



300 Third Avenue NE  
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**Crosby HRA Board Meeting**  
**11:00 a.m. March 10<sup>th</sup>, 2026**  
**Community Room, 300 Third Avenue NE, Crosby MN 56441**

**AGENDA**

**1. CALL TO ORDER**

**2. ROLL CALL**

**3. REVIEW AND APPROVE AGENDA**

**4. OPEN FORUM**

*Time allocated for citizens and tenants to bring matters not on the agenda to the attention of the Crosby HRA board. If you are going to give a report or wish to speak, please state your full name and address. You will be restricted to 3 minutes, and no Board action will be taken.*

**5. REVIEW AND APPROVE MINUTES – Attachment 1 (pg. 3)**

- a. Approval of Tuesday February 10<sup>th</sup>, 2026 Meeting Minutes

**6. BILLS & COMMUNICATIONS**

- a. Financial Report – Attachment 2 (pg. 7)
- b. Housing Manager Report – Attachment 3 (pg. 17)
- c. Maintenance Director Report – Attachment 4 (pg. 19)

**7. RAB COMMITTEE UPDATE: (Resident Commissioner Lehnhoff)**

**8. UNFINISHED BUSINESS:**

**9. NEW BUSINESS:**

- a. Accounts Receivable Write Off Request – Attachment 5 (pg. 21)
- b. Annual HUD approved OCAF Increases for Edgewood – Attachment 6 (pg. 23)
- c. Shared Services Agreement Update with Brainerd HRA – Attachment 7 (pg. 31)

**10. COMMISSIONER COMMENTS:**

**11. NEXT MEETING:** April 14<sup>th</sup>, 2026

**12. ADJOURNMENT**

Donald Lehnhoff, Resident Commissioner Term Expires: 2026

Renae Marsh, Secretary/Treasurer Term Expires: 2030

Terri Larson, Commissioner Term Expires: 2027

Marsha Larson, Vice Chair Term Expires: 2029

Paula Traylor, Chair Term Expires: 2026

*\*All terms expire August 31st*



## Crosby Omnia Cooperative Savings

### HRA BOARD MEETING MINUTES Tuesday, February 10, 2026

A regular meeting of the Board of Commissioners of the Housing and Redevelopment Authority (HRA) in and for the City of Crosby, Minnesota, was held in person in the Community Room, 300 Third Avenue NE, Crosby, MN, at 11:00 AM on Tuesday, February 10, 2026.

#### 1. CALL TO ORDER:

- Meeting began promptly at 11:00 AM as scheduled.
- Vice Chair served as acting chair due to Chair Traylor's absence.

Vice Chair Larson called the meeting to order at 11:00 AM.

#### 2. ROLL CALL:

- Chair Paula Traylor was absent (illness).
- Quorum was present to conduct business.

Commissioners present: Renae Marsh (Secretary/Treasurer), Marsha Larson (Vice Chair), Donald Lehnhoff (Resident Commissioner), and Therese (Terri) Larson (Commissioner).  
Absent: Paula Traylor.

Others Present: Executive Director Eric Charpentier; Accounting Specialist Joe Christenson; and Certified Housing Specialist Diana Banks.

#### 3. REVIEW AND APPROVE AGENDA:

- Agenda reviewed with no requested changes.

**Motion by Donald Lehnhoff and second by Commissioner Terri Larson.  
Board approved agenda unanimously.**

#### 4. OPEN FORUM:

- Time allocated for citizens and tenants to bring matters not on the agenda to the Board's attention (3-minute limit per speaker).
- No public comments were offered.

Open Forum closed at 11:02 AM.

## **5. REVIEW AND APPROVE MINUTES (Attachment 1):**

- Minutes from January 13, 2026, were reviewed; no amendments requested.

**Motion by Resident Commissioner Lehnhoff and second by Commissioner Marsh; motion carried unanimously.**

The Board approved the January 13, 2026, meeting minutes as submitted.

## **6. BILLS & COMMUNICATIONS:**

### **a. Financial Report (Attachment 2) – Presented by Joseph Christenson.**

- Staff reviewed January 2026 financial information and payment summary, including use of operating and investment accounts and timing of drawdowns as needed for projects and operations.  
A question was raised regarding the Handyman's, Inc. payment; staff confirmed during the budget discussion that Handyman's is used for product/parts

**Motion to approve the financial report and payments as presented was made by Commissioner Terri Larson and seconded by Commissioner Marsh; motion carried unanimously.**

### **b. Housing Manager Report (Attachment 3) – Presented by Diana Banks.**

- Tenant activities for January included: 9 Second Harvest boxes; 379 community meals; Study with Zed (4 attendees); Oak Street Chapel Band (12 attendees).
- Occupancy: 100% Dellwood; 98% Edgewood (one move-out in January); 100% Scattered Sites.
- Program activity: 1 annual recertification completed; 4 termination notices issued; 49 work orders received.
- Waiting lists as of 1/31/2026: 1BR (82); 2BR (33); 3BR (16); 4BR (7).
- Hiring and staffing impacts on the Public Housing and Edgewood budgets were discussed for follow-up during budget review.

### **c. Maintenance Director Report (Attachment 4) – Presented by Eric Charpentier.**

- NSPIRE inspection for Edgewood scheduled for March 5, 2026; staff noted preparation may include pre-inspections of tenant units under the new protocol.
- Elevators: staff continue coordination with Omnia Partners cooperative purchasing to establish an A&E contract with VDA for design work.
- Edgewood entry: during extreme cold in January, pipes froze/burst in the main entry; repairs were completed and heat restored.
- Dellwood bathroom ventilation: staff provided photos and noted ventilation performance testing as follow-up to prior discussion.

**7. RAB COMMITTEE UPDATE** (Resident Commissioner Lehnhoff):

- Resident Commissioner Lehnhoff provided an update on Resident Advisory Board activity and current resident topics.

**8. UNFINISHED BUSINESS:**

- None.

**9. NEW BUSINESS:**

**a. Unity Bank Signatory Update** (Attachment 5)

- Staff requested Board action to add Commissioner Therese (Terri) Larson as a signatory on the Unity Bank account.

**Motion: Donald Lehnhoff; Second: Renae Marsh; Result: motion carried unanimously.**

**b. Update to Employee Policy Manual** (Attachment 6)

- Staff provided an informational update regarding Minnesota statutory changes for meal/rest breaks and implementation updates for Minnesota Paid Leave effective January 1, 2026.
- Staff noted legal counsel is preparing policy language updates; marked-up and clean versions will be provided for Board review at the March meeting.

**c. Public Housing Flat Rent Update** (Attachment 7)

- Staff presented HUD Fair Market Rents and proposed updated flat rents based on 80% of FMRs, with a phase-in approach (30% per year) for households currently paying flat rent.
- Proposed flat rents / phase-in: 1BR \$489 → \$684 (phase-in \$636); 2BR \$543 → \$791 (phase-in \$706); 3BR \$687 → \$932 (phase-in \$893); 4BR \$755 → \$1,089 (phase-in \$982).

**Motion: Donald Lehnhoff; Second: Renae Marsh; Result: motion carried unanimously.**

**d. Budget Review** (Attachment 8)

- Staff reviewed proposed 2027 budgets for Public Housing and Edgewood, including assumptions (3-year averages, 2% vacancy loss, 5% wage increase, and benefit changes reflecting MN Paid Family Medical Leave tax).
- Public Housing: projected net cash deficit of \$18,065, to be funded by operating reserves; includes \$20,000 Capital Fund transfer to operations. HUD requires a Board resolution approving the Public Housing budget (Resolution 2026-03).

- Edgewood: projected net cash surplus of \$24,555, recommended for reserves and future capital improvements.

**Resolution 2026-03: Motion by 2026-03; second by Commissioner Terri Larson. Motion carried unanimously. Acting Chair will sign the HUD budget certification resolution as submitted.**

**Edgewood budget approval: Motion: Donald Lehnhoff; Second: Marsha Larson; Result: motion carried unanimously.**

**PH budget approval: Motion: Renae Marsh; Second: Donald Lehnhoff; Result: motion carried unanimously.**

**10. COMMISSIONER COMMENTS:**

- No additional commissioner comments were recorded.

**11. NEXT MEETING:**

- Tuesday, March 10, 2026, at 11:00 AM.

**12. ADJOURNMENT:**

**Motion to adjourn: Donald Lehnhoff; Second: Marsha Larson; Result: motion carried unanimously.**

**Meeting adjourned at 11:57 AM.**



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To: Crosby HRA Board Members  
From: Karen Young, Finance Director  
Date: March 4, 2026  
Re: March Financial Report

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Please find attached the financial information for February 2026.

**Health Insurance Renewal Quotes**

The health insurance renewal quotes from Medica increased by approximately 12.25% for the 4/1/26 renewal. Upon review of several quotes, we chose to stay with Medica. The current insurance coverage with Medica was the 1750 Gold Plan with monthly premiums of \$1,892, which is no longer being offered so we moved to the comparable plan with Medica which is the 1850 Gold Plan with monthly premiums of \$2,123.

**Action Requested: Motion for approval of February payments as presented.**

# Crosby Housing & Redevelopment Authority

## 2026 Ratios

FASS Ratios	Max Pts	Scoring	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb
Quick Ratio	12	QR <1 =0-, QR >2 =12	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00
Months Expendable Net Assets	11	MENA <1.0= 0, ME >4 =11	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00
Debt Svc Coverage	2	DSC < 1 = 0, DSC >1.25 =2	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
<b>Total Points</b>	<b>25</b>		<b>25.00</b>										

MASS Ratios	Max Pts	Scoring	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb
Occupancy	16	O <90% =0, O >98% =16	16.00	16.00	16.00	16.00	16.00	16.00	16.00	16.00	16.00	16.00	16.00
Tenant Accounts Receivable	5	TAR <1%=5, TAR >2.5% =0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Accounts Payable	4	AP < .75 = 4, AP >1.5 =0	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
<b>Total Points</b>	<b>25</b>		<b>20.00</b>										

<b>Total of Above Ratios</b>	<b>50</b>		<b>45</b>										
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MASS Ratios	Max Pts	Scoring	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb
Timeliness of Obligation	5	>90% at OED = 5 <90% at OED = 0	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Occupancy Rate	5	OR <93% = 0, OR >96% =5 Must have 5 points or Capital Fund Troubled	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
<b>Total Points</b>	<b>10</b>		<b>10.0</b>										

## February 2026 Account Balances

Program/Account	Amount
Public Housing - Operating Checking	\$295,769.43
Public Housing - Security Deposit Savings	\$11,185.56
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	<b>\$306,954.99</b>
Edgewood - Operating Checking	\$81,926.33
Edgewood - Investment	\$873,865.05
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	<b>\$955,791.38</b>
Tenant Activity Fund	\$4,285.25

**Crosby HRA**  
**Operating Statement**  
**Eleven Months Ending 02/28/2026**  
**Program: C- 100 - Public Housing      Project: Dellwood & Family Units**

	<b>Period Amount</b>	<b>Period Budget</b>	<b>Period Variance</b>	<b>YTD Amount</b>	<b>YTD Budget</b>	<b>YTD Variance</b>	<b>Annual Budget</b>	<b>Remaining Budget</b>
<b>INCOME</b>								
3110.000 Dwelling Rental	23,030.00	21,684.17	1,345.83	246,971.00	238,525.83	8,445.17	260,210.00	(13,239.00)
3120.000 Excess Utilities	15.00	83.33	(68.33)	1,091.60	916.67	174.93	1,000.00	91.60
3401.000 Operating Subsidy	0.00	9,780.00	(9,780.00)	94,048.00	107,580.00	(13,532.00)	117,360.00	(23,312.00)
3402.000 Capital Fund Revenue	0.00	1,666.67	(1,666.67)	4,802.50	18,333.33	(13,530.83)	20,000.00	(15,197.50)
3610.000 Interest Revenue	54.02	41.67	12.35	672.31	458.33	213.98	500.00	172.31
3690.000 Other Income	57.96	333.33	(275.37)	980.19	3,666.67	(2,686.48)	4,000.00	(3,019.81)
3691.000 Other Tenant Revenue	1,202.00	1,500.00	(298.00)	11,448.87	16,500.00	(5,051.13)	18,000.00	(6,551.13)
3695.000 Laundry Revenue	338.00	333.33	4.67	3,670.00	3,666.67	3.33	4,000.00	(330.00)
<b>TOTAL INCOME</b>	<b>24,696.98</b>	<b>35,422.50</b>	<b>(10,725.52)</b>	<b>363,684.47</b>	<b>389,647.50</b>	<b>(25,963.03)</b>	<b>425,070.00</b>	<b>(61,385.53)</b>
<b>EXPENSES</b>								
<b>ADMINISTRATION</b>								
4110.000 Admin Salaries	2,413.89	2,583.75	169.86	27,885.29	28,421.25	535.96	31,005.00	3,119.71
4130.000 Legal	(234.00)	500.00	734.00	2,593.36	5,500.00	2,906.64	6,000.00	3,406.64
4140.000 Staff Training	114.50	33.33	(81.17)	2,089.48	366.67	(1,722.81)	400.00	(1,689.48)
4150.000 Travel	35.41	60.42	25.01	516.48	664.58	148.10	725.00	208.52
4171.000 Auditing Fees	0.00	445.00	445.00	5,114.27	4,895.00	(219.27)	5,340.00	225.73
4190.000 Other Admin	7.50	47.92	40.42	124.60	527.08	402.48	575.00	450.40
4191.000 Management Fees	4,766.67	4,766.67	0.00	52,433.32	52,433.33	0.01	57,200.00	4,766.68
4194.000 Office Supplies	743.26	150.00	(593.26)	2,736.07	1,650.00	(1,086.07)	1,800.00	(936.07)
4195.000 Membership Dues	0.00	29.17	29.17	297.20	320.83	23.63	350.00	52.80
4196.000 Telephone	88.35	58.33	(30.02)	580.76	641.67	60.91	700.00	119.24
4198.000 Advertising	20.70	83.33	62.63	358.20	916.67	558.47	1,000.00	641.80
4199.000 Postage	0.00	45.83	45.83	372.75	504.17	131.42	550.00	177.25
<b>TOTAL ADMINISTRATION</b>	<b>7,956.28</b>	<b>8,803.75</b>	<b>847.47</b>	<b>95,101.78</b>	<b>96,841.25</b>	<b>1,739.47</b>	<b>105,645.00</b>	<b>10,543.22</b>
<b>TENANT SERVICES</b>								
4210.000 Tenant Svcs Salaries	0.00	524.17	524.17	1,368.36	5,765.83	4,397.47	6,290.00	4,921.64
4230.000 Tenant Svcs Other	8.76	108.33	99.57	91.23	1,191.67	1,100.44	1,300.00	1,208.77
<b>TOTAL TENANT SERVICES</b>	<b>8.76</b>	<b>632.50</b>	<b>623.74</b>	<b>1,459.59</b>	<b>6,957.50</b>	<b>5,497.91</b>	<b>7,590.00</b>	<b>6,130.41</b>
<b>UTILITIES</b>								
4310.000 Water	1,141.15	1,241.67	100.52	11,308.04	13,658.33	2,350.29	14,900.00	3,591.96
4315.000 Sewer	1,825.80	1,958.33	132.53	17,715.16	21,541.67	3,826.51	23,500.00	5,784.84
4320.000 Electricity	4,002.14	2,187.50	(1,814.64)	18,395.13	24,062.50	5,667.37	26,250.00	7,854.87
4330.000 Gas	1,774.52	1,166.67	(607.85)	6,834.13	12,833.33	5,999.20	14,000.00	7,165.87
<b>TOTAL UTILITIES</b>	<b>8,743.61</b>	<b>6,554.17</b>	<b>(2,189.44)</b>	<b>54,252.46</b>	<b>72,095.83</b>	<b>17,843.37</b>	<b>78,650.00</b>	<b>24,397.54</b>
<b>MAINTENANCE</b>								
4410.000 Maintenance Labor	3,968.99	4,177.50	208.51	47,226.64	45,952.50	(1,274.14)	50,130.00	2,903.36
4420.000 Materials	2,276.52	1,416.67	(859.85)	16,901.47	15,583.33	(1,318.14)	17,000.00	98.53
4430.000 Contracts Costs	2,076.82	2,333.33	256.51	32,064.29	25,666.67	(6,397.62)	28,000.00	(4,064.29)
4431.000 Garbage and Trash	708.97	875.00	166.03	8,463.91	9,625.00	1,161.09	10,500.00	2,036.09
4432.000 Decorating Contract	494.30	1,333.33	839.03	22,491.03	14,666.67	(7,824.36)	16,000.00	(6,491.03)
4435.000 Grounds Contract	85.55	350.00	264.45	4,245.82	3,850.00	(395.82)	4,200.00	(45.82)
4445.000 Elevator Maintenance	0.00	500.00	500.00	2,652.00	5,500.00	2,848.00	6,000.00	3,348.00
4450.000 Plumbing/Heating	892.50	750.00	(142.50)	10,647.08	8,250.00	(2,397.08)	9,000.00	(1,647.08)
4455.000 Snow Removal	1,651.66	416.67	(1,234.99)	4,450.62	4,583.33	132.71	5,000.00	549.38
4456.000 Exterminating	68.00	166.67	98.67	730.00	1,833.33	1,103.33	2,000.00	1,270.00
4457.000 Janitor/Cleaning	1,043.00	1,125.00	82.00	10,203.23	12,375.00	2,171.77	13,500.00	3,296.77

	Period Amount	Period Budget	Period Variance	YTD Amount	YTD Budget	YTD Variance	Annual Budget	Remaining Budget
<b>EXPENSES</b>								
<b>TOTAL MAINTENANCE</b>	13,266.31	13,444.17	177.86	160,076.09	147,885.83	(12,190.26)	161,330.00	1,253.91
<b>OTHER</b>								
4510.000 Insurance	2,840.80	3,162.50	321.70	29,050.12	34,787.50	5,737.38	37,950.00	8,899.88
4520.000 Property Taxes	715.07	916.67	201.60	10,015.51	10,083.33	67.82	11,000.00	984.49
4540.000 Employee Benefits	1,831.06	2,400.84	569.78	24,110.48	26,409.16	2,298.68	28,810.00	4,699.52
4570.000 Collection Losses	0.00	500.00	500.00	0.00	5,500.00	5,500.00	6,000.00	6,000.00
4583.001 Lease Interest Exp	0.27	0.83	0.56	7.88	9.17	1.29	10.00	2.12
4590.000 Other Gen Exp	0.00	416.67	416.67	0.00	4,583.33	4,583.33	5,000.00	5,000.00
4595.001 Lease Amort Exp	30.84	31.25	0.41	339.24	343.75	4.51	375.00	35.76
<b>TOTAL OTHER</b>	<b>5,418.04</b>	<b>7,428.76</b>	<b>2,010.72</b>	<b>63,523.23</b>	<b>81,716.24</b>	<b>18,193.01</b>	<b>89,145.00</b>	<b>25,621.77</b>
<b>TOTAL EXPENSES</b>	<b>35,393.00</b>	<b>36,863.35</b>	<b>1,470.35</b>	<b>374,413.15</b>	<b>405,496.65</b>	<b>31,083.50</b>	<b>442,360.00</b>	<b>67,946.85</b>
<b>SURPLUS</b>	<b>(10,696.02)</b>	<b>(1,440.85)</b>	<b>(9,255.17)</b>	<b>(10,728.68)</b>	<b>(15,849.15)</b>	<b>5,120.47</b>	<b>(17,290.00)</b>	<b>6,561.32</b>

**Crosby HRA**  
**Operating Statement**  
**Eleven Months Ending 02/28/2026**  
**Program: C- 700 - HUD Multi-Family      Project: Edgewood**

	<b>Period Amount</b>	<b>Period Budget</b>	<b>Period Variance</b>	<b>YTD Amount</b>	<b>YTD Budget</b>	<b>YTD Variance</b>	<b>Annual Budget</b>	<b>Remaining Budget</b>
<b>INCOME</b>								
3110.000 Dwelling Rental	23,174.00	21,583.33	1,590.67	254,489.00	237,416.67	17,072.33	259,000.00	(4,511.00)
3120.000 Excess Utilities	35.00	162.50	(127.50)	1,828.00	1,787.50	40.50	1,950.00	(122.00)
3404.000 HAP Subsidy	11,154.00	12,333.33	(1,179.33)	125,264.00	135,666.67	(10,402.67)	148,000.00	(22,736.00)
3610.000 Interest Revenue	9,720.42	1,250.00	8,470.42	31,543.09	13,750.00	17,793.09	15,000.00	16,543.09
3690.000 Other Income	76.93	250.00	(173.07)	1,227.75	2,750.00	(1,522.25)	3,000.00	(1,772.25)
3691.000 Other Tenant Revenue	3,542.54	625.00	2,917.54	12,296.76	6,875.00	5,421.76	7,500.00	4,796.76
3695.000 Laundry Revenue	796.00	816.67	(20.67)	8,450.00	8,983.33	(533.33)	9,800.00	(1,350.00)
<b>TOTAL INCOME</b>	<b>48,498.89</b>	<b>37,020.83</b>	<b>11,478.06</b>	<b>435,098.60</b>	<b>407,229.17</b>	<b>27,869.43</b>	<b>444,250.00</b>	<b>(9,151.40)</b>
<b>EXPENSES</b>								
<b>ADMINISTRATION</b>								
4110.000 Admin Salaries	2,413.93	2,583.75	169.82	27,885.57	28,421.25	535.68	31,005.00	3,119.43
4130.000 Legal	0.00	250.00	250.00	1,798.00	2,750.00	952.00	3,000.00	1,202.00
4140.000 Staff Training	114.50	41.67	(72.83)	874.50	458.33	(416.17)	500.00	(374.50)
4150.000 Travel	35.42	62.50	27.08	443.74	687.50	243.76	750.00	306.26
4171.000 Auditing Fees	0.00	445.00	445.00	5,114.27	4,895.00	(219.27)	5,340.00	225.73
4190.000 Other Admin	35.63	47.92	12.29	190.44	527.08	336.64	575.00	384.56
4191.000 Management Fees	4,766.66	4,766.67	0.01	52,433.35	52,433.33	(0.02)	57,200.00	4,766.65
4194.000 Office Supplies	743.27	145.83	(597.44)	2,736.15	1,604.17	(1,131.98)	1,750.00	(986.15)
4195.000 Membership Dues	0.00	16.67	16.67	97.20	183.33	86.13	200.00	102.80
4196.000 Telephone	88.35	62.50	(25.85)	580.77	687.50	106.73	750.00	169.23
4198.000 Advertising	0.00	83.33	83.33	337.50	916.67	579.17	1,000.00	662.50
4199.000 Postage	0.00	37.50	37.50	374.12	412.50	38.38	450.00	75.88
<b>TOTAL ADMINISTRATION</b>	<b>8,197.76</b>	<b>8,543.34</b>	<b>345.58</b>	<b>92,865.61</b>	<b>93,976.66</b>	<b>1,111.05</b>	<b>102,520.00</b>	<b>9,654.39</b>
<b>TENANT SERVICES</b>								
4210.000 Tenant Svcs Salaries	0.00	786.25	786.25	2,052.53	8,648.75	6,596.22	9,435.00	7,382.47
4230.000 Tenant Svcs Other	8.75	20.83	12.08	91.22	229.17	137.95	250.00	158.78
<b>TOTAL TENANT SERVICES</b>	<b>8.75</b>	<b>807.08</b>	<b>798.33</b>	<b>2,143.75</b>	<b>8,877.92</b>	<b>6,734.17</b>	<b>9,685.00</b>	<b>7,541.25</b>
<b>UTILITIES</b>								
4310.000 Water	767.48	958.33	190.85	7,268.12	10,541.67	3,273.55	11,500.00	4,231.88
4315.000 Sewer	1,397.72	1,583.33	185.61	12,673.01	17,416.67	4,743.66	19,000.00	6,326.99
4320.000 Electricity	5,673.88	3,166.67	(2,507.21)	29,002.18	34,833.33	5,831.15	38,000.00	8,997.82
4330.000 Gas	2,758.08	1,416.67	(1,341.41)	9,082.96	15,583.33	6,500.37	17,000.00	7,917.04
<b>TOTAL UTILITIES</b>	<b>10,597.16</b>	<b>7,125.00</b>	<b>(3,472.16)</b>	<b>58,026.27</b>	<b>78,375.00</b>	<b>20,348.73</b>	<b>85,500.00</b>	<b>27,473.73</b>
<b>MAINTENANCE</b>								
4410.000 Maintenance Labor	3,969.03	4,177.50	208.47	47,227.08	45,952.50	(1,274.58)	50,130.00	2,902.92
4420.000 Materials	2,619.46	1,500.00	(1,119.46)	12,758.09	16,500.00	3,741.91	18,000.00	5,241.91
4430.000 Contracts Costs	1,185.85	1,916.67	730.82	24,148.91	21,083.33	(3,065.58)	23,000.00	(1,148.91)
4431.000 Garbage and Trash	320.38	483.33	162.95	3,497.24	5,316.67	1,819.43	5,800.00	2,302.76
4432.000 Decorating Contract	4,109.30	1,250.00	(2,859.30)	27,395.37	13,750.00	(13,645.37)	15,000.00	(12,395.37)
4435.000 Grounds Contract	128.33	458.33	330.00	1,574.67	5,041.67	3,467.00	5,500.00	3,925.33
4445.000 Elevator Maintenance	0.00	350.00	350.00	4,500.00	3,850.00	(650.00)	4,200.00	(300.00)
4450.000 Plumbing/Heating	0.00	541.67	541.67	2,302.60	5,958.33	3,655.73	6,500.00	4,197.40
4455.000 Snow Removal	2,477.50	541.67	(1,935.83)	6,675.94	5,958.33	(717.61)	6,500.00	(175.94)
4456.000 Exterminating	964.00	416.67	(547.33)	4,029.50	4,583.33	553.83	5,000.00	970.50
4457.000 Janitor/Cleaning	1,052.35	1,025.00	(27.35)	9,361.49	11,275.00	1,913.51	12,300.00	2,938.51
<b>TOTAL MAINTENANCE</b>	<b>16,826.20</b>	<b>12,660.84</b>	<b>(4,165.36)</b>	<b>143,470.89</b>	<b>139,269.16</b>	<b>(4,201.73)</b>	<b>151,930.00</b>	<b>8,459.11</b>

	Period Amount	Period Budget	Period Variance	YTD Amount	YTD Budget	YTD Variance	Annual Budget	Remaining Budget
<b>EXPENSES</b>								
<b>OTHER</b>								
4510.000 Insurance	2,172.83	2,347.50	174.67	23,901.13	25,822.50	1,921.37	28,170.00	4,268.87
4520.000 Property Taxes	630.59	770.00	139.41	9,939.52	8,470.00	(1,469.52)	9,240.00	(699.52)
4540.000 Employee Benefits	1,831.07	2,420.84	589.77	24,163.27	26,629.16	2,465.89	29,050.00	4,886.73
4570.000 Collection Losses	0.00	83.33	83.33	0.00	916.67	916.67	1,000.00	1,000.00
4583.001 Lease Interest Exp	0.27	0.83	0.56	7.88	9.17	1.29	10.00	2.12
4590.000 Other Gen Exp	0.00	416.67	416.67	0.00	4,583.33	4,583.33	5,000.00	5,000.00
4595.001 Lease Amort Exp	30.83	31.25	0.42	339.13	343.75	4.62	375.00	35.87
<b>TOTAL OTHER</b>	<b>4,665.59</b>	<b>6,070.42</b>	<b>1,404.83</b>	<b>58,350.93</b>	<b>66,774.58</b>	<b>8,423.65</b>	<b>72,845.00</b>	<b>14,494.07</b>
<b>TOTAL EXPENSES</b>	<b>40,295.46</b>	<b>35,206.68</b>	<b>(5,088.78)</b>	<b>354,857.45</b>	<b>387,273.32</b>	<b>32,415.87</b>	<b>422,480.00</b>	<b>67,622.55</b>
<b>SURPLUS</b>	<b>8,203.43</b>	<b>1,814.15</b>	<b>6,389.28</b>	<b>80,241.15</b>	<b>19,955.85</b>	<b>60,285.30</b>	<b>21,770.00</b>	<b>58,471.15</b>

**Crosby HRA  
Payment Summary Report  
February 2026**

<b>Doc. Date</b>		<b>Number</b>	<b>Payments</b>
02/01/2026	Delta Dental	ACH	\$126.66
02/03/2026	Reliance Standard Life	ACH	\$127.13
02/05/2026	Payroll for 02/05/2026	ACH	\$4,644.31
02/05/2026	Security Benefit	ACH	\$547.43
02/05/2026	Minnesota State	ACH	\$62.00
02/05/2026	Harpers Payroll Service	ACH	\$44.85
02/05/2026	Harpers Payroll Service	ACH	\$1,682.00
02/19/2026	Payroll for 02/19/2026	ACH	\$4,988.92
02/11/2026	Thompson, Brit	464	\$23.20
02/11/2026	Banks, Diana	465	\$24.43
02/11/2026	Dummer, Jeffrey	466	\$71.85
02/11/2026	Schommer, John	467	\$119.65
02/11/2026	Farnum, Steven	468	\$95.41
02/11/2026	Charpentier, Eric	469	\$23.20
02/04/2026	Minnesota Energy	120131	\$4,532.60
02/04/2026	Minnesota Power	120132	\$4,708.10
02/10/2026	All Surface	120133	\$325.00
02/10/2026	Cintas	120134	\$175.00
02/10/2026	City Of Crosby	120135	\$5,536.79
02/10/2026	Climate Makers	120136	\$892.50
02/10/2026	Crosby Ace Hardware	120137	\$149.97
02/10/2026	Crosby-Ironton Courier	120138	\$20.70
02/10/2026	Cuyuna Regional	120139	\$220.00
02/10/2026	DM Carpet LLC	120140	\$2,565.00
02/10/2026	Goodin Company	120141	\$443.55
02/10/2026	Granite Pest Control	120142	\$1,032.00
02/10/2026	Handyman's, Inc.	120143	\$213.88
02/10/2026	Home Depot Supply	120144	\$488.60
02/10/2026	Integrity Services Inc	120145	\$388.00
02/10/2026	Lakes Printing	120146	\$203.05
02/10/2026	Majestic Creations	120147	\$4,129.16
02/10/2026	MRI Software LLC	120148	\$75.00
02/10/2026	Office Shop	120149	\$74.99
02/10/2026	Old National Bank	120150	\$39.39
02/10/2026	Rise and Shine	120151	\$1,890.00
02/10/2026	Sherwin Williams	120152	\$788.70
02/10/2026	Strike Painting &	120153	\$1,050.00
02/10/2026	T-Mobile	120154	\$110.82
02/10/2026	Visa--Unity	120155	\$6,031.86
02/10/2026	Waste Partners Inc	120156	\$624.71
02/10/2026	Alpenglow Technologies	120157	\$582.75
02/10/2026	Labor Logic LLC	120158	\$9.75
02/12/2026	Servicemaster Clean of	120159	\$750.34

**Crosby HRA  
Payment Summary Report  
February 2026**

<b>Doc. Date</b>		<b>Number</b>	<b>Payments</b>
02/19/2026	Ctc-446126	120160	\$383.55
02/19/2026	Medica	120161	\$1,891.52
02/19/2026	Minnesota Power	120162	\$4,967.92
<b>Total</b>			<b>\$45,652.94</b>

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To: Crosby HRA Board Members  
 From: Diana Banks, Certified Housing Specialist  
 Date: March 1, 2026  
 Re: Housing Programs Report

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### **Tenant Activities Update**

Second Harvest Boxes: 9

Community Meals from Crosby Community Table and Emily Care’N Share: 360

Events: Study with Zed (4); Oak Street Chapel Band (12); Pest Control Presentation (5);

Valentine’s Sing Along with Deerwood Baptist (12).

### **Monthly Property Performance Stats for February 2026**

- Occupancy Rate: 100% Dellwood; 97% Edgewood; 100% Scattered Sites
- New Move-Ins: 1
- Move Outs: 2
- Annual Recertifications: 5
- Termination Notices: 3
- Work Orders Received: 109

### **Waiting Lists as of 2/28/2026**

1BR	2BR	3BR	4BR
73	33	16	7

### **Discussion Items**

- No discussion items this month

**Tenant Council summary for the month of February 2026**

No meeting held in February

Income and Expenses for the month of February

Coffee income: \$57.50	Coffee expense: \$62.50
Bingo income: \$56.00	Bingo expense: \$24.83
Potluck income: \$8.00	Potluck expense: \$32.23
Kitchen expense: \$4.57	Birdseed expense: \$21.95
	Misc. expense: \$73.60

Petty Cash for end of February: \$265.92

Checking for end of February: \$940.71

**OLD BUSINESS:**

Had our February Potluck on the 14th. There were 16 in attendance.

On February 14th, people from Deerwood Baptist Church came and sang for/with us. Was very good. About 12 tenants came to listen.

Had the other usual activities for the month.

Someone from the Granite Pest Control came and spoke.

**NEW BUSINESS:**

Bible Study will be held on the 3rd and 10th of March.

Potluck will be on March 14th at 1 p.m.

Oak Street Chapel Band will be on March 24<sup>th</sup>.



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To: Crosby HRA Board Members  
From: John Schommer, Rehab & Maintenance Director  
Date: March 4, 2026  
Re: Maintenance Update

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**Edgewood Apartments NSPIRE Inspection**

On March 5<sup>th</sup> we are scheduled to have an NSPIRE inspection for Edgewood Apartments. This will be our first inspection under the new protocol and is weighted very differently than the previous protocol. Staff will adjust how we prepare for the inspection which will likely include pre-inspecting tenant units.

**Public Housing NSPIRE Inspection**

On February 6<sup>th</sup> we received notice that our public housing would be inspected using the NSPIRE protocol and have scheduled the inspections for March 12<sup>th</sup>. Staff has been working diligently to get all of the units pre-inspected and repairs completed to prepare for them.

**Elevators**

Staff has reached out to Gordian to see if they can help resolve issues blocking us from utilizing Omnia Partners Cooperative Purchasing to establish a contract for A&E services with VDA to get the design work completed.

**No Action Requested; Discussion Items.**

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To: Crosby HRA Board Members  
From: Karen Young, Finance Director  
Date: March 4, 2026  
Re: Approval of Accounts Receivable Write-Off

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Per Crosby HRA policy, when an account remains unpaid for 90 days following the tenant's move out date with no repayment activity, the Finance Director shall obtain approval from the Board of Commissioner's to write-off those accounts. As such, we are requesting the approval to write-off all balances outstanding at 3/31/2026 in Accounts Receivable that remain unpaid 90 days following the tenant's move out date.

When feasible, these balances will be filed with the State of Minnesota for collection through the Revenue Recapture process. This process allows Housing Authorities to collect outstanding balances through any state return that the tenant is entitled.

**Action Requested: Approve the write-off of uncollectible Accounts Receivable for 2026.**

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To: Crosby HRA Board Members  
 From: Eric Charpentier, Executive Director  
 Date: March 13<sup>th</sup>, 2026  
 Re: Edgewood Operating Cost Adjustment Factor (OCAF) for 2026

The Operating Cost Adjustment Factor (OCAF) is an annual index established by HUD to adjust contract rents for eligible multifamily housing projects. It ensures that rental subsidies for Section 8 project-based properties keep pace with rising operating expenses. Typically HUD releases the upcoming year's adjustment in the late fall but HUD did not release their recommendations until February of this year. As the Edgewood apartments are part of the Section 8 new construction program the rent prices for those units are adjusted annually to reflect the OCAF increase.

Effective April 25<sup>th</sup>, 2026 the Edgewood apartment rents will be increased to \$603 for our 1 bedroom units and \$671 for our two-bedroom unit. This represents an approximate 4.9% increase to the rent amounts from 2025. These increases do not directly impact the majority of our tenants, only individuals that may have been at the previous contract rent and whose income is high enough to necessitate an increase up to the higher approved contract rent. The contract renewal was executed on 2/27/26 with all parties. Staff will send out notice to all Edgewood tenants with an explanation of the adjustment and annual HAP contract rent increase in accordance with HUD timelines and will be ready to be implemented by April 25<sup>th</sup>.

Unit Size	Current	Effective 4/25/2026
1-BR	\$575.00	\$603.00
2-BR	\$640.00	\$671.00

**No Action Requested.**

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Minnesota Housing  
400 Wabasha St. N  
Suite 400  
St. Paul, MN 55102

February 12, 2026

Eric Charpentier  
Housing and Redevelopment Authority of Crosby  
324 East River Road  
Brainerd, MN 56401

RE: Edgewood Apartments  
800010895 MN460003031  
Crosby, MN

Dear Eric Charpentier:

Thank you for renewing the annual funding for your Section 8 contract.

The United States Department of Housing and Urban Development (HUD) will provide funding in support of the 20th year in your 20-year Section 8 multi-year contract effective April 25, 2007. All provisions of the contract remain in effect during this funding period.

The funding increase will take effect on April 25, 2026, and end on April 24, 2027. Minnesota Housing anticipates that HUD will fund potential shortfalls during this renewal term.

The executed Rent Schedule will serve as Minnesota Housing Amendment No. 16 to your Section 8 HAP Contract.

Information Specific to Your Renewal

The Section 8 rents will be renewed at the following increased levels, based on the Operating Cost Adjustment Factor (OCAF), effective April 25, 2026:

Number of Units	Number of Bedrooms	Contract Rent	Utility Allowance	Gross Rent
60	1	\$603	\$00	\$603
1	2	\$671	\$00	\$671

You must give Non-Section 8 tenants a 30-day notice before you put this rent increase into effect, subject to the terms of their lease.

The following changes were made to your OCAF Worksheet:

Line Item Changed	Adjustment Made	Reason for Adjustment
Line N	Changed to 1.049	Based on the HUD FY26 Published OCAF for Minnesota effective 2/11/2026
Line O - R	Changed calculations based on the above change, resulting in an increase factor of 1.049	Based on the above change

This renewal was processed according to the Section 8 Renewal Policy Guidebook. The guidebook is available at [www.hud.gov/offices/adm/hudclips](http://www.hud.gov/offices/adm/hudclips) or by phone at 1-800-767-7468.

We appreciate your commitment to affordable housing. Please contact me if you have any questions.

Sincerely,

*LeAnn McGee*

LeAnn McGee  
 HAP Contract Officer  
 651-296-9846 or 800-657-3647  
 leann.mcgee@state.mn.us

Enclosures

Equal Opportunity Employer

# Rent Schedule Low Rent Housing

**U.S. Department of Housing  
and Urban Development**  
Office of Housing  
Federal Housing Commissioner

OMB Approval No. 2502-0012  
(exp. 11/30/2020)

See page 3 for Instructions, Public Burden Statement and Privacy Act requirements.

Project Name Edgewood Apartments	FHA Project Number	Date Rents Will Be Effective (mm/dd/yyyy) 04/25/2026
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**Part A – Apartment Rents**

Show the actual rents you intend to charge, even if the total of these rents is less than the Maximum Allowable Monthly Rent Potential.

Col. 1 Unit Type  (Include Non-revenue Producing Units)	Col. 2 Number of Units	Contract Rents		Col. 5 Utility Allowances  (Effective Date (mm/dd/yyyy) ___/___/___)	Col. 6 Gross Rent (Col. 3 + Col. 5)	Market Rents (Sec. 236 Projects Only)	
		Col. 3 Rent Per Unit	Col. 4 Monthly Contract Rent Potential (Col. 2 x Col. 3)			Col. 7 Rent Per Unit	Col. 8 Monthly Market Rent Potential (Col. 2 x Col. 7)
1 BR	60	603	36,180	0	603		0
2 BR	1	671	671	0	671		0
			0		0		0
			0		0		0
			0		0		0
			0		0		0
			0		0		0
			0		0		0
			0		0		0
			0		0		0
			0		0		0
<b>Total Units</b>	<b>61</b>	<b>Monthly Contract Rent Potential (Add Col. 4)*</b> \$36,851				<b>Monthly Market Rent Potential (Add Col. 8)*</b> \$0	
		<b>Yearly Contract Rent Potential (Col. 4 Sum x 12)*</b> \$442,212				<b>Yearly Market Rent Potential (Col. 8 Sum x 12)*</b> \$0	

\* These amounts may not exceed the Maximum Allowable Monthly Rent Potential approved on the last Rent Computation Worksheet or requested on the Worksheet you are now submitting. Market Rent Potential applies only to Section 236 Projects.

**Part B – Items Included in Rent**

**Equipment/Furnishings in Unit** (Check those included in rent.)

- |  |  |                                |
|--|--|--------------------------------|
| <input checked="" type="checkbox"/> Range        | <input type="checkbox"/> Dishwasher        | <input type="checkbox"/> _____ |
| <input checked="" type="checkbox"/> Refrigerator | <input checked="" type="checkbox"/> Carpet | <input type="checkbox"/> _____ |
| <input type="checkbox"/> Air Conditioner         | <input type="checkbox"/> Drapes            | <input type="checkbox"/> _____ |
| <input type="checkbox"/> Disposal                | <input checked="" type="checkbox"/> Blinds | <input type="checkbox"/> _____ |

**Utilities** (Check those included in rent. For each item, (even those not included in rent), enter E, F, or G on line beside that item)  
E=electric; G=gas; F=fuel oil or coal.

- |  |  |   |
|--|--|---|
| <input checked="" type="checkbox"/> Heating <u>G</u> | <input checked="" type="checkbox"/> Hot Water <u>E</u> | <input checked="" type="checkbox"/> Lights, etc. <u>E</u> |
| <input type="checkbox"/> Cooling _____               | <input checked="" type="checkbox"/> Cooking <u>E</u>   | <input type="checkbox"/> _____                            |

**Services/Facilities** (check those included in rent)

- |   |                                |   |
|---|--------------------------------|---|
| <input checked="" type="checkbox"/> Parking | <input type="checkbox"/> _____ | <input type="checkbox"/> Nursing Care       |
| <input checked="" type="checkbox"/> Laundry | <input type="checkbox"/> _____ | <input type="checkbox"/> Linen/Maid Service |
| <input type="checkbox"/> Swimming Pool      | <input type="checkbox"/> _____ | <input type="checkbox"/> _____              |
| <input type="checkbox"/> Tennis Courts      | <input type="checkbox"/> _____ | <input type="checkbox"/> _____              |

**Part C – Charges in Addition to Rent (e.g., parking, cable TV, meals)**

Purpose	Monthly Charge
Tank Heater/Auto Plug In	\$ 6
Air Conditioner	\$ 10
Freezer	\$ 5
	\$
	\$
	\$
	\$ 21

**Part D – Non-Revenue Producing Space**

Col. 1 Use	Col. 2 Unit Type	Col. 3 Contract Rent
N/A		
<b>Total Rent Loss Due to Non-Revenue Units</b>		\$ 0

**Part E – Commercial Space (retail, offices, garages, etc.)**

Col. 1 Use	Col. 2 Monthly Rent Potential	Col. 3 Square Footage	Col. 4 Rental Rate Per Sq. Ft. (Col. 2 divided by Col. 3)
N/A			
		\$ 0	<b>Total Commercial Rent Potential</b>

**Part F – Maximum Allowable Rent Potential**

<b>Enter Maximum Allowable Monthly Rent Potential From Rent Computation Worksheet (to be completed by HUD or lender)</b>	\$ _____
--	----------

**Part G – Information on Mortgagor Entity**

Name of Entity

Housing and Redevelopment Authority of Crosby

Type of Entity

- Individual       General Partnership       Joint Tenancy/Tenants in Common       Other (specify)
- Corporation       Limited Partnership       Trust

**List all Principals Comprising Mortgagor Entity:** provide name and title of each principal. Use extra sheets, if needed. If mortgagor is a:

- corporation, list: (1) all officers; (2) all directors; and (3) each stockholder having a 10% or more interest.
- partnership, list: (1) all general partners; and (2) limited partners having a 25% or more interest in the partnership.
- trust, list: (1) all managers, directors or trustees and (2) each beneficiary having at least a 10% beneficial interest in the trust.

Name and Title

**Part H – Owner Certification**

To the best of my knowledge, all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.  
**Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name and Title

Eric Charpentier

Executive Director

Authorized Official's Signature

Signed by:  Date (mm/dd/yyyy) 2/27/2026 | 3:26:27 PM CST  
3916826D406D4CC...

**Part I – HUD/Lender Approval**

Addendum Number

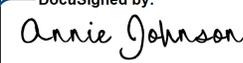
MHFA - 16

HAP Contract Number

MN460003031

Exhibit Number

Branch Chief/Lender Official Signature

DocuSigned by:  Date (mm/dd/yyyy) 2/27/2026 | 5:01:57 PM CST  
82074B5F43E64B7...

Director, Housing Management Division Signature

DocuSigned by: Loan Servicer Signature

 Date (mm/dd/yyyy) 2/27/2026 | 3:38:24 PM CST  
7D21A4E07194449...

Signed by:

 Date (mm/dd/yyyy) 2/27/2026 | 5:03:35 PM CST  
15FD0A86423C42A...



**EXHIBIT A**

**IDENTIFICATION OF UNITS (“CONTRACT UNITS”)  
BY SIZE AND APPLICABLE CONTRACT RENTS**

Section 8 Contract Number: MN460003031

FHA Project Number:

Effective Date of the Rent Increase: 4 / 25 / 2026

<u>Number of Contract Units</u>	<u>Number of Bedrooms</u>	<u>Contract Rent (\$)</u>	<u>Utility Allowance</u>	<u>Gross Rent</u>
60	1	\$603	\$00	\$603
1	2	\$671	\$00	\$671



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To: Crosby HRA Board Members  
From: Eric Charpentier, Executive Director  
Date: March 10<sup>th</sup>, 2026  
Re: Crosby Shared Services Agreement

---

In 2013 the Crosby HRA entered into a shared services agreement with the Brainerd HRA to implement and conduct the day-to-day business of the agency. This shared services contract continues to renew on a yearly basis unless there are updates to that agreement. We have updated the services agreement for 2026 to reflect an increase in funding to the Brainerd HRA which per the agreement and approved budget will now total \$121,260 annually which represents a 6% increase from the previous year.

I have attached a draft of the updated services agreement that reflects the current compensation amount.

We will continue to update the agreement when there are changes to the scope of work or compensation and make sure to get this to the board for approval in those instances.

**Recommendation: Authorize the Executive Director to execute Resolution 2026-04 the updated shared services agreement between the Crosby HRA and the Brainerd HRA.**

**AGREEMENT FOR SERVICES  
Brainerd HRA and Crosby HRA**

This Agreement made this 25<sup>th</sup> day of February, 2026, by and between the Brainerd Housing and Redevelopment Authority (Brainerd HRA), and the Crosby Housing and Redevelopment Authority (Crosby HRA).

WITNESSETH that whereas, the Brainerd HRA administers Public Housing, Housing Choice Voucher, Tax Increment Financing Districts and redevelopment projects; and

WHEREAS, the Crosby HRA has requested the Brainerd HRA to assist it in satisfying its need for staffing its Public Housing and Section 8 New Construction housing projects and the Brainerd HRA has expressed a willingness to work with the Crosby HRA, on a contract basis, to facilitate the Crosby HRA's request according to the term described herein;

NOW, THEREFORE, in consideration of the premises and promises herein contained, the parties agree as set forth below.

1. **TERM:** The term of this agreement shall be for a period one-year commencing on the 1<sup>st</sup> day of April, 2026 and terminating on the 31<sup>st</sup> day of March, 2027. This agreement shall automatically renew for successive one-year terms there after unless one of the parties hereto provides at least 60-day notice of its intent to terminate this agreement at the end of the then current term. However, either party may terminate this agreement for any reason upon sixty (60) day advance written notice. In the event either party terminates this agreement before its expiration, any fees owed to the Brainerd HRA will be prorated through the last day of the 60-day termination period.
2. **NOTICES:** All written notices between the parties (including billing) will be addressed as follows:

**Brainerd HRA**  
Attention: Executive Director  
324 East River Road  
Brainerd, MN 56401

**Crosby HRA**  
Attention: Board of Directors  
300 3<sup>rd</sup> Avenue NE  
Crosby, MN 56441

3. **SERVICES:** The Brainerd HRA shall perform all services previously performed by the Crosby HRA Executive Director including supervision of Administrative Staff, Housing Management Staff, Maintenance Staff, Tenant Activities and coordination with the Crosby HRA Board.
4. **COMMITMENT OF TIME:** The Brainerd HRA will allocate time per week of the positions of Executive Director, Finance Director, Maintenance and Rehab Director, Housing Manager and Accounting Specialist and additional staff as needed. It is acknowledged by both parties that the time spent by the Brainerd HRA will change from week to week depending upon the requirements of each of the respective organizations, and that cooperation and flexibility in arranging and scheduling time will be of primary importance.
5. **INSURANCE:** The Brainerd HRA will maintain workers compensation, liability insurance and health insurance at its customary limits for its operations. The Crosby HRA will maintain liability insurance for its operations, including all work performed by the Crosby HRA, and will carry its own Errors and Omissions policy all at its customary limits.

6. COMPENSATION: The Crosby HRA shall pay to the Brainerd HRA for services a total of \$121,260 annually, which will be disbursed monthly at \$10,105 during the contract period from April 1, 2026 through March 31, 2027.
7. TRAVEL: Brainerd HRA staff will be reimbursed at the IRS mileage rate, or the current rate set by the Crosby HRA, for traveling to and from Crosby or to some other destination on behalf of the Crosby HRA. Mileage will be documented by staff.
8. EMPLOYMENT: The Brainerd HRA staff shall remain employees of the Brainerd HRA. Without limiting the generality of the foregoing, the parties agree as follows:
  - a. The Crosby HRA will employ a Housing Specialist, Maintenance Engineer, Maintenance Specialist, and Tenant Activities Coordinator and will continue to employ these positions if needed during the term of this contract to ensure the agency runs efficiently. The Crosby HRA will be liable for all wages, employer payroll taxes and other compensation and benefits.
  - b. The Brainerd HRA shall be liable for all wages and other compensation and benefits due to the Brainerd HRA employees. The Brainerd HRA shall be responsible for collecting, remitting and reporting employment and withholding taxes related thereto and for all workers' compensation coverage, unemployment, and retirement contributions for its own employees.
  - c. The Brainerd HRA employees shall be considered to be acting in the course of their employment with the Brainerd HRA at all times they are serving either Brainerd HRA or Crosby HRA, including any time spent in traveling to or from either location or traveling elsewhere on behalf of either party.
9. INDEMNIFICATION: The Crosby HRA agrees to indemnify, save and hold harmless and defend the Brainerd HRA, its employees, board members and agents from any and all claims, demands, action or causes of any nature arising out of or by reason of the execution of the services provided for herewith. The Brainerd HRA will hold harmless and indemnify the Crosby HRA, its officers, employees and agents, against any claims, losses, liabilities, damages, costs and expenses for claims as a result of any damages arising out of the Brainerd HRA's performance under this Agreement.
10. CONFIDENTIALITY: Each party recognizes and acknowledges that the Brainerd HRA employees will have access to certain confidential information of the other party, including but not limited to non-public data relating to employees and/or facilities and operations of each party. Each party will treat as confidential all confidential information of the other party; will implement reasonable procedures to prohibit the disclosure, unauthorized duplication, use misuse or removal of the other party's confidential information; and will comply with the provisions of the Minnesota Data Practices Act and all applicable federal laws and HUD requirements.
11. NO PARTNERSHIP OR JOINT VENTURE: The Brainerd HRA is an independent Contractor and nothing herein contained shall be construed to create the relationship of an employer and employee between Crosby HRA and the Brainerd HRA or their agents, servants or employees. The Brainerd HRA shall at all times be free to exercise initiative, judgment and discretion as to how to best perform or provide services. The Brainerd HRA acknowledges and agrees that the

Brainerd HRA, their agents, servants and employees, are not entitled to receive any of the benefits received by Crosby HRA employees and is not eligible for workers' or unemployment compensation benefits.

12. NO THIRD PARTY BENEFICIARIES: Nothing in this Agreement is intended to confer rights or remedies under or by reason of this Agreement on any person, other than the parties hereto. Nothing in this Agreement is intended to relieve or discharge the obligations or liabilities of any third persons to any party hereto or to give any third party any right of subrogation or action over or against any party hereto.
13. ASSIGNMENT PROHIBITED: This Agreement may not be assigned by either party for any purpose without the prior written consent of the other party.
14. SEVERABILITY: The provisions of this Agreement shall be deemed severable. If any part of this Agreement is rendered void, invalid, or unenforceable, such rendering shall not affect the validity and enforceability of the remainder of this Agreement unless the part or parts that are void, invalid or otherwise unenforceable shall substantially impair the value of the entire Agreement with respect to either party.

IN WITNESS WHEREOF, the undersigned have caused this Agreement to be executed:

**Crosby HRA**

**Brainerd HRA**

\_\_\_\_\_  
Board Chairperson                      Date

\_\_\_\_\_  
Executive Director                      Date

HOUSING AND REDEVELOPMENT AUTHORITY  
IN AND FOR THE CITY OF CROSBY

RESOLUTION NO. **2026-04**

RESOLUTION APPROVING AGREEMENT FOR PROFESSIONAL SERVICES  
BETWEEN THE HOUSING AND REDEVELOPMENT AUTHORITY IN AND  
FOR THE CITY OF BRAINERD AND THE HOUSING AND  
REDEVELOPMENT AUTHORITY IN AND FOR THE CITY OF CROSBY

BE IT RESOLVED By the Board of Commissioners ("Board") of the Housing and Redevelopment Authority in and for the City of Crosby ("Authority") as follows:

Section 1. Recitals.

1.01. The Authority is a housing and redevelopment authority governed by Minnesota Statutes, Sections 469.001 to 469.047 ("HRA Act"), and has determined to carry out housing and redevelopment activities within Crosby (the "Authority") pursuant to the HRA Act.

1.02. The Authority and The Housing and Redevelopment Authority in and for the City of Brainerd have proposed to enter into an Agreement for Professional Services (the "Agreement"), setting forth the scope and terms of various housing and redevelopment activities to be performed by the Authority on behalf of the Housing and Redevelopment Authority in and for the City of Crosby.

1.03. The Board has reviewed the Agreement and found that the execution thereof and performance of the Authority's obligations thereunder are in the public interest and will further the objectives of its general plan of housing and redevelopment, because it will further the above-stated redevelopment goals of the City and County.

Section 2. Authority Approval; Further Proceedings.

2.01. The Agreement as presented to the Board, including the terms of payment by the Authority for the Services described therein, is hereby in all respects approved, subject to modifications that do not alter the substance of the transaction and that are approved by the Chair and Executive Director, provided that execution of the documents by such officials shall be conclusive evidence of approval.

2.02. The Chair and Executive Director are hereby authorized to execute on behalf of the Authority the Agreement and any documents referenced therein requiring execution by the Authority, and to carry out, on behalf of the Authority, its obligations thereunder.

2.03. Authority staff are authorized and directed to take all actions to implement the Agreement.

Approved by the Board of Commissioners of the Housing and Redevelopment Authority in and for the City of Crosby this 10th day of March, 2026.

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*Chair – Paula Traylor*

ATTEST:

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*Executive Director – Eric Charpentier*