

Monday, April 27, 2026

Immediately After the Regular City Council Meeting

SPECIAL EDA MEETING – AGENDA #6

President Hollies Winston, Vice President Shelle Page, Treasurer Nichole Klonowski,
Commissioners Christian Eriksen, Amanda Xiong, Maria Tran, and Tony McGarvey
Executive Director Tim Gladhill, Assistant Executive Director Jay Stroebel and Secretary Seng Moua.

Si usted necesita esta información en español: 763-424-8000. Yog xav tau kev pab, thov hu rau 763-424-8000 lawv mam li nrhiav ib tus neeg txhais lus rau koj. If you need this information in another language or alternative format, email access@brooklynpark.org or call 763-424-8000.

Our Vision: Brooklyn Park, a thriving community inspiring pride where opportunities exist for all.

I. ORGANIZATIONAL BUSINESS

1. CALL TO ORDER/ROLL CALL

- 2. APPROVAL OF MEETING AGENDA AND APPROVAL OF CONSENT AGENDA** (Items specifically identified may be removed from Consent or added elsewhere on the agenda by request of any Commissioner).

II. STATUTORY BUSINESS AND/OR POLICY IMPLEMENTATION

3. CONSENT

- 3.1** Consider Authorizing the Brooklyn Park Economic Development Authority to Amend the Housing Management Agreement with Kimberly Homes, LLC and Amend the Budget Related to the Management Services at the Transitional Housing Facility Located at 7600 69th Ave N
- A.** RESOLUTION
 - B.** AMENDED HOUSING MANAGEMENT AGREEMENT

III. 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 18, 2026

City of Brooklyn Park Request for EDA Action

Agenda Item:	3.1	Meeting Date:	April 27, 2026
Agenda Section:	Consent	Prepared By	John T. Kinara, Housing and Redevelopment Coordinator
Resolution:	X	Presented By:	John T. Kinara, Housing and Redevelopment Coordinator
Attachments:	2		
Item:	Consider Authorizing the Brooklyn Park Economic Development Authority to Amend the Housing Management Agreement with Kimberly Homes, LLC and Amend the Budget Related to the Management Services at the Transitional Housing Facility Located at 7600 69th Avenue North		

Executive Director's Proposed Action:

MOTION _____, SECOND _____, TO WAIVE THE READING AND ADOPT RESOLUTION #2026-_____, AUTHORIZING THE BROOKLYN PARK ECONOMIC DEVELOPMENT AUTHORITY TO AMEND A HOUSING MANAGEMENT WITH KIMBERLY HOMES, LLC AND AMEND THE BUDGET RELATED TO THE MANAGEMENT SERVICES AT THE TRANSITIONAL HOUSING FACILITY LOCATED AT 7600 69TH AVENUE NORTH.

Overview:

Staff is seeking Economic Development Authority ("EDA") approval of the amended Housing Management Agreement between Kimberly Homes, LLC ("KH") and the EDA which stipulates details for the property management and overseeing of the residential leases at the property located at 7600 69th Ave N. For their professional management services, staff propose paying KH a flat monthly rate of \$2,500. Income for maintenance and repair expenses will be generated from rent paid by the residents and a rental subsidy paid by Hennepin County through Simpson Housing Services ("SHS") on behalf of the residents. Staff also recommend amending the EDA budget to accommodate these budgetary changes.

Background:

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

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

Primary Issues to Consider:

- **What are the key terms of the Amended Housing Management Agreement with Kimberly Homes?**

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

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

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

For their professional management services, KH will be paid a flat rate of \$2,500 per month. If there are additional repairs over 4 hours in a month, the work will be charged at a rate of between \$32 (standard) to \$43 (emergency) an hour based on the type of service provided.

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

Budgetary/Fiscal Issues:

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

The annual revenue from the rents will cover the routine maintenance and repair expenses. In addition, the EDA staff and KH have completed an assessment of the rehabilitation needs required at the property to ensure its stability and functionality.

ANNUAL COST OF OPERATION		ANNUAL REVENUE	
Kimberly Homes Management Fee	\$30,000	Monthly rent: 4 units, \$700 each	\$33,600
Utilities: gas, electricity, water, sewer	\$7,000	Washer/Dryer Income	\$200
Operating Costs: contract maintenance, snow removal, garbage, lawn care, driveway, HVAC, rental turns, rental license fee, supplies	\$10,000		
Legal, Miscellaneous Administrative Fees	\$1,000		
Possible Vacancies: 4 units x 2 months each = 8 months x \$250 lost rent	\$3,000		
TOTAL	\$51,000	TOTAL	\$33,800
		NET REVENUE	(\$17,200)

As the budget above shows, there will be an estimated deficit of \$17,200 annually.

Staff recommend approving the Amended Housing Management Agreement with Kimberly Homes LLC to provide professional rental property management services at 7600 69th Avenue N. The Agreement is proposed to begin on March 1, 2026. Staff also recommend amending the EDA budget to accommodate these budgetary changes related to the management services fee and routine maintenance expenses for the property as shown below.

Changes to the GENERAL LEDGER Budget					
Financing Changes					
Fund	Revenue Classification	Description	Current Budget	Changes	Amended Budget
502	Use of Fund Balance	Use of fund balance	\$ -	\$ 14,106.00	\$ 14,106.00
513	Transfers In	Transfer In	\$ -	\$ 14,106.00	\$ 14,106.00
Total			\$ -	\$ 28,212.00	\$ 28,212.00
Spending Changes					
Fund	Expense Classification	Description	Current Budget	Changes	Amended Budget
513	Contractual Services	Developer payments	\$ 20,491.00	\$ 14,106.00	\$ 34,597.00
502	Transfers Outs	Transfer Outs	\$ 1,214,144.00	\$ 14,106.00	\$ 1,228,250.00
Total			\$ 1,234,635.00	\$ 28,212.00	\$ 1,262,847.00

Recommendation:

The Executive Director of the Economic Development Authority recommends approval.

Attachments:

- 3.1A RESOLUTION
- 3.1B AMENDED HOUSING MANAGEMENT AGREEMENT

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

RESOLUTION #2026-_____

AUTHORIZING THE BROOKLYN PARK ECONOMIC DEVELOPMENT AUTHORITY TO AMEND THE HOUSING MANAGEMENT AGREEMENT WITH KIMBERLY HOMES, LLC AND AMEND THE BUDGET RELATED TO MANAGEMENT SERVICES AT THE TRANSITIONAL HOUSING FACILITY LOCATED AT 7600 69TH AVENUE NORTH

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

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

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

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

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

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

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

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

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

WHEREAS, the EDA has determined that the Agreement can be made more effective by amending the budget in accordance with the terms and conditions described in the Request for EDA Action provided to the Board and incorporated herein by reference (the "Agreement Terms");

NOW, THEREFORE, BE IT RESOLVED by the Brooklyn Park EDA to approve the amended Housing Management Agreement and the 2026 budget as stated below and for the Finance Director to manage the budget within these funds as follows:

1. The Amended Housing Management Agreement between the EDA and Kimberly Homes, LLC, is hereby approved; and

2. Authority staff are authorized and directed to prepare, and the Executive Director is authorized and directed to execute the above-referenced agreements, subject to such additional details, modifications, or deletions as may be necessary and appropriate and approved by legal counsel to the EDA and by the officer authorized herein to execute said documents prior to their execution; and said officer is hereby authorized to approve said changes on behalf of the EDA.

Changes to the GENERAL LEDGER Budget					
Financing Changes					
Fund	Revenue Classification	Description	Current Budget	Changes	Amended Budget
513	Use of Fund Balance	Use of fund balance	\$ -	\$ 14,106.00	\$ 14,106.00
Total			\$ -	\$ 14,106.00	\$ 14,106.00
Spending Changes					
Fund	Expense Classification	Description	Current Budget	Changes	Amended Budget
513	Contractual Services	Developer payments	\$ 20,491.00	\$ 14,106.00	\$ 34,597.00
Total			\$ 20,491.00	\$ 14,106.00	\$ 34,597.00

FIRST AMENDMENT TO HOUSING MANAGEMENT AGREEMENT

BETWEEN: Brooklyn Park Economic Development Authority

AND: Kimberly Homes, LLC

EFFECTIVE DATE: March 1, 2026

This Amendment is made this _____ day of April 2026, by and between the Brooklyn Park Economic Development Authority (EDA), a public body corporate and politic under laws of the State of Minnesota, hereafter referred to as the "Owner", and Kimberly Homes LLC, a Minnesota limited liability company (the "Agent"):

RECITALS

- A. EDA and Agent entered into a Housing Management Agreement ("Agreement") effective March 1, 2025, which is included as Amendment Exhibit A, pursuant to which the Agent accepted the Owner's appointment to manage certain property and agreed to provide the professional services related to managing Owner's property, described in Exhibit A to the Agreement.
- B. Due to factors not anticipated by either party, the parties desire to modify the payment structure from a percentage of revenue to a flat fee.
- C. The Owner desires to continue engaging with Agent to provide the amended services described in this Amendment and Agent is willing to provide such services on the terms and conditions set forth herein.

AMENDMENT

I. Section 4.2

4.2 PAYMENTS AND EXPENSES

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

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

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

II. Section 9.1 is hereby amended by adding the double-underlined language and removing the ~~struck~~ language as follows:

9.1 STANDARD COMPENSATION

The Management Agent will be compensated for its services under this Agreement by a monthly fee in the amount of ~~12% of gross monthly income from the Premises deposited in the Operating Account~~ two thousand five hundred and 00/100 dollars (\$2,500). Payable on the 30th day of each month beginning on April 30, 2026. The payment made on April 30, 2026 will also include a one time additional payment of \$2,500 (for a total payment on April 30, 2026 of five thousand (\$5,000) for services provided between the Effective Date of the Amendment and March 30, 2026.

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

III. All other terms contained in the Agreement shall remain unchanged and in full force and effect until expiration and termination of the Agreement. In the case of any inconsistency

between the terms of the Agreement and this Amendment, the terms of this Amendment shall control.

- IV.** This Amendment may be executed in any number of counterparts, each of which shall constitute one and the same instrument.

[The remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, the Brooklyn Park EDA and the Consultant have caused this Professional Services Agreement to be executed by their duly authorized representatives in duplicate on the respective dates indicated below.

BROOKLYN PARK ECONOMIC DEVELOPMENT AUTHORITY

By: _____

Tim Gladhill, EDA Executive Director
Brooklyn Park EDA
5200 85th Avenue North
Brooklyn Park, MN 55443

Date: _____

KIMBERLY HOMES, LLC

By: _____

Date: _____

AMENDMENT EXHIBIT A

(Attach Agreement dated March 1, 2025)