



Monday, October 19, 2020
7:00 pm

City Hall – Council Chambers
5200 - 85th Ave North

**THE BROOKLYN PARK ECONOMIC DEVELOPMENT AUTHORITY
OF THE CITY OF BROOKLYN PARK
REGULAR MEETING – AGENDA #10**

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

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

- Steven Marsolek, 7800 Colfax Avenue North regarding Plaza Park located at intersection of West Broadway Avenue and 85th Avenue.

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 18, 2020 Meeting Minutes

- 4.2 Consider Accepting Consider Accepting 2020 Grants and Donations on Behalf of the Economic Development Authority
 - 4.2A Resolution

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 Approving First Amendment to Limited Partnership Agreement of Brooklyn Park Development Corporation Fund Limited Partnership
 - 6.1A Resolution
 - 6.1B Program Guidelines for New Loan Programs
 - 6.1C Revised Partnership Agreement

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

7. Discussion Items

- 7.1 2021 EDA Budget Introduction
 - 7.1A 2021 EDA General Fund Budget
 - 7.1B 2021 BrookLynk Budget
 - 7.1C 2019 Year End Activity Summary
- 7.2 Status Update
- 7.3 Housing Update

IV. WORK SESSION

8. Work Session

- 8.1 None.

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.

City of Brooklyn Park Request for EDA Action

Agenda Item No:	4.1	Meeting Date:	October 19, 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 18, 2020 EDA MEETING MINUTES.

Overview:

N/A

Primary Issues/Alternatives to Consider:

N/A

Budgetary/Fiscal Issues:

N/A

Attachments:

4.1A MAY 18, 2020 MEETING MINUTES

THE BROOKLYN PARK ECONOMIC DEVELOPMENT AUTHORITY
OF THE CITY OF BROOKLYN PARK
May 18, 2020 MEETING MINUTES

I. ORGANIZATIONAL BUSINESS:

1. CALL TO ORDER: President Jeff Lunde at 7:00 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 and Wynfred
Russell (7:15 pm due to technical difficulties), Staff: Executive Director Kim
Berggren, Economic Development & Housing Director Breanne Rothstein, Project
Facilitator Sarah Abe, Development Project Coordinator Erika Byrd, 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 JACOBSON APPROVING THE AGENDA AS
PRESENTED. MOTION CARRIES ON A ROLL CALL VOTE AS FOLLOWS: YES:
PHA, WEST-HAFNER, JACOBSON, PARKS, MATA AND LUNDE. NO: NONE.
ABSENT: RUSSELL.

II. STATUTORY BUSINESS:

4. CONSENT:

4.1 Consider Approving EDA Meeting Minutes.

MOTION LUNDE, SECOND JACOBSON TO APPROVE THE MAY 4, 2020 EDA
MEETING MINUTES. MOTION CARRIES ON A ROLL CALL VOTE AS
FOLLOWS: YES: WEST-HAFNER, JACOBSON, PARKS, MATA, PHA AND
LUNDE. NO: NONE. ABSENT: RUSSELL.

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 for a Small Business Center Project.

MOTION LUNDE, SECOND JACOBSON TO WAIVE THE READING AND ADOPT RESOLUTION #2020-7 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. MOTION PASSED UNANIMOUSLY ON A ROLL CALL VOTE AS FOLLOWS: YES: RUSSELL, JACOBSON, PARKS, MATA, PHA, WEST-HAFNER AND LUNDE. NO: NONE. ABSENT: NONE.

- 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

MOTION LUNDE, SECOND JACOBSON TO WAIVE THE READING AND ADOPT RESOLUTION #2020-8 SELECTING DUFFY DEVELOPMENT COMPANY AS THE DEVELOPMENT TEAM FOR 6900 85TH AVENUE NORTH AND DIRECTING THE EXECUTIVE DIRECTOR TO NEGOTIATE A TERM SHEET. MOTION PASSED UNANIMOUSLY ON A ROLL CALL VOTE AS FOLLOWS: YES: JACOBSON, PARKS, MATA, PHA, WEST-HAFNER, RUSSELL AND LUNDE. NO: NONE. ABSENT: NONE.

III. DISCUSSION:

7. DISCUSSION ITEMS

- 7.1 Status Update – Kim Berggren highlighted the following:
- The Brooklyn Park Development Corporation (BPDC) is in the process of providing funds to seventy-one businesses through the Emergency Deferred Loan Program. All the funds set aside by the BPDC will be used for this. Business will be given between \$2,500 and \$5,000. They will remain eligible to apply for the county emergency grant program for small businesses, which is a lottery system. We are hopeful that Brooklyn Park businesses will also benefit from that program. Staff will share more information about the specifics of those businesses at a later date with the EDA.
 - We are gearing up to do a second business impact survey. The initial survey was done in partnership with Emergency Operations Center.
 - We are also continuing to maintain the resource site on the city's webpage for businesses. The link to that webpage is listed on the bottom of page 1 (<https://www.brooklynpark.org/covid19-5/>). Please refer businesses to that link. Staff is keeping information as current as possible as things are changing, and different programs become available for businesses.

- On page two we are continuing to advance the BrookLynk summer internship program to the extent possible. The EDA had budgeted for one BrookLynk intern to be hosted by the staff and we are working to make that happen this summer. We are also helping support the program by helping match up internships to businesses or whatever form that may take.
- The Nonprofit Emergency Funding is being administered by the city and the EDA staff is helping do the work. The funding for the first \$15,000 of the \$30,000 has been deployed. Those funds are now active in the community. We are working towards disbursing the second \$15,000 for the various groups that were awarded those funds.

Commissioner Tonja West-Hafner stated I have one question, on page 2 of the report under nonprofit emergency fund. It states assist renters with one-to-one informal rental agreements. What does this mean? Does it mean they do not have a written lease? Kim Berggren responded OLM had indicated in their emergency fund application not only food assistance but also a small award for housing support in a couple hundred dollars range but not like a typical rental assistance scenario. That was deemed to be an eligible use and I am not sure if they have chosen to use the funds that way or if all the funding has gone to food assistance. Staff can follow up if you would like more information on that. Staff has found that in some of the homes there are multiple adults living together and paying for the bedroom rent.

Commissioner Lisa Jacobson stated I had asked Kim Berggren earlier if we could get a list similar to the BPDC on who is getting assistance to the Nonprofit Emergency Funding program.

7.2 Housing Update – Erika Byrd highlighted the following:

- The Rental Housing Rehab Loan Program has now been launched. A flyer has been attached to this item, 7.2A that promotes this project. The plan is for the EDA and housing staff to work with rental inspectors to help promote this program as properties are identified that may have a need or interest. CEE is currently administering this program for us.
- The Brooklyn Park Housing Research Project with CURA has been on hold but staff were able to work with them on a plan to work with landlords to do the data collection from them this summer. The next phase, hopefully social distancing practices are worked out, work with residents to do the data collection. This week CURA is inviting eleven different apartment community managers and their teams to sign up for various interviews.
- Last week the Governor's Executive Order 20-53 extended the peacetime emergency to June 12th with that the eviction extension was also extended to June 12th.
- A couple of things are happening in the emergency rental assistance space related to COVID19. CEAP which is in the Brooklyns area received over \$900,000 to do COVID19 related emergency rental assistance. That is for suburban Hennepin County. Staff has been working to get the word out to our apartment communities, both residents and managers, the availability of those funds.

- We know that some additional emergency money is out there. The county currently is seeking proposals for delivery of additional emergency rent assistance. Brooklyn Park staff will be sitting on that selection committee with Hennepin County to help give our perspective on that.

Commissioner Susan Pha stated that the CURA work that is happening despite COVID19 we are moving forward and looking at data collection in a different way than we had originally planned for. Thank you to all the people that are involved in that. Commissioner Tonja West-Hafner and I know how important the work is.

IV. WORK SESSION

8. WORK SESSION ITEMS: Commissioners took a recess at 7:40 pm and reconvened at 7:45 pm. This portion of the meeting of the Economic Development Authority is also being conducted by phone. Present: President Jeff Lunde, Vice President Susan Pha, Treasurer Lisa Jacobson, Secretary Tonja West-Hafner and Commissioners Mark Mata, Terry Park and Wynfred Russell. Executive Director Kim Berggren and Economic Development & Housing Director Breanne Rothstein were present. Absent/Excused: None.

- 8.1 Discuss Senior Affordable Housing Development Opportunity with Bethesda Lutheran Communities in the City of Brooklyn Park. Breanne Rothstein stated you may remember last month at the April EDA work session staff introduced four projects moving forward and next steps. At that time, the EDA had quite a few comments and questions regarding the Bethesda Lutheran Communities Senior Housing project related to the location, the land use, the site plan and overall information about the company.

In commissioners' packets you will see staff has provided additional information about the project and the developer. Bethesda is a newer nonprofit housing developer in Minnesota. They have been around for a long time. They started as a human service company for people with intellectual and developmental disabilities (IDD). As the company grew, they added a nonprofit housing development and property management arm to their services. They are a faith-based organization that provides residential support, behavioral support and community activities.

The proposed project in Brooklyn Park is called Cornerstone Village which aims to address affordable housing and housing that is needed for IDD clients. It is really to create a meaningful model for social engagement within an apartment community. So far Bethesda has done one project in Minnesota located in Victoria that recently opened. As they have been managing the property, they have found a good synergy between seniors and adults with IDD. That is what they are proposing in this project as well with a total of 130 units with 106 being for seniors 65+ and 24 would be reserved for adults with IDD. Of those units 62% are proposed to be affordable at 30% and 50% of the area median income. Those two thresholds require a lot of different financing sources to come together to create that level of affordability.

Their projects provide a lot of community amenities and this project is no exception. As this project moves forward to the Planning Commission and City Council entitlement process more information will be provided about this specific site.

During the work session last month, we talked about giving a little more context about where this site was and what is planned around it. We have provided a site location map which shows it is just off TH610 and Jefferson Highway. This area is part of a larger planned development district called The Gateway District. We have provided a rough layout plan showing what they want to do for accommodating parking as well as the building footprint. Some of the slides provided show projects that Bethesda has built and developed. As they move forward to finalize their exact architectural renderings and before you are required to make a final decision on financing or the site and land use approvals, you will have more information from them.

In terms of the building concept and the variety of features and amenities that will be proposed they will be catering to their senior and IDD clients. There is going to be a higher level of amenities in the units. They are going to be more universally designed friendly wider doorways, smart-home technology, different configurations to the kitchen to accommodate different needs. That is one unique aspect of this project.

In terms of what they are asking from the Economic Development Authority the total is about \$3.3 million in financial assistance and that breaks down to \$2 million in tax increment financing. This project will be in a new housing district and will only be this property. The assistance will be in a pay-as-you-go note so as the taxes are generated over 26 years those will funneled back to the property to cover the affordability gap. In addition, there is a \$1 million ask for deferred financing that will be a loan that will be structured favorably to the developer. They have also requested a little over \$100,000 in sewer and water access fee reductions. While that makes their application more competitive with the Minnesota Housing Tax Credit Project there are several ways the EDA can finance that. It does not necessarily have to be the bottom line of our sewer and water fund. We can replenish that with tax increment or other EDA funds as well.

The developer plans to submit an application for LCDA funding and this would be the demonstration grant that they do for development in the amount of \$1.7 million. This would be an assistance request of \$17,000 per unit for the senior market rate and \$32,000 per unit for affordable units.

In terms of next steps, the reason we are bringing this back to a work session is so that the EDA can ask any questions before we move this to a more formal staff approving a resolution of support for EDA financing. That is also required as part of the submittal to Minnesota Housing in order to make the application the most competitive it can be. Minnesota Housing tax credit dollars are very competitive and they will be asking for Housing Infrastructure Bonds so everything they can do to make their application more competitive is what they are looking at doing and one of the things they can do is get a resolution of support from the city to commit financing. This is a little uncustomary for the EDA to do but it is part of the Minnesota Housing application process. Additionally, formal support from the EDA also increases the competitiveness of other state resources and those

things will make them more likely to get their funding. Before we move forward with a formal ask next month, we wanted to bring this back at work session one more time to answer any questions or make any adjustments you would like to see before we proceed to formal action.

What we are asking for tonight is a discussion about the project and to gauge your general willingness to financially contribute to this concept.

President Jeff Lunde called upon each commissioner to provide an opportunity to give feedback and ask questions of the project. Most commissioners indicated they were supportive of the project and would like more information on this type of housing. An area of concern was the financing requests and not setting any precedent. Commissioners asked for more detail on the financing and also what underwriting guidelines the EDA's financial consultant looked at.

Kristine Giornalista, Senior Director Real Estate Development for Bethesda Lutheran Communities was present and answered commissioners' questions on social services provided to residents and on the percentage of senior residents and IDD residents.

- V. ADJOURNMENT:
Meeting adjourned at 8:16 p.m.

City of Brooklyn Park Request for EDA Action

Agenda Item:	4.2	Meeting Date:	October 19, 2020
Agenda Section:	Consent	Originating Department:	Community Development
Resolution:	X	Prepared By:	Breanne Rothstein, Economic Development and Housing Director
Attachments:	1	Presented By:	Breanne Rothstein, Economic Development and Housing Director
Item:	Consider Accepting 2020 Grants and Donations on Behalf of the Economic Development Authority		

Executive Director's Proposed Action:

MOTION _____, SECOND _____, TO WAIVE THE READING AND ADOPT RESOLUTION #2020-__ ACCEPTING 2020 GRANTS AND DONATIONS ON BEHALF OF THE ECONOMIC DEVELOPMENT AUTHORITY.

Overview:

In accordance with past practice, the Economic Development Authority customarily accepts grants provided by state, federal and other sources. With adoption of this resolution, the EDA will accept the below grants and donations in bulk for 2020.

2020 Grants to the Economic Development Authority:		
Name of Entity	Description	Amount
HC - MN Youth Programs	BrookLynk Internship, Training, and Alumni Engagement	\$75,000
DEED Youth At Work	BrookLynk Internship, Training, and Alumni Engagement	\$75,000
DEED Youth Support Services	BrookLynk Internship and Training Support	\$45,000
Met Council	Stormwater and Community Engagement – Autumn Ridge	\$74,000
BWSR	Stormwater and Community Engagement – Brook Gardens	\$19,000
Youthprise (sub-recipient)	Brooklynk Alumni Engagement	\$10,000
Boston Scientific	Brooklynk Stipends	\$15,000
	TOTAL	\$313,000

2020 Donations to the Economic Development Authority		
Name of Entity	Description	Amount
Cummins Power Systems	Online Training Series - Youth Stipends	\$6,000
Susan Schmitz	Online Training Series-Youth Stipend	\$600
Jean Maierhofer	Online Training Series - Youth Stipend	\$600
Brooklyn Park Rotary	Program Donation	\$1,000
	TOTAL	\$8,200

Primary Issues/Alternatives to Consider: N/A

Budgetary/Fiscal Issues: N/A

Attachments:

4.2A RESOLUTION

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

RESOLUTION #2020-

ACCEPTING 2020 GRANTS AND DONATIONS ON BEHALF OF THE
ECONOMIC DEVELOPMENT AUTHORITY

WHEREAS, the Brooklyn Park Economic Development Authority, from time to time, applies for grants from state, federal, and other sources; and

WHEREAS, the following entities have granted funds and donations to the Brooklyn Park Economic Development Authority in 2020:

2020 Grants to the Economic Development Authority:		
Name of Entity	Description	Amount
HC - MN Youth Programs	BrookLynk Internship, Training, and Alumni Engagement	\$75,000
DEED Youth At Work	BrookLynk Internship, Training, and Alumni Engagement	\$75,000
DEED Youth Support Services	BrookLynk Internship and Training Support	\$45,000
Met Council (pass through)	Stormwater and Community Engagement – Autumn Ridge	\$74,000
BWSR (pass through)	Stormwater and Community Engagement – Brook Gardens	\$19,000
Youthprise (sub-recipient)	BrookLynk Alumni Engagement	\$10,000
Boston Scientific	BrookLynk Stipends	\$15,000
	TOTAL	\$313,000

2020 Donations to the Economic Development Authority		
Name of Entity	Description	Amount
Cummins Power Systems	Online Training Series - Youth Stipends	\$6,000
Susan Schmitz	Online Training Series-Youth Stipend	\$600
Jean Maierhofer	Online Training Series - Youth Stipend	\$600
Brooklyn Park Rotary	Program Donation	\$1,000
	TOTAL	\$8,200

NOW, THEREFORE, BE IT RESOLVED by the Economic Development Authority of the City of Brooklyn Park hereby accepts these grants.

City of Brooklyn Park Request for EDA Action

Agenda Item No:	6.1	Meeting Date:	October 19,2020
Agenda Section:	General Action Item	Prepared By:	Daniela Lorenz, Business Development Coordinator
Resolution:	X	Presented By:	Daniela Lorenz, Business Development Coordinator
No. of Attachments:	3		
Item:	CONSIDER APPROVING FIRST AMENDMENT TO LIMITED PARTNERSHIP AGREEMENT OF BROOKLYN PARK DEVELOPMENT FUND LIMITED PARTNERSHIP		

Executive Director's Proposed Action:

MOTION ____, SECOND _____ TO WAIVE THE READING AND ADOPT RESOLUTION #2020-____ APPROVING FIRST AMENDMENT TO LIMITED PARTNERSHIP AGREEMENT OF BROOKLYN PARK DEVELOPMENT FUND LIMITED PARTNERSHIP.

Overview:

On December 31, 2020, the Brooklyn Park Development Corporation (BPDC) and the Limited Partnership between the Brooklyn Park Economic Development Authority (EDA) and the BPDC is set to expire. Staff recommends that the EDA extend the Partnership Agreement to continue the work of the BPDC. Extending the partnership allows Brooklyn Park to continue to more nimbly provide loans and financing options to new and existing businesses in the City. Maintaining BPDC also allows members of the business community and community at large to be involved in making loan decisions to local businesses.

Background:

The BPDC was originally established in 1994 with the intent to provide loans to small businesses in the community. Prior to 1997, EDAs were not allowed to directly lend money to businesses per Minnesota State Statute, however, EDAs could enter into partnership agreements that allowed for the creation of loan programs. BPDC was initially capitalized by the Brooklyn Park EDA with \$600,000. In 2012, the EDA approved an additional \$1,000,000 in capitalization to continue to administer revolving loans for small business investment. The current balance of all BPDC accounts is \$1.5 million.

The BPDC's primary purpose is to provide financial support to small businesses and to encourage the formation and growth of new businesses in Brooklyn Park. It is legally structured as a limited partnership, the Brooklyn Park Development Fund Limited Partnership (BPDFLP). The EDA is the limited partner and primary source of capital and the BPDC is the general partner and acts as the manager and primary decision maker for the limited partnership. This structure was adopted because at the time the program was established, the EDA did not have the legal authority to make small business loans directly.

Since its inception, BPDC has assisted several businesses access a variety of finance tools meant to help locate and expand in the City. Initially, the BDPC only offered loan guarantees to support loans to businesses originated by area banks. In 2010, the BPDC began offering direct loans to businesses through two new revolving loan funds, a micro loan fund and a fixed asset loan fund, which were administered by the Metropolitan Consortium of Community Developers (MCCD). Due to wide availability of capital for small businesses and historically low interest rates, those programs have not been widely used.

In early 2020, the BPDC revised the programs to have more competitive interest rates, be available in smaller sizes, and have more flexible underwriting criteria. The details of the newly adopted programs are included as an attachment. Staff plans to re-ignite a marketing effort of these new programs in early 2021 (post-COVID emergency response), in addition to bringing forward some recommendations for board structure and size.

Most recently, BPDC funds were used to assist more than 70 businesses access small, forgivable emergency loans meant to offset the effects of the COVID-19 pandemic. The BPDC approved \$250,000 in emergency funding to small businesses within the community. Staff is working on gathering information from businesses so that the BPDC can get reimbursed from the Federal CARES Relief grant program.

Budgetary/Fiscal Issues

The current balance of the BPDC fund is \$1.5 million. This action has no budgetary or fiscal impact on the EDA.

Recommendation

The Executive Director of the Economic Development Authority recommends approval.

Attachments

- 6.1A RESOLUTION
- 6.1B PROGRAM GUIDELINES FOR NEW LOAN PROGRAMS
- 6.1C REVISED PARTNERSHIP AGREEMENT

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

RESOLUTION #2020-

APPROVING FIRST AMENDMENT TO LIMITED PARTNERSHIP AGREEMENT
OF BROOKLYN PARK DEVELOPMENT FUND LIMITED PARTNERSHIP

WHEREAS, the BROOKLYN PARK ECONOMIC DEVELOPMENT AUTHORITY (the "EDA") and the BROOKLYN PARK DEVELOPMENT CORPORATION (the "BPDC") entered into a Limited Partnership Agreement of the Brooklyn Park Development Fund Limited Partnership, dated April 4, 1994 (the "Agreement"), for BROOKLYN PARK DEVELOPMENT FUND LIMITED PARTNERSHIP (the "Partnership");

WHEREAS, Article VI of the Agreement provides that the Partnership will terminate on December 31, 2020;

WHEREAS, the EDA and the BPDC desire to amend the Agreement to make the duration of the Partnership perpetual; and

WHEREAS, the EDA and the BPDC have caused to be prepared a First Amendment to Limited Partnership Agreement (the "Amendment"); and

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Brooklyn Park Economic Development Authority (the "Board") as follows:

1. The EDA hereby approves making the Amendment, in substantially the form presented to the Board, together with any related documents necessary in connection therewith, including without limitation all documents or certifications referenced in or attached to the Agreement or the Amendment (collectively, the "Partnership Documents") and hereby authorizes the Executive Director to execute, on behalf of the EDA, the Partnership Documents to which the EDA is a party and to carry out, on behalf of the EDA, the EDA's obligations thereunder when all conditions precedent thereto have been satisfied.
2. The approval hereby given to the Partnership Documents includes approval of such additional details therein as may be necessary and appropriate and such modifications thereof, deletions therefrom and additions thereto as may be necessary and appropriate and approved by legal counsel to the EDA and by the officers authorized herein to execute said documents prior to their execution; and said officers are hereby authorized to approve said changes on behalf of the EDA. The execution of any instrument by the appropriate officers of the EDA herein authorized shall be conclusive evidence of the approval of such document in accordance with the terms hereof. This Resolution shall not constitute an offer and the Partnership Documents shall not be effective until the date of execution thereof as provided herein. In the event of absence or disability of the authorized officers, any of the documents authorized by this Resolution to be executed may be executed without further act or authorization of the Board by any duly designated acting official, or by such other officer or officers of the Board as, in the opinion of legal counsel to the EDA, may act in their behalf.

3. The authority to approve, execute and deliver future amendments to the Partnership Documents and consents required under the Partnership Documents is hereby delegated to the Executive Director, subject to the following conditions: (a) such amendments or consents do not materially adversely affect the interests of the EDA; (b) such amendments or consents do not contravene or violate any policy of the EDA, or applicable provision of law; and (c) such amendments or consents are acceptable in form and substance to the counsel retained by the EDA to review such amendments. The authorization hereby given shall be further construed as authorization for the execution and delivery of such certificates and related items as may be required to demonstrate compliance with the agreements being amended and the terms of this Resolution. The execution of any instrument by the Executive Director shall be conclusive evidence of the approval of such instruments in accordance with the terms hereof. In the absence of the Executive Director any instrument authorized by this paragraph to be executed and delivered may be executed by the officer of the EDA authorized to act in his or her place and stead.

Brooklyn Park Revolving Loan Fund (with changes tracked)

Purpose: to assist small to medium existing or new to Brooklyn Park businesses expand in the community

Loan Amounts:

- ~~\$150,000-\$250,000~~ \$25,000-\$300,000
 - o At least 50% of the project financing must come from a private lender or another source for loans over \$100,000
- Loans \$25,000 to \$100,000 do not need a bank match but may require greater equity commitment from loan recipient, as determined by the underwriting process
- The underwriter can work with loans great than \$100,000 to determine the appropriate private financing match and equity contribution

~~Borrowers must have an equity injection as determined by the underwriting process~~

Interest Rate and Loan Term:

- Up to 7 years for equipment and machinery
- Up to 15 years for leasehold improvements and real estate purchases

Generally, the term to maturity shall not exceed the term of the private lender when applicable.

- The interest rate shall not exceed prime -1.
- In the event there is a private lender match the interest rate shall not exceed the rate of the private lender.
- Interest rates shall be fixed for the term of the loan and will be set upon approval of the loan

Eligibility:

Location: All projects must take place in the City of Brooklyn Park

Type of Business: Must be a "for-profit" business

Private Bank Contribution: At least 50% of the project financing must come from a private lender ~~or another source for loans over \$100,000~~

Other: Applicant must not be delinquent or in default of federal, state, or local taxes

Eligible Uses:

- Purchase of fixed assets including: land, building, and machinery and equipment
- Leasehold improvements including façade renovations
- Debt refinancing
- Energy efficiency upgrades such as HVAC improvements, solar panel installations, etc.
 - o \$100,00 is the maximum loan amount for projects that are solely for energy efficiency upgrades

Fees:

Processing Fee: 1.5% loan packaging and processing fee will be charged to all borrowers

Servicing Fee: .5% of the outstanding loan balance will be charge on an ongoing basis and will be incorporated into the rate charged to the borrower

Legal and Other Loan Related Fees: Borrowers are responsible for paying all legal and other loan closing costs

Small Business Microloan Program

Purpose:

The purpose of this loan program is to offer convenient and accessible financing to small businesses or emerging entrepreneurs in Brooklyn Park. The program goal is to fill identified gaps in the industry, including:

- Micro-lending (loan amounts as small as \$5,000)
- Character lending (meaning looking at "ability to re-pay" factors beyond credit score)
- Lending for start-up or working capital with little collateral
- Affordable interest rates and non-interest lending
- Lending to business owners of color, particularly Black owners

Loan Amounts:

- \$5,000 to \$25,000

Eligible Projects:

- All projects financed must be located in City of Brooklyn Park.
- Borrowers must be a "for-profit" business.
- Borrowers must provide at least a 10% equity match to the loan request
- Businesses must employ 20 or fewer full-time equivalent employees (FTEs)

Allowable Use of Proceeds:

- Working capital
- Inventory
- Equipment and machinery
- Real estate costs
- Land acquisition costs

Interest Rate and Term Length:

Loan interest rate is dependent on term of the loan as follows:

- For loans between \$5,000 to \$10,000 the interest rate will be fixed at 0% with a 3-year repayment
- For loans over \$10,000 the interest rate will be fixed at prime -1 with up to a 10-year repayment period
 - o If prime is greater than 6% the interest rate will be fixed at prime -2 with up to 10-year repayment period

Repayment Period:

- Repayment of the loan begins three months after the loan is approved and will continue every month until the loan is paid off
- There will be no penalties for early pay-off

Fees and Charges:

- Borrowers are responsible for all loan closing related costs

Documents needed with application/underwriting requirements:

For existing businesses:

- A business plan which includes:
 - o 2 years worth of:
 - Balance sheets (with projection for current year)
 - Cash flow
 - Income statements
- Previous year's tax return documents
- Estimated budget for how funds will be used
- Proof of equity match

For new businesses or start-ups:

- A business plan which includes:
 - o Detailed sources and uses for the project
 - o 12-24 months of cash flow projections
 - o 12-24 months of income statement projections
 - o 12-24 months balance sheet projections
- Evidence of equity match for the project
- Estimated budget for how funds will be used

Additional information:

All awardees will be asked to submit a short report within six months of receiving funds to signify how funds have been used and the impact they have made.

Businesses seeking to receive these funds are encouraged to work with an organization of their choice for technical assistance.

The items outlined in this program are guidelines. Businesses can request reasonable deviations from the guidelines if there is a business need for the accommodation. Businesses will work with the funds underwriters to ensure the loans meets the intention of the program and is beneficial to a business's unique needs.

Draft Application process:

Businesses interested in this loan can apply here **[NEED TO CREATE LOAN APPLICATION]**

Once an application is submitted someone from the City of Brooklyn Park will contact applicants to talk about next steps including scheduling a meeting with the underwriting organization and its financial team to collect additional necessary documentation.

Once a loan package is prepared the loan will be brought to the Brooklyn Park Development Corporation (BPDC) Board of Directors to be approved.

The timeline for approval will vary based on size of loan and ability to collect all necessary documents. Once underwriters have all necessary information from an applicant it is expected that an award may be made within one month.

If approved, awardees will enter into a loan agreement between the BPDC and the business. Funds will be distributed in a lump sum and repaid over the agreed upon term.

DRAFT

FIRST AMENDMENT TO
LIMITED PARTNERSHIP AGREEMENT
OF
BROOKLYN PARK DEVELOPMENT FUND LIMITED PARTNERSHIP

THIS FIRST AMENDMENT TO LIMITED PARTNERSHIP AGREEMENT is executed this __ day of _____, 2020, by and among the BROOKLYN PARK ECONOMIC DEVELOPMENT AUTHORITY, a public body corporate and politic organized and existing under the laws of the State of Minnesota (the “EDA”) and the BROOKLYN PARK DEVELOPMENT CORPORATION, a Minnesota nonprofit corporation (the “BPDC”).

RECITALS:

WHEREAS, the EDA and BPDC entered into a Limited Partnership Agreement of the Brooklyn Park Development Fund Limited Partnership, dated April 4, 1994 (the “Agreement”), for BROOKLYN PARK DEVELOPMENT FUND LIMITED PARTNERSHIP (the “Partnership”);

WHEREAS, Article VI of the Agreement provides that the Partnership will terminate on December 31, 2020;

WHEREAS, the EDA and BPDC desire to amend the Agreement to extend the duration of the Partnership;

WHEREAS, the EDA, as sole General Partner of the Partnership, and BPDC, as sole Limited Partner of the Partnership, are the sole Partners of the Partnership.

1. Duration of Partnership. Article VI of the Agreement is hereby amended and restated as follows:

The Partnership shall commence business April 4, 1994 and its duration shall be perpetual, unless sooner dissolved and terminated prior thereto in accordance with Article XVIII and its affairs wound up and liquidated in accordance with the provisions of Article XIX or as otherwise provided by law.

2. No Other Changes. Except as specifically provided herein, the Agreement remains unchanged and in full force and effect. All capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Agreement.

IN WITNESS WHEREOF, the Partners have entered into this Partnership Agreement as of the day and year first above written.

BROOKLYN PARK ECONOMIC DEVELOPMENT
AUTHORITY

By _____
Its Executive Director

BROOKLYN PARK DEVELOPMENT CORPORATION

By _____
President

MEMORANDUM

DATE: October 15, 2020

TO: EDA Commissioners

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

SUBJECT: 2021 EDA Budget Introduction

This memo introduces the 2021 EDA budget and major planned expenses for the Brooklyn Park Economic Development Authority (EDA). The EDA budget funds six primary uses:

1. EDA **staff** and related expenses including equipment, training and supplies.
2. **Development related costs** including financial and legal services.
3. **Neighborhood and housing preservation** (rehabilitation loans, etc.).
4. Direct **development costs**, such as infrastructure.
5. Investments in **workforce development** and economic advancement for residents.
6. **Reserves** to cover unanticipated projects costs and to take advantage of development opportunities.

In the spring of 2019, the EDA articulated five strategic board priorities as follows:

1. Explore projects located in the Opportunity Zone.
2. Enhance restaurant recruitment and marketing efforts.
3. The development of a fund for the preservation of Naturally Occurring Affordable Housing.
4. Plan for and promote investment in the Village Creek neighborhood, including developing EDA-owned land.
5. Advance the discussion and planning for a business incubator/small business center.

Work continues on these five strategic priorities. During the EDA budget work session in August of 2020, the EDA discussed a number of additional strategies including the following proposed investments for 2021. These proposed projects would advance and expand the strategic priorities to focus on small business growth and economic advancement of residents within the community.

1. Marketing Assistance Program for Small Businesses.
2. Chamber Partnership.
3. Business Façade Fix Up Loans.
4. Community Wealth Building Action Planning.
5. Wayfinding Plan Development (Branding initiative).

The proposed budget attempts to advance the strategic priorities of the EDA.

EDA Revenues***Outside Funding (Grants)***

EDA staff continue to seek outside revenue sources to support a portion of the EDA's activities. Since 2009, grant funding that supported the EDA's work exceeds \$17 million (including the EDA's role in securing transportation grants). In the past year, the EDA has secured over \$2.5M in grants for projects. Funded activities include items such as the development of affordable housing, continued growth of BrookLynk and pre-development funds for the small business center

project. The EDA also worked closely with the State's Department of Employment and Economic Development (DEED) to deploy two Minnesota Investment Fund (MIF) grants to Brooklyn Park businesses and \$18M in State bonding allocation for Second Harvest Heartland.

The BrookLynk program's design brings revenues and contributions from other sources that far exceed the EDA's contribution. The EDA's 2021 contribution of \$100,000 in operating funds will leverage over \$250,000 in other operating funds and an additional \$300,000 of in-kind contributions to the program that serves both Brooklyn Park and Brooklyn Center. BrookLynk is also planning to pursue another Federal grant in 2021 (WIOA) to support workforce development. The EDA gets reimbursed by the program for some of the costs of providing management oversight.

In 2020, the EDA team spent significant time working on deploying COVID relief strategies and funding to the community as approved by the City Council. Staff time allocated to this work has been tracked and will be reimbursed by the grant funds; therefore, the EDA can expect unanticipated grant revenue in 2020. If additional COVID relief funds are received in 2021, the EDA can anticipate EDA staff time will again be allocated to response efforts.

EDA/HRA Levy

In August, the EDA approved the preliminary Economic Development Authority (EDA) levy and Housing Redevelopment Authority (HRA) levy for 2021. Table 1 shows the HRA and EDA levy amounts since 2019 and the proposed amount for 2021.

Table 1: Levy History and Proposed EDA/HRA Levy for 2021

	2019 Council Adopted	2020 Council Adopted	2021 Proposed
EDA	1,253,949	1,326,649	1,326,649
HRA	781,593	1,000,000	1,000,000
Total	2,035,542	2,326,649	2,326,649

Tax Increment Financing (TIF)

The EDA budget includes several TIF and tax abatement funds that the EDA/City administers for programs and projects, which will be presented with the full budget in November. As part of the 2021 budget process, staff will be working with Ehlers to decertify TIF #24 and TIF #25. After these actions, the city will hold less than 1.5% of its tax capacity in TIF districts. EDA action during 2020 did set in motion the establishment of two new site-specific housing TIF districts to use for the development of affordable housing – projects proposed by Bethesda and George North Group. It is anticipated that new districts would be established in 2021 if those projects advance, but no budget allocation will be needed until 2022. It is also anticipated that the North Hennepin Community College (NHCC) housing site will be established as a future site specific, housing TIF District. In anticipation of these upcoming changes, staff will work with Ehlers to update the TIF Management Plan (on a two-year cycle).

Fund Balance

The EDA carries fund balances in its fund accounts, as shown on the budget sheets which will be provided at the November meeting. In an effort to keep the EDA/HRA levy at flat from 2020 to 2021, some fund balance is proposed to be used to implement the activities of the EDA.

EDA Expenditures

Carry Over Projects

These are projects that, due to complexity and/or delays mostly due to COVID, are re-allocated from 2020 to 2021 EDA Budget:

- \$1,000,000 for the Brooklyn Boulevard trail project, including overhead utility burial (TIF #3).
- \$15,000 for remaining 2021 University of Minnesota CURA-led renter research (EDA General Fund).
- \$100,000 for the anticipated Joint Powers Agreement and fund for the Center for Innovation and the Arts (CITA) project, which is a collaboration with North Hennepin Community College, and other local arts stakeholders. (EDA General Fund).
- \$130,000 for the 252 Freeway Conversion Environmental Impact Statement (EIS) (TIF #3, split 50% with City Construction Fund).
- \$3,000,000 for gap funds on the 169/101st Interchange (TIF #3)

EDA Budgeted Projects - On-Going

- \$150,000 for Edinburgh USA Clubhouse capital investments in collaboration with D'Amico Catering per the City's Capital Improvement Plan (CIP). (EDA General Fund)
- \$60,000 for predevelopment activity funds to prepare possible redevelopment sites (TIF#3), including the park and ride site at Noble (increase of \$40,000 to leverage grant opportunities). (EDA General Fund)
- \$100,000 for the BrookLynk program, which is jointly managed by Brooklyn Park EDA and the City of Brooklyn Center (increase of \$20,000 to advance alumni efforts). (EDA General Fund)
- \$40,000 for branding initiatives, including \$15,000 to be used to contribute to the budget for the temporary plaza at 85th Avenue and West Broadway. (EDA General Fund)
- \$30,000 for small business technical business assistance (business plans, marketing plans, access to capital) (EDA General Fund)
- \$25,000 to continue the Home Energy Assistance Program with Center for Energy and the Environment, which has assisted over 400 homeowners since the start of the program, to identify energy-efficiency improvements. (EDA General Fund)
- \$60,000 to the Community Environmental Sustainability Program, which provides beautification, environmental sustainability, and community engagement grants to apartment neighborhoods in Brooklyn Park. (TIF#3)
- \$1,250,000 to the Revolving Home Loan Fund for Home Re-hab Loans, small scale rental Re-hab, and Down Payment Assistance Program. (\$250,000 increase from 2020 Foreclosure Recovery Fund)

EDA Budgeted Projects - New Initiatives (All from EDA General Fund)

- \$70,000 for Wayfinding Project (on hold from 2020 discussion).
- \$130,000 Old Library demo/holding costs (might be reimbursable from TIF#3 through interfund loan).
- \$15,000 for small business marketing assistance in the form of the Small Business Marketing Assistance partnership with NHCC.
- \$20,000 for a renewed chamber partnership/business engagement strategy \$40,000 for Economic Inclusion Action planning.
- \$20,000 for Apartment Action Plan implementation work, including stipends and technology for enhanced renter engagement.
- \$10,000 to support mobile public health unit partnership project.

Other Work with No Direct Budget Allocation

The EDA does other strategic work that is not called out above (see 7.1C for 2019 year-end summary). The below list includes other planned work in 2021:

- Continue to coordinate the expenditures of the state bonding award for Second Harvest Heartland West, located at 7101 Winnetka Ave N.
- EDA's loan administration to Autumn Ridge Apartments, Huntington Place, Brooks Landing and Brook Gardens.
- CDBG funded activities, and other inter-agency housing activities
- Grant writing for Met Council, DEED, MN Housing, Hennepin County, and other grants
- Administration of the recently approved new housing policies
- Review, project management, and facilitation of development of affordable housing and Naturally Occurring Affordable Housing (NOAH) preservation deals.
- Market, recruit developers, and project manage development deals such as Bethesda, Pulte, Devean George, Christina's, and others.
- Recruit, match, and support employers and interns in the BrookLynk summer internship program.
- Plan and facilitate events and convenings such as Restaurant Week, Real Estate Forum, Brooklynk Job Fair, Brooklynk Youth Internship Onboarding, Supervisor Trainings, Brooklyn Park Development Corporation, the Business Forward Advisory Board, Brooklyn Park Housing Resource Group, Champions for Youth and the Business Forward Forum.

Staffing

Staff recommends that the EDA reallocate funding in the 2021 budget toward:

1. Community engagement, particularly renter engagement
2. Economic inclusion and equity

The EDA would reallocate \$130,000 in EDA funds from a vacant senior project manager position, which was held open in 2020 due to budget concerns to the city's administration department. The administration department would use these funds toward hiring a diversity, equity and inclusion manager who could support the EDA's economic inclusion strategies as well as funding community engagement and outreach efforts related to the EDA's work.

Next Steps

- November 23, 2020 EDA meeting – Approve full EDA budget and forward to City Council.
- December 2020 - City Council approves 2021 EDA budget.

Attachments

- 7.1A 2021 EDA GENERAL FUND BUDGET
- 7.1B 2021 BROOKLYNK BUDGET
- 7.1C 2019 YEAR END ACTIVITY SUMMARY

2021 Budget Summary - EDA General Activities Capital Project Fund

	2016 Actual Amount	2017 Actual Amount	2018 Actual Amount	2019 Actual Amount	2020 Amended Budget	2021 Department Requested	2022 Forecast	2023 Forecast	2024 Forecast	2025 Forecast
Fund: 502 EDA General Activities										
Revenue										
GPTX - General property taxes	1,979,349	1,785,568	2,578,360	1,413,381	2,113,701	2,131,234	2,326,649	2,326,649	2,326,649	2,326,649
OG - Other grants	-	-	225,000	-	-	75,000	-	-	-	-
CHGS - Charges for services	1,257	914	10,601	10,482	-	-	-	-	-	-
INVINC - Investment income	137,749	150,267	226,083	527,352	149,139	149,139	155,049	155,049	155,049	155,049
OR - Other revenue	27,678	47,309	75,086	213,809	-	-	-	-	-	-
TRF - Transfers in	-	-	207,000	-	-	-	-	-	-	-
Revenue Totals:	2,146,033	1,984,057	3,322,131	2,165,023	2,262,840	2,355,373	2,481,698	2,481,698	2,481,698	2,481,698
Expenditures										
SUP - Supplies	7,176	7,307	17,481	7,496	5,570	15,570	5,570	5,570	5,570	5,570
PS - Professional services	43,322	50,232	85,913	97,330	85,000	85,000	85,000	85,000	85,000	85,000
CS - Contractual services	152,923	267,290	383,169	218,056	444,871	608,300	353,300	353,300	353,300	353,300
COMM - Communications	6,388	6,448	5,949	2,063	4,000	4,000	4,000	4,000	4,000	4,000
UTIL - Utilities	7,344	6,443	11,743	286	-	-	-	-	-	-
COS - Cost of sales	1,386	-	-	-	-	-	-	-	-	-
CONF - Conferences and schools	20,198	14,140	18,675	22,208	28,015	33,015	28,015	28,015	28,015	28,015
DUES - Dues and subscriptions	7,527	2,223	6,897	3,489	3,585	3,585	3,585	3,585	3,585	3,585
OTH - Other charges	33,973	30,781	41,975	29,081	53,038	71,146	177,170	177,170	177,170	177,170
GFC - General Fund Charges	1,029,339	1,156,962	1,195,447	1,247,269	1,205,921	1,233,604	1,305,388	1,364,852	1,427,202	1,427,202
DEBT - Debt service	6,893	7,294	3,144	-	-	-	-	-	-	-
LC - Loss control charges	32,038	33,269	38,075	29,607	30,761	32,471	34,095	35,799	37,589	37,589
TRF - Transfers out	115,000	167,029	182,679	1,525,706	1,572,084	350,000	350,000	350,000	350,000	350,000
CO - Capital outlay	-	-	1,362,000	182,218	400,000	-	-	-	-	-
Expenditure Totals:	1,463,508	1,749,419	3,353,147	3,364,809	3,832,845	2,436,691	2,346,123	2,407,291	2,471,431	2,471,431
Change in Net Assets:	682,525	234,638	(31,016)	(1,199,786)	(1,570,005)	(81,318)	135,575	74,407	10,267	10,267
Net Assets - Beginning of Year	13,238,117	13,920,643	14,155,281	14,124,265	12,924,479	11,354,474	11,273,156	11,408,731	11,483,138	11,493,405
Net Assets - End of Year	13,920,643	14,155,281	14,124,265	12,924,479	11,354,474	11,273,156	11,408,731	11,483,138	11,493,405	11,503,672

This Economic Development Fund accounts for all the General Activities of the Brooklyn Park Economic Development Authority (EDA). The Net Assets reflect available resources the EDA has to help promote development and re-development activity within the City. These resources are in addition to Tax Increment Financing and Tax Abatement initiatives.

City of Brooklyn Park
2021 Budget Summary - BrookLynk

	2016 Actual Amount	2017 Actual Amount	2018 Actual Amount	2019 Actual Amount	2020 Amended Budget	2021 Department Requested	2022 Forecast	2023 Forecast	2024 Forecast	2025 Forecast
Fund: 292 BrookLynk										
Revenue										
SG - State Grants	-	-	40,000	71,541	120,000	190,000	120,000	120,000	120,000	120,000
OG - Other grants	-	-	120,981	154,268	180,000	170,000	180,000	180,000	180,000	180,000
OR - Other revenue	-	-	5,000	5,680	6,000	6,000	6,000	6,000	6,000	6,000
TRF - Transfers in	-	-	201,512	80,000	80,000	100,000	100,000	100,000	100,000	100,000
Revenue Totals:	-	-	367,494	311,489	386,000	466,000	406,000	406,000	406,000	406,000
Expenditures										
SAL - Salaries	-	-	128,860	155,568	229,100	347,635	249,399	255,400	262,167	262,167
BEN - Benefits	-	-	38,771	41,976	76,174	108,127	86,055	90,443	96,637	96,637
SUP - Supplies	-	-	8,290	6,310	8,000	8,240	8,487	8,742	9,004	9,004
PS - Professional services	-	-	7,381	475	2,000	2,060	2,122	2,185	2,251	2,251
CS - Contractual services	-	-	58,606	39,167	30,400	24,150	31,947	32,755	33,588	33,588
CONF - Conferences and schools	-	-	15,891	11,433	11,800	11,064	12,520	12,894	13,282	13,282
DUES - Dues and subscriptions	-	-	-	50	500	515	530	546	563	563
OTH - Other charges	-	-	1,942	3,857	2,000	2,060	2,122	2,185	2,251	2,251
CB - Central buildings	-	-	-	-	-	5,500	5,150	5,305	5,464	5,464
ITC-Information technology charges	-	-	-	5,000	7,500	10,725	7,957	8,195	8,441	8,441
TRF - Transfers out	-	-	22,557	43,813	22,000	18,000	10,000	10,000	10,000	10,000
Expenditure Totals:	-	-	282,298	307,649	389,474	538,076	416,289	428,650	443,648	443,648
Change in Net Assets:	-	-	85,196	3,840	(3,474)	(72,076)	(10,289)	(22,650)	(37,648)	(37,648)
Net Assets - Beginning of Year	-	-	-	111,270	79,183	75,709	46,442	16,153	(26,497)	(26,497)
Net Assets - End of Year	-	-	111,270	79,183	75,709	46,442	16,153	(26,497)	(84,145)	(84,145)

BrookLynk, fund 292, transitioned to the cities of Brooklyn Park and Brooklyn Center at the start of 2018 under a cooperation agreement that places Brooklyn Park as the operational manager and fiscal agent for the equal partner program. BrookLynk provides youth and young adults, living in or going to school in Brooklyn Park or Brooklyn Center, with skills training, experience and support needed to successfully develop their individual pathways to college and career.

*DEED grant cycle ends in June and does not align with budget cycle

Economic Development Authority

YEAR-END ACTIVITY

SUMMARY 2019

Brooklyn Park: a snapshot

4

Development activity

6

Business vitality

8

Housing

10

Workforce development

13

Light rail transit

14



2019

The Brooklyn Park Economic Development Authority (EDA) had another strong year in 2019. The EDA established six strategic priorities, from Village Creek reinvestment to enhanced restaurant recruitment and exploring options for a business incubator. The City has made progress in all of these areas and continues to support and develop a thriving economy in Brooklyn Park.

Housing policy in 2019 focused on tenant protections and affordable housing preservation. The City passed the Tenant Notification Ordinance, cofunded a study with the Center of Urban and Regional Affairs (CURA) at the University of Minnesota to study housing stability and established a Naturally Occurring Affordable Housing (NOAH) preservation fund.

Brooklyn Park continues to attract new businesses and support a strong industrial sector, leasing an average of 400,000 more square feet of space than was vacated for each of the past five years. The EDA also re-launched a Business Retention & Expansion (BR&E) Program and explored models for a business incubator to support budding entrepreneurs. This year's first ever Restaurant Week featured five independently-owned restaurants of a variety of cuisines and brought great publicity to the Brooklyn Park restaurant scene.

BrookLynk, the City's youth employment program, has also expanded this year. Staff capacity grew with the addition of a Program Manager to provide strategic oversight for BrookLynk as it enters its third year housed with the Brooklyn Park EDA. The new staffing team is moving forward to establish new partnerships and enhance its programming in 2020.

METRO Blue Line Extension LRT work continues with the opening of the temporary Park Plaza, a site which is envisioned to be a hub of programming for the next three years near a planned LRT station on 85th Avenue and West Broadway. This year also saw the completion of Cultivate Bottineau, an arts program which supported 26 projects and engaged 37 local artists along corridor cities.

In 2020 the EDA will focus on Opportunity Zone development, exploring wealth-building and homeownership opportunities for residents, revising EDA policies and continuing to advance strategic priorities.

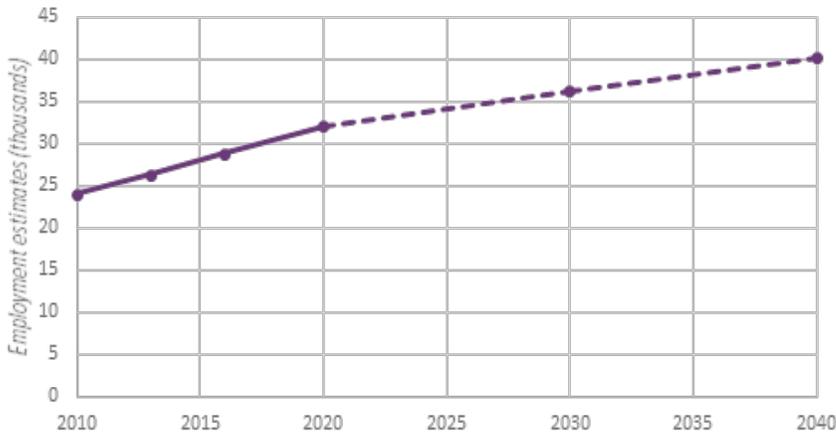


2019 EDA Board left to right: Commissioners Terry Parks, Lisa Jacobson, Mark Mata, Susan Pha, President Jeffrey Lunde, and Commissioners Wynfred Russell and Tonja West-Hafner.



Brooklyn Park: a snapshot

Job growth, 2010-2040



Jobs & projected job growth (data and estimates from Metropolitan Council)

Top 10 employers in Brooklyn Park

1. Target (North Campus)–4,000
2. Caterpillar Paving Products–700
3. North Hennepin Community College–610
4. HyVee–500
5. Medtronic–420
6. Prairie Care–400
7. City of Brooklyn Park–397
8. Lake Regional Medical–395
9. Olympus Surgical Technologies–385
10. GLS Companies–375

1,500+
businesses

100+
restaurants

83,000+
residents
(over 50% people of color)

Median home sale price
2016: **\$179,200**

Median home sale price
2019: **\$265,000**

47.9% increase
in 3 years

*Data from Minneapolis Association of Area Realtors

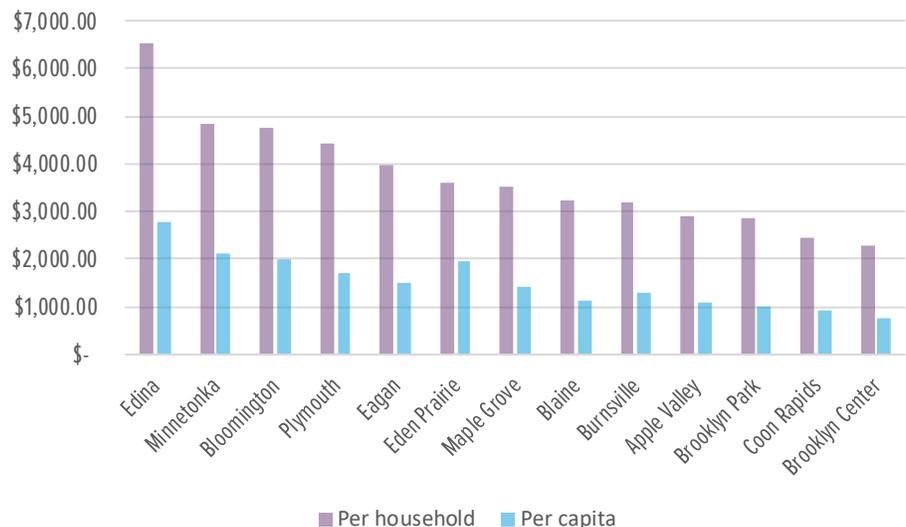
484
parks and public
facilities

31,134
jobs (2018)

\$14,382,917
grant funds secured
since 2017

~1,000
acres undeveloped land

Tax capacity per household and per capita compared with peer cities (2018)





Economic Development Authority

In 1988, the Brooklyn Park City Council established the Economic Development Authority (EDA) to oversee job creation and preservation, enhance the city's tax base, promote the general welfare of the city's residents and assume primary responsibility for development activities. In 1993 the EDA absorbed the work of the Housing and Redevelopment Authority (HRA), giving the EDA oversight of housing programs, policies and development. The EDA is made up of the seven duly elected and sworn-in members of the City Council and meets every month to discuss projects and initiatives as presented by city staff.

Since its inception the EDA has been integral to a number of projects, including redevelopment of the Village Creek neighborhood, establishment of Northland Business Park, transportation planning and the creation and management of critical housing programs. By striving to maintain and grow relationships with existing and new businesses the EDA also helps to identify and link development and redevelopment opportunities with the proper tools and resources, helping existing businesses grow and prosper while attracting new businesses and industry to the community. BrookLynk, the EDA's employment program for youth who have historically been marginalized from the workplace operated in partnership with Brooklyn Center, equips and connects young professionals with job skills and opportunities in the northwestern suburbs. The EDA also administers housing programs and works to maintain and preserve the existing housing stock in the city by offering a wide range of programs meeting the needs of homeowners, homebuyers, sellers, renters and landlords.

Through its focus on livability, development and redevelopment, the EDA's ultimate goal is to maintain a high quality of life for all Brooklyn Park residents.

EDA supported development activity

Industrial growth

According to CBRE, a commercial real estate firm, Brooklyn Park is one of the most active communities in the market and has increased its industrial base by 25% in the past five years. The city continues to be an attractive space to new and expanding businesses, leasing an average of 400,000 more square feet of space than was vacated for each of the past five years. The addition of companies like Biomerics, Design Ready Controls, Protolabs, Rust-o-leum, Takeda and more have added to the 14 million square feet of industrial businesses that make up about 7,700 of the over 31,000 total jobs in Brooklyn Park. Availability of land, proximity to future Blue Line Extension LRT, diverse population and access to both talent and major highways are all reasons Brooklyn Park employers continue to find the city an attractive place to locate.



Christina's Day Care

Christina's Child Care Center, Inc, an expansion of Christina's current daycare facility in Crystal, is coming to the EDA-owned lot at 7516 Brooklyn Boulevard. This center is unique – designed to fit what community members need, Christina's will be open from 5:30 am to 11:30 pm daily and will allow parents with varied work hours the flexibility to arrange childcare according to their own schedules. The center is planned for an area where approximately one third of the residents are six years old or younger and fills a need for childcare options in that area of the city. The site is located in Brooklyn Park's Village Creek redevelopment area.

Second Harvest Heartland

Second Harvest Heartland, the second largest food bank in the State of Minnesota, held a ribbon cutting at its new Volunteer Center in 2019. The Volunteer Center is part of a larger project to relocate its headquarters to Brooklyn Park. The City partnered with Second Harvest to secure \$18 million in general obligation bond funds from the Minnesota Legislature to complete the renovation of the facility where the headquarters will be located. The entire project is expected to be completed in the summer of 2020.

Clubhouse & The Brooklyn restaurant by D'Amico

Renovations to the Edinburg USA clubhouse were completed this year! The \$1.5 million renovation added light and views of the golf course from The Brooklyn restaurant, new paneling and beautiful chandeliers in the lower level ballroom and more open space with new painting and tile in the lower level hallway and entrance. The Brooklyn restaurant, now operated by D'Amico, brings updated décor and ambiance as well as an all-new menu.



Center for Innovation and the Arts

The Center for Innovation and the Arts, which is envisioned as a dynamic and inclusive center and a flexible art and cultural facility, took some big steps forward in 2019. This year, the partners of North Hennepin Community College, Metropolitan State University and the City of Brooklyn Park completed a feasibility study for the proposed 83,000 square foot facility. Additionally, Minnesota State College and Universities included the project in the list of capital program recommendations to the state legislature. The Center for Innovation and the Arts is seeking \$6.8 million in State General Obligation Bonds in 2020 for design, \$38 million in bond funding in 2022 for construction and will fundraise the remaining amount from private and public partners. The Center aims to increase arts-related educational opportunities for students and the community while increasing economic prosperity and advancing the quality of life in Brooklyn Park and surrounding communities.





Highway 252 and Interstate 94 planning

The Minnesota Department of Transportation (MNDOT), Hennepin County, and the cities of Brooklyn Center and Brooklyn Park are working together to reduce congestion and improve safety and reliability on Highway 252 and Interstate 94. Detailed plans for both highways will be developed in 2020-2021, including the planned conversion of Highway 252 into a freeway. Construction is estimated to begin in 2023.

Interchange project at Highway 169 and 101st Avenue N

The interchange project advanced further this year with the 100% plans submitted to MNDOT for review and approval. Acquisition of all land is nearing completion and the final purchase is expected in early 2020. Construction is anticipated to begin in spring with the bulk of the project completed by November 2020 and minor items extending into 2021. The EDA will have remnant parcels from this project available for redevelopment opportunities.

Groundbreakings/grand openings/ribbon cuttings:

This year's openings include: El Rancho Mexican Restaurant, Freddy's Custard and Steakburger, Hampton Inn, Home2Suites, International Brotherhood of Electrical Workers (IBEW), Nystrom, Pancheros Mexican Grill, Protolabs, Rolls & Bowls, Second Harvest Heartland, Suite Living, The Brooklyn, Urbana Court Apartments and Urbana Place Senior Living.



Summer Blossom

This is the 20th year of the City celebrating its gardens and landscaping. This year's grand prize winners were:



Single Family:
Carmen Teisanu (District 3)



Townhome:
Jorge Adamson



Neighborhood:
Tony & Pat Bianco



Commercial:
Realife Cooperative

EDA priorities #1 and #2:

Plan & promote investment in Village Creek

Pursue projects in the Opportunity Zone

The Opportunity Zone, which encompasses most of the Village Creek redevelopment area, is a federal designation to encourage long-term investments in low-income and urban communities. Since the designation of a Brooklyn Park census tract as an Opportunity Zone in May 2018, staff has attended informational sessions on Opportunity Zone tax credits and advanced a number of projects in this area. Christina's Day Care is moving forward and a dome at Park Center Senior High School that will be open year-round and bring development to the region is expected to open in early 2020. Other promising projects include a commercial kitchen and affordable housing site on Welcome Avenue through developer Devean George and housing and commercial opportunities at the corner of Regent Avenue and Brooklyn Boulevard.

Business vitality

Brooklyn Park state rankings

- 4th for number of manufacturing jobs at 7,700 with 1,500 added in the last 3 years
- 10th for number of new jobs added since 2015 at 3,600
- 3rd fastest job growth rate from 2015 to 2019 at 10%
- Responsible for approximately 10% of market absorption for industrial space in the Minneapolis-St. Paul metropolitan area

Food trucks

The Planning, Environmental Health and and Economic Development divisions worked to make the city more food truck friendly by examining zoning, exploring options for parking, inviting food trucks to city-sponsored events and considering events to promote food trucks. Staff from Takeda, Nilfisk, and Tesla coordinated an event with multiple businesses and food trucks at 93rd Ave and Winnetka Ave. Over 300 people were in attendance at this first major food truck event in Brooklyn Park.



SAC/WAC programs

The Sewer Availability Charge (SAC) and Water Access Charge (WAC) Reduction program was expanded to include small and locally owned businesses including restaurants, commercial businesses and industrial based businesses. The program was created in 2017 and catered only to restaurants and destination businesses. The expanded program was used to forgive outstanding SAC and WAC deferral program loans for both Blue Wolf Brewery and Little Learning Academy and will continue to lower barriers to starting or expanding small businesses in Brooklyn Park.

EDA priority #3:

Business incubator

In spring of 2019, the EDA directed staff to explore incubator concepts as a way to support small businesses in the City of Brooklyn Park. Since then, staff has met with community partners interested in developing an incubator space, done research on various options of developing an incubator, and explored potential funding streams to offset the cost of development and operation of an incubator space. The EDA will continue exploring incubator concepts and models in 2020, including developing options for operations and identifying potential funding sources.

EDA priority #4:

Enhanced restaurant recruitment and marketing

The EDA and Communications teams ramped up restaurant recruitment and marketing this year, creating several new initiatives to showcase the variety of independently-owned restaurants and cuisines available in Brooklyn Park. Restaurant Week was offered this year for the first time, featuring five local businesses with Mexican, Vietnamese, Liberian, Cajun and American-style food. The week reached over 20,000 people on social media and was a huge success. Staff has also begun a Restaurant Corner section in Park Pages and continues to explore ways to highlight the diversity in Brooklyn Park's restaurant scene.

EDA priority #5:

Business Retention & Expansion program

The goal of Business Retention & Expansion (BR&E) is to connect with businesses and address their immediate needs, concerns, and questions. Staff this year has worked to rejuvenate the city's BR&E program and has devised a survey, conducted marketing and outreach, and met with businesses of varying industries and sizes. The EDA is also partnering with the Liberian Business Association (LIBA) to connect with 75 small and micro businesses operating in the city by the summer of 2020.





Business Forward Forum

With over 100 people and more than 10 organizations in attendance, this year’s Eighth Annual Business Forward Forum was the most well-attended in its history. Local business owners heard from Tiffany Orth, Senior Manager at the MSP area’s talent attraction program Make It.MSP, about how to bring new employees to their businesses and support diversity in their workforce. Reviews of the event were very positive and staff continue to explore ways to make the event even more appealing to local businesses next year.

Open to Business

The Metropolitan Consortium of Community Developers (MCCD) continued to offer business consulting services at City Hall one day a month and by appointment through the Open to Business program. Brooklyn Park residents and business owners used the program more than any other city metro-wide. Consultation topics include business feasibility and planning, operations and logistic management, financial and record-keeping assistance, and other important topics for business owners.

Open to Business in Brooklyn Park

- 53 clients served
- 38% women entrepreneurs, 72% minority entrepreneurs and 45% low-income entrepreneurs
- 3 loans administered for \$883,000
- \$150,000 in funds leveraged
- 5 credit builder loans to Brooklyn Park residents

Minnesota Investment Fund and Job Creation Fund

The Minnesota Investment Fund (MIF) and Job Creation Fund (JCF) are programs run through the State of Minnesota’s Department of Employment and Economic Development (DEED) with the goal of retaining and creating high wage jobs in Minnesota. Brooklyn Park businesses regularly utilize these funds to help fund expansions, relocations and equipment purchases.

In 2019, Star, a multimedia marketing and exhibit creation company, and Takeda, the first major biopharmaceutical company of its kind in the Midwest, closed out their MIF loans after successfully fulfilling their job creation and wage requirements. Together, the two companies have created or retained 359 jobs since 2016 bringing a talented workforce and key assets to the city. This year DEED also awarded MGK \$425,000 through JCF to create or retain a total of 187 jobs in Brooklyn Park.

Business Forward Advisory Board

The Business Forward Advisory Board (BFAB) welcomed three new members in 2018-2019: Anh Tran from Evotronics, a circuit board prototype manufacturer that employs 30 people and has been in the city for almost 5 years; Curt Medina of Daily Dose Café, which has been located in Brooklyn Park for almost 2 years; Matt Rau from Takeda Pharmaceuticals, Brooklyn Park’s first biopharmaceutical company that has called the city home for nearly three years ; and Mary Kuria from Customized Accounting Solutions Group, LLC, a woman of color owned local business focused on personal and business accounting.. Other BFAB members are Jackson George of the Liberian Business Association, Yasmin Hyder of McDonald’s, Sonny Kester of American Family Insurance, Annette Lund of Diversified Plastics, Karen Philbin of North Hennepin Community College, Joe Piket of Primrose and Anthony Watts of US Bank. The Council liaison to BFAB is Councilmember Lisa Jacobson.

BFAB lent its voice to several key projects this year including feedback on food truck friendly policies, discussion about age-friendly community work, ideas about the revamped BR&E program, helping to plan the Business Forward Forum and ongoing discussion about the roll-out of Hennepin County’s new organics ordinances.

Housing

Housing program revamp

Homeowner programs this year were redesigned to increase the number of residents making improvements to their homes and to provide needed resources to the community. The redesigned and revamped programs were a huge success, with an instant response rate and funds for multiple programs expended by the end of the year. New programs include the Senior Deferred Loan, Down Payment Assistance, Code Correction and a revised Home Improvement Loan. An On-Bill loan program focusing on energy efficiency upgrades will begin operating in March 2020.

New programs and their usage include:

Senior Deferred Loan Program: 6 loans, \$99,830
 Down Payment Assistance Program: 10 loans, \$100,000
 Home Improvement Loan Program: 6 loans, \$115,692
 Code Correction Loan Program: 1 loan pending
 Home Energy Squad Enhanced: 77 home visits, \$4,000



\$319,522
in loans

Workshops

EDA staff held several successful workshops to promote housing programs this year.

- The City collaborated with Community Action Partnership of Hennepin County (CAPHC) to hold several **Home Stretch Workshops** in 2019. Home Stretch workshops focus on teaching attendees about Brooklyn Park's housing programs, the mortgage process, the purchase decision, the closing steps and housing inspection. The workshop also provided tips on common sense approaches to maintaining a home for potential new homeowners.
- Over 100 people registered for a **Housing Repair Resources Workshop** on financial resources, programs and basic home project repair techniques for homeowners, townhome associations and homebuyers. The June 29th workshop was a collaboration between the City, Twin Cities Habitat for Humanity and the Center for Energy and Environment and received very positive feedback from attendees.
- The City hosted a very successful annual **Homeowners Association (HOA) Workshop** on November 16 that was attended by over 75 people. During the workshop, attendees learned about the concept of connecting communication, conflict resolution, financial management and the City's homeowner financial programs.
- On February 14, the EDA held its 27th successful **Real Estate Forum** at Edinburgh USA. The theme was "Fall in Love with Brooklyn Park" and featured Justin Hollis of Minnesota Compass and David Arbit of the Minneapolis Area Association of Realtors as keynote speakers. Attendees had the opportunity to earn continuing education credits from the Minnesota Department of Commerce and the 120 registrants represented real estate professionals throughout the region.



Research on housing stability

In 2019, the Center of Urban and Regional Affairs (CURA) at the University of Minnesota began a year-long qualitative research project to investigate the issues of eviction, housing stability and renter quality of life in Brooklyn Park. This project is being co-funded by the EDA, Minnesota Housing and Hennepin County. The research team, led by Dr. Brittany Lewis and Dr. Shana Riddick, have been conducting one-on-one conversations with stakeholders and established an advisory group to help guide the research process in 2020.

Tenant-focused housing ordinances

Building on examples from around the region, the Fair Housing Policy and the Tenant Notification Ordinance strengthen the city's approach regarding housing discrimination and require new owners of rental units to notify tenants before making significant changes to the lease. These are the latest in a series of policy initiatives from the EDA and Council to promote housing stability in Brooklyn Park.

Investment in apartment communities

The EDA prioritizes improving living conditions for all residents and has worked with both property owners and residents to improve the condition of its housing stock for decades. Multifamily housing has been a focus area, and since 2016 the EDA has invested \$6.6 million on direct rehabilitation costs and sponsored over \$30 million in Housing Revenue Bonds for 1,546 units at four apartment communities. Park Haven rehabilitation was completed in 2016 and work continues at Autumn Ridge, Brooks Landing/Brooks Garden and Huntington Place.

Autumn Ridge—366 units

This year the EDA approved an extension of a \$1.2 million loan to Sherman Associates to enable the developer to complete additional work improving overall security, structural integrity, safety and livability at the property. A 5-year landscaping and stormwater retrofit project financed by grants from Hennepin County, Metropolitan Council, Shingle Creek Watershed Commission and Sherman Associates is steadily moving forward. Sherman Associates has invested over \$4.7 million in improvements that include enhancing water quality, mitigating flooding on site, creating pollinator habitat, enhancing livability and providing an ongoing opportunity for resident engagement.

Brooks Landing & Brook Gardens—170 units

A \$15 million Housing Revenue Bond sponsored by the City of Brooklyn Park and a \$400,000 rehabilitation loan from the EDA will be used to complete this project by the end of 2020. The property owner plans extensive interior and exterior renovations such as new appliances, roofing, siding, windows, lighting and parking lot resurfacing. Additionally, the developer has partnered with Metro Blooms on a 2-year landscaping and stormwater retrofit project in collaboration with renters that will focus on improving the outdoor spaces at the two properties through the installation of community gardens, pollinator gardens and picnic area equipment.

Huntington Place—834 units

Dominium, representing the Huntington Place ownership group, completed \$8 million in investments into the apartment community in 2019. Additionally, Dominion and Aeon began working together on an off-market property transaction. Aeon is a Twin Cities-based nonprofit affordable housing developer, owner and manager that acquired the 834-home Huntington Place in early 2020. The EDA approved \$5 million in financial support for capital investment from its newly created NOAH preservation fund with Aeon committed to preserving the units at 60% of the area media income (AMI), including preserving 20% of the units at below 50% AMI.

Apartment action plan

In 2010 the City launched an Apartment Action Plan establishing policies and procedures to ensure long-term sustainability of the city's current and future apartment communities. In consultation with stakeholders including property owners and

EDA priority #6:

NOAH preservation fund

In August, the EDA established a Naturally Occurring Affordable Housing (NOAH) Preservation Program with the goals of preventing displacement and the loss of affordable housing units, improving the quality and management of aging apartment communities and geographically dispersing units preserved as long-term affordable. The EDA approved \$5 million in funds to preserve a goal of 500 NOAH units in 2020, and staff have begun to market and share information with existing owners and potential preservation buyers and developers to meet that goal.



managers, community organizations and housing advocacy groups, the City updated the strategy in 2018. The Apartment Action Plan 2.0 outlines actions around community engagement and communication, sustainability strategies and enforcement and monitoring of apartment communities.

Key items for 2019 included:

- Expansion of Rec on the Go programming at apartment communities to provide mobile recreation opportunities
- Coordination to support resources and physical improvements at apartment communities such as Huntington Place
- Visits with property managers at apartment communities
- Contracting with the University of Minnesota for research into evictions, housing stability and renter quality of life in Brooklyn Park



Transitional housing program and Brooklyn Avenues for Youth

Brooklyn Park’s short-term transitional housing program works with homeless families to help them move towards long-term housing stability. Simpson Housing provides families with supportive services that include intensive case management, subsidized rental housing through the Hennepin County HOME program and individualized services that focus on life skills, positive parenting, education and employment. In the last two years the EDA has invested over \$230,000 in capital improvements at the property primarily through Community Development Block Grant (CDBG) funds.

Brooklyn Avenues is a 12-bed short-term housing facility with intensive support services for homeless youth aged 16-21. The EDA-owned facility opened in 2015 and is managed and operated by Avenues for Youth, a nonprofit organization based in Minneapolis. The Brooklyn Avenues program is individually designed to meet the immediate needs of homeless youth and to equip them with tools to grow into healthy, independent adults.

Avenues by the numbers 2019



Workforce development

BrookLynk is a youth employment program that equips and connects emerging young professionals who have historically been marginalized from the workplace with essential job skills. 2019 was a year of transition and growth as the program wrapped up its second year as a fully cooperated program between the cities of Brooklyn Park and Brooklyn Center. This year marked a full transition in staff saying farewell to Luis Saldado-Herrera, former Program Coordinator, and adding a new Program Manager position filled by Catrice O'Neal who brings 12 years of experience in youth development and program management. BrookLynk also welcomed Merissa Murray as Program Assistant and Paul Vang as Program Coordinator. With new leadership and a whole new team, BrookLynk is moving rapidly forward to build partnerships and programming for 2020. Below is a look at 2019 program outcomes.

BrookLynk Advisory Board

Curt Boganey, City of Brooklyn Center
Francis Best, BrookLynk alumni representative
Jay Stroebel, City of Brooklyn Park
Meg Beekman, City of Brooklyn Center
Prad Pathirana, Cummins Corporation
Rebecca Gilgen, Brooklyn Bridge Alliance for Youth
Roseline Ameyaw, BrookLynk alumni representative
Sue Schmitz, Hennepin Technical College
Vicki Erickson, Topline

BrookLynk by the numbers:



\$25,000+
in wages earned by
youth interns

233 participants in the
alumni network



290 youth trained with
essential job skills



5 BrookLynk interns hired by
BrookLynk employer partners



113 internships
coordinated

91%
of supervisors
were satisfied
with their intern
match



100%
of youth interns
were satisfied
with their
experience

**Youth
demographics**

93%
youth of color

80%
qualify for free and
reduced lunch

55%
first or second
generation immigrants

33%
of interns live or attend
school in Brooklyn Center

67%
of interns live or attend
school in Brooklyn Park

Light Rail Transit

The City continued work with Hennepin County and other key partners on a wide variety of “beyond the rails” projects that help support the METRO Blue Line Extension.



Bottineau Corridor wayfinding

The Bottineau corridor wayfinding project plan was completed in December. The consultant team led by SRF and Visual Communications worked with the community to identify key community destinations and connections for each station area and developed sign designs that can be implemented at a future time.

Bottineau marketing and branding

Over summer and fall 2019, Neka Creative led a robust stakeholder-driven process to develop a brand identity, tagline and logo for the Bottineau corridor. Northwest Crossing was chosen as the brand identity for the corridor. Corridor cities include Brooklyn Park, Crystal, Golden Valley, Minneapolis and Robbinsdale.

Connect Blue Line Now! Coalition

The Connect Blue Line Now! Coalition is a group of city leaders from Brooklyn Park, Brooklyn Center, Crystal, New Hope, Golden Valley, and Robbinsdale who are united in making sure the METRO Blue Line Light Rail (BLRT) Extension project becomes a reality for the Northwest metropolitan area and the region.

The goal of the Coalition are to:

- Communicate with decision-makers in Hennepin County, the State of Minnesota and Washington D.C. about the benefits of the METRO Blue Line Light Rail Extension project
- Ensure that federal dollars will be granted to fund the project through lobbying practices
- Give local decision-makers, community organizations, and residents common language to use while talking about the BLRT project and its benefits to the communities in the Northwest Metro



A1 DIRECTORY/INFORMATION/MAP KIOSK A2 4 SIDED DIRECTIONAL SIGN A3 DIRECTIONAL/INFORMATIONAL SIGN A4 ASSURANCE MAP SIGN A5 STATION LOCATOR SIGN

Cultivate Bottineau

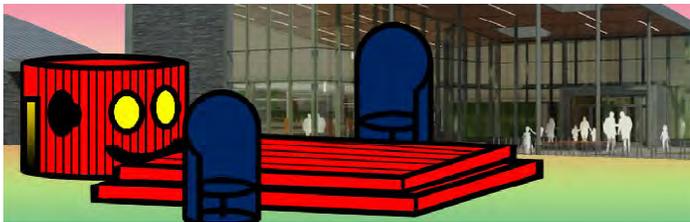
The two-year Cultivate Bottineau arts initiative wrapped up with 26 projects completed and 37 artists identified. Projects included performance and interactive arts activities at events, murals, mobile arts tools, and artist-designed public space furnishings. Over the two-year period, artists mounted participatory projects and generated positive media attention at Tater Daze in Brooklyn Park, Whiz Bang Days in Robbinsdale and Market in the Valley Family Day in Golden Valley. For more details visit <https://springboardforthearts.org/cultivate/>

Temporary plaza

Work progressed on the temporary plaza at West Broadway and 85th Avenue through a grant from Hennepin County. The City's Operations & Maintenance crews finished installation of pathways through the site in October. Next steps include developing the nature-based play area and installation of two public realm artists' pieces in spring 2020. This work is a collaboration among Community Development, Recreation & Parks, Operations & Maintenance, Hennepin County Library and North Hennepin Community College.



Brooklyn Park resident and artist Geno Okok at Tater Daze



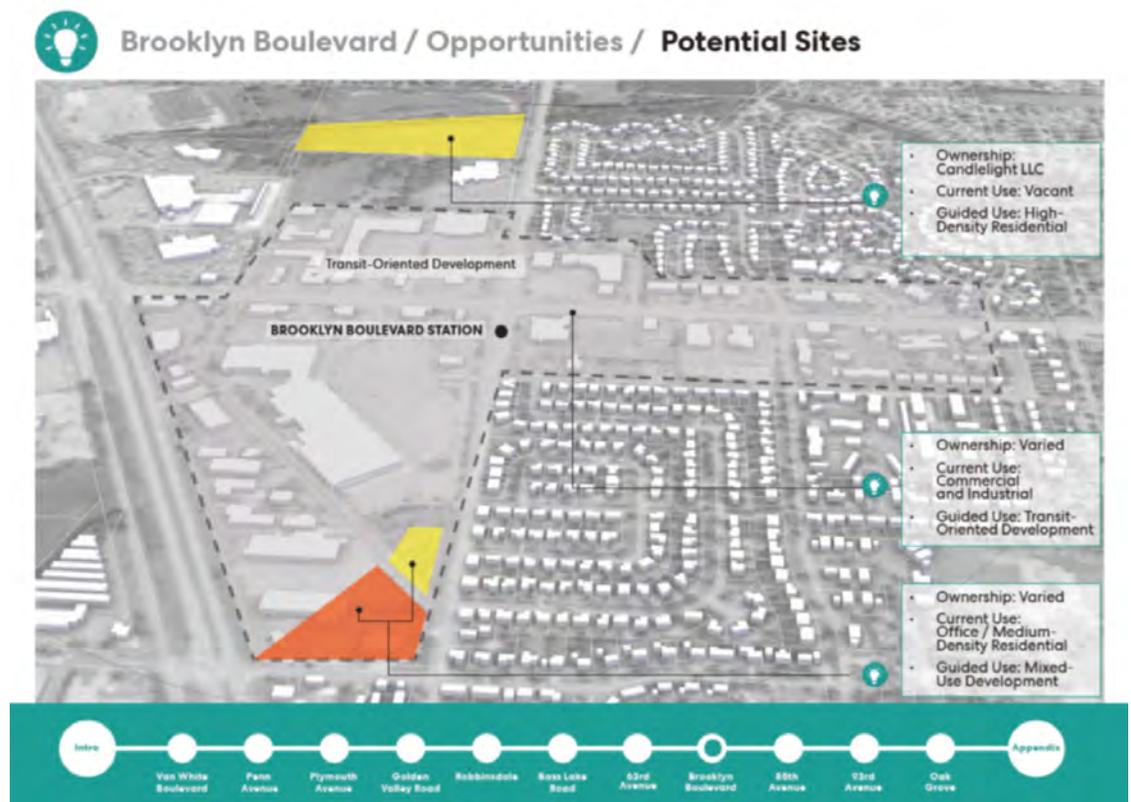
Concept drawing for "Robot Park" by Nick Knutson



Concept drawing for "In the Same Boat" by Mike Klein

Northwest Crossing development implementation tool

Hennepin County worked with corridor cities to develop an interactive PDF tool that combines aerial imagery, graphics, and commercial market data to market developable land along the Bottineau corridor to site selectors. Once complete, the tool will be available online.



MEMORANDUM

DATE: October 15, 2020
TO: EDA Commissioners
FROM: Kim Berggren, Executive Director
SUBJECT: Status Update

BUSINESS DEVELOPMENT**October Business Forward Advisory Board Meeting**

The Business Forward Advisory Board (BFAB) had its first meeting of the 2020-2021 board year on October 13. The meeting was held virtually. Board members took this opportunity to share how their businesses were doing in the midst of COVID-19 and discussed what they are looking forward to in the future. The board also gave feedback on the preliminary plans of the Business Forward Forum which is tentatively scheduled to be held on December 3. The group was supportive of doing a virtual-in person hybrid event and mentioned the forum might even be more accessible to more businesses if held virtually. As staff has more details regarding the event, the board will be asked to weigh-in and provide their feedback.

Restaurant Week

Brooklyn Park's Second Annual Restaurant Week was another success! From September 14-20, more than 30 restaurants in the city offered discounts or participated in an online giveaway. Social media posts on Facebook and Twitter reached more than 30,000 impressions and several restaurants, such as Miyabi Grill, Johnny Boy's Pizza and Sweet Basil, received great reviews from visitors who took advantage of the discounts offered this week to explore new places to eat in the city. Two lucky online participants received gift cards for participating in the photo contest. Next year, staff will continue to explore new and fun ways to continue to improve Restaurant Week!

Small Business Center Tenant Advisory Procurement

In early September, the City had an open call for statements of qualifications (SOQ) for tenant advisory services related to the Small Business Center project. A tenant advisor role is to analyze various properties, negotiate leases, and secure tenant improvement packages that help off-set the costs of developing an existing space. In the case of the Small Business Center, the tenant would be the EDA who would rely on the advisor to provide advice and negotiation services as a suitable space is located in the City.

The call for SOQs was open on the City's request for proposal and bids website for two weeks. Staff also reached out directly to its real estate contact database in an effort to find groups that have the special skill set related to providing tenant advisory services. Four groups applied with two groups, IAG and Carlson Partners, advancing to the interview stage. Both IAG and Carlson Partners have experience working in Brooklyn Park and are located in the Twin Cities region. Staff conducted interviews with both firms to better understand their processes and if they are a good fit for this unique project. A final decision on which firm will be selected is expected to happen in early November.

Unlike other contracts and professional services, tenant advisors are typically not paid by the tenant they represent but rather by the landlord when a lease is officially signed. Once a tenant advisor is brought on board, staff will work with WSB Associates to bring the process to procure

an architect and general contractor. Staff continues its focus on working with local companies with experience in the City. These contracts will be paid for initially using the Livable Communities Development Act (LCDA) grant received by the City in June 2020.

METRO Blue Line Light Rail Transit (BLRT)

Governor Walz attended the October 9, 2020 Corridor Management Committee (CMC) meeting to show his commitment to advancing the BLRT project. The State and County are moving ahead with an effort to identify an alternative alignment that is outside of the BNSF right of way. Community outreach will begin in the coming months, but much of the work will be occurring in other cities on the corridor that are more impacted by possible changes. Four of the five planned Brooklyn Park stops are unlikely to be unaffected because the terminus is still planned at Oak Grove Station (West Broadway Avenue just north of Highway 610 on land owned by Target Corporation). If the proposed 63rd Avenue Station is moved out of BNSF right of way, it would likely remain near the current proposed location in the middle of Highway 81.

WORKFORCE DEVELOPMENT

BrookLynk welcomes Dan-neya Yancey to lead and coordinate new programs for alumni through the end of the year. Dan-neya spent the summer co-coordinating the youth to youth survey at the Brooklyn Bridge Alliance for Youth (BBAY) and brings to BrookLynk experience in data & evaluation, program design, and direct work with youth and families. She is also a recent graduate from the University of Minnesota where she received her bachelor's degree in Family Social Sciences. Over the next few months Dan-neya, in partnership with BrookLynk staff and community partners will deliver a virtual job fair, two professional development workshops, and a new internship opportunity for BrookLynk alumni through the Blue Print for Persistence College and Career Re-design project under the Perkins Five Consortium and the BBAY. We are excited to welcome Dan-neya to the team!

OTHER

COVID-19 Community Relief Grant Program

The application period for the City of Brooklyn Park COVID-19 Community Relief Grant Program closed on Tuesday, September 15. This program was approved by the City Council on August 17 to provide up to \$2.5 million in community grants to residents, businesses, non-profit organizations and schools who are impacted by the COVID-19 pandemic. The city received 581 resident applications, 178 business applications and 47 non-profit and school applications. The total amount requested was approximately \$5 million. City staff from multiple departments are currently following up with the requests to collect documentation and verify eligibility for the program. Many of the applications are not eligible for funding because of the federal restrictions on the funds.

Acquisition of Former Library Site Property

The Brooklyn Park EDA finalized its purchase of 8600 Zane Avenue North on September 9. In April of 2020, the EDA authorized the acquisition of this property from Hennepin County. The building had functioned as the former Brooklyn Park library prior to 2016. The EDA's acquisition of the property helps ensure adequate parking for the Community Activity Center (CAC) and provides potential redevelopment opportunities. Staff plan to bring a discussion of the future of the site to the EDA at a future meeting.

Plaza Park Celebration

On Friday, August 21, community leaders celebrated the completion of Plaza Park at the intersection of 85th Avenue North and West Broadway Avenue! The Plaza features a Bench Canoe by Mike Klein that encourages friendly conversation, an interactive Robot Park by local artist Nicholas Knutson with a stage and open space for gatherings, a community-engaged art mural featuring themes of positivity and inclusivity by local artist Geno Okok and several youth from Zanewood Recreation Center, and a nature based play area. The intersection is the site of

several exciting development possibilities including a station on the METRO Blue Line Light Rail Transit (BLRT) extension and the proposed Center for Innovation and the Arts.

Brooklyn Park Mayor Jeffrey Lunde, Hennepin County Commissioner Mike Opat, and North Hennepin Community College (NHCC) President Rolando Garcia spoke at the event and emphasized the site's importance as well as the importance of art engagement along the proposed BLRT extension. Several artists also spoke about their art installations. The event was open to staff and the public. Approximately 40 people attended, including Council Members Terry Parks and Tonja West-Hafner, and project partners from Hennepin County, NHCC, and Springboard for the Arts. The event was very positive, and we continue to look forward to future developments at that location!

MEMORANDUM

DATE: October 15, 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.

NEW HOUSING DEVELOPMENT PROJECTS

6900 85th Avenue North Development (NHCC Site)

EDA and City planning staff have been working with Duffy Development on preliminary site planning and concept for 6900 85th Avenue North. At its May 18 meeting, the EDA approved the selection of Duffy Development for the development of the site. The EDA had previously solicited qualifications for the development of this vacant land and approved entering into an option agreement with Minnesota State Colleges and Universities for the purchase of the site for development purposes. Duffy has proposed building a mixed income apartment development and a cooperatively owned day-care on the site. The development team is working on planning community engagement around the project as a next step.

APARTMENT RE-HABILITATION PROJECTS

Huntington Place Rehabilitation

EDA staff is coordinating with Aeon on a Huntington Place improvement plans and working to ensure the investment project remains in compliance with the EDA's requirements. Aeon, a Twin Cities-based nonprofit developer and manager of affordable apartment homes, purchased Huntington Place Apartments in January. The EDA approved a development agreement between Aeon and the EDA for the acquisition and re-habilitation of Huntington Place Apartments in January 2020. Aeon will maintain affordable rents for the long-term. 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 is currently working on plans to make camera upgrade improvements but has not yet drawn on the EDA loan funds yet.

Brooks Landing and Brook Gardens

Rehabilitation work at Brooks Landing and Brook Gardens is now complete. The project involved extensive exterior and interior renovations at both properties. Brooks Landing and Brook Gardens are apartment communities that serve low-income households and have received project-based Section 8 rental assistance since 1978. The EDA provided a \$400,000 rehabilitation loan toward

the project. The loan serves as one source in a project with just over \$30 million in total refinancing and re-habilitation costs.

In addition, Brooks Gardens has been undertaking a landscaping and stormwater retrofitting project as part of the Community Environmental Sustainability Program the EDA approved this year. Once complete, this will include the installation of rain gardens, native plantings, picnic tables, raised community gardens, nature play elements, and sidewalks. Phase one of this landscape project is now installed and Brook Gardens Townhomes held a community event October 1 to celebrate. In total, \$170,000 dollars in grants have been invested in this project with funding coming from State of Minnesota, Brooklyn Park EDA, Hennepin County, Shingle Creek Watershed, Blue Cross Blue Shield, and Boisclair Corporation. In addition to these funders, project participants include Brooks Landing management, residents, and African Career Education and Resources, Inc (ACER).

The landscaping project is designed to address environmental impairment challenges through water runoff volume reduction and smart salting education. The installed raingardens capture 4 pounds of total phosphorus, 2,000 pounds of solids, and 900,000 gallons of runoff annually. The Project will also create 3,300 square feet of new native habitat to support the pollinators and other wildlife in the community.



Autumn Ridge Apartments

In 2016, the EDA contributed a loan of \$1.2 million to assist Sherman Associates in the re-investment and rehabilitation of the Autumn Ridge Apartments property while maintaining long-term affordability. Last year, the EDA approved an extension of the loan for Sherman Associates to complete additional rehabilitation upgrades that include the installation of the key fob system, security cameras and exterior lighting. The installation of a key fob and security camera system is now complete. Autumn Ridge has not yet drawn on EDA loan funds for the installation of exterior lighting around the property.

Phase 3 of Autumn Ridge's landscape and stormwater retrofit project has kicked off. Last month, the Autumn Ridge management, Metro Blooms officials, ACER officials, City of Brooklyn Park staff, and Autumn Ridge resident committee members met to brainstorm resident engagement ideas, and review concepts and concerns. Landscape and installation work for Phase 3 is now underway.

Autumn Ridge Apartments is currently for sale. If the property sells, the affordability requirements connected to the State's low-income housing tax credit program used by the current owners for the purchase and rehabilitation of the community would remain in place. Because the EDA has an active loan at the property, the loan would need to be repaid at sale unless the new buyer requests a re-structuring of the loan, which would require EDA Action.

HOUSING NEWS AND UPDATES

CURA Housing Stability Research Re-starts

CURA has re-ignited their work on the Brooklyn Park housing stability research, to be completed in Spring of 2020. Staff anticipates a series of recommendations for housing policy and programs to reduce housing instability and increase livability for Brooklyn Park residents. The research team will be reaching out to tenants, property managers, and other housing stakeholder groups to conduct a series of interviews and collect data. The Advisory Committee will be re-convening this winter to guide the development of the recommendations.

Possible Apartment Sales

EDA staff are aware of a number of apartments in Brooklyn Park that are on the market or may soon be listed to be sold. The possible apartment sales include Brooklyn West Apartments, West Broadway Apartments, and Autumn Ridge Apartments. Staff have been sharing this information with regional housing organizations and affordable housing preservation buyers.

Hennepin County COVID-19 Rent Assistance

Hennepin County residents who have been financially harmed by COVID-19 may qualify for emergency assistance to help with rent and other housing costs ([Hennepin.us/housing-help](https://hennepin.us/housing-help)). Through September, Hennepin County has provided an estimated 130 Brooklyn Park households with over \$309,000 of rent assistance using CARES funds. Comparatively, the County provided about \$2.4 million in assistance to over 1,000 households County-wide. Hennepin County recently launched a mapping tool to show where housing assistance funds are being deployed in the county: <https://arcg.is/1efzub0>

On behalf of Hennepin County, Community Mediation & Restorative Services, Inc. (CMRS) has awarded sub-grants totaling \$240,000 to 15 culturally-specific community organizations to implement the County's efforts to do housing navigation and outreach. The Culturally Specific Grantees Housing Navigation and Outreach project aims to enable County residents who would otherwise have difficulties in accessing resources, to benefit from Federal CARES Covid-19 housing relief dollars. A list of all organizations is available on CMRS's website here: <https://cmrsmn.org/housing/>

EDA staff has been worked with City staff from the Community Engagement division to hold technical assistance events at Brooklyn Park apartment communities to help residents fill out County applications for rental assistance. To date, staff have been on site at Autumn Ridge, Willows, Eden Park and Riverside Apartments. A Villa del Coronado session is tentatively planned for Oct 27th. In addition, staff are working on planning a housing fair event as well as other ways to promote rental, mortgage, and utility assistance to the community.

COVID-19 Housing Assistance Program

Minnesota Housing's COVID-19 Housing Assistance Program (CHAP) is providing mortgage and other housing assistance for eligible COVID-19 impacted homeowners and renters. The program is being administered through a state-wide network of local providers. **Brooklyn Park homeowners** should begin their housing assistance application process by calling 211 (Toll Free: 1.800.543.7709), visiting 211unitedway.org, or texting or "MNHOME" to 898-211.

Brooklyn Park renters should still begin their rent assistance applications at Hennepin County first ([Hennepin.us/housing-help](https://hennepin.us/housing-help)). Hennepin County has a much larger pool of its own funding available for rent assistance. Additionally, renters who apply to the state CHAP program may have their applications rerouted to the Hennepin County program, which could cause delays in processing.

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)
- Rental Rehabilitation Loan Program (for 1-16 unit rental properties. Details available at www.mncee.org/services/financing/brooklynpark/-1) (April 2020)
- Community Environmental Sustainability Program (approved, currently being established)
- Brooklyn Park Housing Research Project by CURA at UMN (re-launching)
- EDA-owned former Park and Ride site at 4201 95th Ave N (planning through Corridor Development Initiative partially complete and preparing to re-launch)
- Housing Stability Strategy (Post-eviction and/or foreclosure moratorium planning) (2020)

Items under consideration:

- 6900 85th Ave N (North Hennepin Community College site) – Duffy Development proposes mixed income apartments and small commercial space (EDA issued request for qualification in March, Duffy selected as developer at May 18 EDA meeting, next step is planning and engagement)
- 7849 West Broadway – Dominion affordable senior apartments (EDA work session April 20, June 8 City Council approval of preliminary conduit bond issuance)
- 9450 Decatur Drive North – Bethesda Lutheran Communities mixed income apartment units for seniors and people with intellectual and developmental disabilities (EDA work sessions April 19 & May 18; EDA consideration of financing June 15)
- 7621 Brooklyn Blvd (EDA-owned “Welcome Site”) – George North Group mixed income apartment and commercial space (EDA work session April 20, EDA approval of preliminary term sheet June 15)
- 7475 Brooklyn Blvd (EDA-owned “Regent Site”) – Pulte Group proposes detached townhomes (EDA term sheet approval July 20)