

BRAINERD ECONOMIC DEVELOPMENT AUTHORITY
Thursday, October 6th, 2022, 7:30 a.m.
City Hall Council Chambers

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

Upon roll call Commissioners Kelly Bevans, Toni Bieser, Marie Kirsch, Mike O'Day, Kevin Yeager, and Gabe Johnson were noted as present. Also, present were City Administrator Bergman, Community Development Director Kramvik, Eric Charpentier, HRA Director, John Schommer, HRA Rehab Coordinator, and Tyler Glynn, BLAEDC.

Approval/Amendment of the Agenda- Approved

MOVED AND SECONDED BY COMMISSIONERS BEVANS AND O'DAY, DULY CARRIED, TO APPROVE THE AGENDA WITH THE ADDITION OF PUBLIC FORUM.

Approval of Consent Calendar

MOVED AND SECONDED BY COMMISSIONERS O'DAY AND BEVANS TO APPROVE THE CONSENT CALENDAR WITH REMOVING VISIT BRAINERD'S REPORT FOR DISCUSSION.

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

Approval of Visit Brainerd Report

Commissioner Bieser stated that item three on the report: "Develop and Implement an advertising campaign focused on recruiting existing businesses outside of Brainerd to relocate to areas within the corporate limits of the City of Brainerd" is listed "on hold per EDA". Would like to instruct Visit Brainerd to move forward with this item.

MOVED AND SECONDED BY COMMISSIONERS BEVANS AND BIESER, DULY CARRIED, TO INSTRUCT VISIT BRAINERD TO MOVE FORWARD WITH ITEM THREE.

MOVED AND SECONDED BY COMMISSIONERS BEVANS AND BIESER, DULY CARRIED, TO APPROVE THE VISIT BRAINERD REPORT AS AMENDED.

Old Business

Consider Subcommittee Recommendations of the DEED Main Street Revitalization Program

Tyler Glynn, BLAEDC, stated that the DEED Main Street Revitalization Program awarded the Initiative Foundation was awarded \$4.5 million for Main Street

Revitalization efforts throughout the region. The Initiative Foundation allocated \$765,600 to Brainerd to be used in the River to Rail Corridor and asked the Brainerd Economic Development Authority to make recommendations on funding requests in Brainerd to the Initiative Foundation for final approval. He gave an overview of the process that the EDA and subcommittee went through. At the close of the application window, 44 applications were received totaling over \$25 million worth of projects and \$3.1 million total in Main Street Grant requests. With the number of applications received, the subcommittee determined it was best to use the local grant provided by the EDA/HRA to fund as many projects as possible instead of providing an additional matching grant to offset applicant cost. HRA funding of \$20,000 is recommended for Habitat for Humanity. EDA funding of \$80,000 is recommended to cover projects under the Small Business priority.

Commissioner Kirsch stated that she had concerns about the matching dollars that were provided by the HRA and EDA. The \$100,000 was to be used for providing more projects with funds. She asked to clarify that the extra dollars met the criteria. She was concerned about the quantity versus quality projects in use of funds. She is worried that some of the smaller businesses not being awarded enough for their project to even be able to complete their project.

Commissioner Yeager stated that the subcommittee worked to score the projects individually. The subcommittee discussed and ranked each application.

Chair Johnson asked about the process if a project does not accept the funding, whether the funds would go back to the Initiative Foundation for redistribution or back to the state.

Mr. Glynn stated that the Initiative Foundation would make the funds available to the EDA to make recommendations to be redistributed.

MOVED AND SECONDED BY COUNCIL MEMBERS BEVANS AND YEAGER TO RECOMMEND THE PRESENTED BUSINESSES TO THE INITIATIVE FOUNDATION TO RECEIVE MAIN STREET GRANT FUNDING, WITH PULLING LAKES CHIROPRACTIC AND KNOTTY PINE BAKERY FROM THE LIST.

Commissioners Bevans, Kirsch, O'Day, Yeager, and Johnson voted "aye". No member voted "nay". Commissioner Bieser abstained from voting. The Chair declared the motion carried.

MOVED AND SECONDED BY COUNCIL MEMBERS BEVANS AND YEAGER TO RECOMMEND THE KNOTTY PINE BAKERY TO RECEIVE MAIN STREET GRANT FUNDING.

Commissioners Bevans, O'Day, Yeager, and Johnson voted "aye". No member voted "nay". Commissioner Bieser and Kirsch abstained from voting. The Chair declared the motion carried.

MOVED AND SECONDED BY COUNCIL MEMBERS BEVANS AND YEAGER TO RECOMMEND LAKES CHIROPRACTIC RECEIVE MAIN STREET GRANT FUNDING.

Commissioners Bevans, Kirsch, Yeager, and Johnson voted “aye”. No member voted “nay”. Commissioner Bieser and O’Day abstained from voting. The Chair declared the motion carried.

Cheryl Hills, Region Five Development Commission (R5DC), addressed the Commission to request that the Initiative Foundation be transparent with recipients about the requirements of the grant. She also stated R5DC will not be accepting the funds that the EDA allocated. The project amount funded would not be significant enough to make the project worthwhile. They hope that the funds that were allocated to R5DC be reallocated to the YMCA, as the need for childcare is dire in our community. Finally, she stated that there was a lot of advocacy from R5DC to the Initiative Foundation and DEED. She stated that the project with the City of Brainerd will not proceed due to damaged trust.

Establish Goals and Action Steps for the EDA

(see attached)

Staff Reports

Executive Director Bergman stated that DW Jones has closed on the Thrifty White Building. The developer will be working with the City to explore the opportunity of a redevelopment district. Preliminary plans are commercial and parking on first floor, with 75 units of housing.

HRA Director Charpentier stated that the HRA has been working on terminating a minimum assessment agreement on a TIF property in downtown. The owner would payoff the bond debt in full. This will help bring a new business to downtown. There is preventative maintenance being done at properties. Finally, the HRA continues to receive calls from developers for additional housing units to the area.

Commissioner Comments

Chair Johnson asked the possibility of more community businesses not accepting their funds, does the subcommittee want to reconvene to determine where the monies will be reallocated to.

Mr. Glynn confirmed that the subcommittee could meet again to reallocate the monies. He can setup a meeting with the subcommittee.

Adjourn

MOVED AND SECONDED BY COMMISSIONERS BIESER AND YEAGER,
DULY CARRIED, TO ADJOURN THE EDA MEETING.

The Authority adjourned at 8:55 a.m.

Secretary/Treasurer