

REGULAR EDA MEETING – AGENDA #1

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.

Si usted necesita esta información en español, llame al 763-424-8000 y solicite un intérprete.

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

I. ORGANIZATIONAL BUSINESS

1. CALL TO ORDER/ROLL CALL

2. APPROVAL OF AGENDA

II. PUBLIC INVOLVEMENT

3. 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.

3A. RESPONSE TO PRIOR PUBLIC COMMENT

3B. PUBLIC COMMENT

3C. PUBLIC PRESENTATIONS

3D. PUBLIC ANNOUNCEMENTS

III. STATUTORY BUSINESS AND/OR POLICY IMPLEMENTATION

4. CONSENT

- 4.1** Consider Approving the 2023 EDA Meeting Minutes
 - A.** NOVEMBER 20, 2023 DRAFT REGULAR MEETING MINUTES
 - B.** DECEMBER 18, 2023 DRAFT REGULAR MEETING MINUTES
- 4.2** Consider Approving the Proposed EDA Meeting Dates for 2024
 - A.** 2024 REGULAR EDA MEETING DATES
- 4.3** Consider Approving a Correction to the Funding Source for \$440,000.00 Loan to Tessman Ridge Brooklyn Park LLC
 - A.** RESOLUTION
- 4.4** Consider Funding Request for Property Maintenance at Brooklyn Avenues in the Amount of up to \$20,000.00
 - A.** RESOLUTION
 - B.** DRAFT AGREEMENT BROOKLYN PARK EDA AVENUES FOR YOUTH
 - C.** LOCATION MAP
 - D.** PROJECT BID ESTIMATE

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

6. GENERAL ACTION ITEMS

- 6.1** Consider Election of Officers
 - A.** BYLAWS OF THE BROOKLYN PARK ECONOMIC DEVELOPMENT AUTHORITY
- 6.2** Consider Accepting Bids and Awarding Contract in the Amount of \$846,682.00 to SignArt Company for Phases I and II of the City-Wide Wayfinding Project (CIP 2071-24) and Authorize the Executive Director to Execute a Contract
 - A.** RESOLUTION
 - B.** BROOKLYN PARK EDA SIGNART DEVELOPMENT AGREEMENT
 - C.** PUBLIC NOTICE
- 6.3** Resolution Approving and Authorizing the Execution of a Development Assistance Agreement (Decatur Landing II)
 - A.** RESOLUTION
 - B.** TIF AGREEMENT
 - C.** 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 Updates
 - A.** SBC MEMBER LIST
- 7.2** Housing Updates
- 7.3** Verbal 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 Request for EDA Action

Agenda Item:	4.1	Meeting Date:	January 16, 2024
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 NOVEMBER 20, 2023 EDA MEETING MINUTES.

MOTION _____, SECOND _____, TO APPROVE THE DECEMBER 18, 2023 EDA MEETING MINUTES.

Overview: N/A

Primary Issues/Alternatives to Consider: N/A

Budgetary/Fiscal Issues: N/A

Attachments:

- 4.1A NOVEMBER 20, 2023 DRAFT REGULAR MEETING MINUTES
- 4.1B DECEMBER 18, 2023 DRAFT REGULAR MEETING MINUTES

THE BROOKLYN PARK ECONOMIC DEVELOPMENT AUTHORITY
OF THE CITY OF BROOKLYN PARK
NOVEMBER 20, 2023 MEETING MINUTES

I. ORGANIZATIONAL BUSINESS:

1. CALL TO ORDER: President Winston at 6:00 p.m.

ROLL CALL PRESENT: President Hollies Winston, Vice President Nichole Klonowski, Treasurer Boyd Morson and Commissioners Christian Eriksen, XP Lee, Tony McGarvey, and Maria Tran. Staff: Executive Director Kim Berggren, Economic Development, Recreation and Parks Director Brad Tollberg, Economic Development and Housing Director Breanne Rothstein, EDA Secretary Seng Moua, EDA Attorney Rachel Tierney, and Development Project Coordinator Sarah Abe.

ABSENT/EXCUSED: None.

2. APPROVAL OF AGENDA

Commissioner McGarvey requested to pull Items 4.2 and 4.3 from the Consent Agenda for additional discussion.

MOTION MCGARVEY, SECOND KLONOWSKI APPROVING THE AGENDA AS AMENDED. MOTION PASSED UNANIMOUSLY.

II. PUBLIC INVOLVEMENT

3. PUBLIC COMMENT

3A. RESPONSE TO PRIOR PUBLIC COMMENT: Executive Director Kim Berggren noted that although there were statements made by the public at the last meeting, it was input and did not require a response.

3B. PUBLIC COMMENT: Collette Guyette Hempel, 9277 Trinity Gardens, commented that the Osseo School District continues to not include schools south of 85th for after school activities. She believed that impacts the property values and lacks equity for the Brooklyn Park schools. She commented on the low test scores for schools and the lack of transparency from the School District. She commented on the efforts of City staff and herself and asked the EDA to speak with the School District as well.

President Winston commented that he will have the City Manager reach out to speak with the resident to develop a better approach and strategy as he shares some of those concerns as well.

3C. PUBLIC PRESENTATIONS

3C.1 METRO NORTH CHAMBER OF COMMERCE AND BROOKLYN PARK BUSINESS COUNCIL

Lori Higgins, President of Metro North Chamber of Commerce, extended thanks to the EDA and City for the partnership and support they have received. She highlighted the members of the Metro North team and provided information on the Business Council including the different locations, topics discussed, and

businesses featured. She also commented on the success of the recent coffee with the Mayor and invited the EDA to attend the next Business Council meeting on December 12th at City Hall. She commented that they have recently begun holding their office hours at the Small Business Center (SBC) in order to be more accessible to businesses. She provided details on legislative programming, manufacturing support, community involvement, promotion of shopping locally, and workforce support and development. She stated that they are looking forward to 2024 and highlighted some of the things they will continue to work on.

President Winston commented that the organization has done a great job in getting the word out and getting people to attend its events. He stated that the Council is working on equity principles and there will need to be metrics or measurement along with tracking economic indicators. He stated that perhaps they can work together on that in tracking data to ensure they are connecting youth and the community to jobs in an equitable fashion.

Ms. Higgins confirmed that they would love to work with the Council on that initiative.

3C.2 D'AMICO ANNUAL REPORT PRESENTATION

A. D'AMICO CATERING EDINBURGH USA ANNUAL REPORT

Recreation and Parks Director Brad Tollberg introduced the operating partners from D'Amico Catering who will provide their annual report.

Paul Smith, D'Amico Catering, introduced the members of his team who are present tonight to provide presentations.

Jerry Clark, General Manager, provided an overview of The Brooklyn including the gross sales, highlights from the year, and new promotions. He noted that non-golfing membership has increased and highlighted some of the goals for 2024. He stated that they will continue to grow the Saint Andrews brand and build synergy between the brands as well as continuing to utilize the new technology that links from the golf carts. He provided highlights of the Saint Andrews Club from the past year including membership data, events, and efforts to continue to grow membership.

Jessica Kielblock, Corporate Director of Sales, stated that she will focus on the event portion of the business, providing details on annual event sales. She noted that while the event sales decreased from the previous year there was an increase in social events and fundraising. She stated that in 2022 there was an industry phenomenon with a spike of business post-COVID that was not sustainable. She highlighted some of the activity and efforts they are focusing on in order to increase events for 2024.

Kristie Altendorf, Director of Marketing, provided a year in review of different events, specials, and activities that are used to market the space and bring in new people. She also commented on the different platforms used to market and reach new people including social media. She highlighted some of the strategies for growth they plan to use in 2024. She also highlighted ways in which the City could help the partnership in the coming year including continued support from the communications staff, a continued focus on updating the building and technology, and continued engagement from the City.

Commissioner Morson asked what community looks like to D'Amico.

Ms. Altendorf commented that community is something that surrounds them and every face that they have an interaction with. She commented that would include residents of Brooklyn Park as well as other communities.

Commissioner Morson asked the percentage of golf members that are minorities.

Ms. Altendorf commented that they check with the Manager for Saint Andrews Club to determine if that demographic is tracked.

Commissioner Morson referenced the statement that they are trying to expand efforts to reach youth and asked for examples.

Ms. Altendorf stated that would again be addressed by the Manager of Saint Andrews Club as to how he looks to increase youth membership.

Commissioner Morson referenced the activities of bingo and pull-tabs and asked if there are other creative ways to reach people that do not participate in those activities.

Ms. Altendorf replied that they can add that to the list to 2024 to continue to reach out to broader markets.

Commissioner Morson commented that he is only aware of the restaurant because of his involvement on the City Council.

Ms. Altendorf asked if Commissioner Morson uses Instagram.

Commissioner Morson replied that he is not. He asked how someone like him could become aware of the restaurant.

Ms. Altendorf replied on other marketing efforts that they have used, including mailings that are sent to each resident in Brooklyn Park. She also noted a reader board that is on 85th which features specials and events.

Commissioner Morson stated that he would like to be included on the email mailing list to stay aware of the specials.

Ms. Kielblock commented on a career program for youth that their chefs are heavily involved in where they work with high school students. She noted that they are also involved in the schools to host sports banquets at an affordable price.

Commissioner Morson asked the type of music that was promoted during the summer, and what would be promoted in 2024.

Mr. Clark commented that they promote local adult contemporary music. He stated that it was well received and well attended. He stated that they previously used a booking agent, but found the most success with using very local artists.

Commissioner McGarvey asked if the high school groups are for all sports, or specifically golf. He asked if the high school golf teams utilize the course.

Ms. Kielblock stated that they are all different sports that host their banquets in that location as well as other activities such as choir and band.

Recreation and Parks Director Brad Tollberg commented that Champlin Park boys golf uses the course for many of its practices, but not events. He stated that Park Center does not have a golf team.

Commissioner McGarvey asked if they have considered a program such as First Tee to introduce youth to golf and the course. He asked if pull-tab revenue could help to support that type of program.

Recreation and Parks Director Brad Tollberg replied that they have not used Edinburgh for that program, primarily because they have Brookland which is a gateway into golf and easier for beginners. He stated that the First Tee program is much more involved and requires modifications. He provided examples of youth programming they have provided at Brookland and stated that they look to expand the programming in 2024.

Commissioner Klonowski commented that she is a member of the course and Saint Andrews Club and appreciates the restaurant. She stated that one of the biggest challenges is that many residents do not know you do not have to be a member to eat there. She asked how the City can assist with spreading that message to residents.

Ms. Altendorf agreed that was a challenge that predates the involvement of D'Amico at Edinburgh. She commented that clear and consistent communication from all parties will continue to spread the message that this is a public space.

Commissioner Klonowski commented on the great feedback on the efforts this year including the music and menu changes. She asked how people can get onto the mailing list.

Ms. Altendorf noted that the option exists on the website to sign up as well as options on social media as well.

Commissioner Lee commented that it is great to see the positive trends and increase in community events and fundraising. He asked the target market for those type of events compared to other events.

Ms. Kielblock replied that this year those types of events made up about 45 percent of their event sales. She provided additional details on how they work with non-profits to make those events positive on a case-by-case basis.

Commissioner Lee commented that he would love to strategize to determine how they can continue to support smaller non-profits and groups.

Ms. Kielblock commented that they also provide support through gift cards and donations for those types of organizations holding fundraising events at other locations.

Commissioner Tran asked the type of menu there is for people that might have health problems or dietary restrictions.

Ms. Altendorf commented that the chef is aware of dietary restrictions that exist and offers a product mix that caters to all different types of eaters. She stated that service staff are trained in the menu and the ingredients in order to communicate those specifications with the guests. She noted that the menu also denotes items that are gluten free, dairy free, vegetarian, and vegan.

Commissioner Tran commented that if D'Amico keeps doing what it is doing, it will continue to receive follow up visits from their customers.

Ms. Kielblock stated that in terms of catering and events they also are happy to make custom meals or take custom meal requests in order to accommodate everyone.

President Winston thanked D'Amico for coming and for the work they do. He commented that this seems to be a great partnership. He stated that for the restaurant perhaps they could have themed events. He noted that they could reach out to community leaders that can help to build exposure to other groups in the community. He stated that he appreciates the email list but also believes that it is incumbent upon people to seek out information as well, noting a limited marketing budget. He stated that catering is reasonably priced for the facility but believed there could be additional consideration for food preferences for other cultures. He stated that there is a legacy brand with legacy users for a golf course and while it is important to retain those members, he also encouraged all entities involved to think about how they can begin to increase diversity and youth participation. He thanked D'Amico for making the presentation tonight.

MOTION TRAN, SECOND KLONOWSKI TO ACCEPT D'AMICO CATERING'S ANNUAL BUSINESS PLAN FOR 2024. MOTION PASSED UNANIMOUSLY.

- 3D. PUBLIC ANNOUNCEMENTS
 - 3D.1 SMALL BUSINESS SATURDAY PROCLAMATION
 - A. PROCLAMATION

President Winston read the Small Business Saturday Proclamation.

III. STATUTORY BUSINESS:

4. CONSENT:

- 4.1 Consider Approving EDA Meeting Minutes.
 - A. October 16, 2023 Draft Meeting Minutes
- ~~4.2 Consider Authorizing the Demolition of the Former Hennepin County Library Building and an Amendment to the EDA General Fund Budget~~
 - ~~A. Resolution~~
 - ~~B. Location Map~~
 - ~~C. Building Tech Codes Quote~~
- ~~4.3 Consider Approving a First Amendment to Purchase and Development Contract with Christina's Daycare~~
 - ~~A. Resolution~~
 - ~~B. Location Map~~
 - ~~C. Amendment~~
 - ~~D. 21st Century Bank Letter of Commitment~~

MOTION KLONOWSKI, SECOND TRAN TO APPROVE THE CONSENT AGENDA. MOTION PASSED UNANIMOUSLY.

- 4.2 Consider Authorizing the Demolition of the Former Hennepin County Library Building and an Amendment to the EDA General Fund Budget
 - A. Resolution
 - B. Location Map
 - C. Building Tech Codes Quote

Commissioner McGarvey stated that typically he would think other bids would be included in the packet.

Development Project Coordinator Sarah Abe replied that the additional bids could be sent, noting the other bid amounts of \$113,000 and \$168,000. She stated that she only disclosed the lowest bid in the public packet.

Commissioner McGarvey asked for details on the non-prevailing wage estimate.

Development Project Coordinator Sarah Abe commented that a prevailing wage and non-prevailing wage estimate was requested from the bidders.

Commissioner Klonowski commented that in the future she would prefer to see all the bids as well.

MOTION KLONOWSKI, SECOND TRAN TO WAIVE THE READING AND ADOPT RESOLUTION #2023-27 APPROVING THE DEMOLITION OF THE FORMER HENNEPIN COUNTY LIBRARY BUILDING, AUTHORIZING STAFF TO EXECUTE A CONTRACT WITH BUILDING CODE TECH AND ALLOCATING THE FUNDING FROM THE EDA GENERAL FUND. MOTION PASSED UNANIMOUSLY.

- 4.3 Consider Approving a First Amendment to Purchase and Development Contract with Christina's Day Care
- A. Resolution
 - B. Location Map
 - C. Amendment
 - D. 21st Century Bank Letter of Commitment

Commissioner McGarvey commented that he understands and fully supports the need for child care. He stated that he also appreciates the flexible hours for this business. He stated that the City purchased the lot in 2006 for \$303,000 with the goal to remove blight from the area. He asked the cost to remove the previous building and when that was completed.

Development Project Coordinator Sarah Abe was not familiar with the cost offhand and assumed that was demolished soon after the purchase of the property.

Executive Director Kim Berggren confirmed that the building most likely was removed from the site soon after acquisition. She estimated that demolition was perhaps around \$50,000.

Commissioner McGarvey stated that would then decrease the value of the property as it was recently assessed for \$300,000. He commented that it would seem then that the business would be paying \$100,000 less than the assessed value. He commented that all would not seem to make a lot of sense to him. He recognized that the purpose of this project is not to create high paying jobs but to provide a service to the community in the form of childcare. He understood the incredible need for the community in terms of childcare and asked how much the employees would be making. He asked for information on the rates the business would fall under for CCPA.

Ophelia Zeogar owner of Chistina's Child Care, replied that they would fall under the 20 percent rate category.

Commissioner McGarvey commented on the amount of money the business generates annually and noted that this would help the business increase its bottom line by over 300 percent. He asked if the City has considered tying a community benefit agreement to this business, using the example of BrookLynk program which could bring youth into childcare.

Ms. Zeogar commented that at this time she has two aid employees that she is financing to become licensed teachers for her facility.

Commissioner McGarvey applauded the business for its flexible hours. He asked about the timeline for this and whether they could spend an additional week to develop that type of agreement.

Executive Director Kim Berggren commented that the EDA can make its own determination about the agreement. She stated that they have been working with this business since 2019 when it gained original approval, but they have been struggling to get through the finance requirements and are almost to the finish line, therefore she would be cautious to add items at this point. She noted that they could have additional discussions moving forward about agreements of that type that the EDA would like to integrate in future contracts.

Commissioner McGarvey asked if the business would be willing to have that type of discussion in the future, in terms of partnering with BrookLynk.

Ms. Zeogar confirmed that she would love to have those conversations. She noted that she does have young members of the community that apply at her business.

President Winston commented that Commission McGarvey could follow up with staff and going forward they could see that through.

Commissioner Tran agreed with the comments of Commissioner McGarvey. She stated that even if it is not put on paper today, she would like to see that type of partnership moving forward.

Commissioner Lee commented that he views this business as a great resources, especially because of the flexible hours. He looks forward to having this as part of the community and is happy to see it moving forward.

Commissioner Morson thanked the business owner for her willingness to embrace the suggestion by Commissioner McGarvey. He commented that if stipulations are put on this business, the same should be done for every business that makes an ask of Brooklyn Park for resources.

Executive Director Kim Berggren commented that more recently the City has been including a requirement related to participation in the BrookLynk program when people request financial assistance. She stated that this agreement is from 2019 and therefore would not have those considerations.

Commissioner Morson commented that BrookLynk is not the only youth in the community and there are others in the community seeking opportunity. He believed that this should be extended past the small membership of BrookLynk to all youth.

President Winston commented that there is a cost to serving people which is not planned into a budget. He stated that he is appreciative that this business will be coming to Brooklyn Park and the opportunity that it would bring in terms of employment and service to the community. He commented that partnerships should equally benefit both parties and he would not want to ask things of a business owner that would not be fair and equitable. He commented that while there is potential for the business to work with BrookLynk, he would not want the business to believe there is an onerous duty upon them.

MOTION LEE, SECOND TRAN TO WAIVE THE READING AND ADOPT RESOLUTION #2023-28 APPROVING A FIRST AMENDMENT TO

PURCHASE AND DEVELOPMENT CONTRACT WITH CHRISTINA'S DAY CARE. MOTION PASSED UNANIMOUSLY.

5. PUBLIC HEARINGS:

5.1 None.

6. GENERAL ACTION ITEMS:

- 6.1 Consider Approving the 2024 Economic Development Authority Budget
- A. Resolution
 - B. 2024 EDA Budget Summary with 5-Year Projects
 - C. 2022 Year-End Activity Summary

Executive Director Kim Berggren recalled a previous budget discussion of the EDA and noted that they would be asked to approve the budget tonight for consideration with the full budget by the Council in December. She reviewed the focus of the proposed 2024 budget, revenues and assets, notable ongoing EDA investments, and new budget elements for 2024. She noted the different funds within the EDA budget for 2024 and welcomed any questions the group may have.

Commissioner Morson asked for more information on economic inclusion programs.

Executive Director Kim Berggren replied that would be interlinked throughout the EDA's work, with a focus on wealth building for people of color in the community. She highlighted some of the programs that work in that manner such as downpayment assistance. She stated that they continue to make changes related to hiring to more accurately represent the community, and also highlighted other strategies. She also noted the work of the Small Business Center (SBC), which provides opportunities for people of color as well.

Commissioner Morson asked for more details relating to the focus of neighborhood and stabilization of livability.

Executive Director Kim Berggren replied that is a broad category which would address how dollars get into the community for people to reinvest into their units. She stated that they have also had conversations about stabilizing and improving different areas of the community.

Commissioner McGarvey stated that in the past three years the EDA has received over \$8,000,000 in outside funding not including ARPA funding. He noted that the affordable housing aid from the State will be almost \$1,000,000 and asked how those funds will be reported.

Executive Director Kim Berggren referenced a chart within the annual report which shows outside funding. She noted that there are pass through funds that fall into the entitlement section and believed that affordable housing dollars would fall into that segment. She noted that ARPA is not shown in the EDA dollars as the City Council makes the decision on those dollars.

Commissioner McGarvey stated that the \$8,000,000 gained in the last three years in outside funding exceeded the EDA/HRA levy for that same period and asked if that then created a surplus.

Executive Director Kim Berggren explained that most of those dollars are project specific. She provided an example of \$1,000,000 that was received from a federal level which was specific for the SBC. She confirmed that these dollars allowed the EDA to do more than it planned to do and with the resources it had allocated.

MOTION MORSON, SECOND MCGARVEY, TO WAIVE THE READING AND ADOPT RESOLUTION #2023-29 APPROVING THE 2024 ECONOMIC DEVELOPMENT AUTHORITY BUDGET. MOTION PASSED UNANIMOUSLY.

IV. DISCUSSION:

7. DISCUSSION ITEMS

- 7.1 Discuss Uses for Local Affordable Housing Aid
 - A. County – City Direct Financial Allocation
 - B. Affordable Housing Aid Use Analysis

Economic Development and Housing Director Breanne Rothstein provided background information on the Metro Area Sales and Use Tax increase of one percent across the seven-county metro area which has the purpose of developing and preserving affordable housing. She stated that Brooklyn Park is estimated to receive \$940,000 annually from the state based on sales activity. She stated that direction is asked from the EDA as they look forward into 2024 budgeting and creating a work plan for housing aid. She reviewed a list of eligible uses for this type of funding within the metro area cities noting that additional input was provided in the packet with pros and cons, as well as staff input. She highlighted some of the State recommended priority projects, but noted that the City would have the ability to designate its own priorities. She reviewed the staff analysis and top three recommendations from staff. She also reviewed the next steps.

President Winston commented that the Council has done a lot of work this year and wanted to ensure that those goals are followed and that these dollars are used to support that strategy. He recognized the commercial deficit that Brooklyn Park has compared to similar sized communities and therefore that strategy is being implemented in order to get the City whole. He stated that this is an opportunity to leverage these dollars to support the larger strategy.

Commissioner Eriksen commented that generally he agrees with the ranking presented by staff. He had a concern with grants to nonprofit organizations, noting the City's relationship with AEON and that the organization seems to be underwater in the capacity to complete its agreed upon work. He was concerned with the capacity for nonprofits to absorb additional programing and therefore wanted to ensure a complete rubric for ranking applications to ensure work could be completed. He referenced the rehabilitation of owner-occupied housing and asked if there would be an option to partner with code enforcement to work directly with income stressed homeowners that have a violation. He stated that could then

support those families with rehabilitation of the home/property to address the violation.

Economic Development and Housing Director Breanne Rothstein replied that the City does have that type of program, but it is through a loan. She stated that an option through these dollars would be to create a grant program for those who are in tough situations.

Commissioner Morson appreciated the input from Commissioner Eriksen and response from staff. He expressed concern with the challenge for people to apply for those dollars, noting that perhaps the qualifications should be reviewed to ensure that those in need could receive those dollars.

Economic Development and Housing Director Breanne Rothstein replied that if the focus is on those in most needs, she would recommend a grant program. She stated that even if the loan is forgivable or deferred, that sometimes does not work. She also recognized that sometimes those situations are so tough that the property will foreclose either way, which creates a challenge in making those decisions. She noted that a grant program would fill the gap that she sees.

Commissioner Morson asked if they would then be lessening the requirements for receiving that money.

Economic Development and Housing Director Breanne Rothstein replied that could be done at the direction of the EDA.

Commissioner Morson confirmed that he would like to see a streamlined process for residents requesting that type of funding.

Commissioner Lee commented that the value that stands out the most is equity and therefore addressing disparities would be his top priority. He stated that there are land trusts in the area and would like them to look into creating or supporting more land trust opportunities. He stated that the City could act in a financial way to help reduce the cost burden of homeownership. He stated that another priority would be non-market multi-unit buildings, which would be similar to affordable housing and similar to what they are trying to do in Village Creek. He reiterated that his priorities would be disparities, equity and home ownership, and living circumstances.

Commissioner Klonowski asked if grants to assist first time homeowners that are income restricted would be eligible.

Economic Development and Housing Director Breanne Rothstein commented that the City does have a \$300,000 downpayment assistance program currently and confirmed that is an eligible use of funds should that be the direction of the EDA. She commented that the program is successful and there would be additional demand. She noted that funding would not have to be allocated in just one place and that the funding could be split between several benefits.

Commissioner Klonowski asked for input from staff on that use compared to the other potential uses.

Economic Development and Housing Director Breanne Rothstein commented the existing program could simply receive additional funding. She noted that CEE administers that program and therefore it would not be a burden on staff. She stated that the program is very utilized by people of color. She stated that CEE has stated that the State is stepping up and providing additional funding for downpayment assistance, therefore it was not recommended to allocate additional City funds at this time.

Commissioner Klonowski asked if there are pathways for people living in affordable housing to be able to purchase their first home or a home again, as perhaps their first home foreclosed.

Economic Development and Housing Director Breanne Rothstein confirmed that the City could offer the program to those that are not first-time buyers. She stated that the City does targeted marketing, offering more to renters that are already in Brooklyn Park.

Commissioner Klonowski asked if the State program is only for first time homebuyers.

Economic Development and Housing Director Breanne Rothstein believed that to be true but was not certain.

Commissioner Klonowski referenced the aging naturally occurring affordable housing (NOAH) that exists in Brooklyn Park, which impacts the quality of life for those residents. She asked for drawbacks in offering rehabilitation dollars to those properties and whether that investment would change the rents in those properties.

Economic Development and Housing Director Breanne Rothstein commented that because NOAH is naturally occurring, it is not income restricted and therefore the property manager would need to agree to an income restriction in return for accepting funds. She stated that while some owners would do so, others are not willing to accept rehab dollars in exchange for keeping rents restricted. She stated that typically the motivation for accepting rehab dollars is to increase rents. She stated that perhaps that could be coupled with the ideas from Commissioner Lee for a co-op or other form of affordable housing.

Commissioner Klonowski asked about cost-burdened homes that are being fined from their HOA and cause hardship.

Economic Development and Housing Director Breanne Rothstein did not believe that payment of HOA fines or fees would be eligible. She stated that if there was an improvement needed, that property could apply for the home rehab program that exists.

Commissioner Tran commented that the City has 40 percent elderly residents and suggested that funds be used towards that population whether that is through accessibility improvements to the home or the inclusion of sprinklers in the home.

Economic Development and Housing Director Breanne Rothstein replied that the City has a senior housing program that could be augmented with these funds.

Commissioner McGarvey asked the number of people that are still in their homes that have utilized the downpayment assistance program.

Economic Development and Housing Director Breanne Rothstein replied that program began in 2019. She stated that on average throughout the whole loan program about 25 percent of those loans are paid in full. She explained that the loan is paid when the homes are sold, unless the 10-year term has been met. She stated that she did not have specific information in that regard to the number of downpayment assistance residents that have moved. She stated that if the person does move and pays back the loan, the funds are then available for use by another person through the program.

Commissioner McGarvey commented that he would support programs that most help people rather than developers that feed off people in need.

Commissioner Tran suggested that funds be used to renovate older apartment buildings. She stated that perhaps renovations could occur to increase the number of bedrooms in a unit.

Commissioner Lee referenced the population experiencing homelessness and stated that he would not even have an idea of that level of need in Brooklyn Park. He asked what the City is doing to help that population move towards home ownership.

Economic Development and Housing Director Breanne Rothstein replied that she is not aware of localized numbers on homelessness as that is a regional issue. She commented that while it would be difficult to provide a number, the issue is increasing. She stated that the Avenues would be the only program the City currently has.

Commissioner Lee commented that he was recently involved in attempting to find resources for a community member looking for Hmong orientated services in transitional housing. He stated that he was unable to find that type of resource. He stated that Brooklyn Park is the most diverse community in the state and perhaps there would be an opportunity to partner with an organization that provides culturally sensitive assistance to those seeking stability and pathways.

Commissioner Eriksen stated that he would be curious to see if there was a way to gain input from the other communities to consider those concepts and from the County, to ensure that the City is not duplicating things that will be available from that entity.

Economic Development and Housing Director Breanne Rothstein confirmed that she is a part of a regional housing group, and this item will be a standing agenda item. She stated that they will also be following along with what the County will be doing.

President Winston commented that it seems that there is interest in downpayment assistance and rehabilitation of homes. He stated that there needs to be a huge focus on wealth creation and how to strategically leverage these dollars to accomplish the vision the City has created. He stated that this is a historical opportunity to have this type of funding and

wanted to see it used to create wealth opportunities for people to get out of this rut.

7.2 Discuss Legislative Agenda for 2024

A. 2023 Legislative Policies and Positions – EDA Section and Federal Section Only

Executive Director Kim Berggren reviewed the 2023 priorities and the accomplishments from the 2023 legislative session. She reviewed some suggestions for the EDA to consider including in the legislative agenda for 2024, along with a recommended subtraction. She welcomed any additional suggestions from the EDA.

President Winston stated that he is not hearing a lot about wealth creation and believed that should be added to anti-displacement. He commented that they need to discuss how this could be an opportunity to create wealth rather than taking it away.

Commissioner Lee recognized different ways to build wealth and things that fall under that umbrella, such as the strategy to focus on higher tax generating development in order to decrease the burden on existing residents. He asked for context about the item related to 2040 Comprehensive Plan environmental review requirement repeal.

Executive Director Kim Berggren replied that there are people saying that environmental review should be required for a Comprehensive Plan, which would be cost-prohibitive. She stated that there is a push to clarify the laws on the State level to state that environmental review is not required for comprehensive planning.

Commissioner Lee stated that he would only support that requirement if there were funding provided for that element. He asked that staff keep the EDA/Council updated on that topic and discussion.

Commissioner Klonowski referenced economic inclusion and stated that there is a reason there are women certified businesses, as they are historically disadvantaged and continue to be so. She asked that women be included under economic inclusion. She stated that women of color also face extraordinary burdens in terms of anti-displacement. She asked that women be included in the disadvantaged mentions along with minorities.

Commissioner Tran asked how economic inclusion could be implemented.

Executive Director Kim Berggren replied that is a policy position to improve tenant protections. She stated that the City is part of a collaborative document with Hennepin County and other communities. She stated that the purpose of the position statements is to ensure they are acting in support of the EDA/Council.

Commissioner Lee commented that he supports including the anti-displacement language into the priorities. He stated that he would like to add east/west connections as it relates to transit options for seniors.

7.3 Status Update

A. SBC Member List

B. CURA Implementation Status List

Executive Director Kim Berggren stated that Brooklyn Park Development Corporation (BPDC) is still accepting applications for microbusiness loans. She also noted the update within the report related to the status of the CURA implementation.

Commissioner Morson asked the deadline for applications, which was reported as November 30th. He asked the current number of applicants.

Executive Director Kim Berggren reported that there were 23 applicants last week.

Commissioner Morson asked the length of time from application to receipt of grant funds.

Executive Director Kim Berggren anticipated that the funds would be distributed during the month of January.

7.4 Housing Update

Executive Director Kim Berggren highlighted information about home improvement loan activity year to date. She also provided a brief summary of other items within her report.

Commissioner Lee commented on situations when apartment buildings need improvement and how the City could potentially work to assist in those situations.

Executive Director Kim Berggren replied that the City does have a rehab program for apartment buildings, similar to what exists for owner occupied properties.

Commissioner Lee asked for information on the Village Creek project and the funds that had to be returned by the George Group.

Executive Director Kim Berggren replied that the developer was unable to get its funding package together. She stated that the EDA assistance package is only good through the end of the year, and therefore the developer may come forward to request an additional extension. She stated that they have been working with this developer since 2018.

Commissioner Morson commented that ground has not been broken on that project and the developer still will not be able to meet the deadline for the EDA extended agreement.

7.5 Verbal Commissioner Reports and Announcements

Commissioner Lee stated that he is appreciative of the other EDA members and City staff. He commented that this has been a wonderful experience serving the City and he is looking forward to the new year.

Commissioner Tran stated that she attended the Black Youth Mental Health event at the community center on November 16th and the Criminal Juvenile Justice Conference the following day. She shared some

NOVEMBER 20, 2023 MEETING MINUTES

Page 16

information that she learned from those events. She commented that people with Asian backgrounds often do not report incidents because of their culture and asked Asian residents to speak out and report incidents when they occur. She also commented on the issue of childhood bullying. She also highlighted goals for 2024 related to the School District.

- IV. ADJOURNMENT:
Meeting adjourned at 9:17 p.m.

THE BROOKLYN PARK ECONOMIC DEVELOPMENT AUTHORITY
OF THE CITY OF BROOKLYN PARK
DECEMBER 18, 2023 MEETING MINUTES

I. ORGANIZATIONAL BUSINESS:

1A. CALL TO ORDER: President Winston at 6:00 p.m.

ROLL CALL PRESENT: President Hollies Winston, Vice President Nichole Klonowski, and Commissioners Christian Eriksen, XP Lee, and Maria Tran. Staff: Executive Director Kim Berggren, Economic Development and Housing Director Breanne Rothstein, EDA Secretary Seng Moua, EDA Attorney Rachel Tierney, and Development Project Coordinator Sarah Abe.

ABSENT/EXCUSED: Treasurer Boyd Morson and Commissioner Tony McGarvey.

1B. APPROVAL OF AGENDA

MOTION KLONOWSKI, SECOND LEE APPROVING THE AGENDA AS PRESENTED. MOTION PASSED 4 – 1 (TRAN OPPOSED).

II. PUBLIC INVOLVEMENT

3. PUBLIC COMMENT AND RESPONSE

3A. RESPONSE TO PRIOR PUBLIC COMMENT: Executive Director Berggren commented that at the last meeting a residents spoke about the School District and no response is necessary.

3B. PUBLIC COMMENT

3C. PUBLIC PRESENTATIONS

3D. PUBLIC ANNOUNCEMENTS

III. STATUTORY BUSINESS:

4. CONSENT:

4.1 Consider Approving Corrections to the Housing Improvement Area Fee Resolution for Stoneybrook Property Owner's Association Inc.

A. Resolution Corrected

B. RFEA 6.1 from 2022

C. Resolution 2022-29

MOTION ERIKSEN, SECOND LEE TO APPROVE THE CONSENT AGENDA. MOTION PASSED 4 – 1 (TRAN).

5. PUBLIC HEARINGS:

5.1 None.

6. GENERAL ACTION ITEMS:

6.1 None.

IV. DISCUSSION:

7. DISCUSSION ITEMS

7.1 Verbal Commissioner Reports and Announcements

Commissioner Tran wanted to share information that she discovered related to the item approved on the Consent Agenda. She stated that she spoke with multiple homeowners in that community that have been ignored by the HOA when bringing forward damage to their property for hail and were not aware of the requested loan. She expressed concern that these homeowners were not made aware of the loan and the action of the HOA. She also spoke about a similar experience related to a townhome community in her neighborhood and expressed concern that elected officials could take action on such agreements in their first month in office.

President Winston noted that the previous document mentioned by Commissioner Tran was executed by the previous EDA President Jacobson. He stated that there was an incorrect date on the original document and therefore this action corrected that.

Commissioner Lee thanked all of the members of City boards and commissions that have served during the past year as well as volunteers and City staff. He recognized the work that everyone does to support the community.

President Winston thanked City staff for all the work they have done to support this new group of EDA members. He appreciated the patience and support of staff as well as the leadership that the Executive Director provides. He also thanked the other members of the Commission, recognizing the new direction the group has taken and the deliberate actions that the group has made both in the roles of EDA and City Council. He recognized the work of Economic Development and Housing Director Breanne Rothstein and wished her well in her future endeavors.

Executive Director Kim Berggren echoed the comments of President Winston. She noted that Economic Development and Housing Director Breanne Rothstein has been with the City and EDA for five years and has been a great asset to the team. She thanked her for her work and wished her well.

- V. ADJOURNMENT:
Meeting adjourned at 6:12 p.m.

City of Brooklyn Park Request for EDA Action

Agenda Item:	4.2	Meeting Date:	January 16, 2024
Agenda Section:	Consent	Prepared By:	Seng Moua, EDA Secretary
Resolution:	N/A	Presented By:	Kim Berggren, Executive Director
Attachments:	1		
Item:	Consider Approving the Proposed EDA Meeting Dates for 2024		

Executive Director's Proposed Action:

MOTION _____, SECOND _____, TO APPROVE THE PROPOSED EDA MEETING DATES FOR 2024.

Overview:

Under the EDA By-Laws Section 3.4. Regular Meetings: Monthly meetings of the Board shall be held without notice at the regular meeting place of the Authority on the third Monday of each month, commencing at 6:00 o'clock p.m., unless the same shall be a legal holiday, in which event said regular meeting shall be held on the next succeeding secular day. To hold a regular meeting at a different time, notice shall be given as required for a special meeting.

At the December 4, 2023 Council Meeting, the City Council approved the EDA 2024 meeting dates.

Primary Issues/Alternatives to Consider:

- **If the EDA needs to call a special meeting, how does the EDA By-Laws address changes to its meeting dates?**

The EDA By-Laws Section states that to hold a regular meeting at a different time, notice shall be given as required. Special meetings of the Authority may be called by the President, the Executive Director or any two members of the Board. The proposed action will fulfill this requirement.

Budgetary/Fiscal Issues: N/A

Recommendation:

The Executive Director of the Economic Development Authority recommends approval.

Attachments:

4.2A 2024 REGULAR EDA MEETING DATES

CITY OF BROOKLYN PARK

2024 REGULAR CITY COUNCIL, COUNCIL WORK SESSIONS AND EDA MEETING DATES

Meetings begin at 6:00 p.m. – 1st four Mondays of the month

Brooklyn Park City Hall, 5200 85th Avenue North

Ph. 763-424-8000 Fax 763-493-8391

NOTE: CHANGES WERE MADE TO THE REGULAR SCHEDULE; ALL DATES ARE SUBJECT TO CHANGE

JANUARY	FEBRUARY	MARCH	APRIL
2 – Council (Tues.) (Canceled)* 8 – Council 16 – EDA (Tues)** 22 – Council 29 – Council *New Year's Day Observed - 1 **Martin Luther King, Jr. Day - 15	5 – Council Work Session 12 – Council 20 – EDA (Tues)* 26 – Council *Presidents' Day - 19	4 – Council Work Session (Canceled)* 11 – Council 18 – EDA 25 – Council *Primary Election Day - 5	1 – Council Work Session 8 – Council 15 – EDA 22 – Council 29 – 5 th Monday – No Meeting
MAY	JUNE	JULY	AUGUST
6 – Council Work Session 13 – Council 20 – EDA 28 – Council (Tues)* *Memorial Day Observed - 27	3 – Council Work Session 10 – Council 17 – EDA 24 – Council	1 – Council Work Session (Canceled) 8 – Council 15 – EDA 22 – Council 29 – 5 th Monday – No Meeting	5 – Council/Commission Work Session 12 – Council (Canceled)* 19 – EDA 26 – Council *City Primary Election Day - 13
SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
3 – Council Work Session (Tues)* 9 – Council 16 – EDA 23 – Council 30 – 5 th Monday – No Meeting *Labor Day - 2	7 – Council Work Session 14 – Council 21 – EDA 28 – Council	4 – Council Work Session (Canceled)* 12 – Council (Tues.)** 18 – EDA 25 – Council *Presidential Election Day - 5 **Veterans Day - 11	2 – Council 9 – Council 16 – EDA 23 – Council (Canceled) 30 – 5 th Monday – No Meeting Next meeting – Monday, Jan. 6, 2025
			PLEASE POST

City of Brooklyn Park Request for EDA Action

Agenda Item:	4.3	Meeting Date:	January 16, 2024
Agenda Section:	Consent	Prepared By:	Sarah Abe, Development Project Coordinator
Resolution:	X	Presented By:	Sarah Abe, Development Project Coordinator
Attachments:	1		
Item:	Consider Approving a Correction to the Funding Source for \$440,000.00 Loan to Tessman Ridge Brooklyn Park LLC		

Executive Director's Proposed Action:

MOTION _____, SECOND _____, TO WAIVE THE READING AND ADOPT RESOLUTION #2024-_____, APPROVING A CORRECTION TO THE FUNDING SOURCE FOR \$440,000.00 LOAN TO TESSMAN RIDGE BROOKLYN PARK LLC.

Overview:

The purpose of this action is to consider approving a funding source correction for the \$440,000.00 deferred loan to the Tessman Ridge Apartment project by Tessman Ridge of Brooklyn Park LLC. The funding was provided as a contribution to the property purchase price in the Development Agreement approved on March 20, 2023. Per the Development Agreement, the funding source was identified as the Spending Plan TIF account, which contained an estimated \$440,000.00. Upon further review of the account, it only contained \$414,889.97 due to unanticipated Investment Market Allocations.

This proposed resolution corrects the source of the funds for accounting purposes. With this action, the funding source for the loan will now be as follows:

Spending Plan account - \$414,889.97
EDA Housing Set Aside - \$25,110.03

Attachments:

4.3A RESOLUTION

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

RESOLUTION NO. #2024-_____

RESOLUTION CORRECTING FUNDING SOURCE FOR \$440,000.00 LOAN TO TESSMAN
RIDGE BROOKLYN PARK LLC

WHEREAS, on March 20, 2023, the Brooklyn Park Economic Development Authority (the “EDA”) adopted Resolution 2023-05 (the “Resolution”) which approved a \$440,000.00 Deferred Loan (the “Loan”) for Tessman Ridge Apartments (the “Project”); and

WHEREAS, the Resolution, in paragraphs 3.02 and 3.03, identified the Loan as coming from the Spending Plan Tax Increment Financing (TIF) account; and

WHEREAS, the Spending Plan TIF account was found to only contain \$414,889.97 due to Investment Market Allocations; and

WHEREAS, the funding for the Loan will be split between two project funds, \$414,889.97 from Spending Plan TIF and the remaining \$25,110.03 from the EDA’s Housing Set Aside account.

Now, therefore, be it resolved, that the funding for the Loan will be provided from the accounts as noted above.

Be it further resolved, that the Executive Director has the authority to make adjustments as needed between the two identified funds to accommodate the Loan payment.

City of Brooklyn Park Request for EDA Action

Agenda Item:	4.4	Meeting Date:	January 16, 2024
Agenda Section:	Consent	Prepared By:	John Kinara, Housing & Redevelopment Coordinator
Resolution:	X	Presented By:	John Kinara, Housing & Redevelopment Coordinator
Attachments:	4		
Item:	Consider Funding Request for Property Maintenance at Brooklyn Avenues in the Amount of up to \$20,000.00		

Executive Director's Proposed Action:

MOTION _____, SECOND _____, TO WAIVE THE READING AND ADOPT RESOLUTION #2024-_____ APPROVING FUNDING REQUEST FOR PROPERTY MAINTENANCE AT BROOKLYN AVENUES IN THE AMOUNT OF UP TO \$20,000.00.

Overview:

The purpose of this report is to request the Brooklyn Park Economic Development Authority (EDA) to consider providing funding for the replacement of 13 windows at Brooklyn Avenues in the amount of up to \$20,000.00 which will be awarded as a grant through the EDA general funds. The total project cost is about \$40,000.00 and this will be shared equally between Avenues for Youth and Brooklyn Park EDA.

Background:

Brooklyn Avenues is a 12-bed transitional housing program for youth experiencing homelessness located in Brooklyn Park, which opened in 2015. The building was constructed by EDA and leased to Avenues for Youth for \$1 per year. The program provides a safe and stable shelter as well as transitional housing with intensive support services for homeless youth ages 16 through 21 from the northwestern suburbs, with special attention to serving youth with connections to Brooklyn Park.

Primary Issues/Alternatives to Consider:

- **What is the role of the EDA in this project:**

The Brooklyn Park EDA maintains ownership of the facility. The facility provides space for offices, programming needs, meal preparation, sleeping beds and common space for the youth. Per the contract, Brooklyn Park EDA may also consider requests from Avenues for financial assistance with major capital improvements as they may arise. The EDA staff provides oversight for the facility to ensure accountability.

- **What is the role of Avenues in this project?**

Avenues signed a 10-year lease to operate the facility as a youth shelter and a transitional housing program. In this regard, Avenues also delivers directly or coordinates the delivery of supportive services to the youth. These services include the provision of basic needs, intensive case management, health and wellness care education, independent living skills training, as well as employment and education. To meet the legal requirements to operate the facility, Avenues maintains the necessary licenses from the state and city. In addition, Avenues manages the facility, including paying for utilities, general overhead costs as well as repairs. And finally, Avenues manages capital improvement plans for the facility that may arise.

- **What is the total development cost for the project?**

The replacement of 13 “crank out” windows with double hung windows will cost about \$40,000.00. Staff is proposing to split the cost equally between the Brooklyn Park EDA and Avenues for Youth. Double hung windows are the most common type of replacement windows. Two separate “sashes” slide up and down on two separate tracks. This allows one to open the top or bottom half of the window separately thus providing better ventilation and easy to clean. These types of windows are also more energy efficient due to stronger air leak seals and easy to maintain and less prone to damage from use.

- **What is the scope of work?**

The current crank out windows were installed about 10 years ago. But due to the frequent opening and closing of the windows by the current occupants the windows have deteriorated badly. The trims are rotted, and water intrusion barriers are worn out. The window replacement project includes removal of existing 13 windows, application of new water intrusion barrier, (sill pan & wrap the sides of the rough opening), install new Infinity double hung windows with extension jambs, insulate with a low expanding foam, apply exterior and interior trims, tax, & disposal of construction debris.

According to the city’s building official, the minimum size of the window must be 5.7 sq. ft. with net clear height of 24 inches and net clear width of 20 inches. The windows to be installed for this project meet the required safety and code standards.

Budgetary/Fiscal Issues:

The proposed grant funding will use EDA general funds in the amount of up to \$20,000.00. The window replacement project will be jointly funded by Avenues for Youth and Brooklyn Park EDA. Staff thinks this expense can be accommodated within the existing 2024 EDA General Fund budget but will come back with a budget amendment later if funds are needed.

Next Steps:

If the EDA approves the recommended action, next steps will include:

- Finalize a development agreement with Avenues for Youth
- Authorize the Executive Director to execute an agreement with Avenues for Youth
- Begin the installation of the 13 double hung windows.

Recommendation:

The Executive Director of the EDA recommends approval.

Attachments:

- 4.4A RESOLUTION
- 4.4B DRAFT AGREEMENT BROOKLYN PARK EDA AVENUES FOR YOUTH
- 4.4C LOCATION MAP
- 4.4D PROJECT BID ESTIMATE

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

RESOLUTION #2024-_____

RESOLUTION TO APPROVE FUNDING REQUEST FOR PROPERTY MAINTENANCE AT
BROOKLYN AVENUES IN THE AMOUNT OF UP TO \$20,000.00

WHEREAS, the Brooklyn Park Economic Development Authority (“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”); and

WHEREAS, the Enabling Resolution was amended by Resolution No. 1995-72 dated March 20, 1995, whereby the EDA was granted all of the powers, rights, duties, and obligations set forth in Minnesota Statutes Sections 469.001 to 469.047 (the “HRA Act”); and

WHEREAS, the Brooklyn Park Economic Development Authority (“Authority”) entered into that certain Lease Agreement (the “Lease Agreement”) between the Authority and an entity now known as Avenues for Youth, a Minnesota nonprofit corporation (“Avenues”) on September 25, 2014 wherein the Authority leased the property at 7210 76th Avenue North, Brooklyn Park, Minnesota, 55443 (the “Property”) to Avenues who agreed to provide a program serving homeless youth between the ages of 16 and 21; and

WHEREAS, under the terms of the Lease, all improvements and alterations to the Property are to be made without cost to the Authority, but become the property of the Authority upon termination of the Lease; and

WHEREAS, the Property is in need of and extensive capital investment for the following: removal of 13 double-hung windows, application of a new water intrusion barrier, installation of new double-hung windows with extension jambs, insulation, and exterior trim, with a total cost of \$40,000.00 (the “Project”); and

WHEREAS, Avenues for Youth has asked the Authority to assist in funding this project; and

WHEREAS, the Project will make improvements to the Authority-owned asset; and

WHEREAS, the EDA has \$20,000.00 in funds available in the General Fund;

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

1. That the Board authorizes the expenditure of up to \$20,000.00 to pay half the cost of the Project and:
2. The Board approves the attached Memorandum of Understanding in substantially the form presented to the Board, and any necessary and appropriate modifications, deletions, and additions thereto which may be approved by the Executive Director and legal counsel to the EDA.

3. The Executive Director is authorized to execute, on behalf of the Authority, Memorandum of Understanding.
4. The authority to approve, execute and deliver future amendments to the Memorandum of Understanding 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 authorization hereby given shall be further construed as authorization for the execution and delivery of such certificates and related items as may be required to demonstrate compliance with the agreements being amended and the terms of this Resolution. The execution of any instrument by the Executive Director shall be conclusive evidence of the approval of such instruments in accordance with the terms hereof. In the absence of the Executive Director any instrument authorized by this paragraph to be executed and delivered may be executed by the officer of the EDA authorized to act in his or her place and stead.

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding entered into _____, 2024, is between the Brooklyn Park Economic Development Authority (“EDA”) and Avenues for Youth, a Minnesota non-profit corporation (“Avenues” or “Tenant”) and collectively known as the “Parties”.

RECITALS

WHEREAS, the Parties heretofore entered into a Lease Agreement dated as of September 25, 2014 (including subsequent amendments thereto, the “Lease”) of an EDA-owned facility on certain property located 7210 76th Avenue North, Brooklyn Park, Minnesota 55443; and

WHEREAS, under the terms of the Lease, all improvements and alterations to the Property are to be made without cost to the EDA, but become the property of the EDA upon termination of the Lease; and

WHEREAS, the Property needs an extensive capital investment as follows: removal of 13 double-hung windows, application of a new water intrusion barrier, installation of new double-hung windows with extension jambs, insulation, and exterior trim, with a total cost of \$40,000.00 (the “Project”); and

WHEREAS, Avenues is a nonprofit corporation and provides vital affordable housing and services to residents and the City of Brooklyn Park; and

WHEREAS, the Project will make improvements to the EDA-owned asset and such improvements may outlast Avenues’ tenancy; and

WHEREAS, in recognition of the benefit to the EDA and the City, the EDA has agreed to reimburse Avenues for one-half the cost of the Project, up to \$20,000.00; and

WHEREAS, the Parties intend for this Memorandum of Understanding (MOU) to serve the limited purpose of written approval of the improvement as required under paragraph 14 of the Lease and a recognition of the EDA’s contribution toward the Project; and

WHEREAS, the Parties agree this MOU is incorporated by reference into the Lease and does not change either Parties’ obligations under the Lease; and

NOW, THEREFORE, on the basis of the mutual covenants and agreements in the Lease and hereinafter provided, it is hereby agreed by and between the parties hereto as follows:

MOU PROVISIONS

1. **EDA Consent.** The EDA has reviewed and consents to the Project.
2. **Additional Tenant Obligations for Consent to Improvement.** The Tenant will be required, when applicable, to: (i) obtain all necessary building permits as required by law; and (ii) maintain and repair the Project in accordance with the Lease.
3. **EDA Financial Obligation.** The EDA will reimburse Avenues for one-half of the Project costs, up to \$20,000.00. Avenues shall request reimbursement, in writing, following completion of the

Project and shall include all invoices supporting the amount to be reimbursed, the EDA shall pay such invoice within thirty (30) days of receipt.

4. General MOU provisions.

(a) The terms and conditions of the Lease are incorporated herein by reference. The Parties acknowledge and understand that they must be able to fulfill their responsibilities under this MOU in accordance with the provisions of the Lease, and all applicable laws and regulations.

(b) The Parties assume full responsibility for their performance under the terms of this MOU. Both Parties are aware and acknowledge that contingencies and unknowns which could make the project cost prohibitive. The Parties agree the EDA has no financial obligation, other than as agreed herein. The EDA shall not be liable for any of Tenant's expenses related to the Project, except as otherwise provided herein.

(c) No rights or limitation of rights shall arise or be assumed between the Parties as a result of the terms of this MOU.

(g) Along with the Lease and exhibits thereto, this MOU represents the entire understanding of the Parties.

AUTHORIZATION AND EXECUTION

This MOU shall be signed by and shall be effective as of the date first written above.

Brooklyn Park Economic Development Authority

By: _____ (Date)

Its: Executive Director

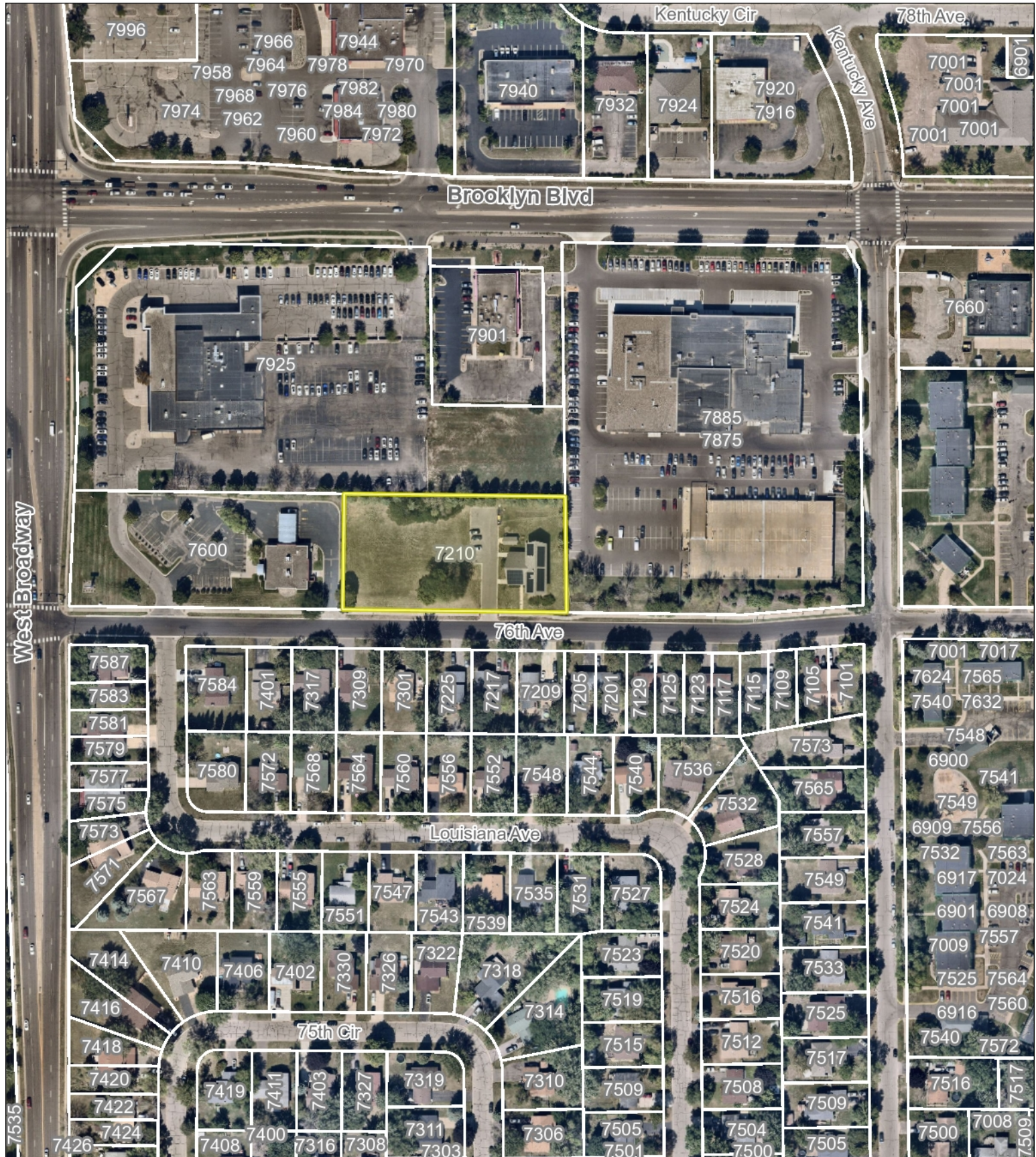
Avenues for Youth

By: _____ (Date)

Its: Executive Director

Location Map - Brooklyn Avenues

1/9/2024



Map Scale = 1:2,400

200 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

V-2023 tm02-23

Scherer Window &
Door Consultants

State License #20239369

EPA Certified Firm # NAT-26305-1

10751 Excelsior Blvd ~ Hopkins, MN 55343 ~ 952.277.1600 ~ 952.277.1690 (Fax)

Financing Available See below

Name: Avenues For Youth- Katherine Meerse

Date: Thursday, December 28, 2023

Address: 7210 76th Ave N

Brooklyn Park

MN 55428

Salesperson: Tracy Mayer 612.290.6554

Email: tburns@avenuesforyouth.org

Primary #: 218.349.8778

Secondary #:

Secondary #:

**** NOTE- All product is quoted UNFINISHED -staining/painting is not included****

* Window Replacement Includes: removal of existing windows, application of new water intrusion barrier, (sill pan & wrap the sides of the rough opening), install new Infinity windows with extension jambs, insulate with a low expanding foam, apply exterior and interior trim, tax, & disposal of construction debris.

Excludes: Painting, plumbing, HVAC, window finishing, rot repair, electrical, disconnecting & reconnecting of security systems, removing & installing of window treatments, or final cleaning of windows.

Year of Home: 2015

RRP Containment:

Interior Trim

None

Exterior Trim

Frame-No Trim Color:

Bronze

Jamb Type:

No Jamb

Stool/Apron

None

Install Type:

Full Frame

Glass Type:

LowE2

Screen Type:

BrightView Screen

#	Qty	Room	Floor	Manufacturer	Type	Configuration	Grille	Temp	Hdwr Clr	Ext Color	Int Color	Each	Extended				
1	12	Sleeping Locations	2	Infinity by Marvin	Double Hung	1 wide	None	No	Matte Black	Bronze	Bronze	\$3,392.00	\$40,704.00				
2	1	Office	1	Infinity by Marvin	Casement	1 wide	None	No	Matte Black	Bronze	Bronze	\$3,392.00	\$3,392.00				
HOMEOWNER WILL PROVIDE REQUIRED ALARMS					0	Smoke Detectors			0	CO Detectors		\$55.00	\$0.00				
Opening Restrictor added.									Retail Subtotal					\$44,096.00			
									Promotional Offer					-\$1,950.00			
									Add'l 10% Off					-\$4,410.00			
									TOTAL					\$37,736.00			
									Initial					Deposit (50%)			

Tracy Mayer 612.290.6554

12/28/23

Signature

#1. Parties and Acceptance: This Sales Agreement is between you and Scherer Window & Door Consultants (referred to in this Agreement as SWDC). All Agreements are subject to final acceptance by SWDC Management. This Agreement supersedes any verbal agreements between Homeowner and SWDC Sales Consultant. SWDC agrees to provide the products and services outlined in this Agreement, only on the condition that you agree to accept the terms and conditions of the sale set forth in this agreement. Cancellation of this agreement after the three-day rescission period results in loss of 50% deposit for credit card, check or cash customers, due to the special- order nature of this project. For Account and Finance Customers, 50% of the project cost is due and payable if the project is cancelled after the three- day rescission period. Once installation of the project has begun, if the project is delayed or cancelled for any reason, 80% of the project cost is due and payable immediately for Cash, Credit Card, Account and Finance Customers.



2. PERMITS: SWDC will pull the required permit for your project. It is the homeowner's responsibility to schedule the final inspection with the city inspector after project completion. If there is a delay in scheduling the inspection, the city may require additional fees. SWDC is not responsible for additional permit fees due to scheduling delays.

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3. Materials: All material is guaranteed to be as specified and the above work to be performed in accordance with the specifications submitted and completed in a substantial workmanlike manner. **All jamb material is SOLID PINE, unless otherwise stated on agreement.** **DELIVERY OF MATERIALS-** All windows/doors and building materials will be delivered to your garage the business day before your scheduled install. If you do not have a physical garage we will do a same day as install delivery.

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4. Existing trim: Scherer Window & Door does not utilize existing trim for replacement windows. In the event homeowner chooses to attempt to re-use their existing trim, Scherer Window & Door is not responsible for the condition of the trim once it is removed from existing windows, nor for the fit of the trim around the new windows. If new trim is required, homeowner is responsible for cost and installation of new trim.

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5. Warranty: All products carry the manufacturer's warranty. All screens have a 60 day warranty period. See Scherer Window & Door's Labor Warranty for more details. Marvin Windows & Doors: 5 year limited labor warranty nontransferable. Infinity: Limited lifetime warranty-nontransferable (townhomes/condos/multi-family excluded); Exterior doors/storm doors: One year labor warranty.

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SWDC does not warranty products purchased by customer that we install or reinstallation of customer's previous products, such as storm doors or hardware.

NOTE: Caulking application has a 2 year warranty. Homeowner is responsible to maintain caulking in order to prevent water leakage. Please review your project after two years and yearly thereafter for caulking maintenance. There is an additional cost to replace caulking beyond the two year warranty period.

6. SAFETY: The safety of our installers is a priority throughout the installation process. If our installers require interior objects (furniture/blinds) or exterior objects, such as shrubs or trees, be moved, removed or trimmed in order for SWDC to safely install your project, it is the homeowner's responsibility to move, trim or remove any objects for safety purposes. **ALL** costs for trimming and/or removal of trees, shrubs and/or replacement of trees/shrubs are the responsibility of the homeowner.

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7. Finishing/Staining: Finishing the product: All window and door agreements are for UNFINISHED product unless otherwise stated. Any painting, staining, finishing is the sole responsibility of the customer, unless specified on agreement. Any damage due to third party is the sole responsibility of the homeowner. Any parts that have been finished that are discovered to be defective: finishing costs are the responsibility of the homeowner. Some of the material (jambs/trim) may require sanding and sealing prior to finishing in order to achieve the desired appearance. If jambs and trim are not finished properly, new trim and jambs may be required (with additional labor). Additional material and labor to install is a change order and the homeowner's financial responsibility. **Nail holes will require putty/caulking and staining by your finisher.**

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8. Condensation: Many factors contribute to window & door exterior and interior condensation. SWDC and manufacturer are not responsible for exterior/interior condensation on windows.

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9. Tempered Glass: Tempered glass is required in some instances by state code. This glass under certain conditions (size, exterior landscaping, location of windows, can result in a wavy appearance. This is NOT a defect. In signing this agreement, you are accepting this condition.

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10. Soundproof windows: SWDC does not guarantee "sound proof" windows, regardless of type of window/glass installed. Sound reduction perception is subjective and cannot be guaranteed beyond the manufacturer's specifications for said product.

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11. Project Delays: SWDC attempts to start/complete project as per scheduled dates for installation. Delays can occur due to weather, illness, manufacturer defects/damage, incorrect sizing, change order work, delays in the project scheduled ahead of said project, or overall project issues that are difficult to complete within the normal project scope. No compensation exists for delays whatsoever, or for multiple trips to jobsite to resolve issues.

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12. Concealed conditions and change orders: Agreement includes removal and disposal of existing units and installation of new units. This agreement does not include additional work that might be discovered after existing units have been removed, such as rotten wood, mold, asbestos, or missing structural support. SWDC is entitled to receive payment for the cost of required changes/repairs beyond the original project scope. Up to a maximum of \$750 in additional labor and material may be charged without a signed change order. For change orders over \$750, a written change order is required. SWDC is not responsible for electrical, security systems, plumbing or HVAC modifications which will need to be reviewed by other contractors. SWDC does not perform rot repair or structural work beyond the rough opening of windows/doors to be installed. It is the homeowner's responsibility to hire a contractor to repair rot/structural issues. Once the work is completed by your contractor, we will resume installation of your window/door project. If our work is delayed for any reason, 80% of the total project amount will be due at this time.

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13. WHAT WORK IS NOT INCLUDED IN THIS AGREEMENT: Electrical, security system removal/installation/ doorbell issues/ HVAC, plumbing, in-floor heating or any damage to said systems. Removal/installation of Shutters/Blinds interior and exterior; moving of furniture. Rot repair beyond the immediate opening area, siding, plaster, stucco, brick, taping/mudding, sheetrock or any damage to noted systems. Staining and painting are not included in this agreement, unless noted. Repairs to existing windows and doors is not included in this agreement.

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14. New and/or enlarged openings: SWDC cannot determine at the time of sale what obstructions may exist behind the walls for enlarged or new openings. Homeowner is responsible for an HVAC, electrical, plumbing, taping, mudding, sheetrock or security work that is required. If homeowner elects not to do additional work required to complete project, and foregoes the project after the 3 day rescission period, the balance is due in full. NOTE: The new/enlarged opening(s) may require a report from a structural engineer. Any additional charges from structural engineer are the sole responsibility of the homeowner and are due upon receipt. Additional charges may also be incurred if additional structural elements are required during the renovation process.

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15. Damage at jobsite: SWDC and its subcontractors bear no liability for damage to electrical, plumbing, security systems, doorbells, HVAC, interior/exterior dust, landscaping (shrubs, flowers, trees, driveways, sidewalks) interior floor heating, interior cracking of plaster and drywall, interior or exterior trim, tile flooring, backsplash, tile, exterior stucco, brick, or any other siding damaged that occur during required project renovation. SWDC does not compensate for loss of heat or air conditioning during project construction. Damage to walls (excluding plaster or stucco walls) or floors, if proven to be caused by blatant negligence, will be compensated.

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16. Smoke Detectors/Carbon Monoxide Monitors: Additional smoke detectors and carbon monoxide monitors maybe required and are the responsibility of the homeowner.

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17. Customer preparation for installation: SWDC requires all furniture/appliances/window treatments and exterior shutters be moved prior to installation. In the event removal of said items is required to complete the project, SWDC and it's subcontractors are not responsible for any damage to said products, walls, and/or floors due to the moving of said items. Additional charges will be incurred for removal/moving of said items. Customers are required to move furniture 4 feet from work area and remove drapes/blinds so that windows can be accessed. Remove any furniture or planters from entry/patio door areas.

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18. Window treatments: SWDC does not guarantee fit of existing window treatments in new windows. Curtains, drapes, shades or blinds may not fit onto new windows/doors as they did on previous windows/doors, even if sizes are the same. Replacement cost for window coverings that do not fit the new windows, or costs associated with handling blinds cut down are the sole responsibility of the homeowner.

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19. Installation of existing product: If SWDC installs any customer supplied products, SWDC will be not be responsible for said product or operation of those materials.

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20. Finance Customers You are required to sign on-line documents before any productis ordered; sign off is also required at the end of the project (substantial completion) within three (3) business days; Scherer Bros. may add additional finance charges for incomplete loan documents that require signature for Scherer Window & Door to receive full payment from 3rd party finance vendor. Finance agreements are directly between the Finance Vendor and Customer. Scherer Window & Door Consultants is not responsible for finance fees, accrued interest, or any misunderstandings between the customer and finance vendor.

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21. Balance due upon Substantial Completion: Project balance is due upon substantial completion, unless project was delayed or cancelled, as per # 1 Parties & Acceptance and or #11 Concealed Conditions and Change Orders for exceptions to balance due. Substantial Completion is defined as being the point at which the improvement is suitable for its intended use, even though warranty, minor or trivial work remains to be completed. Homeowner acknowledges the delay in delivering incidental parts (such as but not limited to screens) and/or cosmetic repairs excluding those causing operational issues, shall not defer balance payment due, nor does it entitle the homeowner a discount or withholding of payment in full or any other remedy. Withholding payment for screens or cosmetic repairs or incidental parts constitutes a breach of contract by Homeowner. In case legal action is required to obtain payment or reedy a breach of contract, Homeowner shall be responsible for Contractor's reasonable attorney's or collection fees.

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22. Agreement between Scherer Window & Door Consultants and Customer: Your signature on this agreement acknowledges your acceptance of a Pre- Lien Notice. Your signature accepts the agreement terms, pricing, description and signifies your ability and willingness to pay in accordance with the conditions above. Your signature makes this a legally binding document. Read it carefully and understand it before signing.

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Initial_____

PRE LIEN NOTICE: MN Statute 514.011 requires that Scherer Window & Door give you the following notice: (A) Any person or company supplying labor or materials for this improvement to your property may file a lien against your property if that person or company is not paid for the contributions. (B) Under Minnesota law you have the right to pay persons who supplied labor or materials for this improvement directly and deduct this amount from our contract price, or withhold the amounts due them from until one hundred twenty (120) days after completion of the improvement unless we give you a lien waiver signed by persons who supplied any labor or material for the improvement and who gave you timely notice

This Agreement constitutes the entire agreement between the contracting parties concerning your project. All prior agreements, discussions, representations, warranties and covenants are merged herein. There are no warranties, representations, covenants or agreements, expressed or implied, between Scherer Window & Door and customer(s), except those expressly set forth in this agreement. Any amendments or modifications of this agreement shall be in writing and executed by the contracting parties.

Owner Signature	Date	Credit Card#	Security	Expiration
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Owner Signature	Date	Credit Card#	Security	Expiration
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Avenues For Youth- Katherine Meerse	Contract Date:	Thursday, December 28, 2023	Amount:	\$37,736.00
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State License #20239369

Scherer Window & Door Consultants

EPA Certified Firm # NAT-26305-1

10751 Excelsior Blvd ~ Hopkins, MN 55343 ~ 952.277.1600 ~ 952.277.1690 (Fax)

Name: Avenues For Youth- Katherine Meerse

Thursday, December 28, 2023

Address: 7210 76th Ave N

Brooklyn Park

MN

55428

Salesperson Tracy Mayer 612.290.6554

Email: tburns@avenuesforyouth.org

Referral: 0

Primary #: 218.349.8778

Secondary #: Exterior Informat Secondary #:

Finance Options Summary

Please see ENERBANK terms details of the chosen program. This information is estimated.

Financing Options subject to change without notice

Program Codes

2

Year

0.00%

\$1,582

per month*

Code

DMW4229

5

Year

4.99%

\$722

per month*

Code

DMW4243

EnerBankUSA[®]

<https://application.enerbank.com/#/>

Information to enter

Program Phone #: 1-888-699-1910

Contractor ID#: 11

Project Total \$37,736.00

Program Code Listed Above

City of Brooklyn Park Request for EDA Action

Agenda Item:	6.1	Meeting Date:	January 16, 2024
Agenda Section:	General Action Items	Prepared By:	Seng Moua, EDA Secretary
Resolution:	N/A	Presented By:	Kim Berggren, Executive Director
Attachments:	1		
Item:	Consider Election of Officers		

Executive Director's Proposed Action:

MOTION _____, SECOND _____, TO ELECT _____ AS PRESIDENT OF THE BROOKLYN PARK ECONOMIC DEVELOPMENT AUTHORITY.

MOTION _____, SECOND _____, TO ELECT _____ AS VICE PRESIDENT OF THE BROOKLYN PARK ECONOMIC DEVELOPMENT AUTHORITY.

MOTION _____, SECOND _____, TO ELECT _____ AS TREASURER OF THE BROOKLYN PARK ECONOMIC DEVELOPMENT AUTHORITY.

MOTION _____, SECOND _____, TO ELECT SENG MOUA AS SECRETARY OF THE BROOKLYN PARK ECONOMIC DEVELOPMENT AUTHORITY.

Overview:

The officers of the Authority shall consist of a President, a Vice President, a Secretary, a Treasurer and an Assistant Treasurer. The President, the Vice President and the Treasurer shall be members of the Board and shall be elected annually. No Commissioner may serve as President and Vice President at the same time. The offices of Secretary and Assistant Treasurer need not be held by a Commissioner.

The **President** shall preside at all meetings of the Board.

The **Vice President** shall preside at any meeting of the Board in the absence of the President and may exercise all powers and perform all responsibilities of the President if the President cannot exercise or perform the same due to absence or other inability.

The **Treasurer** shall receive and be responsible for Authority money, shall disburse authority money by check only, keep an account of all Authority receipts and disbursements and the nature and purpose relating thereto, shall file the Authority's financial statement with its secretary at least once a year as set by the Authority, and be responsible for the acts of the assistant treasurer.

The **Assistant Treasurer** shall be the **City Finance Director** and shall have all the powers and duties of the Treasurer, if the Treasurer is absent or disabled.

The **Secretary** shall keep or cause to be kept minutes of all meetings of the Board and shall maintain or cause to be maintained all records of the Authority. Traditionally this position has been held by the Executive Director's Assistant and staff recommends that Seng Moua be appointed as the Secretary.

Attachments:

6.1A BYLAWS OF THE BROOKLYN PARK ECONOMIC DEVELOPMENT AUTHORITY

BY-LAWS OF THE BROOKLYN PARK ECONOMIC DEVELOPMENT AUTHORITY

ARTICLE I

The Authority

Section 1.1. Name. The name of the Authority shall be the Brooklyn Park Economic Development Authority (the "Authority"), its governing body shall be called the board of commissioners (the "Board") and individual members of the Board shall be called its commissioners (the "Commissioners").

Section 1.2. Enabling Resolution. The Brooklyn Park City Council created the Authority on October 24, 1988 by enactment of Enabling Resolution Number 1988-273 (the "Enabling Resolution"), which, as amended, governs the powers and operations of the Authority.

Section 1.3. Office. The principal office of the Authority shall be at City Hall, 5200 85th Avenue North, Brooklyn Park, Minnesota.

Section 1.4. Seal. The Authority shall have an official seal, which shall be maintained by the Authority Secretary.

ARTICLE II

Organization

Section 2.1. The Board.

- (a) The Board shall consist of the duly elected and sworn members of the Brooklyn Park City Council, which are seven (7) in number. Each Commissioner's term shall be co-terminus with his or her City Council term. If a membership is vacated because a Commissioner leaves the City Council, the vacated position shall be open until filled by a duly elected or appointed and sworn successor.
- (b) Absent an amendment to the Enabling Resolution changing the requirement that City Council and Board membership shall be at all times the same, a duly elected and sworn member of the City Council may not resign his or her membership on the Board unless also vacating membership on the City Council.
- (c) A Commissioner shall not acquire any financial interest, direct or indirect, in any contract, matter or project over which the Board acts or has the right to act. If a Commissioner has reason to believe that he or she may have a conflict of interest under this provision, he or she shall seek the advice of the Authority's legal counsel.

Section 2.2. Removal of Board Member. A Commissioner may be removed by the City Council for inefficiency, neglect of duty or misconduct in office, after the submission of written charges and a hearing pursuant to *Minnesota Statutes*, §469.095, subdivision 5.

Section 2.3 Officers.

- (a) *Election.* Election of officers of the Authority shall be held at the annual meeting and those elected shall hold office for one (1) year or until their successors are elected and qualified. Officers may be elected to successive terms, without limitation.
- (b) *Offices.* The officers of the Authority shall consist of a President, a Vice President, a Secretary, a Treasurer and an Assistant Treasurer. The President, the Vice President, and the Treasurer shall be members of the Board. A Commissioner may not simultaneously serve as President and Vice President.
- (c) *President.*
 - (i) The President shall preside at all meetings of the Board. Except as otherwise provided in Section 4.3 or as otherwise authorized by resolution of the Board, the President shall sign all contracts, deeds and other instruments made by the Authority.
 - (ii) At any meeting of the Board, but subject to the notice provisions otherwise provided by law or these bylaws, the President shall submit such recommendations and information as he or she may consider proper concerning the business, affairs and policies of the Agency.
 - (iii) If the President vacates the office for any reason within one hundred eighty (180) days of last being elected President, another election shall be conducted by the Board at its next regular meeting or at a special meeting called for that purpose. If the President vacates the office of President after one hundred eighty (180) days of last being elected President, the Vice President shall assume the office of President for the remainder of the term.
- (d) *Vice President.* The Vice President shall preside at any meeting of the Board in the absence or incapacity of the President and may exercise all powers and perform all responsibilities of the President. When the office of Vice President becomes vacant, an election shall be held at the next regular meeting or at a special meeting called for that purpose.
- (e) *President Pro Tem.* In the event of the absence or incapacity of the President and the Vice President at a duly called meeting, a majority of those present, assuming a quorum, may appoint any remaining Commissioner as President Pro Tem to preside at such meeting.
- (f) *Treasurer.*
 - (i) The Treasurer shall receive and be responsible for Authority money, shall disburse Authority money by check only, keep an account of all Authority receipts and disbursements and the nature and purpose relating thereto, shall file the Authority's financial statement, as described in Section 4.4., with its Secretary at least once a year as set by the Authority, and be responsible for the acts of the Assistant Treasurer in matters of the Authority.

- (ii) The Treasurer shall give bond to the State conditioned for the faithful discharge of official duties. The bond must be approved as to form and surety by the Authority and filed with the Secretary of the Authority and must be for twice the amount of money likely to be on hand at any one time as determined at least annually by the Authority, provided, however, that said bond must not exceed \$300,000.
- (g) *Assistant Treasurer.* The Assistant Treasurer shall be the Finance Director of the City, shall act at the direction of the Treasurer and shall have all the powers and duties of the Treasurer if the Treasurer is absent or incapacitated. The Assistant Treasurer is authorized to perform all of the Treasurer's duties set forth in Minnesota Statutes, Section 469.096 and in Section 2.3(f) of these Bylaws.
- (h) *Secretary.* The Secretary shall keep or cause to be kept minutes of all meetings of the Board and shall maintain or cause to be maintained all records of the Authority. The Secretary shall also have such additional duties and responsibilities as the Board may from time to time and by resolution prescribe. The Secretary need not be a member of the Board.
- (i) *Executive Director.* The Director of Community Development of the City of Brooklyn Park, as appointed from time to time by the City Manager, shall be the chief administrative officer of the Authority and shall have such additional responsibilities and authority as the Board may from time to time by resolution prescribe. The City Manager shall act as the Assistant Executive Director.

ARTICLE III

Procedures of Board of Commissioners

Section 3.1 Open Meetings. All meetings of the Board, whether as a whole or in committee, shall be open to the public. Meetings of a number of Commissioners equal to or greater than a majority of a quorum shall be held only after notice as provided in this Article. All meetings shall be held in accordance with the requirements of the Minnesota Open Meeting Law, *Minnesota Statutes*, Chapter 13D.

Section 3.2. Meeting Place. All meetings of the Board shall take place at the Brooklyn Park City Hall unless otherwise determined by the Board after notice as required for a special meeting.

Section 3.3. Annual Meeting. The annual meeting of the Board shall be held as a part of the January regular meeting each year, except that if, on or before the January regular meeting date, newly elected members of the City Council have not yet been sworn and seated to the City Council, the annual meeting shall be postponed until the first regular meeting after which all City Council members have been seated.

Section 3.4. Regular Meetings. Monthly meetings of the Board shall be held without notice at the regular meeting place of the Authority at the Brooklyn Park City Hall on the third Monday of each month, commencing at 6:00 o'clock p.m., unless the same shall be a legal holiday, in which event said regular meeting shall be held on the next succeeding secular day. To hold a regular meeting at a different time or place, notice shall be given as required for a special meeting.

Section 3.5 Special Meetings.

- (a) Special meetings of the Authority may be called by the President, the Executive Director or any two members of the Board for the purpose of transacting any business designated in the call.
- (b) Each Commissioner shall advise the Secretary, in writing, as to the method by which it wishes to receive notice of the time and purpose of special meetings, which may include by telephone message, mail, electronic mail, facsimile or other means. Notices shall be given by such means no later than forty-eight (48) hours before such meeting. In the event of failure of a Commissioner to so advise the Secretary, notice shall be sufficient if mailed to the business or home address of each Commissioner at least forty-eight (48) hours prior to the date of such special meeting.
- (c) At least three days prior to a special meeting, written notice of its date, time, place and purpose shall be (i) mailed or delivered to anyone who has specifically requested notice of special meetings or, as an alternative, published in the Authority's official newspaper, and (ii) posted on the "principal bulletin board" of the Authority or, if there is none, on the door of the Commissioner's "usual meeting room."
- (d) At such special meeting, no business shall be considered other than as designated in the call.

Section 3.6. Emergency Meetings. Meetings regarding matters which, in the reasonable judgment of those entitled to call a special meeting pursuant to Section 3.5(a) above, require the immediate consideration of the Authority may be held without regard to the notice requirements otherwise applicable to special meetings. The Authority shall make a good faith effort to give notice of such emergency meeting, including the purpose thereof, to any news medium that has filed such a written request with the Authority.

Section 3.7. Quorum. A quorum of the Board shall consist of four Commissioners. In the absence of a quorum, no official action may be taken by, on behalf of, or in the name of the Board or the Authority. When a quorum is in attendance, actions may be taken by the Board upon a vote of majority of the Commissioners present.

Section 3.8. Adoption of Resolutions.

- (a) Resolutions of the Board shall be deemed adopted if approved by not less than a simple majority of all Commissioners present.
- (b) Resolutions may but need not be read aloud prior to vote taken thereon and may, but need not be, executed after passage.
- (c) Voting on all questions coming before the Board may be by voice vote or, if requested by a Commissioner, by roll call vote. All ayes and nays shall be entered into the minutes of such meeting.

Section 3.9. Official Record. The minutes of all meetings of the Board, once approved, shall constitute the official record of all actions of the Board and the "journal" required to be maintained by *Minnesota Statutes*, §13D.01, subdivision 4.

Section 3.10. Rules of Order. Procedural matters pertaining to the conduct of Board meetings only shall be governed by the most recent edition of Robert's Rules of Order.

ARTICLE IV

Financial Matters

Section 4.1. Fiscal Year. The fiscal year of the Authority shall be the calendar year, but shall in all events be the same as the City's fiscal year.

Section 4.2. Depositories; Collateral; Investments.

- (a) *Designation of Depositories*. Every two years the Authority shall name national or state banks within the state of Minnesota as depositories of Authority funds. Before acting as a depository, a named bank shall give the Authority a bond approved as to form and surety by the Authority. The bonds must be conditioned for the safekeeping and prompt repayment of deposits. The amount of the bonds must be at least equal to the maximum sums expected to be deposited at any one time.
- (b) *Collateral and Investment*. Authority funds in designated depositories shall be collateralized and investment pursuant to *Minnesota Statutes*, Chapter 118A.

Section 4.3. Checks. All checks of the Authority must be signed by (1) the Treasurer and (2) one of the following: the President, Assistant Treasurer or Executive Director. The check must state the name of the payee and the purpose for which the check was issued.

Section 4.4. Financial Statements. Financial statements of the Authority, prepared and filed as described in Section 2.3(f)(i), shall show all receipts and disbursements, their nature, money on hand and the purposes to which it shall be applied, the Authority's credits and assets and its outstanding liabilities, all in a form consistent with the financial reporting requirements of the City. If the Authority finds the financial statement and Treasurer's vouchers to be correct, it shall approve them by resolution and enter the resolution in its records.

Section 4.5. Budget to City. The Authority shall annually send its budget to the City Council, which budget shall include a written estimate of the amount of money needed by the Authority from the City and from tax levies authorized by *Minnesota Statutes*, §§469.033, subdivision 6 and 469.107 in order for the Authority to conduct business during the upcoming fiscal year. The City Council may approve, reject or modify the budget submitted by the Authority.

ARTICLE V

Miscellaneous

Section 5.1. Report to City. The Authority shall annually, at a time designated by the City, make a report to the City Council giving a detailed account of its activities, its receipts and expenditures for the preceding calendar year and proposed changes to the Authority enabling resolution, if any.

Section 5.2. Employees. The Authority shall utilize such City staff and facilities as it may require and as assigned by the Executive Director.

Section 5.3. Services. The Authority may contract for the services of consultants, agents, public accountants, attorneys, appraisers and others as needed to perform its duties and to exercise its powers.

Section 5.4. Supplies, Purchasing, Facilities and Services. The Authority may purchase the supplies and materials it needs. The Authority may use the facilities of the City's purchasing department. The City may furnish offices, structures and space, stenographic, clerical, engineering and other assistance to the Authority and the Authority may agree to reimburse the City for the cost thereof.

Section 5.5. Execution of Contracts. All contracts, notes, and other written agreements or instruments to which the Authority is a party or signatory or by which the Authority may be bound shall be executed by the President and/or the Executive Director or by such other Commissioners or Officers of the Authority as the Board may by resolution prescribe.

Section 5.6. Amendment of By-Laws. These By-Laws may be amended by the Board by majority vote of all the Commissioners, provided that any such proposed amendment shall first have been delivered to each Commissioner at least five days prior to the meeting at which such amendment is voted upon.

City of Brooklyn Park Request for EDA Action

Agenda Item:	6.2	Meeting Date:	January 16, 2024
Agenda Section:	General Action Items	Prepared By:	John Kinara, Housing and Redevelopment Coordinator
Resolution:	X	Presented By:	John Kinara, Housing and Redevelopment Coordinator
Attachments:	3		
Item:	Consider Accepting Bids and Awarding Contract in the Amount of \$846,682.00 to SignArt Company for Phases I and II of the City-Wide Wayfinding Project (CIP 2071-24) and Authorize the Executive Director to Execute a Contract		

Executive Director's Proposed Action:

MOTION _____, SECOND _____, TO WAIVE THE READING AND ADOPT RESOLUTION #2024-_____, ACCEPTING BIDS AND AWARDING CONTRACT IN THE AMOUNT OF \$846,682.00 TO SIGNART COMPANY FOR PHASES I AND II OF THE CITY-WIDE WAYFINDING PROJECT (CIP 2071-24) AND AUTHORIZE THE EXECUTIVE DIRECTOR TO EXECUTE A CONTRACT.

Overview:

The purpose of this report is to request the Brooklyn Park Economic Development Authority (EDA) to accept the wayfinding project signage installation bids and award the contract to SignArt Company in the amount of \$846,682.00 for the installation of signage for phases one and two of the wayfinding project. On December 7, 2023, six bids were electronically received and opened. The lowest responsible bidder among all the six submitted bids was SignArt Company. The bid amount factors in the cost of prevailing wage in accordance with the city policy.

After receiving signage bids for all three phases of the project, staff is recommending moving forward with Phases I and II at this time. That is consistent with the \$1M in resources budgeted for this work in 2024. SignArt's bid included the signage manufacturing, fabrication, and installation, and a separate bid is being sought for pavement graphics. That work is estimated to cost approximately \$100,000.00.

Background:

Wayfinding is a set of tools and systems that help people navigate their physical space. It is what helps people 'find' their 'way' through a built environment. Wayfinding includes kiosks at key locations and directional signage with maps as well as existing small-branded city signs, gateway monument signs, and park and city facility identification signage. A wayfinding system is needed to identify key destinations, locations and city assets while promoting the image and brand of the community.

Citywide wayfinding was identified as a priority project in the 2018 Park Board referendum and associated work plan. The City's branding initiative and park system plan also discussed the need for wayfinding. Finally, the city has an opportunity to leverage light rail transit (LRT) investment for the development of a comprehensive citywide wayfinding system that links key community destinations, local and regional trails, as well as the LRT.

On March 21, 2023, the EDA approved the wayfinding project implementation design plan and directed staff to work on the project implementation. A Request for Proposals (RFP) was publicly issued on November 1, 2023. The approved 2024 EDA budget allocated resources to this project.

Six vendors submitted proposals electronically that provided detailed work plans that included shop drawings, engineering, material ordering, fabrication, finishing, assembly, and installation of the project.

Primary Issues/Alternatives to Consider:

- **Why is SignArt recommended?**

SignArt Company was selected through a competitive process and emerged as the lowest responsible bidder in the amount of \$1,259,643.00 for all three project phases compared to the highest bid that came in at \$1,690,713.00. SignArt produces specialty signs that meet specific business needs. SignArt Company works with small businesses, healthcare campuses, government entities, corporations, museums, casinos, and many others to execute their brand, attract customers, promote their services, and build name recognition with great signage. SignArt is a Wisconsin-based company with an operations center in Mendota Heights, Minnesota. The company prides itself as a one-stop custom sign shop specializing in design, permitting, fabrication, installation, and service nationwide.

Below is a summary of all bids received:

BIDDER	PHASE 1	PHASE 2	PHASE 3	TOTAL
SIGN ART	\$351,540	\$495,142	\$412,961	\$1,259,643
SERIGRAPHICS SIGN SYSTEMS, INC.	\$391,513	\$583,196	\$463,534	\$1,438,243
GRAPHIC HOUSE, INC.	\$418,754	\$646,533	\$501,419	\$1,566,707
ARCHETYPE	\$541,140	\$657,977	\$491,596	\$1,690,713
ALBRECT SIGN COMPANY	\$514,415	\$654,601	\$562,441	\$1,731,458
GLOBAL SPECIALTY CONTRACTORS	\$535,370	\$751,550	\$594,650	\$1,881,570
PLANNING ESTIMATE	\$375,000	\$470,000	\$590,000	\$1,435,000

- **What is the scope of work in the wayfinding project plan?**

- The City's wayfinding plan documents a comprehensive city-wide wayfinding sign system that reflects the city's existing brand, aligns with city equity priorities, adds to a positive impression of the city, and is cost-effective to install and maintain. The plan focuses on the needs of residents using the system for recreation, transportation, commuting, and shopping.
- The plan coordinates with the recently completed Bottineau Corridor wayfinding, and marketing and branding project, and is compatible with adjacent communities' wayfinding and regional partners such as Three Rivers Park District.
- The plan establishes a sign hierarchy (directional signs, map kiosks, decision points, interpretive educational elements highlighting the history of the city, etc.) that applies to streets, trails, bike lanes, pedestrian pathways, key destinations, and major entry points into the city.
- The plan includes a community engagement component that entails broad community input on key information regarding how residents use the trails and the types of amenities they are looking for. Part of this engagement addresses the community's diversity and how to accommodate the different languages used by residents.
- The plan includes a recommendation for incorporating the technology transfer of wayfinding information from the static sign back to the user on the trails or in the parks.

- **What is the scope of work in the wayfinding project plan for phases one and two?**

Fabricate and install the following signs:

- Trail wayfinding guide signs
- Park informational kiosks
- Updates to Three Rivers wayfinding guide signs
- Vehicular wayfinding guide signs
- City gateway signs

- **What are the next steps for the wayfinding project?**

If awarded tonight, the EDA staff will finalize contract and the contractor will use the winter to fabricate all scoped signage. A separate bid for pavement graphics will be completed over the winter and work on both sign installation and pavement graphics will be completed this fall.

Budgetary/Fiscal Issues:

Funding for the wayfinding plan implementation is budgeted as a 50/50 split from the Park Bond Referendum and the EDA General Fund to cover these costs for Phase I and II. Funding for Phase 3 will be considered in 2025.

Recommendation:

The Executive Director of the EDA recommends accepting bids, awarding a contract in the amount of \$846,682.00 to SignArt Company for phases I and II of the City-Wide Wayfinding Project (CIP 2071-24) and authorizing the Executive Director to execute a contract.

Attachments:

- 6.2A Resolution
- 6.2B Brooklyn Park EDA Sign Art Development Agreement
- 6.2C Public Notice

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

RESOLUTION #2024-_____

RESOLUTION ACCEPTING BIDS AND AWARDING CONTRACT IN THE AMOUNT OF
\$846,682.00 TO SIGNART COMPANY FOR PHASES I AND II OF THE CITY-WIDE
WAYFINDING PROJECT (CIP 2071-24) AND AUTHORIZE THE EXECUTIVE DIRECTOR TO
EXECUTE A CONTRACT

WHEREAS, the Brooklyn Park Economic Development Authority (“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”); and

WHEREAS, the Enabling Resolution was amended by Resolution No. 1995-72 dated March 20, 1995, whereby the EDA was granted all of the powers, rights, duties, and obligations set forth in Minnesota Statutes Sections 469.001 to 469.047 (the “HRA Act”); and

WHEREAS, the EDA and the City are undertaking a city-wide wayfinding planning process; and

WHEREAS, in February of 2021, the City awarded a contract and hired a consultant to identify key destinations and connections, develop a suite of branded wayfinding signage that incorporates current signage work, identify locations for each sign type and develop a phased plan for implementation and maintenance of the plan; and

WHEREAS, the contractor, following robust community engagement, has developed a wayfinding plan and the next step in the process is for staff to begin implementation of the wayfinding plan; and

WHEREAS, on March 20, 2023, the EDA directed staff to issue a request for proposals to implement the wayfinding plan; and

WHEREAS, on November 1, 2023, the EDA issued a Request for Proposals (“RFP”); and

WHEREAS, the EDA received six (6) responses to the RFP, staff has evaluated the responses, and recommends that the Board select SignArt Company as the lowest responsible bidder with a lowest bid of \$1,259,643.00, and enter into a Contract with SignArt Company to perform the work; and:

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

1. The Contract with SignArt Company is hereby in all respects authorized, approved, and confirmed, and the proper City officials are hereby authorized and directed to execute the Contract for and on behalf of the EDA in substantially the form of the attached Contract but with such modifications as shall be deemed necessary, desirable, or appropriate, by the proper City officials and Legal Counsel of the EDA, the execution thereof to constitute conclusive evidence of their approval of any and all modifications therein.

2. The Executive Director of the EDA and the proper city officials are hereby authorized to execute and deliver any and all documents deemed necessary to carry out the intentions of this resolution and the Contract.
3. The authority to approve, execute and deliver future amendments to the Contractual 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 authorization hereby given shall be further construed as authorization for the execution and delivery of such certificates and related items as may be required to demonstrate compliance with the agreements being amended and the terms of this Resolution. The execution of any instrument by the Executive Director shall be conclusive evidence of the approval of such instruments in accordance with the terms hereof. In the absence of the Executive Director any instrument authorized by this paragraph to be executed and delivered may be executed by the officer of the EDA authorized to act in his or her place and stead.

FORM OF CONTRACT

THIS AGREEMENT, made and executed this _____ day of _____, 2024, by and between the City of BROOKLYN PARK ECONOMIC DEVELOPMENT AUTHORITY hereinafter referred to as the "EDA", and _____, hereinafter referred to as the "CONTRACTOR",

WITNESSETH:

EDA and CONTRACTOR, for the consideration hereinafter stated, agree as follows:

I. CONTRACTOR hereby covenants and agrees to perform and execute all the provisions of the plans and specifications referred to in Paragraph IV, as provided by EDA for:

CIP NO. 2071-24

CONTRACTOR further agrees to do everything required by this agreement and the contract documents.

II. EDA agrees to pay, and CONTRACTOR agrees to receive and accept payment in accordance with the prices bid for the unit or lump sum items as set forth in the proposal form attached hereto which prices conform to those in the accepted CONTRACTOR'S proposal on file in the office of the City Engineer. The aggregate sum of such prices, based on estimated required quantities is \$_____.

III. Payments to CONTRACTOR by EDA shall be made as provided in the Contract Documents.

IV. The Contract Documents consist of the following component parts:

- (1) Legal and Procedural Documents
 - a. Advertisement for Bids
 - b. Instructions to Bidders
 - c. Accepted Proposal
 - d. Proposal Guaranty
 - e. Contract Agreement
 - f. Contractor's Performance Bond
- (2) Special Conditions
- (3) Prevailing Wage Policy as outlined in Chapter 42 of the City Code
- (4) Detail Specifications
- (5) General Conditions
- (6) Plans
- (7) Addenda and Supplemental Agreements

V. AUDIT CLAUSE – Provides that the books, records, documents, and accounting procedures and practices of the contractor relevant to the contract are subject to examination by the contracting department or agency, and either the legislative auditor or the state auditor as appropriate.

FORM OF CONTRACT
CIP NO. 2071-24

The Contract Documents are hereby incorporated with this Agreement and are as much a part of this Agreement as if fully set forth herein. This Agreement and the Contract Documents are the Contract.

VI. CONTRACTOR agrees to fully and satisfactorily complete the work contemplated by this Agreement in accordance with the Contract Documents.

VII. This Agreement shall be executed in two copies.

IN WITNESS WHEREOF, the parties to this Agreement have hereunto set their hands and seals as of the date first above written.

CITY OF BROOKLYN PARK EDA

CONTRACTOR

BY _____

BY _____

TITLE: President

TITLE _____

BY _____

BY _____

TITLE: Executive Director

TITLE _____

CIP 2071-24 City Gateway Signage

Quest Number: 8797221

Owner Number: CIP 2071-24
Closing Date: Thu, 11/30/2023 11:00 AM CST
Posting Type: Construction Project
BID DOCUMENTS ARE NOT YET AVAILABLE FOR DOWNLOAD.

QuestCDN Partner Posting

Location Details

City:

Brooklyn Park

County:

MN

State/Province:

MN

Site Directions:

Various Locations throughout the City of Brooklyn Park

Project Details

Closing Date:

Thu, 11/30/2023 11:00 AM CST

Project Bid Received By & Opening Information:

Online bid through QuestCDN.com

Est. Value Notes:

1,000,000.00

Est. Completion Date:

May 31, 2026

Project Description

Project Owner Number:

CIP 2071-24

Project Category Code:

Signage,
Concrete/Formed/Flatwork/Foundation

Description:

Phase 1 Qtys : T1 Trail Sign = 6, T3 Standard Trail Sign = 50, K1 Primary Kiosk = 7, K2 Secondary Kiosk = 3 ; Phase 2 Qtys : T2 Enhanced Trail Sign = 5, T3 Standard Trail Sign = 23, K2 Secondary Kiosk = 5, IP Interpretive Panel = 2, V1 Large Vehicular Guide = 5, V2 Small Vehicular Guide = 12, G1 Highway Gateway = 2, G2 Roadway Gateway = 1 ; Phase 3 Qty's : T3 Standard Trail Sign = 18, K2 Secondary Kiosk = 1 , V2 Small Vehicular Guide = 17, G2 Roadway Gateway = 2, G3 Street Gateway = 4

Additional Description:

Phase 1 Completion Date = 5/31/2024 ,
Phase 2 Completion Date = 5/31/2025,
Phase 3 Completion Date = 5/31/2026

Addenda 0

Addenda Number	Issue Date	Addenda Name	Download	Description	Download Date
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Primary Contact Information

Owner Details

Owner Name:

Address:

Phone:

Fax:

Contact:

Email:

Brooklyn Park MN, City of

5200 85th Avenue North, Brooklyn Park,
MN - 55443

763-493-8054

763-493-8391

Mr. John Kinara

john.kinara@brooklynpark.org

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Solicitor Details

Solicitor Name:

Design Discipline:

Address:

Phone:

Contact:

Email:

AVIA Design Group

Soliciting agent

aviadg.com, Brooklyn Park, MN - 55443

763-218-4051

Mr. Michael Haug

mike@aviadg.com

Project Document Information

-

Document Information:

Quest EBidDoc™ Delivery Info:

Plans and Specs can only be purchased
online through QuestCDN

BID DOCUMENTS ARE NOT YET
AVAILABLE FOR DOWNLOAD.

City of Brooklyn Park Request for EDA Action

Agenda Item:	6.3	Meeting Date:	January 16, 2023
Agenda Section:	General Action Items	Prepared By:	Sarah Abe, Development Project Coordinator
Resolution:	X	Presented By:	Sarah Abe, Development Project Coordinator
Attachments:	3		
Item:	Resolution Approving and Authorizing the Execution of a Development Assistance Agreement (Decatur Landing II)		

Executive Director's Proposed Action:

MOTION _____, SECOND _____, TO WAIVE THE READING AND ADOPT RESOLUTION #2024-_____ APPROVING AND AUTHORIZING THE EXECUTION OF A DEVELOPMENT ASSISTANCE AGREEMENT (DECATUR LANDING II).

Overview:

The action tonight is to consider a full Tax Increment Financing (TIF) Development Agreement with Real Estate Equities (REE) for Phase II of their Decatur Landing development. The total subsidy being considered is a \$2 million loan from the Economic Development Authority's (EDA) Housing Set Aside/TIF 3 fund and \$770,000 in TIF for a total of \$2.77 million for Phase II of the project. This is slightly less than the \$2.8 million subsidy provided to Phase I and approved as a TIF agreement on October 16, 2023. Phase II, however, incorporates prevailing wage into the project costs, which was not the case in Phase I.

Since late 2021, the Brooklyn Park City Council and Economic Development Authority (EDA) have supported through various actions a two-phased multifamily housing proposal from Real Estate Equities (REE), a Twin Cities based developer. Actions previously taken by the City Council and EDA include supporting two resolutions to apply for tax-exempt bonds through Minnesota Housing in June and December 2022 and two term sheet approvals in February and November 2022. REE has modified its proposal several times, including adding 9 units to each building at rents affordable to households no more than 30% of the area median income (AMI) based on direction from the EDA in 2022. REE received unanimous approval at the Planning Commission for its 350-unit proposal and its land use approvals at the City Council meeting on April 10, 2023, and the EDA approved two term sheets at its meeting on April 17, 2023, one for each phase.

Background:

Real Estate Equities was founded in 1972 in Saint Paul, Minnesota. Most of the properties REE owns are in the Twin Cities. It also owns properties in other areas of Minnesota, Wisconsin, Indiana, and soon to be Arizona. In the past few years, REE has developed four housing projects in the Twin Cities using this type of financing, totaling 1,048 units. Real Estate Equities has a primary focus on multifamily housing and its portfolio today includes over 4,000 units of luxury, traditional, affordable, artist lofts and senior apartments. Recent 4% Low Income Housing Tax Credit (LIHTC) developments include The Quill in Hastings, Sonder Pointe/Sonder House in Brooklyn Center, Spring House in Coon Rapids, and others in Saint Paul, West St. Paul, Eagan, and Rochester.

Primary Issues/Alternatives to Consider:

- What is the proposed development?

Real Estate Equities is proposing a multifamily housing development with two “phases” totaling approximately 350 units consisting of 1-bedroom, 2-bedroom, and 3-bedroom apartment homes, located at 9500 Decatur Drive. This project will use income averaging and have an average affordability to families making 60% of the area median income.

The site plan for this project includes two nearly identical 4-story buildings with an approximate unit mix of 80 1-bedroom, 180 2-bedrooms, and 90 3-bedrooms and 659 parking spaces, or approximately 1.9 spaces per unit. The proposed unit and affordability mix for Phase II is included in the table below (Table 1).

Table 1: Proposed unit mix – Phase II

Bedrooms	70% AMI units	70% AMI rent	60% AMI units	60% AMI rent	30% AMI units	30% AMI rent	Total units
1	-	-	30	\$1,398	-	-	30
2	12	\$1,956	84	\$1,677	4	\$838	100
3	15	\$2,261	25	\$1,938	5	\$969	45
Total	27		139		9		175

**This table uses 2023 income and rent limits for the Twin Cities from the U.S. Department of Housing and Urban Development (HUD)*

Each building will include interior and exterior common area amenities, management offices, and structured and surface parking. The development will also include amenities such as clubrooms, playgrounds, dog parks, and fitness centers. All units will be equipped with granite countertops, high quality cabinetry, laundry equipment, and luxury vinyl plank flooring. The two phases are intended to be operated jointly.

- **How will this project contribute to tax base?**

This project will develop a currently vacant piece of privately owned land located in the north part of the city. The estimated market value will be based on income generation of the project. According to the City assessor and financial consultant, Ehlers, the Estimated Market Value (EMV) for Phase II of this project is anticipated to be \$36,750,000, or approximately \$210,000 per unit. Sonder House, another workforce housing development in neighboring Brooklyn Center developed by REE, has an EMV of \$200,000 per unit (\$25M for 127 units).

With the proposed TIF financing for this project, 95 percent of annually available tax increment will go toward supporting the project cost for no more than 15 years. This project will be eligible for 4d(1) tax classification (commonly referred to as the affordable housing tax classification), which will reduce the amount of taxes owed as long as the project maintains affordability. After the note is fully paid, the City Council could de-certify the district, or keep it open through 26 years and collect increment to fund future affordable housing.

- **How would this development be financed?**

REE is proposing to finance the development with TIF, a repayable loan from the EDA's Housing Set Aside Fund and TIF 3, an allocation of tax-exempt bonds from MMB, an allocation of 4% federal Low Income Housing Tax Credits from Minnesota Housing, and funding from Hennepin County, as shown in Table 2. The developer applied for an allocation of tax-exempt bonds in December 2023 and was awarded the allocation on January 9, 2024.

The financing proposal for this development includes 15 years of TIF, estimated at and not to exceed \$770,000, and a \$2 million loan for Phase II. This is slightly less than the \$2.8 million that was approved for Phase I; however, Phase II includes prevailing wage costs.

Table 2: Proposed sources and uses (total project)

Sources		Uses	
Tax-Exempt First Mortgage	32,827,000	Acquisition Costs	1,540,148
TIF Note	770,000	Construction Costs	41,775,414
Brooklyn Park Housing Set Aside/TIF 3	2,000,000	Professional Services	2,118,781
Tax Credits	17,440,000	Financing Costs	7,359,909
Deferred Developer Fee (69% of Total Fee)	4,582,992	Developer Fee	5,440,900
Greater MN Housing Fund Loan	1,500,000	Permits/Fees	906,140
Other sources	1,751,000	Interest and reserves	1,729,700
TOTAL SOURCES	60,870,992	TOTAL USES	60,870,992

- **What are the reasons to consider EDA financing for this project?**

This future use for this site is envisioned as mixed use and is an area of the city where there are fewer rental multifamily properties. This development would hold rents below market rate for a minimum of 30 years in an area of the city where workforce housing does not currently exist and supports the integration of attainable units across Brooklyn Park.

According to the Metropolitan Council's affordable housing assessment, only 35% of the housing units in Brooklyn Park are affordable and attainable to households making less than 60% of the area median income. This development could bring new, well-constructed development to northern Brooklyn Park, which is needed and in-demand both in Brooklyn Park and in the larger Hennepin County area.

- **What are the next steps?**

Should the EDA approve the TIF agreement for Phase II, REE would continue to work toward closing its financing and beginning construction on or before June 1, 2024. The developer would need to close on its bond financing in the spring of 2024 in order to proceed to construction.

- January 9: Tax-exempt bond allocation awarded by MMB
- January 16 (tonight): Request to approve TIF agreement for Phase II (EDA)
- April: Request for approval for State bond issuance (Public Hearing, City Council)
- Spring/summer 2024: Construction begins for Phase II

- **How does this project fulfill BP 2025 goals?**

This development is consistent with several of the Brooklyn Park stated community goals including access to healthy and safe housing, contributing to a thriving economy, and quality housing for all incomes integrated throughout the community.

Budgetary/Fiscal Issues:

The up to \$770,000 in TIF assistance for Phase II 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. The increased tax revenue from this project would be paid to the developer for up to 15 years.

The \$2 million loan is proposed from a mix of Housing Set Aside and TIF 3 Funds. It would be an up-front payment repayable upon the sooner of sale, re-syndication, or 25 years. The EDA has used the Housing Set Aside fund for the past several years to provide large loans to workforce housing projects. This project is anticipated to use the remaining funds in the Housing Set Aside account and pay the remaining balance from TIF 3. If there are enough funds in the Housing Set Aside to cover the entire loan, those funds will be used first.

Additionally, per TIF laws, the EDA could capture remaining TIF proceeds after repayment of the developer obligation for up to 26 years and use the excess funds (estimated amount of slightly over \$1 million) for future affordable housing projects.

Recommendation:

The Executive Director of the EDA recommends approval.

Attachments:

- 6.3A RESOLUTION
- 6.3B TIF AGREEMENT
- 6.3C LOCATION MAP

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

RESOLUTION #2024-_____

RESOLUTION APPROVING AND AUTHORIZING THE EXECUTION OF A DEVELOPMENT
ASSISTANCE AGREEMENT (DECATUR LANDING II)

WHEREAS, the City of Brooklyn Park, Minnesota (the "City") and the Brooklyn Park Economic Development Authority, a public body corporate and politic (the "EDA"), have undertaken a program to promote economic development and job opportunities, promote the development and redevelopment of land which is underutilized within the City and have created a development district known as Development District No. 1 (the "Development District") in the City, pursuant to Minnesota Statutes, Sections 469.124 to 469.133 (the "Development District Act"), the administration of which has been transferred to the EDA; and

WHEREAS, the City and the EDA have established Tax Increment Financing District No. 1-29, a housing tax increment financing district (the "TIF District"), within the Development District; and adopted a Tax Increment Financing Plan therefor, all pursuant to and in conformity with applicable law, including Minnesota Statutes, Sections 469.174 through 469.1794, as amended (the "TIF Act"), Minnesota Statutes, Sections 469.001 to 469.047 and Sections 469.090 to 469.1081, all inclusive, as amended (collectively, and together with the TIF Act and the Development District Act, the "Act"); and

WHEREAS, the TIF District was established to facilitate the construction of two approximately 175-unit multi-family rental housing facilities with both workforce and market rate units and related amenities and improvements to be constructed in two phases (the "Project"); and

WHEREAS, Brooklyn Park AH II, LLLP, a Minnesota limited liability limited partnership, or an entity affiliated therewith or to be formed thereby (the "Developer"), has proposed the acquisition, construction and equipping of an approximately 175-unit multifamily rental housing facility with related amenities and improvements including a fitness center, community room, tot lot and an outdoor grilling/patio area as the second phase of the Project (the "Development") on certain property located within the TIF District (the "Development Property"); and

WHEREAS, the City and the EDA previously established, within the Development District, Tax Increment Financing District No. 3 ("TIF District 3"), pursuant to the TIF Act; and

WHEREAS, the City and the EDA previously established, within the Development District, Tax Increment Financing District No. 15 ("TIF District 15"), pursuant to the TIF Act and Minnesota Laws of 1994, Chapter 587, Article 9, Section 20 (the "1994 Special Law"), as amended by Minnesota Laws of 2005, Chapter 152, Article 3, Section 29 (the "2005 Special Law"), and as further amended by Minnesota Laws of 2006, Chapter 259, Article 10, Section 16 (the "2006 Special Law" and, together with the 2005 Special Law and the 1994 Special Law, the "TIF 15 Special Laws"); and

WHEREAS, the TIF 15 Special Laws authorize and require the EDA to spend up to 15% of the tax increment from TIF District 15 for the rehabilitation, acquisition, demolition, and financing of new or existing single family or multifamily housing located anywhere in the City, if the occupants meet certain income qualifications (the "TIF 15 Housing Set Aside"); and

WHEREAS, the City and the EDA have established, within the Development District, Tax Increment Financing District No. 17 ("TIF District 17"), pursuant to the TIF Act and Minnesota Laws of 1996, Chapter 471, Article 7, Sections 28 through 31 (the "TIF 17 Special Law" and, together with the TIF 15 Special Laws, the "Special Laws"); and

WHEREAS, the TIF 17 Special Law authorizes and requires the EDA to deposit all of the tax increment from TIF District 17 in excess of the amount needed to pay the costs of relocation of tenants residing in a distressed rental property (as defined in the TIF 17 Special Law) into the TIF 15 Housing Set Aside account (the "TIF 17 Housing Set Aside TIF" and, together with the TIF 15 Housing Set Aside, the "Housing Set Aside TIF"); and

WHEREAS, the Developer has presented the EDA with a proposal for the construction of the Development by the Developer, and there has been prepared and presented to the Board of Commissioners of the EDA (the "Board") for its consideration a certain Development Assistance Agreement (the "Development Agreement") between the EDA and the Developer, which states the Developer's responsibilities and the terms and conditions of the EDA's assistance with the financing of certain costs of the Development, including, but not limited to up to 15 years of tax increments generated by the Development Property and a loan to the Developer in the amount of up to \$2,000,000 (the "Pooled TIF Loan") from the Housing Set Aside TIF to the extent available and, to the extent the funds from the Housing Set Aside TIF are insufficient to fund the Pooled TIF Loan, from TIF District 3, all only to the extent such funds have been received by the EDA, are not otherwise pledged to other obligations of the EDA and are authorized to be retained by the EDA in accordance with the provisions of Section 469.177 of the TIF Act; and

WHEREAS, the Board desires that construction of the Development be subject to prevailing wage requirements, as further set forth in the Development Agreement, which impacts the need for assistance for the Development.

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

Section 1. Approval of Development Documents.

1.01. The EDA approves the Pooled TIF Loan pursuant to the terms of the Development Agreement.

1.02. The Board hereby approves the Development Agreement in substantially the form presented to the Board, together with any related documents necessary in connection therewith, including without limitation all documents, exhibits, certifications, or consents referenced in or attached to the Development Agreement including without limitation the TIF Note, the Pooled TIF Promissory Note, the Declaration of Restrictive Covenants, and the Minimum Assessment Agreement (all as defined in the Development Agreement) (collectively, the "Development Documents"), and hereby authorizes the Executive Director, in his/her discretion and at such time, if any, as he/she may deem appropriate, to execute the same 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.

1.03. The approval hereby given to the Development Documents includes approval of such additional details therein as may be necessary and appropriate and such modifications thereof, deletions therefrom and additions thereto as may be necessary and appropriate and approved by legal counsel to the EDA and by the officer authorized herein to execute said

documents prior to their execution; and said officer is hereby authorized to approve said changes on behalf of the EDA. The execution of any instrument by the appropriate officer of the EDA herein authorized shall be conclusive evidence of the approval of such document in accordance with the terms hereof. This resolution shall not constitute an offer and the Development Documents shall not be effective until the date of execution thereof as provided therein.

1.04. In the event of absence or disability of the Executive Director, 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 the City Attorney, may act in his/her behalf. Upon execution and delivery of the Development Documents, the officers and employees of the Board are hereby authorized and directed to take or cause to be taken such actions as may be necessary on behalf of the Board to implement the Development Documents, including without limitation the issuance of tax increment revenue obligations thereunder when all conditions precedent thereto have been satisfied and reserving funds for the payment thereof in the applicable tax increment accounts.

1.05. The Board hereby determines that the execution and performance of the Development Documents will help realize the public purposes of the Act.

Section 2. Prevailing Wage Requirements Apply. As a condition of receiving the EDA's financing assistance for the Development, the construction of the Development shall be subject to prevailing wage requirements, as further set forth in the Development Agreement.

DEVELOPMENT ASSISTANCE AGREEMENT

BETWEEN

BROOKLYN PARK ECONOMIC DEVELOPMENT AUTHORITY

AND

BROOKLYN PARK AH II, LLLP

This document drafted by:
KENNEDY & GRAVEN, CHARTERED (JSB)
700 Fifth Street Towers
150 South Fifth Street
Minneapolis, Minnesota 55402
(P) 612-337-9300
(F) 612-337-9310

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DEVELOPMENT ASSISTANCE AGREEMENT

THIS DEVELOPMENT ASSISTANCE AGREEMENT (the “Agreement”) is made as of the ___ day of _____, 2024, by and between the BROOKLYN PARK ECONOMIC DEVELOPMENT AUTHORITY (the “EDA”), a public body corporate and politic under the laws of the State of Minnesota, and BROOKLYN PARK AH II, LLLP, a Minnesota limited liability limited partnership (the “Developer”).

WITNESSETH:

WHEREAS, the EDA was created pursuant to Minnesota Statutes, Sections 469.090 to 469.1081, as amended (the “EDA Act”), and was authorized to transact business and exercise its powers by a resolution (the “Enabling Resolution”) of the City Council of the City of Brooklyn Park, Minnesota (the “City”); and

WHEREAS, under the EDA Act and the Enabling Resolution, the EDA has all the powers of a housing and redevelopment authority under Minnesota Statutes, Sections 469.001 to 469.047, as amended (the “HRA Act”); and

WHEREAS, pursuant to Minnesota Statutes, Sections 469.124 to 469.133 (the “Municipal Development Act”), the EDA and the City of Brooklyn Park, Minnesota (the “City”) have undertaken a program to promote economic development, promote the development and redevelopment of land which is underutilized within the City, and in this connection created a development district known as Development District No. 1 (the “Development District”) in the City, which is administered by the EDA; and

WHEREAS, pursuant to the provisions of Minnesota Statutes, Section 469.174 through 469.1794, as amended, (the “TIF Act”), the City and the EDA have established, within the Development District, Tax Increment Financing District No. 1-29 (a housing district), qualified as a housing tax increment financing district (the “TIF District”), the legal description of which is attached hereto as **Exhibit A**, and has adopted a tax increment financing plan therefor (the “TIF Plan”), approved by the City Council of the City on October 23, 2023, and approved by the Board of Commissioners of the EDA (the “Board”) on October 16, 2023, which provides for the use of tax increment financing in connection with certain development within the Development District and TIF District; and

WHEREAS, the City and the EDA have established, within the Development District, Tax Increment Financing District No. 3 (“TIF District 3”), pursuant to the TIF Act; and

WHEREAS, the City and the EDA have established, within the Development District, Tax Increment Financing District No. 15 (“TIF District 15”), pursuant to the TIF Act and Minnesota Laws of 1994, Chapter 587, Article 9, Section 20 (the “1994 Special Law”), as amended by Minnesota Laws of 2005, Chapter 152, Article 3, Section 29 (the “2005 Special Law”), and as further amended by Minnesota Laws of 2006, Chapter 259, Article 10, Section 16 (the “2006 Special Law” and, together with the 2005 Special Law and the 1994 Special Law, the “TIF 15 Special Laws”); and

WHEREAS, the TIF 15 Special Laws authorize and require the EDA to spend up to 15% of the tax increment from TIF District 15 for the rehabilitation, acquisition, demolition, and financing of new or existing single family or multifamily housing located anywhere in the City, if the occupants meet certain income qualifications (the “TIF 15 Housing Set Aside”); and

WHEREAS, the City and the EDA have established, within the Development District, Tax Increment Financing District No. 17 (“TIF District 17”) pursuant to the TIF Act and Minnesota Laws of 1996, Chapter 471, Article 7, Sections 28 through 31 (the “TIF 17 Special Law” and, together with the TIF 15 Special Laws, the “Special Laws”); and

WHEREAS, the TIF 17 Special Law authorizes and requires the EDA to deposit all of the tax increment from TIF District 17 in excess of the amount needed to pay the costs of relocation of tenants residing in a distressed rental property (as defined in the TIF 17 Special Law) into the TIF 15 Housing Set Aside account (the “TIF 17 Housing Set Aside TIF” and, together with the TIF 15 Housing Set Aside, the “Housing Set Aside TIF”); and

WHEREAS, the Developer has proposed the acquisition, construction and equipping of an approximately 175-unit multifamily rental housing facility with related amenities and improvements including a fitness center, community room, tot lot and an outdoor grilling/patio area (collectively, the “Project”) on certain property described in **Exhibit B** hereto, which property is located within the TIF District (the “Development Property”); and

WHEREAS, the Developer has requested that the EDA use tax increment financing to assist the Developer with certain costs thereof in order to fill the gap between the Total Development Costs (as hereinafter defined) and the funds available to pay such costs; and

NOW, THEREFORE, in consideration of the premises and the mutual obligations of the parties hereto, each of them does hereby covenant and agree with the other as follows:

ARTICLE I

DEFINITIONS

Section 1.1. Definitions. All capitalized terms used and not otherwise defined herein shall have the following meanings unless a different meaning clearly appears from the context:

Administrative Costs has the meaning set forth in Section 3.5;

Affiliate means a corporation, partnership, joint venture, association, business trust or similar entity organized under the laws of the United States of America or a state thereof which is directly controlled by or under common control with the Developer or any other Affiliate. For purposes of this definition, control means the power to direct management and policies through the ownership of at least a majority of its voting securities, or the right to designate or elect at least a majority of the members of its governing body by contract or otherwise;

Agreement means this Development Assistance Agreement, as the same may be from time to time modified, amended or supplemented;

Architect means Kaas Wilson Architects, LLC;

Assessment Agreement means the minimum assessment agreement, between the Developer and the EDA, in substantially the form of the agreement attached as **Exhibit G** hereto and made a part of this Agreement;

Board means the Board of Commissioners of the EDA;

Business Day means any day except a Saturday, Sunday or a legal holiday or a day on which banking institutions in the City are authorized by law or executive order to close;

Certificate of Completion means a Certificate of Completion with respect to the Project executed by the EDA pursuant to Section 3.10, in substantially the form set forth in **Exhibit F** attached hereto;

City means the City of Brooklyn Park, Minnesota;

Code means the Internal Revenue Code of 1986, as amended;

Completion Date means the date on which the Certificate of Completion with respect to the Project is executed by the EDA pursuant to Section 3.10;

Construction Documents means the following documents, all of which shall be in form and substance acceptable to the EDA: (a) evidence satisfactory to the EDA showing that the Project conforms to applicable zoning, subdivision and building code laws and ordinances, including a copy of the building permit for the Project; (b) a copy of the executed standard form of agreement between owner and architect for architectural services for the Project, if any; and (c) a copy of the executed General Contractor's contract for the Project, if any;

Construction Plans means the plans, specifications, drawings and related documents for the construction of the Project which shall be as detailed as the plans, specifications, drawings and related documents which are submitted to the building inspector of the EDA;

Construction Loan means any loan or loans to be made to provide financing for the construction of the Project;

County means Hennepin County, Minnesota;

Declaration means the Declaration of Restrictive Covenants in substantially the form set forth in **Exhibit H** attached hereto;

Design Drawings means the floor plans, renderings, elevations and material specifications for the Project prepared by the Architect;

Developer means Brooklyn Park AH II, LLLP, a Minnesota limited liability limited partnership, and its authorized successors and assigns;

Development Contract means the Contract for Development of Properties Requiring a Plat, Conditional Use Permit, and Site Plan, between the City and the Developer in connection with the construction of the Project, platting and related public infrastructure;

Development Property means the real property legally described in **Exhibit B** attached hereto;

EDA means the Brooklyn Park Economic Development Authority;

Event of Default means any of the events (and the passing of any applicable cure periods) described in Section 4.1 hereof;

Final Payment Date means the earliest of (i) the date on which the entire principal and accrued interest on the TIF Note has been paid in full; or (ii) February 1, 2041; or (iii) any earlier date this Agreement or the TIF Note is terminated or cancelled in accordance with the terms hereof or deemed paid in full; or (iv) the February 1 following the date the TIF District is terminated in accordance with the TIF Act; or (v) the date the EDA cancels the TIF Note upon a written request for termination from the Developer and a determination in the EDA's sole discretion that such termination will not limit or interfere with the EDA's ability to pool Tax Increments generated by the TIF District for affordable housing in accordance with the TIF Act (provided that there shall be no payment of any Tax Increments on such date unless it is a regular Payment Date);

General Contractor means Big-D Construction Midwest;

Payment Date means August 1, 2026 and each February 1 and August 1 thereafter to and including the Final Payment Date; provided, that if any such Payment Date should not be a Business Day, the Payment Date shall be the next succeeding Business Day;

Permitted Encumbrances means those encumbrances set forth in **Exhibit J** attached hereto;

Pledged Tax Increments means for any six-month period, 95% of the Tax Increments received by the EDA since the previous Payment Date;

Pooled TIF means the Housing Set Aside TIF, as defined in the recitals, which has been received by the EDA and which the EDA is authorized to retain in accordance with the provisions of Section 469.177 of the TIF Act and the Special Laws from TIF District 15 and TIF District 17 (as those terms are defined in the recitals), to the extent available, and to the extent Housing Set Aside TIF is insufficient to fund the Pooled TIF Loan, funds from TIF District 3, as defined in the recitals, which have been received by the EDA and which the EDA is authorized to retain in accordance with the provisions of Section 469.177 of the TIF Act and not otherwise pledged to other obligations of the EDA;

Pooled TIF Loan means the loan from the EDA to the Developer from Pooled TIF funds issued pursuant to Section 3.3 hereof in an amount of up to \$2,000,000;

Pooled TIF Promissory Note means the Pooled TIF Promissory Note to be executed by the Developer in connection with the Pooled TIF Loan in substantially the form set forth in Exhibit K;

Project means the acquisition, construction and equipping of an approximately 175-unit multifamily rental housing facility with related amenities and improvements including a fitness center, community room, tot lot and an outdoor grilling/patio area on the Development Property;

Public Development Costs means the public redevelopment costs of the Project identified on **Exhibit C** attached hereto and any other cost incurred by the Developer, or its assigns, that the EDA determines is eligible for reimbursement with Pledged Tax Increments or Pooled TIF;

Reimbursement Amount means the lesser of (i) \$2,770,000 (comprised of up to \$2,000,000 from Pooled TIF and up to \$770,000 from the TIF Note) or (ii) the Public Development Costs actually incurred and paid by the Developer, or (iii) the amount determined pursuant to Section 3.2(9);

Revenue Bonds means the tax-exempt Multifamily Housing Revenue Bonds (Decatur Landing II Apartments Project), Series 2024A, issued by the City for the Project;

Site Plan means the site plan prepared for the Development Property approved by the City;

State means the State of Minnesota;

Stormwater Declaration means that certain Declaration for Maintenance of Stormwater Facilities, by the Developer related to the Development Property;

Subcontractor Addendum means the Subcontractor Addendum, in substantially the form set forth in **Exhibit I** attached hereto;

Sworn Construction Cost Statement has the meaning set forth in Section 3.8(1) hereof;

Tax Credit Investor means, collectively, [**Stratford Brooklyn Park Investors Limited Partnership, a Massachusetts limited partnership, and Stratford SLP, Inc., a Delaware corporation;**]

Tax Increments means the tax increments derived from the Development Property and the improvements thereon which have been received and are permitted to be retained by the EDA in accordance with the TIF Act including, without limitation, Section 469.177; Section 469.176, subdivision 4h; and Section 469.175, subdivision 1a, as the same may be amended from time to time; for purposes of this definition, “derived from the Development Property and the improvements thereon” means the portion of Tax Increments actually received by the City from the TIF District determined by the City, in its sole determination, to have been derived from the Development Property;

Termination Date means, except as otherwise defined in and with respect to the Declaration and unless this Agreement is terminated earlier in accordance with its terms, the later of the Final Payment Date or the date the principal of and any other amount due with respect to the Pooled TIF Promissory Note is paid in full;

TIF Act means Minnesota Statutes, Sections 469.174 through 469.1794, as amended;

TIF District means the Tax Increment Financing District No. 1-29 (a housing district), within the Development District in the City, consisting of the property legally described in **Exhibit A** attached hereto, which was established as a housing district under the TIF Act;

TIF Note means the Taxable Tax Increment Revenue Note (Decatur Landing II Apartments Project) to be executed by the EDA and delivered to the Developer pursuant to Article III hereof, a form of which is set forth in **Exhibit E** attached hereto;

TIF Plan means the tax increment financing plan approved for the TIF District;

Total Development Costs means the costs of the Project to be incurred by the Developer as set forth in **Exhibit D** attached hereto; and

Trustee means [**U.S. Bank Trust Company, National Association, a national banking association,**] its successor and assigns;

[Trustee Collateral Assignment] means the Assignment of Tax Increment Financing Documents by and between the Developer and the Trustee as consented to by the EDA;]

Unavoidable Delays means delays, outside the control of the party claiming their occurrence, which are the direct result of pandemics, epidemics (or other health related disruptions), strikes, other labor troubles, unusually severe or prolonged bad weather, acts of God, acts of war or terrorism, civil strife, including protests, fire or other casualty to the Project, litigation commenced by third parties which, by injunction or other similar judicial action or by the exercise of reasonable discretion, directly results in delays, or acts of any federal, state or local governmental unit (other than the City or the EDA in properly exercising its rights under this Agreement) which directly result in delays, acts of the public enemy or acts of terrorism and

discovery of unknown hazardous materials or other concealed site conditions or delays of contractors due to such discovery.

ARTICLE II

REPRESENTATIONS AND WARRANTIES

Section 2.1. Representations and Warranties of the EDA. The EDA makes the following representations and warranties:

(1) The EDA is a public body corporate and politic organized and existing under the Constitution and laws of the State and has the power to enter into this Agreement and carry out its obligations hereunder.

(2) The EDA has taken the actions necessary to establish the TIF District as a “housing district” within the meaning of Section 469.174, subdivision 11 of the TIF Act.

(3) The development contemplated by this Agreement is in conformance with the development objectives set forth in the Development Program and the TIF Plan.

(4) The EDA makes no representation or warranty, either express or implied, as to the Development Property or its condition, or that the Development Property shall be suitable for the Developer’s purposes or needs.

Section 2.2. Representations and Warranties of the Developer. The Developer makes the following representations and warranties:

(1) The Developer is a Minnesota limited liability limited partnership duly and validly organized and existing in good standing under the laws of the State and has power and authority to enter into this Agreement and to perform its obligations hereunder and is not in violation of any provision of the laws of the State.

(2) The construction of the Project would not be undertaken by the Developer, and in the opinion of the Developer would not be economically feasible within the reasonably foreseeable future, without the assistance and benefit to the Developer provided for in this Agreement.

(3) Neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms and conditions of this Agreement is prevented, limited by or conflicts with or results in a breach of, the terms, conditions or provision of any contractual restriction, evidence of indebtedness, agreement or instrument of whatever nature to which the Developer is now a party or by which it is bound, or constitutes a default under any of the foregoing.

(4) The Developer understands that the EDA or the City may subsidize or encourage the development of other developments in the City, including properties that compete with the Development Property and the Project, and that such subsidies may be more favorable than the terms of this Agreement, and that the EDA and the City have informed the Developer that development of the Development Property will not be favored over the development of other properties.

(5) To the Developer's actual knowledge, no member of the City Council of the City, the Board of Commissioners of the EDA, or other officer of the City or the EDA has either a direct or indirect financial interest in this Agreement, nor will any member of City Council of the City, the Board of Commissioners, or other officer of the City or the EDA, benefit financially from this Agreement within the meaning of Minnesota Statutes, Sections 412.311 and 471.87.

ARTICLE III

UNDERTAKINGS BY DEVELOPER AND EDA

Section 3.1. Total Development Costs and Public Costs.

(1) The Developer's estimate of the Total Development Costs of the Project and sources of revenue to pay such costs are set forth in **Exhibit D** attached hereto.

(2) Based on the Developer's representation that the Total Development Costs for the Project are approximately \$60,870,992, that the sources of revenue available to pay such costs, excluding the tax increment assistance contemplated herein, is \$58,100,992, and that the Developer is unable to obtain additional private financing for the estimated Total Development Costs, the EDA has agreed to provide tax increment financing subject to the terms and conditions as hereinafter set forth. The Developer shall provide the EDA copies of all executed financing documents related to financing the Total Development Costs of the Project.

(3) The parties agree that the Public Development Costs to be incurred by the Developer are essential to the successful completion of the Project. The Developer anticipates that the Public Development Costs for the Project which are identified in **Exhibit C** attached hereto will be at least \$2,770,000.

(4) As of January 2, 2027, the estimated market value of the Development Property, as improved, is expected to be at least \$36,750,000.

(5) The Developer will acquire the Development Property and cause the Project to be constructed in accordance with the terms of this Agreement, the Development Program, and all local, state, and federal laws and regulations including, but not limited to, environmental, zoning, energy conservation, building code and public health laws and regulations.

(6) The Developer shall, in a timely manner, comply with all requirements necessary to obtain, or cause to be obtained, all required permits, licenses and approvals, and will meet, in a timely manner, all requirements of all applicable local, state, and federal laws and regulations which must be obtained or met for the construction and operation of the Project.

(7) The Total Development Costs shall be paid by the Developer, and the EDA shall reimburse the Developer for the Public Development Costs solely in the Reimbursement Amount through the issuance of the TIF Note and Pooled TIF Loan as provided herein.

Section 3.2. TIF Note.

(1) The TIF Note will be originally issued to the Developer, as provided in Section 3.2(2), in a principal amount not to exceed the lesser of (i) up to \$770,000 of the Reimbursement Amount not reimbursed with the Pooled TIF Loan or (ii) the amount determined pursuant to Section 3.2(9) and shall be dated as of its date of issuance. The principal of the TIF Note and interest thereon shall be payable on a pay-as-you-go basis solely from the Pledged Tax Increments as provided below.

(2) The TIF Note shall be issued, in substantially the form attached hereto as **Exhibit E** and interest will commence to accrue on the TIF Note only when: (A) the Developer shall have submitted paid invoices or other written proof and documentation as may be reasonably satisfactory to the EDA of the exact nature and amount of the Public Development Costs incurred by the Developer, together with such other information or documentation as may be reasonably necessary and satisfactory to the EDA to enable the EDA to substantiate the Developer's tax increment expenditures for Public Development Costs in accordance with **Exhibit C** attached hereto and/or to comply with its tax increment reporting obligations to the Commissioner of Revenue, the Office of the State Auditor or other applicable official; (B) the EDA shall have received evidence that the Declaration and the Assessment Agreement have been recorded against the Development Property; (C) the Developer shall have obtained a certificate of occupancy from the City for all residential units in the Project and a Certificate of Completion as provided in this Agreement; (D) the Developer shall have paid all of the EDA's Administrative Costs required to have been paid as of such date in accordance with Section 3.5 hereof; (E) the Developer is in material compliance with each term or provision of this Agreement, the Development Contract, and the Stormwater Declaration required to have been satisfied as of such date; and (F) the Developer has submitted the final sources and uses for the Project in accordance with Section 3.2(9) and the EDA shall have determined any adjustment to the Reimbursement Amount pursuant to Section 3.2(9). The documentation provided in accordance with Section 3.2(2)(A) shall include specific invoices for the particular work from the contractor or other provider and shall include paid invoices, copies of remittances and/or other suitable documentary proofs of the Developer's payment thereof.

(3) Subject to the provisions thereof, the TIF Note shall bear simple, non-compounding interest at the rate equal to the lesser of 6.03% per annum or [**the true interest cost of the Revenue Bonds**]. Interest shall be computed on the basis of a 360-day year consisting of twelve 30-day months. Principal and interest on the TIF Note will be payable on each Payment Date; however, the sole source of funds required to be used for payment of the EDA's obligations under this Section and correspondingly under the TIF Note shall be the Pledged Tax Increments received in the 6-month period preceding each Payment Date. On each Payment Date the Pledged Tax Increment shall be credited against the accrued interest then due on the TIF Note and then applied to reduce the principal. In the event the Pledged Tax Increments are not sufficient to pay the accrued interest, the unpaid accrued interest shall be carried forward without interest. All Tax Increments in excess of the Pledged Tax Increments necessary to pay the principal and accrued interest on the TIF Note are not subject to this Agreement, and the EDA retains full discretion as to any authorized application thereof. To the extent that the Pledged Tax Increments are insufficient through the Final Payment Date, to pay all amounts otherwise due on the TIF Note, said unpaid amounts shall then cease to be any debt or obligation of the City or the EDA whatsoever. The Developer acknowledges that estimates of Tax Increment prepared by the City or its municipal advisors in connection with the TIF District or this Agreement are for the benefit of the City and are not intended as representations on which the Developer may rely. No interest will accrue during any period in which payments have been suspended pursuant to Section 4.2.

(4) Any interest accruing on Pledged Tax Increments held by the EDA pending payment to the Developer on the TIF Note shall accrue to the account of the TIF District.

(5) The TIF Note shall be a special and limited obligation of the EDA and not a general obligation of the City or the EDA, and only Pledged Tax Increments shall be used to pay the principal of and interest on the TIF Note.

(6) The EDA's obligation to make payments on the TIF Note on any Payment Date is subject to adjustment as set forth in Section 3.15 and shall be conditioned upon the requirement that (A) there shall not at that time be an Event of Default that has occurred and is continuing under this Agreement that has not been cured during the applicable cure period, (B) this Agreement shall not have been terminated pursuant to Section 4.2, (C) all conditions set forth in Section 3.2(2) have been satisfied as of such date, and (D) the Developer shall have paid all of the City's annual issuer's fee required to have been paid as of such date in accordance with Section 2.3(d) of the Loan Agreement between the City and the Developer in connection with the issuance of the Revenue Bonds.

(7) The TIF Note shall be governed by and payable pursuant to the additional terms thereof, as actually executed, in substantially the form set forth in **Exhibit E** attached hereto. In the event of any conflict between the terms of the TIF Note and the terms of this Section 3.2, the terms of the TIF Note shall govern. The issuance of the TIF Note is pursuant and subject to the terms of this Agreement.

(8) The Developer must execute and deliver the Assessment Agreement all as further provided in Section 3.6 and must file such Assessment Agreement with the Hennepin County Recorder and Registrar of Titles at the Developer's sole cost.

(9) The financial assistance to the Developer under this Agreement is based on certain assumptions regarding likely costs and expenses associated with constructing the Project. The EDA and Developer agree that the Developer's representations of the Total Development Costs will be reviewed at the time of completion of construction of the Project. Upon submitting the request for the Certificate of Completion under Section 3.10, the Developer shall submit the final sources and uses for the Project in the form set forth in **Exhibit D** based on actual Total Development Costs as incurred and documented. If the actual Total Development Costs at completion have decreased by more than \$100,000 below the amount shown in **Exhibit D**, then the Reimbursement Amount will be reduced by 50% of the amount of the decrease in the Total Development Costs which exceeds \$100,000, and such reduction will be reflected in a reduced principal amount of the TIF Note.

Section 3.3. Pooled TIF Loan.

(1) In addition to the TIF Note, the EDA will use existing Pooled TIF to provide a loan to reimburse the Developer for up to \$2,000,000 of the Reimbursement Amount (the "Pooled TIF Loan"). The Pooled TIF Loan shall be repaid in accordance with the terms of Pooled TIF Promissory Note in substantially the form attached hereto as **Exhibit K** which shall be executed and delivered by the Developer to the EDA simultaneously with the execution and delivery of this Agreement.

(2) The proceeds of the Pooled TIF Loan shall be disbursed to the Developer only when:

(a) All conditions for the full disbursement of the Revenue Bonds have been satisfied or waived and the Developer shall have full funding to complete the Project;

(b) The Developer shall have provided evidence satisfactory to the EDA that construction on the Project building foundation has begun;

(c) The Developer shall have satisfied the all the conditions set forth in Section 3.2(2) hereof, except for conditions (C) and (F);

(d) The Developer shall have incurred Public Development Costs in an amount greater than or equal to \$2,000,000, and provided invoices evidencing such Public Development Costs in accordance with Section 3.2(2)(A);

(e) The Developer shall have delivered to the EDA copies of the (I) organizational documents and the operating agreement of the Developer, (II) certificate of good standing for the Developer issued by the Minnesota Secretary of State; and (III) certified resolutions or written actions of the Developer authorizing the execution and delivery of this Agreement and the Pooled TIF Promissory Note, and all other documents to be executed by the Developer pursuant to this Agreement; and

(f) The Developer shall not then be in default of its obligations under this Agreement, the Development Contract, or the Stormwater Declaration.

Section 3.4. Income and Rent Restrictions. The Developer hereby represents, covenants and agrees as follows:

(1) The Project is intended for occupancy by persons or families of low and moderate income, as defined in Chapter 462A, Title II of the National Housing Act of 1934, the National Housing Act of 1959, the United States Housing Act of 1937, as amended, Title V of the Housing Act of 1949, as amended, any other similar present or future federal, state or municipal legislation, or the regulations promulgated under any of those acts.

(2) No more than 20% of the square footage of any building of the Project financed with the proceeds of the TIF Note will consist of commercial, retail or other non-residential uses.

(3) In accordance with the Declaration, commencing on the Completion Date and continuing until the end of the Qualified Project Period (as defined in the Declaration), (i) at least 80% (i.e. 140 units) of the residential units in the Project shall be occupied or available for occupancy by persons or families whose income does not exceed 60% of the area-wide median family income for the standard metropolitan statistical area which includes the City, as that figure is determined and announced from time to time by HUD, as adjusted for family size ("Median Income"), and rents (including utilities paid by tenant) for such units shall not exceed 30% of 60% of Median Income; (ii) at least 5% (i.e. 9 units) of the residential units in the Project shall be occupied or available for occupancy by persons or families whose income does not exceed 30% of Median Income and rents (including utilities paid by tenant) for such units shall not exceed 30% of 30% of Median Income (the "30% Units"); and (iii) the average income of the residents of 100% of the units shall not exceed 60% of Median Income (as calculated in accordance with Section 42(g)(1)(C) of the Internal Revenue Code of 1986, as amended).

(4) The Developer will provide the EDA an annual certification in the form attached as Exhibit C to the Declaration (the “Compliance Certificate”) evidencing compliance with the requirements of paragraph (3) above, and, if requested by the EDA, the income verifications from tenants used to meet such requirements. The annual certification shall also include the vacancy rate for the preceding calendar year and the rents for all residential units broken down by unit type, size and monthly rent. The annual certification shall be provided on or before July 1 of each year commencing July 1, 2026 and shall cover the preceding calendar year.

(5) The Developer shall not concentrate Qualifying Tenants (as defined in the Declaration) in any floor or in any area of any building in the Project. The units occupied by Qualifying Tenants shall be located throughout the Project and shall reflect the unit mix of the whole Project. The 30% Units shall include at least 3 two-bedroom units and 3 three-bedroom units.

(6) The Developer shall accept tenants who are recipients of federal certificates for rent subsidies pursuant to the existing program under Section 8 of the United States Housing Act of 1937, as amended, codified as 42 U.S.C. Sections 1401 et seq., or its successor. During the term of the Declaration, the Developer shall not adopt any policies specifically excluding rental to tenants holding Section 8 certificate/voucher holders.

(7) Developer and its agents must adhere to Equal Opportunity, Affirmative Marketing, and Fair Housing practices in all marketing efforts, eligibility determinations and other transactions. The Equal Housing Opportunity logo or statement (“We do business in accordance with the Federal Fair Housing Law. It is illegal to discriminate against any person because of race, color, religion, sex, handicap, familial status, or national origin.”) must be used in all advertising of vacant units.

(8) The provisions of this Section 3.4 shall be incorporated into the Declaration in substantially the form attached hereto as **Exhibit H** which shall be executed and delivered by the Developer to the EDA simultaneously with the execution and delivery of this Agreement and shall be recorded against the Development Property, and recording the Declaration shall be a condition to the issuance of the TIF Note and the disbursement of the Pooled TIF Loan.

(9) A household that is a Qualifying Tenant at initial occupancy may be treated as qualifying for additional rental periods so long as the income of the household does not exceed 140% of the applicable Median Income; however, thereafter, the first available residential unit must be rented to a Qualifying Tenant meeting the applicable income requirements.

Section 3.5. Developer to Pay EDA’s Fees and Expenses. The Developer will pay all of the reasonable Administrative Costs (as defined below) of the City and the EDA and must pay such costs to the EDA within 30 days after receipt of a written invoice from the City or the EDA describing the amount and nature of the costs to be reimbursed. For the purposes of this Agreement, the term “Administrative Costs” means out of pocket costs incurred by the City or the EDA, including without limitation legal, financial advisor, and other consultant costs of the EDA or the City, all attributable to or incurred in connection with the establishment of the TIF District and adoption of TIF Plan and the review, negotiation and preparation of this Agreement (together with any other agreements entered into between the parties hereto contemporaneously therewith)

and the review and approvals of other documents and agreements in connection with the Project or in connection with any amendments to any of the foregoing. In addition, certain engineering, environmental advisor, legal, land use, zoning, subdivision and other costs related to the development of the Development Property are required to be paid, or additional funds deposited in escrow, as provided in accordance with the City's planning, zoning, and building fee schedules. **[The parties acknowledge that the Developer has deposited \$15,000 with the EDA toward payment of the Administrative Costs.]** If such costs exceed such amount, then at any time, but not more often than monthly, the EDA will deliver written notice to the Developer setting forth any additional fees and expenses, and the Developer agrees to pay all fees and expenses within 30 days of the EDA's written request. Any unused amount of such deposit shall be returned to the Developer within 90 days after the later of the (i) written request from the Developer to the EDA, (ii) issuance of the TIF Note or (iii) receipt of the Certificate of Completion from the EDA.

Section 3.6. Execution of Assessment Agreement.

(1) The Developer and the EDA agree to execute an Assessment Agreement relating to the Development pursuant to the provisions of Section 469.177, Subdivision 8 of the TIF Act, specifying the minimum market value for the Development Property for calculation of real property taxes. Specifically, the Developer shall agree to a market value for the Development Property of \$36,750,000, commencing as of January 2, 2027 (the "Minimum Market Value").

(2) Nothing in the Assessment Agreement or this Agreement limits the discretion of the City or County Assessor to assign a market value to the property in excess of the Minimum Market Value nor prohibits the Developer from seeking, through the exercise of legal or administrative remedies, a reduction in such market value for property tax purposes; provided however, the Developer shall not seek a reduction of such market value below the Minimum Market Value for any year so long as the Assessment Agreement remains in effect for that year.

(3) The Assessment Agreement shall remain in effect until the earlier of (i) January 31, 2039, with respect to taxes payable in 2040, or (ii) the date on which the TIF District expires or is otherwise terminated.

(4) The Assessment Agreement shall be certified by the City Assessor as provided in Section 469.177, Subdivision 8 of the TIF Act, upon a finding by the City Assessor that the Minimum Market Value represents a reasonable estimate based upon the plans and specifications for the Project to be constructed on the Development Property and the market value previously assigned to the Development Property.

(5) Pursuant to Section 469.177, Subdivision 8 of the TIF Act, the Assessment Agreement shall be filed for record in the office of the county recorder or registrar of titles of the County, and such filing shall constitute notice to any subsequent encumbrancer or purchaser of the Development Property, whether voluntary or involuntary, and such Assessment Agreement shall be binding and enforceable in its entirety against any such subsequent purchaser or encumbrancer, including the holder of any mortgage on the Development Property.

(6) The Assessment Agreement shall be executed and delivered by the Developer to the EDA simultaneously with the execution and delivery of this Agreement and filed, at the sole

cost of the Developer, against the Development Property prior to any lien or encumbrance on the Development Property, including any mortgage, and recording the Assessment Agreement shall be a condition to the issuance of the TIF Note and the disbursement of the Pooled TIF Loan.

Section 3.7. Compliance with Environmental Requirements.

(1) The Developer shall comply with all applicable local, state, and federal environmental laws and regulations, and will obtain, and maintain compliance under, any and all necessary environmental permits, licenses, approvals or reviews.

(2) The City and the EDA make no warranties or representations regarding, nor do they indemnify the Developer with respect to, the existence or nonexistence on or in the vicinity of the Development Property or anywhere within the TIF District of any toxic or hazardous substances or wastes, pollutants or contaminants (including, without limitation, asbestos, urea formaldehyde, the group of organic compounds known as polychlorinated biphenyls, petroleum products including gasoline, fuel oil, crude oil and various constituents of such products, or any hazardous substance as defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (“CERCLA”), 42 U.S.C. §§ 961-9657, as amended) (collectively, the “Hazardous Substances”).

(3) The Developer agrees to take all necessary action to remove or remediate any Hazardous Substances located on the Development Property to the extent required by and in accordance with all applicable local, state and federal environmental laws and regulations.

Section 3.8. Construction Plans.

(1) Prior to the commencement of construction of the Project, the Developer will deliver to the EDA the Construction Plans, Construction Documents and a sworn construction cost statement certified by the Developer and the General Contractor (the “Sworn Construction Cost Statement”) all in form and substance reasonably acceptable to the EDA. The Construction Plans for the Project shall be consistent with the Development Program, this Agreement, and all applicable State and local laws and regulations and the Site Plan and Design Drawings previously submitted to the EDA and shall provide for design, quality, materials and building finishes of the finished Project to be substantially similar to those which were presented to the City in connection with the Developer’s request for tax increment financing assistance. The City’s building official and the Executive Director of the EDA on behalf of the EDA shall promptly review any Construction Plans upon submission and deliver to the Developer a written statement approving the Construction Plans or a written statement rejecting the Construction Plans and specifying the deficiencies in the Construction Plans. The City’s building official and the Executive Director of the EDA on behalf of the EDA may withhold approval of the Construction Plans if any of the following is not satisfied: (i) the Construction Plans substantially conform to the terms and conditions of this Agreement; (ii) the Construction Plans are consistent with the goals and objectives of the Development Program and the TIF Plan; (iii) the Construction Plans comply with the Site Plan and Design Drawings; (iv) the Construction Plans meet all requirements necessary for the City to issue a building permit; and (v) the Construction Plans do not violate any applicable federal, State or local laws, ordinances, rules or regulations. If the Construction Plans are not approved by the City and the EDA, then the Developer shall make such changes as the EDA may

reasonably require and resubmit revised Construction Plans to the EDA for approval, which will not be unreasonably withheld, conditioned or delayed.

(2) No changes shall be made to the Construction Plans for the Project without the EDA's prior written approval, unless the aggregate of such changes does not increase or decrease the Total Development Costs by more than 10%. No changes which materially alter (a) the Project's Site Plan, (b) exterior appearance, (c) construction quality, or (d) exterior materials included in the final Design Drawings and Construction Plans shall be made without the EDA's prior written consent. The approval of the EDA will not be unreasonably withheld, conditioned or delayed.

(3) The approval of the Construction Plans, or any proposed amendment to the Construction Plans, by the EDA does not constitute a representation or warranty by the EDA that the Construction Plans or the Project comply with any applicable building code, health or safety regulation, zoning regulation, environmental law or other law or regulation, or that the Project will meet the qualifications for issuance of a certificate of occupancy, or that the Project will meet the requirements of the Developer or any other users of the Project. Approval of the Construction Plans, or any proposed amendment to the Construction Plans, by the EDA will not constitute a waiver of an Event of Default or of any State or City building or other code requirements that may apply. Nothing in this Agreement shall be construed to relieve the Developer of its obligations to receive any required approval of the Construction Plans from any department of the City and does not relieve the Developer of the obligation to comply with applicable federal, State and local laws, ordinances, rules and regulations, or to construct the Project in accordance therewith.

Section 3.9. Commencement and Completion of Construction. Subject to the terms and conditions of this Agreement and to Unavoidable Delays, the Developer anticipates it will commence construction of the Project by June 1, 2024 and shall substantially complete construction of the Project by December 1, 2025. Notwithstanding the foregoing, failure of the Developer to commence construction or substantially complete the Project shall not be an Event of Default hereunder unless the Developer fails to commence construction of the Project by December 31, 2024 or fails to obtain a certificate of occupancy for the Project by June 30, 2026. The Project will be constructed by the Developer on the Development Property in conformity with the Construction Plans approved by the EDA. Prior to completion, the Developer will provide the EDA and the City with reasonable access to the Development Property. "Reasonable access" means at least one site inspection per week during regular business hours without prior notice by the City or the EDA. During construction, marketing and rentals of the Project, the Developer will deliver progress reports to the EDA from time to time as reasonably requested by the EDA.

Section 3.10. Certificate of Completion. The Developer shall notify the EDA when construction of the Project has been substantially completed. The EDA shall, within 30 days after the later of such notification or the issuance of the certificate of occupancy by the City, conduct any inspections of the Project it determines necessary in order to determine whether the Project has been constructed in substantial conformity with the approved Construction Plans. If the EDA determines that the Project has not been constructed in substantial conformity with the approved Construction Plans, the EDA shall deliver a written statement to the Developer indicating in adequate detail the specific respects in which the Project has not been constructed in substantial conformity with the approved Construction Plans and the Developer shall have a reasonable period

of time to remedy such deficiencies. The EDA shall re-inspect the Project within a reasonable period of time after receiving notice that such deficiencies have been remedied in order to determine whether the Project has been constructed in substantial conformity with the approved Construction Plans and this Agreement. Within a reasonable period of time after determining that the Project has been constructed in substantial conformity with the approved Construction Plans and determining that the following conditions precedent have been satisfied, the EDA will furnish to the Developer a Certificate of Completion in substantially the form set forth in **Exhibit F** attached hereto certifying the completion of the Project:

- (1) There shall exist no uncured Event of Default hereunder;
- (2) The City shall have issued a certificate of occupancy for all of the Project;
- (3) The EDA's Executive Director, or designee, on behalf of the EDA shall have reasonably determined that the Project has been substantially completed and constructed in accordance with all applicable local, state and federal laws and regulations (including without limitation environmental, zoning, building code, housing code, and public health laws and regulations), and any applicable permits and in substantial conformity with this Agreement, the Development Contract, the Stormwater Declaration, and the final construction plans approved by the City in connection with issuing construction permits, each as applicable;
- (4) The Developer shall certify to the EDA that all costs related to the Project and the development of the Development Property, including without limitation, payments to all contractors, subcontractors, and project laborers, have been paid prior to the date of the request to the EDA.

The Certificate of Completion issued for the Project shall conclusively satisfy and terminate the agreements and covenants of the Developer in this Agreement solely with respect to construction of the Project. The issuance of a Certificate of Completion under this Agreement shall not be construed to relieve the Developer of any inspection or approval required by any City department in connection with the construction, completion or occupancy of the Project nor shall it relieve the Developer of any other obligations under this Agreement.

Section 3.11. Additional Responsibilities of the Developer.

- (1) The Developer will construct, operate and maintain, or cause to be operated and maintained, the Project substantially in accordance with the terms of this Agreement, the Development Program and all applicable local, state, and federal laws and regulations including, but not limited to zoning, building code, public health laws and regulations, except for approved variances necessary to construct the Project contemplated in the Construction Plans approved by the EDA.
- (2) The Developer will not construct any building or other structures on, over, or within the boundary lines of any public utility easement unless such construction is provided for in such easement or has been approved by the utility involved.

(3) The Developer, at its own expense, will replace any public facilities and public utilities damaged during the construction of the Project, in accordance with the technical specifications, standards and practices of the owner thereof.

(4) The Developer will comply with all applicable local, state, and federal environmental laws and regulations, as they relate to the Project.

(5) The Developer will provide and maintain or cause to be maintained at all times and, from time to time at the request of the EDA, furnish the EDA with proof of payment of premiums on insurance of amounts and coverages normally held by owners of property similar to the Project.

(6) The Developer shall prepare, utilize in its contract with the General Contractor and all subcontracts, and enforce the Subcontractor Addendum, in substantially the form attached as **Exhibit I** hereto, which outlines fair labor law compliance, and allows general contractor to withhold payment or cancel contract if violations are discovered.

(7) The Developer shall prohibit use of all disqualified contractors listed on the Minnesota State “Suspended/Debarred Vendor Detailed Information” website; review list prior to construction commencement with respect to each subcontractor; remove any subcontractor added to the list.

(8) The Developer and all contractors and subcontractors shall comply with all applicable federal, state, and local labor laws.

(9) If a third-party files a claim with the Minnesota Department Labor regarding any contractor or subcontractor doing work on the Property, the Developer shall fully cooperate with the Department, including taking any action required by the Department. The 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.

(10) The Developer shall cause the General Contractor to use and enforce the Subcontract Addendum with all subcontractors, and shall require the General Contractor and 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 the Developer otherwise elects to take.

(11) The Developer shall certify to the EDA that, to the best of the Developer’s knowledge, after due inquiry and review of documentation supplied to the Developer, proper payments to all contractors, subcontractors and project laborers have been paid prior to the issuance of a Certificate of Completion and as a prerequisite to receipt of the TIF Note, provided that in the event the Developer disputes a lien, the Developer may bond over or establish an escrow account to protect against the lien on terms acceptable to the EDA.

(12) The Developer agrees that during construction of the Project, either the EDA or the City may conduct project inquiries and/or site inspections of the Development Property at any time without prior notice by the City or the EDA to confirm compliance with this Section. Inquiries and inspections include but are not limited to: employee and independent contractor record requests, and employee and independent contractor interviews and meetings.

(13) The Developer shall fully and completely comply with all prevailing wage requirements contained in Minn. Stat. § 116J.871 and § 177.42, subd. 6 or the City's prevailing wage ordinance, if and when adopted by the City Council of the City. For purposes of applying this section, any references in Minn. Stat. § 116J.871 and Chapter 177 to "state agency" shall mean the EDA and to the "commissioner of labor and industry" or the "commissioner" shall mean the Executive Director of the EDA or his/her designee. The Developer shall maintain or ensure access to all documentation necessary to establish that the required prevailing wage was paid and shall allow the EDA or its designee reasonable access to such data.

(14) The Developer acknowledges that failure to comply with this Section will be an Event of Default under in accordance with Section 4.1 hereof and could result in a penalty (such as non-issuance of the TIF Note and non-payment of other assistance, or, if the TIF Note has already been issued, delaying, reducing and/or ceasing TIF Note payments).

Section 3.12. Encumbrance of the Development Property. Until the Termination Date, without the prior written consent of the EDA, neither the Developer nor any successor in interest to the Developer will engage in any financing or any other transaction creating any mortgage or other encumbrance or lien upon the Development Property, or portion thereof, whether by express agreement or operation of law, or suffer any encumbrance or lien to be made on or attach to the Development Property except for the purpose of obtaining funds only to the extent necessary for financing or refinancing the acquisition, construction and operation of the Project (including, but not limited to, land and building acquisition, labor and materials, professional fees, development fees, real estate taxes, reasonably required reserves, construction interest, organization and other direct and indirect costs of development and financing, costs of constructing the Project, and an allowance for contingencies), which may include without limitation regulatory agreements and land use restriction agreements in connection with such financings; provided, however, this provision shall not be considered a waiver of the requirements of Section 5.3 with respect to any Transfer (as hereinafter defined) of the TIF Note in connection with any such financing or refinancing nor shall anything contained in this Section prohibit the Developer from making transfers in accordance with Section 5.3. The EDA hereby consents to any mortgages securing the financing or refinancing of the construction of the Project, **[including without limitation the Revenue Bonds,]** and to the succession of the mortgagee thereunder (or any assignee of the mortgagee) or any purchasers at or after foreclosure thereof, by the successful bidder at the sale, to title to the Development Property and to any other Permitted Encumbrances set forth in **Exhibit J**; provided, however, this provision shall not be considered a waiver of the requirements of Section 5.3 with respect to any Transfer of the TIF Note in connection with any such mortgage. Notwithstanding the foregoing, the TIF Note shall be terminated by the EDA in the event that any mortgagee (or any assignee of the mortgagee) or any purchasers at or after foreclosure thereof, by the successful bidder at the sale, to the title to the Development Property, terminates the Declaration, in accordance with its terms, or does not otherwise comply with the Declaration.

Section 3.13. Business Subsidy Act. The subsidy granted to the Developer pursuant to this Agreement is assistance for housing and therefore the provisions of Minnesota Statutes, Sections 116J.993 through 116J.995, as amended, do not apply. No portion of the tax increment assistance shall be used to construct any commercial space.

Section 3.14. Right to Collect Delinquent Taxes. The Developer acknowledges that the EDA is providing substantial aid and assistance in furtherance of the Project through reimbursement of Public Development Costs. To that end, the Developer agrees for itself, its successors and assigns, that in addition to the obligation pursuant to statute to pay real estate taxes, it is also obligated by reason of this Agreement, to pay before delinquency all real estate taxes assessed against the Development Property and the Project. The Developer acknowledges that this obligation creates a contractual right on behalf of the EDA through the Termination Date to sue the Developer or its successors and assigns, to collect delinquent real estate taxes related to the Development Property and any penalty or interest thereon and to pay over the same as a tax payment to the county auditor. In any such suit in which the EDA is the prevailing party, the EDA shall also be entitled to recover its costs, expenses and reasonable attorney fees.

Section 3.15. Review of Taxes.

(1) The Developer agrees that prior to the Termination Date it will not cause a reduction in the real property taxes paid in respect of the Development Property through: (i) willful destruction of the Development Property or any part thereof; or (ii) willful refusal to reconstruct damaged or destroyed property. The Developer also agrees that it will not, prior to the Termination Date, apply for an exemption from or a deferral of property tax on the Development Property pursuant to any law, or transfer or permit transfer of the Development Property to any entity whose ownership or operation of the property would result in the Development Property being exempt from real property taxes under State law; provided, however, that the Developer may apply for and obtain designation of the Development Property as low income rental property classified as “4d(1)” under Minnesota Statutes, Section 273.13, subdivision 25 (“4d(1) Classification”).

(2) Other than 4d(1) Classification, the Developer shall notify the EDA within 10 days of filing any petition to seek reduction in market value or property taxes on any portion of the Development Property under any State law (referred to as a “Tax Appeal”). If as of any Payment Date, any Tax Appeal is then pending, the EDA will continue to make payments on the TIF Note, but only to the extent that the Pledged Tax Increment relates to the property taxes paid with respect to the Minimum Market Value under the Assessment Agreement, as determined by the EDA in its sole discretion, and the EDA will withhold the Pledged Tax Increment related to property taxes market value of the Development Property in excess of the Minimum Market Value under the Assessment Agreement, as determined by the EDA in its sole discretion. The EDA will release any withheld amount to the extent not reduced as a result of the Tax Appeal for payment of the TIF Note promptly after the Tax Appeal is fully resolved and the amount of Pledged Tax Increment, as applicable, attributable to the disputed tax payments is finalized.

ARTICLE IV

EVENTS OF DEFAULT

Section 4.1. Events of Default Defined. The following shall be “Events of Default” under this Agreement and the term “Event of Default” shall mean whenever it is used in this Agreement any one or more of the following events:

(1) Failure by the Developer to timely pay any ad valorem real property taxes assessed with respect to the Development Property on or after the date that the Developer acquires the Development Property, unless such tax is contested in good faith by the Developer.

(2) Subject to Unavoidable Delays, failure by the Developer to commence construction of the Project by December 31, 2024 and to proceed with due diligence to substantially complete the construction of the Project pursuant to the terms, conditions and limitations of this Agreement and obtain a certificate of occupancy from the City by June 30, 2026.

(3) Failure of the Developer to observe or perform any other material covenant, condition, obligation or agreement on its part to be observed or performed under the Declaration, the Development Contract, the Stormwater Declaration, the Pooled TIF Promissory Note or this Agreement, including, without limitation, compliance with the requirements set forth in Section 3.4 hereof.

(4) If, prior to the Completion Date, the Developer shall

(a) file any petition in bankruptcy or for any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under the United States Bankruptcy Act of 1978, as amended or under any similar federal or state law; or

(b) be adjudicated as bankrupt or insolvent; or if a petition or answer proposing the adjudication of the Developer, as bankrupt or its reorganization under any present or future federal bankruptcy act or any similar federal or state law shall be filed in any court and such petition or answer shall not be discharged or denied within 90 days after the filing thereof; or a receiver, trustee or liquidator of the Developer, or of the Project, or part thereof, shall be appointed in any proceeding brought against the Developer, and shall not be discharged within 90 days after such appointment, or if the Developer, shall consent to or acquiesce in such appointment.

Section 4.2. Remedies on Default. Whenever any Event of Default referred to in Section 4.1 occurs and is continuing after the applicable cure period, as specified below, the EDA may take any one or more of the following actions after the giving of 30 days’ written notice to the Developer, but only if the Event of Default has not been cured within said 30 days; provided that if such Event of Default cannot be reasonably cured within the 30 day period, and the Developer has provided assurances reasonably satisfactory to the EDA that it is proceeding with due diligence to cure such default, such 30 day cure period shall be extended for a period deemed reasonably necessary by the EDA to effect the cure, but in any event not to exceed 180 days:

(1) The EDA may suspend its performance under this Agreement and the TIF Note until such default is cured or the EDA determines that it has received assurances from the Developer, deemed adequate by the EDA, that the Developer will cure its default and continue its performance under this Agreement. Interest on the TIF Note shall not accrue during the period of any suspension of payment.

(2) The EDA may terminate this Agreement and/or cancel the TIF Note.

(3) The EDA may withhold disbursement of the Pooled TIF Promissory Loan, if funds have not been disbursed, or declare the outstanding principal balance of and accrued interest on the Pooled TIF Promissory Note immediately due and payable[; **provided, however the EDA acknowledges that such payment is subordinated to the payment of the indebtedness of the Developer listed in that certain Master Subordination Agreement and Estoppel Certificate dated as of the date hereof among the Developer, the Trustee and Greater Minnesota Housing Fund and to the payment of the loan to the Developer of the proceeds derived from the sale of the Multifamily Housing Revenue Note (Decatur Landing II Apartments Project), Series 2024B issued by the City in the original principal amount of \$[_____] (the “Series B Note”), to _____].**

(4) The EDA may take any action, including legal or administrative action, at law or in equity, which may appear necessary or desirable to enforce performance and observance of any obligation, agreement, or covenant of the Developer under this Agreement.

Notwithstanding anything to the contrary set forth in this Agreement, the lenders providing construction or permanent financing for the Project, and the members of the Developer shall have the right, but not the obligation, to cure an Event of Default during the cure period provided for the Developer and such cure shall be deemed a cure tendered by the Developer and shall be accepted or rejected on the same basis as if made or tendered by the Developer on its own behalf.

[If the EDA has been provided a notice address, the EDA agrees to give the applicable Trustee the same notice provided to the Developer of any Event of Default hereunder that occurs prior to the termination of the applicable Trustee Collateral Assignment and opportunity to cure the same, as further set forth in the applicable Trustee Collateral Assignment. If the EDA has been provided with a notice address, the EDA agrees to give the Tax Credit Investor the same notice provided to the Developer of any Event of Default hereunder and opportunity to cure the same. Notwithstanding the foregoing, failure to provide notice to the Trustee or the Tax Investor shall have no impact on the effectiveness of notice provided to the Developer.]

Section 4.3. No Remedy Exclusive. No remedy herein conferred upon or reserved to the EDA is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient.

Section 4.4. No Implied Waiver. In the event any agreement contained in this Agreement should be breached by any party and thereafter waived by any other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other concurrent, previous or subsequent breach hereunder.

Section 4.5. Indemnification of EDA and City.

(1) The Developer releases from and covenants and agrees that the City and the EDA, and their governing bodies' members, officers, agents, including the independent contractors, consultants and legal counsel, servants and employees thereof (for purposes of this Section, collectively the "Indemnified Parties") shall not be liable for and agrees to indemnify and hold harmless the Indemnified Parties against any loss or damage to property or any injury to or death of any person occurring at or about or resulting from any defect in the Project, or any other loss, cost expense, or penalty, except to the extent caused by any willful misrepresentation or any willful or wanton misconduct of the Indemnified Parties.

(2) Except for any willful misrepresentation or any willful or wanton misconduct of the Indemnified Parties, the Developer agrees to protect and defend the Indemnified Parties, now and forever, and further agrees to hold the Indemnified Parties harmless from any claim, demand, suit, action or other proceeding whatsoever by any person or entity whatsoever arising or purportedly arising from the actions or inactions of the Developer (or if other persons acting on its behalf or under its direction or control) under this Agreement, or the transactions contemplated hereby or the acquisition, construction, installation, ownership, and operation of the Project; including, without limitation, any pecuniary loss or penalty (plus interest thereon at the rate of 5.00% per annum from the date such loss is incurred or penalty is paid by the EDA or the City) as a result of the Project failing to cause the TIF District to qualify as a "housing district" under Section 469.174, subdivision 11, of the TIF Act, or to violate limitations as to the use of Tax Increments as set forth in Section 469.176, subdivision 4d of the TIF Act.

(3) All covenants, stipulations, promises, agreements and obligations of the EDA or contained herein shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the EDA and not of any governing body member, officer, agent, servant or employee of the EDA or the City.

Section 4.6. Reimbursement of Attorneys' Fees. If the Developer shall default under any of the provisions of this Agreement and the City or the EDA shall employ attorneys or incur other reasonable expenses for the collection of payments due hereunder, or for the enforcement of performance or observance of any obligation or agreement on the part of the Developer contained in this Agreement, the Developer will within 30 days reimburse the City and the EDA for the reasonable fees of such attorneys and such other reasonable expenses so incurred.

ARTICLE V

ADDITIONAL PROVISIONS

Section 5.1. Restrictions on Use. The Developer agrees for itself, its successors and assigns and every successor in interest to the Development Property, or any part thereof, that the Developer and such successors and assigns shall operate, or cause to be operated, the Project in accordance with this Agreement and as an affordable multifamily rental housing development in accordance with this Agreement and the Declaration until the end of the Qualified Project Period (as defined in the Declaration).

Section 5.2. Reports. The Developer shall provide the EDA reports in a timely manner with such information about the Project as the EDA may reasonably request for purposes of satisfying any reporting requirements imposed by law on the EDA.

Section 5.3. Limitations on Transfer and Assignment.

(1) Except as provided in Sections 3.12 and 5.3(4), the Developer will not sell, assign, convey, lease or transfer in any other mode or manner (collectively, “Transfer”) this Agreement, the TIF Note, or the Development Property or the Project, or any interest therein, without the express written approval of the EDA, which consent will not be unreasonably withheld, conditioned or delayed. The EDA shall, within 30 days after the later of (i) receipt of such written request for approval of a Transfer, and (ii) the satisfaction or waiver by the EDA of the conditions in Section 5.3(2) hereof, deliver a written statement to the Developer indicating whether the Transfer is approved or specifying the additional conditions to be satisfied in accordance with Section 5.3(2). The provisions of this Section 5.3 apply to all subsequent Transfers by authorized transferees;

(2) The EDA shall be entitled to require, as conditions to any approval of any Transfer of this Agreement, the Development Property, the Project, or the TIF Note in connection therewith, which approval will not be unreasonably withheld, conditioned or delayed, that:

(a) Any proposed transferee shall have the qualifications and financial responsibility, as determined by the EDA, necessary and adequate to fulfill the obligations undertaken in this Agreement by the Developer;

(b) Any proposed transferee, by instrument in writing satisfactory to the EDA shall, for itself and its successors and assigns, and expressly for the benefit of the EDA have expressly assumed any of the remaining obligations of the Developer under this Agreement and agreed to be subject to all the conditions and restrictions to which the Developer is subject;

(c) There shall be submitted to the EDA for review all instruments and other legal documents involved in effecting transfer, and if approved by the EDA, its approval shall be indicated to the Developer in writing;

(d) Any proposed transferee of the TIF Note shall (i) execute and deliver to the EDA the Acknowledgment Regarding TIF Note in the form included in Exhibit 2 to the TIF

Note and (ii) surrender the TIF Note to the EDA either in exchange for a new fully registered note or for transfer of the TIF Note on the registration records for the TIF Note maintained by the EDA;

(e) The Developer and its transferees shall comply with such other conditions as are necessary in order to achieve and safeguard the purposes of the TIF Act and this Agreement; and

(f) In the absence of a specific written agreement by the EDA to the contrary, no such transfer or approval by the EDA thereof shall be deemed to relieve the Developer or any other party bound in any way by this Agreement or otherwise with respect to the construction of the Project, from any of its obligations with respect thereto.

(3) The Developer agrees to pay all reasonable legal fees and expenses of the EDA, including fees of the City Attorney and outside counsel retained by the EDA to review the documents submitted to the EDA in connection with any Transfer.

(4) Nothing contained in this Section shall prohibit the Developer from (i) entering into leases with tenants in the ordinary course of business, (ii) entering into easements or other agreements necessary for the construction or operation of the Project, (iii) admitting or removing limited partners or transferring direct or indirect limited partner interests in the Developer in accordance with the applicable organizational documents, **[(iv) removing the general partner of the Developer for cause at the direction of the Tax Credit Investor in accordance with the Developer's partnership agreement]**, or (iv) entering into easements necessary for the Project.

(5) The Developer shall be relieved of its obligations under this Agreement only to the extent such obligations have been assumed by an approved transferee under a Transfer permitted as provided herein.

(6) **[Notwithstanding clause (2) above, by delivery of the Consent and Estoppel Certificate attached to the Trustee Collateral Assignment, the EDA consents to the Trustee Collateral Assignment to the Trustee, upon receipt of (i) an Acknowledgment Regarding TIF Note, in the form included in Exhibit 2 to the TIF Note, or other acceptable form of investor letter from the initial purchaser of the Revenue Bonds, (ii) an executed copy of Trustee Collateral Assignment between Trustee and the Developer, and (iii) reasonable legal fees of the EDA in accordance with clause (3) above.]**

Section 5.4. Conflicts of Interest. No member of the governing body or other official of the City or the EDA shall have any financial interest, direct or indirect, in this Agreement, the Development Property or the Project, or any contract, agreement or other transaction contemplated to occur or be undertaken thereunder or with respect thereto, nor shall any such member of the governing body or other official participate in any decision relating to this Agreement which affects his or her personal interests or the interests of any corporation, partnership or association in which he or she is directly or indirectly interested. No member, official or employee of the City or the EDA shall be personally liable to the Developer in the event of any default or breach by the EDA or successor or on any obligations under the terms of this Agreement.

Section 5.5. Titles of Articles and Sections. Any titles of the several parts, articles and sections of this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

Section 5.6. Notices and Demands. Except as otherwise expressly provided in this Agreement, a notice, demand or other communication under this Agreement by any party to any other shall be sufficiently given or delivered if it is dispatched by registered or certified mail, postage prepaid, return receipt requested, or delivered personally, and

- (a) in the case of the Developer is addressed to or delivered personally to:

Brooklyn Park AH II, LLLP
579 Selby Avenue
Saint Paul, MN 55102
Attn: Patrick Ostrom

With copies to: Winthrop & Weinstine, P.A.
225 South Sixth Street, Suite 3500
Minneapolis, Minnesota 55402
Attention: Jeffrey S. Drennan

**[Stratford Brooklyn Park Investors Limited
Partnership
c/o Stratford Capital Group LLC
100 Corporate Place, Suite 404
Peabody, Massachusetts 01960
Attn: Asset Management (Brooklyn Park)]**

**DLA Piper LLP (US)
444 W. Lake Street, Suite 900
Chicago, Illinois 60606
Attn: Gregory R.A. Dahlgren]**

- (b) in the case of the EDA is addressed to or delivered personally to the EDA at:

Brooklyn Park Economic Development Authority
5200 85th Ave. N.
Brooklyn Park, MN 55443
Attn: Executive Director

or at such other address with respect to any such party as that party may, from time to time, designate in writing and forward to the other, as provided in this Section.

Section 5.7. No Additional Waiver Implied by One Waiver. If any agreement contained in this Agreement should be breached by either party and thereafter waived by the other party,

such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other concurrent, previous or subsequent breach hereunder.

Section 5.8. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall constitute one and the same instrument.

Section 5.9. Law Governing. This Agreement will be governed and construed in accordance with the laws of the State.

Section 5.10. Term; Termination. Except as provided in the Declaration, and unless this Agreement is terminated earlier in accordance with its terms this Agreement shall terminate on the Termination Date. Early termination upon a written request from the Developer shall be in the EDA's sole discretion and upon a determination that such termination will not limit or interfere with the EDA's ability to pool Tax Increments generated by the TIF District for affordable housing in accordance with the TIF Act. After the Termination Date, if requested by the Developer, the EDA will provide a termination certificate as to the Developer's obligations hereunder; provided that termination of this Agreement shall not terminate the Developer's obligations under the Pooled TIF Promissory Note until all amounts due thereunder have been paid in full.

Section 5.11. Provisions Surviving Rescission, Expiration or Termination. Sections 4.5 and 4.6 shall survive any rescission, termination or expiration of this Agreement with respect to or arising out of any event, occurrence or circumstance existing prior to the date thereof.

Section 5.12. Superseding Effect. This Agreement reflects the entire agreement of the parties with respect to the development of the Development Property, and supersedes in all respects all prior agreements of the parties, whether written or otherwise, with respect to the development of the Development Property.

Section 5.13. Relationship of Parties. Nothing in this Agreement is intended, or shall be construed, to create a partnership or joint venture among or between the parties hereto, and the rights and remedies of the parties hereto shall be strictly as set forth in this Agreement. All covenants, stipulations, promises, agreements and obligations of the EDA contained herein shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the EDA and not of any governing body member, officer, agent, servant or employee thereof.

Section 5.14. Venue. All matters, whether sounding in tort or in contract, relating to the validity, construction, performance, or enforcement of this Agreement shall be controlled by and determined in accordance with the laws of the State, and the Developer agrees that all legal actions initiated by the Developer or the EDA with respect to or arising from any provision contained in this Agreement shall be initiated, filed and venued exclusively in the State of Minnesota, Hennepin County, District Court and shall not be removed therefrom to any other federal or state court.

Section 5.15. Interpretation; Concurrence. The language in this Agreement shall be construed simply according to its generally understood meaning, and not strictly for or against any party and no interpretation shall be affected by which party drafted any part of this Agreement. By executing this Agreement, the parties acknowledge that they (a) enter into and execute this Agreement knowingly, voluntarily and willingly of their own volition with such consultation with legal counsel as they deem appropriate; (b) have had a sufficient amount of time to consider this

Agreement's terms and conditions, and to consult an attorney before signing this Agreement; (c) have read this Agreement, understand all of its terms, appreciate the significance of those terms and have made the decision to accept them as stated herein; and (d) have not relied upon any representation or statement not set forth herein.

IN WITNESS WHEREOF, the EDA has caused this Agreement to be duly executed in its name and on its behalf, and the Developer has caused this Agreement to be duly executed in its name and on its behalf, on or as of the date first above written.

BROOKLYN PARK ECONOMIC
DEVELOPMENT AUTHORITY

By _____
Its Executive Director

This is a signature page to the Development Assistance Agreement

**BROOKLYN PARK AH II, LLLP,
a Minnesota limited liability limited partnership**

By: _____

Its: _____

This is a signature page to the Development Assistance Agreement.

EXHIBIT A

DESCRIPTION OF TIF DISTRICT

The area encompassed by the TIF District shall also include all street or utility rights-of-way located upon or adjacent to the property currently identified as:

Parcel ID #07-119-21-32-0006, 9500 Decatur Dr. N., Brooklyn Park, Minnesota

To be platted as Lots 1 and 2, Block 1, Gateway 7th Addition, according to the recorded plat thereof, Hennepin County, Minnesota.

(Abstract Property)

EXHIBIT B

LEGAL DESCRIPTION OF DEVELOPMENT PROPERTY

The property located in the City of Brooklyn Park, Hennepin County, Minnesota described as:

Lot 2, Block 1, Gateway 7th Addition, according to the recorded plat thereof, Hennepin County, Minnesota

EXHIBIT C

PUBLIC DEVELOPMENT COSTS

Land acquisition

Site grading and improvements

Surface, covered and underground parking

Underground and above ground utilities

All rental housing construction costs eligible for reimbursement under the TIF Act

EXHIBIT D

PROJECT SOURCES AND USES

EXHIBIT E**FORM OF TAXABLE TIF NOTE**

No. R-1

[\$770,000]

UNITED STATES OF AMERICA
 STATE OF MINNESOTA
 COUNTY OF HENNEPIN
 BROOKLYN PARK ECONOMIC DEVELOPMENT AUTHORITY
 TAXABLE TAX INCREMENT REVENUE NOTE
 (DECATUR LANDING II APARTMENTS PROJECT)
 _____, 20__

The BROOKLYN PARK ECONOMIC DEVELOPMENT AUTHORITY (the “EDA”) hereby acknowledges itself to be indebted and, for value received, hereby promises to pay the amounts hereinafter described (the “Payment Amounts”) to BROOKLYN PARK AH II, LLLP, a Minnesota limited liability limited partnership, or its registered assigns (the “Registered Owner”), the principal amount of [SEVEN HUNDRED SEVENTY THOUSAND] AND 00/100 DOLLARS (\$770,000), but only in the manner, at the times, from the sources of revenue, and to the extent hereinafter provided.

This Note is issued pursuant to that certain Development Assistance Agreement, dated as of _____, 2024, as the same may be amended from time to time (the “TIF Agreement”), by and between the EDA and Brooklyn Park AH II, LLLP, a Minnesota limited liability limited partnership (the “Developer”). Unless otherwise defined herein or unless context requires otherwise, undefined terms used herein shall have the meanings set forth in the TIF Agreement.

The outstanding and unpaid principal amount of this Note shall bear simple, non-compounding interest at the rate equal to _____% per annum (which is the lesser of 6.03% per annum or [the true interest cost of the Revenue Bonds] (i.e. _____%)); provided that no interest shall accrue on this Note during any period that an Event of Default has occurred, and such Event of Default is continuing, under the TIF Agreement and EDA has exercised its remedy under the TIF Agreement to suspend payment on the Note. Interest shall be computed on the basis of a 360-day year of twelve 30-day months.

The amounts due under this Note shall be payable on August 1, 2026 and on each February 1 and August 1 thereafter to and including the earliest of (i) the date on which the entire principal and accrued interest on the TIF Note has been paid in full; or (ii) February 1, 2041; or (iii) any earlier date the TIF Agreement or this Note is cancelled in accordance with the terms of the TIF Agreement or deemed paid in full; or (iv) the February 1 following the date the TIF District is terminated in accordance with the TIF Act; or (v) the date the EDA cancels the TIF Note upon a written request for termination from the Developer and a determination in the EDA’s sole discretion that such termination will not limit or interfere with the EDA’s ability to pool Tax Increments generated by the TIF District for affordable housing in accordance with the TIF Act (provided that there shall be no payment of any Tax Increments on such date unless it is a regular

Payment Date) (the “Final Payment Date”) or, if the first should not be a Business Day (as defined in the TIF Agreement) the next succeeding Business Day (collectively, the “Payment Dates”). On each Payment Date, the EDA shall pay by check or draft mailed to the person that was the Registered Owner of this Note at the close of the last business day preceding such Payment Date an amount equal to 95% of the Tax Increments (as hereinafter defined) received by the EDA during the 6-month period preceding such Payment Date (“Pledged Tax Increments”).

“Tax Increments” are the tax increments derived from the Development Property (as defined in the TIF Agreement) and the improvements thereon which have been received and are permitted to be retained by the EDA in accordance with the Minnesota Statutes, Sections 469.174 through 469.1794, as the same may be amended or supplemented from time to time (the “TIF Act”) including, without limitation, Minnesota Statutes, Sections 469.177; 469.176, Subd. 4h; and 469.175, Subd. 1a, as the same may be amended from time to time; for purposes of this definition, “derived from the Development Property and the improvements thereon” means the portion of Tax Increments actually received by the City from the TIF District determined by the City, in its sole determination, to have been derived from the Development Property.

Payments on this Note shall be payable solely from the Pledged Tax Increments. All payments made by the EDA under this Note shall first be applied to accrued interest and then to principal. If Pledged Tax Increments are insufficient to pay any accrued interest due, such unpaid interest shall be carried forward without interest.

This Note shall terminate and be of no further force and effect following the Final Payment Date defined above, or any date upon which the EDA shall have terminated the TIF Agreement under Section 4.2 thereof or on the date that all principal and interest payable hereunder shall have been or deemed paid in full, whichever occurs earliest. This Note may be prepaid in whole or in part at any time without penalty.

The EDA makes no representation or covenant, express or implied, that the Pledged Tax Increments will be sufficient to pay, in whole or in part, the amounts which are or may become due and payable hereunder. There are risk factors in the amount of Tax Increments that may actually be received by the EDA and some of those factors are listed on the attached Exhibit 1. The Registered Owner acknowledges these risk factors and understands and agrees that payments by the EDA under this Note are subject to these and other factors.

The EDA’s payment obligations hereunder shall be subject to adjustment pursuant to Sections 3.2(9), 3.11(12), and 3.15 of the TIF Agreement and are further subject to the conditions that (i) no Event of Default under Section 4.1 of the TIF Agreement shall have occurred and be continuing at the time payment is otherwise due hereunder, including without limitation failure to submit the Compliance Certificate in accordance with Section 3.4 of the TIF Agreement and deliver the Declaration (as defined therein), and (ii) the TIF Agreement shall not have been terminated pursuant to Section 4.2 thereof, (iii) all conditions set forth in Section 3.2(2) of the TIF Agreement have been satisfied as of such date, and (iv) the Developer shall have paid all of the City’s annual issuer’s fee required to have been paid as of such date in accordance with Section 2.3(d) of the Loan Agreement between the City and the Developer in connection with the issuance of the Revenue Bonds. Any such suspended and unpaid amounts shall become payable, without interest accruing thereon in the meantime, if this Note has not been terminated in accordance with

Section 4.2 of the TIF Agreement and said Event of Default shall thereafter have been cured in accordance with Section 4.2 of the TIF Agreement. If pursuant to the occurrence of an Event of Default under the TIF Agreement the EDA elects, in accordance with the TIF Agreement to cancel and rescind the TIF Agreement and/or this Note, the EDA shall have no further debt or obligation under this Note whatsoever. Reference is hereby made to all of the provisions of the TIF Agreement, for a fuller statement of the rights and obligations of the EDA to pay the principal of this Note and the interest thereon, and said provisions are hereby incorporated into this Note as though set out in full herein.

THIS NOTE IS A SPECIAL, LIMITED REVENUE OBLIGATION OF THE EDA AND NOT A GENERAL OBLIGATION OF THE CITY OF BROOKLYN PARK, MINNESOTA (THE "CITY") OR THE EDA AND IS PAYABLE BY THE EDA ONLY FROM THE SOURCES AND SUBJECT TO THE QUALIFICATIONS STATED OR REFERENCED HEREIN. THIS NOTE IS NOT A GENERAL OBLIGATION OF THE CITY OR THE EDA, AND THE FULL FAITH AND CREDIT AND TAXING POWERS OF NEITHER THE CITY NOR THE EDA ARE PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THIS NOTE AND NO PROPERTY OR OTHER ASSET OF THE CITY OR THE EDA, SAVE AND EXCEPT THE ABOVE-REFERENCED PLEDGED TAX INCREMENTS, IS OR SHALL BE A SOURCE OF PAYMENT OF THE EDA'S OBLIGATIONS HEREUNDER.

The Registered Owner shall never have or be deemed to have the right to compel any exercise of any taxing power of the EDA or the City or of any other public body, and neither the EDA nor any person executing or registering this Note shall be liable personally hereon by reason of the issuance or registration thereof or otherwise.

This Note is issued by the EDA in aid of financing a project pursuant to and in full conformity with the Constitution and laws of the State of Minnesota, including the TIF Act.

This Note may be assigned only as provided in Section 5.3 of the TIF Agreement and subject to the assignee executing and delivering to the EDA the Acknowledgment Regarding TIF Note in the form set forth in Exhibit 2 attached hereto. Additionally, in order to assign the Note, the assignee shall surrender the same to the EDA either in exchange for a new fully registered note or for transfer of this Note on the registration records maintained by the EDA for the Note. Each permitted assignee shall take this Note subject to the foregoing conditions and subject to all provisions stated or referenced herein.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions, and things required by the Constitution and laws of the State of Minnesota to be done, to have happened, and to be performed precedent to and in the issuance of this Note have been done, have happened, and have been performed in regular and due form, time, and manner as required by law; and that this Note, together with all other indebtedness of the EDA outstanding on the date hereof and on the date of its actual issuance and delivery, does not cause the indebtedness of the EDA to exceed any constitutional or statutory limitation thereon.

IN WITNESS WHEREOF, the BROOKLYN PARK ECONOMIC DEVELOPMENT AUTHORITY, by its Board of Commissioners, has caused this Note to be executed by the manual signatures of its President and Executive Director and has caused this Note to be issued on and dated as of the date first written above.

BROOKLYN PARK ECONOMIC
DEVELOPMENT AUTHORITY

By _____
Its Executive Director

Signature Page for Tax Increment Revenue Note (Decatur Landing II Apartments Project)

CERTIFICATION OF REGISTRATION

It is hereby certified that the foregoing Note was, as of the latest date listed below, registered in the name of the last Registered Owner noted below on the books kept by the undersigned for such purposes.

NAME AND ADDRESS OF
REGISTERED OWNER

DATE OF
REGISTRATION

SIGNATURE OF
EXECUTIVE DIRECTOR

Brooklyn Park AH II, LLLP
579 Selby Ave
St. Paul, MN 55102

_____, 20__

Exhibit 1
to Taxable TIF Note

RISK FACTORS

Risk factors on the amount of Tax Increments that may actually be received by the EDA include but are not limited to the following:

1. Value of Project. If the contemplated Project (as defined in the TIF Agreement) constructed in the tax increment financing district is completed at a lesser level of value than originally contemplated, it will generate fewer taxes and fewer tax increments than originally contemplated.

2. Damage or Destruction. If the Project is damaged or destroyed after completion, and if repairs, restoration or replacement of the Project are not completed, the value of the Project will be reduced, and taxes and tax increments will be reduced. If repair, restoration or replacement of the Project does not occur, occurs after a substantial time delay, or involves property with a lower value than the Project, the taxes and tax increments could be reduced.

3. Change in Use to Tax-Exempt. The Project could be acquired by a party that devotes it to a use which causes the property to be exempt from real property taxation. Taxes and tax increments would then cease.

4. Depreciation. The Project could decline in value due to changes in the market for such property or due to the decline in the physical condition of the property. Lower market valuation will lead to lower taxes and lower tax increments.

5. Non-payment of Taxes. If the property owner does not pay property taxes, either in whole or in part, the lack of taxes received will cause a lack of tax increments. The Minnesota system of collecting delinquent property taxes is a lengthy one that could result in substantial delays in the receipt of taxes and tax increments, and there is no assurance that the full amount of delinquent taxes would be collected. Amounts distributed to taxing jurisdictions upon a sale following a tax forfeiture of the property are not tax increments.

6. Reductions in Taxes Levied. If property taxes are reduced due to decreased municipal levies, taxes and tax increments will be reduced. Reasons for such reduction could include lower local expenditures or changes in state aids to municipalities. For instance, in 2001 the Minnesota Legislature enacted an education funding reform that involved the state increasing school aid in lieu of the local general education levy (a component of school district tax levies).

7. Reductions in Tax Capacity Rates. The taxable value of real property is determined by multiplying the market value of the property by a tax capacity rate. Tax capacity rates vary by certain categories of property; for example, the tax capacity rates for residential homesteads are currently less than the tax capacity rates for commercial and industrial property. In 2001 the Minnesota Legislature enacted property tax reform that lowered various tax capacity rates to

“compress” the difference between the tax capacity rates applicable to residential homestead properties and commercial and industrial properties.

8. Changes to Local Tax Rate. The local tax rate to be applied in the tax increment financing district is the lower of the current local tax rate or the original local tax rate for the tax increment financing district. In the event that the Current Local Tax Rate is higher than the Original Local Tax Rate, then the “excess” or difference that comes about after applying the lower Original Local Tax Rate instead of the Current Local Tax Rate is considered “excess” tax increment and is distributed by Hennepin County to the other taxing jurisdictions and such amount is not available to the EDA as tax increment.

9. Legislation. The Minnesota Legislature has frequently modified laws affecting real property taxes, particularly as they relate to tax capacity rates and the overall level of taxes as affected by state aid to municipalities.

10. Affordable Housing Declaration. The TIF District will cease to qualify as a housing tax increment financing district and the TIF Note will terminate if the Project ceases to be operated in accordance with the Declaration required by and defined in the TIF Agreement defined in the attached Note.

11. County’s Sharing Factor. In determining the amount of tax increment generated by the development property, Hennepin County may reflect a Sharing Factor when there are multiple parcels of land in the tax increment financing district. This may reflect a lower amount of tax increment attributable to the development property than if the development property was the only parcel in the district. The Note Holder understands and acknowledges that the tax increment financing district may contain more than one separately owned tax parcels which may impact the amount of tax increment generated by the TIF District. In addition, the Sharing Factor is not consistent with the method that the EDA will use to determine Pledged Tax Increments.

12. Multi-Parcel District. The tax increment financing district may include property that is not owned by the Developer (as defined in the attached TIF Note). If other property owners in the tax increment financing district fail to pay property taxes, either in whole or in part, the lack of taxes received will result in a lower amount of tax increment derived from the tax increment financing district.

13. No Liability of EDA or City. The EDA and the City have made no representation or covenant, express or implied, that the revenues pledged to pay the TIF Note will be sufficient to pay, in whole or in part, the principal and interest due on the TIF Note. Any amounts which have not been paid on the TIF Note on or before the final maturity date of the TIF Note shall no longer be payable, as if the TIF Note had ceased to be an obligation of the EDA. The TIF Note will never represent or constitute a general obligation, debt or bonded indebtedness of the City, the EDA, the State of Minnesota, or any political subdivision thereof and that no right will exist to have taxes levied by the City, the EDA, the State of Minnesota or any political subdivision thereof for the payment of principal and interest on the TIF Note.

14. Termination Upon Default. The TIF Note will be issued only subject to and in accordance with the terms of the TIF Agreement and the EDA has the right to suspend payments

under the TIF Note and/or terminate the TIF Note upon an Event of Default under the TIF Agreement.

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Exhibit 2
to Taxable TIF Note

ACKNOWLEDGMENT REGARDING TIF NOTE

The undersigned, _____, a _____ (“Note Holder”), hereby certifies and acknowledges that:

A. On the date hereof the Note Holder has [acquired from]/[made a loan (the “Loan”) [to/for the benefit] of] Brooklyn Park AH II, LLLP, a Minnesota limited liability limited partnership (the “Developer”), [secured in part by] the Taxable Tax Increment Revenue Note (Decatur Landing II Apartments Project), a pay-as-you-go tax increment revenue note (the “Note”) in the original principal amount of [up to] \$[770,000] [dated _____, 20__] [to be] issued by the Brooklyn Park Economic Development Authority (the “EDA”) pursuant to and in accordance with the terms of a Development Assistance Agreement between the EDA and the Developer dated _____, 2024 (the “TIF Agreement”), [a copy of which is attached hereto].

B. The Note Holder has had the opportunity to ask questions of and receive from the Developer all information and documents concerning the Note as it requested and has had access to any additional information the Note Holder thought necessary to verify the accuracy of the information received. In determining to [acquire the Note]/[make the Loan], the Note Holder has made its own determinations and has not relied on the EDA or information provided by the EDA.

C. The Note Holder represents and warrants that:

1. The Note Holder is acquiring [the Note]/[an interest in the Note as collateral for the Loan] for investment and for its own account, and without any view to resale or other distribution.

2. The Note Holder has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of acquiring [the Note]/[an interest in the Note as collateral for the Loan].

3. The Note Holder understands that the Note is a security which has not been registered under the Securities Act of 1933, as amended, or any state securities law, and must be held until its sale is registered or an exemption from registration becomes available.

4. The Note Holder is aware of the limited payment source for the Note and interest thereon and risks associated with the sufficiency of that limited payment source.

5. The Note Holder is [a bank or other financial institution] / [the owner of the property from which the tax increments which are pledged to the Note are generated].

D. The Note Holder understands that the Note is payable solely from certain tax increments derived from certain properties located in a tax increment financing district, if and as received by the EDA. The Note Holder acknowledges that the EDA has made no representation

or covenant, express or implied, that the revenues pledged to pay the Note will be sufficient to pay, in whole or in part, the principal and interest due on the Note. Any amounts which have not been paid on the Note on or before the final maturity date of the Note shall no longer be payable, as if the Note had ceased to be an obligation of the EDA. The Note Holder understands that the Note will never represent or constitute a general obligation, debt or bonded indebtedness of the City of Brooklyn Park, Minnesota (the “City”), the EDA, the State of Minnesota, or any political subdivision thereof and that no right will exist to have taxes levied by the City, the EDA, the State of Minnesota or any political subdivision thereof for the payment of principal and interest on the Note.

E. The Note Holder understands that the Note is payable solely from certain tax increments, which are taxes received on improvements made to certain property (the “Project”) in a tax increment financing district from the increased taxable value of the property over its base value at the time that the tax increment financing district was created, which base value is called “original net tax capacity”. There are risk factors in relying on tax increments to be received, which include, but are not limited to, the following:

1. Value of Project. If the contemplated Project constructed in the tax increment financing district is completed at a lesser level of value than originally contemplated, it will generate fewer taxes and fewer tax increments than originally contemplated.

2. Damage or Destruction. If the Project is damaged or destroyed after completion, and if repairs, restoration or replacement of the Project are not completed, the value of the Project will be reduced, and taxes and tax increments will be reduced. If repair, restoration or replacement of the Project does not occur, occurs after a substantial time delay, or involves property with a lower value than the Project, the taxes and tax increments could be reduced.

3. Change in Use to Tax-Exempt. The Project could be acquired by a party that devotes it to a use which causes the property to be exempt from real property taxation. Taxes and tax increments would then cease.

4. Depreciation. The Project could decline in value due to changes in the market for such property or due to the decline in the physical condition of the property. Lower market valuation will lead to lower taxes and lower tax increments.

5. Non-payment of Taxes. If the property owner does not pay property taxes, either in whole or in part, the lack of taxes received will cause a lack of tax increments. The Minnesota system of collecting delinquent property taxes is a lengthy one that could result in substantial delays in the receipt of taxes and tax increments, and there is no assurance that the full amount of delinquent taxes would be collected. Amounts distributed to taxing jurisdictions upon a sale following a tax forfeiture of the property are not tax increments.

6. Reductions in Taxes Levied. If property taxes are reduced due to decreased municipal levies, taxes and tax increments will be reduced. Reasons for such reduction

could include lower local expenditures or changes in state aids to municipalities. For instance, in 2001 the Minnesota Legislature enacted an education funding reform that involved the state increasing school aid in lieu of the local general education levy (a component of school district tax levies).

7. Reductions in Tax Capacity Rates. The taxable value of real property is determined by multiplying the market value of the property by a tax capacity rate. Tax capacity rates vary by certain categories of property; for example, the tax capacity rates for residential homesteads are currently less than the tax capacity rates for commercial and industrial property. In 2001 the Minnesota Legislature enacted property tax reform that lowered various tax capacity rates to “compress” the difference between the tax capacity rates applicable to residential homestead properties and commercial and industrial properties.

8. Changes to Local Tax Rate. The local tax rate to be applied in the tax increment financing district is the lower of the current local tax rate or the original local tax rate for the tax increment financing district. In the event that the Current Local Tax Rate is higher than the Original Local Tax Rate, then the “excess” or difference that comes about after applying the lower Original Local Tax Rate instead of the Current Local Tax Rate is considered “excess” tax increment and is distributed by Hennepin County to the other taxing jurisdictions and such amount is not available to the EDA as tax increment.

9. Legislation. The Minnesota Legislature has frequently modified laws affecting real property taxes, particularly as they relate to tax capacity rates and the overall level of taxes as affected by state aid to municipalities.

10. Affordable Housing Declaration. The TIF District will cease to qualify as a housing tax increment financing district and the TIF Note will terminate if the Project ceases to be operated in accordance with the Declaration required by and defined in the TIF Agreement defined below.

11. County’s Tax Statement. In determining the amount of tax increment generated by the development property, Hennepin County may reflect an allocation of tax increments based on current net tax capacity when there are multiple parcels of land in the tax increment financing district. This Sharing Factor is not consistent with the method that the EDA will use to determine Pledged Tax Increments.

12. Multi-Parcel District. The tax increment financing district may include property that is not owned by the Developer (as defined in the attached TIF Note). If other property owners in the tax increment financing district fail to pay property taxes, either in whole or in part, the lack of taxes received will result in a lower amount of tax increment derived from the tax increment financing district.

13. No Liability of EDA or City. The EDA and the City have made no representation or covenant, express or implied, that the revenues pledged to pay the TIF Note will be sufficient to pay, in whole or in part, the principal and interest due on the TIF Note. Any amounts which have not been paid on the TIF Note on or before the final

maturity date of the TIF Note shall no longer be payable, as if the TIF Note had ceased to be an obligation of the EDA. The TIF Note will never represent or constitute a general obligation, debt or bonded indebtedness of the City, the EDA, the State of Minnesota, or any political subdivision thereof and that no right will exist to have taxes levied by the City, the EDA, the State of Minnesota or any political subdivision thereof for the payment of principal and interest on the TIF Note.

14. Termination Upon Default. The TIF Note will be issued only subject to and in accordance with the terms of the TIF Agreement and the EDA has the right to suspend payments under the TIF Note and/or terminate the TIF Note upon an Event of Default under the TIF Agreement.

F. The Note Holder acknowledges that the EDA makes no representation about the tax treatment of, or tax consequences from, the Note Holder's acquisition of [the Note]/[an interest in the Note as collateral for the Loan].

WITNESS our hand this ____ day of _____, 20__.

Note Holder:

By: _____

Name: _____

Its: _____

EXHIBIT F**CERTIFICATE OF COMPLETION OF PROJECT**

_____, 20____

WHEREAS, the BROOKLYN PARK ECONOMIC DEVELOPMENT AUTHORITY, a public body corporate and politic under the laws of the State of Minnesota (the “EDA”), and BROOKLYN PARK AH II, LLLP, a Minnesota limited liability limited partnership (the “Developer”), have entered into a Development Assistance Agreement (the “TIF Agreement”), dated _____, 2024; and

WHEREAS, the TIF Agreement requires the Developer to construct the Project (as that term is defined in the TIF Agreement); and

WHEREAS, the Developer has constructed the Project in a manner deemed sufficient by the EDA to permit the execution of this certification in accordance with Section 3.10 of the TIF Agreement; and

NOW, THEREFORE, this is to certify that the Developer has constructed the Project in accordance with the TIF Agreement. The remaining covenants of the Developer under the TIF Agreement are not intended to run with title to the Development Property (as that term is defined in the TIF Agreement) or bind successors in title to the Development Property.

The EDA has, as of the date and year first above written, set its hand hereon.

BROOKLYN PARK ECONOMIC
DEVELOPMENT AUTHORITY

By _____
Its Executive Director

STATE OF MINNESOTA)
) SS.
COUNTY OF HENNEPIN)

The foregoing instrument was acknowledged before me this _____ day of _____,
20__, by _____, the Executive Director of the Brooklyn Park Economic Development
Authority, a public body corporate and politic organized and existing under the laws of the State
of Minnesota, on behalf of said EDA.

Notary Public

EXHIBIT G**FORM OF MINIMUM ASSESSMENT AGREEMENT**

THIS AGREEMENT, dated as of this ____ day of _____, 2024, is between the Brooklyn Park Economic Development Authority (the “EDA”) and Brooklyn Park AH II, LLLP, a Minnesota limited liability limited partnership (the “Developer”).

WITNESSETH

WHEREAS, on or before the date hereof the EDA and Developer have entered into a Development Assistance Agreement dated as of _____, 2024 (the “TIF Agreement”) regarding certain real property located in the City of Brooklyn Park, Minnesota (the “City”) the legal description of which is attached hereto as **Exhibit A** (the “Development Property”).

WHEREAS, it is contemplated that pursuant to said Agreement, the Developer will undertake the acquisition, construction and equipping of an approximately 175-unit multifamily rental housing facility with related amenities and improvements including a fitness center, community room, tot lot and an outdoor grilling/patio area (collectively, the “Project”).

WHEREAS, the EDA and Developer desire to establish a minimum market value for the Development Property and the improvements constructed or to be constructed thereon, pursuant to Minnesota Statutes, Section 469.177.

WHEREAS, the Developer has acquired the Development Property.

WHEREAS, the EDA and the Assessor have reviewed plans and specifications for the Project.

NOW, THEREFORE, the parties to this Agreement, in consideration of the promises, covenants and agreements made by each to the other, do hereby agree as follows:

1. As of January 2, 2027, the minimum market value, which shall be assessed for the Development Property for taxes payable 2028 and in each year thereafter, shall not be less than \$36,750,000.

2. The minimum market values herein established shall be of no further force and effect after assessment on or before January 31, 2039 for taxes payable in 2040; provided, however, this Agreement shall terminate earlier upon such date as the earliest to occur of (i) the date on which the entire principal and accrued interest on the TIF Note (as defined in the TIF Agreement) has been paid in full; or (ii) any earlier date the TIF Agreement or the TIF Note is cancelled in accordance with the terms thereof or deemed paid in full; or (iii) the date the TIF District (as defined in the TIF Agreement) is terminated in accordance with the TIF Act (as defined in the TIF Agreement); or (iv) the date the EDA cancels the TIF Note upon a written request for termination from the Developer (the “Termination Date”). If the Termination Date is earlier than the assessment on or before January 31, 2039, for taxes payable in 2040, the EDA shall duly execute and record a release of this Agreement upon the written request and sole expense of the then holder of fee title to the Developer Property.

3. This Agreement shall be recorded by the EDA with the County Recorder of Hennepin County, Minnesota and in the Office of the Hennepin County Registrar of Titles. The Developer shall pay all costs of recording.

4. Neither the preambles nor provisions of this Agreement are intended to, or shall they be construed as, modifying the terms of the TIF Agreement between the EDA and the Developer.

5. This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the parties, shall be governed by, and interpreted pursuant to Minnesota law, and may be executed in counterparts, each of which shall constitute an original hereof and all of which shall constitute one and the same instrument.

This Instrument Drafted By:
Kennedy & Graven, Chartered (JSB)
700 Fifth Street Towers
150 South Fifth Street
Minneapolis, MN 55402

IN WITNESS WHEREOF, the EDA and the Developer have caused this Minimum Assessment Agreement to be executed in their names and on their behalf all as of the date set forth above.

ECONOMIC DEVELOPMENT
AUTHORITY OF THE CITY OF
BROOKLYN PARK

By _____
Executive Director

STATE OF MINNESOTA)
) SS.
COUNTY OF HENNEPIN)

The foregoing instrument was acknowledged before me this ____ day of _____, 2024 by _____, the Executive Director of the Economic Development Authority of the City of Brooklyn Park, a public body corporate and politic organized and existing under the Constitution and laws of the State of Minnesota, on behalf of said Authority.

Notary Public

BROOKLYN PARK AH II, LLLP,
a Minnesota limited liability limited partnership

By: _____,

Its: _____

STATE OF MINNESOTA)
) SS.
COUNTY OF RAMSEY)

The foregoing instrument was acknowledged before me this _____, 2024, by
_____, the _____ of Brooklyn Park AH II, LLLP, a Minnesota limited liability
limited partnership.

Notary Public

CERTIFICATION BY CITY ASSESSOR

The undersigned, having reviewed (i) the Assessment Agreement dated as of the date first written above by and between the Economic Development Authority of the City of Brooklyn Park and Brooklyn Park AH II, LLLP, a Minnesota limited liability limited partnership, (ii) the plans and specifications for the Development, as defined in the foregoing Minimum Assessment Agreement, and (iii) the market value currently assigned to land upon which the improvements are to be constructed and being of the opinion that the minimum market value contained in the Minimum Assessment Agreement appears reasonable, hereby certifies as follows:

The undersigned Assessor, being legally responsible for the assessment of the above-described property, hereby certifies that the minimum market value of \$36,750,000 as of January 2, 2028, assigned to such land and improvements is reasonable.

Brooklyn Park City Assessor

STATE OF MINNESOTA)
) ss.
COUNTY OF HENNEPIN)

This instrument was acknowledged before me on _____, 2024, by _____, the Brooklyn Park City Assessor.

Notary Public

EXHIBIT A TO MINIMUM ASSESSMENT AGREEMENT

The property located in the City of Brooklyn Park, Hennepin County, Minnesota described as:

Lot 2, Block 1, Gateway 7th Addition, according to the recorded plat thereof, Hennepin County, Minnesota.

EXHIBIT H

DECLARATION OF RESTRICTIVE COVENANTS

THIS DECLARATION OF RESTRICTIVE COVENANTS, dated _____, 2024 (the “Declaration”), by BROOKLYN PARK AH II, LLLP, a Minnesota limited liability limited partnership (the “Developer”), is given for the benefit of the BROOKLYN PARK ECONOMIC DEVELOPMENT AUTHORITY, a public body corporate and politic organized and existing under the laws of the State of Minnesota (the “EDA”).

RECITALS

WHEREAS, the EDA and the Developer entered into that certain Development Assistance Agreement, dated _____, 2024, (the “TIF Agreement”); and

WHEREAS, pursuant to the TIF Agreement, the Developer is obligated to cause the acquisition, construction and equipping of an approximately 175-unit multifamily rental housing facility with related amenities and improvements including a fitness center, community room, tot lot and an outdoor grilling/patio area (collectively, the “Project”) to be located on the property described in Exhibit A attached hereto (the “Property”), and to cause compliance with certain affordability covenants described in Section 3.4 of the TIF Agreement; and

WHEREAS, Section 3.4 of the TIF Agreement requires that the Developer cause to be executed an instrument in recordable form substantially reflecting the covenants set forth in Section 3.4 of the TIF Agreement; and

WHEREAS, the Developer intends, declares, and covenants that the restrictive covenants set forth herein will be and are covenants running with the Property for the term described herein and binding upon all subsequent owners of the Property for the term described herein, and are not merely personal covenants of the Developer; and

WHEREAS, capitalized terms in this Declaration have the meanings provided in the TIF Agreement unless otherwise defined herein.

NOW, THEREFORE, in consideration of the promises and covenants hereinafter set forth, and of other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Developer agrees as follows:

1. Term of Restrictions.

(a) Qualified Project Period. The term of the Occupancy Restrictions set forth in Section 3 of this Declaration will commence on the date a certificate of occupancy is issued by the City for all residential units in the Project and continue through the Declaration Termination Date defined below (the “Qualified Project Period”).

(b) Termination of Declaration. This Declaration shall terminate on the date 30 years following the date a certificate of occupancy is issued by the City for the Project (the “Declaration Termination Date”). The Developer acknowledges, on behalf of itself and its successors and assigns that, upon any termination of this Declaration prior to the payment in full of the TIF Note, the EDA will terminate the TIF Note.

(c) Removal from Real Estate Records. After the Declaration Termination Date of this Declaration, the EDA will, upon request by the Developer or its assigns, file any document appropriate to remove this Declaration from the real estate records of Hennepin County, Minnesota.

2. Project Restrictions.

(a) The Developer represents, warrants, and covenants that:

(i) All leases of residential units to Qualifying Tenants (as defined in Section 3(a) hereof) will contain clauses, among others, wherein each individual lessee:

(1) Certifies the accuracy of the statements made in its application and Eligibility Certification (as defined in Section 3(b) hereof); and

(2) Agrees that the family income at the time the lease is executed will be deemed a substantial and material obligation of the lessee’s tenancy; that the lessee will comply promptly with all requests for income and other information relevant to determining low or moderate income status from the Developer or the EDA, and that the lessee’s failure or refusal to comply with a request for information with respect thereto will be deemed a violation of a substantial obligation of the lessee’s tenancy.

(b) The Developer will permit any duly authorized representative of the EDA to inspect the books and records of the Developer pertaining to the income of Qualifying Tenants residing in the Project.

3. Occupancy Restrictions. The Developer represents, warrants, and covenants that:

(a) Qualifying Tenants. Throughout the Qualified Project Period the Project shall satisfy the following income restrictions (collectively, the “Occupancy Restrictions”):

(i) 60% Qualifying Tenants. At least 80% (i.e. 140 units) of the residential units in the Project shall be occupied (or treated as occupied as provided herein) or held vacant and available for occupancy by persons or families whose combined adjusted income is 60% or less of Median Income (60% Qualifying Tenants”).

(ii) 30% Qualifying Tenants. At least 5% (i.e. 9 units) of the residential units in the Project shall be occupied (or treated as occupied as provided herein) or held vacant and available for occupancy by persons or families whose combined adjusted income is 30% or less of Median Income (“30% Qualifying Tenants”).

(iii) Average Income. The average income of the residents of 100% of the units in the Project shall not exceed 60% of Median Income (as calculated in accordance with Section 42(g)(1)(C) of the Internal Revenue Code of 1986, as amended (the “Code”).

(iv) Rent Limitations. Gross Rents (including utilities paid by tenant) for the units subject to the Occupancy Restrictions shall be restricted to not exceed 30% of the imputed income limitation, as noted in Section 3(a)(i) or (ii), as applicable, for the units subject to the Occupancy Restrictions.

(b) Additional Definitions. “Median Income” means the area-wide median family income for the standard metropolitan statistical area which includes Brooklyn Park, Minnesota, as that figure is determined and announced from time to time by HUD, as adjusted for family size for the applicable calendar year. “Qualifying Tenants” means, collectively, as applicable, 60% Qualifying Tenants and 30% Qualifying Tenants; for purposes of this definition, the occupants of a residential unit will not be deemed to be Qualifying Tenants if all the occupants of such residential unit at any time are “students,” as defined in Section 152(f)(2) of the Code, not entitled to an exemption under the Code. The determination of whether an individual or family is of low or moderate income will be made at the time the tenancy commences and, with respect to each 60% Qualifying Tenant and each 30% Qualifying Tenant, on an ongoing basis thereafter, determined at least annually. If during their tenancy the income of a Qualifying Tenant exceeds 140% of the maximum income qualifying as low or moderate income for a family of its size, the next available residential unit (determined in accordance with the Code and applicable regulations) (the “Next Available Unit Rule”) must be leased to a Qualifying Tenant or held vacant and available for occupancy by a Qualifying Tenant qualifying as to the applicable income level. If the Next Available Unit Rule is violated, the affected unit will not continue to be treated as occupied by a Qualifying Tenant.

(c) Certification of Tenant Eligibility. As a condition to initial and continuing occupancy, each person who or household that is intended to be a 60% Qualifying Tenant or a 30% Qualifying Tenant will be required annually to sign and deliver to the Developer a Certification of Tenant Eligibility substantially in the form attached as Exhibit B hereto, or in any other form as may be approved by the EDA (the “Eligibility Certification”), in which the prospective Qualifying Tenant certifies as to having a qualifying low or moderate income at the applicable level. In addition, the Qualifying Tenant will be required to provide whatever other information, documents, or certifications are deemed necessary by the EDA to substantiate the Eligibility Certification, on an ongoing annual basis, and to verify that the tenant continues to be a Qualifying Tenant within the meaning of Section 3(a) hereof. Eligibility Certifications will be maintained on file by the Developer for the Qualified Project Period with respect to each Qualifying Tenant who resides in a residential unit or resided therein during the Qualified Project Period.

(d) Lease. The form of lease to be utilized by the Developer in renting any residential units in the Project to any person who is intended to be a Qualifying Tenant will provide for termination of the lease and consent by the person to immediate eviction for failure to qualify as a Qualifying Tenant as a result of any material misrepresentation made by the person with respect to the Eligibility Certification. The Developer covenants and agrees that during the Qualified Project Period it will not increase the rent charged to any tenant of a rental unit within the Project

during such tenant's lease term and, at any rate, will not increase the rent charged to any tenant more than once in any 12-month period.

(e) Annual Report. The Developer covenants and agrees that during the term of this Declaration, it will prepare and submit to the EDA on or before July 1 of each year, a certificate substantially in the form of **Exhibit C** attached hereto, executed by the Developer, (a) identifying the tenancies and the dates of occupancy (or vacancy) for all Qualifying Tenants in the Project, including the percentage of the residential units of the Project which were occupied by Qualifying Tenants (or held vacant and available for occupancy by Qualifying Tenants) at all times during the year preceding the date of the certificate; (b) describing all transfers or other changes in ownership of the Project or any interest therein; and (c) stating, that to the best knowledge of the person executing the certificate after due inquiry, all the residential units were rented or available for rental on a continuous basis during the year to members of the general public and that the Developer was not otherwise in default under this Declaration during the year.

(f) Notice of Non-Compliance. The Developer will immediately notify the EDA if at any time during the term of this Declaration fewer dwelling units in the Project than the percentages set forth in Section 3(a) above are occupied or available for occupancy by Qualifying Tenants as required by the terms of this Declaration.

(g) Section 8 Housing. The Developer shall accept tenants who are recipients of federal certificates for rent subsidies pursuant to the existing program under Section 8 of the United States Housing Act of 1937, as amended, codified as 42 U.S.C. Sections 1401 et seq., or its successor. During the term of this Declaration, the Developer shall not adopt any policies specifically excluding rental to tenants holding Section 8 certificate/voucher holders.

(h) Reasonable Distribution. The Developer shall not concentrate Qualifying Tenants in any floor or any area of any building in the Project. The units occupied by Qualifying Tenants shall be located throughout the Project and shall reflect the unit mix of the entire Project. The units occupied or held for 30% Qualifying Tenants shall include at least 3 two-bedroom units and 3 three-bedroom units.

4. Transfer Restrictions. Except as provided in Section 1(b) above, the Developer covenants and agrees that the Developer will cause or require as a condition precedent to any conveyance, transfer, assignment, or any other disposition of the Project prior to the termination of the Occupancy Restrictions provided herein (the "Transfer") that the transferee of the Project pursuant to the Transfer assume in writing, in a form acceptable to the EDA, all duties and obligations of the Developer under this Declaration, including this Section 4, in the event of a subsequent Transfer by the transferee prior to expiration of the Occupancy Restrictions provided herein (the "Assumption Agreement"). The Developer will deliver the Assumption Agreement to the EDA prior to the Transfer.

5. Enforcement.

(a) The Developer will permit, during normal business hours and upon reasonable notice, any duly authorized representative of the EDA to inspect any books and records of the Developer

regarding the Project with respect to the incomes of Qualifying Tenants and the average income of all residents.

(b) The Developer will submit any other information, documents or certifications requested by the EDA which the EDA deems reasonably necessary to substantiate the Developer's continuing compliance with the provisions specified in this Declaration.

(c) The Developer acknowledges that the primary purpose for requiring compliance by the Developer with the restrictions provided in this Declaration is to ensure compliance of the property with the housing affordability covenants set forth in Section 3.4 of the TIF Agreement, and by reason thereof, the Developer, in consideration for assistance provided by the EDA under the TIF Agreement that makes the construction of the Project on the Property possible, hereby agrees and consents that the EDA will be entitled, for any breach of the provisions of this Declaration, and in addition to all other remedies provided by law or in equity, to enforce specific performance by the Developer of its obligations under this Declaration in a state court of competent jurisdiction. The Developer hereby further specifically acknowledges that the EDA cannot be adequately compensated by monetary damages in the event of any default hereunder.

(d) The Developer understands and acknowledges that, in addition to any remedy set forth herein for failure to comply with the restrictions set forth in this Declaration, the EDA may exercise any remedy available to it under Article IV of the TIF Agreement.

6. Indemnification. The Developer hereby indemnifies, and agrees to defend and hold harmless, the EDA from and against all liabilities, losses, damages, costs, expenses (including attorneys' fees and expenses), causes of action, suits, allegations, claims, demands, and judgments of any nature arising from the consequences of a legal or administrative proceeding or action brought against them, or any of them, on account of any failure by the Developer to comply with the terms of this Declaration, or on account of any representation or warranty of the Developer contained herein being untrue.

7. Agent of the EDA. The EDA will have the right to appoint an agent to carry out any of its duties and obligations hereunder, and will inform the Developer of any agency appointment by written notice.

8. Compliance with Local Codes. Developer agrees to keep all units in compliance with all applicable local codes including state and local building codes to ensure the units are decent, safe, and sanitary at all times.

9. Equal Opportunity, Affirmative Marketing. Developer and its agents must adhere to Equal Opportunity, Affirmative Marketing, and Fair Housing practices in all marketing efforts, eligibility determinations and other transactions. The Equal Housing Opportunity logo or statement ("We do business in accordance with the Federal Fair Housing Law. It is illegal to discriminate against any person because of race, color, religion, sex, handicap, familial status, or national origin.") must be used in all advertising of vacant units.

10. Severability. The invalidity of any clause, part or provision of this Declaration will not affect the validity of the remaining portions thereof.

11. Notices. All notices to be given pursuant to this Declaration must be in writing and will be deemed given when mailed by certified or registered mail, return receipt requested, to the parties hereto at the addresses set forth below, or to any other place as a party may from time to time designate in writing. The Developer and the EDA may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates, or other communications are sent. The initial addresses for notices and other communications are as follows:

To the EDA: Brooklyn Park Economic Development Authority
5200 85th Ave. N.
Brooklyn Park, MN 55443
Attn: Executive Director

To the Developer: Brooklyn Park AH II, LLLP
579 Selby Avenue
Saint Paul, MN 55102
Attn: Patrick Ostrom

12. Governing Law. This Declaration is governed by the laws of the State of Minnesota and, where applicable, the laws of the United States of America.

13. Attorneys' Fees. In case any action at law or in equity, including an action for declaratory relief, is brought against the Developer to enforce the provisions of this Declaration, the Developer agrees to pay the reasonable attorneys' fees and other reasonable expenses paid or incurred by the EDA in connection with the action.

14. Declaration Binding. This Declaration and the covenants contained herein will run with the real property comprising the Project and will bind the Developer and its successors and assigns and all subsequent owners of the Project or any interest therein, and the benefits will inure to the EDA and its successors and assigns until the Declaration Termination Date as provided in Section 1(b) hereof.

IN WITNESS WHEREOF, the Developer has caused this Declaration of Restrictive Covenants to be signed by its respective duly authorized representatives, as of the day and year first written above.

BROOKLYN PARK AH II, LLLP, a Minnesota
limited liability limited partnership

By: _____

Its: _____

STATE OF MINNESOTA)
) SS.
COUNTY OF RAMSEY)

The foregoing instrument was acknowledged before me this _____, 2024, by _____, the _____ of Brooklyn Park AH II, LLLP, a Minnesota limited liability limited partnership, on behalf of the partnership.

Notary Public

THIS INSTRUMENT WAS DRAFTED BY:
Kennedy & Graven, Chartered (JSB)
700 Fifth Street Towers
150 South Fifth Street
Minneapolis, Minnesota 55402
(P) 612-337-9300
(F) 612-337-9310

This Declaration is acknowledged and consented to by:

BROOKLYN PARK ECONOMIC
DEVELOPMENT AUTHORITY

By _____
Its Executive Director

STATE OF MINNESOTA)
) SS.
COUNTY OF HENNEPIN)

The foregoing instrument was acknowledged before me this _____, 20__, by _____, the Executive Director of the Brooklyn Park Economic Development Authority, a public body corporate and politic organized and existing under the laws of the State of Minnesota, on behalf of the EDA.

Notary Public

Exhibit A to Declaration of Restrictive Covenants

Legal Description

The property located in the City of Brooklyn Park, Hennepin County, Minnesota described as:

Lot 2, Block 1, Gateway 7th Addition, according to the recorded plat thereof, Hennepin County, Minnesota.

Exhibit B to Declaration of Restrictive Covenants

Certification of Tenant Eligibility

TENANT INCOME CERTIFICATION <input type="checkbox"/> Initial Certification <input type="checkbox"/> Recertification <input type="checkbox"/> Other _____	Effective Date: _____ Move-in Date: _____ (MM/DD/YY): _____
PART I. DEVELOPMENT DATA	
Property Name: Decatur Landing II Apartments Address: _____, Brooklyn Park, Minnesota	County: Hennepin Unit Number: _____
BIN #: _____ # Bedrooms: _____	

PART II. HOUSEHOLD COMPOSITION						
HH Br #	Last Name	First Name & Middle Initial	Relationship to Head of Household	Date of Birth (MM/DD/YY)	F/T Student (Y or N)	Social Security or Alien Reg. No.
1			HEAD			
2						
3						
4						
5						
6						

PART III. GROSS ANNUAL INCOME (USE ANNUAL AMOUNTS)				
HH Br #	(A) Employment or Wages	(B) Soc. Security / Pensions	(C) Public Assistance	(D) Other Income
TOTAL	\$	\$	\$	\$
Add totals from (A) through (D) above			TOTAL INCOME (E):	\$

PART IV. INCOME FROM ASSETS

HH Mbr#	(F) Type of Asset	(G) C/I	(H) Cash Value of Asset	(I) Annual Income from Asset
TOTALS:			\$	\$
Enter Column (H) Total		Passbook Rate		
if over \$5,000 \$ _____		x 2.00 %		= (J) Imputed Income \$
Enter the greater of the total column I, or J: imputed income TOTAL INCOME FROM ASSETS (K)				\$
(L) Total Annual Household Income from all sources [Add (E) + (K)]				\$

HOUSEHOLD CERTIFICATION & SIGNATURES

The information on this form will be used to determine maximum income eligibility. I/we have provided for each person(s) set forth in Part II acceptable verification of current anticipated annual income. I/we agree to notify the landlord immediately upon any member of the household moving out of the unit or any new member moving in. I/we agree to notify the landlord immediately upon any member becoming a full-time student.

Under penalties of perjury, I/we certify that the information presented in this Certification is true and accurate to the best of my/our knowledge and belief. The undersigned further understands that providing false representations herein constitutes an act of fraud. False, misleading or incomplete information may result in the termination of the lease agreement.

Signature_____
(Date)_____
Signature_____
(Date)_____
Signature_____
(Date)_____
Signature_____
(Date)**PART V. DETERMINATION OF INCOME ELIGIBILITY**

TOTAL ANNUAL HOUSEHOLD
INCOME FROM ALL SOURCES
From Item (L) on page 1

\$

Household Meets
Income Restriction

at:

- ☐ 80% ☐ 60%
☐ 50% ☐ 30%
☐ ____%

Current Income Limit per Family Size: \$ _____

Household Income at Move-in
\$ _____

RECERTIFICATION ONLY:
Current Income Limit x 140%

\$ _____

Household income exceeds 140% at
recertification:

☐ Yes ☐ No

Household Size at Move-in:

PART VI. RENT

Tenant Paid Rent	\$ _____	Rent Assistance:	\$ _____
Utility Allowance	\$ _____	Other non-optional charges:	\$ _____

GROSS RENT FOR UNIT:

Tenant paid rent plus Utility Allowance and other non-optional charges	\$		Unit Meets Rent Restriction at:
			<input type="checkbox"/> 80% <input type="checkbox"/> 60% <input type="checkbox"/> 50% <input type="checkbox"/> 30% <input type="checkbox"/> ____ %

Maximum Rent Limit for this unit: \$ _____

PART VII. STUDENT STATUS

ARE ALL OCCUPANTS FULL-TIME STUDENTS? <input type="checkbox"/> yes <input type="checkbox"/> no	If yes, enter student explanation** (also attach documentation) <div style="border: 1px solid black; padding: 5px; width: fit-content;"> Enter 1-4 </div>	Student explanation: 1. TANF assistance 2. Job training program 3. Single parent/dependent child 4. Married/joint return*
---	---	---

***Exception for married/joint return is the only exception available for units necessary to qualify tax-exempt bonds.**

PART VIII. PROGRAM TYPE

Mark the program(s) listed below (a. through e.) for which this household's unit will be counted toward the property's occupancy requirements. Under each program marked, indicate the household's income status as established by this certification/recertification

a. Tax Credit <input type="checkbox"/>	b. HOME <input type="checkbox"/>	c. Tax Exempt <input type="checkbox"/>	d. AHDP <input type="checkbox"/>	e. _____ <input type="checkbox"/> (Name of Program)
--	----------------------------------	--	----------------------------------	--

See Part V above.	<i>Income Status</i> <input type="checkbox"/> ≤ 50% AMGI <input type="checkbox"/> ≤ 60% AMGI <input type="checkbox"/> ≤ 80% AMGI <input type="checkbox"/> ≤ 0I **	<i>Income Status</i> <input type="checkbox"/> 50% AMGI <input type="checkbox"/> 60% AMGI <input type="checkbox"/> 80% AMGI <input type="checkbox"/> 0I **	<i>Income Status</i> <input type="checkbox"/> ≤ 50% AMGI <input type="checkbox"/> ≤ 80% AMGI <input type="checkbox"/> ≤ 0I **	<i>Income Status</i> <input type="checkbox"/> _____ <input type="checkbox"/> _____ <input type="checkbox"/> ≤ 0I **
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** Upon recertification, household was determined over income (OI) according to eligibility requirements of the program(s) marked above.

SIGNATURE OF OWNER / REPRESENTATIVE

Based on the representations herein and upon the proofs and documentation required to be submitted, the individual(s) named in Part II of this Tenant Income Certification is/are eligible under the Declaration of Restrictive Covenants to live in a unit in this Project.

SIGNATURE OF OWNER / REPRESENTATIVE

DATE

INSTRUCTIONS FOR COMPLETING TENANT INCOME CERTIFICATION

This form is to be completed by the owner or an authorized representative.

Part I – Development Data

Check the appropriate box for Initial Certification (move-in), Recertification (annual recertification), or Other. If Other, designate the purpose of the recertification (i.e., a unit transfer, a change in household composition, or other state-required recertification).

Move-in Date	Enter the date the tenant has or will take occupancy of the unit.
Effective Date	Enter the effective date of the certification. For move-in, this should be the move-in date. For annual recertification, this effective date should be no later than one year from the effective date of the previous (re)certification.
Property Name	Enter the name of the development.
County	Enter the county (or equivalent) in which the building is located.
BIN #	Enter the Building Identification Number (BIN) assigned to the building (from IRS Form 8609).
Address	Enter the unit number.
Unit Number	Enter the unit number.
# Bedrooms	Enter the number of bedrooms in the unit.

Part II – Household Composition

List all occupants of the unit. State each household member's relationship to the head of the household by using one of the following coded definitions:

H	Head of household	S	Spouse
A	Adult co-tenant	O	Other family member
C	Child	F	Foster child
L	Live-in caretaker	N	None of the above

Enter the date of birth, student status, and Social Security number or alien registration number for each occupant.

If there are more than seven occupants, use an additional sheet of paper to list the remaining household members and attach it to the certification.

Part III – Annual Income

See HUD Handbook 4350.3 for complete instructions on verifying and calculating income, including acceptable forms of verification.

From the third party verification forms obtained from each income source, enter the gross amount anticipated to be received for the 12 months from the effective date of the (re)certification. Complete a separate line for each income-earning member. List the respective household member number from Part II.

Column (A)	Enter the annual amount of wages, salaries, tips, commissions, bonuses, and other income from employment; distributed profits and/or net income from a business.
Column (B)	Enter the annual amount of Social Security, Supplemental Security Income, pensions, military retirement, etc.
Column (C)	Enter the annual amount of income received from public assistance (i.e., TANF, general assistance, disability, etc.)
Column (D)	Enter the annual amount of alimony, child support, unemployment benefits, or any other income regularly received by the household.
Row (E)	Add the totals from columns (A) through (D) above. Enter this amount.

Part IV – Income from Assets

See HUD Handbook 4350.3 for complete instructions on verifying and calculating income from assets, including acceptable forms of verification.

From the third party verification forms obtained from each asset source, list the gross amount anticipated to be received during the 12 months from the effective date of the certification. List the respective household member number from Part II and complete a separate line for each member.

Column (F)	List the type of asset (i.e., checking account, savings account, etc.)
Column (G)	Enter C (for current, if the family currently owns or holds the asset), or I (for imputed, if the family has disposed of the asset for less than fair market value within two years of the effective date of (re)certification).
Column (H)	Enter the cash value of the respective asset.
Column (I)	Enter the anticipated annual income from the asset (i.e., savings account balance multiplied by the annual interest rate).
TOTALS	Add the total of Column (H) and Column (I), respectively.

If the total in Column (H) is greater than \$5,000, you must do an imputed calculation of asset income. Enter the Total Cash Value, multiply by 2% and enter the amount in (J), Imputed Income.

Row (K)	Enter the Greater of the total in Column (I) or (J)
Row (L)	Total Annual Household Income from All Sources Add (E) and (K) and enter the total

HOUSEHOLD CERTIFICATION AND SIGNATURES

After all verifications of income and/or assets have been received and calculated, each household member age 18 or older must sign and date the Tenant Income Certification. For move-in, it is recommended that the Tenant Income Certification be signed no earlier than five days prior to the effective date of the certification.

Part V – Determination of Income Eligibility

Total Annual Household Income from all sources	Enter the number from item (L).
Current Income Limit per Family Size	Enter the Current Move-in Income Limit for the household size.
Household income at move-in Household size at move-in	For recertifications only. Enter the household income from the move-in certification. On the adjacent line, enter the number of household members from the move-in certification.
Household Meets Income Restriction	Check the appropriate box for the income restriction that the household meets according to what is required by the set-aside(s) for the project.
Current Income Limit x 140%	For recertification only. Multiply the Current Maximum Move-in Income Limit by 140% and enter the total. Below, indicate whether the household income exceeds that total. If the Gross Annual Income at recertification is greater than 140% of the current income limit, then the available unit rule must be followed.

Part VI – Rent

Tenant Paid Rent	Enter the amount the tenant pays toward rent (not including rent assistance payments such as Section 8).
Rent Assistance	Enter the amount of rent assistance, if any.
Utility Allowance	Enter the utility allowance. If the owner pays all utilities, enter zero.
Other non-optional charges	Enter the amount of non-optional charges, such as mandatory garage rent, storage lockers, charges for services provided by the development, etc.
Gross Rent for Unit	Enter the total of Tenant Paid Rent plus Utility Allowance and other non-optional charges.
Maximum Rent Limit for this unit	Enter the maximum allowable gross rent for the unit.
Unit Meets Rent Restriction at __%	Check the appropriate rent restriction that the unit meets according to what is required by the set-aside(s) for the project.

Part VII – Student Status

If all household members are full-time* students, check “yes.” If at least one household member is not a full-time student, check “no.”

If “yes” is checked, the appropriate exemption must be listed in the box to the right. If none of the exemptions apply, the household is ineligible to rent the unit.

** Full time is determined by the school the student attends.*

Part VIII – Program Type

Mark the program(s) for which this unit will be counted toward the property’s occupancy requirements. Under each program marked, indicate the household’s income status as established by this certification/recertification. If the property does not participate in the HOME, Tax-Exempt Bond, Affordable Housing Disposition, or other housing program, leave those sections blank.

Tax Credit	See Part V above.
HOME	If the property participates in the HOME program and the unit this household will occupy will count towards the HOME program set-asides, mark the appropriate box indicating the household’s designation.
Tax Exempt	If the property participates in the Tax-Exempt Bond program, mark the appropriate box indicating the household’s designation.
AHDP	If the property participates in the Affordable Housing Disposition Program (AHDP), and this household’s unit will count towards the set-aside requirements, mark the appropriate box indicating the household’s designation.
Other	If the property participates in any other affordable housing program, complete the information as appropriate.

SIGNATURE OF OWNER / REPRESENTATIVE

It is the responsibility of the owner or the owner’s representative to sign and date this document immediately following execution by the resident(s).

The responsibility of documenting and determining eligibility (including completing and signing the Tenant Income Certification form) and ensuring such documentation is kept in the tenant file is extremely important and should be conducted by someone well-trained in affordable housing income compliance.

The responsibility for compliance with the Declaration of Restrictive Covenants lies with the owner of the building(s) to which it applies.

6									
7									
8									
9									
10									
11									
12									
13									
14									
15									
16									
17*									

*Expand to include 142 rows.

(D) The Owner has obtained a “Certification of Tenant Eligibility,” in the form provided as Exhibit B to the Declaration, from each Qualifying Tenant named in (D) above, and each such Certificate is being maintained by the Owner in its records with respect to the Project. Attached hereto is the most recent “Certification of Tenant Eligibility” for each Tenant named in (C) above who signed such a Certification since _____, 20____, the date on which the last “Certificate of Continuing Program Compliance” was filed with the EDA by the Owner.

(E) In renting the residential units in the Project, the Owner has not given preference to any particular group or class of persons (except for persons who qualify as Qualifying Tenants); and none of the units listed in (C) above have been rented for occupancy entirely by students, who are not entitled to an exemption under the Code. All of the residential units in the Project have been rented pursuant to a written lease, and the term of each lease is at least 12 months.

(F) The information provided in this “Certificate of Continuing Program Compliance” is accurate and complete, and no matters have come to the attention of the Owner which would indicate that any of the information provided herein, or in any “Certification of Tenant Eligibility” obtained from the Tenants named herein, is inaccurate or incomplete in any respect.

(G) The Owner certifies that as of the date hereof the rents on the residential dwelling units occupied by 60% Qualifying Tenants do not exceed 30% of 60% of Median Income and the rents on the residential dwelling units occupied by 30% Qualifying Tenants do not exceed 30% of 30% of Median Income.

(H) The Owner certifies that as of the date hereof the average income of all the residents of the Project is _____% which does not exceed 60% of Median Income (as calculated in accordance with Section 42(g)(1)(C) of the Code).

(I) The Project is in continuing compliance with the Declaration.

(J) The following transfers or other changes in ownership of the Project or any interest therein have occurred in the last 12 months: [None] or [describe_____]

(K) To the best knowledge of the person executing this certificate after due inquiry, all the residential units were rented or available for rental on a continuous basis during the year to members of the general public.

IN WITNESS WHEREOF, I have hereunto affixed my signature, on behalf of the Owner, on _____, 20__.

**BROOKLYN PARK AH II, LLLP,
a Minnesota limited liability limited partnership**

By: _____

Its: _____

EXHIBIT I

FORM OF SUBCONTRACTOR ADDENDUM

EXHIBIT I | TO SUBCONTRACT AGREEMENT

SUBCONTRACTOR CERTIFICATION

Exhibit I shall apply to the Agreement between the parties to the Development Agreement, the Agreement(s) between the Developer and the General Contractor, and the Agreement(s) between any Subcontractors and lower-tier subcontractors doing work pursuant to the Agreements between the Developer and/or the General Contractor. The term “Subcontractor” shall include the General Contractor, and the term “Sub-subcontractors” shall refer to all lower-tier subcontractors and project laborers all of whom shall be identified by the Developer or General Contractor/Subcontractor, as applicable, on Attachment A to this Exhibit I which shall be provided to the EDA.

- A. **Wage Enforcement.** Subcontractor shall report, and shall require its Sub-subcontractors to report, all complaints or adverse determinations of wage theft or payroll fraud arising out of this project against Subcontractor or its Sub-subcontractors to Contractor within seven (7) days of notification of the complaint or adverse determination. If an adverse decision is rendered against the Subcontractor, Contractor may terminate the Contract or exercise any other remedy under the Subcontractor Agreement or available under applicable law, including the right to withhold amounts otherwise owed to Subcontractor to protect Contractor against damage that may be incurred by Contractor. Subcontractor certifies that there has not been any adverse determination against Subcontractor within the proceeding 3-year period for wage theft or payroll fraud.
- B. **Records.** Subcontractor and its Sub-subcontractors shall comply with all record keeping requirements pursuant to all applicable local, state, and federal laws and regulations, including but not limited to Minnesota Statutes Section 177.30. Subcontractor and Sub-subcontractor consent to periodic record review at the discretion and request of the City, the EDA, the Developer, or the Subcontractor.
- C. **Verification.** Prior to the start of construction, the Sub-subcontractor shall provide to the Subcontractor, a list of all anticipated Sub-subcontractors and labor hired to complete work on the project. (See Attachment A to this Exhibit.) The Developer, the City, and/or the EDA may request to review the list pursuant to a records request.
- D. **Worker’s Compensation.** Subcontractor and its Sub-subcontractors and legal representatives shall comply with all laws, rules, regulations, and orders governing worker’s compensation insurance. Subcontractor agrees to procure and maintain worker’s compensation insurance as required by the Subcontract and applicable law.
- E. **Combating Trafficking in Persons.** Subcontractor shall notify employees of the Government's "zero tolerance" policy towards trafficking in persons and to take action against employees or subcontractors that violate the policy. Subcontractor agrees that it will not engage in any unlawful trafficking of persons and will take all commercially

reasonable measures to prevent and protect against the trafficking of persons by Subcontractor and its employees.

- F. **Human Rights.** Subcontractor shall conduct its activities in a manner that respects human rights. Subcontractor shall not use any form of child, slave, forced, bonded, indentured, or involuntary labor, including prison labor. Subcontractor shall not engage in human trafficking or exploitation, or import goods that have been manufactured, procured, produced, or transported by slavery or human trafficking. Subcontractor shall not retain employees' government-issued identification, passports or work permits as a condition of employment.
- G. **Wages and Benefits.** Subcontractor shall ensure that its employees are paid lawful wages, including, where applicable, overtime, premium pay, and equal pay for equal work without discrimination. There shall be no disciplinary deductions from pay; provided, however, that Subcontractor may withhold payment for work that is (i) incomplete, (ii) not completed in a workmanlike manner, or (iii) not completed in accordance with professional standards and/or other specifications required of Subcontractor and communicated to Subcontractor's employees.
- H. **Non-Discrimination.** Subcontractor shall ensure that no person shall on the grounds of race, color, religions, sex, sexual orientation, gender identity, handicap, familial status, national origin, or any other protected category be subjected to unlawful discrimination under any scope of work carried out by Subcontractor or any of its lower-tier subcontractors or labor suppliers.
- I. **Flow-Down.** Subcontractor shall require all lower-tier subcontractors and labor suppliers to certify compliance with the terms of this Exhibit.
- J. **Certification.** Subcontractor agrees that execution of the subcontract constitutes a certification on the part of the Subcontractor that it is compliant with all of the representations and requirements set forth in this Exhibit and that Subcontractor will remain in compliance with all terms of this Exhibit at all times throughout the period of Subcontractor's engagement on the Project. Subcontractor agrees to indemnify, defend, and hold Contractor harmless from and against all damages, expenses, costs, claims, and liabilities (including attorneys' fees) suffered by Contractor as a result of Subcontractor's failure to comply with this Exhibit.
- K. **Penalties.** Failure to comply with the terms of this Exhibit will be an Event of Default in accordance with Section 4.1 of the Development Agreement and could result in other penalties pursuant to applicable local, state, and federal labor laws.

IN WITNESS WHEREOF, the undersigned has executed this Certificate as of the date of the Subcontract Agreement

Subcontractor:

By: _____

Name: _____

Its: _____

ATTACHMENT A to EXHIBIT I

Project: _____

Bid #: _____

Est.
Const.
Cost: _____

Please identify all subcontractors (including material suppliers) you intend to utilize on this project. Use "supplier only" column to identify suppliers.
Form must be updated and submitted when you add, delete, or make other changes to the list.

	Name, Address, Contact Person, Email and Phone Number	Nature of Work	supplier only (no labor)	Date Work to Begin	Date Work Completed	Contract Amount
SUBCONTRACTOR /						
GENERAL CONTRACTOR :						
SUB-SUBCONTRACTORS						
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						

EXHIBIT J
PERMITTED ENCUMBRANCES

EXHIBIT K
POOLED TIF PROMISSORY NOTE

Date: _____, 2024

Amount: \$2,000,000.00

Project: Decatur Landing II Apartments Project (“Project”)

FOR VALUE RECEIVED, the undersigned (the “Borrower”) promises to pay to the order of the **ECONOMIC DEVELOPMENT AUTHORITY OF BROOKLYN PARK**, a public body both corporate and politic (the “Lender”), the principal sum of **Two Million and no/100 Dollars (\$2,000,000.00)** or so much as has been advanced under Section 3.3 of that certain Development Assistance Agreement between Borrower and Lender dated the same date hereof (“Loan Agreement”) and remains unpaid, plus interest thereon at a rate of 1.00% per annum (the “Balance”) on the earliest of (a) _____, 2049 or (b) the sale of the Development Property (as defined in the Loan Agreement) by the Borrower without the Lender’s prior consent, or (c) the re-syndication of the tax credits related to the Development Property (the “Maturity Date”), at which time the remaining unpaid Balance of this Note and all other amounts payable hereunder shall be due and payable in full. This Note evidences an obligation to repay a Pooled TIF Loan to finance construction costs for the Project described in the Loan Agreement, the terms and conditions of which are incorporated herein. Unless the context otherwise requires, any capitalized term used in this Note shall have the meaning set forth in the Loan Agreement. All payments on this Note are to be in lawful money of the United States and delivered to Lender at 5200 85th Ave. N., Brooklyn Park, MN 55443 or at such other place as designated by Lender.

1. Optional Prepayment of Principal. The Borrower may prepay all or a portion of the Balance of this Note on any Business Day (as defined in the Loan Agreement) without penalty. Each prepayment shall be accompanied by a signed statement of the Borrower that the amount tendered therewith is a prepayment of this Note. All prepayments shall be first applied to the payment of any amounts due under the Note or the Loan Agreement then due and payable but unpaid and thereafter shall be applied to the prepayment of the Balance of this Note.

2. Application of Payments. All payments of the Balance on this Note shall be recorded by the Lender in its records, which records shall be conclusive evidence of the subject matter thereof, absent manifest error.

Upon and during the continuance of an Event of Default under the Loan Agreement, all payments subsequently received by the Lender from the Borrower shall be first applied to all unpaid fees and expenses due to the Lender from the Borrower under this Note and the Loan Agreement and then to the payment of principal due on this Note.

3. Payment of Expenses; Other Payments. In the event that the principal of this Note or any other amount due hereunder shall not be paid when due (whether or not upon declaration of an Event of Default), the Borrower shall pay all costs of collection and enforcement of this Note, the Loan Agreement, including, but not limited to, all reasonable attorneys’ fees, court costs, and expenses incurred by the Lender in connection with such collection or the protection or

enforcement of any rights or security interests under this Note or the Loan Agreement, whether or not any lawsuit is ever filed. In addition, the Borrower shall pay all fees and expenses due under the Loan Agreement, including, but not limited to, all fees and expenses of the Lender in administering, supplementing or amending the loan evidenced by this Note and the Loan Agreement. All payments required pursuant to this Section shall be due and payable upon the Borrower's receipt of an invoice therefor from the Lender, and any unpaid amounts shall bear interest at the rate of 4.00% per annum from the date of receipt of the invoice by the Borrower to the date of payment and shall be subject to the Default Rate and Late Charge provisions of this Note.

4. Default Rate; Late Charge. If a payment due hereunder is not made within 10 days after the date when due, the Borrower shall pay to the Lender a late payment charge of 5% of the amount of the overdue payment (the "Late Charge") to compensate the Lender for a portion of the cost related to handling the overdue payment. After an Event of Default, as defined in Section 8 herein, the entire principal sum evidenced by the Note shall, at the option of the holder hereof, bear interest during the existence of such Event of Default at a rate of 4.00% per annum (the "Default Rate") and upon cure of such Event of Default at such rate of interest per annum which would otherwise be in effect hereunder. Failure to subsequently exercise any option provided herein shall not constitute a waiver of the right to exercise the same in the event of any subsequent Event of Default.

5. Setoff. Upon the occurrence of an Event of Default or any time thereafter, the Lender shall have the right of setoff on any and all amounts due under this Note by the Borrower to the Lender against any indebtedness or obligation of the Lender to the Borrower.

6. Defaults. The occurrence of an Event of Default with respect to (and as defined in) the Loan Agreement shall constitute an Event of Default under this Note.

7. Acceleration. The outstanding Balance of this Note and all other amounts due hereon shall, at the option of the Lender, become immediately due and payable, upon the occurrence of an Event of Default, or at any time thereafter, including without limitation default under Section 3.10(4) or Section 3.11 of the Loan Agreement due to failure to address labor issues. Failure to exercise the option provided herein shall not constitute a waiver of the right to exercise the same subsequently or in the event of any subsequent Event of Default. This Note shall be immediately due and payable in full upon termination of the Affordable Housing Declaration (as defined in the Loan Agreement). **[Notwithstanding this Section 7, the Lender acknowledges that such payment is subordinated to the payment of the indebtedness of the Borrower listed in that certain Master Subordination Agreement and Estoppel Certificate (the "MSA") dated as of the date hereof among the Borrower, the Trustee and Greater Minnesota Housing Fund and the loan to the Borrower of the proceeds derived from the sale of the Multifamily Housing Revenue Note (Decatur Landing II Apartments Project), Series 2024B issued by the City of Brooklyn Park, Minnesota (the "City") in the original principal amount of \$_____ (the "Series B Note"), to _____ ("Huntington").]**

8. Remedies. The remedies of the Lender with respect to this Note shall be cumulative and concurrent and may be pursued singly, successively or together, at the sole discretion of the Lender, and may be exercised as often as occasion therefor shall occur. The Lender may, in its

discretion, waive any default hereunder and its consequences and rescind any declaration of acceleration of principal; provided, however, that no action or inaction by the Lender shall be deemed a waiver of any of the Lender's rights or remedies unless the Lender specifically agrees in writing that such action or inaction shall constitute a waiver of its rights or remedies. Any waiver shall only apply to the particular instance for which it was agreed. No delay in exercising and no failure in exercising any right or remedy hereunder or afforded by law, whether on such occasion or any future occasion, nor shall such delay be construed as a waiver of any default or acquiescence therein. The exercise or the beginning of the exercise of one right or remedy shall not be deemed a waiver of the right to exercise at the same time or thereafter any other right or remedy.

9. Assignment. This Note may be assigned by the Lender from time to time by an endorsement hereon or by other writing; provided that notice of such assignment shall be given in writing to Borrower. The obligations of the Borrower hereunder may not be assigned by the Borrower without the prior written consent thereto by the Lender determined in the sole discretion of the Lender.

10. Applicable Law. It is intended that this Note is made with reference to and shall be governed by and construed in accordance with the laws of the State of Minnesota.

11. Waiver of Presentment. All parties now or hereafter liable with respect to this Note hereby waive presentment or other demand for payment, protest, notice of dishonor and all other notices of any kind.

12. TRIAL BY JURY. THE BORROWER HEREBY WAIVES ANY RIGHT TO A TRIAL BY JURY UNDER ANY ACTION OR PROCEEDING ARISING DIRECTLY OR INDIRECTLY OUT OF THIS NOTE.

13. Loan Agreement. This Note is the "Pooled TIF Promissory Note" referred to in the Loan Agreement and evidences the indebtedness incurred under the Loan Agreement, to which reference is made for a statement of the terms and provisions thereof.

14. [Subordination of Payment]. Notwithstanding anything in this Note to the contrary, the Lender acknowledges for the benefit of the Trustee, Greater Minnesota Housing Fund and Huntington that payment of this Note, at the Maturity Date or upon earlier prepayment or acceleration, is subordinated to the payment of the indebtedness of the Borrower listed in MSA and to the payment of the loan to the Borrower of the proceeds derived from the sale of the Series B Note, for so long as any such obligations of the Borrower remain outstanding. The Lender will not accept a prepayment or take action to accelerate or collect payment of principal hereunder without the express written consent of the Trustee, Greater Minnesota Housing Fund and Huntington, respectively, for so long as any such obligations of the Borrower thereto remain outstanding. This provision is intended to benefit the Trustee, Greater Minnesota Housing Fund and Huntington and may not be modified or removed without the express written consent of the Trustee, Greater Minnesota Housing Fund and Huntington, respectively, for so long as any such obligations of the Borrower thereto remain outstanding.]

IN WITNESS WHEREOF, this Note has been duly executed by the undersigned as of the date signed below.

BROOKLYN PARK AH II, LLLP
a Minnesota limited liability limited partnership

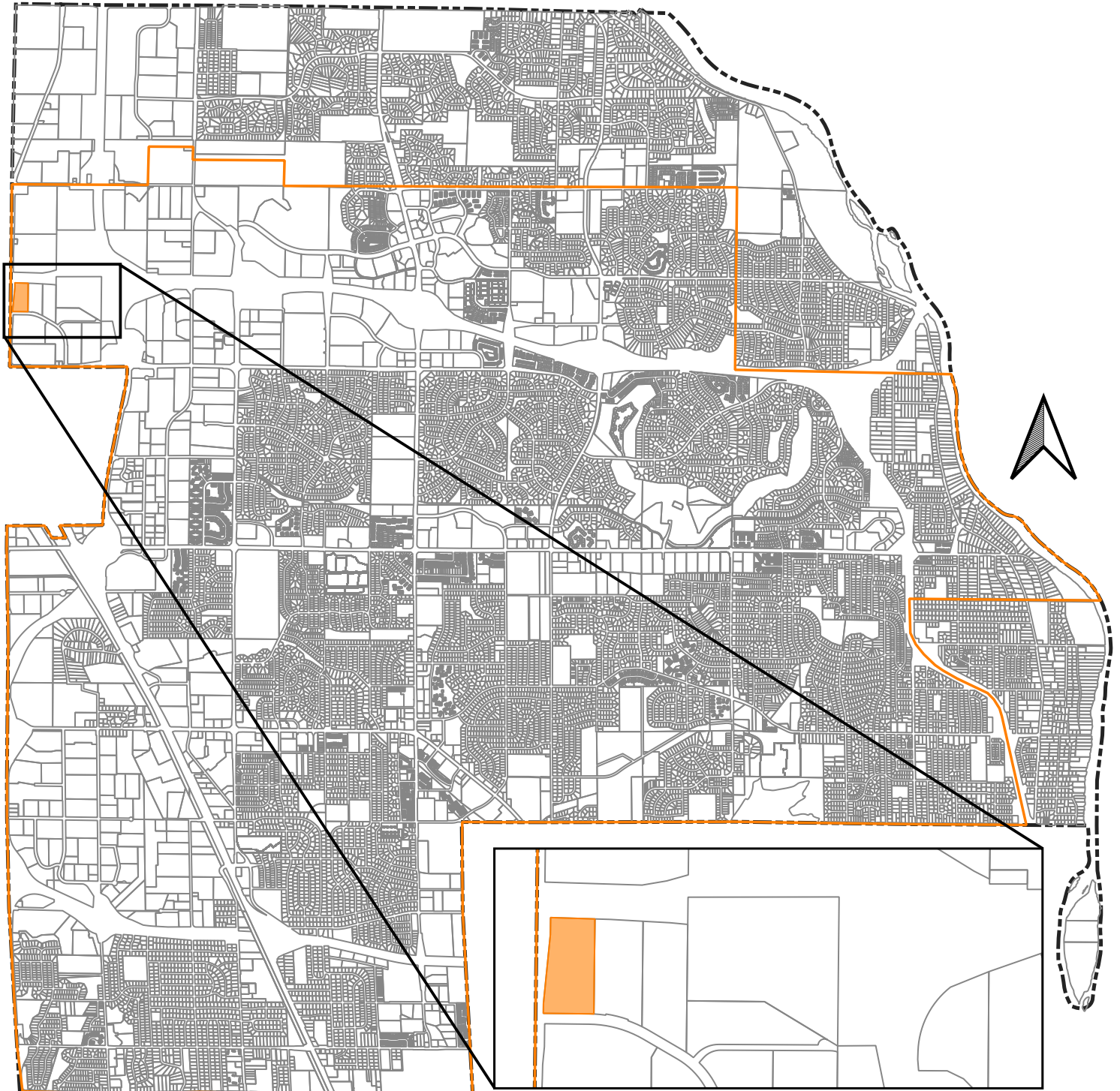
By: _____

Its: _____





Tax Increment Financing District No. 1-29

Development District No. 1

City of Brooklyn Park
Hennepin County, Minnesota



Legend

-  TIF District No. 1-29
-  Development District No. 1
-  Parcels
-  Municipal Boundary



MEMORANDUM

DATE: January 11, 2024
TO: EDA Commissioners
FROM: Kim Berggren, EDA Executive 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

Small Business Center

The Small Business Center construction is complete, the grand opening was held the end of August, and member recruitment is in full swing! Indred Alexander, the center operator, and her team have successfully launched and been trained on all building, technology, and member support systems. Coworks, the Center's app for collecting and managing member leads, has 400 small business prospects in the database. On average, about ten people express interest per week in a tour or membership. To date, the Small Business Center has over 30 paying members with several dozen more in the final sales stage. Move-ins are slower than anticipated but are occurring over time. Attachment 7.3A shows an updated listing of member businesses.

Momentum is gaining on membership recruitment. The operator's held a promotion in December which resulted in the conversion of over ten people from leads to members. Malcolm Hicks, business development coordinator spoke at that event.

The Black Chamber of Minnesota held a big event at the Center on January 4, 2024, that was very well attended, with words from Malcom Hicks, Business Development Coordinator, and Mayor Winston Hollies on the economic goals of Brooklyn Park and the desire to create meaningful partnerships with local business owners. The Center also hosted the year's first quarterly AAPI Economic Development Luncheon. Coordinated by city staff Josephine Thoa, Project Facilitator, and Seng Moua, Program Assistant, the event brought together community and industry leaders within Brooklyn Park, including Brooklyn Parks Councilmember Lee and Senator Susan Pha.

Brooklyn Park Development Corporation

The Brooklyn Park Development Corporation's Micro Loan Program has partnered with Sterns Bank with a match of \$200,000 towards its Micro Loan Program. The second Pilot has gained great traction within the community with over 35 applicants seeking funding to enhance their Brooklyn Park business. In its second round, the Small Business Micro Loan Program, established as a low barrier loan program, will be able to provide up to 40 additional loans to business owners. The next BPDC meeting will take place January 25, 2024, at 8:30 a.m. to discuss the program and advancement of other BPDC programs.

Brooklyn Park Business Council

The Brooklyn Park Business Council will continue to hold its office hours at the Brooklyn Park Small Business Center where it's able to continue its goal of bringing the right people together, to talk about the right topics, and ultimately make better decisions through mutual advocacy, education, and information.

AAPI Economic Development Professionals Luncheon



On Tuesday, December 12, the City of Brooklyn Park hosted a luncheon for economic development professionals at the Brooklyn Park Small Business Center.

The luncheon was attended by State Senator Susan Pha and Council Member Xp Lee, as well as city staff, Breanne Rothstein, Former Economic Development and Housing Director, John Kinara, Housing and Redevelopment Coordinator, Josephine Thao, Project Facilitator, Malcolm Hicks, Business Development Coordinator, and Seng Moua, Program Assistant. There were 36 attendees representing various sectors within the economic development industry.



WORKFORCE DEVELOPMENT

Anthony Villagrana is the new role as Program Coordinator with BrookLynk. Prior to coming to the City of Brooklyn Park he worked at Achieve Twin Cities, where he was a Career and College Readiness Coordinator at North High School, working collaboratively with teachers and



counselors, as well as 9-12th grade students to provide support and planning on their college and career pathway. Anthony has over 5 years of experience in teaching and program coordination in youth-based programs and the education field. He graduated from Augsburg University with a degree in Secondary Education and Communication Arts & Literature. He is a graduate of Park Center High School and grew up on Brooklyn Park. We are excited to add his experience and knowledge to the Brooklyn Park Team. Please welcome Anthony Villagrana!

Career Pathways

On December 18th, 2023 BrookLynk hosted an information session inviting youth and adults ages 18+ to learn about our city's Construction and Trades Career Pathway. Partners from the cities of Golden Valley, Brooklyn Center, and Brooklyn Park's Public Works Departments were present to share about seasonal employment opportunities and staff from Hennepin Technical College and PE Services, a civil engineering firm in Saint Louis Park provided information on training, certification, and pre-college credit opportunities. The Construction and Trades Career Pathway program is a 6-week paid training program coordinated by BrookLynk, participants of the program can earn up to a \$1000 stipend for completion, individual job coaching, assistance with obtaining driver's licenses, and direct employment into seasonal public works employment starting at \$20/hr. This is the second year of BrookLynk's Construction and Trades Career Pathway with classes launching on January 8th, 2024.

Registration is open until January 17th and is open to anyone that lives in Brooklyn Park, Brooklyn Center, or North Minneapolis, is age 18+, and represents a historically underrepresented



Training Program Details

- Earn up to 6 college credits and a \$1,000 stipend
- Learn about public works, small engine repair, and gain OSHA 10 certification
- Build work readiness skills like professional communication, resume writing, and interview skills
- Get hired into seasonal jobs in city public works earning up to \$20/hr
- Receive individual support services such as help with driver's education, childcare, and housing assistance



Eligibility

- You must be 18 years-old or older
- You must live in Brooklyn Park, Brooklyn Center or North Minneapolis
- You must identify as Black, Indigenous, or a person of color (BIPOC), female, justice-involved, LGBTQ+ or a member of another community that is underrepresented in the construction and trades industry



When

January 8, 2024 - February 21, 2024

Where

In person in Brooklyn Park (location varies throughout training)

Sign up now! <https://forms.office.com/g/XFhzik5FEed>

Questions? Contact Madison.Hurst@brooklynk.works



community in the construction industry such as women, Black Indigenous Persons of Color (BIPOC), etc.

For more information on the BrookLynk's Construction and Trades Career Pathway Program contact Carmen Bibiano, Career Pathways Program Manager carmen.bibiano@brooklynk.works or visit www.brooklynk.works

OTHER

American Rescue Plan Act (ARPA)

In December 2023 the City Council approved \$294,438 for 10 community partners to begin work in 2024. The EDA awarded \$75,938 in funding to five of these community partners. The organizations were awarded funding between \$18,000 - \$49,000. The council also elected to focus some of the community partnership funding for work around organizational capacity building to enhance the capacity of our partners to be more effective and efficient in delivering services to Brooklyn Park residents. The capacity building initiative work will begin in 2024.

Attachments:

7.1A SBC Member List

id	sign_in_c	first_name	last_name	team	joined_at	promoted
49975	1	Allie	Grack	Workhorse Marketing	12/1/23 10:57 am	12/01/2023
48092	0	Benealda	Barr	ENGAGEC COMMUNITY SERVICES	11/1/23 2:59 pm	11/01/2023
46957	14	Beth	Riegger	Fairy God Mother of Tech	10/4/23 2:06 pm	10/04/2023
47018	10	Branko	Tambah	Tambah & Sons Construction And Services LLC	11/1/23 12:00 pm	10/05/2023
45357	0	Cindy	Hill	PSI	09/4/23 12:44 pm	
50608	0	Darius	Knox	United Towing Recovery Roadside	12/28/23 5:00 am	
50805	1	Demetria	Poe	Scholar School LLC	01/4/24 9:35 am	01/04/2024
49149	0	Erika	Posthumus	Caminos Mental Health, LLC	11/18/23 10:49 pm	
50814	0	Ezell Jones	Jones	JEM Consulting , GBC	01/4/24 10:09 am	
49820	0	Hollies	Winston	Guaranteed America, LLC	11/28/23 2:22 pm	11/28/2023
43326	0	Indred	Alexander	Life By Design Management	07/12/23 1:13 pm	
50804	0	Isreal	Moses IV	MFAM Capital LLC	01/4/24 9:11 am	01/04/2024
50824	0	Ja'Dae Gei	Geiger	Divine Beauty Co LLC	01/4/24 11:28 am	01/04/2024
50816	2	James	Holmes Jr	JEM Consulting , GBC	01/4/24 10:11 am	01/04/2024
46171	0	Jude	Nnadi	Paadio Inc	09/18/23 12:00 pm	09/20/2023
49241	0	Karl Bensc	BENSON	Benson Entertainment & Events	11/21/23 4:03 pm	11/21/2023
50815	0	Mark	Cooper	JEM Consulting , GBC	01/4/24 10:10 am	01/04/2024
50794	0	Mohammec	Bah	Bahsco Global Holdings	01/3/24 5:24 pm	01/03/2024
50792	0	Musu	Bryant Bah	Family Trust Home Health	01/3/24 5:03 pm	01/03/2024
48008	1	Nico	Woods	Universal Legends of Legacy	10/30/23 10:56 pm	10/30/2023
47910	0	Ose	Sesay	Push Strategist LLC	10/26/23 1:00 pm	
48104	0	Razaq	Lewis	ENGAGEC COMMUNITY SERVICES	11/1/23 3:50 pm	11/01/2023
46535	1	Reva	Chamblis	R.A. Legacy Enterprise Productions	09/26/23 2:02 pm	
46981	15	Samuel	Ukwesa	Shalom Transportation Network and Logistics llc	10/4/23 9:51 pm	10/04/2023
50823	2	Tanya	Langford	Fourshadezholic@gmail.com	01/4/24 11:19 am	01/04/2024
47437	0	Tekoa	Cochran	The Village BP	10/15/23 11:35 am	10/15/2023
50795	0	Thomas	Adams	TMA Consulting LLC	01/3/24 5:57 pm	01/03/2024
45200	0	Tracy	Martin	TNT Training	08/1/23 12:00 pm	08/30/2023
48090	0	Veronica	Barr	ENGAGEC COMMUNITY SERVICES	11/1/23 2:47 pm	11/01/2023
47324	0	Victor	Jones	Victor Jones Consulting LLC	10/11/23 8:22 pm	
47356	0	Victoryn	Adebolu	Victorious LLC	10/12/23 12:02 pm	



MEMORANDUM

DATE: January 11, 2024
TO: EDA Commissioners
FROM: Kim Berggren, Executive Director
SUBJECT: Housing Update

Overview:

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

Home Improvement Loan Programs Update

The EDA administers several housing reinvestment programs that provide financial resources to first time homebuyers, single-family and townhome homeowners in the community. Homeowner programs were redesigned in 2019 to increase the number of residents making improvements to their homes and to provide needed resources for future homebuyers. The redesigned and revamped programs have been a huge success with funds for multiple programs expended rapidly. About 80 loans amounting to over \$950,000 have been closed beginning this January 2023 to December 31, 2023. These are programs administered in partnership with the Center for Energy and Environment (CEE). The most popular programs are the down payment assistance for the first-time homebuyers, senior deferred loan for seniors, and the low interest revolving loan. Additional details on loan usage and demographics breakdown will be shared in the February EDA meeting.

NEW HOUSING DEVELOPMENT PROJECTS

Real Estate Equities (Western Portion of 9500 Decatur Drive)

Phase II of this project is now moving forward. On January 9, Real Estate Equities (REE) was awarded a tax-exempt bond allocation from the Minnesota Office of Management and Budget (MMB). Phase II also received term sheet approval last April and the Tax Increment Financing (TIF) agreement will be considered by the EDA at its meeting on Tuesday, January 16.

The Phase I TIF agreement was approved by the EDA in October and the bond documents were approved by the City Council on Monday, November 13. Phase I is also financed with a tax-exempt bond allocation from MMB. REE is beginning construction on this phase of the project. The total amount approved for Phase I was up to \$800,000 in TIF and a \$2 million loan from the EDA's Housing Set Aside Fund.

REE's proposal includes two phases of workforce housing consisting of 1-bedroom, 2-bedroom, and 3-bedroom apartment homes, one of which was awarded bonds and is proceeding towards construction. 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.

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

The Tessman Ridge apartment community is under construction. Phase 1, which is the portion currently under construction, includes 71 units with 8 efficiency, 12 one-bedroom, 32 two-bedroom, 14 three-bedroom and 5 four-bedroom units. The EDA purchased and now owns the full site at 6900 85th Avenue N from Minnesota State Colleges and Universities (MnSCU) and sold the land for the Phase I development to Duffy.

Work for Phase II is anticipated to begin shortly. Duffy may begin preparing applications to Hennepin County's Affordable Housing Incentive Fund (AHIF) as well as the Metropolitan Council's Livable Communities Demonstration Account – Transit Oriented Development (LCDA-TOD) grant in February of 2024. Phase II is anticipated to include applying for additional financing and a separate land sale for the remainder of the property.

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 LCDA-TOD grant (awarded for Phase I, intending to apply for additional funds for Phase II), 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. Additionally, there is approximately 1-acre of property held by the EDA for commercial use at the intersection of 85th Avenue N and College Parkway.

Village Creek Apartments (7621 Brooklyn Boulevard)

George Group North is still working to secure its funding, which requires re-applying for a tax-exempt bond allocation and re-securing funds from the EDA. Its Development Assistance Agreement with the EDA and a \$832,000 Livable Communities Development Grant from the Met Council expired on December 31, 2023. If this project receives state financing, the EDA could consider renewing its agreement with the developer.

On Tuesday, June 20, the EDA approved an updated Tax Increment Financing (TIF) agreement for the above financing structure. The approved term sheet and development agreement include a total of \$2.1 million in assistance. Approved EDA assistance includes:

- \$370,000 land-write down
- \$900,000 in upfront Tax Increment Financing (TIF) funds (from Housing Set Aside)
- \$535,000 in pay as you go (PAYGO) TIF funds over 15 years from newly created Housing TIF district

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.

RE-HABILITATION PROJECTS

Huntington Place Apartments

The anticipated January community meeting at Huntington Place is on hold until Aeon can fill the vacant resident services position who coordinates the meeting. The Mayor, City Staff, Aeon representatives and 17 residents attended the October quarterly meeting and discussed both opportunities for residents as well as concerns that need to be addressed.

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 have been 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 North, Stonybrook Townhomes were built in 1970s and consist of 88 buildings with 352 individually owned townhome units. Construction work on the project is currently almost completed and is expected to wrap up in the spring of 2024.

HOMEOWNERS' ASSOCIATIONS - HOAS

During the October 2nd City Council work session, staff presented information regarding how the city currently interacts with Homeowners Associations (HOAs) in Brooklyn Park. At the meeting Council Members heard from staff and an HOA attorney about the challenges that exist within HOA communities. Council Members directed staff to explore various ways of working with HOAs in the community to create a sense of accountability and access to needed resources for homeowners. Based on the feedback received at the HOA meetings and the Council work session, staff developed a plan that included creating a website for resident to access resources and connecting with a technical assistance provider to work with residents on HOA issues and questions. Both next steps are currently underway, and the webpage will be available shortly.

OTHER HOUSING NEWS AND UPDATES

Housing Aid Distribution

The metro wide sales tax approved by the legislature for affordable housing includes a direct allocation to Brooklyn Park of approximately \$940,000 annually as well as increased funding for County and Statewide housing programs. The EDA will have to consider its options for how to allocate at a minimum the \$940,000 direct allocation, starting in 2024, which will be done through a budget amendment in early 2024.

New Tenant Protection Policies from the state of Minnesota

The state of Minnesota recently adopted into law several renter protection policies that will take effect on January 1, 2024. Additional details regarding these protections can be found at <https://homelinemn.org/public-policy/> or call at 612-728-5767.

Notice Before Nonpayment of rent Evictions takes effect January 1, 2024

Landlords must issue a 14-day written notice before filing evictions for non-payment of rent, which account for approximately 90% of evictions. This notice must, among other things, state how much is owed, will provide tenants with more preparation time.

Eviction Expungement Reform takes effect on January 1, 2024. Previously, Eviction records were permanent, and few were expunged. It will be easier to get an expungement and many expungements are mandatory, including all evictions three years old. Any other ongoing Evictions can't be publicly reported until the case is final.

Fees Disclosure Requirement takes effect on January 1, 2024. Landlords must disclose all non-optional fees on both the front page of the lease and in any advertisements.

Heat Requirements takes effect on January 1, 2024. Between October 1 and April 30, landlords must maintain a minimum temperature of 68 degrees in rental units.

Privacy Rights Expanded effective January 1, 2024. Landlords must give a minimum of 24 hours' notice before entering a resident's unit, the penalty for violations is increased, and tenants can sue after moving and use it as a defense in an eviction action.

Emergency Repair List Expanded. As of January 1, 2024, Repair emergencies will now include a non-working refrigerator, air conditioning, and serious infestations.

Court Fees Reduced for Emergency Cases as of January 1, 2024, Court fees have been reduced from approximately \$300 to around \$70 for two types of emergency rental housing cases such as Emergency Tenant Remedies Actions and Lockout Petitions.

Ability to End Lease for Medical Issues as of January 1, 2024. In limited circumstances, this law allows a tenant to end their lease early to move into a medical facility with two months' notice.

Right to Counsel in Public Housing Breach-of-Lease Evictions as of August 1, 2023. A tenant in public housing is entitled to free representation in a breach of lease case.

No Pet Declawing and Devocalization Allowed as of January 1, 2024. If a landlord accepts pets, they won't be able to require either declawing or devocalization.

Right to Move-in and Move-Out Inspections as of January 1, 2024. Tenants have a right to request both a move-in and a move-out inspection, minimizing security deposit disputes about damages.

No Forced Early Lease Renewals as of January 1, 2024. Landlords can't force the tenant to renew the lease more than 6 months before the lease is over.

Limitations on Crime-Free Ordinance Lease Provisions as of June 1, 2024, Landlords can't evict a tenant for committing most crimes if the crimes were committed somewhere other than on the property.

Housing Information

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/>
- New Hennepin County link that provides comprehensive information on housing programs, activities, and policies.
 - <https://www.hennepin.us/housing/>

Staff Participation in Housing Groups

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

- 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 North (community engagement workshops held on June 27 and Aug 3)
- Transitional Housing Facility Rehabilitation (2018-2020)
- Fair Housing Policy and Training Program, (May 2019/August 2023)
- Mixed-Income Housing Policy (2017)
- Tenant Notification Ordinance (October 2019)
- 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