

Monday, April 21, 2025
6:00 PM

REGULAR EDA MEETING – AGENDA #5

President Hollies Winston, Vice President Nichole Klonowski, Treasurer Christian Eriksen,
Commissioners Shelle Page, 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.

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 Brooklyn Park Business Development Support, Retention, and Expansion Strategies

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

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 EDA Regular Meeting Minutes
 - A.** MARCH 17, 2025, DRAFT REGULAR MEETING MINUTES
 - B.** MARCH 24, 2025, DRAFT REGULAR MEETING MINUTES
- 4.2** Consider Approving the Executive Director to Enter into an Agreement with Wellington Management to Continue the Managing and Leasing Services Provided to Brooklyn Park's Northwind Plaza
 - A.** RESOLUTION
- 4.3** Consider Authorizing the Submittal of Youth Support Service Application
 - A.** RESOLUTION

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

5. PUBLIC HEARINGS

- 5.1** Consider Approving the Transfer of EDA Owned Land Located at PID1611921220094 to the City of Brooklyn Park for Consideration of a Subsequent Sale to Adam Schiesl for \$2,000.00
 - A.** RESOLUTION
 - B.** APPRAISAL
 - C.** SITE LOCATION MAP

6. GENERAL ACTION ITEMS

- 6.1** Review Huntington Place Apartments Loan Forgiveness Request
 - A.** RESOLUTION (To be Available Monday)
- 6.2** Consider Selecting Bader Companies and Gramercy Companies for the Oxbow Commons Sites and Kraus-Anderson for the Former Park & Ride Site and Directing Staff to Enter into Development Partnership Negotiations
 - A.** RESOLUTION
 - B.** SITE LOCATION MAPS
 - C.** DEVELOPER SUMMARIES
- 6.3** Consider Contract for Professional Services with Fairmount Properties Related to BioTech Innovation District Implementation
 - A.** RESOLUTION (To be Available Monday)
 - B.** BIOTECH INNOVATION DISTRICT FACT SHEET
 - C.** FAIRMOUNT PRESENTATION (FEBRUARY 18, 2025)
 - D.** SCHEDULE OF FEES

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** Brooklyn Park Small Business Center Quarterly Updates
 - A.** BUDGET AND METRICS
 - B.** SBC MISSION/VISION/MEMBERSHIPS
- 7.3** 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.
The next scheduled EDA meeting is Monday, May 19, 2025.

City of Brooklyn Park EDA WORK SESSION

Agenda Item:	2.1	Meeting Date:	April 21, 2025
Agenda Section:	Work Session Items	Prepared By:	Malcolm Hicks, Interim Economic Development and Housing Director
Attachments	N/A	Presented By:	Malcolm Hicks, Interim Economic Development and Housing Director
Item:	Brooklyn Park Business Development Support, Retention, and Expansion Strategies		

Overview:

The work session will focus on reviewing Brooklyn Park's business support, retention, and expansion strategies, particularly in light of the conclusion of the Metro North Chamber of Commerce partnership. The session will address the strategic goals outlined in the Brooklyn Park 2040 Comprehensive Plan and propose enhancements to the city's business development initiatives moving forward.

Background:

Brooklyn Park had previously relied on various partnerships, including a local business steering committee and the most recent partnership with the Metro North Chambers of Commerce to support local businesses. Additionally, the EDA launched the Small Business Center in 2023. Upon conclusion of the contract with Metro North Chamber of Commerce, Staff desires to check in with the EDA to ensure that the proper strategy is deployed moving forward. The work session will also consider the potential for establishing a self-sustaining Brooklyn Park Chamber of Commerce (or other business support governance structure), leveraging lessons from other cities with successful models. As a reminder, the City cannot itself create a Chamber of Commerce. It can help foster the conversation. Alternatively, the City can create a governance structure and Staff support for steering committees, etc. that provide many of the same services as a Chamber.

Staff has also explored or responded to proposals from similar entities including, but not limited to the following. Staff will provide an overview of each of these offerings.

- Elevate Hennepin
- Neighborhood Development Center
- Small Business Development Centers
- GreaterMSP (regional economic development partnership)

Primary Issues/Alternatives to Consider:

The main issue to address business support and navigation services moving forward. Future strategies will likely center around the Small Business Center (SBC) and the services that the City either wants to provide directly or through partnerships with other entities. The work session will explore the option of creating a new independent Brooklyn Park Chamber of Commerce, discussing potential funding models, organizational structure, and community leadership involvement. Additionally, the session will review the success of current initiatives, such as business incentives and the Brooklyn Park Small Business Center, while identifying areas for improvement and future opportunities.

Staff poses the following policy questions to frame the EDA's vision for business support/business navigation.

- What support does the EDA desire to provide for local businesses?
- What level of support does the EDA desire to provide?
- What partnerships does the EDA desire to continue to maintain and or add?

Budgetary/Fiscal Considerations:

The work session will examine the financial implications, and legal limitations of establishing a new Brooklyn Park Chamber of Commerce, considering potential funding sources such as membership dues, grants, and partnerships with other organizations.

Next Steps:

Following the work session, the city will look to reinstate the Brooklyn Park Business Forward Committee to further explore the creation of a sustainable business chamber and refine the city's business development strategies. Additionally, the city will work on increasing its community partnerships and outreach marketing business incentives and support programs.

Attachments:

N/A

City of Brooklyn Park Request for EDA Action

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

Executive Director's Proposed Action:

MOTION _____, SECOND _____, TO APPROVE THE MARCH 17, 2025 EDA REGULAR MEETING MINUTES.

MOTION _____, SECOND _____, TO APPROVE THE MARCH 24, 2025 EDA REGULAR MEETING MINUTES.

Overview: N/A

Primary Issues/Alternatives to Consider: N/A

Budgetary/Fiscal Issues: N/A

Attachments:

- 4.1A MARCH 17, 2025 DRAFT REGULAR MEETING MINUTES
- 4.1B MARCH 24, 2025 DRAFT REGULAR MEETING MINUTES

THE BROOKLYN PARK ECONOMIC DEVELOPMENT AUTHORITY
OF THE CITY OF BROOKLYN PARK
MARCH 17, 2025 MEETING MINUTES

I. ORGANIZATIONAL BUSINESS:

1A. CALL TO ORDER: President Winston at 7:24 p.m.

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

ABSENT/EXCUSED: Commissioner Christian Eriksen.

II. APPROVAL OF AGENDA

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

III. PUBLIC INVOLVEMENT:

3. PUBLIC COMMENT AND RESPONSE:

3A. Response to Prior Public Comment: Executive Director Tim Gladhill stated at the last meeting there was one comment in opposition to the requested loan forgiveness to Huntington Place. He noted that item is on the agenda tonight.

3B. Public Comment: None.

3C. Public Presentations: None.

3D. Public Announcements: None.

IV. STATUTORY BUSINESS AND/OR POLICY IMPLEMENTATION:

4. CONSENT:

4.1 Consider Approving EDA Meeting Minutes.

A. February 18, 2025 Draft Regular Meeting Minutes

4.2 Consider Approving the Greater Minneapolis St. Paul Region Regional Economic Development Partnership (MSP) Investor Proposal for an Annual Investment of \$35,000

A. Resolution

B. Greater MSP Investor Letter

4.3 Consider Scheduling a Public Hearing on ___ for the Sale of EDA Owned Land Located at PID 0111921220094 for \$2,000

A. Resolution

B. Appraisal

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

5. PUBLIC HEARINGS:

5.1 None.

6. GENERAL ACTION ITEMS:

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

Executive Director Tim Gladhill provided background information on the action for the EDA to consider, the current priorities, and alternative actions that could be considered. He provided additional background information on Huntington Place and the EDA investment that was made to the property, and the related positive impacts to the property that resulted from that investment. He also provided information on affordable housing protections and the staff activity that has occurred since the January EDA work session. He reviewed the proposal from MAS Capital including renovations, rescreening of all tenants at the time of lease expiration, and base rent increases. He provided additional information on the MAS Capital multifamily portfolio and highlighted support from other agencies that the property has received. Additional information was provided on the tax implications of market rate and the value of restrictive covenants, and a comparison was made between the offer from MAS Capital compared to other offers that were made on the property, noting a \$30,000,000 difference between those offers. He provided additional information on the alternatives for the EDA and related scenarios for each option. He then reviewed additional considerations and welcomed input from the EDA.

President Winston welcomed input from those in attendance.

Dr. Eric Anthony Johnson, AEON, stated that AEON acquired Huntington in 2020 at the request of the City of Brooklyn Park and multiple other entities. He stated that everything AEON has done has been for the residents of the property. He reviewed the millions of dollars that AEON has been able to acquire to help people pay their rent and to improve security. He commented on the amount of work that has gone into play to hold the property over the last three years. He stated that they received an offer for \$10,000,000 and declined that offer. He commented that it is unheard of that investors are willing to walk away from over \$55,000,000 to sell the property in order to maintain the covenants. He stated that they have held many meetings with the residents of Huntington in order to keep them informed on this process. He stated that the average income of Huntington Place residents is \$29,000, which is 24 percent of the area median income (AMI). He stated that AEON works to keep rents low, and even at that price, it is still higher than what the residents of Huntington could afford to pay. He stated that at this level the property will never be stabilized as rent is needed to manage the property. He provided additional details on the percentages of units within Huntington that are not paying their rent, which means that 62 percent of the units are carrying the bulk of the costs for Huntington. He explained that these economic drags are impacting the stability of the property. He provided additional information on the subordination agreement in place which is specifically meant to

address the situation they face today. He stated that the proposal from MAS Capital would invest in the property and maintain the affordable housing covenants and AEON has worked hard with all stakeholders on this matter, as well as communicating with the residents. He stated that the MAS Capital proposal is supported by the senior lenders and other stakeholders and believes that this is the best path forward. He stated that a decision today would provide clarity on this and allow them to move forward. He stated that the lenders have held off, but they will not continue to hold, and they are running out of time.

George Singer, attorney with Holland and Hart, stated that he has been working with AEON for the past two years on this project. He stated that it is nothing short of a miracle that they were able to get the buyer and lenders to go forward with this proposal which includes a substantial write-down of debt and preserves the affordability covenants in the transaction. He stated that this is an opportunity to obtain value that would otherwise not be available. He urged the EDA to consider the importance of acting tonight, as the lenders and buyers have been patient to this point. He stated that if this is not acted upon tonight there could be very different consequences for the property.

Tamita Gains, Huntington Place resident, commented that she is angry about what has been going on. She stated that as a healthcare worker, this whole ordeal is interfering with patient care. She stated that she works 100 hours every two weeks just to keep up with rent and this pulls the rug out from under her feet. She stated that she has reached out to all the resources that have been stated are available but has not received any responses. She was upset that her rent was not being paid to the investors, and she could still lose her home. She stated that she cannot afford to pay \$1,000 in rent as that would be her whole check and would not even leave her with bus fare to get to work. She commented that she has worked her way from being homeless to being in an apartment multiple times and this is not fair to the tenants. She stated that this is being rushed, and the tenants do not even have time to prepare for what could be next.

William Finncannon-Grosuenor, Huntington Place resident, stated that he became aware of this issue through news reports and some vague text messages from AEON. He stated that AEON has done a tremendous amount of work to improve the property and thanked them for that. He stated that the world will become increasingly difficult, even more so for those who are on limited incomes. He stated that he would be grateful to just stay in his apartment and believed that the new application process would displace so many residents. He stated that this will be a problem for the City that continues until the City takes the property itself. He stated that he is in favor of forgiving the loan so the proposal can move forward and hoped that everyone would work to limit the displacement that will occur.

Nelima Sitati Munene, Director of African Career Education & Resources Inc. (ACER), stated that almost 20 years ago she was a college student living in an apartment building in Brooklyn Park. She stated that one night there was a knock on her door and the person asked her thoughts about the City's plan to demolish the apartments along the corridor. She stated that she was shocked because she did not know anything about the proposal. She stated that she attended the Council meeting and was informed that the apartments were unsafe, and she was asked if she wanted to live in a better place. She stated that she knew her neighbors,

and their kids played together, and she realized that decisions were being made about their lives without asking them. She stated that this has become the passion of her life and work, to create opportunities for people to participate and have a voice in their community. She stated that for Huntington Place this has been an ongoing issue, noting that the residents petitioned for the City Council to support the purchase of the property by AEON and provide funding. She recognized the screening of residents that has been mentioned and asked which residents would be impacted and displaced by that decision. She stated that when people are displaced from their housing they are set back and some may never recover. She recognized that there are no easy solutions and wanted to ensure that the people most impacted have a say in what will have a huge impact on their lives.

LaShawn Porkinstakon, Huntington Place resident, commented that she recently moved back to Minnesota from Alabama and likes the culture and diversity of shops and foods within Brooklyn Park. She stated that she first heard about the selling of the property in December. She had questions about the subsidy process and applications for moving. She noted that her lease expires in June and was unsure what she would need to do. She commented that she believes AEON is a good company and the security measures have assisted in making the property safer. She asked the City to give the sale a chance. She asked about the option for residents if the sale does not go through.

President Winston recognized that this is a tough situation for everyone involved. He stated that residents have also submitted comments in writing which have been provided to the EDA and will become a part of the record. He stated that his heart goes out to the residents as it is stressful to not know what will happen. He provided information on his history, noting that he has been through similar processes. He stated that the City went hard at the capitol to help AEON dollars from other entities in addition to the dollars the City contributed. He recognized that AEON is in a difficult position because it inherited a difficult situation. He stated that they have been working on this for some time, with meetings with the County and State noting that both entities have asked the City to forgive the loan. He stated that while he appreciates the input from outside agencies, they will do what is best for Brooklyn Park. He stated that the County and State want to play the odds that MAS Capital will assume the property as those agencies place people at the facility, recognizing the property serves people far beyond the borders of Brooklyn Park. He stated that there is an entity that spoke 100 percent about displacement, which is a concern but also recognized the concern with the quality of life for those living at Huntington Place. He stated that AEON took on a large project that others were trying to get out of and did what they could to stabilize it. He stated that there are still very real health issues that exist for residents at Huntington, using the examples of mold and asbestos that exist and need to be corrected. He wanted to let the State and County know that they cannot speak of just displacement and ignore the quality-of-life issues, clarifying that they are picking winners and losers in terms of the quality of life for residents. He recognized that AEON wants this to be solved today, but if the County and State also find this issue important, they need to join the City and understand the levers that can be pulled to ensure whoever the buyer may be is taking into account the things that matter to the people in Brooklyn Park. He stated that \$15,000 per door in an apartment is merely cosmetic improvements. He recognized that those improvements

are important, but that level of funding will not address the large health concerns that exist at that property. He stated that he does not want to just pass the buck once more and not address the issues the residents are facing. He stated that no one mentions the pest control issues that residents deal with. He recognized that this situation was perhaps larger than AEON could handle. He stated that while he does not want to continue to kick the can down the road, he believes that the County and State should become more involved to understand what could be done. He stated that members of the City Council have helped, both publicly and privately to help Huntington Place residents receive assistance. He stated that while it is incredibly important to hear the voices of the residents at Huntington Place, it is also incredibly important for those who have seen Huntington as a solution (the County and State) to come to the table to find that solution rather than now saying it is a problem. He recognized that it has been made clear that they are on a clock, and he challenged the County and State to come forward in the correct manner to address this emergency and assist in making these decisions. He did not feel that they were prepared to make the decision tonight. He recognized that some residents are asking the City not to forgive the loan but urged them to look at the facts. He stated that if they forgive the loan, they do not see the money but if they do not forgive the loan, they also will not see the money. He stated that the County and State need to come to the table to make some immediate decisions on this.

Commissioner Tran commented on the many emails the EDA received from residents on this matter. She referenced an email from ACER which suggested allowing Huntington residents to vote on this matter. She shared an email received from a resident on this matter asking the City to not forgive the loan. She stated that she agrees that residents from Huntington should vote and have a voice in this matter.

Commissioner McGarvey referenced the comments from ACER about hearing from the community. He stated that Dr. Johnson mentioned that AEON went to the residents in October of 2024 to alert them to this process, which was five months ago. He asked what more they could do to engage the residents of Huntington Place. He stated that this was talked about at Huntington Place and was unsure what more they could do to engage residents at this point.

Ms. Gains stated that the majority of the people at Huntington are working people who are not checking their email at work. She stated that she finds out about these matters after work only to find the meeting held by AEON occurred while she was at work. She explained that the working people would need to have notice in advance in order to take time off work to attend a meeting. She stated that there was not an email sent from AEON to let them know what was going on, as her first notice was provided in December.

Commissioner Klonowski asked what the tax benefit to the City of Brooklyn Park would be if there was not a restrictive covenant on the property.

Executive Director Tim Gladhill replied that a rough estimate would be \$300,000 for the City's share of the taxes annually.

Commissioner Klonowski asked for more information on how the \$4,000,000 grant transfer to Zanewood would work.

Executive Director Tim Gladhill stated that AEON is the recipient for the remainder of the State allocation and Federal grant. He provided additional information on the ability that HUD has to define the scope under the Federal grant dollars and believes that the expansion of Zanewood would certainly help to transform Huntington Place. He stated that AEON would still be involved in a very limited partnership in order to continue to be the grantee with the City being the subgrantee.

Commissioner Klonowski asked if there is any guarantee that would happen if that option is chosen.

Executive Director Tim Gladhill replied that he cannot provide full certainty on that but can give hope based on the discussions he has had. He stated that there is no certainty that they would receive the \$4,000,000 but he does feel good about the opportunity. He acknowledged that they would need to move quickly as there is uncertainty as to how long those dollars will be available.

Commissioner Klonowski recognized the dollars the City has allocated to the Zanewood project, which is set for a ribbon cutting soon. She asked how the funds would be allocated to that project.

Executive Director Tim Gladhill explained that the plan is to incur about \$10,000,000 in debt for that project and therefore this allocation would reduce the debt obligation to free up funds for additional projects.

Commissioner Klonowski stated that seems to be the only option that would give them real money back. She referenced the question posed by a resident tonight about the path forward for residents and asked for more information.

Executive Director Tim Gladhill provided information on the typical resources that are provided in these instances as well as nonprofits that exist in the Brooklyns. He stated that a renter resource flyer has been developed and is available tonight. He stated that the next phase of engagement for the City will be housing advocacy and could include housing fairs to help people find housing that suits their needs. He stated that the City cannot stop evictions but does have a tenant notification ordinance. He explained that if MAS Capital acquires the property, every resident would need to be notified and if residents are displaced within 90 days of that notification, MAS Capital would need to provide relocation benefits.

Commissioner Klonowski asked if residents from Huntington could choose to move to another AEON property.

Dr. Johnson stated that AEON will always be open if there are units available in another property. He stated that he previously worked at HUD and described the process that would be followed to reallocate the grant funds to the Zanewood project.

Commissioner Klonowski asked how Huntington residents can access information about property availability at other AEON locations.

Dr. Johnson commented that their new website will launch next month, and people will then be able to view available units in all buildings. He stated that staff from AEON would also be available to assist residents onsite at Huntington.

Executive Director Tim Gladhill stated that the relocation benefit would be three months' rent if a resident is displaced within three months of the notification. He stated that City housing staff are looking to develop a tool to find available housing units in Brooklyn Park, but noted that is a future tool that is being developed.

President Winston stated that AEON has properties in other communities, but for those who live and work in Brooklyn Park, they may not want to relocate to another community and would welcome tools that may assist in those cases of displacement.

Commissioner McGarvey recognized that his previous question may have upset some residents. He restated his question to request clarity on what ACER is requesting through their letter. He referenced sections of the letter from ACER and asked for clarification on how that could be done.

Aru Sasikumar, ACER, stated that during the past several engagements with Huntington residents, it is clear that the residents feel that the information has not been transparent to the residents. She stated that they are requesting that the City listen to the residents about how they would like the communication and listen to the ideas the residents have. She stated that the Council could attend the tenant meetings as they have ideas in addition to the alternatives that were listed tonight.

Commissioner McGarvey asked if the monthly meetings are still occurring at Huntington.

Ms. Sasikumar replied that the meetings she spoke of are the meetings that tenants have been holding every other Friday since they found out about this issue in December. She stated that many of the residents were not even aware of the potential sale of the property.

Commissioner McGarvey stated that he attended all the tenant meetings in 2023 and 2024 until he became a liaison to the Planning Commission which meets the same night. He stated that he was present at the October 17th meeting, and it was very clear at that meeting, although he recognized not all tenants attended that meeting.

President Winston stated that the onus of responsibility is between the residents, the owners, and the investors of the building. He stated that the City has been involved but this was laid out to residents in October. AEON was upfront at that time and has continued to be. He stated that there is an onus on residents to communicate to ownership and to the City. He stated that requesting more time now for resident engagement and creating that narrative does not align with the actual narrative that exists nor the timeline for a decision to be made. He stated that this was laid out in October and the City has been looking to address this and has been working on this for quite some time.

Commissioner Page stated that as a newer member of the EDA and Council, there was a deep dive that had to occur to be brought up to speed.

She stated that the EDA and Council are only here for the residents, which is why this has been delayed. He stated that the passion from AEON was very strong and desperate, noting that she does understand that. She stated that this is one of the most complicated things she has ever been involved in, and the EDA has dissected this in order to understand all options. She stated that all candidates running in the last election were invited to a forum that was cosponsored by ACER at which this issue of Huntington was brought up, which means that the residents did know about this. She stated that people know that this is a problem, but no one knows what to do about it. She acknowledged that they keep asking for time, which is an issue and was thankful for the patience of the lender. She commented that there are many experts on the EDA/Council and many of whom came from similar situations. She stated that this problem that has been following them for years and years will continue to follow this generation and future generations. She stated that staying in the apartment tells some people that they are okay with substandard living conditions, accepting the bare minimum, and that simply because it is better than it was means that it is okay. She stated that is not correct and they continue to hear about pests, rodents, crime, domestic violence, and theft every day. She stated that the residents deserve more. She recognized that AEON got into this for the right reason, but the project was too large. She commented that everyone deserves respect, and she did not appreciate laughing during the presentation and the loud forceful voices that were used during their comments. She recognized that no decision will be good for everyone, and the role of the City is to limit the displacement of residents. She stated that she does not yet have the answers, and she would like a little more time to talk about all the issues. She did not believe they will need much more time as most of the issues have already been brought forward to the table. She recognized the work that Brooklyn Park has done in partnership with AEON to improve the safety of Huntington. She stated that they are thinking of the residents of Huntington when they make this decision.

Commissioner Xiong stated that she has been quiet today as she is still unsure of what to do in this situation. She stated that she agrees that more time is needed before they can make a decision on this matter. She recognized that they do have a limited amount of time but noted that new information keeps coming up in these discussions. She stated that no one knows right now as to the best path to resolve this. She hoped that they would find a win-win situation.

President Winston recognized that they are up against the clock, and this is an aggressive timeline. He understood that residents of Huntington would want to have a lot of input, but that will be secondary to the clock that is running for the lenders. He stated that he does not have an issue receiving the \$450,000 as a settlement but noted that it seems it is quite possible that the \$4,000,000 grant transfer could also be an option. He stated that would be a larger win for the community as it would make the City whole in this scenario. He believed that there is also a role for the County and State to make a commitment to address the quality of living within the complex. He stated that it was his understanding that the quality of living was going to be addressed with the dollars received from these other entities. He stated that if the quality of life is not addressed that would be the State sponsoring this level of living for some people. He stated that the residents will need to advocate for the quality-of-life elements and the impacts on their health. He agreed that a definitive decision should not be

made tonight and asked that these issues be looked at in the coming days or within one week.

Commissioner Klonowski recognized the investment that has been made into the property in the past and would like to see a commitment to the future as well in terms of funding that has been stated could be available for this property to address those issues. She stated that a lot of work has been done rapidly to try to find the best possible solution to limit displacement and avoid the default option. She stated that there is a lot of uncertainty as to what would happen if the property were to go into default. She stated that the current buyer has provided certain assurances in terms of improvements and security. She stated that she does not believe that postponing a vote is in the best interest, as there are options available that help the residents that will remain at Huntington. She believed that the City should consider the \$450,000 offer along with the \$4,000,000 grant transfer through HUD. She recognized that delaying this further could push the property into foreclosure where no one has a say in anything. She stated that in that scenario the City would become a passenger, would not receive the \$450,000, would not receive the HUD transfer and would simply need to live with the consequences as would the residents. She referenced the discussion of Huntington forming a co-op, noting the financing for that is extremely complicated would probably take years for this property and would ultimately not move forward. She did not believe that is even a remote possibility in this case. She recognized the time AEON spent finding an investor and prevent the property from going into default. She stated that the City has talked about this for months and has an actual offer to get its money back in some way, even coming out ahead. She was unsure what else they would be waiting for as they are not going to see anything better than this.

President Winston stated that he would want to ensure there are assurances to the HUD funds. He stated that if they vote on this, they could lose the assurances that the HUD funds could be transferred to the City.

EDA Attorney Joseph Sathe stated that they could choose to take no action and direct staff to come back, or they could table with a date certain for this to come back. He stated that he would want to see language that forgiveness of the loan is contingent upon the HUD approval. He stated that he would need time to draft that language and bring it back in resolution form. He stated that the City can still move quickly and call a special meeting to approve those items when available.

Executive Director Tim Gladhill agreed that he would like time to bring that back. He stated that the primary lender did make it clear that if the \$4,000,000 is obtained by the City they would no longer offer the \$450,000, explaining that the City cannot choose both options. He stated that the City could make that offer but was unsure how they would react. He stated that perhaps they could hold a special meeting of the EDA prior to the regular City Council meeting, but noted that he would not be available on the 31st.

Commissioner Page asked and received confirmation that the choice is the \$450,000 or the \$4,000,000 acknowledging that the \$4,000,000 would be committed to Zanewood. She asked why the \$4,000,000 would not be put back into the property.

Executive Director Tim Gladhill stated that is something that could be considered. He stated that the funds are from the Federal government, allocated by HUD to transform Huntington. He stated that HUD seems to think the City would have a good case to prove that the expansion of Zanewood would help to transform Huntington. He stated that the EDA could explore how to use the \$4,000,000 within Huntington but noted that was not the previous direction and therefore it has not been an option reviewed in detail.

Commissioner Page stated that she does not feel confident that she has enough information tonight.

President Winston stated that the reason the money would go to Zanewood is because it is a way for the City to get its money back. He explained that if the funds go directly to Huntington, they do not know how the funds would be used.

Commissioner Klonowski thanked legal counsel for the input. She believed that the direction should be to discuss that the City receive the \$450,000 in addition to the \$4,000,000 contingent for any loan forgiveness.

President Winston agreed with that direction.

Commissioner McGarvey asked if they could postpone this for 72 hours rather than waiting for one week. He stated that this is a very complicated situation for the City and also understands the position of the lender and does not want to tax their patience. He stated that while \$450,000 is not close to the loan amount, it is a substantial offer.

Executive Director Tim Gladhill stated that 72 hours would push them into Friday afternoon and asked if there is much difference between that day and Monday evening. He questioned if they would have a quorum on Friday afternoon and if that would be an appropriate use of staff time. He stated that he would rather hold a special EDA meeting on Monday evening prior to the Council meeting.

President Winston agreed with Monday evening. He stated that if they are going to solicit input from the County and State, they would need the remainder of the week.

Commissioner Page recognized that they went from zero dollars to an offer of \$450,000 and asked what they would need to do to increase that number and get this done.

Executive Director Tim Gladhill stated that they could make a counteroffer but given his conversations with both lenders, he was not confident that number would increase as they already feel extended with this offer. He stated that perhaps the potential outcome is to request the \$450,000 and HUD funds.

President Winston recognized that they do not want to kick this down the road long-term and it would make sense to counteroffer with the \$450,000 and HUD funds and to schedule a special EDA meeting on Monday night. He recognized they are up against a timeline, but the counteroffer would be much more palatable for residents.

Executive Director Tim Gladhill stated that some of the additional funding that has been discussed from other sources would continue to be discussed and would be something that would potentially occur in the future. He stated that staff will draft the resolution that the forgiveness would be conditioned upon the \$450,000 and HUD funds.

Commissioner Page asked the communication that staff has had in regard to the \$450,000 and possibly \$4,000,000.

Executive Director Tim Gladhill stated that following the last EDA work session he spoke with the lender and received the counteroffer of \$450,000 in order to have a quick settlement. He stated that the primary lender would have a much larger loss than the City. He stated that the primary lender was not as aware of the \$4,000,000 until that conversation and felt that they would rescind the offer for the \$450,000 if the \$4,000,000 were transferred to the City. He stated that the lender felt the City could come out too far ahead if the offers are combined. He noted that the position of the lender could have changed since that time, but he will make the counteroffer and the worst that could be said is no.

President Winston stated that it would seem that the counteroffer would make sense to minimize the impact on the lender as well. He thanked everyone who attended tonight to provide input and those who have been involved throughout this process.

V. DISCUSSION:

7. DISCUSSION ITEMS

7.1 EDA Status Updates

- A. Microbusiness Loan Flyer
- B. Real Estate Forum Flyer

No comments.

7.2 Verbal Commissioner Reports and Announcements

Executive Director Tim Gladhill suggested that the EDA postpone discussion on Item 8.1 and move to Item 8.2 in the work session.

The regular meeting recessed at 9:40 p.m.

The meeting reconvened in work session at 9:46 p.m.

VI. WORK SESSION

8. WORK SESSION ITEMS:

~~8.1 Brooklyn Park Business Development Support, Retention, and Expansion Strategies~~

8.2 Discuss a Potential 4D (1) (1) Low-Income Rental Classification Program for the City of Brooklyn Park

- A. Villa Del Coronado Property Taxes Analysis
- B. The Groves Apartments Property Taxes Analysis

VII. ADJOURNMENT:
Meeting adjourned at 10:19 p.m.

THE BROOKLYN PARK ECONOMIC DEVELOPMENT AUTHORITY
OF THE CITY OF BROOKLYN PARK
MARCH 24, 2025 MEETING MINUTES

I. ORGANIZATIONAL BUSINESS:

1A. CALL TO ORDER: President Winston at 6:10 p.m.

ROLL CALL PRESENT: President Hollies Winston, Treasurer Shelle Page (via Zoom) and Commissioners Christian Eriksen, Amanda Cheng Xiong, Tony McGarvey, and Maria Tran. Staff: Executive Director Tim Gladhill, Secretary Seng Moua, and EDA Attorney Joseph Sathe.

ABSENT/EXCUSED: Vice President Nichole Klonowski.

II. APPROVAL OF AGENDA

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

III. PUBLIC INVOLVEMENT:

3. PUBLIC COMMENT AND RESPONSE:

3A. Response to Prior Public Comment: None.

3B. Public Comment: Lashawn Porkinstakon, Huntington Place resident, referenced the letter that has been signed by tenants with questions about the potential options. She stated that tenants are paying their rent, although the property is in default, and asked if the rent being paid could be set aside for another purpose. She asked if the screening process could be limited for existing residents if the property sale moves forward.

Denise Butler, Brooklyn Park resident and the Associate Director of ACER. She stated that her home is within walking distance to Huntington Place, and she is present in support of those residents. She stated that the residents have been consistent and have been providing their input. She stated that the residents of Huntington have a list of demands as they understand the Council is leveraging dollars in this transaction. She stated that the residents have made it clear as to how they want to be treated and the issues they want to be addressed at the property. She commented that tax dollars are being used for the property to be acquired and, therefore, the buyer should be listening to these demands.

Tamita Gains, Huntington Place resident, stated that she would like to reiterate the demands of the residents which include allowing the tenants to have a seat at the table in the decision-making processes, that meetings be held to co-decide the next steps, improvement in communication to residents, and assistance with refunds and/or relocation. She stated that residents do not want to be blindsided in the future as they have been in this process. She requested transparency in how the rent funds were used and for the remainder of the rent funds to be escrowed to ensure the mortgage is being paid.

Elizabeth Smith, Huntington Place resident, commented that she has lived at the property for the last year and plans to continue to make this her residence. She was frustrated with the threat of displacement as she would be devastated if she had to leave her home. She commented on her experience in security, prior to her accident, and offered to assist in training residents to aid in security for the property. She advocated for handicap access for the property.

Ta-Mcha Gaines thanked the residents of Huntington for coming forward to speak and to ACER for assisting in this process. She asked that the Council listen to the residents and support them. She commented on the lack of accessibility for disabled individuals and hoped that could be addressed by the new owners.

3C. Public Presentations: None.

3D. Public Announcements:

IV. STATUTORY BUSINESS AND/OR POLICY IMPLEMENTATION:

4. CONSENT:

4.1 None.

5. PUBLIC HEARINGS:

5.1 None.

6. GENERAL ACTION ITEMS:

6.1 Review Huntington Place Apartments Loan Forgiveness Request

A. Resolution

B. Copy of March 17, 2025 EDA Packet Materials

C. Copy of March 17, 2025 EDA Presentation

President Winston provided clarity on the matter before the EDA for consideration as to whether to forgive the loan to AEON. He explained that these are not dollars that are on the table and can be put into another bucket, as the dollars were already given to AEON and have been spent. He stated that the City can help with information on how the funds are spent, but noted that additional information can be obtained through AEON on how those dollars and additional dollars from other entities were spent to improve the property. He stated that the discussion is whether to forgive the funds and the direction forward, explaining that there is a party interested in purchasing the property.

Executive Director Tim Gladhill presented the requested action before the EDA today, the current priorities, and alternatives that could be considered. He explained that the primary lender is taking a \$50,000,000 loss on the property due to a variety of factors. He explained that the EDA is third in line and, therefore, with the first lender taking a loss, there would be no proceeds to pay any of the other lenders, including the EDA. He provided additional details on the settlement offer, noting that the loan forgiveness would be contingent upon receipt of the \$450,000 payment and \$4,000,000 federal grant to Zanewood. He provided additional details on the plans of the buyer, MAS Capital, and recognized that there will be some

displacement as a result of this process. He stated that if the loan is not forgiven, the City would not receive any payment, and the future of the property becomes unclear. He stated that since the last meeting, the City has had conversations with Hennepin County and Minnesota Housing, noting future cycles of funding opportunities that may be available for the property. He asked if the transfer to MAS Capital would be a step in the right direction that would allow for future improvement and continued discussions. He provided information on the renter resources that are available.

President Winston asked when the City was alerted that MAS Capital was considering purchasing Huntington Place.

Executive Director Tim Gladhill replied that the City was alerted in September/October of 2024.

President Winston stated that AEON has stated that they communicated with residents in October to communicate the potential purchase of the property.

Executive Director Tim Gladhill stated that there were some tenant meetings onsite. He acknowledged that there was not sufficient notice for the first meeting, therefore, the City stepped in and assisted in facilitating a second meeting a few weeks later. He described the process, which kept sliding by an additional month. He stated that the intention was always to follow up with residents once the decision was made, acknowledging that they did not believe the process would take this long.

President Winston stated that residents were made aware in September or October, and part of the delay is due to questions the City has been asking. He stated that he is most concerned with displacement as well as the worst-case scenario. He stated that the bank has not been paid since 2021, and the property could move into foreclosure at any time, which then restricts the options available and could displace even more residents. He commented that they are attempting to limit displacement and help other residents understand the severity of what is going on at Huntington Place. He asked residents to listen to how the EDA is talking about this and who is concerned about displacement and living conditions. He disagreed that anyone deserves to live in those particular conditions with pests, mold, asbestos, etc. He stated that they are not being given many good choices in this scenario, but they are trying to take care of all residents. He stated that there is limited leverage the City can negotiate, and the issue is time sensitive. He stated that if they move in the direction where the deal is going to move forward, the residents should organize themselves to talk to the County and the State, rather than the City. He stated that policies were put in place a long time ago, and that Huntington Place is what some residents will get. He explained that if the deal goes through, \$18,000,000 has been allocated for improvements to the units, which equates to about \$15,000 per unit. He stated that the real number that has been estimated to address all the issues at Huntington is \$60,000,000 to \$80,000,000. He commented that the planned improvements from MAS Capital are cosmetic improvements and explained that the City does not have \$80,000,000 to invest in this property. He stated that the people who made these decisions as to who should live where are the County and the State, and someone needs to come forward to make the property livable. He suggested that the residents organize and aim their efforts at the people with the funds to

actually improve the property. He stated that he will stand with the residents to take aim at the County and the State. He explained that even if this deal goes through, they will still need to address the issue of the living conditions and related health implications. He commented that he advocated for Huntington Place even prior to running in the election for Mayor.

Commissioner Eriksen recognized that this is a more complicated process with the lenders and forgiveness involved and asked the estimated timeline for the transfer of the property if the sale were to move forward.

Executive Director Tim Gladhill estimated between 30 to 90 days for the transaction to be completed.

Commissioner Eriksen stated that President Winston said many things he agrees with and that are true. He stated that when the EDA first heard about this in 2024, everyone racked their brains to think of ideas, none of which were great. He stated that the City does not own Huntington Place, AEON does as well, as the lenders and the triggers and levers the City can pull are few and far between. He stated that, as much as he does not want to forgive anything to AEON, as he believes that they have been terrible since the day he met them, he thinks this proposal gives the City the greatest chance to control variables. He stated that even in that case, this is still terrible. He recognized the \$15,000 per unit improvement that MAS Capital plans to spend, along with the related increases to rent, noting that for some of those prices, residents could obtain a larger apartment in another complex in Brooklyn Park. He believed that the numbers of MAS Capital depend on magic, and they will be back in the same position in a few years. He did not believe that this action will be a magic cure for what ails Huntington Place or Brooklyn Park, but believes that it provides the greatest level of control and stability for residents for the short term.

Commissioner McGarvey agreed with the comments of Commissioner Eriksen. He thanked the residents of Huntington Place who attended tonight, who signed the petition, and spent the time developing the alternative plans. He stated that none of those ideas are on the table tonight and encouraged the residents to continue to pursue those ideas. He stated that those ideas will need to be discussed with the owner of the property, whoever that may become. He reiterated that this decision tonight does not negate those ideas, but it will move this process along as one option out of many terrible options. He stated that this is the option that provides the City with the most leverage.

President Winston stated that they are not being given great options, and he is begging residents to organize and make it clear as to what they are dealing with. He stated that many of the suggestions that were given by the residents are not within the capacity of the City, and there would be issues if the City tried to leverage to accomplish those things. He stated that there are others who can assist with attempting to pursue those options and noted that he would support the residents in that continued pursuit. He recognized that will be a longer discussion. He stated that the State and County have made a concerted effort to segregate, and he is willing to take that fight on if there are people who are in it for the right reasons and if they organize. He stated that he is inclined to move forward with the proposal in order to minimize the number of residents who will lose their homes.

Commissioner Eriksen stated that his comment related to the terrible ideas was not related to the suggestions from the residents. He commented that the list included some great ideas, but they are outside the purview of the City to implement on privately owned property. He hoped that people will listen to what their customers demand and encouraged residents to continue to organize and fight against the situation they face. He stated that the City will assist in whatever way it can to make MAS Capital be good for the residents, but also recognized the rights of private property.

Commissioner Xiong thanked the tenants who attended the meeting tonight. She reiterated that the residents are asking great questions but stated that the City does not have those answers, as the questions should be asked to AEON, the County and the State. She stated that the City has been asking those same questions. She stated that the residents provided great options and alternatives, noting that those should be posed to the State rather than the City. She explained that they have run through so many scenarios in an attempt to mitigate and avoid displacement. She stated that ultimately, the residents have power when they organize. She stated that she would love to attend the tenant meetings going forward so they can hold people accountable and look at resolutions at the State and County levels.

Commissioner Page thanked the residents and stated that this has been delayed because they have been listening, supporting the residents, and demanding transparency. She stated that they started with nothing from the other side, but a request to forgive the loan. She commented that there are residents who believe the City should let the property foreclose, but they dug deeper and got to the offer of \$450,000 with the possibility for even more to improve Huntington. She stated that this process has been difficult to understand and thanked those who have worked on this for much longer, who were able to help them understand that through many bad choices, they have opportunity. She recognized the uncertainty that would come with foreclosure, and while the buyer will not be the ultimate answer to all these problems, they have answered questions and communicated throughout this process. She recognized the passion and echoed the comments of Commissioner Eriksen. She stated that passion and care for residents does not go away just because a decision is made, noting that this decision seems to be the best option on the table, and they will not stop the fight for these residents and to raise the bar on the living conditions. She encouraged residents to organize and send their communication to the owners of the property rather than the City, noting that the Council will stand by the residents. She stated that she understands that some residents say the property should go into foreclosure and Huntington should go away, but noted in that scenario, there is no control over who would take the property. She appreciated the passion and responses from President Winston, who has worked tirelessly behind the scenes.

Commissioner Tran stated that she feels bad for this situation for Huntington residents. She recognized that there is a shortage of public housing, not only here but nationwide. She encouraged residents to reach out to their legislators.

MOTION WINSTON, SECOND ERIKSEN, TO WAIVE THE READING AND ADOPT RESOLUTION #2025-11 FORGIVING CERTAIN LOAN WITH AEON BP, LLC (HUNTINGTON PLACE APARTMENTS) CONTINGENT UPON RECEIPT OF \$450,000, \$4,000,000 FEDERALLY

CONGRESSIONAL SPENDING GRANT, AND CONFIRMATION OF CONTINUATION OF AFFORDABILITY REQUIREMENTS. UPON A ROLL CALL VOTE, THE MOTION PASSED UNANIMOUSLY.

President Winston wanted residents to understand that there is a fight ahead and encouraged them to think of a different model for organizing. He stated that members of the EDA/Council are available to assist. He stated that they are going to make it clear that the living conditions are not livable, and the residents deserve better. He stated that there needs to be a coalition of those who want to better the property and does not include those who simply want to make a name for themselves or see Huntington as a funding source, other than for the residents. He recognized that there is a concern for displacement, whether or not the deal goes through. He stated that the City will help to identify resources for residents to have a livable and respectful place to live. He believed that things can change at Huntington Place.

V. DISCUSSION:

7. DISCUSSION ITEMS

None.

VI. ADJOURNMENT:

Meeting adjourned at 7:12 p.m.

City of Brooklyn Park Request for EDA Action

Agenda Item:	4.2	Meeting Date:	April 21, 2025
Agenda Section:	Consent	Prepared By:	Malcolm Hicks, Interim Director of Economic Housing and Development
Resolution:	X	Presented By:	Malcolm Hicks, Interim Director of Economic Housing and Development
Attachments:	1		
Item:	Consider Approving the Executive Director to Enter into an Agreement with Wellington Management to Continue the Managing and Leasing Services Provided to Brooklyn Park's Northwind Plaza		

Executive Director's Proposed Action:

MOTION _____, SECOND _____, TO WAIVE THE READING AND ADOPT RESOLUTION #2024-_____, RESOLUTION APPROVING THE EXECUTIVE DIRECTOR TO ENTER INTO AN AGREEMENT WITH WELLINGTON MANAGEMENT TO CONTINUE THE MANAGING AND LEASING SERVICES PROVIDED TO BROOKLYN PARK'S NORTHWIND PLAZA.

Overview:

At its July 19, 2021, meeting, the Economic Development Authority (EDA) entered into a \$7.3 million purchase agreement with Hargis Northwinds LLC for the purchase of the properties located at 7944-7996 Brooklyn Boulevard N, called Northwind Plaza. Since its acquisition, Wellington Management has effectively managed the property including the collection of rents, marketing of the space, budgeting for the property, and securing contracts for common area maintenance. This action is to approve entering into a new contract with Wellington Property Management to continue to serve as the property manager for Northwind.

Primary Issues/Alternatives to Consider:

- **Who is Wellington and what services do they provide?**

Wellington has been managing Northwinds Plaza for almost 32 years and is a reputable property management company and development group. When staff originally toured the property to get introduced to tenants, several of the existing businesses mentioned they had good working relationships with Wellington and the current property management for the site. Since Northwind acquisition, Wellington Management staff has worked well with EDA staff to provide guidance towards the EDA's vision during the initial years of ownership. Wellington also has experience working with public entities and non-profits to manage properties with incubator space including assisting with the management for Mercado Central in Minneapolis

Wellington would continue to serve as the property manager for Northwind Plaza. This includes collection of rents, contracting for common area maintenance, marketing and generating leads for new tenants, and working with tenants on lease and grounds questions and concerns. Wellington's management of the property has and continues to allow the EDA time to determine the most efficient internal property management policies and needs for the entire strip center and the Small Business Center specifically.

- **What changes are being proposed with this contract?**

During the life of this contract and partnership, Wellington Management has been flexible and supportive to the expanding needs of the City of Brooklyn Park in efforts effectively run both the Northwind Plaza and Small Business Center. Due to this, a number of internal policies and procedural updates regarding its operation have required various amendments. This new contract will serve as a clear agreement moving forward with

minor updates to the original agreement on Wellingtons interaction and involvement with the Brooklyn Park Small Business Center addressing the previous amendments and including a “Renewal Term” to align with other Brooklyn Park Management Contracts.

- Automatically renew for successive one (1) year periods (each, a “Renewal Term,” and together with the Current Term, the “Term”) unless either party provides written notice of non-renewal to the other party at least sixty (60) days in advance of the expiration of the Current Term or then-current Renewal Term, as applicable.
- **How is Wellington paid?**

Wellington receives a monthly management fee of 5% of revenue collected equaling \$48,544 per year for 2023, and \$44,655 in 2024. The actual management fee is based on monthly revenue collected through rents. After review from IAG, the Small Business Center’s tenant representative, it was initially determined 5% for a third-party management contract like the one Wellington currently has on the property is reasonable given the services they provide on the property and to the tenants and the relatively short duration of the agreement.

- **How will the EDA consider any new leases on the property?**

New leases and lease renewals will be discussed as tenants move in and out of the Northwind Plaza or as existing lease terms end. EDA staff works with the property management company to evaluate leases and tenants to determine if leases should be renewed or if a new lease should be signed. Lease consideration will include the tenants’ payment and credit history and type of use. Several of the tenants that currently call Northwind Plaza home have been located on site for several years. The EDA will continue to maintain as many tenants as possible in the space into the future. Most lease renewals and any potential new leases will be handled administratively by EDA staff.

Next Steps:

The action tonight will allow the EDA Executive Director to enter into an agreement with Wellington Management for the property Management of Northwind Plaza.

Budget/Fiscal Issues:

Wellington is paid from a portion of the rents generated on the property. This project will continue to run from its own fund. This contract will not impact on the EDA’s general fund budget.

Recommendation:

The Executive Director of the Economic Development Authority recommends approval.

Attachments:

4.2A RESOLUTION

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

RESOLUTION #2025 - _____

RESOLUTION APPROVING THE EXECUTIVE DIRECTOR TO ENTER INTO AN
AGREEMENT WITH WELLINGTON MANAGEMENT TO CONTINUE THE MANAGING AND
LEASING SERVICES PROVIDED TO BROOKLYN PARK'S NORTHWIND PLAZA

WHEREAS, in July 2021, the Economic Development Authority (the "EDA") approved the purchase agreement between Hargis Northwind LLC and the EDA to purchase property located at 7944-7996 Brooklyn Blvd N (the "Property");

WHEREAS, the purchase includes an existing commercial mall and vacant CVS for the purpose of developing a Small Business Center to provide affordable space and services to businesses and entrepreneurs in Brooklyn Park;

WHEREAS, the property has 10 existing tenants currently doing business at the Property;

WHEREAS, Wellington Management is currently under contract with the EDA to provide property management services including but not limited to: rent collection, leasing, vendor procurement, and general maintenance on site at the Property;

WHEREAS, the EDA would like to enter into a twelve (12) month agreement with Wellington to continue property management at the Property;

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

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

Resolution to be executed may be executed without further act or authorization of the Board by any duly designated acting official, or by such other officer or officers of the Board as, in the opinion of legal counsel to the EDA, may act in their behalf; and

3. The EDA hereby authorizes the Executive Director to execute, on behalf of the EDA, leases or lease renewals with new or existing tenants at the Property during the term of the management agreement approved by this resolution.

City of Brooklyn Park Request for EDA Action

Agenda Item:	4.3	Meeting Date:	April 21, 2025
Agenda Section:	Consent	Prepared By:	Jolene Rotich, Interim Workforce Development Director
Resolution:	X	Presented By:	Tim Gladhill, Community Development Director
Attachments:	1		
Item:	Consider Authorizing the Submittal of the Youth Support Service Application		

Executive Director's Proposed Action:

MOTION _____, SECOND _____, TO WAIVE THE READING AND ADOPT RESOLUTION #2025-_____, AUTHORIZING THE SUBMITTAL OF A YOUTH SUPPPORT SERVICE APPLICATION.

Overview:

The Minnesota Department of Employment and Economic Development is accepting applications for its Youth Support Services Grant, which provides funding to support youth facing barriers to employment. The grant helps communities offer services such as transportation, housing stability, and other wraparound supports that increase youth participation and success in workforce programs.

This resolution seeks EDA approval to submit a grant application by the May 2 deadline to continue supporting youth engaged in BrookLynk programming and reduce local funding reliance.

Background:

Since 2019, the City's EDA has successfully secured funding through the Youth Support Services Grant. These funds have allowed the City to offer critical support to youth participating in BrookLynk programming, including transportation assistance, clothing for work, rental assistance, childcare assistance, utility and phone payments and other individualized supports helping reduce barriers to employment and program participation. These flexible funds play a key role in addressing the diverse and evolving needs of program participants.

Budgetary/Fiscal Issues:

If awarded, the grant would provide financial resources to support youth employment programming, lessening the need for local funding. Grant funds would be allocated to program operations, staffing, and direct support for youth participants. There is no anticipated fiscal impact beyond staff time required for grant preparation and administration.

Recommendation:

Staff recommends that the EDA approve the submission of the Youth Support Services Grant application prior to the May 2 deadline. Approval of this resolution will authorize staff to proceed with the application process and pursue continued funding for youth employment and support services.

Attachments:

4.3A RESOLUTION

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

RESOLUTION #2025-_____

A RESOLUTION AUTHORIZING THE SUBMITTAL OF A YOUTH SUPPORT SERVICE
GRANT APPLICATION

WHEREAS, the State of Minnesota's Department of Employment and Economic Development is offering funding through the Youth Support Services Grant to assist communities in providing support services to youth facing barriers to employment; and

WHEREAS, the City's Economic Development Authority (EDA) has previously received this grant funding to support youth enrolled in BrookLynk programming; and

WHEREAS, the grant has allowed the EDA to provide essential support services including, but not limited to, transportation assistance, clothing for work, rental assistance, childcare assistance, utility and phone payments, and other individualized wraparound supports that reduce barriers to employment and help youth stay engaged in workforce programs; and

WHEREAS, continued funding would reduce reliance on local funds and allow the City to maintain and expand its youth support and employment services; 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 for the Youth Support Service 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

Agenda Item:	5.1	Meeting Date:	April 21, 2025
Agenda Section:	Public Hearings	Prepared By:	Dylan Armstead, Senior Project Manager
Resolution:	X	Presented By:	Dylan Armstead, Senior Project Manager
Attachments:	3		
Item:	Consider Approving the Transfer of EDA Owned Land Located at PID 1611921220094 to the City of Brooklyn Park for Consideration of a Subsequent Sale to Adam Schiesl for \$2,000.00		

Executive Director's Proposed Action:

MOTION _____, SECOND _____, TO WAIVE THE READING AND ADOPT RESOLUTION # _____, APPROVING THE TRANSFER OF EDA OWNED LAND LOCATED AT PID 1611921220094 TO THE CITY OF BROOKLYN PARK FOR THE POTENTIAL SUBSEQUENT SALE TO ADAM SCHIESL FOR \$2,000.00.

Overview:

The purpose of this item is to hold the public hearing required by Minnesota Statutes for the sale of Economic Development Authority owned land. At this hearing, the Economic Development Authority (EDA) may consider approving the transfer of certain EDA owned property consisting of an irregularly shaped 0.05-acre parcel legally described as Outlot A, BROOKLYN PARK EDA DIVISION 3 ZANE (PID 1611921220094) to the City of Brooklyn Park for subsequent sale to Adam Schiesl, the adjacent property owner.

Background:

At the March 17, 2025, EDA meeting, the Board of Commissioners approved scheduling this public hearing to consider the sale of the EDA Property. The EDA Property is located adjacent to certain property owned by Adam Schiesl.

Mr. Schiesl has been maintaining the EDA Property and recently discovered it was owned by the EDA rather than being part of his property. He has submitted a petition to purchase the land for \$2,000, which is consistent with the appraised value determined by a professional appraisal that was submitted with his petition.

The EDA Property has a complex ownership history that dates back to 1991 when the City acquired easements over multiple adjacent properties through eminent domain. Those acquired properties were later conveyed to the City in fee in 1998. In 2001, the City transferred those same properties to the EDA, which then platted the properties that same year, creating Outlot A. While public records do not specifically document the purpose of the outlot, it appears the EDA Property may have been intended as an access point to the cul-de-sac of 92nd Avenue North, which it abuts. The nearby properties to the north of the EDA Property (9235 and 9295 Zane Avenue) – which are not owned by the EDA – were subsequently developed and platted in 2005 as part of the Hog's Creek development. As part of that 2005 development, a declaration of access was recorded in the county property records, but that declaration does not require any access through or by the EDA Property, suggesting that whatever access purpose the EDA Property may have originally served was no longer necessary after the completion of the Hog's Creek development.

Primary Issues/Alternatives to Consider:

1. What is the purpose of the public hearing?

Minnesota Statute 469.105 requires that, before any sale of property owned by an Economic Development Authority, the Authority must hold a public hearing on the proposed sale. The public hearing provides an opportunity for community members to comment on the proposed transaction.

2. Why would the EDA Property first be transferred to the City rather than sold directly to the petitioner?

Based on consultation with legal counsel, EDA statutes restrict the sale of EDA-owned property to transactions that include certain development or capital improvement requirements to be completed within one year of conveyance. Since the petitioner's intended use for the irregularly shaped EDA Property would not meet these statutory requirements for capital improvements (such as constructing a building, or other development purpose), the EDA cannot sell the property directly to Mr. Schiesl per Minnesota Statutes.

Therefore, legal counsel has recommended that if the EDA desires to transfer the EDA Property to Mr. Schiesl, the EDA first transfer the EDA Property to the City of Brooklyn Park, for the City to execute the sale to Mr. Schiesl. This two-step process ensures compliance with statutory requirements while still achieving the desired outcome.

3. What are the considerations for selling the EDA Property?

The property is an irregularly shaped 0.05-acre parcel that has limited development potential on its own. The adjacent homeowner has been maintaining the EDA Property and has expressed interest in purchasing it for its appraised value. The sale would:

- Return the property to the tax rolls
- Reduce City maintenance responsibilities
- Recognize the current use of the property
- Provide fair market compensation to the EDA
- Comply with all applicable statutory requirements

4. What protections are needed for public infrastructure?

There are water and sewer lines running through or near the EDA Property that require continued public access for maintenance. Staff recommend that any sale includes a utility easement, covering the entirety of the property due to its size, to ensure ongoing access to this infrastructure. Legal counsel has identified options for ensuring these rights:

- a. The EDA could file a declaration of easement and convey the easement to the City (including anti-merger language for when the City takes title from the EDA)
- b. The City could file a declaration of easement once ownership is obtained, then transfer it to the potential buyer in a transaction.
- c. The City/EDA could prepare the easement on behalf of the buyer, from the property owner to the City, and record the easement after the EDA Property is conveyed to the buyer.

The need for this easement has also been reviewed and recommended by the Engineering and Operations & Maintenance departments.

Budgetary/Fiscal Considerations:

The proposed sale price of \$2,000 is based on an independent appraisal procured by the petitioner and reflects the fair market value of the property. The EDA Property currently generates no revenue for the EDA, and its sale would place it on the tax rolls, generating a small amount of property tax revenue for the city in the future. Additionally, transferring ownership would eliminate any ongoing maintenance responsibilities for the EDA, though these costs have been minimal due to the property's size.

The transaction will incur nominal costs for recording the deed (\$46), recording the City right-of-way easement (\$46), and state deed taxes (approximately \$1.70). The EDA will incur legal fees for drafting a purchase agreement between the City and the buyer, a resolution authorizing the conveyance of the property to the City, the City resolution accepting the property, and City ordinance approving the conveyance of the property to the buyer.

Next Steps:

If approved, the following process will take place:

- a. The EDA will transfer the property to the City via quit claim deed (recommended by legal counsel as the most appropriate method).
- b. The City Council will review and approve the purchase agreement with Mr. Schiesl at an upcoming City Council meeting.
- c. City staff will work with legal counsel to:
 - Prepare the necessary legal documents, including the quit claim deed from the EDA to the City, the deed from the City to Mr. Schiesl, and the right-of-way easement.
 - Aid in processing the recording of all documents with Hennepin County, ensuring proper sequencing of recordings.
- d. Legal counsel will assist with recording the documents to ensure the right-of-way easement is properly recorded against the EDA Property.

Recommendation:

Staff recommends approval of the resolution authorizing the transfer of the EDA-owned property located at PID 1611921220094 to the City of Brooklyn Park for subsequent sale to Adam Schiesl for \$2,000.00, subject to the recording of an appropriate easements on the EDA Property to protect public infrastructure.

Attachments:

- 5.1A RESOLUTION
- 5.1B APPRAISAL
- 5.1C SITE LOCATION MAP

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

RESOLUTION #2025-_____

AUTHORIZING THE CONVEYANCE OF BROOKLYN PARK
ECONOMIC DEVELOPMENT AUTHORITY-OWNED LAND TO
THE CITY OF BROOKLYN PARK

WHEREAS, the Brooklyn Park Economic Development Authority (the "Authority") is the fee owner of real property legally described as:

BROOKLYN PARK EDA DIV 3 ZANE, OUTLOT A

PID: 1611921220094

(the "EDA Property"); and

WHEREAS, the EDA property was acquired in 2001 for the purpose of providing access to a development that did not come to fruition and would not be possible to develop today given subsequent development surrounding the EDA Property; and

WHEREAS, Adam Schiesl owns property adjacent to the EDA Property and has petitioned the EDA to purchase the EDA Property for \$2,000; and

WHEREAS, the Authority has determined that the irregularly shaped, isolated nature of the EDA Property is not conducive to further EDA-related development purposes; and

WHEREAS, the Authority desires to convey the EDA Property to the City of Brooklyn Park to facilitate the sale of the EDA Property to Mr. Schiesl.

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

1. The Authority hereby approves the conveyance of the EDA Property to the City.
2. The Authority authorizes the Executive Director to execute the deed for the conveyance of the EDA Property to the City.
3. Authority officials, staff, and consultants are hereby authorized and directed to take any and all other steps necessary or convenient in order to carry out the conveyance of the EDA to the City.

APPRAISAL OF



LOCATED AT:

48 Address Unassigned (PID # 16-119-21-22-0094)
Brooklyn Park, MN 55443

CLIENT:

Adam Schiesl
5901 92nd Avenue North
Brooklyn Park, MN, 55443

AS OF:

February 5, 2025

BY:

Kyle Engdahl

02/12/2025

Adam Schiesl
5901 92nd Avenue North
Brooklyn Park, MN, 55443

File Number: 25-5901

In accordance with your request, I have appraised the real property at:

48 Address Unassigned (PID # 16-119-21-22-0094)
Brooklyn Park, MN 55443

The purpose of this appraisal is to develop an opinion of the defined value of the subject property, as vacant. The property rights appraised are the fee simple interest in the site.

In my opinion, the defined value of the property as of February 5, 2025 is:

\$2,000
Two Thousand Dollars

The attached report contains the description, analysis and supportive data for the conclusions, final opinion of value, descriptive photographs, assignment conditions and appropriate certifications.


Kyle Engdahl

Land Appraisal Report

File No. 25-5901

PURPOSE: The purpose of this appraisal report is to provide the client with a credible opinion of the defined value of the subject property, given the intended use of the appraisal. Client Name/Intended User Adam Schiesl, E-mail travelingschiesl@gmail.com, Client Address 5901 92nd Avenue North, City Brooklyn Park, State MN, Zip 55443, Additional Intended User(s) N/A, Intended Use Opinion of market value as of February 5, 2025.

SUBJECT: Property Address 48 Address Unassigned, City Brooklyn Park, State MN, Zip 55443, Owner of Public Record Brooklyn Park Econ Dev Auth, County Hennepin, Legal Description BROOKLYN PARK EDA DIV 3 ZANE OUTLOT A, Assessor's Parcel # 16-119-21-22-0094, Tax Year 2024, R.E. Taxes \$ 0.00, Neighborhood Name -, Map Reference E1-77, Census Tract 0268.12, Property Rights Appraised [X] Fee Simple [] Leasehold [] Other (describe)

SALES HISTORY: My research [] did [X] did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal. Prior Sale/Transfer: Date Price Source(s) RMLS/County Records, Analysis of prior sale or transfer history of the subject property (and comparable sales, if applicable) No prior sales or transfers of the subject and comparables, over the prescribed time periods, were noted after researching the MLS and county records.

Offerings, options and contracts as of the effective date of the appraisal To the knowledge of the appraiser, as of the effective date of the appraisal, there were no offerings to purchase or rent the subject property.

NEIGHBORHOOD: Neighborhood Characteristics, One-Unit Housing Trends, One-Unit Housing, Present Land Use %, Neighborhood Boundaries See Attached Addendum, Neighborhood Description See Attached Addendum, Market Conditions (including support for the above conclusions) See Attached Addendum

SITE: Dimensions Irregular, Area 2070 sqft. +/-, Shape Irregular, View Residential, Specific Zoning Classification R1, Zoning Description Detached Single-Family Estate District, Zoning Compliance [] Legal [] Legal Nonconforming (Grandfathered Use) [] No Zoning [X] Illegal (describe), Highest and best use of the subject property See Attached Addendum, Utilities Public Other (describe), FEMA Special Flood Hazard Area [] Yes [X] No, FEMA Flood Zone X, FEMA Map # 27053C0201F, FEMA Map Date 11-04-2016, Site Comments The subject is a south-facing, generally level interior lot that backs to a commercial space. The lot consists of vacant land with a tree in the middle and grass surrounding it. Due to its shape and size, the lot is considered non-buildable or excess land.

MARKET DATA ANALYSIS: Table with columns ITEM, SUBJECT, COMPARABLE NO. 1, COMPARABLE NO. 2, COMPARABLE NO. 3. Rows include Address, Proximity to subject, Sales Price, Price \$/ Sqft, Data Source, Date of Sale and Time Adjustment, Location, Site/View, View, Buildable, Topography, Water/Sewer, Sales or Financing Concessions, Net Adj. (Total), Indicated Value of Subject.

Summary of Sales Comparison Approach See Attached Addendum

RECONCILIATION: Based on the scope of work, assumptions, limiting conditions and appraiser's certification, my (our) opinion of the defined value of the real property that is the subject of this report as of February 5, 2025, which is the effective date of this appraisal, is: [X] Single point \$ 2,000 [] Range \$ to \$ [] Greater than [] Less than \$, This appraisal is made [X] "as is," [] subject to the following:

Scope of Work, Assumptions and Limiting Conditions

Scope of work is defined in the Uniform Standards of Professional Appraisal Practice as " the type and extent of research and analyses in an assignment." In short, scope of work is simply what the appraiser did and did not do during the course of the assignment. It includes, but is not limited to: the extent to which the property is identified and inspected, the type and extent of data researched, the type and extent of analyses applied to arrive at opinions or conclusions.

The scope of this appraisal and ensuing discussion in this report are specific to the needs of the client, other identified intended users and to the intended use of the report. This report was prepared for the sole and exclusive use of the client and other identified intended users for the identified intended use and its use by any other parties is prohibited. The appraiser is not responsible for unauthorized use of the report.

The appraiser's certification appearing in this appraisal report is subject to the following conditions and to such other specific conditions as are set forth by the appraiser in the report. All extraordinary assumptions and hypothetical conditions are stated in the report and might have affected the assignment results.

1. The appraiser assumes no responsibility for matters of a legal nature affecting the property appraised or title thereto, nor does the appraiser render any opinion as to the title, which is assumed to be good and marketable. The property is appraised as though under responsible ownership.
2. Any sketch in this report may show approximate dimensions and is included only to assist the reader in visualizing the property. The appraiser has made no survey of the property.
3. The appraiser is not required to give testimony or appear in court because of having made the appraisal with reference to the property in question, unless arrangements have been previously made thereto.
4. Neither all, nor any part of the content of this report, copy or other media thereof (including conclusions as to the property value, the identity of the appraiser, professional designations, or the firm with which the appraiser is connected), shall be used for any purposes by anyone but the client and other intended users as identified in this report, nor shall it be conveyed by anyone to the public through advertising, public relations, news, sales, or other media, without the written consent of the appraiser.
5. The appraiser will not disclose the contents of this appraisal report unless required by applicable law or as specified in the Uniform Standards of Professional Appraisal Practice.
6. Information, estimates, and opinions furnished to the appraiser, and contained in the report, were obtained from sources considered reliable and believed to be true and correct. However, no responsibility for accuracy of such items furnished to the appraiser is assumed by the appraiser.
7. The appraiser assumes that there are no hidden or unapparent conditions of the property, subsoil, or structures, which would render it more or less valuable. The appraiser assumes no responsibility for such conditions, or for engineering or testing, which might be required to discover such factors. This appraisal is not an environmental assessment of the property and should not be considered as such.
8. This appraisal report should not be used to disclose the condition of the property as it relates to the presence/absence of defects. The client is invited and encouraged to employ qualified experts to inspect and address areas of concern. If negative conditions are discovered, the opinion of value may be affected.
9. Appraisals involving hypothetical conditions related to completion of new construction, repairs or alteration are based on the assumption that such completion, alteration or repairs will be competently performed.

Additional Comments Related To Scope Of Work, Assumptions and Limiting Conditions

Land Appraisal Report

File No. 25-5901

Appraiser's Certification

The appraiser(s) certifies that, to the best of the appraiser's knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are the appraiser's personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. Unless otherwise stated, the appraiser has no present or prospective interest in the property that is the subject of this report and has no personal interest with respect to the parties involved.
4. The appraiser has no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. The appraiser's engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. The appraiser's compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
7. The appraiser's analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
8. Unless otherwise noted, the appraiser has made a personal inspection of the property that is the subject of this report.
9. Unless noted below, no one provided significant real property appraisal assistance to the appraiser signing this certification. Significant real property appraisal assistance provided by:

Additional Certifications:

Definition of Value: Market Value Other Value: _____

Source of Definition: The Dictionary of Real Estate Appraisal 6th Edition

Market value is defined as the most probable price that a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- 1) buyer and seller are typically motivated;
- 2) both parties are well informed or well advised and acting in what they consider their own best interests;
- 3) a reasonable time is allowed for exposure in the open market;
- 4) payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- 5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

ADDRESS OF THE PROPERTY APPRAISED:

48 Address Unassigned

Brooklyn Park, MN 55443

EFFECTIVE DATE OF THE APPRAISAL: February 5, 2025

APPRAISED VALUE OF THE SUBJECT PROPERTY \$ 2,000

APPRAISER

Signature: *Kyle Engdahl*

Name: Kyle Engdahl

Company Name: Mill City Appraisals

Company Address: 5933 Abbott Avenue South

Edina, MN 55410

Telephone Number: 612-404-7852

Email Address: kyle@millcityappraisals.com

State Certification # 40521216

or License # _____

or Other (describe): _____ State #: _____

State: 40521216

Expiration Date of Certification or License: 08/31/2026

Date of Signature and Report: 02/12/2025

Date of Property Viewing: 02/05/2025

Degree of property viewing:

Did personally view Did not personally view

SUPERVISORY APPRAISER

Signature: _____

Name: _____

Company Name: _____

Company Address: _____

Telephone Number: _____

Email Address: _____

State Certification # _____

or License # _____

State: _____

Expiration Date of Certification or License: _____

Date of Signature: _____

Date of Property Viewing: _____

Degree of property viewing:

Did personally view Did not personally view

Client: Adam Schiesl

File No.: 25-5901

Property Address: 48 Address Unassigned

Case No.:

City: Brooklyn Park

State: MN

Zip: 55443

Neighborhood Boundaries

The subject's "Neighborhood" is bordered to the north by Minnesota State Highway 610, to the west by West Broadway Avenue, to the south by Brooklyn Boulevard, and to the east by Noble Avenue North.

Neighborhood boundaries are generally defined by major roadways, city limits, or natural boundaries.

Neighborhood Description

The subject is located in the City of Brooklyn Park. The subject's previously defined "neighborhood" consists largely of single family homes which vary in style, size, age quality, and price range. Government support facilities are located within a short distance. Recreational facilities include area lakes, parks, and golf courses with Edinburgh Golf Course, just east. The Minneapolis central business district is located appx. fourteen miles south and can be accessed via Minnesota State Highway 610, just north.

Note: "Other" Land Use % consists of but is not limited to a variety of land uses including vacant land, park/green space, religious buildings, health care facilities, and governmental facilities.

Neighborhood Market Conditions

According to InfoSparks, an interactive market analysis tool presented by the Minneapolis Area Association of Realtors, single family homes in the subject's area are selling within a one month marketing period. The sales to asking price ratio in the subject's neighborhood is appx. 100%. Property values of single family homes in the subject's previously defined neighborhood have been stable (+1.0%) over the previous twelve months. (See Attached)

Based on data from the MLS and county records, in the twelve months preceding the effective date of this appraisal, the area surrounding the subject property (within six miles) has shown vacant lot sales prices ranging from \$50,000 to \$380,000.

Highest and Best Use

The subject property is a small parcel of land zoned R1 (Detached Single-Family Estate District). The zoning designation is intended for detached single-family residential dwellings; however, due to the parcel's limited size and irregular shape, it does not meet the minimum requirements for a buildable lot under current zoning regulations.

To determine the highest and best use of the subject property, the following four criteria were analyzed:

Legally Permissible: The subject property is zoned for single-family residential use. However, due to its size and shape, it does not meet zoning requirements for a buildable lot.

Physically Possible: The site's small size and irregular configuration severely limit any potential development. It lacks the necessary dimensions for residential construction.

Financially Feasible: It is not financially feasible to construct a home on such a small piece of land.

Maximally Productive: The most practical and beneficial use of the subject property is assemblage with an adjacent property to enhance its utility or value. This could include use as additional yard space, landscaping, or for other ancillary purposes that benefit an adjoining owner.

Conclusion:

The highest and best use of the subject property, as vacant, is assemblage with an adjacent property for complementary use. The site does not have independent development potential due to its size, shape, and zoning constraints.

Comments on Sales Comparison

The comparables were chosen based on their overall similarities to the subject in style, size, location, quality, features, etc., and were adjusted for variations. Comparables #1 and #2 were given the most weight due to their similarities to the subject, specifically their proximity and the timeliness of their sale. Comparable #3 is included as an unbuildable lot comparable to the subject and is given very little weight due to the differences in location. Comparable #4 is an active/pending listing and cannot be given any weight.

Comparable #3 sold more than six months prior to the effective date of this appraisal. However, based on its overall similarities to the subject, this sale is considered a better indicator of value for the subject than some more recent sales.

The "Location" adjustment towards the top of the grid reflects any adverse or beneficial aspects affecting a comparable or the subject property. Comparables #1 and #3 are located adjacent to a park. Comparable #2 fronts a busy street. Comparable #4 does not have any locational impacts. All four comparables have been adjusted accordingly.

The adjustment for "Site" takes into consideration factors such as lot size, terrain, tree coverage, and landscaping. All four comparables have larger lot sizes than the subject and have been adjusted at \$1.20 per square foot.

The adjustment for "Buildable" considers the ability of the subject and comparables to support the construction of a single-family home. Comparables #1, #2, and #4 are all buildable lots based on their size, zoning, etc. The subject and Comparable #3 are not buildable lots. Due to the lack of utility associated with non-buildable lots like the subject, a significant adjustment (80%) has been applied to comparables that have the ability to support home construction.

In analyzing the market for non-buildable lots in the Twin Cities Metro, it was found that there are very few comparable sales available. A thorough search extending back six years yielded no directly comparable non-buildable lot sales within the subject's general area, indicating a lack of recent market activity for this specific property type. Due to this absence of

Client: Adam Schiesl

File No.: 25-5901

Property Address: 48 Address Unassigned

Case No.:

City: Brooklyn Park

State: MN

Zip: 55443

directly comparable sales, it was necessary to include sales of buildable lots while making appropriate adjustments to reflect the subject property's non-buildable status.

Additional Comments:

Neither of the following two statements apply to Kyle Engdahl regarding the subject property...

- any current or prospective interest in the subject property or parties involved; and
- any services regarding the subject property performed by the appraiser within the three year period immediately preceding acceptance of the assignment, as an appraiser or in any other capacity.

A reasonable exposure time for the subject property is 60 to 90 days.

Google Maps photos were used in place of the original photos taken when driving past comparables.

Subject Property Identification:

The appraiser has viewed all readily accessible areas of the subject. This complete visual inspection is not intended to be the same depth or for the same purpose as a home inspection. The appraiser has viewed the property solely for valuation purposes and to observe property characteristics that a typical purchaser would consider in their decision making process, as well as those items outlined in the assumptions and limited conditions and certification to this appraisal. The appraisal does not guarantee that the property is free of defects or environmental problems.

Sources of Information:

The appraisal is based on the information gathered from public records; viewing of the subject property, neighborhood and comparable properties; and other sources specifically identified in this report. When conflicting information has been discovered, the sources deemed most reliable have been used.

Certification of Geographic Competency:

The undersigned appraiser certifies to Geographic Competency for the completion of this report. As required for compliance

with USPAP, I have the experience, knowledge and expertise to appropriately complete this assignment.

Explanation of Adjustments:

All of the adjustments to the comparables were extracted from the market to the best of the appraiser's ability. They represent the market's reaction to the differences between the subject and the comparables. These methods are utilized to the degree that available data allows, in some cases, the data is too limited to be conclusively definitive and the adjustments can be as "qualitative" (reflecting generally positive or negative market influences) as they are "quantitative" (irrefutably derived from raw data and information). All of the adjustments are deemed self-explanatory unless otherwise noted in the "Summary of Sales Comparison Approach" section. Multiple adjustments are often unavoidable due to the multiple features that shape the value of the subject and the lack of any properties with the "exact" features of the subject. As a result, some line, net and gross adjustments may exceed the 10%, 15% and 25% guidelines respectively.

SUBJECT PROPERTY PHOTO ADDENDUM

Client: Adam Schiesl	File No.: 25-5901	5.1B Page 13
Property Address: 48 Address Unassigned	Case No.:	
City: Brooklyn Park	State: MN	Zip: 55443



**FRONT VIEW OF
SUBJECT PROPERTY**

Appraised Date: February 5, 2025
Appraised Value: \$ 2,000



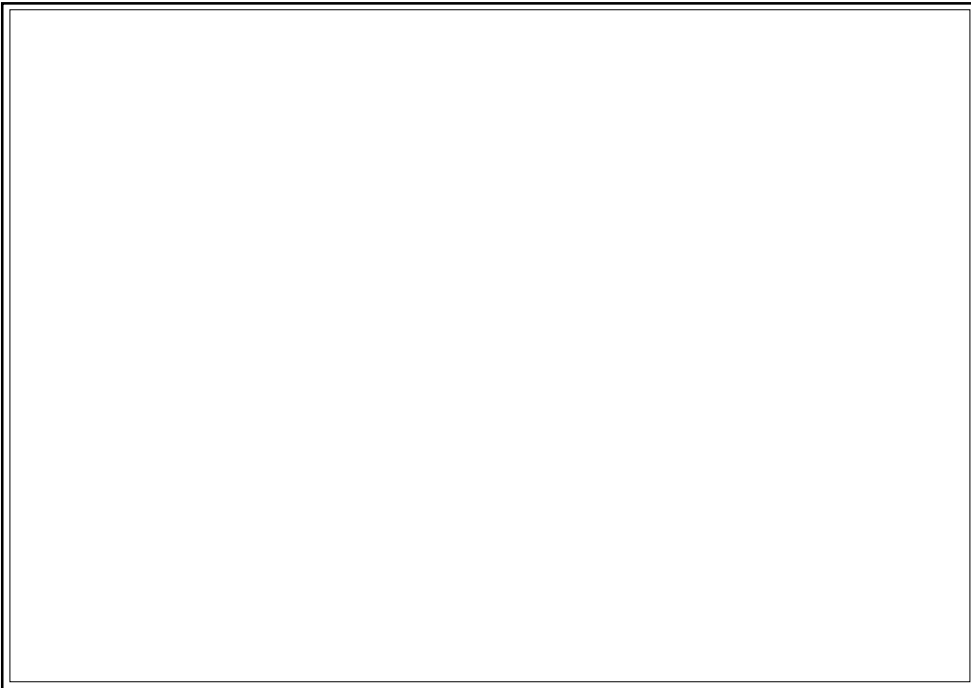
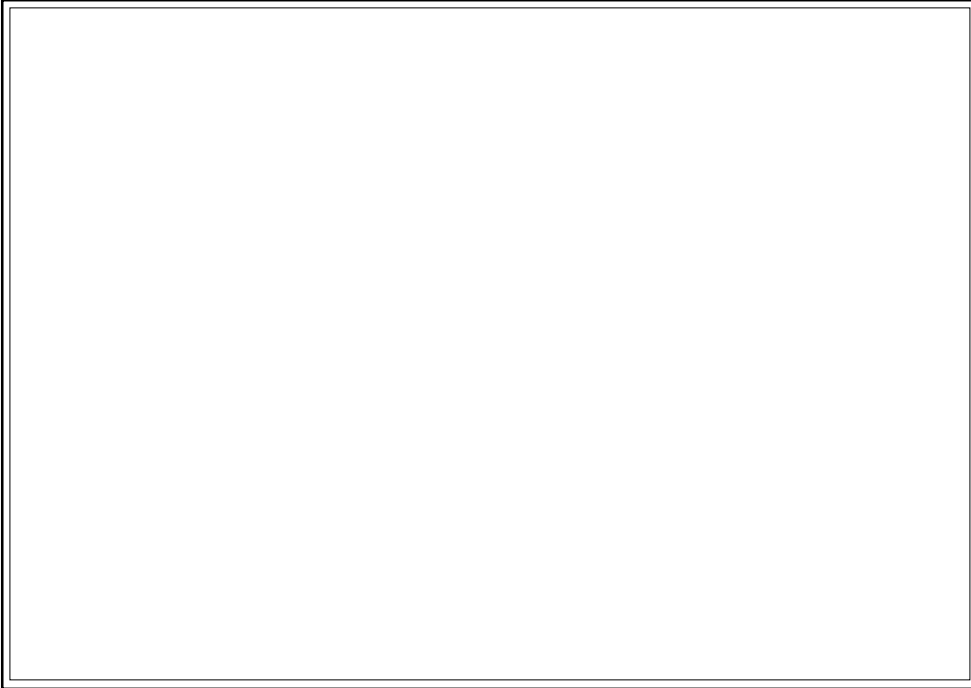
**REAR VIEW OF
SUBJECT PROPERTY**



STREET SCENE



ADDITIONAL PHOTO



COMPARABLE PROPERTY PHOTO ADDENDUM

Client: Adam Schiesl	File No.: 25-5901	5.1B Page 15
Property Address: 48 Address Unassigned	Case No.:	
City: Brooklyn Park	State: MN	Zip: 55443



COMPARABLE SALE #1

6931 Perry Avenue North
Brooklyn Center, MN 55429
Sale Date: Clsd. 05/17/2024
Sale Price: \$ 126,500



COMPARABLE SALE #2

1411 Winnetka Avenue North
Champlin, MN 55316
Sale Date: Clsd. 12/23/2024
Sale Price: \$ 159,800



COMPARABLE SALE #3

TBD 166th Street NW
Big Lake, MN 55309
Sale Date: Clsd. 06/15/23
Sale Price: \$ 11,000

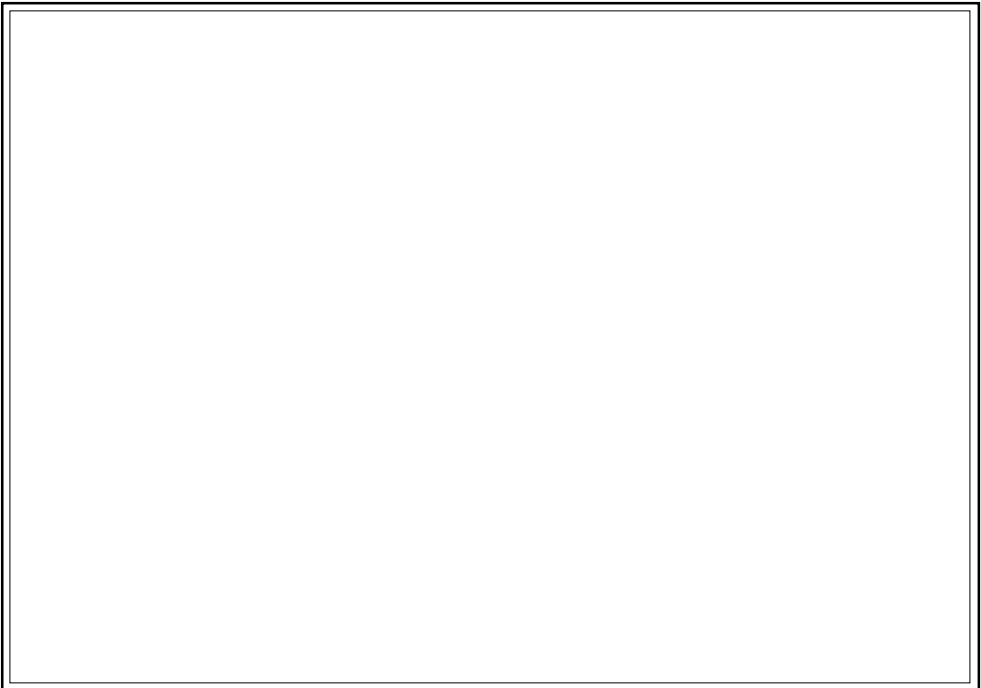
COMPARABLE PROPERTY PHOTO ADDENDUM

Client: Adam Schiesl	File No.: 25-5901	5.1B Page 16
Property Address: 48 Address Unassigned	Case No.:	
City: Brooklyn Park	State: MN	Zip: 55443



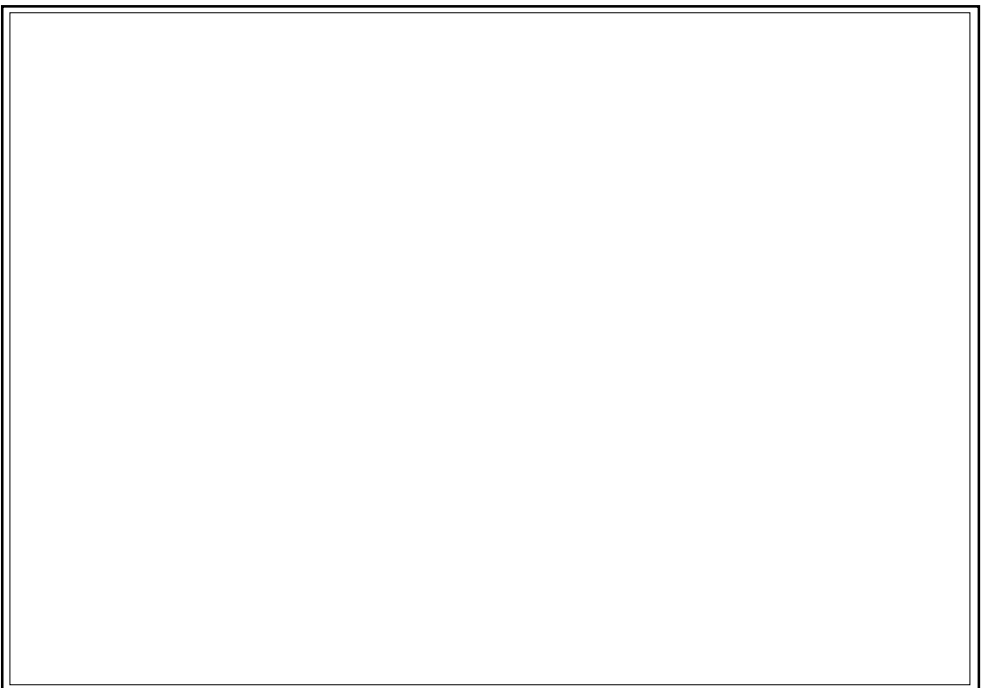
COMPARABLE SALE #4

XXXX Green Hjaven Drive N
Brooklyn Park, MN 55445
Sale Date: Active-Pending
Sale Price: \$ 90,000



COMPARABLE SALE #5

Sale Date:
Sale Price: \$



COMPARABLE SALE #6

Sale Date:
Sale Price: \$

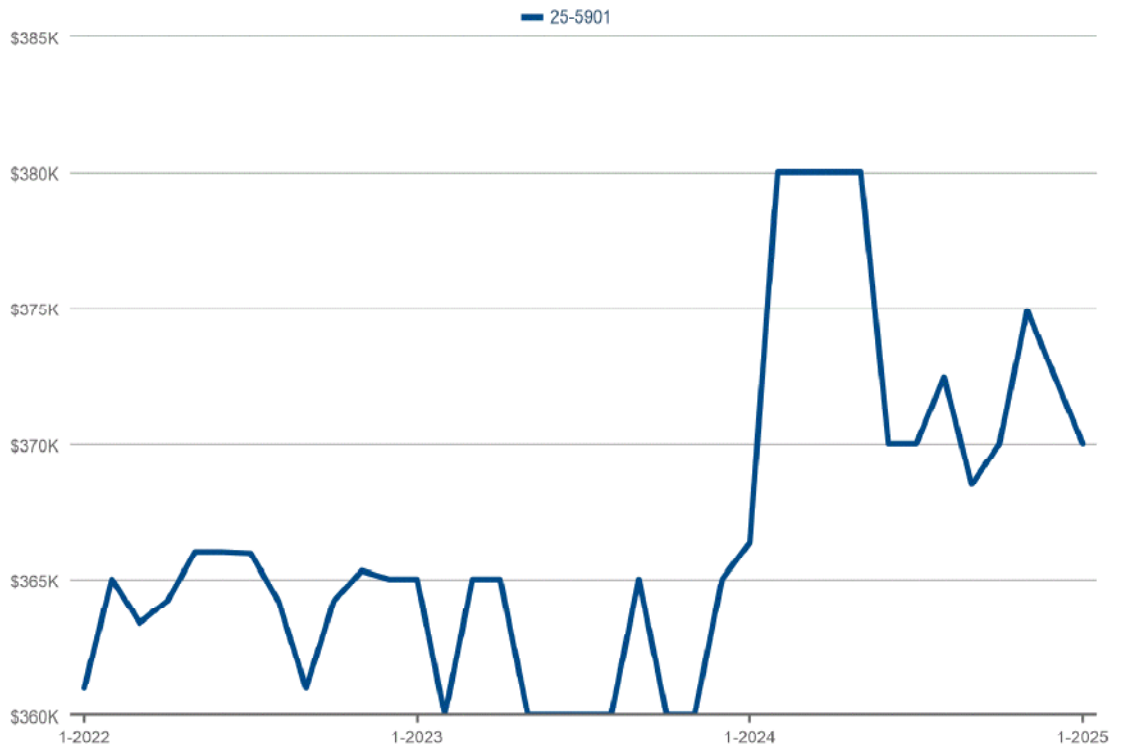
Client: Adam Schiesl	File No.: 25-5901
Property Address: 48 Address Unassigned	Case No.:
City: Brooklyn Park	State: MN Zip: 55443

Kyle Engdahl
Mill City Appraisals

Office: 612-404-7852
kyle@millcityappraisals.com



Median Sales Price



25 5901*: Single Family
Each data point is 12 months of activity. Data is from February 10, 2025.
* User-defined area. All data from NorthstarMLS. Data deemed reliable but not guaranteed. InfoSparks © 2025 ShowingTime Plus, LLC.

Client: Adam Schiesl
Property Address: 48 Address Unassigned
City: Brooklyn Park

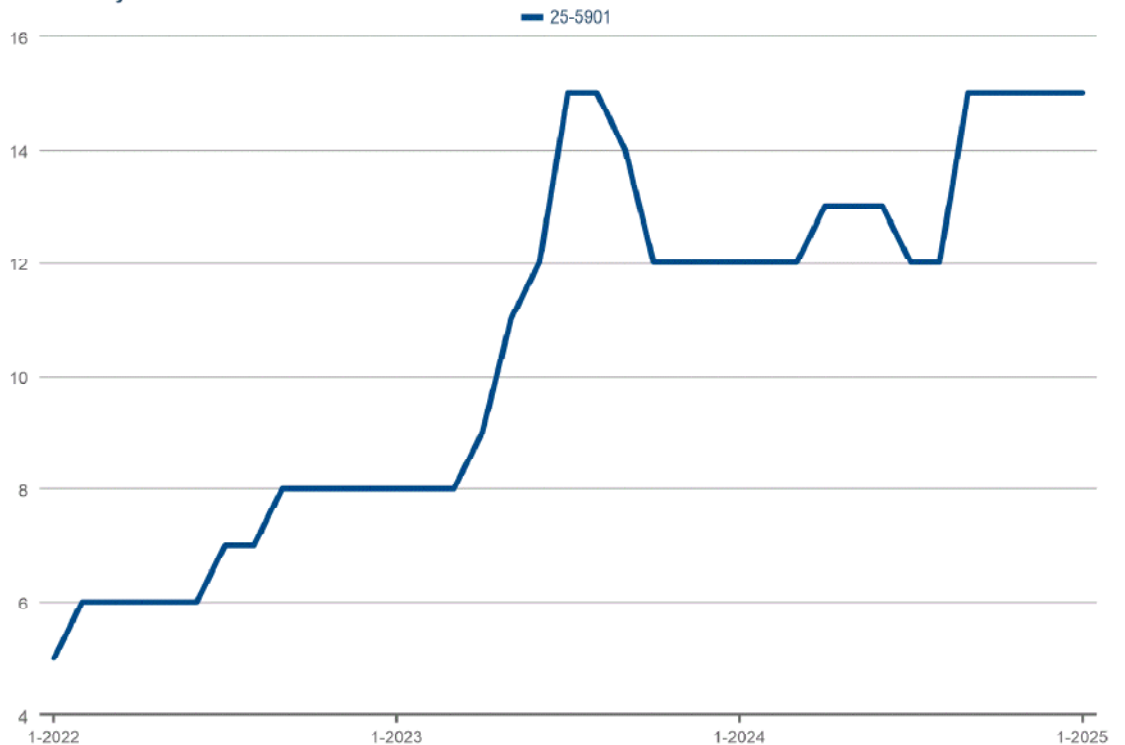
File No.: 25-5901
Case No.:
State: MN Zip: 55443

Kyle Engdahl
Mill City Appraisals

Office: 612-404-7852
kyle@millcityappraisals.com



Median Days on Market



25 5901*: Single Family
Each data point is 12 months of activity. Data is from February 10, 2025.
* User-defined area. All data from NorthstarMLS. Data deemed reliable but not guaranteed. InfoSparks © 2025 ShowingTime Plus, LLC.

Client: Adam Schiesl	File No.: 25-5901
Property Address: 48 Address Unassigned	Case No.:
City: Brooklyn Park	State: MN Zip: 55443

Kyle Engdahl
Mill City Appraisals

Office: 612-404-7852
kyle@millcityappraisals.com



Median Percent of Original Price



Each data point is 12 months of activity. Data is from February 10, 2025.
25 5901*: Single Family
* User-defined area. All data from NorthstarMLS. Data deemed reliable but not guaranteed. InfoSparks © 2025 ShowingTime Plus, LLC.

Client: Adam Schiesl

File No.: 25-5901

Property Address: 48 Address Unassigned

Case No.:

City: Brooklyn Park

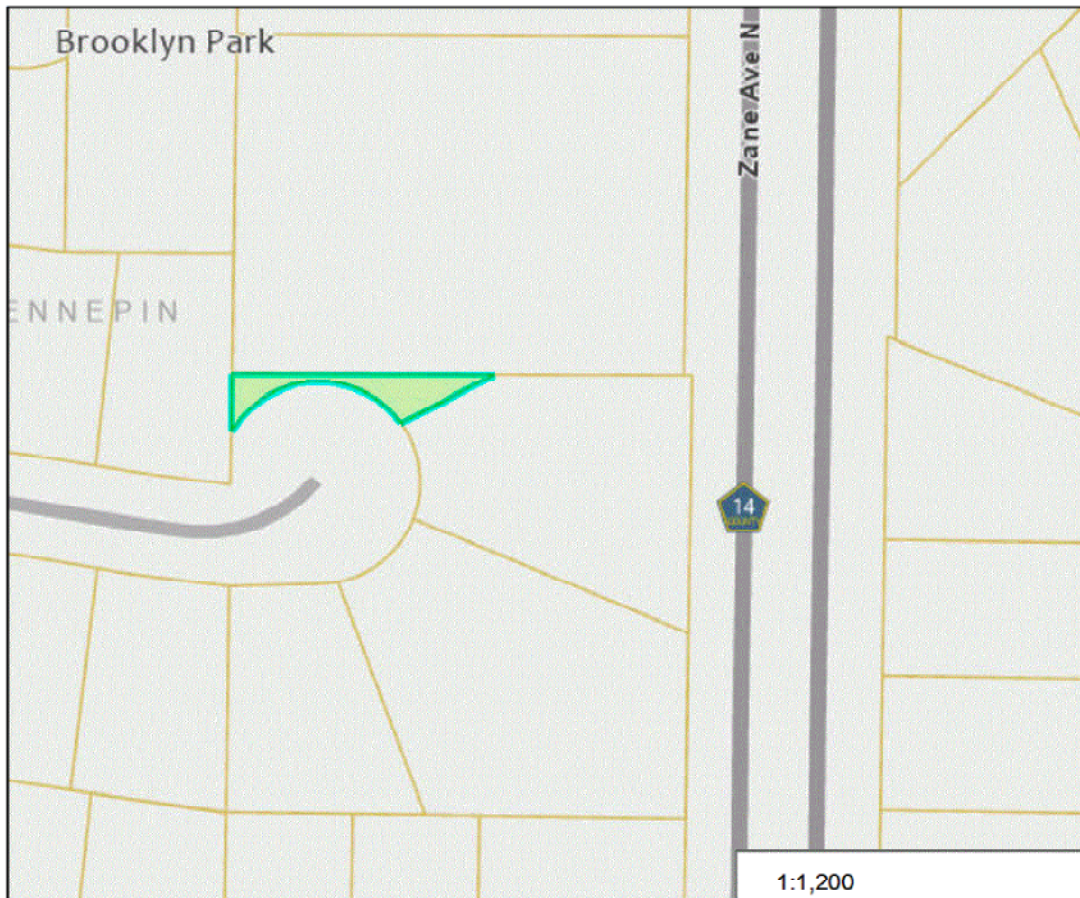
State: MN

Zip: 55443



Hennepin County Property Map

Date: 2/10/2025



PARCEL ID: 1611921220094

OWNER NAME: Brooklyn Park Econ Dev Auth

PARCEL ADDRESS: 48 Address Unassigned,
Brooklyn Park MN 00000

PARCEL AREA: 0.05 acres, 2,070 sq ft

A-T-B: Abstract

SALE PRICE:

SALE DATE:

SALE CODE:

ASSESSED 2023, PAYABLE 2024

PROPERTY TYPE: Vacant Land-Residential

HOMESTEAD: Non-Homestead

MARKET VALUE: \$0

TAX TOTAL: \$0.00

ASSESSED 2024, PAYABLE 2025

PROPERTY TYPE: Vacant Land-Residential

HOMESTEAD: Non-Homestead

MARKET VALUE: \$0

Comments:

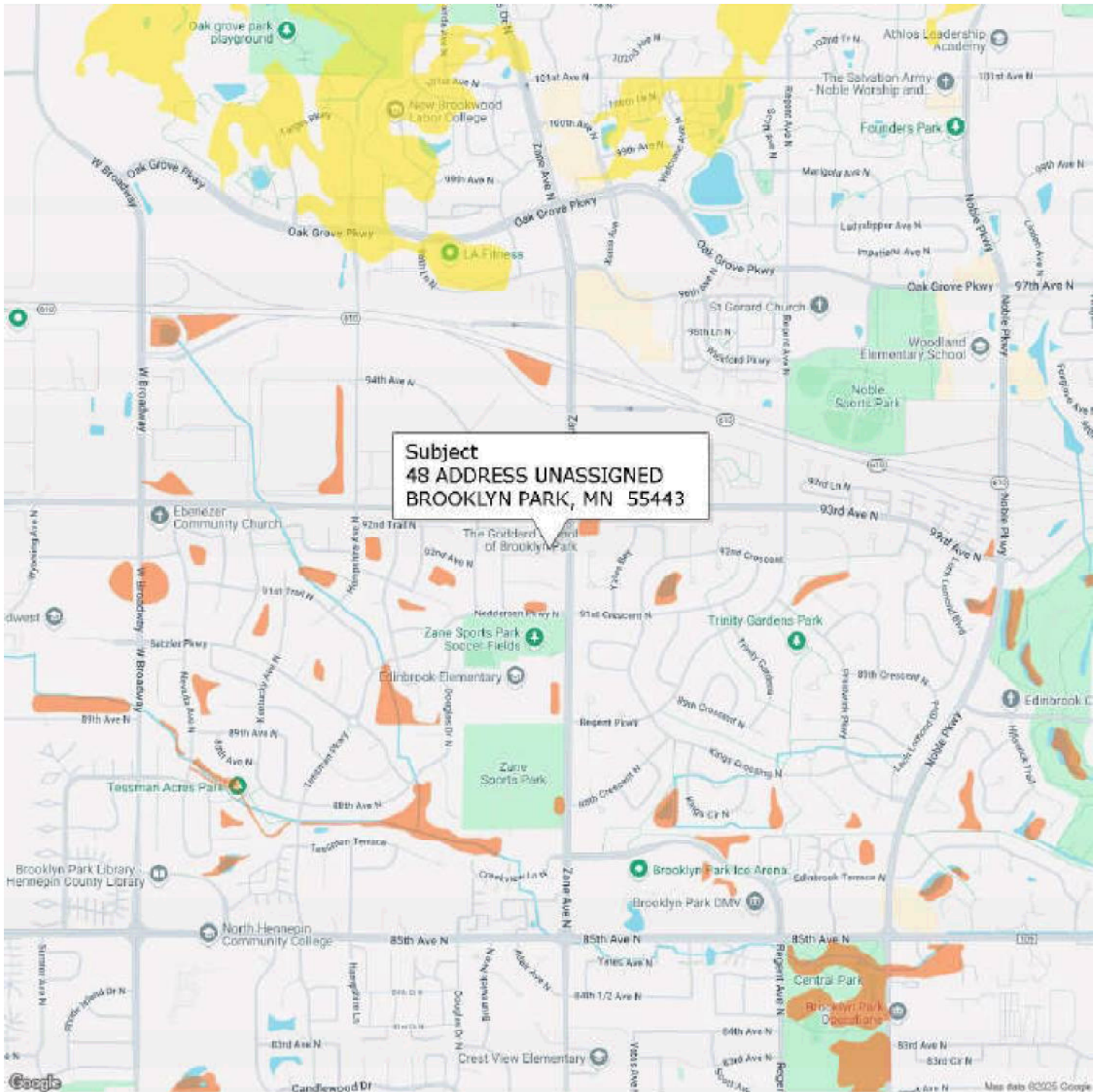
This data (i) is furnished 'AS IS' with no representation as to completeness or accuracy; (ii) is furnished with no warranty of any kind, and (iii) is not suitable for legal, engineering or surveying purposes. Hennepin County shall not be liable for any damage, injury or loss resulting from this data.

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COUNTY 2025

FLOOD MAP

Client: Adam Schies
 Property Address: 48 Address Unassigned
 City: Brooklyn Park

File No.: 25-5901
 Case No.:
 State: MN
 Zip: 55443



FLOOD INFORMATION

Community: City of Brooklyn Park
 Property is **NOT** in a FEMA Special Flood Hazard Area
 Map Number: 27053C0201F
 Panel: 27053C0201
 Zone: X
 Map Date: 11-04-2016
 FIPS: 27053
 Source: FEMA DFIRM

LEGEND

-  = FEMA Special Flood Hazard Area – High Risk
-  = Moderate and Minimal Risk Areas
- Road View:
 -  = Forest
 -  = Water

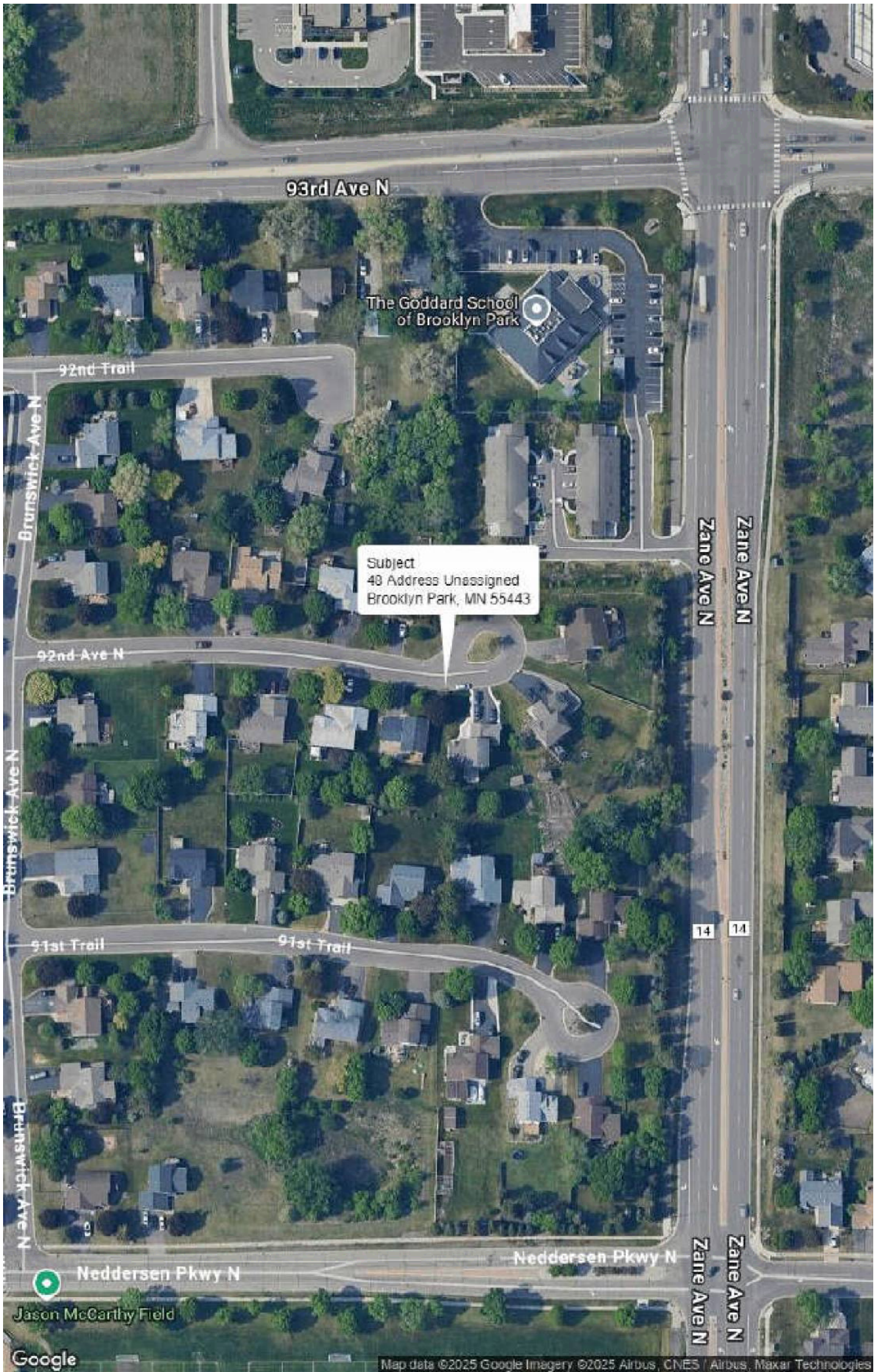
Sky Flood™

No representations or warranties to any party concerning the content, accuracy or completeness of this flood report, including any warranty of merchantability or fitness for a particular purpose is implied or provided. Visual scaling factors differ between map layers and are separate from flood zone information at marker location. No liability is accepted to any third party for any use or misuse of this flood map or its data.

AERIAL MAP

Client: Adam Schiesl
Property Address: 48 Address Unassigned
City: Brooklyn Park

File No.: 25-5901
Case No.:
State: MN
Zip: 55443



Client: Adam Schiesl

File No.: 25-5901

Property Address: 48 Address Unassigned

Case No.:

City: Brooklyn Park

State: MN

Zip: 55443

STATE OF MINNESOTA



KYLE LAWRENCE ENGDahl
5933 ABBOTT AVENUE SOUTH
EDINA, MN 55410

Department of Commerce

The Undersigned **COMMISSIONER OF COMMERCE** for the State of Minnesota hereby certifies that
Kyle Lawrence Engdahl

5933 ABBOTT AVENUE SOUTH
EDINA, MN 55410

has complied with the laws of the State of Minnesota and is hereby licensed to transact the business of
Resident Appraiser : Certified Residential

License Number: 40521216

unless this authority is suspended, revoked, or otherwise legally terminated. This license shall be in effect until August 31, 2026.

IN TESTIMONY WHEREOF, I have hereunto set my hand this July 15, 2024.

A handwritten signature in cursive script that reads "Grace Arnold".

COMMISSIONER OF COMMERCE

Minnesota Department of Commerce

Licensing Division

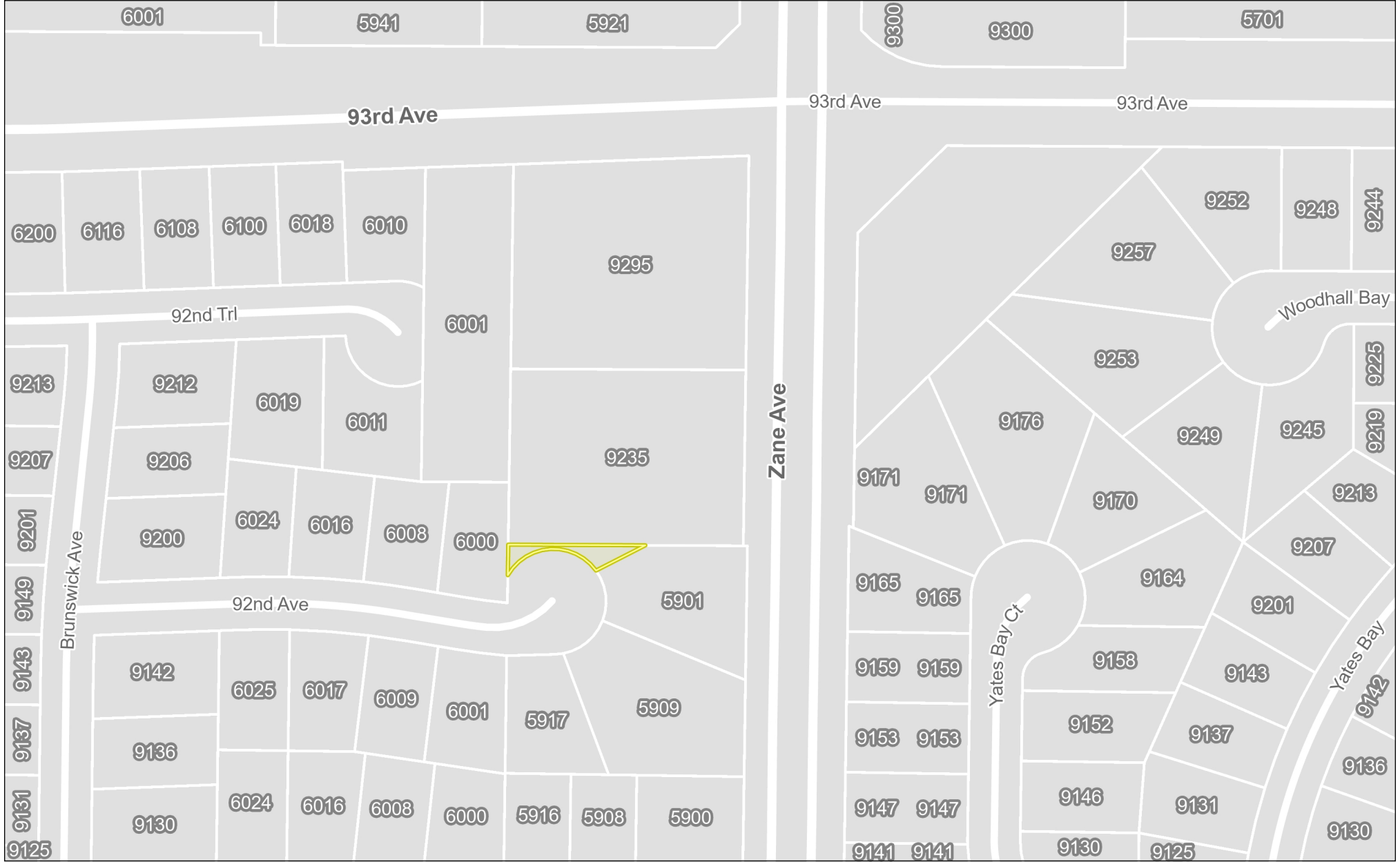
85 7th Place East, Suite 500

St. Paul, MN 55101-3165

Telephone: (651) 539-1599

Email: licensing.commerce@state.mn.usWebsite: commerce.state.mn.us**Notes:**

- **Individual Licensees Only - Continuing Education:** 15 hours is required in the first renewal period, which includes a 7 hour USPAP course. 30 hours is required for each subsequent renewal period, which includes a 7 hour USPAP course.
- **Appraisers:** You must hold a licensed Residential, Certified Residential, or Certified General qualification in order to perform appraisals for federally-related transactions. **Trainees do not qualify.** For further details, please visit our website at commerce.state.mn.us.



Map Scale = 1: 1,810

151 ft  1 in

City of Brooklyn Park Request for EDA Action

Agenda Item:	6.1	Meeting Date:	April 21, 2025
Agenda Section:	General Action Items	Prepared By:	Tim Gladhill, Executive Director
Resolution:	X	Presented By:	Tim Gladhill, Executive Director
Attachments:	1		
Item:	Review Huntington Place Apartments Loan Forgiveness Request		

Executive Director's Proposed Action

MOTION _____, SECOND _____, TO WAIVE THE READING AND ADOPT RESOLUTION #2025-_____, FORGIVING CERTAIN LOAN WITH AEON BP, LLC (HUNTINGTON PLACE APARTMENTS) CONTINGENT UPON RECEIPT OF \$4M FEDERAL CONGRESSIONALLY SPENDING GRANT, OR IF NOT SUCCESSFUL, A \$450,000 CASH SETTLEMENT AND CONFIRMATION OF CONTINUATION OF AFFORDABILITY REQUIREMENTS

Overview:

This request is returning to the EDA as the Lender declined the two (2) conditions on loan forgiveness established by the EDA. The Lender has stated that if the EDA is successful in securing the \$4M Federal Grant, it withdraws its offer for a \$450,000 cash settlement as the combined amounts would exceed the balance of the Loan.

In October, 2024 Aeon requested that the EDA forgive a \$3.5M Loan (\$3.8M with accrued interest). On March 24, 2025, the EDA approved a Resolution to forgive the Loan with the following contingencies.

1. \$450,000 settlement from sales proceeds; and
2. Securing the existing \$4M Congressionally Directed Spending Grant (Federal)

Staff had discussions with MAS Capital Group together with officials from Hennepin County and Minnesota Housing to discuss requirements to transfer existing grants as well as future funding opportunities to assist with conversion of some units to market rate and/or 2-3 bedrooms. Additional funds will be available later this year on a competitive basis, but not available in time for the current timeframe to consider loan forgiveness.

Background:

For ease of this report, a copy of the March 17, 2025 EDA Packet Materials is attached for reference and background.

Budgetary/Fiscal Issues:

This subsidy for a public purpose was structured as a non-forgivable loan. A total of \$5M was allocated. Approximately \$3.5M has been disbursed. No additional disbursements are expected. Funding came from the Fund Balance in the EDA Housing Set Aside Account.

Attachments:

6.1A Resolution (To be available Monday)

City of Brooklyn Park			
Request for EDA Action			
Agenda Item:	6.2	Meeting Date:	April 21, 2025
Agenda Section:	General Action Items	Prepared By:	Dylan Armstead, Senior Project Manager
Resolution:	X	Presented By:	Dylan Armstead, Senior Project Manager
Attachments:	3		
Item:	Consider Selecting Bader Companies and Gramercy Companies for the Oxbow Commons Sites and Kraus-Anderson for the Former Park & Ride Site and Directing Staff to Enter into Development Partnership Negotiations		

Executive Director’s Proposed Action:

MOTION _____, SECOND _____, TO WAIVE THE READING AND ADOPT RESOLUTION #2025-_____, SELECTING BADER COMPANIES AND GRAMERCY COMPANIES FOR THE OXBOW COMMONS SITES AND KRAUS-ANDERSON FOR THE FORMER PARK & RIDE SITE AND DIRECTING STAFF TO ENTER INTO DEVELOPMENT PARTNERSHIP NEGOTIATIONS.

Overview:

The purpose of this item is to consider selecting development partners for the EDA-owned sites at Oxbow Commons and the former Park & Ride at 4201 95th Avenue N following the Request for Qualifications (RFQ) process initiated in September 2024. Staff is recommending the selection of Bader Companies and Gramercy Companies for the Oxbow Commons sites and Kraus-Anderson for the former Park & Ride site to continue negotiations toward feasible development concepts.

Background:

In August 2024, the EDA approved and issued a Request for Qualifications (RFQ) for the development of the former Park & Ride site at 4201 95th Avenue N and the Oxbow Commons sites. These EDA-owned properties represent significant development opportunities for the city, with the 6.85-acre former Park & Ride site offering excellent visibility from Highway 610, and the Oxbow Commons sites totaling approximately 16.9 acres of land guided for high-density residential and mixed-use development.

The EDA purchased the former Metro Transit Park & Ride site in 2018 for \$1,255,800. The property is currently designated as Institutional in the Comprehensive Plan and zoned as Public Institution, which will need to be amended to accommodate future development.

The four parcels comprising the Oxbow Commons development were acquired by the EDA in 2014 for a total of \$1,084,900. As part of the Highway 610 Corridor Study in 2023, these properties were rezoned and re-guided in the Comprehensive Plan, with two parcels designated as High Density Residential and two parcels designated as Mixed Use.

Primary Issues/Alternatives to Consider:

1. What was the response to the RFQ?

The RFQ was open from August 26 to September 27, 2024, and resulted in four responses. Following a thorough evaluation process by staff, three proposals stood out as most aligned with the EDA's vision for the sites, although all proposals face significant challenges in the current market environment.

Rather than selecting specific projects at this time, staff is recommending the selection of development partners to continue working toward feasible concepts.

2. Why select these specific developers?

Bader Companies and Gramercy Companies demonstrated strong qualifications for the Oxbow Commons sites, including:

- Relevant experience with mixed-use and high-density residential development
- Strong financial capacity and creative approaches to development challenges
- Alignment with the EDA's vision for creating dense, walkable environments
- Commitment to quality design and community engagement

Kraus-Anderson showed exceptional qualifications for the former Park & Ride site, including:

- Successful track record with similar redevelopment projects
- Experience incorporating commercial elements with residential development
- Innovative approach to site planning that respects adjacent uses
- Demonstrated ability to navigate complex development processes

3. What are the next steps in the development process?

If the EDA approves these selections, staff will work with the developers to:

- Further refine development concepts based on market conditions
- Explore various financing structures and potential phasing options
- Identify opportunities to maximize project feasibility
- Return to the EDA with more detailed proposals when market conditions support viable projects

This approach allows the EDA to establish development partnerships while recognizing the challenges of the current market. By selecting partners rather than specific projects at this stage, the EDA maintains flexibility to respond to changing market conditions while moving forward with qualified developers.

Budgetary/Fiscal Considerations:

There are no immediate financial implications for this action. Any future development agreements will include specific financial terms and potential public assistance, which would return to the EDA for separate consideration. The development teams are aware of the EDA's financial parameters and will work within these constraints to develop feasible proposals.

Next Steps:

If approved, staff will:

- Enter into discussions with the selected development partners
- Work collaboratively to refine concepts based on market conditions and EDA goals
- Explore creative financing approaches and development strategies
- Return to the EDA with updates as negotiations progress
- Present specific development proposals and financial terms when market conditions support viable projects

The timeline for bringing forward specific development proposals will depend on market conditions and the progress of negotiations. Staff will provide updates to the EDA at each new instance of an event throughout this process.

Recommendation:

Staff recommends approving the partnerships highlighted and authorizing staff to continue negotiations.

Attachments

- 6.2A RESOLUTION
- 6.2B SITE LOCATION MAPS
- 6.2C DEVELOPER SUMMARIES

THE BROOKLYN PARK ECONOMIC DEVELOPMENT AUTHORITY
OF THE CITY OF BROOKLYN PARK
RESOLUTION #2025-_____

RESOLUTION REGARDING PROPOSALS FROM BADER COMPANIES AND GRAMERCY COMPANIES FOR THE OXBOW COMMONS SITES AND KRAUS-ANDERSON FOR THE FORMER PARK & RIDE SITE

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

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

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

WHEREAS, in August 2024, the Authority published a Request for Qualifications (RFQ) for the development of five parcels acquired by the EDA in 2014: 4201 95th Avenue North (PID: 1011921340024) and four properties consisting of the Oxbow Commons (PIDs 0911921210005; 0911921120005; 0911921210006; and 0911921210007); and

WHEREAS, after a rigorous selection process, including review of submitted proposals by a panel City and EDA representatives, staff recommends partnering with Gramercy Companies and Bader Companies on their proposals to develop the Oxbow Commons sites, and Kraus-Anderson on its proposal to develop 4201 95th Avenue North; and

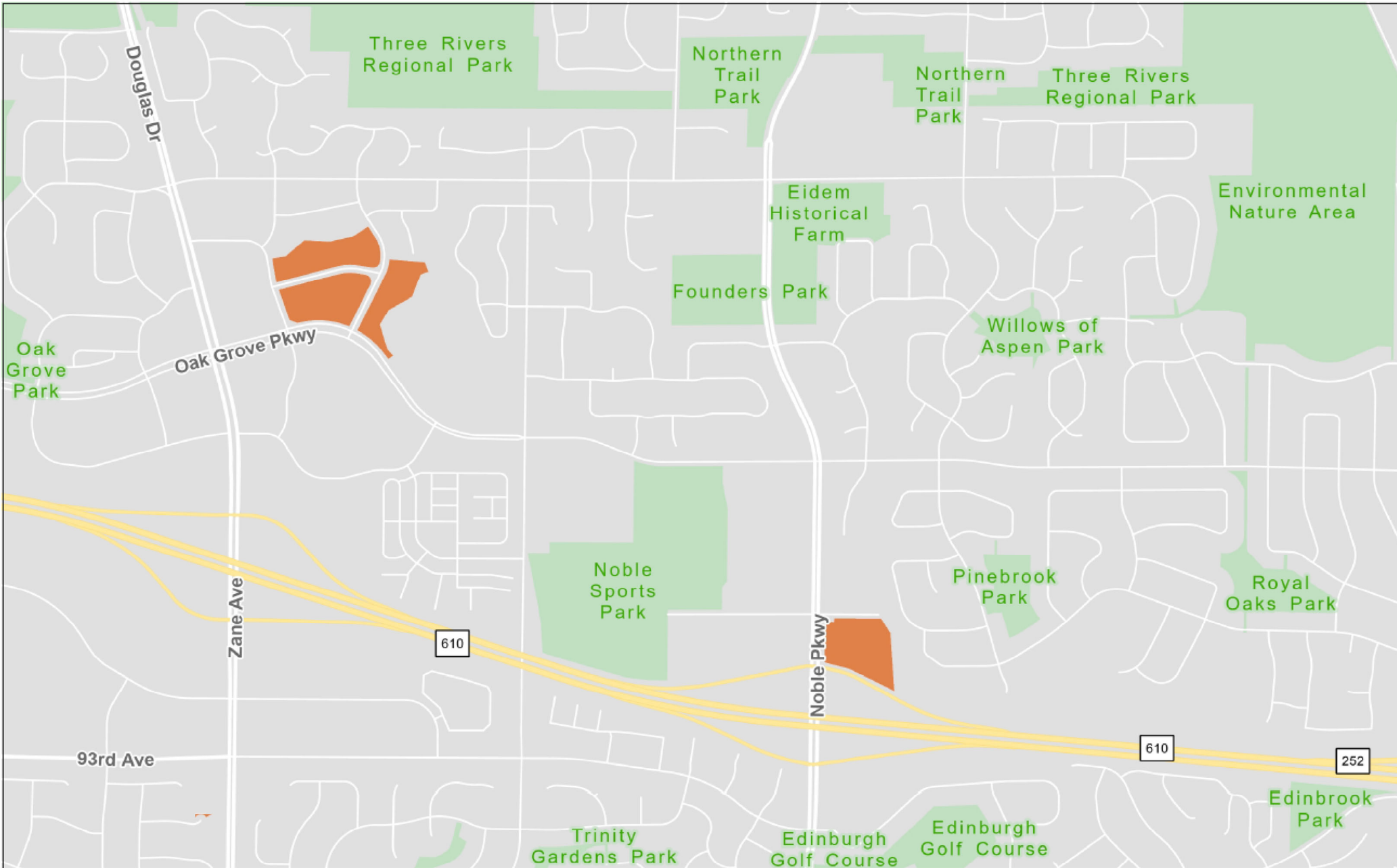
WHEREAS, these partnerships are to continue developing the proposals for the site and are non-exclusive in nature, do not convey any entitlement to the identified properties, and are not a promise to enter into any further agreements.

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

1. The Authority desires to continue working with Gramercy Development, LLC d/b/a Gramercy Development Companies to develop proposals for the Oxbow Commons sites.
2. The Authority desires to continue working with Bader Companies, LLC to develop proposals for the Oxbow Commons sites.
3. The Authority desires to continue working with Kraus-Anderson Development Company to develop proposals for 4201 95th Avenue North.
4. The Authority officials, staff and consultants are hereby authorized and directed to take any and all other steps necessary or convenient in order to implement this resolution.

Oxbow Commons and Former Park & Ride Sites

3/4/2025



Map Scale = 1: 14,476

1,206 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

City of Brooklyn Park

Economic Development Authority RFQ

Developer Qualifications

1. Developer Information

GRAMERCY DEVELOPMENT

Minneapolis-based developer of cooperative housing, reformed in 2018 by Mick Conlan (President) and Kathleen Conlan Joyce (VP of Construction and Design). The family company was originally founded in the 1990s by Mike Conlan.

Key Personnel:

- **Mick Conlan:** Real estate attorney and licensed broker with military background, experience in low-income housing management and HUD refinancing.
- **Kathleen Conlan Joyce:** Extensive experience overseeing design and construction for cooperatives and senior living communities.

Contact: 612-850-4151 | mick@gramercycompanies.socm

KRAUS-ANDERSON

Twin Cities-based developer with 127 years in business and 45 years of development experience. Provides comprehensive real estate services across site selection, master planning, financing, municipal processes, and property management.

Key Personnel:

- **Peter J. Diessner:** CEO, Kraus-Anderson Companies
- **Stefan Michno:** Director of Development (Primary Contact)
- **Bob Cunningham:** SVP-Development and Investment Management

Company Footprint: Headquartered in Minneapolis with 9 offices across MN, ND, WI, AZ, and IA. Leverages 600 personnel company-wide.

BADER

Property developer and manager with 50+ years of experience, including in Brooklyn Park.

Key Personnel:

- **Will O'Keefe:** Director of Development (wokeefe@badercompanies.com)
- **Mike Pokorney:** Director of Construction (mpokorney@badercompanies.com)
- **Jennifer Gordon:** Chief Operating Officer (jgordon@badercompanies.com)

Local Connections: Good standing with the City, supporter of Come Home to the Park campaign, collaborator with City and police on security and quality of life concerns.

2. Project Partners

GRAMERCY PARTNERS

- **General Contractor:** Frana Companies – One of Minnesota's largest multifamily contractors with experience in 24,000+ units representing over \$2.2 billion in construction.
- **Architecture:** Urbanworks – Minneapolis-based firm with expertise in multifamily projects and knowledge of fair housing, ADA, and federal funding requirements.
- **Civil Engineering:** BKBM – National firm experienced with all levels of government requirements.

KRAUS-ANDERSON PARTNERS

- **Architect:** LSE Architects – Led by Mohammed Lawal (CEO) and Quin Scott (COO).
- **Civil Engineer:** Pierce Pini & Associates – Led by Rhonda Pierce (Owner/Senior Engineer).
- **General Contractor:** Kraus-Anderson Construction Company – Integrated with development team.

BADER PARTNERS

- **Architect:** Collage Architects – Designed housing in 15+ states with 9,000+ housing units completed over 19 years.
- **General Contractor:** Big-D Construction – Established 2013, completed \$1.3+ billion in construction over 10 years.
- **Civil Design:** Civil Site Group – Experienced with Brooklyn Park and the watershed governing Oxbow Commons.

3. Relevant Projects

GRAMERCY DEVELOPMENT

- The American Cooperative in Anoka – 87-unit senior cooperative (2023)
- The American Cooperative on Lake Phalen – 56-unit senior cooperative in Maplewood (opening 2025)
- HUD-insured Cooperatives developed/managed by team members:
 - Gramercy of Rochester
 - Gramercy of Inver Grove Heights
 - Gramercy of Eagan
 - Gramercy of Plymouth
 - Gramercy on Northwest Boulevard
 - Gramercy of Duluth
 - Gramercy on Lake Shore Drive

KRAUS-ANDERSON

- 1,130 market-rate and mixed-income apartment units developed and built over the past 5 years for long-term ownership

BADER

Local Brooklyn Park Projects:

- Park Center Sports Dome
- Firefly / TruStone Credit Union
- Projects with Hennepin Health Care

Notable Projects with Current Partners:

- Tyler Street Stacks – Minneapolis, MN
- The Ansel – Vadnais Heights, MN
- The Morrison – Rosemount, MN
- 350 affordable apartment units under construction at Decatur Landing in Brooklyn Park (Big-D Construction)

References:

- Jeff Satzinger, City of Brooklyn Park Rental Inspector

City of Brooklyn Park Request for EDA Action

Agenda Item:	6.3	Meeting Date:	April 21, 2025
Agenda Section:	General Action Items	Prepared By:	Tim Gladhill, Community Development Director
Resolution:	X	Presented By:	Tim Gladhill, Community Development Director
Attachments:	4		
Item:	Consider Contract for Professional Services with Fairmount Properties Related to BioTech Innovation District Implementation		

Executive Director's Proposed Action:

MOTION _____, SECOND _____ TO WAIVE THE READING AND ADOPT RESOLUTION #2025-_____, APPROVING CONTRACT FOR PROFESSIONAL SERVICES WITH FAIRMOUNT PROPERTIES RELATED TO BIOTECH INNOVATION DISTRICT IMPLEMENTATION.

Overview:

The purpose of this item is to approve a contract for professional services with Fairmount Properties for the implementation phases of the BioTech Innovation District. Fairmount Properties (and associated partners and sub-contractors) were selected as the consulting team at the February 18, 2025 EDA Meeting. This step is to formalize the contract and contract amount for these services.

Background:

Over the course of 2024, the City Council and EDA took actions to create a framework for a BioTech Innovation District north of Highway 610 on both sides of Highway 169. The 2024 Minnesota Legislature approved the designation of this district at the State level. Over the past several months, the Planning Commission has been guiding a land use planning exercise for the broader 700 acres in the northwest area, including the BioTech Innovation District. This current step would be a proactive implementation of this district, serving as staff augmentation for the Economic Development and Housing Division Staff with additional resources and subject matter experts.

Additional information on the BioTech Innovation District current vision, Fairmount's work plan framework, and schedule of fees is included as an attachment for additional detail.

Primary Issues/Alternatives to Consider:

1. What was the response to the RFP?

Staff received eight (8) responses. Staff did initial prescreening interviews to advance four (4) consultants to interviews including multi-departmental representation and EDA representation by EDA President Winston and EDA Vice President Klonowski.

2. Why select these specific consultants?

- Fairmount Properties (and its project team of sub-consultants) represents vast knowledge of the biotech, medtech, life sciences field
- Buro Happold, Fairmount's primary partner on the project, brings vast knowledge of visioning, strategic planning, site design, branding, and marketing

- The project team adequately designed a team and process that aligns well with our equity and inclusion goals and framework

3. What are the next steps in the process?
 - a. Establish Steering Committee
 - b. Existing Conditions Scan/Market Analysis
 - c. Visioning and Strategic Plan
 - d. Branding and Marketing
 - e. Recruitment of Prospects

This approach allows the EDA to begin implementing the BioTech Innovation District portion of the Northwest Growth Area Plan. The EDA's desire is to be more proactive in recruitment of Developers and Businesses to build out the BioTech Innovation District. This process begins to become a community led effort through the establishment of a Steering Committee as well as market analysis to help focus recruitment efforts on desired market-relevant industries.

Budgetary/Fiscal Considerations:

This project and initiative represents a significant investment for the Community and EDA (approximately \$600,000 over two fiscal years). However, Staff and the Interview Panel believes that this consultant team represents the best opportunity that leads to a return on investment far beyond the initial \$600,000 investment. Especially with current market uncertainties, the best move the EDA can make is to be market ready for development prospects. Currently, Brooklyn Park is forced to pass on certain prospects until the City's vision for the area is better known.

Next Steps:

This is the last step necessary in order to launch the process. Timing works out well, in that this timing will provide overlap with the Northwest Growth Area Plan.

Recommendation:

Staff recommends approval of the Contract.

Attachments

- 6.2A RESOLUTION (To be Available Monday)
- 6.2B BIOTECH INNOVATION DISTRICT FACT SHEET
- 6.2C FAIRMOUNT PRESENTATION (FEBRUARY 18, 2025)
- 6.2D SCHEDULE OF FEES

The challenge

Brooklyn Park is Minnesota's sixth-largest city, home to a vibrant and diverse population where over 60 percent of residents identify as Black, Indigenous, and People of Color (BIPOC).

Despite its strengths, including a history of innovation and community investment, the City struggles with a modest tax base and has not received the same level of state and federal investment as other similarly sized cities.

In 2024, the Minnesota Legislature established the BioTech Innovation District, creating opportunities for significant, equitable public investment and tax base growth.

However, Brooklyn Park needs concrete investment to build out infrastructure, bolster workforce development activities, and more, to make the District a reality.



Brooklyn Park's 245-acre BioTech District is anticipated to grow over 10,000 jobs and 3,000 housing units.

The proposal

The BioTech District presents an exciting, unique opportunity for a collaborative governance structure with a shared vision among private sector partners, government, educational institutions, and other stakeholders.

Securing legislative support for placemaking initiatives will create a vibrant environment that attracts talent and promotes interaction – two ingredients critical for districts to thrive.



Expanded TIF flexibility

Allow sufficient time and flexibility to implement impactful, long-term development projects, by allowing a 25-year redevelopment district.



Workforce development funding

Invest \$1 million to expand the BrookLynk Workforce Development Program, providing residents with access to high-paying careers and supplying industry with the talent they need.



Water infrastructure funding

Allocate \$4.5 million for critical water infrastructure improvements to support development and \$10 million for the construction of a water tower.

Why it Matters

The BioTech District will address local economic disparities and position Brooklyn Park as a hub for innovation, contributing to regional and statewide economic growth. The District will also bring new shopping, dining, and entertainment experiences for residents.

Brooklyn Park's robust workforce assets, three established colleges, and award-winning training programs make the city an attractive location to develop talent, nurture startups, and create economic opportunities.

Brooklyn Park is BioTech's future.

Brooklyn Park is a member of Minnesota MedTech 3.0 and home to a growing ecosystem of MedTech companies, many of which are members of Medical Alley.

Medical Alley members:

CVRx, Inc., Central Package and Display, Children's Minnesota (Hospitals & Clinics), Diversified Plastics Inc., Fairview Health Services, Medtronic, Olympus Surgical Technologies America, STERIS, and Takeda Pharmaceuticals.

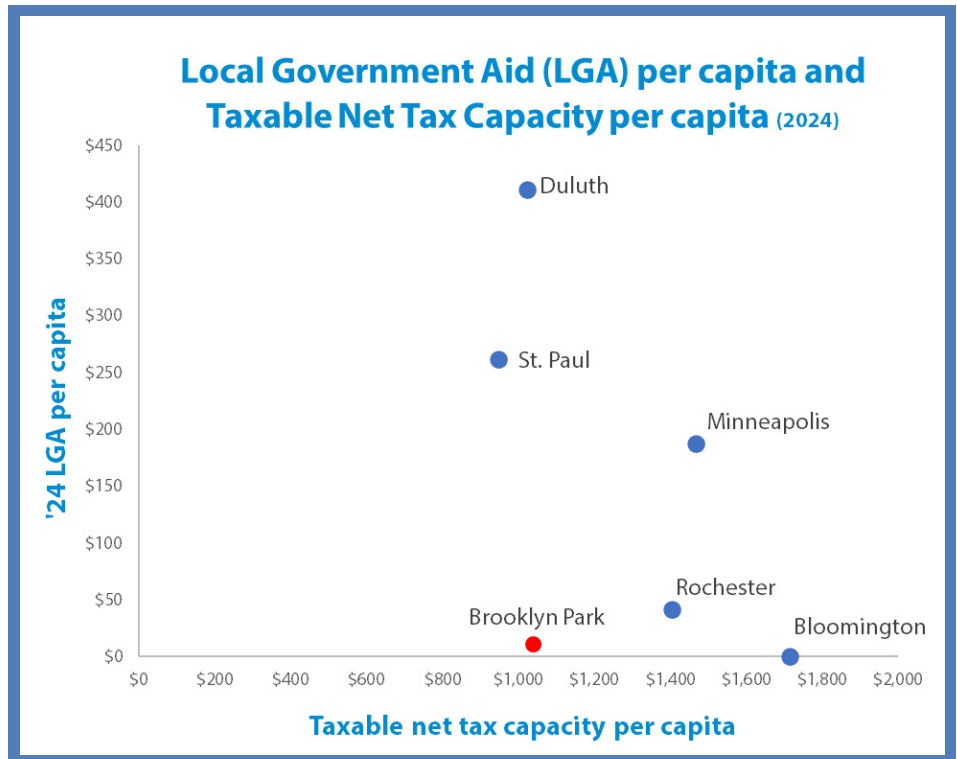


Tax base disparities persist.

Historically, Brooklyn Park has not benefitted from significant investment, compared to other similarly sized cities.

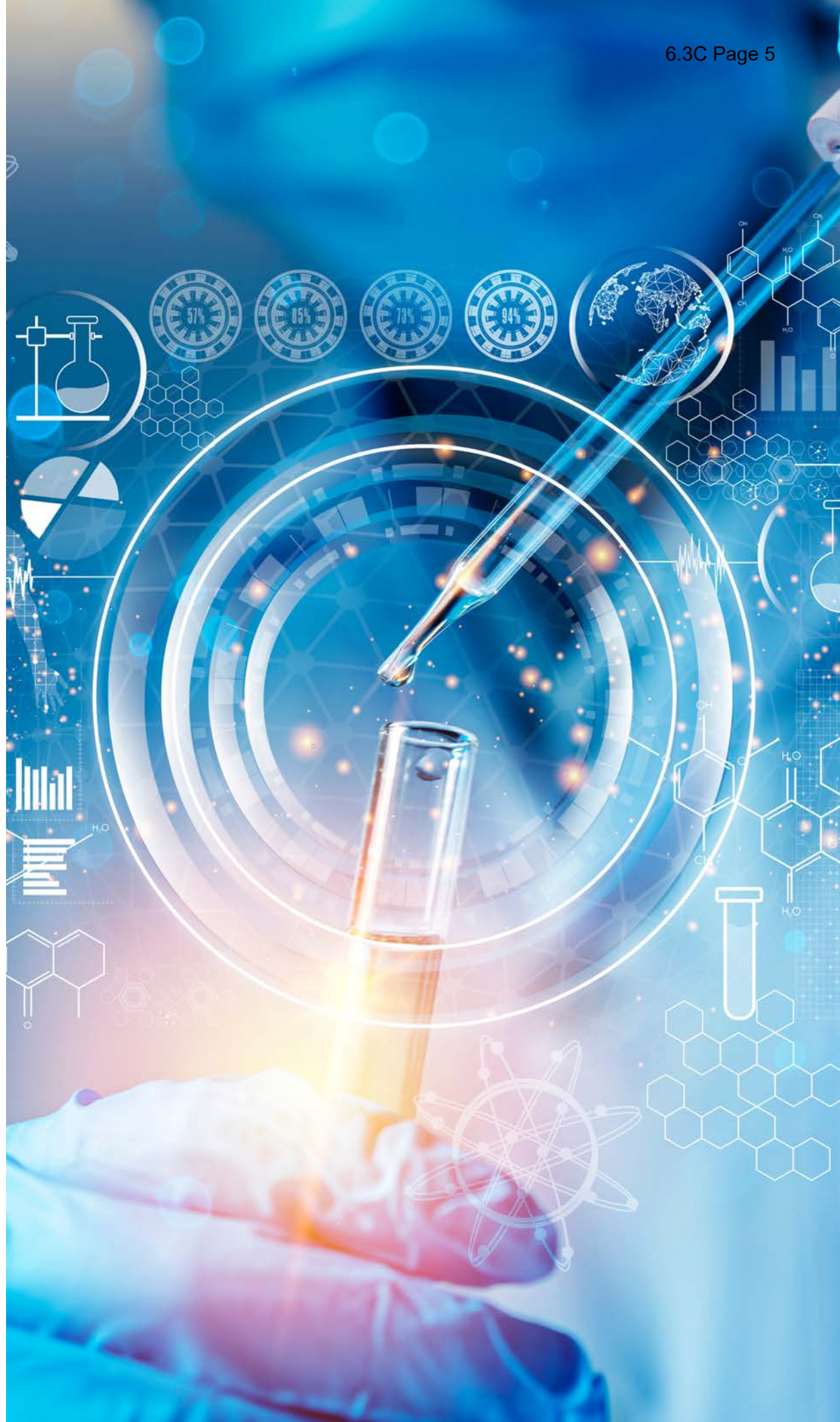
This ongoing imbalance and inequity has led to the funding burden for critical regional services falling almost entirely on local residents and businesses.

The right chart reflects per capita investment of LGA funds in several cities. Brooklyn Park has missed critical funding, putting the city at risk of falling further behind economically.



BROOKLYN PARK BIOTECH INNOVATION DISTRICT

EMPOWERING DISCOVERY, TRANSFORMING LIVES





AGENDA

01 About Our Team

02 Icebreaker Activity

03 Our Approach

04 Why Our Team

ABOUT OUR TEAM

ABOUT OUR TEAM

Brooklyn
Park

 **FAIRMOUNT**
PROPERTIES

BURO HAPPOLD

 Neka creative **4RM+ULA**

 **BOLTON
& MENK**

 **JLL**

ABOUT OUR TEAM



BURO HAPPOLD



Neka creative



Programming, Financing, & Development

Prime Consultant Managing Project

Industry and Tenant Outreach

District Focus and Vision

Development Due Diligence

Financial Strategy and Model

Engagement, Strategy, & Infrastructure

Community Engagement

Industry Research and Analysis

District Focus and Vision

Infrastructure Due Diligence

Planning

NW Area Plan Continuity

Zoning and Land Use

Engagement & Brand

Community Engagement

Naming and Branding*

Architecture

Massing and Renderings

Real Estate

Real Estate Market Study

Advise on Tenant Outreach

*Optional Service

ADVISORY BOARD



Jhonedrick (Eldrick) Millares

CEO and Co-founder, Illuminant Surgical
Strategic Advisor on Entrepreneurship & Innovation: Eldrick is the CEO and Co-founder of a pioneering company focused on developing innovative surgical navigation technologies that exponentially improve the surgeon's experience and outcome.

James A. Hoyer

Major General
USA, Retired
A recognized authority in economic innovation – with his extensive experience in driving economic growth, Major General Hoyer will provide valuable guidance on aligning the district's development with broader economic trends.

Matt French

Sr. VP, AMETEK, Inc.

Shaina Morphey Doar

Senior Advisor, McKinsey & Company
A leader in technology-driven economic development and entrepreneurship with experience across the public and private sectors in building innovation ecosystems, companies, and real estate developments.

Members of NIIMBL (The National Institute for Innovation in Manufacturing Biopharmaceuticals), BiofabUSA and other key organizations



CORE TEAM MEMBERS

FAIRMOUNT PROPERTIES

Randy Ruttenberg
Founder/Principal

Adam Fishman
Principal

Rebecca Molyneaux
Executive VP, General Counsel

Brice Hamill
VP, Design + Planning

Adam Branscomb
VP, New Development

Foroozan M. Pour
VP, Innovation District
Strategies & Development

Kelley Stetter
COO

BURO HAPPOLD

Elliot Felix
Partner

Amanda Wirth Lorenzo
Principal

Ian Nicholson
Associate

Partnering with Fairmount and Buro Happold means accessing the knowledge of a unified team, and bringing together diverse expertise and perspectives to drive unparalleled results.





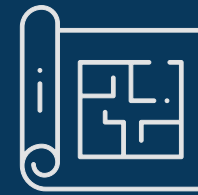
PROGRAMMING, FINANCING, & DEVELOPMENT

PROGRAMMING & ADVISORY

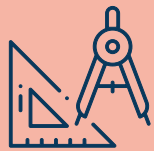


The programming framework focuses on sector identification, advancing innovation, and strengthening community growth.

DEVELOPMENT



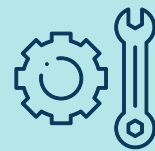
Experienced real estate development services crafting vibrant and sustainable projects that maximize value and transform communities.



**ARCHITECTURE
AND DESIGN**



**FINANCING/
CAPITAL
TRANSACTIONS**



OPERATIONS



MARKETING



LEASING



**PROPERTY
MANAGEMENT**

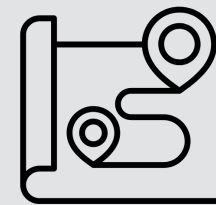
BURO HAPPOLD

ENGAGEMENT, STRATEGY, & INFRASTRUCTURE



RESEARCH & ENGAGEMENT

Informed by interviews, observations, workshops, surveys, and data mining, we combine stories and stats to uncover insights you can act on.



VISIONING & STRATEGIC PLANNING

Together, we craft a vision to differentiate your organization, offerings, and operations, then define the goals, identify key tactics, and test ideas to reduce risk and build momentum.



**COMMUNITY
ENGAGEMENT**



**INDUSTRY
ANALYSIS**



**FOCUS AND
VISION**



**SPACE NEEDS
ASSESSMENT AND
FORECAST**



**INFRASTRUCTURE
ASSESSMENT AND
STRATEGY**



**ECONOMIC
ANALYSIS AND
BUSINESS CASE**

ICEBREAKER ACTIVITY

HEADLINES

Imagine you are breaking ground on the life sciences innovation district tomorrow!

What would the headline announcing this say?

In what publication would it appear?

Take a minute to answer these questions and then we'll discuss.

Unlocking New Value For Industry Partners And Marquette University Students Through Challenging The Status-Quo.

At Marquette University, we recognize that "innovation" in higher education is more than the discovery of new knowledge through academic research. To seek innovation also compels us to consider how we can go beyond our own disciplinary silos and traditional models of education and industry engagement to create new value for our students and partners.
Welcome to different. Welcome to Innovation Alley.

The Journal of Healthcare CONTRACTING

ABOUT JHC | ISSUES | ADVERTISING INFO | DAIL-ENEWS | PODCASTS | SCH NEWSLETTER

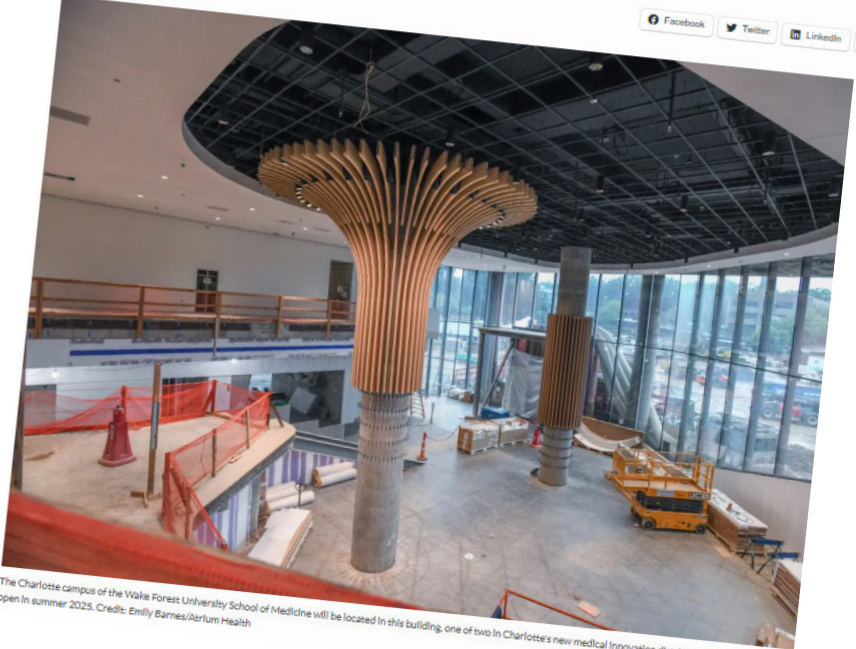
RECENT PODCASTS | MAY 15, 2024 | DAVID HARGRAVES DISCUSSES BEST PRACTICES FOR SERVICING ACUTE AND NON-ACUTE

Cleveland Clinic partners with city to construct \$52.8M grocery market and apartment complex to address social determinants of health



More than a medical school

12 must-know features and details about Charlotte's first medical school and The Pearl, the city's new medical innovation district
by Michelle Crouch
October 2, 2024

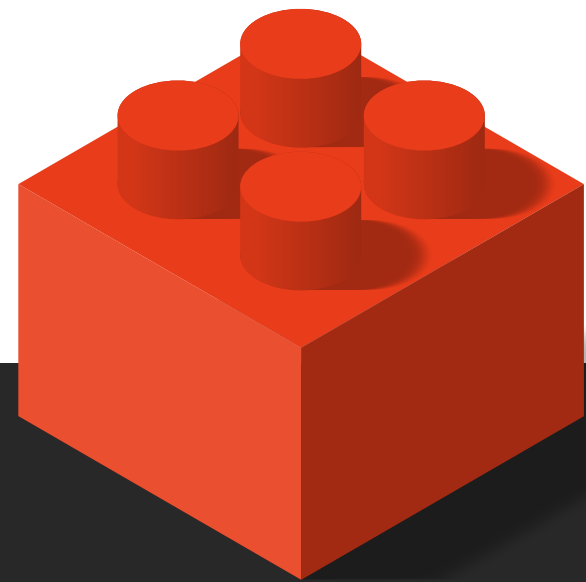


The Charlotte campus of the Wake Forest University School of Medicine will be located in this building, one of two in Charlotte's new medical innovation district. The medical school is expected to open in summer 2025. Credit: Emily Barnes/Arizona Health

OUR APPROACH

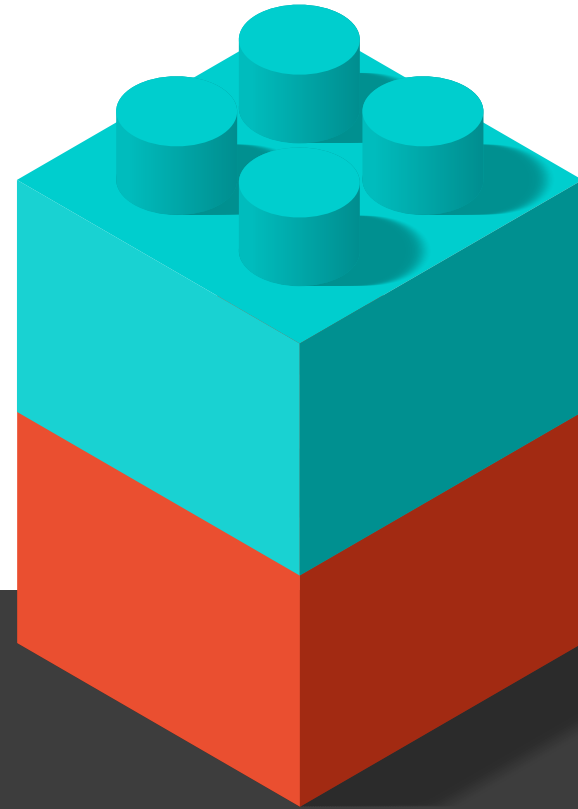
FUNDAMENTAL BUILDING BLOCKS

of an Innovation District



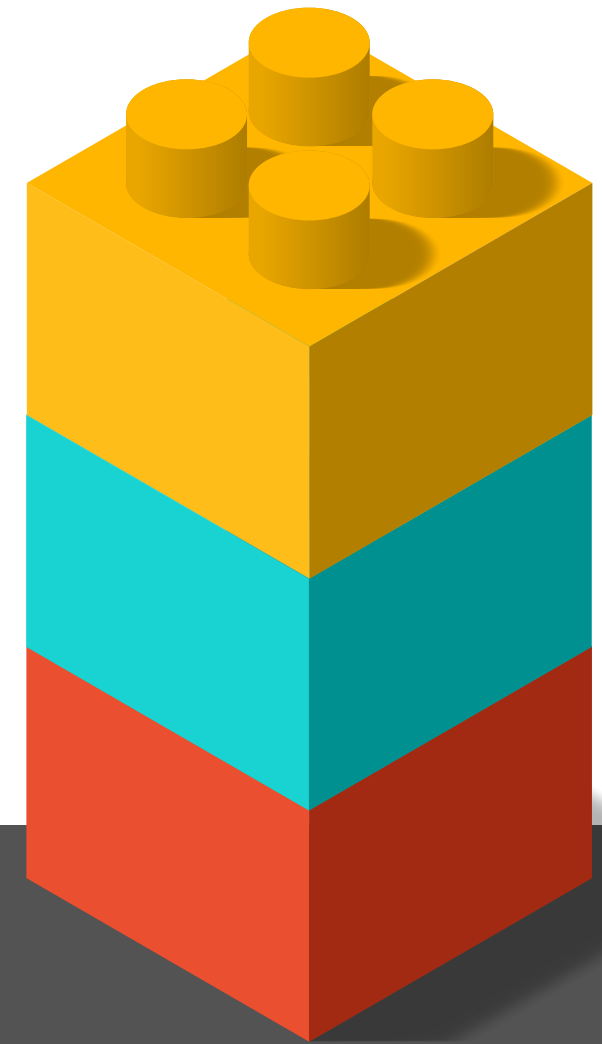
Economic Assets

Regional Economic Drivers
High-Growth Industry Sub-sectors



Networking Assets

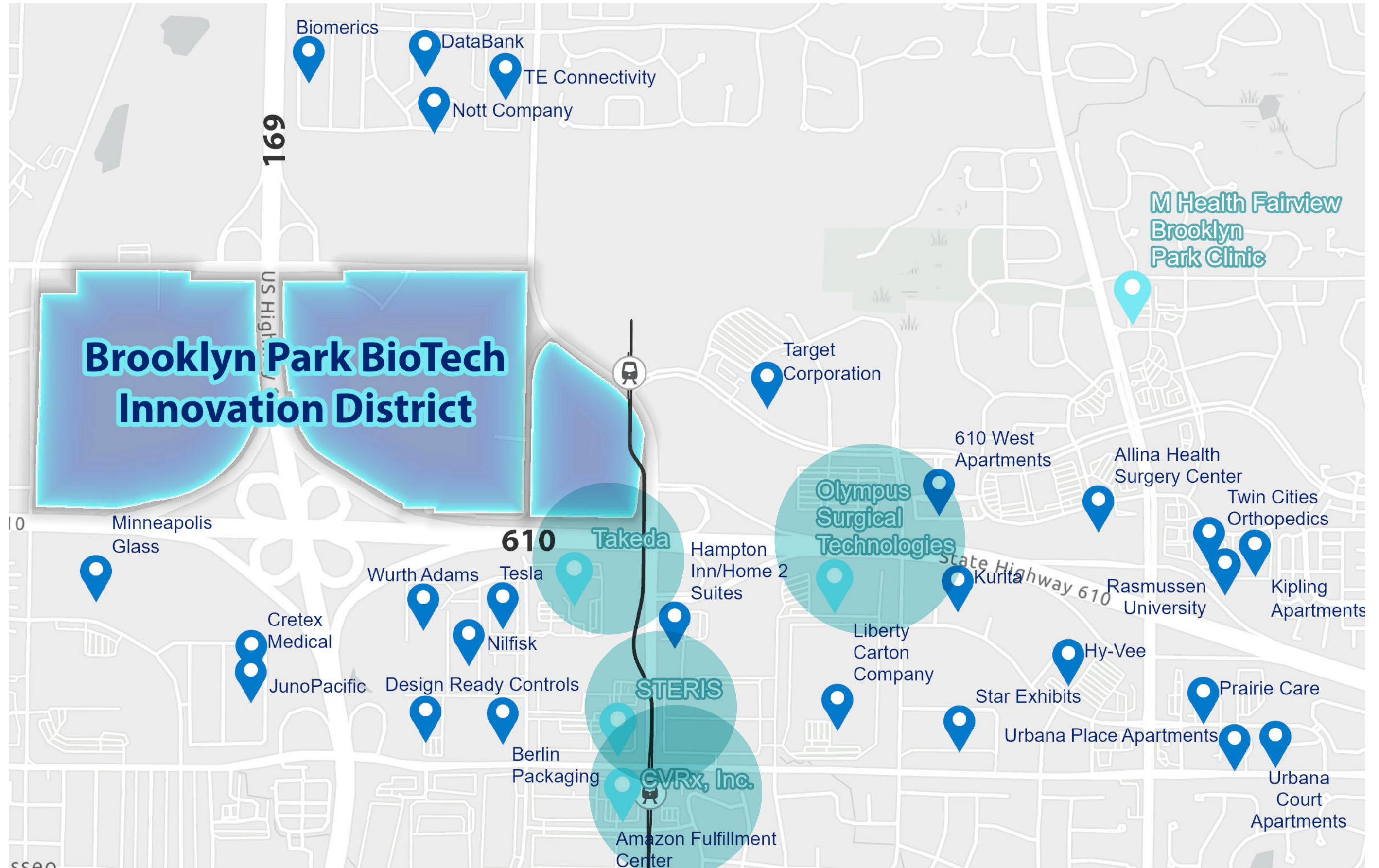
University and Hospital Partnerships
Industry Partnership
Workforce & Community Programs



Physical Assets

Facilities that meet programming needs
Intentional placemaking with quality amenities such as housing, retail, restaurant, and office space
Transit-oriented district

STRATEGIC PROXIMITY TO VALUED PARTNERS



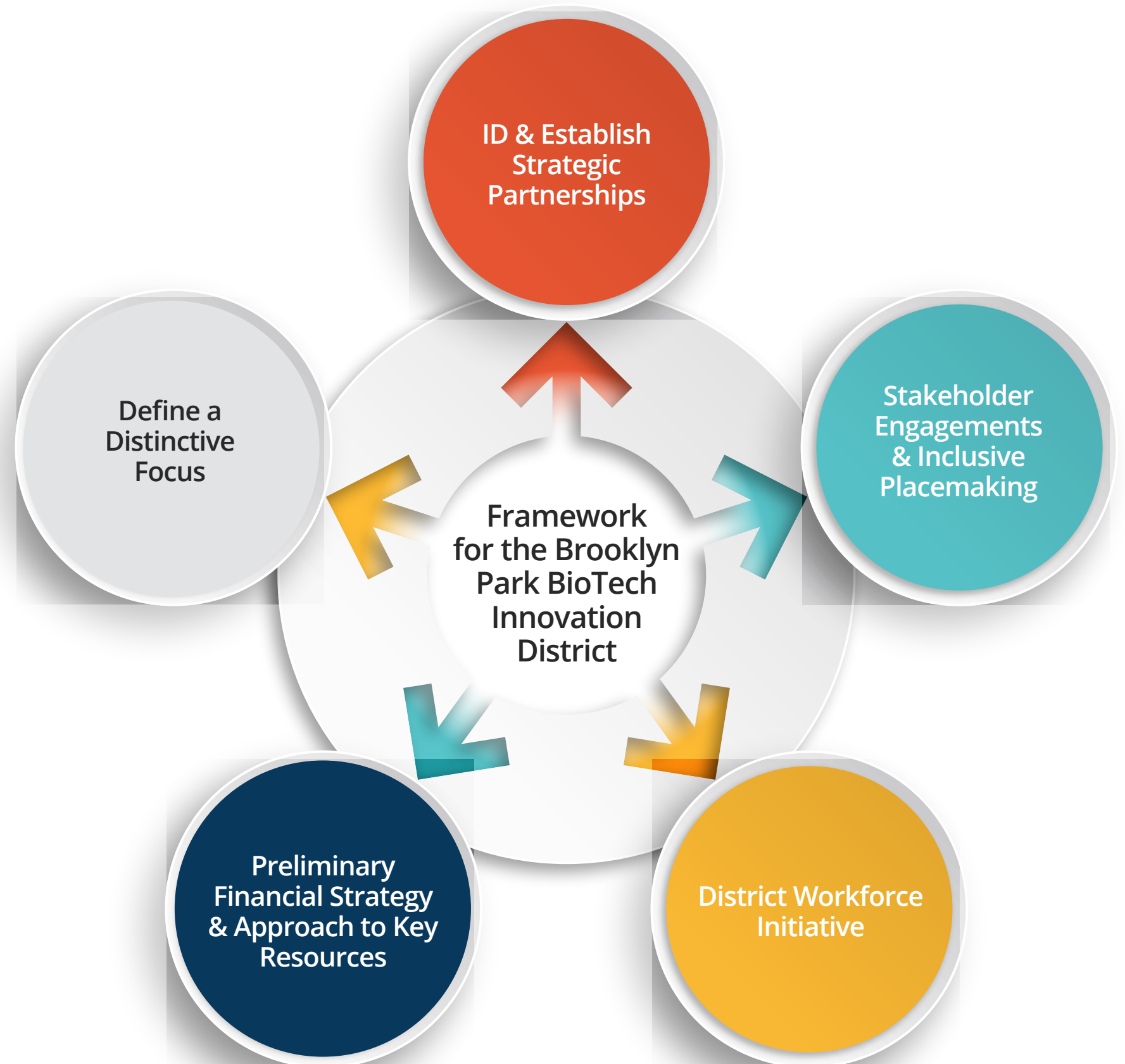
OUR APPROACH

BUILDING A THRIVING BROOKLYN PARK BIOTECH INNOVATION DISTRICT:

Cultivate a collaborative ecosystem that generates diverse wide-ranging pathways of opportunity and delivers lasting *resilience*, *relevance*, and *value* to residents, businesses, and the greater community.

STRATEGIC FRAMEWORK:

- Define a Distinctive Focus by Identifying Leading Regional Economic Drivers & High-Growth Industry Sub-sectors
- Identify & Establish Strategic Partnerships
- Stakeholder Engagements & Inclusive Placemaking
- District's Workforce Initiatives
- Preliminary Financial Strategy & Approach to Key Resources



DEFINE A DISTINCTIVE FOCUS

BUILD ON PHASE I

Ensure continuity of the vision, momentum, and implementation framework while avoiding duplication of Phase 1 activities/ scope.

Phase 1 Deliverables:

- Guiding community benefits
- Market understanding
- Land use & development plan
- Infrastructure & public realm plan
- AUAR environmental review
- Vision implementation framework

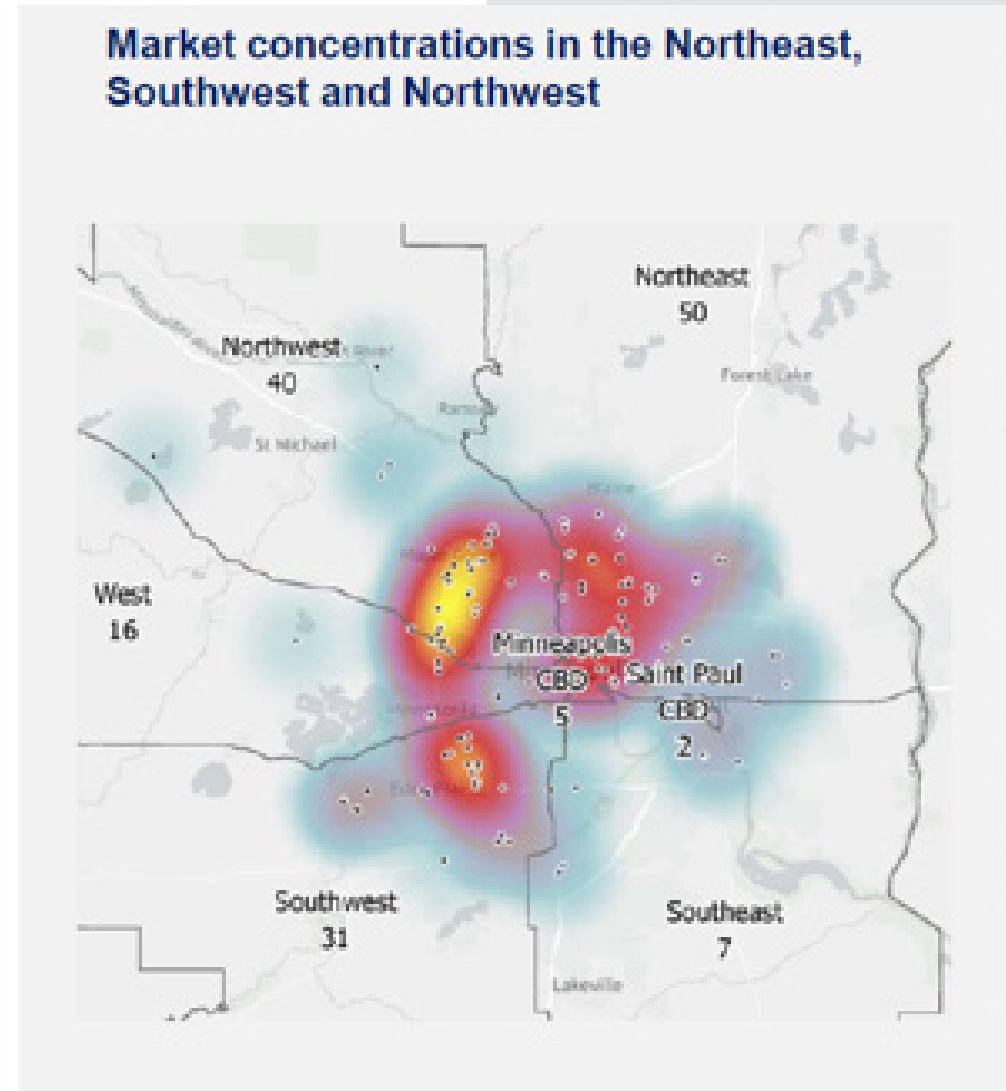
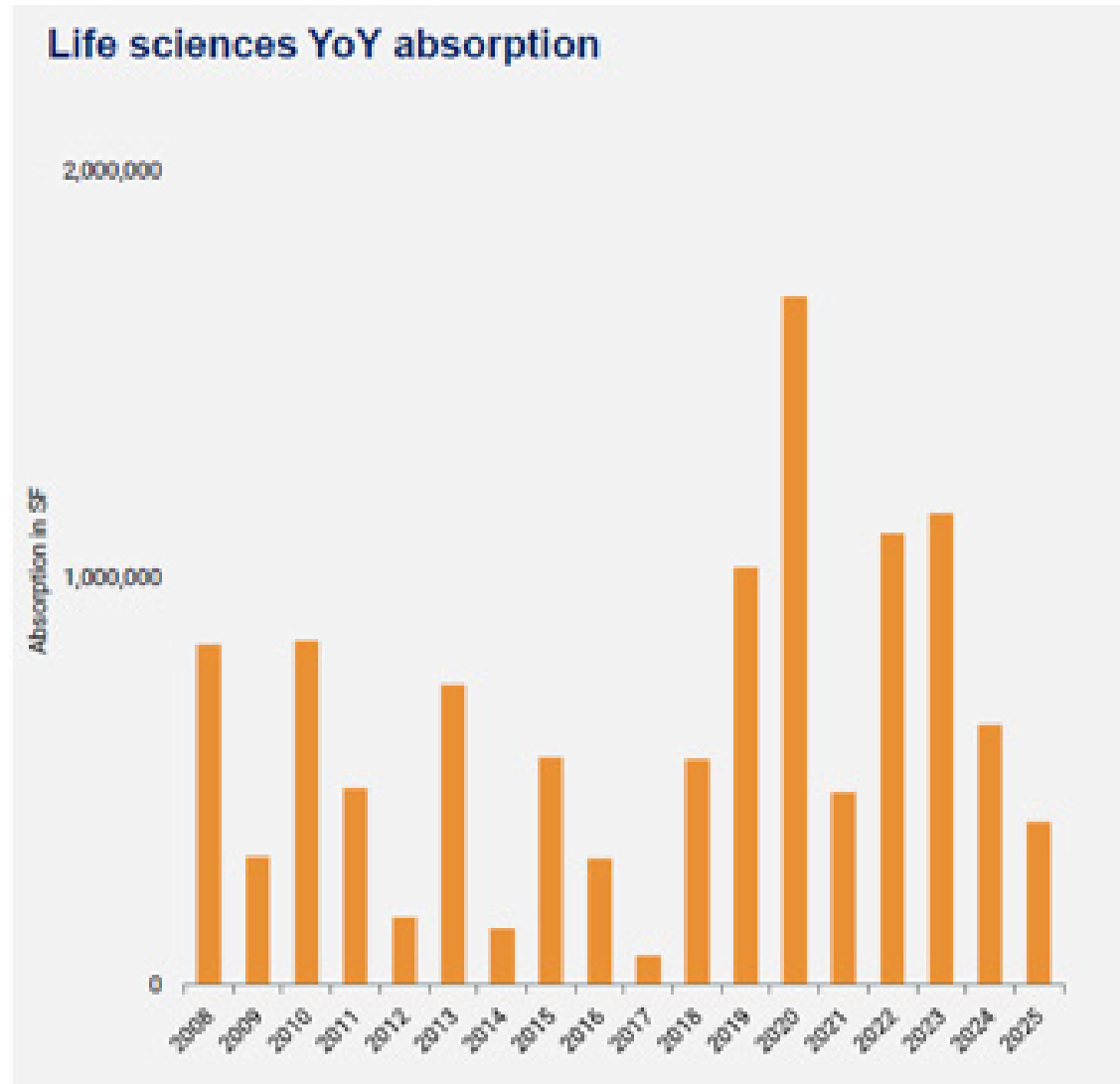


ANALYZE LIFE SCIENCES REAL ESTATE MARKET

Understand the competitive landscape to be the easiest, fastest people to work with to attract companies and community members.

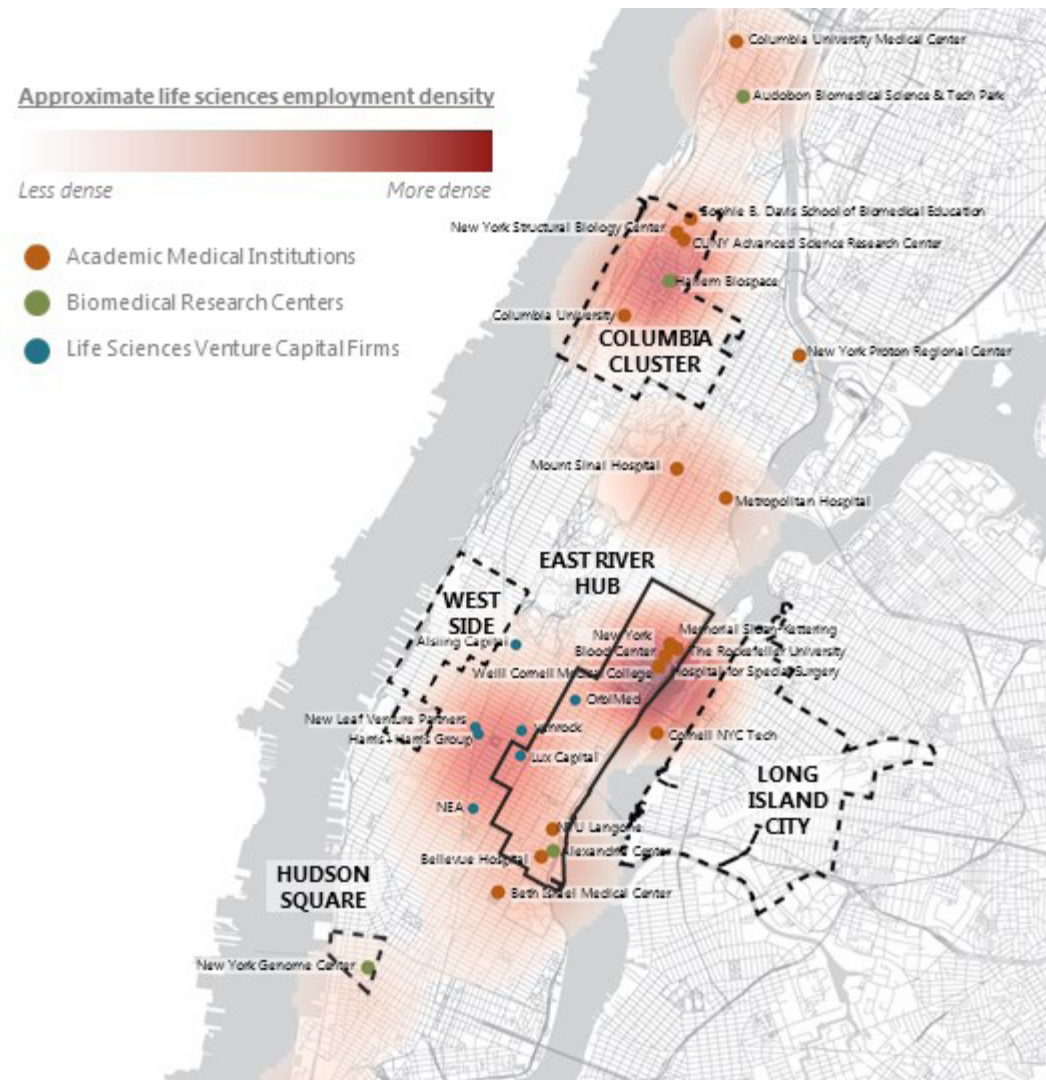
By the numbers

- 16,144,184**
Total inventory (s.f.)
- 400,000**
Under construction (s.f.)
- 1,092,096**
Average absorption 2019-2023 (s.f.)
- 8,809,503**
Occupied industrial space (s.f.)
- 4,679,352**
Occupied office space (s.f.)
- 2,655,329**
Occupied R&D/flex space (s.f.)



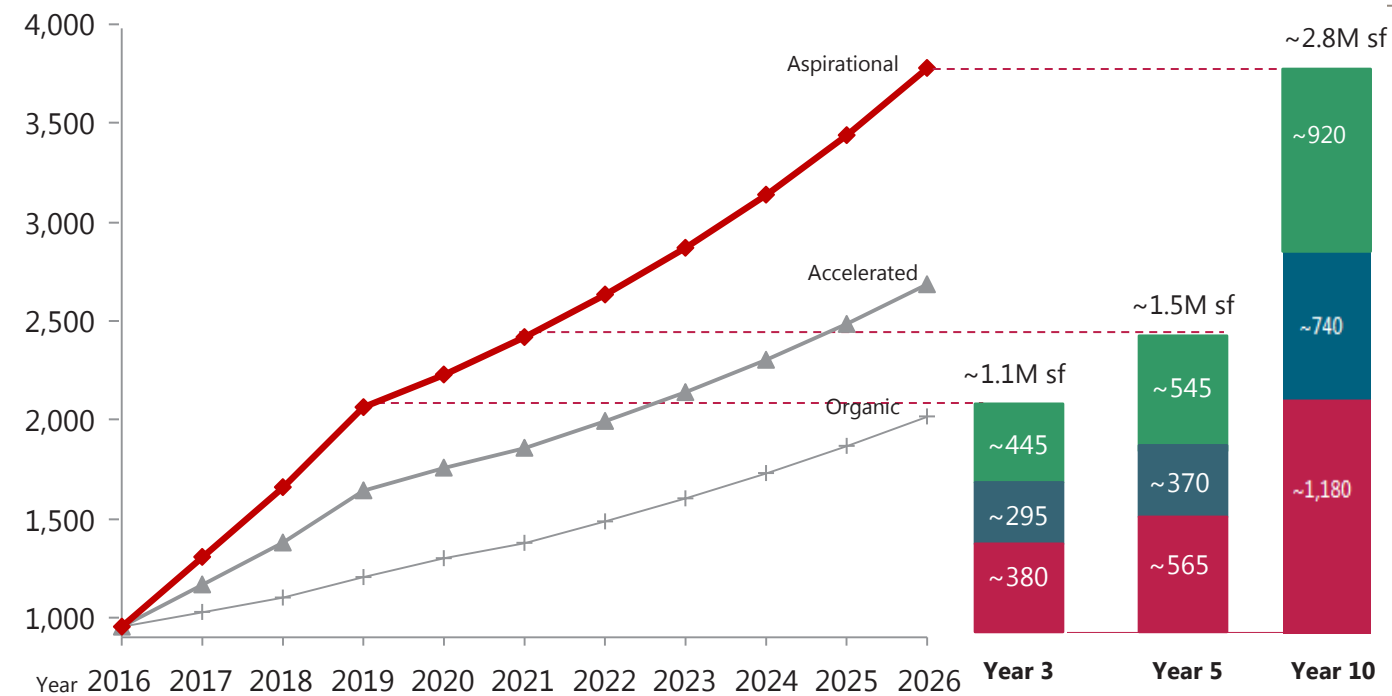
OPPORTUNITY ASSESSMENT

Understand how the needs of potential tenants and partners intersect with and support the priorities of the public sector.



WHAT IS THE CURRENT UNMET NEED AND HOW MIGHT THE DEMAND TRAJECTORY EVOLVE OVER TIME?

Scenarios for ST total commercial early stage life science R&D space in NYC ('000 sq ft)



Spectrum of space typologies anticipated (Class A, Class B, Applied LS academic)

- Top-tier institutional initiatives
- Class A and/or Class B prices
- Higher willingness-to-pay expected to materialize over longer-term
- Affordable stock for venture-backed companies (<\$65/SF)
- Flexibility in size and length of lease terms to enable growth
- Occupant-ready

Preliminary

ID & ESTABLISHING STRATEGIC PARTNERSHIPS

ANALYZE INDUSTRY AND ID SEGMENTS

Analyze life sciences industry to identify trends in workforce and market needs and potential segments/opportunities.

NYC ECOSYSTEM DEFINITION

Sustainable

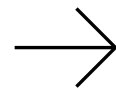
Activities that advance climate and environmental goals

Bioeconomy

The ecosystem of activities involved in researching, developing, and commercializing technologies and applications that utilize biological resources and processes

Process

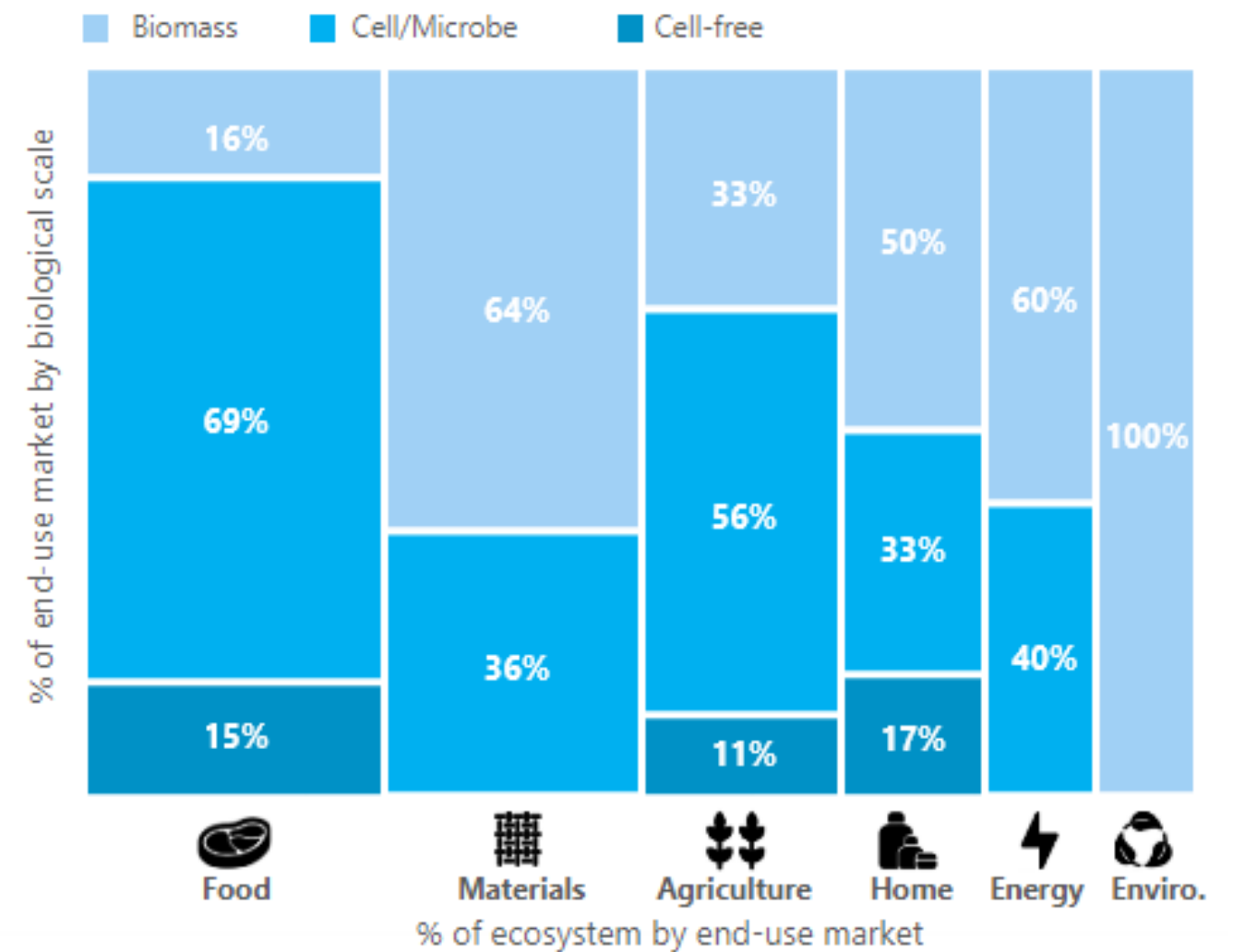
Examined existing bioeconomy reports from governments and market researchers.



Explored several definition options, each varying in scope and technological focus.

NYC Sustainable Biotech Industry Study

Distribution of NYC sustainable bioeconomy companies by end-use market served and biological scale





IDENTIFY & ESTABLISH STRATEGIC PARTNERSHIPS

Identify and secure strategic private sector partnerships that deliver tangible value, drive growth, and expand possibilities.

OUR APPROACH:

Build Institutional Partnerships

Identify & Collaborate with Strategic Industry Partners

Prioritizes & Bring in Private Sector Commitment into the District

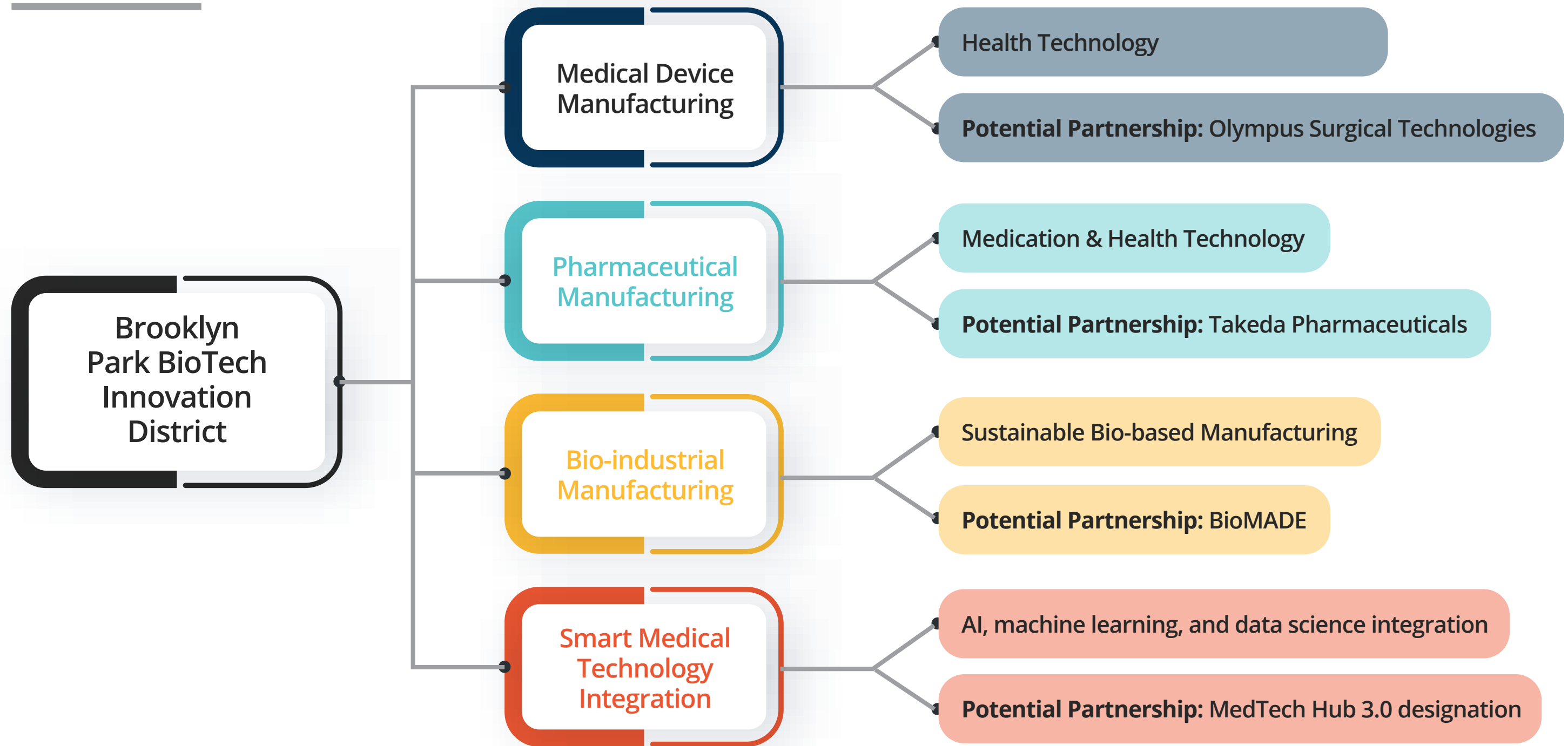
Obtain Tenant Commitment

Advance Recruitment & Retention Efforts

Cultivate a Collaborative Ecosystem

Advance Economic Growth

EXAMPLE OF POTENTIAL SUB-SECTORS & PARTNERSHIPS



EARLY PRIVATE-SECTOR POTENTIAL PARTNERS

YOKOGAWA 

Develop customized lean manufacturing techniques and implement Pharma 4.0 digital strategies tailored to the unique needs of pharmaceutical manufacturing.

 **LG NOVA**

A corporate innovation program focused on identifying and collaborating with businesses, entrepreneurs, and innovators to develop new business opportunities aligned with LG's strategic priorities.



Medical device company developing innovative surgical navigation technologies.

STAKEHOLDER ENGAGEMENTS & INCLUSIVE PLACEMAKING

UNDERSTAND COMMUNITY

Engage communities in innovative and inclusive ways to uncover needs and opportunities, meeting people where they are.



Blue Line Extension Community Engagement

IDENTIFY STAKEHOLDER NEEDS

Identify personas/profiles of different users and envision future use cases that inform the design of facilities and programming within them.

Use Cases

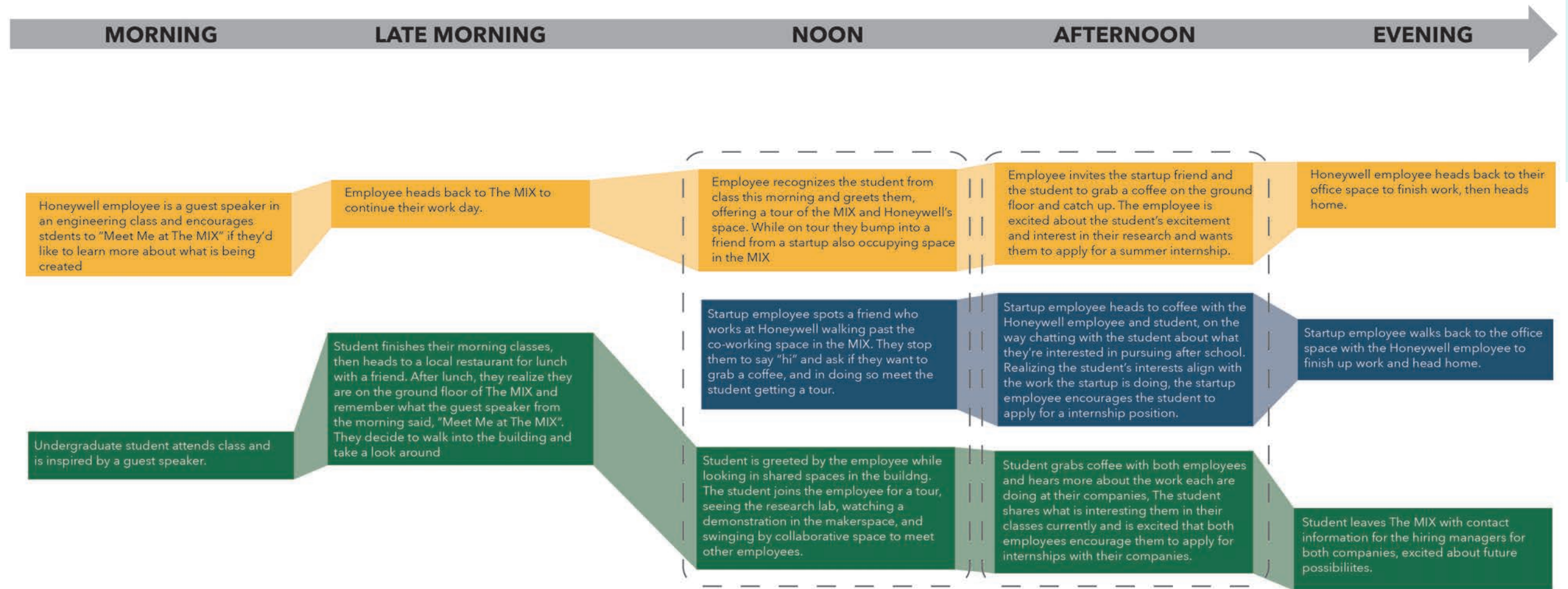
Use cases demonstrate how users, spaces, and activities come together to activate a building. Use cases answer **who** does **what, where**.

KEY USERS

CORPORATE TENANT

STARTUP TENANT

STUDENT



INCLUSIVE PLACEMAKING

A Vibrant Epicenter of Opportunity



Strengthens Community & Sense of Belonging

Placemaking creates inviting public spaces that encourage social interaction, collaboration, and a shared sense of identity. By designing walkable streets, gathering areas, and cultural hubs, a district becomes more than just buildings—it becomes a place where people feel connected and engaged.

Drives Economic Vitality & Investment

Vibrant, well-designed districts attract businesses, visitors, and investors. When a place is appealing and functional, it draws foot traffic, supports local businesses, and increases property values, creating a cycle of economic growth and long-term sustainability.

Enhances Quality of Life & Well-Being

Great placemaking prioritizes accessibility, green spaces, and public amenities, making daily life more enjoyable and reducing stress. Walkability, recreational areas, and a mix of uses ensure that residents, workers, and visitors experience a healthier, more fulfilling environment.

DISTRICT WORKFORCE INITIATIVE

WORKFORCE INITIATIVES

Workforce Development Program is key to building a thriving district.

- Targeted Workforce Training Through Education**
 In partnership with local educational institutions, the district will offer tailored training programs, hands-on learning opportunities, including internships.
- Micro-Credential Program**
 Stackable micro-credential program will provide certifications across a broad range of skills, fostering continuous learning and professional growth.
- Innovative Learning Center**
 A dedicated space for in-person technical workshops and training sessions.
- BIPOC-Focused Recruitment Program**
 Providing equitable access to residents from diverse backgrounds.
- Job Skills Portal**
 An online platform offering access to training materials, listing of certification programs, and job postings.
- Youth Engagement – BioTech for the Future in partnership with BrookLynk**
 To inspire future biotech professionals, the district will launch the “BioTech for the Future” initiative in partnership with BrookLynk youth employment program, focused on K-12 students.



WORKFORCE DEVELOPMENT

Partner with educational institutions to develop workforce and increase economic impact.



Wake Forest University/Atrium Health Innovation District

PRELIMINARY FINANCIAL STRATEGY & APPROACH TO KEY RESOURCES

PRELIMINARY FINANCIAL STRATEGY TO KEY RESOURCES

Developing tailored, project specific funding solutions.

The Fairmount team excels in public financing, leveraging specialized expertise in tax increment financing, bonding, and a diverse range of funding sources—including tax credits, state and federal programs, and innovation, brownfield, and transportation funds. Our strategic approach helps identify and secure the necessary resources to successfully advance the district initiatives.

Public-Private Partnerships and National Initiatives

National Biotechnology and Biomanufacturing Initiative:

Allocates over \$2 billion for biopharmaceutical development, including biomanufacturing and pandemic preparedness.

NIIMBL (National Institute for Innovation in Manufacturing Biopharmaceuticals):

Advances biopharmaceutical manufacturing, technology development, and workforce training.

Federal Funding Programs

National Institutes of Health

National Science Foundation

Department of Defense

*Economic Development
Administration*

State, Local, & Regional Support

Minnesota Forward Fund

State Economic Development Agencies

Tax Incentives and Credits

Public Infrastructure Investment

**Fairmount's Trusted
Equity Partners'
Investments**

**Fairmount's Own
Investment Capital**



ENVISIONING THE BROOKLYN PARK BIOTECH INNOVATION DISTRICT



Center for BioTech Innovation

Global Innovation Partnerships
Corporate Innovation Programs
Research and Development
Collaborations



Community Oriented Placemaking

Variety of restaurants and retail shops
Fitness
Service offerings



Innovation Hub

Venture and Business Incubation Programs
Entrepreneurship Accelerator Programs
Business Investment and Funding
Flexible Co-working Spaces
Networking and Mentorship Events



Flexible Office and Lab Space

Dedicated buildings to support
the expansion of partnership and
collaboration with Center for
BioTech Innovation



Community Wellness & Development Center

Workforce Development
and Training Programs
Community Engagement and
Education Programs



Housing

Inclusive community where
you live, work, and play

STAKEHOLDER & PUBLIC ENGAGEMENTS

Facilitating discussions with community partners and key stakeholders. (minimum of 10-12 per month)

RESEARCH

Gathering and analyzing promising practices from national and international biotech districts.

ESTABLISHING PRIVATE SECTOR PARTNERSHIP OUTREACH & STRATEGY

Build targeted partnerships and leverage outreach efforts to align mutual goals.

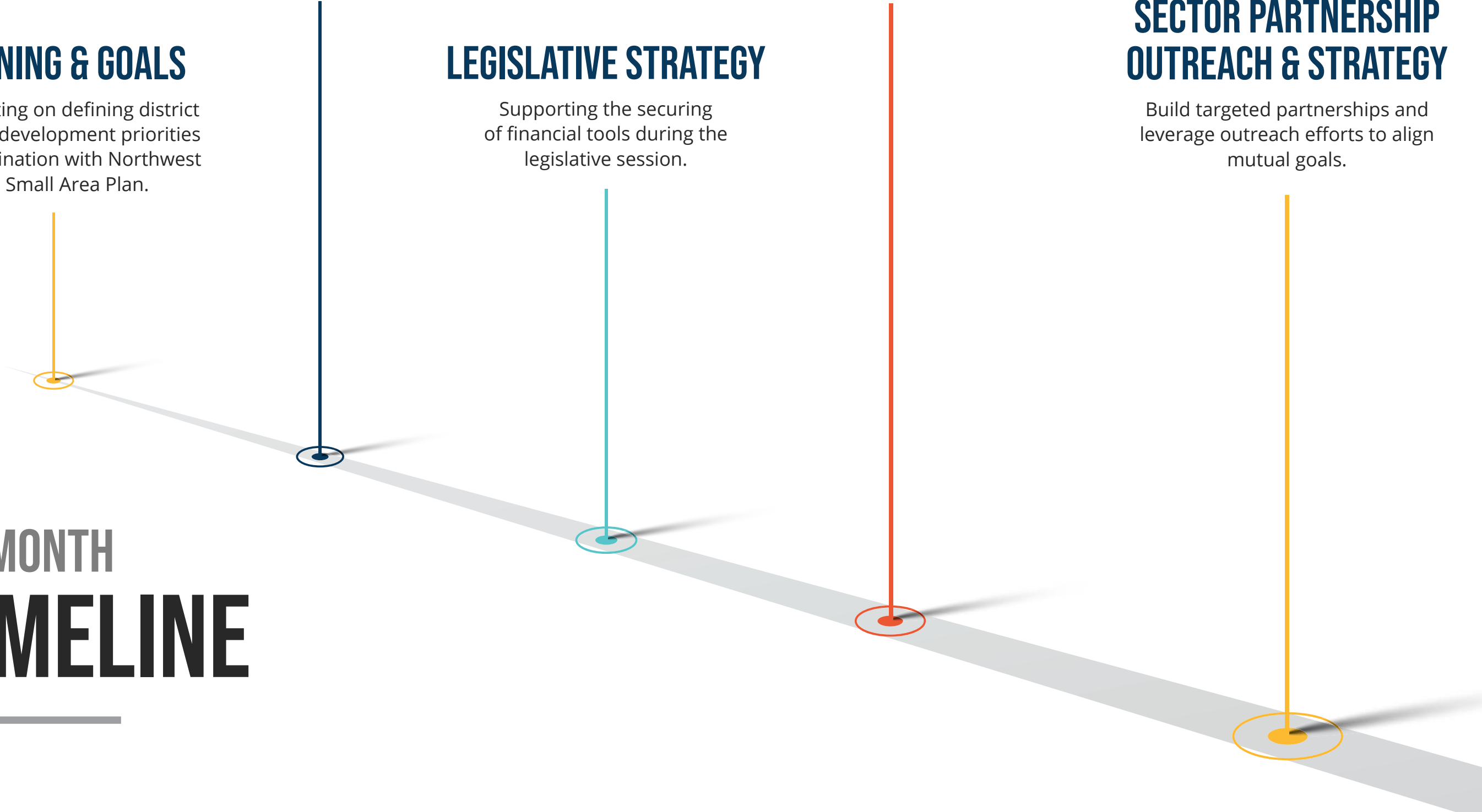
VISIONING & GOALS

Collaborating on defining district goals and development priorities and coordination with Northwest Area Small Area Plan.

LEGISLATIVE STRATEGY

Supporting the securing of financial tools during the legislative session.

18-MONTH TIMELINE



PLANNING STUDY ROI & RISK MITIGATION

NYC LIFE SCIENCES INFRASTRUCTURE INITIATIVE

\$1B investment for NYC Life Sciences R&D sector

CLEVELAND CLINIC FAIRFAX MIXED-USE INNOVATION DISTRICT

Opportunity Zone
launched a grocery store
to improve food access &
combat food insecurity in a food
desert

BSU PERFORMING ARTS CENTER & THE CENTER FOR INNOVATION

\$20M Lilly Grant,
Renewal of TIF, &
Established a workforce program in
partnership with Indiana University
Medical Center

MARSHALL INNOVATION DISTRICT

\$45M from WV Economic
Development,
\$7M from Department of Labor,
\$500,000 from Huntington Bank,
Renewal of Tax Increment
Financing (TIF), &
Partnered with Department of
Defense Information Network

THE NEW YORK CLIMATE EXCHANGE

\$700K investment,
7K jobs, &
\$1B economic impact

THE PEARL: CHARLOTTE'S INNOVATION DISTRICT

\$1.5B in public &
private investment,
5,500 jobs in the district, &
11,500 jobs within Charlotte

WHY OUR TEAM

WHY OUR TEAM



A Diverse, Unified Team

Partnering with our combined team provides access to a unified team whose deep-rooted experience sets us apart in critical programmatic decision-making for equitable development.



Real-Word Insight

Our comprehensive understanding extends from research and strategic planning of innovation districts to hands-on development experience. We bring real-world insight to every project.



Certainty in Execution

We bring knowledge of the area and relationships with you, and understand the practical realities of creating vibrant, sustainable districts, ensuring that each programmatic decision aligns seamlessly with successful execution and long-term impact.



Together, we aim to establish an innovation district that is *not just economically prosperous, but a forward-looking, inclusive, and a resilient community asset.*

THANK YOU



Workstream	Stage I Vision Plan	Stage II Development Plan	Stage III Final Report	% of scope	Task Fee
				100%	\$600,000
1 PM / Steering Committee				15%	\$90,000
1.1 Project Management				5%	\$30,000
1.2 Ongoing Client Engagement/Committee Mtgs				10%	\$60,000
2 District Strategic Plan, Vision, & Goals				45%	\$270,000
2.1 Define district focus and vision				5%	\$30,000
2.2 Refine physical planning framework & land use strategy				15%	\$90,000
2.3 Financial feasibility testing and proposed capital stack				10%	\$60,000
2.5 Final report and ongoing support				15%	\$90,000
3 Industry Outreach and Sector ID				25%	\$150,000
3.1 Industry engagement				15%	\$90,000
3.2 Market demand / Industry analysis/ Sector ID				10%	\$60,000

Finalize district outreach strategy regarding biotech industry sectors and partners



4 Branding/Marketing/Strategic Comms Plan

15% \$90,000

4.1 Create district name and brand identity

5% \$30,000

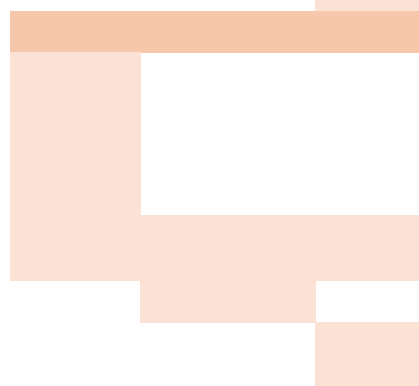
Build on engagement, planning, and market research results to develop a name for the Brooklyn Park district
 Create preliminary brand identity to feed into project comms and allow the District to present a compelling face externally



4.2 Community engagement & feedback

10% \$60,000

Identify and initiate outreach to established and new businesses, trade associations, partner organizations, educational partners and community groups
 Prepare, review, and finalize an engagement plan and comms strategy for the project
 Facilitate engagement and comms with identified stakeholders, groups, and organizations
 Summarize initial findings to inform district focus
 Summarize completed engagement efforts and incorporate recommendations into final plan report





MEMORANDUM

DATE: April 17, 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

Microbusiness Loan Program

The Microbusiness Loan Program, administered by the Brooklyn Park Development Corporation (BPDC), continues to support emerging businesses by providing crucial financial resources for start-up costs. This program helps businesses that may face challenges securing traditional financing by offering loans ranging from \$1,000 to \$10,000 at a 2% interest rate with reduced underwriting criteria.

To date, the program has received three applications, and a review committee will begin processing these applications and disbursing funds within the next few weeks. The City of Brooklyn Park remains committed to fostering local business growth and ensuring entrepreneurs have access to essential funding.

For more information, contact Josephine Thao, Project Facilitator, at Josephine.Thao@brooklynpark.org

Brooklyn Park Business Development Bus Tour

On Wednesday, April 23, the City of Brooklyn Park will facilitate a Development Bus Tour with the City Council, Planning Commission, and City leadership. On this tour, Council, Commissioners, and Staff will have a chance to learn from City Staff about the exciting developments and partnerships within the city.

For more information, contact Asma Jihad, Program Assistant, at Asma.Jihad@brooklynpark.org.

B. HOUSING UPDATES

Real Estate Forum



On Thursday, March 20th, 2025, the City of Brooklyn Park hosted the 33rd Annual Real Estate Forum at the Edinburgh Clubhouse.

With opening remarks from Mayor Hollies, and Keynote address from Paul Mogush on “Reimagining Suburban Development” in Brooklyn Park, real estate professionals, brokers, and industry leaders across the Twin Cities were updated on the city’s latest development projects, business investments, and housing financial resources. Session topics presented by Superintendents Kim Hiel (Osseo Area Schools) and Cory McIntyre (Anoka-Hennepin Schools), as well as Director of Recreation and Parks, Brad Tullberg (City of Brooklyn Park) with resources from various institutions and organizations provided opportunities to earn continuing education credits from the Minnesota Department of Commerce.



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 were due to the County February 28, 2025. Successful RFPs will be notified in early April.

HOA Workshop

EDA staff held a spring HOA workshop on Saturday, April 11, 2025. During this workshop, HOA homeowners and Board members engaged in a robust conversation regarding HOA governance matters, budgeting, insurance, operations and maintenance. The conversation was facilitated by an HOA attorney from Toohey Law Firm, HOA Family LLC and Community Association Insurance Consulting.

Based on the feedback received at the HOA meetings and others, EDA staff has developed a webpage for residents to access HOA resources located here:

<https://www.brooklynpark.org/housing/homeowner-resources/homeowners-associations/>



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 monthly meetings since November. Due to the submissions, questions raised, and the holiday season's scheduling, the RFQ's timeline was then extended with interviews taking place in January. 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.

After final amendment review and preliminary financial analysis the RFQ panel will bring a recommendation to the EDA during the April EDA Meeting.

BioTech Innovation District RFP

The selected consultant team is working on their final proposal based on feedback from the February EDA Meeting. A final contract is expected at the April EDA Meeting.

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. A contract for services is expected to be considered at the April EDA Meeting.

Blue Line Extension Anti-Displacement Policies and Programs

City staff continue to research programs and policies and corridor public. The Community Engagement team and Community Development visited businesses at the intersections of W Broadway/Brooklyn Blvd and W Broadway/85th Ave to distribute flyers for the BLE anti-displacement survey. Business owners and community members shared various opinions on their view of the BLE project with the highest support from business owners and employees for the following programs:

- Financial Burden Halt or Deferment
- Commercial Land Trust
- Small Business Financial Support
- Workforce Program

As of April 10, 2025, 73 of 163 responses to the BLE anti-displacement survey are from business owners and/or local employees. Moving forward, Community Engagement and Community Development staff will have a table at Dragon Star Supermarket to promote the BLE anti-displacement survey and the NWGAP upcoming event.

An RFP from the Antidisplacement Board is anticipated to be issued on or near June of this year. To ensure that the City is prepared to submit proposals for this funding opportunity, Staff will be forwarding a discussion item to the May City Council Work Session.

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.

Project Name	Project Details	Staff Response
Fidel's Restaurant	Restaurant Proposal at Northwinds Plaza (EDA Site)	<p>Public Assistance and EDA Risk are higher than standard assistance package. Staff will forward to EDA for direction at a future meeting.</p> <p><i>Due to ongoing discussions, this request will now be heard in May.</i></p>
Tessman Ridge Phase 2	<p>Tessman Ridge (Duffy Development) contemplated (and includes space) for a second phase of multifamily housing at 6900 85th Ave N). Duffy Development continues to ask for permission to commence design for Phase 2. The EDA previously declined to enter into an agreement for Phase 2 and Staff is of the understanding that there is still not an appetite to consider Phase 2 at this point.</p>	<p>On February 20, 2024, the EDA declined to enter into an agreement with Duffy Development for Phase 2. The EDA is focused on projects with a mix of Market Rate and Affordable Units. At this time, Staff is not planning on bringing forward consideration for Phase 2.</p> <p><i>Based on lack of direction from the EDA at this time, Staff has communicated to the Developer that there is not interest in pursuing Phase 2 at this time. Duffy Development does plan on saying a few words in support of Phase 2 during Public Comment Period at the April 21 EDA Meeting.</i></p>
Assisted Living Concept	7601 Brooklyn Boulevard	<p>Initial meetings took place in March and April with both EDA and Planning staff. The inquiring party wishes to input a ~10 unit assisted living facility on this property. If desired to pursue, a presentation can come in May. Otherwise, staff can continue to seek better tax-</p>

		<p>generating developments as this does not align with current EDA strategies.</p> <p><i>No further updates at this time.</i></p>
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E. WORKFORCE DEVELOPMENT UPDATES

Youth Entrepreneurship Program (YEP)

Phase two of the Youth Entrepreneurship Program (YEP) launched on March 19th with nine youth participants. This phase focuses on helping participants develop their pitch decks in preparation for the annual Shark Tank event on June 7th. Youth business ideas range from social entrepreneurship and seasonal landscaping to website development, among others. YEP is a weekly paid training program held at Zanewood Community Center, designed for out-of-school and high-barrier youth (ages 16–24) from Brooklyn Center and Brooklyn Park. The program equips participants with essential business and entrepreneurial skills.

For more information, contact Carmen Bibiano, Career Pathways Program Manager, at Carmen.Bibiano@brooklynk.works.

Summer Internship Planning

Planning is underway for BrookLynk's Summer Internship Program. On April 5th, youth candidates participated in Mock Interviews to practice essential interviewing skills and prepare for upcoming interviews they will have with employer partners.

This summer, financial literacy will be a major focus. In partnership with Stearns Bank and TopLine Credit Union, BrookLynk will support youth in gaining banking access and building foundational money management skills. Internships begin June 16th and will span a variety of industries, including public service, education, manufacturing, healthcare, construction and trades, business, and communications.

This program serves youth ages 16–24 who live in or attend school in Brooklyn Center and Brooklyn Park and face barriers to employment.

For more information regarding Summer Internships, please contact Anthony Villagrana, BrookLynk Program Coordinator, at Anthony.Villagrana@brooklynk.works or visit <https://www.brooklynk.works/get-ready-1>.

F. OTHER UPDATES

Economic Development and Housing Director Role

The City of Brooklyn Park has made significant progress in its recruitment efforts for the Economic Development and Housing Director position. Since the launch of the recruitment process, the job posting has received over 1,600 views and garnered over 16 applications from a diverse pool of candidates. The search committee has since then held initial pre-screening and first round interviews. Final section is anticipated within the next two (2) weeks. Currently, this position, is held on an interim basis by Malcolm Hicks, who continues to support the Economic Development Authority (EDA), until the selection process has been completed.

Workforce Development Program Director Role

Similar to the Economic Development and Housing Director recruitment, recruitment efforts have began to fill the Workforce Development Program Director role. The application will be open closed March 16th with a total of over 30 candidates. Staff is currently screening candidate applications for invites for first interviews. First round interviews will take in in late April or Early May, with candidates advancing to the 2nd round of interviews scheduled for late May

Jolene Rotich, current BrookLynk Program Manager, is currently supporting in the interim until the position is filled.

Attachments:

None

City of Brooklyn Park Request for EDA Action

Agenda Item:	7.2	Meeting Date:	April 21, 2025
Agenda Section:	Discussion Items	Prepared By:	Malcolm Hicks, Interim Director of Economic Housing and Development
Resolution:	N/A	Presented By:	Indred Alexander, CEO of I Alexander Agency LLC
Attachments:	2		
Item:	Brooklyn Park Small Business Center Quarterly Updates		

Overview:

The Brooklyn Park Small Business Center (SBC) has had a promising first year, overcoming challenges to achieve significant milestones. As a City initiative and a strategic priority of the Economic Development Authority (EDA) in 2019, SBC was developed to support local businesses, prevent displacement, and foster entrepreneurship in anticipation of the economic impacts from the light rail transit (LRT) project.

Looking ahead, the SBC aims to build on its success by increasing office occupancy, expanding support programs, and secure long-term financial sustainability of the center ensuring its role as a driver of economic growth for Brooklyn Park.

Attachments:

- 7.2A BUDGET AND METRICS
- 7.2B SBC MISSION/VISION/MEMBERSHIPS

BROOKLYN PARK SMALL BUSINESS CENTER (2025 Budget)

**REVENUE**

EDA Operator Contract	600,000
Lease (in-kind)	500,000
Earned Rev (memberships)	\$633,624
DEED Contract (3 yrs)	\$150,000
TOTAL:	1,883,624

EXPENSES:

Operator Contract	\$600,000
Lease and CAMS	\$500,000
Other Contractual Services	\$423,876
Supplies	\$12,000
Legal	\$2,000
TOTAL:	\$1,537,876

Other Contractual Services Includes:

Building Security	4,620
CAM	200,000
Cleaning	41,520
Comcast	4,680
Dpt Requested	2,088
Maintenance	1,500
HR Software	4,548
IT	19,800
Marketing/Advertising	30,120
Networking/Workshops	5,000
Tech Assistance	50,000
Employer Tax	60,000
Total:	423,876



SMALL BUSINESS CENTER (SBC) MISSION

The mission of the SBC is to provide a multi-cultural collaborative space that fosters creativity and innovation for local entrepreneurs to grow small businesses toward inclusive economic development.

SBC VISION

An inclusive workspace for small businesses to find resources and community to take their business to the next level.

VALUES

- **Accessible:** Easy to access (future LRT), open to, and a part of the Brooklyn Park community to serve the varying needs.
- **Affordable:** Memberships and event space priced below market rate.
- **Flexible:** Spaces and program that are adaptable and responsive to the evolving needs of the local small business community.
- **Inclusive:** Welcomes people of multiple generations, income levels, races, ethnicities, identities and cultures.
- **Wealth Building:** Resources to support small businesses to grow so that entrepreneurs can build personal and family wealth.
- **Economic Resource Hub:** Known as “the place to go” to access small business resources and supports.

ROLES/LEADERSHIP OF THE SBC

The SBC is owned by the BP-EDA and is a program managed day to day by Life.By.Design. Management.and.Consulting.LLC as a contracted operator (Operator). Day to day decisions will be made by the Operator in consultation with the Business Development Coordinator.

The **Tenant Advisory Board**, launched in 2024, is comprised of members of the SBC and meets quarterly to discuss changes to the SBC, introduce new members, resolve disputes, and share ideas. The Membership Steering Committee is co-led by the BP Business Development Coordinator and Operator's designee.

Major decisions regarding the SBC will be made by the **SBC Governance Committee** comprised of:

- Economic Development and Housing Director
- Business Development Coordinator
- Brooklyn Park Small Business Center Operator

The SBC Governance Committee will meet on a quarterly basis to discuss major decisions regarding the SBC and the performance of the SBC against established metrics. Examples of major decisions include but are not limited to expenditures outside of approved budget, changes to metrics/goals, changes to primary purpose and mission.

The BP-EDA will receive monthly updates regarding the SBC, review the performance metrics quarterly and make final decisions regarding the strategic direction of the SBC and the budget.

ELIGIBILITY FOR DEDICATED SPACE

1. Priority will be given to businesses that are small or emerging located in Brooklyn Park.
2. If memberships remain, second priority will be given to nonprofit organizations or units of government:
 - Nonprofit organizations should be in existence for less than two years or have an annual operating budget of less than \$100,000 dollars and must be focused on economic development.
 - Under some circumstances, Units of government may be allowed to seek membership for activities focused on small business and/or economic

development. "Government unit" is defined as an agency of the Federal, State or local government unit.

3. Each business and nonprofit organization will be limited to ONE office suite or dedicated desk membership.

METRICS/GOALS

See attached metrics/goals for 2024.

SBC BUDGET

See attached operating and capital expenditures budgets for 2025.

MEMBERSHIP LEVELS

- **Essential Membership (\$50 dollars/month):**
 - Access to SBC
 - Access to Elevate Hennepin consultants and members only events
 - Discount on conference meeting space

- **Standard Co-Working Membership (\$75 dollars/month):**
 - Essential Membership benefits PLUS
 - Expanded hours of access to SBC
 - Two hours of conference room space per month

- **Virtual Membership (\$125 dollars/month):**
 - Essential and Standard Co-Working benefits PLUS:
 - Business address and mailbox

- **Dedicated Desk Membership (\$200 dollars/month):**
 - All the benefits of Essential, Standard and Virtual Membership PLUS:
 - Reserved desk
 - Listing in virtual directory

- **Office Suites Membership (starting at \$650 dollars/month/depending on SF):**
 - Private office

- **Retail Suites Membership (starting at \$495 dollars/month/depending on SF):**
 - Reserved/lockable suite

- **SBC Supporter Membership (starting at \$50 dollars/month): (See sponsorship and donation package)**
 - Access to SBC members only events
 - Listing on SBC website as a supporter

- **Community Organization Membership (\$125 dollars/month):**
 - Essential and Standard Co-Working benefits PLUS:
 - Business address and mailbox

- **Company Add-on Membership (\$25dollars/month)**
 - Add on memberships are available to all Office, Dedicated Desk, and Community Organization Memberships.
 - Add on memberships will hold the same access as the primary membership.