

Monday, May 15, 2023
Following 6:00 p.m. Special City Council Meeting

REGULAR EDA MEETING – AGENDA #5

President Hollies Winston, Vice President Nichole Klonowski, Treasurer Boyd Morson,
Commissioners Christian Eriksen, Xp Lee, and Maria Tran,
Executive Director Kim Berggren, Assistant Executive Director Jay Stroebel, and Secretary Seng Moua.

If you need these materials in an alternative format or reasonable accommodations for an EDA meeting, please provide a 72-hours' notice to Seng Moua by calling 763-493-8059 or emailing Seng.Moua@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 Brooklyn Park 2025 Goals:

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

The work session will be held in Room A203 and will follow the City Council Special Meeting at 6:00 p.m. It will be recorded but not televised. The EDA will take a short recess and reconvene for the regular meeting at 7:00 p.m. in the Council Chambers.

I. WORKSESSION

1. WORKSESSION

- 1.1** Discuss Changes to the Former Park & Ride Site Proposal by MVP Development, Design by Melo, and Good Neighbor Homes Development Group
 - A.** DEVELOPER PROPOSAL MODIFICATION PRESENTATION EXCERPTS
 - B.** COMMUNITY ENGAGEMENT PLAN BY TLAL-LI COLLABORATIVE

II. ORGANIZATIONAL BUSINESS

1. CALL TO ORDER/ROLL CALL

2. PUBLIC COMMENT AND RESPONSE

Provides an opportunity for the public to address the EDA on items which are not on the agenda. Public Comment will be limited to 15 minutes (*if no one is in attendance for Public Comment, 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 members of the public. Questions from the EDA will be for clarification only. Public Comment will not be used as a time for problem-solving or reacting to the comments made but, rather, for hearing from members of the public for informational purposes only.

2A. RESPONSE TO PRIOR PUBLIC COMMENT

2B. PUBLIC COMMENT

3A. APPROVAL OF AGENDA

3B. PUBLIC PRESENTATIONS

3B.1 None.

III. STATUTORY BUSINESS AND/OR POLICY IMPLEMENTATION

4. CONSENT

- 4.1** Consider Approving the 2023 EDA Meeting Minutes
 - A.** APRIL 17, 2023 DRAFT REGULAR MEETING MINUTES
- 4.2** Consider Approving Contract Renewal for Metro North/Anoka County Chamber's ("Metro North") Contract to Continue Providing Chamber Support Services to Brooklyn Park
 - A.** RESOLUTION
 - B.** PROFESSIONAL SERVICES AGREEMENT
- 4.3** Consider Amending the 2023 Adopted Budget for the Small Business Center
 - A.** RESOLUTION
 - B.** BUDGET AMENDMENT FINANCIAL ANALYSIS

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 the Term Sheet Between the Brooklyn Park Economic Development Authority and George North Group for the Development of the Village Creek Apartment Project
 - A.** RESOLUTION
 - B.** PRELIMINARY TERM SHEET
 - C.** LETTER FROM GEORGE NORTH GROUP
 - D.** DRAFT RENDERINGS
 - E.** LOCATION MAP

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

7. DISCUSSION ITEMS

- 7.1** Status Update
 - A.** SMALL BUSINESS CENTER BUDGET
- 7.2** Housing Update
- 7.3** Commissioner Reports and Announcements

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. Items requiring excessive time may be continued to another meeting.

City of Brooklyn Park EDA Work Session

Agenda Item:	1.1	Meeting Date:	May 15, 2023
Agenda Section:	Work Session	Prepared By:	Sarah Abe, Development Project Coordinator
Resolution:	N/A	Presented By:	Sarah Abe, Development Project Coordinator
Attachments:	2		
Item:	Discuss Changes to the Former Park & Ride Site Proposal by MVP Development, Design by Melo, and Good Neighbor Homes Development Group		

Overview/Background:

At its March 20 meeting, the Economic Development Authority (EDA) passed a resolution directing staff to work with the development group comprised of MVP Development, Design by Melo, and Good Neighbor Homes to see if its proposal for the EDA-owned Park and Ride site at Noble Avenue and Hwy 610 can be modified to bring additional market value to the site, serve a mix of incomes, and introduce high quality and well-designed buildings. The resolution also directed staff and developer to present to the EDA for review and approval a community engagement strategy for getting input from neighbors and the broader community to inform the decision-making process.

This work session is to discuss drafts of a community engagement strategy and initial modifications to the proposal.

Budgetary/Fiscal Issues:

This action has no immediate financial impact, but future development of the site will include a land sale and may include a request for EDA financial assistance.

Attachments:

- 1.1A DEVELOPER PROPOSAL MODIFICATION PRESENTATION EXCERPTS
- 1.1B COMMUNITY ENGAGEMENT PLAN BY TLAL-LI COLLABORATIVE



Brooklyn Park Economic Development Authority (EDA):

Modifications to Site Plan & Community Engagement Proposal

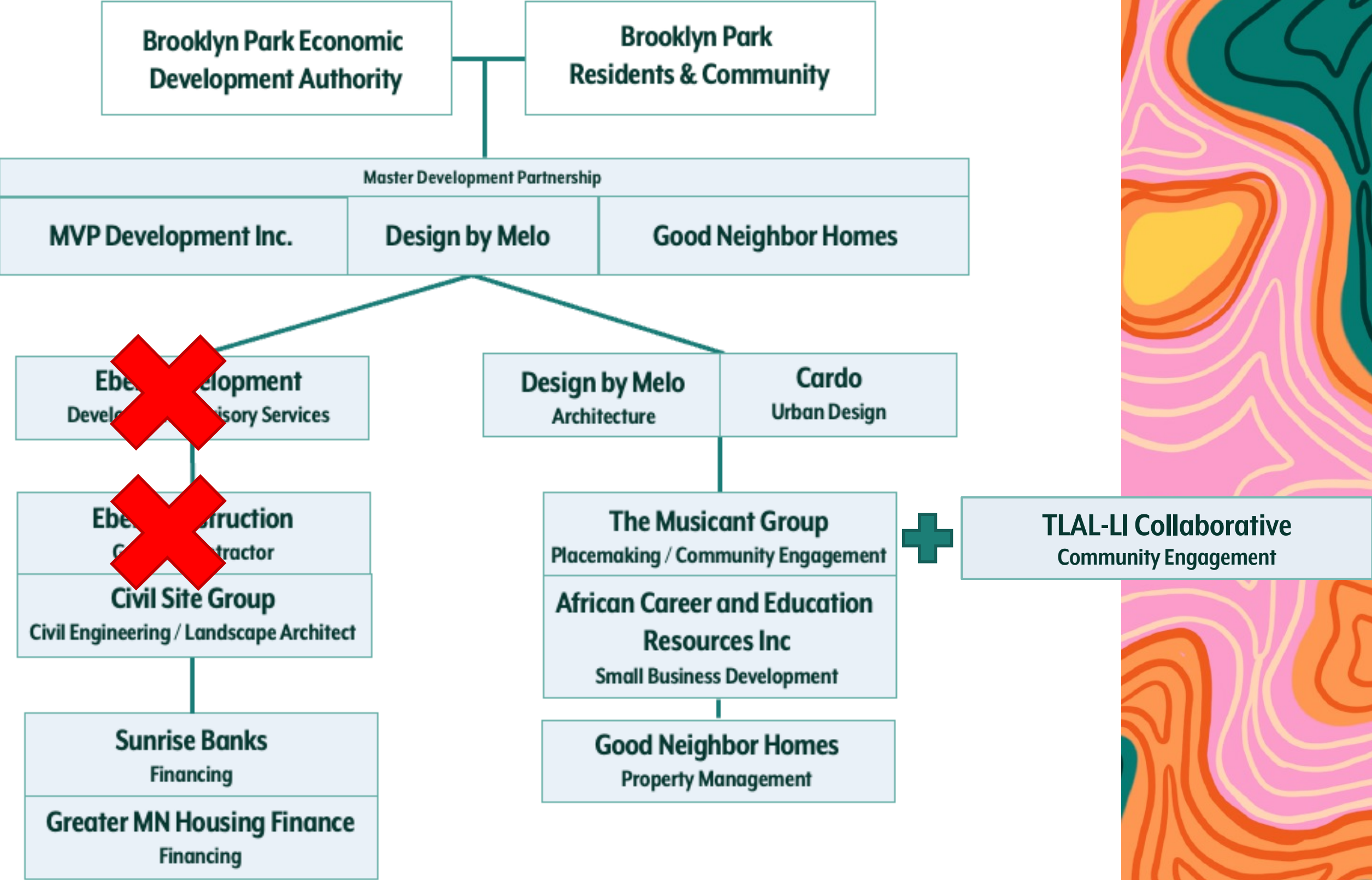
May 2023



TOPICS

- A. Development Team Updates
- B. EDA Directives
- C. Community Engagement Proposal

DEVELOPMENT TEAM



EDA DIRECTIVES

1. Bring additional market value to the site.
2. Serve a Mix of Incomes.
3. Introduce High-Quality and Well-Designed buildings.

Official Motion:

“The EDA directs staff to work with the development group comprised of MVP Development, Design by Melo and Good Neighbor Homes to see if its proposal for the EDA-owned Park and Ride site (Noble Avenue/610) can be modified to bring additional market value to the site, serve a mix of incomes, and introduce high quality and well-designed buildings. In doing so, staff and developer should present to the EDA for review and approval a community engagement strategy for getting input from neighbors and the broader community to inform the decision-making process.”

1.1A Page 6



A donut chart illustrating the distribution of housing types. The chart is divided into four segments: a large teal segment for 'Affordable Housing' (60%), a brown segment for 'Feasibility' (20%), an orange segment for 'Density High' (10%), and a yellow segment for 'Parking' (10%). The labels and percentages are placed outside the chart near their respective segments.

Housing Type	Percentage
Affordable Housing	60%
Feasibility	20%
Density High	10%
Parking	10%

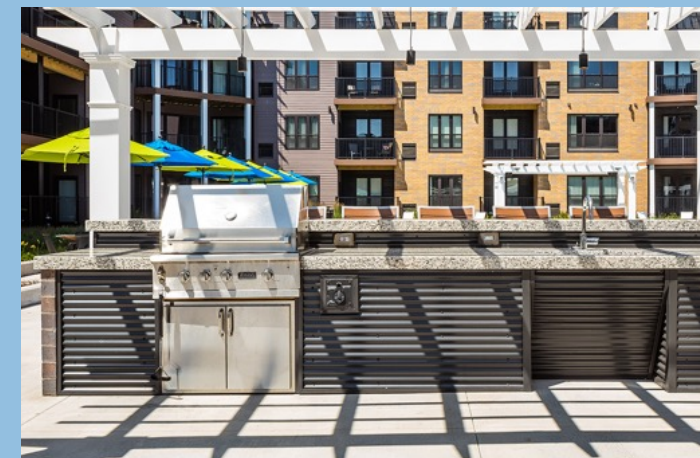
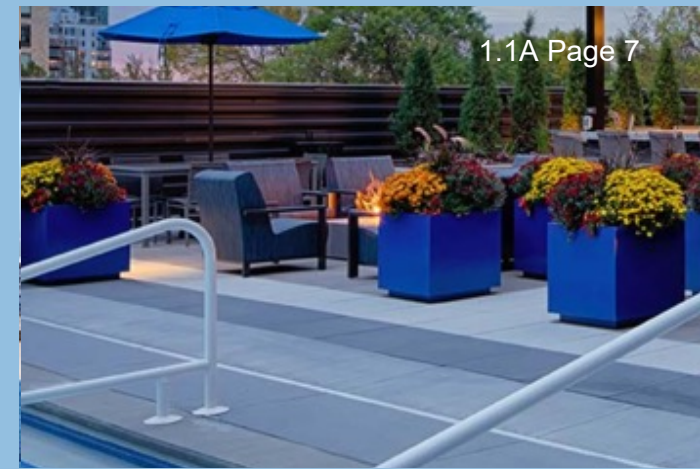


1. Bring Additional Market Value

We have identified a list of ways we can bring additional market value to the site.

- **Additional Commercial SF**
(Taxed at Higher Rate)
- **Additional Apartments**
- **Additional Townhomes**

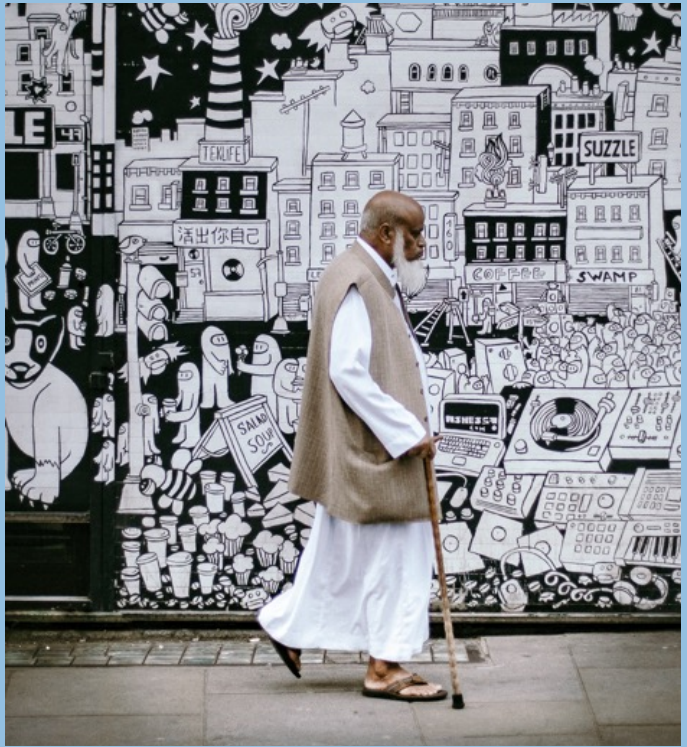
- **High-quality buildings**
- **Well-designed buildings**
- **Serving a mix of incomes**



2. Serve a Mix of Incomes

Our new proposed affordability mix shifts upward on the income spectrum to include more market-rate housing and simplifies the structure.

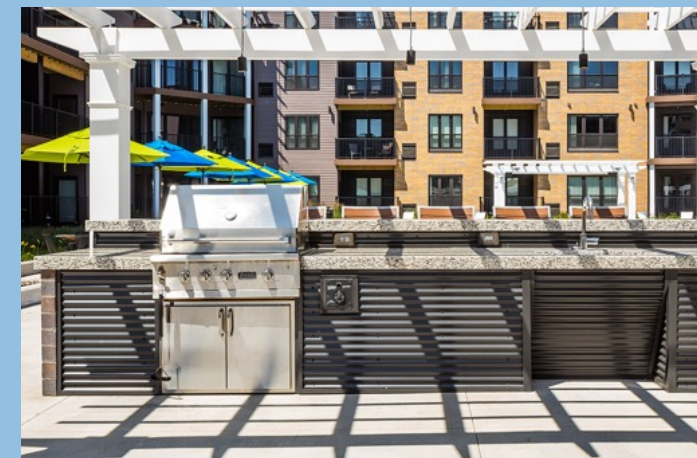
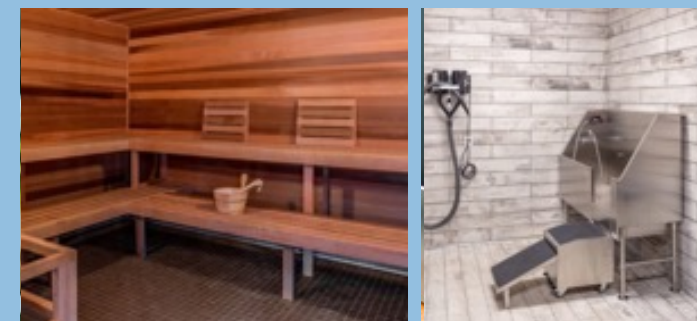
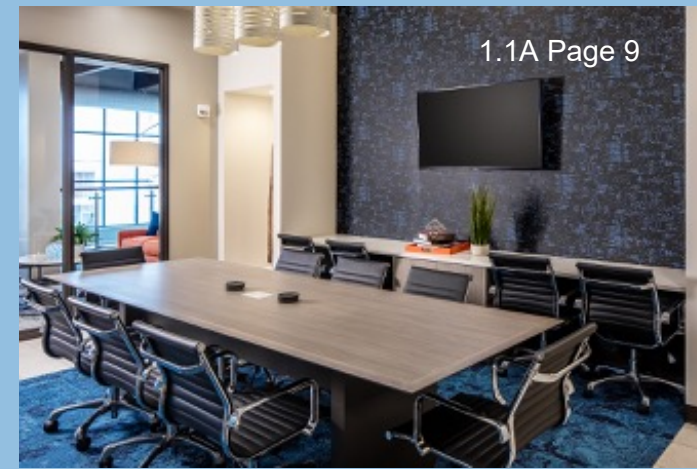
Affordability	Apartments For-Rent		Townhomes For-Sale	
	Previous Income Breakdown	New Income Breakdown	Previous Income Breakdown	New Income Breakdown
50% AMI	12%	0%	0%	0%
60% AMI	16%	40%	0%	0%
80% AMI	72%	0%	100%	0%
100% AMI	0%	60%	0%	100%



3. Introduce High-Quality & Well-Designed Buildings

Our modified vision includes higher-end finishes, more architectural details, and a long list of best-in-class amenities.

- **Strength & Cardio Workout Room**
- **Group fitness / Studio Room**
- **Club & Game Room**
- **Co-working Lounge (WFH)**
- **Sauna**
- **High-end finishes throughout**
- **Unit Balconies & Patios**
- **Outdoor Dog Park**
- **Pet washing station**
- **Car wash area**
- **Underground Parking**
- **Outdoor deck w/ pool**
- **Grill stations & patio seating**
- **Architectural details to elevate design**



THE INITIAL VISION



4201 95th Ave. Site / Brooklyn Park, Minnesota



THE MODIFIED VISION - OPTIONS



Mid-Rise Apartments:

- 4 stories -> 5 stories
- Bigger building footprint
- 7K -> 20K SF of Retail
- Underground Parking

Garden Apartments:

- Garden Apts. -> Mid-Rise Apts.
(Similar to building on corner of 95th/Noble).
- Additional Commercial SF and/or Stand-alone Commercial
- Underground Parking

Townhomes:

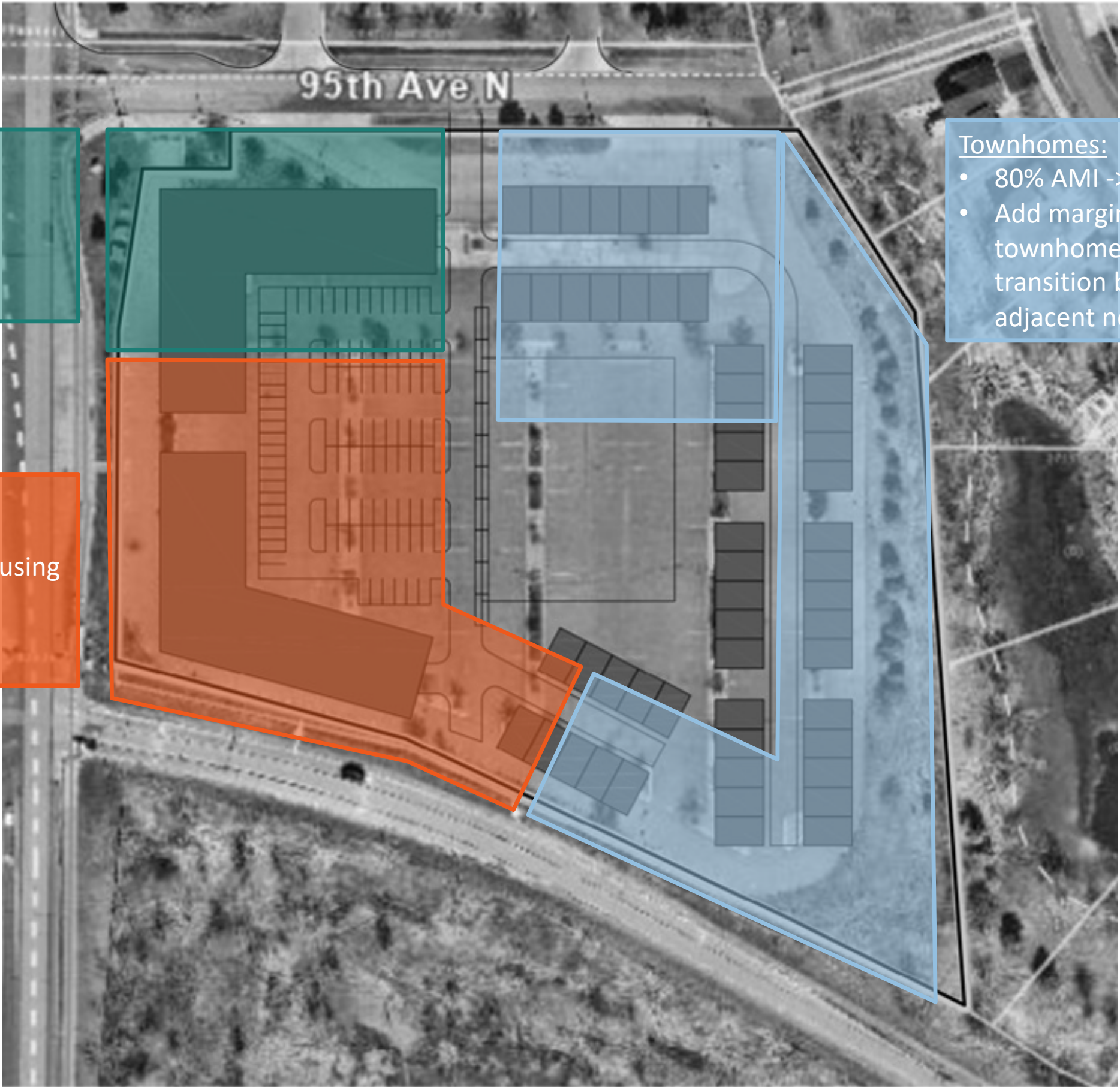
- 80% AMI -> 100% AMI
- Add marginal density to townhomes to respect transition between adjacent neighborhood

THE MODIFIED VISION – OPTIONS SKETCH

- Mid-Rise Apartments:
- 5 stories mixed-use building
 - 20K SF of Retail
 - Underground Parking

- Mid-Rise Apartments:
- 5 stories mixed-use building
 - 20K SF of Retail or Additional Housing
 - Underground Parking

- Townhomes:
- 80% AMI -> 100% AMI
 - Add marginal density to townhomes to respect transition between adjacent neighborhood



THE PIECES: MIXED-USE MID-RISE APARTMENTS



THE PIECES: TOWNHOMES



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Community Engagement Plan- DRAFT

610/Noble Park and Ride Redevelopment, Brooklyn Park

TLAL-LI Collaborative presents a Community Engagement plan for developers MVP Development, Design by Melo, & Good Neighbor Homes to be used for the redevelopment of the former Park & Ride site off Hwy 610 & Noble Parkway.

Purpose

This engagement plan serves as a guide for the process to modify the draft plan for the Park and Ride Redevelopment site at Hwy 610 and Noble Parkway submitted in response to the City's RFQ. The engagement plan is a living document, as the process is intended to be responsive, and may be modified to accommodate updates throughout the process.

As defined in the Community Development Department Procedures memo: because the development project is on City or EDA owned land, the level of engagement is CONSULT on the IAP2 Spectrum of Public Participation.

Engagement Outcomes

The intended goal of this continued engagement process is to inform modifications to a redevelopment plan for the former Park and Ride Site that will balance the desires of adjacent neighbors, the broader community and the Economic Development Authority of Brooklyn Park. In addition to aligning & incorporating broad stakeholder feedback, the development team seeks to conduct a transparent process that builds longer term trust between both residents, elected officials, City staff, and developers, and a broad understanding of the project and process. It is anticipated that this continuation of the engagement process will result in a redevelopment plan and agreement between the master developer and the City, with the final step being a public hearing and City Council consideration.

Context for Engagement

From Feb, 2020 – Nov, 2021 the Local Initiatives Support Corp. (LISC) led early engagement on the EDA-owned former Park and Ride Site in partnership with City of Brooklyn Park. The results of these two years informed the Request for Qualifications issued by the City in 2022 which was followed by the selection of the master developer team of MVP Development, Melo by Design, and Good Neighbor Homes. This earlier engagement process is described on the project webpage and the Development Guidelines document summarizes the results. This document describes the proposed engagement process from May – late summer, 2023.

Link to project webpage: [Community Workshops - Brooklyn Park](#)

Link to Development Guideline Recommendations: [CDI-BP-Park-and-Ride-site-DevelGuidelines-Jan-2022.pdf \(brooklynpark.org\)](#)

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Engagement Steps

Engagement	Description	Timeline
General Communications and Outreach	The development team will work with City staff to advertise project information and opportunities to engage. Input gathered during the process will be made public on the City's Project webpage.	Ongoing
<u>Public Workshop #1:</u> Initial Plans	The development team will host a meeting where community members & other stakeholders are invited to work directly with the team on options. In this session, the team will highlight how the initial plan was informed by the Development Guidelines from previous engagement and how it may respond to EDA member feedback and concerns from community members. We will discuss how critical topics such as tax base, density & affordability can be balanced with the design and layout of a mix of uses. <u>Meeting goal:</u> Examine how different options might address input gathered during the early engagement as well as concerns raised, and the balances and tradeoffs between ideas. Create a preferred mix of uses and concrete feedback that informs layout and design.	June 5-9th, 2023
<u>Public Workshop #2:</u> Alternatives and Refinement	The development team will show a refined plan with some options for the various components on the site. Any alternatives clearly show ideas, relationships, and allow for concrete feedback to finalize ideas and make decisions. <u>Meeting goal:</u> Review specific option(s) based on work at the previous meeting and create a preferred plan.	June 19-23, 2023
EDA Meeting:	EDA will vote on a term sheet and purchase option at the conclusion of the above community engagement strategy.	July 17, 2023

Changes to the Engagement Plan

Although the engagement plan is intended to be flexible and respond to project needs, the development team will articulate changes and their rationale in this section.

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Attachments:

1. **Brooklyn Park Resident Feedback from Community Presentation on February 9th, 2023, Community Meeting.** This attachment is included because it represents the first time the broader public was able to learn in-depth about our submission and provide direct feedback about what they liked and did not like. This collection of feedback is the starting point for revisions to the proposed plan and our continued community engagement plan.

Attendance

48 people (2 virtual)

- 34 Residents
- 3 Council Members:
- 5 Developers
- 6 City Staff

19 forms completed in person (48 attendees)

None online (1 attendee)

MVP, Design by Melo and Good Neighbor Homes**Likes:**

- The transitions of the level of homes; I like the break ups and smaller [buildings](#)
- Smaller housing, seems to be enough [parking](#)
- All affordable ownership options. Looks like more [trees](#)
- 2 story housing on East end, less density, more pleasing/landscaping and not parking [around](#)
- Less # of units
- Good mix of missing middle housing, retail facing Noble/95th, good mix of costs (market – 50%)
- More visual appeal; not as tall
- Lower number of total units (in comparison to JO Companies); considering equity and small business
- Their vision sounded like they are interested in serving the community. I enjoyed hearing about their commitment to community. Great presenters. Oh, I also liked the townhome conceptualizations.

Dislikes:

- [All of](#) the surface parking and potentially detached garages
- Too much focus on affordable market. Make them market [rate](#)
- Still does not address community's closest to this area [concerns](#)
- Unhappy about too much affordable units
- Too much low % AMI, too much focus on income affordability
- Wish there were more units/[density](#)
- Focus only on low income and lack of detail for how it would be realistically [accomplished](#)
- All affordable housing, does BP really need more 1 bedrooms or studios??; Huntington should have taught lessons (as well as the ripped down on century court)
- Nothing
- High number of affordable/low-income housing units (100%)
- From my experience, they sounded great, but I wondered about how realistic the project may be. For example, how do we balance the real costs and what can be brought to the community.

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Additional comments:

- If a big apartment building is built make sure it includes both studio/ 1 bed/ 2 bed units
- I was much less confident in their ability to execute the project
- I don't believe we HAVE to have it be low income/affordable housing. We need more detail and modern housing option – have you seen the flex or grow homes at Wickford Village single homes with the ability to rent a separate space
- Would you put this development in your own backyard?
- More comments forthcoming
- I am a neighbor
- Would be great if retail included restaurant
- Was surprised so much apts. Where were the guest parking for those renters?
- Need single level living townhomes also, need lots of play area – with so many kids in a busy street area they need some safe places to play
- Please add more units
- Must have own park; not ALL affordable housing! Mix in with full
- Restaurant? Hardware store?

Additional emailed comment received 3/2/23:

Hello Sarah,

I attended the February community meeting for the development of the old Park and Ride Property. I did leave some written comments and talked with the 2 presenters about their plans. I have an additional comment I would like to share.

I asked the presenters how their plans addressed universal design, aging, and intergenerational diversity.

The answers were not impressive. One had no answer, one said they had units with a main floor half bath so folks wouldn't have to address stairs.

My concern is that if that is the extent of their understanding of how housing can address the needs of elderly, folks who want to live near grandchildren, intergenerational families living near each other, or have limitations then the developers are very uninformed. Or they may be ignoring these concerns unless they are forced to. If the city really is serious about its Age Friendly initiative, then these issues need to be addressed with developers.

So many of the homes the first thing you see is stairs. Not helpful.

Thank you.

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WORD CLOUDS FROM LIKE/DISLIKE COMMENTS ABOVE:**Community Comment - LIKES****Community Comment - DISLIKES**

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- 2. Development Guideline Recommendations (LISC/CDI):** This attachment is included because it is a foundational document that summarizes two years of intentional community engagement work conducted by LISC/CDI and City of Brooklyn Park staff. It also represents hundreds, if not thousands, of community member night and weekend hours to show up, to care about their community and provide feedback to guide this new development.

DURING THE WORKSHOPS, COMMUNITY MEMBERS PRESENTED A NUMBER OF THEMES WHICH INCLUDED:

- Incorporate appropriate scale and design to accommodate the single-family residential area to the east. Residents from the adjoining neighborhood suggested a barrier or berm to separate from the east side of the parcel, restrictions on height for buildings closest to their properties, and a preference for owner-occupied housing.
- Identifying complementary uses to enhance the surrounding area, such as local restaurants, grocery store, and neighborhood services that also accommodate commuters and transit users.
- The site has potential as a regional destination – such as recreational/community uses
- Opportunity to create shared spaces (e.g. food hall, innovation lab, business center, etc.)
- Given the strong demand for housing in today's market, a mixed-use option that includes residential would increase its financial viability.
- The site provides a special opportunity to celebrate the diverse community of Brooklyn Park and what better way to do that than through food. Creating a signature destination that reflects the unique, united, and (previously) undiscovered riches of Brooklyn Park is important to consider at this site.
- Congestion created by the freeway on- and off-ramps suggest the need for good traffic flow design for the site. There has been pedestrian safety concerns in the area that should also be addressed (especially crossing Noble Parkway). High speed traffic on Noble Parkway has become a particular concern for the community that should be addressed. High density traffic is a concern for the quiet neighborhood to the east, Pinebrook Village, and a public safety concern.

Community members participated in an interactive block exercise to explore different development options for the site. The scenarios were run through a financial tool to assess their financial viability. Through the exercise participants gained a greater understanding about the tradeoffs that developer faces to get to a viable project.

One of the final workshops included a panel of developers that explained that the COVID-19 pandemic has impacted the demand for office spaces, retail in both the short and long run. Industries such as hospitality and entertainment have been hit hard, yet will likely adapt and recover. The move to remote working will likely have a long-term reduction on the demand for office space, while expanding the need for additional office-space in housing. The demand for housing continues to be strong, including the mounting need for workforce and affordable housing that serves lower and entry-level income households. Employers also appreciate housing options nearby to attract and retain workers.

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RECOMMENDATIONS FOR REDEVELOPMENT OF THE SITE

Based on input from the community workshops, the following are suggested guidelines without unanimous support:

Goal 1. Mixed-Use options that complement and enhance the surrounding area

- A. **FOOD:** Consider sit-down (such as Olive Garden), unique, or fast-casual restaurants; micro-brewery; small concept grocery store (such as Fresh Thyme, Trader Joe's, etc.); and neighborhood services that might also accommodate transit users
- B. **HOUSING:** Residential options such as townhomes, senior affordable housing, or market-rate or mixed-income apartments. Prioritize inclusive housing that is accessible to everyone, including people in wheelchairs, disabled, or visually impaired.
- C. **GOODS AND SERVICES:** Neighborhood scale retail (e.g. hardware store, child care center, spa/salon, bakery/bagel shop, small format variety goods store, medical/dental offices, etc.)
- D. **DESTINATIONS:** Potential site for a regional destination (e.g. Aquatic center, recreation center, indoor playground, skateboard park, art/cultural center, indoor agriculture, sky zone, etc.), family-friendly entertainment centers (e.g. Chutes and Ladders, etc.) or create shared spaces such as a food hall (e.g. The Market at Malcolm Yards, Keg and Case Market, Midtown Global Market, Northtown Food Hall in Blaine, etc.), an innovation lab, business center, art-maker space, technology center, business incubator, and/or commercial kitchen space.

Goal 2. Uses, Design, and Transportation Features

- A. Consider berms or sound barriers to buffer the site from single family homes and limit noise and access. Also consider the height and sight lines for existing neighborhood residents.
- B. Higher density and commercial uses are situated close to Noble Parkway, and step down density as it approaches single family homes
- C. Promote high-quality design to blend with existing / surrounding buildings architectural styles
- D. Include elements that enhance the area as a unique and special place.
- E. Maximize setbacks to the building(s) from adjacent properties to ensure adequate sight lines for traffic and pedestrians and existing neighborhood residents.
- F. Quality materials and design, including green technologies, sustainable building techniques and products geared toward energy efficiency. Prevent pollution and improve environmental safety including water run-off.

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- G. Consider incorporating space for food trucks, farmers markets, etc.
- H. Consider space for a solar energy to reduce costs and carbon footprint or implementing other strategies in the building that promote sustainability.
- I. Utilize landscaping and treatments to improve pedestrian and bike access and safety, especially along and across Noble Parkway.
- J. Someone that brings forward a creative financial model to build community wealth.
- L. Improve public safety.

FOR MORE INFORMATION, CONTACT:

Paul Mogush
Planning Director
City of Brooklyn Park
763-493-8051
paul.mogush@brooklynpark.org

City of Brooklyn Park Request for EDA Action

Agenda Item:	4.1	Meeting Date:	May 15, 2023
Agenda Section:	Consent	Prepared By:	Seng Moua, EDA Secretary
Resolution:	N/A		Kim Berggren, Executive Director
Attachments:	1		
Item:	Consider Approving the 2023 EDA Meeting Minutes		

Executive Director's Proposed Action:

MOTION _____, SECOND _____, TO APPROVE THE APRIL 17, 2023 EDA MEETING MINUTES.

Overview: N/A

Primary Issues/Alternatives to Consider: N/A

Budgetary/Fiscal Issues: N/A

Attachments:

4.1A APRIL 17, 2023 DRAFT REGULAR MEETING MINUTES

THE BROOKLYN PARK ECONOMIC DEVELOPMENT AUTHORITY
OF THE CITY OF BROOKLYN PARK
APRIL 17, 2023 MEETING MINUTES

I. ORGANIZATIONAL BUSINESS:

1. CALL TO ORDER: President Winston at 6:05 p.m.

ROLL CALL PRESENT: President Hollies Winston, Treasurer Boyd Morson and Commissioners Christian Eriksen, XP Lee, and Maria Tran. Staff: Executive Director Kim Berggren, Economic Development and Housing Director Breanne Rothstein, EDA Secretary Josephine Thao, Program Assistant Seng Moua, EDA Attorney Joe Sathe, and Development Project Coordinator Sarah Abe.

ABSENT/EXCUSED: Vice President Nichole Klonowski.

2. PUBLIC COMMENT AND RESPONSE:

2. A Response to Prior Public Comment: None.

2. B Public Comment received: Collette Hempel, 9277 Trinity Gardens, spoke about Item 6.1 on the agenda. She stated that there have been repeated comments that the City would like to increase housing and the tax base, yet this proposal would require assistance. She commented that there is a desire for affordable housing, but those units are often one-bedroom units. She commented that there are multiple reports about aggressive behavior of children and domestic abuse when people are overcrowded. She asked if there would be an escrow account or deferred maintenance account to address the maintenance that will be needed. She asked if tenants from other apartment buildings in the city would be able to move into this building with their families. She asked what mitigation would be done to ensure marijuana smoke would not impact other tenants, if that is legalized in Minnesota.

- 3A. APPROVAL OF AGENDA

MOTION MORSON, SECOND LEE APPROVING THE AGENDA AS PRESENTED. MOTION PASSED UNANIMOUSLY.

- 3B. PUBLIC PRESENTATIONS

There were none.

II. STATUTORY BUSINESS:

4. CONSENT:

- 4.1 Consider Approving EDA Meeting Minutes.
A. March 20, 2023 Draft Meeting Minutes
4.2 Consider Election of Secretary

- 4.3 Consider Directing Staff on the Loan Forgiveness for Aeon's Perimeter Security Project at Huntington Place
- A. Letter from Aeon

MOTION MORSON, SECOND ERIKSEN, TO APPROVE THE CONSENT AGENDA. MOTION PASSED UNANIMOUSLY.

5. PUBLIC HEARINGS:

- 5.1 None.

6. GENERAL ACTION ITEMS:

- 6.1 Consider Approving the Term Sheet Between the Brooklyn Park Economic Development Authority and Real Estate Equities for a Housing Development on the Western Portion of 9500 Decatur Drive – North Building; and Approving the Term Sheet Between the Brooklyn Park Economic Development Authority and Real Estate Equities for a Housing Development on the Western Portion of 9500 Decatur Drive – South Building
- A. Resolution – North Building
- B. Resolution – South Building
- C. Preliminary Term Sheet – North Building
- D. Preliminary Term Sheet – South Building
- E. REE Response to Proposed Moratorium
- F. Case Studies on REE Projects
- G. Location Map

Economic Development and Housing Director Breanne Rothstein presented the request for a housing development with two phases to be located at 9500 Decatur Drive. She provided background information on Real Estate Equities (REE), noting that the City has been working with REE since 2021 on various iterations of this proposal and also reviewed the support that has been provided for the project by the Planning Commission, previous City Councils, and the EDA. She provided an overview of the proposed development, proposed unit mix, rent levels, and project financing. She presented the financing request, a total of \$4,900,000 between the two phases noting that Ehlers has reviewed the request and confirmed the funding gap. She reviewed the next steps, should the terms sheets be approved tonight by the EDA.

Commissioner Morson asked if there was any consideration about more deeply affordable units.

Patrick Ostrom, REE, stated that they have been working with City staff for the past few years on different concepts for the site including different affordability levels. He stated that the more affordability, the more assistance would be needed from the City. He stated that they worked with City staff and Ehlers to present this mix of units in order to balance the request for financial assistance.

Commissioner Morson compared this request to other housing projects that provide affordable units.

Mr. Ostrom stated that they are proposing five percent of the units at 30 percent AMI, ten percent of the units at 70 AMI and the remainder of the units are at 60 percent AMI therefore the entire project is considered affordable housing.

Commissioner Morson stated that in other developments there have been ten units at 30 percent AMI, while this would only propose six units at that level.

Mr. Ostrom replied that there would be 18 units at 30 percent AMI.

Economic Development and Housing Director Breanne Rothstein stated that every deal is different, especially dependent upon the funding sources and project specifics. She stated that at times they have strived for ten percent at 30 percent AMI, but in that case the project was not entirely affordable whereas this project would be 100 percent affordable units. She stated that Ehlers assists with looking through the details of each deal and they are comfortable that they have maximized the public assistance and availability of these affordable housing units at the different levels.

Commissioner Lee referenced the subcontractor addendum and asked if that would come back in the future.

Economic Development and Housing Director Breanne Rothstein confirmed that legal document would come back for consideration in the future.

Commissioner Lee commented that as the City continues to develop the Council has prioritized fair labor practices and wanted to make sure that remains in focus.

MOTION MORSON, SECOND ERIKSEN, TO WAIVE THE READING AND ADOPT RESOLUTION #2023-08 APPROVING THE TERM SHEET BETWEEN THE BROOKLYN PARK ECONOMIC DEVELOPMENT AUTHORITY AND REAL ESTATE EQUITIES FOR A HOUSING DEVELOPMENT ON THE WESTERN PORTION OF 9500 DECATUR DRIVE – NORTH BUILDING. MOTION PASSED UNANIMOUSLY.

MOTION MORSON, SECOND ERIKSEN, TO WAIVE THE READING AND ADOPT RESOLUTION #2023-09 APPROVING THE TERM SHEET BETWEEN THE BROOKLYN PARK ECONOMIC DEVELOPMENT AUTHORITY AND REAL ESTATE EQUITIES FOR A HOUSING DEVELOPMENT ON THE WESTERN PORTION OF 9500 DECATUR DRIVE – SOUTH BUILDING. MOTION PASSED UNANIMOUSLY.

- 6.2 Consider Approving a Professional Services Agreement with I Alexander Agency for Operations of the Small Business Center Project; and

Approving Second Amendment to Management and Leasing Agreement with Wellington Management for the Small Business Center Project

- A. Resolution
- B. Resolution
- C. Draft Professional Services Agreement
- D. Draft Second Amendment to Management and Leasing Agreement

Economic Development and Housing Director Breanne Rothstein noted that the EDA discussed this item at the previous meeting and directed staff to bring forward these agreements. She provided background information on the Small Business Center (SBC) and its values. She provided a project update and reviewed the ongoing schedule. She provided an overview of the proposed amendment to allow Wellington to act as fiscal agent for the SBC as well as details on the proposed professional services agreement with I Alexander Agency.

Commissioner Eriksen referenced the professional services agreement, which mentions 300 hours of staff time, or 1.7 FTEs. He noted that several positions are mentioned and asked how those hours would be broken out between the positions.

Economic Development and Housing Director Breanne Rothstein replied that the Director would be a part-time position, the Manager would be a full-time position, and the Assistant Director would also be part-time. She stated that the exact breakdown will vary based on the building needs and therefore they wanted flexibility to move the hours around.

Commissioner Eriksen asked and received confirmation that those would be employees of I Alexander rather than the City of Brooklyn Park.

MOTION MORSON, SECOND ERIKSEN, TO WAIVE THE READING AND ADOPT RESOLUTION #2023-10 APPROVING A PROFESSIONAL SERVICES AGREEMENT WITH I ALEXANDER AGENCY FOR OPERATIONS OF THE SMALL BUSINESS CENTER PROJECT. MOTION PASSED UNANIMOUSLY.

MOTION MORSON, SECOND ERIKSEN, TO WAIVE THE READING AND ADOPT RESOLUTION #2023-11 APPROVING SECOND AMENDMENT TO MANAGEMENT AND LEASING AGREEMENT WITH WELLINGTON MANAGEMENT FOR THE SMALL BUSINESS CENTER PROJECT. MOTION PASSED UNANIMOUSLY.

Commissioner Morson apologized for his oversight of an item which was approved on the Consent Agenda, Item 4.3. He stated that he would like to rescind his motion and discuss that item.

President Winston stated that the Commission has already voted on that item.

City Attorney Joe Sathe provided that to address Item 4.3, a member of the Commission needed to make a motion to amend the Agenda to add Item 4.3 as a new agenda item and explained the process for addressing Item 4.3 should it be added to the Agenda.

President Winston stated that he would be against changing course on Item 4.3 as it was his understanding that when Aeon put the fence into place there was an agreement that the City would forgive that loan. He stated that if the City makes an agreement to do something, it is incredibly important that the City follows through on that agreement.

MOTION MORSON, SECOND TRAN, TO AMEND THE AGENDA TO DISCUSS ITEM 4.3.

FURTHER DISCUSSION: COMMISSIONER MORSON STATED THAT HE WOULD LIKE CLARITY ON THE LOAN FORGIVENESS WITH AEON.

CITY ATTORNEY JOE SATHE STATED THAT APPROVING THIS MOTION DOES NOT UNDO THE PREVIOUS ACTION THAT WAS APPROVED ON THE CONSENT AGENDA, IT WOULD SIMPLY ADD ITEM 4.3 TO THE AGENDA AND ALLOW DISCUSSION OF THE ITEM.

COMMISSIONER LEE STATED THAT HE SUPPORTS THE COMMENTS OF PRESIDENT WINSTON THAT THIS DISCUSSION IS NOT NEEDED AS THE LOAN WAS BUILT TO BE FORGIVEN AND HE FOUND EVERYTHING TO BE ACCEPTABLE.

COMMISSIONER TRAN SUGGESTED THAT THERE BE TIME TO DISCUSS THIS AT A DIFFERENT MEETING.

CITY ATTORNEY JOE SATHE COMMENTED THAT AFTER FURTHER REVIEW OF THE RULES OF PROCEDURE, AMENDING THE AGENDA WAS UNNECESSARY AND ANY MEMBER WHO VOTED IN FAVOR OF AN ITEM APPROVED AT THIS MEETING COULD MAKE A MOTION TO RECONSIDER THAT ITEM. CITY ATTORNEY SATHE STATED THAT THE CURRENT MOTION TO AMEND THE AGENDA NEEDED TO BE RESOLVED PRIOR TO MAKING A MOTION TO RECONSIDER.

PRESIDENT WINSTON CAUTIONED AGAINST RECONSIDERING APPROVAL OF ITEM 4.3 AS DENYING THE APPLICATION FOR LOAN FORGIVENESS COULD CAUSE OTHER PARTIES THE CITY DEALS WITH TO GO BACK ON THEIR WORD. HE STATED THAT THE CITY SHOULD KEEP TO THE AGREEMENTS THAT IT HAS MADE.

MOTION TO AMEND THE AGENDA FAILED WITH A VOTE OF 2 AYES (TRAN AND MORSON) – 3 NAYS (WINSTON, ERIKSEN, LEE).

MOTION MORSON, SECOND TRAN, TO RECONSIDER ITEM 4.3. MOTION FAILED WITH A VOTE OF 2 AYES (TRAN, MORSON) – 3 NAYS (WINSTON, ERIKSEN, LEE).

President Winston encouraged people to review the Consent Agenda prior to review and acceptance to avoid this situation in the future.

III. DISCUSSION:

7. DISCUSSION ITEMS

7.1 Status Update

Executive Director Kim Berggren provided updates related to BPDC, upcoming events, and BrookLynk.

Commissioner Morson asked for more information on BrookLynk.

Executive Director Kim Berggren stated that there were 120 pledges from employers and about the same number of participants. She noted that number can decrease when trying to match up participants to opportunities. She stated that the City has funds available to assist those that require additional support.

Commissioner Morson asked for more information on the number of youth benefited through the use of those funds.

7.2 Housing Update

Executive Director Kim Berggren welcomed any questions.

Commissioner Morson stated that he continues to hear and see constant complaints about Huntington, which has been a dominating agenda item since the previous year. He stated that he has recently learned that there may be a potential for Aeon to sell the property. It is his opinion, the City has provided funds for improvement and should allow the property to go into foreclosure where it could obtain the property for pennies on the dollar and make the improvements needed. He stated that the City has an investment in the property and would want to see the City step up to purchase the property in foreclosure and make the improvements that are needed.

Executive Director Kim Berggren stated that in her understanding of the foreclosure, the bank would have the ability to sell to the highest bidder. She did not believe the City or EDA would have the dollars available to compete on the open market for a property of this size. She stated that another risk of foreclosure would be that the covenants requiring affordability could be removed through that process.

President Winston stated that is a bold concept. He stated that sometimes there is a lack of imagination of what could occur if that were to go south. He stated that if the residents at Huntington go without housing that would create an issue with homelessness of over 2,500 people. He stated that there is a covenant in place that would require a future buyer to keep the units affordable, but that would be removed if the property were to go into foreclosure. He stated that there would be a good chance that the City would be outbid in foreclosure, those covenants would be removed, and the residents would still end up homeless. He stated that the City also does not have the resources to manage the second largest housing development in the state. He stated that if there are going to bold ideas, perhaps those should be brought up in a working meeting where more background information can be provided and discussed. He stated that he does not support allowing the property to go into foreclosure because of the associated risks and chance that a number of residents could end up homeless.

Commissioner Tran commented on the different funding that AEON received from the City and felt that the City was being used. She commented that there continue to be many issues at Huntington that should have been prioritized over the fence.

Commissioner Morson commented that whether or not the property goes into foreclosure is not the dealing of the City. He commented that the City has invested money into the property and did not want to see that investment lost. He stated that it is important that the City ensures that it is stepping up to the plate as it has failed this particular community horribly as those residents continue to suffer.

President Winston stated that as a City and leadership they should be providing a calming effect. He stated that the vast majority of the EDA/Council are not interested in the property going into foreclosure which could risk the affordable housing element of the property. He stated that mistakes have been made in the past by all parties and going forward, the City is tasked with determining how this situation can result in a win for everyone. He commented that some of the funds awarded by the City have been invested into the property, although not all the issues have been addressed. He acknowledged that it will take time to get those buildings where they should be and the owners should be held accountable. He recognized that there is not an easy solution, but the desired outcome is to keep the complex affordable to allow the residents that live there to remain in affordable housing.

Commissioner Lee commented that it is important for residents to provide feedback on the 252/94 project and noted an upcoming open house meeting. He welcomed residents to attend and provide feedback or to provide feedback on the MnDOT website. He also noted an upcoming community housing forum.

Commissioner Morson wished his mother a happy 100th birthday.

IV. ADJOURNMENT:
Meeting adjourned at 7:09 p.m.

City of Brooklyn Park Request for EDA Action

Agenda Item:	4.2	Meeting Date:	May 15, 2023
Agenda Section:	Consent	Prepared By:	Malcolm Hicks, Business Development Coordinator
Resolution:	X	Presented By:	Malcolm Hicks, Business Development Coordinator
Attachments:	2		
Item:	Consider Approving the Contract for Metro North/Anoka County Chamber’s (“Metro North”) Contract to Continue Providing Chamber Support Services to Brooklyn Park		

Executive Director's Proposed Action:

MOTION _____, SECOND _____, TO WAIVE THE READING AND ADOPT RESOLUTION #2023-_____ APPROVING THE CONTRACT FOR METRO NORTH/ANOKA COUNTY CHAMBER'S ("METRO NORTH") CONTRACT TO CONTINUE PROVIDING CHAMBER SUPPORT SERVICES TO BROOKLYN PARK.

Overview:

In March of 2022, the City of Brooklyn Park contracted with Metro North to provide targeted chamber support services with the purpose of creating a sense of community among businesses. During its partnership with the Brooklyn Park, Metro North has achieved this and provided opportunities for businesses to connect and share more about the Brooklyn Park business community while uniting their collective voice in efforts to bring forward obstacles faced by business community. Staff recommend entering into a one-year contract while planning to work with the Chamber on a long-term sustainability plan for the Brooklyn Park Business Council so that the EDA's financial contributions can be reduced or eliminated in future years.

• What work has been done as part of this contract?

1. Developing Relationships with Key Stakeholders
 - a. Metro North has maintained regular office hours within City Hall for businesses to come and speak with a Metro North representative, creating a direct connection for those within the city. Metro North has effectively worked in collaboration with Brooklyn Park city staff coordinating ribbon cuttings, groundbreaking ceremonies, and Brooklyn Park business visits.
2. Event Planning
 - a. Metro North has implemented and facilitated four quarterly business meetings which from its onset brought Brooklyn Park community leaders, city staff, business owners and representatives together to discuss new programs and initiatives for the benefit of all Brooklyn Park communities. Legislative programs implemented by Metro North had attendance from business owners allowing for the space and time to share the obstacles and challenges faced within the business community, while taking advantage the group as a whole to brainstorm and suggest solutions to the various challenges they face. Both the legislative events, "Roundtable with Representative Dean Phillips" and "Coffee with Mayor Winston Hollies" allowed for advocacy among Brooklyn Park businesses along with various networking opportunities for those in attendance.

As a result of their efforts, a total of 16 Brooklyn Park businesses/organizations have become members of Metro North Chamber of Commerce, as listed below:

1. Walz Enterprises
2. Everlight Solar

3. Design Ready Controls
4. Orangetheory Fitness Brooklyn Park
5. City of Brooklyn Park
6. D'Amico Catering at Edinburgh USA & The Brooklyn
7. Machining Technology
8. Finken Companies
9. CorTrust Bank - Brooklyn Park
10. Mary Kay-Lynnette Hubert
11. Tony Goes There Transportation
12. Kelly's Diamond Realty
13. Evotronics Inc.
14. Octapharma Plasma
15. ADT Commercial
16. Shelter Construction LLC

Next Steps:

If approved, the EDA staff will move forward in the amendment of Metro North/Anoka County Chamber's ("metro north") contract to provide chamber support services to Brooklyn Park.

Budgetary/Fiscal Considerations:

The amount of this contract is \$25,000 and will be funded from the EDA General Fund

Recommendation:

The Executive Director of the EDA recommends approval.

Attachments:

- 4.2A RESOLUTION
- 4.2B PROFESSIONAL SERVICES AGREEMENT

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

RESOLUTION #2023 - _____

RESOLUTION APPROVING THE CONTRACT FOR METRO NORTH/ANOKA COUNTY
CHAMBER'S ("METRO NORTH") CONTRACT TO CONTINUE PROVIDING CHAMBER
SUPPORT SERVICES TO BROOKLYN PARK

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

WHEREAS, the EDA and the City have determined the need for chamber support services to create a sense of community among businesses, a stronger legislative advocacy arm, and existing projects and initiatives; and

WHEREAS, in order to establish such an organization, the EDA entered into an agreement with Metro North in the amount of \$25,000 who has extensive relevant experience and expertise in this area as a chamber of commerce with over 700 members in 50 cities; and

WHEREAS, upon completion of the agreement, Metro North has performed to the satisfaction of city staff execution of their initial contract resulting in the request to extend their contract.

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

1. The EDA hereby approves entering into a Professional Services Agreement (the "Agreement") with Metro North in substantially the form on file with the Executive Director, together with any related documents necessary in connection therewith, including without limitation all documents, consents or certifications referenced in or attached to the Agreement and hereby authorizes the Executive Director to execute the Agreement on behalf of the EDA, 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 Agreement 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. In the event of absence or disability of any such 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 Agreement is hereby delegated to the Executive Director, subject to the following conditions: (a) such amendments or consents to not materially adversely affect the interests of the EDA; (b) such amendments or consents do not contravene or violate any policy of the EDA, the City 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 execution of any instrument by the Executive Director shall be conclusive evidence of the approval of such instruments in accordance with the terms hereof.

METRO NORTH/ANOKA COUNTY CHAMBER OF COMMERCE AND BROOKLYN PARK ECONOMIC DEVELOPMENT AUTHORITY PROFESSIONAL SERVICES AGREEMENT

This agreement is made this ____ day of May 2023, by and between Metro North/Anoka County Chamber of Commerce ("Metro North"), a Minnesota nonprofit corporation, and the Brooklyn Park Economic Development Authority ("EDA").

In consideration of the mutual covenants and promises contained in this Agreement, Metro North and EDA agree as follows:

I. SCOPE OF SERVICES

The EDA agrees to engage Metro North for consultation services. The work will include scope and deliverables as outlined in Attachment A.

II. COMPENSATION AND TIMING OF PAYMENT

EDA agrees to pay Metro North a total of \$25,000.00 for the services set forth in this scope and deliverables as outlined in Attachment A. The EDA will pay Metro North \$6,250.00 quarterly, on each August 1, November 1, February 1, and May 1, through the end of the term. Such payment will be made provided that North Metro has submitted no less than fifteen (15) days prior to such payment, a description of work completed during the prior quarter.

III. DUTIES AND DELIVERABLES

Metro North will complete all contracted work accordance with the scope detailed in Attachment A.

IV. CONTRACT TERM

1. Period of Performance. This Agreement shall commence as of the date first written above and shall terminate on May 1, 2024.
2. Termination of Agreement. EDA and Metro North both shall have the right to terminate this Agreement at any time and for any reason by submitting written notice of termination to the other party at least thirty (30) calendar days prior to the specified effective date of the termination. In addition, EDA shall have the right to terminate this Agreement on ten (10) calendar days written notice if Metro North's performance is not timely or is substantially unsatisfactory or if Metro North has violated any of the terms, conditions, or agreements contained in this Agreement. In either event, on the termination of this Agreement, all finished and unfinished documents and work papers prepared by Metro North pursuant to this Agreement shall become the property of EDA and no further funds will be due to Metro North. Upon any termination prior to completion of the 3-month period following each Advance under Section II, Metro North shall return any undisbursed funds to the EDA if such funds have not been expended for the program in accordance with this Agreement.

V. CONTRACT PERFORMANCE AND MODIFICATION

1. Assignment. For all work provided for under this Agreement, Metro North shall not assign its rights or obligations without receiving the express written consent of EDA.
2. Amendments. The terms of this Agreement may be changed or modified by mutual agreement of EDA and Metro North. Such amendments, changes, or modifications shall be effective only on the execution of written amendment(s) signed by EDA and Metro North.

VI. WORK PRODUCT

Work Products. All reports, data, materials, information and other work products (“EDA information”) prepared and developed in connection with the provision of services contemplated in this Agreement shall become the property of EDA. Such information does not include information about specific businesses who are solicited for membership or become members. Metro North may, without prior written approval of EDA, disclose EDA information to third parties but solely in connection with the performance of its duties under this Agreement.

VII. MISCELLANEOUS PROVISIONS

1. EDA’s Authorized Agent. The EDA’s authorized agent for purposes of administration of this Agreement is Kim Berggren, kim.berggren@brooklynpark.org provided that Malcolm Hicks, malcolm.hicks@brooklynpark.org is the dedicated staff member for purposes of planning, facilitating, and execute business council meetings.
2. Metro North’s Authorized Agent. Metro North’s authorized agent for purposes of administration of this Agreement is Lori Higgins.
3. Metro North certifies that to the best of its knowledge, no EDA employee or employee or officer of any agency interested in this Agreement has any pecuniary interest in Metro North or with this Agreement and that no person associated with Metro North has any interest that would conflict in any manner or degree with the performance of this Agreement.
4. Relationship of the Parties. This Agreement shall not constitute, create, give effect to or otherwise imply a joint venture, partnership or formal business organization of any kind between EDA and Metro North. Metro North shall act as an independent contractor and not as an agent for the EDA, and Metro North shall not have any authority to bind the EDA.
5. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Minnesota without regard to its conflicts of laws principles. Each Party irrevocably submits to the jurisdiction of the federal or state courts in Hennepin County, Minnesota for the purposes of any suit, action or other proceeding arising out of this Agreement and each Party irrevocably and unconditionally waives any objection to the laying of venue of any action, suit or proceeding arising out of this Agreement in the federal or state courts in the State of Minnesota.
6. Counterparts. This Agreement may be executed in several counterparts. If so

executed, each of such counterparts shall be deemed an original for all purposes and all counterparts shall, collectively constitute an agreement. In making proof of this Agreement, it shall not be necessary to produce or account for more than one such counterpart.

7. Indemnification. To the fullest extent permitted by law, Metro North, agrees to indemnify and hold harmless EDA, its officers, agents, and employees from all claims, suits, or actions of any kind, nature, or character, and the reasonable costs, disbursements, and expenses of defending the same, including but not limited to, reasonable attorneys' fees, consulting project management services, and other technical, administrative or professional assistance to the extent caused by the negligence, breach of contract or willful misconduct of Metro North or its subcontractors, agents, or employees under this Agreement or arising out of the failure to obtain or maintain the insurance required by this Agreement. Nothing in this Agreement shall constitute a waiver or limitation of any immunity or limitation on liability to which EDA is entitled. The parties agree that these indemnification obligations will survive the completion or termination of this Agreement.
8. Insurance. Metro North will maintain insurance coverage for:
 - Worker's Compensation and Employer Liability: Coverage A as per state statute; and Coverage B.\$100,000 per accident, \$500,000 per disease, per policy year, and \$100,000 per employee. Metro North shall provide EDA with a current certificate of insurance.
 - Professional Liability in an amount of not less than \$1,000,000.00 (one million dollars and no/100) per occurrence and \$2,000,000.00 (two million dollars and no/100) in the aggregate, and will provide information as to specific limits upon receipt of this signed Agreement. Metro North shall provide EDA with a current certificate of Liability insurance. Such certificate shall contain a statement that such policy of insurance shall not be canceled unless thirty (30) days written notice (ten (10) days' written notice for non- payment of premiums) is provided to EDA.
9. Compliance with Laws. Metro North shall exercise due professional care to comply with applicable federal, state and local laws, rules, ordinances and regulations.
10. Entire Agreement. This Agreement, any attached exhibits and any addenda or amendments signed by the parties shall constitute the entire agreement between EDA and Metro North and supersedes any other written or oral agreements between EDA and Metro North. This Agreement can only be modified in writing signed by EDA and Metro North.
11. Third Party Rights. The parties to this Agreement do not intend to confer on any third party any rights under this Agreement.
12. Data Practices Act Compliance. Any and all data provided to Metro North, received from Metro North, created, collected, received, stored, used, maintained, or disseminated by Metro North pursuant to this Agreement shall be administered in accordance with, and is subject to the requirements of the Minnesota Government Data Practices Act, Minnesota Statutes, Chapter 13.
13. No Discrimination. Metro North agrees not to discriminate in providing products

and services under this Agreement on the basis of race, color, sex, creed, national origin, disability, age, sexual orientation, status with regard to public assistance, or religion. Violation of any part of this provision may lead to immediate termination of this Agreement.

14. Waiver. No waiver of any provision or of any breach of this Agreement shall constitute a waiver of any other provisions or any other or further breach, and no such waiver shall be effective unless made in writing and signed by an authorized representative of the party to be charged with such a waiver.
15. Headings. The headings contained in this Agreement have been inserted for convenience of reference only and shall in no way define, limit or affect the scope and intent of this Agreement.
16. Severability. In the event that any provision of this Agreement shall be illegal or otherwise unenforceable, such provision shall be severed, and the balance of the Agreement shall continue in full force and effect.
17. Notices. Any notices permitted or required by this Agreement shall be deemed given when personally delivered or upon email (for which the sender receives electronic or other evidence of receipt) to:

EDA:

Executive Director Kim Berggren

kim.berggren@brooklynpark.org

Metro North:

Or such other address as either party may provide to the other by notice given in accordance with this provision.

IN WITNESS WHEREOF, the EDA and Metro North have caused this Agreement to be executed by their duly authorized representatives as of the day and year first above written.

METRO NORTH

By: _____

Date: _____

Its: _____

[address] _____

BROOKLYN PARK
ECONOMIC DEVELOPMENT AUTHORITY

By: _____

Date: _____

Its: Executive Director

5200 85th Avenue North
Brooklyn Park, MN 55443

Attachment A

The Project Manager will mobilize the existing team to accomplish the following tasks and deliverables:

1. Continued Development of Relationships with Key Stakeholders; Field Time.
 - a. Metro North will dedicate a minimum of 24 hours each month towards business and stakeholder outreach to promote our partnership, gain interest in the events and programs, and build trust in our desire to support the Brooklyn Park business community.
 - i. A mix of virtual and in person meetings, with a minimum of 16 hours each month 'in the field' with on-site visits,
 - ii. A reoccurring presence at the Small Business Center is to be determined between MetroNorth and the city of Brooklyn Park with the remaining minimum 8 hours once opened.
2. Event Planning.
 - a. Planning of several key events and programs.
 - i. Quarterly Brooklyn Park Business Council
 - ii. Two legislative (or other) programs
3. Marketing.
 - a. To support our efforts in our outreach we will work with our graphic designer and social media consultant for some initial graphics
 - i. Flyers, social media posts, etc., as well as consistent and ongoing outreach efforts by our team using our platforms to engage with Brooklyn Park businesses, promote events/programs, etc.
 - ii. Meetings with project management to discuss how to best leverage each other's platforms, etc. for a more robust outreach plan.
 - iii. Metro North will coordinate with the City to ensure it is in alignment with your brand as well.
4. Reporting
 - a. Provided on a quarterly basis, Metro North will submit a report confirming the following activities.
 - i. In the field/on-site visits
 - ii. Quarterly meeting attendance
 - iii. Virtual and in person meetings and dedicated office hours for each month
 - iv. Updated list of Brooklyn Park Businesses that join Metro North
 - v. Brooklyn Park groundbreaking and ribbon cuttings

City of Brooklyn Park

Request for EDA Action

Agenda Item:	4.3	Meeting Date:	May 15, 2023
Agenda Section:	Consent	Prepared By:	Breanne Rothstein, Economic Development and Housing Director
Resolution:	X	Presented By:	Breanne Rothstein, Economic Development & Housing Director
Attachments:	2		
Item:	Consider Amending the 2023 Adopted Budget for the Small Business Center		

Executive Director's Proposed Action:

MOTION _____, SECOND _____, TO WAIVE THE READING AND ADOPT RESOLUTION #2023-_____ AMENDING THE 2023 ADOPTED BUDGET FOR THE SMALL BUSINESS CENTER.

Overview:

In 2022, the EDA approved an allocation for \$250,000 from Fund 502, EDA General Fund for contractual services. As the opening of the center nears, more accuracy and detail are available with regard to the line items and accounting methods. The purpose of this resolution is to establish the Small Business Center Fund and to allocate the proper source and use of funds for the start up of the small business center. This movement of dollars between the two funds has no net budget impact. When EDA reviews the 2024 budget, there will be an opportunity to re-examine the Small Business Center revenue and expenses.

Recommendation:

The Executive Director of the EDA recommends approval.

Attachments:

- 4.3A RESOLUTION
- 4.3B BUDGET AMENDMENT FINANCIAL ANALYSIS

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

RESOLUTION #2023-_____

RESOLUTION AMENDING THE 2023 ADOPTED BUDGET FOR
THE SMALL BUSINESS CENTER

WHEREAS, on November 21, 2022, the Economic Development Authority (EDA) approved the 2023 budget, including all EDA funds;

WHEREAS, the approved budget included placeholder expenses for the small business center in the EDA General Fund (Fund 502) in the amount of \$250,000; and

WHEREAS, given the progress on the Small Business Center project, the establishment of a Small Business Center Fund will allow the EDA to better track revenues and expenses for the project.

NOW, THEREFORE, BE IT RESOLVED by the Brooklyn Park EDA to amend the 2023 budget as stated below and for the Finance Director to manage the budget within these funds.

Changes to the GENERAL LEDGER Budget				
Financing Changes				
Fund	Revenue Classification	Current Budget	Changes	Amended Budget
Small Business Center	Transfers In	\$ -	\$ 250,000.00	\$ 250,000.00
Small Business Center	Other Revenue	\$ -	\$ 250,000.00	\$ 250,000.00
				\$ -
				\$ -
				\$ -
		\$ -	\$ 500,000.00	\$ 500,000.00
Spending Changes				
Fund	Expense Classification	Current Budget	Changes	Amended Budget
EDA General Fund	Contractual Services	\$ 250,000.00	\$ (250,000.00)	\$ -
EDA General Fund	Transfers Outs	\$ -	\$ 250,000.00	\$ 250,000.00
Small Business Center	Contractual Services	\$ -	\$ 420,000.00	\$ 420,000.00
Small Business Center	Supplies	\$ -	\$ 10,000.00	\$ 10,000.00
Small Business Center	Contractual Services	\$ -	\$ 70,000.00	\$ 70,000.00
				\$ -
		\$ 250,000.00	\$ 500,000.00	\$ 750,000.00

City of Brooklyn Park EDA Financial Analysis



EDA Board Meeting Date: 5/15/2023

RFCA Title: Amending the 2023 Adopted Budget for Small Business Center

Agenda Section/Number: _____

Fiscal Analysis/Explanation for Budget Amendment:

Amend 2023 Adopted Budget to transfer \$250K from EDA GF to SBC and expend funds in SBC for Contractual Services and Supplies. Also, in 2023 Adopted Budget, EDA classified \$250K as contractual service and now needs to classify as transfer out.

Changes to the GENERAL LEDGER Budget				
Financing Changes				
Fund	Revenue Classification	Current Budget	Changes	Amended Budget
Small Business Center	Transfers In	\$ -	\$ 250,000.00	\$ 250,000.00
Small Business Center	Other Revenue	\$ -	\$ 250,000.00	\$ 250,000.00
				\$ -
				\$ -
				\$ -
		\$ -	\$ 500,000.00	\$ 500,000.00
Spending Changes				
Fund	Expense Classification	Current Budget	Changes	Amended Budget
EDA General Fund	Contractual Services	\$ 250,000.00	\$ (250,000.00)	\$ -
EDA General Fund	Transfers Outs	\$ -	\$ 250,000.00	\$ 250,000.00
Small Business Center	Contractual Services	\$ -	\$ 490,000.00	\$ 490,000.00
Small Business Center	Supplies	\$ -	\$ 10,000.00	\$ 10,000.00
		\$ 250,000.00	\$ 500,000.00	\$ 750,000.00

City of Brooklyn Park

Request for EDA Action

Agenda Item:	6.1	Meeting Date:	May 15, 2023
Agenda Section:	General Action Items	Prepared By:	Sarah Abe, Development Project Coordinator
Resolution:	X		Sarah Abe, Development Project Coordinator
Attachments:	5		
Item:	Consider Approving the Term Sheet Between the Brooklyn Park Economic Development Authority and George North Group for the Development of the Village Creek Apartment Project		

Executive Director's Proposed Action:

MOTION _____, SECOND _____, TO WAIVE THE READING AND ADOPT RESOLUTION #2023-_____ APPROVING THE TERM SHEET BETWEEN THE BROOKLYN PARK ECONOMIC DEVELOPMENT AUTHORITY AND GEORGE NORTH GROUP FOR THE DEVELOPMENT OF THE VILLAGE CREEK APARTMENT PROJECT.

Overview:

Since 2018, the Economic Development Authority (EDA) has worked with developer George North Group on the Village Creek Apartments project. Village Creek Apartments is a planned five story, 83-unit mixed-use development project proposed to be developed on EDA owned land located at 7621 Brooklyn Boulevard in the Village Creek neighborhood. Along with a proposed 83 apartment homes, there is also a 10,000 square foot commercial component that is planned to include pop-up retail incubation space and commercial kitchen. The EDA has supported this project through various actions including previous term sheet, purchase agreement, Tax Increment Financing (TIF) development agreement, and new TIF district approvals.

Following the COVID-19 pandemic, constructions costs and interest rates increased significantly and created a \$5-7 million gap in the proposed financing structure for this project. George North Group has therefore altered its financing structure to utilize 4% Low Income Housing Tax Credits (LIHTC) and financing from the U.S. Department of Housing and Urban Development (HUD). While the number of units, building design, amenities, and the mixed-income nature of the project will remain the same, this financing includes requirements for more affordable units and has resulted in much less EDA subsidy recommended. It also has a higher level of affordability with many of the 1 and 2-bedroom units which were previously market rate converted to serve families making 80% or below the Area Median Income (AMI), which are fairly typical rents in Brooklyn Park.

The purpose of this item is to consider an updated term sheet with this new financing structure, adjusted affordability levels, and decreased need for EDA funding support.

Background:

7621 Brooklyn Boulevard is part of the 133-acre Village Redevelopment Area located near the intersection of Zane Ave North and Brooklyn Boulevard. Planning for the area began in 1997. Since the start of redevelopment efforts, the City, EDA, Hennepin County, and Metropolitan Council has invested more than \$28 million into preparing the Village Creek area for redevelopment. Preparation of the area has resulted in over \$82 million of investment to date, including:

- New housing
- New retail
- Public facilities
- Improvements to the Zane Avenue and Brooklyn Boulevard streetscapes
- Restoration and transformation of Shingle Creek

- Several remaining development opportunity sites

The redevelopment of the Village Creek Redevelopment Area follows the Village Master Plan/Shingle Creek Corridor Plan, adopted in 2000. A master development plan for this site was approved by the City Council in 2005 and includes the creation of additional, multi-story housing options.

The master development plan, adopted by the City Council in 2005, envisioned mixed use development with condominiums at this site. The development community and the lenders have shown little interest in supporting condos throughout the region because of market limitations and insurance/liability challenges. However, the proposed project is consistent with the vision of creating additional multi-family housing and commercial options on the site.

In addition to providing financing, the EDA assisted this project by applying for the Metropolitan Council's Livable Communities Demonstration Act (LCDA) program in 2018. The project received a \$832,000 award from that fund and \$750,000 from the Hennepin County Transit Oriented Development (TOD) grant program. The EDA requested and was granted an extension on the timeline to spend the funds to account for COVID and supply related delays to the project. The project has until December 31, 2023 to spend the funds according to the grant agreement guidelines.

In 2022, the EDA and City Council have reviewed and approved both the previous financing plans and the land use approvals for this project. The city and the developer have been working in partnership to deliver this project for many years.

Primary Issues/Alternatives to Consider:

- **What are the changes to the proposal?**

The number of units, building design, amenities, and the mixed-income nature of the project will remain the same. The approved TIF agreement assumed 20%, or 19, of the units being affordable to individuals making 50% and 30% AMI. The number of units reserved for families 30% and 50% AMI is the same, but the market rate 1- and 2-bedroom units are being converted to units at 80% AMI. The current 80% AMI rents for 1- and 2-bedroom units is higher than the initial market rate rents which were submitted in the 2020 proforma. All units must remain at these rent levels for a minimum of 30 years.

Table 1. Unit and bedroom mix

Unit size	Number of units	Estimated monthly rent	Previous estimated rent
1-bedroom – 30% AMI	4	\$660	\$660
1-bedroom – 50% AMI	4	\$1,100	\$1,100
1-bedroom – 80% AMI	31	\$1,471	\$1,400*
2-bedroom – 30% AMI	4	\$792	\$792
2-bedroom – 50% AMI	3	\$1,329	\$1,329
2-bedroom – 80% AMI	20	\$1,891	\$1,800*
3-bedroom – 30% AMI	2	\$915	\$915
3-bedroom – 50% AMI	2	\$1,525	\$1,525
3-bedroom – Market rate	13	\$2,049	\$2,049

**Numbers from original 2020 proforma.*

- **What are the proposed project sources and uses?**

SOURCES			
	Amount	Pct.	Per Unit
First Mortgage	15,051,900	57%	181,348
TIF Mortgage	830,000	3%	10,000
Tax Credits	6,740,790	26%	81,214
Deferred Developer Fee (39% of Total Fee)	301,717	1%	3,635
Local Grants	1,270,000	5%	15,301
Other Public Sources	1,582,000	6%	19,060
Private Sources	500,000	2%	6,024
TOTAL SOURCES	26,276,407	100%	316,583

USES			
	Amount	Pct.	Per Unit
Acquisition Costs	370,000	1%	4,458
Construction Costs	20,915,233	80%	251,991
Professional Services	703,983	3%	8,482
Financing Costs	2,243,085	9%	27,025
Developer Fee	768,000	3%	9,253
Cash Accounts/Escrows/Reserves	1,276,106	5%	15,375
TOTAL USES	26,276,407	100%	316,583

- **What funding is requested from the EDA?**

Previously, the EDA approved a total of \$3.59 million in assistance of which \$2.32 million was TIF and the remaining sources came from a land write down and the Housing Set Aside fund. The updated request includes those same sources but only \$830,000 in TIF, reducing the total request by \$1.49 million to \$2.1 million. Ehlers has evaluated the request and the following funding sources are necessary to close the project's updated development gap:

- \$370,000 land-write down
- \$900,000 in upfront Tax Increment Financing (TIF) funds (from Housing Set Aside)
- \$830,000 in pay as you go (PAYGO) TIF funds over 15 years from newly created Housing TIF district

- **How will the commercial space be used?**

The mixed-use component of this project includes 10,000 square feet of commercial kitchen space including a restaurant, a small business coworking space, a classroom area, and a small event space. The developer is anticipating that the commercial kitchen and its programming will be managed by LaChelle Cunningham who has experience running commercial kitchens through the organization Appetite for Change. The proposed restaurant, Chelles' Kitchen, will be available to residents and community members and will offer a coffee and juice bar with grab and go pantry and hot breakfast bar during the day. It is anticipated that the kitchen will be available to food entrepreneurs to test-run their concepts and develop their management processes and can also be rented as a catering kitchen. The kitchen can comfortably be rented by 4-6 food businesses at a given time. Additionally, Healthy Roots Institute, also managed by LaChelle Cunningham, will be hosting workshops and classes meant for both food entrepreneurs and the greater community. The additional commercial space will serve primarily as a coworking space with a small incubator element for businesses to host pop-up shops for short periods of time.

- **What are the budget impacts?**

A portion of the EDA assistance for this project is proposed to come out of the TIF housing set aside account, which is intended for affordable housing development purposes (\$900,000). The remaining assistance is proposed to be financed from PAYGO TIF, which is an annual cash payment generated from the development's own annual tax payments as they are paid or pay-as-you-go. The EDA is also selling the land to the developer for \$1 to help close the funding gap for the project. The land was valued at \$370,000 in 2020.

- **What are the next steps?**

If the EDA approves the term sheet tonight, staff will bring a revised development agreement for approval. The project will apply for tax-exempt bonds from MN Housing in early July and an expedited process from HUD. The project is at risk of losing committed grant funds from Hennepin County and the Metropolitan Council if it does not begin construction this fall and substantially advance construction on foundations this year.

- **What BP 2025 goals are being achieved in this project?**

Village Creek Apartments is consistent with several of the Brooklyn Park stated community goals including access to healthy and safe housing, contributing to a thriving economy, the creation of beautiful spaces, and creating a more equitable community.

Recommendation:

The Executive Director of the EDA recommends approval.

Attachments:

- 6.1A RESOLUTION
- 6.1B PRELIMINARY TERM SHEET
- 6.1C LETTER FROM GEORGE NORTH GROUP
- 6.1D DRAFT RENDERINGS
- 6.1E LOCATION MAP

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

RESOLUTION #2023-_____

RESOLUTION APPROVING THE TERM SHEET BETWEEN THE BROOKLYN PARK
ECONOMIC DEVELOPMENT AUTHORITY AND GEORGE NORTH GROUP
FOR THE DEVELOPMENT OF THE VILLAGE CREEK APARTMENT PROJECT

WHEREAS, George North Group (the “Developer”), proposed to develop an 83-unit multifamily rental housing facility and related amenities with approximately 10,000 square feet of ground level commercial space dedicated to a commercial kitchen and rentable commercial space, at 7621 Brooklyn Boulevard North (the “Project”) in the City of Brooklyn Park (the “City”).

WHEREAS, the Developer has presented a project that is consistent with the goals of providing housing and neighborhood level businesses and amenities as part of the Village Creek Master Redevelopment Plan, as set forth in the Preliminary Term Sheet between the EDA and the Developer (the “Preliminary Term Sheet”).

WHEREAS, both the EDA and the Developer desire approving the Preliminary Term Sheet in advance of approving and entering into a definitive development agreement in connection with the Project.

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

1. The Preliminary Term Sheet as presented to the Board is hereby in all respects approved, in substantially the form submitted, and the Executive Director is hereby authorized and directed to negotiate a definitive agreement consistent with the Preliminary Term Sheet on behalf of the EDA for future consideration by the Board.
2. The approval hereby given to the Preliminary Term Sheet 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 Executive Director, subject to the following conditions: (a) such modifications do not materially adversely affect the interests of the EDA; and (b) such modifications do not contravene or violate any policy of the EDA or applicable provision of law.
3. As set forth in the Preliminary Term Sheet, execution of a definitive agreement and payment of the proposed assistance is subject to approval by the EDA after a public hearing as required by Minnesota law.

Preliminary Term Sheet

This Term Sheet, dated as of May 15, 2023, is intended to set forth the general terms upon which the Developer (as defined below) and the Economic Development Authority of Brooklyn Park, Minnesota (the “EDA”) may be willing to enter into a Development Agreement (the “Development Agreement”).

1. Developer: Building Blocks Non-profit Collective Trust, 2205 Golden Valley Rd, Minneapolis, MN 55411 (or a limited partnership or other entity to be formed thereby or affiliated therewith)
2. Property: 7621 Brooklyn Blvd N (PID: 2811921210034)
3. Developer Conditions, as determined to date:
 - a. Execution of Development Agreement
 - b. Securing necessary financing for the construction of the Minimum Improvements
 - c. Site Control
4. EDA Conditions, as determined to date:
 - a. Establishment of a new Housing TIF District subject to approval after all proceedings required by law (approved)
 - b. EDA approval of Construction Plans
 - c. City Council approval of Planning Application (approved)
 - d. Execution of a Development Agreement
 - e. Approval of Property sale after public hearing (approved)
5. Minimum Improvements: Improvements to the Property will include the construction and equipping of an approximately 83-unit multifamily rental housing facility and related amenities (the “Housing Facility”) with approximately 10,000 square feet of ground level commercial space dedicated to a commercial kitchen and rentable commercial space (the “Commercial Facility”) and approximately 145 stalls of surface and underground parking. At least 44 of the units shall have 2 or more bedrooms. Amenities shall include outdoor space for families.
6. Construction Schedule: Commence construction on the building by December 31, 2023 and substantially complete construction by December 31, 2024. For the purpose hereof, “Commence” shall mean beginning of physical improvement to the Property, including grading, excavation, or other physical site preparation work; and “Complete” shall mean that the Minimum Improvements are sufficiently complete for the issuance of a Certificate of Occupancy. Upon Completion the EDA will issue, if requested by the Developer, a “Certificate of Completion” in recordable form.
7. Public Assistance: Subject to all terms and conditions of the Development Agreement and satisfaction of the requirements of applicable law including a final “but for” analysis, the EDA will reimburse the Developer for costs of construction of the Housing Facility as follows:
 - a. in the form of a pay-as-you-go (PAYGO) note in the amount of up to \$830,000 bearing simple, non-compounding interest at a rate per annum equal to the lesser of 5.95% or developer’s actual rate of financing on their first mortgage. The PAYGO note will be payable from 90% of the tax increment generated from the Minimum Improvements for a period of up to 15 years.

- b. in the form of a grant in the amount of up to \$900,000 from the EDA's Housing Set Aside Fund to reimburse the costs of the construction of underground parking for the Housing Facility.
- c. in the form of a land write-down or subsidy of approximately \$370,000.

Both the grant and the PAYGO note will be issued upon completion of the Minimum Improvements and proof of expenditure of Qualified Costs.

"Qualified Costs" means costs of construction of the Housing Facility, including without limitation, site improvements, utilities, building construction and underground parking and any other expenses incurred by the Developer in connection with construction of the Housing Facility and eligible for payment in accordance with the TIF Act.

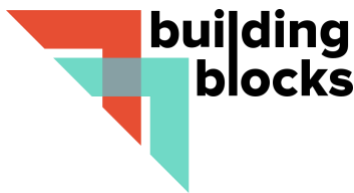
8. Mixed-Income Housing: The Developer agrees the Minimum Improvements will conform in all respects to the City of Brooklyn Park's Mixed-Income Housing Policy. The affordability standard chosen by the Developer to meet the policy is 20% of the units affordable to households at 50% of the area median income. For this project, at least 18 of the 83 units must meet this standard. The Housing Facility will be subject to a Declaration of Restrictive Covenants requiring income limitations (20% of units at 50% of area median income) for 30 years.
9. Land Purchase: Subject to all terms and conditions of the Development Agreement and to the extent authorized by applicable law, the EDA will convey the Property to the Developer for the construction of the Minimum Improvements at a cost of \$1, subject to a right of re-entry for breach of condition subsequent if the Developer fails to commence construction of the foundation for the Minimum Improvements within 12 months of conveyance.
10. Fees: On June 15, 2020, the EDA approved a term sheet with Building Blocks Non-Profit Collective Trust and George North Group for a project proposed to be constructed by the Developer on the property located at 7621 Brooklyn Blvd N (the "Prior Term Sheet"). The EDA received a deposit of Ten Thousand Dollars (\$10,000.00) from George North Group for the purpose of paying for the reasonable out-of-pocket legal, financial consultant and administrative fees associated with this transaction for which the Developer is responsible. The EDA and the Developer acknowledge and agree that the project contemplated by the Prior Term Sheet will not proceed and the Prior Term Sheet is hereby rescinded and superseded by this Term Sheet. The Developer will be required to pay outstanding fees incurred to date in excess of the prior \$10,000 deposit to cover these costs within two (2) weeks of approval of this Term Sheet by the EDA Board of Commissioners. In addition, the Developer shall deposit \$10,000 for additional expenses incurred by the EDA upon written notice from the EDA prior to the EDA incurring additional costs. If any additional funds are needed to pay such expenses, the Developer will deposit such additional funds upon request by the EDA. At the end of the project, any unexpended funds will be returned to the Developer.
11. Labor and Contracting Requirements:
 - a. The Developer shall prepare, and utilize in its contract with the General Contractor and all subcontracts, a sub-contractor addendum, acceptable to the EDA, which outlines fair labor law compliance, and allows general contractor to withhold

- payment or cancel contract if violations are discovered (the "Subcontract Addendum").
- b. Developer shall prohibit use of all disqualified contractors on state "disqualified" list; review list prior to construction commencement with respect to each subcontractor; remove any subcontractor added to the list.
 - c. Developer and all contractors and subcontractors shall comply with all federal, state, and local labor laws.
 - d. If a third party files a claim with the Minnesota Department Labor regarding any contractor or subcontractor doing work on the Property, Developer shall fully cooperate with the Department, including taking any action required by the Department or that Developer otherwise elects to take. Developer shall also fully enforce the contracts with the General Contractor and subcontractors, including enforcing and requiring the General Contractor to enforce the Subcontract Addendum.
 - e. General Contractor will use and enforce the Subcontract Addendum (or a substantially similar addendum) with all subcontractors, and the General Contractor shall, and shall require all subcontractors to, cooperate with the Department of Labor regarding any claim filed with the Department, including taking any action required by the Department or that Developer otherwise elects to take.
 - f. Developer shall certify to the EDA that proper payments to all contractors, subcontractors, and project laborers have been paid prior to the issuance of a Certificate of Completion as a prerequisite to receipt of PAYGO Note or other assistance.
 - g. Failure to comply with the above points will be an event of default under the development agreement and could result in a penalty (such as non-issuance of PAYGO Note and non-payment of other assistance, or, if the PAYGO Note has already been issued, delaying, reducing and/or ceasing PAYGO Note payments.
12. Miscellaneous:
- a. Transfer of the Property or of the Development Agreement or PAYGO note payments will be subject to EDA consent except for certain limited exceptions including mortgage financing and rentals of housing units in the ordinary course of operations.
 - b. Developer covenants to pay property taxes and maintain customary insurance.
 - c. Developer will agree to accept Section 8 vouchers.
 - d. Additional conditions of assistance remain under consideration.

The Developer acknowledges that except for Section 10 above which shall be binding upon Developer, this Term Sheet shall not be deemed conclusive or legally binding upon either the Developer or the EDA, and neither the Developer nor the EDA shall have any obligations regarding the property defined below, unless and until a definitive Development Agreement is approved by the EDA board and executed by both the Developer and the EDA.

GEORGE GROUP NORTH

By: _____
 Its: _____ Trustee _____



1161 Wayzata Blvd E. #403
Wayzata, MN 55391
Office: (612) 214-1557
Fax: (952) 476-7334

Sarah,

This process has started sometime ago. Initially we had a delay because we wanted major participation from the community before we went through with the project. Then Covid hit and caused a major delay because the country was shut down and people were out of work. After getting through Covid, we entered high construction costs, which threw the project out of budget. The next delay, in addition to the high construction cost- now the extremely high interest rates which are causing projects to be delayed or not pencil out.

The initial plan for the project of Village Creek was to bring more market rate housing to the area. Because of the high unemployment, wage loss, and layoffs or layoffs the need for more affordable housing in this project is necessary. The new plan for this project is to add more affordable units than we had planned originally.

See the attached new budget, which has 70 affordable units in 13 market rate units. This plan allows us to add a tax credit investor to the deal to help with this huge interest rate gap we are facing. This plan looks like the best option currently. The only thing that will change is the financing of the building. There will be no changes to the aesthetics, amenities, The unit size, or plans for the commercial space that we had. Everything will remain the same except the amount of affordable units we have.

Some points I would like to highlight:

- This new financing model we used income averaging that allows us to include the “missing middle”, which was the initial plan the city wanted. A project that included all income brackets. We wanted a project that didn’t focus on all market rate or all lower income residents. This plan allows us to focus on all and have a true mixed income development.
- We still have plenty market rate units.
- More affordability should be good because we needed to have a minimum number of affordable units in order for the city to contribute funds to the project.
- Rents are still comparable to the original proposal.
- Interest rates and commodity prices increase are still a major concern.

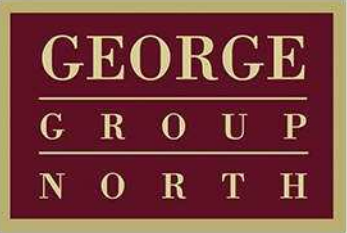
Thanks

Devean George

Devean George
President & CEO
www.GeorgeGroupNorth.com
www.BuildingBlocksMN.org

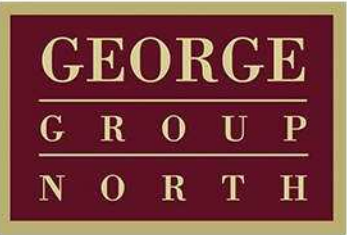


view looking west from Welcome Ave & Brooklyn Blvd.



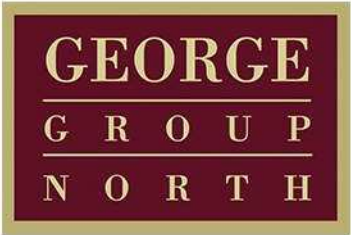


view looking west from Welcome Ave & Brooklyn Blvd.





view looking west from Welcome Ave & Brooklyn Blvd.



Village Creek Apartments - Brooklyn Park, MN | 04.24.20





view looking west from Welcome Ave & Brooklyn Blvd.





view looking southwest from Welcome Ave & Brooklyn Blvd.



Village Creek Apartments Location

2/14/2022



Map Scale = 1: 1,187

99 ft ————— 1 in

Map provided by the City of Brooklyn Park, MN. This map is for general reference only. It is not for legal, engineering, or surveying use. Please contact the sources of the information if you desire more details. www.brooklynpark.org



MEMORANDUM

DATE: May 11, 2023

TO: EDA Commissioners

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

SUBJECT: Status Update

Overview:

This memo provides an update to the Brooklyn Park Economic Development Authority (EDA) and serves to keep interested community members informed. The EDA's housing-related work is summarized in a separate memo.

BUSINESS DEVELOPMENT

Brooklyn Park Development Corporation

On March 27th, the BPDC presented applicants for its 2023 Board of Directors, who were interviewed Mayor Winston and City Council members. Board appointments took place April 10th as city council members chose to appoint the following community members to serve on the Board of Directors for the Brooklyn Park Development Corporation. The next meeting will be held on June 14.

Resident Representative	Paula Weakly
Business Representative	Brian Wentz
Business Representative	Emmatine Ukwuoma
Financial Representative	Rin Larson
Financial Representative	Mary Kuria
Business Representative	Brian Wentz

Brooklyn Park Business Council

On Tuesday April 25th, MetroNorth hosted “Coffee with the Mayor” in the City Hall Council Chambers. Joined by Councilmember Erickson, city staff and a total of 19 residents and businesses, the meeting gave residents and business owners a chance to speak with Mayor Hollies one on one, and then progressed into a round table discussion. The Mayor shared his insights, views and vision for the future of Brooklyn Park. Business owners and residents alike spoke on the topics of education, the opportunity for youth to learn trades, BrookLynk, Business assistance, the Small Business Center and other issues that showed the passion and concern for our community.



Brooklyn Park Small Business Center

The EDA is investing in a Small Business Center at 7970 Brooklyn Boulevard within Northwind Plaza. The small business center is designed as a coworking and incubator space that fosters collaboration and growth in a space that provides a full suite of services at competitive pricing. Construction is 95% complete and will be approximately 25,000 square feet offering shared office space, conferencing, printing, network access and audio-visual capabilities for meetings.

The small business center will offer approximately 60 office spaces for small businesses and entrepreneurs with some retail spaces designed to support a variety of business such as sales, merchandising and beauty/salon. Members will begin occupying the space in June. The grand opening is slated for summer 2023.

Staff recently updated the operating budget for the small business center, which is attached as an exhibit.





Minneapolis Glass Company Groundbreaking Ceremony

Minneapolis Glass Company broke ground on the site of their future facility, located at 9500 Decatur Dr N. Brooklyn Park, which is a woman-owned business specializing in glass and glazing fabrication that designs, globally sources, and installs customized glass solutions with over 80 years of innovation in construction and manufacturing. Joined by Mayor Winston, Commissioner Nichole Klonowski, and city staff, President of Minneapolis Glass Company Jennifer Lang spoke about their continued legacy, as they look to expand their company, uniting all of their employees in one state of the art facility.





WORKFORCE DEVELOPMENT

BrookLynk

Over the last month program staff have worked closely with youth and employer partners to prepare them for the start of summer internships. The team has successfully matched 120 youth to jobs with more than 30 employer partners providing support with interviews, offer letters, onboarding, and orientation. In the coming weeks youth will attend a family and intern orientation to ensure that caregivers have the resources they need to support their interns and on May 25th BrookLynk will host our annual supervisor training. The BrookLynk supervisor training will engage more than 100 supervisors providing them with the tools and information needed to create a welcoming and inclusive workplace where youth can learn, grow, and successfully contribute to Brooklyn Park and Brooklyn Center's dynamic workforce. New and seasoned supervisors will have the opportunity to learn how to decrease bias, increase supervisory skills, understand generational differences, and embrace diversity, equity, inclusion, and belonging. Supervisor training is open to BrookLynk supervisors or anyone wanting to build strong supervisory skills through a youth development and equity lens.

For more information or to register for BrookLynk's Supervisor Training contact Catrice O'Neal, Workforce Development Program Director catrice.oneal@brooklynk.works or 763-493-8029.

Career Pathways

The Brooklyn Park Operations & Maintenance Department and Brooklyn Center Public Works departments have partnered with the construction and trades career pathways program to recruit diverse local talent into the two cities many seasonal job opportunities. We are proud to share that as a part of this pilot program we were able to offer a two-week training facilitated by skilled instructors from Hennepin Technical College for individuals ages 18+ that has resulted in the direct recruitment and hiring of eight qualified candidates into seasonal employment with the cities of Brooklyn Park & Brooklyn Center.

Additionally, Minnesota Trades Academy along with the cities of Brooklyn Park, Brooklyn Center, & Golden Valley have pledged 16 additional BrookLynk internships to introduce youth and young adults to the fields of public works and construction. The Construction and Trades career pathway program is made possible through a grant awarded to BrookLynk by the MN Department of Transportation (MnDOT) and ARPA funds from the cities of Brooklyn Park and Brooklyn Center.

OTHER

Second Harvest Heartland Volunteering

On April 26, the Economic Development and Housing as well as Workforce Development divisions volunteered their time at Second Harvest Heartland. The event was designed as a team building activity and giving back to the organization that serves the residents of the community.

Most food bank operations at the facility rely on the time, talents, and generosity of volunteers. From food sorting and packing to client assistance and skill-based projects, volunteers serve side-by-side with employees to get work tasks accomplished.



Summer Blossom Awards Program

The Summer Blossom Awards Program nominations will be held from May 15 through July 14. The program is designed to highlight attractive gardens, landscaping, and storm water retrofitting in Brooklyn Park. This competitive program annually recognizes and rewards residents and businesses that strive to improve the City's landscape and attractiveness. There are four categories: single family, townhome, neighborhood, and commercial. Each category will be judged city-wide except for single family. Nominations for single family will be divided into four districts. The districts are established by grouping areas of the city with similar sized lots and housing types.

Grand winners in each category will receive **\$400** toward materials, an **engraved garden paver**, and **formal recognition** from the Brooklyn Park City Council. First Place winners in each single-family district (1, 2, 3 and 4) will receive **\$100** toward materials, an engraved garden paver, as well as formal recognition from the Brooklyn Park City Council.

<https://www.brooklynpark.org/neighborhoods/summer-blossom/>

Other Development Projects Currently Underway:

- Former Park & Ride site at 4201 95th Avenue N – The action to select a developer was indefinitely tabled by the EDA on February 21. On March 20, a resolution directing staff on other EDA projects was approved which included working with MVP, Design by Melo

and Good Neighborhood Homes to see if the proposal can be modified as directed by the EDA. This project is on the EDA agenda for discussion at the May 22nd EDA meeting.

- Christina's Day Care – The land use application for this project was approved by the City Council on October 24 and the purchase and business subsidy agreement was approved by the EDA on November 21, 2022. Christina's is working to secure final financing and begin construction in 2023.
- Predevelopment projects funded by the Metropolitan Council Livable Communities Demonstration Account (LCDA) grants, including:
 - Zane Commons (7701 Brooklyn Boulevard) – Zane Commons is updating its proforma and held a first community engagement event at the site on Saturday, March 11. Staff anticipate future consideration of a purchase agreement to help secure financing for this project.
 - New Africa CDC / Innovation Hub (7495 Brooklyn Boulevard) – Interest withdrawn as of February 8, 2023. Staff are continuing planning and discussions with JO Companies on the regent site as directed by the EDA in the resolution approved on March 20.
 - The Villas – Cross Inc. has successfully acquired five of the six properties located at 5672-5692 Brookdale Drive N. Visioning, architectural design with Design by Melo, and financial planning with NEOO partners is currently underway with community engagement at the front and center of the process.

Attachments:

7.1A SMALL BUSINESS CENTER BUDGET

BROOKLYN PARK SMALL BUSINESS CENTER - PROPOSED REVENUE MODEL

			Jan - May	June	July	August	Sept	Oct	Nov	Dec	2023 Total (Rev. 5.8.23)	2023 EDA Approved
SBC Space Options	Rate	# of plans										
Daily Plan	\$ 25	15		\$ 113	\$ 188	\$ 300	\$ 300	\$ 375	\$ 375	\$ 375	\$ 2,025	\$ 4,500
Hot desk (monthly plan)	\$ 200	24		\$ 1,440	\$ 2,400	\$ 3,840	\$ 3,840	\$ 4,800	\$ 4,800	\$ 4,800	\$ 25,920	\$ 57,600
Dedicated desk (monthly plan)	\$ 375	12		\$ 1,350	\$ 2,250	\$ 3,600	\$ 3,600	\$ 4,500	\$ 4,500	\$ 4,500	\$ 24,300	\$ 54,000
Private office (Furnished)	\$ 800	17		\$ 4,080	\$ 6,800	\$ 10,880	\$ 10,880	\$ 13,600	\$ 13,600	\$ 13,600	\$ 73,440	\$ 163,200
Private office (Un-furnished)	\$ 650	6		\$ 1,170	\$ 1,950	\$ 3,120	\$ 3,120	\$ 3,900	\$ 3,900	\$ 3,900	\$ 21,060	\$ 46,800
Retail space	\$ 800	21		\$ 5,040	\$ 8,400	\$ 13,440	\$ 13,440	\$ 16,800	\$ 16,800	\$ 16,800	\$ 90,720	\$ 201,600
Student membership	\$ 15	10		\$ 45	\$ 75	\$ 120	\$ 120	\$ 150	\$ 150	\$ 150	\$ 810	\$ 1,800
Organizational coworking	\$ 425	5		\$ 638	\$ 1,063	\$ 1,700	\$ 1,700	\$ 2,125	\$ 2,125	\$ 2,125	\$ 11,475	\$ 25,500
Digital signage marketing (Internal)	\$ 35	20		\$ 210	\$ 350	\$ 560	\$ 560	\$ 700	\$ 700	\$ 700	\$ 3,780	\$ 8,400
Networking Events Sponsorship	\$ 100	4		\$ 120	\$ 200	\$ 320	\$ 320	\$ 400	\$ 400	\$ 400	\$ 2,160	\$ 4,800
Extra Printing Cost	\$ 2	81		\$ 36	\$ 61	\$ 97	\$ 97	\$ 122	\$ 122	\$ 122	\$ 656	\$ 1,458
Extra Storage (Retailers choice)	\$ 55	21		\$ 347	\$ 578	\$ 924	\$ 924	\$ 1,155	\$ 1,155	\$ 1,155	\$ 6,237	\$ 13,860
Virtual Mailing Address	\$ 25	25		\$ 188	\$ 313	\$ 500	\$ 500	\$ 625	\$ 625	\$ 625	\$ 3,375	\$ 7,500
Locker boxes	\$ 15	24		\$ 108	\$ 180	\$ 288	\$ 288	\$ 360	\$ 360	\$ 360	\$ 1,944	\$ 4,320
Total Rental Income				\$ 14,883	\$ 24,806	\$ 39,689	\$ 39,689	\$ 49,612	\$ 49,612	\$ 49,612	\$ 267,902	\$ 595,338
Gross Rental Income												\$ -
												\$ 595,338
Training and Conference rooms and misc	Cost/hour	# hours/month										
Training room (full space)	\$ 150	5		\$ 225	\$ 375	\$ 600	\$ 750	\$ 750	\$ 750	\$ 750	\$ 4,200	
Training room (partial space)	\$ 75	5		\$ 113	\$ 188	\$ 300	\$ 375	\$ 375	\$ 375	\$ 375	\$ 2,100	\$ 9,000
Large conference room space	\$ 50	5		\$ 75	\$ 125	\$ 200	\$ 250	\$ 250	\$ 250	\$ 250	\$ 1,400	\$ 4,500
Medium Conference room	\$ 75	5		\$ 113	\$ 188	\$ 300	\$ 375	\$ 375	\$ 375	\$ 375	\$ 2,100	\$ 3,000
Small conference room	\$ 25	5		\$ 38	\$ 63	\$ 100	\$ 125	\$ 125	\$ 125	\$ 125	\$ 700	\$ 4,500
Mailboxes	\$ 15	50		\$ 225	\$ 375	\$ 600	\$ 750	\$ 750	\$ 750	\$ 750	\$ 4,200	\$ 1,500
				\$ -	\$ 1,313	\$ 2,100	\$ 2,625	\$ 2,625	\$ 2,625	\$ 2,625	\$ 14,700	\$ 9,000
												\$ 31,500
TOTAL REVENUE			\$ -	\$ 14,883	\$ 26,118	\$ 41,789	\$ 42,314	\$ 52,237	\$ 52,237	\$ 52,237	\$ 282,602	\$ 626,838
Expenses Projections/Operational Costs												
Staff (I Alexander)- 6328				\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 175,000	
Staff (LIBA) - 6328			\$ 55,200								\$ 55,200	\$ 360,000
Staff - Fringe Benefits											\$ -	\$ 41,544
Marketing -6328				\$ 1,350	\$ 1,350	\$ 1,350	\$ 1,350	\$ 1,350	\$ 1,350	\$ 1,350	\$ 9,450	\$ 16,200
IT Management -6328			\$ 22,000	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 32,500	\$ 12,000
Internet				\$ 375	\$ 375	\$ 375	\$ 375	\$ 375	\$ 375	\$ 375	\$ 2,625	\$ 12,000
Account/Bookkeeping - Fiscal Agent - 6328			\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 12,000	\$ 3,348
Management Software & App (Coworks) -6328				\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 3,000	\$ 60,000
Building maintenance (cleaning, janitorial) -6328				\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 35,000	\$ 9,000
Other, unknown costs/Misc.			\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 20,000	\$ 3,000
Office supplies				\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 3,500	\$ 114,000
Lease/rent (50% of quote)				\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 70,000	\$ 5,004
CAM , taxes, and utilities (true cost)				\$ 16,667	\$ 16,667	\$ 16,667	\$ 16,667	\$ 16,667	\$ 16,667	\$ 16,667	\$ 116,667	\$ 200,000
Administrative Overhead Cost/LIBA FEE (10% of membership revenue)											\$ -	\$ 59,530
			\$ 81,200	\$ 64,392	\$ 64,892	\$ 64,892	\$ 64,892	\$ 64,892	\$ 64,892	\$ 64,892	\$ 534,942	
												\$ 895,625
			\$ (81,200)	\$ (49,508)	\$ (38,773)	\$ (23,102)	\$ (22,577)	\$ (12,655)	\$ (12,655)	\$ (12,655)	\$ (252,340)	\$ (268,787)



MEMORANDUM

DATE: May 11, 2023

TO: EDA Commissioners

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

SUBJECT: Housing Update

Overview:

This memo provides an update to the Economic Development Authority (EDA) on housing-related items that include the multifamily annual rental survey and the homeowners' financial programs expenditure in the past year. In addition to updating the EDA, this memo serves to keep interested community members informed of this work.

COVID-19 HOUSING UPDATES

HomeHelpMN

Minnesota homeowners who have experienced a financial hardship due to the COVID-19 pandemic and have past-due housing expenses may be eligible for financial assistance to bring their payments current. Applications for assistance can be submitted online at HomeHelpMN.org or over the phone at 800-388-3226.

HomeHelpMN adopted program changes to expand eligibility. The changes took effect on August 12, 2022:

- The cap on assistance was increased to \$50,000 per household. The prior limit was \$35,000.
- There is no longer a time restriction on past-due expenses. Previously, expenses had to be incurred after January 21, 2020.
- Applicants who were previously denied but are still in need of assistance and meet eligibility criteria may request their case be reopened by calling 800-388-3226.

Applications accepted while funds are available. For applications being processed, the new criteria will be used, and no additional action is needed.

While there is no application deadline, homeowners with past-due expenses are encouraged to apply as soon as possible.

HomeHelpMN prioritizes applications for homeowners at imminent risk of foreclosure and housing displacement and communicates with third-party vendors to establish the vendor as payees and inform them of the homeowner's application for assistance to pay the amounts past due.

Homeowners can apply even if they are in discussions with their mortgage servicer about a loss mitigation workout, are in forbearance, or are in active foreclosure.

For questions about this program, visit the HomeHelpMN web page or call 1-800-388-3226. You can also sign up for e-newsletters from MN Housing.

NEW HOUSING DEVELOPMENT PROJECTS

Real Estate Equities (western portion of 9500 Decatur Drive)

On April 17, the EDA approved two updated term sheets for a 350-unit housing proposal by Real Estate Equities (REE) on the western portion of 9500 Decatur Drive. The term sheets, one for each phase, include \$1.45 million in TIF and a \$1 million loan for each building/phase for a total of \$4.9 million in financial request from the EDA. On December 12, 2022, the City Council also supported a tax-exempt bond application to Minnesota Housing. REE will now apply to MN Housing for financing in July 2023 and, if awarded this year, aims to proceed with construction of one or both phases this fall.

REE's proposal includes two phases of workforce housing consisting of 1-bedroom, 2-bedroom, and 3-bedroom apartment homes. This project proposes to use income averaging and have an average affordability to families making 60% of the area median income. Five percent (5%) of the homes, or a total of 18 units, will be restricted to families making no greater than 30% AMI. The total unit mix is 77% 2-bedroom units and above with units of each size at both 30% and 60% AMI. Real Estate Equities received unanimous approval for its land use application at the Planning Commission on Wednesday, March 8, and land use approval from the City Council on April 10. The EDA and City Council have taken several actions in support of this project, including when it was first proposed on the Revive Church property on West Broadway Avenue.

Tessman Ridge (6900 85th Avenue N - NHCC Site)

On Monday, March 20, the EDA held a public hearing and approved the TIF Plan and TIF Development Agreement with various other legal documents approving financing for this project. At its meeting on Monday, March 27, the City Council voted to approve the TIF Plan and authorize creation of a new TIF district. With these approvals, Duffy intends to close on the property in May/June 2023 and begin construction on Phase I of this project this summer.

On October 24, 2022, the City Council approved Duffy Development's land use application for Phase I of this project. Phase 1 includes 71 units with 8 efficiency, 12 one-bedroom, 32 two-bedroom, 14 three-bedroom and 5 four-bedroom units. Phase I will also include the EDA purchase of the full site from Minnesota State Colleges and Universities (MnSCU), the current property owner, and selling the land for the Phase I development to Duffy.

Phase II will include applying for additional financing and a separate land sale for the remainder of the property at a later date. Duffy is financing both phases of this development with an allocation of Low-Income Housing Tax Credits (LIHTC) from Minnesota Housing, a \$1,185,000 Metropolitan Council Livable Communities Demonstration Account – Transit Oriented Development (LCDA-TOD) grant, Tax Increment Financing (TIF) from the EDA, and other sources. The EDA approved the term sheet to provide TIF and approve the purchase agreement with Minnesota State

Colleges and Universities (Minnesota State) and North Hennepin Community College at its meeting on May 17, 2020. The EDA had solicited qualifications for the development of this vacant land in early 2020 and selected Duffy Development at that time.

Village Creek Apartments (7621 Brooklyn Boulevard)

The EDA will consider approving new term sheets with updated financing terms to this project at the meeting on Monday, May 15. Due to rising interest rates and construction costs, the George North Group has adjusted its financing proposal to utilize a HUD loan and Low-Income Housing Tax Credits (LIHTC) to support this development project. The design and unit mix have not changed, but the financing structure has shifted to accommodate different financing realities that have arisen since the onset of the COVID-19 pandemic. The EDA had previously approved TIF and a land write down for a total of \$3,590,000 in financial support. The goal of the developer is still to begin construction this year using an expedited process for this financing through HUD.

Village Creek Apartments is located on EDA-owned land at 7621 Brooklyn Boulevard. The project includes 83 units of mixed-income housing and a 10,000 square foot commercial component. The EDA first considered this project in 2018. The project has since received a Metropolitan Council's Livable Communities Development Account (LCDA) grant to assist with project costs and a Hennepin County Transit Oriented Development (TOD) in fall 2020.

RE-HABILITATION PROJECTS

Huntington Place Apartments

City staff continues to coordinate internally and with representatives from Aeon regarding the current livability at Huntington Place as well as the long-term sustainability of the 834-unit apartment community. Staff from Police, Community Development, Recreation and Parks departments as well as the Community Engagement division (Administration department) are collaborating on actions needed in response to the themes heard from Huntington Place residents over the past many months. Staff provides regular updates via a memo sent to City Council members and other interested parties summarizing recent actions and activities. These memos and other related information are available on the city website at <https://www.brooklynpark.org/city-projects/huntington-place/>.

Stonybrook Housing Improvement Area HIA

The EDA approved \$1.2 million through the Housing Improvement Area (HIA) loan program for Stonybrook Property Owners Association. The funds will be used for the replacement of all the existing roadways and driveways, mill and overlay, restriping, landscaping as well as the installation of new exterior lighting within the Homeowners Association (HOA) as per the current layout. Located at 30084-69484 84th Court N, Stonybrook Townhomes were built in 1970s and consist of 88 buildings with 352 individually owned townhome units. Construction work on the project is currently underway.

OTHER HOUSING NEWS AND UPDATES

There are several sources of data that tell the story of the need for affordable and accessible housing in the region, including:

- Key Facts on Housing 2022 (Minnesota Housing Partnership)
 - <https://mhponline.org/mhp-releases-key-facts-on-housing-2022/>

- Regional Housing Affordability Dashboard (Minneapolis Federal Reserve)
 - <https://minneapolisfed.shinyapps.io/ltasca-Housing-Dashboard/> - Indicators
 - <https://minneapolisfed.shinyapps.io/ltasca-Housing-Dashboard/> - Tracking three key goals for region
- Indicators for an Inclusive Regional Economy (disaggregated by cultural community) (Center for Economic Inclusion)
<https://indicators.centerforeconomicinclusion.org/>
- The applications dashboard provides data on the number of homeowners who have submitted financial assistance inquiries through www.homehelpmn.org
<https://homehelpmn.org/dashboard/>

Staff Participation in Housing Groups

Staff participates regularly in various regional groups on the topic of housing, including:

- NOAH Working Group hosted by Minnesota Housing and focused on identifying strategies to advance the preservation of affordable housing regionally.
- Anti-displacement Working Group created by the Metro Blue Line Light Rail Transit Extension (BLRT) project office and Hennepin County.
- Housing Collaborative hosted by Twin Cities Local Initiatives Support Corporation (LISC) and focused on education, info sharing, and collaboration among city staff on housing programs and policies.
- Regional Housing Policy Work Group hosted by Urban Land Institute (ULI) Minnesota.
- Government Equitable Development Community of Practice hosted by the Metropolitan Council.

Other Housing Policy Work Currently Underway:

- Research the establishment of a housing trust fund
- Apartment Action Plan 2.0 (2018-present)
- CURA Housing Stability study implementation
- Fair Housing Training

Housing Work Recently Completed:

- CURA Housing Stability Study (2021-2022) – available at <https://www.cura.umn.edu/research/brooklyn-park-housing-project>
- EDA-owned former Park and Ride site at 4201 95th Avenue N (proposed developer directed to adjust proposal based on EDA direction on March 20)
- Transitional Housing Facility Rehabilitation (2018-2020)
- Fair Housing Policy (May 2019)
- Mixed-Income Housing Policy (2017)
- Tenant Notification Ordinance (October 2019)
- Autumn Ridge Apartments Rehabilitation Project (2018-2022)
- Homeowner Programs re-vamp (2019)
 - Senior Deferred Loan Program
 - Down Payment Assistance Program (tripled investment in 2021)
 - Code Correction Loan Program
 - Revolving Loan Program
 - Rental Rehabilitation Loan Program (for 1-16-unit rental properties. Details available at www.mncee.org/services/financing/brooklynpark/-1) (April 2020)
 - Community Engagement and Environmental Sustainability Program (April 2020)
- Affordable Housing Preservation and Development Program (July 2019)

- Brooks Landing and Brook Gardens Rehabilitation Project (2019-2020)
- Park Villa Housing Improvement Area (HIA) Project
- Autumn Ridge Apartments Rehabilitation
- Evergreen Elevator Project (2022)
- Sunrise Court Second HIA Project (2022)

Attachments: N/A