

SPECIAL COUNCIL MEETING
CITY OF CROSSLAKE
MONDAY, JULY 11, 2022
1:00 P.M. – CITY HALL

The Council for the City of Crosslake held a Workshop on Monday, July 11, 2022. The following Council Members were present: Mayor Dave Nevin, Aaron Herzog, Marcia Seibert-Volz, John Andrews and Dave Schrupp. Also present were City Administrator Mike Lyonais, Park Director TJ Graumann, and City Clerk Char Nelson.

Mayor Nevin called the meeting to order at 1:00 P.M.

EDA President, Dean Fitch, announced that the EDA invited Mike Schoenecker of Bradbury Stamm Construction to attend today's meeting to inform the Council of possible housing project for Crosslake. Mr. Fitch stated that Bradbury Stamm Construction built Whitefish at the Lakes Senior Living Building in Crosslake. The proposed housing project would consist of 36 apartment units. The development would require 2.5 acres of land. The combined income of residents living at proposed apartments would need to be between \$16 to \$25 per hour to afford the proposed rental fees.

Mike Schoenecker addressed the Council and stated that he was approached by Jim Anderson to consider building apartments in Crosslake. The proposed apartments would be good for the community and for workforce in Crosslake. Mr. Schoenecker stated that it is difficult to find investors because the rate of return needs to be 8-10%, which is low for this type of project. Jim Anderson and Bill Reed are looking for an affordable, 2.5 acres parcel on City sewer that will work for this project. Mr. Schoenecker stated that the City's participation in waiving fees (sanitary sewer connection, park dedication, building permit, etc.) would be critical.

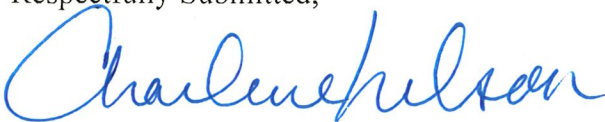
Dave Nevin asked if the City could be an investor by waiving City fees. Mr. Schoenecker replied that the lenders would determine that. Aaron Herzog stated that the proposed rental rates are good and that he would like the City to work with Mr. Schoenecker. A lengthy discussion ensued regarding the type of renter that would be interested in the apartments, leases, and waiving of fees.

Eric Charpentier, Executive Director of the Housing and Redevelopment Authority for Crow Wing County addressed the Council and stated that there is a Housing Trust Fund, comprised of tax levy dollars, that is used for gap financing housing project in Crow Wing County. Mr. Charpentier stated that 1-bedroom units are in high demand.

The Council Members were all in favor of the concept but would need more information to make any decisions.

The meeting adjourned at 1:50 P.M.

Respectfully Submitted,



Charlene Nelson
City Clerk