



ECONOMIC DEVELOPMENT AUTHORITY AGENDA

City of Brainerd, Minnesota
City Hall, 501 Laurel Street, Council Chambers
Thursday, April 3, 2025 @ 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**

___T. Bieser ___J. Grecula ___G. Johnson ___M. Kirsch ___M. O'Day ___P. Sandy ___K.
Yeager

3. **Discussion Items**

A. **Washington Street Reconstruction**

1. **Chamber - Washington Street Mitigation Plan**
2. **HRA - Washington Street Small Cities Grant**

B. **Improved Signage in Downtown and Along Washington Street**

C. **Commercial Childcare Centers**

D. **Facade Improvement Grant**

4. **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"



To: Brainerd EDA

From: Brainerd Lakes Chamber of Commerce & BLAEDC

RE: Mitigation Plan to Help Businesses Navigate Washington St. Reconstruction

Project Overview

The Washington Street Reconstruction project, set for 2026-2027, is a once-in-a-generation investment in Brainerd’s future. While this large-scale project will bring much-needed improvements, it will also create significant challenges for businesses. Our goal is to ensure they remain strong contributors to Brainerd’s economic vitality throughout the construction period.

The Brainerd Lakes Chamber and BLAEDC, in partnership with the City of Brainerd and MNDOT, are creating a two-year Mitigation Plan to help all businesses stay informed, connected, and resilient. This initiative will provide clear updates, a strong branding effort to maintain public confidence, and direct support for businesses navigating the disruption.

Given the scope of this project, we believe the Chamber and BLAEDC are well-positioned to execute this plan, drawing on past success with efforts like Destination Downtown, a business competition that ran from 2017 to 2019 and successfully filled about 20 empty storefronts in downtown Brainerd. This initiative raised awareness, shifted community sentiment from negative to positive, and generated excitement and funding for revitalization efforts.

Mitigation Strategies

Strong, Positive Brand

A consistent, memorable brand will reinforce the project’s long-term benefits and encourage community buy-in. Instead of positioning this as a short-term inconvenience, the branding will focus on the improvements and economic growth that will result.

Centralized Web & Social Media Hub

A dedicated website and social media channels will provide real-time updates, targeting both businesses and community members, including:

- *Construction timelines and progress reports*
- *Detour and navigation resources*
- *Business promotion and engagement strategies*
- *FAQs and best practices for managing disruption*

Business Liaison & Direct Support

Pending funding or the inclusion of a bid requirement, we will secure a dedicated liaison to serve as the primary contact between businesses, MNDOT and contractors, ensuring:

- *Real-time communication and problem-solving*
- *Regular check-ins with impacted businesses*
- *A trusted advocate to relay concerns and coordinate responses*

Business Workshops & Expert Guidance

Free workshops will equip businesses with tools to prepare and adapt, including:

- *Keeping customers engaged during construction*
- *Adjusting operations to maintain revenue*
- *Expanding online sales and marketing strategies*

Community Engagement Efforts

To sustain business visibility, we will explore:

- *Special promotions and incentives to encourage local shopping*
- *Events that drive foot traffic despite construction*

Business-Led Steering Committee

A committee of business leaders and marketing professionals would shape and guide this initiative, ensuring the approach remains practical and responsive to business needs. We would propose that the EDA and City acknowledge the Chamber and BLAEDC as the primary organizations responsible for leading this effort, with an elected official serving on the committee.

Grant Programs & Business Assistance

We understand the EDA may explore funding opportunities to assist businesses with hardship and other physical improvements. If funds are secured, we would help promote and facilitate:

- *Façade improvement grants to offset construction impacts*
- *Infrastructure assistance for businesses needing physical modifications*
- *Rent and utility assistance for those experiencing financial hardship*

Tentative Budget

Element	2026 Cost	2027 Cost
Branding & Marketing	\$10,000	\$5,000
Website & Social Media	\$15,000	\$5,000
Business Liaison	\$40,000	\$40,000
Business Workshop Series	\$10,000	\$0
Promotions & Events	\$10,000	\$10,000
Project Administration	\$5,000	\$5,000
Total Estimated Cost	\$90,000	\$65,000

These are estimates only. Potential funders include the Brainerd EDA, partner organizations, area foundations, and the business community.

Next Steps & EDA Feedback Requested

The Brainerd Lakes Chamber and BLAEDC are committed to coordinating this project, but we would like your feedback on:

- *Reactions to the proposed mitigation strategies*
- *Additional ideas to help businesses navigate construction successfully*
- *The level of EDA involvement and any potential funding support*
- *Suggestions for additional funding sources or partnerships*

We appreciate your time and consideration. With thoughtful planning, partnership and investment, we will ensure Brainerd businesses not only survive this transition but emerge stronger in the long run.

Prepared March 17, 2025, by:

Matt Kilian, President

Brainerd Lakes Chamber of Commerce

Direct: (218) 822-7111

Cell: (320) 267-1756

Email: matt@brainerdlakeschamber.com

Tyler Glynn, Executive Director

BLAEDC

Direct: (218) 828-0096

Cell: (218) 851-2779

Email: tglynn@blaedc.com

MEMO

TO: EDA Board of Commissioners

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

DATE: April 3rd, 2025

RE: EDA 2025 Budget Memo

INTRODUCTION

City Council approved \$186,812 for the 2025 Brainerd EDA. At the December 5th EDA meeting, staff recommend continuing with the current consultants. The consultants revised their scope of service based on the proposed work to be performed in 2025.

	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

The EDA elected to fully fund all five of the contracts and based on the budget, the EDA has a net revenue of \$19,362 for 2025. Staff recommended that \$15,000 should be allocated in the 2025 EDA budget for grants with the grant programming determined at a future meeting.

The projected unassigned fund balance for 12/31/25 is \$103,312. Generally, the EDA fund will have negative net revenues over expenditures, until June and July and then negative again until December. The City has a policy that for the General Fund, the unassigned fund balance be between 30-50% of current year expenditures, since we operate for about 6 months without a major source of revenue.

Based on that policy, the recommended fund balance range for the EDA is \$54,777 to \$91,296 for the 2025 budgeted expenditures of \$182,592.

The EDA board should discuss potential uses for the budgeted amount of \$15,000 for grant programs and if any additional fund balance revenues should be used for special projects or grants in 2025.

EDA Fund Balance

Fund Balance as of 12/31/23	80,283.50
2024 Performance	25,324.83
	<hr/>
Projected Fund Balance 12/31/24	105,608.33
Committed	
Resolve (2024 Exterior Impr Grant)	(2,065.39)
??? (2024 Exterior Impr Grant)	(5,000.00)
	<hr/>
Unassigned Fund Balance 12/31/24	98,542.94
2025 Estimate	4,770.00
	<hr/>
Projected Unassigned Fund Balance 12/31/25	103,312.94

The main source of revenue in the EDA fund is property taxes. We receive property tax settlements two times a year, July and December. We receive 70% of the July settlement in June and then there is a clean up in January the following year.

Generally, the EDA fund will have a negative net revenues over expenditures, until June and July and then we go negative again until December.

The City has a policy that for the General Fund, the unassigned fund balance be between 30-50% of current year expenditures, since we operate for about 6 months without a major source of revenue. If we use 2025 budgeted expenditures of:

	182,592.00		
		30%	50%
Fund Balance Range		54,777.60	91,296.00

MEMO

TO: EDA Board of Commissioners

FROM: John Schommer, Rehab & Maintenance Director

DATE: April 3rd, 2025

RE: SCDP Grant

INTRODUCTION

Brainerd SCDP Application: To live out our mission to provide affordable housing and redevelopment opportunities to strengthen our neighborhoods and community and to continue to be a good partner with the City of Brainerd, the Brainerd HRA applies for and administers SCDP grants on behalf of the city. HRA staff is currently pursuing a grant for Streetscape improvements under the Public Facilities portion of the small cities program. We are only pursuing streetscape with this grant request as we currently have an open grant for housing rehab in SE Brainerd which would preclude us from having a 2nd open rehab grant at this time. Chances of funding for this grant cycle is increased when eligible projects are done in tandem with other initiatives like the Washington Street reconstruction project and we are optimistic for our chances at an award. One of the eligible items under the Streetscape category is decorative lighting which for the Washington street reconstruction project, the city's portion alone is budgeted at \$1,400,000 (as estimated in 2023).

The Brainerd HRA will be applying for the maximum amount allowable through this program, which is \$600,000 with the aim to reduce a portion of the financial burden to the City. We successfully submitted a preliminary proposal at the end of 2024 which was deemed competitive and allows us to submit the application that we have been working with city staff on. As we work through the approval process with the City Council we will be holding a public hearing at an upcoming council meeting to seek public input on the grant request. Applications are due at MN Department of Employment and Economic Development (DEED) offices April 16th, at 4:30pm.

MEMO

TO: EDA Board of Commissioners

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

DATE: April 3rd, 2025

RE: Improved Signage in Downtown and Along Washington Street

INTRODUCTION

Staff have received complaints about signage aesthetics in our major corridors and downtown. Signage is an important aspect of the overall characteristics of a commercial area and sub-standard signage can detract from the appearance and create negative perceptions to visitors. All signs are regulated by [Section 515-3-37](#) for the Zoning Code. The purpose of the ordinance is to maintain, enhance, and improve the aesthetic environment of the City by preventing visual clutter that is harmful to the appearance of the community. The ordinance regulates size and location but does not regulate material. Banner signs made of canvas or vinyl have increased in Brainerd and the aesthetics have become an issue. Signs should serve to communicate for the business but should be held to a standard as they also play an important role in attracting visitors and new businesses to an area.

The EDA should discuss improved signage standards and make a recommendation to the Planning Commission at a future meeting.

The EDA should also consider using available funds to help businesses improve their signage. A similar program that relates to the parameters of façade improvement grant could be implemented. Possibly a 50% matching grant up to \$1,000 or \$2,000 to improve wall, monument, or pylon signage.

EXAMPLE OF BANNER SIGNAGE



MEMO

TO: EDA Board of Commissioners

FROM: James Kramvik, Community Development Director

DATE: April 3rd, 2025

RE: Commercial Childcare Center Memo

INTRODUCTION

BLAEDC conducted business retention interviews, and the EDA toured five businesses in 2024, and it was apparent that childcare continues to be an important issue for employers and employees in Brainerd. As a result, City staff and two EDA board members toured Brainerd childcare centers in the first quarter of 2025 to hear what is going well and what issues childcare providers are currently facing, specifically issues with expansion. Common issues include:

- 1) Staffing, especially entry level positions (turnover, burnout, and wages)
- 2) Losing staff to federally funded or state-funded childcare centers
- 3) State permitting and licensing requirements
- 4) Capital for additions and new facilities
- 5) Cashflow challenges and balancing wage increases and affordable tuition
- 6) There is no major return on investment for childcare centers
 - a. Childcare centers are breaking even at best each month
- 7) Difficulty finding space for rent that meets licensing requirements

CHILDCARE TOURS

Staff reached out to five childcare providers in Brainerd and four centers responded. The following three centers were available to provide tours to City staff and designated EDA board members:

- 1) Tri-County Community Action – Head Start – 2410 Oak Street
- 2) Brainerd YMCA Learning Center – 703 Oak Street
- 3) Stepping Stones Childcare Learning Center – 810 NW 7th St

BRAINERD CHILDCARE CENTERS

- **Bethlehem Head Start**
 - Total capacity: 24
 - Ages Served: Infant;Toddler
- **Brainerd Head Start**
 - Total capacity: 108
 - Ages Served: Infants Toddlers Preschool
- **Kidzone Daycare Center**
 - Total capacity: 58
 - Ages Served: Infant;Toddler;Preschool
- **Montessori School of Brainerd**
 - Total capacity: 62
 - Ages Served: Preschool School-Age
- **YMCA - New Discoveries Child Care Center - 424 S 8th St**
 - Total capacity: 47
 - Ages Served: Preschool
- **YMCA - New Discoveries Child Care Center - 703 Oak St**
 - Total capacity: 66
 - Ages Served: Infant;Toddler
- **St. Francis Preschool**
 - Total capacity: 40
 - Ages Served: Preschool
- **Stepping Stones Childcare Learning Center Inc**
 - Total capacity: 143
 - Ages Served: Infants Toddlers Preschool School-Age
- **Tiny Adventures**
 - Total capacity: 31
 - Ages Served: Infants Toddlers Preschool
- **Trinity Children's Center**
 - Total capacity: 85
 - Ages Served: Infants Toddlers Preschool School-Age

STAFF RECOMMENDATION

- 1) Consider future grants for childcare expansion
- 2) Consider eliminating SAC & WAC and all permit fees for childcare centers in Brainerd

Childcare Visits

Business Information

Business Name: _____

Business Size (Approximate Employees): _____

Business Contact Information: Owners Name: _____

Business Address: _____

Phone Number: _____

Email: _____

Childcare Numbers

Infants: _____ Toddlers: _____ Preschool: _____ Afterschool: _____

Waitlist Total: _____

Business Questions

1) What are your current business issues?

Examples: Façade/ Signage, Building Condition, Location, Financial, Marketing, Training, Finding Employees

2) In your opinion, what are the greatest challenges facing the childcare industry?

3) In your opinion, what are the greatest challenges to opening a new center or expanding?

4) Has your business made use of any grants or programs available to businesses in this region?
Please Explain

5) Other comments or successes at your childcare center

Contact Us.

James Kramvik: jkramvik@ci.brainerd.mn.us / 218-454-3408

Childcare Visits

Business Information

Business Name: _____

Business Size (Approximate Employees): _____

Business Contact Information: Owners Name: _____

Business Address: _____

Phone Number: _____

Email: _____

Childcare Numbers

Infants: _____ Toddlers: _____ Preschool: _____ Afterschool: _____

Waitlist Total: _____

Business Questions

1) What are your current business issues?

Examples: Façade/ Signage, Building Condition, Location, Financial, Marketing, Training, Finding Employees

2) In your opinion, what are the greatest challenges facing the childcare industry?

3) In your opinion, what are the greatest challenges to opening a new center or expanding?

4) Has your business made use of any grants or programs available to businesses in this region?
Please Explain

5) Other comments or successes at your childcare center

Contact Us.

James Kramvik: jkramvik@ci.brainerd.mn.us / 218-454-3408

MEMO

TO: EDA Board of Commissioners

FROM: James Kramvik, Community Development Director

DATE: April 3rd, 2025

RE: Façade Improvement Grant Memo

INTRODUCTION

The EDA approved an agreement with BLAEDC to administer a façade grant program that provides a 50% matching grant for actual construction costs up to \$5,000 per property on a pay-for-performance basis. Eligible projects include permanent exterior building and landscape improvements visible from the public right-of-way. The following projects received funding:

- Pearl Swan, LLC – 823 Washington St – Painting the exterior and new awning (Completed 2024)
 - Total Project - \$10,290
 - EDA Grant - \$5,000
- A.W. Research Laboratories, Inc – 314 Charles St – Exterior paint (Not Complete)
 - Total Project - \$15,150
 - EDA Grant - \$5,000
- Brekkens - 623 Laurel St – A lighted south facing sign along Laurel Street (Completed 2024)
 - Total Project - \$6,569
 - EDA Grant - \$3,284
- Revolv Manufacturing – 1100 Industrial Park Road - Sidewalk to an entrance door and landscaping (Completed 2024)
 - Total Project – \$4,500
 - EDA Grant - \$2,250
- Rage Holdings LLC – 1109 Oak St – Awning across entire façade (Completed 2024)
 - Total Project - \$10,388
 - EDA Grant - \$5,000

Staff included before and after pictures from the approved and completed projects. The EDA board should discuss and consider the future of the grant program.



Before



After



Before



After



Before



After



Before



After



Before



After



Before



After