

BRAINERD ECONOMIC DEVELOPMENT AUTHORITY
Thursday, September 1st, 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 Toni Bieser, Marie Kirsch, Mike O'Day, and Gabe Johnson were noted as present. Commissioner Yeager was noted as absent. Also, present were City Administrator Bergman, Community Development Director Kramvik, Finance Director Hillman, Eric Charpentier, HRA Director, and John Schommer, HRA Rehab Coordinator.

Approval/Amendment of the Agenda- Approved

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

Approval of Minutes

MOVED AND SECONDED BY COMMISSIONERS BIESER AND O'DAY, DULY CARRIED, TO APPROVE THE MINUTES.

Public Forum

Mike Higgins, 1801 Mill & 1511 Northern Pacific Road, stated that he reached out to Council Member O'Day about the revolving loan fund through BLAEDC's Unified Fund. He wants to improve the floor at the Brainerd Industrial Center Building. He is hoping to qualify for the loan fund, at low interest, with a 5-7-year payback. The improvement would increase production floor by 80,000 square feet. He had reached out to Mr. Glynn and hadn't heard back until August 31st. He wanted to voice frustrations with the way that BLAEDC is overseeing the loan money.

He also stated that the Highway 210 project plan is a detriment to economic development and industrial manufacturing in the Brainerd Lakes Area with the addition of the roundabouts. He believes that the people who designed the project obviously do not understand the amount of semi traffic goes through the corridor on a daily basis. He wants to see the data that supports the design from MnDOT.

Old Business

Authorize the Conveyance of the Industrial Park Lots to VCV

Executive Director Bergman stated the EDA entered into a Purchase and Development Contract with VCV Digital Infrastructure Minnesota LLC (VCV) for the sale of Lot 1, Blocks 2 and 3, Brainerd Industrial Park 1st Addition VCV had 180 days to do their due diligence and satisfy conditions. Staff has spent the past month reviewing the original plans submitted by VCV for both properties.

Community Development Director Kramvik gave an overview of the development plan. The development is considered Outdoor Storage as a Principal Use which requires an Interim Use Permit in the General Industrial District. Staff worked with the design and development team for VCV to correct zoning issues and to ensure complete construction plans were submitted.

Commissioner Bieser clarified whether a SWPPP analysis has been done for watershed purposes around the property.

Chair Johnson stated that the lots have been certified as shovel ready development when the lots were originally purchased.

Commissioner O'Day asked for clarification on what the office would be used for, whether it would be for the data center.

VCV Digital clarified that the office is for 10-15 staff. The mobile data center is the storage containers.

Commissioner Bieser asked for clarification on how long the agreement for the energy block is for.

VCV Digital clarified that the transmission and service cost from BPU will be negotiated annually, however, the cost of the energy will be negotiated on a wholesale basis by American Electric Power.

Executive Director Bergman stated that all of the conditions for conveyance have been met. Finally, she stated that staff is recommending authorization of conveyance of Lot 1, Blocks 2 and 3 Brainerd Industrial Park 1st Addition to VCV Digital Infrastructure Minnesota LLC in the amount of \$227,815.

MOVED AND SECONDED BY COMMISSIONERS O'DAY AND BIESER, DULY CARRIED, TO AUTHORIZE STAFF TO CONVEY OF LOT 1, BLOCKS 2 AND 3 BRAINERD INDUSTRIAL PARK 1ST ADDITION TO VCV DIGITAL INFRASTRUCTURE MINNESOTA LLC IN THE AMOUNT OF \$227,815.

Staff Reports

HRA Director Charpentier stated that the Brainerd City Council agreed not to recertify nuisance assessments on 3 properties within the city limits that the HRA has been negotiating with Habitat for Humanity. Further that the city agreed to satisfy the outstanding mortgage from an outstanding grant. Infill of these properties is anticipated in 2023 through Habitat for Humanity.

John Schommer, Rehab Coordinator HRA, stated that they are working with two homeowners through the Minnesota Housing Finance Agency and Housing Trust Fund

both rehabs are nearing completion. There are currently 10 properties within Brainerd Oaks and Dalmar Estates that are in construction.

Executive Director Bergman stated that DW Jones closed on the Thrift White property on August 22nd. The developer is working with Community Development on a plan. They are working on a market rate, mixed housing unit. The consultants have been asked their thoughts on continuing agreements in 2023, three of the four consultants have replied that they would like to continue services. The contracts are anticipated to be on the October EDA meeting agenda. The City continues to work on the lease for the Annex with Region 5. Finally, Commissioner O'Day shared that the Mills Property in its entirety has been listed for sale. Administrator Bergman has contacted the owners via an assistant that there is an agreement with Swanson-Haskamp for development. The DEED Mainstreet grant is due on September 5th, due to the submission being electronic, the due date will remain, but the link will not be turned off until the morning of September 6th.

Commissioner Comments

Commissioner Kirsch stated that the Market went well again this year, there were some difficulties with the weather.

Adjourn

MOVED AND SECONDED BY COMMISSIONERS O'DAY AND BIESER, DULY CARRIED, TO ADJOURN THE EDA MEETING.

The Authority adjourned at 8:08 a.m.


Secretary/Treasurer

