



Housing and Redevelopment Authority

Monday, August 5, 2024
5:30 PM
Elk River City Hall

Regular Meeting & Work Session Agenda

- Regular meeting in Council Chambers
 - Work Session meeting in Upper Town Conference Room immediately following regular meeting
-

1. CALL MEETING TO ORDER

2. PLEDGE OF ALLEGIANCE

3. CONSIDER AGENDA

4. CONSENT AGENDA

Considered to be routine and noncontroversial and will be approved by one motion. There will be no separate discussion of these items unless there is a request to remove the item from the consent agenda to the regular agenda.

4.1 Draft HRA Minutes - July 1, 2024

4.2 Check Register

4.3 Balance Sheet

4.4 Revenue/Expenditure Reports

5. OPEN FORUM

An opportunity to provide comments and feedback regarding items not on the agenda. Information provided in Open Forum will not be discussed at this meeting; rather, the information will be referred to staff and/or scheduled for discussion at a future meeting.

6. GENERAL BUSINESS

Items in which the information is presented by city staff or consultants, then deliberation and action occur. General Business items are not opportunities to receive or provide public input. However, the presiding officer may, at its sole discretion, solicit public feedback.

6.1 Housing Rehabilitation Loan Program Update

6.2 Flower Basket Service Agreement

6.3 Liaison to Downtown Small Area Plan Steering Committee

6.4 Main and Gates Update

6.5 Participation in 19116 Troy Street Acquisition

6.6 General Updates

7. MOTION TO ADJOURN REGULAR MEETING

8. WORK SESSION – UPPER TOWN CONFERENCE ROOM

Work Sessions are less formal meetings to encourage dialog. Official action or votes are not typically taken. At the conclusion of a discussion, a simple consensus provides staff direction for execution of the item. This portion of the agenda is audio recorded but not video recorded or broadcast. Work Sessions are open to the public; however, visitors who wish to provide input must be invited by the presiding officer, assume a seat at the discussion table and provide their full name and address for the official record.

8.1 Workshop for 2025 Budget

9. MOTION TO ADJOURN

The Elk River Vision

A welcoming community with revolutionary and spirited resourcefulness, exceptional service, and community engagement that encourages and inspires prosperity





**Meeting of the Housing and
Redevelopment Authority
Held at the Elk River City Hall
Monday, July 1, 2024**

Members Present: Councilmember Jennifer Wagner, Commissioner Dennis Chuba, Commissioner Nate Ovall, Commissioner Lynn Caswell, Commissioner Mel Beaudry

Members Absent:

Staff Present: Economic Development Director Brent O'Neil, Economic Development Specialist Joshua Mollan, and Recording Secretary Jennifer Green

1. CALL MEETING TO ORDER

Pursuant to due call and notice thereof, the meeting was called to order at 5:30 p.m.

2. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

3. CONSIDER AGENDA

Moved by Commissioner Wagner and seconded by Commissioner Beaudry to approve the July 1, 2024, HRA agenda. Motion Carried 5-0.

4. CONSENT AGENDA

Moved by Commissioner Ovall and seconded by Commissioner Caswell to approve the following consent items as outlined in their respective staff reports. Motion Carried 5-0.

4.1 HRA Minutes - June 3, 2024

4.2 Check Register

4.3 Balance Sheet

4.4 Revenue/Expenditure Reports

5. OPEN FORUM

No one appeared for Open Forum.

6. GENERAL BUSINESS

6.1 Housing Rehabilitation Loan Program Update

Mr. Mollan presented the staff report. He stated that based on the June worksession discussion, staff is not looking to make any changes to the program policy at this time.

Commissioner Beaudry asked about the loan that was being paid ahead and wondered if there was still a minimum payment due each month.

Mr. Mollan stated CEE's reporting shows the loan is current.

Commissioner Ovall asked that staff follow up with CEE to review the loan documents to see if there is a pay ahead provision.

6.2 Amendment to Purchase Agreement for Main and Gates

Mr. O'Neil presented the staff report. He stated the buyer, Ron Touchette, requested changes to the Third Amendment to the Purchase and Sale Agreement as proposed in the packet, and distributed a modified Third Amendment submitted by Mr. Touchette for review by the HRA. He stated Mr. Touchette was present to explain the need for an additional amendment since the second amendment was passed last month by the HRA. He displayed the most current proposed site plan.

Ron Touchette updated the HRA regarding the Main and Gates site, explaining the site plan changes which include a 6,000 square foot standalone building and allowing a second 6,000 square foot standalone building in the future on the other corner, with the possibility of a 2600 square foot building at 326 Gates. He noted this was the original design and has submitted setback variance requests to the city to allow the building to sit closer to the street, noting the reduced setbacks will support the development of the property by allowing it to fit the required structure, parking, and stormwater improvements on the lot, as well as upgrading the corridor to a more inviting urban streetscape.

Commissioner Beaudry asked about the previous proposed building size and why the plans had been changed.

Mr. Touchette stated the original proposal was for a 12,000 square foot building, but they ran into water issues over the entire site, along with the potential to affect the existing home near the project site. By changing the site plans, this allows for future phased construction of additional buildings on the entire parcel.

Commissioner Wagner asked about snow removal concerns with the building located so close to the road.

Mr. Touchette stated he didn't anticipate that, as this didn't occur on the opposite side of the street. The sidewalk would be constructed similarly at the curb line and have the same setbacks. He stated this layout also allows for a rain garden near the rear of the property, which will maximize the use of the property.

Chair Chuba asked if ingress/egress will be off Main Street.

Mr. Touchette stated it would be.

Commissioner Beaudry asked if this proposed building is economical.

Mr. Touchette stated it is because of the user. He felt once the bottleneck of Highway 169 is alleviated, the desirability of this area of Elk River will continue to grow.

Commissioner Caswell noted there were 4 driveways removed from the stretch of road.

Chair Chuba felt the traffic would be a little more accelerated due to the change in use.

Mr. Touchette indicated there were no plans to change the intersection of Main and Gates that he was aware of, and noted once Highway 169 was finalized, this area would again have plenty of capacity to support the proposed use.

Mr. O'Neil commented that the proposed amendment allows for an anticipated construction date of as early as September and as late as October.

Mr. Touchette stated they would need to get the groundwork completed before winter.

Commissioner Ovall asked if this amendment would allow for closing to occur sooner.

Mr. Touchette indicated it would depend upon city variance approvals and permits. He stated he discussed permits with staff, and it was favorable to allow for him to receive permits to allow for construction before winter. He stated the architect is three weeks away from the permit set and environmental reviews were completed today.

Mr. O'Neil stated the city did do geotechnical review but not environmental review. Mr. Touchette stated they will complete 4 additional boring for the foundations and doesn't anticipate any foundational problems.

Mr. O'Neil stated that in addition to the amendments included in the packet, Mr. Touchette requested a few additional items. Paragraph 8.2 links the earnest money to the due diligence period rather than an earlier period for title commitment. This will memorialize the earnest money in sync with the termination of the expiration of the due diligence period. Paragraph 11 - addresses an inaccurate sentence by deleting reference to the buyer as an individual. Paragraph 15 - Mr. Touchette would intend to assign the rights of the agreement to Medical on Main LLC. He would recommend approval of this amendment, and it was reviewed by city legal staff.

Chair Chuba stated he could see why he would want it extended due to the variance application.

Commissioner Beaudry asked if additional earnest money should be requested as in most commercial deals, it's common for nonrefundable earnest money to be requested due to the property being tied up that much longer.

Mr. Touchette indicated that is common in commercial property, but not if you are trying to make a project economically feasible. He noted the challenges that are working against these parcels and can't do what they really want to do. He stated he would lose this user if this isn't completed now, as no one has time on their side. He stated he has invested a lot of time, energy, and money in these properties since 2022 and isn't willing to let that go.

Commissioner Ovall stated he heard Commissioner Beaudry's thoughts and has empathy for the

challenges being faced by the developer. He stated the commission was aware of these challenges and having Mr. Touchette take on the project at the price knowing these challenges allows for him to be supportive of this request.

Mr. Touchette indicated he also wants to respect the homeowner who is currently residing on the remaining parcel.

Commissioner Beaudry understood the situation.

Moved by Commissioner Oval and seconded by Councilmember Wagner to approve Amendment Three to the Purchase and Sale Agreement for the Main and Gates Properties that was distributed during the HRA meeting. Motion Carried 5-0.

6.3 General Updates

Mr. O'Neil stated the downtown furniture was finalized and placed in the greenspace at the former Elk River Meats site.

Mr. O'Neil stated he heard reference to the synergy between senior housing and workforce housing at a recent EDA conference, and how both are important drivers in the community's economy. He explained the speaker stated when there is good senior housing available in your community, it actually allows for better turnover in workforce housing.

Mr. Mollan shared his tidbit from the conference with a quote: Today's great work is tomorrow's baseline. He stated he heard it in reference to a New Richmond, Wisconsin library being built together with mixed use, housing, and office space. Mr. Mollan stated he will have at least two bids for next month's meeting for the HRA to consider regarding the downtown flower baskets contract.

Mr. O'Neil asked the HRA to keep in mind for a potential future meeting topic for the property located at 555 Railroad Drive. He stated it may be for sale for a partnership opportunity for either an HRA or EDA.

7. MOTION TO ADJOURN REGULAR MEETING

Moved by Commissioner Caswell and seconded by Commissioner Wagner to adjourn the regular meeting at 6:04 p.m. and go into work session. Motion Carried 5-0.

8. WORK SESSION – UPPER TOWN CONFERENCE ROOM

Chair Chuba opened the work session at 6:09 p.m.

8.1 Redevelopment of 19116 Troy Street NW

Mr. O'Neil presented the staff report and introduced city attorney Jack Brooksbank, who specialized in eminent domain law, and was present to provide answers and guidance on the opportunity presented to the HRA regarding 19116 Troy Street NW. The discussion continued from last month's work session and Mr. O'Neil indicated the property appraisal came in at \$75,000 based upon the condition of the property and area comps. He distributed a comparables and investment worksheet to the commission outlining recent property sales similar to this and the potential acquisition costs should the HRA decide to proceed with the acquisition. He asked a question to Mr. Brooksbank if any of these

fees and taxes are deductible from the appraised value in a condemnation process.

Mr. Brooksbank explained those fees wouldn't be deductible.

Commissioner Oval, who missed the previous month's discussion, asked for information about the property, which Mr. O'Neil and Mr. Brooksbank provided.

Mr. Brooksbank explained the condemnation process, which is the route he advises the city to take, as there is no seller to work with and the property would sit four to five years while the city waits for it to go tax forfeiture. The appraised price of \$75,000 when purchased gets deposited into an account with the district court and held until it gets turned over to the state's unclaimed property. In the future, if someone came forward and stated they could have owned the property before the condemnation process, they would then be entitled to those funds.

Mr. O'Neil commented that state affordability fund dollars have a potential to be used but must be tied to affordability and have a plan in place for intent on affordability requirements.

The HRA discussed the benefits to the city by obtaining the property and reselling it. They discussed the benefits for the value of the neighborhood; some neighbors have complained to the city about the condition of the property and code enforcement have fielded those. The length of time the property will sit in its current condition could be upwards of 7 years. The HRA discussed funding opportunities, incentives to buyers, a special HRA loan, and if Sherburne County would be interested in this project from a tax perspective or funding source. The HRA discussed setting a precedence, but the situation was unique.

Mr. Brookbanks explained to the commission they could leave the home, they could demolish the home and assess the costs, or they could buy the property and resell it. He stated one potential decision the HRA could make tonight would be to proceed with eminent domain, which is the first step in a 60-day negotiation period. Posting the city's purchase request on the front door of the property along with a copy of the appraisal allows anyone living there to respond to the request; if no one responds, then it allows for clarification that no one is making a claim of ownership. This first step does not commit the city to any part of a negotiation or purchase.

After discussion, it was the consensus of the HRA to proceed with the eminent domain process and directed Mr. Brookbanks to post the necessary paperwork on the door of 19116 Troy Street to begin the negotiation process. This item will be discussed at next month's HRA meeting.

9. MOTION TO ADJOURN WORKSESSION

Moved by Commissioner Beaudry and seconded by Commissioner Caswell to adjourn the meeting at 6:32 p.m. Motion Carried 5-0.

Minutes prepared by Jennifer Green.

Denny Chuba, Chair

Tina Allard, City Clerk

VENDOR SORT KEY	DESCRIPTION	FUND	DEPARTMENT	AMOUNT
CAMPBELL KNUTSON P.A.	LEGAL SVCS - HRA	HRA	Housing & Redevelopmen	90.00
			TOTAL:	90.00
CITY OF ELK RIVER	REIMB SALARIES - JUL 24	HRA	Housing & Redevelopmen	6,376.11
	REIMB SALARIES - JUL 24	HRA	Housing & Redevelopmen	478.21
	REIMB SALARIES - JUL 24	HRA	Housing & Redevelopmen	395.32
	REIMB SALARIES - JUL 24	HRA	Housing & Redevelopmen	92.45
	REIMB SALARIES - JUL 24	HRA	Housing & Redevelopmen	1,594.80
	TRANSFER - GENERAL FUND	HRA	Housing & Redevelopmen	37,500.00
			TOTAL:	46,436.89
TYLER CHESEMOVE	JUN 24 LAWN SERVICE	HRA	Housing & Redevelopmen	400.00
			TOTAL:	400.00
YARDWORX OUTDOOR SERVICES LLC	BASKET UPKEEP - AUG 24	HRA	Housing & Redevelopmen	3,334.60
			TOTAL:	3,334.60

===== FUND TOTALS =====

910 HRA 50,261.49

GRAND TOTAL: 50,261.49

SELECTION CRITERIA

SELECTION OPTIONS

VENDOR SET: 01-CITY OF ELK RIVER
VENDOR: All
CLASSIFICATION: All
BANK CODE: Include: HRA
ITEM DATE: 0/00/0000 THRU 99/99/9999
ITEM AMOUNT: 99,999,999.00CR THRU 99,999,999.00
GL POST DATE: 7/02/2024 THRU 8/05/2024
CHECK DATE: 0/00/0000 THRU 99/99/9999

PAYROLL SELECTION

PAYROLL EXPENSES: NO
EXPENSE TYPE: N/A
CHECK DATE: 0/00/0000 THRU 99/99/9999

PRINT OPTIONS

PRINT DATE: None
SEQUENCE: By Vendor Sort
DESCRIPTION: Item
GL ACCTS: NO
REPORT TITLE: ELK RIVER CITY COUNCIL REPORT
SIGNATURE LINES: 0

PACKET OPTIONS

INCLUDE REFUNDS: YES
INCLUDE OPEN ITEM:NO

BALANCE SHEET

AS OF: JULY 31ST, 2024

910-HRA

ACCOUNT #	ACCOUNT DESCRIPTION	BALANCE	
ASSETS			
=====			
910-1010	Cash - HRA	911,384.04	
910-1190	Loans Receivable	210,004.40	
910-1193	Forgivable Loan	75,000.00	
910-1194	Allow for Forgivable Loan	(75,000.00)	
910-1195	Note Receivable	400,000.00	
910-1310	Due From Other Funds	161,823.29	
910-1610	Land Held for Redevelopment	<u>382,000.00</u>	
		<u>2,065,211.73</u>	
TOTAL ASSETS			2,065,211.73
			=====
LIABILITIES			
=====			
EQUITY			
=====			
910-2400	Fund Balance	<u>1,924,693.80</u>	
	TOTAL BEGINNING EQUITY	1,924,693.80	
TOTAL REVENUE		230,446.45	
TOTAL EXPENSES		<u>89,928.52</u>	
TOTAL REVENUE OVER/ (UNDER) EXPENSES		140,517.93	
TOTAL EQUITY & REV. OVER/ (UNDER) EXP.		<u>2,065,211.73</u>	
TOTAL LIABILITIES, EQUITY & REV.OVER/ (UNDER) EXP.			2,065,211.73
			=====

CITY OF ELK RIVER
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: JULY 31ST, 2024

910-HRA

FINANCIAL SUMMARY

58.33% OF YEAR COMP.

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	% OF BUDGET	BUDGET BALANCE
REVENUE SUMMARY					
HRA	<u>445,100.00</u>	<u>226,116.10</u>	<u>230,446.45</u>	<u>51.77</u>	<u>214,653.55</u>
TOTAL REVENUES	<u>445,100.00</u>	<u>226,116.10</u>	<u>230,446.45</u>	<u>51.77</u>	<u>214,653.55</u>
	=====	=====	=====	=====	=====
 EXPENDITURE SUMMARY					
Economic Development					
Housing & Redevelopment	<u>445,100.00</u>	<u>17,721.54</u>	<u>89,928.52</u>	<u>20.20</u>	<u>355,171.48</u>
TOTAL Economic Development	<u>445,100.00</u>	<u>17,721.54</u>	<u>89,928.52</u>	<u>20.20</u>	<u>355,171.48</u>
TOTAL EXPENDITURES	<u>445,100.00</u>	<u>17,721.54</u>	<u>89,928.52</u>	<u>20.20</u>	<u>355,171.48</u>
	=====	=====	=====	=====	=====
REVENUES OVER/ (UNDER) EXPENDITURES	0.00	208,394.56	140,517.93	(	140,517.93)

CITY OF ELK RIVER
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: JULY 31ST, 2024

910-HRA

58.33% OF YEAR COMP.

REVENUES	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	% OF BUDGET	BUDGET BALANCE
HRA					
===					
<u>Taxes</u>					
910-3-0000-3111 Property Taxes	440,100.00	226,116.10	226,116.10	51.38	213,983.90
TOTAL Taxes	440,100.00	226,116.10	226,116.10	51.38	213,983.90
<u>Intergovernmental Rev</u>					
<u>Charges for Services</u>					
<u>Other Revenue</u>					
910-3-0000-3621 Interest Income	5,000.00	0.00	4,330.35	86.61	669.65
TOTAL Other Revenue	5,000.00	0.00	4,330.35	86.61	669.65
<u>Other Financing Sources</u>					
<u>Transfers In</u>					
TOTAL HRA	445,100.00	226,116.10	230,446.45	51.77	214,653.55
TOTAL REVENUE	445,100.00	226,116.10	230,446.45	51.77	214,653.55
	=====	=====	=====	=====	=====

CITY OF ELK RIVER
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: JULY 31ST, 2024

910-HRA					
Economic Development				58.33% OF YEAR COMP.	
Housing & Redevelopment					
	CURRENT	CURRENT	YEAR TO DATE	% OF	BUDGET
DEPARTMENTAL EXPENDITURES	BUDGET	PERIOD	ACTUAL	BUDGET	BALANCE
<u>Personal Services</u>					
910-4-6100-4101 Regular Pay	82,600.00	6,302.02	37,812.16	45.78	44,787.84
910-4-6100-4104 PERA	6,200.00	472.65	2,835.90	45.74	3,364.10
910-4-6100-4105 FICA	5,100.00	390.73	2,355.07	46.18	2,744.93
910-4-6100-4107 Medicare	1,200.00	91.38	550.78	45.90	649.22
910-4-6100-4108 Insurance	16,200.00	1,594.80	9,568.80	59.07	6,631.20
910-4-6100-4109 Workers Comp	350.00	98.00	339.75	97.07	10.25
TOTAL Personal Services	111,650.00	8,949.58	53,462.46	47.88	58,187.54
<u>Supplies</u>					
910-4-6100-4219 Operating Supplies	500.00	0.00	0.00	0.00	500.00
TOTAL Supplies	500.00	0.00	0.00	0.00	500.00
<u>Services & Charges</u>					
910-4-6100-4304 Legal Fees	8,000.00	324.00	727.00	9.09	7,273.00
910-4-6100-4319 Professional Services	32,000.00	0.00	800.00	2.50	31,200.00
910-4-6100-4322 Postage	50.00	0.00	0.00	0.00	50.00
910-4-6100-4331 Travel, Conferences & Schools	200.00	0.00	0.00	0.00	200.00
910-4-6100-4349 Advertising/Marketing	9,200.00	0.00	6,976.50	75.83	2,223.50
910-4-6100-4359 Publishing	350.00	0.00	77.40	22.11	272.60
910-4-6100-4401 Bldg Repair/Maint Services	4,000.00	400.00	400.00	10.00	3,600.00
910-4-6100-4404 Software Services	9,100.00	4,713.36	4,713.36	51.80	4,386.64
910-4-6100-4409 Contractual Services	27,750.00	3,334.60	22,771.80	82.06	4,978.20
910-4-6100-4433 Dues & Subscriptions	800.00	0.00	0.00	0.00	800.00
910-4-6100-4440 Miscellaneous	200,000.00	0.00	0.00	0.00	200,000.00
TOTAL Services & Charges	291,450.00	8,771.96	36,466.06	12.51	254,983.94
<u>Capital Outlay</u>					
<u>Debt Service</u>					
<u>Transfers Out</u>					
910-4-6100-4721 Transfer-General Fund	37,500.00	0.00	0.00	0.00	37,500.00
910-4-6100-4735 Transfer-EDA	4,000.00	0.00	0.00	0.00	4,000.00
TOTAL Transfers Out	41,500.00	0.00	0.00	0.00	41,500.00
TOTAL Housing & Redevelopment	445,100.00	17,721.54	89,928.52	20.20	355,171.48
TOTAL Economic Development	445,100.00	17,721.54	89,928.52	20.20	355,171.48
TOTAL EXPENDITURES	445,100.00	17,721.54	89,928.52	20.20	355,171.48
	=====	=====	=====	=====	=====
REVENUES OVER/ (UNDER) EXPENDITURES	0.00	208,394.56	140,517.93	(	140,517.93)



Request for Action

To
Housing and Redevelopment Authority

Item Number
6.1

Meeting Date
August 5, 2024

Prepared By
Joshua Mollan, Economic Development Specialist

Item Description
Housing Rehabilitation Loan Program Update

Reviewed by
Brent O'Neil
Cal Portner

Action Requested
Receive updates on the Housing Rehabilitation Loan Program.

Background/Discussion
CEE reports that all accounts are current, the HRA's portfolio is performing as expected with no delinquencies or late payments, and \$97,710 remains available for new loan disbursements in 2024.

Staff connected with CEE on the issue discussed last month regarding a borrower who overpaid in previous months and then did not make the April payment. CEE has advised that the borrower had made prior arrangements to overpay and be credited toward scheduled payments on the amortization schedule. Staff would like to discuss this with the board relative to program policy and whether the board would like to consider adjustments to the policy on this issue.

Financial Impact
N/A

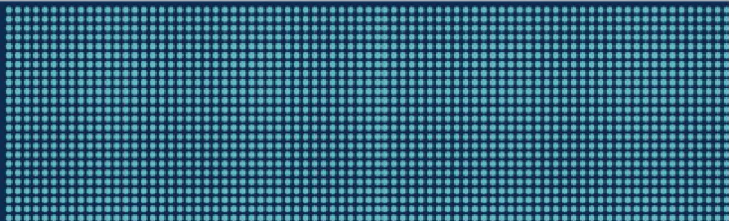
Mission/Policy/Goal
Improve housing stock by offering incentives or programs to repair or maintain residential properties.

- Attachments**
1. CEE Monthly Loan Servicing Report
 2. Monthly Loan Activity Summary
 3. CEE Q2 Loan Summary Report

The Elk River Vision

A welcoming community with revolutionary and spirited resourcefulness, exceptional service, and community engagement that encourages and inspires prosperity





CITY OF ELK RIVER LOAN SERVICING REPORT

May 2024

Data Set: June 1st, 2024

LOAN SERVICING DEPARTMENT



Center for Energy and Environment

CONTENTS



- 1 Invoice Report
- 2 Trial Balance Report (Loan Detail)
- 3 New Loan Count
- 4 Total Loan Count (Monthly Detail)
- 5 Trial Balance Report (Monthly Detail in USD)
- 6 Monthly Payment Collection Per Loan
- 7 Total Payment Collection in USD (Monthly Detail)
- 8 Total Principal Collection in USD (Monthly Detail)
- 9 Total Interest Collection in USD (Monthly Detail)

CITY OF ELK RIVER
INVOICE SUMMARY
Detail for May 2024

POOL	TOTAL COUNT OF ACTIVE LOANS	COUNT OF NEW LOANS	COUNT OF ACTIVE AMORTIZING LOANS	COUNT OF ACTIVE DEFERRED LOANS	COUNT OF ACTIVE DELINQUENT LOANS	COUNT OF PAYOFFS RECEIVED	TOTAL AMOUNT RECEIVED	PRINCIPAL RECEIVED	INTEREST RECEIVED	FEEES RECEIVED	NEW LOAN FEEES	DELINQUENC Y MANAGEME NT FEEES	SATISFACTIO N DRAFTING F EEES	SERVICING FEEES	TOTAL FEEES TO SERVICER	FUNDS TO THE CITY OF ELK RIVER
HRA REHAB	11	0	11	0	0	0	\$2,674.81	\$1,954.54	\$718.27	\$0.00	\$0.00	\$0.00	\$0.00	\$66.00	\$68.00	\$2,606.81
Grand Total	11	0	11	0	0	0	\$2,674.81	\$1,954.54	\$718.27	\$0.00	\$0.00	\$0.00	\$0.00	\$66.00	\$68.00	\$2,606.81

CITY OF ELK RIVER

PAYMENT BREAKDOWN PER LOAN

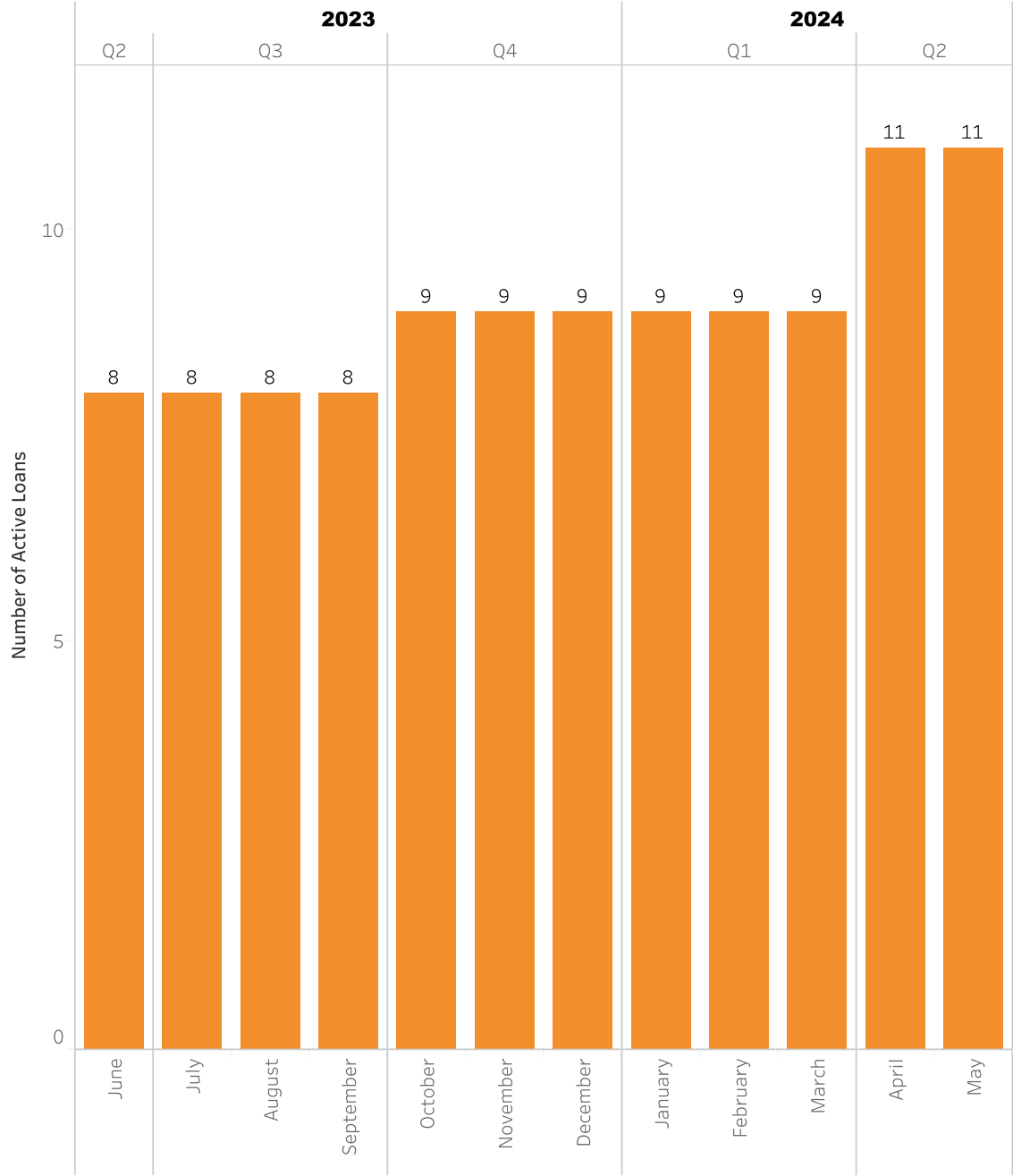
Detail for May 2024

Source Company	Loan #	Address	TOTAL AMOUNT RECEIVED	PRINCIPAL RECEIVED	INTEREST RECEIVED	FEES RECEIVED
ELK RIVER	19-015204	1420 5TH ST NW	\$208.04	\$194.53	\$13.51	\$0.00
	19-015209	609 GATES AVE NW	\$187.63	\$171.29	\$16.34	\$0.00
	19-015215	606 JEFFERSON LN NW	\$192.33	\$186.93	\$5.40	\$0.00
	19-015217	1811 MAIN ST	\$162.79	\$111.34	\$51.45	\$0.00
	19-016564	403 3RD ST NW	\$154.43	\$125.61	\$28.82	\$0.00
	23-028654	13222 179 1/2 AVE NW	\$300.00	\$194.48	\$105.52	\$0.00
	23-029012	18990 TWIN LAKES RD NW	\$260.00	\$151.55	\$108.45	\$0.00
	23-029085	17931 GARY ST NW	\$306.00	\$213.48	\$92.52	\$0.00
	23-029618	13366 181ST LN NW	\$502.00	\$348.41	\$151.59	\$0.00
	24-032189	14270 191ST AVE NW	\$142.69	\$113.09	\$29.60	\$0.00
	24-033299	17812 CONCORD CT NW	\$258.90	\$143.83	\$115.07	\$0.00
Grand Total			\$2,674.81	\$1,954.54	\$718.27	\$0.00

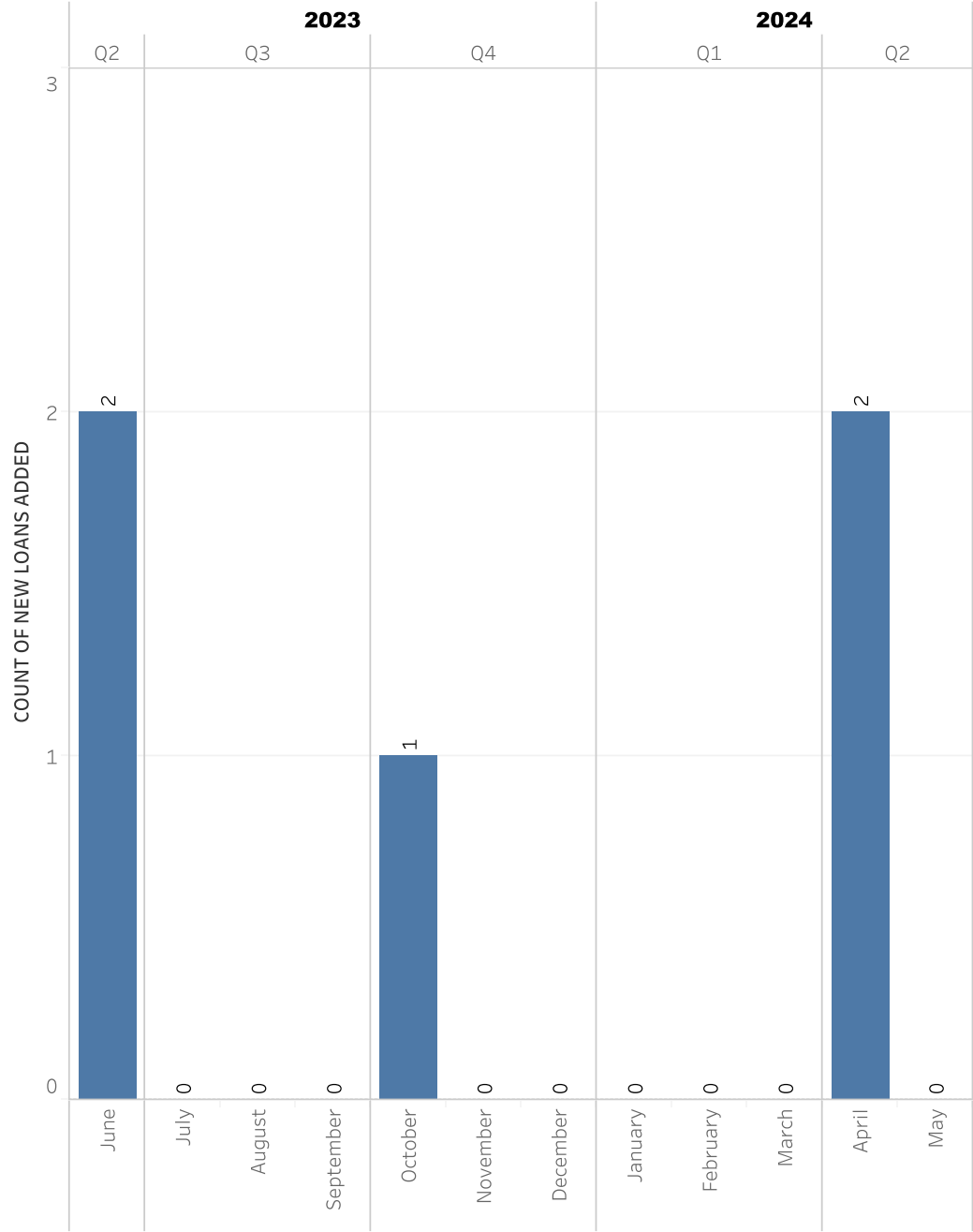
CITY OF ELK RIVER
TRIAL BALANCE REPORT
Monthly Detail

		2023							2024				
Loan #	Address	Q2	Q3				Q4			Q1			Q2
		June	July	August	September	October	November	December	January	February	March	April	May
19-015215	606 JEFFERSON LN NW	\$4,674.48	\$4,491.07	\$4,307.32	\$4,122.69	\$3,938.49	\$3,753.69	\$3,568.52	\$3,383.23	\$3,196.74	\$3,010.52	\$2,823.57	\$2,636.64
19-015204	1420 5TH ST NW	\$8,492.76	\$8,302.17	\$8,111.76	\$7,920.95	\$7,729.18	\$7,537.55	\$7,345.00	\$7,152.56	\$6,959.71	\$6,765.50	\$6,571.82	\$6,377.29
19-015209	609 GATES AVE NW	\$8,918.82	\$8,751.35	\$8,584.15	\$8,416.57	\$8,247.97	\$8,079.60	\$7,910.24	\$7,741.08	\$7,571.53	\$7,400.44	\$7,230.10	\$7,058.81
19-015217	1811 MAIN ST	\$15,812.37	\$15,704.82	\$15,598.72	\$15,492.24	\$15,383.57	\$15,276.30	\$15,166.87	\$15,058.82	\$14,950.39	\$14,838.09	\$14,728.86	\$14,617.52
19-016564	403 3RD ST NW	\$9,993.78	\$9,872.21	\$9,751.32	\$9,630.02	\$9,507.25	\$9,385.12	\$9,261.55	\$9,138.58	\$9,015.20	\$8,889.42	\$8,765.19	\$8,639.58
23-029012	18990 TWIN LAKES RD NW	\$34,501.54	\$34,309.60	\$34,166.16	\$34,022.23	\$33,874.08	\$33,729.16	\$33,580.05	\$33,434.13	\$33,287.72	\$33,133.51	\$32,986.07	\$32,834.52
23-028654	13222 179 1/2 AVE NW	\$33,925.67	\$33,786.26	\$33,614.84	\$33,429.04	\$33,238.94	\$33,051.86	\$32,860.52	\$32,672.16	\$32,483.16	\$32,286.40	\$32,096.08	\$31,901.60
23-029085	17931 GARY ST NW	\$30,223.00	\$30,016.36	\$29,812.33	\$29,607.61	\$29,398.95	\$29,192.83	\$28,982.81	\$28,775.27	\$28,567.03	\$28,351.82	\$28,142.14	\$27,928.66
23-029618	13366 181ST LN NW					\$23,780.00	\$23,552.47	\$23,432.49	\$23,012.09	\$22,587.75	\$22,362.01	\$22,362.01	\$22,013.60
24-032189	14270 191ST AVE NW											\$19,290.00	\$19,176.91
24-033299	17812 CONCORD CT NW											\$35,000.00	\$34,856.17
Grand Total		\$146,542.42	\$145,233.84	\$143,946.60	\$142,641.35	\$165,098.43	\$163,558.58	\$162,108.05	\$160,367.92	\$158,619.23	\$157,037.71	\$209,995.84	\$208,041.30

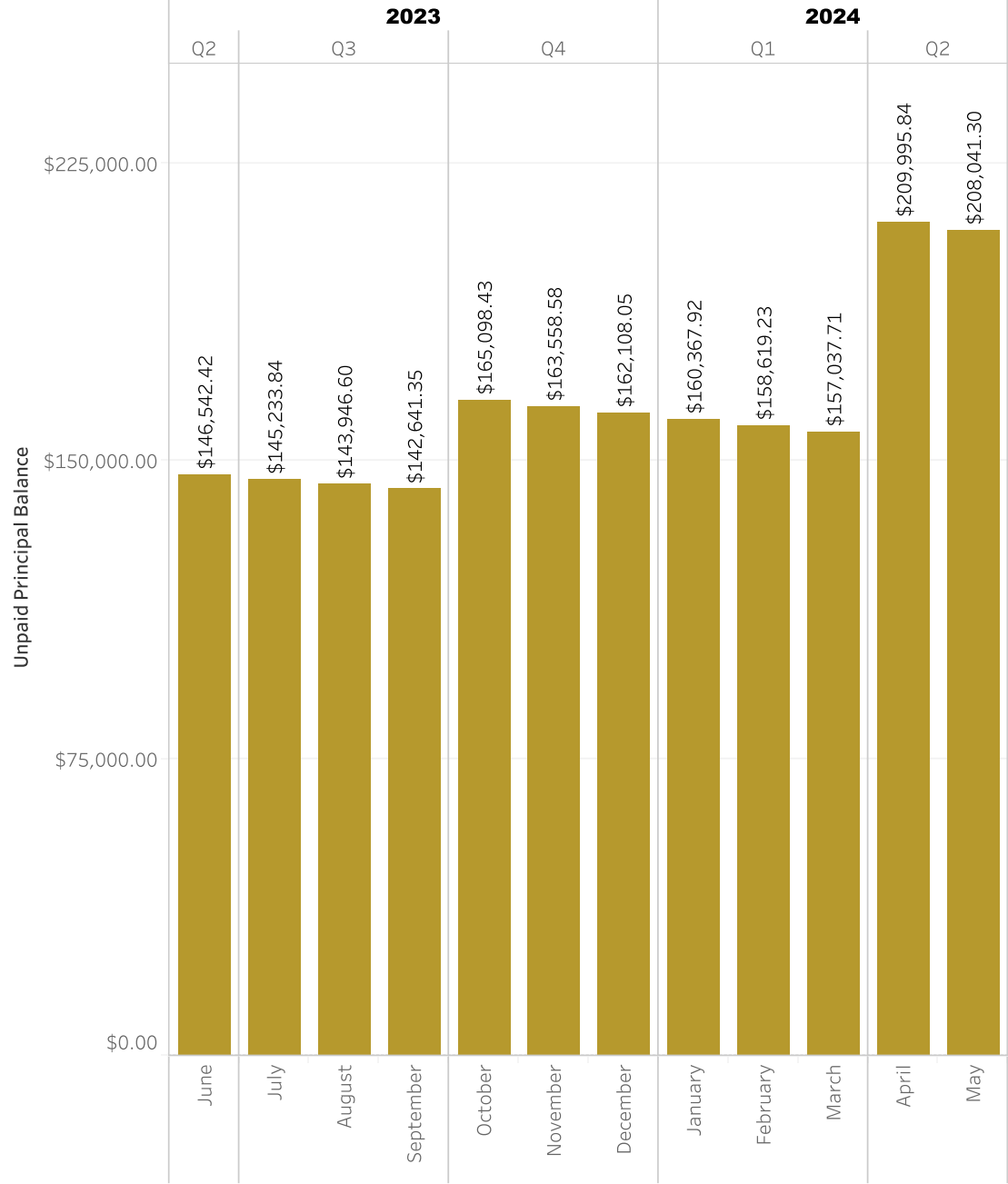
CITY OF ELK RIVER
TOTAL LOAN COUNT
Monthly Detail



CITY OF ELK RIVER
NEW LOAN COUNT
Monthly Detail



CITY OF ELK RIVER
TRIAL BALANCE
Monthly Detail in USD



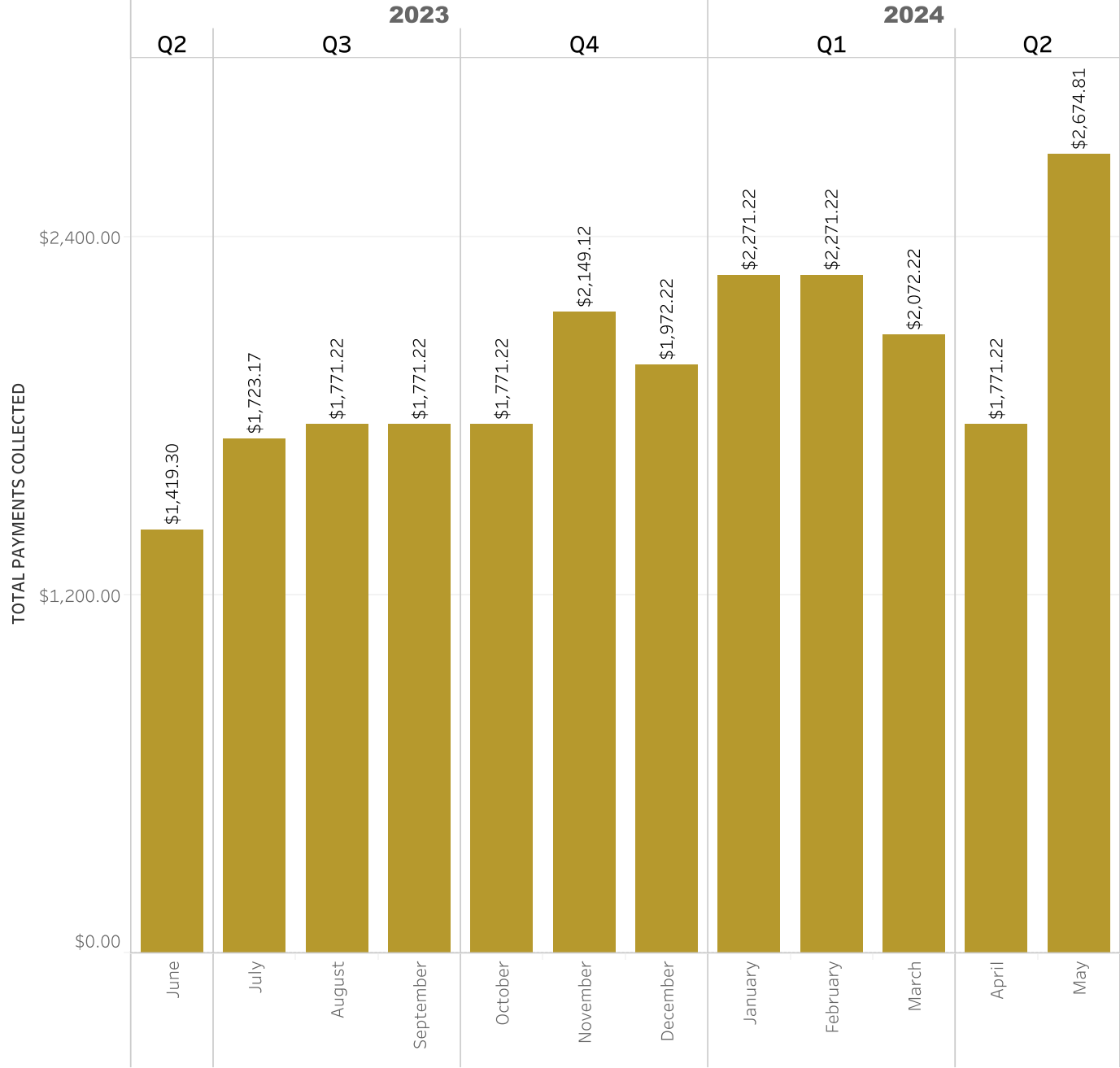
CITY OF ELK RIVER

PAYMENT COLLECTION PER LOAN

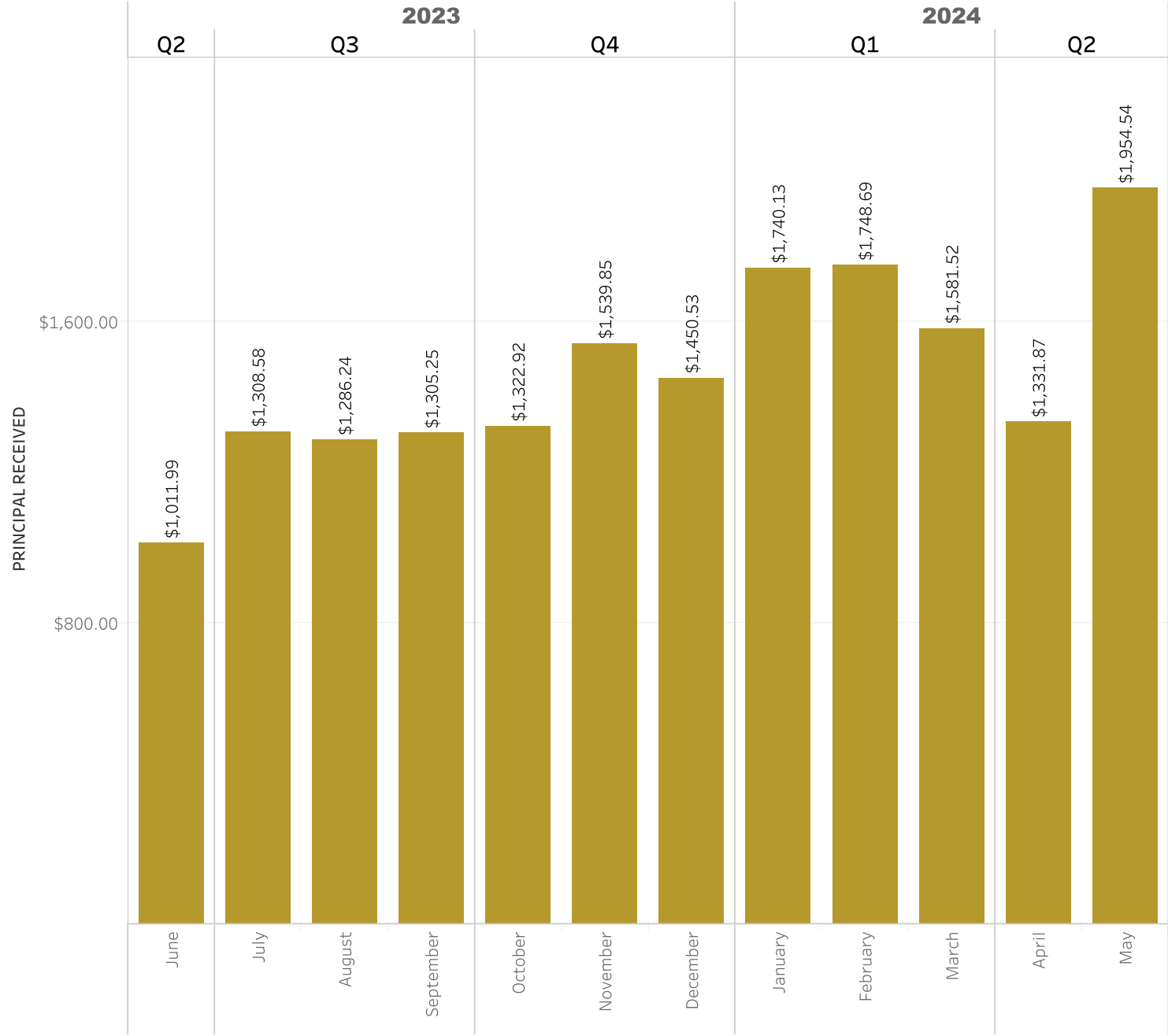
Monthly Detail

			2023							2024				
			Q2	Q3				Q4			Q1			Q2
			June	July	August	September	October	November	December	January	February	March	April	May
ELK RIVER	19-015204	1420 5TH ST NW	\$208.04	\$208.04	\$208.04	\$208.04	\$208.04	\$208.04	\$208.04	\$208.04	\$208.04	\$208.04	\$208.04	\$208.04
	19-015209	609 GATES AVE NW	\$187.63	\$187.63	\$187.63	\$187.63	\$187.63	\$187.63	\$187.63	\$187.63	\$187.63	\$187.63	\$187.63	\$187.63
	19-015215	606 JEFFERSON LN NW	\$192.33	\$192.33	\$192.33	\$192.33	\$192.33	\$192.33	\$192.33	\$192.33	\$192.33	\$192.33	\$192.33	\$192.33
	19-015217	1811 MAIN ST	\$162.79	\$162.79	\$162.79	\$162.79	\$162.79	\$162.79	\$162.79	\$162.79	\$162.79	\$162.79	\$162.79	\$162.79
	19-016564	403 3RD ST NW	\$154.43	\$154.43	\$154.43	\$154.43	\$154.43	\$154.43	\$154.43	\$154.43	\$154.43	\$154.43	\$154.43	\$154.43
	23-028654	13222 179 1/2 AVE NW	\$0.00	\$251.95	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00
	23-029012	18990 TWIN LAKES RD NW	\$514.08	\$260.00	\$260.00	\$260.00	\$260.00	\$260.00	\$260.00	\$260.00	\$260.00	\$260.00	\$260.00	\$260.00
	23-029085	17931 GARY ST NW	\$0.00	\$306.00	\$306.00	\$306.00	\$306.00	\$306.00	\$306.00	\$306.00	\$306.00	\$306.00	\$306.00	\$306.00
	23-029618	13366 181ST LN NW					\$0.00	\$377.90	\$201.00	\$500.00	\$500.00	\$301.00	\$0.00	\$502.00
	24-032189	14270 191ST AVE NW											\$0.00	\$142.69
	24-033299	17812 CONCORD CT NW											\$0.00	\$258.90
Grand Total			\$1,419.30	\$1,723.17	\$1,771.22	\$1,771.22	\$1,771.22	\$2,149.12	\$1,972.22	\$2,271.22	\$2,271.22	\$2,072.22	\$1,771.22	\$2,674.81

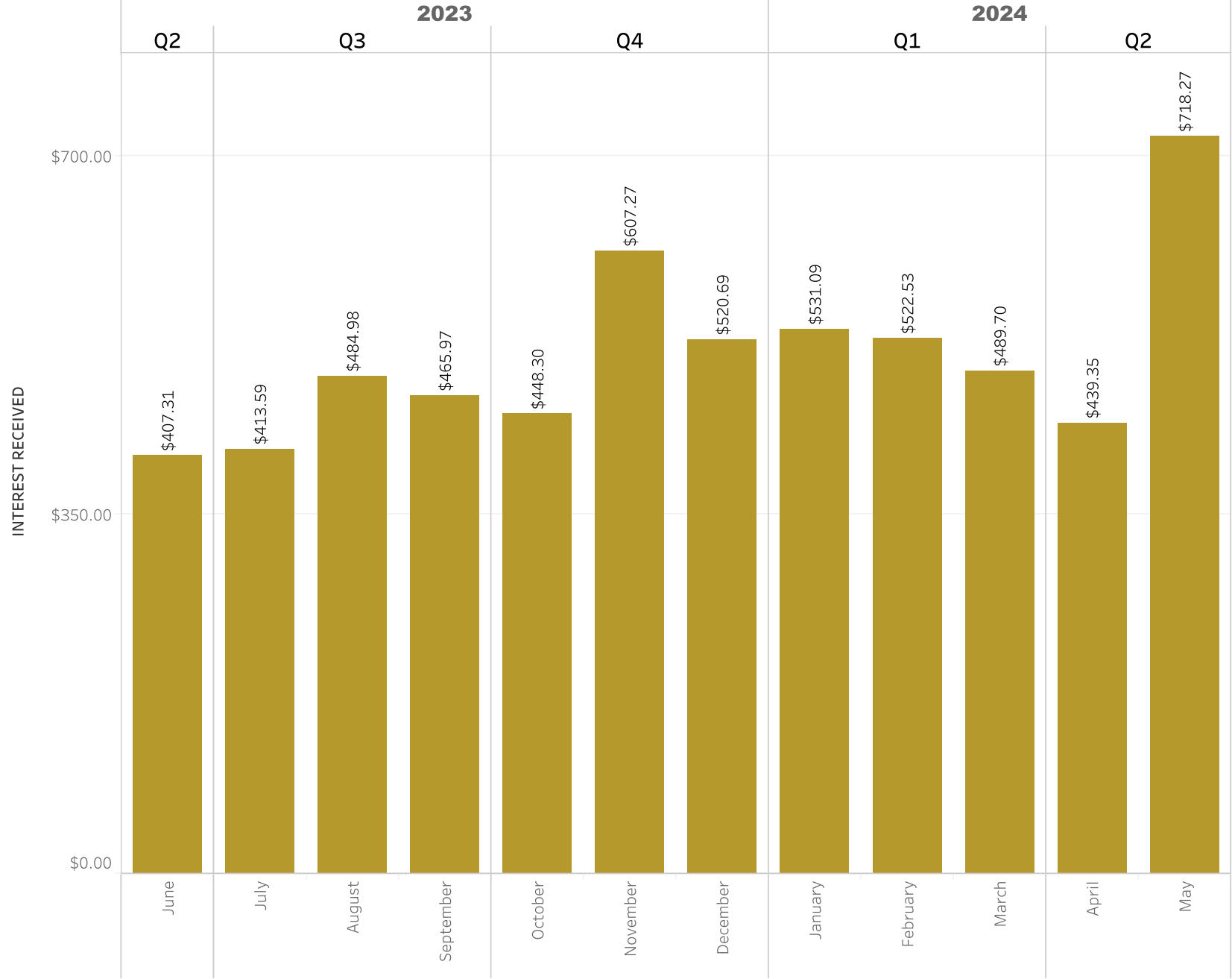
CITY OF ELK RIVER
TOTAL PAYMENT COLLECTION (USD)
Monthly Detail



CITY OF ELK RIVER
TOTAL PRINCIPAL COLLECTION (USD)
Monthly Detail



CITY OF ELK RIVER
TOTAL INTEREST COLLECTION(USD)
Monthly Detail



CITY OF ELK RIVER

AGING DELINQUENCY

Detail for May 2024

Source Company	Loan #	Address	DAYS PAST DUE	AMOUNT DUE 30+ DAYS	TOTAL AMOUNT DUE
ELK RIVER	19-015204	1420 5TH ST NW	0	\$0.00	\$208.04
	19-015209	609 GATES AVE NW	0	\$0.00	\$187.63
	19-015215	606 JEFFERSON LN NW	0	\$0.00	\$0.00
	19-015217	1811 MAIN ST	0	\$0.00	\$162.79
	19-016564	403 3RD ST NW	0	\$0.00	\$0.00
	23-028654	13222 179 1/2 AVE NW	0	\$0.00	\$0.00
	23-029012	18990 TWIN LAKES RD NW	0	\$0.00	\$0.00
	23-029085	17931 GARY ST NW	0	\$0.00	\$0.00
	23-029618	13366 181ST LN NW	0	\$0.00	\$0.00
	24-032189	14270 191ST AVE NW	0	\$0.00	\$0.00
	24-033299	17812 CONCORD CT NW	0	\$0.00	\$0.00
	Grand Total		0	\$0.00	\$558.46

CEE Monthly Loan Activity Summary

8/5/24 6.1 at2

Loan #	Loan Amount	Contract	Maturity	Status	Rate	Apr Pymt	May Pymt	Balance
19-015215	\$ 20,650.00	8/3/2015	8/1/2025	Current	2.25%	\$ 192.33	\$ 192.33	\$ 2,636.64
19-015204	\$ 22,069.00	1/25/2017	1/1/2027	Current	2.50%	\$ 208.04	\$ 208.04	\$ 6,377.29
19-015209	\$ 19,665.00	9/22/2017	9/1/2027	Current	2.75%	\$ 187.63	\$ 187.63	\$ 7,058.81
19-015217	\$ 21,640.00	5/4/2018	5/1/2033	Current	4.25%	\$ 162.79	\$ 162.79	\$ 14,617.52
19-016564	\$ 15,252.22	7/15/2019	7/15/2029	Current	4.00%	\$ 154.43	\$ 154.43	\$ 8,639.58
23-029012	\$ 34,749.06	4/21/2023	4/21/2038	Current	4.00%	\$ 260.00	\$ 260.00	\$ 32,834.52
23-028654	\$ 33,925.67	6/16/2023	6/16/2038	Current	4.00%	\$ 300.00	\$ 300.00	\$ 31,901.60
23-029085	\$ 30,223.00	6/20/2023	6/20/2033	Current	4.00%	\$ 306.00	\$ 306.00	\$ 27,928.66
23-029618	\$ 23,780.00	10/2/2023	10/2/2038	Current	4.00%	\$ -	\$ 502.00	\$ 22,013.60
24-032189	\$ 19,290.00	4/22/2024	4/22/2039	Current	4.00%	\$ -	\$ 142.69	\$ 19,176.91
24-033299	\$ 35,000.00	4/22/2024	4/22/2039	Current	4.00%	\$ -	\$ 258.90	\$ 34,856.17
Total	\$ 276,243.95					\$ 1,771.22	\$ 2,674.81	\$ 208,041.30

Elk River Loan Summary Report

Activity for Period 4/1/2024 - 6/30/2024



Application packets requested/mailed:	This period:	0	Year-to-Date:	0
Residential Advisor Visits:	This period:	0	Year-to-Date:	0
Loans currently in process for residents in your City/Neighborhood:			6	

Closed Loans	This period:	Units	Year-to-Date:	Units
Elk River		0		0
Closed End	54,290.00	2	54,290.00	2
Total	54,290.00	2	54,290.00	2

Leveraged Funds	This period:	Units	Year-to-Date:	Units
CEE	27,316.00	2	37,116.00	4
MHFA FUF	43,422.00	2	43,422.00	2
Total	70,738.00	4	80,538.00	6

Types of Improvements Financed YTD	# of Projects	% of Total
Air Conditioning	2	15.38
Garage	1	7.69
Heating System	4	30.77
Plumbing	1	7.69
Solar-PV	2	15.38
Thermostat	3	23.08

Types of Properties Financed YTD	#	% of Total
Single Family Residence	8	100.00



Request for Action

To
Housing and Redevelopment Authority

Item Number
6.2

Meeting Date
August 5, 2024

Prepared By
Joshua Mollan, Economic Development Specialist

Item Description
Flower Basket Service Agreement

Reviewed by
Brent O'Neil
Cal Portner

Action Requested

Approve, by motion, an agreement with Yardworx for downtown hanging flower basket placement and maintenance services.

Background/Discussion

The HRA has been responsible for contracting upkeep services for the downtown hanging flower baskets. The current agreement with Yardworx, executed in 2021, expires in September. Staff requested quotes for all-inclusive flower basket services from five commercial landscape and garden center companies in the area and received one quote, two declines, and two no responses. The bid from Yardworx included options for one, two, and three years of service, and provided fee reductions based on the length of the term. Based on the quality of the product, price, and availability, staff recommends continuing services with Yardworx with a three-year agreement at \$20,405.70 per year.

Financial Impact

\$20,405.70 annually for three years with a three-year contract, for a total of \$61,217.10. \$22,750 has been historically budgeted for this service.

Mission/Policy/Goal

The HRA recognizes the need for appropriate permanent fixtures available for public use to maintain a safe, clean, and accessible downtown area to preserve the vitality of the business district and prevent the emergence of blighting conditions.

Attachments

- I. Yardworx Public Service Agreement

The Elk River Vision

A welcoming community with revolutionary and spirited resourcefulness, exceptional service, and community engagement that encourages and inspires prosperity



AGREEMENT FOR PROFESSIONAL SERVICES

This Agreement for Professional Services (this “Agreement”), made this ____ day of August, 2024, by and between the Housing and Redevelopment Authority of the City of Elk River, a public body corporate and politic under the laws of Minnesota with its principal office located at 13065 Orono Parkway, Elk River, Minnesota 55330 (the “HRA”) and Yardworx Outdoor Services, LLC, a Minnesota limited liability company with its principal office located at 5392 Quam Ave NE, St Michael, MN 55376 (“Contractor”).

I. SERVICES TO BE PROVIDED.

Contractor will provide 24 hanging flower baskets for the HRA in the locations noted on the map attached as Exhibit A for a period of May 15, 2025 – October 15, 2027 with a +/- 15 day forgiveness dependent on conditions. Contractor shall also be responsible for upkeep of the baskets as described in its proposal which is attached as Exhibit B. Collectively, the provision of the baskets and the upkeep as described in the proposal shall be referred to as the “Services”. All Services provided by Contractor under this Agreement shall be provided in a manner consistent with the level of care and skill ordinarily exercised by professional contractors currently providing similar services.

II. COST OF SERVICES.

A. Contractor shall perform the Services outlined in this Agreement and its proposal at the rates set forth in Exhibit B with an amount not to exceed \$61,217.10 for the term of this Agreement. Contractor shall invoice the HRA on a monthly basis for the Services performed by Contractor. Payment to Contractor by the HRA shall be due within 30 days of the date of the invoice.

B. The HRA shall not be responsible for payment for any additional costs or work performed by Contractor that are outside the scope of this Agreement that are not expressly pre-approved by the HRA.

III. HRA’S REPOSIBILITIES.

The HRA will grant Contractor access to the properties in which the Services are being performed during daytime hours Sunday-Saturday (5:00 a.m. – 6:00 p.m. CST), including holidays. Contractor shall not perform work on Thursday afternoons during the Farmer’s Market.

IV. TERM AND TERMINATION OF AGREEMENT.

The term of this Agreement shall commence on October 1, 2024. Contractor shall commence performing the Services pursuant to this Agreement on May 15, 2025. This Agreement shall terminate on October 15, 2027. This Agreement may be terminated earlier by either party by giving 30 days’ written notice to the other party. Upon termination, Contractor shall be paid by

the HRA for all Services rendered by Contractor and all other pre-approved costs incurred by Contractor as of the date of the termination for which Contractor has not yet been compensated.

V. INDEPENDENT CONTRACTOR.

All Services provided pursuant to this Agreement shall be provided by Contractor as an independent contractor and not as an employee of the HRA for any purpose. Any and all officers, employees, subcontractors, and agents of Contractor, or any other person engaged by Contractor in the performance of the Services pursuant to this Agreement, shall not be considered employees of the HRA. Any and all actions which arise as a consequence of any act or omission on the part of Contractor, its employees, subcontractors, or agents, or other persons engaged by Contractor in the performance of Services pursuant to this Agreement, shall not be the obligation or responsibility of the HRA. Contractor, its employees, subcontractors, or agents shall not be entitled to any of the rights, privileges, or benefits of the HRA's employees, except as otherwise stated in this Agreement.

VI. INDEMNIFICATION.

Contractor, and subcontractors of Contractor, shall indemnify, defend, and hold harmless the HRA and its officials, employees, contractors and agents from claims, losses, liabilities, and expenses (including reasonable attorneys' fees and expenses of litigation) caused by any negligent act or omission by Contractor, engaged by Contractor in the performance of the Services pursuant to this Agreement. Likewise, the HRA agrees that it will indemnify, defend, and hold harmless the Contractor, and its employees, subcontractors, and agents of Contractor against any and all claims, losses, liabilities, and expenses (including reasonable attorneys' fees and expenses of litigation), which the Contractor may hereafter sustain, incur, or be required to pay arising out of the actions of the HRA pursuant to this Agreement.

VII. INSURANCE.

Contractor agrees to maintain, at its expense, statutory workers' compensation insurance coverage. Contractor also agrees to maintain, at its expense, general liability insurance coverage insuring Contractor against claims for bodily injury, death, or property damage arising out of Contractor's general business activities (including automobile use). The liability insurance policy shall provide coverage for each occurrence in the minimum amount of \$1,500,000. Upon request of the HRA, Contractor shall provide the HRA with certificates of insurance, showing evidence of the required coverage and listing the HRA as an additional insured.

VIII. MISCELLANEOUS PROVISIONS.

A. Entire Agreement.

This Agreement shall constitute the entire agreement between the HRA and Contractor and supersedes any other written or oral agreements between the HRA and Contractor. This Agreement can only be modified in writing signed by the HRA and Contractor. If the terms in this

Agreement conflict with the terms in the Contractor's proposal, the terms in this Agreement shall govern.

B. Data Practices Act Compliance.

Data provided, produced, or obtained under this Agreement shall be administered in accordance with the Minnesota Government Data Practices Act, Minnesota Statutes, Chapter 13. Contractor will immediately report to the HRA any requests from third parties for information relating to this Agreement. Contractor agrees to promptly respond to inquiries from the HRA concerning data requests.

C. Choice of Law and Venue.

This Agreement shall be governed by and construed in accordance with the laws of Minnesota. Any disputes, controversies, or claims arising under this Agreement shall be heard in the state or federal courts of Minnesota and the parties waive any objections to jurisdiction.

D. No Assignment.

This Agreement may not be assigned by either party.

E. Compliance with Laws.

Contractor shall exercise due professional care to comply with applicable federal, state, and local laws, rules, ordinances, and regulations in performing the Services under this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed, or caused to be executed by their duly authorized officials, this Agreement in duplicate on the respective dates indicated below.

**HOUSING AND REDEVELOPMENT
AUTHORITY OF THE CITY OF ELK
RIVER**

By: _____
Dennis Chuba
Its: Chair

By: _____
Brent O'Neil
Its: Executive Director

YARDWORX OUTDOOR SERVICES, LLC

By: _____
Its: _____

EXHIBIT A

Map of Location of Hanging Baskets



EXHIBIT B

Contractor's Proposal



7/15/2024

City of Elk River Downtown Flower Baskets

Service Name	Description
300 - Seasonal Color	Seasonal Color Basket Install (annual charge)- To achieve the look desired by the city; each basket will contain "spiller and filler" type plants in an amount proportionate to the basket. Baskets will be installed May 15th and installation is weather dependent plus or minus 15 days. We will include one additional planting of baskets in the annual pricing listed below. This will occur no later than Labor Day and include fall colors to go along with the season and will maximize the basket colors with cooler weather varieties. Baskets will include up to five varieties of plants per basket (Easy wave petunias, vinca, lantana (montevidensis), sweet potato vine, etc.). 1yr. contract (billed with May Invoice) \$6,000 2yr. contract (billed with May Invoice) \$5,700 3yr. contract (billed with May Invoice) \$5,400
Seasonal Color Upkeep	We propose to provide all-inclusive upkeep of the 24 hanging baskets located in downtown Elk River May 15th-October 15th (plus or minus 15 days) beginning May 15, 2025 and continuing until October 15, 2025 (multi year pricing subject to below if awarded). Watering will be based on weather conditions between the hours of 5am-6pm and will be done on a schedule to insure optimal plant health. Baskets will be fertilized, treated with proper pesticides and pruned/deadheaded as needed throughout the contract timeline. All equipment and materials are provided by the contractor. Area immediately under baskets will be kept free from weeds for the duration of the contract. 1 yr. contract (5 monthly payments) \$3,334.60 2 yr. contract (5 monthly payments) \$3,167.87 3 yr. contract (5 monthly payments) \$3,001.14
Total: One Year Contract: \$22,673.00	
Total: Two Year Contract: \$21,539.35 per year	
Total: Three Year Contract: \$20,405.70 per year	

You ("Client") are agreeing on both the scope of work and Terms and Conditions listed in this quote. Any work requested outside of the scope of work or not listed in the scope of work will require a change order signed by Yardworx Outdoor Services and Client before work performed. This quote is valid for 60 days and is based on the issued dates and market and material availability. Prices are subject to change after 60 days.

Terms and Conditions:

Yardworx Outdoor Services ("Yardworx") shall furnish all the materials and perform all of the work as described in this quote.

Materials: Until completion of the project, all materials are the property of Yardworx. Any remaining materials following completion of the project remain the property of Yardworx or may be left on site with Client's approval, no refunds are given for excess materials.

Pricing & Changes: Costs associated with this project are provided in this quote. Change orders will be pre-approved by the Client and fully explained in detail before any work is done.

Additional Client Responsibilities: Client is responsible for complying with and notifying Yardworx of all covenants and/or restrictions applicable to the property along with obtaining any necessary prior approval from private entities including but not limited to: homeowner's associations, management companies, cities, etc. If any permits are required these will be obtained by Yardworx. Any costs associated with these required permits will be billed to the Client.

Unforeseen Conditions: Delays due to inclement weather or Acts of God, shall not be a basis for termination of this Agreement or a reduction in the amount owed by the Client.

Terms of Payments: Invoices will be sent net 30 days. Acceptable form of payment includes ACH, check, or credit card (subject to 3.5% processing fee). Late payments will result in interest being charged to the account at a rate of 1.5% per month, or the maximum allowable by law, whichever is greater. Yardworx reserves the right to stop work if payments are not made according to any applicable payment schedule and will assess the client remobilization costs due to any stoppage of work. The client agrees to pay any collection costs incurred by Yardworx in pursuing any outstanding balance, including but not limited to reasonable attorney's fees, costs and court costs. Should default occur, Yardworx has the right to withdraw from the contract at its sole discretion.

Subcontractors: Client grants Yardworx the right to subcontract portions of the work according to their needs. Subcontractors will carry commercial general liability insurance and workers compensation coverage as required by state law.

Site Conditions: In cases where adverse site conditions might compromise safety, quality workmanship, or efficiency, Yardworx reserves the right to delay or suspend work. Examples include inclement weather, muddy conditions, or the presence of other contractors. Yardworx will be the sole judge as to whether adverse site conditions are present.

Promotional Use: Client grants Yardworx the right to take pictures, video and make written accounts of this project for promotional and award submission purposes.

Insurance: Yardworx will carry Commercial General Liability, Auto, and Workers' Compensation Insurance, as applicable for all periods when work is performed on this project.

Warranties: Materials and workmanship warranties are as follows:

Choice of Law and Mandatory Arbitration: This agreement will be governed by the laws of Minnesota. The parties agree to make a good faith effort to resolve any disputes which arise from this agreement through direct contact, in an informal manner. If informal methods are unsuccessful, all disputes or conflicts arising out of the present contract shall be resolved through a mediator who is agreed to by both the Client and Yardworx. Mediation is a non-binding process. If a conflict cannot be resolved through a mediator, the conflict will be settled according to the rules of arbitration. The arbitrator will be agreed to by both parties and the arbitrator's decision will be binding.

Limitation of Liability: Client acknowledges and agrees that Client's and any third-party's maximum recourse against Yardworx, and Yardworx's maximum liability, for any Claims arising out of, or any way related to Yardworx's work, and/or this agreement, shall be strictly limited to the amount Yardworx billed to Client under this Contract.

Waiver of consequential damages. Client waives the right to collect any indirect or consequential damages from Yardworx.

Merger: This proposal and any attachments indicated above constitute the entire agreement between the parties, all prior negotiations and commitments being merged herein.

Any person or company supplying labor or materials for this improvement to your property may file a lien against your property if that person or company is not paid for the contributions. Under Minnesota law, you have the right to pay persons who supplied labor or materials for this improvement directly and deduct this amount from our contract price or withhold the amounts due them from us until 120 days after completion of the improvement unless we give you a lien waiver signed by persons who supplied any labor or material for the improvement and who gave you timely notice.

Acceptance of Proposal: Yardworx hereby agrees to furnish materials and labor for the installation according to the price laid out in the quote. By signing this document, the Client agrees that the above and attached specifications are satisfactory. Further, Client signifies that they have the authority to order the work to be performed at the property listed and authorizes that Yardworx may begin installation for which Client will pay the agreed upon price.



Request for Action

To
Housing and Redevelopment Authority

Item Number
6.3

Meeting Date
August 5, 2024

Prepared By
Brent O'Neil, Economic Development Director

Item Description
Liaison to Downtown Small Area Plan Steering Committee

Reviewed by
Cal Portner

Action Requested

Designate, by motion, a HRA member to serve on the steering committee for the 2024 Downtown Small Area Plan.

Background/Discussion

With the selection of Bolton and Menk as the city's 2024 Downtown Small Area Plan consultant, an important component is forming a steering committee to aid in the plan development. The steering committee would meet regularly, approximately every one to two months, to offer feedback throughout the process. The committee is proposed to include seven members - one member each from the City Council, the Planning Commission, the HRA, and the Heritage Preservation Commission, plus two downtown business representatives, and one at-large community member.

Meeting dates and times will be coordinated based on the availability of the committee members. Staff is requesting the HRA designate one member as the representative on the steering committee.

Financial Impact

N/A

Mission/Policy/Goal

Support a vibrant downtown.

Attachments

None

The Elk River Vision

A welcoming community with revolutionary and spirited resourcefulness, exceptional service, and community engagement that encourages and inspires prosperity





Request for Action

To
Housing and Redevelopment Authority

Item Number
6.4

Meeting Date
August 5, 2024

Prepared By
Brent O'Neil, Economic Development Director

Item Description
Main and Gates Update

Reviewed by
Cal Portner

Action Requested
Item presented for information and discussion purposes.

Background/Discussion
With the anticipated closing on the property for the Medical on Main project anticipated by early Fall, staff will provide regular updates on the status of the project as it progresses.

Financial Impact
N/A

Mission/Policy/Goal
The mission of the HRA is to promote certain redevelopment projects.

Attachments
None

The Elk River Vision

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Request for Action

To
Housing and Redevelopment Authority

Item Number
6.5

Meeting Date
August 5, 2024

Prepared By
Brent O'Neil, Economic Development Director

Item Description
Participation in 19116 Troy Street Acquisition

Reviewed by
Cal Portner

Action Requested

Adopt, by motion, a statement of the board requesting the city to initiate condemnation of 19116 Troy Street NW and declaring the HRA's intent to participate in the future acquisition of the property in the amount of \$75,000.

Background/Discussion

The property at 19116 Troy Street NW is in a state of significant deterioration and neighborhood nuisance, and has been a subject of numerous code enforcement actions. The property owner of record is deceased, and there are no known heirs or parties with an interest in the property. As such, the city is in the preliminary stages of a condemnation process. The HRA has been approached to collaborate on the acquisition and restoration of the property, with the HRA leading the clean-up and resale of the property. In this scenario, the HRA would provide funds to acquire the property and would take possession after condemnation. It would then mitigate blighted conditions including demolition of structures, and put the property up for resale for new residential construction.

An appraisal on the property values it at \$75,000 in its present condition, and \$100,000 under normal conditions. State statute requires the property be acquired at the appraised value. With potential expenses for demolition, professional fees, and other potential expenses, staff estimates the additional costs to make the property suitable for resale to be \$30,000 to \$60,000.

As multiple steps are still needed from the city prior to the HRA's participation in the project, future action of the HRA would be needed to commit funds and acquire the property. Following a work session in July, counsel has advised the HRA to pass a motion declaring its intent to participate in the process.

Financial Impact

Participation in this project is anticipated to require an HRA outlay of \$75,000 for acquisition, and total outlay of \$105,000 to \$135,000 with the expectation of return proceeds of approximately \$100,000 after a resale.

Mission/Policy/Goal

Support blight removal and residential development.

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Attachments

None



Request for Action

To
Housing and Redevelopment Authority

Item Number
6.6

Meeting Date
August 5, 2024

Prepared By
Brent O'Neil, Economic Development Director

Item Description
General Updates

Reviewed by
Cal Portner

Action Requested
Item presented for information and discussion purposes.

Background/Discussion
This item is an opportunity to discuss relevant topics and other non-action items of the board.

Financial Impact
N/A

Mission/Policy/Goal
The mission of the HRA is to facilitate certain housing and redevelopment projects.

Attachments
None

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Request for Action

To
Housing and Redevelopment Authority

Item Number
8.1

Meeting Date
August 5, 2024

Prepared By
Brent O'Neil, Economic Development Director

Item Description
Workshop for 2025 Budget

Reviewed by

Action Requested
Item presented for information and discussion purposes.

Background/Discussion

Staff has prepared a proposed budget for fiscal year 2025. The draft largely reflects a carry forward of 2024 line items and similar projected expenditures for each. Goals and performance measures are largely the same as well. Staff is looking for feedback on the budget ahead of internal review and presentation to the board for adoption in September. The adopted budget would be presented to the City Council thereafter for inclusion in the preliminary levy. A couple points of anticipated discussion will center on funding for property acquisition as well as for the rehabilitation loan program.

Financial Impact
N/A

Mission/Policy/Goal
Per bylaws, the HRA holds a budget workshop prior to adopting its annual budget.

Attachments
I. HRA first draft budget 2025

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Performance Measures & Goals for 2025						
Division:	Housing and Redevelopment					
Completed by:	Brent O'Neil					
Date:						
Performance Measure	2021 Actual	2022 Actual	2023 Actual	2024 Estimated	2024 YTD	2025 Projected
Number of HRA Rehab Loan applications approved	0	0	4	5	2	5
Rehab Loan Funds Outstanding (year-end)	\$160,000	\$52,500	\$162,000	\$250,000	\$210,000	\$400,000
Residential Property Re-investment (by permit value)	\$8,000,000	\$17,800,000	\$19,700,000	\$9,000,000	\$7,000,000	\$15,000,000
Number of Multi-family Units Added (completions)	70	0	90	100	142	50
Division Goal	Goal Objective/Task					
Promote preservation of housing stock	Promote investment in residential properties within Elk River and target individuals interested in the blighted properties program and the HRA Rehab Loan Program. Identify dilapidated properties and work with city code enforcement. Protect and strengthen rental properties.					
Promote a vital downtown	Participate in the Downtown ER Business Association Meetings. Work with the DERBA to develop a beautification plan for the Main Street Corridor and/or engagement of redesign for Main Street. Promote and/or modify the Downtown Facade Improvement microloan program. Pursue strategic acquisition and sale of downtown redevelopment property. Facilitate future use options for Elk River Meats site.					
Enhance redevelopment opportunities for C/I properties	Identify business owners interested in redevelopment blighted C/I properties. Work with the building department to identify properties eligible for the blighted properties C/I program. Hold periodic discussions with various departments (police, fire, building, and planning) to discuss potential redevelopment opportunities.					
Acquire properties or short- and long-term redevelopment	Monitor the market and identify properties for potential acquisition which align with the strategic objectives of the HRA, including substandard structures.					
Optimize use of studies, data, and research tools	As needed, conduct studies and conduct research to best guide the HRA in its activities. Utilize tools such as analytical software to better understand conditions and opportunities.					
Implement housing and development goals in the new comprehensive plan	Work in support of the goals and benchmarks set out in the comprehensive plan (approved in 2021), specifically those in the housing and economic development sections, and coordinate programing to complement the vision of the plan.					

2025 BUDGET DETAIL

Dept: 910-6100 - Housing & Redevelopment Authority

Acct. No.	Explanation/Detail of Supplies or Services	2021 Actual	2022 Actual	2023 Actual	2024 BUDGET	2025 BUDGET
	REVENUES:					
3111	Property Taxes	320,897	328,888	398,899	440,100	433,950
3322	MV Credit	176	192	236	-	-
3414	Development Fee	-	-	-	-	-
3621	Interest Income	5,541	4,178	7,651	5,000	5,000
3629	Miscellaneous Revenue	-	-	-	-	-
	TOTAL HRA REVENUES	326,614	333,258	406,786	445,100	438,950
	EXPENDITURES:					
	PERSONAL SERVICES					
4101	Regular Pay	55,741	62,199	77,319	82,600	87,200
4104	PERA	3,678	4,665	5,799	6,200	6,550
4105	FICA	3,456	3,856	4,785	5,100	5,400
4107	Medicare	808	902	1,119	1,200	1,250
4108	Insurance	3,421	11,802	16,070	16,200	17,000
4109	Workers Comp	322	344	314	350	450
	Commissioner Pay/Stipend					6,000
	TOTAL PERSONAL SERVICES	67,426	83,768	105,406	111,650	123,850
	SUPPLIES					
4201	Office Supplies (shared with EDA)		75	27	-	50
						50
4219	Operating Supplies	4,931	864	1,092	500	500
	Downtown permanent fixtures				500	500
	TOTAL SUPPLIES	4,931	939	1,119	500	550
	SERVICES & CHARGES					
4304	Legal Fees	8,451	4,266	975	8,000	6,500
	Misc.				8,000	6,500
4319	Professional Services	18,096	850	-	32,000	12,000
	General				2,000	2,000
	Studies: Downtown Parking, Housing Update				30,000	10,000
4322	Postage	3	2	1	50	50
	Postage				50	50
4331	Travel, Conferences & Schools	45	35	52	200	200
	MREJ - Housing Seminars				200	200
4349	Advertising/Marketing	11,288	8,049	9,110	9,200	9,500
	Housing Program Marketing Materials - printing				2,500	2,500
	Seasonal Outreach				1,000	1,000
	HRA/EDA Shared Website				5,700	6,000
	Lead Forensics - Split between HRA/EDA				-	-
4359	Publishing	624	80	189	350	300
	Public hearing notices				350	300
4361	Insurance	2,670	-	-	-	-
	Property insurance					
4389	Utilities	-	63	176	-	-
4401	Building Maint. Services	3,308	2,370	5,535	4,000	4,000

8/2/2024

Dept: 910-6100 - Housing & Redevelopment Authority

Acct. No.	Explanation/Detail of Supplies or Services	2021 Actual	2022 Actual	2023 Actual	2024 BUDGET	2025 BUDGET
4404	Lawn/snow removal				4,000	4,000
	Software Services			7,481	9,100	6,500
	Placer Analytics				7,600	5,000
	CitizenServe				1,500	1,500
4409	Contractual Services	1,502	25,659	91,686	27,750	30,000
	Elk River HRA Rehab Program					Discuss
	CEE Administrative Fee				5,000	5,000
	Hanging planters/downtown maintenance				22,750	25,000
4433	Dues & Subscriptions	247	7,125	2,464	800	2,500
	Downtown Spotlight				300	
	Misc.				500	2,500
4437	Property Taxes	-	-	-	-	-
4440	Miscellaneous	-	-	-	200,000	200,000
	Property acquisition/development bank				200,000	200,000
	TOTAL SERVICES & CHARGES	46,234	48,499	117,669	291,450	271,550
4510	CAPITAL OUTLAY					
	Land	-	185,426			
	TRANSFERS OUT				41,500	43,000
4721	General Fund	33,900	35,000	36,500	37,500	39,000
	General Fund - plant maintenance	8,000	-		-	
4735	Economic Development Authority (shared expenses)	3,500	3,500	4,000	4,000	4,000
	TOTAL HRA EXPENDITURES	163,991	357,132	264,694	445,100	438,950
					^	^
	REVENUES OVER/(UNDER) EXPENDITURES	162,623	(23,874)	142,092	-	-