

## **Finland Home Solutions Monthly Meeting**

## **Minutes**

**Wednesday, April 9, 2025, 5:30-7:30pm**

**Clair Nelson Community Center - Finland, MN**

### **I. April's Regular Meeting to order called to order at 5:30 p.m.**

- A. Welcome
- B. In attendance: Rachel Clark, Stacy Breden, BJ Kohlstedt, Sara Mayer, Jenna Pollard, Nancy Anselment Olson, Jonathan Beauchamp, David Slim Steffins, Charlotte Hughes, Philip Brayley, Lise Abazs (online), Meghan Mitchell (online), Colby Abazs (online)
- C. Review agenda and approve any additions or changes in order

### **II. Approve Past Meeting Minutes**

- A. Regular March Monthly Meeting 3/12/25
  - 1. Move to Approve: Rachel Clark, 2nd: Sara Mayer, passed by unanimous consent
- B. Unofficial Meeting Notes 3/31/25 - Septic Alternatives Team
  - 1. Move to Approve: Rachel Clark, 2nd: Sara Mayer, passed by unanimous consent
- C. Unofficial Meeting Notes 4/2/25 - Call with Land Access Alliance
  - 1. Move to Approve: Rachel Clerk, 2nd: BJ Kohlstedt, passed by unanimous consent
- D. Unofficial Meeting Notes 4/8/25 - Community Land Trust
  - 1. Move to Approve: Rachel Clark, 2nd: BJ Kohlstedt, passed by unanimous consent

### **III. Guest Speaker: Dave Berglund, Real Estate Development Director, Northcountry Cooperative Foundation. (5:30-6:00pm)**

- A. Topic: Cooperative Housing and Resident-Owned Communities
- B. Link: <https://northcountryfoundation.org/housing-coops>

#### **Introduction:**

- North Country Cooperative Foundation is celebrating its 25th anniversary and is in the process of changing its name to CoNorth.
- The organization provides technical assistance (grants, etc.) to help develop housing opportunities using manufactured homes on cooperatively owned land.
- Have transitioned 16 parks to resident cooperative ownership in MN & WI. These were owned originally by investors or family businesses. Looks for willing sellers and works with them as an exit strategy.
- Currently developing 10 acres, with 50-60 homes, \$100-300K cost for home, 1K-2K square feet each. Individuals purchase homes at cost and their investment appreciates with the market. Resident cooperative owns and manages the land and any shared utilities/septic if there is not city sewer/water. These are energy efficient manufactured homes, net zero ready, which could be off the grid with purchase of solar power.

Question: How have manufactured homes changed over the years?

- New homes have been built better since 1976 with HUD code standards.
- Similar to sheetrock homes, sturdy with specs for high efficiency. It Looks like a stick-built home (porches, amenities). They have come a long way in style and comfort
- Manufactured homes have steel chassis, different from Modular homes which are wood-framed.
- The organization has a home dealer license so it can buy direct from manufacturers. Homes are delivered at cost, making financing affordable.
- The manufactured home industry has taken advantage of poorer people, but this model tries to counter that. Homes are private property so can be mortgaged at standard interest rates.

Question: Does Finland have an existing development that could be a potential site?

- Status of Roses Road trailer park - all but one trailer have been removed in the past 3 years, with plans to change to a campground.

Question: Tiny homes?

- This organization doesn't work with tiny homes, which are smaller than they want to deal with for this model.

Question: How does this compare to the land trust model?

- Similar, but the land is owned and managed by the community residents through a cooperative rather than an outside nonprofit organization.

Question: Any policies to manage the rate of appreciation of homes?

- The price is set by the cooperative. Land prices generally don't increase very much. House prices increase with the market. Manufactured houses are now MLS listed.

Question: Where are the homes manufactured?

- The organization's office is in St Paul.
- Scholt Homes, Redwood Falls
- Champion Homes, Worthington
- Friendship Homes, Montevideo

Question: What scale is feasible for our very rural area & identity?

- Up to 300 homes.
- Minimum of 25 homes for the lowest number that will work for a cooperative so enough people can be board members and there is a broad enough range of interests and capabilities.

Question: Do all homes have to be on the same property?

- Keep the infrastructure costs low by keeping things dense
- 50-60 homes on 10 acres of land.

Question: Where is the most rural area this has been done?

- Prefer city water & sewer
- Will do a cooperative septic system if necessary.

Question: Zoning issues?

- In a gray area, using old tools combined in a new way.
- Planned development zoning allows manufactured homes. Needs approval from Council, but most cities allow because there are so few other alternatives.

Question: How to acquire land for new construction?

- IV. **Coordinator Update:** Stacy Breden will facilitate next month's regular meeting Wed. 5/7/25 due to Rachel Clark being out of town attending conference for other job.

A. Annie also offering some additional support through Americorps hours

- V. **Township Clerk & Treasurer Updates:** Stacy & Lise

*As teams continue to work and meet bi weekly to plan what is attainable for the bigger picture, keep in mind the Steering Committee needs to have a direction to present to the Township at the May 20th Meeting. (Currently Contractuals are set to expire June 30th, 2025)*

- A. New short-term vacation rental application (*moving C.Bay to possibly 8*)?
- B. Potential home sale in Murphy City - County wants to get rid of it, not worth much, has a shared well, not in Crystal Bay, if anyone has any proposal on how that could be an opportunity let Rachel know.
- C. Steering Committee contract explained.
- D. Website update - new housing tab on Crystal Bay Township website with history, minutes, etc.
- E. The Town Treasurer reviewed the financial report of total housing projects and grants.
  - 1. Discussed areas to pursue for more bang for our buck.
    - a) Current contracts go through June, but current funds will last longer.
    - b) Established new BUDGET to last through July: Coordinator 140 H \$3500, Secretary 40 H \$1000, Per diem & mileage \$500/mo, Work Groups \$1000 @. Town overhead \$740 plus any additional Age-Friendly grant funds that are still available (possibly up to \$2500)
  - 2. Clerk Breden will update and amend Contracts as necessary.

- VI. **County Team Update:** (BJ, Sarah, Colby, Annie, Rachel, Ursula)

- A. Rachel Clark & BJ Kohlstedt attended Lake County Planning Commission Meeting Monday 3/17 to give public comment on short-term vacation rental at 5758 Little Marais Road

- 1. Thank you Stacy & Colby for feedback on statement
- 2. Permit was approved, number 7 of 9 short-term vacation rentals in CBT

- Cities donate land to encourage affordable housing. St Peter is doing this but the available location between industrial and residential sites is problematic so may purchase different land.

Question: Any income eligibility guidelines?

- Open for anybody at any income level, if using grants then there may be income restrictions.
- The highest need is for elders and first time home buyers.
- Goal is maximum durability, efficiency.

Question: Does this model address issues that have been identified with the land trust model?

- How to acquire land,
- Who owns and manages,
- How to accommodate "clustered buildings" in 5 acre zoning.
- Do a side by side comparison of cooperative and land trust to identify which could work best in particular situations.
- The organization has a drafts person who could draw a concept map of how it would fit in a particular site or community area.

Question: Can this project be phased? Start with a few houses and grow incrementally?

- Any of these projects can be phased in.
- Place the home as a spec home, market on MLS for realtors to show buyers.
- Start with 5 homes at a time, shared septic would be tricky but could have smaller systems for groups of homes rather than one large one for the whole development.

Question: Is there a possibility of it not being an open market since the expensive market is part of what the issue is in our area?

- Cooperative rules and values are decided by resident owners,
- No rentals allowed, only owner-occupied homes.

Question: Could the rentals rule be more flexible, since we actually need more rental in the area for those not ready to purchase?

- Think about the housing cluster with the needs of existing homeowners in mind.
- Maybe residents move into this cooperative and their original home becomes available for rent.

Discussion:

- Tangible directions our project may take that feel doable:
  - Make a sketch of this option with specifics to get responses from the community. Use an imaginary or visionary description (biking distance from downtown, artistic breakout of 40 acres, etc). Sample floor plans to show what houses might work like. Don't get caught up in the realistic options at this stage.
  - Do a needs assessment or market research with actual numbers and scenarios.

Ursula shared "precedents" of clusters of housing

We should have a work session where a smaller group meet with Ursula and Bella Ngo (MDC staff member) to discuss and comment on these images. Diagrams, views, landscape, etc. Photoshop or from scratch drawings. Include one-story and ADA homes. Universal design incorporated. Considerations: single story, and spaces easy/efficient/affordable to heat.

3. Connected and started building relationships with new owners - they couldn't do long term rental since they have plans to live there partially throughout the year.
4. Do we want to continue attending as permits arise?
- B. Applications for Lake County Planning Commission volunteer seat - updates
  1. Open through May, looking for full and alternate members.
  2. Sarah Mayer has applied, Colby is in process.
- C. Lake County HRA:
  1. Rachel Clark contacted Matt Johnson, Lake County HRA to request meeting 3/28, followed up 4/7 (he was on vacation) - he will join our meeting in May, and
  2. is open to meeting with us before then to start building relationships. Who would be interested in meeting with him initially to inform what each of our groups is doing (Rachel, BJ, Jenna, Meghan, Colby, Ursula). HRA has the funds to get projects done. Nearing completion of their project in TH, then funds will be reinvested in another project, could Finland be the next one?
  3. MOTION to send at least one representative of Finland Home Solutions Steering Committee Representative to Lake County HRA board meetings beginning in May, Move to Approve: Rachel Mayer, Second: BJ Kohlstedt, Passed by Unanimous Consent  
Rachel paid by contract, anyone else paid stipend & mileage.
    - a) Second Wednesdays at 6pm, Split Rock River Room, 616 3rd St, Two Harbors
- D. Application for septic variance - BJ?

VII. **Septic Alternatives Team Update:** (Sarah, Charlotte, Slim, Annie, Rachel, Ursula, Colby, Jonathan)

- A. Ursula Lang (UMN) contacted David Gustafson to request a meeting on the week of April 7 or April 14 to discuss leveraging the involvement of the UMN to help advance some of the project ideas and next steps.
  1. UPDATE: Waiting to hear back; David Abazs may need to do the introduction.
  2. Should Ursula/UMN Team develop rough scope for University contributions to this effort? Using notes from previous meetings, the University could do the research, find the experts, sample ordinances, examples or new innovations.
- B. Highlights from meeting Monday 3/31: agreed on our mission and committed to initial steps, which were mostly information gathering + taking inventory (esp name, address, story - maybe Nancy's or BJ's story)
- C. Next Septic Alternatives Team Meeting: Monday 4/21, 5:30-6:30pm, zoom

VIII. **Community Land Trust Team Update:** (BJ, Lise, Meghan, Rachel, Ursula)

- A. Rachel contacted Island Housing Trust (Maine) to ask if they have homes on septic and well, and if so, inquired about setting up a zoom meeting to discuss. <https://www.islandhousingtrust.org/>. Findings:

1. Several of the homes in their housing trust utilize individual (not shared, except on Duplexes using a "condo" agreement that is 30+pages with mediation agreement, not low-income solution) septic systems and wells. Wells and septic systems are sold to the homeowner as "improvements" to the land, along with the home. Buyer is responsible for maintaining the home, well, and septic.
  2. They have purchased some land in partnership with a large land trust, Maine Coast Heritage Trust. MCHT purchased land for wetland conservation and sold the developable land to the housing trust, which built a neighborhood for year-round residents. (Could be a model for collaboration between LAA and a CLT).
  3. They would be happy to meet with our group to discuss further.
- B. Discussion: pros and cons of creating a Community Land Trust nonprofit in Finland/Crystal Bay Township - starting a nonprofit is easy, keeping it going is hard. Order of priority:
1. Go back to One Roof and see if they would reconsider working in our community if we provide models and legal options.
  2. Wait to see how things emerge with LAA.
  3. Create our own organization.
  4. Also see if HRA has any resources to help with acquiring property for this model.

**IX. Momentum Team Update: (Rachel, Meghan, Tracy)**

- A. Met with Land Access Alliance, Wed 4/2 to make introductions and explore collaboration
- B. Outcomes: LAA may incorporate some of the ideas from Finland Home Solutions into their Bush Foundation grant application, but will NOT list FHS as a partner.
  1. Specific ideas: workforce housing for seasonal agricultural workers, land trust (although they are currently more focused on land access for agricultural purposes than for housing purposes)
  2. Finland Home Solutions expressed interest in writing a letter of support for their application. Housing is not the primary mission of LAA but is necessary as part of the overall vision. Finland Food Chain is supporting the proposal.
  3. Rachel will share a draft application for the group to review.
  4. MOTION for FHS to provide a letter of support to LAA grant proposal to the Town Board for signature. Motion to Approve: Rachel Clark, Second: Sarah Mayer, Passed by Unanimous Consent (*Clerk Notes for April's 15ths meeting the letter needs to be to her by Friday 4/11 at Noon to prepare for presentation to the Town Board*)
- C. Discussion: potential options may be to seek additional grant funding and stay under the township, or find a new home for some or all of our projects
  1. There is some push back from some Township supervisors to drop support of the housing project. It would be good for steering committee

members to come to Township meetings to show support for keeping Township involvement in housing issues.

2. It may be best for many reasons to find a new home for the housing project, but Township support will be important for opportunities that may come up that require governmental involvement, so maintaining some form of Township/housing relationship is important.

D. ESMC has a grant library as a resource but does not write the grants.

1. ESMC Grants Library, see this website for instructions and link to spreadsheet which is being updated as best we can:

<https://www.cts.umn.edu/programs/empoweringcommunities/grantslibrary>

E. Proposal: schedule at least one meeting in April to plan how our work will continue... it's time to move forward to action planning.

X. **Dream Team Update ("Very Finland Home Solutions"):** (Colby, Nancy, Annie, Rachel, Ursula)

A. MDC Initial research: Precedents document 04/09:

[https://drive.google.com/file/d/1vckNzkclfDOiUU9wV-ZWg-rB\\_uCQejuX/view?usp=drive\\_link](https://drive.google.com/file/d/1vckNzkclfDOiUU9wV-ZWg-rB_uCQejuX/view?usp=drive_link) This is a very initial stab to generate first feedback and considerations.

B. Proposal: schedule group meeting in April to clarify the vision, which can then be sent to UMN designers for them to create a first draft

XI. **Additional Topics:**

A. Local Contractors Directory:

1. Seeking a leader to champion this project
  - a) Jonathan already has a lot of the necessary information. Annie and Meghan are willing to collaborate to help organize.

B. Steven George - Zoning Variance, Duplex

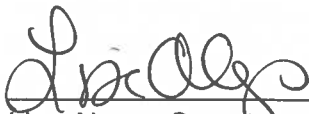
1. Can someone call or chat with him by our next meeting to see where he's at with this and ask how our group can support him?
  - a) Slim will talk to him if he crosses paths.
  - b) Colby also. "I talked with him at length during the St Urho parade and right now he doesn't have much capacity but in a year or two would be interested in a conversation with us."

XII. **Next Regular Meeting: Wednesday, 5/7/25 from 5:30-7:00 pm, Clair Nelson**

XIII. **Meeting Adjourned @7:48 p.m.** Motion to Adjourn: Rachel Clerk, Second: Sarah Mayer, Passed by unanimous Consent

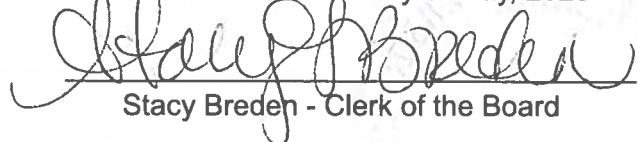


Rachel Clark - Outreach Coordinator



Lise Abazs- Secretary

Attested to this 7th day of May, 2025

  
Stacy Breden - Clerk of the Board

