



Housing and Redevelopment Authority

Tuesday, September 8, 2026

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 Minutes - August 3, 2026

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 2027 Budget Approval and Levy Recommendation

6.2 Downtown Furniture Placement

6.3 Housing Rehabilitation Loan Program Update

7. OPEN DISCUSSION

This section is reserved for the board and staff to discuss relevant topics, updates, and other non-action items of the board.

8. MOTION TO ADJOURN REGULAR MEETING

9. WORK SESSION

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.

9.1 Downtown Hanging Flower Baskets and Fixtures

9.2 Land Acquisition Opportunity — Mississippi Road

10. 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, August 3, 2026**

Members Present: Chair Nate Ovall, Commissioner John Dietz, Commissioner Lynn Caswell, Commissioner Mel Beaudry, Commissioner Dave Klutch

Members Absent: None.

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

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 Dietz and seconded by Commissioner Beaudry to approve the agenda. Motion carried 5-0.

4. CONSENT AGENDA

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

4.1 DRAFT Minutes - July 6, 2026

4.2 Check Register

4.3 Balance Sheet

4.4 Revenue/Expenditure Reports

4.5 Satisfaction of Mortgages - #19-015217 and #19-016564

5. OPEN FORUM

No one appeared for open forum.

6. GENERAL BUSINESS

6.1 Presentation - Garden Gem Awards

Mr. Mollan presented engraved landscape rocks to the winners of the 2026 Garden Gem Awards in the following categories:

Rural - Jill Varty

Townhome - Martha Quesenberry

Single Family Home built before 2000 - Cassandra Miller

Single Family Home built 2000 or later - Paul and Sandy Peterson

6.2 Housing Rehabilitation Loan Program Update

Mr. Mollan reviewed that there were no new loans in the latest period. However, he has recently reviewed a new project and it will likely be on the September report. He added that the Center for Energy and Environment (CEE) has closed two loans year-to-date from Elk River residents from HRA's program and MN Housing Fix up Fund.

7. OPEN DISCUSSION

Mr. Mollan stated the quarterly report from Main Street Family Services on their Statewide Affordable Housing Aid (SAHA) allocation has shown that \$10,470 was issued to 13 different families.

Mr. Mollan gave an update on a code enforcement property. Staff has sent a final offer to purchase the property. If there is no response, code enforcement will work to clean up the property.

Mr. O'Neil reviewed that the HRA had asked about the liquor buying habits of Elk River residents using the Placer.ai software. He will bring more details to a future meeting.

Mr. O'Neil stated that there has been minimal response to the conversations with owners of properties in the "Upper Town" area. One developer has asked about developing apartments in that area but there is currently a moratorium in effect on multi-family housing in Elk River.

Mr. O'Neil gave an update on the partnership with Habitat for Humanity. The organization has secured a property in Becker for their first home built at the Elk River high school. There was some challenge finding a suitable property in Elk River to use for the project but staff will continue to work on this for future homes. The Commission could consider putting some funding toward the property cost to lower the cost burden. \$20,000 has been earmarked using Statewide Affordable Housing Aid program.

Mr. O'Neil asked the Commission to consider if they would like to financially contribute toward any amenities to the downtown area during the main street projects scheduled to begin next year. He will bring the discussion to a future meeting.

8. MOTION TO ADJOURN REGULAR MEETING

Moved by Commissioner Klutch and seconded by Commissioner Caswell to adjourn the meeting. Motion Carried 5-0.

The regular meeting adjourned at 5:51 p.m. Chair Oval called the work session to order at 5:54 p.m.

9. WORK SESSION

9.1 2027 Budget Workshop

Mr. O'Neil reviewed the budget stating there were no substantial changes and proposing a 2.1% increase.

The Commission discussed budgeting money to assist Habitat for Humanity in purchasing property for the houses built at the high school.

Chair Oval asked if staff has networked with cities who have done redevelopment, such as Champlin, and how they acquired properties and financed the redevelopment. Mr. O'Neil stated that he has learned some information from cities that share similar attorneys. Chair Oval would be interested in a rubric to help make decisions on the right mix of cash versus financing.

Mr. O'Neil discussed whether the fund balance should be a budget goal or a policy. While he prefers a policy, having it as a budget goal gives the Commission flexibility to adjust it each year as needed.

Commissioner Dietz asked if staff has looked into acquiring the remaining residential houses from the railroad tracks to Highway 169 on Main Street. Mr. O'Neil stated there had been some discussion in the past but the board had prioritized using available funds elsewhere, such as areas of downtown, should the opportunity present itself.

Mr. O'Neil suggested that, if something comes up for sale on Main Street, it could be paid for from the fund balance rather than budgeting for it.

Commissioner Dietz mentioned that the American Legion had talked about being willing to relocate if a good location was available.

Commissioner Beaudry asked about the Fire Station #1 location. Mr. O'Neil stated that the property would likely be sold for reuse or redevelopment when the new Station #1 is constructed, and the City Council would make that decision.

The Commission was in agreement with the proposed 2.1% increase and the budget will be brought to the September HRA meeting for approval.

10. MOTION TO ADJOURN

Moved by Commissioner Beaudry and seconded by Commissioner Caswell to adjourn the meeting. Motion carried 5-0.

The meeting adjourned at 6:15 p.m.

Minutes prepared by Katie Porath.

Nate Ovall, Chair

Justin Dunford, City Clerk

DRAFT

Invoice Number	Sequence Number	Description	Type	Invoice Date	Due Date	Invoice Amount	Net Invoice Check Amount	GL Account Number
YARDWORX OUTDOOR SERVICES								
910								
21564	1	SEASONAL COLOR SEPT	Invoice	08/01/2026	08/31/2026	3,001.14	3,001.14	910-4-6100-4409
Total 14715 YARDWORX OUTDOOR SERVICES:						3,001.14	3,001.14	
Total 910:						3,001.14	3,001.14	
CENTER FOR ENERGY & ENVIRONMENT								
910								
28988	1	REICHERT - 19443 ZUMBRO CT. NW	Invoice	08/14/2026	09/13/2026	28,625.00	28,625.00	910-1190
28988	2	ORINATION FEE -REICHERT	Invoice	08/14/2026	09/13/2026	775.00	775.00	910-4-6100-4409
Total 13846 CENTER FOR ENERGY & ENVIRONMENT:						29,400.00	29,400.00	
Total 910:						29,400.00	29,400.00	
CITY OF ELK RIVER								
910								
7-2026 HRA	1	HRA SALARIES - JUL 2026	Invoice	09/08/2026	09/30/2026	11,442.74	11,442.74	910-4-6100-4101
7-2026 HRA	2	HRA SALARIES - JUL 2026	Invoice	09/08/2026	09/30/2026	375.00	375.00	910-4-6100-4103
7-2026 HRA	3	HRA SALARIES - JUL 2026	Invoice	09/08/2026	09/30/2026	858.21	858.21	910-4-6100-4104
7-2026 HRA	4	HRA SALARIES - JUL 2026	Invoice	09/08/2026	09/30/2026	709.45	709.45	910-4-6100-4105
7-2026 HRA	5	HRA SALARIES - JUL 2026	Invoice	09/08/2026	09/30/2026	165.92	165.92	910-4-6100-4107
7-2026 HRA	6	HRA SALARIES - JUL 2026	Invoice	09/08/2026	09/30/2026	1,008.00	1,008.00	910-4-6100-4108
7-2026 HRA	7	HRA SALARIES - JUL 2026	Invoice	09/08/2026	09/30/2026	45.56	45.56	910-4-6100-4112
Total 17440 CITY OF ELK RIVER:						14,604.88	14,604.88	
Total 910:						14,604.88	14,604.88	
Total :						47,006.02	47,006.02	
Grand Totals:						47,006.02	47,006.02	

Summary by General Ledger Account Number

GL Account Number	Debit	Credit	Net
910-1190	28,625.00	.00	28,625.00
910-4-6100-4101	11,442.74	.00	11,442.74
910-4-6100-4103	375.00	.00	375.00
910-4-6100-4104	858.21	.00	858.21
910-4-6100-4105	709.45	.00	709.45
910-4-6100-4107	165.92	.00	165.92
910-4-6100-4108	1,008.00	.00	1,008.00
910-4-6100-4112	45.56	.00	45.56
910-4-6100-4409	3,776.14	.00	3,776.14
Grand Totals:	47,006.02	.00	47,006.02

CITY OF ELK RIVER

Balance Sheet

August 31, 2026

Fund 910 - HRA

Assets

910-1000	Cash - HRA	1,872,409.13	
910-1190	Loans Receivable	195,162.53	
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	<u>138,809.03</u>	
	Total Assets		<u><u>2,606,380.69</u></u>

Fund Equity

910-2400	Fund Balance	2,464,862.29	
	Revenues over Expenditures - YTD	<u>141,518.40</u>	
	Total Fund Equity		<u><u>2,606,380.69</u></u>
	Total Liabilities & Equity		<u><u>2,606,380.69</u></u>

CITY OF ELK RIVER
Revenues with Comparison to Budget
For the Month Ending August 31, 2026

Fund 910 - HRA

		Period Actual	YTD Actual	Budget	Unearned	PCNT
910-3-0000-3111	Property Taxes	-	240,692.69	469,450.00	(228,757.31)	51%
910-3-0000-3621	Interest Income	5,545.45	43,969.96	40,000.00	3,969.96	110%
	Total Fund Revenue	5,545.45	284,662.65	509,450.00	(224,787.35)	56%

CITY OF ELK RIVER
Expenditures with Comparison to Budget
For the Month Ending August 31, 2026

Fund 910 - HRA

		Period Actual	YTD Actual	Budget	Unearned	PCNT
910-4-6100-4101	Regular Pay	-	40,928.77	92,000.00	(51,071.23)	44%
910-4-6100-4103	Part-time Pay	-	2,175.00	4,500.00	(2,325.00)	48%
910-4-6100-4104	PERA	-	3,068.85	6,950.00	(3,881.15)	44%
910-4-6100-4105	FICA	-	2,547.37	6,000.00	(3,452.63)	42%
910-4-6100-4107	Medicare	-	595.55	1,400.00	(804.45)	43%
910-4-6100-4108	Insurance	-	6,048.00	20,750.00	(14,702.00)	29%
910-4-6100-4109	Workers Comp	-	261.00	450.00	(189.00)	58%
910-4-6100-4112	PFML	-	194.17	500.00	(305.83)	39%
910-4-6100-4201	Office Supplies	-	82.30	100.00	(17.70)	82%
910-4-6100-4219	Operating Supplies	-	5,932.00	-	5,932.00	0%
910-4-6100-4304	Legal Fees	-	-	3,000.00	(3,000.00)	0%
910-4-6100-4319	Professional Services	-	-	30,000.00	(30,000.00)	0%
910-4-6100-4331	Travel, Conferences & Schools	-	-	1,000.00	(1,000.00)	0%
910-4-6100-4349	Advertising/Marketing	-	6,598.00	9,750.00	(3,152.00)	68%
910-4-6100-4359	Publishing	-	-	500.00	(500.00)	0%
910-4-6100-4401	Bldg Repair/Maint Services	-	-	500.00	(500.00)	0%
910-4-6100-4404	Software Services	-	5,443.68	7,500.00	(2,056.32)	73%
910-4-6100-4409	Contractual Services	3,001.14	24,219.56	27,000.00	(2,780.44)	90%
910-4-6100-4433	Dues & Subscriptions	-	-	2,500.00	(2,500.00)	0%
910-4-6100-4510	Land	-	-	200,000.00	(200,000.00)	0%
910-4-6100-4530	Improvement Project Contract	-	-	50,000.00	(50,000.00)	0%
910-4-6100-4721	Transfer-General Fund	40,550.00	40,550.00	40,550.00	-	100%
910-4-6100-4735	Transfer-EDA	4,500.00	4,500.00	4,500.00	-	100%
Total Fund Expenditures		48,051.14	143,144.25	509,450.00	(366,305.75)	28%
Net Revenue Over Expenditures		(42,505.69)	141,518.40	-	141,518.40	0%



Request for Action

To
Housing and Redevelopment Authority

Item Number
6.1

Meeting Date
September 8, 2026

Prepared By
Brent O'Neil, Economic Development Director

Item Description
2027 Budget Approval and Levy Recommendation

Reviewed by
Brent O'Neil
Cal Portner

Action Requested

Approve, by motion, the attached resolution adopting the budget for 2027 and recommending \$480,200 be included in the 2027 levy.

Background/Discussion

The final proposed budget for 2027 is unchanged from the budget workshop in August. Total expenditures are slated to increase by \$10,750 to \$520,200, an increase of 2.1% from 2026. With interest income budgeted flat at \$40,000, the levy would also increase by \$10,750 to \$480,200, or 2.3%.

The budget changes year-over-year are relatively minor and do not reflect any noteworthy changes to programming; however, it is worth noting that the budget continues to include \$250,000 to plan for future property acquisition and redevelopment.

This action sets the budget for 2027, and recommends to the City Council that it include \$480,200 into the Preliminary Levy, which will be considered later in September.

Financial Impact

The budget for 2027 will be set at \$520,200.

Mission/Policy/Goal

The HRA adopts its annual budget prior to September 30 each year.

Attachments

1. 2027 HRA Budget
2. HRA 2027 Goals and Measures
3. Resolution 26-01 2027 HRA Budget

The Elk River Vision

A resilient, welcoming, and thriving community that leads through innovation, meaningful engagement, exceptional service, and responsible planning for future generations.

HRA

	2023 ACTUAL	2024 ACTUAL	2025 ACTUAL	2026 BUDGET	6/30/2026 YTD	2027 PRELIMINARY	Increase/ (Decrease)	% Change
REVENUES								
Property Taxes	398,899	438,820	439,747	469,450	0	480,200	10,750	2.3%
Federal grant	0	0	0	0	0	0	0	0.0%
MV Credit	236	215	230	0	0	0	0	0.0%
Development Fee	0	0	0	0	0	0	0	0.0%
Building Rent	0	0	0	0	0	0	0	0.0%
Interest Income	7,651	13,581	49,921	40,000	27,312	40,000	0	0.2%
Refunds & Reimbursements	0	0	0	0	0	0	0	0.0%
Miscellaneous Revenue	0	5,945	0	0	0	0	0	0.0%
Sale of Assets	0	0	0	0	0	0	0	0.0%
Transfers	0	0	0	0	0	0	0	0.0%
Transfer - TIF	0	0	0	0	0	0	0	0.0%
Total Revenues	406,786	458,561	489,899	509,450	27,312	520,200	10,750	2.1%
Personal Services								
Regular Pay	77,319.31	83,234.70	87,179.90	92,000.00	33,991.69	107,850.00	15,850	17.2%
Part-time Pay	0.00	0.00	2,925.00	4,500.00	1,875.00	4,500.00	0	0.0%
PERA	5,798.93	6,242.58	6,542.72	6,950.00	2,548.57	8,100.00	1,150	0.0%
FICA	4,784.79	5,152.55	5,414.12	6,000.00	2,117.27	6,900.00	900	15.0%
Medicare	1,119.00	1,205.00	1,268.60	1,400.00	494.96	1,650.00	250	17.9%
Insurance	16,070.40	19,137.60	12,283.20	20,750.00	5,040.00	12,350.00	(8,400)	-40.5%
Workers Comp	314.00	426.75	348.00	450.00	174.00	400.00	(50)	-11.1%
PFML	0.00	0.00	0.00	500.00	161.61	550.00	50	0.0%
Total Personal Services	105,406.43	115,399.18	115,961.54	132,550.00	46,403.10	142,300.00	9,750	7.4%
Supplies								
Office Supplies	27.00	0.00	154.64	100.00	82.30	200.00	100	100.0%
Fuels & Lubes	0.00	0.00	0.00	0.00	0.00	0.00	0	0.0%
Operating Supplies	1,092.00	45.60	0.00	0.00	5,932.00	0.00	0	0.0%
Total Supplies	1,119.00	45.60	154.64	100.00	6,014.30	200.00	100	100.0%
Services & Charges								
Legal Fees	975.00	4,251.00	2,461.50	3,000.00	0.00	3,000.00	0	0.0%

Professional Services	0.00	800.00	0.00	30,000.00	0.00	30,000.00	0	0.0%
Postage	1.30	10.69	2.86	0.00	0.00	0.00	0	0.0%
Travel, Conferences & Schools	52.27	0.00	83.83	1,000.00	0.00	1,000.00	0	0.0%
Advertising/Marketing	9,109.76	7,525.91	7,160.10	9,750.00	6,598.00	10,500.00	750	7.7%
Publishing	189.20	77.40	172.00	500.00	0.00	500.00	0	0.0%
Insurance	0.00	0.00	0.00	0.00	0.00	0.00	0	0.0%
Utilities	176.50	0.00	0.00	0.00	0.00	0.00	0	0.0%
Bldg Repair/Maint Services	5,534.60	2,000.00	3,001.14	500.00	0.00	500.00	0	0.0%
Software Services	7,481.50	4,713.36	5,211.00	7,500.00	0.00	5,500.00	(2,000)	-26.7%
Contractual Services	91,685.80	30,035.00	24,724.56	27,000.00	18,085.28	28,000.00	1,000	3.7%
Dues & Subscriptions	2,464.00	0.00	0.00	2,500.00	0.00	2,000.00	(500)	-20.0%
Miscellaneous	0.00	0.00	0.00	0.00	0.00	0.00	0	0.0%
Total Services & Charges	117,669.93	49,413.36	42,816.99	81,750.00	24,683.28	81,000.00	(750)	-0.9%

Capital Outlay

Land	0.00	0.00	0.00	200,000.00	0.00	200,000.00	0	0.0%
Improvement Project Contract	0.00	0.00	0.00	50,000.00	0.00	50,000.00	0	0.0%
Total Capital Outlay	0.00	0.00	0.00	250,000.00	0.00	250,000.00	0	0.0%

Transfers Out

Transfers	0.00	0.00	0.00	0.00	0.00	0.00	0	0.0%
Transfer-General Fund	36,500.00	37,500.00	39,000.00	40,550.00	0.00	42,200.00	1,650	0.0%
Transfer-Capital Outlay Reserv	0.00	0.00	0.00	0.00	0.00	0.00	0	0.0%
Transfer-EDA	4,000.00	4,000.00	4,000.00	4,500.00	0.00	4,500.00	0	0.0%
	40,500.00	41,500.00	43,000.00	45,050.00	0.00	46,700.00	(1,650)	3.7%

TOTAL HRA EXPENDITURES	264,695.36	206,358.14	201,933.17	509,450.00	77,100.68	520,200.00	10,750	2.1%
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TOTAL REVENUES OVER/(UNDER) EXPENDITURES	142,091	252,203	287,966	0	(49,789)	0
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Performance Measures & Goals for 2027						
Division:	Housing and Redevelopment					
Completed by:	Brent O'Neil, Josh Mollan					
Date:	June 1, 2026					
Performance Measure	2023 Actual	2024 Actual	2025 Actual	2026 Estimated	2026 YTD	2027 Projected
Number of HRA Rehab Loan applications approved	4	2	2	5	1	4
Rehab Loan Funds Outstanding (year-end)	\$162,000	\$195,000	\$187,000	\$250,000	\$210,000	\$200,000
Residential Property Re-investment (by permit value)	\$19,700,000	\$8,500,000	\$32,000,000	\$10,000,000	\$22,000,000	\$25,000,000
Number of Multi-family Units Added (completions)	90	142	0	55	0	55
Division Goal	Goal Objective/Task					
Set target fund balance levels to maintain sufficient reserves and availability of funds in anticipation of current and future large expenditures.	Set a target HRA fund balance based on the following: minimum operating reserve - 50% of budget; property acquisition; new programs (loans, grants) - \$2,500,000. Target fund balance: \$2,750,000. 5/31/26 fund balance: \$2,400,000.					
Promote preservation of housing stock	Promote investment in residential properties within Elk River and promote the HRA Rehab Loan Program. Identify dilapidated properties and work with city code enforcement. Protect and strengthen rental properties.					
Promote a vital downtown	Work actively with the Downtown Elk River Business Association (DERBA). Work with 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, including Uppertown. Facilitate future use options for public property/King Ave. lot.					
Enhance redevelopment opportunities for C/I properties	Identify business owners interested in redevelopment of 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.					



**City of Elk River
Housing and Redevelopment Authority
Resolution 26-01**

**A Resolution of the City of Elk River Housing and Redevelopment Authority, Establishing the
Tax Levy for The Elk River Housing and Redevelopment Authority for the City of Elk River,
Minnesota**

WHEREAS, Minnesota Statute §469.033, Subd. 6, authorizes the Elk River Housing and Redevelopment Authority to levy an amount not to exceed .0185 percent of the estimated market value within the city to be used for housing and redevelopment purposes; and,

WHEREAS, the Elk River Housing and Redevelopment Authority has considered at its meeting on September 8, 2026, its 2027 budget and levy request; and,

WHEREAS, the Elk River Housing and Redevelopment Authority anticipates expenditures in 2027 for various housing and redevelopment activities.

NOW, THEREFORE, BE IT RESOLVED by the Elk River Housing and Redevelopment Authority, as follows: that it hereby adopts a budget for 2027 in the amount of \$520,200, and requests the City Council of the City of Elk River to levy a tax in the amount of \$480,200 for the benefit of the Authority to be used as provided by Minnesota Statutes.

Passed and adopted this 8th day of September, 2026.

Nate Ovall, HRA Chair

ATTEST:

Brent O'Neil, HRA Executive Director



Request for Action

To
Housing and Redevelopment Authority

Item Number
6.2

Meeting Date
September 8, 2026

Prepared By
Joshua Mollan, Economic Development Specialist

Item Description
Downtown Furniture Placement

Reviewed by
Brent O'Neil
Cal Portner

Action Requested

Approve, by motion, the attached memorandum of understanding allowing placement of outdoor furniture at PID: 75-00405-0235 by the Downtown Elk River Business Association (DERBA) for public use.

Background/Discussion

DERBA was gifted an oversized Adirondack chair from Plants and Things in May 2024. The Elk River Housing and Redevelopment Authority (HRA) approved DERBA to place the chair on their property at 724 Main Street, the former Elk River Meats site. This chair has been a local attraction, drawing visitors to take and share pictures. After the City Council did not approve placement of the chair at the base of Rivers Edge Commons during the King Avenue lot reconstruction, the chair was moved to the plaza at Granite Shores. Representatives from Granite Shores have advised that they will allow the chair to remain on their property through September 30.

The proposed placement is within the HRA-owned parcel 75-00405-0235 on a mulched bump out reserved for a future public restroom. This proposed location is supported by DERBA and city staff, and is one of a couple of potential alternatives.

The attached memorandum of understanding is substantially similar to the previous version executed by the HRA in May 2025. It allows the oversized chair to remain on the HRA's property, subject to 60 days' notice of termination by either party, and includes an indemnification provision. It is anticipated that DERBA and the HRA will revisit a more permanent placement following the completion of the 2027 downtown reconstruction.

Financial Impact

As costs are being borne by partners of the HRA, any associated costs of the HRA would be incidental and expected to be less than \$500.

Mission/Policy/Goal

Work with citizens to achieve goals.

Attachments

I. Proposed Chair Location Wide

The Elk River Vision

A resilient, welcoming, and thriving community that leads through innovation, meaningful engagement, exceptional service, and responsible planning for future generations.

2. Proposed Chair Location Close Up
3. DERBA Furniture MOU





Memorandum of Understanding

This **MEMORANDUM OF UNDERSTANDING** (“MOU”) is made and entered into as of the ____ day of _____, 2026 by and between the **ELK RIVER HOUSING AND REDEVELOPMENT AUTHORITY**, a public body corporate and politic under the laws of the State of Minnesota (“HRA”) and the **DOWNTOWN ELK RIVER BUSINESS ASSOCIATION**, a Minnesota nonprofit corporation (“Association”).

RECITALS

WHEREAS, the HRA owns the real property with a PID of 75-00405-0235 (the “Property”); and

WHEREAS, the Association has offered to place an oversized Adirondack chair (the “Furniture”) on the Property for use by the public; and

WHEREAS, the Association has arranged to obtain the Furniture at its own sole expense; and

WHEREAS, the HRA believes that placing the Furniture on the Property will benefit the public and further a public purpose by supporting the HRA’s efforts to promote redevelopment in the City of Elk River; and

WHEREAS, the parties to this MOU wish to memorialize their understanding.

NOW, THEREFORE, the HRA and the Association have reached the following understandings:

- 1. Purpose.** The purpose of this MOU is to establish a mutual understanding of the parties’ intentions, rights, and obligations.
- 2. Furniture Placement Authorized.** The Association is authorized to place the Furniture on the Property through the term of this MOU. In no case shall the HRA be responsible for any portion of the cost associated with the Furniture on the Property.
- 3. Responsibilities of Association.** The Association shall be solely responsible for acquiring, transporting, placing, maintaining, cleaning, repairing, and removing the Furniture. The Association shall ensure the Furniture is removed from the Property on or before the date the authorization ends.
- 4. Responsibilities of the HRA.** The HRA shall allow the Furniture to be placed on the Property, and shall not remove the Furniture except as provided in this MOU. If the Furniture becomes damaged, defaced, in disrepair, unsightly, or begins to encroach on or obstruct the use of the Property or nearby uses, the HRA may, but is under no obligation to, remove and dispose of the affected portion of the Furniture.

5. Time; Termination. This MOU shall be effective from the date of its final execution and shall continue until terminated by either party. Either party to this MOU may terminate this agreement for any reason upon sixty (60) days' written notice. The Association shall, at its own sole cost, remove the Furniture from the Property within fourteen (14) days of any termination of this agreement. If the Association fails to do so, the HRA may remove the Furniture and the Association shall reimburse the HRA for the full cost of doing so.

6. Representation of Authority. The undersigned executing this agreement represent and warrant that they have been duly authorized to execute this agreement and that this agreement shall bind it to the terms and obligations contained herein.

7. Mutual Indemnification. To the fullest extent permitted by law, the Association agrees to defend, indemnify and hold harmless the HRA, the City of Elk River, and their employees, officials, and agents from and against all claims, actions, damages, losses and expenses, including reasonable attorney fees, arising out of the Association's use of the Property or its placement of the Furniture. The indemnification obligation shall apply to anyone directly or indirectly employed, hired, or otherwise participating in the Association use, or anyone for whose acts the Association may be liable. The HRA agrees to defend, indemnify and hold harmless the Association, and their employees, officials, and agents from and against all claims, actions, damages, losses and expenses, including reasonable attorney fees, arising out of the HRA's performance under this agreement. It is understood and agreed that the provisions of the Municipal Tort Claims Act, Minn. Stat. Ch. 466, and other applicable laws govern liability arising from the HRA's acts or omissions. The parties agree this indemnity obligation shall survive the completion or termination of this Agreement.

8. Entire Agreement; Modification. This MOU supersedes any prior or contemporaneous representations or agreements, whether written or oral, between the Parties and contains the entire agreement. Any modification to this MOU must be in writing and be signed by the parties.

9. Assignment. The Association may not assign this Agreement to any other person unless written consent is obtained from the HRA.

10. No Employee Relationship. Nothing within this MOU shall be construed as creating an agent or employee relationship between the HRA and the Association.

[Remainder of Page Intentionally Left Blank]

**Elk River Housing and Redevelopment
Authority**

Nate Ovall, Chair

Brent O’Neil, Executive Director

**Downtown Elk River Business
Association**

Deana Mclean, Chair



Request for Action

To
Housing and Redevelopment Authority

Item Number
6.3

Meeting Date
September 8, 2026

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, and the HRA's portfolio is performing as expected with no delinquencies or late payments.

A new loan of \$28,625 was issued on 7/9 for a patio and retaining wall project. \$86,375 remains available for new loan disbursements in 2026.

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 Activity Summary
 2. CEE Monthly Loan Servicing Report

CEE Monthly Loan Activity Summary

9/8/26

Loan #	Loan Amount	Contract	Maturity	Status	Rate	Jun Pymt	Jul Pymt	Balance
19-015204	\$ 22,069.00	1/25/2017	1/1/2027	Current	2.50%	\$ 208.04	\$ 208.04	\$ 1,192.86
19-015209	\$ 19,665.00	9/22/2017	9/1/2027	Current	2.75%	\$ 187.63	\$ 187.63	\$ 2,495.94
19-015217	\$ 21,640.00	5/4/2018	5/1/2033	Current	4.25%	\$ 11,935.13	\$ -	\$ -
19-016564	\$ 15,252.22	7/15/2019	7/15/2029	Current	4.00%	\$ 1,710.39	\$ -	\$ -
23-029012	\$ 34,749.06	4/21/2023	4/21/2038	Current	4.00%	\$ 260.00	\$ 260.00	\$ 28,763.46
23-029085	\$ 30,223.00	6/20/2023	6/20/2033	Current	4.00%	\$ 306.00	\$ 306.00	\$ 22,167.09
23-029618	\$ 23,780.00	10/2/2023	10/2/2038	Current	4.00%	\$ -	\$ 351.80	\$ 16,035.25
24-032189	\$ 19,290.00	4/22/2024	4/22/2039	Current	4.00%	\$ 142.69	\$ 142.69	\$ 17,067.32
24-033299	\$ 35,000.00	4/22/2024	4/22/2039	Current	4.00%	\$ 258.90	\$ 258.90	\$ 30,966.66
25-039214	\$ 8,151.00	6/23/2025	6/23/2028	Current	4.00%	\$ 240.66	\$ 240.66	\$ 5,316.06
25-040378	\$ 35,000.00	10/3/2025	10/3/2040	Current	4.00%	\$ 258.90	\$ 258.90	\$ 33,705.91
25-041322	\$ 35,000.00	1/8/2026	1/8/2041	Current	4.00%	\$ 517.80	\$ -	\$ 34,015.22
26-043718	\$ 28,625.00	7/9/2026	7/9/2041	New	4.00%	\$ -	\$ -	\$ 28,625.00
Total	\$ 328,444.28					\$ 16,026.14	\$ 2,214.62	\$ 220,350.77



Data Set: August 1st, 2026

CITY OF ELK RIVER LOAN SERVICING REPORT

July 2026

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 July 2026

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	LATE FEES AND OTHER FEES RECEIVED	3RD PARTY FEES COLLECTED	NEW LOAN FEES	DELINQUENCY MANAGEMENT FEES	SATISFACTION DRAFTING FEES	SERVICING FEES	TOTAL FEES TO SERVICER	FUNDS TO THE CITY OF ELK RIVER
HRA REHAB	11	1	11	0	0	0	\$2,214.62	\$1,532.49	\$682.13	\$0.00	\$0.00	\$20.00	\$0.00	\$0.00	\$66.00	\$86.00	\$2,128.62
Grand Total	11	1	11	0	0	0	\$2,214.62	\$1,532.49	\$682.13	\$0.00	\$0.00	\$20.00	\$0.00	\$0.00	\$66.00	\$86.00	\$2,128.62

CITY OF ELK RIVER

PAYMENT BREAKDOWN PER LOAN

Detail for July 2026

Source Company	Loan #	Address	TOTAL AMOUNT RECEIVED	PRINCIPAL RECEIVED	INTEREST RECEIVED	LATE FEES AND OTHER FEES RECEIVED	3RD PARTY FEES COLLECTED
ELK RIVER	19-015204	1420 5TH ST NW	\$208.04	\$205.13	\$2.91	\$0.00	\$0.00
	19-015209	609 GATES AVE NW	\$187.63	\$181.49	\$6.14	\$0.00	\$0.00
	23-029012	18990 TWIN LAKES RD NW	\$260.00	\$163.58	\$96.42	\$0.00	\$0.00
	23-029085	17931 GARY ST NW	\$306.00	\$231.34	\$74.66	\$0.00	\$0.00
	23-029618	13366 181ST LN NW	\$351.80	\$140.18	\$211.62	\$0.00	\$0.00
	24-032189	14270 191ST AVE NW	\$142.69	\$85.51	\$57.18	\$0.00	\$0.00
	24-033299	17812 CONCORD CT NW	\$258.90	\$155.16	\$103.74	\$0.00	\$0.00
	25-039214	18471 TROTT BROOK PKWY NW	\$240.66	\$224.04	\$16.62	\$0.00	\$0.00
	25-040378	11137 167TH AVE NW	\$258.90	\$146.06	\$112.84	\$0.00	\$0.00
	25-041322	9624 209TH AVE NW	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	26-043718	19443 ZUMBRO CT NW	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Grand Total			\$2,214.62	\$1,532.49	\$682.13	\$0.00	\$0.00

CITY OF ELK RIVER
TRIAL BALANCE REPORT
Monthly Detail

Loan #	Address	2025											
		Q3		Q4			Q1			Q2			Q3
		August	September	October	November	December	January	February	March	April	May	June	July
19-015204	1420 5TH ST NW	\$3,413.35	\$3,212.56	\$3,011.12	\$2,809.48	\$2,607.22	\$2,404.71	\$2,201.78	\$1,997.97	\$1,794.17	\$1,589.81	\$1,397.99	\$1,192.86
19-015209	609 GATES AVE NW	\$4,445.76	\$4,268.51	\$4,090.53	\$3,912.45	\$3,733.66	\$3,554.75	\$3,375.42	\$3,194.91	\$3,014.74	\$2,833.92	\$2,677.43	\$2,495.94
19-015217	1811 MAIN ST	\$12,911.66	\$12,795.48	\$12,677.39	\$12,560.36	\$12,441.44	\$12,323.56	\$12,205.25	\$12,082.26	\$11,963.08	\$11,842.08	\$0.00	
19-016564	403 3RD ST NW	\$6,711.27	\$6,579.64	\$6,446.84	\$6,314.31	\$6,180.64	\$6,047.21	\$5,913.32	\$1,977.03	\$1,831.51	\$1,682.10	\$0.00	
23-029012	18990 TWIN LAKES RD NW	\$30,525.64	\$30,369.34	\$30,209.18	\$30,051.81	\$29,890.61	\$29,732.15	\$29,573.16	\$29,403.91	\$29,243.80	\$29,079.95	\$28,927.04	\$28,763.46
23-028654	13222 179 1/2 AVE NW	\$28,930.68	\$28,728.96	\$28,523.41	\$0.00								
23-029085	17931 GARY ST NW	\$24,661.92	\$24,439.70	\$24,214.05	\$23,990.31	\$23,763.18	\$23,537.91	\$23,311.87	\$23,077.40	\$22,849.80	\$22,618.92	\$22,398.43	\$22,167.09
23-029618	13366 181ST LN NW	\$17,555.23	\$17,405.25	\$17,119.26	\$17,119.26	\$16,979.30	\$16,836.98	\$16,715.33	\$16,268.46	\$16,268.46	\$16,175.43	\$16,175.43	\$16,035.25
24-032189	14270 191ST AVE NW	\$17,988.90	\$17,907.32	\$17,823.51	\$17,741.37	\$17,657.01	\$17,574.30	\$17,491.31	\$17,402.30	\$17,318.72	\$17,232.97	\$17,152.83	\$17,067.32
24-033299	17812 CONCORD CT NW	\$32,641.61	\$32,493.60	\$32,341.53	\$32,192.50	\$32,039.44	\$31,889.39	\$31,738.83	\$31,577.31	\$31,425.69	\$31,270.11	\$31,121.82	\$30,966.66
25-039214	18471 TROTT BROOK PKWY NW	\$7,721.65	\$7,509.76	\$7,290.49	\$7,081.00	\$6,854.30	\$6,644.44	\$6,421.26	\$6,198.19	\$5,981.30	\$5,761.62	\$5,540.10	\$5,316.06
25-040378	11137 167TH AVE NW			\$34,848.50	\$34,848.50	\$34,715.62	\$34,574.66	\$34,433.22	\$34,279.98	\$34,137.54	\$33,990.87	\$33,851.97	\$33,705.91
25-041322	9624 209TH AVE NW						\$35,000.00	\$34,863.84	\$34,460.29	\$34,460.29	\$34,375.21	\$34,015.22	\$34,015.22
26-043718	19443 ZUMBRO CT NW												\$28,625.00
Grand Total		\$187,507.67	\$185,710.12	\$218,595.81	\$188,621.35	\$186,862.42	\$220,120.06	\$218,244.59	\$211,920.01	\$210,289.10	\$208,452.99	\$193,258.26	\$220,350.77

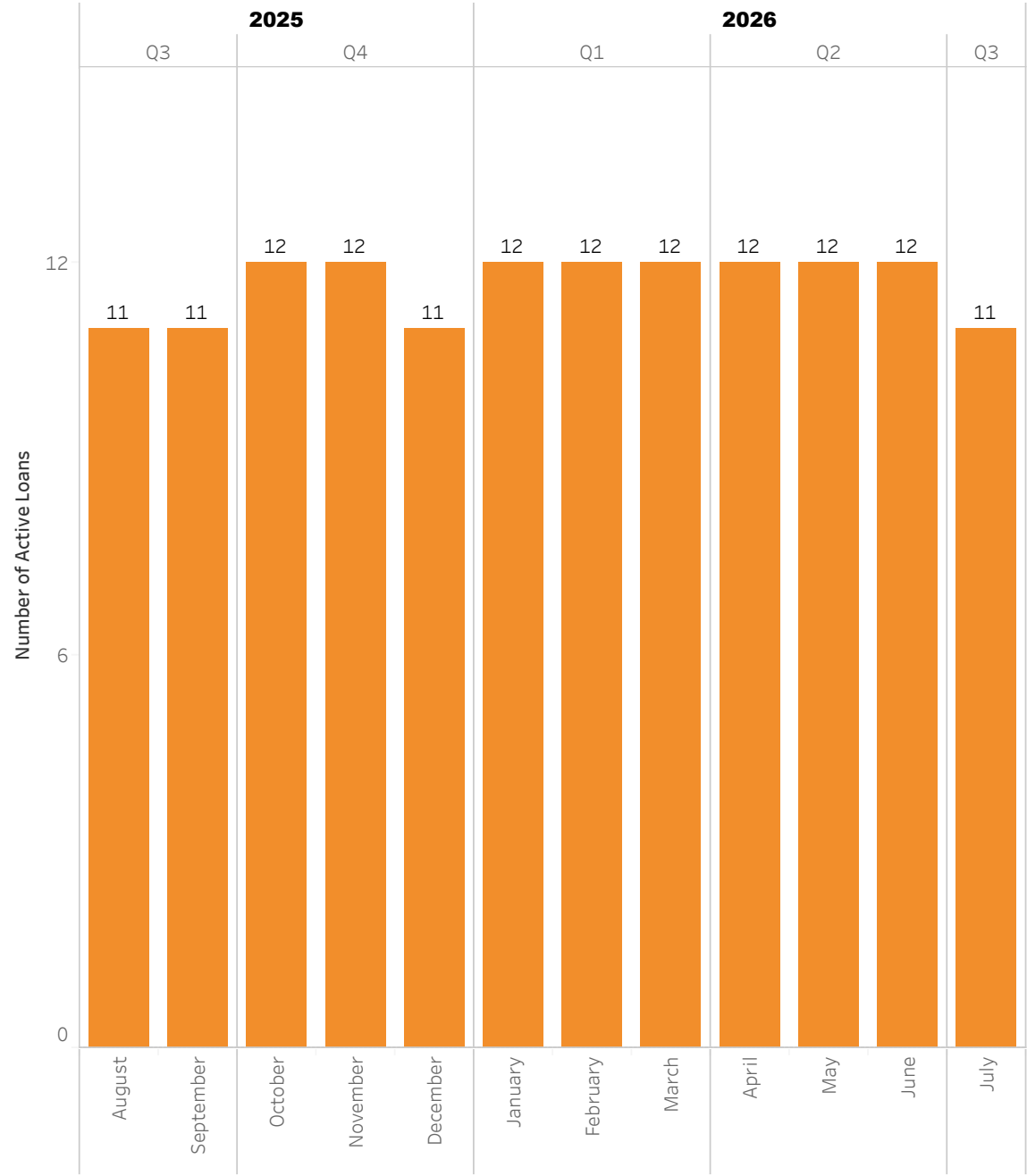
CITY OF ELK RIVER

NEW LOAN REPORT

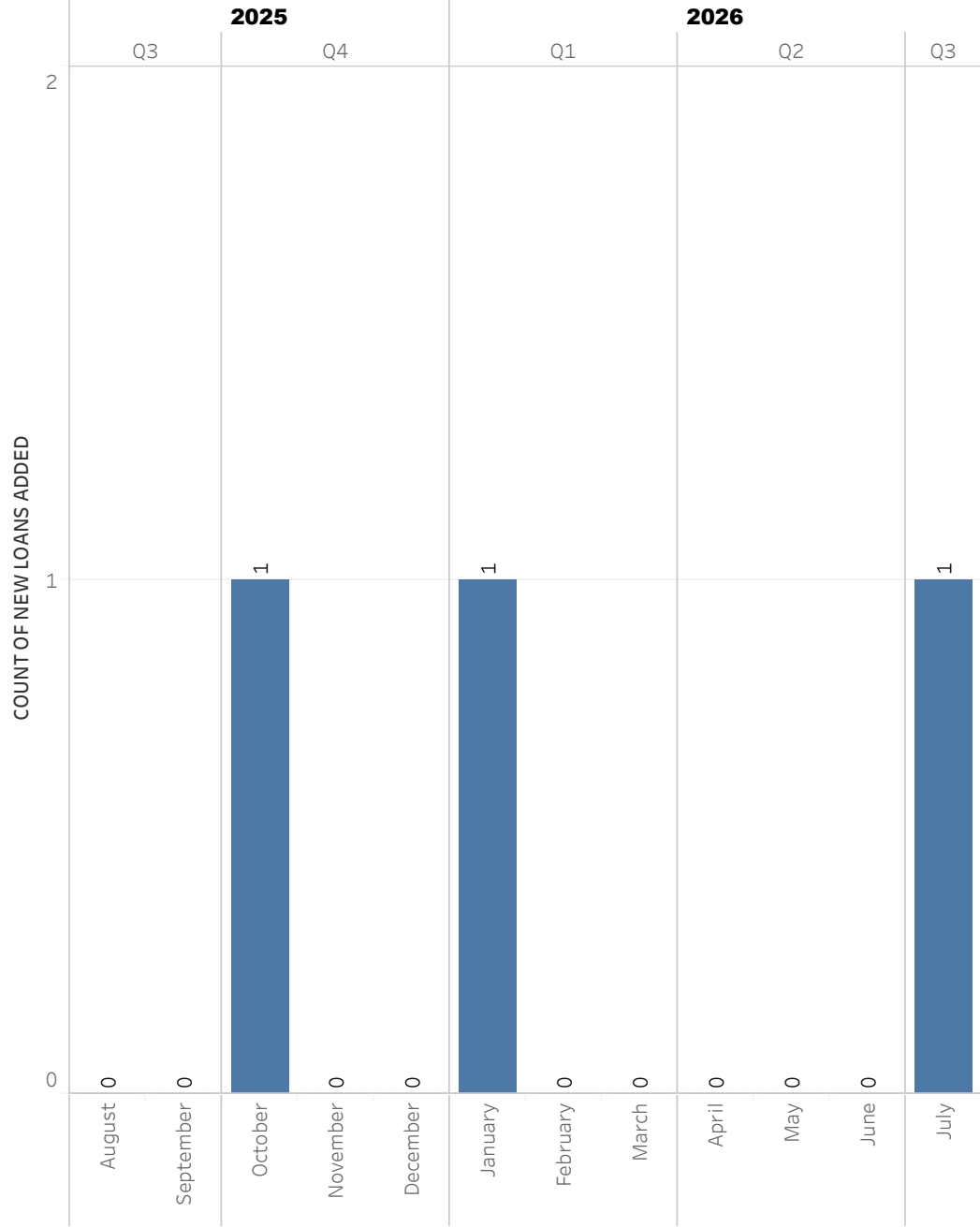
Detail for July 2026

POOL	Loan #	Address	Contract Date	
HRA REHAB	26-043718	19443 ZUMBRO CT NW	7/9/2026	\$28,625.00
Grand Total				\$28,625.00

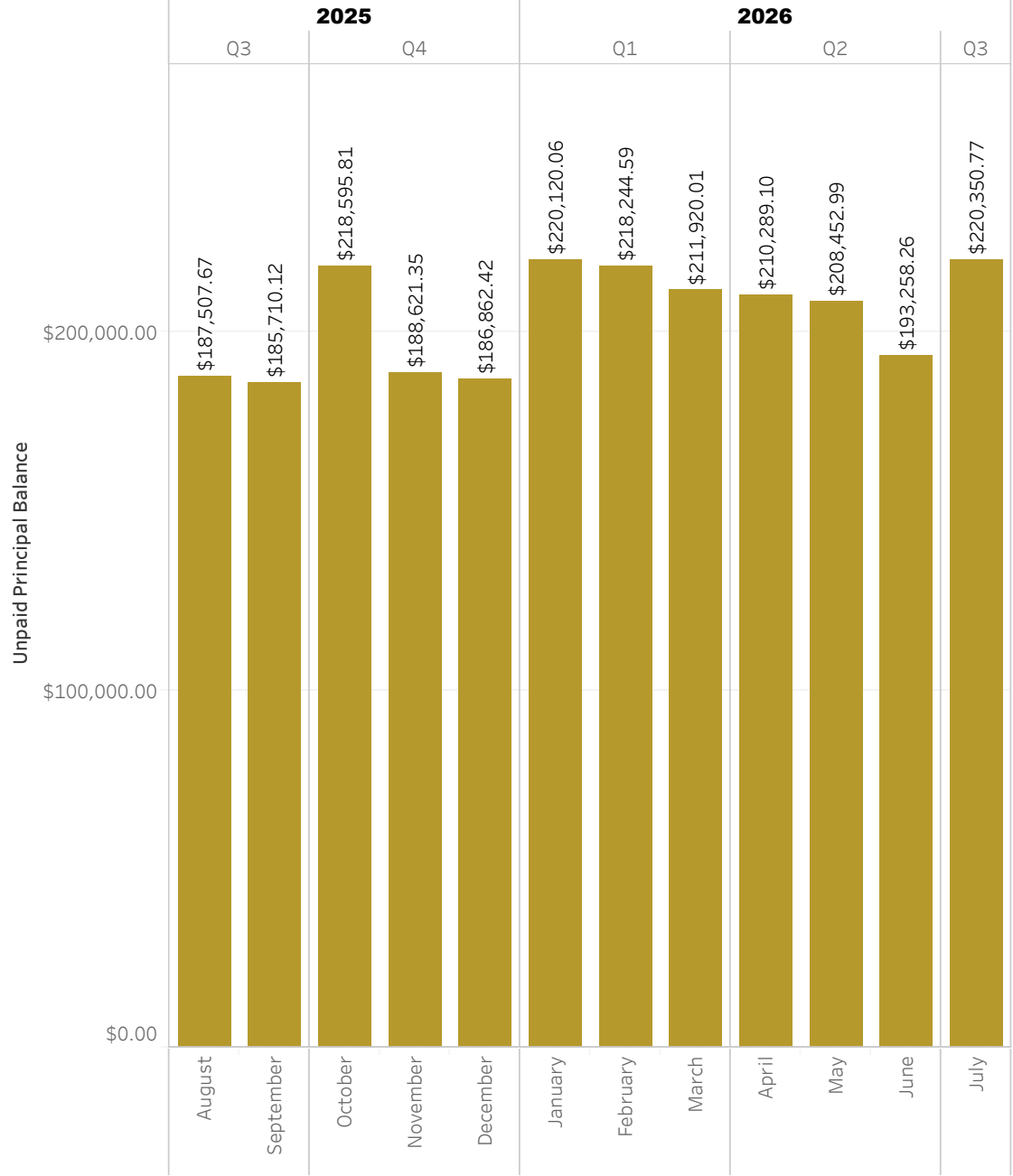
CITY OF ELK RIVER
TOTAL LOAN COUNT
Monthly Detail



CITY OF ELK RIVER
NEW LOAN COUNT
Monthly Detail



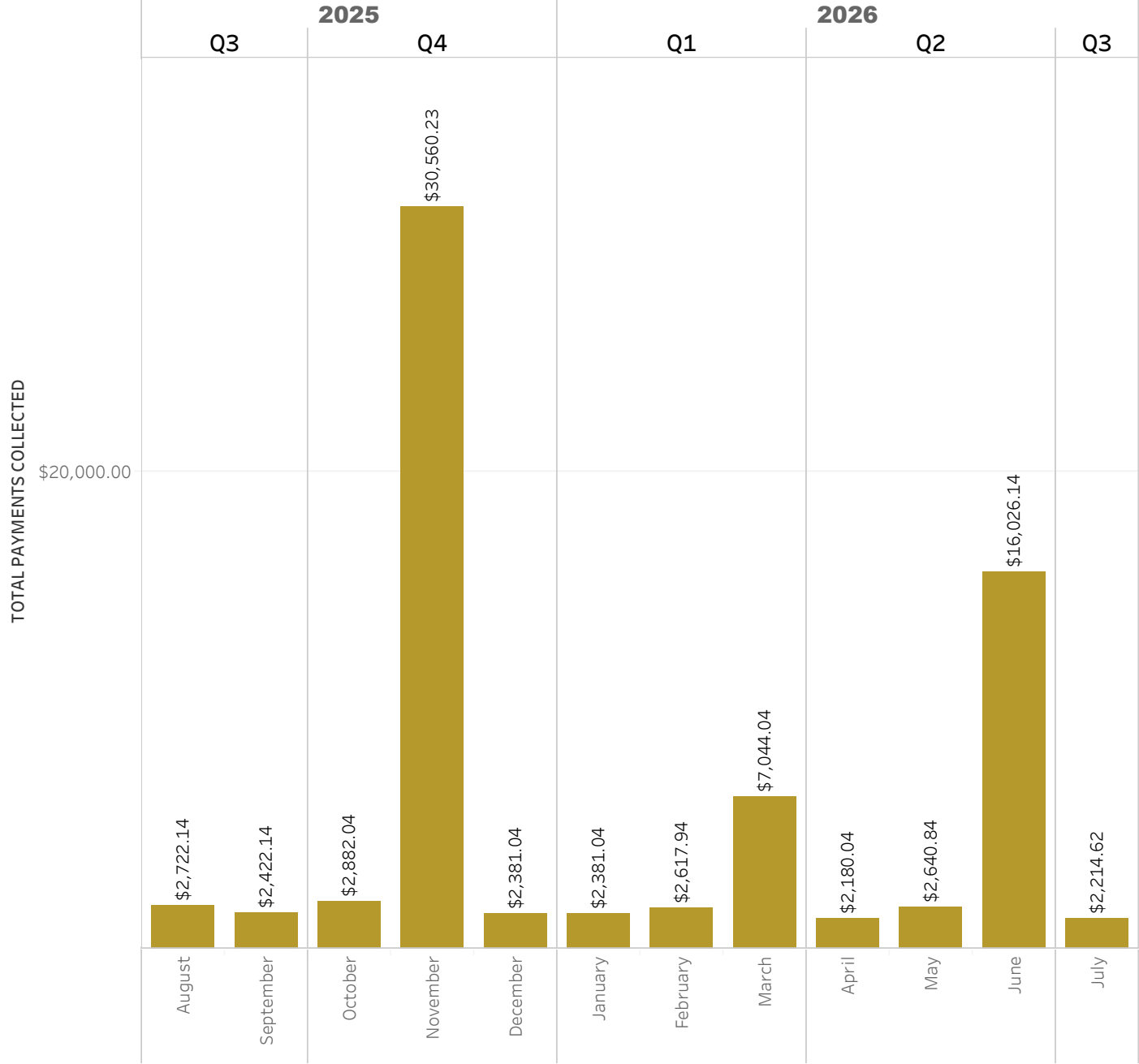
CITY OF ELK RIVER
TRIAL BALANCE
Monthly Detail in USD



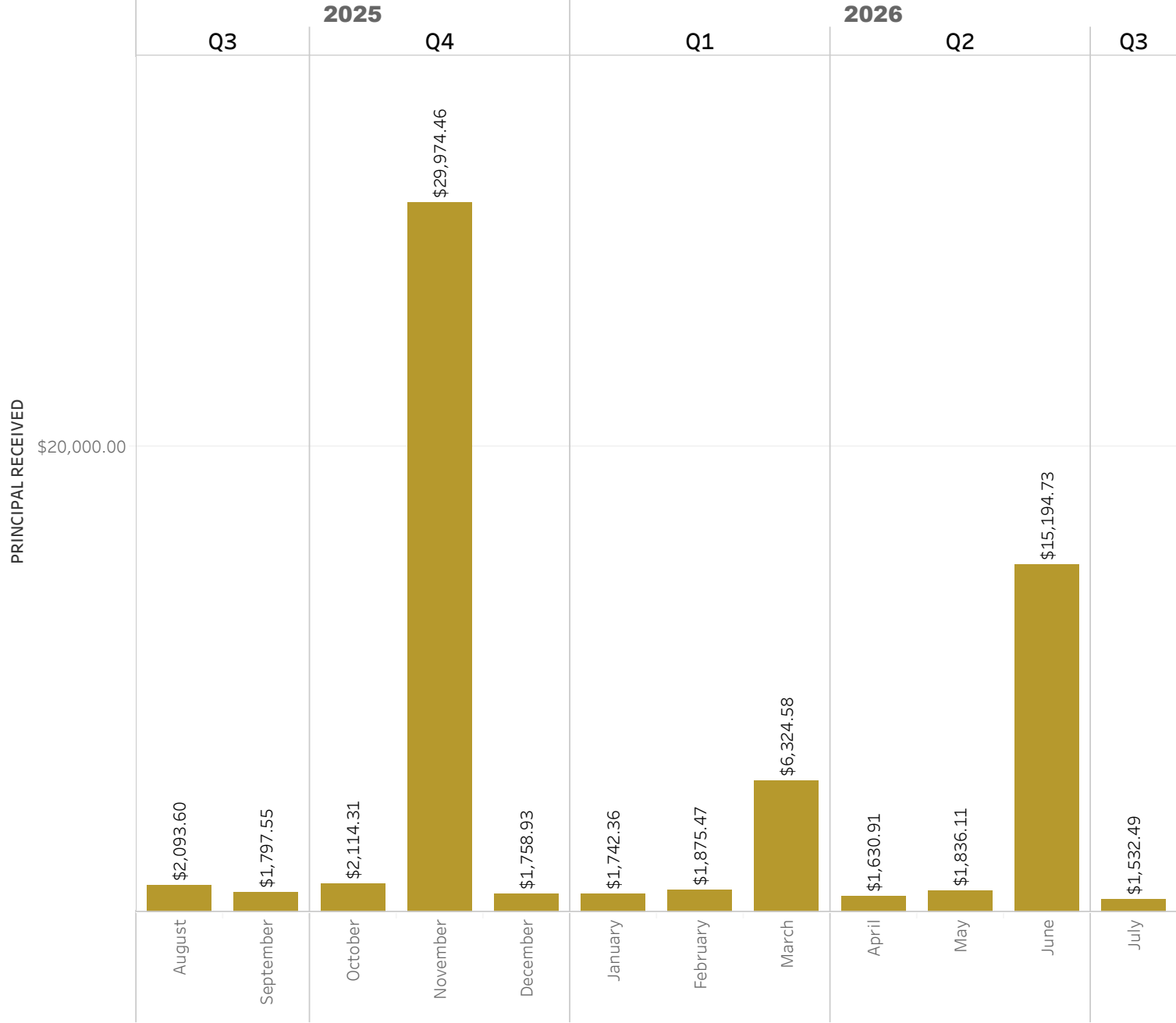
CITY OF ELK RIVER
 PAYMENT COLLECTION PER LOAN
 Monthly Detail

			2025					2026						
			Q3		Q4			Q1			Q2			Q3
			August	September	October	November	December	January	February	March	April	May	June	July
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
	19-015217	1811 MAIN ST	\$162.79	\$162.79	\$162.79	\$162.79	\$162.79	\$162.79	\$162.79	\$162.79	\$162.79	\$162.79	\$11,935.13	
	19-016564	403 3RD ST NW	\$154.43	\$154.43	\$154.43	\$154.43	\$154.43	\$154.43	\$154.43	\$3,955.43	\$154.43	\$154.43	\$1,710.39	
	23-028654	13222 179 1/2 AVE NW	\$300.00	\$300.00	\$300.00	\$28,639.09								
	23-029012	18990 TWIN LAKES RD NW	\$260.00	\$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	\$306.00	\$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	\$501.00	\$201.00	\$402.00	\$0.00	\$201.00	\$201.00	\$178.00	\$501.00	\$0.00	\$201.00	\$0.00	\$351.80
	24-032189	14270 191ST AVE NW	\$142.69	\$142.69	\$142.69	\$142.69	\$142.69	\$142.69	\$142.69	\$142.69	\$142.69	\$142.69	\$142.69	\$142.69
	24-033299	17812 CONCORD CT NW	\$258.90	\$258.90	\$258.90	\$258.90	\$258.90	\$258.90	\$258.90	\$258.90	\$258.90	\$258.90	\$258.90	\$258.90
	25-039214	18471 TROTT BROOK PKWY NW	\$240.66	\$240.66	\$240.66	\$240.66	\$240.66	\$240.66	\$240.66	\$240.66	\$240.66	\$240.66	\$240.66	\$240.66
	25-040378	11137 167TH AVE NW			\$258.90	\$0.00	\$258.90	\$258.90	\$258.90	\$258.90	\$258.90	\$258.90	\$258.90	\$258.90
	25-041322	9624 209TH AVE NW						\$0.00	\$259.90	\$562.00	\$0.00	\$259.80	\$517.80	\$0.00
	26-043718	19443 ZUMBRO CT NW												\$0.00
Grand Total			\$2,722.14	\$2,422.14	\$2,882.04	\$30,560.23	\$2,381.04	\$2,381.04	\$2,617.94	\$7,044.04	\$2,180.04	\$2,640.84	\$16,026.14	\$2,214.62

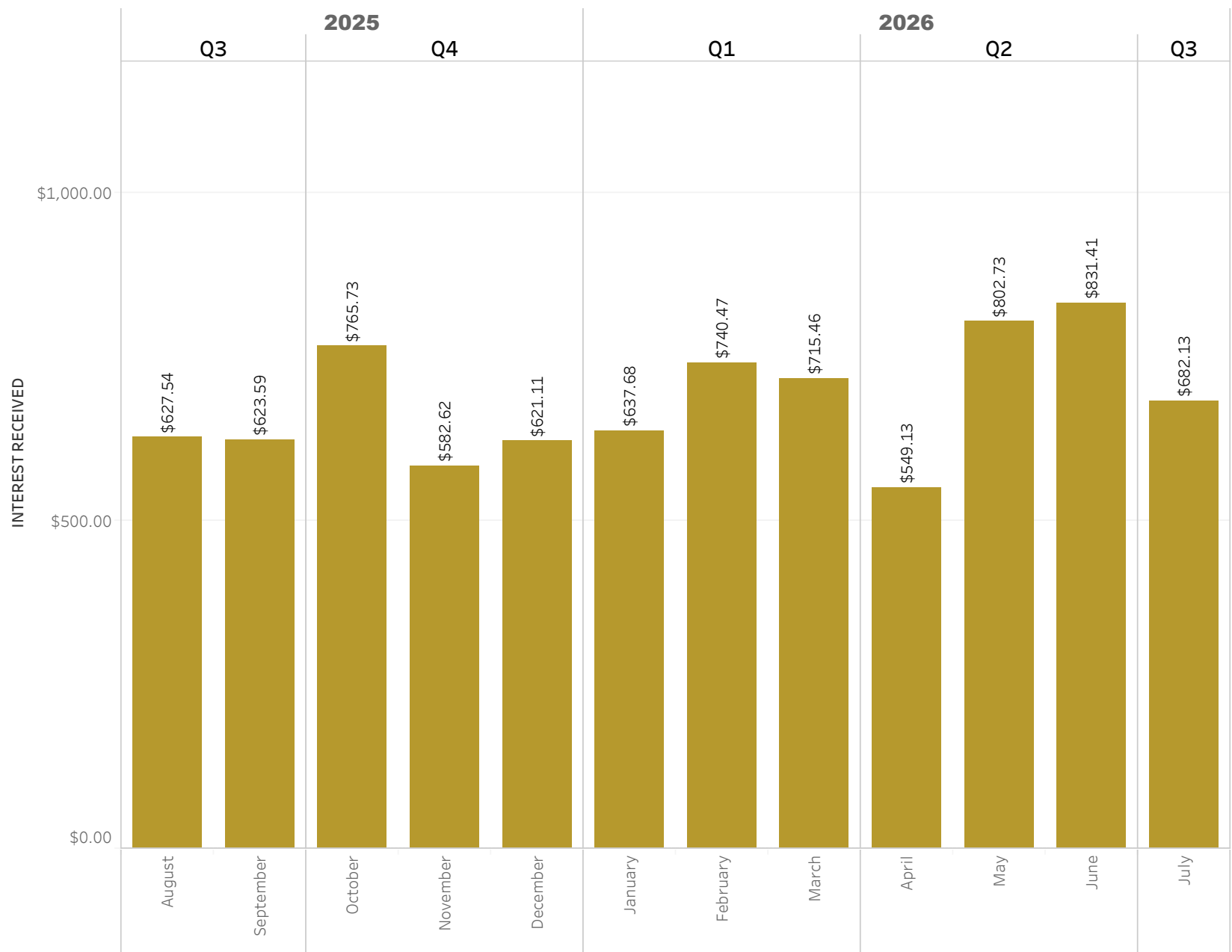
CITY OF ELK RIVER
TOTAL PAYMENT COLLECTION (USD)
Monthly Detail



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 July 2026

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	\$0.00
	19-015209	609 GATES 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
	25-039214	18471 TROTT BROOK PKWY NW	0	\$0.00	\$0.00
	25-040378	11137 167TH AVE NW	0	\$0.00	\$0.00
	25-041322	9624 209TH AVE NW	0	\$0.00	\$0.00
	26-043718	19443 ZUMBRO CT NW	0	\$0.00	\$0.00
	Grand Total		0	\$0.00	\$0.00



Request for Action

To
Housing and Redevelopment Authority

Item Number
9.1

Meeting Date
September 8, 2026

Prepared By
Joshua Mollan, Economic Development Specialist

Item Description
Downtown Hanging Flower Baskets and Fixtures

Reviewed by
Brent O'Neil
Cal Portner

Action Requested
Item presented for information and discussion purposes.

Background/Discussion

The HRA is in the second year of a three-year contract with Yardworx Outdoor Services for all-inclusive hanging flower basket services. With the upcoming Main Street and Jackson Avenue reconstruction slated for 2027, staff recommends forgoing next year's installation and maintenance of the hanging flower baskets due to uncertainty of the status of the light poles, inadequate access for watering and other maintenance, and risk of damage by large equipment.

We'd like to discuss a modification to Yardworx's contract as well as Yardworx's request to look at renewal for 2028 and beyond.

The HRA has budgeted \$28,000 for 'contractual services' in 2027. With the funds expected for hanging flower basket services to be left unspent, the HRA could consider alternative ways to support the beautification of downtown in 2027.

Financial Impact
N/A

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
None

The Elk River Vision

A resilient, welcoming, and thriving community that leads through innovation, meaningful engagement, exceptional service, and responsible planning for future generations.



Request for Action

To
Housing and Redevelopment Authority

Item Number
9.2

Meeting Date
September 8, 2026

Prepared By
Brent O'Neil, Economic Development Director

Item Description
Land Acquisition Opportunity — Mississippi Road

Reviewed by
Cal Portner

Action Requested
This item is for discussion and feedback.

Background/Discussion

The property owners at 13296 Mississippi Road have been in contact with the city about developing the property into residential lots, including the possibility of one or more lots being suitable for the Habitat for Humanity student-built housing project. The owners may be open to a partnership with the HRA and Habitat to offer the lot(s) at a reasonable cost for Habitat placement. We intend to discuss different scenarios for how a partnership may work, including HRA or State Affordable Housing Aid may be considered for this project.

Financial Impact
N/A

Mission/Policy/Goal
Improve citizen quality of life.

Attachments
1. Aerial of Property
2. Handout

The Elk River Vision

A resilient, welcoming, and thriving community that leads through innovation, meaningful engagement, exceptional service, and responsible planning for future generations.

75-00807-0105

75-00660-0105

75-00909-0110

75-00909-0115

75-00844-0105

75-00132-3105

75-00528-0310

75-00565-0030

0844-0020

75-00005-2110



BODNAR BUILDERS LLC
13296 MISSISSIPPI RD NW
Acres: 2.00
Value: \$292,300

[View: Parcel Report](#) | [Picometry Imagery](#) | [Tax Distribution](#) | [Google Maps](#)

75-00005-110

