director
Mary Devine Johnson
706 Laurel St.
Brainerd, MN 56401

Chair
Kevin Yeager
501 Laurel Street
Brainerd, MN 56401

VIII. Severability

The provisions of this Agreement shall be deemed severable. If any part of this Agreement is rendered void, invalid, or unenforceable such rendering shall not affect the validity and enforceability of the remainder of this Agreement unless the part or parts which are void, invalid or otherwise unenforceable shall substantially impair the value of the entire Agreement with respect to either party.

IX. Modifications

The EDA and the Visit Brainerd hereby acknowledge that they have read this Agreement and affirmatively states and represents that they understand its contents. Further, that the above constitutes the entire agreement by and between the EDA and Visit Brainerd and is binding upon themselves, their heirs, assigns and successors in interest and any alterations, variations, modifications or waivers of the provisions of this Agreement shall only be valid when they have been reduced to writing and signed by the authorized representatives of the EDA and Visit Brainerd.

Approved this the ___ day of _____ 2024.

Brainerd Economic Development Authority

Visit Brainerd

By: _____
KEVIN YEAGER, CHAIR

By: _____
CHAIR, VISIT BRAINERD BOARD

City of Brainerd
Economic Development Authority
Scope of Services Annual Report
2025 Proposed Services Agreement
Visit Brainerd

Report Date: 12/1/2024

a. Update content on EDA website.

The Brainerd EDA website is live, and we updated the content as it became available. We need to work with the consultants to remind them we have a website and to make sure that when they have updates to share them with Visit Brainerd. A couple of final action items from 2024 to be finished are integrating Swanson-Haskamp materials and finalizing a content management handbook.

2024 Budget: \$3,020

2025 Proposed Budget: \$2,500

Fee going down because scope of services is less hands-on work this year.

b. Create a marketing strategy and campaign for EDA website and available Brainerd properties.

The website technical SEO is completed, the on-page SEO is ongoing, and the keyword search and digital display campaigns are in progress. We need to consider a more targeted campaign and will work with the other consultants on that in Q1 of 2025 to better determine key words, establish back links, and geographic targets. We also need to finalize the Google Analytics set-up in order to better track website usage, trends and opportunities.

2024 Budget: \$20,000

2025 Proposed Budget: \$27,600

Fee is going up to account for SEO reporting services and ad costs.

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.

This campaign continues to be an important aspect of raising awareness about opportunities in Brainerd. For the second year we completed a Top-Of-Mind-Awareness advertising campaign with a multi-media approach targeting Brainerd, Bemidji, St. Cloud and the Northwest Metro.

We need to further analyze where our best opportunities are geographically; I'd still recommend budgeting for billboards on major highways coming into Brainerd but welcome feedback on specific corridors. I'd also recommend that in 2025 this campaign shift slightly from only TOMA to targeting developers and entrepreneurs in more print and digital campaigns. The TOMA works to reassure the region that Brainerd is a great option, so that needs to remain a strategy but as the available properties and opportunities come into focus, we should be targeting them.

2024 Budget: \$10,000

2025 Proposed Budget: \$18,000

Fee is going up to account for billboards and more targeted print and digital ads.

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.

This campaign was completed as proposed except for the ads on Hubbard Radio did not run as planned but will run in the Recruitment campaign instead. It's very hard to measure the ROI of this strategy; I will tell you that after visiting Downtown Brainerd businesses there is an overall sentiment that spending and attention is down. This was an election year which commonly causes an economic dip, so it could be that, but I think there is value in continuing the campaign to help educate people there is more to Brainerd than what they think is here. Refining the message will be important going forward.

2024 Budget: \$10,000

2025 Proposed Budget: \$5,000

Fee is going down because we can shorten the timeframe for this campaign and still accomplish the Return On Objective.

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.

This campaign is in progress as proposed. Again, it's very hard to measure the ROI of this strategy but I do know businesses appreciate the effort.

2024 Budget: \$10,000

2025 Proposed Budget: \$10,000

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

Completed.

-
- g. Attend the regular meeting of the EDA at least 4 times during this contract.**

Completed.

SHARED SERVICES AGREEMENT

This agreement is entered into this ____ day of _____, 2024; between Swanson Haskamp Consulting, LLC, a private, for-profit organization, and the Brainerd Economic Development Authority (EDA), a public body, corporate and politic.

WHEREAS, the EDA issued a Request for Proposals (RFP) for economic development consulting services; and

WHEREAS, the EDA has selected Swanson Haskamp Consulting, LLC to provide property marketing and development services that develop and implement marketing, advertising, and communications plans to promote property within the city limits for commercial and residential developments, including the solicitation of developers, engagement of private property owners, and partnerships with local real estate agents.

NOW, THEREFORE, IT IS HEREBY AGREED THAT:

I. Scope of Service

On behalf of the EDA, Swanson Haskamp Consulting, LLC will provide the following services, consistent with State law and the directives of the EDA:

- a. Maintain, and update bi-annual, an inventory of under-utilized and/or undeveloped property including:
 1. City owned or other publicly owned/government-controlled property.
 2. Identify priority areas for infill;
 3. Revisit Washington Street corridor properties, re-evaluate based on mixed-use land use designation after PC adoption of new designation.
 4. Identify priority greenfield development areas to meet housing goals.
 5. Work with private landowners interested in sale or redevelopment and EDA property listing portal. Determine strategy for promotion.
- b. Identify up to three properties or study areas for 2025. Potential strategies include:
 1. Review high-level proforma to inform marketing strategy.
 2. Prepare concept/general master plans for priority properties (1 to 3 properties, depending on scale) to be used for promotion and solicitation.
 3. Evaluate development strategy to include promotions, case studies, lessons learned from other comparable areas, etc.
 4. Prepare flyers and/or marketing information for placement on website.
 5. Engage identified private property owners on behalf of the EDA, as directed, who have property prioritized for redevelopment.
- c. Establish relationships and continue discussion with developers on behalf of the EDA. Activities will include:
 1. Proforma refinement and cost input.
 2. Site review/collaboration to determine interest in priority areas.

- d. Participate in quarterly roundtable discussions with the City of Brainerd staff and all other consultants providing services to the EDA.
 - 1. Continue to refine the strategy with other EDA consultants to maintain (electronically) data generated through this process.
 - 2. Collaborate with other EDA consultants to refine the strategy for inventory and promotion of vacant properties (this may include for-sale, space for lease, spaces expected to become available, etc.)
- e. Participate in one (1) business roundtable or another City sponsored event focused on Washington Street corridor. Timing to align with other corridor initiatives as part of the reconstruction process.
- f. Attend the regular meeting of the EDA no less than 4 times, either virtually or in-person, during the duration of this contract.

II. Compensation

In consideration for the services rendered by the City, the EDA shall compensate Swanson Haskamp Consulting, LLC \$35,000 annually, to be paid in monthly installments on the 15th of each month, January through December.

Bi-monthly reports, aligning with regular meeting dates, demonstrating execution of each service identified in the Scope of Services shall be delivered to the EDA by the 25th of each month prior to payments being made. Monthly reports shall be delivered in the format provided by the EDA.

III. Term

The term of this agreement shall be for a period of one year commencing on the 1st day of January 2025 and terminating on the 31st day of December 2025 and may be extended in one-year increments through mutual agreement by the EDA and Swanson Haskamp Consulting, LLC. Either party may terminate this agreement for any reason prior to the listed expiration date upon 30-day advance written notice. In the event either party terminates this agreement before its expiration any fees owed to the Swanson Haskamp Consulting, LLC will be prorated through the last day of the 30-day termination period.

IV. Indemnification

To the fullest extent permitted by law, Swanson Haskamp Consulting, LLC agrees to defend, indemnify and hold harmless the EDA, and its employees, officials, and agents from and against all claims, actions, damages, losses and expenses, including reasonable attorney fees, arising out of Swanson Haskamp Consulting, LLC's negligence or Swanson Haskamp Consulting, LLC's failure to perform its obligations under this Agreement.

V. Compliance with Laws

The EDA and Swanson Haskamp Consulting, LLC shall abide by all Federal, State or local laws, statutes, ordinances, rules and regulations now in effect, or hereafter adopted, pertaining to this Agreement or the subject matter of this Agreement. This Agreement shall be governed by and construed in

accordance with the substantive and procedural laws of the State of Minnesota without giving effect to the principles of conflict of laws. All proceedings related to this Agreement shall be venued in the County of Crow Wing, State of Minnesota.

VI. Independent Contractor Status

Swanson Haskamp Consulting, LLC is an independent Contractor and nothing herein contained shall be construed to create the relationship of an employer and employee between EDA and Swanson Haskamp Consulting, LLC employees. Swanson Haskamp Consulting, LLC shall at all times be free to exercise initiative, judgment and discretion as to how to best perform or provide services. Swanson Haskamp Consulting, LLC also acknowledges and agrees that no withholding or deduction for State or Federal income taxes, FICA, FUTA, or otherwise, will be made from the payments due Swanson Haskamp Consulting, LLC and that it is Swanson Haskamp Consulting, LLC's sole obligation to comply with applicable provisions of all Federal and State tax laws.

VII. Authorized Representative

Notification required to be provided pursuant to this Agreement shall be provided to the following named persons and addresses unless otherwise stated in this Agreement or in a modification of this Agreement.

Swanson Haskamp Consulting, LLC

Brainerd EDA

Owner

Chair

Jennifer Haskamp

Kevin Yeager

550 Vandalia St, Suite 205

501 Laurel Street

St. Paul, MN 55114

Brainerd, MN 56401

VIII. Severability

The provisions of this Agreement shall be deemed severable. If any part of this Agreement is rendered void, invalid, or unenforceable such rendering shall not affect the validity and enforceability of the remainder of this Agreement unless the part or parts which are void, invalid or otherwise unenforceable shall substantially impair the value of the entire Agreement with respect to either party.

IX. Modifications

The EDA and Swanson Haskamp Consulting, LLC hereby acknowledge that they have read this Agreement and affirmatively states and represents that they understand its contents. Further, that the above constitutes the entire agreement by and between the EDA and Swanson Haskamp Consulting, LLC and is binding up on themselves, their heirs, assigns and successors in interest and any alterations, variations, modifications or waivers of the provisions of this Agreement shall only be valid when they have been reduced to writing and signed by the authorized representatives of the EDA and Swanson Haskamp Consulting, LLC.

Approved this the ____ day of _____ 2024.

Brainerd Economic Development Authority

Swanson Haskamp Consulting, LLC

By: _____
KEVIN YEAGER, CHAIR

By: _____
JENNIFER HASKAMP

SHARED SERVICES AGREEMENT

This agreement is entered into this ____ day of _____, 2024; between the City of Brainerd, a municipal corporation, and the Brainerd Economic Development Authority (EDA), a public body, corporate and politic.

WHEREAS, the EDA needs administrative and support staff services to fulfill its statutory duties; and

WHEREAS, City has the professional and administrative capacity to support the EDA; and

WHEREAS, the City historically provided these services to the EDA; and

WHEREAS, the parties desire to enter into an agreement memorializing the existing arrangement between them.

NOW, THEREFORE, IT IS HEREBY AGREED THAT:

I. Scope of Service

On behalf of the EDA, the City will provide the following services, consistent with State law and the directives of the EDA:

- a. Oversee the overall financial management of the EDA by working closely with the EDA Board of Commissioners; and
- b. Prepare an annual budget for approval by the EDA Board; and
- c. Operate per the approved budget, oversee accounts payable, and prepare checks on behalf of the EDA Board; and
- d. Oversee the EDA's Strategic Plan and complete goals and objectives; report results quarterly to the EDA; and,
- e. Communicate potential problems to the EDA Board and offer viable solutions; and
- f. Schedule EDA Board meetings, prepare Agendas and materials (including program/project reports, fiscal reports, resolutions and minutes), attend Board meetings; and
- g. Maintain all records of the EDA per laws and regulations; and
- h. Manage agreements between the EDA and hired consultants; and
- i. Represent the EDA in the Central Business District meetings; and,
- j. Coordinate quarterly roundtable discussions with all consultants providing services to the EDA; and
- k. Other projects as directed by the EDA Board.

II. Compensation

In consideration of the services rendered by the City, the EDA shall compensate the City \$17,000 annually, to be paid in two installments in July and December.

III. Term

The term of this agreement shall be for a period of one year commencing on the 1st day of January 2025 and terminating on the 31st day of December 2025. Either party may terminate this agreement for any reason upon 30-days' advance written notice. In the event either party terminates this agreement

before its expiration any fees owed to the City of Brainerd will be prorated through the last day of the 30-day termination period.

IV. Indemnification

To the fullest extent permitted by law, the City agrees to defend, indemnify and hold harmless the EDA, and its employees, officials, and agents from and against all claims, actions, damages, losses and expenses, including reasonable attorney fees, arising out of the City’s negligence or the City’s failure to perform its obligations under this Agreement.

V. Compliance with Laws

The EDA and City shall abide by all Federal, State or local laws, statutes, ordinances, rules and regulations now in effect, or hereafter adopted, pertaining to this Agreement or the subject matter of this Agreement. This Agreement shall be governed by and construed in accordance with the substantive and procedural laws of the State of Minnesota without giving effect to the principles of conflict of laws. All proceedings related to this Agreement shall be venued in the County of Crow Wing, State of Minnesota

VI. Independent Contractor Status

The City is an independent Contractor and nothing herein contained shall be construed to create the relationship of an employer and employee between EDA and City employees. The City shall at all times be free to exercise initiative, judgment and discretion as to how to best perform or provide services. The City also acknowledges and agrees that no withholding or deduction for State or Federal income taxes, FICA, FUTA, or otherwise, will be made from the payments due the City and that it is the City’s sole obligation to comply with applicable provisions of all Federal and State tax laws.

VII. Authorized Representative

Notification required to be provided pursuant to this Agreement shall be provided to the following named persons and addresses unless otherwise stated in this Agreement or in a modification of this Agreement.

<i>City of Brainerd</i>	<i>Brainerd EDA</i>
City Administrator	Chair
Nicholas W. Broyles	Kevin Yeager
501 Laurel Street	501 Laurel Street
Brainerd, MN 56401	Brainerd, MN 56401

VIII. Severability

The provisions of this Agreement shall be deemed severable. If any part of this Agreement is rendered void, invalid, or unenforceable such rendering shall not affect the validity and enforceability of the remain der of this Agreement unless the part or parts which are void, invalid or otherwise unenforceable shall substantially impair the value of the entire Agreement with respect to either party.

IX. Modifications

The EDA and the City hereby acknowledge that they have read this Agreement and affirmatively states and represents that they understand its contents. Further, that the above constitutes the entire agreement by and between the EDA and the City and is binding upon themselves, their heirs, assigns and successors in interest and any alterations, variations, modifications or waivers of the provisions of this Agreement shall only be valid when they have been reduced to writing and signed by the authorized representatives of the EDA and the City

Approved this the ____ day of _____ 2024.

Brainerd Economic Development Authority

City of Brainerd

By: _____

By: _____

KEVIN YEAGER, CHAIR

KELLY BEVANS
BRAINERD CITY COUNCIL PRESIDENT



RECEIVED

JUN 07 2024

**CITY OF BRAINERD
ADMINISTRATION**

June 7, 2024

Nick Broyles, City Administrator
City of Brainerd
501 Laurel St
Brainerd, MN 56401-3595

Dear Mayor Badeaux, City Council and Mr. Broyles,

For 38 years, the Initiative Foundation has built strong local economies, vibrant communities, and a lasting culture of generosity in Central Minnesota. Our grantmaking, lending, training and programs support local planning and development, drive small business and nonprofit growth, empower new entrepreneurs, address workforce shortages, and increase access to quality childcare.

In Crow Wing County, the Initiative Foundation has provided a total of \$8,747,321 in grants to support nonprofit organizations and local government projects, as well as \$11,435,489 in business loans to secure 2083 quality jobs. The Foundation's community and economic development services impacts nearly every city in Central Minnesota by providing essential resources to those that live, work, shop and play across the region.

Financial contributions from cities and counties greatly increase our capacity to support these economic and community development projects. In addition, your support also positions us to seek and deliver significant funding from sources outside the region into our communities. In 2023, we yielded significant results:

- Granted \$4,538,007 to nonprofits across the region through our own fund and our partner funds' grantmaking, including a \$750,000 grant through a new partnership with Otto Bremer Trust.
- Delivered more than \$3.5 million in low-interest loans to more than 40 small businesses and trained more than 330 entrepreneurs.
- Served over 130 organizations with our nonprofit development trainings, attracting city and county officials for the grant writing trainings.
- Preserved 800 childcare slots and 120 early childcare jobs through community support services.
- Awarded \$125,000 in grants to cities and local economic development administrations to support feasibility studies, community engagement projects and strategic planning.

Because of your support, for every dollar we raise locally, we have reinvested an average of \$4.37 back to the communities we serve in the form of grants, loans, and scholarships. That's a return on investment to be proud of, and we would be honored by renewal of your support in 2025.

We invite you to allocate \$5,350 to the Initiative Foundation in your 2025 budget.

Please contact us with any questions or to request a presentation. We sincerely appreciate your past investment and look forward to your continued support. After your budget for 2025 is finalized, please let us know your decision by signing and returning the enclosed confirmation form. Thank you for your consideration!

All the best,

Handwritten signature of Brian Voerding in black ink.

Brian Voerding
President

Handwritten signature of Carl Newbanks in black ink.

Carl Newbanks
Vice President of Philanthropy

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

Initiative Foundation | 405 First St. SE | Little Falls, MN 56345 | ifound.org | info@ifound.org

Equal Opportunity Employer, Lender and Provider.



Initiative Foundation at work in
CROW WING COUNTY

\$5.2 MILLION
in local donations to the Initiative Foundation.

\$21.6 MILLION
returned in grants and loans.

Our Mission:

To empower people throughout Central Minnesota to build a thriving economy, vibrant communities, and a lasting culture of generosity.

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

Return on Investment

For every local dollar contributed, the Initiative Foundation has invested **\$4.14** back into Crow Wing County.

Economic Impact

[1986 to present]

- Delivered 1,255 grants totaling **\$8.75 million**
- Partnered on 202 loans totaling **\$11.44 million**
- Created or retained **2,083 quality jobs**
- Leveraged in outside capital **\$84.2 million**
- County-based Partner Funds **25**

Equal opportunity employer, lender and provider.



2025 Budget Confirmation

Please use the form below to indicate your decision to support the Initiative Foundation in 2025. Thank you! Together, we can continue to serve this great region we call home!

Initiative Foundation
405 First St. SE, Little Falls, MN 56345
Or Email it to: cnewbanks@ifound.org

Or AGAIN THIS YEAR - online submission at ifound.org/city-and-county.

Yes, the City Council of _____ has approved funding to the Initiative Foundation in 2025 in the amount of \$ _____.

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

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

Not necessary, we'll send payment to IF without a payment reminder/invoice.

Payment attached.

No, the City Council has decided against funding the work of the Initiative Foundation in 2025.

Name of Contact Person _____
Printed Name Title

Signature Date

Email Address Phone #

If the City Council would like to schedule a presentation by the Foundation, request more information, or discuss local projects, please call Carl Newbanks at 320-631-2042 or email cnewbanks@ifound.org.

Thank you again for considering this request! We appreciate your partnership.

BEAVER DAM ROAD - LOW DENSITY



165.7 Total Acres

~26 Acres of Wetland

RL 13 Rural Living (RL-2) Units
» 150' Frontage
» 0.75-Acre Lots

GL 81 Garden Living Units
» 80' Min. Frontage
» 15,000SF - 1-Acre Lots

Trail Access + Parking

Less than 10 minutes from historic downtown Brainerd

BEAVER DAM ROAD - MEDIUM DENSITY



165.7 Total Acres

~26 Acres of Wetland

RL 13 Rural Living (RL-2) Units
 » 150' Frontage
 » 0.75-Acre Lots

GL 74 Garden Living Units
 » 80' Min. Frontage
 » 15,000SF - 1-Acre Lots

TN2 7 Multi-Family (TN-2) Buildings

Trail Access + Parking

Less than 10 minutes from historic downtown Brainerd



BEAVER DAM ROAD - HIGH DENSITY



- 165.7 Total Acres
- ~26 Acres of Wetland
- RL** 13 Rural Living (RL-2) Units
 - » 150' Frontage
 - » 0.75-Acre Lots
- GL** 75 Garden Living Units
 - » 80' Min. Frontage
 - » 15,000SF - 1-Acre Lots
- CN2** 22 Twin Home/Town Home (CN-2) Buildings
- TN2** 7 Multi-Family (CN-2) Buildings
- GC** General Commercial
 - » ~20,000SF
- Trail Access + Parking
- Less than 10 minutes from historic downtown Brainerd

Memo

To: Connie Hillman, James Kramvik, City of Brainerd

From: Mikaela Huot, Director, BTMA

Date: December 5, 2024

Subject: Updated Revenue Projections for Country Manor Tax Abatement Project and Request for Public Assistance for EDA review

Executive Summary

The City of Brainerd (the “City”) received an application for financial assistance through tax abatement from Foundation for Health Care Continuums (the “developer”) related to the proposed construction of a 110-unit senior living campus with attached childcare facility for 8 infants, 14 toddlers, 40 preschoolers and 30 school aged children. The total development cost for the project is approximately \$49,335,000 and the estimated taxable value is approximately \$21,928,000. The developer has applied for tax abatement assistance to offset a portion of the extraordinary costs associated with construction of the project. The developer’s most recent request for assistance is for 65% of the City’s share of annual tax abatement revenues for \$1,200,000 for up to 20 years. Using the taxable value of \$21,928,000 and the City’s payable 2024 tax capacity rate of 54.183%. the estimated annual city share of tax abatement would be \$97,395. Based on these assumptions, the projected maximum term of the tax abatement assistance would 12 years.

The developer initially applied for tax abatement assistance in January 2022 with a revised request submitted in fall/winter of 2023. The request in 2023 had been recommended by the EDA and granted by the City Council as 45% of the City share of taxes related to the project. The updated request is for 65% of the City share of taxes over up to 20 years. Should the City choose to grant the updated request, it may also consider more of a blended structure of tax abatement assistance, providing a higher percentage in the earlier years and lesser percentage in later years with total assistance remaining the same as if equally granted over up to 20 years.

Tax abatement is a financing tool the City may consider utilizing to provide cash flow assistance and close a funding gap for a project. All or a portion of the incremental taxes generated from the new development may be rebated back to the developer. Actual tax abatement amounts are subject to 1) generation of taxes by each participating entity and 2) approval by respective Board/Council. Terms of tax abatement assistance based on individual Board/Council approvals are included within a tax abatement agreement and provide for maximum number of years and abatement amounts. Each taxing entity chooses to participate on its own following a public hearing that is noticed more than ten days prior to the public hearing.

Prior to granting a tax abatement, a finding is made to determine that the benefits gained equal or exceed the cost and that the granting of a tax abatement is in the public interest. There is not a statutorily required ‘but-for test; however, many communities consider incorporating a determination that the project as proposed would not proceed without public assistance (meeting the “but-for” test) as well as consideration of increased market value of the property to be developed. When reviewing requests for financial assistance it is important to understand how the level of financial assistance would impact the ability of the project to proceed as proposed and maximize new value created on the current project site.

The City has asked that we prepare updated tax abatement revenue projections based on the developer's revised request for assistance and updated timeline for development. Following EDA review and possible recommendation, the anticipated structure of the tax abatement assistance is anticipated to be based on similar terms. The purpose of this memo is to provide a summary of the updated projected tax abatement revenues generated by the City based on the materials submitted in the application with an outline of the assumptions used to prepare the estimates provided below.

Tax Abatement Analysis

The following assumptions were used to estimate the projected tax abatement revenues (City share only):

- Total project area (3 parcels)
 - Parcel ID: 41330745
 - Parcel ID: 41330755
 - Parcel ID: 41330744
- Total estimated base value and original net tax capacity (assess 2024/pay 2025)
 - \$252,000 base value
 - \$3,174 original net tax capacity
- Estimated total taxable value and net tax capacity upon completion
 - \$21,079,400 residential rental
 - \$848,600 commercial-industrial (Daycare)
 - \$21,928,000 total taxable value
 - \$279,715 estimated total net tax capacity
- Maximum term of tax abatement
 - Up to 20 years with one or two participating taxing entities
 - Up to 15 years with all three taxing entities
- Anticipated term of tax abatement based on initial review
 - **Up to 20 years with 65% pledged**
 - **Original request/recommendation was 45%**
- Construction commences in 2025 and completed in 2026
 - 100% assessed in January of 2027 for taxes payable in 2028
- Tax rates, class rates and future market values remain constant
 - Tax rates
 - City share: 54.183%
 - Class rates
 - 1.25% residential rental senior units
 - 1.5% first \$150,000 value and 2% value above \$150,000 for commercial-industrial (daycare)
 - 0% annual market value inflator

Tax Abatement Revenue Estimates

Tax Abatement Revenue Projections	
Total Estimated Taxable Value	\$21,928,000
Total Estimated Annual Abatement City Share (year 1)	\$97,395
Estimated Total Net Revenues over 20 years @ 65%	\$1,947,900
Developer Request for Assistance	\$1,200,000
Projected 'Surplus' Abatement Revenues – resulting in reduced number of years of assistance	\$747,900
Estimated Total Number of Years	12 Years

The developer has requested financial assistance that equates to 65% of annual City share tax abatement over 20 years. This is also assuming no participation from the School District or County. We are unsure if the applicant intends to request participation from the School District and County, which, subject to participation, may result in a reduction in the annual and/or total projected abatement amounts for the City.

There is a statutory limit on the total amount of property taxes that may be abated by a political subdivision. The City's annual property tax abatement may not exceed (1) ten percent of the net tax capacity of the political subdivision for the taxes payable year to which the abatement applies, or (2) \$200,000, whichever is greater. We estimate the total City share of tax abatement from this project to be approximately \$97,395 (assuming 65%). We recommend consideration for both existing abatements and potential future abatements as it relates to the City's maximum participation level on an ongoing basis. The abatement under consideration would account for approximately 8.7% of the total capacity. The City's 2023 adjusted taxable net tax capacity is \$11,083,664 allowing for the City's total tax abatement capacity of approximately \$1,108,366.

Thank you for the opportunity to be of assistance to the City of Brainerd. Please contact me at 651-223-3036 or mikaela.huot@bakertilly.com with any questions or to discuss.

Projected Tax Abatement Report

**City of Brainerd, Minnesota
 Proposed Tax Abatement Assistance
 Country Manor Abatement
 Draft Abatement Revenues: \$21.9M new taxable value**

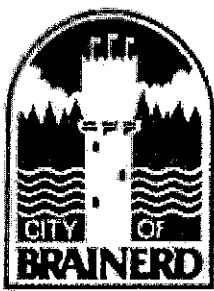
Annual Period Ending	Total Market Value ⁽¹⁾	Total Net Tax Capacity ⁽²⁾	Less: Non-Abated Net Tax Capacity ⁽³⁾	Retained Captured Net Tax Capacity	Times: Tax Capacity Rate ⁽⁴⁾	Estimated Annual Property Taxes	Maximum Tax Abatement City * 54.18%	Maximum Tax Abatement County *	Maximum Tax Abatement School *	Estimated Project Abatement
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
12/31/26										
12/31/27	0	0	0	0	54.183%	0	0	0	0	0
12/31/28	21,928,000	279,715	3,174	276,540	54.183%	149,838	65% 97,395	0% 0	0% 0	97,395
12/31/29	21,928,000	279,715	3,174	276,540	54.183%	149,838	65% 97,395	0% 0	0% 0	97,395
12/31/30	21,928,000	279,715	3,174	276,540	54.183%	149,838	65% 97,395	0% 0	0% 0	97,395
12/31/31	21,928,000	279,715	3,174	276,540	54.183%	149,838	65% 97,395	0% 0	0% 0	97,395
12/31/32	21,928,000	279,715	3,174	276,540	54.183%	149,838	65% 97,395	0% 0	0% 0	97,395
12/31/33	21,928,000	279,715	3,174	276,540	54.183%	149,838	65% 97,395	0% 0	0% 0	97,395
12/31/34	21,928,000	279,715	3,174	276,540	54.183%	149,838	65% 97,395	0% 0	0% 0	97,395
12/31/35	21,928,000	279,715	3,174	276,540	54.183%	149,838	65% 97,395	0% 0	0% 0	97,395
12/31/36	21,928,000	279,715	3,174	276,540	54.183%	149,838	65% 97,395	0% 0	0% 0	97,395
12/31/37	21,928,000	279,715	3,174	276,540	54.183%	149,838	65% 97,395	0% 0	0% 0	97,395
12/31/38	21,928,000	279,715	3,174	276,540	54.183%	149,838	65% 97,395	0% 0	0% 0	97,395
12/31/39	21,928,000	279,715	3,174	276,540	54.183%	149,838	65% 97,395	0% 0	0% 0	97,395
12/31/40	21,928,000	279,715	3,174	276,540	54.183%	149,838	65% 97,395	0% 0	0% 0	97,395
12/31/41	21,928,000	279,715	3,174	276,540	54.183%	149,838	65% 97,395	0% 0	0% 0	97,395
12/31/42	21,928,000	279,715	3,174	276,540	54.183%	149,838	65% 97,395	0% 0	0% 0	97,395
12/31/43	21,928,000	279,715	3,174	276,540	54.183%	149,838	65% 97,395	0% 0	0% 0	97,395
12/31/44	21,928,000	279,715	3,174	276,540	54.183%	149,838	65% 97,395	0% 0	0% 0	97,395
12/31/45	21,928,000	279,715	3,174	276,540	54.183%	149,838	65% 97,395	0% 0	0% 0	97,395
12/31/46	21,928,000	279,715	3,174	276,540	54.183%	149,838	65% 97,395	0% 0	0% 0	97,395
12/31/47	21,928,000	279,715	3,174	276,540	54.183%	149,838	65% 97,395	0% 0	0% 0	97,395
						\$2,996,760	\$1,947,891	\$0	\$0	\$1,947,891
							\$1,200,000	Maximum Tax Abatement		
							747,891	Surplus Tax Abatement		
							12		Estimated Number of Years	

⁽¹⁾ Total estimated market value based on preliminary value estimate following review by County Assessor **very preliminary and subject to further review. Includes 0% annual market value inflator**

⁽²⁾ Total net tax capacity based on residential rental class rate of 1.25% and commercial-industrial class rate of 1.5% first \$150,000 value and 2% value above \$150,000

⁽³⁾ Original net tax capacity based on existing land value

⁽⁴⁾ Local tax capacity rate for the City of Brainerd for taxes payable 2024



501 Laurel Street • Brainerd, MN 56401 • Phone (218) 828-2307

APPLICATION FOR PUBLIC FINANCING

Applicant Information

1. Applicant Name: Foundation for Health Care Continuums
(Name should be the officially registered name of the business entity.)

Address: 520 1st St. NE, Sartell, MN 56377

Telephone: 320-253-1920 Email Address: _____

2. Name of Person Completing the application: Anthony Fenstad, CEO

Address: 520 1st St. NE, Sartell, MN 56377

Telephone: 320-253-1920 Email Address: _____

3. Names and Addresses of Architect, Engineer, and General Contractor for this project:

Attorney Name: Eric Brevers, Wornson Goggins P.C.

Address: 119 Main St. E., New Prague, MN 56071

Telephone: 952-758-4161 Email Address: _____

Architect Name: GLT Architects

Address: 808 Courthouse Square, St. Cloud, MN 56303

Telephone: 320-252-3740 Email Address: _____

Engineer Name: _____

Address: _____

Telephone: _____ Email Address: _____

General Contractor Name: Bauer Design Build

Address: 14030 21st Ave. N., Plymouth, MN 55447

Telephone: 763-972-0000 Email Address: _____

4. If the applicant is a corporation, please name officers, directors, or stockholders holding more than 5% of the stock of the corporation. If the corporation is not formed, provide as much information as possible concerning potential officers, directors, or stockholders:

Applicant is a 501C3 Tax Exempt organization, no officers/ directors hold any ownership. There are no Stockholders.

- 4a. If the applicant is a general partnership, name of the general partners and if a limited partnership, state the general partners and limited partners with more than 5% interest in the limited partnership. If the partnership is not formed, provide as much information as possible concerning potential officers, directors or stockholders.

N.A.

- 4b. Has the applicant ever been in bankruptcy? If yes, please describe the circumstances.

Yes (please Explain): _____

No: _____

- 4c. Has the applicant ever been convicted of a felony? If yes, please describe the circumstances.

Yes (please Explain): _____

No: _____

- 4d. Has the applicant ever defaulted on any bond or mortgage commitment?

Yes (please Explain): _____

No: _____

Project Information

1. PID#'s, legal description, address, and size of project site:

PID#: 41330745, 41330755, and 41330744

Address: N.A.

Legal Description:
Sec:33 TWP:134 Range:028 NW1/4 of SE 33, Except the S.26.1 Acres Thereof
Sec:33 TWP:134 Range:028 N. 874.74 FT of NE1/4 of SW1/4, Except S. 12 Acres of
N. 874.74 FT. Subject To Easements
Sec:33 TWP:134 Range:028 S. 26.10 Acres of NWSE. Together With An Easement
Of Record.

Size of Project Size (Acres): 54.11

2. Current ownership of the site: Foundation for Health Care Continuums

3. Do you have current control of the site:

Yes: X

No:

4. Project description.

A 106 unit senior-living campus with attached child day care (capacity of 92 children). 30 of the 106 Senior Living units will be allocated for clients with memory-loss diagnosis.

5. If property is to be subdivided or replatted, please describe.

N.A.

6. Estimated project costs: **(Please enclose detailed sources and uses and 15-year operating Pro Forma).**

a. Land Acquisition:	<u>\$ 1,020,000</u>
b. Environmental/Soil Corrections:	<u>5,000</u>
c. Surveys:	<u>4,700</u>
d. Public Improvements:	<u>0</u>
e. Site Development:	<u>0</u>
f. Demolition:	<u>0</u>
g. Building(s):	<u>34,409,600</u>
Shell (if applicable)	<u>0</u>
Tenant Improvements (if applicable)	<u>0</u>
h. FF&E:	<u>1,075,000</u>

i. Architectural & Engineering Fees:	<u>1,550,000</u>
j. Legal Fees/Other Consulting Fees:	<u>200,000</u>
k. Financing Costs:	<u>1,200,700</u>
l. Construction Interest:	<u>3,900,000</u>
m. Title Insurance:	<u>27,500</u>
n. Mortgage Registration:	<u>50,000</u>
o. Bank/Borrower Legal:	<u>42,500</u>
p. Recording/Closing:	<u>0</u>
q. Construction Loan Fees:	<u>0</u>
r. SAC/WAC:	<u>500,000</u>
s. Park Dedication:	<u>50,000</u>
t. Appraisal:	<u>50,000</u>
u. Taxes:	<u>0</u>
v. Contingencies (construction):	<u>1,500,000</u>
w. Contingencies (soft):	<u>800,000 (Working Capital)</u>
x. Other:	<u>3,000,000 (DSRF)</u>
TOTAL \$	<u>49,335,000</u>

7. Source of Financing

a. Equity:	<u>\$ 8,135,040</u>
b. Bank Financing:	<u>0</u>
c. Public Assistance: (TIF or Tax Abatement)	<u>0</u>
d. Other governmental loans/grants:	<u>0</u>
e. Deferred Developer Fees:	<u>0</u>
f. Other:	<u>41,199,040</u>
TOTAL \$	<u>49,335,000</u>

Terms of Financing (years): 35

Rate of Financing: 6.25% (Tax Exempt Bonds) and 7.5% (Subordinate Bonds)

Cap Rate: _____

8. Project Construction Schedule:

a. Construction Start Date: 4/15/2024

b. Construction Completion Date: 11/15/2025

c. If Phased Project :

January 2, (year) _____ % Completed _____

January 2, (year) _____ % Completed _____

9. Total Estimated Market Value of Project upon completion \$32,000,000 _____

10. Please indicate how the project would meet one or more of Brainerd's Economic Development Goals (identify goal and state reason):

1. Maximize Brainerd's potential as a thriving center for business, health care, industry, education and recreation, while maintaining and enhancing its livability.
2. Actively promote development and redevelopment within the community, including financial incentive, with particular emphasis on attracting and supporting businesses that provide livable wage jobs.
3. Promote aesthetically pleasing development and redevelopment in the city.
4. Plan for the orderly, efficient and fiscally responsible growth of residential development in Brainerd
5. Support development that enhances community character and identity.

1. Since first opening its doors in 1970 as a humble 64-bed nursing facility, Country Manor has grown to accommodate the changing needs of seniors.

Country Manor proudly offers multiple locations boasting a complete continuum of care, unsurpassed amenities and an unwavering commitment to excellence.

After five decades in the senior living industry, we have learned that nothing compares to recognition and reputation, as these things must be earned. Country Manor has been locally and nationally recognized time and time again for their authenticity and genuine devotion to creating a superior lifestyle for all those who call Country Manor home. Recent awards include:

- Voted Best Senior Living Facility in Central Minnesota in 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023 and 2024. This award recognized Country Manor as the Best Senior Living Facility in Central MN ten years in a row, voted on by the people of Central Minnesota.
- 5-Star CMS Government Rated Facility- Country Manor has continuously maintained a 5-Star Government Rating for Quality Care (Centers for Medicare and Medicaid Services)
- Recognized on U.S. News & World Report's "100 Best Nursing Facilities" in the nation
- Recognized by U.S. News & World Report as a top skilled nursing and short-stay rehabilitation facility in the nation
- Kid's Country Child Day Care has been recognized as "Best Child Care Center and Best Preschool" in Central Minnesota for the years 2020-2024.

Country Manor is well-known and respected in the senior living industry. With thriving

campuses in Sartell and St. Joseph MN, we are excited for a new venture in a community that we have the utmost respect for.

Country Manor hopes to bring a brand new, multi-faceted senior living campus to the Brainerd area. The senior-friendly campus-style setting, will offer a complete continuum of care, ranging from complete independent senior living and assisted living to rehabilitation and progressive memory loss care to 24 hour a day, comprehensive care and hospice.

The goal of this new facility is to address the growing need for quality health care for seniors in the Brainerd area. According to the Administration on Aging, the population of adults 65 and older is experiencing one of the biggest increases in history, with the total number of older adults (65+) anticipated to double between 2010 and 2050. The Minnesota State Demographic Center asserts that the number of Minnesotans turning 65 in this decade is approximately 285,000.

Country Manor's plans to develop an innovative campus that better serves the needs and wants of "modern" seniors. "Baby boomers" are looking for living opportunities that eliminate the worry and stressors of living alone, but do not force them to compromise the lifestyle they love (Administration on Aging, 2017). Baby boomers are more active, independent and expect more for their money (Administration on Aging, 2017). Senior housing communities must adopt more amenities like on-call transportation, concierge services and wellness programs that keep tenants active and independent (Administration on Aging, 2017).

Never one to shy away from originality, we plan to create a campus similar to that which we opened in November of 2017 in St. Joseph, MN (Woodcrest of Country Manor). We will continue to break away from traditional "nursing home" designs and will instead promote an active, vibrant style of life, in an environment designed specifically with seniors in mind.

Beyond the care that will be provided at the new Country Manor facility, we will aim to create a campus that is focused on much more than the typical medical model. We will provide a campus-style setting, rich in on-site amenities and services. In addition to gaining access to a variety of personalized senior living services like independent living, assisted living, home health care, nursing and rehabilitative care, tenants of the new Country Manor facility will also enjoy indoor access to a vast array of amenities. Additional on-site amenities could include; a convenience store, pharmacy, bank, walk-in clinic, dining destinations, Chapel, wellness center, library, technology center, transportation services, underground garage, gathering areas, and outdoor features like patios, gazebos, walking trails and working gardens. (Many of the listed amenities will be made accessible to the larger community.) Note the "indoor" access specified here, as living in Minnesota in the winter can be especially difficult for seniors. A model like this allows seniors to remain active, present and engaged without having to worry about driving or traveling.

Country Manor also has plans to include a childcare center as part of the new proposed campus-style setting. The center will care for children six weeks to eleven years old, and be available to community members. A unique feature of the new childcare center, will be intergenerational programming between students and seniors. To learn more about the successful childcare center Country Manor operates in Sartell MN, please visit www.kidscountry.me.

Country Manor is a proud supporter of offering free CNA training courses. Country Manor has been doing this for many years. Students who successfully complete the six to eight

weeks course, are licensed by the state of Minnesota to begin work as a Certified Nursing Assistant.

Country Manor works closely with schools, creating many opportunities for students of all ages to volunteer and/or work with seniors.

Country Manor hosts frequent events in which the community is welcome to join in celebration. For example, Sartell Chapel services see an average attendance of 125 people per week, many of these individuals coming from the external community.

2. The new proposed facility in Brainerd, MN will provide for new jobs in a variety of areas, including but not limited to: Nursing (CNA/LPN/RN), Home Health Care (HHA/TMA), Assisted Living, Rehabilitation, Culinary, Housekeeping, Laundry, Maintenance, Spiritual Care, Therapeutic Recreation, Memory Care, Social Work, Environmental Services, Salon/Spa, Childcare, Business Offices, Transportation, Store/Pharmacy, IT and Management.

Country Manor is proud to support local businesses, vendors and organizations. We work to build meaningful and loyal relationships with the providers in our immediate area. We hope to continue this practice in the Brainerd area.

3. Country Manor has worked diligently to find the right team of architects, builders and innovators to work together to design and bring to life their modern vision. The end result is an aesthetically pleasing building with senior-friendly features.

Internal layouts boast elegant and inviting entrances, spacious hallways, soundproof apartments, warmly decorated common areas, private suites, massive event spaces and state-of-the-art equipment. Communities of Country Manor are intentionally designed to provide residents and tenants peace, privacy and serenity, with access to a bustling community of like friends and neighbors, and a wide variety of supportive amenities.

External landscapes are beautifully groomed throughout the seasons. Features such as fountain ponds, working flower and vegetable gardens, paved walkways, screened-in patios and walking trails may be included in the new proposed site and have proven successful at both Sartell and St. Joseph locations.

5. Country Manor has nearly 650 employees between their Sartell and St. Joseph locations. These individuals all live, work, shop and support their local communities and economies. We intend to promote the same kind of loyalty for the Brainerd community.

We plan to be involved in community-wide events, as participants and sponsors. Furthermore, we hope to build relationships with local schools and organizations to work together for things like intergenerational programming, volunteer opportunities and more.

4. **Please explain how the proposed either contributes to or alleviates the need for additional public parking.**

This project will not contribute to the need for any additional public parking. Nor will it alleviate any need the city may face for additional public parking. All parking needs associated with the project will be met/achieved within the boundaries of the project itself.

5. Will any public official of the City, either directly or indirectly, benefit from the issuance of public assistance within the meaning of Minnesota Statutes, Section 412.311 or 471.87? If yes, please explain the circumstances.

Yes (please Explain): _____

No: X

Public Assistance Request

1. Amount of assistance and term.

Amount: \$1,200,000

Term (years): 20

2. Describe the purpose for which Public Assistance (TIF or Tax Abatement) is required.

The purpose of the Public Assistance is to help defray some of the operating costs once the project becomes active, and allow the project to be financially feasible.

3. Please submit an itemized list of project costs for which TIF assistance is being requested.

No TIF is being requested. Tax Abatement is being requested.

4. State specific reasons why, "but for" the use of public assistance, this project would not be possible.

This is a new operational concept, combining inter-generational services to the public that (to our knowledge) has not been attempted before. The public assistance is needed to ensure adequate cash flow during early years of the project, and also to provide the internal funds to begin an expansion of the project in a potential Phase II. But for the use of Public Assistance helping to reduce operating costs once the project is active, the risk of failure would be significant and most likely discourage the outside financing needed to bring the project to life. When investors see that the local Community (City/County/School) embraces and supports the initiative with some type of public assistance, it provides an additional sense of security that goes beyond just the financial impact (which is significant by itself). The early years of such a project are very risky, and a mere 2.5% drop in planned Facility census can cripple a new project because the Facility would likely not be able to shed the necessary costs to match the revenue

shortfall is such a scenario. Investors that do not see a comfortable Debt Service Coverage projection in years 2-5 would likely deem the project as too risky to support.

Application Process

1. **The following documents must accompany the Application:**
 - A. A detailed sources & uses statement and 15-year project *Pro Forma*
 - B. Parcel Map depicting the proposed redevelopment area
 - C. Site plans and floors plans (as available)
 - D. Significant additional information may be requested at any time by the City and may be in addition to the materials outlined in this application. The Applicant shall be required to submit any and all information as requested by the City.
2. Applicant acknowledges and agrees to pay the \$1,000 Public Assistance Application Fee and is **non-refundable**.
3. At the time of acceptance by staff of the Public Financing Application, the applicant shall deposit \$10,000 with the City to cover attorney and consultant costs incurred as part of establishing a TIF district or abatement, drafting and negotiating a development agreement, and conducting any fiscal analysis that may be required to meet the requirements of utilizing any public financing. If additional expenses are incurred beyond the \$10,000, prior to the execution of a development agreement, the City shall notify the applicant in writing and the applicant will be required to deposit additional funds upon notice.
4. The Applicant shall hold the City, its officers, consultants, attorneys, and agents harmless from any and all claims arising from or in connection with the Project or Public Assistance Application, including but not limited to, any legal or actual violations of any State or Federal securities laws.
5. The Applicant recognizes and agrees that the City reserves the right to deny any application for Public Assistance at any stage of the proceedings prior to adopting the resolution approving the public assistance, that the Applicant is not entitled to rely on any preliminary actions by the City prior to the final resolution, and that all expenditures, obligations, costs, fees, or liabilities incurred by the Applicant in connection with the Project are incurred by the Applicant at its sole risk and expense and not in reliance on any actions of the City.

The undersigned, a duly authorized representative of the Applicant, hereby certifies that the foregoing information is true, correct, and complete as of the date hereof and agrees that the Applicant shall be bound by the terms and provisions herein.

Foundation for Healthcare Continuum
APPLICANT'S NAME *Audrey F. ...*
CEO

12-2-2024
DATE

CITY ACCEPTANCE OF APPLICATION

DATE

\$ _____
FEE AMOUNT REMITTED

DATE

City of Brainerd, Minnesota

**Timeline for
Approval for**

Tax Abatement for Country Manor – Updated Request for 65% City Share

Proposed Schedule of Events		
Date	Event	Responsible Party
Ongoing	Evaluate project components and developer financial information for determination of public assistance	City, Kennedy & Graven, Baker Tilly
Modification of Tax Abatement		
Thursday, December 5	EDA review of updated tax abatement project request	City, Kennedy & Graven, Baker Tilly, Developer
TBD	City Council calls for public hearing and reviews abatement request and supporting financial information (optional by motion)	City, Kennedy & Graven, Baker Tilly
Wednesday, January 8	<i>Deadline for submission of public hearing notice</i>	Baker Tilly
Wednesday, January 15	Publication of notice of public hearing in Brainerd Dispatch <i>(10-30 days prior to public hearing)</i>	Baker Tilly
Monday, February 3	City Council holds public hearing, and considers resolution approving resolution approving modified tax abatement and amended tax abatement agreement. <i>(Tax Abatement Agreement and resolution provided by Kennedy & Graven)</i>	City, Kennedy & Graven, Baker Tilly

** Action item to be determined with corresponding date*



City Council Agenda Request

MEETING DATE: December 18, 2023

TITLE OF ITEM: Adopt Resolution Calling a Public Hearing On a Property Tax Abatement for Certain Property in the City of Brainerd

AGENDA: Main

ACTION REQUESTED: Adopt Resolution

SUBMITTED BY: James Kramvik, Community Development Director, Connie Hillman, Finance Director

DEPARTMENT: Finance

PRESENTER: James Kramvik, Community Development Director, Connie Hillman, Finance Director

ESTIMATED TIME (MIN): 5 min

SUMMARY OF ISSUE:

The City received an application for public financing for tax abatement from the Foundation for Health Care Continuums for the Country Manor senior living facility comprised of 92 apartments and 18 memory care units, a childcare facility for 8 infants, 14 toddlers, 40 preschoolers and 30 school aged children, and for rehabilitation services for residents and the public.

Country Manor has submitted the required land use applications to complete the planning and zoning processes, submitted the building plans to the State of Minnesota for plan review, and is working with BPU and the Public Works Department to finalize the development agreement. Country Manor is ready to initiate the statutory process for tax abatement.

ALTERNATIVE, OPTIONS, EFFECTS ON OTHERS/COMMENTS: See Memo

RECOMMENDED ACTION/MOTION: Approve resolution calling for a public hearing on a property tax abatement for certain property in the City of Brainerd, Minnesota.

FINANCIAL IMPACT:

Memo - Draft

To: Connie Hillman, James Kramvik, City of Brainerd

From: Mikaela Huot, Director, BTMA

CC: Sofia Lykke, Kennedy & Graven

Date: December 14, 2023

Subject: Updated Revenue Projections for Country Manor Tax Abatement Project and Request for Public Assistance

Background

The City of Brainerd received an application for financial assistance through tax abatement from Foundation for Health Care Continuums (the “developer”) related to the proposed construction of a 112-unit senior living campus with attached childcare facility. The developer has requested tax abatement assistance to offset a portion of the extraordinary costs associated with construction of the project. The request to the City in the application is for \$853,158 over 15 years based on the City’s share of taxes. The developer had initially proposed the project with \$1.75M of tax abatement assistance over 15 years in January of 2022. The City and Baker Tilly reviewed the request for assistance and prepared preliminary tax abatement projections. The request for tax abatement assistance had been reviewed by the EDA in February 2022 and a recommendation was made to City Council to consider providing up to 45% of projected City share of annual tax abatement revenues over a 10 year period. Following the initial review and recommendation, the anticipated structure of the tax abatement assistance is anticipated to be based on similar terms. The purpose of this memo is to provide a summary of the updated projected tax abatement revenues generated by the City based on the materials submitted in the application with an outline of the assumptions used to prepare the estimates provided below.

Tax Abatement Analysis

The following assumptions were used to estimate the amount of projected tax abatement revenues based on the City’s share only:

- Total project area (3 parcels)
 - Parcel ID: 41330745
 - Parcel ID: 41330755
 - Parcel ID: 41330744
- Total estimated base value of \$113,000
- Estimated total taxable value upon completion
 - \$21,224,132 residential rental
 - \$703,868 commercial-industrial (Daycare)
- Maximum term of tax abatement
 - Up to 20 years with one or two participating taxing entities
 - Up to 15 years with all three taxing entities
- Anticipated term of tax abatement based on initial review
 - Up to 10 years with 45% pledged

- Construction commences in 2024 and completes in 2025
 - 100% assessed in January of 2026 for taxes payable in 2027
- Tax rates, class rates and future market values remain constant
 - Tax rates
 - City share: 58.664%
 - Class rates
 - 1.25% residential rental senior units
 - 1.5% first \$150,000 value and 2% value above \$150,000 for commercial-industrial (daycare)
 - 0% annual market value inflator

Tax Abatement Estimates

Based on the assumptions outlined above, the projected tax abatement revenues that could be generated from the City's share of property taxes of the project only are shown in the chart below.

Tax Abatement Revenue Projections	
Total Estimated Taxable Value	\$21,928,000
Total estimated annual abatement City share (year 1)	\$162,626
Estimated total net revenues for 10 years @ 45%	\$731,818
Abatement request	\$853,158

The developer has requested financial assistance of \$853,158 over 15 years. Based on the project assumptions, we are projecting that the recommended 10 years of assistance assuming 45% City participation of the new property tax abatement revenues from the project would not be sufficient to meet the request. This is also assuming no participation from the School District or County. We are unsure if the applicant intends to request participation from the School District and County, which, subject to participation, may result in a reduction in the annual and/or total projected abatement amounts for the City.

There is a statutory limit on the total amount of property taxes that may be abated by a political subdivision. The City's annual property tax abatement may not exceed (1) ten percent of the net tax capacity of the political subdivision for the taxes payable year to which the abatement applies, or (2) \$200,000, whichever is greater. We estimate the total City share of tax abatement from this project to be approximately \$73,000 (assuming 45%). We recommend consideration for both existing abatements and potential future abatements as it relates to the City's maximum participation level on an ongoing basis. The abatement under consideration would account for approximately 6.5% of the total capacity. The City's 2023 adjusted taxable net tax capacity is \$11,083,664 allowing for the City's total tax abatement capacity of approximately \$1,108,366.

Thank you for the opportunity to be of assistance to the City of Brainerd. Please contact me at 651-223-3036 or mikaela.huot@bakertilly.com with any questions or to discuss.

Projected Tax Abatement Report

**City of Brainerd, Minnesota
 Proposed Tax Abatement Assistance
 Country Manor Abatement
 Draft Abatement Revenues: \$21.9M new taxable value**

Annual Period Ending	Total Market Value ⁽¹⁾	Total Net Tax Capacity ⁽²⁾	Less: Non-Abated Net Tax Capacity ⁽³⁾	Retained Captured Net Tax Capacity	Times: Tax Capacity Rate ⁽⁴⁾	Estimated Annual Property Taxes	Maximum Tax Abatement City *	Maximum Tax Abatement County *	Maximum Tax Abatement School *	Estimated Project Abatement
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
12/31/25										
12/31/26	0	0	0	0	58.664%	0	0	0	0	0
12/31/27	21,928,000	278,629	1,413	277,217	58.664%	162,626	45% 73,182	0% 0	0% 0	73,182
12/31/28	21,928,000	278,629	1,413	277,217	58.664%	162,626	45% 73,182	0% 0	0% 0	73,182
12/31/29	21,928,000	278,629	1,413	277,217	58.664%	162,626	45% 73,182	0% 0	0% 0	73,182
12/31/30	21,928,000	278,629	1,413	277,217	58.664%	162,626	45% 73,182	0% 0	0% 0	73,182
12/31/31	21,928,000	278,629	1,413	277,217	58.664%	162,626	45% 73,182	0% 0	0% 0	73,182
12/31/32	21,928,000	278,629	1,413	277,217	58.664%	162,626	45% 73,182	0% 0	0% 0	73,182
12/31/33	21,928,000	278,629	1,413	277,217	58.664%	162,626	45% 73,182	0% 0	0% 0	73,182
12/31/34	21,928,000	278,629	1,413	277,217	58.664%	162,626	45% 73,182	0% 0	0% 0	73,182
12/31/35	21,928,000	278,629	1,413	277,217	58.664%	162,626	45% 73,182	0% 0	0% 0	73,182
12/31/36	21,928,000	278,629	1,413	277,217	58.664%	162,626	45% 73,182	0% 0	0% 0	73,182
						\$1,626,260	\$731,818	\$0	\$0	\$731,818

⁽¹⁾ Total estimated market value based on preliminary value estimate following review by County Assessor **very preliminary and subject to further review. Includes 0% annual market value inflator**

⁽²⁾ Total net tax capacity based on residential rental class rate of 1.25% and commercial-industrial class rate of 1.5% first \$150,000 value and 2% value above \$150,000

⁽³⁾ Original net tax capacity based on existing land value

⁽⁴⁾ Local tax capacity rate for the City of Brainerd for taxes payable 2023

* subject to individual Board approvals. Maximum 20 year term requires denial of participation from other taxing entity (or 90 days passing from original request)

RESOLUTION
XX:23

**RESOLUTION CALLING A PUBLIC HEARING ON A PROPERTY TAX
ABATEMENT FOR CERTAIN PROPERTY IN THE CITY OF
BRainerd, MINNESOTA**

WHEREAS, The Foundation For Health Care Continuums, a Tennessee nonprofit corporation, or an affiliate thereof or entity related thereto (the "Developer"), owns certain property (the "Property") located in the City of Brainerd, Minnesota (the "City") and proposes to construct and equip thereon a mixed-use development consisting of an approximately 112-unit senior living campus and attached daycare facility (the "Project"); and

WHEREAS, the City is considering granting a property tax abatement of all or a portion of the City's share of property taxes generated by improvements on the Property in a maximum amount of \$853,158 in order to facilitate the Project (the "Abatement"), all pursuant to Minnesota Statutes, Sections 469.1812 through 469.1815, as amended (the "Abatement Act"); and

WHEREAS, before the City may grant the Abatement under the Abatement Act, the City must conduct a duly noticed public hearing thereon; and

NOW, THEREFORE, BE IT RESOLVED by the City Council (the "City Council") of the City of Brainerd, Minnesota that:

1. The Interim City Administrator is authorized and directed to publish a notice in a newspaper of general circulation in the City setting a public hearing before the City Council on Tuesday, January 16, 2024, at or after 7:30 p.m. at City Hall on the Abatement. The notice, attached as EXHIBIT A, shall be published in the newspaper at least once more than ten (10) but not more than thirty (30) days prior to the public hearing, and shall be in substantially the form attached hereto.

2. The Interim City Administrator is authorized and directed to take all other actions necessary to bring the Abatement before the City Council at the time of the public hearing.

Adopted this ____ day of December 2023

KELLY BEVANS
President of the Council

Approved this ____ day of December 2023

BADEAUX DAVE
 Mayor

ATTEST: _____
 PATRICK WUSSOW
 Interim City Administrator

EXHIBIT A
NOTICE OF PUBLIC HEARING
TAX ABATEMENT
CITY OF BRAINERD, MINNESOTA

NOTICE IS HEREBY GIVEN that the City Council (the "City Council") of the City of Brainerd, Minnesota (the "City") will meet at or after 7:30 p.m. on Tuesday, January 16, 2024, in the City Council Chambers of City Hall, located at 501 Laurel Street in the City, to conduct a public hearing to consider granting a property tax abatement under Minnesota Statutes, Sections 469.1812 through 469.1815, as amended (the "Abatement Act"), for all or a portion of the City's share of property taxes for certain property located in the City (the "Property") to be developed by The Foundation For Health Care Continuums, a Tennessee nonprofit corporation, or an affiliate thereof or entity related thereto (the "Developer"). The Developer owns the Property and proposes to construct and equip thereon a mixed-use development consisting of an approximately 112-unit senior living campus and attached daycare facility (the "Project").

The Property consists of an approximately 54-acre site in the City, including the land described as property identification numbers 41.330.745, 41.330.755, and 41.330.744. Following the public hearing, the City Council will consider a resolution granting an abatement of all or a portion of the City's share of property taxes on the Property for a period of up to ten (10) years. The City estimates that the total amount of the abatements over 10 years will be approximately \$853,158.

At the time and place fixed for the public hearing, the City Council will give all persons who appear at the hearing an opportunity to express their views with respect to the Project and the proposed abatements. In addition, interested persons may direct any questions or file written comments regarding the Project and the proposed abatements with the Interim City Administrator at or prior to said public hearing.

Dated: January 3, 2024

BY ORDER OF THE CITY COUNCIL OF THE
CITY OF BRAINERD, MINNESOTA

/s/ Patrick Wussow
Interim City Administrator
City of Brainerd, Minnesota

MEMO

TO: EDA Board of Commissioners

FROM: James Kramvik, Community Development Director

DATE: December 5th, 2024

RE: Approve 2025 EDA Meeting Schedule

INTRODUCTION

The EDA currently meets on the first Thursday at 7:30 am every other month with the first meeting occurring in February. In 2024, the EDA held six regular meetings, two special meetings, and one workshop. The additional meetings were for consideration of an amended PDA with VCV Digital Infrastructure and Blockmetrix.

Staff recommend the EDA meet quarterly in 2025 beginning in March on the first Thursday of the month at 7:30 am. Quarterly consultant meetings will follow each regularly scheduled EDA meeting. Additionally, staff recommend scheduling a workshop in April to discuss 2025 EDA grant options. The EDA may hold special meetings throughout the year to consider public finance requests and land sales.

Note: Every other year, staff recommend the EDA hold a second workshop in November to set goals and objectives.

RECOMMENDATION

Staff recommend approval of the 2025 EDA meeting schedule

Note: The EDA board could provide other options

Brainerd Economic Development Authority

2025 Meeting Schedule

March 6th, 2025

April 3rd, 2025 (Workshop)

June 5th, 2025

September 4th, 2025

December 4th, 2025

Meetings are held at 7:30 a.m. in the Brainerd City Council Chambers, 501 Laurel St

Any individual needing special accommodations please call 218-828-2307.

MEMO

TO: EDA Board of Commissioners

FROM: James Kramvik, Community Development Director

DATE: December 5th, 2024

RE: Discuss EDA Bylaws Amendment

INTRODUCTION

The EDA currently meets on the first Thursday at 7:30 am every other month with the first meeting occurring in February. To change the meeting schedule, the Board must change the EDA bylaws. Staff have provided a proposed amendment to the bylaws with added language underlined and deleted language struck out.

Staff recommend the EDA meet quarterly in 2025 beginning in March on the first Thursday of the month at 7:30 am. Additionally, staff recommend scheduling a workshop in April to discuss 2025 EDA grant options and a workshop in November in even numbered years to discuss EDA goals and objectives. The EDA may hold special meetings throughout the year to consider public finance requests and land sales.

RECOMMENDATION

Staff recommend approval of the amended EDA Bylaws contingent up approval of staff's recommended 2025 EDA schedule.

**BYLAWS OF THE
ECONOMIC DEVELOPMENT AUTHORITY
OF BRAINERD, MINNESOTA**

ARTICLE I - THE AUTHORITY

Section 1. Name of Authority. The name of the Authority is the "Economic Development Authority of Brainerd, Minnesota."

Section 2. Seal of Authority. The seal of Authority shall be in the form of a circle and shall bear the name of the Authority and the date of its establishment.

Section 3. Office of Authority. The offices of the Authority are at City Hall in the City of Brainerd, State of Minnesota, or at such other place as the Authority may designate by resolution.

ARTICLE II OFFICERS

Section 1. Officers. The officers of the Authority are the President, Vice-president, and Secretary/Treasurer.

Section 2. President. At the annual meeting, the President shall submit to the Authority a report summarizing the activities and programs of the Authority for the past year and containing the President's recommendation for Authority activities for the ensuing year.

Section 3. Vice-President. The Vice-President shall perform the duties of the President on the absence or incapacity of the resignation or death of the President, the Vice-President shall perform such duties as are imposed on the President until such time as the Authority shall select a new President.

Section 4. Secretary/Treasurer. The Secretary/Treasurer shall oversee the keeping of all minutes of the Board and shall oversee the maintenance of all records of the Authority. He or she shall be responsible for the oversight and recording and maintaining of accurate records of the meetings of the Board and of all official actions, official, financial, and otherwise, taken by or on behalf of the Authority.

Section 5. Executive Director. The City Administrator shall be the Executive Director of the Authority and shall have general supervision over the administration of its business and affairs, subject to the direction of the Authority. The Executive Director is charged with the management of the economic development projects of the Authority.

Section 6. Other Administrative Officers. The Authority may designate an assistant to the Secretary who shall keep the records of the Authority, shall act as recorder of the meetings of the Authority, and record all votes, and shall keep a record of the proceedings of the Authority in a journal of proceedings to be kept for such purpose, and shall perform all duties incident to the office of Secretary. The Secretary shall keep in safe custody the seal of the Authority and shall have

power to affix such seal to all contracts and instruments authorized to be executed by the Authority.

The Brainerd Finance Director shall be the Assistant Treasurer of the Authority and shall have the care and custody of all funds of the Authority. He or she shall deposit the same in the name of the Authority in such bank or banks as the Authority may select. The Executive Director and the Secretary/Treasurer shall sign all orders and checks for the payment of money and shall pay out and disburse such monies under the direction of the Authority. Except as otherwise authorized by resolution of the Authority, all such orders and checks shall also be countersigned by the President.

The Assistant Treasurer shall keep regular books of account showing Authority receipts and expenditures and shall render to the Authority, at each annual meeting (or as often as requested), an account of the Authority's financial transactions and also of the financial condition of the Authority.

Section 7. Combining Administrative Offices: Compensation. The compensation of the administrative personnel of the Authority other than the Executive Director and Assistant Treasurer shall be determined by the Authority. Any two or more administrative offices may be combined.

Section 8. Additional Duties. The officers of the Authority shall perform such other duties and functions as may from time to time be required by the Authority or the bylaws or rules and regulations of the Authority.

Section 9. Election or Appointment. The President, Vice-President, and Secretary/Treasurer shall be elected at the annual meeting of the Authority from among the Commissioners of the Authority and shall hold office for one year or until their successors are elected and qualified.

Section 10. Vacancies. Should the office of President, Vice-President, or Secretary/Treasurer become vacant, pursuant to Minnesota Statutes 351.02 or by other provisions of law, the Authority shall elect a successor from its membership at the next regular meeting, and such election shall be for the unexpired term of the office.

Section 11. Additional Personnel. The Authority may from time to time employ or contract for such personnel as it deems necessary to exercise its powers, duties and functions as prescribed by Minnesota Statutes, 469.097, applicable thereto. Such personnel may be employees of the Authority, employees of other governmental organizations, or independent contractors. The selection and compensation of such personnel shall be determined by the Authority subject to the laws of the State of Minnesota.

ARTICLE III MEETINGS

Section 1. Annual Meeting. The annual meeting of the Authority shall be its first regular meeting in ~~February~~ March each year.

Section 2. Regular Meetings. Regular meetings of the Authority shall be held on the first Thursday of every ~~second~~ third month unless City offices are closed the same shall be held on the next preceding secular day. Regular (workshop) meetings of the Authority shall be held on the first Thursday of April and first Thursday of November in even numbered years unless City offices are

closed the same shall be held on the next preceding secular day. Until otherwise fixed by resolution of the Authority, regular meeting shall commence at 7:30 a.m.

Section 3. Special Meetings. Special meetings of the Authority may be called by the President, or two members of the Authority for the purpose of transacting any business designated in the call. The call for a special meeting may be delivered at any time prior to the time of the proposed meeting to each member of the Authority or may be mailed to the business or home address of each member of the Authority at least three days prior to the date of such special meeting. At such special meeting no business shall be considered other than as designated in the call, but if all of the members of the Authority are present at a special meeting, any and all business may be transacted at such special meeting by unanimous vote.

Section 4. Quorum. The powers of the Authority shall be vested in the Commissioners thereof in office from time to time. Four Commissioners shall constitute a quorum for the purpose of conducting its business and exercising its powers and for all other purposes, but a smaller number may adjourn from time to time until a quorum is obtained.

Section 5. Order of Business. At the regular meetings of the Authority the following shall be the order of business:

1. Call to Order
2. Roll call
3. Approval/Amendment of the Agenda
4. Consent Calendar.
5. Old Business
6. New business.
7. Staff Reports
8. Commissioner's Comments/Questions
9. Adjournment.

All resolutions shall be in writing and shall be copied in the journal of the proceedings of the Authority. The meeting will be conducted in accordance with the Standard Code of Parliamentary Procedure (Sturgis).

Section 6. Manner of Voting. The voting on all questions coming before the Authority shall be entered upon the minutes of such meeting. When a quorum is in attendance, action may be taken by the Authority upon a vote of the majority of the Commissioners.

ARTICLE IV - AMENDMENTS

Amendments to By-Laws. The bylaws of the Authority shall be amended only with the approval of at least five of the members of the Authority at a regular or special meeting.