



AGENDA

Crow Wing County Committee of the Whole

02/21/2017

9:00 AM

Jinx Ferrari Meeting Room, 2nd Floor, Historic Courthouse, Brainerd MN

*Note: Times are approximate

The agenda has been published as shown below but is subject to change to include such business as may come before the Board.

1. **9:00 AM Election Legislation Update – Debby Erickson**

2. **9:15 AM Administration of Small Cities Development Program – Jason Rausch**

 Attachment - SCDP

3. **9:30 AM Community Services Results Update – Tami Lueck and Rachel Grimes**

4. **10:00 AM Child Protection/Out of Home Placements/Juvenile Detention – Kara Terry**

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www.crowwing.us

REQUEST FOR BOARD ACTION

DATE: February 28, 2017

Date of Board Meeting

Administrative Services, Financial Services Division

ORIGINATING DEPARTMENT

JJR

DEPARTMENT APPROVAL:

Dept Head Initial

AGENDA ITEM:

Crow Wing County HRA to administer Small Cities Development Program (SCDP)

PREVIOUS ACTION: Resolution #2015-09 Authorize use of SCDP income

RECOMMENDED BOARD ACTION:

WHEREAS, each year the Department of Employment and Economic Development (DEED) receives an allocation of approximately \$13 million from the Department of Housing and Urban Development (HUD) for the Small Cities Development Program (SCDP), and

WHEREAS, this program awards funds to cities and counties in Minnesota for community development programs such as owner-occupied housing rehabilitation, commercial rehabilitation, and public facility upgrades, and

WHEREAS, the Brainerd Lakes Area Economic Development Corporation (BLAEDC), on behalf of Crow Wing County, applied for a SCDP grant through DEED and was awarded funds for a housing and commercial rehab program on behalf of the cities of Deerwood, Ironton, Crosby and Emily, and

WHEREAS, this program was structured with 1/3 of the funds owner match, 1/3 as a 1% interest loan and 1/3 a forgivable grant. The property owner makes a monthly payment to the County for the loan portion and as a result, Crow Wing County began receiving payments in 2007, and

WHEREAS, DEED requires that these funds be used for a SCDP eligible activity,

NOW, THEREFORE, BE IT RESOLVED the Board of Commissioners of Crow Wing County, Minnesota, approves the Crow Wing County HRA to administer the Small Cities Development Program for Crow Wing County.

COMMENTS:

A resolution was passed on January 27, 2015 to allow the Brainerd HRA and Community Fundraising Solutions (CFS) to allocate SCDP grant funds to appropriate projects consistent with the grant for the \$80,000 of program income funds in the SCDP fund at that time. Their administration of the fund was to prevent the need for the Board to authorize every small disbursement for the many different projects covered under the grant plan. Since the completion of these projects, more requests for projects have been received and the Crow Wing County HRA will apply for and received additional SCDP grants, which the county must hold on their behalf. Since we have previously delegated authority to the County HRA to authorize disbursement under the SCDP grant we had previously and since the HRA increased its levy for 2017 to employ a part time position to help administer these types of funds to the communities within Crow Wing County, we are requesting that we delegate the authority to them to authorize disbursement under these grant funds and future grant funds associated with the SCDP grant awards. These types of requests would be best vetted through their agency due to the complexity and the additional types of funding streams that may be used or applied for. The County will continue to exercise oversight in managing any loan repayments and through the necessary financial reporting to the Department of Employment and Economic Development along with our annual audit.

Sincerely,

Jason Rausch, Finance Director

Approximate length of presentation: 15 min.

Communication: Attachment - SCDP (9:15 AM Administration of Small Cities Development Program ? Jason Rausch)

BOARD OF COUNTY COMMISSIONERS
Crow Wing County, Minnesota

DATE: January 27, 2015
OFFERED BY COMMISSIONERS: Houge and Franzen

RESOLUTION #2015-09

AUTHORIZE USE OF SMALL CITIES DEVELOPMENT PROGRAM (SCDP) INCOME

WHEREAS, each year the Department of Employment and Economic Development (DEED) receives an allocation of approximately \$13 million from the Department of Housing and Urban Development (HUD) for the Small Cities Development Program (SCDP), and

WHEREAS, this program awards funds to cities and counties in Minnesota for community development programs such as owner-occupied housing rehabilitation, commercial rehabilitation, and public facility upgrades, and

WHEREAS, the Brainerd Lakes Area Economic Development Corporation (BLAEDC), on behalf of Crow Wing County, applied for a SCDP grant through DEED and was awarded funds for a housing and commercial rehab program on behalf of the cities of Deerwood, Ironton, Crosby and Emily, and

WHEREAS, this program was structured with 1/3 of the funds owner match, 1/3 as a 1% interest loan and 1/3 a forgivable grant. The property owner makes a monthly payment to the County for the loan portion and as a result, Crow Wing County began receiving payments in 2007 and has received approximately \$80,000 in program income, and

WHEREAS, DEED requires that these funds be used for a SCDP eligible activity, and

WHEREAS, the Brainerd Housing and Redevelopment Authority (HRA) and Community Fundraising Solutions (CFS) have requested the \$80,000 in program income funds be used for the following existing awards and proposed applications which are all eligible activities according to the SDCP guidelines:

Deerwood: The City of Deerwood received SCDP funds to rehabilitate 12 owner-occupied homes in the City. The project has struggled to meet rehabilitation goals because of the lack of leveraged funding that is required by DEED. CFS proposes to use \$20,000.

Riverton: The City of Riverton received SCDP funds to rehabilitate 12 owner-occupied homes in the City. Five projects are ready to move to construction; however, leveraged dollars are needed. CFS proposes to use \$20,000 for this project.

Crosby: The City of Crosby has received authorization from DEED to submit a full application for 2015 SCDP funding. The application is to rehabilitate 20 owner-occupied homes in NE Crosby in addition a storm sewer upgrade. The Brainerd HRA is requesting \$20,000 to be used as leveraged dollars for this program.

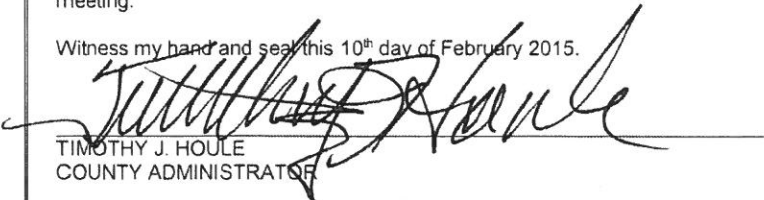
Ironton: The City of Ironton has received authorization to submit a full application to DEED for the SCDP. The application proposes to rehabilitate 17 owner-occupied homes in the City. CFS is requesting \$20,000 to be used as leveraged dollars.

NOW, THEREFORE, BE IT RESOLVED the Board of Commissioners of Crow Wing County, Minnesota, approves the request of the Brainerd HRA and CFS to use the \$80,000 in program income funds for the above projects.

STATE OF MINNESOTA)
 COUNTY OF CROW WING) ss

I, Timothy J. Houle, County Administrator, Crow Wing County, Minnesota, hereby certify that I have compared the foregoing copy of the resolution of the county board of said county with the original record thereof on file in the Administration Office, Crow Wing County, Minnesota, as stated in the minutes of the proceedings of said board at a meeting duly held on January 27, 2015, and that the same is a true and correct copy of said original record and of the whole thereof, and that said resolution was duly passed by said board at said meeting.

Witness my hand and seal this 10th day of February 2015.



TIMOTHY J. HOULE
 COUNTY ADMINISTRATOR

	<u>YES</u>	<u>NO</u>
DISTRICT #1 – KOERING	X	_____
DISTRICT #2 – THIEDE	X	_____
DISTRICT #3 – NYSTROM	_____	_____
DISTRICT #4 – FRANZEN	X	_____
DISTRICT #5 – HOUGE	X	_____

Communication: Attachment - SCDP (9:15 AM Administration of Small Cities Development Program ? Jason Rausch)