



Monday, May 18, 2020
7:00 pm

THIS MEETING WILL BE CONDUCTED BY TELEPHONE PURSUANT TO MINNESOTA STATE STATUTE 13D.021 **RATHER THAN IN-PERSON AT THE EDA's REGULAR MEETING LOCATION AT CITY HALL, 5200 85th AVE. N., BROOKLYN PARK, MN.** PRESIDENT JEFFREY LUNDE WILL BE PRESENT IN THE COUNCIL CHAMBERS AND OTHER COMMISSIONERS WILL BE PARTICIPATING BY TELEPHONE.

Members of the public can monitor the EDA meeting by listening to it on CCX Media Channel 16 or by livestreaming it at https://nwsccc-brooklynpark.granicus.com/ViewPublisher.php?view_id=5 Members of the public who desire to give input or testimony during the meeting may do so by texting EDA President Lunde at 763-242-1555 or email him at jeffrey.lunde@brooklynpark.org (Subject line: "EDA Testimony")

**THE BROOKLYN PARK ECONOMIC DEVELOPMENT AUTHORITY
OF THE CITY OF BROOKLYN PARK
REGULAR MEETING – AGENDA #6**

**President Jeffrey Lunde, Vice President Susan Pha, Treasurer Lisa Jacobson,
Secretary Tonja West-Hafner, Commissioners Mark Mata, Terry Parks, Wynfred Russell and
Executive Director Kim Berggren and Assistant Executive Director Jay Stroebe**

For reasonable accommodations or alternative formats, contact Theresa Freund, 763-493-8059 or email theresa.freund@brooklynpark.org.

Para asistencia, 763-493-8059
Yog xav tau kev pab, hu 763-493-8059

Our Vision: Brooklyn Park, a thriving community inspiring pride where opportunities exist for all.

Our Goals:

***Strong Neighborhoods • Adapting to Changing Demographics • Public Safety
Financial Sustainability • Community Image • Focused Redevelopment and Development***

I. ORGANIZATIONAL BUSINESS

1. CALL TO ORDER/ROLL CALL

2. PUBLIC COMMENT AND RESPONSE

This provides an opportunity for the public to address the EDA on items, which are not on the agenda. Open Forum will be limited to 15 minutes (if no one is in attendance for the Open Forum, the Regular Meeting may begin) and it may not be used to make personal attacks, to air personality grievances, to make political endorsements or for political campaign purposes. Commissioners will not enter into a dialogue with citizens. Questions from the EDA will be for clarification only. Open Forum will not be used as a time for problem solving or reacting to the comments made but, rather, for hearing the citizen for informational purposes only.

2A. RESPONSE TO PRIOR PUBLIC COMMENT

2B. PUBLIC COMMENT

3. APPROVAL OF AGENDA

II. STATUTORY BUSINESS AND/OR POLICY IMPLEMENTATION

4. CONSENT

4.1 Consider Approving EDA Meeting Minutes

4.1A May 4, 2020 Special Meeting Minutes

The following items relate to the EDA's long-range policy-making responsibilities and are handled individually for appropriate debate and deliberation. (Those persons wishing to speak to any of the items listed in this section should fill out a speaker's form and give it to the Secretary. Staff will present each item, following in which audience input is invited. Discussion will then be closed to the public and directed to the EDA table for action.)

5. Public Hearings

5.1 None.

6. General Action Items

6.1 Consider Authorizing Submittal of a Grant Application and Execution of an Agreement with the Metropolitan Council to the Livable Communities Demonstration Account for Grant Funding of a Business Incubator Project

6.1A Resolution

6.1B Staff Presentation

6.2 Consider Selecting Duffy Development Company as the Development Team for 6900 85th Avenue North and Directing the Executive Director to Negotiate a Term Sheet

6.2A Resolution

6.2B Request for Qualifications

6.2C Duffy Application

6.2D Duffy Presentation

6.2E Staff Presentation

III. DISCUSSION - These items will be discussion items, but the EDA may act upon them during the meeting.

7. Discussion Items

7.1 Status Update

7.2 Housing Update

IV. WORK SESSION

8. Work Session

8.1 Discuss Senior Affordable Housing Development Opportunity with Bethesda Lutheran Communities in the City of Brooklyn Park

8.1A Bethesda Corporate Profile

8.1B Project Overview

8.1C Location Map

8.1D Site Plan

8.1E Land Use Plan

8.1F Staff Presentation

V. ADJOURNMENT

Since we do not have time to discuss every point presented, it may seem that decisions are preconceived. However, background information is provided for the EDA on each agenda item in advance from City staff; and decisions are based on this information and past experiences. If you are aware of information that has not been discussed, please raise your hand to be recognized. Please speak from the podium. Comments that are pertinent are appreciated. Items requiring excessive time may be continued to another meeting.

The Brooklyn Park Economic Development Authority's Agenda Packet is posted on the City's website.

To access the agenda packet go to www.brooklynpark.org

The Next Scheduled EDA Meeting is June 15, 2020

City of Brooklyn Park Request for EDA Action

Agenda Item No:	4.1	Meeting Date:	May 18, 2020
Agenda Section:	Consent	Prepared By:	Theresa Freund, Program Assistant
Resolution:	N/A	Presented By:	Kim Berggren, Executive Director
No. of Attachments:	1		
Item:	Consider Approving EDA Meeting Minutes		

Executive Director's Proposed Action:

MOTION _____, SECOND _____ TO APPROVE THE MAY 4, 2020 EDA MEETING MINUTES.

Overview:

N/A

Primary Issues/Alternatives to Consider:

N/A

Budgetary/Fiscal Issues:

N/A

Attachments:

4.1A MAY 4, 2020 MEETING MINUTES

THE BROOKLYN PARK ECONOMIC DEVELOPMENT AUTHORITY
OF THE CITY OF BROOKLYN PARK
May 4, 2020 SPECIAL MEETING MINUTES

I. ORGANIZATIONAL BUSINESS:

1. CALL TO ORDER: President Jeff Lunde at 10:10 p.m.

ROLL CALL PRESENT: President Jeff Lunde,
VIA PHONE: Vice President Susan Pha, Treasurer Lisa Jacobson, EDA Secretary
Tonja West-Hafner and Commissioners Mark Mata, Terry Parks, Wynfred Russell.
Staff Executive Director Kim Berggren, Economic Development & Housing
Director Breanne Rothstein, EDA Attorney Jim Thomson and Program Assistant
Theresa Freund.
ABSENT/EXCUSED: None.

Statement read by President Jeff Lunde: As previously noticed, this meeting of the
Economic Development Authority is being conducted by phone pursuant to
Minnesota Statutes Section 13D.021. I am physically present in the City Council
Chambers. All other Commissioners are participating by phone. All
Commissioners can hear one another and can hear all discussion and testimony.
All votes taken during this meeting will be conducted by roll call. Members of the
public are invited to comment on agenda items by emailing me at
jeffrey.lunde@brooklynpark.org (Subject line: "EDA Testimony") or by texting me
at 763-242-1555.

2. PUBLIC COMMENT AND RESPONSE:

2. A Response to Prior Public Comment: None.

2. B Public Comment: None.

3. APPROVAL OF AGENDA

MOTION LUNDE, SECOND MATA APPROVING THE AGENDA AS
PRESENTED. MOTION PASSED UNANIMOUSLY ON A ROLL CALL VOTE AS
FOLLOWS: YES: PHA, WEST-HAFNER, RUSSELL, JACOBSON, PARKS, MATA
AND LUNDE NO: NONE. ABSENT NONE.

II. STATUTORY BUSINESS:

4. CONSENT:

4.1 None.

5. PUBLIC HEARINGS:

5.1 None.

6. GENERAL ACTION ITEMS:

- 6.1 Consider Approving Up to \$20,000 from the EDA General Fund for the Installation of Infrastructure Associated with WiFi Provision in Underserved Apartment Communities.

MOTION LUNDE, SECOND RUSSELL, TO WAIVE THE READING AND ADOPT RESOLUTION #2020__ APPROVING UP TO \$20,000 FROM THE EDA GENERAL FUND FOR THE INSTALLATION OF INFRASTRUCTURE ASSOCIATED WITH WIFI PROVISION IN UNDERSERVED APARTMENT COMMUNITIES. MOTION FAILED ON A ROLL CALL VOTE AS FOLLOWS: YES: RUSSELL. NO: JACOBSON, PARKS, MATA, PHA. WEST-HAFNER AND LUNDE. ABSENT NONE.

III. DISCUSSION:

7. DISCUSSION ITEMS

- 7.1 None.

IV. WORK SESSION

8. WORK SESSION ITEMS:

- 8.1 None.

V. ADJOURNMENT:

Meeting adjourned at 10:54 p.m.

City of Brooklyn Park Request for EDA Action

Agenda Item No:	6.1	Meeting Date:	May 18, 2020
Agenda Section:	General Action Items	Prepared By:	Sarah Abe, Project Facilitator
Resolution:	X		
No. of Attachments:	2		
Item:	Consider Authorizing Submittal of a Grant Application and Execution of an Agreement with the Metropolitan Council to the Livable Communities Demonstration Account for Grant Funding for a Small Business Center Project		

Executive Director's Proposed Action

MOTION _____, SECOND _____ TO WAIVE THE READING AND ADOPT RESOLUTION #2020-____ AUTHORIZING SUBMITTAL OF A GRANT APPLICATION AND EXECUTION OF AN AGREEMENT WITH THE METROPOLITAN COUNCIL TO THE LIVABLE COMMUNITIES DEMONSTRATION ACCOUNT FOR GRANT FUNDING FOR A SMALL BUSINESS CENTER PROJECT.

Overview:

In February 2019, the Economic Development Authority (EDA) identified a business incubator as a strategic priority. A business incubator or small business center has been a community-identified need for several years and community-based organizations such as the Liberian Business Association (LIBA) and African Career, Education & Resources (ACER) have been critical partners in advocating for the need for affordable small business space. In the past six months staff have defined the project scope in consultation with the EDA and community members, identifying the necessary planning to create a small business center space and several potential consultants.

The Metropolitan Council (Met Council) solicits annually for its Livable Communities Demonstration Account (LCDA) program, which provides grants to cities for development and pre-development projects. The LCDA program, one of four programs available through the Livable Communities Grant programs, grants funds for the planning, analysis, design and engagement activities to support a successful development or redevelopment project. This grant will support the business center project by allowing staff to contract with consultants to complete a market study, programming and space analysis, and cost estimating for the development of a small business center that provides affordable rents to budding and growing businesses. The grant application was due May 1, 2020 and has been submitted by staff. A resolution of support is required from the city before a grant can be awarded.

Primary Issues/Alternatives to Consider:

- **What is the proposed project?**

The proposed project is to develop a small business center providing affordable commercial and retail space for entrepreneurs in Brooklyn Park including access to technical assistance for businesses. The project would repurpose a currently vacant commercial space into a shared space for many small or micro businesses near the future METRO Blue Line Light Rail Transit (LRT) Extension Brooklyn Boulevard station which is planned at the intersection of West Broadway Ave. The future space would be designed to meet the unique needs of businesses in Brooklyn Park including many immigrants and cultural communities that need affordable business space. This project would not only create jobs but also create wealth building opportunities for residents by providing space at an accessible entry point to start a business. Finally, the space would have a

technical assistance program designed to help entrepreneurs and businesses start and grow their businesses with the help of trained professionals to increase the likelihood of long-term success.

- **What is the timeline for the grant award/project?**

- May 1, 2020 – LCDA Pre-Development spring applications due
- July 2020 – LCDA grant awards announced
- Summer/Fall 2020 – Complete grant funded work
- Fall 2021 – Build out and completion of small business center
- June 2022 – Deadline for expenditure of grant funds

Budget/Fiscal Issues:

If received, the LCDA grant funds will assist with the pre-development project costs of financial and site planning analysis for a small business center in the city. The proposal requests \$100,000 and the grant requires a 25% local match of the total project costs. For a total project cost of \$133,000, the contribution from the EDA would equal \$33,000 and come from the EDA general development fund. The business center work was identified as a potential project in the 2020 EDA budget discussion, but a specified amount was not allocated.

Recommendation:

The Executive Director of the Economic Development Authority recommends approval.

Attachments:

- 6.1A RESOLUTION
- 6.1B STAFF PRESENTATION

THE BROOKLYN PARK ECONOMIC DEVELOPMENT AUTHORITY
OF THE CITY OF BROOKLYN PARK

RESOLUTION #2020-

AUTHORIZING SUBMITTAL OF A GRANT APPLICATION AND EXECUTION OF
AN AGREEMENT WITH THE METROPOLITAN COUNCIL TO THE LIVABLE
COMMUNITIES DEMONSTRATION ACCOUNT FOR GRANT FUNDING OF A
SMALL BUSINESS CENTER PROJECT

WHEREAS, the Brooklyn Park Economic Development Authority (the "Authority") was created pursuant to the Economic Development Authorities Act, Minnesota Statutes, Sections 469.090 to 469.1080 (the "EDA Act"), and is authorized to transact business and exercise its powers by a resolution of the City Council of the City of Brooklyn Park, Minnesota (the "City") adopted on October 24, 1988 (the "Enabling Resolution");

WHEREAS the Authority of the City of Brooklyn Park is eligible to apply for LCDA funds on behalf of cities participating in the Livable Communities Demonstration Account's ("LCDA") Pre-Development Grant for 2020 as determined by the Metropolitan Council;

WHEREAS the Authority has identified a proposed project within the City of Brooklyn Park that meet the LCDA purposes and criteria and are consistent with and promote the purposes of the Metropolitan LCA and the policies of the Metropolitan Council's adopted metropolitan development guide;

WHEREAS the Authority has the institutional, managerial and financial capability to ensure adequate project administration;

WHEREAS the Authority certifies that it will comply with all applicable laws and regulations as stated in the grant agreement;

WHEREAS the Authority agrees to act as legal sponsor for the projects contained in the grant applications submitted on May 1, 2020;

WHEREAS the Authority acknowledges LCDA grants are intended to fund projects or project components that can serve as models, examples or prototypes for development or redevelopment projects elsewhere in the region, and therefore represents that the proposed projects or key components of the proposed projects can be replicated in other metropolitan-area communities; and

WHEREAS only a limited amount of grant funding is available through the Metropolitan Council's LCDA during each funding cycle and the Metropolitan Council has determined it is appropriate to allocate those scarce grant funds only to eligible projects that would not occur without the availability of LCDA grant funding.

THEREFORE, the Authority authorizes its Executive Director to submit an application for Metropolitan Council LCDA grant funds for the project components identified in the application, and to execute such agreements as may be necessary to utilize the grant funds for the project components as authorized by the Metropolitan Council.

6.1 Consider authorizing submittal of a grant application for a small business center project

Sarah Abe, Project Facilitator

Metropolitan Council LCDA Pre-development grant

- The Met Council solicits annually for its Livable Communities Demonstration Account (LCDA) programs
- The pre-development grant program funds planning, analysis, design and engagement activities to support a successful development or redevelopment project
- This grant would allow staff to contract with consultants to complete a market study, programming and space analysis, and cost estimating for a small business center

Grant timeline

- May 1, 2020 – LCDA Pre-Development spring applications due
- July 2020 – LCDA grant awards announced
- Summer/Fall 2020 – Complete grant funded work
- Fall 2021 – Build out and completion of small business center
- June 2022 – Deadline for expenditure of grant funds

Budget

- Proposal requests \$100,000 and requires a 25% match
- Total project cost: \$133,000
 - LCDA Pre-Development grant program: \$100,000
 - EDA contribution: \$33,000
- Small business center was identified in 2020 EDA budget discussion but a specified amount was not allocated

EDA action

- Consider authorizing submittal of a grant application for a small business center project to the Metropolitan Council LCDA Pre-Development grant program

City of Brooklyn Park Request for EDA Action

Agenda Item No:	6.2	Meeting Date:	May 18, 2020
Agenda Section:	General Action Items	Prepared By:	Erika Byrd, Development Project Coordinator
Resolution:	X	Presented By:	Erika Byrd, Development Project Coordinator
Attachments:	5		
Item:	Consider Selecting Duffy Development Company as the Development Team for 6900 85th Avenue North and Directing the Executive Director to Negotiate a Term Sheet		

Executive Director's Proposed Action

MOTION _____, SECOND _____ TO WAIVE THE READING AND ADOPT RESOLUTION #2020-___ SELECTING DUFFY DEVELOPMENT COMPANY AS THE DEVELOPMENT TEAM 6900 85TH AVENUE NORTH AND DIRECTING THE EXECUTIVE DIRECTOR TO NEGOTIATE A TERM SHEET.

Overview:

On February 18, 2020 the Brooklyn Park Economic Development Authority (EDA) authorized entering into option to purchase a parcel of land at North Hennepin Community College (NHCC) campus located at 6900 85th Avenue North and seeking a developer for the site through a Request for Qualifications (RFQ). On March 16, the EDA issued the RFQ for an affordable or mixed-use development of the site. The selection committee (consisting of staff, three EDA members, and a representative from NHCC) reviewed the applicants and are recommending selection of Duffy Development Company. The purpose of this action is to approve the selection and direct staff to work to develop a development plan and negotiate a term sheet with Duffy Development Company.

Background:

Minnesota State Colleges and Universities (Minnesota State) owns a 6.2-acre parcel of vacant land located at the northeast corner of 85th Avenue and College Parkway that is currently part of the North Hennepin Community College campus. The EDA held a work session about the future of the site in December 2019 and indicated support to move forward with securing an option on the site for the development of both a future City water well and for the purposes of seeking a potential development partner for the creation of an affordable or mixed income housing or mixed use development on the site. The option agreement with Minnesota State for the NHCC site is in the process of being negotiated and executed.

Primary Issues/Alternatives to Consider:

• How was the developer selected?

On March 16, 2020 the EDA issued an RFQ seeking a developer for 6900 85th Avenue North (see Attachment 6.2B). Three firms submitted applications (Figure 1). EDA staff reviewed the applications and decided to interview all three. A selection team then reviewed the applications, conducted interviews, and scored the applicants in accordance with pre-determined criteria (Figure 2). The selection team was composed of:

- Jeffrey Lunde – EDA President
- Lisa Jacobson – EDA Commissioner
- Tonja West-Hafner – EDA Commissioner
- Kim Berggren – EDA Executive Director
- Breanne Rothstein – Economic Development and Housing Director
- Erika Byrd – Development Project Coordinator

- Sarah Abe – Project Facilitator
- Todd Larson – Senior Planner
- Stephen Kent – Vice President of Finance and Facilities, North Hennepin Community College

Figure 1: Applicants

Firm(s)	Interviewed	Average Score
Duffy Development Company	Yes	77.0
JO Companies LLC and Lupe Development Partners	Yes	73.8
Saturday Properties	Yes	67.1

Figure 2: Scoring Criteria

Criteria	Possible Points
Successful experience with affordable housing and/or mixed-use developments as measured by combination of portfolio and experience/knowledge of the local community	20
Demonstration, in the proposed development team, to partner with local developers or professional services providers	10
Demonstrated ability to provide private capital and secure financing for a project of a similar size	20
Demonstrated long-term commitment to the sustainability of projects through ownership and/or property management	5
Financial and staff capacity necessary to organize and deliver a high-quality project of this type and scale, including experienced key project team members	15
Reputation/References	15
Vision/Financial Proposal	15
Total	100

The selection team recommends selecting the high scoring firm, Duffy Development Company. Key points about Duffy include:

- The developer's strong reputation and familiarity with developing and operating successful projects in other regional suburban communities.
- The developers' proposal for the site, which includes mixed use design (apartment housing with either a standalone or incorporated small commercial space).
- The developer's proposed partnership with WomenVenture to develop a daycare co-op.

• **What is Duffy Development Company proposing for the site?**

Duffy Development Company proposes:

- Phase 1 development of 75 units (mix of one, two and three bedrooms).
- Mix of subsidized and market rate rents that would be accessible to the community.
 - 20-25 units market rate and/or student housing.
 - 50-55 units utilizing 9% Low Income Housing Tax Credits.
- Step down in architecture style and height to provide space to neighboring property on the north.
- Inclusion of a co-op style day care on site.
- Potential for Phase 2 development of an additional 75 housing units.

This proposal will likely require that the EDA take ownership of some or all of the site for an unknown period of time until the project can be advanced in phases. The proposal also relies on securing affordable housing funding from other entities for the projects and therefore could take multiple years to advance.

- **What are the next steps?**

Once selected, EDA staff would work with the developer on a proposal and enter into a term sheet and development agreement. The EDA would also move forward entering into an option agreement to purchase property from Minnesota State and establish a timeline for acquisition. The developer would move forward to submit to Minnesota Housing for very competitive tax credits.

- **What is the potential process and timeline for EDA involvement?**

A tentative timeline for development is as follows:

- EDA-Developer development agreement negotiations (Summer 2020), EDA approval required.
- Developer application for Phase I tax credits (Summer 2020).
- City development review process (Summer 2020 – Winter 2021).
- Property sale (Winter/Spring 2021).
- Phase I Construction start (Summer 2021, assumes tax credit and other financing in place).
- Application for Phase II tax credits or re-application for Phase 1 (Spring/Summer 2021).
- Phase II Construction (2022 at the earliest).

Budgetary/Fiscal Impacts:

The proposal by Duffy Development Company is in its initial stage and will require a full financial analysis as the project moves forward. However, Duffy Development Company's initial financing proposal includes the revenue generated from a 25-year Tax Increment Financing (TIF) district, as well as outside grants/loan/tax credits pursuits from Hennepin County and/or Minnesota Housing. These affordable housing funding programs are competitive and often projects must apply more than once over multiple years to get awarded funding.

Recommendation:

The Executive Director of the Economic Development Authority recommends approval.

Attachments:

- 6.2A RESOLUTION
- 6.2B REQUEST FOR QUALIFICATIONS
- 6.2C DUFFY APPLICATION
- 6.2D DUFFY PRESENTATION
- 6.2E STAFF PRESENTATION

THE BROOKLYN PARK ECONOMIC DEVELOPMENT AUTHORITY
OF THE CITY OF BROOKLYN PARK

RESOLUTION #2020-

SELECTING DUFFY DEVELOPMENT COMPANY AS THE DEVELOPMENT
TEAM FOR 6900 85TH AVENUE NORTH AND DIRECTING THE EXECUTIVE
DIRECTOR TO NEGOTIATE A TERM SHEET

WHEREAS, the Brooklyn Park Economic Development Authority (the "Authority") was created pursuant to the Economic Development Authorities Act, Minnesota Statutes, Sections 469.090 to 469.108 (the "EDA Act") and is authorized to transact business and exercise its powers by a resolution of the City Council of the City of Brooklyn Park (the "City") adopted on October 24, 1988;

WHEREAS, the Authority possesses all of the powers of an economic development authority pursuant to the EDA Act and a housing and redevelopment authority pursuant to Minnesota Statutes, Sections 469.001 to 469.047;

WHEREAS, two of the statutory purposes of the Authority are to assist in the redevelopment of blighted and underutilized properties and to provide safe, clean and affordable housing;

WHEREAS, the Authority authorized and directed the Executive Director to negotiate and enter into an option agreement with State of Minnesota, by and through its Board of Trustees of the Minnesota State Colleges and Universities for the purchase of land at 6900 85th Avenue North on February 18, 2020;

WHEREAS, the Authority issued a Request for Qualifications ("RFQ") for a developer for 6900 85th Avenue North on March 16, 2020 with applications due on April 13, 2020; and

WHEREAS, the Executive Director and a selection committee evaluated the RFQ applications based on RFQ scoring criteria.

NOW, THEREFORE, BE IT RESOLVED by the Brooklyn Park Economic Development Authority Board of Commissioners that:

1. The Authority selects Duffy Development Company as the development team for 6900 85th Avenue North.
2. The Authority directs the Executive Director to negotiate a term sheet with Duffy Development Company.



Request for Qualifications Development of 6900 85th Avenue North, Brooklyn Park For Affordable Housing or Mixed-Use Development Adjacent to North Hennepin Community College

REQUESTING AGENCY:

Brooklyn Park Economic Development Authority
5200 85th Avenue North
Brooklyn Park, MN 55414

ISSUE DATE:

March 16, 2020

SUBMISSION DEADLINE:

April 13, 2020 at 5:00 pm

CONTACT:

Breanne Rothstein
763-493-8058
Breanne.Rothstein@brooklynpark.org



Overview

The Brooklyn Park Economic Development Authority (EDA) is seeking qualifications for the development of a vacant parcel of land at 6900 85th Avenue North, Brooklyn Park. The EDA and North Hennepin Community College (NHCC) are interested in an affordable or mixed income housing development that would complement activity at NHCC and are also interested in projects that incorporate small commercial (i.e. daycare facility) or office uses, if possible.

The 6.16-acre site is conveniently located in an area with a variety of housing, institutional and commercial uses at the intersection of 85th Avenue N and W Broadway, across from NHCC, adjacent to the Brooklyn Park Library and the future light rail transit station and planned arts and cultural center, called the Center for Innovation and the Arts. In cooperation with NHCC, the Brooklyn Park EDA has entered into an option to acquire the site from Minnesota State Colleges and Universities (the current owner) and is seeking qualifications from potential developers to develop 5 acres of the site. The EDA will retain approximately 1.1 acres for future municipal use (see Appendix A for Map).

The ideal developer for this project would have experience producing medium to large scale affordable or mixed income housing developments, be willing to explore innovative financing strategies and incorporate local knowledge into the project, have experience and knowledge of Brooklyn Park and/or the market of the northwest metro, and provide a housing development that is accessible to the Brooklyn Park community, especially NHCC student households.

Community Background

Brooklyn Park is a vibrant, thriving community in the Twin Cities northwest area. It is the 6th largest city in Minnesota and the 4th largest in the seven-county Twin Cities Metro Area. The population, currently estimated at around 83,000, is expected to grow to over 90,000 with 40,000 jobs by 2040. The City is proud of its diverse community, with more than half the current residents being people of color and 28 percent speaking a language other than English at home. Brooklyn Park is also home to over 1,500 businesses and continues to grow, boasting strong sectors in medical technology, high-tech manufacturing, and precision manufacturing. The proposed METRO Blue Line Extension project, traveling 13 miles northwest of downtown Minneapolis will bring five light rail stations to Brooklyn Park.

The development site is located near North Hennepin Community College, one of the largest and most diverse community colleges in Minnesota and a member of the Minnesota State Colleges and University system. The college serves more than 10,000 students drawn from across the region. NHCC has a high number of part-time students: approximately 68% of students attend classes part time. One third of the student body is over the age of 26 and one third is Pell grant eligible. NHCC does not provide on-campus housing. The college would like to see development of new housing opportunities nearby that will offer family-friendly amenities and be accessible to its diverse population who seek convenient housing they can afford.

Project Description

The project aim is to develop affordable or mixed-income housing with potential mixed use. The EDA and NHCC envision the project as providing affordable housing opportunities accessible to the existing community. Additionally, the project envisions mixed-use space and/or amenities for the community, or residents and their families, such as a daycare, grocery store, coffee shop, or other neighborhood scale use.

Project Objectives/Goals

A successful project will:

- Strengthen the vitality of the area, promoting a high-quality design that enhances neighborhood assets.
- Provide affordable housing opportunities near the NHCC campus for individuals or families.
- Include amenities for the community or residents, with a preference for amenities desired by area students such as daycare, coffee, or convenience retail (if feasible).
- Partnership with local developers and/or contractors who are familiar and understand the Brooklyn Park community.

Prior Planning

Considerable planning has already occurred for this area, including:

- North Hennepin Community College Comprehensive Facility Plan (2015) ([link](#))
- Brooklyn Park Station Area Plan (July 2016) ([link](#))
- Bottineau Corridor Housing Gaps Analysis (June 2018) ([link](#))
- Center for Innovation and the Arts feasibility study and predesign (2018-2019) ([link](#))
- Brooklyn Park 85th Ave Station Corridor Development Initiative (2018) ([link to full report](#)). Guidelines attached as Appendix B)

Minnesota State owns the approximately 6.16-acre site located at the northeast corner of 85th Avenue and College Parkway. The parcel is currently part of the NHCC campus but has been officially designated as surplus land that could potentially be sold and developed. According to NHCC's Master Plan, the site is not ideally suited for academic program development due to its distance from the campus core and because the college has several options for alternative building sites. The college feels that development of the site could increase the supply of amenities targeted to students, such as affordable housing, daycare, or other small commercial or office.

In 2018, the City of Brooklyn Park, NHCC, and Hennepin County partnered with Twin Cities LISC to complete a Corridor Development Initiative (CDI) process. Approximately fifty community members attended the workshops, aimed at gathering input on community values and concerns, and assessing likely development scenarios. There was agreement around the potential to better serve the housing needs of the community. A panel of developers also indicated the NHCC site offers a great opportunity to strengthen a mix of housing and limited commercial space. Future development in this area should align with the CDI development guidelines generated during those workshops (Appendix B).

Other key design guidelines that emerged from previous reports include complementing and enhancing the existing character of the neighborhood, enhancing connections to maintain ease of access for multiple users, and encouraging higher density development of a mix of uses that complement transit and the surrounding areas.

Description of Site

The site is nestled in a strong community comprised of a mixture of affordable, single and smaller scale multifamily housing, a hub of institutional and commercial uses and near several exciting development proposals. It is less than a block from one of the five proposed light rail stations in Brooklyn Park, an area which is home to North Hennepin Community College, the Hennepin County Brooklyn Park Library, a mix of retail and commercial uses, and future home the Center for Innovation and the Arts (a collaborative art center project being planned between NHCC, Metropolitan State University, and the City of Brooklyn Park). The immediate area is comprised primarily of single family and small to mid-scale multifamily housing and neighborhood scale businesses. The land is currently zoned as TOD-C, which allows for a wide range of commercial and residential uses.

Potential EDA Assistance

The EDA will consider providing development assistance to support the incorporation of affordability into a desired project based on a demonstrated development gap. Examples of support might include:

- Application under new TOD zoning district, with associated flexibilities regarding bulk standards and procedural requirements
- Support of housing tax credit and housing revenue bond applications
- Support for 4D Tax status
- Direct financial assistance using the EDA's Affordable Housing Set Aside fund
- Tax Increment Financing
- Application for, or support of state, county, and regional grants (including 2020 LCA grant)

Desired Qualifications and Scoring Criteria

A selection committee will review and rank applications in accordance with the following scoring criteria:

SCORING CRITERIA	POINTS
RELEVANT DEVELOPMENT EXPERIENCE	
○ Successful experience with affordable housing and/or mixed-use developments as measured by combination of portfolio and experience/knowledge of the local community	20
○ Demonstration, in the proposed development team, to partner with local developers or professional services providers	10
○ Demonstrated long-term commitment to the sustainability of projects through ownership and/or property management	5
ORGANIZATIONAL AND FINANCIAL CAPACITY	
○ Demonstrated ability to provide private capital and secure financing for a project of a similar size	20
○ Financial and staff capacity necessary to organize and deliver a high-quality project of this type and scale, including experienced key project team members	15
○ REPUTATION/REFERENCES	15
○ VISION/FINANCIAL PROPOSAL	15
TOTAL	100

Submission Requirements

The qualifications must include the information below. The EDA reserves the right to seek clarification of responses and waive minor irregularities and informalities.

- Developer name, contact information, and partners
- Ownership information including:
 - Name of owners/officers
 - Number of years in operation
 - Scope of business (development, design, property management, consulting, etc.)
 - Location of primary and subsidiary offices
- Key project members' information, including:
 - Names and contact information
 - Qualifications, experience and references of key team members

- Submittal of at least two example sources/uses sheet and capital stack demonstrating ability to provide financing and utilize a variety of financing strategies
- Description of projects in the past 5 years, including:
 - Location and approximate size
 - Cost and financing overview (include if there was any public involvement)
 - Any local or community partnerships and/or engagement in the development process
 - Contact info for local community reference from each project example
- A brief narrative of initial ideas for this development, including unique challenges or creative approaches to fulfilling the project objectives, and proposed funding sources
- Timeline for development, considering pursued funding sources

Please email a PDF with the above information by 5 pm on April 13, 2020, to Breanne Rothstein, Economic Development and Housing Director, breanne.rothstein@brooklynpark.org. Qualifications should be limited to 10 pages or less. Questions may also be directed to Breanne at (763) 493-8058 or via email.

Selection and Approval Process

Qualifications will be reviewed by a committee made up of EDA and NHCC staff based on the criteria above. Staff may follow up with questions, clarifications or interview requests before selecting a preferred developer for the site. EDA and NHCC staff will then work with the developer in coordination with Brooklyn Park EDA to develop a more complete project scope and financing options.

Preliminary Project Schedule (subject to change)

ACTIVITY	DATE
RFQ posted	March 16, 2020
Pre-application meeting conference call (instructions to follow)	March 23, 2020
Question period deadline	April 1, 2020
Response to questions provided	April 3, 2020
Application Due date	April 13, 2020
Developer interviews	May 6, 2020
Developer selection/Contracting	May 11, 2020

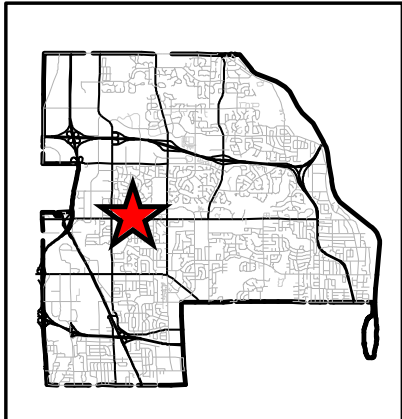
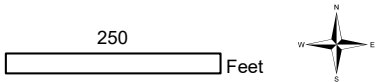
APPENDIXES

- A. LOCATION MAP
- B. CORRIDOR DEVELOPMENT INITIATIVE DEVELOPMENT GUIDELINES
- C. TOD-C ZONING DISTRICT

**North Hennepin Community College Property
6900 85th Ave. N.**



Spring 2018 Air Photo.



Map Date February 10, 2020

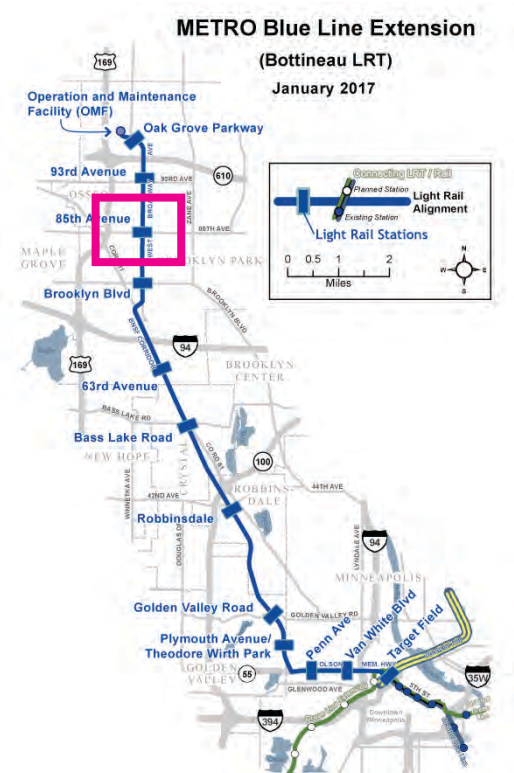


BROOKLYN PARK / 85TH AVE LRT STATION CDI DEVELOPMENT GUIDELINES

August 2018



The Brooklyn Park Library adjacent to the 85th Ave LRT Station Area.



OVERVIEW

The Blue Line LRT Extension / Bottineau corridor offers a unique opportunity to leverage new investment that would further enhance the cities and areas surrounding the transit stations. Of the five Bottineau LRT corridor stations that will be located in Brooklyn Park, the 85th Avenue Station is one of the most exciting.

Nestled in a strong community comprised of a mixture of affordable, single and smaller scale multifamily housing, and a hub of institutional and commercial uses that, paired with light rail transit, which create the building blocks of dynamic suburban destination. Home to the:

- North Hennepin Community College,
- Brooklyn Park Library (Hennepin County),
- a mix of retail and commercial uses, and
- future home to a new performing and fine arts education center (a collaborative project with North Hennepin Community College, Metro State, Osseo School District, the City of Brooklyn Park, and Hennepin County)

The broader community will benefit by adhering to a cohesive vision which makes the sum greater than the parts. Residents in the area will have greater access to services and supports, and visitors to the college, library, arts center and surrounding retail will fuel its vitality.



Conceptual drawings created during the Block Exercise.

Considerable planning has already occurred for the Bottineau LRT corridor, including:

- Brooklyn Park Station Area Plan (July 2016)
- Bottineau Corridor Housing Gaps Analysis, Bottineau Community Works (June 2018)
- North Hennepin Community College Master Facility Plan
- Performing and fine arts education center feasibility study (to be complete in Q3 2018)

All of these studies offer valuable insight into the opportunities surrounding the full corridor, and the 85th Avenue Station area in particular.

With the advent of the light-rail transit investment, the City of Brooklyn Park, North Hennepin Community College, and Hennepin County partnered with Twin Cities LISC / Corridor Development Initiative to lead a series of community workshops to explore development options and scenarios to enhance the 85th Avenue Light Rail Transit (LRT) Station Area, and to explore the potential for a more transit-oriented and walkable area. These development objectives are the result of the community workshops, and serve to inform the future development of the 85th Avenue LRT Station sites.



Existing context around the 85th Avenue LRT Station Area.

CITY GOALS

The City of Brooklyn Park, through its BP 2025 Plan, aspires to the following goals:

- 1: A united and welcoming community, strengthened by our diversity
- 2: Beautiful spaces and quality infrastructure make Brooklyn Park a unique destination
- 3: A balanced economic environment that empowers businesses and people to thrive
- 4: People of all ages have what they need to feel healthy and safe
- 5: Partnerships that increase racial and economic equity empower residents and neighborhoods to prosper
- 6: Effective and engaging government recognized as a leader

DEVELOPMENT GUIDELINES: 85TH AVE LRT STATION AREA

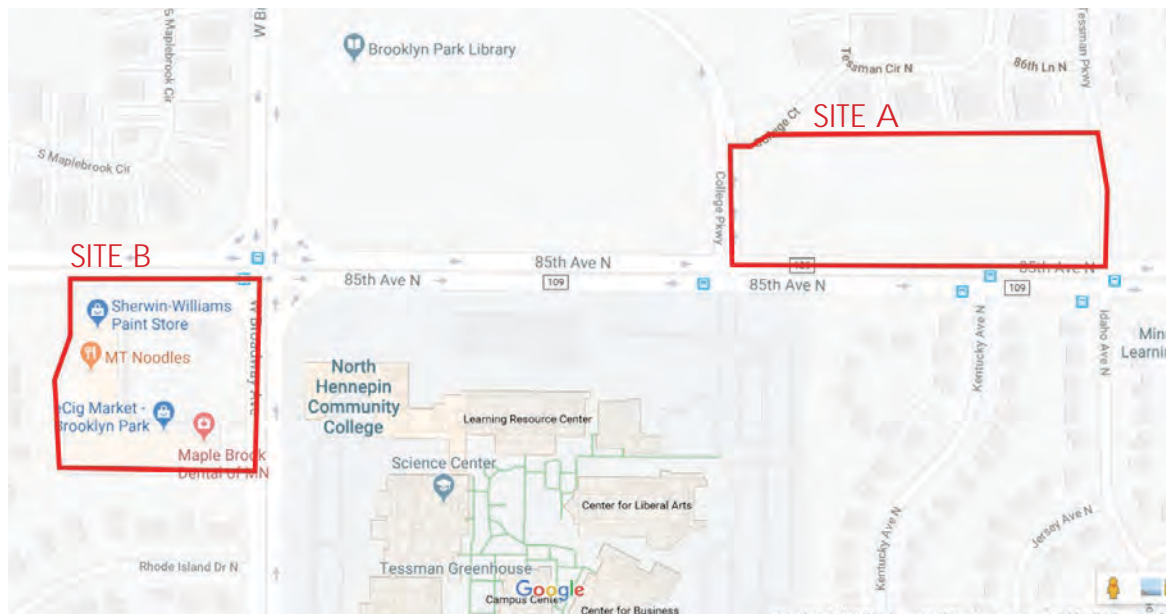
As a future station area along the Bottineau Light Rail Transit corridor, the 85th Avenue station area has already seen recent investment through the creation of the new Hennepin County regional library (Brooklyn Park Library). North Hennepin Community College also serves as an anchor institution and draws students from across the region. The immediate area is comprised of single family, and small to mid-scale multifamily housing (some of which was recently built and much of which is naturally occurring affordable housing), and neighborhood scale businesses. The opportunity is great to explore how transit-oriented development could further enhance the area by addressing accessibility, livability, and strengthening the pedestrian environment.

The potential of the proposed arts center is another lens to guide the future of the area. The presence of the performing and fine arts education center may attract a variety of creative uses, and visitors seeking activities pre or post performances.

It is important that the area maintain its neighborhood character and sense of place. This can be accomplished by enhancing the pedestrian flow of the area, attracting smaller scale retail and services, and utilizing public art or green space to make it memorable. There is a desire to ensure effective traffic flow, and access to parking and retail services, given the auto-centric nature of the suburban location.

Note: It will be necessary for developers to work with the community to address potential negative impacts during LRT construction and post construction changes to access and design, and to prevent displacement.

Two sites were explored through this process:



SITE A



SITE B



Site A (6.16 acres) is northeast of the 85th Avenue transit station, and situated near the Brooklyn Park Library and proposed arts center, just east of College Parkway. The site is owned by North Hennepin Community College, who has identified the need for affordable housing and child care services to accommodate the students that attend the college.

Site B (5.15 acres) is located at just west of the 85th Avenue LRT station, the southwest corner of the 85th Avenue and West Broadway intersection. The site is currently a commercial strip mall serving a number of small businesses, a child care/Montessori school, and a church. Currently owned by Fidelity Insurance.

These two sites near the 85th Avenue LRT Station offer an immediate important opportunity to capitalize on the transit amenity, strengthening multi-modal access and mix of housing options and commercial services.

RECOMMENDATIONS FOR THE OPPORTUNITY SITES A AND B

GOAL 1: Build on What's There - enhance neighborhood assets and educational institutions

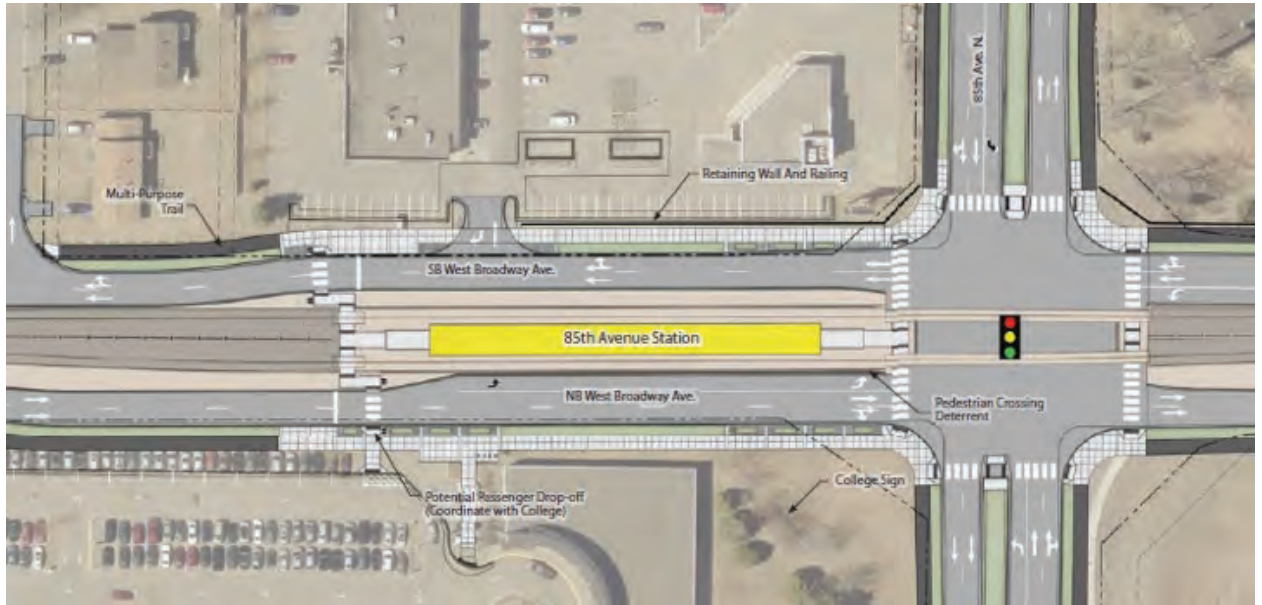
- A. Promote high-quality design, working to blend with existing / surrounding buildings architectural styles.
- B. Higher density (4 – 5 story building) situated close to 85th Avenue, and step down density as it approaches single family homes and fourplexes.
- C. Provide for a range of housing types and affordability.
- D. Enhance the intergenerational opportunities in the community.
- E. Strengthen the vitality of the area through increased density and mixed commercial and residential uses, with street level retail at the 85th Ave and West Broadway node.
- F. Encourage businesses that fit into and serve the needs of the community and anchoring institutions (North Hennepin Community College, the proposed art center, Brooklyn Park Library).
- G. The diversity of the community is a strength that should be nurtured through culturally focused businesses and ethnic cuisine.
- H. Maximize the site to take advantage of the projected growth and programs of North Hennepin Community College (applied learning).
- I. Anticipate the Performing Art Center population with complementary uses – foster other creative uses that inspire life-long learning and artistic development.
- J. Incorporate open space or a plaza to connect the arts center to neighboring development.
- K. Add green space, landscaping, or pocket parks to soften the built environment.
- L. Consider use of these guidelines to support more cohesive future development along the corridor.

GOAL 2: Enhance connections to maintain ease of access and safety for multiple users including pedestrians / transit users, bikes and automobiles

- A. Pedestrian and bike ease is key to creating a flow to the district.
- B. Improve crosswalks across West Broadway and 85th Avenue to improve pedestrian and bike circulation through the district (e.g. “complete street” design to accommodate multi-modal uses near the transit station).
- C. Utilize landscaping and streetscape amenities to create stronger pedestrian and bike district.
- D. Reduce traffic impact of streets in the immediate area, including Candlewood.
- E. Encourage well designed surface parking lots, and consider underground parking to increase green space.
- F. Ensure safety for library users, especially children, seniors, and differently abled people.



Brooklyn Park Station Area Plan - 85th Avenue.



85th Avenue LRT Station Location.

GOAL 3: Encourage higher density development of a mix of uses that complement transit and the surrounding uses

Support was expressed for:

- A. Mixed-income and mixed-use development near the LRT station area.
- B. Child care center and affordable housing provided in proximity to NHCC that serves young working families.
- C. Residential and retail services that complement and accommodate local residents and students attending North Hennepin Community College (NHCC).
- D. Provide retail space that serves a variety of business types (small, medium and larger spaces).
- E. Consider a business incubator space similar to the Midtown Global Market to support local entrepreneurs and small businesses.
- F. Locally owned businesses and strengthening opportunities for residents to live and work in the area.
- G. Focus on retention of existing businesses.
- H. Maintain or increase walkable destinations that strengthen access to local services (at or near site B).
- I. Transit oriented affordable senior rental housing.
- J. Health and dental services.
- K. Art related spaces to complement the performing and fine arts education center.

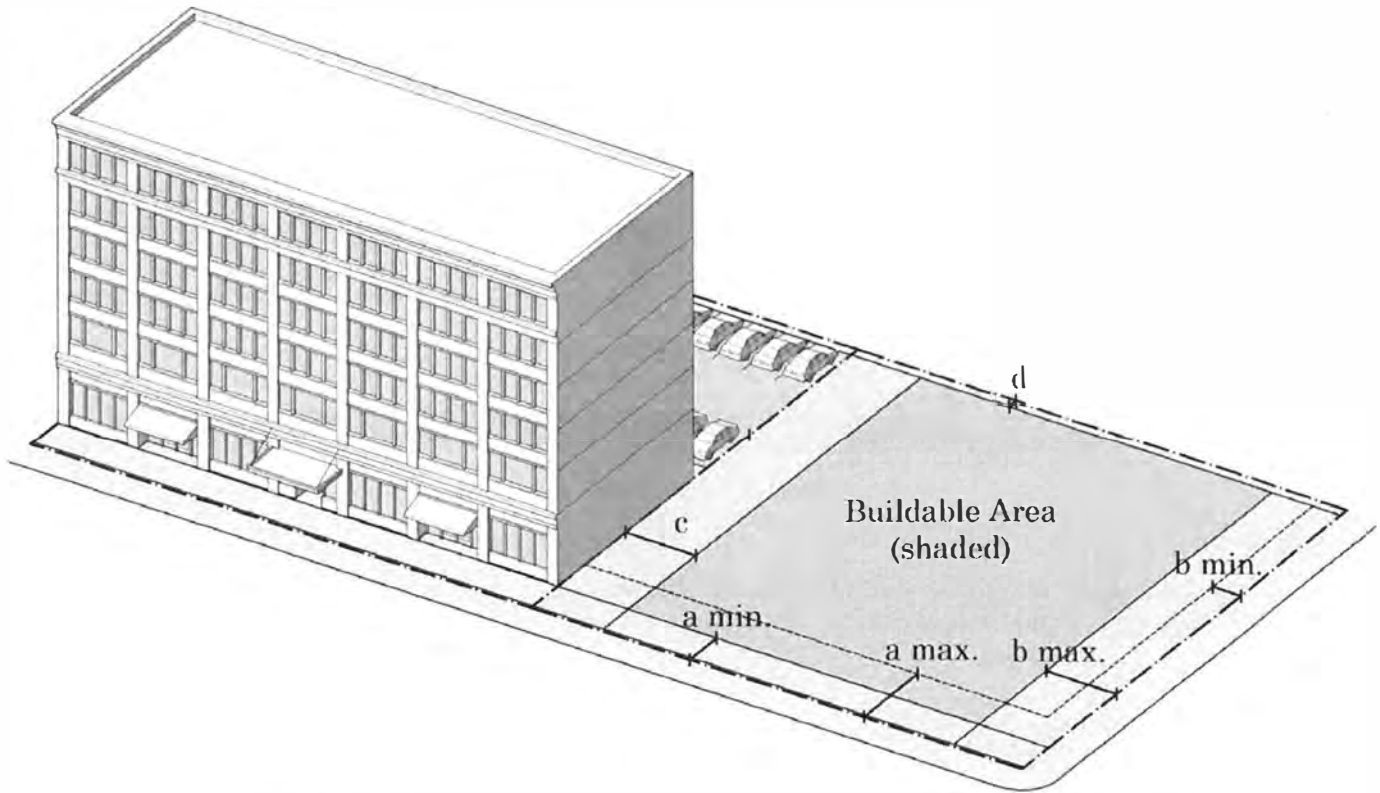
FOR MORE INFORMATION, CONTACT:

Jennifer Jordan
 City of Brooklyn Park
 (763)493-8137
jennifer.jordan@brooklynpark.org

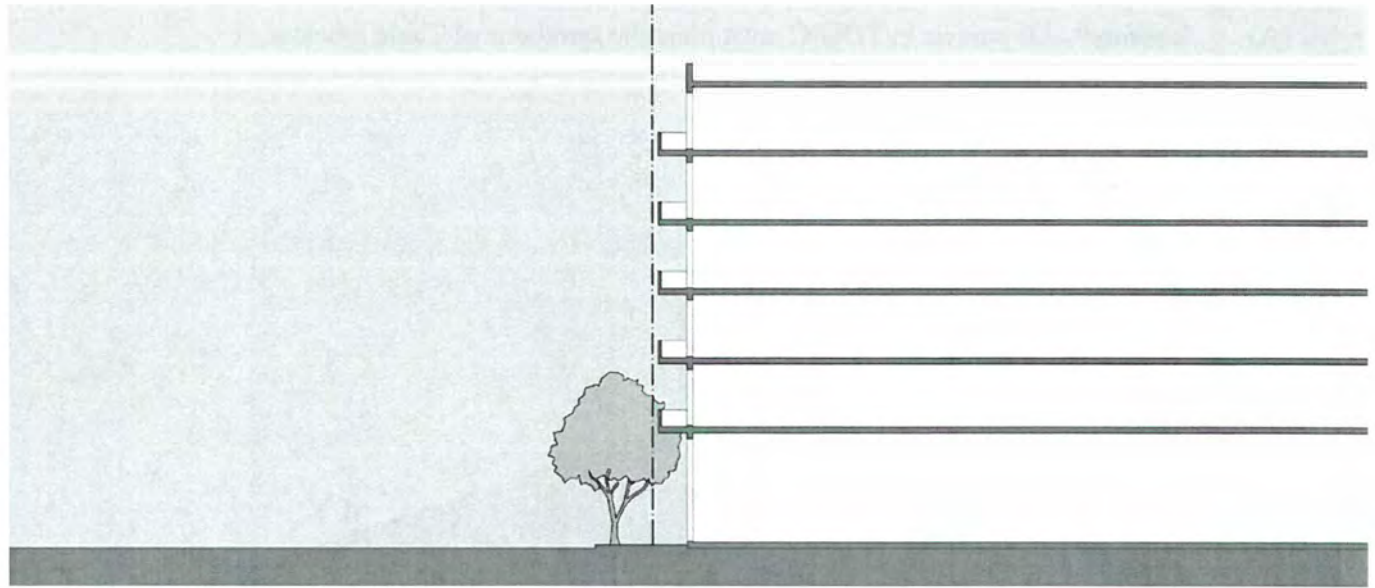
§152.606 “TOD-C” TRANSIT ORIENTED DEVELOPMENT CENTER DISTRICT

(A) *Standards.* All parcels in TOD-C must meet the standards of Table 5 below.

Table 5. TOD-C Building and Site Standards



BUILDING SETBACKS		PARKING AND STORAGE SETBACKS	
a. Front street	1 ft. min. – 12 ft. max.	Front street	30 ft. min.
b. Side street	2 ft. min. – 12 ft. max.	Side street	30 ft. min.
c. Side property line	0 ft. min. or 6 ft. max.	Side property line	0 ft. min. if shared; or 5 ft.
d. Rear property line	3 ft. min.	Rear property line	0 ft. min. if shared; or 5 ft.
MINIMUM FRONTAGE BUILDOUT		LOT COVERAGE AND BUILDING WIDTH	
Front street	80% min.	Lot coverage by buildings	100% max.
Side street	50 ft. min. from front street	Building width	200 ft. max.
MINIMUM GLAZING		FAÇADE TYPES	
Front street	60% min.	Shopfront	Common entry
Side street	30% min.	Forecourt	Stoop
Upper floors	15% min.		

Table 5. TOD-C Building and Site Standards, continued**BUILDING HEIGHT**

6 stories max.

Parking structure height

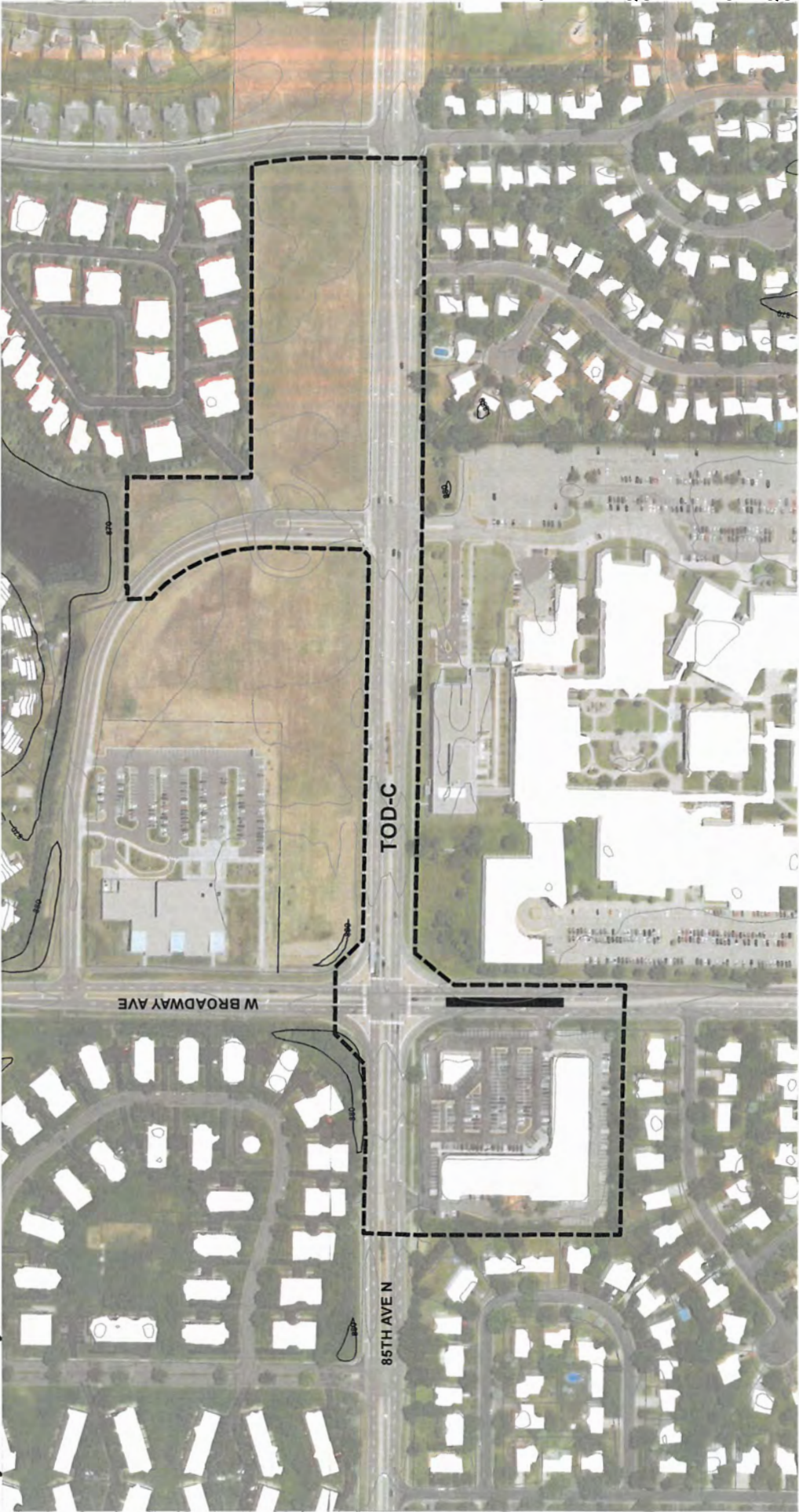
1 story less than building

Building height of 8 stories is available with a Conditional Use Permit upon initiation of construction of the METRO station. Building height may not exceed one story more than an adjacent single-family district within 50 ft. of residential parcels.

USES

RESIDENTIAL		COMMERCIAL	
P	Multiple dwelling	P	Retail and service
		P	Office
P	Care facility, convalescent home	P	Medical and dental clinics
INSTITUTIONAL		P	Veterinary and animal services
NP	Religious assembly	P	Child and adult day care
NP	Schools	P	Restaurants and brewpubs, theatres and entertainment
OTHER		C	Parking as a principle use
P	Wireless communication facilities as accessory uses located on a building	NP	Gasoline sales
		NP	Drive-through facilities
		NP	Self-storage facilities, sexually-oriented businesses, impound lots, vehicle sales

City of Brooklyn Park- 85th Ave. Station



Legend

- Station
- Proposed Street Centerline
- TOD-C



DUFFY DEVELOPMENT COMPANY

REAL ESTATE DEVELOPMENT
AND CONSTRUCTION MANAGEMENT

City of Brooklyn Park Request for Qualifications 6900 85th Ave North, Brooklyn Park

Developer Name: Duffy Development Company, Inc. www.duffydevelopment.com

12708 Wayzata Blvd, Suite 400

Minnetonka, MN 55305

Contact information: Jeff Von Feldt, CEO

(E)- jvonfeldt@duffydevelopment.com

(P)- 952-544-6769 x2

Kevin Duffy, Asset Manager

(E) - kduffy@duffydevelopment.com

(P) - 763-250-0520

John Duffy, President

(E) - jduffy@duffydevelopment.com

(P) - 952-544-6769 x1

Ownership information:

Duffy Development is a locally owned residential development company specializing in affordable housing creation and long-term ownership. Since its formation in 1986, Duffy Development has developed and continues to own 23 properties comprising over 1,000 units in Minnesota, Wisconsin and Iowa. In addition, we have one property currently under construction with 38 units planned to be complete and occupied in early summer of 2020.

Upon the completion of the development process, we place a high value on the operations and maintenance of each property. To that end, in 2005, we established Northstar Residential, LLC and brought all property management functions in-house. Duffy Development has narrowed its focus on the Twin Cities metro area over the past 20 years and Northstar Residential provides management services for most of the Twin Cities properties. Duffy contracts with third-party managers for sites in Wisconsin and Iowa. Both Duffy Development and Northstar Residential have strong partnerships with local, County and State government agencies as well as financial institutions locally and nationally. The corporate office

is located in Minnetonka, MN. Our offices reside in The Ridge, a 64-unit mixed income apartment building across 1-394 from Ridgedale Mall. The key members of Duffy Development are John Duffy, President and Owner and Jeff Von Feldt, CEO.

We encourage any who are interested to visit our website at www.duffydevelopment.com to see aerial footage of our work and how our developments fit in with the existing neighborhoods. We are always happy to coordinate tours of our properties in person.

Key member information:

John Duffy has been the sole owner and President of Duffy Development Company, Inc. since 1986. His company has developed and owned residential, office and office warehouse, as well as neighborhood retail projects throughout Minnesota, Wisconsin and northern Iowa. His prior experience includes 4 years as a project manager with Bechtel Inc. on the Alaskan Pipeline and 8 years as Design Director for R Johnson Construction and Development, Inc.

John has served on dozens of state and civic committees over the years, as well as several professional organizations in the construction industry. He is especially proud of the philanthropic projects his company has built, and continues to fund, for households with homeless or handicapped family members.

A few of John's Civic Business Awards include Excellence in Development awarded by Minnesota Housing Finance Agency, Green Leadership awarded by USDA and Minnesota Housing Finance Agency, Catholic Businessman of the Year awarded by the Archbishop of Minneapolis and St Paul, Housing Justice Award awarded by the Metropolitan Interfaith Council of Affordable Housing, Community Leader of the Year awarded by Housing for All Association, and the Tommy Thompson Housing Award awarded by Wisconsin Housing and Economic Development Authority, and the Community Hero Award by the Metropolitan Interfaith Council on Affordable Housing.

Jeff Von Feldt serves as the Chief Executive Officer for Duffy Development Company. He has an extensive background in affordable housing including site selection, design, construction oversight and asset management. Prior to his 20+ years with the firm, he served as Senior Housing Development Officer with the Multifamily division of the Minnesota Housing Finance Agency and as the Director of Property Management for the Washington County Housing and Redevelopment Authority.

Jeff has a BS in Housing from the University of Minnesota and is a certified Housing Development Finance Professional. Jeff has served on several boards including the Ridgedale YMCA Community Board, Housinglink.org, Metro-wide Engagement on Shelter and Housing and the U of M College of Human Ecology Alumni Association.

Submittal of examples of sources/uses sheet and capital stack:

We have included sources and uses for two of our recent developments and a project in which we are currently working on securing financing for. The Rogers Main Street re-development project and our Bottineau Ridge Phase II are described in greater detail below. The Ridge apartments, located in Minnetonka, is a 64-unit mixed income development which services families at our below 60% of the county median income as well as the traditional market rate.

Rogers Downtown Redevelopment 2021 Proposal



64-Unit Mixed Income and 40-Unit
Senior

**Sources**

Amortizing Debt	\$3,831,000
Rogers TIF	\$1,500,000
Land Donation	\$855,000
LCDAGrant	\$935,000
DEED Grant	\$350,000
Hennepin County	\$846,000
Housing Tax Credit Equity	\$13,490,000
Housing Infrastructure Bonds	\$4,620,000
Total Sources	\$26,427,000

Uses

Land	\$1,905,000
Construction	\$17,950,000
Professional Fees	\$4,754,000
Financing Fees	\$1,443,000
Capitalized Reserves	\$375,000
Total Uses	\$26,427,000

www.duffydevelopment.com

Bottineau Ridge Phase II Maple Grove 2019



50-unit Affordable Housing

**Sources**

Composition LLC Amortizing Debt	\$800,000
Hennepin County AHIF	\$445,000
Hennepin County HOME	\$355,000
Column Financial, Inc.	\$1,159,000
Housing Tax Credit Equity	\$9,212,724
Energy Rebates	\$20,000
Total Sources	\$11,991,724

**Uses**

Land	615,000
Construction	\$8,190,000
Professional Fees	\$2,443,686
Financing Fees	\$543,038
Capitalized Reserves	\$200,000
Total Uses	\$11,991,724

www.duffydevelopment.com

The Ridge Minnetonka 2013



64-unit Mixed Income

**Sources**

MHFA Amortizing Debt	\$2,718,592
Minnetonka Pooled TIF	\$985,000
Hennepin County HOME	\$700,000
Housing Tax Credit Equity	\$8,560,000
Developer Equity	\$218,708
Total Sources	\$13,182,300

**Uses**

Land	\$1,171,230
Construction	\$8,277,520
Professional Fees	\$2,585,351
Financing Fees	\$673,199
Capitalized Reserves	\$475,000
Total Uses	\$13,182,300

www.duffydevelopment.com

Recent projects:

Coachman Ridge, located in Elk River, is a four story, 53-unit apartment building which first opened its doors to residents in 2015. All units have rent levels that are set to be deemed affordable for families who earn 60% or less of the county median income. Four units have further restrictions on them and are set aside to provide housing for families transitioning out of homelessness. Coachman Ridge was financed through a combination of tax credit equity, Minnesota Housing Finance Agency first mortgage and a deferred loan from Minnesota Housing Finance Agency. The entrance to our parking lot directly connects to the parking lot for the Northstar Commuter Rail station platform in Elk River. We have been able to see, firsthand, the benefits to our residents of having the convenience of close access to public transportation. Other amenities at this development include a fitness center, office center, underground parking, community room and playground.

A contact with the city would be Zack Carlton, Planning Manager. He can be reached by phone at 763-635-1035 or via email at zcarlton@elkrivemn.gov

Duffy Development most recently opened Bottineau Ridge Phase II located in Maple Grove. This building is the second phase of a planned three phase development intended to provide more affordable housing options in the Arbor Lakes Main Street neighborhood of Maple Grove. Bottineau is a four-story, 50-unit apartment building including one to four-bedroom units with underground parking. All 50 units in this building are aimed at individuals and families who earn 60% or less of the Area Median Income and includes special set-asides with three units designated for people with disabilities and seven units for

people who are recently transitioning out of homelessness. Two of the units are specifically set aside to provide housing for homeless veterans. Supportive services are provided through a partnership with The Salvation Army, Twin Cities. Amenities at the development include a fitness center, community room, and underground parking. This development was financed through a wide variety of sources including utilization of federal housing tax credits and private debt from Composition LLC and Column Financial, Inc. Hennepin County HRA and the Hennepin County HOME Consortium provided gap financing in the form of deferred loans. Finally, the City of Maple Grove was very much involved by providing, waivers of building permit, SAC/WAC fees and a substantial density bonus.

A city contact that can be used as a reference for this development is Heidi Nelson. She can be reached by phone at 763-494-6000 or via email at hnelson@maplegrovern.gov

Duffy Development's most recent development under construction is The Crossing Phase II located near the Northstar Commuter Rail station and platform in Big Lake. This development consists of 38 two-story townhomes spread across two separate buildings which both offer residents a shared, underground garage. The unique design of this site allowed for maximum density while still maintaining the feel of the existing neighborhood. Four units have been set aside for families coming out of homelessness. We have partnered with The Salvation Army, Twin Cities to help service these units. All 38 units are reserved for those who make 60% or less of the county median income. The development was financed through tax credit equity and a first mortgage secured by Minnesota Housing Finance Agency.

A city contact that can be contacted for reference is Hannah Klimmck. She can be reached by phone at 763-251-2979 or via email at hklimmek@biglakemn.org

Finally, we would present a development in the planning stages. This is a unique development and may be the best comparison to what is possible in Brooklyn Park. This is the first redevelopment of the Main Street area of Rogers. The project will incorporate two separate buildings. One of which will be creating a 64-unit apartment building. The workforce building will serve those with median incomes at or below 60% of the county median income, with rents set at the 50% level. A percentage of units will serve the traditional market rate sector. In addition, there will be a number of units set aside for those with disabilities and people who are transitioning out of homelessness. Some project amenities will include underground parking, a community room, and fitness center.

The second building will be aimed at serving independent seniors in search of affordable rental units. All 40 of these units will have rents set at the 50% Area Median Income levels while servicing those with incomes at or below 60% AMI. This building will also incorporate a new senior center for the City of Rogers which will provide activities and services directly serving the property, but also the general senior population in the City.

Between the two buildings will be a large area of green space. Walking paths and seating areas will be abundant/City planned programming in the courtyard area will draw residents from all over the city.

We have worked with the City to secure funding from the LCDA and DEED programs. The City has also offered TIF support. The family housing building's financing will also include the use of tax credit equity while the senior housing development will utilize Housing Infrastructure Bonds.

A city contact for the project is Jason Ziemer. He can be reached by phone at 763-428-0915 or via email at jziemer@rogersmn.gov

Other local officials we have worked with in the past who can be contracted as references are Karl Batalden, Community Development Director in Woodbury, and Julie Wischnack, Community Development Director in Minnetonka.

Karl can be reached by phone at 651-414-3438 or via email at karl.batalden@woodburymn.gov. Julie can be reached by phone at 952-939-8297 or via email at jwischnack@eminnetonka.com

Ideas for this development:

We are excited about the opportunity to work with the City of Brooklyn Park and North Hennepin Community College to create a master plan that will best enhance the neighborhood and provide the type of housing and services the City is looking for.

The size and shape of the site is ideal for massing purposes. The surrounding neighborhoods, however, are fairly low-density and relatively lower in height. This leads us to consider the impact of this project on surrounding homes and neighborhoods. To the east is a three-story apartment for senior residents. This is the closest comparison in height to what we may proposed but everything else is two-stories or less.

To the west is the Hennepin County Library and the community college. Both of these main structures along 85th Avenue have very unique and updated designs. This would lead us in a direction of a modern,

3-5 story building with flat roof, as opposed to pitched roof. The sense of the new buildings would be urban in nature to complement the existing larger uses. It is likely we would propose very minimal setbacks from 85th Avenue with the highest portions of buildings being along this corridor and then dropping in height as the building stretches to the north. The resulting boulevard between the buildings and 85th Avenue would be landscaped to promote walkability and easy access to the light rail station.

Other than design elements of the site, we would work with the City to provide the type of housing that satisfies and promotes the need of the community. Housing for students that is also affordable, can be a difficult issue to resolve. Many financing programs for affordable housing specifically restrict full-time students. Therefore, we are likely to propose mixed-income buildings utilizing Housing Tax Credits for the affordable homes and other sources to maintain affordability for students. We expect the site to be able to accommodate approximately 150 units of housing and we would propose doing this in two phases of approximately 75 units each.

To further enhance the master plan and to support the City's effort to have a business use on the site, we are proposing a child-care center. We have already been in discussions with a non-profit provider who is very much interested in being part of this exciting development opportunity. Additional smaller business uses may be an option within the first-floor space of the apartment buildings. We are cautious of suggesting first floor commercial space, but on a limited basis, it can be successful.

Landscaping, walkways and site fixtures will enhance the overall connectedness of the plan within the site and as part of the neighborhood.

The primary challenges for this development, much like all developments, will include securing financing and obtaining the necessary local support.

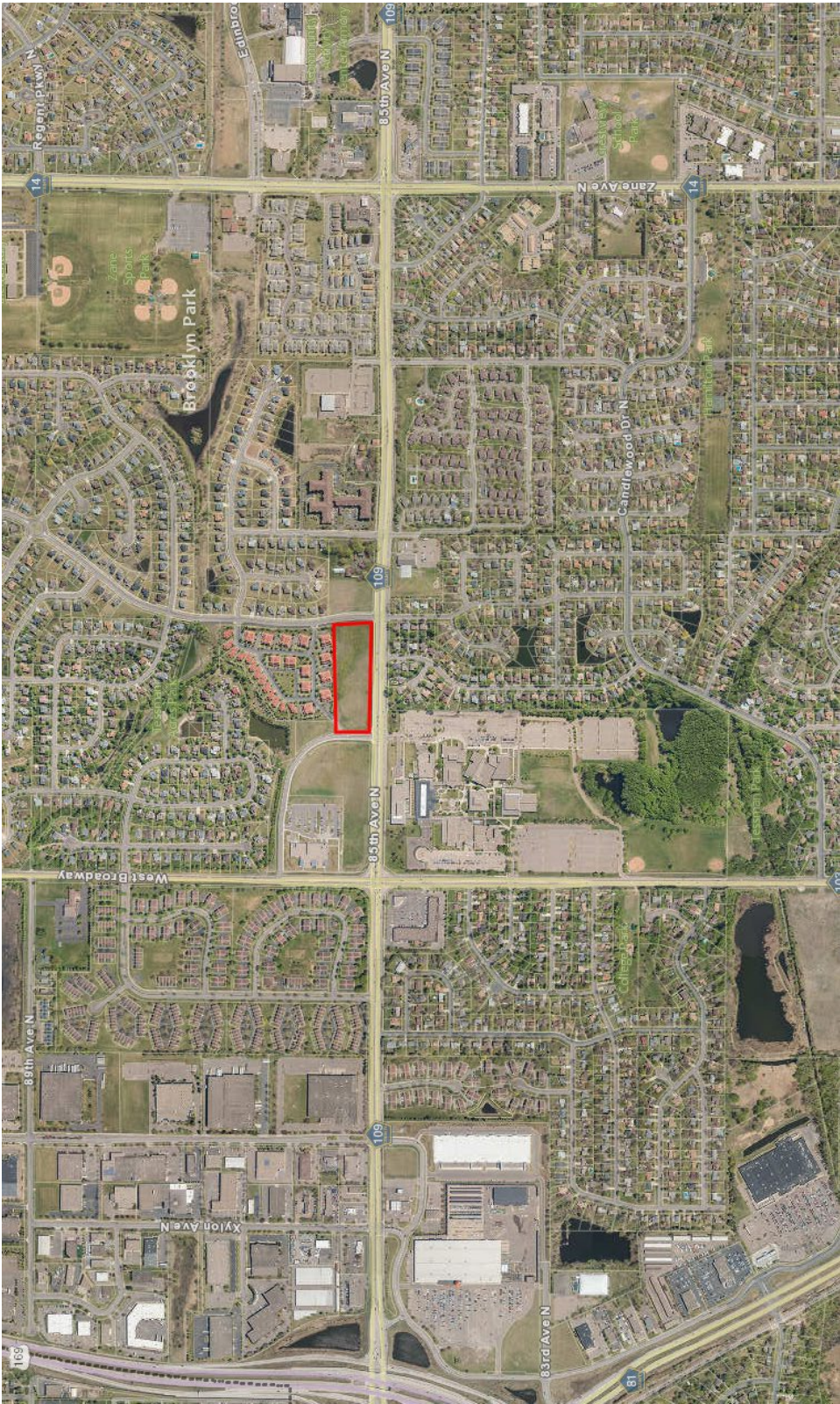
We would be humbled to have the opportunity to come in and discuss further our interest and ideas for this development. Due to the current nature of the COVID-19 virus, we have been given an opportunity to begin funding applications this summer. Application due dates for Minnesota Housing have been pushed back to July 16, 2020. It would be a very tight timeline but would kickstart the efforts to begin securing financing for this development.

BROOKLYN PARK/NHCC HOUSING PROPOSAL



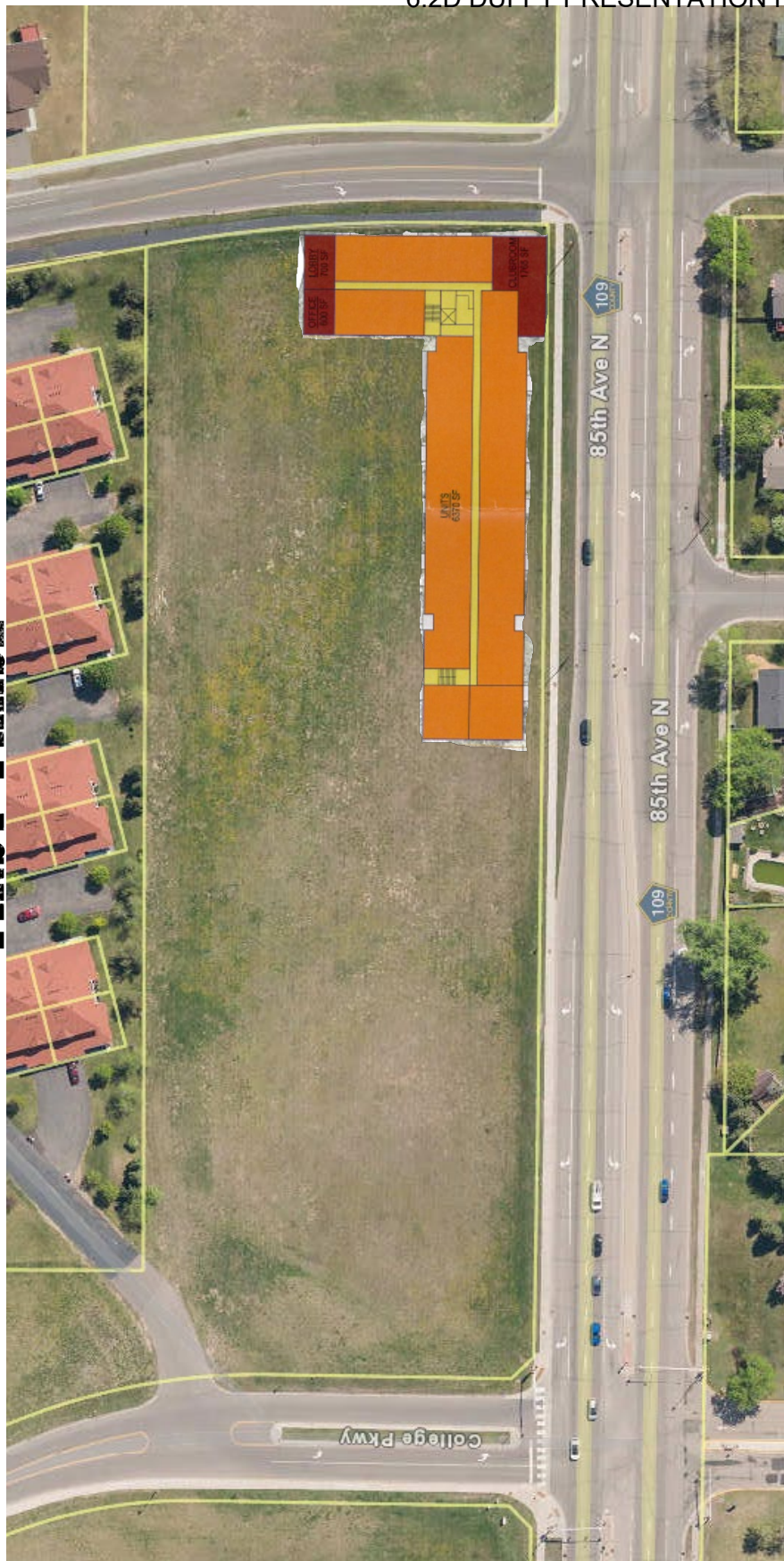


HOUSING PROPOSAL SITE



BROOKLYN PARK APARTMENTS

FIRST PHASE



BROOKLYN PARK APARTMENTS

- Four or five-story design with underground parking
 - 75 Units
 - 12 – One Bedroom Units
 - 40 – Two Bedroom Units
 - 23 – Three Bedroom Units
 - 20-25 units will be market rate and/or student housing
 - 50-55 units will be Housing Tax Credit eligible (60% max income)
 - Student specific study space
- Modernistic design, likely with flat roof
- Transit connections. Incorporation of more defined bus stop.
- Hour-car parking, Blue-Bike racks



BROOKLYN PARK APARTMENTS

FIRST PHASE CHILDCARE





Community Multi-Unit Family Child Care

Sample Community Profile:

Twin Cities Metro Area



Our MISSION

WomenVenture helps women attain economic self-sufficiency through the creation and growth of profitable and sustainable businesses

www.womenventure.org

**CURRENTLY OWN 21 AND MANAGE 18 HOUSING TAX
CREDIT PROPERTIES IN THE TWIN CITIES**

**LONG-TERM OWNER — FIRST TAX CREDIT PROPERTY
DEVELOPED IN 1992**

STRONG COMMUNITY RELATIONSHIPS



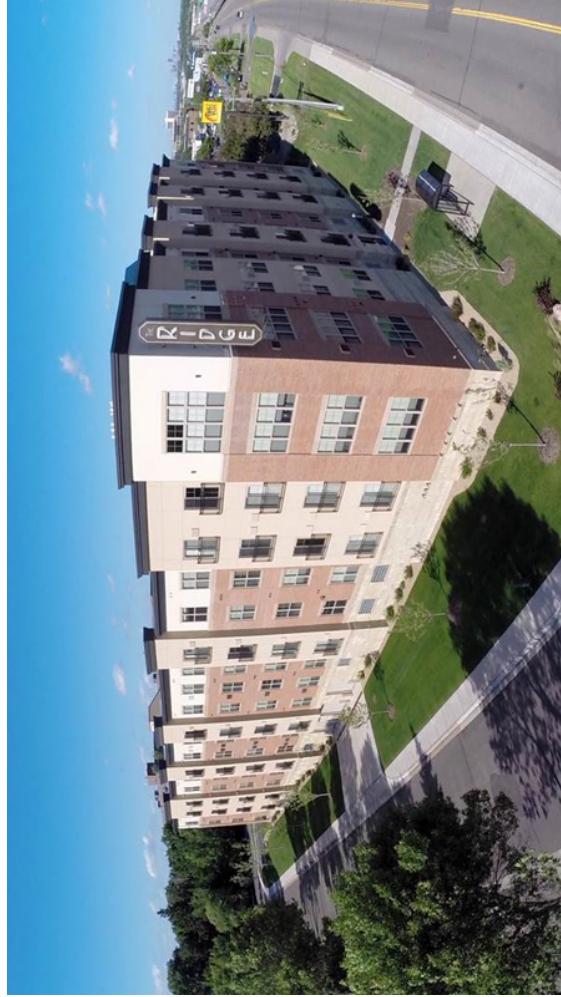
DUFFY DEVELOPMENT COMPARISONS



The Depot
Elk River



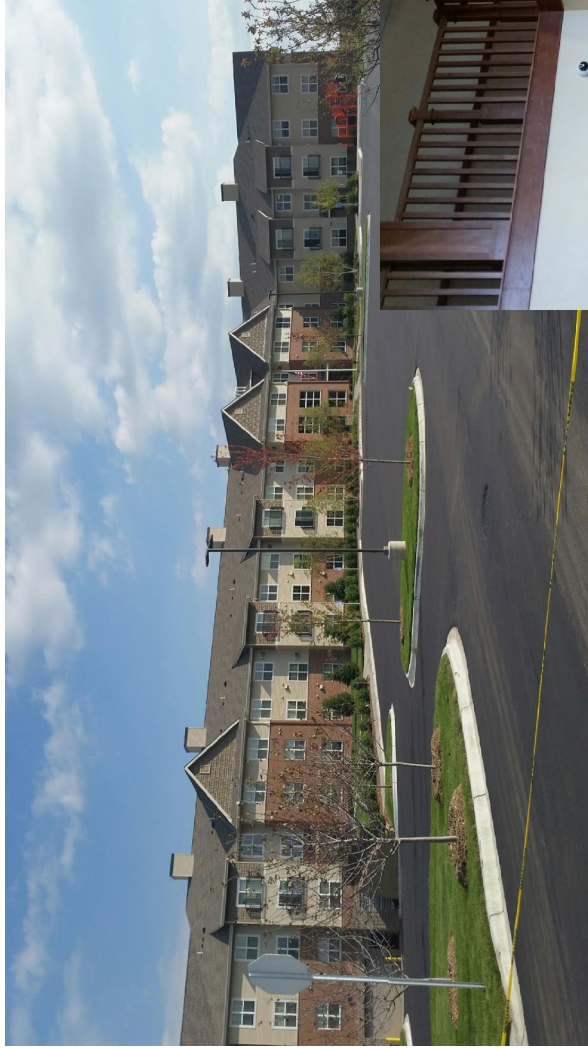
DUFFY DEVELOPMENT COMPARISONS



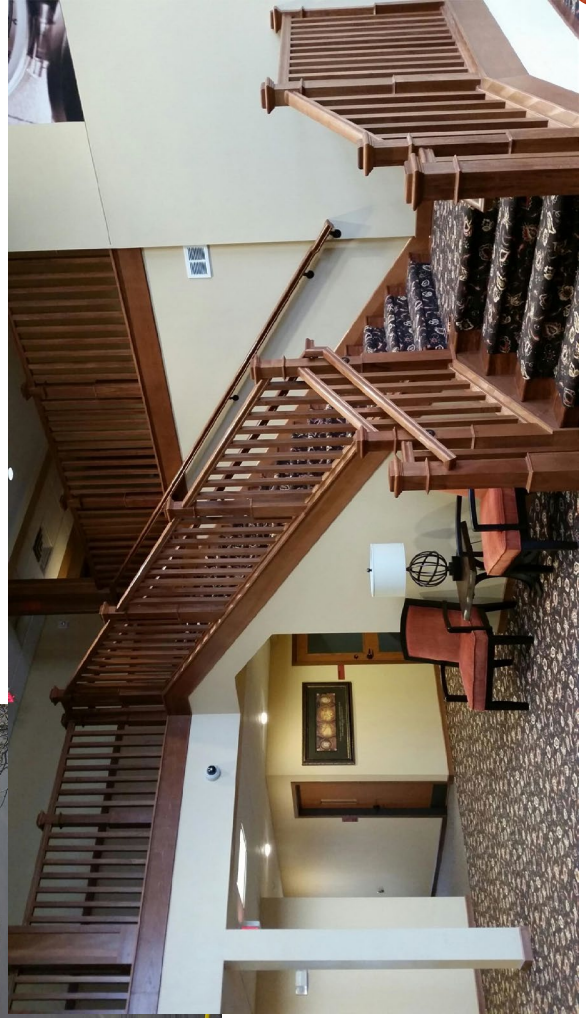
The Ridge
Minnetonka



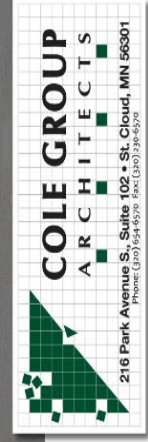
DUFFY DEVELOPMENT COMPARISONS



Bottineau Ridge
Maple Grove



DUFFY DEVELOPMENT COMPARISONS



ROGERS MAIN STREET REDEVELOPMENT
SW CORNER OF MAIN ST & JOHN DEERE LANE

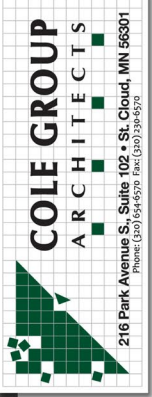


DUFFY DEVELOPMENT COMPARISONS



ROGERS MAIN STREET REDEVELOPMENT

SW CORNER OF MAIN ST & JOHN DEERE LANE



216 Park Avenue S., Suite 102 • St. Cloud, MN 56301
Phone: (828) 544-5555 Fax: (828) 544-5551



BROOKLYN PARK APARTMENTS

FIRST PHASE

■ Proposed Financing	
■ Amortizing First Mortgage	\$4,450,000
■ City TIF Loan/City Waivers	\$1,300,000
■ Hennepin County	\$700,000
■ Metro Council LCDA/LHIA	\$900,000
■ Minnesota Housing RFP	\$630,000
■ Housing Tax Credit Equity	\$11,500,000
■ Childcare Funding	\$1,000,000
■ Total Project Budget	\$20,480,000



BROOKLYN PARK APARTMENTS

- Proposed Rents
 - With Financial Support
 - Without Financial Support
- Tax Credit Units
 - One Bedroom - \$875
 - Two Bedroom - \$1,025
 - Three Bedroom - \$1,200
- Market Rate Units
 - One Bedroom - \$1,400
 - Two Bedroom - \$1,750
 - Three Bedroom - \$2,150
- Market Rate Units
 - One Bedroom - \$1,200
 - Two Bedroom - \$1,600



BROOKLYN PARK APARTMENTS

- Student Housing Concept
 - NHCC has no student specific housing due to liability concerns.
 - NHCC has numerous requests for housing support
 - NHCC students are generally lower income
- Propose master lease with NHCC for a specified number of units
- 2-bedroom units house four students
- Rent paid by NHCC and included in tuition/room & board cost
- Students can receive federal financial aid for tuition/room & board





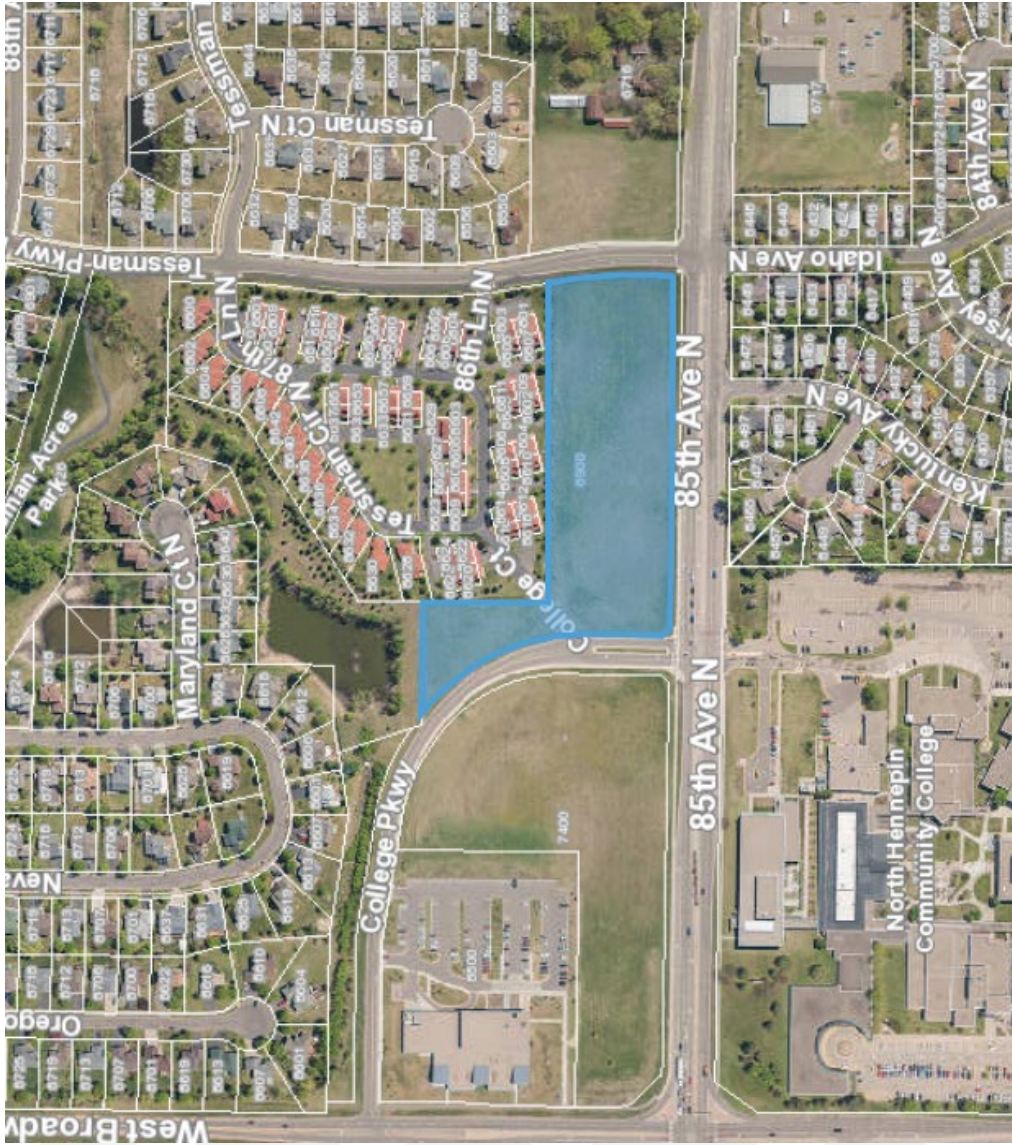
QUESTIONS?



Selection of Development Team for 6900 85th Ave N

Erika Byrd, Development Project Coordinator

Background



- 6.2-acre parcel on NHCC campus at 6900 85th Avenue North
 - O&M would like 1 acre of land for a new water well
 - Remaining 5 acres could be developed
- CDI planning process guides this site as housing or mixed-use (2018)
- NHCC designated as surplus (2018)
- EDA work session (Dec 2019)
- EDA authorized negotiation of purchase option for site and process to find developer (Feb 2020)

Development Aims

- Affordable or mixed-income housing with potential mixed use
 - Provide housing opportunities accessible to the existing community.
 - Mixed-use space and/or amenities for the community or residents at a neighborhood scale use.
- Strengthen the vitality of the area, promoting a high-quality design that enhances neighborhood assets.
- Grow partnerships (local developers, contractors, service providers)

Request for Qualifications

- EDA issued RFQ (March 16)
- Deadline for applications (April 13)
- Three applications received
 - Duffy Development Company
 - JO Companies and Lupe Development Partners
 - Saturday Properties
- Selection Committee interviewed and scored all three applicants, recommending Duffy Development Company

Duffy Development Company

- Reputation and familiarity with developing and operating successful projects in suburbs
- Proposal incorporates mixed-income and mixed-use design
- Proposed partnership with WomenVenture to develop a daycare co-op.

Proposed Development

- Phase I development of 75 units (mix of one, two and three bedrooms)
- Mix of subsidized and market rate rents
 - 20-25 units market rate and/or student housing
 - 50-55 units utilizing 9% Low Income Housing Tax Credits
- Mixed use design incorporating co-op day care concept (either as standalone building or within housing building)
- Step down in architecture style and height
- Phase II development with an additional 75 housing units

Next Steps

- Select Development Team (tonight)
- Developer works with EDA and City staff on preliminary development plan (May-June)
- EDA finalizes option agreement with MN State (June-July)
- Developer submits MN Housing application (June-July)
 - Will require City Council support
- Negotiate term sheet for development & bring to EDA for consideration (June-August)

EDA Action

- Selecting Duffy Development Company as the Development Team for 6900 85th Avenue North and Directing the Executive Director to Negotiate a Term Sheet

MEMORANDUM

DATE: May 14, 2020
TO: EDA Commissioners
FROM: Kim Berggren, Executive Director
SUBJECT: Status Update

BUSINESS DEVELOPMENT**Brooklyn Park Development Corporation Emergency Deferred Loan Program**

On May 8, the Brooklyn Park Development Corporation (BPDC) approved the allocation of funds to businesses through the Emergency Deferred Loan program. The loan program's application opened on April 24 and closed May 4. Over 80 businesses applied for the program and 71 businesses met eligibility requirements to receive funds through the program. Eligible applicants represented a variety of industries with over half being businesses owned by Brooklyn Park residents, 81% of businesses reporting they are owned in part or in whole by people of color, and about half being owned in part or in whole by women.

The BPDC board moved to distribute funds to all eligible applicants with those who received funds from the State or Federal government only being eligible to receive the minimum award amount of \$2,500. The remaining funds were distributed to businesses based on total number of employees. The largest award amount was \$5,000.

Receiving Emergency Deferred Loan program funds do not affect a business's ability to receive funds from either Hennepin County, the State of Minnesota, or any current Federal program related to COVID-19. All eligible applicants were asked to sign a loan agreement which must be received before funds are distributed. Payments on these loans are deferred until May 15, 2021. At that time, loans may be eligible for either partial or full forgiveness. BPDC will discuss eligibility criteria for forgiveness and communicate with all businesses that received funds.

Business Impact Survey follow up

Beginning this week, staff will be coordinating a second Business Impact survey to assess the impact of COVID-19. The first survey was conducted in April and surveyed almost 50 local businesses to determine their most immediate needs in response to the crisis. Feedback from the survey was used to design information sharing approaches and the BPDC Emergency Deferred Program. The second survey will assess additional impacts and how the City can support beginning recovery efforts.

Business Communications

Communications and EDA staff have been working diligently to provide accurate and up to date information to businesses through weekly emails and through the City's COVID-19 resources webpage. Business emails focus primarily on connecting businesses to Federal, State, County, and local resources while also providing links to useful webinars, social distancing best practices, and any additional information. Emails typically go out to businesses on Thursdays. For the most up to date information, businesses are encouraged to visit the COVID-19 resource page on the Brooklyn Park website.

<https://www.brooklynpark.org/covid19-5/>

WORKFORCE DEVELOPMENT**BrookLynk summer internships**

BrookLynk is in the process of matching summer internships. The program team has developed alternatives to in-person internships including virtual internships and stipend professional development opportunities. There are currently 190 youth signed up for a summer BrookLynk opportunity, with 16 internship matches complete. The program is waiting to hear back on the status of several employers before matching the remaining. Many unmatched youths will be given the opportunity for the virtual professional development series as an alternative to a summer internship. Supervisor training is being developed as a virtual program and will be held in early June. Content will focus on providing safe opportunities for internships.

OTHER**Nonprofit Emergency Fund**

The first round of funding for local nonprofit organizations providing direct services to Brooklyn Park residents is complete! Five organizations have submitted midway reports on additional services they have provided with the first round of disbursements totaling \$15,000. Avenues for Youth, Community Emergency Assistance Programs (CEAP), Minnesota African Task Force Against Ebola (MATFAE), Organization for Liberians in Minnesota (OLM) and West African Family and Community Services (WAFCS) have utilized the funds to deliver meals to homebound residents, supply culturally-relevant food supplies, and assist renters with one-to-one informal rental agreements. The second round of disbursements has been issued and all funds will be expended by June 1 per the direction of the City Council.

MEMORANDUM

DATE: May 14, 2020

TO: EDA Commissioners

FROM: Erika Byrd, Development Project Coordinator

CC: Kim Berggren, EDA Executive Director
Breanne Rothstein, Economic Development and Housing Director

SUBJECT: Housing Update

This memo provides an update to the Economic Development Authority (EDA) on housing-related items. In addition to updating the EDA, this memo serves to keep interested stakeholders informed of this work.

HOUSING PROJECT AND PROGRAM UPDATE

Multifamily Reinvestment Programs

At its April 20 meeting, the EDA approved the establishment of two new programs aimed at promoting apartment reinvestment: a Rental Housing Rehabilitation Loan Program and the Community Environment Sustainability Program. The Rental Housing Rehabilitation Loan Program is designed to provide loans to encourage and assist with physical improvements to the city's small rental apartment housing stock (1-16 units). This program is now active and EDA staff are working in collaboration with the City's rental inspection staff to promote the resource to possible applicants. A flyer for the program is attached as item 7.2A.

The Community Environment Sustainability Program is designed to allow the EDA to partner with and incentivize large apartment communities to initiate projects that build greater environmental sustainability while engaging community and leveraging other funding sources. EDA staff will be working with apartment owners and managers to share information about this opportunity, build partnerships, and develop an implementation plan.

CURA Brooklyn Park Housing Research Project

The Center for Urban and Regional Affairs (CURA) research project into Brooklyn Park housing is partially on hold due to COVID-19 social distancing protocols, but the research team has been meeting regularly with EDA staff and will soon begin engagement and data collection with apartment managers through remote/virtual meetings. A project status summary is attached at item 7.2B. CURA is conducting a year-long research project in Brooklyn Park to investigate the issues of community building (including tenant-management relations and tenant-tenant community), increasing renter and management knowledge of their rights/responsibilities, and concerns surrounding safety/security. The project is led by Dr. Brittany Lewis and Dr. Shana Riddick and is being funded by the Brooklyn Park Economic Development Authority, Hennepin County, and Minnesota Housing.

6900 85th Avenue North Development

The Brooklyn Park EDA solicited qualifications for the development of a vacant parcel of land at 6900 85th Avenue North for affordable or mixed-income housing or mixed-use development. The

Request for Qualifications was open through April 13, 2020 and three proposals were received. The EDA will be considering the selection of a recommended developer, Duffy Development, at its May 18 meeting. At its February meeting, the EDA approved an action to enter into an option agreement with Minnesota State Colleges and Universities for the purchase of the site for development purposes. This vacant parcel is currently part of North Hennepin Community College campus but designated as surplus.

Huntington Place

Aeon is currently holding regular Community Resource Working Group meetings. City staff are participating in these meetings with Aeon and representatives from Local Initiative Supports Coalition (LISC), Hennepin County, and housing and community stakeholder groups. The focus of the working group is both on short-term COVID-19 response and long-term tenant supports and resources. Aeon, a Twin Cities-based nonprofit developer and manager of affordable apartment homes, purchased Huntington Place Apartments on January 30, 2020. The EDA approved a development agreement between Aeon and the EDA for the acquisition and rehabilitation of Huntington Place Apartments in January 2020. The EDA is contributing a \$5 million loan to fund physical reinvestments into the apartment community with a focus on improving safety and security. Aeon will maintain affordable rents for the long-term.

HOUSING NEWS AND UPDATES

City and EDA COVID-19 Related Housing Efforts

EDA staff is actively monitoring housing information related to COVID-19 to capture what is being done nationally, at the state level, and regionally to provide support for renters and homeowners during this emergency. Staff is working to understand what resources are available to Brooklyn Park residents and where City or EDA assistance could be proposed to fill an identified gap. In April, EDA and City staff from the Emergency Operations Center produced a mailing to all renter households in the city to highlight community resources including food, health, employment, and rent and utilities. Staff also reached out to Brooklyn Park property managers and landlords to check in on their needs and to understand what types of measures they are taking address safety and wellness at their apartment communities. In addition, the City is working to continually update its COVID-19 web page (www.brooklynpark.org/covid19/) with community resources and information.

Emergency Rental Assistance

Hennepin County made additional Community Development Block Grants Covid-19 funds available for rental or utility support through the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act. Funding for rental assistance in Brooklyn Park and other northwestern suburbs in the amount of \$975,000 was awarded to CEAP. This Emergency Rental Assistance Program is designed to help low-income renter families throughout Brooklyn Park and the northwestern suburbs earning less than 50% area median income to meet their rental obligations for a month or two due to loss of income as a result of COVID-19 pandemic. City staff is working with property managers in all multifamily properties and other rental property owners to communicate the availability of this resource to all the affected residents. Application information is available at: www.hennepin.us/residents/human-services/emergency-rental-covid19.

OVERVIEW OF RECENT EDA HOUSING POLICY, PROGRAMS, AND PROJECTS

Items completed or underway:

- Mixed-Income Housing Policy (2017)
- Apartment Action Plan 2.0 (2018 - current)
- Autumn Ridge Apartments Rehabilitation Project (2018-current)
- Transitional Housing Facility Rehabilitation (2018-current)
- Homeowner Programs (April 2019 - current)

- Senior Deferred Loan Program established
- Down Payment Assistance Program established
- Code Correction Loan Program established
- Revolving Loan Program updated
- Fair Housing Policy (May 2019)
- Naturally Occurring Affordable Housing (NOAH) Preservation Program (July 2019)
- Brooks Landing and Brook Gardens Rehabilitation Project (September 2019 – current)
- Tenant Notification Ordinance (October 2019)
- Huntington Place Apartments purchase by Aeon, including physical improvements (January 2020 - current)
- Eviction and Housing Stability Research by CURA of UMN (current)
- Rental Rehabilitation Loan Program (April 2020)
- Community Environmental Sustainability Program (approved, currently being established)

Items under consideration:

- EDA-owned former Park and Ride site (4201 95th Ave N) – planning through Corridor Development Initiative partially complete and on hold
- North Hennepin Community College site (6900 85th Ave N) – selection of developer on May 18 EDA agenda
- Various housing opportunities and requests under discussion or consideration:
 - EDA-owned Welcome Site (7621 Brooklyn Blvd) – George North Group mixed income apartment and commercial space (EDA work session April 20)
 - EDA-owned Regent Site (7475 Brooklyn Blvd) – Pulte Group detached townhomes, (EDA work session April 20)
 - 7849 West Broadway – Dominion affordable senior apartments (EDA work session April 20, tentative May 26 City Council)
 - 9450 Decatur Drive North – Bethesda Lutheran Communities mixed income apartment units for seniors and people with intellectual and developmental disabilities (EDA work session April 19 & May 18)

Attachments

- 7.2A Rental Housing Rehabilitation Loan Program Flyer
- 7.2B Housing Research Project Update

Rental Housing Rehabilitation Loan Program now available for small rental properties

Before



After



The City of Brooklyn Park is dedicated to assisting residents. Our new Rental Rehabilitation Loan Program now offers low-interest loans for owners of small rental properties who need to make property improvements.

Who is eligible?

Property owners of licensed residential rental properties in Brooklyn Park with one to 16 units.

What kind of repairs can I make?

Most permanent interior and exterior improvements are eligible. Equipment purchases and some amenities such as hot tubs are not.

What are the guidelines?

- Loan amounts range from \$10,000 - \$100,000
- Loan term is up to 10 years
- No income restrictions to qualify, but interest rates are based on income, property affordability and Brooklyn Park residency
- Interest rate is 0% (0.224% APR) or 3% (3.236% APR)

How can I learn more?

Contact John Kinara, Housing and Redevelopment Specialist for the City of Brooklyn Park, at john.kinara@brooklynpark.org or 763-493-8054 OR Center for Energy & Environment (CEE) at 612-335-5851 or shines@mncee.org.

Brooklyn Park Housing Research Project Status Update

April 24, 2020

PHASE 1: ADVISORY COUNCIL & FRAMING RESEARCH PROJECT

The project's first phase involved laying initial groundwork and solidifying the research partnership. In the fall of 2019, Dr. Brittany Lewis and Dr. Shana Riddick of the Center for Urban and Regional Affairs (CURA) at the University of Minnesota met with City of Brooklyn Park staff to clarify goals and collaborate on approach. Following informational interviews with various local stakeholders, an Advisory Council was established. The Advisory Council was tasked with shaping the project's overall objectives, drafting research questions, and creating the research tools. The Advisory Council included tenants, property managers, and representatives from the City of Brooklyn Park (City Manager, Community Development, Police, and City Council), Hennepin County, African Career Education and Recourses Inc, Home Line, and the Housing Justice Center. The Advisory Council was led by the implementation team, consisting of the CURA research team and City staff. Between December 2019 and February 2020, the Advisory Council met four times.

Through this process, the Advisory Council collaboratively developed the following purpose statement: "The Brooklyn Park Housing Advisory Council aims to ensure that all residents who rent are engaged, informed, and have equitable access to stable and dignified housing". The Advisory Council determined that the research project would focus on increasing renters and property management teams' knowledge of their rights/responsibilities, unpacking concerns surrounding safety/security, and engaging in community building (focusing on tenant-management relations and tenant-tenant relations).

PHASE 2: IMPLEMENTATION & COVID-19

Beginning in March, the CURA research team intended to work with City staff to determine appropriate outreach strategies – utilizing engagement methods derived from Dr. Lewis' prior engagement research, city staff's institutional networks, and advisory council members' community relations. However, this plan was derailed with the onslaught of COVID-19. The necessity to quarantine, in the long-run, altered the project's timeline, and in the interim, impaired the CURA team's ability to be physically present in community, engaging in outreach and data collection. Action research, which this project is an instance of, requires strong and intentional community engagement strategies. The City staff and CURA decided to "pause" outreach until further information about the length of time of the shelter-in-place order became clearer. The CURA team, working remotely, focused their energies on developing the literature review, completing a policy analysis, and doing some quantitative data analysis that helped narrow the project's scope.

Though outreach was momentarily put on hold, the CURA research team used their weekly team meetings and periodic meetings with City staff to share progress updates and finalize aspects of the project's research design. During a meeting with City staff on April 23, 2020, the following decisions were collectively made.

Conceptual Framework:

- The intent of the literature review and policy paper, being produced by members of the CURA research team, have expanded. Initially it focused primarily on affordability and eviction prevention strategies. However, the document will now include an investigation of community building practices within large apartment communities as suggested by City staff. The intent is to investigate "best practices," that could inform local relations between tenants-management and tenant-tenant.
- Methodologically the project's scope was narrowed. From the city's 16 large apartment communities, 8 sites were selected to comprise the project's participant pool. These sites were determined from analyses of eviction data received from the city. The selected sites are: Huntington Place, Willows II (Brook), Eden Park, Willows I (Park), Moonraker, Point of

America, Autumn Ridge, and Fairways. They represent the 4 highest and lowest eviction filers amongst the city's large apartment communities. Gabriela Norton from the Minneapolis Housing Partnership is spearheading the project's quantitative research analysis.

Community Engagement

- It was decided that we will move forward with outreach and data collection proceedings with the project's property management teams (this is half of the project's research subjects). Though COVID-19 requires us to maintain social distance, it was determined that we could gather data from these individuals remotely, holding interviews and focus groups via online platforms such as, Zoom or Microsoft Teams. We will leverage City staff's existing relationships with property management companies to access these research participants. The objective is to finalize a data collection plan and begin interviews in the next 2 months.
- Though we feel online platforms are a viable tool to connect with members of management teams (i.e. existing familiarity with platforms), we are going to table engagement with tenants until we can connect in-person.

City of Brooklyn Park EDA WORK SESSION

Agenda Item No:	8.1	Meeting Date:	May 18, 2020
Agenda Section:	Work Session	Prepared By:	Sarah Abe, Project Facilitator Breanne Rothstein, Economic Development and Housing Director
No. of Attachments	5	Presented By:	Breanne Rothstein, Economic Development and Housing Director
Item:	Discuss Senior Affordable Housing Development Opportunity with Bethesda Lutheran Communities in the City of Brooklyn Park		

Background:

On April 20, the City of Brooklyn Park Economic Development Authority (EDA) held a work session on four development opportunities in the city. The EDA indicated interest in continuing to learn more about all four projects including the proposed senior affordable housing development from Bethesda Lutheran Communities. This work session provides additional information on Bethesda and the proposed Cornerstone Village project and seeks input from the EDA on its willingness to contribute financial support.

Overview:

Bethesda Lutheran Communities is a human service and non-profit developer based in Wisconsin that provides homes and support, promotes awareness and advocates for seniors and people with intellectual and developmental disabilities (IDD). Bethesda's spectrum of services includes residential support programs, community activities and day programs, career connections, behavioral support services, faith supports and a two-year post-secondary certificate program for people with IDD. Bethesda imagines a world where people of all abilities have the power to live an extraordinary life. It created the Cornerstone Village initiative to address critical gaps in housing and to create a new model for meaningful social engagement in a multifamily community. Bethesda communities support over 1,800 people across 13 states, including a new project in Victoria, Minnesota, slated for occupancy in late summer 2020.

• What is the proposed use of the site?

Cornerstone Village – Brooklyn Park will be an affordable, inclusive multifamily community consisting of 130 apartment homes. Bethesda Cornerstone Village will unite active adults 55+ and independent adults with IDD in a rental community complete with modern amenities, the latest in smart home technology and easy-to-access classes, activities and more. Cornerstone Village – Brooklyn Park will feature a mix of 106 apartments for adults 55+ (82% of units) and 24 apartments for adults with IDD (18% of units). Cornerstone Village will serve a range of incomes, with 62% of the units having income and rent thresholds affordable to households at 30% and 50% of the area median income to ensure long-term affordability. The proposed unit mix by Area Median Income (AMI) is below.

Household Income Limit	2020 Annual Income Limit		# of Units	% of Units
	1 Person Household	2 Person Household		
30% AMI [1]	\$21,720	\$24,840	14	11%
50% AMI [1]	\$36,200	\$41,400	66	51%
No Income Limit - IDD [2]	N/A	N/A	14	11%
No Income Limit - Seniors	N/A	N/A	36	28%
Total			130	

[1] The Area Median Income (AMI) is based on the income a family makes in the seven-county Twin Cities Metro Area and is adjusted by household size.

[2] Persons with I/DD living in the market rate units will likely benefit from the Minnesota Housing Support Program and/or private rental assistance provided by Bethesda's fundraising.

Cornerstone Village will provide residents the opportunity to select their own service provider and will foster community life through both physical design and ongoing programming. The building will include ample common spaces such as a multiple purpose community room with a kitchen, fitness center, nooks for small groups and common patio and outdoor walking paths.

- **What are the proposed site and building concepts?**

Cornerstone Village will consist of a four-story, L-shaped building located at the northeast corner of Jefferson Highway North and Decatur Drive North. The site is part of the "610 Junction" Planned Development. It is near the intersection of Hwy 610 and Interstate 169 but is not directly adjacent to either highway (view location map in exhibit 8.1C). The development plan specifies a clinic and a bank at this location (see attached land use map from the 2040 Comprehensive Plan). The planning application for this use at this site would require an amendment to the development plan.

The 130-unit building will consist of a mix of 67 one-bedroom and 63 two-bedroom apartments and will provide 158 total parking spaces consisting of 94 underground spaces (60%) and 64 surface spaces (40%). A site plan is attached as an exhibit.

Units will feature smart home technology, efficient lighting, water-saving plumbing fixtures and energy star rated appliances. Building amenities will include a multipurpose community hub and outdoor patio, lounges, a fitness center, on-site offices, electronic access and security and exterior walking paths. The building and all units will incorporate universal design features to accommodate people with varying physical abilities. These design elements include no-step showers, wide doorways, pocket doors, options for handrails and other mobility aids. Ninety five percent of units will be adaptable with 5% of units being fully accessible.

- **What is the requested EDA involvement?**

The building will be financed with two different structures, one conventional and one with an affordability component. Sources of funding being sought include Housing Infrastructure Bonds (HIB) from the Minnesota Housing Finance Agency (MHFA), 4% Low-Income Housing Tax Credits, Tax Increment Financing, fee reductions, grants, and deferred financing totaling approximately \$15 million. EDA funding is requested to address financing gaps and to demonstrate financial readiness to the MHFA to make the HIB application more competitive.

Bethesda is requesting four forms of financing from the EDA: \$2.2 million in Tax Increment Financing (TIF) over 26 years, \$1 million in deferred financing, \$111,800 in sewer and water access reduction charges, and City of Brooklyn Park sponsorship on a \$1.7 million request to the Metropolitan Council (Met Council) for Livable Communities Demonstration Account (LCDA) funding in July 2020. This represents assistance of \$17,527 per unit of EDA subsidy for the conventionally financed units and \$32,289 for affordable units. The exact details of the deal will be further evaluated and presented for EDA action at June's meeting.

- **What are the next steps?**

Should the EDA be favorable to the concept of financially contributing to this senior/IDD project as outlined above, the next step would be a resolution of support for up to \$3.3 million in EDA assistance. A resolution of support is required for the developer to make application to Minnesota Housing for state assistance. Formal support from the EDA increases the competitiveness of application to state sources. A series of additional actions and further analysis will be required should Bethesda receive the increasingly competitive Housing Infrastructure Bond allocation.

Budgetary/Fiscal implications:

Based on a regional assessment of land values, construction costs, and development projects in other cities, the EDA should expect any housing project to need some level of financial assistance to move forward, particularly if the projects provide a significant level of affordable housing. This project includes a unique and different housing type that is needed and desired within the city. The city's TIF position is strong, as several districts have been de-certified recently, or will be de-certified in 2020. Furthermore, the outside funding sources for this project are highly competitive, therefore moving forward at this time would allow Bethesda to pursue Federal, State and County funding. The resolution of support from the EDA (proposed to be brought forward in June) will make their application more competitive.

Attachments:

- 8.1A BETHESDA CORPORATE PROFILE
- 8.1B PROJECT OVERVIEW
- 8.1C LOCATION MAP
- 8.1D SITE PLAN
- 8.1E LAND USE PLAN
- 8.1F STAFF PRESENTATION



Bethesda Lutheran Communities

Corporate Profile | 2020

About Us

Founded in 1904 in Watertown, Wisconsin, Bethesda is a national leader in providing homes and support, promoting awareness and advocating for people with intellectual and developmental disabilities. Operating at program locations across the United States, we are a Christian organization that succeeds through the passion of our employees and volunteers who make a difference every day in the lives of those we support.

Bethesda's spectrum of services continues to evolve as we strive to reflect the needs of the people and families we support, which in recent years has focused on independence and community inclusion. Our organization is proud to be a change agent in implementing forward-thinking solutions that improve the lives of people with intellectual and developmental disabilities. Bethesda's shared living program and employment support services are two examples of our offerings that exemplify the level of self-direction and choice that people we support, parents, and guardians seek.

This transformation of our services, which comes at a time of decreased government funding, allows us to extend our mission as we impact more lives in more communities. It also will lead to real progress as greater acceptance and more diverse opportunities continue to break down limits for people with disabilities.

During this period of change, hard choices have been made – and will continue to be made – as we travel a path that rights our organization financially and positions us at the forefront of intellectual and developmental disability service providers.

Over the past few years, we have made much financial progress, restructuring our debt and cutting a substantial deficit in half. We have decreased expenses and reduced vendor costs, as well as generated significant cash to relieve pressure from our Bethesda Foundation.

Bethesda has long been a beacon of hope and support for the many people we support, and to ensure its longevity far into the future, we need to transform our organization and adapt to a changing environment.



Bethesda Timeline

1903

40 acres of land along the Rock River in Watertown, Wisconsin, were donated to Bethesda.

1904

Bethesda was founded as The Society for the Training and Care of the Feeble-minded and Epileptic in Watertown, Wisconsin, by concerned Lutherans, and opened its doors to five people. The school focused on Christ-centered training and Lutheran education while providing people with a loving, supportive home.

1923

The school adopted the name Bethesda, taken from John 5:2-9 and meaning "House of Mercy."

1940s

Bethesda entered a period of expansion, which began with renovations to campus buildings in Watertown, Wisconsin.

1960

The first Bethesda thrift store started in Watertown.

1961-1968

Bethesda started occupational therapy, speech therapy and physical therapy departments.

1970s-1980s

Bethesda began expanding its services across the United States. In addition to Wisconsin, services were now offered in Illinois, Indiana, Michigan, Missouri and Texas.

1995

The organization made a greater commitment to serve people in the community when the board authorized new ministry consultant positions, which facilitate opportunities for people with disabilities to connect to faith communities of their choice. Bethesda works with congregations across the nation.

2006

Good Shepherd Communities affiliated with Bethesda.

2019

Bethesda is positioned to succeed and continue to help people with intellectual and developmental disabilities to live the lives they want – as it has done for more than a century.





Our Mission

Enhance the lives of people with intellectual and developmental disabilities through services that share the good news of Jesus Christ and achieve our vision for the future.



Our Aspiration

Bethesda aspires to be the leading national provider of supports, programs and resources for those with intellectual and developmental disabilities. We will work tirelessly to educate, advocate for and integrate those with intellectual and developmental disabilities into our communities, all to further the goal of helping the people we support live their best life in a loving way that is always true to our Christian mission.



Our Vision for the Future



Bethesda 20/30 is our strategic view of the future and serves as a roadmap to guide us to our goals. Our Strategic Plan is made up of five key objectives. Each of these objectives plays a role in helping us to transform the organization and achieve our vision for the future:

To achieve our vision, we need to **THINK DIFFERENTLY.**

5

POINTS OF TRANSFORMATION



1. EXPAND

our reach to help more people



2. INCREASE

services and programs offered



3. IMAGINATION & INNOVATION

to redefine quality and the use of technology in a way the field has never seen before



4. CREATE

new revenue opportunities



5. INVEST

in the best people to move our mission forward regardless of where they live

To create new revenue opportunities, we're taking a new, unique approach to help us stand out in the market. Our future will be built on two portfolios of services that support each other.

2

PORTFOLIOS OF SERVICE

MISSION DRIVEN

A mission-driven portfolio that will serve people's needs with quality service lines



Faith Support



Homes



Transition Services



Behavioral Health



Skill Development



Education



Employment

REVENUE DRIVEN

A revenue-driven portfolio run with a for-profit mindset to make money to serve our mission



Cornerstone Village



Financial Service



Retail



Tech Co.

FUNDS OUR MISSION

Services

Homes

Every person we support has an opportunity to turn a house into their home. Bethesda supports people with intellectual and developmental disabilities in community-based group homes, host homes and through family caregiver programs.

Across the United States, we help adults with intellectual and developmental disabilities make choices about where they live, who they live with and how they spend their time.

No matter the setting, we strive to foster independence and empower choice in the everyday activities and decisions of the people we support.

Independent and Supported Living: While some people we support live at home with a guardian, parent or relative who provides day-to-day support, others live independently in their own homes or apartments. Through our intermittent supports, we help people with intellectual and developmental disabilities receive support at the times and locations they want.

We offer personalized supported living programs as well as short-term supports and respite services.



Community Activities and Day Programs

We help people with developmental disabilities become active members of their communities. Our goal is to enable the people we support to make choices in their lives that will help them pursue their passions and have fulfilling life experiences.

Through our Community Activities and Day Programs, we offer the people we support countless ways to create friendships with others who share their interests and mentors that help them grow.

Career Connections

The employment support services staff at Bethesda assists people with disabilities in finding the right job.

- We work with Department of Vocational Rehabilitation services as well as people we serve and their loved ones.
- We use our vast employer and business networks to find a position that matches individual interests, skills and abilities.
- Employment staff provide support needed to successfully navigate applications, interviews and the hiring process.
- Through a specific and individualized approach to assessment, discovery, employer engagement and long-term job supports, Bethesda successfully helps many people each year find engaging long term employment in their communities.

Bethesda provides employment support services in Wisconsin, Oregon and Colorado.



Behavior Support Services

Quality behavior supports are an integral part of Bethesda's mission to enhance the quality of life for people with intellectual and developmental disabilities. Bethesda provides access to quality behavior support programs from certified behavior analysts to enhance the lives of people with intellectual and developmental disabilities.

We are committed to offering these services in-house for those already receiving residential supports through Bethesda. This allows for the positive, reinforcement-based supports to be fully integrated into each individuals' plan and help enhance their quality of life.

Faith Supports

Many of the people we support tell us the connection to their communities began in their congregation. For many, church was the first time they'd ever experienced a sense of being part of something bigger, being empowered to give back to the community or have the feeling of oneness that comes when a person is respected and valued as an equal member of a community.

To achieve this, Bethesda's ministry consultants facilitate opportunities for people with disabilities to connect to faith communities of their choice. We work with congregations across the nation.

Bethesda's Religious Life team collaborates to make connections that benefit the people we support, staff and congregations. The team provides training and education for congregations, church leaders and other religious organizations to promote the importance of spiritual support for people with developmental disabilities. Together with our partners, we help people with developmental disabilities and their families connect and fully participate in the life of the Christian community of their choice.



Bethesda College

The Bethesda College of Applied Learning is a unique, two-year post-secondary certificate program where people with intellectual and developmental disabilities can realize their dream of receiving a college education. Students enrolled in Bethesda College live on the Concordia University Wisconsin campus in integrated residence halls.

At CUW they can build lifelong friendships, practice their faith and participate in clubs and student activities. Bethesda College's faculty members are always available to support each student and help them get the most from their college experience.

The Bethesda College of Applied Learning is built on an inclusive model focused on academics and employment. Combining a liberal arts focus with skills development coursework, Bethesda College's curriculum is a blended model designed to help students grow intellectually, vocationally, socially, personally and spiritually.



Quality

At Bethesda, everything comes down to quality – doing the best for the people we support. We work to help them realize their hopes, dreams and desires. That's when we know we've done our job.

How do we know what each person wants? We ask them, and, together, we make a plan to get them there.

For each person, those goals are different. Ricky, in Wisconsin, wanted to move out of an institutional setting and into a home in his community. James, in Colorado, wanted to grow a vegetable garden. Malcolm, in Illinois, wanted to play in a basketball tournament.

While Bethesda works with each person we support to help them achieve their goals, the accomplishments are uniquely their own. Malcolm and his team earned second place in the basketball tournament. James is growing tomatoes in his backyard. Ricky moved into a home he shares with roommates he chose.

Bethesda helps them every step of the way, but the people we support are the ones who made decisions, took action and reached their goals.

Quality is central in everything we do at Bethesda.

Religious Life

We seek to nurture not just the physical aspects of one's life but their spiritual needs and desires as well. Bethesda's mission is motivated by Christian faith and sharing the good news of Jesus Christ with people who have intellectual and developmental disabilities. We welcome all people and faiths.

One of Bethesda's mission goals is to resource churches to be able to implement their own disability ministries. We create and distribute disability ministry resources to churches to help them accomplish this.

Our staff at Bethesda assists the people we support in pursuing the faith communities of their choice. As a Recognized Service Organization (RSO) of The Lutheran Church-Missouri Synod, we are an independent service provider committed to fostering the mission and ministry of the church.



-  **Travel to spread Bethesda's mission.**
-  **Engage volunteers to participate in one-on-one meetings, gatherings, writing cards and attending birthday and/or holiday events.**
-  **Sell resources from the Concordia Publishing House online store. Create resources like: Wonderfully Made pamphlets, Living with Jesus and Learning with Jesus devotional booklets, and Be Still, a CD for prayer and meditation.**
-  **Partner with new congregations through partnership with Lutheran Congregations in Mission for Christ (LCMC).**

Volunteers

Volunteers are vital to the successful execution of Bethesda's mission. As a volunteer at Bethesda, you can help encourage, mentor and empower people with disabilities by assisting them to fulfill their goals.

We have more than 10,000 volunteers who contribute more than 340,000 hours of their time each year at our community-based programs and thrift shops across the country.

Teenagers and adults of all ages are encouraged to get involved as volunteers at Bethesda Lutheran Communities.

Auxiliary

The Bethesda Auxiliary is a network of people brought together to provide spiritual and financial support for people with intellectual and developmental disabilities within Bethesda. The talents of more than 3,400 members create connections—in the church and in the community—that help the people Bethesda supports pursue their faith.

In Oregon, the Auxiliary volunteers with Bethesda's ministry consultants to run Bible studies for people Bethesda supports. In Washington, the Auxiliary coordinates a massive soup label collection. The soup labels are exchanged for gift cards that are used to buy items for the people Bethesda supports. In Texas, the Auxiliary raises money by honoring the memory of cherished loved ones.

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Randall Odzer



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Malcolm Conner



Progressive Business
(Malvern, Pennsylvania)

Ardis Loeber



Retired
(Watertown, Wisconsin)

Jim Rymarczuk



Stanford University
(Bethesda, Maryland)

Deaconess Tiffany Manor



New England District LCMS
(New Hartford, Connecticut)

Board of Directors

Christine Tricoli



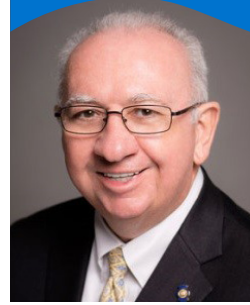
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(Sandy Springs, Georgia)

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Bethesda's Leaders

Mike Thirtle, President and Chief Executive Officer



Before joining Bethesda, Mike Thirtle worked for the RAND Corporation in various roles for 12 years, including director of the RAND office at Air Combat Command at Langley Air Force Base, Virginia. Before his years with RAND, Thirtle was director of consulting for the National Data Corporation in Chicago and a senior consultant with PricewaterhouseCoopers in Los Angeles.

Thirtle is a proud veteran and retired member of the U.S. Air Force, where he served as an active duty and reserve officer for nearly two decades. He graduated with military distinction—in the top one percent of his class—with a bachelor's degree in biology and a minor in Spanish from the United States Air Force Academy in Colorado Springs, Colorado.

In addition, Thirtle holds several advanced degrees, including doctoral and a master's degrees in policy analysis, both from the RAND Graduate School in Santa Monica, California. Thirtle also has master's degrees in finance and economics, both from Wright State University in Dayton, Ohio.

He has attended Executive Leadership Programs at both the Stanford Business School and the Harvard Business School.

Thirtle has published numerous reports and articles on business reform, process improvement, education and development of people, technology and leadership. Thirtle has also served on the faculty of Northwestern University in Evanston, Illinois, as an adjunct professor teaching classes in analytical methods and leadership.

Jeff Kaczmariski, Executive Vice President & Chief Legal Officer



Before coming to Bethesda in 1993, Jeff Kaczmariski worked as a business litigation attorney for several law firms in Madison and Milwaukee, Wisconsin, where he represented organizations in a variety of complex business, employment and appellate matters. In September 2017, Kaczmariski was awarded a Top Corporate Counsel of the Year Award by the Milwaukee Business Journal.

Kaczmariski has a bachelor's degree in political science and a law degree from the University of Wisconsin-Madison in Madison, Wisconsin.

Dave Sneddon, Chief Operating Officer



Sneddon brings more than 15 years of operations experience to his role, having worked with a variety of human services and health care organizations in various markets throughout the U.S. Most recently, he served as Divisional Vice President of Operations for Five Star Senior Living, where he oversaw all operations for 66 facilities in 11 states, a division with \$350 million in annual revenue. Sneddon has also held leadership roles with VIVAGE, Managcare, HCR-Manorcare, Plum Healthcare and the Ensign Group.

Sneddon earned his master's degree from the Terry College of Business at the University of Georgia and his bachelor's degree in sociology with a communication minor from Brigham Young University.

Dave Griebel, Chief Financial Officer



Prior to coming to Bethesda, Dave Griebel was a senior consultant at Patina Solutions and CFO at QPS Employment Group, both located in Brookfield. He also served as vice president of shared services for Monster in Milwaukee. In September of 2017, Griebel was awarded CFO of the Year for Nonprofits by the Milwaukee Business Journal.

Griebel earned his undergraduate degree from the University of Wisconsin-Madison and his MBA from Marquette University, Milwaukee.

Mike Klimkosky, Chief Information Officer



Before joining Bethesda in 2016, Mike Klimkosky was senior director of software engineering and integration at Connecture and also served as vice president of software development at McKesson Corp.

Klimkosky holds a bachelor's degree in computer systems from Chapman University in Orange, California. He also has a master's degree in business administration and management from St. Mary's College of California in Moraga, California.

Cindy Moon-Mogush, Chief Marketing and Communications Officer



Prior to coming to Bethesda, Cindy Moon-Mogush served as senior vice president and chief marketing officer of Aurora Health Care, Milwaukee, and as senior vice president and chief marketing officer for Green Bay-based Associated Banc-Corp.

Moon-Mogush earned a master's degree in organizational communication from Central Michigan University, where she also received a bachelor's degree in communications and journalism.

Diane Ekstrand, Chief Human Resources Officer



Diane Ekstrand brings more than 15 years of human resource experience to her role, having worked with a variety of financial service and health care organizations. Ekstrand most recently served as Vice President, Human Resources for Northwestern Mutual in Milwaukee. Prior to Northwestern Mutual, she was Vice President, Human Resources for Banner Health in Arizona and Aurora Health Care in Wisconsin.

Ekstrand earned a master's degree in human resources / labor relations from the University of Wisconsin-Milwaukee and a bachelor's degree in economics from the University of Wisconsin-Whitewater. She also holds several professional certifications, including Senior Professional in Human Resources, and is an active member of the Metro Milwaukee Society for Human Resource Management and Professional Dimensions.

#Connect *All* Abilities



Development Overview

Cornerstone Village in Brooklyn Park, Minnesota, will be an affordable, inclusive multifamily community consisting of 130 apartment homes. Bethesda Cornerstone Village will unite a rich tapestry of people—active adults 55+ and independent adults with developmental disabilities—in a rental community complete with modern amenities, the latest in smart home technology and easy-to-access classes, activities and more.

Intentional Community

Bethesda's mission in developing Cornerstone Village is to create an inclusive community that supports an active, independent lifestyle for both adults 55+ and adults with intellectual and developmental disabilities (I/DD). Cornerstone Village – Brooklyn Park will feature a mix of 106 apartments for adults 55+ (82% of units) and 24 apartments for adults with I/DD (18% of units).

Diverse Incomes. Cornerstone Village will serve a range of incomes, with 62% of the units having income and rent thresholds to ensure long-term affordability. The proposed unit mix by Area Median Income (AMI) is:

Household Income Limit	2020 Annual Income Limit		# of Units	% of Units
	1 Person Household	2 Person Household		
30% AMI [1]	\$21,720	\$24,840	14	11%
50% AMI [1]	\$36,200	\$41,400	66	51%
No Income Limit - IDD [2]	N/A	N/A	14	11%
No Income Limit - Seniors	N/A	N/A	36	28%
Total			130	

[1] The Area Median Income (AMI) is based on the income a family makes in the seven-county Twin Cities Metro Area and is adjusted by household size.

[2] Persons with I/DD living in the market rate units will likely benefit from the Minnesota Housing Support Program and/or private rental assistance provided by Bethesda's fundraising.

Consumer Choice for Supportive Services. Cornerstone Village provides independent rental housing, where each person or household will have an individual lease and participation in services is not a condition of residency. Cornerstone Village will not require licensure associated with assisted living or group-home settings.

Bethesda anticipates that residents – whether they are aging or have a disability – may need supportive services to maintain their independence and pursue individual goals. Bethesda supports consumer choice and person-centered care. Residents will select their own service provider, which may be Bethesda Lutheran Communities in some cases.

Programming to Support Community Life. Staying active and social is key to living a happy, healthy life. Cornerstone Village will foster community life through both physical design and ongoing programming. The building will include ample common spaces – a multiple purpose community room with a kitchen, fitness center, nooks for small groups and common patio and outdoor walking paths.

To bring these spaces to life, a director of activities will be on staff to create and customize events and classes that appeal to the personality of the community. Events may include, but are not limited to, yoga classes, workout classes, coffee hours, book clubs, bible studies, cooking classes, education presentations and group trips to nearby attractions.

Site & Building Concept

Cornerstone Village – Brooklyn Park will consist of a four-story, L-shaped building located at the northeast corner of Jefferson Highway North and Decatur Drive North. The site is part of the “Gateway” Planned Development. Parking will be accessed off a new cul de sac street off Decatur Drive N.

Site

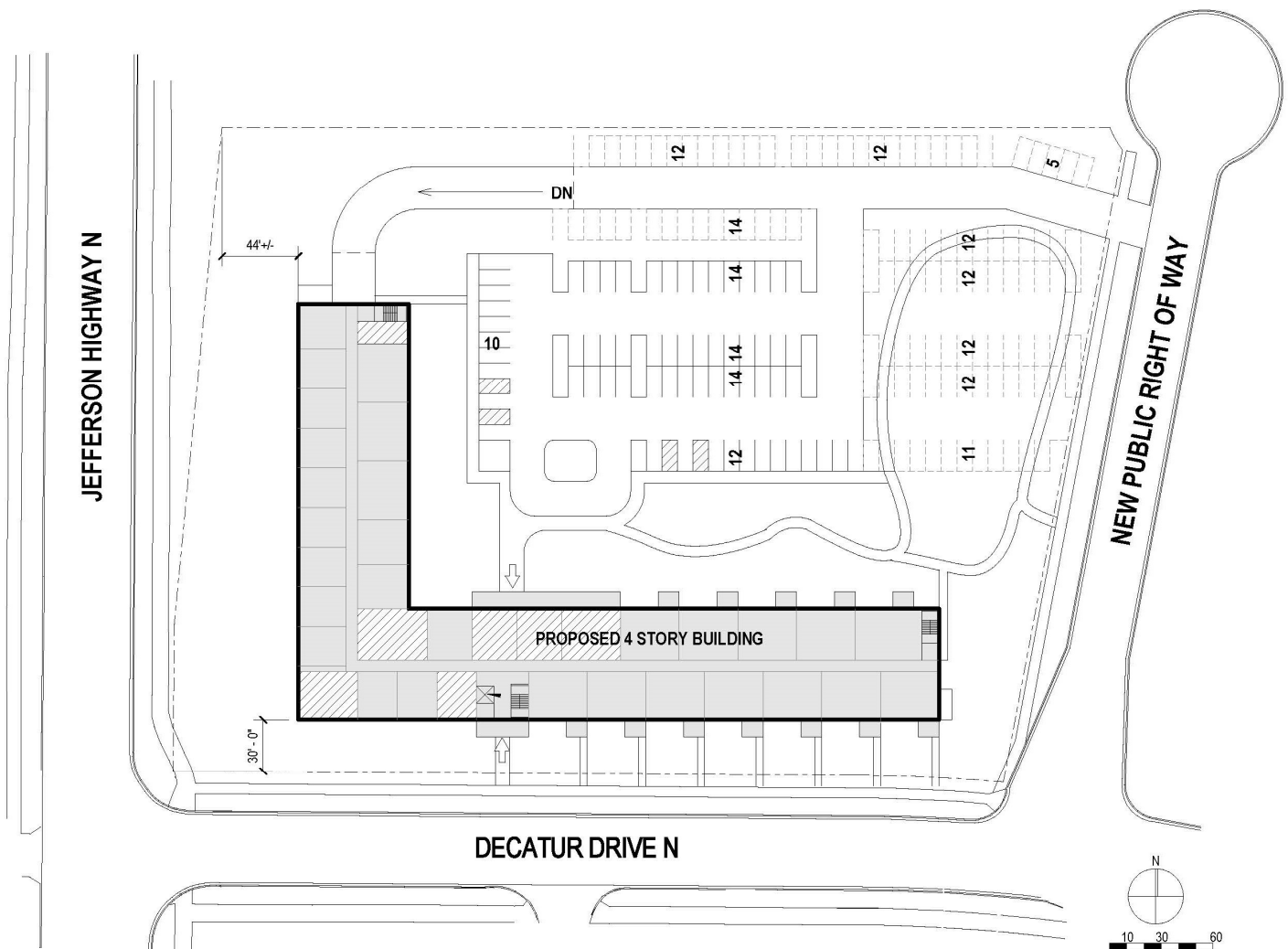
- Address: 9450 Decatur Drive North, Brooklyn Park, MN 55445 (approximate)
- Site Area: 4.36 acres
- Proposed Density: 29.8 dwelling units per acre

Apartments Types

- The 130-unit building will consist of a mix of 67 one-bedroom and 63 two-bedroom apartments.
- The one-bedrooms will be approximately 650-750 square feet with one bathroom.
- The two-bedrooms floor plans will be approximately 950-1,000 square feet with either one or two bathrooms.

Parking

- The building will provide 158 total spaces consisting of 94 underground spaces (60%) and 64 surface spaces (40%).
- This ratio of 1.2 parking spaces for each dwelling unit is consistent with survey data of adults with I/DD and experience from our management agent’s portfolio.



Site & Building Concept

Unit Features

- Smart-home technology, such as a smart thermostat, smart locks and video doorbell, to support independence and sense of security.
- In-unit washer and dryer (select units)
- Dishwasher
- Energy star rated appliances
- Central air conditioning
- Luxury vinyl plank flooring
- Window treatments
- Efficient lighting and water-saving plumbing fixtures

Building Amenities

- Multipurpose community hub and outdoor patio
- Computer and reading lounge
- Fitness center
- On-site management offices
- Electronic access control to the building (key card)
- Security camera system
- Laundry lounge
- Elevator
- Exterior walking paths

Accessibility

- 5% of units will be fully accessible (ICC/ANSI A117.1 Type A)
- 95% of unit will be adaptable (ICC/ANSI A117. 1 Type B)
- The building and all units will incorporate universal design features to accommodate people with varying physical abilities. These design elements include no-step showers, wide doorways, pocket doors, options for handrails and other mobility aids.



Representative Exterior Concepts

Bethesda is committed to developing a high-quality building that will mark the northwest gateway to the City of Brooklyn Park. Bethesda has engaged LHB Corporation for architectural services. Bethesda will work closely with LHB architects and City of Brooklyn Park staff to ensure the exterior design meets the City's design expectations. Below are images that reflect Bethesda's and LHB's approach to design, which aims to respect the neighborhood context and create a sense of place.

Bethesda Cornerstone Village Victoria, Minnesota

This 52-unit multifamily community in Carver County is Bethesda's first Cornerstone Village development. The development is surrounded by a public park and residential neighborhood. The exterior architecture reflects the traditional architecture of the nearby single-family homes.





LHB Designed
The Glen at Valley Creek
Woodbury, Minnesota

Designed for the Washington County Community Development Authority, the Glen at Valley Creek provides one- and two-bedroom apartments for independent seniors 62 years and older.



LHB Designed
Oxford Village
Hopkins, Minnesota

Oxford Village is a four-story affordable housing development consisting of 51 apartments. This rendering shows a more contemporary direction with a flat roof and paneled exterior cladding.

Request for Financial Assistance

Bethesda is requesting assistance from the Brooklyn Park Economic Development Authority (EDA) in four forms:

- \$2,200,000 Tax Increment Financing (TIF)
- \$1,000,000 deferred financing, structured as a subordinate, 0% interest, loan with a balloon payment at the earlier of: the 40-year term, refinancing or sale
- \$111,800 reduction in sewer-water access charges, and
- City of Brooklyn Park to sponsor a \$1,700,000 request to Met Council for LCDA funding in July 2020.

To allow this unique mix of abilities and ages, Bethesda will be dividing the building into two condominiums and financing them separately. Bethesda proposes to split the above Brooklyn Park EDA financial assistance as follows:

- Conventionally Financed (60 units, including 10 units at 50% AMI)
 - \$1,000,000 TIF
 - \$51,600 reduction in sewer-water access charges (set at \$3,500 per unit)
 - \$700,000 Met Council request
- Affordable (70 units, 100% affordable)
 - \$1,200,000 TIF
 - \$1,000,000 deferred financing, structured as a subordinate, 0% interest, loan with a balloon payment at the earlier of: the 40-year term, refinancing or sale
 - \$60,200 reduction in sewer-water access charges
 - \$1,000,000 Met Council request

Excluding the Met Council request, this represents assistance of \$17,527 per unit for the conventionally financed component and \$32,289 for the affordable component. Across the entire 130 unit development, this is \$25,475 per unit in financial assistance.

For the affordable component, Bethesda is preparing to submit an application to the Minnesota Housing Finance Authority (MHFA) in July 2020 for Housing Infrastructure Bonds (HIB), 4% Low-Income Housing Tax Credits and Deferred Financing totaling approximately \$15,000,000. Financial assistance from the Brooklyn Park EDA is necessary to close financing gaps. In addition, it help Bethesda demonstrate financial readiness to MHFA, thus making the project more likely to secure these highly competitive state resources.

Why Bethesda Cornerstone Village

At Bethesda, we think beyond traditional boundaries and imagine a world where people of all abilities have the power to live an extraordinary life. Bethesda created the Cornerstone Village initiative to address critical gaps in housing and to create a new model for meaningful social engagement in a multifamily community.

Below are figures that highlight the need the need for the Cornerstone model:



Persons with Disabilities

- 6+ million adults in the U.S. have an intellectual or developmental disability.
- More than 500,000 young people with autism are expected to enter adulthood in the next decade.
- Over 70% of these individuals live with a parent or aging caregiver – with no plan for the future when their parents are gone.¹
- Many adults with disabilities live solely on Social Security Income (SSI) benefits, which are low enough to price them out of every rental housing market in the country. As a national average, a person receiving SSI needed to pay 112% of their monthly income to rent a modest one-bedroom unit, leaving no income for food, clothes, or other necessities.²
- Advocates argue that people living in non-institutional settings of 6 or fewer people (i.e. group homes) would thrive in an independent mixed community living environments like Cornerstone Village (or 82% of people receiving IDD waiver services nationwide).³

Seniors

- There are more than 100 million adults in the U.S. ages 55 and older; as the Baby Boomer generation ages, that number will increase exponentially.
- While nearly three-quarters of senior Americans want to live in their homes as they age, less than 1% of housing stock is properly equipped to accommodate them.
- More than 40% of American adults suffer from loneliness, a condition that is as dangerous to physical health as smoking 15 cigarettes a day, increasing the risk of cardiovascular disease, diabetes, cancer and more.

About Bethesda Lutheran Communities

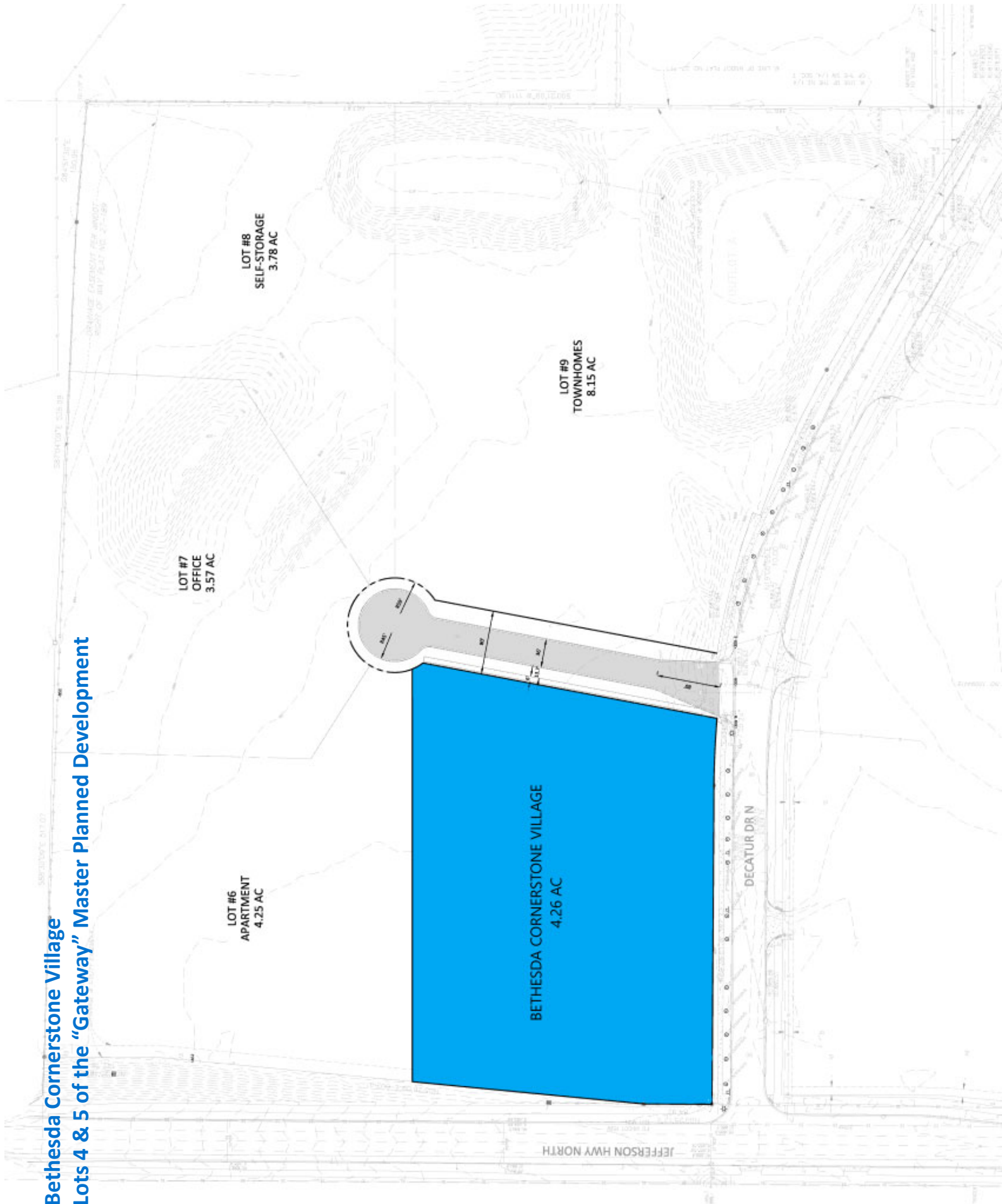
Founded in Wisconsin in 1904, Bethesda is a national leader in providing homes and support, promoting awareness and advocating for people with intellectual and developmental disabilities. Operating at program locations across the United States, we are a Christian organization that succeeds through the passion of our employees and volunteers who make a difference every day in the lives of those we support. Our passion is matched with a clear vision for the people we serve to live a life filled with dignity, limitless potential and faith. We currently support over 1,800 people across 13 states, including the State of Minnesota.

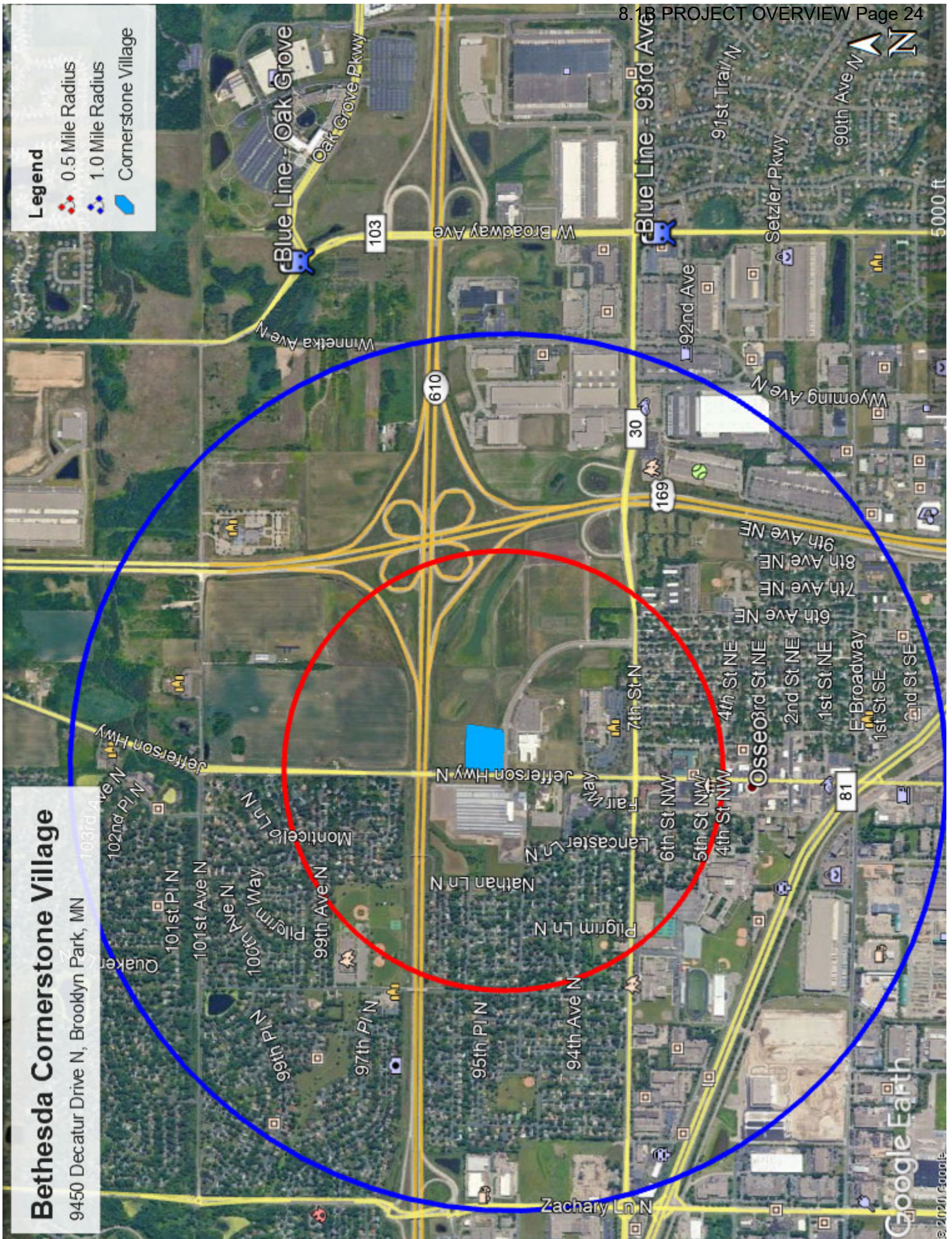
1. Braddock, David L., Hemp, Richard E., Tanis, Emily s., Wu, Jiang, and Haffer, Laura. *The State of the States in Intellectual and Developmental Disabilities: 2017*. 11th Edition, American Association on Intellectual and Developmental Disabilities, Washington, D.C. 2017, page 21.

2. Cooper, Emily, O'Hara, Ann, Zovistoski, Andrew. *The Housing Crisis for People with Disabilities*. June 2011. Technical Assistance Collaborative Inc. and Consortium for Citizens with Disabilities.

3. Braddock, Hemp et al, page 6.

Bethesda Cornerstone Village
Lots 4 & 5 of the "Gateway" Master Planned Development





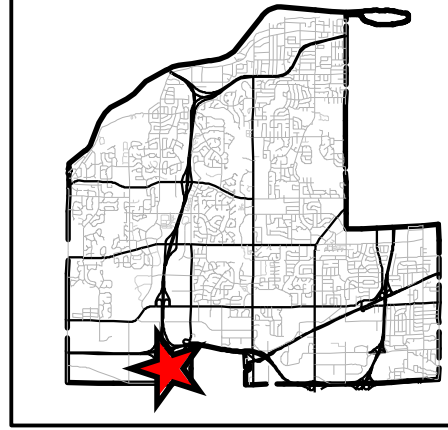
Bethesda Lutheran
Decatur Dr. & Jefferson Hwy. N.

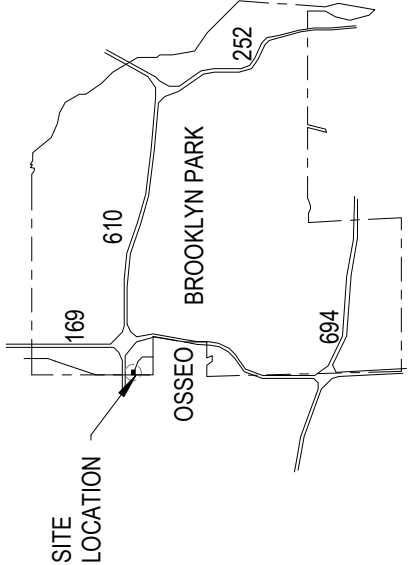
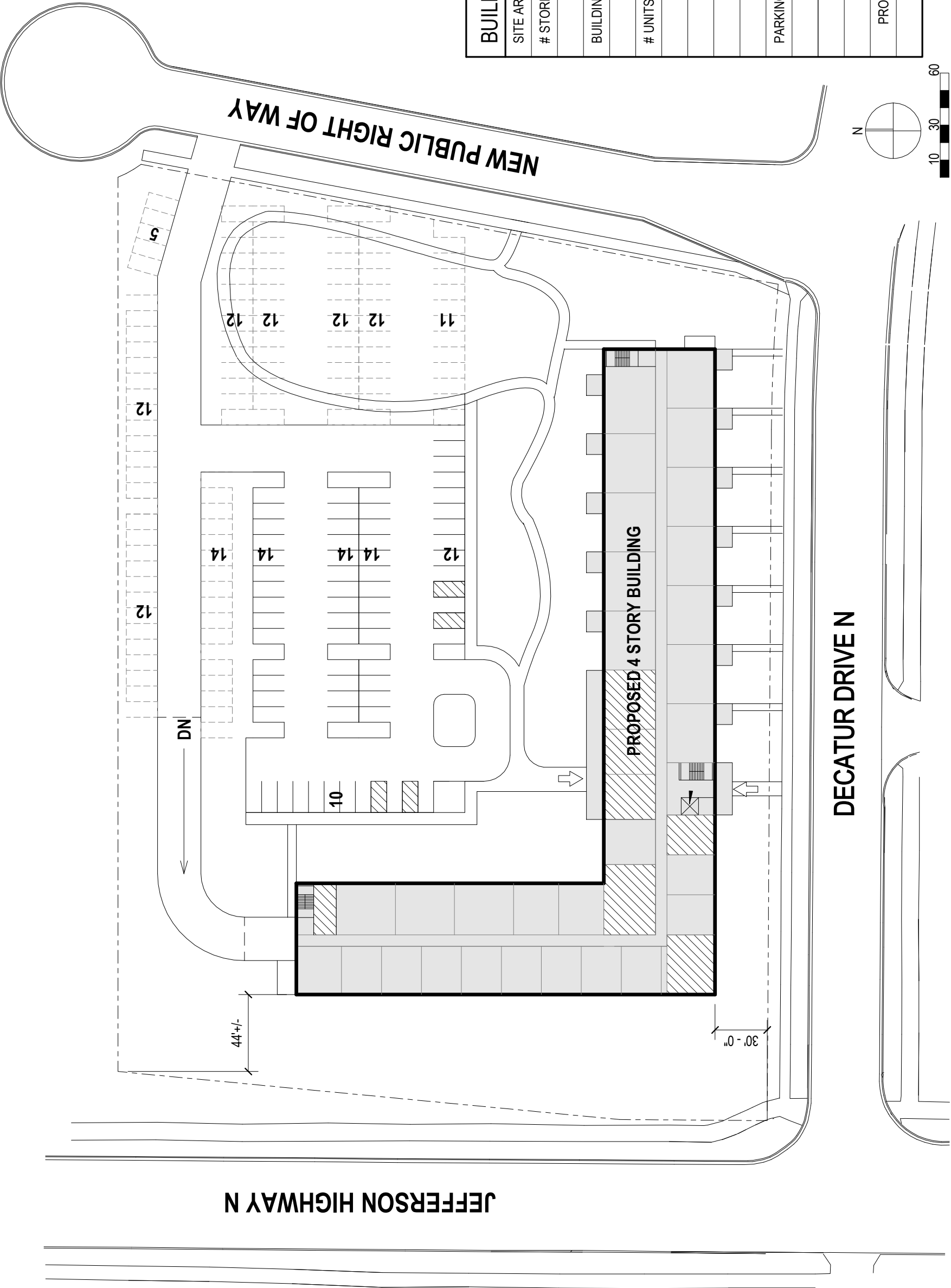


Spring 2018 Air Photo.



500 Feet



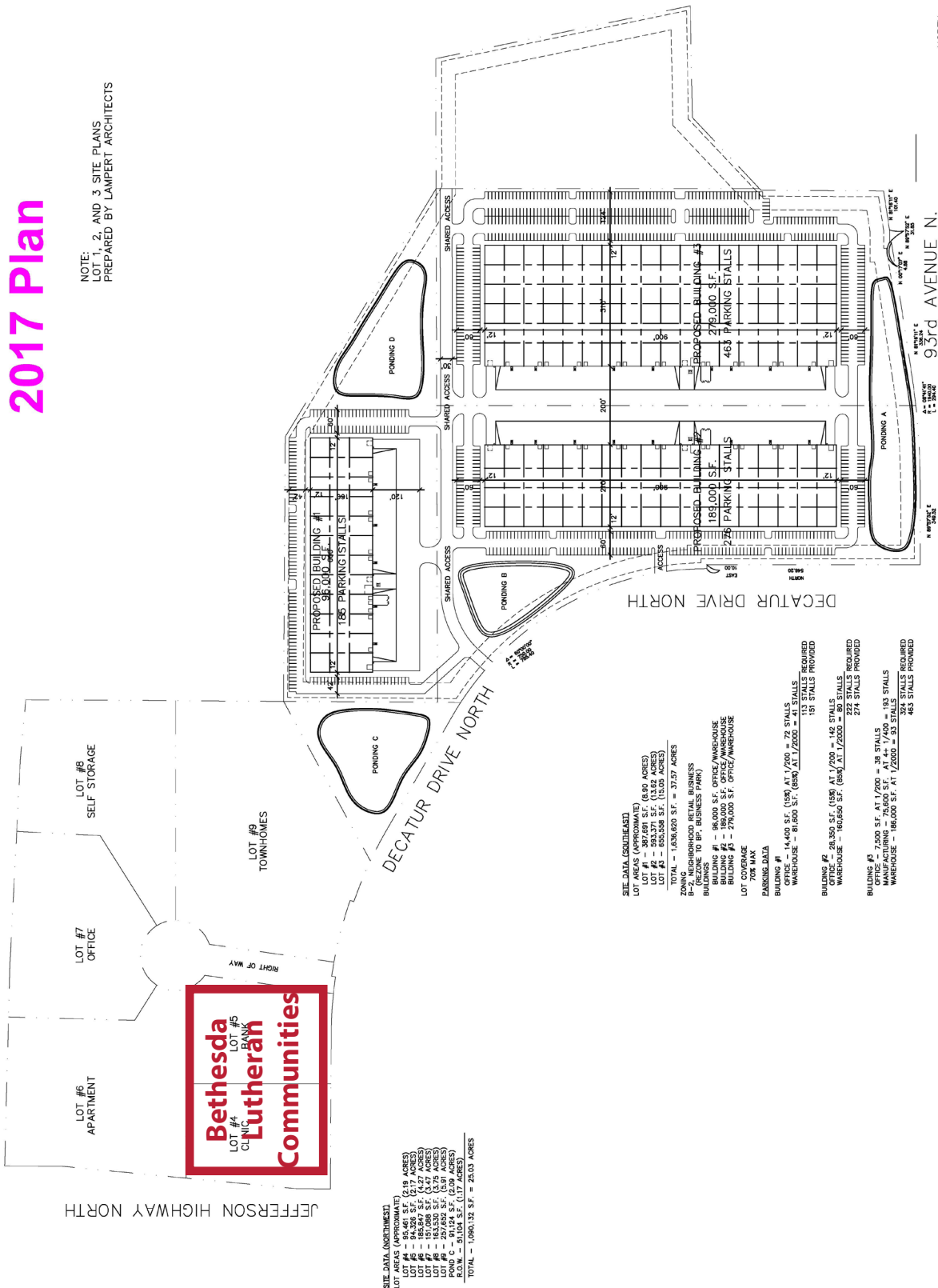


BUILDING DATA				
SITE AREA	4.36 ACRES (189,915 SF)			
# STORIES	4 STORIES + 1 LEVEL UNDERGROUND PARKING			
BUILDING AREA	4 STORIES X 35,093 GSF/FLOOR = 140,372 GSF			
# UNITS	AFFORDABLE	MIXED-INCOME	TOTAL	
1 BEDROOM	45 (630 GSF)	22 (630-750 GSF)	67	
2 BEDROOM	25 (940 GSF)	38 (940-1000 GSF)	63	
TOTAL	70	60	130	
PARKING				
UNDERGROUND	94			
SURFACE	64			
SUBTOTAL	158 (1.2:1)			
PROOF OF PARKING	102			
TOTAL	260 (2:1)			
	8.10			

8.1D SITE PLAN Page 26

2017 Plan

NOTE:
LOT 1, 2, AND 3 SITE PLANS
PREPARED BY LAMPERT ARCHITECTS



1 SITE PLAN
A1 SCALE: 1" = 120'-0"

DECATUR DRIVE NORTH

LOT #	ACRES (APPROXIMATE)	PRICE
LOT #1	387.249 S.F. (8.90 ACRES)	\$1,100,000 S.F. (\$2,834.50 / S.F.)
LOT #2	387.249 S.F. (8.90 ACRES)	\$1,100,000 S.F. (\$2,834.50 / S.F.)
LOT #3	655.558 S.F. (15.05 ACRES)	\$2,000,000 S.F. (\$3,050.00 / S.F.)
LOT #4	655.558 S.F. (15.05 ACRES)	\$2,000,000 S.F. (\$3,050.00 / S.F.)
TOTAL	1,485,620 S.F. = 33.757 ACRES	

NEIGHBORHOOD RETAIL BUSINESS (REZONE TO RET. BUSINESS PARK)

LOT #	ACRES (APPROXIMATE)	PRICE
BUILDING #1	16,000 S.F. OFFICE/WAREHOUSE	\$1,000,000 S.F. (\$62.50 / S.F.)
BUILDING #2	16,000 S.F. OFFICE/WAREHOUSE	\$1,000,000 S.F. (\$62.50 / S.F.)
BUILDING #3	279,000 S.F. OFFICE/WAREHOUSE	\$1,700,000 S.F. (\$6.09 / S.F.)
LOT COVERAGE		
PERMITS		
70% MAX		

COMMERCIAL

LOT #	ACRES (APPROXIMATE)	PRICE
BUILDING #1	14,400 S.F. (33K) AT 1/2000	\$1,400,000 S.F. (\$97.22 / S.F.)
WAREHOUSE	81,500 S.F. (83K) AT 1/2000	\$1,200,000 S.F. (\$14.72 / S.F.)
TOTAL		

INDUSTRIAL

LOT #	ACRES (APPROXIMATE)	PRICE
BUILDING #1	28,500 S.F. (65K) AT 1/2000	\$1,200,000 S.F. (\$42.11 / S.F.)
WAREHOUSE	162,500 S.F. (83K) AT 1/2000	\$1,200,000 S.F. (\$7.38 / S.F.)
TOTAL		

OFFICE

LOT #	ACRES (APPROXIMATE)	PRICE
BUILDING #1	7,500 S.F. AT 1/2000	\$812,500 S.F. (\$108.33 / S.F.)
WAREHOUSE	146,000 S.F. AT 1/2000	\$1,200,000 S.F. (\$8.22 / S.F.)
TOTAL		

SITE DATA (NORTHEAST)	
LOT AREAS (APPROXIMATE)	
LOT #4	95,461 S.F. (2.19 ACRES)
LOT #5	94,328 S.F. (2.17 ACRES)
LOT #6	185,847 S.F. (4.27 ACRES)
LOT #7	151,068 S.F. (3.47 ACRES)
LOT #8	163,530 S.F. (3.75 ACRES)
LOT #9	257,652 S.F. (5.91 ACRES)
POND C	91,124 S.F. (2.09 ACRES)
R.O.W. -	51,104 S.F. (1.17 ACRES)
TOTAL	1,090,132 S.F. = 25.03 ACRES

8.1 Discuss Bethesda Mixed Income Senior Housing Development

Breanne Rothstein, Economic Development and Housing Director

Bethesda Lutheran Communities

- Human service and non-profit developer that provides services and advocacy for seniors and people with intellectual and developmental disabilities (IDD)
- Services include
 - Residential support programs
 - Community activities and day programs
 - Career connections
 - Behavioral support services
 - Faith supports
 - Post-secondary certificate program



Proposed project – Cornerstone Village

- Model aims to address gaps in housing and create a new model for meaningful social engagement in a multifamily community
- 130 total units
 - 106 apartments for adults 55+ (82% of units)
 - 24 apartments for adults with IDD (18% of units)
- 62% of the units will have income and rent thresholds affordable to households at 30% and 50% of the area median income
- Ample common spaces such as a multiple purpose community room, fitness center, nooks and walking paths



Winnetka Ave N

169

Site Location

Decatur Dr

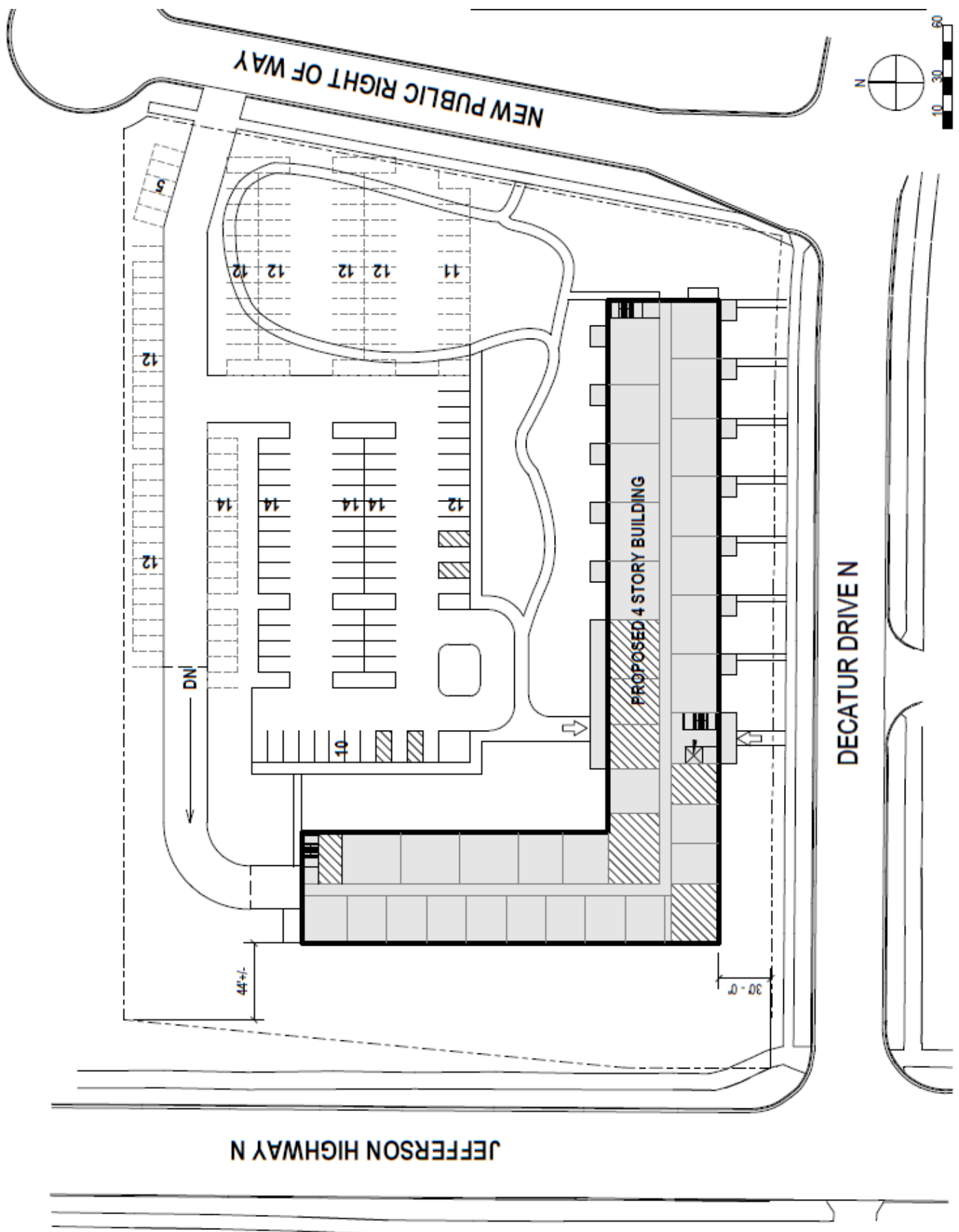
93rd Ave N

Jefferson Hwy

610
MINNESOTA

30
COUNTY

Revere Ln







Building concept

- **Unit Features**

- Smart-home technology
- In-unit washer and dryer (select units)
- Dishwasher
- Energy star rated appliances
- Central air conditioning
- Luxury vinyl plank flooring
- Window treatments
- Efficient lighting and water-saving plumbing fixtures

- **Building Amenities**

- Multipurpose community hub and outdoor patio
- Computer and reading lounge
- Fitness center
- On-site management offices
- Electronic access control to the building (key card)
- Security camera system
- Laundry lounge
- Elevator
- Exterior walking paths

EDA financing requested

- \$2M million in Tax Increment Financing (TIF) over 26 years
- \$1 million in deferred financing
- \$111K in sewer and water access reduction charges
- Sponsorship on a \$1.7 million request to the Met Council for LCDA funding in July 2020
- Assistance request of \$17K per unit for the conventionally financed units and \$32K for affordable units

Next steps

- Resolution of support for up to \$3.3 million in EDA assistance in June
 - Required for the developer to make application to Minnesota Housing for state assistance
- Additional formal support from the EDA increases the competitiveness of application to state sources
- Should Bethesda receive the increasingly competitive Housing Infrastructure Bond allocation, additional actions will be required

EDA action

- No formal action
- Discussion about this project and if the EDA is willing to contribute financial support