

**City of Brainerd**  
**Economic Development Authority**  
**Meeting Agenda**

City Council Chambers  
March 4, 2021  
7:30am

Members of the public may attend in-person or monitor the meeting via phone.

Meeting Number: 1-844-992-4726

Access Code: 187 755 1693

- |       |   |       |             |
|-------|---|-------|-------------|
| I.    | Call to Order   | _____ | G. Johnson  |
| II.   | Roll Call   | _____ | M. O'Day    |
|       |   | _____ | K. Bevans   |
| III.  | Approval/Amendment of Agenda  | _____ | Vacant      |
|       |   | _____ | T. Bieser   |
| IV.   | Approval of Minutes from the January 7 regular meeting                      | _____ | M. Kirsch   |
|       |   | _____ | W. Erickson |
| V.    | Financial Report  |       |             |
| VI.   | Updates   |       |             |
|       | a. Executive Director   |       |             |
|       | b. HRA  |       |             |
|       | c. BLAEDC   |       |             |
| VII.  | Old Business  |       |             |
|       | a. EDA-BLAEDC Shared Services Agreement                                     |       |             |
|       | b. Strategic Planning   |       |             |
| VIII. | New Business  |       |             |
|       | a. Resignation of Ed Menk   |       |             |
| IX.   | Informational   |       |             |
|       | a. Parking Commission   |       |             |
| X.    | Commissioner's Comments/Questions   |       |             |
| XI.   | Adjourn to the Joint EDA-City Council Workshop on Monday, March 8 @ 5:00pm. |       |             |

**BRAINERD ECONOMIC DEVELOPMENT AUTHORITY**

**Thursday, January 7, 2021 7:30 a.m.**

**WebEx Teleconference Meeting**

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

Present were Commissioners Kelly Bevans, Wayne Erickson, Gabe Johnson, Marie Kirsch, Michael O'Day, and Jerry Sinner. Commissioner Ed Menk was noted as absent. Also present were City Administrator Bergman, Finance Director Hillman, Eric Charpentier, HRA director, Tyler Glynn, BLAEDC executive director and John Schommer, HRA rehab coordinator.

Due to conducting the meeting electronically, all motions will be voted on by a roll call vote for accuracy.

**Approval/Amendment of the Agenda**

MOVED AND SECONDED BY COMMISSIONERS ERICKSON AND JOHNSON TO APPROVE THE AGENDA AS PRESENTED.

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

**Election of Officers**

Commissioner Sinner announced he will be resigning from the EDA after this meeting concludes.

Commissioner Erickson nominated Commissioner O'Day to serve as president.

Commissioner Bevans nominated Commissioner Erickson to serve as president. He stated Michael O'Day is now a Council Member and may be serving as a Council Liaison.

Commissioner Erickson respectfully declined the nomination.

Commissioner Johnson nominated Commissioner Kirsch to serve as president.

Commissioner Sinner asked for information on the restrictions or regulations for Council Members to serve on the EDA. Community Development Director Chanski indicated Commissioner O'Day is serving as a community member, and Commissioners Bevans and Johnson are the current liaisons.

Commissioner Bevans said he feels it would not present itself well by allowing three Council Members on the board and feels a separate board would not be necessary in that case.

Commission discussion took place.

Commissioner Erickson withdrew his nomination for Commissioner O'Day and accepted the nomination to serve as president.

Upon roll call, Commissioners Bevans, Johnson, Kirsch, O'Day, and Sinner voted "aye". Commissioner Erickson abstained from voting. No member voted "nay". The Chair declared the nomination carried.

Commissioner Johnson nominated Commissioner Kirsch to serve as vice-president.

Upon roll call, Commissioners Bevans, Johnson, Erickson, O'Day, and Sinner voted "aye". Commissioner Kirsch abstained from voting. No member voted "nay". The Chair declared the nomination carried.

Commissioner Johnson nominated Finance Director Hillman to serve as secretary/treasurer.

Commissioner Johnson withdrew his nomination for Finance Director Hillman, as the Finance Director already serves as vice secretary.

Commissioner Bevans nominated Commissioner Menk to serve as secretary/treasurer for 2021.

Upon roll call, Commissioners Bevans, Erickson, Johnson, Kirsch, and O'Day voted "aye". Commissioner Sinner voted "nay". The Chair declared the nomination carried.

### **Approval of Minutes**

MOVED AND SECONDED BY COMMISSIONERS BEVANS AND O'DAY TO AMEND THE NEXT MEETING DATE SHOWN UNDER NEW BUSINESS FROM FEBRUARY 3, 2021 TO FEBRUARY 1, 2021 AND APPROVE AS AMENDED.

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

### **Updates**

#### **Executive Director**

City Administrator Bergman stated there is a potential downtown development project that the Brainerd HRA is working on that is currently in the first stages.

She indicated the City is currently working on labor union negotiations and hope to have these settled by the first week of February.

Community Development Director Chanski announced a Parking Commission has been reestablished to address parking concerns in the City and will be meeting monthly. The recommendations made from that Committee will be brought to the Planning Commission to discuss, and then forwarded to Council.

#### **HRA**

Mr. Eric Charpentier gave an update on the Housing Trust Fund that is being refined. He also gave a review of discussion that took place with the Destination Downtown Business Coalition (DDBC).

Mr. John Schommer gave a brief update to the progress of the SCDP NE Brainerd grant, as well as the Brainerd Oaks, Serene Pines, and Dalmar Estates projects.

### **BLAEDC Update**

Mr. Tyler Glynn thanked Jerry Sinner for his time served on the Commission.

Mr. Glynn explained the details of another business grant program that BLAEDC is currently working on with Crow Wing County of funds received from the State for an Economic Relief Funds package.

### **Old Business**

#### **Shared Services Agreement**

Community Development Director Chanski explained the packet contains the Shared Services Agreement between the EDA and the City for this year.

MOVED AND SECONDED BY COMMISSIONERS SINNER AND O'DAY TO ADOPT THE SHARED SERVICES AGREEMENT BETWEEN THE EDA AND THE CITY OF BRAINERD AS PRESENTED.

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

### **New Business**

#### **Strategic Planning**

Community Development Director Chanski and City Administrator Bergman gave an update regarding the 2021 plans for strategic planning sessions. They explained this training could not take place in 2020 due to COVID but would like to proceed with plans for this year.

MOVED AND SECONDED BY COMMISSIONERS ERICKSON AND JOHNSON TO DIRECT STAFF TO MOVE FORWARD AND SCHEDULE STRATEGIC TRAINING SESSIONS IN FEBRUARY AND MARCH.

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

### **Informational**

#### **Anderson Brothers – Industrial Park Property Acquisition**

Community Development Director Chanski announced that Anderson Brothers Construction will no longer be pursuing the purchase of the Industrial Park lots. He indicated Anderson

Brothers has entered into an agreement to purchase the property they are located on currently. He said they will be working on improvements to the property and adding staff at that location.

### **Comments/Questions**

City Administrator Bergman and Commissioner Johnson both thanked Jerry Sinner for leading the EDA this past year and for the business expertise he has shared.

### **Adjournment**

The Authority adjourned at 8:15 a.m.

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Ed Menk, Secretary/Treasurer

To: EDA Board of Commissioners  
From: John Schommer, Rehab Coordinator  
Date: February 24, 2021  
Re: Brainerd HRA Update

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**General Agency Update**

We continue to assist a developer in the preliminary steps of a redevelopment project in Downtown Brainerd. We have been providing assistance and will be preparing a grant application through DEED for funding for infrastructure and demolition at this site. We have also recently been in contact with a local developer who is looking for land to build single family residences as they near the end of their current housing development. We spoke about the possibility of utilizing the Tax Forfeited Land policy to provide some infill homes as well as providing additional workforce housing in the community. We expect to keep in contact with this individual to provide assistance and guidance where we can. We have also been in contact with an interested individual that is looking at developing land that they own into multifamily housing. John met with the interested party and their architect and they are in the very early stages of looking into their options.

**Rehab**

The NE Brainerd SCDP grant has rehab completed on one commercial unit and two owner occupied units. We have three owner occupied units, one single family rental rehab and one duplex unit in construction and work is substantially complete on nine mixed use units. The owner of the triplex that we were getting ready to sign contracts on has since backed out. There is one multi-family and five single family rental rehab applications in the verification 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	3	8
Serene Pines	23	14	12	1	3
Dalmar Estates	7	1	1	0	0

\*Originally 83 lots, 2 have been merged/combined into a single parcel

# MEMO



**TO:** EDA Board of Commissioners

**FROM:** David Chanski, Community Development Director

**DATE:** March 4, 2021

**RE:** EDA-BLAEDC Shared Services Agreement

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On December 11, 2020, the EDA approved their 2021 budget, which included contracting with the City of Brainerd and the Brainerd Lakes Area Economic Development Corporation (BLAEDC) for professional services at \$30,000 and \$60,000, respectively. Per the opinion of legal counsel, the EDA should enter into shared services agreements with each entity for the services they will be providing the EDA, and the EDA should approve these agreements by resolution.

The EDA approved the shared services agreement with the City of Brainerd during its regular meeting on January 7.

Attached is the shared services agreement between the EDA and BLAEDC for 2021. Staff recommends approval of this agreement by resolution.

## SHARED SERVICES AGREEMENT

This agreement is entered into this \_\_\_\_ day of \_\_\_\_\_, 2021; between the Brainerd Lakes Area Economic Development Corporation (BLAEDC), a nonprofit organization, and the Brainerd Economic Development Authority (EDA), a public body, corporate and politic.

WHEREAS, BLAEDC 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, BLAEDC will provide the following services, consistent with State law and the directives of the EDA:

- a. Communicate potential problems to the EDA Board and offer viable solutions
- b. Create and manage a database of all Brainerd businesses
- c. Complete 25 Business Retention and Expansion visits that involve interviews and information gathering
- d. Maintain current programs and develop additional programs to address Brainerd business needs
- e. Manage and coordinate River to Rail activities
- f. Work in cooperation with the Brainerd Economic Development Authority and Brainerd Housing and Redevelopment Authority to advance economic development and redevelopment within the Brainerd community
- g. Guide developers, business owners, property owners, and the like through the development and redevelopment process
- h. Other projects as directed by the EDA Board

### **II. Compensation**

In consideration for the services rendered by the City, the EDA shall compensate the BLAEDC \$60,000 annually, to be paid bi-annually by July 1 and December 1.

Monthly reports demonstrating execution of the Scope of Services shall be delivered to the EDA by the 30<sup>th</sup> of each month prior to payments being made.

### **III. Term**

The term of this agreement shall be for a period of one year commencing on the 1<sup>st</sup> day of January 2021 and terminating on the 31<sup>st</sup> day of December 2021. This agreement shall automatically renew for successive one-year terms thereafter unless one of the parties hereto provides at least 60 days' notice of its intent to terminate this agreement at the end of the then current term. However, either party may terminate this agreement for any reason upon 60 day advance written notice. In the event either party terminates this agreement before its expiration any fees owed to the BLAEDC will be prorated through the last day of the 60-day termination period.

### **IV. Indemnification**

To the fullest extent permitted by law, BLAEDC 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 BLAEDC's negligence or BLAEDC's failure to perform its obligations under this



Agreement.

**V. Compliance with Laws**

The 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**

BLAEDC is an independent Contractor and nothing herein contained shall be construed to create the relationship of an employer and employee between EDA and BLAEDC employees. BLAEDC shall at all times be free to exercise initiative, judgment and discretion as to how to best perform or provide services. BLAEDC 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 BLAEDC and that it is the BLAEDC'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>BLAEDC</i>	<i>Brainerd EDA</i>
Executive Director	Chair
Tyler Glynn	Wayne Erickson
224 W. Washington St.	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**

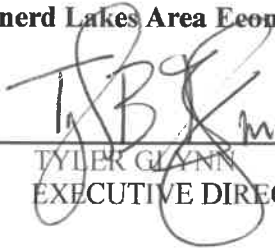
The EDA and the BLAEDC hereby acknowledge that they have read this Agreement and affirmatively states and represents that they understand its contents. Further, that the above constitutes the entire agreement by and between the EDA and BLAEDC and is binding upon themselves, their heirs, assigns and successors 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 BLAEDC.

Approved this the \_\_\_\_ day of \_\_\_\_\_ 2021.

**Brainerd Economic Development Authority**

By: \_\_\_\_\_  
WAYNE ERICKSON  
CHAIR

**Brainerd Lakes Area Economic Development Corporation (BLAEDC)**

By:  \_\_\_\_\_  
TYLER GLYNN  
EXECUTIVE DIRECTOR

# MEMO



**TO:** EDA Board of Commissioners  
**FROM:** David Chanski, Community Development Director  
**DATE:** March 4, 2021  
**RE:** Strategic Planning

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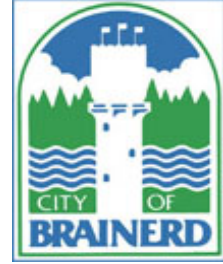
In 2020, the EDA had discussed conducting a strategic planning session and budgeted \$5,000 toward that end. On February 10, 2020, the City Council also held a workshop at which the Council's opinion regard what the EDA should be working on was an item of discussion. The result of this discussion was direction to staff to organize a joint EDA-City Council workshop to discuss the role of the EDA and the City Council in achieving the City's economic development goals. However, neither the strategic planning session nor the joint EDA-City Council workshop was held due to the COVID-19 pandemic.

As part of the EDA's 2021 budget, \$5,000 was once again placed in the budget for conducting some type of strategic planning. On January 7, the EDA direct staff to engage the City Council to hold a joint EDA-City Council workshop to ensure each entity is on the same page prior to conducting formal strategic planning. This workshop has been scheduled for Monday, March 8 @ 5pm.

Additionally, the EDA directed staff to research and engage third parties to conduct a strategic planning session. Staff did conduct research into qualified third parties but did not find a plethora of entities who would be willing to conduct the type of strategic planning session the EDA is seeking and within the EDA's budget. However, Mr. Bruce Miles of Big River Group is putting together a proposal for consideration by the EDA. Bruce has done extensive work in the area including work with the Chamber of Commerce as well as conducting similar strategic planning with the HRA.

At the time of agenda publication, staff has not yet received the proposal from Mr. Miles. Once the proposal is received, it will be provided to the EDA Board for review. Upon review of the proposal, staff will make a recommendation whether to accept it or continue to seek out other entities.

# MEMO



**TO:** EDA Board of Commissioners  
**FROM:** David Chanski, Community Development Director  
**DATE:** March 4, 2021  
**RE:** Resignation of Ed Menk

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On January 6, staff received a letter from Ed Menk, formally resigning from the EDA. His resignation letter is attached.

Staff recommends accepting his resignation with regret.



January 6, 2021

Jennifer Bergman  
City of Brainerd Administrator  
City Hall

Subject: Resignation from the EDA

I have enjoyed serving for many years on the EDA as a member and as the Chairman. The EDA has worked on many worthwhile efforts and projects including the revitalization efforts for the downtown, industrial parks and trying to preserve the paper industry in Brainerd. While not all of the efforts resulted in successes but enough were successful that I feel our work was useful for the economic well being of the City and its citizens.

At this time I am tendering my resignation from the EDA.

A handwritten signature in black ink, appearing to read 'E.L. Menk', is written over a horizontal line. The signature is fluid and cursive.

Edwin L. Menk