

Tuesday, February 18, 2025  
6:00 PM

## REGULAR EDA MEETING – AGENDA #2

President Hollies Winston, Vice President Nichole Klonowski, Treasurer Shelle Page, Commissioners Christian Eriksen, Amanda Xiong, Maria Tran, and Tony McGarvey  
Executive Director Tim Gladhill, 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](mailto: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***

***Meeting will be called to order in room A203. This portion of the meeting will not be televised but will be audio recorded.***

### **I. ORGANIZATIONAL BUSINESS**

#### **1A. CALL TO ORDER/ROLL CALL**

#### **1B. APPROVAL OF AGENDA**

### **II. WORK SESSION**

#### **2. WORK SESSION ITEMS**

- 2.1** Review Huntington Place Apartments Loan Forgiveness Request
- A.** LETTER FROM WINTHROP & WEINSTINE ON BEHALF OF AEON BP LLC
  - B.** RENTER RESOURCES FLYER
  - C.** AEON (SELLER) TALKING POINTS
  - D.** MAS CAPITAL (BUYER) RESPONSES
  - E.** AEON LETTER TO CITY OF BP

***Meeting will be recessed and reconvened in the Council Chambers. This portion of the meeting will televise.***

### **III. 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**

**IV. STATUTORY BUSINESS AND/OR POLICY IMPLEMENTATION**

**4. CONSENT**

- 4.1** Consider Approving the January 21, EDA Regular Meeting Minutes
  - A.** JANUARY 21, 2025, DRAFT REGULAR MEETING MINUTES
- 4.2** Consider Appointing Commissioner Amanda Xiong as the Economic Development Authority Representative for the Brooklyn Park Development Corporation
  - A.** RESOLUTION
- 4.3** Consider Approving a Budget Amendment to the 2025 Budget to Include \$2,000,000 from the Housing Set Aside Account for Deferred Loan Obligation to Brooklyn Park AH, II LLLP (Decatur Landing II)
  - A.** RESOLUTION
- 4.4** Consider Authorizing Submittal of a Grant Application in the Amount of \$250,000 and Execution of Agreement with Hennepin County for Transit Oriented Communities (TOC) Program Funding
  - A.** RESOLUTION
  - B.** LOCATION MAP
  - C.** CONCEPT DESIGNS
- 4.5** Consider Authorizing the Submittal of a Grant Application to the Cities for Financial Empowerment Fund for the Summer Jobs Connect Initiative
  - A.** RESOLUTION
- 4.6** Consider Authorizing the Submittal of a Youth at Work Grant Application
  - A.** RESOLUTION
- 4.7** Consider Authorizing the Brooklyn Park Economic Development Authority to Enter into a Housing Management Agreement with Kimberly Homes, LLC and a Memorandum of Understanding with Kimberly Homes, LLC and Simpson Housing Services, Inc. Related to the Transitional Housing Facility Located at 7600 69th Avenue North
  - A.** RESOLUTION
  - B.** HOUSING MANAGEMENT AGREEMENT
  - C.** MEMORANDUM OF UNDERSTANDING
- 4.8** Consider Approving the Dedication of Permanent and Temporary Easements Across the Northern Edge of 7601 and 7621 Brooklyn Boulevard to Hennepin County at the Intersection of Brooklyn Boulevard and Welcome Avenue
  - A.** RESOLUTION
  - B.** CSAH 152 ALL PARCELS GRAPHICS
  - C.** CSAH 152 FINAL CONCEPT PLAN

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 Approving the Select Joint Proposal From Fairmount Properties and Buro Happold as the Finalist for the BioTech Innovation District Project and Direct the Executive Director to Forward a Final Contract to a Future Meeting

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

**7. DISCUSSION ITEMS**

- 7.1** EDA Status Updates
- 7.2** Verbal Commissioner Reports and Announcements

**VI. 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.

The Brooklyn Park Economic Development Authority's agenda and packet is posted on the City's website.  
To access the agenda and packet, go to [www.brooklynpark.org](http://www.brooklynpark.org).  
**The next scheduled EDA meeting is Monday, March 17, 2025.**

<b>City of Brooklyn Park</b>			
<b>Request for EDA Action</b>			
<b>Agenda Item:</b>	2.1	<b>Meeting Date:</b>	February 18, 2024
<b>Agenda Section:</b>	Work Session Items	<b>Prepared By:</b>	Dylan Armstead, Senior Project Manager  Tim Gladhill, Executive Director
<b>Resolution:</b>	N/A	<b>Presented By:</b>	Tim Gladhill, Executive Director
<b>Attachments:</b>	5		
<b>Item:</b>	Review Huntington Place Apartments Loan Forgiveness Request		

### Executive Director's Proposed Action

***No action/decision is requested at this time. This is an ongoing discussion. At the January 21, 2025, the EDA met to discuss this request. Representatives from the Seller/Property Owner (Aeon) and Potential Buyer (MAS Capital Group) were in attendance to respond to questions. The EDA requested a follow up discussion at the February 18, 2025 EDA Meeting. The soonest the EDA is expected to make a final decision is the March 17, 2025 EDA Meeting. The remainder of this report remains largely unchanged, with little updates since the January 21, 2025 EDA Meeting. This February 18 EDA Meeting is an opportunity for the EDA to discuss the request, materials presented, and provide direction to Staff as to next steps.***

### Overview:

Aeon (Property Owner) is in the final stages of negotiating a purchase agreement with a buyer (MAS Capital) for Huntington Place Apartments. Aeon is requesting:

1. Forgiveness of their entire loan, including a payment due in January 2025
2. Removal of the EDA's lien/encumbrance (EDA Loan)
3. Transfer of the declaration of restricted covenants ensures that the property is to be used for affordable housing for the next (30) years.

According to Aeon, the offer price is such that there are not proceeds from the sale that will go to the Seller (Aeon), the Lender in second position (LISC), or the Lender in third position (Brooklyn Park EDA). This distressed financial situation is not unique to Huntington Place.

Finally, when this loan was approved, it was noted that there was a high level of risk for this loan and that there was a probability that the EDA may not be paid back. The EDA could have structured this assistance as a Grant or Forgivable Loan; however, the original pre-COVID deal structure allowed for the opportunity that the EDA could be paid back if the community performed well from a cash flow perspective.

*The first payment (partial) on the EDA Loan was due at the end of January. The EDA could now determine the EDA Loan to be in default. However, with the signed Subordination Agreement, this would likely trigger a foreclosure sale, and the Primary Lender would take priority and the EDA would not likely experience any proceeds from the sale to pay back the loan.*

Attached to this report is a response by MAS Capital to a number of EDA Questions. Additionally, Staff is aware that the current Purchase Agreement has since expired. According to Aeon, negotiations on a new purchase agreement with MAS Capital are ongoing and feedback from the EDA on January 21 is critical to those ongoing conversations.

**Background:**

Aeon purchased Huntington Place in January 2020. Huntington Place includes 834 units of affordable housing and is one of the largest multi-family, affordable housing developments in the state. Due to several factors, including the pandemic, Aeon has been unable to cashflow the property. They have been seeking a buyer of the property for a while and they are seeking loan forgiveness from the EDA.

Aeon has received multiple grants/loans from the Brooklyn Park EDA for Huntington Place including:

Loan/Grant	Status
<i>Pre-Covid (January 2020)</i>	
\$5,000,000 Non-Forgivable Loan	\$3,557,516 distributed, \$3,809,593 due with interest
<i>Post-Covid</i>	
\$500,000 Forgivable Loan	\$500,000 distributed and forgiven
\$500,000 ARPA Grant	\$500,000 awarded and distributed

*Current Risks and Liabilities to City*

In discussions with the EDA Attorney, it is unlikely that the EDA will be paid back on the original loan. Unlike a traditional real estate transaction, there are no true net proceeds/profits at the time of sale to distribute. This leaves two (2) options for the EDA.

1. Forgive the Loan
  - a. The affordable housing protections recorded against the Property **are transferred** at time of sale
  - b. Property is sold to a **known Buyer** that City Staff has directly connected with to understand future plans for the Property
  - c. **Less period** of uncertainty for all parties by avoiding foreclosure
  - d. The EDA is **not paid back** for its original loan
2. Do Not Forgive the Loan
  - a. The affordable protections recorded against the Property **are terminated** due to foreclosure
  - b. **Uncertain** who the Property would be sold to
  - c. **Extended period** of uncertainty for all parties during the foreclosure period
  - d. The EDA is **not paid back** for its original loan

In summary, if it is the goal of the EDA to protect the affordability of the existing units, it should forgive the loan. If the EDA is not concerned with protecting the affordability of the existing units, it should not feel obligated to forgive the loan.

*Due Diligence Efforts*

Staff has had the following conversations during our due diligence efforts in the past 30 days.

- Initial Meeting with Aeon to review request
- Meeting with Buyer (MAS Capital Group) and Aeon
- Aeon Weekly Meeting with City Staff
- Meeting with Hennepin County Housing Staff and Minnesota Housing (State) Staff
- Aeon Weekly Meeting with City Staff
- Inquiry to Senator Klobuchar's Office regarding Congressionally Directed Spending Allocation
- Inquiry to Representative Phillips' Office regarding Congressionally Directed Spending Allocation
- Meeting with peer community colleagues to discuss Crossroads at Penn/Concierge (similar project example)
- Meeting with City Legal Team
- Internal Meeting to discuss Community Engagement and November 6 Tenant Meeting
- Meeting with Buyer (MAS Capita Group)

- Meeting with Primary Lender (NEF)
- Meeting with City Legal
- Meeting with Hennepin County Housing Staff
- Meeting with ACER regarding Community Impacts and Community Engagement
- Meeting with Aeon regarding Congressionally Directed Spending Allocation Options
- Aeon Weekly Meeting with City Staff
- City Staff Check-In Meeting
- Continued Weekly Meetings with Aeon

### Counter Offers and Status

City Staff has reviewed multiple settlement/counter offers with both Buyer and Seller. It should be noted that with the Subordination Agreement (standard in these transactions), the City has limited legal standing to challenge the non-payment of our Loan in the event of foreclosure. The City's legal protection and negotiation power is limited to the Declaration of Restrictive Covenants related to the affordability of units.

Proposal	Seller Response	Buyer Response
Open Community Room and/or Pool to Brooklyn Park Residents (or at least Zanewood Recreation Center Guests)	Buyer Decision	Decline. Liability and Safety Risk. Focused on stabilizing Tenant Screening.
<i>Turn Over Operational Control of Community Building and Pool to City</i>	<i>Buyer Decision</i>	<i>No formal response – but indication that Buyer does not support. Amenity Space is important to the overall pro-forma of the community.</i>
Re-subordinate EDA Loan and convert to Forgivable Loan, forgiven upon completion of proposed site and unit improvements. Lookback Provision at time of future sale.	Buyer Decision	Decline.
Amend Declaration of Restrictive Covenant to allow % of units to convert to Market Rate (mixed income) upon completion of remodel.	Buyer Decision	Counter Proposed. Amend Declaration now, revise back to 100% affordable if improvements are not completed.
Make donation to Zanewood Teen Center	Decline. Insufficient Funds	Considering. Requesting more information.
Convert portion of units to 2-3 bedroom.	Buyer Decision	Decline. Would need to re-negotiate purchase with Aeon.
Reallocate Federal Congressionally Directed Spending Allocation	Exploring options.	No role for Buyer. Allocation is specific to Seller/Aeon.

### Actual Affordability Thresholds, Current Rents, and Potential Displacement

It is hereby noted that current Rents at Huntington Place are already below the affordability thresholds within the EDA's restrictive covenants. The table below uses the Area Median Income (AMI) limits found in the EDA's Declaration of Restrictive Covenants (50% to 60% AMI) as the basis for comparison.

Metropolitan Council Rent Affordability Limits (allowed per EDA Loan Agreement)	Huntington Place Rent Rates (according to Aeon's website)
\$1,165 to \$1,398	\$900 to \$950

MAS Capital is proposing a full remodel of each unit, common areas, and exterior site with an investment ranging from \$10,000 to \$24,000 per unit. This will result in an increase in Lease Rates, but will still stay below the AMI

Thresholds within our Restrictive Covenants. MAS Capital is planning to not extend existing leases at time of expiration, but allow Tenants to enter into new Leases for renovated units. It should be expected that this will cause some amount of displacement for existing Tenants. Finally, it is noted that many tenants have access to rent vouchers, which limits their rent based on a percentage of their income. In other words, base rent may increase, but the impact to the Tenant may be minimal (unless there is a change to their income).

### *Renter Resources for Impacted Tenants*

Staff's focus has expanded to begin to plan for Tenant Support for relocation. While the City and County do not have additional funds to assist with relocation, focus has begun to shift on connection to resources through on-site housing fairs, resources, etc. A potential Housing Fair could help identify a number of resources already referred by City Staff in these situations.

- Hennepin County Emergency Rent Assistance
- Housing Link
- City of Brooklyn Park Tenant Notification Ordinance
- Attorney General: Landlord and Tenant: Rights and Responsibilities Handbook
- HOME Line
- LawHelpMN
- Housing Justice Center
- Hennepin County Tenant Resource Center
- Hennepin County Office of Multicultural Services
- United Way 211
- Community Mediation and Restorative Services
- Day One Emergency Shelter or Crisis Hotline

City Staff will also be reaching out to the School District to share these updates, as this process is likely to result in a decline in enrollment for the School District as well.

### *Additional Assistance Huntington Place*

Aeon received other assistance for Huntington Place.

Entity	Amount	Status
Hennepin County	\$3.5M Grant	Fully Distributed
State of Minnesota	\$10M Grant	Partially Distributed Continues Post-Sale
Federal – Congress	\$4M Grant	Unused Exploring Alternative Options

Furthermore, many Residents of Huntington Place receive Tenant Based Assistance. Staff is attempting to collect this data.

***At the January 21 EDA Meeting, there was discussion on the possibility to convert a portion of the units to market rate units. Staff is working with MAS Capital Group to explore this possibility. The net annual increase in total property taxes (City + County + School District) if the Property no longer qualified for 4(d)1 property tax classification would be approximately \$900,000 annually. Additionally, Staff is trying to better understand the implications of market rate conversion as it relates to the County, State, and Federal grants provided to this apartment community.***

### **Budgetary/Fiscal Issues:**

If the loan were to have been repaid, the funds would have gone back to the City's Housing Set Aside Fund for other similar housing assistance.

**Attachments:**

- 2.1A LETTER FROM WINTHROP & WEINSTINE ON BEHALF OF AEON BP LLC
- 2.1B RENTER RESOURCES FLYER
- 2.1C AEON (SELLER) TALKING POINTS
- 2.1D MAS CAPITAL (BUYER) RESPONSES
- 2.1E AEON LETTER TO CITY OF BP



September 24, 2024

Katherine A. Johnson  
Direct Dial: (612) 604-6767  
Main Fax: (612) 604-6800  
kjohnson@winthrop.com

**VIA EMAIL**

Brooklyn Park Economic Development Authority  
5200 85th Ave. N.  
Brooklyn Park, MN 55443  
Attn: Jay Stroebel  
Email: [Web-CityManagerDL@brooklynpark.org](mailto:Web-CityManagerDL@brooklynpark.org)

**RE: Huntington Place Apartments – Requests to Brooklyn Park EDA for October 15, 2024 Agenda**

Dear Mr. Stroebel:

This firm represents Aeon BP LLC, a Minnesota limited liability company (“Aeon BP”), which is an affiliate of Aeon, a Minnesota nonprofit corporation (“Aeon”).

As you know, Aeon BP, as borrower, and the Brooklyn Park Economic Development Authority (the “EDA”), as lender, are parties to that certain Loan Agreement dated January 30, 2020, as the same has been amended and restated over time, including the most recent Third Amended and Restated Loan Agreement dated February 27, 2023 (collectively, the “Loan Agreement” and together with all accompanying loan documents, the “Loan Documents”), related to the multifamily housing development known as Huntington Place Apartments (the “Project”).

We understand that you and Eric Johnson, Aeon’s Chief Executive Officer, have had conversations regarding the Project and the Loan Agreement.

Aeon BP is in the very final stages of negotiating a Purchase and Sale Agreement for the transition of ownership of the Project; information regarding the same will be forth coming shortly. In the meantime, we wanted to make a formal request to the EDA as set forth in this letter. It is imperative to the Project and that transaction that the requests herein be included on the EDA’s agenda for its meeting on October 15, 2024.

Accordingly, Aeon BP is hereby formally requesting the following:

1. Approval to transfer the Project and assign that certain Declaration of Restrictive Covenants dated January 30, 2020, between Aeon BP and the EDA, as the same has been amended by that certain Amendment to Declaration of Restrictive Covenants dated

September 24, 2024

Page 2

February 16, 2021 (collectively, the “Declaration”) in accordance with Section 4 of the Declaration. For reference, a copy of the Declaration is enclosed. As part of Aeon BP’s contemplated transfer of the Project, the new buyer will assume the obligations under the Declaration (including obligations related to the providing of affordable housing at the Project as required by the Declaration).

2. Forgiveness of the loan set forth in the Loan Documents, including a release of that certain Promissory Note, Loan Agreement, Combination Mortgage, Security Agreement and Fixture Financing Statement secured by the Project, and a release of the Guaranty by Aeon.

We would like to coordinate a meeting with EDA staff regarding the above requests at your soonest convenience. If you could please reach out to Eric Johnson, copied here, with your availability, that would be greatly appreciated.

Very truly yours,

WINTHROP & WEINSTINE, P.A.

*/s/ Katherine A. Johnson*

Katherine A. Johnson

Enclosures

CC: Eric Anthony Johnson (via email at [EJohnson@aeon.org](mailto:EJohnson@aeon.org))  
Caroline Horton (via email at [CHorton@aeon.org](mailto:CHorton@aeon.org))

29803631v1

# Renter Resources

## Maintenance Concerns?

Notify your landlord or property manager of a maintenance issue.  
For an unresolved maintenance concern or issue, contact the City of Brooklyn Park.



### Rental and Business Licensing Division

 763-493-8182 |  [bplicense@brooklynpark.org](mailto:bplicense@brooklynpark.org)

## Housing




### Tenant Resource Center

Maintains housing stability for Hennepin County tenants

 612-767-9737  
 [www.trchennepin.com](http://www.trchennepin.com)

### Housing Link

Provides affordable housing information for renters and landlords

 612-522-2500  
 [info@housinglink.org](mailto:info@housinglink.org)  
 [www.housinglink.org](http://www.housinglink.org)





### Renter Resources in Brooklyn Park

Scan the QR Code with your smartphone  
[www.brooklynpark.org/housing](http://www.brooklynpark.org/housing)

## Community



### Office of Multicultural Services

Connects immigrants and refugees to resources and services

 612-328-2193  
 [oms@hennepin.us](mailto:oms@hennepin.us)

### United Way 211

Provides free and confidential health and human services for people in Minnesota

 211 or 651-291-0211  
 [www.211unitedway.org](http://www.211unitedway.org)



### Community Resources in Brooklyn Park

Scan the QR Code with your smartphone  
[www.brooklynpark.org/community-resources](http://www.brooklynpark.org/community-resources)

## Legal



### Attorney General's Office

Informs tenants of their rights and responsibilities. Copies of the Minnesota Attorney General's Landlords and Tenants: Rights and Responsibilities handbook are available at:

 [www.ag.state.mn.us/](http://www.ag.state.mn.us/)



### HOME Line

Offers free and low-cost legal, organizing, education, and advocacy services to tenants

 612-728-5767  
 [www.homelinemn.org](http://www.homelinemn.org)

### Housing Justice Center



Preserves and expands affordable housing for low-income individuals and families

 612-807-1139  
 [www.hjcmn.org](http://www.hjcmn.org)

## Safety & Stability




### Community Mediation and Restorative Services (CMRS)

Provides low to no cost conflict resolution services between renters and property owners as well as between family members and neighbors

 763-561-0033  
 [referrals@cmrsmn.org](mailto:referrals@cmrsmn.org)

### Day One Emergency Shelter or Crisis Hotline

Provides support and assistance to individuals experiencing domestic violence or sexual assault

 1-866-223-1111  
 612-399-9977 (Text)  
 [safety@dayoneservices.org](mailto:safety@dayoneservices.org)

### Domestic Abuse Service Center

Offers multiple services to victims of domestic violence

 612-348-5073

# Renter Rights Information

## Housing Policies

The City of Brooklyn Park has policies in place to preserve affordable housing and ensure renter rights. Below are a couple of key policies:

The Minnesota **Fair Housing Policy** protects people from discrimination and promotes equal access to housing. This policy prevents discrimination based on:

- Race
- National origin
- Religion
- Sex
- Familial status
- Disability

The City of Brooklyn Park **Tenant Notification Ordinance** protects renters from immediate lease changes when their apartment building is transferred to a new owner. Within 30 days of sale, a new owner must notify renters if they intend to:

- Increase the rent;
- Require that residents meet new criteria to live in the building;
- Issue lease non-renewals without cause or as the result of rescreening; or
- Make a material change to the lease.

If the new owner makes any of those changes and the renter needs to move, they may be eligible for relocation assistance.

## Questions?


For more information, contact John Kinara, Housing and Redevelopment Coordinator, at 763-493-8054 or [john.kinara@brooklynpark.org](mailto:john.kinara@brooklynpark.org)

## Language Support


Para asistencia, llame al 763-424-8000 y solicite un intérprete.


Yog koj xav kom txhais rau lu Hmoob, hu Chris Xiong, 763-315-8466 or [chris.xiong@brooklynpark.org](mailto:chris.xiong@brooklynpark.org).



For reasonable accommodations or alternative formats, please contact Josie Shardlow at 763-493-8388 or [josie.shardlow@brooklynpark.org](mailto:josie.shardlow@brooklynpark.org).

 **City Hall**  
5200 85th Avenue North  
Brooklyn Park, MN 55443

 **763-424-8000**  
 [bpcustserv@brooklynpark.org](mailto:bpcustserv@brooklynpark.org)

 **Hours**  
8:00 AM - 4:30 PM, Monday - Friday

 **Police Station**  
5400 85th Avenue North  
Brooklyn Park, MN 55443

 **763-493-8222** (Non-emergency)  
 [bppolice@brooklynpark.org](mailto:bppolice@brooklynpark.org)

 **Hours**  
24 hours a day, every day

## Huntington Place Apartments Transaction

### Aeon and Brooklyn Park Economic Development Authority Key Points

- The sale of Huntington Place to MAS Capital Group LLC has been directed by NEF Preservation Mortgage Loan Fund I LP (“NEF”), the senior lender, as the last alternative. Failure to consummate the transaction would have catastrophic consequences to the community of residents, City and Aeon.
- The sale of Huntington Place will achieve substantial benefit to the community as it will (i) preserve the continued affordability, (2) result in the buyer making substantial investments and improvements of the property, which would otherwise not occur, and (3) continue to preserve and permit the community at Huntington Place to prosper and grow.
- But for the transaction, preservation of affordability and the community at Huntington Place would not be guaranteed. But for the transaction, the significant investment and improvements into Huntington Place will not occur.
- Notably, Aeon specifically negotiated a transaction conditioned on an assumption by the buyer of the affordable housing covenants that will be maintained through January 2050.
- All alternatives for capital, financing and recapitalization have been explored by Aeon with professional assistance and exhausted.
- Aeon held the Huntington Place project together despite a moratorium that prevented evictions and collection of rental revenue necessary to sustain project and service debt.
- Aeon invested over \$5 million at Huntington Place to fund security services necessary to ensure that the safety of more than 2,500 residents during the national pandemic, at a time when gang elements and drug dealers threatened the Brooklyn Park community and those that consider the apartment complex home.
- NEF, the senior lender, will lose approximately \$50 million in the transaction and the Twin Cities Local Initiatives Support Corporation (LISC), a subordinate lender, is not expected to receive any money from the sale.
- NEF and LISC support the sale transaction despite the substantial losses the lenders will incur.
- City of Brooklyn Park approved and executed a Subordination Agreement in favor of NEF as part of the original financing for the Huntington Place project in which the City specifically agreed, among other things, as follows: (1) that its debt will at all times continue to be subject and subordinate in right of payment to the prior and full payment of all amounts owed to NEF (see Section 3(a)); (2) that any payment the City at any time receives is to be held in trust for the NEF and promptly turned over (see Section 3(d)); (3) the City consented and authorized the future sale of Huntington Place property (see Section 5(b)(ii)); (4) the City further consented

and authorized the future release by NEF of the mortgaged property from the lien, operation and effect of applicable loan documents by NEF as part of a sale transaction (see Section 5(b)(i)); and (6) the City waived all equitable or other rights it may have in connection in connection with the release of the mortgaged property.

- The City's support of the Huntington Place project has been, and is now, critical to the successful transfer of the property to a financially secure and invested buyer that is committed to maintaining affordability, improving the property and committed to providing affordable, secure and quality housing to thousands of current and future residents in the Brooklyn Park community.

**General MAS Capital background:**

In the late 1940s my grandfather, Mr. Henry Mermelstein came to America as an immigrant together with his wife, my grandmother, with the hopes of raising a family with the ability to provide for them in a decent manor. After working in textile factories for many years, he bought into a healthcare facility, and then from one became many. Then a stock portfolio was started and built up with the energy, banking, and farming sectors being the framing of it. In the late 90s, the family bought into real estate with its first asset being in Nevada. From there, we have built up a portfolio of 5,000+ units, and some office space.

We have always self-managed most of the portfolio and always bought conservatively and not by trends. We have held onto many assets for decades and have sought out assets that give us the ability to do as such.

Since his passing 6 years ago, I (Moshe Mermelstein) have been charged with overseeing the portfolio and the real estate sector on behalf of the family.

**A portfolio of specific communities MAS Capital owns and operates currently:**

Here is a list of 10 properties within the portfolio that we own:

1. Crossing at Northpointe – St Louis MO
2. The Knolls Townhomes – St Louis, MO
3. Oakwood Apartments – Jacksonville, AR
4. The Luxe Apartments – Jacksonville, AR
5. Arlington Apartments – Jackson, MS
6. Ashford Apartments – West Monroe, LA
7. Philadelphia Place, Philadelphia, PA
8. Beach Place Apartments, Sunny Isles, FL
9. Rosewood Apartments, Reno, NV
10. The Crossing at Lake Mead – Las Vegas, NV

**A quick mockup of planned improvements to individual units (concept level, not construction plans):**

We plan to renovate every unit starting with new vinyl flooring, new kitchen cabinetry, new appliances (and possibly new backsplashes), new lighting throughout the unit, new bathroom vanity's and mirrors, and new tubs.

**A concept plan (not construction plans) of exterior improvements and improvements to other common/community areas:**

We plan on replacing all windows at the property, getting the pool completed and working again with additional design to it, completely overhaul the current leasing building and clubhouse with brand new modern design, new large gym for tenants, game room for children, conference room/business office space for residents to use, new offices for staff at the property, new lawn care with trees and flowers

**Financials to support the level of reinvestment being proposed (high-level, not full pro-forma):**

Total capitalization for the Huntington project is expected to be \$60,000,000. \$42,500,000 is expected to be paid by a bridge loan, which represents 75% of the purchase price plus 75% of the capital expenditures. The remaining costs will be paid from equity of approximately \$17,500,000. The equity will be 25% of the purchase price and 25% of the capital expenditures. Equity will come from the buyer's family holdings.



home changes everything

February 12, 2025

VIA EMAIL

Jay.Stroebe1@brooklynpark.org

Tim.Gladhill@brooklynpark.org

City of Brooklyn Park  
 5200 85th Ave. N.  
 Brooklyn Park, MN 55443  
 Attention: Jay Stroebel, City Manager

Brooklyn Park Economic Development Authority  
 5200 85th Ave. N.  
 Brooklyn Park, MN 55443  
 Attention: Tim Gladhill, Community Development Director

RE: Huntington Place Apartments

Dear City of Brooklyn Park and Brooklyn Park Economic Development Authority,

I am writing on behalf of Aeon, a Minnesota nonprofit, and its wholly-owned affiliate, Aeon BP LLC (collectively, Aeon) in relation to its affordable housing project within the City, Huntington Place Apartments. As you are aware, the project is facing significant financial challenges. We appreciate the time and effort that the City and the EDA have given to evaluating these challenges thus far.

We are writing today to step back and assess the project's current circumstances, its role within the City's larger community, and relay Aeon's hope for the future of this project.

Huntington Place is a multifamily housing development, consisting of 834 units of affordable housing within the City and the second largest affordable housing community in Minnesota.

Aeon acquired Huntington Place in 2020 to avoid displacement of residents and maintain its affordability and improve it for its approximately 2,500 residents. Despite Huntington Place's long history of challenges, preserving the housing units was central to Aeon's mission. The project faced significant unanticipated challenges soon after its acquisition, including the pandemic, social unrest, and increased crime. These external pressures

> 901 North 3rd Street, Suite 150  
 Minneapolis, MN 55401

> 612-341-3148 office  
 612-341-4208 fax

> [aeon.org](http://aeon.org)



compounded the already high-maintenance project and capital improvement needs of the property. Despite these challenges, Aeon remained committed to its mission.

Throughout its ownership, Aeon has worked tirelessly and at great cost to improve and stabilize the project and its impact on the City. Specifically, Aeon developed a transformation plan and pursued multiple options while worked closely with local, state, and national partners—including the Minnesota Legislature, Hennepin County, and financial institutions like NEF and Morgan Stanley—to secure \$10 million in state grant funding and other support to improve and stabilize Huntington Place, but additional funds are needed to continue these efforts. Aeon also held the project together despite a moratorium that prevented evictions and collection of rental revenue necessary to sustain project and service debt. Add to this, rising interest rates, insurance, inflation, and uncertainty in the real estate market for properties such as Huntington Place made the challenge even tougher. And despite this context, Aeon continued to work toward a proposed solution. Moreover, Aeon invested over \$5 million at Huntington Place to privately fund security services necessary to ensure the safety of more than 2,500 residents during the national pandemic, at a time when unrest and violence threatened the community and those that consider the apartment complex home. This investment and effort has helped significantly reduce crime—by 68% over the past several years—and, as a result, the cost of the crime was not relegated to the City, thereby creating significant cost-savings for taxpayers and reducing police time and efforts at Huntington Place. Aeon’s work over the years has also improved the property’s appearance and operations.

Unfortunately, despite these significant efforts and the hard work of all involved, Aeon is at a point where it can no longer own and operate Huntington Place itself. Nonetheless, Aeon remains committed to the continued preservation of this affordable housing community.

Aeon’s mission is to create and sustain quality affordable homes that strengthen lives and communities. To that end, Aeon has been working for many months to negotiate a transaction whereby the buyer will assume the existing affordable housing covenants that will be maintained through January 2050. Aeon has also sought a buyer committed to improving the project during its ownership and making a significant investment in the community.

Furthermore, Aeon has worked closely with its senior and subordinate lenders, who, although facing significant financial losses, are committed to a sale of the property that will maintain its affordable housing covenants.

As you are aware, the EDA is also a subordinate lender to Huntington Place and has executed subordination agreements in favor of the senior and other subordinate lender containing, among other things, provisions for the release of liens. Aeon has asked for (1) forgiveness of such subordinate loan and (2) consent to the assignment of the Declaration of Restrictive Covenants by and between the EDA and Aeon preserving affordability within Huntington Place, thereby permitting the sale of the project to move forward and preventing a foreclosure. As you are also aware, a foreclosure would place the affordability in jeopardy and threatens to displace essential services for many residents.

Aeon also continues to work creatively with the City, the EDA, the buyer, and other funding partners to best employ all available resources for the betterment of Huntington Place and ultimately the City of Brooklyn Park. In particular, preserving the affordability will permit Aeon to utilize roughly \$4.5 million of allocated grant funds from the Minnesota Housing Finance Agency (MHFA) towards investment into improvements at the project. Preserving affordability has also allowed Aeon to offer a Memorandum of Understanding to the City related to the use of \$4 million of allocated federal HUD grant funds to be used in connection with the Zanewood Recreation Center, which would ultimately result in the betterment of Huntington Place and the City at large.

Aeon's intentions are to provide for a transfer of Huntington Place that achieves the goals of preserving affordability, providing necessary investment for improvements that benefit residents, and continuing to positively impact the community of Brooklyn Park. Aeon does not support and does not view foreclosure as a beneficial solution to problems confronting the project.

The City's support of the Huntington Place project has been, and is now, critical to the successful transfer of the property to a financially secure and invested buyer that is committed to improving the property and to providing affordable, secure and quality housing to thousands of current and future residents in the Brooklyn Park community.

We thank you for your continued time and consideration on these requests.

Sincerely,



Dr. Eric Anthony Johnson  
Chief Executive Officer of Aeon

EAJ/vs

# City of Brooklyn Park Request for EDA Action

<b>Agenda Item:</b>	4.1	<b>Meeting Date:</b>	February 18, 2025
<b>Agenda Section:</b>	Consent	<b>Prepared By:</b>	Seng Moua, EDA Secretary
<b>Resolution:</b>	N/A	<b>Presented By:</b>	Tim Gladhill, Executive Director
<b>Attachments:</b>	1		
<b>Item:</b>	Consider Approving the January 21, 2025 EDA Regular Meeting Minutes		

**Executive Director's Proposed Action:**

MOTION \_\_\_\_\_, SECOND \_\_\_\_\_, TO APPROVE THE JANUARY 21, 2025 EDA REGULAR MEETING MINUTES.

**Overview:** N/A

**Primary Issues/Alternatives to Consider:** N/A

**Budgetary/Fiscal Issues:** N/A

**Attachments:**

4.1A JANUARY 21, 2025 DRAFT REGULAR MEETING MINUTES

THE BROOKLYN PARK ECONOMIC DEVELOPMENT AUTHORITY  
OF THE CITY OF BROOKLYN PARK  
JANUARY 21, 2025 MEETING MINUTES

I. ORGANIZATIONAL BUSINESS:

1A. CALL TO ORDER: President Winston at 6:03 p.m.

ROLL CALL PRESENT: President Hollies Winston, Vice President Nichole Klonowski, Treasurer Shelle Page and Commissioners Christian Eriksen, Amanda Cheng Xiong, Tony McGarvey, and Maria Tran. Staff: Executive Director Tim Gladhill, EDA Secretary Seng Moua, EDA Attorney Joseph Sathe, and Housing and Redevelopment Coordinator John Kinara.

ABSENT/EXCUSED: None.

1B. APPROVAL OF AGENDA

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

II. WORK SESSION

2. WORK SESSION ITEMS:

- 2.1 Review Huntington Place Apartments Loan Forgiveness Request
- A. Letter from Winthrop & Weinstine on Behalf of AEON BP LLC
  - B. Renter Resources Flyer
  - C. AEON (Seller) Talking Points
  - D. MAS Capital (Buyer) Responses

The meeting reconvened in regular session at 7:37 p.m.

III. PUBLIC INVOLVEMENT:

3. PUBLIC COMMENT AND RESPONSE:

3A. Response to Prior Public Comment: Executive Director Tim Gladhill noted the comments made by Ms. Hemple at the previous meeting, along with email received, which did not require a response.

3B. Public Comment: None.

3C. Public Presentations: None.

3D. Public Announcements:

IV. STATUTORY BUSINESS AND/OR POLICY IMPLEMENTATION:

4. CONSENT:

4.1 Consider Approving EDA Meeting Minutes.

A. December 16, 2024 Draft Regular Meeting Minutes

4.2 Consider Approving the Proposed EDA Meeting Dates for 2025

A. 2025 Regular EDA Meeting Dates

- ~~4.3 Consider Approving a Subordination Agreement for a Supplemental Loan Request from HUD for Amorco LLP in the Amount of \$250,000~~
- ~~A. Resolution~~
- ~~B. Subordination Agreement~~

~~MOTION KLONOWSKI, SECOND ERIKSEN TO APPROVE THE CONSENT AGENDA. UPON A ROLL CALL VOTE WITH ALL MEMBERS VOTING IN FAVOR, THE MOTION PASSED UNANIMOUSLY.~~

5. PUBLIC HEARINGS:

- 5.1 None.

6. GENERAL ACTION ITEMS:

- 6.1 Consider Election of Officers
- A. Bylaws of the Brooklyn Park Economic Development Authority

President Winston noted that this is the annual election of officers for the EDA and reviewed the different positions.

MOTION KLONOWSKI, SECOND ERIKSEN, TO ELECT HOLLIS WINSTON AS PRESIDENT, NICHOLE KLONOWSKI AS VICE PRESIDENT, SHELE PAGE AS TREASURER, AND SENG MOUA AS SECRETARY OF THE BROOKLYN PARK ECONOMIC DEVELOPMENT AUTHORITY. MOTION PASSED UNANIMOUSLY.

- 6.2 Consider Approving a Professional Services Agreement with Finishing Trades Institute for BrookLynk's Career Pathways Program in the Amount of \$50,000
- A. Resolution
- B. Agreement

Executive Director Tim Gladhill presented a professional services agreement with Finishing Trades Institute for BrookLynk's Career Pathways Program in the amount of \$50,000. He stated that a similar program was previously funded through outside funding sources and this funding would allow a similar program to continue. He stated that EDA approval is required because of the amount.

Commissioner Xiong asked the number of students that are served by the program.

John Berkow, Finishing Trades Institute, stated that 24 students have been enrolled from BrookLynk with those dollars and every student ever enrolled has completed the program. He noted that more than 50 percent of those students have perfect attendance.

Commissioner Page asked the certifications the students receive and whether the program includes job placement services.

Mr. Berkow stated that when the students finish the program, they are ready for careers in the finishing trades as well as what comes next after high school. He reviewed the high school credit that is received and the different skills that are taught in terms of financial literacy. He stated that industry certification is not received and instead, they receive career

exposure in many different areas. He stated that they focus on career exploration as the certification for whatever skill is desired, comes through registered apprenticeship. He stated that last semester four of 18 students were placed into registered apprenticeship programs. He explained that not all 16-, 17- and 18-year-olds are ready for that full-time job, but many return to them after a few years to move forward with the registered apprenticeship program or associate program.

Commissioner Tran asked for more information on the type of building or factory the students are brought to.

Mr. Berkow explained that they are a registered apprenticeship college located in Little Canada and one of the only apprenticeship programs in the nation which receive academic accreditation which allows them to operate differently. He provided more information on the school and services provided. He stated that they are the only apprenticeship, outside of Philadelphia that are able to issue associate degrees. He provided additional details on the behavioral health services that are provided, noting that they invest in the whole student rather than just construction skills. He provided additional information on the enrollment and diversity of the program.

Commissioner Tran commented that the programs listed would be for men and asked about the services provided for women.

Mr. Berkow recognized that in the past construction has been a male-dominated world, but that is changing, and provided information on the programs that women choose to participate in. He also provided information on the money that graduates are able to make in the trades.

Commissioner Tran asked if there is a handyman program.

Mr. Berkow replied that they do not as that is not considered to be an apprenticeship job.

Commissioner Tran commented that there is a high need for that position.

Mr. Berkow stated that not all graduates of the program choose to move forward in these trades and sometimes choose another, or choose a four-year college.

Commissioner Klonowski asked how the EDA could assist the program to be more successful, outside of the funding.

Mr. Berkow stated that even with the \$50,000 in funding, his organization is still subsidizing the cost by 80 percent. He stated that the biggest need is related to transportation to and from the facility. He stated that creating opportunities for these young folks to come back to the community and work also helps.

Commissioner Klonowski stated that perhaps they can connect with staff to explore transportation options. She noted local opportunities within the trades in Brooklyn Park. She referenced the comment of Commissioner Tran and stated that construction is women's work, noting that her mother was a carpenter for years and made a good living wage with a pension.

She stated that this is a good opportunity for students to come out of school with a living wage, benefits, and pension.

President Winston asked for more details on the transportation costs and whether students are taking the bus or using a service such as Lyft.

Mr. Berkow stated that they explored using school district busing but the cost was incredibly prohibitive. He stated that their location is still one mile from the closest public bus stop. He stated that BrookLynk has been able to provide transportation for their students.

President Winston asked that Mr. Berkow work with staff to discuss transportation going forward, as they would like to continue to help young people to be successful in this program.

Commissioner Page asked if there is an online option for the life skills items.

Mr. Berkow replied that the students do not desire that and like to be in person. He explained that the apprenticeship students often assist with teaching to the high school students, which provides an opportunity to show leadership. He stated that four days per week the students are on the shop floor with one day on life skills. He stated that students had a snow day last year and still chose to attend the financial literacy program in person and provided more information on the financial literacy program.

Commissioner Tran stated that perhaps the program could add programs in the future to teach girls cooking, bookkeeping, and financial planning.

Mr. Berkow provided additional details on the associate degree program they offer and the different opportunities that are provided. He stated that next year they are looking to introduce a four-year program as well. He noted that they also continue to look at additional apprenticeship programs.

Commissioner Klonowski stated that she finds the comments of Commissioner Tran suggesting that cooking classes be added for females to be deeply offensive. She stated that she has spent over a decade supporting women in the trades and women belong in the trades. She stated that this program helps women to learn how to have a job in the trades if they choose to. She stated that she grew up with an incredibly skilled mother who was the handyman at their apartment complex, and she now completes the carpentry work in her home because she possesses those skills.

**MOTION KLONOWSKI, SECOND PAGE, TO WAIVE THE READING AND ADOPT RESOLUTION #2025-02 CONSIDER APPROVING A PROFESSIONAL SERVICES AGREEMENT WITH FINISHING TRADES INSTITUTE FOR BROOKLYNK'S CAREER PATHWAYS PROGRAM IN THE AMOUNT OF \$50,000. MOTION PASSED UNANIMOUSLY.**

President Winston commented that he believes a woman's place is wherever she wishes to be. He thanked Mr. Berkow for the service that his program provides to all of its students, noting the ability of those graduates to earn good pay through a good job. He stated that perhaps they can continue conversations as they move forward with the biotech district in Brooklyn Park.

- 6.3 Consider Approving a Subordination Agreement for a Supplemental Loan Request from HUD for Amorice I LP in the Amount of \$250,000
- A. Resolution
  - B. Subordination Agreement

Housing and Redevelopment Coordinator John Kinara presented an EDA loan subordination request related to Brooks Landing and Brooks Gardens. He provided background information and an overview of the request. He explained that the subordination request would not impact the EDA loan or the ability of the borrower to continue to make payments. He stated that the Brooks Landing Apartment is the building experiencing plumbing problems and there are 170 units of existing affordable housing between Brooks Landing and Brooks Gardens. He reviewed the benefits and risks of loan subordination in this request, noting that staff view the risks as very minimal in this instance.

Commissioner Page asked the current value of the property, the current taxes being paid and whether that is at a reduced rate, whether this would create a total of three liens against the property, and whether the City is currently in first position with its loan and would be moving to second.

Housing and Redevelopment Coordinator John Kinara replied that he could look up the current property value and provide that as a follow-up, along with the property tax information. He stated that the City is currently in the second position and would remain in the second position, as HUD is the primary lender to the property and therefore would remain as first.

Commissioner Page asked the amount of the primary loan.

Housing and Redevelopment Coordinator John Kinara stated that this \$250,000 would be added to the primary loan from HUD. He did not have the original mortgage information but commented that he could follow up on that. He stated that the EDA loan amount was \$400,000 and half of that has been paid back.

Executive Director Tim Gladhill provided information on the current market value of the properties based on the County property records. He stated that because HUD is already in the primary position, this is much less risky than other lending scenarios that have been discussed recently.

Commissioner Klonowski commented that the EDA is blessed to have the background of Commissioner Page to ask those questions. She asked if the prevailing wage ordinance would be triggered.

Executive Director Tim Gladhill stated that the EDA would not be providing any funding in this scenario as HUD would be providing the funding.

Commissioner Klonowski commented that she believes that HUD also has a prevailing wage requirement.

Housing and Redevelopment Coordinator John Kinara commented that HUD does have a prevailing wage requirement and read that language, noting that anything over \$5,000 would trigger the HUD requirement.

MOTION KLONOWSKI, SECOND MCGARVEY, TO WAIVE THE READING AND ADOPT RESOLUTION #2025-01 CONSIDER APPROVING A SUBORDINANT AGREEMENT FOR A SUPPLIMENTAL REQUEST FROM HUD FOR AMORCE I LP IN THE AMOUNT OF \$250,000. THE MOTION PASSED UNANIMOUSLY.

V. DISCUSSION:

7. DISCUSSION ITEMS

7.1 EDA Status Updates

Executive Director Tim Gladhill highlighted information about current RFPs and RFQs processes for different sites. He also provided an update on other development projects of interest to the EDA. He noted the open house which begins at 5 p.m. the following day at the Small Business Center related to the biotech district.

7.2 Verbal Commissioner Reports and Announcements

Commissioner Tran commented on an award presented by former President Biden. She noted a recent robbery at a supermarket in the Vietnamese community. She stated that her previous comment related to cooking classes was related to the boom in the restaurant business and did not intend to be sexist.

Commissioner Page appreciated the light that Commissioner Tran attempted to bring to that award and recommended that she gather more information on it to bring before the Council as it is recognition well deserved. She commented that as a woman, a mother of two daughters, and someone whose mother was also in construction, it is important for Commissioner Tran to understand the difference between cooking and culinary experience. She agreed that women are also taking over in the chef world.

Commissioner Tran thanked Commissioner Page for her input. She explained that in her culture it is important to know how to cook as it is still expected that the women go to work and then come home and cook and take care of their family. She commented on the importance of healthy cooking and eating.

Commissioner Page commented on the importance of words.

Commissioner Klonowski reiterated that there are rules and processes in place that Commissioner Tran needs to follow. She thanked Commissioner Page for her understanding and patience. She stated that her frustration and impression of sexism from the comments of Commissioner Tran was that the comment was specific to girls, that girls should learn to cook where the comment could have been made for students. She stated that the suggestion was also out of place as this was a trade college where students are learning finishing trades for construction.

President Winston also encouraged all members to follow the proper procedures. He encouraged those who can attend to attend the open house meeting the following night as this is an important step in the biotech direction. He commented on the rare opportunity to have this large amount of land that can be used for development. He explained that staff have been creative in funding but that cannot be sustained, and they need to develop the industry tax base to support the needs of the community. He also noted an incident of public safety that occurred this past weekend and noted that trend is decreasing. He stated that the police

department is taking proactive steps in that direction and the community intervention program will roll out in the next few months. He commented that public safety will continue to be the top priority and encouraged residents to continue to provide input as they continue to work on that issue.

- VI. ADJOURNMENT:  
Meeting adjourned at 8:43 p.m.

# City of Brooklyn Park Request for EDA Action

<b>Agenda Item:</b>	4.2	<b>Meeting Date:</b>	February 18, 2025
<b>Agenda Section:</b>	Consent	<b>Prepared By:</b>	Josephine Thao, Project Facilitator
<b>Resolution:</b>	X	<b>Presented By:</b>	Josephine Thao, Project Facilitator
<b>Attachments:</b>	1		
<b>Item:</b>	Consider Appointing Commissioner Amanda Xiong as the Economic Development Authority Representative to the Brooklyn Park Development Corporation		

## Executive Director's Proposed Action:

MOTION \_\_\_\_\_, SECOND \_\_\_\_\_, TO WAIVE THE READING AND ADOPT RESOLUTION #2025-\_\_\_\_\_, APPOINTING COMMISSIONER AMANDA XIONG AS THE ECONOMIC DEVELOPMENT AUTHORITY REPRESENTATIVE TO THE BROOKLYN PARK DEVELOPMENT CORPORATION.

## Overview:

The Brooklyn Park Development Corporation (BPDC) is an independent entity dedicated to supporting local businesses in Brooklyn Park by providing essential financial resources. The City Council and Economic Development Authority (EDA) are responsible for appointing representatives on a biennial basis. BPDC board members play a critical role in shaping, implementing, and overseeing various small business loan programs. These include the Commercial Code Correction Loan, Microbusiness Loan, and Real Estate and Equipment Loan, which help businesses thrive and grow in Brooklyn Park.

The appointed commissioner will serve as the liaison between the EDA and BPDC, ensuring alignment on key initiatives and facilitating the effective administration of loan programs. This two-year appointment runs through December 2026. The BPDC meets quarterly, as needed, during morning business hours, with hybrid meeting options available. Meetings typically last under two hours.

## Background:

On January 6, 2025, the City Council appointed Council Member Christian Eriksen as its representative to the BPDC. His term runs through December 31, 2026. The BPDC is currently seeking an additional appointment with an EDA commissioner to complete its seven-member board.

**Primary Issues/Alternatives to Consider:** N/A

**Budgetary/Fiscal Issues:** N/A

## Attachments:

4.2A RESOLUTION

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

RESOLUTION #2025-\_\_\_\_\_

RESOLUTION APPOINTING COMMISSIONER AMANDA XIONG  
AS THE ECONOMIC DEVELOPMENT AUTHORITY REPRESENTATIVE  
TO THE BROOKLYN PARK DEVELOPMENT CORPORATION

WHEREAS, the Brooklyn Park Development Corporation has bylaws that require participation from a member of the Brooklyn Park Economic Development Authority, and

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

Amanda Xiong is hereby appointed to the Brooklyn Park Development Corporation by the Brooklyn Park Economic Development Authority.

# City of Brooklyn Park Request for EDA Action

<b>Agenda Item:</b>	4.3	<b>Meeting Date:</b>	February 18, 2025
<b>Agenda Section:</b>	Consent	<b>Prepared By:</b>	Dylan Armstead, Senior Project Manager
<b>Resolution:</b>	X	<b>Presented By:</b>	Dylan Armstead, Senior Project Manager
<b>Attachments:</b>	1		
<b>Item:</b>	Consider Approving a Budget Amendment to the 2025 Budget to Include \$2,000,000 from the Housing Set Aside Account for Deferred Loan Obligation to Brooklyn Park AH, II LLLP (Decatur Landing II)		

## Executive Director's Proposed Action:

MOTION \_\_\_\_\_, SECOND \_\_\_\_\_, TO WAIVE THE READING AND ADOPT RESOLUTION #2025-\_\_\_\_\_, APPROVING A BUDGET AMENDMENT TO THE 2025 BUDGET TO INCLUDE \$2,000,000 FROM THE HOUSING SET ASIDE ACCOUNT FOR DEFERRED LOAN OBLIGATION TO BROOKLYN PARK AH II, LLLP (DECATUR LANDING II).

## Overview:

The purpose of this report is to request the Economic Development Authority (EDA) Board of Commissioners to consider a budget amendment to allow for a \$2,000,000 deferred loan obligation for Phase II of the Decatur Landing Project.

## Background:

The EDA entered into a Development Assistance Agreement with Decatur Landing owners Brooklyn Park AH II, LLLP on June 25th, 2024. The agreement was to allow Phase II of the development to commence based on the developer's representation that the total development costs for the project were unable to be obtained without the City's assistance.

Decatur Landing owner has provided all required documents to allow for disbursement, as confirmed by the city's financial advisor and legal counsel. The 2025 budget did not have approved appropriation for this disbursement and city staff requests that it be amended.

## Recommendation:

The EDA Executive Director recommends approval.

## Attachments

4.3A RESOLUTION

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

RESOLUTION # \_\_\_\_\_

RESOLUTION AMENDING THE 2025 BUDGET TO INCLUDE \$2,000,000 FROM THE  
HOUSING SET ASIDE ACCOUNT FOR DEFERRED LOAN OBLIGATION TO BROOKLYN  
PARK AH II, LLLP (DECATUR LANDING II)

WHEREAS, on January 16, 2024, the EDA approved a Development Assistance Agreement, and on June 25, 2024, the EDA entered into a development assistance agreement (“DAA”) with Decatur Landing’s owners, Brooklyn Park AH II, LLLP, (“Developer”), through which the EDA agreed to provide two million (\$2,000,000), the “Pooled TIF Loan”, as that term is defined in the DAA, to the Developer in the form of a loan using “Housing Set Aside TIF”, as that term is defined in the DAA;

WHEREAS, under the DAA, the proceeds of the Pooled TIF Loan were not to be disbursed to Developer until certain conditions had been met as described in Section 3.3 of the DAA (the “deferred loan obligation”); and

WHEREAS, the loan funds were not originally included in the 2025 Adopted Budget due to the DAA deferred loan obligation, but now the Developer has provided all of the necessary documents for the project to commence;

WHEREAS, the Developer has provided all of the necessary documents for the project to commence and therefore a budget amendment is necessary to transfer \$2,000,000 from the Housing Set Aside account to the 2025 EDA Budget for the purpose of disbursement of deferred loan obligation to the Developer; and

WHEREAS, this amendment will decrease the Housing Set Aside fund balance by \$2,000,000 and increase the fund balance in the 2025 Adopted Budget by \$2,000,000.

NOW, THEREFORE, BE IT RESOLVED by the Brooklyn Park Economic Development Authority Board of Commissioners to amend the 2025 budget as stated below and for the Finance Director manage the budget within these funds:

1. The EDA authorizes an amendment to its budget to transfer \$2,000,000 from its Housing Set Aside Account to the 2025 EDA Budget for the purpose of disbursement of a \$2,000,000 deferred loan obligation to Brooklyn Park AH II, LLLP.

# City of Brooklyn Park

## Request for EDA Action

<b>Agenda Item:</b>	4.4	<b>Meeting Date:</b>	February 18, 2025
<b>Agenda Section:</b>	Consent	<b>Prepared By:</b>	Dylan Armstead, Senior Project Manager
<b>Resolution:</b>	X	<b>Presented By:</b>	Dylan Armstead, Senior Project Manager
<b>Attachments:</b>	3		
<b>Item:</b>	Consider Authorizing Submittal of a Grant Application in the Amount of \$250,000 and Execution of Agreement with Hennepin County for Transit Oriented Communities (TOC) Program Funding		

### Executive Director's Proposed Action

MOTION \_\_\_\_\_, SECOND \_\_\_\_\_, TO WAIVE THE READING AND ADOPT RESOLUTION #\_\_\_\_\_, AUTHORIZING SUBMITTAL OF A GRANT APPLICATION IN THE AMOUNT OF \$250,000 AND EXECUTION OF AGREEMENT WITH HENNEPIN COUNTY FOR TRANSIT ORIENTED COMMUNITIES (TOC) PROGRAM FUNDING.

### Overview:

In collaboration with efforts regarding the City's strategy towards aiding recent business closures along Brooklyn Boulevard, staff has identified a pre-development related program from Hennepin County. The Transit Oriented Communities (TOC) Program allows for governments to apply for aid for comprehensive public infrastructure projects that are independent of individual development projects and improve walkability and transit-oriented development potential.

Since 2003, Hennepin County has awarded approximately \$44.5 million to over 160 projects along key Hennepin County light rail transit corridors and other high frequency express bus routes. These investments have created or retained more than 13,000 housing units, 3,300 jobs, and more than 2.5 million square feet of commercial space across the county.

The goal would be to use these funds in collaboration with City identified needs in this area. The Candlewood Extension Project, highlighted in the Capital Improvement Program and Comprehensive Plan, is an infrastructure extension that has been recommended since 1992.

### Background:

Most recently the 2024-2028 Capital Improvement Plan has listed the Candlewood Extension (Project #4057) as a need and earmarked its development for 2026. It is described as a new Collector type roadway between West Broadway / Candlewood Drive intersection and the 79<sup>th</sup> Avenue / Jolly Lane intersection. The 1,800-foot roadway would be a two-lane urban type of roadway with curb and gutter, sidewalks on both sides, storm sewer, sanitary sewer connections, and water connections to allow for development of the adjacent properties.

This connection has been recommended in the City's Transportation Element of the Comprehensive Plan since at least 1992. Collector type roadways are usually spaced at least every half mile to service short and medium range trips between arterial roadways (i.e., West Broadway and CSAH 81 in this instance) and to reduce traffic on these arterial and parallel arterials (i.e., Brooklyn Boulevard and 85<sup>th</sup> Avenue). There is currently no east/west collector roadway connecting West Broadway Avenue to CSAH 81 between Brooklyn Boulevard and 85<sup>th</sup> Avenue.

Additionally, development activity in this immediate area has been difficult to achieve due to this looming roadway project. Over these years, there have been multiple instances of developer inquiries to private landowners whose concept has not materialized due to the City's need for a roadway.

**Primary Considerations:**

- **What activities will this grant fund?**

The 2024-2028 CIP highlighted that the Candlewood extension would cost approximately \$250,000 for planning and design. Construction and maintenance are estimated to cost \$2,500,000. The TOC Program would be utilized to aid in covering the Planning/Design cost of \$250,000.

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

- Application Period Opens: Thursday, January 30, 2025
- Applications Due: Thursday, February 27, 2025, by 3 pm
- Award Date: Starting in June 2025

**Budget/Fiscal Issues:**

The City would be applying for \$250,000. If received, the TOC grant funds will assist with planning and design costs of the roadway extension.

**Recommendation:**

City Staff recommend approval.

**Attachments:**

- 4.4A RESOLUTION
- 4.4B LOCATION MAP
- 4.4C CONCEPT DESIGNS

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

RESOLUTION NO. #2025-\_\_\_\_\_

AUTHORIZING SUBMITTAL OF A GRANT APPLICATION IN THE AMOUNT OF \$250,000 AND  
EXECUTION OF AGREEMENT WITH HENNEPIN COUNTY FOR TRANSIT ORIENTED  
COMMUNITIES (TOC) PROGRAM FUNDING

WHEREAS, the City of Brooklyn Park (the "City") and the Brooklyn Park Economic Development Authority (the "EDA") are undertaking infrastructure improvements as part of the City's Candlewood Extension (Project #4057), which is included in the City's 2024-2028 Capital Improvement Plan, including specifically a new collector roadway between West Broadway / Candlewood Drive intersection and the 79<sup>th</sup> Avenue / Jolly Lae intersection (the "Project");

WHEREAS, the Project has been recommended as part of the City's Transportation Element of the Comprehensive Plan since at least 1992;

WHEREAS, the Hennepin County Housing and Redevelopment Authority provides funding for pre-development activities through its Transit Oriented Communities ("TOC") program.

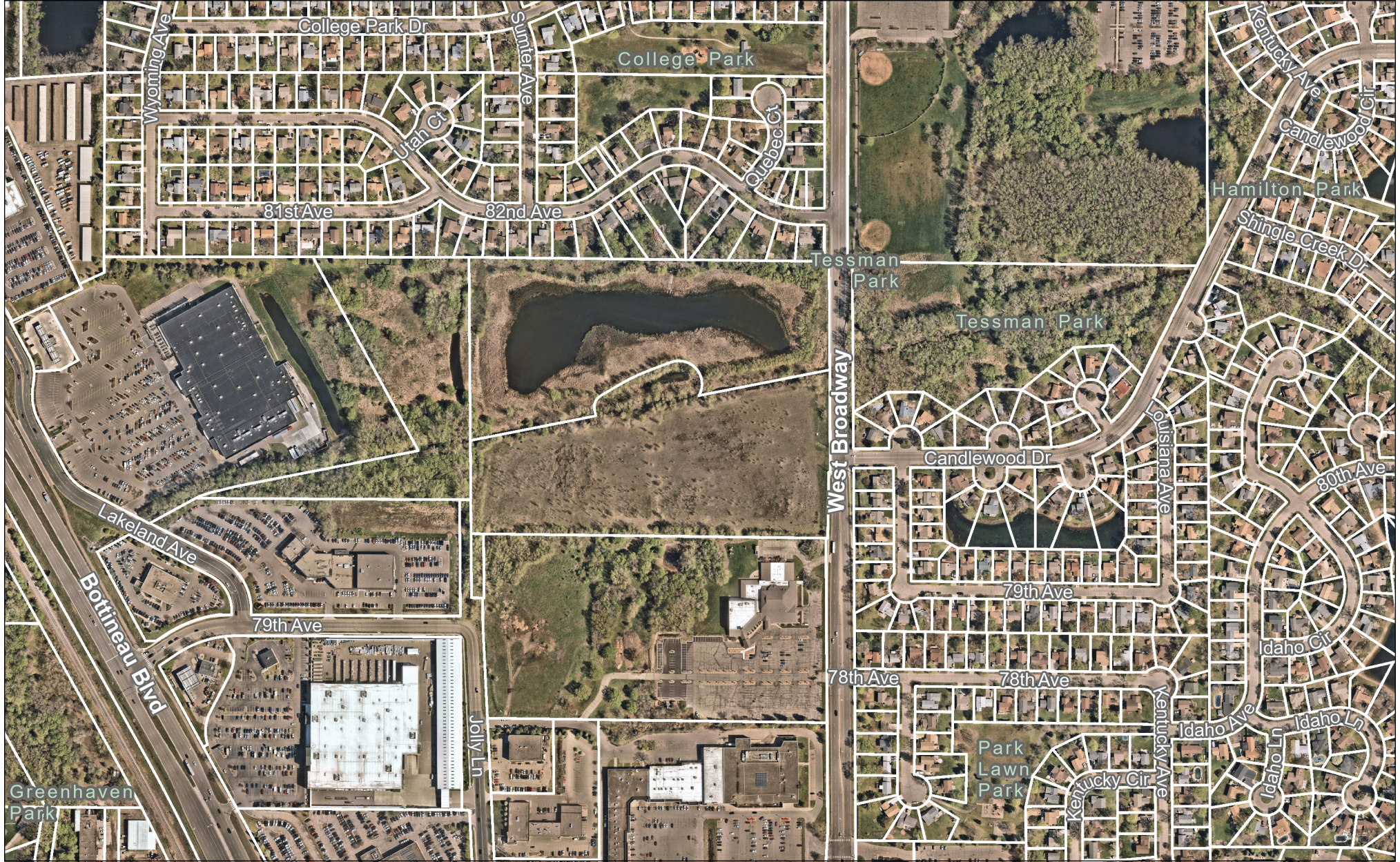
NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Brooklyn Park Economic Development Authority (the "Board") as follows:

1. The EDA authorizes submitting an application to the Hennepin County Housing and Redevelopment Authority ("HCHRA") by February 27, 2025 at 3:00pm for funding through the HCHRA's Transit Oriented Communities ("TOC") program.

2. The EDA hereby authorizes the Executive Director to execute and submit, on behalf of the EDA, a grant application, a grant agreement and any other documents necessary in connection therewith and to carry out, on behalf of the EDA, the EDA's obligations thereunder when all conditions precedent thereto have been satisfied.

# Candlewood Extension Location

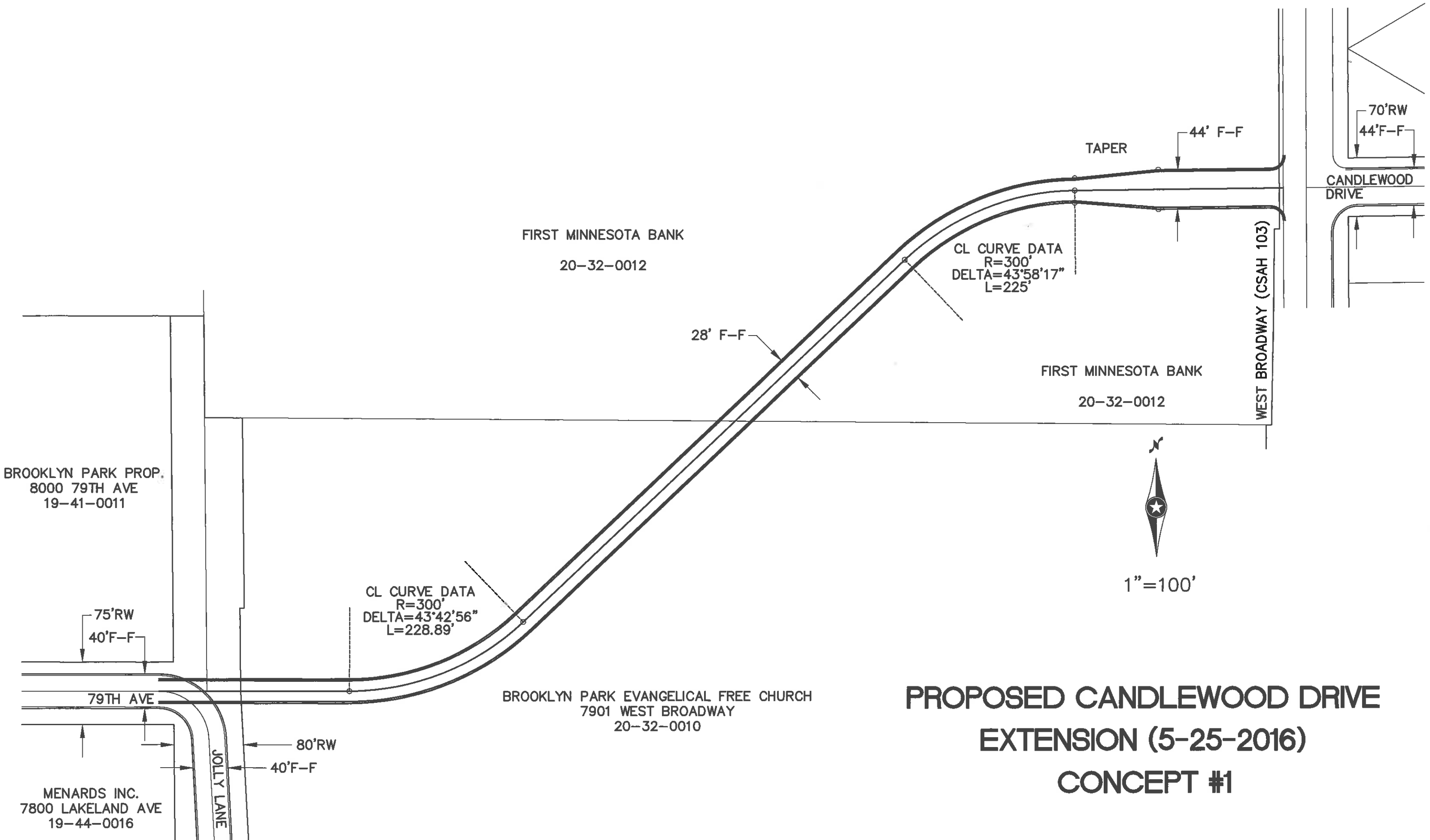
2/5/2025



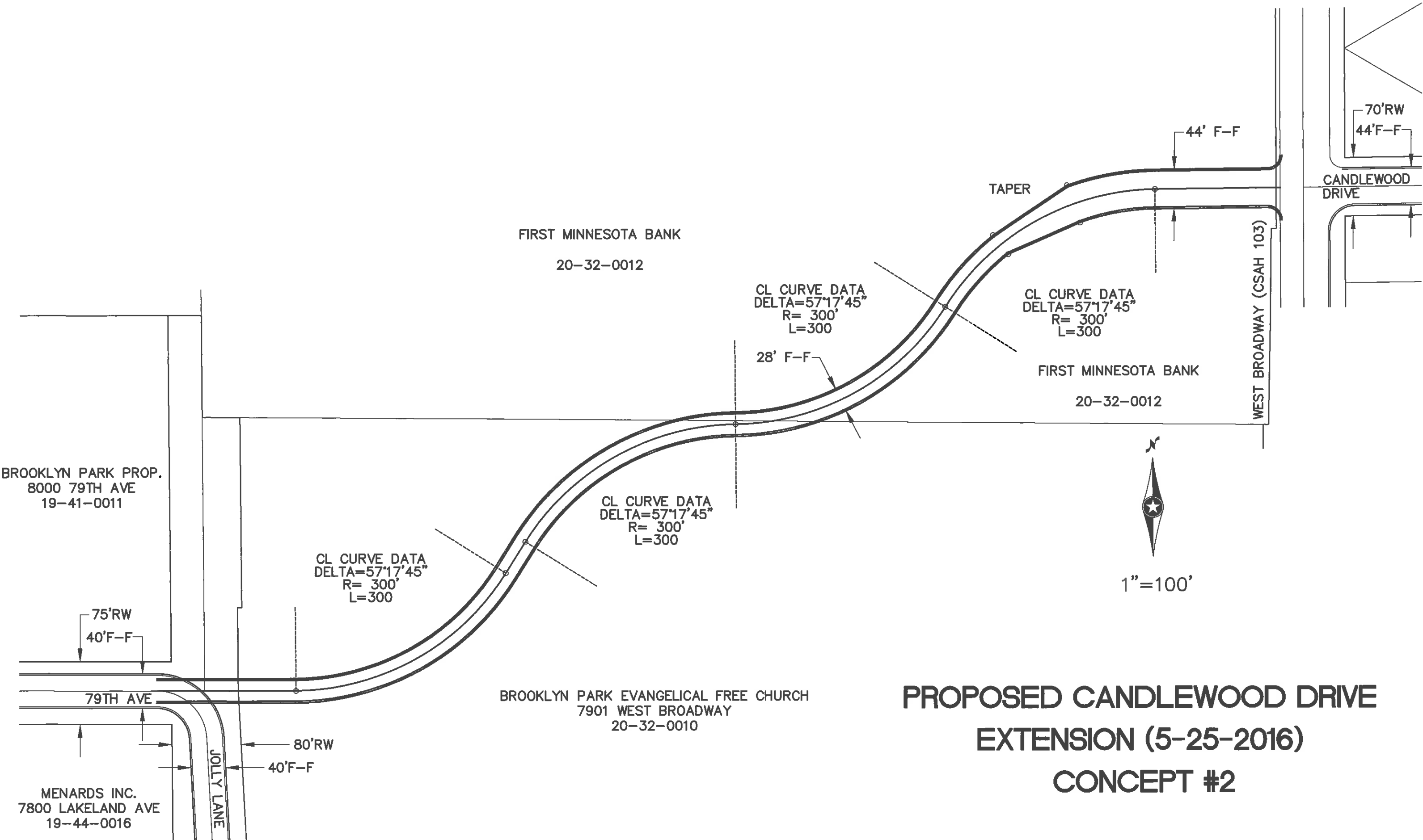
Map Scale = 1: 5,677

473 ft  1 in

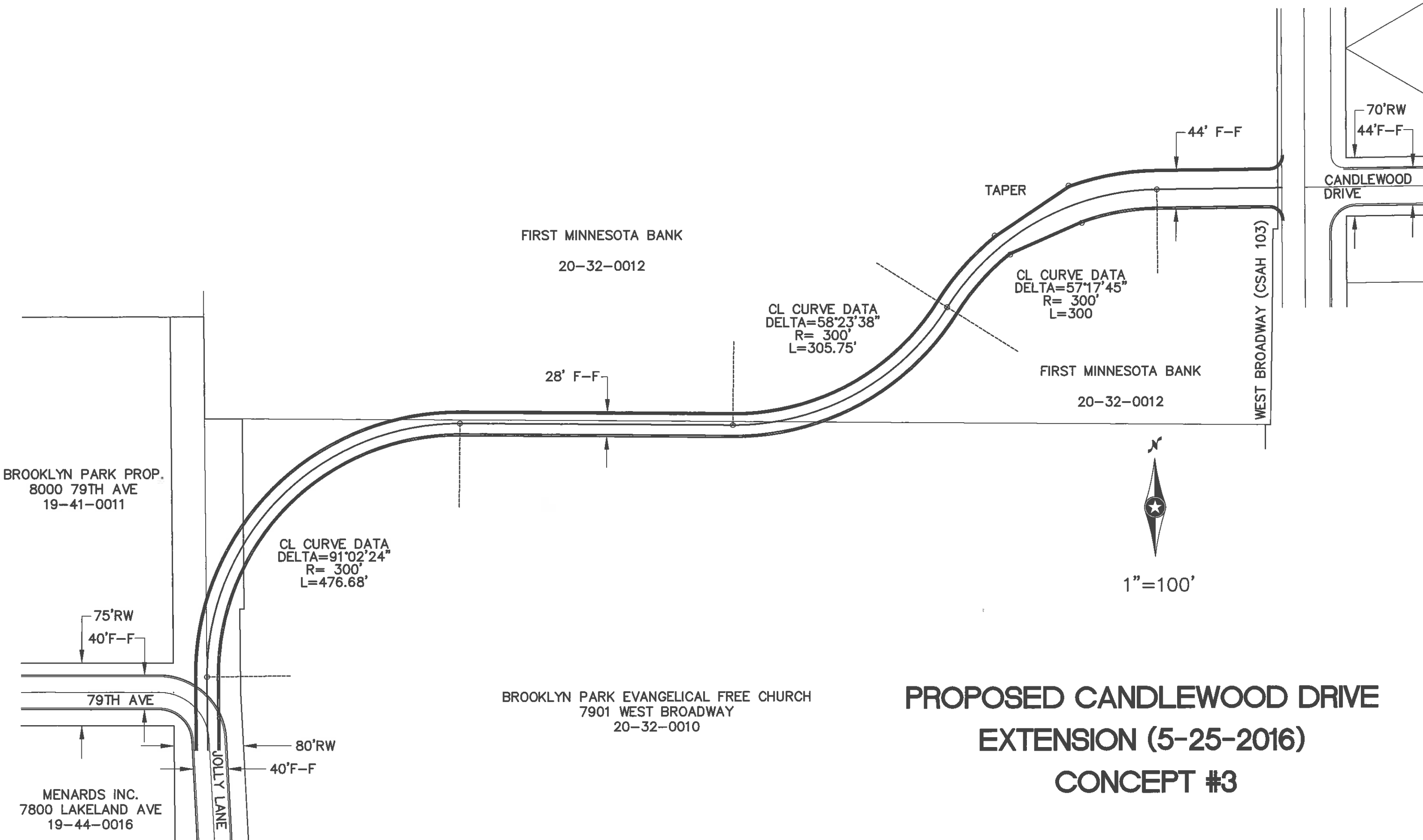
Map provided by the City of Brooklyn Park, MN. This map is for general reference only. It is not for legal, engineering, or surveying use. Please contact the sources of the information if you desire more details. [www.brooklynpark.org](http://www.brooklynpark.org)



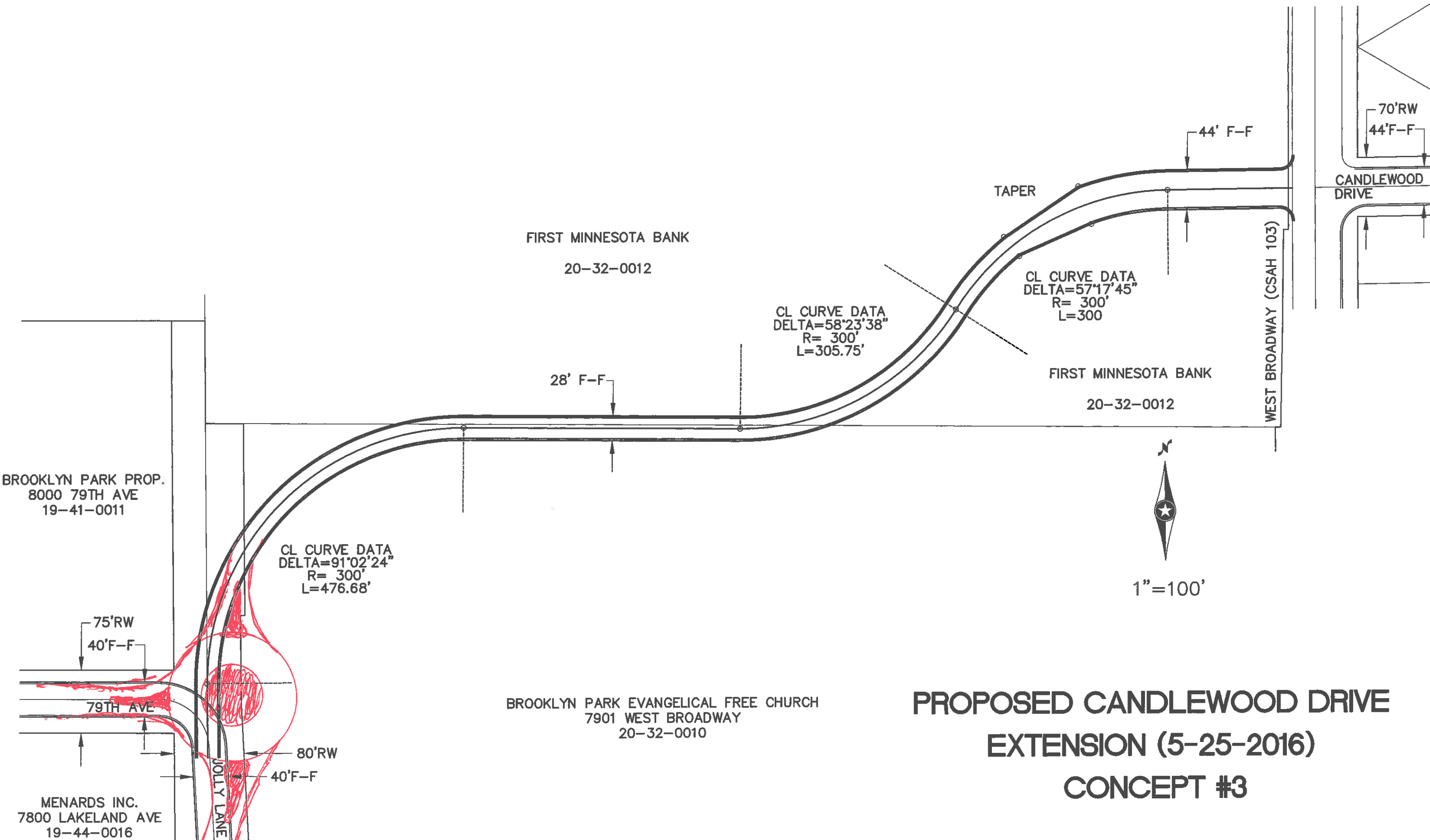
**PROPOSED CANDLEWOOD DRIVE  
EXTENSION (5-25-2016)  
CONCEPT #1**



**PROPOSED CANDLEWOOD DRIVE  
EXTENSION (5-25-2016)  
CONCEPT #2**



**PROPOSED CANDLEWOOD DRIVE  
EXTENSION (5-25-2016)  
CONCEPT #3**



**PROPOSED CANDLEWOOD DRIVE  
EXTENSION (5-25-2016)  
CONCEPT #3**

# City of Brooklyn Park Request for EDA Action

<b>Agenda Item:</b>	4.5	<b>Meeting Date:</b>	February 18, 2025
<b>Agenda Section:</b>	Consent	<b>Prepared By:</b>	Jolene Rotich, Interim Workforce Development Director
<b>Resolution:</b>	X	<b>Presented By:</b>	Jolene Rotich, Interim Workforce Development Director
<b>Attachments:</b>	1		
<b>Item:</b>	Consider Authorizing the Submittal of a Grant Application to the Cities for Financial Empowerment Fund for the Summer Jobs Connect Initiative		

## Executive Director's Proposed Action:

MOTION \_\_\_\_\_, SECOND \_\_\_\_\_, TO WAIVE THE READING AND ADOPT RESOLUTION #2025-\_\_\_\_\_, AUTHORIZING THE SUBMITTAL OF A GRANT APPLICATION TO THE CITIES FOR FINANCIAL EMPOWERMENT FUND FOR THE SUMMER JOBS CONNECT INITIATIVE.

## Overview:

The Summer Jobs Connect initiative, supported by the Cities for Financial Empowerment (CFE), aims to help local governments to integrate banking access and financial education into Summer Youth Employment Programs. Through this grant, BrookLynk can enhance financial literacy education, promote direct deposit adoption, and connect youth with safe, affordable banking options—augmenting the current financial literacy curriculum and activities present in programming.

Staff request the Economic Development Authority to approve the submission of a grant application to the CFE Fund for the Summer Jobs Connect (SJC) grant. If awarded, the grant would provide up to \$20,000 to support the integration of banking access and financial education into the BrookLynk Summer Youth Employment Program. The application deadline is February 28, 2025.

## Background:

BrookLynk's Summer Youth Employment Program is a workforce development initiative that connects youth that face barriers to employment and education (ages 16-24) with summer work experiences with local employers while equipping them with critical career-readiness and financial literacy skills.

This grant would enhance programming with the goals of:

- Improving financial literacy among youth.
- Enhancing youth financial independence through safe banking access and direct deposit options.
- Supporting local businesses by improving payroll processes for youth workers.
- Strengthening BrookLynk's financial empowerment initiatives, benefiting both youth and their families.

## Budgetary/Fiscal Issues:

The \$20,000 grant will directly support BrookLynk's financial literacy and banking access initiatives. If awarded, the funds will be allocated toward program operations and supplies, curriculum enhancement, staffing, as well as direct support for participating youth. No immediate fiscal impact is anticipated beyond the staff time required for grant preparation and administration.

**Recommendation:**

Staff recommend that the EDA authorize the submission of the Summer Jobs Connect application before the February 28th deadline. Approval of this resolution will allow staff to proceed with the application process and secure funding for youth employment programming.

**Attachments:**

4.5A RESOLUTION

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

RESOLUTION #2025-\_\_\_\_\_

RESOLUTION AUTHORIZING THE SUBMITTAL OF A GRANT APPLICATION TO THE  
CITIES FOR FINANCIAL EMPOWERMENT FUND FOR THE SUMMER JOBS  
CONNECT INITIATIVE

WHEREAS, the Cities for Financial Empowerment (CFE) Fund supports local governments in integrating banking access and financial education into Summer Youth Employment Programs (SYEPs); and

WHEREAS, BrookLynk's Summer Youth Employment Program is a workforce development initiative that connects youth that face barriers to employment and education (ages 16-24) with summer work experiences with local employers while equipping them with critical career-readiness and financial literacy skills.

WHEREAS, the Summer Jobs Connect initiative will provide BrookLynk with up to \$20,000 in grant funding, technical assistance, and national learning community membership to support the integration of banking access and financial literacy into youth programming; and

WHEREAS, this funding will allow BrookLynk to:

- Expand financial literacy education for youth.
- Promote direct deposit adoption and safe banking options.
- Assist local businesses in improving youth payroll processes.
- Strengthen financial empowerment services for youth and their families.

WHEREAS, there is no required matching funds, and if awarded, the grant will support program operations, curriculum enhancement, staffing, and direct participant support; and

WHEREAS, the application deadline for the Summer Jobs Connect grant is February 28, 2025

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

1. The Executive Director or designee is hereby authorized to prepare and submit a grant application to the Summer Jobs Connect grant.
2. The EDA supports the pursuit of this grant opportunity and commits to ensuring compliance with all applicable grant requirements if awarded.
3. The Executive Director or designee is further authorized to execute any documents necessary to facilitate the submission of the grant application and administer the grant, if awarded, in accordance with City policies and procedures.

# City of Brooklyn Park Request for EDA Action

<b>Agenda Item:</b>	4.6	<b>Meeting Date:</b>	February 18, 2025
<b>Agenda Section:</b>	Consent	<b>Prepared By:</b>	Jolene Rotich, Interim Workforce Development Director Felicia Jappah, Grant Coordinator
<b>Resolution:</b>	X	<b>Presented By:</b>	Jolene Rotich, Interim Workforce Development Director
<b>Attachments:</b>	1		
<b>Item:</b>	Consider Authorizing the Submittal of a Youth at Work Grant Application		

## Executive Director's Proposed Action:

MOTION \_\_\_\_\_, SECOND \_\_\_\_\_, TO WAIVE THE READING AND ADOPT RESOLUTION #2025-\_\_\_\_\_, AUTHORIZING THE SUBMITTAL OF A YOUTH AT WORK GRANT APPLICATION.

## Overview:

The Department of Employment and Economic Development (DEED) Youth at Work Grant provides funding to organizations that offer employment opportunities and career exploration for economically disadvantaged or at-risk youth between the ages of 14 and 24. This grant supports summer and year-round work experiences, helping young people develop career readiness skills and gain exposure to various career pathways.

This resolution seeks approval from the Economic Development Authority to submit a grant application for the upcoming funding cycle. The application deadline is March 21.

## Background:

Since 2019, the EDA has successfully received funding through the Youth at Work Grant, allowing the City to expand youth employment initiatives and offset programming and staffing costs. Applying for this grant again will help sustain and enhance these efforts.

## Budgetary/Fiscal Issues:

The grant would provide financial support for youth employment programming, reducing the reliance on local funds. If awarded, the funds will be allocated toward program operations, staffing, and direct support for participating youth. No immediate fiscal impact is anticipated beyond the staff time required for grant preparation and administration.

## Recommendation:

Staff recommends that the EDA authorize the submission of the Youth at Work Grant application before the March 21 deadline. Approval of this resolution will allow staff to proceed with the application process and secure funding for youth employment programming.

## Attachments:

4.6A RESOLUTION

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

RESOLUTION #2025-\_\_\_\_\_

A RESOLUTION AUTHORIZING THE SUBMITTAL OF A YOUTH AT WORK GRANT  
APPLICATION

WHEREAS, the State of Minnesota's Department of Employment and Economic Development (DEED) administers the Youth at Work Grant program to provide funding for youth employment opportunities and career exploration for economically disadvantaged or at-risk youth ages 14 to 24; and

WHEREAS, the City of Brooklyn Park Economic Development Authority has successfully received and administered Youth at Work Grant funding since 2019, supporting local workforce development initiatives, youth employment programming, and staffing costs; and

WHEREAS, the EDA seeks to continue its efforts in providing career readiness training, summer and year-round employment opportunities, and workforce development programming for youth in [Your City]; and

WHEREAS, the Youth at Work Grant requires an application submission by March 21, 2025, and, if awarded, will provide financial resources to sustain and enhance the City's youth workforce development efforts; and

WHEREAS, the EDA finds it in the best interest of the City and its youth residents to pursue this funding opportunity to further its mission of expanding economic and employment opportunities for young people;

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

1. The Executive Director or designee is hereby authorized to prepare and submit a grant application to the Minnesota Department of Employment and Economic Development (DEED) for the Youth at Work Grant program.
2. The EDA supports the pursuit of this grant opportunity and commits to ensuring compliance with all applicable grant requirements if awarded.
3. The Executive Director or designee is further authorized to execute any documents necessary to facilitate the submission of the grant application and administer the grant, if awarded, in accordance with City policies and procedures.

# City of Brooklyn Park Request for EDA Action

<b>Agenda Item:</b>	4.7	<b>Meeting Date:</b>	February 18, 2025
<b>Agenda Section:</b>	Consent	<b>Prepared By:</b>	John T. Kinara, Housing and Redevelopment Coordinator
<b>Resolution:</b>	X	<b>Presented By:</b>	John T. Kinara, Housing and Redevelopment Coordinator
<b>Attachments:</b>	3		
<b>Item:</b>	Consider Authorizing the Brooklyn Park Economic Development Authority to Enter into a Housing Management Agreement with Kimberly Homes, LLC and a Memorandum of Understanding with Kimberly Homes, LLC and Simpson Housing Services, Inc. Related to the Transitional Housing Facility Located At 7600 69th Avenue North		

## Executive Director's Proposed Action:

MOTION \_\_\_\_\_, SECOND \_\_\_\_\_, TO WAIVE THE READING AND ADOPT RESOLUTION #2025-\_\_\_\_\_, AUTHORIZING THE BROOKLYN PARK ECONOMIC DEVELOPMENT AUTHORITY TO ENTER INTO A HOUSING MANAGEMENT AGREEMENT WITH KIMBERLY HOMES, LLC AND A MEMORANDUM OF UNDERSTANDING WITH KIMBERLY HOMES, LLC AND SIMPSON HOUSING SERVICES, INC. RELATED TO THE TRANSITIONAL HOUSING FACILITY LOCATED AT 7600 69TH AVENUE NORTH.

## Overview:

Staff is seeking Economic Development Authority ("EDA") approval of the Housing Management Agreement between Kimberly Homes LLC ("KH") and the EDA which stipulates details for the property management and overseeing of the residential leases at the property located at 7600 69th Ave N. For their professional management services, KH will be paid 12% of the monthly gross income for the four units, plus maintenance and repair expenses. Income will be generated from rent paid by the residents and a rental subsidy paid by Hennepin County through Simpson Housing Services ("SHS") on behalf of the residents.

## Background:

Since the mid-90s, the Brooklyn Park Economic Development Authority (EDA) has owned a 4-plex apartment property located at 7600 69th Ave. N. in the Sunny Lane Neighborhood that has operated as a transitional housing facility for families experiencing homelessness. The EDA purchased and rehabilitated the facility under the Housing and Redevelopment Authority (HRA) as a strategy to provide housing for extremely low-income families.

The facility provides a safety net program by which families experiencing homelessness contract to live for up to 24 months while working to become self-reliant. In return for paying affordable rent amount, the residents agree to participate in job training or a school program applicable to their individual needs and goals, and to take various classes as needed such as personal financial management, parenting, and housekeeping in preparation for independent living. Since August 2012, Simpson Housing Services, a non-profit organization, operates the on-site transitional housing program services and with Premier Housing Management (Premier) to oversee the property management on behalf of the EDA. Simpson's case managers work closely with each tenant in assisting them with the individual action plans of their personal contract agreement. Premier runs the day-to-day property management operations. Premier tendered the notice in December 2024 to terminate the contract with the EDA. EDA staff issued a Request for Proposal for Full-Service Management Services on December 20, 2024. Staff received three responses and ultimately settled on Kimberly Homes.

## Why Issue to Consider of the Housing Management Agreement with Kimberly Homes?

KH is responsible for screening all clients in accordance with the EDA's guidelines. A lease approved by Minnesota Housing which includes a Crime Free/Drug Free Addendum will be used. KH will collect the security deposits and monthly rents and oversee enforcement of the leases. They will handle resident evictions if that becomes necessary.

KH will oversee the property, be on-call 24 hours a day for emergencies, take responsibility to pay all operating costs associated with the occupancy of the property including costs of water, sewer, electricity, garbage removal, lawn care and snow removal; and provide needed maintenance and repairs.

KH will provide a monthly financial operating report to EDA staff.

For their professional management services, KH will be paid 12% of gross monthly income and provide four (4) hours of general maintenance per month. If there are additional repairs over 4 hours in a month, the work will be charged at a rate of between \$32 (standard) to \$43 (emergency) an hour based on the type of service provided.

KH agrees to cooperate with Simpson Housing Services (SHS), the support service provider, to facilitate operation of the transitional housing program at the property.

#### **Budgetary/Fiscal Issues:**

- **What is the proposed annual operating budget for the property?**

The annual revenue from the rents will cover the operating and professional management service expenses. In addition, soon after the start of the contract, KH will do an initial property assessment for needed immediate repairs and updates and develop a plan for capital improvements.

<b>ANNUAL COST OF OPERATION</b>		<b>ANNUAL REVENUE</b>	
Kimberly Homes Management Fee	\$4,032	Monthly rent: 4 units, \$700 each	\$33,600
Utilities: gas, electricity, water, sewer	\$7,000	Washer/Dryer Income	\$200
Operating Costs: contract maintenance, snow removal, garbage, lawn care, driveway, HVAC, rental turns, rental license fee, supplies	\$10,000		
Legal, Miscellaneous Administrative Fees	\$1,000		
Possible Vacancies: 4 units x 2 months each = 8 months x \$250 lost rent	\$3,000		
<b>TOTAL</b>	<b>\$25,032</b>	<b>TOTAL</b>	<b>\$33,800</b>
		<b>NET REVENUE</b>	<b>\$8,768</b>

As the budget above shows, there will be an estimated \$8,768 in annual revenue, and those funds will be used for capital improvements.

Staff recommend approving the Housing Management Agreement with Kimberly Homes LLC to provide professional rental property management services at 7600 69<sup>th</sup> Avenue N. The Agreement is proposed to begin on March 1, 2025.

#### **Recommendation**

The Executive Director of the Economic Development Authority recommends approval.

**Attachments**

4.7A RESOLUTION

4.7B HOUSING MANAGEMENT AGREEMENT

4.7C MEMORANDUM OF UNDERSTANDING

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

RESOLUTION #2025-\_\_\_\_\_

AUTHORIZING THE BROOKLYN PARK ECONOMIC DEVELOPMENT AUTHORITY TO ENTER INTO A HOUSING MANAGEMENT AGREEMENT WITH KIMBERLY HOMES, LLC AND A MEMORANDUM OF UNDERSTANDING WITH KIMBERLY HOMES, LLC AND SIMPSON HOUSING SERVICES, INC. RELATED TO THE TRANSITIONAL HOUSING FACILITY LOCATED AT 7600 69TH AVENUE NORTH

WHEREAS, the Brooklyn Park Economic Development Authority (the "Authority") was created pursuant to the Economic Development Authorities Act, Minnesota Statutes, Sections 469.090 to 469.1082 (the "EDA Act") and is authorized to transact business and exercise its powers by a resolution of the City Council of the City of Brooklyn Park (the "City") adopted on October 24, 1988;

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

WHEREAS, one of the statutory purposes of the Authority is to provide a sufficient supply of adequate, safe, and sanitary dwellings in order to protect the health, safety, morals, and welfare of the residents of Brooklyn Park;

WHEREAS, the Authority owns and operates a transitional housing facility located at 7600 69th Avenue North for families experiencing long term homelessness (the "Transitional Housing Facility"); and

WHEREAS, the Transitional Housing Facility operates under the professional management services of Premier Housing Management ("Premier"), who has given notice that they no longer wish to provide such services; and

WHEREAS, EDA staff issued a request for proposals for full-service management services currently being provided by Premier and has chosen Kimberly Homes, LLC ("Kimberly") to provide such services; and

WHEREAS, EDA staff have negotiated a Housing Management Agreement between the EDA and Kimberly; and

WHEREAS, Simpson Housing Services, Inc. ("Simpson") provides on-site transitional housing program services to residents of the Transitional Housing Facility; and

WHEREAS, EDA staff have negotiated a Memorandum of Understanding between the EDA, Simpson, and Kimberly Homes LLC to ensure cooperation between the parties providing services at the Transitional Housing Facility.

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

1. The Housing Management Agreement between the EDA and Kimberly Homes, LLC is hereby approved; and
2. The Memorandum of Understanding between the EDA, Kimberly Homes, LLC and Simpson Housing Services, is hereby approved; and

3. Authority staff are authorized and directed to prepare, and the Executive Director is authorized and directed to execute the above-referenced agreements, subject to such additional details, modifications, or deletions 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.

## Housing Management Agreement

This Agreement is made this \_\_\_\_ day of February 2025 between the Brooklyn Park Economic Development Authority, a Minnesota body corporate and politic (the "Owner") and Kimberly Homes LLC, a Minnesota limited liability company (the "Agent").

### SECTION 1 APPOINTMENT OF THE AGENT

#### 1.1 APPOINTMENT AND ACCEPTANCE

The Owner hereby appoints the Agent as sole and exclusive Agent of the Owner to manage the property described in Section 1.2 herein (the "Premises" as defined in Section 1.2 herein) upon the terms and conditions provided herein. The Agent accepts the appointment and agrees to provide the services of its organization for the management of the Premises.

#### 1.2 DEFINITIONS AND DESCRIPTION OF THE PREMISES

As used in this Agreement:

"Family" means a household of at least one parent and one child qualified under the Owner's Transitional Housing Program selection criteria to reside at the Premises.

"Homeless" means lacking a permanent place to live that is fit for human habitation.

"Lease" shall mean the form of agreement between the Owner and a Resident under the terms of which said Resident is entitled to enjoy possession of a dwelling unit.

"Memorandum of Understanding" shall mean the Memorandum of Understanding entered into by Agent, the Service Provider, and the EDA related to the scope of services to be provided by each party and the commitment to cooperation of the parties.

"Non-Housing Income" shall mean all amounts collected by the Agent, including all other income and charges from the normal operation of the Premises including laundry income and forfeited security deposits.

"Premises" shall mean the real property of the Owner located at **7600 69<sup>th</sup> Avenue North** in the City of Brooklyn Park, State of Minnesota, and consisting of 4 (four) dwelling units to be rented as transitional housing units.

"Rent" shall mean that monthly amount which a Resident is obligated to pay the Owner pursuant to the terms of a Lease, a portion of which will be paid by the Service Provider pursuant to the Rental Support Contract.

"Rental Support Contract" means any agreement between the Owner and an agent of the Owner to provide supportive services and rent assistance to Residents at the Premises; initially, the Rental Support Contract, dated as of September 20, 2012, between the Owner and the Service Provider, as defined herein, as amended from time to time.

"Resident" shall mean a person occupying a dwelling unit in the Premises pursuant to a Lease.

"Service Provider" means any agent of the Owner providing supportive services and rent assistance to Residents at the Premises pursuant to an agreement with the Owner; initially, Simpson Housing Services, Inc.

"Very Low Income" means a household with income at 50% or below the Area Median Income for Hennepin County. It is intended that this definition be consistent with HUD's definition of very low income.

### 1.3 TERM

The term of this Agreement shall begin on **March 1, 2025**, and continue until **February 29, 2026**. This Agreement will be automatically renewed for additional one-year periods with the same terms and conditions annually thereafter unless either party provides written notice of non-renewal 60 days before the annual termination date or unless sooner terminated pursuant to Section 10 herein.

### 1.4 MEETINGS WITH THE OWNER AND THE AGENT

The Agent agrees to cause an officer of the Agent to confer fully and freely with the Owner notwithstanding the authority given to the Agent in this Agreement.

## SECTION 2 EMPLOYEES OF THE AGENT

### 2.1 THE AGENT'S EMPLOYEES

The Agent shall investigate, hire, supervise, discharge, and pay all employees, contractors, or other personnel necessary to be employed in the management, maintenance, and operation of the Premises. All employees shall be employees of the Agent.

The Agent shall hire and have physically available from time to time as needed at the Premises all managerial and non-managerial personnel necessary for the full and efficient performance of its duties under this Agreement, including the physical presence of responsible personnel at such times as may reasonably be requested by the Owner.

### 2.2 THE AGENT PAYS EMPLOYEE EXPENSES

All wages and fringe benefits, local, state, and federal taxes and assessments (including, but not limited to, social security tax, unemployment insurance, and worker's compensation insurance) incident to the employment of employees hired pursuant to Section 1.2 herein shall be paid by the Agent to or with respect to such employees of the Agent and the Agent shall do and perform all acts required with respect to such employees under applicable federal, state, and local laws, regulations, and/or ordinances.

## SECTION 3 BANK ACCOUNTS

No amounts deposited in any account established under this Agreement shall in any event be commingled with any other funds of the Agent.

### 3.1 OPERATING RECEIPTS AND EXPENSE ACCOUNT

The Agent shall establish and maintain, in a bank whose deposits are insured by the Federal Deposit Insurance Corporation (FDIC), a separate bank account to be designated of record "Transitional Housing Operating Account" (the "Operating Account").

## SECTION 4 RECEIPTS AND PAYMENTS

### 4.1 COLLECTIONS AND DELINQUENCIES

The Agent shall collect and deposit in the Operating Account, all rents, security deposits and other charges due from or on behalf of Residents. The Agent agrees, and the Owner hereby authorizes the Agent to request, demand, collect, receive, and give receipts for any and all charges or rents which may at any time be or become payable to the Owner. Rents and other charges shall not be accepted in cash by the Agent. The Agent agrees to take such action, including legal action, with respect to delinquencies in payments due to the Owner as the Owner may from time to time authorize.

### 4.2 PAYMENTS AND EXPENSES

From the funds collected and deposited in the Operating Account, the Agent shall pay on behalf of the Owner when due, all operating expenses of the Premises, including but not limited to:

- A. All amounts payable to the Agent pursuant to Section 9 of this Agreement.
- B. All expenses of ordinary and necessary maintenance and emergency repairs.
- C. All taxes and utilities charged to the Premises; and
- D. Disbursement of Residents' security deposits, and interest thereon, in accordance with the terms of each Resident's Lease and Minnesota Law.

Agent shall deposit with the Owner on or before the 10th day of each month, any amounts remaining in the Operating Account, in excess of a \$300.00 minimum balance, after the payment of monthly operating expenses for the preceding calendar month. Subject to Section 4.3, if the funds on deposit in the Operating Account are insufficient to pay such expenses, the Agent shall invoice the Owner for additional amounts.

#### 4.3 REIMBURSEMENT OF AGENT

In carrying out its responsibilities under this Agreement, the Agent is authorized to incur on behalf of the Owner, and the Owner shall reimburse the Agent for, expenses and disbursements in an amount not to exceed \$500.00 for any item or expense; provided that emergency repairs involving manifest danger to life and property, or immediately necessary for the preservation and safety of the Premises, or for the safety of the Residents, or required to avoid the suspension of any necessary services to the Premises, may be made by the Agent without regard to the cost limitation imposed by this Section with the understanding that the Agent will confer immediately with the Owner regarding every such expenditure.

#### 4.4 SECURITY DEPOSITS

The Agent shall collect and deposit with the Owner within 10 days of receipt and disburse and pay interest upon Residents' security deposits in accordance with the terms of each Resident's Lease and Minnesota law. The Agent shall comply with all applicable state or local laws concerning the responsibility for security deposits and interest.

### SECTION 5 FINANCIAL AND OTHER REPORTS

#### 5.1 RECORDS AND REPORTS

The Agent shall establish and maintain a system of records, books, and accounts in a manner satisfactory to the Owner. All records, books, and accounts shall be subject to the examination at reasonable hours by any authorized representative of the Owner.

With respect to each fiscal year ending during the term of this Agreement, the Agent shall provide an annual financial report to the Owner within 60 days after the end of the fiscal year.

The Agent shall prepare and provide to the Owner within 30 days after the end of each month, Monthly Operating Reports which compare actual and budgeted income and expenses for the month and for the "year-to-date". The Agent shall prepare a monthly aged schedule of accounts receivable and accounts payable (including detail of maintenance expenses pursuant to Section 9.1), a monthly analysis of security deposits and monthly cash reconciliation and a monthly occupancy report. The Agent shall furnish such information as may be requested by the Owner from time to time with respect to the financial, physical, or operational condition of the Premises. The Owner will provide the Agent account balances in the Operating Account and the Security Deposit Account and other information regarding such accounts reasonably requested by the Agent in connection with preparing such reports.

## 5.2 OPERATING BUDGET

At least 60 days prior to the beginning of each fiscal year for the Premises, the Agent shall prepare and submit to the Owner an Operating Budget, setting forth an itemized statement of the anticipated receipts and disbursements for the Premises and an assessment of capital needs of the Premises.

## 5.3 OTHER ACCOUNTS

Everything done by the Agent under the provisions of this Agreement shall be done as the Agent of the Owner, and all obligations or expenses incurred hereunder shall be for the account of and on behalf of the Owner. The Agent shall not be obliged to make any advances to, or for the account of, the Owner or to pay any sum, except out of funds provided by the Owner, nor shall the Agent be obliged to incur any liability or obligation for the account of the Owner without assurance that the necessary funds for the discharge thereof will be provided to the Agent.

## SECTION 6 COOPERATION WITH SERVICE PROVIDER

The Agent acknowledges that the Owner has entered the Rental Support Contract with the Service Provider. The Agent agrees to abide by the terms of the Memorandum of Understanding and to cooperate with the Service Provider to facilitate performance of the Service Provider's obligations under the Rental Support Contract and to facilitate operation of the Premises as a transitional housing facility for families who have experienced homelessness, and who require case management and supportive services to increase skills needed to secure and successfully maintain permanent housing (the "Transitional Housing Program"). Subject to confidentiality standards regarding the exchange of Resident information, the Agent will communicate with the Owner and the Service Provider, in a timely manner, any cause of concern pertaining to any and all items that affect the overall success of the Transitional Housing Program and will notify the Service Provider in a timely manner of all incidents, notices, and eviction proceedings for any Resident. The Owner and the Agent agree that they will have access to certain confidential information regarding the Agent's and the Service Provider's operations related to the Premises. The Owner and the Agent agree that they will not at any time disclose confidential information and/or material without the consent of the affected party unless such disclosure is authorized by this Agreement or the Rental Support Contract or required by law. Unauthorized disclosure of confidential information shall be considered a material breach of this Agreement. Where appropriate, Resident releases will be secured before confidential Resident information is exchanged. Confidential Resident information will be handled with the utmost discretion and judgment. No partnership, joint enterprise or joint venture is created by or among the Owner, Agent, and/or the Service Provider.

## SECTION 7 SERVICES OF THE AGENT

### 7.1 STRUCTURE AND WARRANTIES

The Agent shall thoroughly familiarize itself with the character, locations, construction, layout, plan, and operation of the Premises and particularly of the electrical, heating, plumbing, and ventilating systems, and all other mechanical equipment.

### 7.2 MAINTENANCE AND REPAIRS

The Agent shall provide 4 hours per month of ordinary and necessary maintenance. The Agent is authorized to make or cause to be made, through services or otherwise, all ordinary repairs and replacements reasonably necessary to preserve the Premises in their present condition and for the operating efficiency of the Premises, and all alterations required to comply with lease requirements, government regulations, and insurance requirements, subject to the limitations in Section 4.

### 7.3 MAINTENANCE AND REPAIRS

Subject to Section 4, the Agent shall make contracts (as needed) for garbage and trash removal, utilities, extermination, snow removal, cleaning and janitorial services, and other ordinary and necessary services. Subject to Section 4, the Agent is authorized to decorate the Premises and

to purchase or rent, on the Owner's behalf, all equipment, tools, appliances, materials, supplies, and other items necessary for the management, maintenance, or operation of the Premises. Such maintenance and decoration expenses shall be paid from the Operating Account and shall be treated as an operating expense of the Premises.

When taking bids or issuing purchase orders, the Agent shall act at all times in the best interest of the Owner and shall be under a duty to secure for and credit to the Owner all discounts, commissions, or rebates obtainable as a result of such purchases.

#### 7.4 PREVENTIVE MAINTENANCE

The Agent shall develop a preventive maintenance schedule including, but not limited to, periodic inspections of the units; residency commencement and termination check lists; common area maintenance; equipment maintenance; exterior maintenance on a seasonal basis; and painting, decorating, and replacement timetables, as necessary.

#### 7.5 INSURANCE

The Agent agrees to provide and maintain, at the Agent's own cost and at all times during which the Agent is providing services and/or materials and/or equipment in connection with this Agreement or is otherwise engaged in its performance under this Agreement, and for the additional periods of time specified in Sections 7.5.B) and 7.5.D), below (as applicable), such insurance coverages as are set forth herein, and to otherwise comply with the provisions that follow:

A. Workers' Compensation Insurance for all its employees in accordance with the statutory requirements of the State of Minnesota, Minnesota Statutes, Chapter 176. The agent shall also provide Employer's Liability Insurance with minimum limits as follows:

- \$500,000 – Bodily Injury by Disease per employee
- \$500,000 – Bodily Injury by Disease aggregate
- \$500,000 – Bodily Injury by Accident

If Minnesota Statutes, Section 176.041 exempts Agent from workers' compensation insurance, Agent must provide a written statement, signed by an authorized representative, indicating the qualifying exemption that excludes Agent from the Minnesota workers' compensation requirements.

If an Agent is self-insured for workers' compensation, Agent shall provide a valid certificate of self-insurance to the City. Agent assumes all liability for workers' compensation claims and agrees to defend, indemnify and hold the City harmless from any claims arising out of Agent's failure to comply with its self-insurance obligations.

B. Agent shall maintain Commercial General Liability Insurance protecting it from claims for damages for bodily injury, including death, and from claims for property damage, which may arise from operations under this Agreement. Insurance minimum limits are as follows:

- \$1,000,000 – per occurrence
- \$2,000,000 – annual aggregate
- \$2,000,000 – annual aggregate – Products/Completed Operations

The following coverages shall be included:

- Premises and Operations Bodily Injury and Property Damage
- Personal and Advertising Injury
- Blanket Contractual Liability
- Products and Completed Operations Liability (must maintained for at least two (2) years after completion of the work under this Agreement)

The city, including its elected and appointed officials, employees, and agents, must be endorsed as an Additional Insured using ISO Form CG 20 10 or equivalent for Ongoing Operations and ISO Form CG 20 37 or equivalent for Products/Completed Operations.

C. Agent shall maintain Business Automobile Liability Insurance protecting it from claims for damages for bodily injury, including death, and from claims for property damage resulting from the ownership, operation, maintenance, or use of all autos which may arise from operations under this Agreement. Insurance minimum limits are as follows:

- \$1,000,000 – per occurrence Combined Single Limit for Bodily Injury and Property Damage
- The following coverages shall be included: Owned, Hired, and Non-owned Automobiles

D. Additional Insurance Conditions:

- Agent's policies shall be primary insurance and non-contributory to any other valid and collectible insurance available to the City with respect to any claim arising out of Agent's performance under this Agreement.
- An Umbrella or Excess Liability insurance policy may be used to supplement Agent's policy limits to satisfy the full policy limits required by this Agreement.
- All insurance shall be provided on an occurrence basis and not on a claims-made basis, except professional liability insurance or other coverage not reasonably available on an occurrence basis, provided that all such claims-made coverage is subject to the approval of the City.
- All insurance limits of any policy in excess of the minimum limits shall be available to the City.
- All policies, except professional liability, shall be endorsed with a waiver of subrogation in favor of the City, including its elected and appointed officials, employees, and agents for losses arising from activities under this Agreement.
- Deductibles and self-insured retentions in excess of \$50,000 must be declared to and approved by the city. The city may require an Agent to provide proof of ability to pay losses and related expenses within the deductible and retention.
- Agent shall submit a Certificate(s) of Insurance acceptable to the City as evidence of the required insurance coverage requirements.
- A copy of any required insurance endorsements must be provided to the City.
- Agent's policies and Certificate of Insurance shall contain a provision that coverage afforded under the policies shall not be cancelled without at least thirty (30) days' advanced written notice to the City, or ten (10) days' written notice for non-payment of premium.
- Agent is responsible to review and ensure all its contractors and subcontractors comply with the insurance provisions contained herein and said insurance is maintained as specified.
- Agent shall obtain insurance policies from insurance companies having an "AM BEST" rating of A- (minus); Financial Size Category (FSC) VII or better and authorized to do business in the State of Minnesota, or as approved by the City.

- Failure to maintain required insurance coverage may result in suspension of work or termination of this Agreement. Please review these requirements with your insurance agent or broker for assurance that the mandatory types and limits of insurance coverages are in place.
- The City's failure to approve or disapprove Agent's policies or certificates shall not relieve Agent of full responsibility to maintain the required insurance.
- All insurance policies must be open to inspection by the City, and copies of policies must be submitted to the City's authorized representative upon written request.
- If the coverage period shown on Agent's current certificate(s) of insurance ends during the duration of the project, Agent must, prior to the end of the coverage period, obtain a new certificate of insurance showing that coverage is in effect.
- No representation is made that the minimum insurance requirements are sufficient to cover the obligations of the Agent under this Agreement.
- Agent's insurance shall not limit its indemnification obligation to the City under this Agreement.

The Agent shall promptly investigate and make a full written report to the Owner of all accidents or claims for damage relating to the ownership, operation, and maintenance of the Premises, the estimated cost of repair, and shall cooperate and make all reports required by an insurance company in connection therewith.

#### 7.6 SERVICE REQUESTS OF RESIDENTS

The Agent shall maintain business-like relations with Residents whose service requests shall be received, considered, and recorded on a systematic, written basis in order to show the action taken with respect to each. Complaints of a serious nature and all written complaints, after thorough investigation, shall be reported to the Owner with appropriate recommendations.

#### 7.7 INSPECTION OF UNITS

As part of a continuing program to secure full performance by the Residents of all obligations and maintenance for which they are responsible, the Agent shall make a semi-annual inspection of all dwelling units and report its findings in writing to the Owner.

#### 7.8 COMPLIANCE OF RESIDENTS

The Agent shall at all times during the term of this Agreement operate and maintain the Premises according to the highest standards achievable. The Agent shall secure full compliance by the Residents with the terms and conditions of their Leases.

The Agent at all times during the term of this Agreement will operate and maintain the Premises in accordance with the high-quality standards of the Agent. The Agent shall secure full compliance by the Residents with the terms and conditions of their Leases.

Voluntary compliance shall be emphasized, and the Agent shall cooperate with the Service Provider so that involuntary termination of tenancies may be avoided to the maximum extent consistent with sound management of the Premises. The Agent will not, however, tolerate willful evasion of payment of rent or other terms of the Leases.

The Agent may lawfully terminate any tenancy when, in the Agent's judgment (after consultation with the Owner and the Service Provider) sufficient cause occurs under the terms of a Resident's Lease. Reasons for eviction and all necessary documentation will be on file with the Agent.

## SECTION 8 SELECTION OF RESIDENTS

### 8.1 NON-DISCRIMINATION

Agent shall not exclude any person from full employment rights nor prohibit participation in or the benefits of any program, service or activity on the grounds of any protected status or class including but not limited to race, color, creed, religion, age, sex, disability, marital status, sexual orientation, public assistance status, or national origin. No person who is protected by applicable federal or state laws against discrimination shall be subjected to discrimination.

This Agreement may be terminated or suspended, in whole or in part, by the Owner upon the basis of a finding by the Owner that the Agent has not complied with such non-discrimination provisions.

### 8.2 REPLACEMENT UPON VACANCY

Upon termination of a Lease, or the eviction of a Resident in accordance with applicable laws, or upon vacancy of a unit in the Premises for any reason, the Agent must promptly notify the Service Provider in writing. Eligibility for this project will be based on Family status, Very Low-Income level, and Homeless situation. The Agent and Service Provider will give a preference to residents of Brooklyn Park and Northern Hennepin County. Taking the foregoing factors into account, the Agent shall screen potential residents, who have been pre-screened and referred to the Agent by the Service Provider, for rental eligibility. The Agent will not rely solely on traditional property management standards in selecting residents for the Premises. The Agent will then run standard rental screening on the potential tenant. Applicants will be denied residency at the Premises if they have a criminal history of arson, sex crimes, violent crimes or illegal manufacture or distribution of a controlled substance. In the case of disagreement over Resident selection, the Owner will make final decision on selection.

### 8.3 GUIDING PRINCIPLES

The Agent recognizes that Families with Very Low Incomes and/or disabilities are diverse in terms of their strengths, motivations, goals, backgrounds, needs and disabilities; Families with Very Low Incomes are members of the community with all the rights, privileges, opportunities accorded to the greater community; Families with Very Low Incomes have the right to meaningful choices in matters affecting their lives; and all Residents of the Premises will agree to be constantly linked to support services provided by the Service Provider in order to achieve their goals.

## SECTION 9 COMPENSATION OF THE AGENT

### 9.1 STANDARD COMPENSATION

The Management Agent will be compensated for its services under this Agreement by a monthly fee in the amount of 12% of gross monthly income from the Premises deposited in the Operating Account.

In addition, the Agent will be reimbursed for ordinary and necessary maintenance services provided in excess of 4 hours per month at the rate of \$32 to \$43 per hour in accordance with the sliding fee schedule included in the Agent's response to the Owner's request for proposals.

### 9.2 FOR MODERNIZATION (REHABILITATION/CONSTRUCTION APPROVED BY THE OWNER)

In the event that Owner requests Agent to perform rehabilitation/construction on the Premises, Owner and Agent shall negotiate and execute a contract related to such rehabilitation/construction work.

### 9.3 FOR FIRE RESTORATION

In the event that Owner requests Agent to perform restoration on the Premises, Owner and Agent shall negotiate and execute a contract related to such restoration.

## SECTION 10 TERMINATION OF THE AGREEMENT

### 10.1 TERMINATION BY NON-RENEWAL OR MUTUAL CONSENT

This Agreement may be terminated (i) upon the written consent of both parties or (ii) by either of the parties as of the end of any annual term, provided that at least 60 days advance written notice thereof is given by the party seeking to terminate this Agreement.

### 10.2 TERMINATION BECAUSE OF BANKRUPTCY

In the event that a petition in bankruptcy is filed by or against the Agent, or in the event that the Agent shall make an assignment for the benefit of creditors to take advantage of any insolvency act, the Owner may immediately terminate this Agreement without notice.

### 10.3 TERMINATION UPON EVENT OF DEFAULT

This Agreement may be terminated as provided in Section 11.

### 10.4 ACCOUNTING UPON TERMINATION

Within 10 days after the termination of this Agreement, the Agent shall account to the Owner with respect to all matters outstanding as of the date of termination. The Agent shall turn over to the Owner all records, documents, or other instruments, waiting lists, and any and all other files and papers in its possession pertaining to the Agent's performance under this Agreement.

### 10.4 TERMINATION OF PROGRAM OR SALE OF PREMISES

The Owner, upon 60 days' notice to the Agent, may terminate this Agreement if the Owner's Board determines to (i) sell or otherwise convey or transfer the Premises or (ii) terminate its Transitional Housing Program.

## SECTION 11 TERMINATION OF THE AGREEMENT

### 11.1 EVENTS OF DEFAULT

The following events shall constitute defaults 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, after the non-defaulting party provides 30 days' written notice to the defaulting party of the event, but only if the event has not been cured within said 30 days or, if the event is by its nature incurable within 30 days, the defaulting party does not, within such 30-day period, provide assurances reasonably satisfactory to the party providing notice of default that the event will be cured and will be cured as soon as reasonably possible:

(a) The Agent fails to comply with any of the requirements or fulfill any of the obligations set forth in this Agreement.

(b) The Agent commits any fraud or makes any false statement to the Owner in connection with this Agreement or any federal or state housing assistance program.

(c) The Owner fails to make any payment required hereunder when due.

(d) The Owner fails to comply with any of the requirements or fulfill any of the obligations set forth in this Agreement.

### 11.2 REMEDIES

Upon the occurrence of an Event of Default by the Agent, and at any time thereafter until the Event of Default is cured to the satisfaction of the Owner, the Owner may take whatever action, including legal, equitable or administrative action, which may appear necessary or desirable to collect any amounts required to be deposited by the Agent under this Agreement, or to enforce performance and observance of any obligation, agreement, or covenant under this Agreement may exercise any and all of the rights and remedies available to it, including but not limited to terminating this Agreement. Upon an Event of Default by the Owner, the Agent may take whatever

action, including legal, equitable or administrative action, which may appear necessary or desirable to collect any payments due under this Agreement, or to enforce performance and observance of any obligation, agreement, or covenant under this Contract. No remedy herein conferred upon or reserved to the Owner or Agent 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.

### 11.3 WAIVERS

No waiver by the non-defaulting party of any default hereunder shall operate as a waiver of any other default, or of the same default on a future occasion. No delay on the part of the non-defaulting party in exercising any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right or remedy preclude other or further exercise thereof or the exercise of any other right or remedy. The rights and remedies specified herein are cumulative and not exclusive of any rights or remedies that the non-defaulting party would otherwise have.

## SECTION 12 INDEMNIFICATION

The Owner and the Agent each agree to indemnify and save each other party harmless against and from any and all claims, loss, damage and expense by or on behalf of any person or persons, firm or firms, corporation or corporations, arising from any breach or default on the part of such first party in the performance of any covenant or agreement on the part of such first party to be performed, pursuant to the terms of this Agreement, or arising from any act or negligence on the part of such first party or its agents, contractors, servants, employees or licensees, or arising from any accident, injury or damage to the extent caused by such first party, its agents, and employees to any person, firm or corporation occurring during the term of this Agreement, in or about the Premises, and from and against all costs, reasonable counsel fees, expenses and liabilities incurred in or about any such claim or action proceeding brought thereon; and in case any action or proceeding is brought against such other party by reason of any such claim, such first party, covenants to resist or defend such action or proceeding by counsel reasonably satisfactory to the indemnified party. However, nothing in this section will be construed to waive any rights of the Owner under Minnesota Statutes, Chapter 466.

## SECTION 13 ASSIGNMENTS

This Agreement shall be binding upon and inure to the benefit of and constitute a binding obligation upon the Owner and the Agent, and their respective personal representatives, heirs, administrators, executors, successors and assigns; provided that neither party may assign this Agreement or any of its duties hereunder without the prior written consent of the other party which consent shall not be unreasonably conditioned, delayed or withheld.

## SECTION 14 AMENDMENT

This Agreement constitutes the entire Agreement between the Owner and the Agent, and no amendment or modification thereof shall be valid and enforceable except by supplemental agreement in writing and approved in the same manner as this Agreement.

## SECTION 15 MISCELLANEOUS

### 15.1 GOVERNING LAW

This Agreement shall be governed by the laws of the State of Minnesota.

### 15.2 DATA PRACTICES

As required in Minnesota Statutes, section 13.05, subdivision 11, Agent, its officers, agents, owners, partners, employees, volunteers and subcontractors shall, to the extent applicable, abide by the provisions of the Minnesota Government Data Practices Act, Minnesota Statutes, Chapter

13 (“MGDPA”) and all other applicable state and federal laws, rules, regulations and orders relating to data or the privacy, confidentiality or security of data.

15.3 MAINTENANCE AND AUDIT OF RECORDS

Subject to the requirements of Minnesota Statutes, section 16C.05, subdivision 5, the EDA, the City, the State Auditor, or any of their authorized representatives which may include other independent financial analysts at any time during normal business hours, and as often as they may reasonably deem necessary, shall have access to and the right to request submission of documentation, examine, audit, excerpt, and transcribe any books, documents, papers, records, or other data, which are pertinent to the accounting practices and procedures of Contractor and involve transactions relating to this Agreement. Agent shall maintain these materials and allow access during the period of this Agreement and for six (6) years after its expiration, cancellation, or termination.

IN WITNESS WHEREOF, the parties hereto have affixed their respective signatures this \_\_\_\_ day of February 2025.

Brooklyn Park Economic Development Authority

Kimberly Homes LLC

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: Executive Director

Title: President

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Witness: \_\_\_\_\_

Witness: \_\_\_\_\_

**MEMORANDUM OF UNDERSTANDING BETWEEN CITY OF  
BROOKLYN PARK ECONOMIC DEVELOPMENT AUTHORITY,  
SIMPSON HOUSING SERVICES, INC., AND KIMBERLY  
HOMES LLC  
For 7600 69TH AVENUE, BROOKLYN PARK**

---

**Transitional Housing Program**

**I. BACKGROUND AND INTENT**

This Memorandum of Understanding entered on this day of February 18, 2025, is between the Brooklyn Park Economic Development Authority (EDA), Simpson Housing Services, Inc. (SHS), a Minnesota nonprofit corporation, and Kimberly Homes LLC (KH), a Minnesota Limited Liability Company, regarding operation of Transitional Housing at 7600 69<sup>th</sup> Avenue N, Brooklyn Park, MN 55428; and

WHEREAS the sole purpose of this Memorandum of Understanding is to encourage cooperation between the Brooklyn Park Economic Development Authority (EDA), Simpson Housing Services, Inc. (SHS) and Kimberly Homes LLC (KH) to further detail the separate and distinct roles and responsibilities of each party; and

WHEREAS the EDA owns a four-unit apartment building at 7600 69th Avenue in Brooklyn Park, MN that provides affordable transitional housing for very low-income families; and

WHEREAS the EDA facilitates the operation of a Transitional Housing Program for four (4) families who have experienced homelessness, and who require case management and supportive services to increase skills needed to secure and successfully maintain permanent housing, and.

WHEREAS SHS provides supportive services to families experiencing homelessness and EDA has contracted for these support services from SHS; and

WHEREAS SHS provides supportive services as defined in **Section II - Definitions** to families who have experienced homelessness and have trained and experienced staff who work with families experiencing homelessness; and

WHEREAS KM provides property management services, and the EDA will contract with KM to manage and maintain the property.

**THEREFORE**, the Brooklyn Park Economic Development Authority, Simpson Housing Services, Inc., and Kimberly Homes, LLC, agree that it is in the best interests of all concerned to enter this Memorandum of Understanding.

**II. DEFINITIONS**

For the purposes of this Memorandum of Understanding, "supportive services" are defined as services provided to residents of Transitional Housing for the purpose of emphasizing the wellbeing of families and children and increasing skills to maintain housing. Services will address the special needs of the residents to be served. The services may include: (a) comprehensive assessments and goal planning; (b) assistance with locating childcare; (c) assistance with locating family or individual therapy; (d) parenting guidance; (e) emphasis on school attendance for children and youth; (f) assistance with job development, training and placement; (g) assistance with school, including GED or post-secondary options; (h)

assistance with chemical health treatment and aftercare for those with chemical health issues; (i) community building; (j) peer support; (k) transportation assistance; and (l) tenant training to assist tenants in maintaining housing. These services may be provided directly or by arrangement with other service providers. SHS may add or change services as the needs of residents are identified.

For the purposes of this Memorandum of Understanding, "family" is defined as a household of at least one parent and one child qualified under the EDA Transitional Housing Program selection criteria to reside at 7600 69<sup>th</sup> Avenue.

For the purposes of this Memorandum of Understanding, "very low income" is defined as a household with an income at 50% or below the Area Median Income for Hennepin County. It is intended that this definition be consistent with HUD's definition of very low income.

For the purposes of this Memorandum of Understanding, "homeless" is defined as households lacking a permanent place to live that is fit for human habitation.

### **III. ELIGIBILITY DETERMINATIONS**

Eligibility for this project will be based on family status, income level, and homelessness situation as described in Section II. - Definitions of this Memorandum and in this Section III.

KH, acting as the property management agent, will select tenants based on criteria of the EDA Resident Selection Criteria developed by the EDA, SHS and KH. Selection criteria of households for the Transitional Housing Program will not rely solely on traditional property management standards. Standards will be established that reflect a commitment to housing very low-income people who have either poor or no leasing histories and/or credit.

Potential tenants will undergo a two-stage screening process. KH will notify SHS when there is a vacancy. SHS will then notify referral sources that there is an opening and request referrals. The resident will complete an in-person interview and intake application with a SHS case manager. The participants will be screened for income and the appropriate need for supportive services before KH screens them for rental eligibility.

The second stage will involve KH, who will run standard rental screening. Applicants will be denied residency at 7600 69<sup>th</sup> Avenue, if they have a criminal history of arson, sex crimes, violent crimes or illegal manufacture or distribution of a controlled substances.

While all parties will respect and seek input from each other, in the case of disagreement over tenant selection, the EDA will make final decision on selection.

### **IV. GUIDING PRINCIPLES**

All parties under this Memorandum of Understanding jointly recognize that families with low incomes and/or disabilities are diverse in terms of their strengths, motivations, goals, backgrounds, needs, and disabilities.

- Families with low incomes are members of the community with all the rights, privileges, opportunities accorded to the greater community.
- Families with low incomes have the right to meaningful choices in matters affecting their lives.

- All families living in the 4 transitional housing units will agree to be constantly linked to support services to achieve their goals.

## **V. ROLES AND RESPONSIBILITIES**

### **Duties of the EDA, SHS and KH**

It is understood that the EDA, SHS and KH staff must work together as a team to effectively meet the needs of the tenants. This level of collaboration will require exceptional, thorough, and timely communication between all parties. The EDA, SHS and KH agree to collectively communicate, in a timely manner, any cause of concern pertaining to all items that affect the overall success of this Memorandum of Understanding. However, the parties to this Memorandum of Understanding understand their separate and distinct responsibilities.

SHS agrees in the performance of services and EDA agrees as owner of housing that tenant and client rights are respected and complied with as a matter of principle and practice. It is understood that SHS role as service provider is to provide services and advocacy to assist the Transitional Housing residents in retaining housing stability. KH's role is that of landlord when dealing with resident issues and ensuring that the property itself is well managed and maintained.

SHS and KH agree to advise one another of highly pertinent matters in the referral and placement process and understand that each is bound by confidentiality standards regarding the exchange of client information. Appropriate releases will be secured when confidential client information needs to be shared. SHS, KH and EDA representatives will meet at least annually to ensure that adequate communication and information sharing is maintained.

### **Role of Simpson Housing Services, Inc.**

SHS will provide services that will emphasize the well-being of families and children living at 7600 69<sup>th</sup> Avenue North and increase their skills to maintain housing. SHS will assign one (1) case manager to the property that will be called the Family Advocate. The SHS supervisor and staff will work closely with EDA staff to assure ongoing effective communication in relation to all aspects of the EDA's Transitional Housing Program as they relate to the EDA/SHS contract for services.

SHS will work with the EDA and KH to follow a tenant recruitment and selection plan for the project. All parties will ensure that the founding spirit and operating philosophy for the project remains alive during the operation of the project.

### **Role of Kimberly Homes, LLC**

KH will be responsible for the operation of 7600 69<sup>th</sup> Avenue North including janitorial, maintenance, repairs, and other related services. KH will assign a site manager to carry out these activities and responsibilities, which at all times will be consistent with the most current Management Agreement between the EDA and KH.

KH will have the authority to interact with residents whenever necessary regarding their leases and whenever there is a health and/or safety concern.

### **Role of the Brooklyn Park Economic Development Authority**

The EDA is the owner of property and will be responsible for asset management.

## **VI. SCOPE OF SERVICES**

### **Simpson Housing Services (SHS)**

In accordance with its agreement with the EDA, SHS will hire and supervise a Family Advocate to work with the residents at 7600 69<sup>th</sup> Avenue N. The Family Advocate will provide the following services:

- Help generate referrals and complete intakes as openings become available in the Transitional Housing program.
- SHS will pre-screen potential participants, complete an in-person interview and complete an intake application and refer client to KH for screening.
- Provide support and resources as family moves into units.
- Develop an Individual Action Plan (goal plan) with family within the first thirty days of program entrance.
- Meet weekly with family and assist with identified goals including but not limited to: comprehensive assessments, assistance with locating childcare, assistance with locating family or individual therapy, parenting guidance, emphasis on school attendance for children, assistance with job development, training and placement, assistance with school, including GED or post-secondary options, assistance with healthcare and child health, assistance with chemical health treatment and aftercare for those with chemical health issues, and community building.
- Provide transportation or assistance in getting to the necessary appointments.
- Hold client accountable to program agreement; review participant progress every six months; complete exit interview with existing client.
- Maintain all case files and pertinent documents.
- Maintain transitional housing residents' information on HMIS.
- Compile client information for evaluation.
- Invite Transitional Housing residents to participate in SHS SOAR program activities space is available.

SHS supervisor and staff will work closely with the EDA and KH to:

- Assure ongoing effective communication in relation to the Transitional Housing Program and the SHS contract.
- Provide reports to the EDA as requested:
- assist KH with resident issues as needed.
- Resolve issues with property management.

### **Kimberly Homes LLC (KH)**

In accordance with the Property Management Agreement and Plan, KH will provide the following property management services:

- Notify SHS when a vacancy exists in a Transitional Housing unit.
- Perform eligibility and standard rental background screening.
- Pay project bills.
- Carry out rent collection and building administration.
- Provide monthly financial and occupancy reports as requested by the EDA and required by regulatory or funding agencies.
- Oversee tenant relations with management with respect to: Notices, Evictions, Enforcement of house rules, policies, and procedures.

- Notify SHS in a timely manner of all incidents, notices, and eviction proceedings for Transitional Housing units.
- Provide for unit, building and equipment maintenance and repair.
- Provide janitorial services to common areas and grounds maintenance.

### **Capital Improvements**

KH will assist the EDA in developing a plan for capital improvements.

### **Economic Development Authority**

The EDA will monitor the management contract and performance of KH and SHS. Review and monitor all service and management budgets and financial reports of KH and SHS as related to the Project.

## **VII. GENERAL TERMS**

**Terms.** This Memorandum of Understanding will begin effective March 1, 2025, with a term of one year. This Memorandum of Understanding will be automatically renewed with the same terms and conditions annually thereafter except where any party provides written notice of non-renewal 60 days before the annual termination date. Otherwise, this Memorandum of Understanding may be terminated in accordance with the section on Termination below.

**Termination.** Any party may terminate this Memorandum of Understanding for any reason or no reason by giving the other parties sixty (60) days prior written notice. The party wishing to terminate must give written intent to terminate directly to the other parties.

**Confidentiality.** The EDA, KH and SHS agree that by virtue of entering this Memorandum of Understanding they will have access to certain confidential information regarding the other party's operations related to this project. EDA, KH and SHS agree that they will not at any time disclose confidential information and/or material without the consent of that party unless such disclosure is authorized by this Memorandum of Understanding or required by law. Unauthorized disclosure of confidential information shall be considered a material breach of this Memorandum of Understanding. Where appropriate, client releases will be secured before confidential client information is exchanged. Confidential client information will be handled with the utmost discretion and judgment.

**Severability.** In the event any provision of this Memorandum of Understanding shall be found to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect the validity, legality and enforceability of remainder of the Memorandum of Understanding.

**Nondiscrimination.** There shall be no discrimination of any person or group of persons on account of race, color, creed, religion, sex, marital status, sexual orientation, age, handicap, ancestry or national origin in the operation of the project of program at the EDA transitional housing units at 7600 69th Avenue N by the EDA, KH, or SHS.

## **VII. RELATIONSHIPS OF PARTIES**

The parties do not intend this Memorandum of Understanding to create a partnership, a joint enterprise, or a joint venture between or among the parties.

Neither SHS nor KH, nor their employees or agents have authority to enter into contracts or agreements on behalf of the EDA.

**VIII. INDEMNIFICATION**

Each party agrees to indemnify and save each other party harmless against and from any and all claims, loss, damage and expense by or on behalf of any person or persons, firm or firms, corporation or corporations, arising from any breach or default on the part of such first party in the performance of any covenant or agreement on the part of such first party to be performed, pursuant to the terms of this Memorandum of Understanding, or arising from any act or negligence on the part of such first party or its agents, contractors, servants, employees or licensees, or arising from any accident, injury or damage to the extent caused by such first party, its agents, and employees to any person, firm or corporation occurring during the term of this Memorandum of Understanding, in or about the property, and from and against all costs, reasonable counsel fees, expenses and liabilities incurred in or about any such claim or action proceeding brought thereon; and in case any action or proceeding is brought against such other party by reason of any such claim, such first party, upon notice from the EDA, covenants to resist or defend such action or proceeding by counsel reasonably satisfactory to the EDA.

SHS shall be solely responsible for obtaining and maintaining liability insurance for SHS program activities at 7600 69th Avenue N and shall provide verification to KH that such liability insurance is in force and effect during the term of this Memorandum of Understanding.

**IX. FUTURE AGREEMENTS; MODIFICATIONS**

The parties acknowledge that the EDA will enter into separate agreements with SHS and KH. To the extent of any conflict between this Memorandum of Understanding and such agreements, such agreements shall control. This Memorandum of Understanding may be amended or modified only by a written agreement signed by all parties.

By the signatures below the Brooklyn Park Economic Development Authority, Simpson Housing Services, Inc., and Kimberly Homes LLC mutually agree to the terms and conditions identified herein as of the date first written above.

BROOKLYN PARK ECONOMIC  
DEVELOPMENT AUTHORITY

By: Tim Gladhill  
Its: EDA Executive Director

Signature \_\_\_\_\_

SIMPSON HOUSING SERVICES, INC.

By: \_\_\_\_\_

Its: \_\_\_\_\_

Signature: \_\_\_\_\_

Signature page of SHS to Memorandum of Understanding

KIMBERLY HOMES LLC

By: \_\_\_\_\_

Its: \_\_\_\_\_

Signature: \_\_\_\_\_

Signature page of KH to Memorandum of Understanding

# City of Brooklyn Park Request for EDA Action

<b>Agenda Item:</b>	4.8	<b>Meeting Date:</b>	February 18, 2025
<b>Agenda Section:</b>	Consent	<b>Prepared By:</b>	John T. Kinara, Housing and Redevelopment Coordinator & Jeff Holstein, City Transportation Engineer
<b>Resolution:</b>	X	<b>Presented By:</b>	John T. Kinara, Housing and Redevelopment Coordinator & Jeff Holstein, City Transportation Engineer
<b>Attachments:</b>	3		
<b>Item:</b>	Consider Approving the Dedication of Permanent and Temporary Easements Across the Northern Edge of 7601 and 7621 Brooklyn Boulevard to Hennepin County at the Intersection of Brooklyn Boulevard and Welcome Avenue		

## Executive Director's Proposed Action:

MOTION \_\_\_\_\_, SECOND \_\_\_\_\_, TO WAIVE THE READING AND ADOPT RESOLUTION #2025-\_\_\_\_\_, APPROVING THE DEDICATION OF PERMANENT AND TEMPORARY EASEMENTS ACROSS THE NORTHERN EDGE OF 7601 AND 7621 BROOKLYN BOULEVARD TO HENNEPIN COUNTY AT THE INTERSECTION OF BROOKLYN BOULEVARD AND WELCOME AVENUE.

## Overview:

The purpose of this report is to request the Economic Development Authority (EDA) to dedicate permanent and temporary easements across the northern quadrant of 7601 and 7621 Brooklyn Boulevard to Hennepin County at the intersection of Brooklyn Boulevard and Welcome Avenue. The city is working with Hennepin County to reconstruct the Brooklyn Blvd / Welcome Avenue intersection in the 2026/2027 timeframe. Hennepin County is leading this project and owns and maintains Brooklyn Blvd (CSAH 152). The project team has identified improvements to the intersection to improve safety and efficiency. Consequently, some permanent and temporary easements are necessary to implement and construct the preferred option. These include roadways, sidewalks, utility and traffic signal easements necessary from the two Economic Development Authority (EDA) owned parcels on the Southwest and Southeast quadrants and similar easements from the city owned Northwest quadrant and Aldi's Grocery on the Northeast quadrant.

Staff have determined these easements are reasonable and EDA / City dedication is consistent with other similar County projects. The dedication from the two EDA owned parcels is minor and encompasses the existing and/or proposed infrastructure and a bit more as some of the existing sidewalks and benches/walls are currently on EDA property.

## Background:

The intersection of Brooklyn Blvd (CSAH 152) and Welcome Ave experiences a high rate of crashes, ranking within the top 25 intersections in Hennepin County for crashes involving pedestrians as well as for crashes of all types. Hennepin County scoped a safety improvement project at Brooklyn Blvd and Welcome Ave intersection and submitted the project as a candidate for Highway Safety Improvement Program (HSIP) funding. The project was awarded Federal HSIP funding in the amount of \$1,872,000 for FY 2027. The City of Brooklyn Park was in close coordination with the county and expressed support for the project.

## Primary Issues/Alternatives to Consider:

### What is the scope of the project?

The scope of the project is to improve safety, comfort and accessibility for all modes of transportation through the intersection of Brooklyn Boulevard and Welcome Ave. Proposed improvements include:

- Curb extensions to promote traffic calming and reduce crossing distance for pedestrians
- Upgrading the ADA facilities such as curb ramps and Accessible Pedestrian Signals (APS) to improve accessibility for pedestrians particularly those with limited mobility
- Realignment of the medians to create a positive offset for left-turn lanes to improve the sight distance for drivers making left turns
- Upgrading the existing signal system to the latest standards
- Lighting upgrades to ensure adequate nighttime visibility

### What are the Easement Needs?

- At the intersection of Brooklyn Blvd and Welcome Ave, three out of the four parcels at the corners are owned by the City of Brooklyn Park. Two parcels are owned by the Economic Development Authority (EDA) at the southeast and southwest corners, and the third parcel is owned by the City of Brooklyn Park (northwest). The remaining parcel is owned by Aldi grocery store (northeast corner).
- Preliminary design indicates a need for temporary and permanent easements along all 4 parcels to complete the proposed safety improvements. A review of the existing right of way also indicated that part of the existing sidewalk along Brooklyn Blvd is outside of the Hennepin County right of way. Hennepin County is requesting permanent and temporary easements along the City of Brooklyn Park parcels shown on the table below at no cost to the county (figures included in the attachment).
- The temporary easements are needed for construction and will expire a year after the project is completed.

Parcel PID	Temporary Easement (sq. ft)	Permanent Easement (sq. ft)	Total (sq. ft)	Ownership
28-119-21-21-0003	166	916	1082	City
28-119-21-21-0034	822	1625	2447	EDA
28-119-21-21-0060	1640	3909	5549	EDA

### Budgetary/Fiscal Considerations:

The county's efforts securing the HSIP funding grant lower the expected City's participation on this project from \$753,133 to \$172,813. If the city does not dedicate the easements, certified appraisals and attorney fees will be necessary for the three city parcels and these fees will be split (50/50) with the county resulting in a higher project cost for the city.

### Next Steps:

If the dedication of the three City owned parcels is approved, the County will prepare the necessary easement documents for City execution and subsequently record these documents with the Hennepin County Recording Office. The County will also proceed with the easement acquisition process for the Aldi parcel. This may take up to six months. The County and the project consultant will also start preparing the 30% design plans for the project. The city will have opportunities to comment on the specific elements of the design plans. The county will ultimately prepare a Cooperative Construction Agreement covering construction, maintenance and funding responsibilities and the City will have an opportunity to review and comment prior to approval. The project is currently expected to start construction in 2026 or 2027 and be completed in one year.

### Recommendation

The Executive Director of the Economic Development Authority recommends approval.

**Attachments**

- 4.8A RESOLUTION
- 4.8B CSAH 152 ALL PARCELS GRAPHICS
- 4.8C CSAH 152 FINAL CONCEPT PLAN

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

RESOLUTION #2025-\_\_\_\_\_

APPROVING THE DEDICATION OF PERMANENT AND TEMPORARY  
EASEMENTS ACROSS THE NORTHERN EDGE OF 7601 AND 7621  
BROOKLYN BOULEVARD TO HENNEPIN COUNTY AT THE INTERSECTION  
OF BROOKLYN BLVD AND WELCOME AVENUE

WHEREAS, the Brooklyn Park Economic Development Authority (the "Authority") was created pursuant to the Economic Development Authorities Act, Minnesota Statutes, Sections 469.090 to 469.1082 (the "EDA Act") and is authorized to transact business and exercise its powers by a resolution of the City Council of the City of Brooklyn Park (the "City") adopted on October 24, 1988;

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

WHEREAS, Hennepin County owns and maintains Brooklyn Boulevard/C.S.A.H. No. 52 within the City, and identified the intersection of Brooklyn Boulevard/C.S.A.H. No. 152 and Welcome Avenue within the City (the "Intersection") as a candidate for the Highway Safety Improvement Program, and submitted for federal funding an improvement and reconstruction project in order to improve safety and efficiency at the Intersection (the "Project");

WHEREAS, the City supported the Project and coordinated with Hennepin County, and the Project was approved for such federal Highway Safety Improvement Program funds;

WHEREAS, the Authority and the City each own certain property underlying the Intersection, where the City owns certain property identified with PID No. 28-119-21-21-0003 (the "City Property") and the Authority owns that certain property identified with PID Nos. 28-119-21-21-0034 and 28-119-21-21-0060 (the "Authority Property");

WHEREAS, the Project requires the City and the Authority to declare certain temporary and permanent easements, including those for roadways, sidewalks, utilities, and traffic signals on the respective City Property and the Authority Property to complete the safety improvements part of the Project;

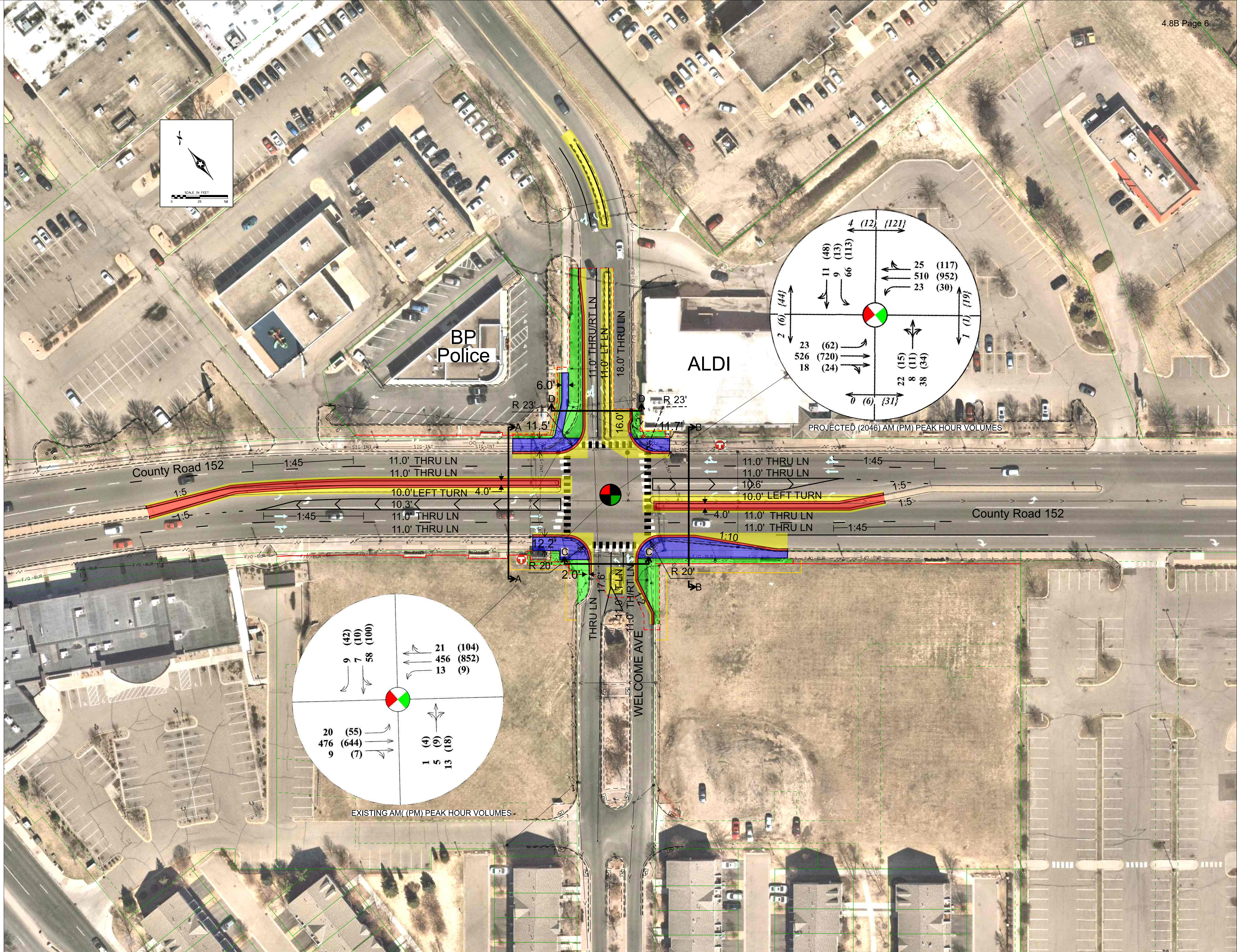
WHEREAS, the Authority desires to dedicate those certain temporary and permanent easements associated with the Project on the Authority Property.

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

1. The declaration of certain temporary and permanent easements associated with the Project are hereby approved; and
2. Hennepin County will prepare the temporary and permanent easements, and Authority staff and legal counsel to the EDA are authorized and directed to prepare and revise as necessary in cooperation with Hennepin County, and the President and Executive Director are authorized and directed to execute the above-referenced easements, subject to such additional details, modifications, or deletions 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.

HENNEPIN COUNTY  
MINNESOTA



LEGEND	
	PROPOSED ROADWAY
	RAISED CONC. MEDIAN, CURB & GUTTER
	SIDEWALK
	BLVD. / GREEN SPACE
	PROPOSED SIGNAL REPLACEMENT
	APPROX. CONSTRUCTION LIMITS
	EXISTING R/W
	PROP. PERMANENT ESMT.
	PROP. TEMPORARY ESMT.
	BUS STOP



**PRELIMINARY**  
SUBJECT TO CHANGE  
DATE ISSUED: 02/06/2025

COUNTY ROAD 152 @ WELCOME AVE

# COUNTY ROAD 152 @ WELCOME AVE

**LEGEND**

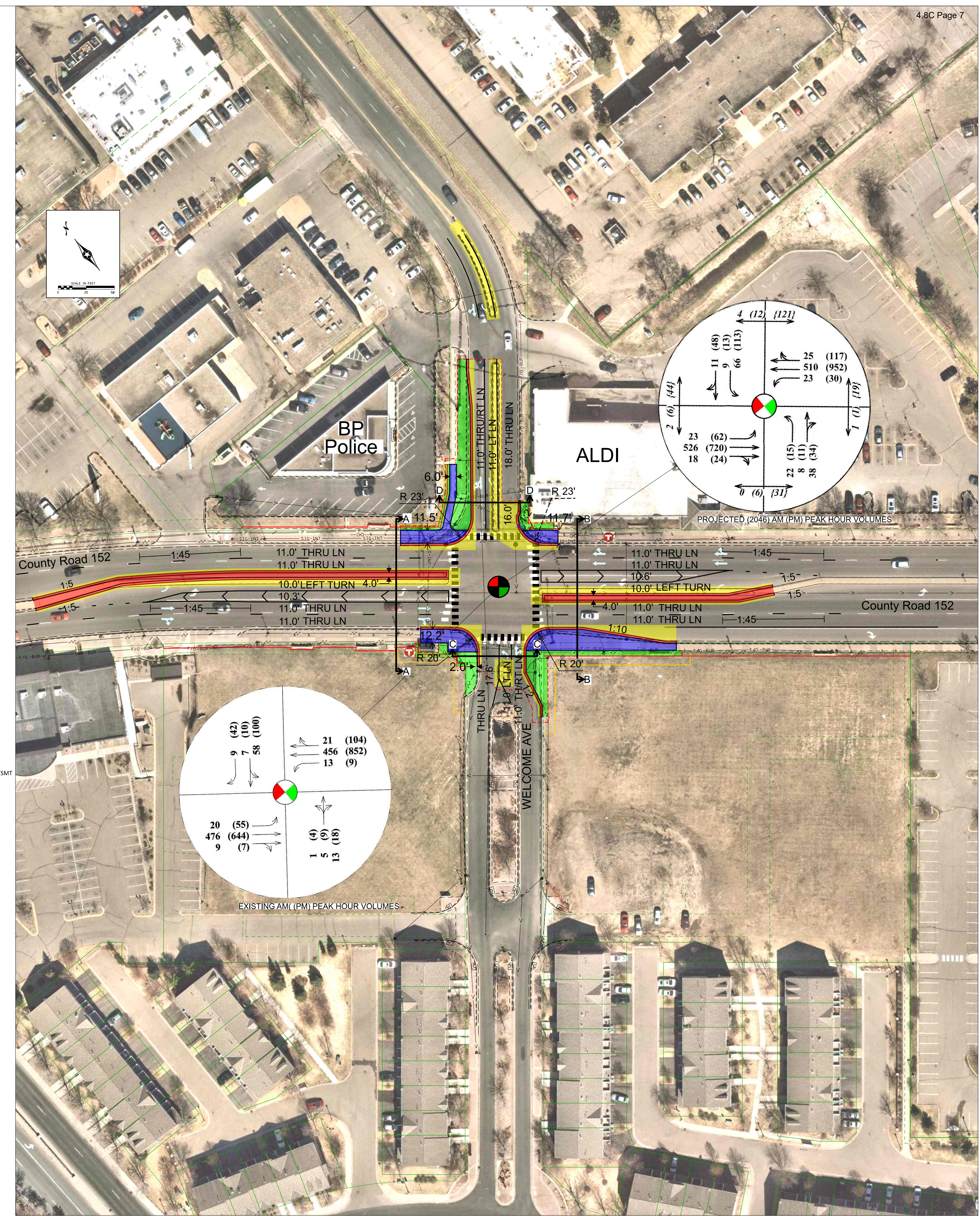
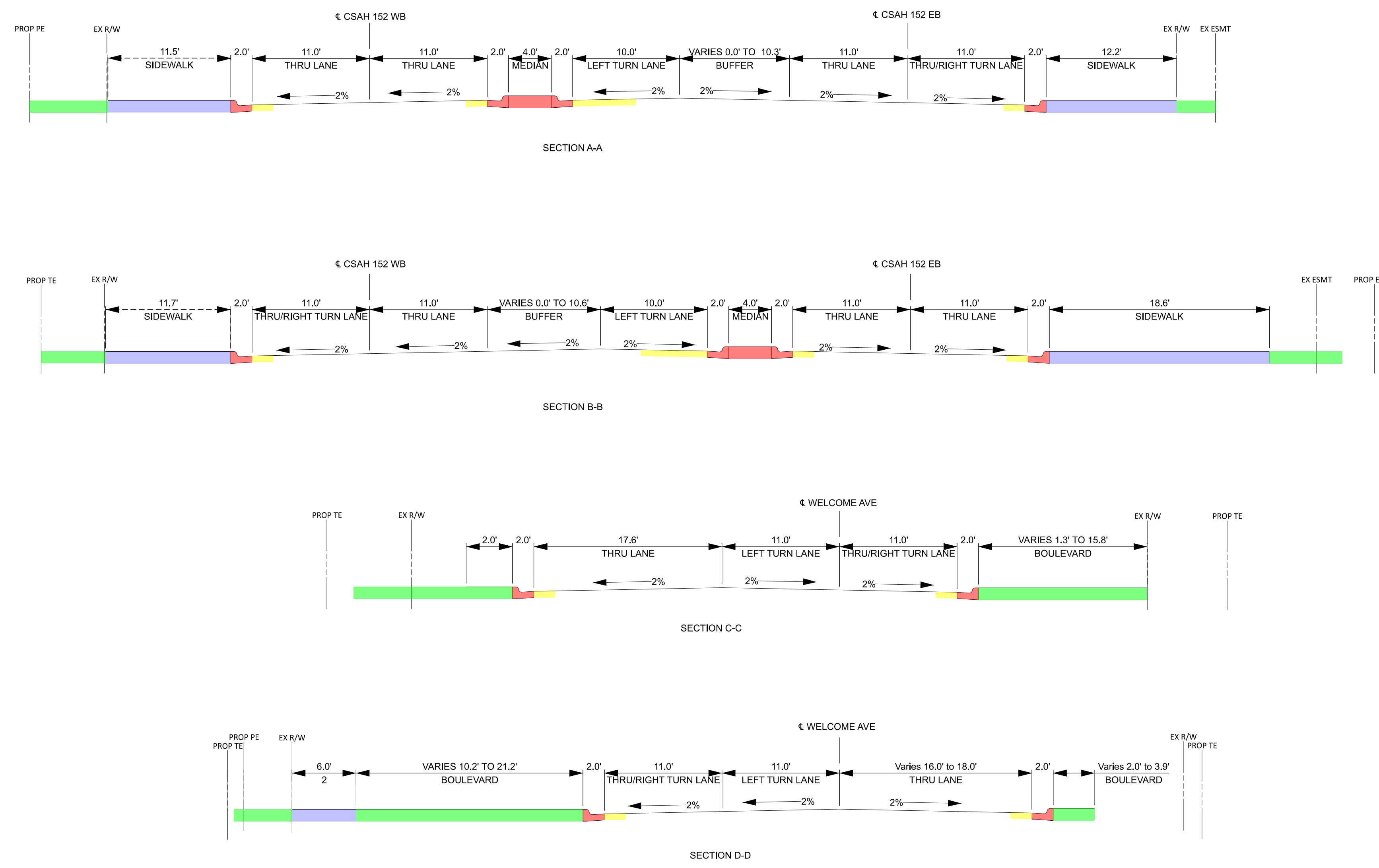
- PROPOSED ROADWAY
- RAISED CONC. MEDIAN, CURB & GUTTER
- SIDEWALK
- BLVD. / GREEN SPACE
- PROPOSED SIGNAL REPLACEMENT
- APPROX. CONSTRUCTION LIMITS
- EXISTING R/W
- PROP. PERMANENT ESMT.
- PROP. TEMPORARY ESMT.
- BUS STOP



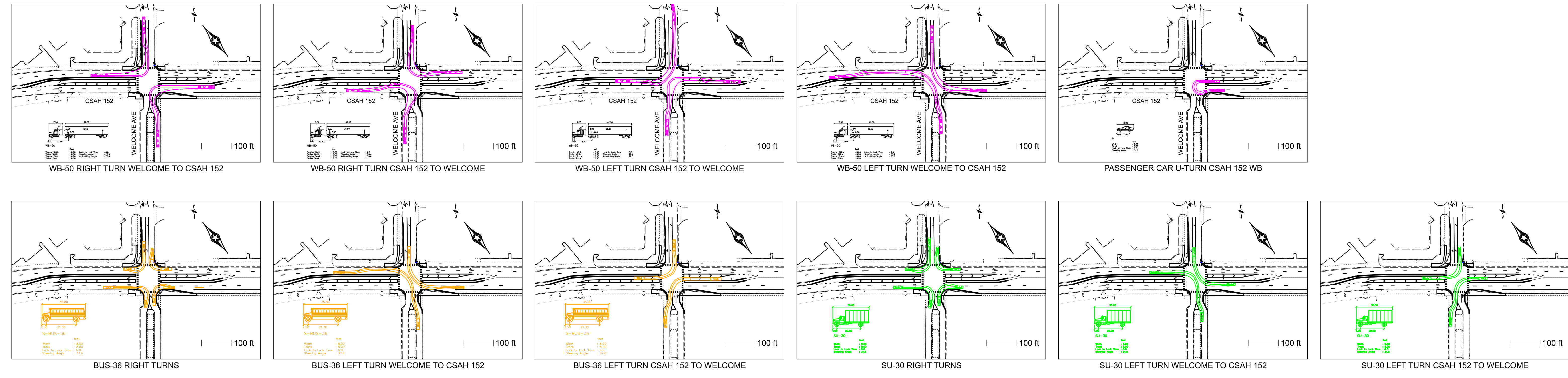
PRELIMINARY  
SUBJECT TO CHANGE

DATE ISSUED: 12/19/2024

## TYPICAL SECTIONS



HENNEPIN COUNTY  
MINNESOTA



## TURNING MOVEMENTS

# City of Brooklyn Park Request for EDA Action

<b>Agenda Item:</b>	6.1	<b>Meeting Date:</b>	February 18, 2025
<b>Agenda Section:</b>	General Action Items	<b>Prepared By:</b>	Tim Gladhill, EDA Executive Director
<b>Resolution:</b>	N/A	<b>Presented By:</b>	Tim Gladhill, EDA Executive Director
<b>Attachments:</b>	N/A		
<b>Item:</b>	Consider Approving to Select the Joint Proposal from Fairmount Properties and Buro Happold as the Finalist for the BioTech Innovation District Project and Direct the Executive Director to Forward a Final Contract to a Future Meeting		

## Executive Director's Proposed Action:

MOTION \_\_\_\_\_, SECOND \_\_\_\_\_, TO SELECT THE JOINT PROPOSAL FROM FAIRMOUNT PROPERTIES AND BURO HAPPOLD AS THE FINALIST FOR THE BIOTECH INNOVATION DISTRICT PROJECT AND DIRECT THE EXECUTIVE DIRECTOR TO FORWARD A FINAL CONTRACT TO A FUTURE MEETING

## Overview:

The intent of this review is to receive a background presentation from the recommended consultant team. This step is not final action. If comfortable, the EDA should direct Staff to negotiate a final contract and bring back to a future EDA Meeting for final action. Nothing at this stage obligates the EDA to any actual costs. Before spending time negotiating a contract, Staff desires to ensure that this is the step that the EDA desires to take.

On July 15, 2024, the EDA directed Staff to issue a Request for Proposals (RFP) for consulting services related to the Brooklyn Park BioTech Innovation District. The RFP was issued on August 12, 2024 and submissions were due on October 4, 2024. The EDA received eight (8) proposals. Based on the range of proposals, Staff discussed project scope, scoring criteria, etc. on October 17 to provide clarity on the process and scope. Staff performed First Interviews on November 15, 2024. Four (4) consultants were invited to a Second Interview with an expanded Staff Panel along with the EDA President and EDA Vice President. Two (2) consultants were selected as Finalists, but were asked to consider merging their proposals due to their respective strengths in the broader process. Overall, each Consultant interviewed brought strong opportunities to specific components of the overall desired process, but the combination of Fairmount Properties and Buro Happold provides the best opportunity to complete the full spectrum of desired deliverable.

Buro Happold (and its sub-consultant team) provide an excellent background on land use planning, strategic planning, branding, and marketing. The Buro Happold Team includes Bolton and Menk (current consultant for the Northwest Growth Area Plan (for consistency and avoidance of duplicative work), Neeka Creative (for branding and marketing), and JLL Real Estate (for real estate expertise)). Fairmount Properties provides an excellent background on ownership and operations of innovation districts.

## Primary Issues/Alternatives to Consider:

The proposals from Fairmount Properties and Buro Happold were originally separate proposals. Copies of these proposals are included here. However, based on final interviews, the Interview Panel requested to explore the feasibility of merging these proposals. The intent of this current presentation is to present this approach and seek authorization to negotiate a final contract based on this approach. The EDA will be able make a final decision at a later date.

**Budgetary/Fiscal Issues:**

Staff expects a total fiscal impact of \$500,000 to \$600,000 over two (2) fiscal years for this project. The funding would come from the EDA Fund Balance.

**Attachments:**

N/A



## MEMORANDUM

**DATE:** February 13, 2025  
**TO:** EDA Commissioners  
**FROM:** Tim Gladhill, EDA Executive Director  
**SUBJECT:** EDA Status Update

---

### Overview:

This memo provides an update to the Brooklyn Park Economic Development Authority (EDA) and serves to keep interested community members informed.

- A. Business Development Updates
- B. Housing Updates
- C. Development Updates
- D. Development Inquiry Updates
- E. Workforce Development Updates
- F. Other Updates

### A. BUSINESS DEVELOPMENT UPDATES

Current business development activities are focused on closing out 2024 projects and initiatives along with ongoing support for the Brooklyn Park Small Business Center located at 7970 Brooklyn Boulevard, Brooklyn Park, MN 55445. Additionally, staff are preparing a work plan to establish a more comprehensive Economic Development and Business Development Strategic Plan to better focus and align our resources with EDA Goals and Expectations.

#### **Brooklyn Park Development Corporation**

On February 18, the EDA will appoint a commissioner as an EDA representative for the Brooklyn Park Development Corporation (BPDC) for the 2025-2026 term. The appointed commissioner will serve as the liaison between the EDA and the BPDC, focusing on advancing key initiatives, including loan programs for small businesses. The City Council appointed Council Member Christian Eriksen as the Council representative on January 6.

The next quarterly meeting will be held on Thursday, February 20, at City Hall from 8:30 AM to 11:00 AM.

**Microbusiness Loan Program**

The Microbusiness Loan is a BPDC loan program designed to provide resources to emerging businesses. This program can help support critical start-up costs that can be difficult for new businesses to secure traditional financing. Eligible businesses can receive loans between \$1,000 to \$10,000 at a 2% interest rate with reduced underwriting criteria.

For more information, contact Malcolm Hicks, Business Development Coordinator, at [Malcolm.Hicks@brooklynpark.org](mailto:Malcolm.Hicks@brooklynpark.org) or Josephine Thao, Project Facilitator, at [Josephine.Thao@brooklynpark.org](mailto:Josephine.Thao@brooklynpark.org).

**Brooklyn Park Business Development Bus Tour**

On Wednesday, April 23, the City of Brooklyn Park will organize a bus tour with the City Council, Planning Commission, and City leadership.

For more information, contact Asma Jihad, Program Assistant, at [Asma.Jihad@brooklynpark.org](mailto:Asma.Jihad@brooklynpark.org).

**B. HOUSING UPDATES****Real Estate Forum**

On Thursday, March 20, 2025, the City of Brooklyn Park will host the 33rd Annual Real Estate Forum at the Edinburgh Clubhouse. The event brings together real estate professionals, brokers, and industry leaders across the Twin Cities to learn about the city's latest development projects, business investments, and housing financial resources.

This year's theme, "Reimagining Suburban Development" focuses on innovative approaches to shaping suburban growth and revitalization. Attendees will enjoy a hot breakfast and keynote address by Dr. Marcellus Davis, the Racial Equity, Diversity and Inclusion Manager, who will share his insights on advancing equity in suburban development. Attendees will also have the opportunity to earn continuing education credits from the Minnesota Department of Commerce.

For more information, contact Josephine Thao, Project Facilitator, at [Josephine.Thao@brooklynpark.org](mailto:Josephine.Thao@brooklynpark.org) or visit [www.brooklynpark.org/real-estate-forum/](http://www.brooklynpark.org/real-estate-forum/).

**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. During fiscal year 2025, the EDA allocated \$1 million for the home improvement programs administered by Center for Energy and Environment (CEE) and \$170,000 in Community Development Block Grant (CDBG) funds for the Hennepin County administered home rehab program.

**Community Development Block Grant (CDBG) Request for Proposals**

The CDBG program funds are issued to various federal agencies annually by the U.S. Department of Housing and Urban Development (HUD). The funds are designed to promote economic development and housing stability in communities across the country primarily benefiting low to moderate income households. The City of Brooklyn Park is an entitlement city and therefore receives about \$400,000 annually that is used to finance the Home Rehab Deferred Loan Program and other capital improvement projects in the community. The Request for Proposals (RFP) was issued on January 20, 2025, and submissions for public service organizations that

provide various programming activities in the community are expected to the County by February 28, 2025.

### **Homestretch Workshop**

On February 8, 2025, the EDA staff held a First Time Buyer Class in partnership with CAPI-USA at City Hall. Home Stretch Homebuyer Education teaches homebuyers about the entire homebuying process—from beginning to end—and the responsibilities that come along with purchasing a home. Topics covered during this class include Budgeting and Credit Issues, Financing and Qualifying for a Home, Shopping for a Home, The Purchase Process, Closing on a Home and Life as a Homeowner. About 20 potential first time homebuyers attended the class.

The Home Stretch instructors included very knowledgeable professionals in the homebuying field including a certified Home Stretch educator, mortgage lenders, realtors and home inspectors. Upon completion of this program, Home Stretch participants received a Home Stretch certificate.

## **C. DEVELOPMENT UPDATES**

### **Park-and-Ride and Oxbow RFQ**

In 2024, the EDA directed Staff to issue a Request for Qualifications intended to find interested developers to develop two (2) EDA Owned Sites. The intent is to focus on which Developer to continue to negotiate with. The intent is not to approve a final development plan or financial considerations, which will occur at a future date after continued negotiations.

- Oxbow Site
  - Located north of Highway 610, east of Zane Avenue
- Noble Site
  - Located north of Highway 610, east of Noble Avenue
  - Site of former Metro Transit Park and Ride Site

November's application deadline for proposals saw the city see multiple submissions. City staff, city advisors and the panel for the RFQ debriefed in a meeting in late November. Due to the submissions, questions raised, and the holiday season's scheduling, the RFQ's timeline was extended. The goal is to efficiently impact the opportunities these sites bring to the city and ultimately select a partner who shares the EDA's vision.

On January 17th the first round of interviews were conducted with four developers. The panelists wished to see if amendments could be made to some of the proposals, to aid in ultimately producing a solid recommendation to the EDA, and so the panel directed the developers to submit final amendments by early February. City staff is working closely with the developers and advisors to analyze these amendments.

Next steps:

- City staff work with developers to solidify amendments
- Panelist meeting
- Recommendation(s) will be brought before the EDA in March.

### **BioTech Innovation District RFP**

The BioTech Innovation District is a 200-acre portion of the Northwest Area Plan located along Highway 610 on both sides of Highway 169. The EDA recently authorized a strategic planning exercise that extends beyond the Northwest Area Planning efforts and focuses on individual sites, users, and recruitment of BioTech Businesses. Among a number of EDA Goals, the BioTech Innovation District is intended to:

- Build the tax base to improve resources available for all areas of Brooklyn Park, not just the area North of 610
- Develop a market for restaurants, retail, and recreation by improving daytime population (businesses/places to work) and nighttime population (residential/places to live)
- Develop a workforce pipeline for Brooklyn Park Residents of all ages and demographics as well as deliver the workforce needed to support a BioTech Innovation District

Staff, along with Mayor Winston and Councilmember Klonowski, held second interviews on January 10, 2025. Based on presentations and feedback, Staff is planning on scheduling short interviews with the full EDA at the February EDA Meeting. The intent is to launch the actual planning process in Spring of this year and extend for the next 12-18 months.

### **Blue Line Extension Anti-Displacement Policies and Programs**

City staff updated the City Council on February 3rd about Blue Line Extension (BLE) light rail anti-displacement work-to-date. City Council provided comments on programs and policies for consideration. There was general support for staff to continue exploring most anti-displacement efforts. As City staff continue to research programs and policies and assess the corridor public engagement will be launched. Staff will be back before City Council to discuss programs and policies in more detail following public engagement efforts.

### **Christina's Child Care Update**

On January 17th Christina's Child Care, a childcare center run by Brooklyn Park residents Ophelia and Stephen Zweigar has finalized the sale and transfer of land located on at 7516 Brooklyn Blvd. With this project in the works since 2019 the Center will focus providing Childcare for first and second shift workers, which fills a valuable need for childcare in an area of the city with a high percentage of young people.

### **610 West Sale to SpyGlass Capital**

As the EDA is aware by way of assignment of a Tax Abatement Note (financial assistance), 610 West was recently sold from Doran Companies to Spyglass Capital. EDA Staff were involved by way of executive legal documents in order to assign EDA Financial Assistance (Tax Abatement) from Doran Companies to Spyglass.

## **D. DEVELOPMENT INQUIRY UPDATES**

As noted in the November 18 EDA Agenda Packet, Staff desires to better report on Pre-Application Concepts to the EDA to ensure that Staff Direction to Applicants is in line with EDA Policies, Direction, and Desires. Below is what the format will likely look like moving forward.

If the EDA desires to discuss any of these concepts that was otherwise directed by Staff, please let the EDA Executive Director request it be placed on a future agenda.

<b>Project Name</b>	<b>Project Details</b>	<b>Staff Response</b>
Fidel's Restaurant	Restaurant Proposal at Northwinds Plaza (EDA Site)	Public Assistance and EDA Risk are higher than standard assistance package. Staff will forward to EDA for direction at a future meeting.  <i>Per the request of the Applicant, this review has been rescheduled to March.</i>

## E. WORKFORCE DEVELOPMENT UPDATES

### BrookLynk Get Ready!

BrookLynk will host its in-person Get Ready! work readiness training event at North Hennepin Community College (NHCC) on Saturday, March 8, from 10AM-3PM. This free training equips youth ages 14-24 in the Northwest Suburbs with essential workplace skills, networking opportunities, and eligibility for a paid Summer Internship with local employers.

The Summer Internship Application will go live on February 10th. Completing Get Ready! is a required step to be eligible.

This year, the training is offered in four different ways:

1. **In-person** at NHCC on March 8,
2. **Online, self-paced** through Teachable,
3. **Pop-up sessions** in partnership with local area high schools, and
4. **Virtual, facilitator-led session** on March 22.



**BROOKLynk.works**

**GET READY!  
WORK  
READINESS  
TRAINING**

**OPENS ON**  
JANUARY 2, 2025

Get Ready! is a pre-employment training designed to provide young people with foundational skills to successfully land a job and navigate the work environment. Completion of this training is required for participation in the paid Summer Internships.

**Register for GET READY!**



<https://www.brooklynk.works/get-ready-1>

**ELIGIBILITY**

To be eligible for Get Ready! youth must be:

- Be 14-24 years of age
- Live and/or attend school in the Northwest Suburbs:
- Face one or more barriers to employment

- Brooklyn Center
- Brooklyn Park
- Champlin
- Crystal
- Dayton
- Fridley
- Maple Grove
- New Hope
- North Minneapolis
- Osseo
- Robbinsdale
- Rogers
- St. Anthony Village

Questions contact:  [Anthony.Villagrana@brooklynk.works](mailto:Anthony.Villagrana@brooklynk.works) | 651-242-0676

 [www.brooklynk.works](http://www.brooklynk.works)

For more information, please contact Anthony Villagrana, BrookLynk Program Coordinator, at [Anthony.Villagrana@brooklynk.works](mailto:Anthony.Villagrana@brooklynk.works) or visit <https://www.brooklynk.works/get-ready-1>.

### Youth Entrepreneurship Program (YEP)

The YEP Program launched on January 22, 2025, with 10 participants actively engaged. This paid, weekly training at Zanewood Community Center equips out-of-school and high-barrier youth (ages 16-24) in Brooklyn Center and Brooklyn Park with essential business skills, including business planning, marketing, and financial management.

For more information, contact Carmen Bibiano, Career Pathways Program Manager, at [Carmen.Bibiano@brooklynk.works](mailto:Carmen.Bibiano@brooklynk.works).

### Youth Liaisons

BrookLynk has welcomed Vince Castillo and Kate Dossou for the 2025 program year. In this role, they support community outreach, social media marketing, and engagement efforts. They will also serve on the BrookLynk Advisory Committee, helping to shape and promote opportunities for young people in our community.



Vince Castillo  
Youth Liaison

Hello, my name is Vince, and I am a junior at Osseo Senior High School. I first joined BrookLynk in 2022 and have since participated in the Youth Entrepreneurship Program and completed a Summer Internship with Embassy Suites in 2024. I'm passionate about giving back to my community and excited to help promote BrookLynk, ensuring more young people can benefit from its opportunities.

My name is Kate Dossou, and I am a first-year student at Hamline University, majoring in Marketing. I love spending time with my friends and family, photography, and modeling. I speak English, French, and Ewe. In 2024, I participated in BrookLynk as a Summer Intern with the Brooklyn Bridge Alliance



Kate Dossou  
Youth Liaison

for Youth and truly enjoyed the experience. Now, I am excited to give back to my community through my role as a Youth Liaison.

## F. OTHER UPDATES

### Ehlers' Minnesota Public Finance Seminar

On February 6-7, 2025, Ehlers hosted its annual Minnesota Public Finance Seminar at the Westin in Edina, MN. As part of our commitment to continuous learning, Community Development Director Tim Gladhill, Interim Economic Development and Housing Director Malcolm Hicks, and Senior Project Manager Dylan Armstead attended the event.



### Minneapolis Northwest Tourism Annual Meeting

On January 23, 2025, Minneapolis Northwest Tourism held its annual meeting at North Hennepin Community College. The nonprofit organization, funded through the lodging tax, focuses on promotion, development, and redevelopment of tourism destinations in Brooklyn Center and Brooklyn Park. During the annual meeting, the CEO Leslie Wright, reflected on their community engagement efforts and thanked their marketing partners. In addition, she emphasized their strategic goals for the new year.

In attendance were the Minneapolis Northwest Board of Directors, who donate their time to promote the community to visitors: Mayor Hollies Winston (Vice Chair), Executive Director Tim Gladhill (Secretary), as well as the Mayor of Brooklyn Center, April Graves (Chair).

A number of city staff were present including Project Facilitator Josephine Thao, Communications Manager Risikat, Social Media Marketing Specialist Stephen Batcher, as well as former City Council Member Terry Parks.

### **American Rescue Plan Act (ARPA)**

American Rescue Plan Act (ARPA) activities for all programs have wrapped up in December 2024, with the exception of partial funding for BrookLynk programming in 2025. Currently, ARPA funds are deployed for council approved projects – direct city implemented projects and Community Partner Programs (CPP). The CPP programs are funded by both ARPA dollars and EDA funds. In July 2023, City Council extended work for 10 community partners who received the original CPP awards to continue their work into 2024. Those partners received funds from both EDA and ARPA for the extensions. The extension partners are wrapping up their work and submitting reports. Additionally, in December 2023, the City Council also 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 partner work will also be completed in November 2024.

### **Economic Development and Housing Director Role**

The City of Brooklyn Park has officially begun the recruitment process for the Economic Development and Housing Director position, currently filled on an interim basis by Malcolm Hicks. This role is critical in leading project management efforts and supporting the Economic Development Authority (EDA) and its Executive Director. The first review of applications is scheduled for Monday, March 3, 2025, and will continue until the position is filled.

### **Development Project Coordinator Role**

Currently vacant, this position, in addition to the Senior Project Manager, is key in processing individual development requests. Staff will be prioritizing recruitment for the Economic Development and Housing Director first, with that regular appointment then prioritizing evaluating the future of the Development Project Coordinator Role.

### **Workforce Development Program Director Role**

Staff has appointed Jolene Rotich, current BrookLynk Program Manager, as Interim Workforce Development Program Director. Similar to the Economic Development and Housing Director recruitment, Staff in partnership with Brooklyn Park Human Resources is currently developing a new Position Profile and hopes to launch recruitment in the next 30 days. The official 'requisition' process has commenced and finalizing details. Staff is confident that 2025 programming will be delivered, with some internal staffing shifts.

**Attachments:** N/A