

Crow Wing County HRA Board Meeting
5:00 p.m. Tuesday, December 8th, 2020
Remote Meeting via Webex Video/Teleconference

Join from your browser: <https://brainerdhra.my.webex.com/brainerdhra.my/j.php?MTID=m86b4a8fe86a370eacae0acb8194d3e8c>

Join by phone: 415-655-0001

Meeting number (access code): 126 211 6408

Meeting password: 1208

“Our mission is to support the creation and preservation of affordable housing, economic development, and redevelopment projects towards a more vibrant Crow Wing County.”

AGENDA

1. CALL to ORDER
2. ROLL CALL
3. REVIEW and APPROVE MINUTES (*Attachment 1*).....[p. 3](#)
4. REVIEW and ACCEPT FINANCIAL STATEMENTS (*Attachment 2*).....[p. 5](#)
5. UNFINISHED BUSINESS
6. NEW BUSINESS
 - a. Authorize Participation in the Minnesota City Participation Program (*Attachment 3*).....[p. 11](#)
 - b. Review & Discuss Fund Balance (*Attachment 4*).....[p. 21](#)
7. REPORTS
 - a. Executive Director (*Attachment 5*).....[p. 23](#)
 - b. Rehab Programs (*Attachment 6*).....[p. 25](#)
 - c. BLAEDC/CREDI (*Attachment 7*).....[p. 27](#)
 - d. CWC
8. HRA COMMISSIONER COMMENTS
9. NEXT MEETING AGENDA TOPICS: Tuesday, January 12, 2021
10. ADJOURNMENT

CWC HRA Commissioners

Craig Nathan, Chair - District 4 (12-31-20)

Michael Aulie, Vice Chair - District 5 (12-31-21)

Michael Morford, Secretary/Treasurer - District 2 (12-31-23)

Richard (George) Burton - District 1 (12-31-22)

Zach Tabatt, Commissioner - District 3 (12-31-24)



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Crow Wing County HRA Board Meeting Minutes from Tuesday, November 10th, 2020

A regular meeting of the Board of Commissioners of the Housing and Redevelopment Authority (HRA) in and for the County of Crow Wing, Minnesota, was held via Webex video/teleconference at 5:00 p.m., Tuesday, November 10th, 2020.

1. **CALL TO ORDER:** Chair Craig Nathan called the meeting to order at 5:00 p.m.
2. **ROLL CALL:** Present: Commissioners Craig Nathan, Michael Aulie, Zach Tabatt, and Michael Morford.
Absent: Richard (George) Burton.

Others present: Executive Director Eric Charpentier, Finance Director Karen Young, Rehab Coordinator John Schommer, Executive Assistant LeAnn Goltz, Tyler Glynn with BLAEDC, and CWC Commissioner Steve Barrows.

3. **REVIEW and APPROVE MINUTES**

Moved and seconded by Commissioners Tabatt and Aulie to approve the minutes from October 13th, 2020. Through a roll call vote, all commissioners were in favor and none were opposed. The minutes were approved.

4. **REVIEW and ACCEPT FINANCIAL STATEMENTS:** Young reported that the Brainerd HRA is finalizing budgets, which will be presented at their board meeting next week. Also, there was a Local Income deposit today in the amount of \$32,789.

Moved by Commissioner Aulie and seconded by Commissioner Tabatt to accept the October 2020 financial statements as presented. Through a roll call vote, all commissioners voted in favor and none were opposed. The motion passed.

5. **UNFINISHED BUSINESS:** Nothing to report.

6. **NEW BUSINESS:**

- a. **Approve Using Local Income for Garrison and Jenkins SCDP Preliminary Proposals:** Preliminary proposals are due on November 17th and to make them more competitive, staff requested \$10,000 for the City of Jenkins and \$10,000 for the City of Garrison from Local Income to use as leverage. The current available fund balance is \$68,281.57, which includes today's deposit of \$32,789.97.

Moved by Commissioner Aulie and seconded by Commissioner Morford to approve allocating \$10,000 to the City of Garrison and \$10,000 to the City of Jenkins from SCDP Local Income for leverage if the SCDP grants are received. Through a roll call vote, all commissioners voted in favor and none were opposed. The motion passed.



7. REPORTS

- a. **Executive Director:** Staff is currently refining its strategy with Minnesota Housing Partnership (MHP) and asking for assistance in drafting documentation to get the Housing Trust Fund Rehab Program ready for roll out. They are also working with their marketing coordinator on how best to market the program in and throughout the county. The goal is to recruit a viable candidate or candidates to the rehab program before marketing the additional programs. Charpentier reached out to a developer about the potential for a multi-family housing development and found that he is interested. The type of funding he may need is not known at this time. In addition, Charpentier will be touring properties in the Breezy Point area with the city administrator to get a feel for the community and what opportunities there are for development in Breezy Point.
- b. **Brainerd HRA/Rehab Programs:** Updates on the rehab programs as well as the Brainerd Oaks/Serene Pines Developments were provided to the Board.
- c. **BLAEDC/CREDI:** Glynn is working with someone who is interested in the the old Aeropipe building. Should this potential project come to fruition, it could result in 25+ jobs. BLAEDC has been very busy with the CARES Act administration. The CWC Board approved over 300 small business grants in the amount of approximately \$3 million in addition to \$1 million for non-profits. Commissioner Barrows commended BLAEDC and the United Way for their efforts and work.
- d. **CWC:** CWC Commissioner Barrows provided a recap on the election and reported that 60% of the voters did so by mail-in or absentee ballots. He also shared that nearly 80% of the people in Crow Wing County voted and commended CWC staff for their hard work. Barrows also expressed his concern about the COVID-19 and the county's current healthcare capacity.

8. **HRA COMMISSIONER COMMENTS:** Commissioner Tabatt reminded staff that he is always happy to hear their ideas about redevelopment and encouraged them to think outside the box. He expressed his interest in doing more the tax forfeited properties in our county. Barrows concurred.

9. **NEXT MEETING AGENDA TOPICS:** Fund balance review.

10. **ADJOURNMENT:**

Commissioner Aulie moved to adjourn the meeting. Commissioner Tabatt seconded the motion. Via roll call vote, all commissioners were in favor and none were opposed. The motion was approved at 5:52 p.m.





Housing & Redevelopment Authority

To: CWC HRA Board Members
From: Karen Young, Finance Director
Date: December 2, 2020
Re: Review & Accept Financial Statements

Please find attached the financial information for November 2020.

CWC SCDP Local Income

Reflected in the November financial statements is the receipt of \$32,789.97 in SCDP Local Income from Crow Wing County. The balance in this account is currently \$68,281.57. The Board allocated \$10,000 to the City of Garrison and \$10,000 to the City of Jenkins as leverage dollars for their SCDP applications.

Action Requested: Accept the November financial statements as submitted.



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Date/Time roberta
12/2/2020 1:01:20 PM

**Crow Wing County
CWC HRA Combined Balance Sheet
November, 2020**

	Cumulative
ASSETS	
550-000-1129.210 Cash Gen Fund	153,897.90
550-001-1129.210 Cash CWC SCDP	68,281.57
551-002-1129.210 Cash RLF TIF	367,181.78
556-000-1129.210 Cash Development Fund	-88.82
557-000-1129.210 Cash Tax Forf Property	-5,446.27
558-000-1129.210 Cash HTF	278,238.89
551-002-1141.000 Loans Rec RLF TIF	52,720.88
556-000-1450.000 Land Held for Resale	442,419.88
TOTAL ASSETS	<u>1,357,205.81</u>
LIABILITIES	
556-000-2600.000 Def Inflow of Res - Dev	-442,419.88
TOTAL LIABILITIES	<u>-442,419.88</u>
SURPLUS	
550-000-2700-000 Net Income	-262,816.97
550-000-2806.000 Retained Earnings	-651,968.96
TOTAL SURPLUS	<u>-914,785.93</u>
TOTAL LIABILITIES & SURPLUS	<u>-1,357,205.81</u>
Proof	0.00



Crow Wing County
CWC HRA Combined Operating Stmt
November, 2020

	Current Period	Current Year	Year To Date Budget	Variance
INCOME				
550-000-3610.000 Investment Earnings	-7.36	-598.78	0.00	-598.78
550-000-3690.000 Other Revenue	-32,859.97	-32,859.97	-24,750.00	-8,109.97
550-000-3691.000 Property Tax Revenue	0.00	-403,634.27	-438,000.00	34,365.73
551-002-3610.000 RLF TIF Interest Rev	-280.32	-11,658.04	-10,239.24	-1,418.80
556-000-3696.000 Development Revenue	0.00	-107,217.68	-175,266.63	68,048.95
557-000-3696.000 TFP Revenue	0.00	0.00	-9,166.63	9,166.63
TOTAL INCOME	-33,147.65	-555,968.74	-657,422.50	101,453.76
EXPENSE				
550-000-4110.000 Administrative Salaries	300.00	3,150.00	4,125.00	-975.00
550-000-4130.000 Legal	176.00	1,125.00	9,166.63	-8,041.63
550-000-4140.000 Staff Training	0.00	0.00	1,375.00	-1,375.00
550-000-4150.000 Travel	-5.75	39.69	229.13	-189.44
550-000-4171.000 Auditing Fees	0.00	6,798.75	6,800.00	-1.25
550-000-4172.000 Management Fees	12,500.00	137,500.00	137,500.00	0.00
550-000-4190.000 Other Administrative	0.00	0.00	183.37	-183.37
550-000-4500.000 TIF Expense	0.00	54.75	550.00	-495.25
550-000-4510.000 Insurance	0.00	1,579.00	1,925.00	-346.00
550-000-4540.000 Employer FICA	22.95	240.98	320.87	-79.89
550-000-4590.000 Other General Expense	0.00	23,034.40	130,166.63	-107,132.23
550-001-4600.000 CWC SCDP Expense	0.00	10,000.00	24,750.00	-14,750.00
556-000-4600.000 Development Expense	80.76	107,306.50	175,266.63	-67,960.13
557-000-4600.000 TFP Expense	0.00	2,322.70	9,166.63	-6,843.93
TOTAL EXPENSE	13,073.96	293,151.77	501,524.89	-208,373.12
NET INCOME(-) OR LOSS	-20,073.69	-262,816.97	-155,897.61	-106,919.36



**Crow Wing County HRA
November 2020 Payments**

Payment Number	Payment Date	Vendor	Description	Check Amount
770	11/06/2020	John Schommer	Brainerd Oaks, Serene Pines & Delmar Estates Mileage	\$ 8.06
23616	11/5/2020	Kennedy & Graven, Chartered	Legal-BLADC Reporting, Brainerd Oaks & Serene Pines Closings	\$ 248.70
Total				\$ 256.76



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Housing & Redevelopment Authority

To: CWC HRA Board Members
From: Eric Charpentier, Executive Director
Date: December 1, 2020
Re: Authorize Participation in the Minnesota City Participation Program

Minnesota Housing sells mortgage revenue bonds on behalf of cities to meet locally identified housing needs. The proceeds of these bonds provide below-market interest rate home mortgage loans for low-and moderate-income first-time homebuyers. The Minnesota City Participation Program (MCP) provides cities throughout the state with a unique opportunity to easily access housing resources to meet the needs of their citizens.

Funds are available to local participating lenders to offer low-interest loans to eligible home buyers. The funds are initially available to the specific community. For 2020, \$904,603.93 was allocated for Crow Wing County and as of 10/31/20, \$2,733,515.00 in loans have been committed (see Attachment 3a). This equates to a usage rate of 302%, which is excellent. (There is a minimum usage requirement of 50% of the allocation in order to participate the following year.) After a period of time, the funds are put into a state-wide pool.

In order to participate in the MCP, we needed to submit the application by Friday, January 15th (see Attachment 3b).

Action Requested: Authorize Executive Director to submit the 2021 Minnesota Cities Participation Program application to Minnesota Housing.



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2020 MCPP Usage Report 1.16.2020 - 10.31.2020 (Applies to Start Up Program Loans Only)

For Informational Purposes Only

Applicant Name	Allocation Amount	Committed Loans	Committed Amount	*Usage Test	% of Usage	**Additional Start Up Loans		Step Up Loans		Total Loan Activity		Downpayment and Closing Cost Loans	
						Committed Loans	Committed Amount	Committed Loans	Committed Amount	Committed Loans	Committed Amount	% of First Mortgage Loans	Total Amount of Downpayment Loans
Albert Lea/Freeborn Co.	\$ 424,561.70	22	\$2,158,159.00	MET	508%	2	\$ 223,199.00	3	\$ 551,629.00	27	\$2,932,987.00	96%	\$ 196,388.00
Alexandria	\$ 194,230.54	6	\$877,571.00	MET	452%	0	\$ -	3	\$ 613,664.00	9	\$1,491,235.00	100%	\$ 91,700.00
Anoka	\$ 4,982,122.65	316	\$70,481,780.00	MET	1415%	87	\$ 20,699,655.00	114	\$ 27,912,568.00	517	\$119,094,003.00	97%	\$ 5,415,862.00
Becker	\$ 479,206.88	2	\$342,481.00	MET	71%	1	\$ 182,360.00	2	\$ 266,271.00	5	\$791,112.00	80%	\$ 29,900.00
Bluff Country HRA	\$ 553,023.12	19	\$2,524,304.00	MET	456%	2	\$ 379,970.00	0	\$ -	21	\$2,904,274.00	300%	\$ 672,108.00
Breckenridge	\$ 100,000.00	1	\$112,917.00	MET	113%	3	\$ 373,283.00	0	\$ -	4	\$486,200.00	75%	\$ 30,000.00
Carver	\$ 1,475,350.18	41	\$8,721,555.00	MET	591%	7	\$ 1,888,981.00	22	\$ 5,566,932.00	70	\$16,177,468.00	114%	\$ 838,640.00
Chippewa	\$ 166,580.78	3	\$287,103.00	MET	172%	2	\$ 198,870.00	1	\$ 143,976.00	6	\$629,949.00	67%	\$ 28,200.00
Chisago	\$ 779,024.43	51	\$10,695,281.00	MET	1373%	16	\$ 3,583,045.00	16	\$ 3,942,338.00	83	\$18,220,664.00	82%	\$ 598,588.00
City of Blue Earth	\$ 100,000.00	3	\$247,077.00	MET	247%	1	\$ 80,845.00	0	\$ -	4	\$327,922.00	525%	\$ 185,590.00
Clay County/Moorhead	\$ 890,514.52	49	\$8,175,131.00	MET	918%	12	\$ 2,058,919.00	7	\$ 1,323,831.00	68	\$11,557,881.00	12%	\$ 78,000.00
Cloquet	\$ 171,899.11	4	\$604,477.00	MET	352%	3	\$ 496,931.00	1	\$ 161,405.00	8	\$1,262,813.00	388%	\$ 265,997.00
County of Blue Earth	\$ 943,656.08	22	\$3,403,629.00	MET	361%	4	\$ 523,062.00	5	\$ 1,142,794.00	31	\$5,069,485.00	13%	\$ 27,011.00
Crow Wing	\$ 904,603.93	18	\$2,733,515.00	MET	302%	3	\$ 519,043.00	4	\$ 817,624.00	25	\$4,070,182.00	92%	\$ 185,270.00
Headwaters Regional Dev. Commission	\$ 1,201,859.77	6	\$932,626.00	MET	78%	6	\$ 939,399.00	5	\$ 861,295.00	17	\$2,733,320.00	35%	\$ 55,500.00
Hennepin	\$ 11,592,031.17	370	\$80,133,645.00	MET	691%	127	\$ 29,858,983.00	203	\$ 51,675,936.00	700	\$161,668,564.00	93%	\$ 7,196,401.00
Isanti	\$ 555,946.81	56	\$11,590,124.00	MET	2085%	13	\$ 2,879,978.00	5	\$ 1,081,899.00	74	\$15,552,001.00	97%	\$ 711,263.00
Kandiyohi	\$ 597,602.45	17	\$2,180,167.00	MET	365%	4	\$ 818,908.00	9	\$ 1,606,493.00	30	\$4,605,568.00	50%	\$ 132,600.00
McLeod	\$ 500,633.36	19	\$2,969,408.00	MET	593%	1	\$ 153,500.00	4	\$ 507,230.00	24	\$3,630,138.00	96%	\$ 217,918.00
Mower	\$ 557,130.21	67	\$8,699,522.00	MET	1561%	8	\$ 999,064.00	18	\$ 2,887,672.00	93	\$12,586,258.00	94%	\$ 831,100.00
North Mankato	\$ 195,734.15	4	\$679,474.00	MET	347%	0	\$ -	7	\$ 1,537,954.00	11	\$2,217,428.00	100%	\$ 113,536.00
NW MN Multi-Co. HRA	\$ 1,188,396.87	15	\$1,831,738.00	MET	154%	3	\$ 364,511.00	5	\$ 957,514.00	23	\$3,153,763.00	91%	\$ 147,920.00
Oakdale	\$ 394,211.01	13	\$2,587,364.00	MET	656%	26	\$ 5,936,602.00	12	\$ 3,275,337.00	51	\$11,799,303.00	98%	\$ 574,150.00
Olmsted	\$ 2,192,016.46	118	\$21,854,224.00	MET	997%	15	\$ 2,875,018.00	39	\$ 8,314,221.00	172	\$33,043,463.00	95%	\$ 1,599,800.00
Osakis	\$ 100,000.00	0	\$0.00	NOT MET	0%	0	\$ -	1	\$ 98,875.00	1	\$98,875.00	100%	\$ 2,900.00
Otter Tail	\$ 817,728.54	14	\$1,946,982.00	MET	238%	2	\$ 434,147.00	1	\$ 175,757.00	17	\$2,556,886.00	94%	\$ 137,634.00
Owatonna/Steele County	\$ 514,193.72	29	\$4,008,366.00	MET	780%	7	\$ 1,128,578.00	9	\$ 1,546,642.00	45	\$6,683,586.00	96%	\$ 328,610.00
Ramsey	\$ 3,330,529.59	130	\$27,058,489.00	MET	812%	34	\$ 7,864,908.00	57	\$ 13,797,150.00	221	\$48,720,547.00	95%	\$ 2,273,457.00
Red Wing	\$ 230,024.87	2	\$382,935.00	MET	166%	4	\$ 649,346.00	2	\$ 294,779.00	8	\$1,327,060.00	88%	\$ 63,800.00
Rice	\$ 923,942.05	25	\$4,487,143.00	MET	486%	9	\$ 1,498,665.00	7	\$ 1,502,407.00	41	\$7,488,215.00	100%	\$ 395,400.00
Saint Louis	\$ 2,788,101.37	100	\$12,494,022.00	MET	448%	13	\$ 1,947,405.00	16	\$ 2,499,705.00	129	\$16,941,132.00	2%	\$ 31,500.00
Sartell	\$ 261,099.53	9	\$1,772,682.00	MET	679%	4	\$ 823,949.00	4	\$ 807,993.00	17	\$3,404,624.00	735%	\$ 1,097,208.00
Scott	\$ 2,034,206.76	66	\$15,803,446.00	MET	777%	18	\$ 4,363,430.00	32	\$ 8,519,083.00	116	\$28,685,959.00	15%	\$ 166,100.00
SE MN Multi-Co. HRA	\$ 1,047,419.27	20	\$3,402,694.00	MET	325%	12	\$ 2,036,035.00	9	\$ 1,760,553.00	41	\$7,199,282.00	266%	\$ 1,203,381.00
Sherburne	\$ 1,239,770.30	75	\$15,759,897.00	MET	1271%	18	\$ 4,300,186.00	27	\$ 6,866,126.00	120	\$26,926,209.00	32%	\$ 359,740.00
St Cloud	\$ 949,531.31	40	\$6,065,990.00	MET	639%	53	\$ 7,731,950.00	15	\$ 2,729,878.00	108	\$16,527,818.00	105%	\$ 1,184,042.00
St James	\$ 100,000.00	0	\$0.00	NOT MET	0%	1	\$ 142,500.00	2	\$ 314,169.00	3	\$456,669.00	3600%	\$ 966,800.00
Stevens	\$ 134,768.23	10	\$1,035,649.00	MET	768%	2	\$ 191,413.00	0	\$ -	12	\$1,227,062.00	33%	\$ 15,900.00
SW Regional Dev. Commission	\$ 1,624,834.33	19	\$2,242,911.00	MET	138%	4	\$ 573,045.00	8	\$ 1,360,064.00	31	\$4,176,020.00	81%	\$ 219,158.00
Swift	\$ 130,508.00	2	\$168,667.00	MET	129%	1	\$ 151,515.00	0	\$ -	3	\$320,182.00	33%	\$ 9,500.00
Washington	\$ 3,246,647.50	103	\$23,879,918.00	MET	736%	27	\$ 6,652,206.00	57	\$ 13,818,619.00	187	\$44,350,743.00	95%	\$ 1,916,125.00
Winona	\$ 378,785.06	8	\$1,128,642.00	MET	298%	20	\$ 2,610,345.00	1	\$ 114,000.00	29	\$3,852,987.00	93%	\$ 246,750.00
Wright	\$ 1,900,538.39	97	\$20,946,013.00	MET	1102%	26	\$ 5,854,621.00	42	\$ 9,940,495.00	165	\$36,741,129.00	95%	\$ 1,681,149.00
Totals	\$52,892,965.00	1,991	\$387,407,718.00		732%	601	\$ 124,988,370.00	775	\$ 181,294,878.00	3,367	\$ 693,690,966.00	95%	\$ 32,522,596.00

*Participants must use at least 50% of their allocation by the end of the program year in order to participate next year.

**Not MCPP Eligible. Borrower income is above 80% of Area Median Income.



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Minnesota Housing 2021 Minnesota City Participation Program (MCP) Application

Minnesota Housing must receive your application by email between January 4-15, 2021 at 5:00 p.m.

Please provide all the information below.

Agency Contact Information

Agency Name: Crow Wing County HRA
 Contact Person: Eric Charpentier, Executive Director
 Mailing Address: 324 East River Road Physical Address: 324 East River Road
 City: Brainerd State: MN Zip: 56401 Website: _____
 Phone #: 218-824-3425 E-Mail: Eric@brainerdhra.org

Administrative Information

1. Check agency type: City City HRA/CDA/EDA County HRA/CDA/EDA Port Authority
 Multi-County HRA: Receive single allocation for all counties within your jurisdiction
 Consortium of local government units applying jointly by agreement (please submit evidence of agreement with this application, even if you provided one in previous years).
2. List the legal name(s) of all cities and counties where the funds will be utilized. For county and multicounty applications, only list the counties.
Crow Wing County
3. Check the box below to confirm this statement:
 MCPP helps the community meet an identified housing need and the program is economically viable.
4. Does your City (or County) offer a down payment program or other homeownership assistance?
 Yes No
 If yes, list program names (For informational purposes only; does not impact your application status):
Crow Wing Co. Housing Trust Fund - Downpayment Homebuyer Assistance Program (new program f

Signature

Provide authorized signature(s) from the organization submitting this application, including printed or typewritten name, title and phone number. Scan original and email application to mn.housing@state.mn.us (Original not needed).

Signature <u>Eric Charpentier</u>	Executive Director
Name (Print)	Title
Phone number or check here if same as above. <input checked="" type="checkbox"/>	E-mail or check here if same as above. <input checked="" type="checkbox"/>

Program and Contact Information

Minnesota Statute sets Borrower Income Limits and House Purchase Price Limits. Minnesota Housing makes final determinations of the total amount of program funds available and individual allotments (in compliance with a per capita distribution method specified in statute).

Questions about MCP or this application? Contact Greg Krenz at (651)297-3623 or greg.krenz@state.mn.us



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**MINNESOTA HOUSING FINANCE AGENCY
MINNESOTA CITY PARTICIPATION PROGRAM**

**PROGRAM APPLICATION
COMMITMENT AGREEMENT**

THIS APPLICATION AND AGREEMENT (this "Agreement") is between Crow Wing County Housing and Redevelopment Authority (the "City"), with its office at 324 East River Road, Brainerd, MN 56401 and Minnesota Housing Finance Agency ("Minnesota Housing"), with its office at 400 Wabasha Street North, Suite 400, St. Paul, MN 55102.

RECITALS:

- A. Minnesota Housing, under the provisions of Minn. Stat. §474A.061, Subd. 2(a) is authorized to issue qualified mortgage bonds, as that term is used in the Internal Revenue Code of 1986, as amended (the "Code"), on behalf of the City, and it will issue bonds for that purpose (the "Bonds").
- B. The City applying to participate is a Minnesota city, county, city or county housing and redevelopment authority, economic development authority, port authority or a consortium of local government units, as defined by Minnesota Statutes §474A.061, Subd. 4(c).
- C. Minnesota Housing has implemented Minnesota Housing Finance Agency Minnesota City Participation Program (the "Program") and will use the proceeds from the issuance of the Bonds to fund the Program.
- D. The City has requested and received a set-aside of funds from the Program.
- E. The City wishes to obtain a commitment by Minnesota Housing to direct Minnesota Housing's designated Master Servicer (the "Master Servicer") to purchase mortgage notes ("Mortgages") that will be originated by a lender or lenders that meet Minnesota Housing requirements for participation in programs funded by qualified mortgage bonds (collectively, the "Lender").
- F. Mortgages that the Master Servicer purchases pursuant to the commitment requested by the City must only be for residences located within a geographic area to be established and designated by the City.
- G. Minnesota Housing is willing to issue a commitment agreeing to purchase Mortgage-Backed Securities backed by Mortgages that are (i) originated by the Lender; (ii) purchased by the Master Servicer; (iii) in accordance with the terms and conditions of this Agreement, the Program, and the Start Up Procedural Manual to be supplied by Minnesota Housing (the "Procedural Manual"), the provisions of which are hereby incorporated by reference into this Agreement as if set forth in full herein; and (iv) made to borrowers with adjusted incomes not exceeding the greater of 80 percent of statewide or area median income as calculated by Minnesota Housing.

NOW, THEREFORE, in consideration of the covenants contained in this Agreement, Minnesota Housing and the City agree as follows:

- 1. **City Requirements.** All Mortgages submitted to Minnesota Housing for purchase under the Program must comply with all of the requirements of the Program, the Start Up Procedural Manual and this Agreement.
- 2. **Commitment and Commitment Amount.** The City, which applied in January 2021 for a commitment, hereby requests that Minnesota Housing cause its Master Servicer to purchase Mortgages that have been originated by the Lender and meet the requirements of, and are made in accordance with the provisions of, this Agreement, the Program, and the Procedural Manual. Minnesota Housing, by accepting this Agreement, commits to the purchase of those Mortgages in the aggregate principal amount (the "Commitment Amount") to be determined and allocated



by Minnesota Housing in accordance with Minnesota Statutes §474A.061, Subd. 4(d), and provided to the City.

The Master Servicer will only purchase Mortgages pursuant to this Agreement securing property that, and borrowers who, satisfy the requirements and provisions of this Agreement, the Program, and the Procedural Manual. The City acknowledges that the commitment is effective upon the approval thereof by Minnesota Housing and the delivery of a copy of this Agreement by Minnesota Housing to the City.

3. **Lender Qualifications.** Lenders must meet Minnesota Housing requirements for participation in programs funded by qualified mortgage bonds.

4. **Commitment Term.** The term of this Agreement and the City's participation in the Program (the "Commitment Term") will commence on January 16, 2021 and shall continue through November 30, 2021. This Agreement, and the City's participation in the Program, will automatically terminate, without the need for any action by either party hereto, at the end of the Commitment Term.

5. **Set-Aside Term.** The Commitment Amount will be set-aside and held by Minnesota Housing for the sole use by the City for a period of time to be established by Minnesota Housing, in its sole option and discretion, provided, however, that time period will not be less than six months (the "Set-Aside Term") commencing on a date to be selected and specified by Minnesota Housing. Minnesota Housing will notify the City in writing of the date on which the Set-Aside Term commences.

Any portion of the Commitment Amount not reserved for the purchase of qualifying Mortgages as of the end of the Set-Aside Term shall be canceled and returned to Minnesota Housing for redistribution under the Program. In addition, any portion of the Commitment Amount reserved for Mortgages that are not delivered to the Master Servicer for purchase within the time period delineated in the Procedural Manual for that purchase, will be canceled and Minnesota Housing will redistribute that amount under the Program. Minnesota Housing will make any funds available to the Program at the end of the Commitment Term for mortgage loans that are eligible to be financed with proceeds of the Bonds.

6. **Commitment Fees.** There is no commitment fee payable by the City for the commitment by Minnesota Housing to the purchase by the Master Servicer of qualifying Mortgages.

7. **Purchase Price.** The purchase price of each Mortgage to be purchased by the Master Servicer pursuant to this Agreement will be as set forth in the requirements of the Procedural Manual and posted on Minnesota Housing's website.

8. **Mortgage Terms.** The terms and conditions for all Mortgages, including but not limited to the interest rate, will be set from time to time by Minnesota Housing, at its sole option and discretion, and communicated to the Lender in accordance with the procedures set forth in the Procedural Manual.

9. **Area Limitation.** Minnesota Housing, pursuant to this Agreement, is required to purchase only those Mortgages that are for residences located within a geographic area to be established and designated by the City.

10. **Servicing.** The servicing of Mortgages shall be the sole responsibility of the Master Servicer or one or more other entities that Minnesota Housing may designate in its sole discretion.

11. **Contract Documents.** The purchase by the Master Servicer of each Mortgage pursuant to Minnesota Housing's commitment is a contract consisting of this Agreement and the provisions and requirements contained in the Procedural Manual, with all amendments and supplements thereto in effect as of the date of Minnesota Housing's acceptance of this Agreement.



12. **Paragraph Captions and Program Headings.** The captions and headings of the paragraphs of this Agreement are for convenience only and will not be used to interpret or define the provisions thereof.

13. **Applicable Law.** This Agreement is made and entered into in the State of Minnesota, and all questions relating to the validity, construction, performance and enforcement hereof will be governed by the laws of the State of Minnesota.

14. **Agreement Conditional Upon Minnesota Housing Approval.** This Agreement will be a binding obligation of Minnesota Housing upon its execution by Minnesota Housing and delivery of a copy of the same to the City; provided, however, Minnesota Housing may, in its sole option and discretion, any time on or after January 16, 2021 revoke such obligation and terminate this Agreement if the City has not fully executed and returned a fully executed original hereof to Minnesota Housing. That revocation and termination will be accomplished and evidenced by Minnesota Housing notifying the City thereof by way of a "Certified Letter - Return Receipt Requested" addressed and delivered to the City. Upon revocation and termination this Agreement will be null and void and of no force or effect.

15. **Issuance of Bonds.** The City hereby authorizes Minnesota Housing to issue, on behalf of the City, qualified mortgage bonds, as that term is used in the Code, in an amount equal to the Commitment Amount, and Minnesota Housing agrees to issue those bonds if and when federal law authorizes and Minnesota Housing deems it is economically feasible to do so.

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IN WITNESS WHEREOF, the City has executed this Agreement this _____ day of
(Day)

_____, _____
(Month) (Year)

**CITY: Crow Wing County Housing and
Redevelopment Authority**

By: _____
(Signature of Authorized Officer)

Eric Charpentier

(Name of Authorized Officer)

Minnesota Housing APPROVAL

Minnesota Housing hereby accepts the above Program Application-Commitment Agreement and approves and grants participation in the program.

MINNESOTA HOUSING FINANCE AGENCY

By: _____
Kasey Kier

Its: Assistant Commissioner, Single-Family Division

Signed this ____ day of _____, 2021.





Housing & Redevelopment Authority

To: CWC HRA Board Members
 From: Karen Young, Finance Director
 Date: December 2, 2020
 Re: Review & Discuss Fund Balance

The Fund Balance Policy sets the recommended unassigned fund balance to be maintained at 8–12 months of General Fund operating expenses for the year. The following classifications are established for governmental funds and define the constraints placed on the current fund balance.

1. **Nonspendable**—fund balance not expected to be converted to cash such as inventory or prepaid expenses.
2. **Restricted**—fund balance with constraints from an external source such as TIF Revolving Loan Funds and CWC Local Income (SCDP).
3. **Committed**—fund balance constrained for a specific purpose by the HRA board prior to year-end.
4. **Assigned**—fund balance that is intended for a specific purpose by the board or executive director/finance director. These funds are neither restricted nor committed.
5. **Unassigned**—General Fund balance that is available for any purpose.

In August, the board approved the 2021 General Fund budget with \$38,300 designated fund balance to offset the 2021 budget shortfall caused from non-operating housing and redevelopment initiatives and legal expenses associated with these initiatives. These funds will be classified as Assigned.

It is recommended that the board take action to commit funds for Redevelopment and Housing Projects at this time, as it is a GASB 54 requirement that the board commitments be established prior to year-end. The amount of the commitment will be determined after year-end when the calculation can be finalized.

Action Requested: Staff recommendation that the board commit fund balance for Redevelopment and Housing Projects with an amount to be determined after year-end financial statements are finalized.



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Housing & Redevelopment Authority

To: CWC HRA Board Members
From: Eric Charpentier, Executive Director
Date: December 8, 2020
Re: Executive Director Report

Housing Trust Fund Update

John and I met with Commissioner Brekken, Administrator Houle, and Tyler Glynn regarding our next steps for the HTF as well as input from the County on how we can utilize or leverage the trust fund dollars for larger projects.

Meeting with Breezy Point Administrator

I recently met with the City of Breezy Point's City Administrator, Patrick Wussow, to talk through some of the successes that their city has had recently in getting housing built. They have had 40+ housing permits pulled in 2020. We discussed what the CWC HRA could do to help support the recent housing success in the area.

Meeting with Pequot Lakes Housing Task Force

John and I met with Mark Jurchen and Michelle Lelwica from the Pequot Lakes Housing Task Force to share some ideas on mid- to long-range strategies to help improve their current housing stock as well as share information about the HTF.

Action Requested: No action needed; for informational purposes only.



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Housing & Redevelopment Authority

To: CWC HRA Board Members
 From: John Schommer, Rehab Coordinator
 Date: November 30, 2020
 Re: Rehab Programs Report

NE BRAINERD SCDP

Address	Owner	Type of Rehab	Units	Status
707 Laurel St.	Knotty Pine Bakery	Commercial	1	Complete
707 Laurel St.	Sarah H.S.	Mixed-use	9	Substantially Complete
212 1 st Ave. NE	Andrea B.	Owner-occupied	1	Complete
612 2 nd Ave. NE	Kelly R.	Owner-occupied	1	Complete
201 & 203 B St.	Travis B.	Rental	2	In Construction
726 4 th Ave. NE	John G.	Rental	3	In Work Write-up
215 Gillis Ave. NE	Cheri S.	Owner-occupied	1	Contract Phase
414 3 rd Ave. NE	Select Rental Properties	Rental	1	Contract Phase
206 Gillis Ave. NE	Herbert & Robin J.	Owner-occupied	1	Bidding
721 2 nd Ave. NE	Darin K.	Owner-occupied	1	In construction

Emily SCDP

- » 6 owner-occupied projects are complete
- » 2 projects are in construction

MHFA

- » 2 project are in construction
- » 2 applications are in process

BRAINERD OAKS/SERENE PINES/DALMAR ESTATES

Development	Total	# Sold to Developer	# Sold to End Buyer	For Sale	In Construction
Brainerd Oaks	81*	47	44	0	8
Serene Pines	23	14	12	0	2
Dalmar Estates	7	1	1	0	0

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



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BLAEDC Traditional Work Report for Crow Wing County HRA



Date Range: 11/1/2020 - 12/1/2020

Project	G Project	Task	Employee	Date	Comment	Hours	Amount
Crow Wing County HRA							
	CWC HRA-Blight	Blighted Projects					
		Mtgs	Meetings			33.00	\$4,950.00
			Tyler Glynn			33.00	\$4,950.00
				11/2/2020	email communication w/3 downtown Brainerd business owners regarding need for funds to keep business from closing, grant funds may not be enough to keep businesses open through pandemic	1.50	\$225.00
				11/3/2020	CARES Act administration and follow up. Communication with round 1 and round 2 grant recipients, conversations w/business owners regarding business closure without these grant dollars. County board meeting to discuss CARES grants	3.50	\$525.00
				11/5/2020	CARES Act grant agreements and expense report reconciliation for round 1 and round 2 grant recipients	2.00	\$300.00
				11/6/2020	CARES Act administration and follow up. Communication with round 1 and round 2 grant recipients	2.00	\$300.00
				11/9/2020	CARES Act administration and follow up. Communication with round 1 and round 2 grant recipients	2.00	\$300.00
				11/10/2020	CARES Act administration and follow up. Communication with round 1 and round 2 grant recipients, conversations w/business owners regarding business closure without these grant dollars.	2.00	\$300.00
				11/11/2020	CARES Act administration and follow up. Communication with round 1 and round 2 grant recipients, conversations w/business owners regarding business closure without these grant dollars.	1.00	\$150.00
				11/12/2020	CARES Act administration and follow up. Communication with round 1 and round 2 grant recipients, conversations w/business owners regarding business closure without these grant dollars.	1.50	\$225.00
				11/13/2020	CARES Act administration and follow up. Communication with round 1 and round 2 grant recipients, conversations w/business owners regarding business closure without these grant dollars.	2.00	\$300.00
				11/16/2020	CARES Act administration and follow up. Communication with round 1 and round 2 grant recipients	2.00	\$300.00
				11/18/2020	CARES Act administration and follow up. Communication with round 1 and round 2 grant recipients, plus email distribution of W9 forms to all grant recipients and gathering of forms.	3.00	\$450.00
				11/23/2020	CARES Act administration and follow up. Communication with round 1 and round 2 grant recipients, plus email distribution of W9 forms to all grant recipients and gathering of forms.	3.00	\$450.00
				11/24/2020		2.00	\$300.00



BLAEDC Traditional Work Report for Crow Wing County HRA



Date Range: 11/1/2020 - 12/1/2020

<i>Project G Project</i>	<i>Task</i>	<i>Employee</i>	<i>Date</i>	<i>Comment</i>	<i>Hours</i>	<i>Amount</i>
Crow Wing County HRA						
			11/25/2020	CARES Act administration and follow up. Communication with round 1 and round 2 grant recipients, plus email distribution of W9 forms to all grant recipients and gathering of forms.	2.50	\$375.00
			11/30/2020	CARES Act administration and follow up. Communication with round 1 and round 2 grant recipients, plus email distribution of W9 forms to all grant recipients and gathering of forms.	3.00	\$450.00
<i>Blighted Projects Subtotal</i>					33.00	\$4,950.00
CWC HRA-Redev	Redevelopment Projects					
<i>Mtgs</i>	<i>Meetings</i>				24.50	\$3,675.00
	Tyler Glynn				24.50	\$3,675.00
			11/3/2020	Phone calls w/IRRRB and potential business owner for Deerwood property that will be redeveloped.	1.50	\$225.00
			11/4/2020	Crosslake meeting regarding redevelopment of existing building to place new business in current location	2.00	\$300.00
			11/6/2020	meeting w/Brainerd business prospect about existing Crow Wing properties available for redevelopment	2.00	\$300.00
			11/9/2020	Meeting w/CTC and Habitat for Humanity regarding new house build and BLAEDC involvement w/CTC.	2.00	\$300.00
			11/10/2020	CWC HRA Board meeting and presentation	2.00	\$300.00
			11/11/2020	Conversation with large manufacturer regarding some redevelopment of existing property	1.00	\$150.00
			11/13/2020	Discussion w/MN Trade Office and local developer to redevelop existing properties to bring new business to Brainerd	1.50	\$225.00
			11/16/2020	Discussion w/local developer regarding Housing Study and Housing Trust Fund as developer is looking to build new housing in Baxter.	1.00	\$150.00
			11/17/2020	Brainerd EDA meeting to discuss budget and funding for 2020, Pequot Lakes EDC meeting, task force has been created to look for housing ideas and land to develop. Task force has reached out to HRA.	2.50	\$375.00
			11/18/2020	CREDI Board Meeting, discussions by all board members regarding new projects in the community that involve redevelopment as well as housing needs.	1.50	\$225.00
			11/19/2020	Phone meeting w/Eric C.	0.50	\$75.00
			11/20/2020	Housing Trust Fund Discussion w/Tim Houle, Eric Charpentier, John Schomer, Bill Brekken	1.00	\$150.00
			11/23/2020		2.00	\$300.00



BLAEDC Traditional Work Report for Crow Wing County HRA



Date Range: 11/1/2020 - 12/1/2020

<i>Project G Project</i>	<i>Task</i>	<i>Employee</i>	<i>Date</i>	<i>Comment</i>	<i>Hours</i>	<i>Amount</i>
Crow Wing County HRA						
				Communication through email and phone calls w/a Nisswa prospect regarding development of old building and what types of funds are available.		
			11/24/2020	Meeting w/Baxter prospect regarding redevelopment of retail space in Baxter. Prospect is looking to lease and redevelop 3 locations	2.00	\$300.00
			11/25/2020	Follow up w/potential buyer of Deerwood property for development	1.00	\$150.00
			11/30/2020	Communication w/IRRRB representative regarding funding options for Deerwood property.	1.00	\$150.00
<i>Redevelopment Projects Subtotal</i>					<i>24.50</i>	<i>\$3,675.00</i>
Crow Wing County HRA Subtotal					57.50	\$8,625.00
Grand Total					57.50	\$8,625.00



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