

Monday, November 18, 2024
Immediately after the Special City Council Meeting at 5:30 PM

REGULAR EDA MEETING – AGENDA #13

President Hollies Winston, Vice President Nichole Klonowski, Treasurer Christian Eriksen,
Commissioners Boyd Morson, Xp Lee, 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

I. ORGANIZATIONAL BUSINESS

1. CALL TO ORDER/ROLL CALL

2. APPROVAL OF AGENDA

II. PUBLIC INVOLVEMENT

3. PUBLIC COMMENT AND RESPONSE

Provides an opportunity for the public to address the EDA on items which are not on the agenda. Public Comment will be limited to 15 minutes (*if no one is in attendance for Public Comment, the regular meeting may begin*), and it may not be used to make personal attacks, to air personality grievances, to make political endorsements or for political campaign purposes. Commissioners will not enter into a dialogue with members of the public. Questions from the EDA will be for clarification only. Public Comment will not be used as a time for problem-solving or reacting to the comments made but, rather, for hearing from members of the public for informational purposes only.

3A. RESPONSE TO PRIOR PUBLIC COMMENT

3B. PUBLIC COMMENT

3C. PUBLIC PRESENTATIONS

3C.1 Annual BrookLynk/Workforce Development Report (2024)

3D. PUBLIC ANNOUNCEMENTS

III. STATUTORY BUSINESS AND/OR POLICY IMPLEMENTATION

4. CONSENT

4.1 Consider Approving the September 16, 2024, EDA Regular Meeting Minutes

A. SEPTEMBER 16, 2024, DRAFT REGULAR MEETING MINUTES

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

5. PUBLIC HEARINGS

6. GENERAL ACTION ITEMS

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

7. DISCUSSION ITEMS

7.1 Update on Huntington Place (HP) Apartments and Potential Sale

7.2 Discuss the 4D Program for the City of Brooklyn Park

A. VILLA DEL CORONADO PROPERTY TAXES ANALYSIS

B. THE GROVES APARTMENTS PROPERTY TAXES ANALYSIS

7.3 Discuss Small Business Support Strategy and a Potential for a Future Brooklyn Park Chamber of Commerce

7.4 EDA Status Updates

7.5 Verbal Commissioner Reports and Announcements

V. ADJOURNMENT

Since we do not have time to discuss every point presented, it may seem that decisions are preconceived. However, background information is provided for the EDA on each agenda item in advance from city staff; and decisions are based on this information and past experiences. Items requiring excessive time may be continued to another meeting.

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, December 16, 2024.

City of Brooklyn Park Request for EDA Action

Agenda Item:	3C.1	Meeting Date:	November 18, 2024
Agenda Section:	Public Presentations	Prepared By:	Catrice O'Neal, Workforce Development Program Director
Resolution:	N/A	Presented By:	Catrice O'Neal, Workforce Development Program Director
Attachments:	N/A		
Item:	Annual BrookLynk/Workforce Development Report (2024)		

Executive Directors Proposed Action:

Catrice O'Neal, Workforce Development Program Director will present 2024 workforce development annual report.

Overview:

BrookLynk, the cities of Brooklyn Park and Brooklyn Center's joint workforce development division and programs has ended the 2024 program year and is preparing for the launch of the 2025 program year. This presentation will highlight successes from the prior year and new programs and partnerships.

Primary Issues/Alternatives to Consider: N/A

Budgetary/Fiscal Issues: N/A

Attachments: N/A

City of Brooklyn Park Request for EDA Action

Agenda Item:	4.1	Meeting Date:	November 18, 2024
Agenda Section:	Consent	Prepared By:	Seng Moua, EDA Secretary
Resolution:	N/A	Presented By:	Tim Gladhill, Executive Director
Attachments:	1		
Item:	Consider Approving the October 21, 2024, EDA Regular Meeting Minutes		

Executive Director's Proposed Action:

MOTION _____, SECOND _____, TO APPROVE THE OCTOBER 21, 2024, EDA REGULAR MEETING MINUTES.

Overview: N/A

Primary Issues/Alternatives to Consider: N/A

Budgetary/Fiscal Issues: N/A

Attachments:

4.1A OCTOBER 21, 2024, DRAFT EDA REGULAR MEETING MINUTES

THE BROOKLYN PARK ECONOMIC DEVELOPMENT AUTHORITY
OF THE CITY OF BROOKLYN PARK
OCTOBER 21, 2024 MEETING MINUTES

I. ORGANIZATIONAL BUSINESS:

1A. CALL TO ORDER: Commissioner Eriksen at 6:56 p.m.

ROLL CALL PRESENT: President Hollies Winston (arrived at 7:53 p.m.), Vice President Nichole Klonowski (arrived at 7:50 p.m.), Treasurer Boyd Morson and Commissioners Christian Eriksen, XP Lee, Tony McGarvey, and Maria Tran (attending virtually and was present during Work Session and arrived at 7:57 p.m. for regular EDA Meeting) Staff: Executive Director Tim Gladhill, Recreation and Parks Director Brad Tollberg, and EDA Secretary Seng Moua.

ABSENT/EXCUSED: None.

II. WORK SESSION

2. WORK SESSION ITEMS:

- 2.1 Brooklyn Park Small Business Center (SBC) – First Year in Review.
- A. Presentation
 - B. Budget and Metrics
 - C. SBC 2025 Budget
 - D. SBC Mission/Vision/Memberships

The work session adjourned at 7:39 p.m.

The meeting reconvened in regular session at 7:46 p.m.

1B. APPROVAL OF AGENDA

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

A ROLL CALL VOTE WAS PERFORMED:

COMMISSIONER ERIKSEN	AYE
COMMISSIONER LEE	AYE
COMMISSIONER MCGARVEY	AYE
COMMISSIONER MORSON	AYE

MOTION PASSED UNANIMOUSLY.

III. PUBLIC INVOLVEMENT:

3. PUBLIC COMMENT AND RESPONSE:

3A. Response to Prior Public Comment: None.

3B. Public Comment: Collette Hemple, 9277 Trinity Gardens, expressed concern with the request from Huntington for the EDA to forgive almost \$5,000,000 which is for less than the 3,000 people that live in that complex. She commented that developers have received more than

enough tax dollars with little improvement to the property for its residents. She believed that the funds would be better spent on community improvements that would benefit all residents.

Commissioner Klonowski arrived.

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. September 16, 2024 Draft Regular Meeting Minutes

MOTION LEE, SECOND KLONOWSKI, TO APPROVE THE CONSENT AGENDA.

A ROLL CALL VOTE WAS PERFORMED:

COMMISSIONER KLONOWSKI	AYE
COMMISSIONER LEE	AYE
COMMISSIONER MORSON	AYE
COMMISSIONER MCGARVEY	AYE
COMMISSIONER ERIKSEN	AYE

MOTION PASSED UNANIMOUSLY.

1B. APPROVAL OF AGENDA (Continued)

Commissioner McGarvey requested to amend the agenda to move Item 7.1 ahead of Item 6.1.

MOTION MCGARVEY, SECOND LEE, TO AMEND THE AGENDA TO CONSIDER ITEM 7.1 PRIOR TO ITEM 6.1.

A ROLL CALL VOTE WAS PERFORMED:

COMMISSIONER ERIKSEN	AYE
COMMISSIONER KLONOWSKI	AYE
COMMISSIONER LEE	AYE
COMMISSIONER MCGARVEY	AYE
COMMISSIONER MORSON	AYE

MOTION PASSED UNANIMOUSLY.

5. PUBLIC HEARINGS:

5.1 None.

V. DISCUSSION:

7. DISCUSSION ITEMS

- 7.1 Update on Huntington Place (HP) Apartments and Potential Sale
- A. Letter from Winthrop & Weinstine on Behalf of AEON BP LLC
 - B. Financial Status from Chris Kuecker

Executive Director Tim Gladhill stated that the current owner of the property is AEON and the purpose of this item is to receive an update on the potential sale of the property. He clarified that there is no requested action item before the EDA tonight related to the existing loan on the property and instead they are introducing the request to the group to receive direction from the EDA. He reviewed the current priorities noting the top priorities to protect the existing residents from displacement and to protect the EDA investment. He reviewed the EDA investment impact noting reductions in calls for service to the police and related to the previous lack of maintenance. He provided an overview of the property history from 2019 through today as well as background information on the EDA loan and assistance. He also provided information on additional support provided from other agencies and the EDA loan risk. He stated that earlier today staff met with AEON and the potential buyer to learn about the future plans for the property, noting the desire for the property to remain affordable into the future. He reviewed the alternatives that could be considered as well as the potential impacts of those options.

President Winston arrived.

Commissioner Tran arrived.

The group took a five-minute recess due to technical difficulties.

Executive Director Tim Gladhill reiterated that no formal action is requested tonight and staff is asking for input from the EDA on the request from AEON and available options.

Melissa Downy, AEON, stated that she is proud of the continued commitment to the community of Huntington Place and its 2,500 residents noting the social and economic challenges of the past five years. She stated that the property was formerly at risk, in decline, with the potential for redevelopment that would threaten its affordability. She stated that in 2020 AEON committed to continued affordability, to the community and to providing a safe place for the Huntington residents to call home. She stated that AEON could not foresee the challenges that would be brought about by the pandemic, civil unrest and the declining economy. She stated that AEON invested millions of dollars in security and in-unit maintenance to ensure the security and comfort of the residents. She stated that AEON finds that a transfer of the property would best serve the community to continue to make Huntington a safe and strong place to call home, but that would require the help of the EDA. She expressed thanks for the partners that have helped to bring stability and safety to that community.

Dr. Eric Anthony Johnson, AEON, stated that they believe that they have found a solution that will benefit the residents. He stated that from 2020 to 2024, AEON worked to create an environment of safety at Huntington, spending \$5,400,000 of money from the property to invest in the property and raised an additional \$850,000 to support residents rent payments. He stated that they also worked hard to evict tenants that were making the community unsafe for others. He explained that the \$3,500,000 from Hennepin County supported unit improvements, replacement of 16 boilers, and security fencing and reviewed the items that were improved with the funds provided by Brooklyn Park. He stated that the \$10,000,000 from the legislature did not all go directly into the property, explaining that helped to hold the property in support of the residence. He stated

that without that funding they would not have been able to hold the property in support of potential buyers. He stated that AEON could have given up years ago and reviewed the work that AEON has done since 2022 in support of Huntington. He commented that the lenders are taking a loss in the millions to clear the property to transfer it to a new buyer that will keep the property affordable. He asked that the EDA move the loan to allow the property to move unencumbered. He stated that this is the last stand, and they have no other options after this. He stated that AEON has been working to preserve affordable housing when others say no since 1986. He stated that AEON can no longer invest in the property, and this is the last option to preserve this in its current state as safe and affordable housing.

President Winston appreciated the efforts that AEON has put into place noting that he has had multiple meetings with Dr. Johnson throughout the years to secure funding and try to save the property. He appreciated AEON stepping in at a time when others would not have. He stated that the residents of Huntington Place have been a priority, which is why a lot of time has been spent on this. He thanked the residents of Brooklyn Park for being patient and understanding. He stated that his family has come through places like Huntington Place and wanted others to understand what is at stake, noting that there are 2,500 people living at Huntington Place. He appreciated the efforts of AEON to protect this. He stated that as they go forward to finding a solution, security will remain a priority noting the progress they have made in decreasing the need for police services. He stated that with the new buyer, they want to see improvement in the amenities for the complex, improvements in the façade and living quarters.

Commissioner Morson asked who the buyer would be.

Dr. Johnson replied that the buyer would be MAS Capital Group out of New York City.

Commissioner Morson asked if the forgivable loan is a large piece of making this transaction happen.

Dr. Johnson confirmed that to be true, as the property would need to be unencumbered with any debt.

Commissioner Morson recognized that a payment from AEON would be due in January of 2025, therefore it appears that this agreement would circumvent that from occurring.

Dr. Johnson replied that Huntington was purchased under a five-year bridge loan, which would be due by the end of December and therefore that is the timeline they are up against rather than the EDA payment.

Commissioner Morson asked the general vision for the property by MAS Capital.

Dr. Johnson replied that their intent in the first two to three years is to focus on capital improvements, completing in unit improvements as well as improving the façade, common areas and amenities.

Commissioner Morson asked if AEON would continue to oversee the project for the next two to three years.

Dr. Johnson replied that AEON would remain for two years as part of the arrangement. He stated that the \$10,000,000 cannot transfer to a private entity and therefore AEON will continue to stay on to administer the grant and explained

how those funds would be used to pay property taxes and insurance. He stated that the new owner could then use the remaining balance for capital improvements.

Commissioner Morson asked if there is an anticipated date for shovel ready work that people can see.

Dr. Johnson stated that people will see a team come to town to start their due diligence and analyze the property which will help to shape the plan. He stated that their intention would be to start on day one with a plan to rehab the property over three years.

Commissioner Morson thanked Dr. Johnson for the meeting he held last week, which was well attended and shared this information with the residents.

Dr. Johnson stated that it was important for them to meet with the residents rather than having the residents hear rumors from others. He noted that there is a covenant on the property that keeps it affordable through 2050.

Commissioner Eriksen commented that there are a lot of residents that would find this a bitter pill to swallow, to forgive this debt in this manner. He stated that City staff and committee members spent a lot of energy in 2021 and 2022 holding AEON accountable for a minimum level of basic services for residents who were regularly abused by the staff at Huntington Place. He stated that there is a part of him that is unwilling to go there, but he also realizes the grave situation those residents are in as a real possibility would be that Huntington would go back into a state of chaos, would close, or would be redeveloped as something else. He asked if there is a scenario in which Brooklyn Park would get something in return for the dollars invested in AEON. He referenced the proximity to the Zanewood community center and asked that the remaining dollars be invested in the pool and outdoor amenities which could then be attached to the community center. He stated that the pool and community space could then be used as an amenity not only for the Huntington residents but also for the broader community. He stated that would be an option where the residents of Brooklyn Park get something while the residents of Huntington also get stability.

Dr. Johnson appreciated those sentiments from Commissioner Eriksen in terms of 2021 and early 2022 was like, acknowledging that it was chaotic. He stated that they have been able to change that relationship with the City. He stated that the residents are feeling safe and do not want the safety component to be disconnected. He stated that they are at the stage where they do need to think of creative solutions.

President Winston stated that he would also be supportive of Commissioner Eriksen's approach.

Commissioner Lee also agreed that would be a great idea to create some type of amenity. He stated that he is not against full forgiveness as he understands the situation, but he would not prefer that. He stated that if this were a situation where they gave the money and things did not work out, that would be different but in this situation the City really put in a lot of work, recognizing the engagement, commitment and resources of the City. He stated that it was a true partnership with the City leading the engagement at times because it was the trusted partner. He appreciated all that AEON has done and is doing, recognizing the unfortunate circumstances. He stated that he would support negotiations to recoup some of the investment as \$1,000,000 has already been forgiven and \$3,800,000 remains.

Dr. Johnson stated that he started by saying \$5,400,000 which was direct money from AEON that paid for security services which were not paid by the City. He stated that averaged \$1,400,000 per year. He stated that they took that money to hire armed security to calm down the property, rather than placing that burden on the police. He stated that the funds from Hennepin County and Brooklyn Park assisted with perimeter security. He stated that when they speak of negotiations, they must also consider the contribution from AEON for security as well.

Commissioner Lee stated that he would quantify that as part of the commitment from AEON and would like to recoup as much as they can as the City.

Commissioner Tran asked if the new buyer is a national business.

Dr. Johnson replied that the buyer is a firm out of New York City.

Commissioner Tran stated that she is sorry to hear that AEON is not doing well and there has already been some forgiveness in the funds from the City. She stated that the City has a limited budget, and they cannot continue to forgive loans. She believed the ask for complete forgiveness was too much and would like to see 50 percent of the units converted to two or three bedroom units as one bedroom units are not good for families. She stated that the ask from AEON is too much.

Dr. Johnson stated that they do not see this as a loss for AEON as AEON is not about a profit, as they have never made a profit because of their mission. He stated that their goal is about preservation and make sure people do not lose their homes. He believed that this solution is in the spirit of preservation for these residents.

Commissioner McGarvey referenced the remark that the lenders are giving up millions and asked why they would do that to support this sale.

Dr. Johnson commented that the lenders will do that because they do not want to see a sea of people lose their homes and the ensuing chaos that would result for Brooklyn Park. He commented that the lenders will lose massive dollars in order to support this. He noted that this is all about passing the baton to someone who can continue the work that has been done in order to avoid chaos.

Commissioner McGarvey asked why the lenders would not just lend the money to AEON.

Dr. Johnson replied that it does not work that way, as the property was not performing from a cash flow perspective as there are people that do not pay their rent, but they continue to work with them. He stated that AEON does not have the capital and funds to do the necessary reset. He stated that the lenders are willing to take the loss and asking others to do the same to protect the residents.

Commissioner McGarvey asked if MAS Capital is a private equity investment firm and why they would take the project on.

Dr. Johnson replied that MAS Capital is a family owned business that focuses on affordable housing and is not a private equity firm and there is no hesitation to maintain the affordability. He stated that there were ridiculously low offers on the property that they did not accept.

Commissioner Morson asked if MAS Capital has plans to rehab to two bedroom units.

Dr. Johnson replied that is not something they are looking at right now and would look to maintain the one-bedroom units because the numbers would be cost-prohibitive to add additional two- and three-bedroom units. He stated that the cost would be \$70,000,000 to \$80,000,000 per building, with six buildings, to do that. He noted that could change in the long term.

Commissioner Morson asked that considerations for minority-owned developments in this project be considered.

Dr. Johnson stated that if that is a request, he could present that to the buyer.

Commissioner Klonowski asked if the new owner would want to maintain the security.

Dr. Johnson replied that has been discussed and the intention is to maintain the security at Huntington. He noted that was a request of the residents as well. He stated that there is no way that could be done if the lender was not willing to take massive losses. He stated that the cost for security scared a lot of potential buyers away, estimating \$1,400,000 per year that is spent on security as there is 24-hour security provided by armed guards.

Commissioner Klonowski commented that the security measures have helped to turn the property around and therefore she wants to ensure that will be maintained. She asked if there is an outlined planned for property improvements.

Dr. Johnson replied that the buyer is currently working on development of that plan.

Commissioner Klonowski asked if AEON has a list of capital improvements.

Dr. Johnson confirmed that AEON will share that information with the new buyer.

Commissioner Klonowski recognized that they are old buildings with a lot of work to be done. She asked Dr. Johnson to explain what it means to be a nonprofit developer.

Dr. Johnson replied that AEON is lucky to break even, where a typical developer wants to make a profit. He stated that AEON works to have funding to pay the mortgage and ensure that rents can be maintained, and services can be provided to residents. He stated that because they operate on that tight budget, any additional costs can throw them over the edge such as increased security costs and maintenance costs.

Commissioner Klonowski appreciated the suggestion of Commissioner Eriksen and acknowledged that the previous EDA went into the loan with the understanding that there was a lot of risk. She believed that concept from Commissioner Eriksen is worth exploring as that would provide benefit to families in the area. She also liked the idea of transferring the debt to the new owner, with the understanding that it could be forgiven after a period of time, to ensure that the improvements are going to be made. She recognized the work that AEON does, and it could not have been a worse time for AEON to take over the property with the eviction moratoriums that were put into place by the State. She stated that AEON is not the only nonprofit developer that is still reeling from that challenge. She commended AEON for working so hard to find someone to purchase the property, maintaining the convenience on the property as no one wants to see those residents displaced.

Commissioner Eriksen asked the current price tag for total deferred maintenance.

Dr. Johnson estimated in excess of \$200,000,000 to bring Huntington to today's standards. He stated that AEON looked early on at a transformation that had large numbers and believed that the new buyer should have the capacity over a period of time to stabilize the property.

Commissioner Eriksen stated that would equal about \$200,000 per unit.

Dr. Johnson stated that the system made some miscalculations in NOAH as the general estimate was about \$30,000 or \$40,000 per unit to rehab the units but once you get in there you see there is more behind the walls and floors. He did not anticipate that \$200,000 per unit would be spent but improvements would be made, and infrastructure would be updated to provide livability.

Commissioner Eriksen stated that the MAS Capital website states that they typically invest \$10,000 to \$15,000 per unit and aim to achieve a 20 percent increase in investment on those units. He asked if MAS Capital would be biting off more than they could chew, as AEON did.

Dr. Johnson did not think that is accurate. He noted that context is urban, and MAS has the experience in older buildings and difficulties in managing properties.

Commissioner Eriksen asked if staff would agree with that assessment and whether that would be sufficient to restore livability.

Executive Director Tim Gladhill stated that every project is different. He stated that typically the City would look at a facilities condition assessment to determine the cost. He stated that it is a unique site as there is one water service for the entire property with one pipe for all the buildings. He explained that the facilities condition assessment would provide an accurate number on the deferred maintenance that exists.

Commissioner Eriksen stated that if the sale goes through, he obviously wants them to succeed and does not want this same situation to repeat with someone biting off more than they can chew. He asked if the buyer is really aware of the condition of Huntington.

Executive Director Tim Gladhill commented that the buyer has sent a team of staff that is currently completing a survey of the property and exterior and will hopefully identify the low hanging fruit of systems that could be replaced.

Dr. Johnson stated that he could not discuss price points, but if the buyer is buying the property high there would be no way those improvements could happen, which is why the cost is being lowered in order to allow them to do the work.

President Winston thanked Dr. Johnson for the work that has been done and the partnership that has occurred on this local level. He stated that AEON has done quite a bit to keep this rolling, as have City staff, the police department, the Council and many others. He stated that the EDA will take this information and find a way to find a solution that would protect this housing for 2,500 Brooklyn Park residents. He stated that he likes the idea from Commissioner Eriksen to restore amenities, which fits with the expansion of the teen center. He stated that this is an opportunity to address a location that has been struggling and create a sustainable model that serves the property, the area, and the community as a whole.

Executive Director Tim Gladhill recognized the other members of City staff that assisted in bringing him up to speed on this topic.

6. GENERAL ACTION ITEMS:

- 6.1 Consider Authorizing the Economic Development Authority Executive Director to Enter into an Agreement with Green Haven Tavern LLC for the Restaurant Management Services and Alcohol Catering at Edinburgh USA Clubhouse Effective January 1, 2025
- A. Resolution
 - B. Green Haven Tavern LLC Proposal

Recreation and Parks Director Brad Tollberg provided background information on the Edinburgh USA Clubhouse, noting that the EDA and D'Amico agreed to early termination of the Clubhouse Management Services to end on December 31, 2024 due to poor financial performance. He stated that based on that earlier discussion the EDA agreed that City staff could manage room rentals and allow for open catering for banquets. He reviewed the timeline, noting that five proposals were received through the RFP process and the Selection Committee reviewed those proposals and ultimately recommend moving forward with Tavern at Green Haven. He asked that the EDA authorize execution of the agreement. He provided additional information on Green Haven Tavern, noting that the Tollette family is well known in the golf course and hospitality industry. He reviewed the financial parameters, noting that they are still working to complete the complete terms of the agreement. He reviewed the requested action before the EDA tonight.

Jason Tollette, Taven at Green Haven LLC, stated that they are excited to be a part of Edinburgh and the future of Edinburgh. He reviewed his family's experience in the golf and hospitality industries and believed that this is a wonderful opportunity in a beautiful facility. He stated that his grandfather worked in Brooklyn Park and his father worked on the feasibility study for Edinburgh. He was excited to be able to enhance the experience of the great course and facility.

President Winston asked the potential for termination review.

Recreation and Parks Director Brad Tollberg stated that the termination clause would be similar to D'Amico. He stated that the contract would be for a five-year agreement and provided details on the termination options.

President Winston asked for information on the food.

Mr. Tollette replied that everything would be made from scratch and made to order for both the food and drinks. He stated that the sauce is made to order and does not sit in a hot well. He stated that they do have the golf course staples of burgers and wings but also offer a more expansive entre selection for their menu. He stated that they offer heavy pasta, meat and potatoes, and seafood options and then have 14 weekly specials each week in addition to the regular menu that changes each week. He stated that they think of themselves as not a golf course restaurant but a restaurant that is located at a golf course.

Commissioner Morson thanked Mr. Tollette and asked if there would be steak.

Mr. Tollette replied that at the Green Haven location they have six different steaks on the menu currently.

Commissioner Morson commented that he is excited as a gathering place for couples, groups, and the community in a manner that will attract new people and have residents coming back.

Mr. Tollette commented that people will drive an hour for a good burger but may not go across the street for a happy hour.

Commissioner Klonowski stated that she grew up in Anoka and has golfed at Green Haven. She stated that she was a part of the Selection Committee and noted that she and her husband go out of their way to go to Anoka and eat and drink at Green Haven. She stated that there is great staff, great food and great drinks. She believed that this group honored what the City was asking for in its proposal rather than asking for special things. She also appreciated that this entity was willing to let the City run the banquet element and is excited for the group to come to the community. She stated that there was discussion during the interview that there is a perception that Edinburgh is a private facility and would like to see that broken down so that residents know they are welcome at the facility. She asked how this group would work to get that message out.

Mr. Tollette replied that he tries to hire most of the staff from the community, noting that 75 percent of the staff at Green Haven are Anoka residents. He stated that no one knows the community better than its own residents. He stated that he is not a giant corporation, and he will be present every day, noting the he is willing to try anything and be available. He stated that he and the restaurant become more successful when the community looks at it as a source of pride. He stated that Green Haven went through a number of large operators before selecting him and because he does not need to receive layers of approvals, he can work to incorporate new things and get the community involved.

Commissioner Klonowski recognized the original intention to keep as much of the staff as possible and asked if that is still the intention.

Mr. Tollette commented that he has met with as many of the staff that D'Amico has allowed him to and as soon as he is capable to reach out to the entire staff, he would and would like to retain as many as possible.

Commissioner Klonowski stated that they were surprised that D'Amico could walk away a year from their contract ending and asked why there is not something to protect the City from that in the future.

Recreation and Parks Director Brad Tollberg replied that language was included related to termination as previously discussed. He stated that D'Amico wanted to exit because they were not making money, which means the facility is also not making money therefore it was in the best interest to terminate. He noted that every contract will have the ability to terminate with some type of notice and mutual agreement.

Commissioner Eriksen stated that a number of residents commented when the article came out that D'Amico was leaving and there was a wide variety of opinions. He stated that he was struck during the interview process by the degree of which Mr. Tollette was attentive in ways the other proposers were not. He stated that he did not come in trying to layer his expectations and hopes on top of what the City was asking for and was instead responsive to what the City wants. He found a good balance of professionalism and deep local connection. He stated that he is excited to see where this goes. He believed that this is a responsive partner committed to making this work.

Commissioner Lee asked and received confirmation that this would be called the Taven at Edinburgh. He stated that the menu looks great and appreciated the local perspective. He asked for details on the marketing strategy.

Mr. Tollette commented that they would focus on social media and internet-based marketing, as that is 90 percent of local restaurant marketing. He stated that 90 percent of people Google a restaurant, read reviews and perhaps look on Facebook. He stated that a large percentage of marketing is still word of mouth.

President Winston stated that whether it is marketing or something pushed by staff, they want to make sure the golf course and facility are welcome to Brooklyn Park and its entire community. He wanted to ensure that any family that wanted to go out could go to this restaurant at the golf course and be welcomed, knowing that it is not just membership based. He asked if Mr. Tollette would need anything from the City in regard to marketing.

Mr. Tollette replied that he has been impressed working with Recreation and Parks Director Brad Tollberg and already feels a lot of support and partnership. He stated that he took his chef through last week and everything looked great. He asked for support with comarketing, noting that the City of Anoka has been great sharing promotions and specials on its social media.

MOTION MCGARVEY, SECOND KLONOWSKI, TO WAIVE THE READING AND ADOPT RESOLUTION #2024-25 AUTHORIZING THE ECONOMIC DEVELOPMENT AUTHORITY EXECUTIVE DIRECTOR TO ENTER INTO AN AGREEMENT WITH GREEN HAVEN TAVERN LLC FOR THE RESTAURANT MANAGEMENT SERVICES AND ALCOHOL CATERING AT EDINBURGH USA CLUBHOUSE EFFECTIVE JANUARY 1, 2025.

A ROLL CALL VOTE WAS PERFORMED:

COMMISSIONER LEE	AYE
COMMISSIONER MCGARVEY	AYE
COMMISSIONER MORSON	AYE
COMMISSIONER TRAN	AYE
COMMISSIONER ERIKSEN	AYE
COMMISSIONER KLONOWSKI	AYE
PRESIDENT WINSTON	AYE

MOTION PASSED UNANIMOUSLY.

VI. DISCUSSION: (Continued)

7. DISCUSSION ITEMS

- 7.2 Update on BioTech Innovation District
 - A. BioTech Innovation District Legislative Flyer
 - B. BioTech Innovation District RFP

Executive Director Tim Gladhill stated that there is an RFP out for the BioTech Innovation District noting that eight proposals were received in response. He stated that they would begin interviews later in October or early in November.

President Winston commented that Brooklyn Park is the fifth or sixth largest community in Minnesota, but lacks the commercial property values that generate additional tax base to ease the burden on residents. He stated that this concept grew out of that discussion in order to reach that goal. He provided details on the other efforts the City is accomplishing in terms of port authority and BrookLynk.

7.3 EDA Status Updates

Executive Director Tim Gladhill highlighted information from the staff report and current work of staff on development-related activities.

7.4 Verbal Commissioner Reports and Announcements

No comments.

- IV. ADJOURNMENT:
Meeting adjourned at 9:49 p.m.

City of Brooklyn Park Request for EDA Action

Agenda Item:	7.1	Meeting Date:	November 18, 2024
Agenda Section:	Discussion	Prepared By:	Dylan Armstead, Senior Project Manager Tim Gladhill, Community Development Director
Resolution:	N/A	Presented By:	Tim Gladhill, Community Development Director
Attachments:	N/A		
Item:	Update on Huntington Place (HP) Apartments and Potential Sale		

Overview:

As part of ongoing discussions, negotiations, and due diligence process, all parties (City, Aeon (Seller), MAS Capital (Buyer), and associated parties) have agreed that additional time is necessary before the potential sale of Huntington Place is finalized. As such, the Seller (Aeon) has requested that additional discussion and direction be postponed until the December 16 EDA Agenda. Staff agrees that this is a prudent approach and puts the EDA in a better position to make a final decision.

No action or discussion on this topic will occur this evening. The next tentatively scheduled discussion is the Monday, December 16 EDA Meeting.

City of Brooklyn Park Request for EDA Action

Agenda Item:	7.2	Meeting Date:	November 18, 2024
Agenda Section:	Discussion Items	Prepared By:	John T. Kinara, Housing and Redevelopment Coordinator
Resolution:	N/A	Presented By:	John T. Kinara, Housing and Redevelopment Coordinator
Attachments:	2		
Item:	Discuss the 4D Program for the City of Brooklyn Park		

EDA Executive Director’s Recommended Action

Provide direction to Staff to develop a 4D Policy but decline current requests for Fiscal Year 2025 until a policy is adopted.

Overview:

The purpose of this discussion is to request the Economic Development Authority (EDA) Commissioners to provide feedback and potential direction regarding the Minnesota State’s Low Income Rental Classification Program (LIRC), also commonly known as the 4D program. LIRC or 4D allows reduction in property taxes if the property owner keeps at least 20% of the units affordable. Some cities offer added incentives, like payment of the state application, free energy assessments, and grants for energy efficiency upgrades. Over the past few months, EDA staff have received several 4D applications from multi-family property owners in the community interested in participating in the 4D Program. Currently, the city of Brooklyn Park does not have a formal 4D Program policy.

Finally, due to the qualifying number of potential 4D Properties in Brooklyn Park, the City has the ability to approve or decline these requests. In other words, the City is not obligated to approve the current two (2) requests/inquiries. Other municipalities in the State do not always have the ability to decline an application.

Background:

Minnesota Statutes Section 273.128 provides that rental units can get a 40% property tax break if at least 20% of the units have income limits of 60% of the Area Median Income (AMI) and rents are restricted to between 30% and 60% of AMI. Market rate and tax credit developments routinely take advantage of section 4D, but it is also available if the limitations are imposed as part of local government financial assistance.

This is because the LIRC/4D statute defines eligible properties as those which meet two conditions: the owner of the property agrees to rent and income restrictions (serving households at 60% AMI or below) and receives financial assistance from federal, state or local government. This presents the possibility of creating a Local 4D program in which qualifying properties receive the 4D tax break in return for agreeing to conditions which meet certain local government policy goals such as preserving and maintaining affordable housing in the community.

The Minnesota Legislature first enacted the Low-Income rental Classification (LIRC), or 4D program, in 1999. A reduced tax rate was provided for two types of qualifying properties: “deemed properties” (subsidized) and “pledged properties” (unsubsidized but where the owner voluntarily agreed to rent and income restrictions in order to participate in the program. The 4D program currently provides that a “low-income rental property” will be subject to the class 4D tax rate if it meets two basic conditions. Minn. Stat. 273.128 Subd. 1.

- The units are subject to a housing assistance payments contract under Section 8 of the United States Housing Act of 1937, as amended.

- The units are rent-restricted and income-restricted units of a qualified low-income housing project receiving tax credits under section 42(g) of the Internal Revenue Code.
- The units are financed by the Rural Housing Service of the United States Department of Agriculture and receive payments under the rental assistance program pursuant to section 521(a) of the Housing Act of 1949, as amended; or
- The units are subject to rent and income restrictions under the terms of financial assistance provided to the rental housing property by the federal government or the state of Minnesota, or a local unit of government, as evidenced by a document recorded against the property.

Primary Issues/Alternatives to Consider:

What are the impacts of adopting the 4D Program:

- Existing market rate properties moving to the 4D tax classification would see an approximate 70%-80% reduction in tax capacity.
 - The Groves for example would go from paying \$239,230 in property taxes to \$74,733 in taxes. The City's portion of this amount would go from \$85,384 to \$17,167
 - Villa Del Coronado for example would go from paying \$380,698 in property taxes to \$124,369 in taxes. The City's portion of this amount would go from \$135,190 to \$27,083.
- Taxes paid by these units don't just go away with a 4D designation; they are shifted to other taxpayers in the city. So, other property owners will pay more to support these reductions.
- The market is likely to keep these units affordable without adding a restriction so the risk of losing NOAH properties to rent pressures is low.
- In addition, it will be difficult for owners to invest in property improvements if they cannot push up rents to offset those investments
 - If 4D is used in this manner, then there should be strong agreements detailing the improvements that would be made, over and above what is required in statute.
- Individual properties may be experiencing financial stress, but that can be worked out privately between lenders and apartment owners.
- The city will have to partner with the property owner to ensure annual compliance reporting is duly filed with Minnesota Housing Finance Agency annually.
- The City has other funding sources it could use to preserve NOAH properties rather than reduce the City's tax base

What are the possible options for adopting the 4D Program?

- **Targeted 4D Program:** A local Section 4D program could be targeted at the local issue to be addressed. A city facing gentrification threats along a new Blue Line Extension transit corridor, for example, could structure the program to attract owners with properties directly along the transit corridor. Additionally, the EDA could create a 4D program specifically targeting problem properties that require financial assistance for certain improvements.
- **Capping Number of Participants:** Limiting the eligibility for the local Section 4D program by narrowly capping the number of properties participating in the program on an annual basis.
- **Limited Land Use Restriction Agreement duration:** Allowing the participating properties to enroll the local 4D program for a limited period of time. (5 – 30 years)
- **Moratorium:** Imposing a moratorium on all 4D applications for a specific period of time or indefinitely.
- **Case by Case Basis:** Consider each 4D application based on merit and community needs as well as the EDA's housing goals.

What are the budgetary/ fiscal implications?

The EDA will not incur any budgetary expenses to implement this new policy. However, there will be significant property taxes reduction for the city as a result of implementing this policy and considering all interested 4D applications.

What are the next steps?

- Based on the EDA Commissioner's direction, staff will develop a policy framework, program guidelines and property criteria to be considered at the December EDA meeting
- Staff will review submitted applications and provide feedback to the property owners depending on the EDA's direction.

The discussion seeks to answer the following questions:

- a. How would we design a local 4d program to ensure we were getting meaningful public benefit?
- b. How do we determine the right balance of restrictions versus tax benefit to attract sufficient owner participation? Is the tax break a sufficient incentive by itself or must it be combined with other incentives?
- c. What could be the source of "financial assistance" necessary to trigger eligibility?
- d. How do we design the program so that it is administratively simple for both local governments and landlords while still assuring that rent and income restrictions are being followed, and that benefits do not go to poorly maintained properties?
- e. Should the program be limited to transit corridors (or other specific geographic or other parameters), and if so, would that be politically acceptable within local jurisdictions?
- f. What land use restriction agreement period is desirable between 5 years and 30 years?
- g. How do we offset the impact of the foregone property tax revenues on all the taxing jurisdictions?

Attachments:

- 7.2A VILLA DEL CORONADO PROPERTY TAXES ANALYSIS
- 7.2B THE GROVES APARTMENTS PROPERTY TAXES ANALYSIS

City of Brooklyn Park, MN
Villa Del Coronado Property Tax Comparison



TAX CLASSIFICATION & RATES

Fiscal Disparities Contribution Ratio	33.7823% Pay 2024
Fiscal Disparities Metro-Wide Tax Rate	123.0260% Pay 2024
Local Tax Rate:	112.192% Pay 2024
City Tax Rate:	47.337% Pay 2024
County Tax Rate:	34.681% Pay 2024
School District Tax Rate:	23.002% Pay 2024
Miscellaneous Tax Rate:	7.172% Pay 2024
State-wide Tax Rate (C/I only. Used for total taxes)	29.2940% Pay 2024
Market Value Tax Rate (Used for total taxes)	0.26387% Pay 2024

Note: Located in SD #279 and WS #8

Exempt Class Rate (Exempt)		0.00%
Commercial Industrial Preferred Class Rate (C/I Pref.)		
First	\$150,000	1.50%
Over	\$150,000	2.00%
Commercial Industrial Class Rate (C/I)		2.00%
Rental Housing Class Rate (Rental)		1.25%
Affordable Rental Housing Class Rate (Aff. Rental)		
First	\$100,000	0.25%
Over	\$100,000	0.25%
Non-Homestead Residential (Non-H Res. 1 Unit)		
First	\$500,000	1.00%
Over	\$500,000	1.25%
Homestead Residential Class Rate (Hmstd. Res.)		
First	\$500,000	1.00%
Over	\$500,000	1.25%

CURRENT PROPERTY INFORMATION (Property Tax Capacity)

PID	Address	Land Market Value	Building Market Value	Total Market Value	Taxable Market Value	Property Tax Class	Local Tax Capacity	Fiscal Disparities Tax Capacity	State Tax Capacity
21-119-21-31-0006	8108 Zane Avenue	1,172,800	10,149,200	11,322,000	11,322,000	Rental	141,525	0	0
21-119-21-24-0002	8124 Zane Avenue	1,141,700	10,383,600	11,525,300	11,525,300	Rental	144,066	0	0
TOTAL				22,847,300	22,847,300		285,591	0	0
21-119-21-31-0006	8108 Zane Ave 4D Rate	1,172,800	10,149,200	11,322,000	11,322,000	Aff. Rental	28,305	0	0
21-119-21-24-0002	8124 Zane Ave. 4D Rate	1,141,700	10,383,600	11,525,300	11,525,300	Aff. Rental	28,813	0	0
TOTAL				22,847,300	22,847,300		57,118	0	0

Note: Market values are for pay 2024 are based upon review of the County website on 8-26-24

CURRENT TAX CALCULATIONS

Address	City Portion	County Portion	School District	Misc	Total Local Taxes	Fiscal Disparities Taxes	Mk Value Taxes	State-wide Taxes	TOTAL
8108 Zane Avenue	\$66,994	\$49,082	\$32,554	\$10,150	\$158,780	\$0	\$29,875	\$0	\$188,655
8124 Zane Avenue	\$68,197	\$49,964	\$33,138	\$10,332	\$161,631	\$0	\$30,412	\$0	\$192,043
TOTAL	\$135,190	\$99,046	\$65,692	\$20,483	\$320,411	\$0	\$60,287	\$0	\$380,698
8108 Zane Ave 4D Rate	\$13,399	\$9,816	\$6,511	\$2,030	\$31,756	\$0	\$29,875	\$0	\$61,631
8124 Zane Ave. 4D Rate	\$13,639	\$9,993	\$6,628	\$2,066	\$32,326	\$0	\$30,412	\$0	\$62,738
TOTAL	\$27,038	\$19,809	\$13,138	\$4,097	\$64,082	\$0	\$60,287	\$0	\$124,369

Note: Total taxes excludes solid waste management charges, special assessments, and any contamination tax.

City of Brooklyn Park, MN
The Groves Property Tax Comparison



TAX CLASSIFICATION & RATES

Fiscal Disparities Contribution Ratio	33.7823%	Pay 2024
Fiscal Disparities Metro-Wide Tax Rate	123.0260%	Pay 2024
Local Tax Rate:	113.399%	Pay 2024
City Tax Rate:	47.337%	Pay 2024
County Tax Rate:	34.681%	Pay 2024
School District Tax Rate:	24.209%	Pay 2024
Miscellaneous Tax Rate:	7.172%	Pay 2024
State-wide Tax Rate (C/I only. Used for total taxes)	29.2940%	Pay 2024
Market Value Tax Rate (Used for total taxes)	0.23169%	Pay 2024

Note: Located in SD #281 and WS #8

Exempt Class Rate (Exempt)		0.00%
Commercial Industrial Preferred Class Rate (C/I Pref.)		
First	\$150,000	1.50%
Over	\$150,000	2.00%
Commercial Industrial Class Rate (C/I)		2.00%
Rental Housing Class Rate (Rental)		1.25%
Affordable Rental Housing Class Rate (Aff. Rental)		
First	\$100,000	0.25%
Over	\$100,000	0.25%
Non-Homestead Residential (Non-H Res. 1 Unit)		
First	\$500,000	1.00%
Over	\$500,000	1.25%
Homestead Residential Class Rate (Hmstd. Res.)		
First	\$500,000	1.00%
Over	\$500,000	1.25%

CURRENT PROPERTY INFORMATION (Property Tax Capacity)

PID	Address	Land Market Value	Building Market Value	Total Market Value	Taxable Market Value	Property Tax Class	Local Tax Capacity	Fiscal Disparities Tax Capacity	State Tax Capacity
32-119-21-42-0054	6800 63rd Ave. N.	1,607,400	12,898,600	14,506,000	14,506,000	Rental	181,325	0	0
TOTAL				14,506,000	14,506,000		181,325	0	0
21-119-21-31-0006	6800 63rd Ave. 4D Rate	1,607,400	12,898,600	14,506,000	14,506,000	Aff. Rental	36,265	0	0
TOTAL				14,506,000	14,506,000		36,265	0	0

Note: Market values are for pay 2024 are based upon review of the County website on 10-15-24

CURRENT TAX CALCULATIONS

Address	City Portion	County Portion	School District	Misc	Total Local Taxes	Fiscal Disparities Taxes	Mk Value Taxes	State-wide Taxes	TOTAL
6800 63rd Ave. N.	\$85,834	\$62,885	\$43,897	\$13,005	\$205,621	\$0	\$33,609	\$0	\$239,230
TOTAL	\$85,834	\$62,885	\$43,897	\$13,005	\$205,621	\$0	\$33,609	\$0	\$239,230
6800 63rd Ave. 4D Rate	\$17,167	\$12,577	\$8,779	\$2,601	\$41,124	\$0	\$33,609	\$0	\$74,733
TOTAL	\$17,167	\$12,577	\$8,779	\$2,601	\$41,124	\$0	\$33,609	\$0	\$74,733

Note: Total taxes excludes solid waste management charges, special assessments, and any contamination tax.

City of Brooklyn Park Request for EDA Action			
Agenda Item:	7.3	Meeting Date:	November 18, 2024
Agenda Section:	Discussion Items	Prepared By:	Malcolm Hicks, Business Development Coordinator
Resolution:	N/A	Presented By:	Malcolm Hicks, Business Development Coordinator
Attachments:	N/A		
Item:	Discuss Small Business Support Strategy and a Potential for a Future Brooklyn Park Chamber of Commerce		

EDA Executive Director's Recommended Action

Direct Staff to create a Brooklyn Park Business Task Force with a charter to develop a Business Development Strategy including, but not limited to the future establishment of a Brooklyn Park Chamber of Commerce.

Overview:

This work session will focus on exploring the current state of previous discussions on a potential Brooklyn Park Chamber of Commerce and its future direction. The primary objective is to create a self-sustaining chamber that can provide long-term resources to local businesses, offering opportunities for networking, advocacy, and professional development. This new chamber could be designed to meet the unique needs of Brooklyn Park's business community and ensure its continued success beyond any contracted partnerships. The idea of a Brooklyn Park Chamber of Commerce appears to be a specific strategy intended to achieve a broader goal. Based on past experience, before moving forward with a Chamber of Commerce, Staff recommends a broader review of the City's Economic Development Strategy, including local business support first.

The session will examine the advantages and challenges of establishing an independent chamber, define the organizational structure, and explore ways to build a sustainable funding model that includes membership dues and other financial strategies. A key focus will be on crafting a compelling value proposition that attracts and retains businesses, while also positioning the chamber as an influential voice in legislative advocacy and economic development.

In addition to previous recommendations to establish a Brooklyn Park Chamber of Commerce, several entities either currently, previously, or currently have proposed strategies to help support local businesses.

- Elevate Hennepin
- Paadio Consulting
- Greater MSP Regional Economic Development
- MetroNorth Chamber of Commerce
- Brooklyn Park Small Business Center
- Neighborhood Development Center
- Blue Line Extension Antidisplacement Community Prosperity Board
- Minneapolis Regional Chamber
- Minnesota Black Chamber of Commerce
- Others

The above stakeholders could be the initial framework of a steering committee, with the ability for other local business and community partners. The intent of the steering committee would be to provide a short list of potential strategies to help focus the work of the EDA.

Council members and city staff will use this work session to align the vision and goals for the continued chamber, outline actionable next steps, and develop a roadmap for success and long-term operation.

What are the budgetary/ fiscal implications?

Any budgetary expenses incurred to the EDA will be based on quotes from proposals submitted or possible membership dues for local chambers.

What are the next steps?

Based on the EDA Commissioner's direction, staff will move forward with the creation of a Small Business Task Force to continue in the development of Brooklyn Park Chamber of Commerce and/or other small business support programs.

The discussion seeks to answer the following questions:

- a. Review the benefits and drawbacks of continuing with the current contracted model.
- b. Explore the potential for creating an independent Brooklyn Park Chamber that can sustain itself through membership dues.
- c. Determine the structure and function of the chamber: How should it be organized to best serve Brooklyn Park businesses?
- d. Discuss legislative advocacy and how a Brooklyn Park-specific chamber can influence local, regional, and state-level decisions.
- e. Address strategies for attracting members and building a self-sustaining financial model for the chamber.

Attachments: NA



MEMORANDUM

DATE: November 14, 2024
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.

BUSINESS DEVELOPMENT UPDATES:

Brooklyn Park Small Business Center

In honor of National Women's Small Business Month, the Brooklyn Park Small Business Center hosted a Women's Business Showcase on Saturday, October 26th, from 1:00 PM to 4:00 PM. This event celebrated the entrepreneurial spirit of women in our community.

Event Highlights:

- Introduction to businesses housed at the Brooklyn Park Small Business Center.
- Networking opportunities with business leaders, potential clients, and community members.
- Presentations and showcases by local women-owned businesses.

This event aimed at highlighting the innovation and diversity within Brooklyn Park's small business ecosystem. All community members were encouraged to attend and support women entrepreneurs as they share their unique journeys and successes.

CEO Start Pilot Program

The CEO Start Pilot Program, in partnership with Hennepin County, is nearing completion and will culminate with a final presentation and pitch event on November 19th at the Brooklyn Park Small Business Center. Over the past weeks, business owners have honed the foundational skills needed to ensure their ventures' long-term success. This program continues to be a critical component of our efforts to support business viability and growth within the community.

DEVELOPMENT UPDATES:**Park-and-Ride and Oxbow RFQ**

The P&R/Oxbow RFQ has been posted since September 23rd. To date, staff has been compiling questions received from developers regarding the RFQ and a Developer's Q&A Webinar took place on Monday, November 4th. Answers to compiled questions were published on Tuesday, November 12th, with the application due date being Monday, November 18th.

Next steps:

- Review applications received and to invite applicants to interview the week of December 2nd.
- Initiate our Community Engagement Plan to engage the public on interviewed and preferred applicants by mid-December.
- Top proposals will be brought before the EDA by the January or February meeting for potential selection.

Bio Tech District RFP

The Bio Tech District RFP closed October 4th. First Round Interviews (Staff Level) will be occurring on Friday, November 15 and Monday, November 18. Second Round Interviews with Finalists will occur soon thereafter with the hope to bring a selection to the December 16 EDA Meeting.

WORKFORCE DEVELOPMENT UPDATE:

BrookLynk is now registering for the 2025 Youth Entrepreneurship Program. If you or someone you know is between the ages of 16-24, lives and/or attends school in Brooklyn Park or Brooklyn Center, and is interested in business and entrepreneurship as a future career sign up today by scanning the QR code in the flyer.

YEP

**YOUTH
ENTREPRENEURSHIP
PROGRAM**




ARE YOU INTERESTED IN STARTING A BUSINESS?

SIGN UP FOR THE **PAID**
YOUTH ENTREPRENEURSHIP PROGRAM!

WORKSHOP LOCATION:
Zanewood Recreation Center
7100 Zane Ave N, Brooklyn Park,
MN 55429

LEARN HOW TO:
Start a business, operate a business, create a
personal action plan and more!

WEEKLY WORKSHOPS:
Begins January 22nd 2025

MUST BE:

- 16-24 years of age
- Must live or attend school in Brooklyn Park or Brooklyn Center

**GET A \$600 STIPEND FOR
COMPLETING THE PROGRAM!**

Students will gain **public speaking**,
communication, **problem solving** skills and
more!



TO REGISTER VISIT: <https://forms.office.com/g/5CRhLK60hw>

For more information contact Lauren Melzer at (952) 262-4492 or lauren.melzer@brooklynk.works
 Para obtener servicios de interpretación gratuitos, llame al 763-424-8000 y solicite un intérprete.
 Yog xav tau tus neeg txhais lus, thov hu rau 763-424-8000 lawv mam li nrhiav ib tus neeg txhais lus rau koj.



Hosted by BrookLynk

HOUSING UPDATES:

Aeon/Huntington place provides 834 units of affordable housing. Brooklyn Park has a current loan to Aeon for property redevelopments. However, for financial reasons, Aeon has been seeking a buyer for Huntington Place. They have now identified an investor interested in purchasing the property and have requested that the loan with Brooklyn Park be restructured or forgiven. We are in the process of conducting due diligence to gather the information necessary in order to respond to their request and anticipate bringing this back to a future EDA meeting. The EDA was introduced to the request at the October 21 EDA Meeting. Staff has negotiated addition due diligence and review time. Staff will update the EDA at the November 18 EDA Meeting with a request for general direction, with a likely request for formal action at the December 16 EDA Meeting.

Home Improvement Loan Programs Update

The EDA administers several housing reinvestment programs that provide financial resources to first time homebuyers and single-family and townhome homeowners in the community. During

fiscal year 2024, the EDA allocated \$1.5 million for the home improvement programs administered by Center for Energy and Environment (CEE) and \$200,000 in Community Development Block Grant (CDBG) funds for the Hennepin County administered home rehab program. To date, almost \$1.5 million has been awarded to about 90 homeowners in the community to reinvest in the existing housing stock.

Homeowners' Associations (HOAs):

EDA staff will be holding another HOA workshop on Saturday, November 16, 2024. During this workshop, HOA homeowners and Board members are expected to engage in a robust conversation regarding HOA governance matters, budgeting, insurance, operations and maintenance. The conversation will be facilitated by an HOA attorney from Curtis Law Firm and others. Based on the feedback received at the HOA meetings and others, staff has developed a webpage for residents to access HOA resources located here:

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

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 to request to be placed on a future agenda.

Project Name	Project Details	Staff Response
Fidel's Restaurant	Restaurant Proposal at Northwinds Plaza (EDA Site)	Public Assistance and EDA Risk are much higher than standard assistance package. Staff will forward to EDA for direction at a future meeting (January 2025 EDA Meeting).
Rueter Walton @ Revive Church	Affordable Housing Community No TIF or Tax Abatement Request, but request for Conduit Bond Financing and City Support for Minnesota Housing Tax Credit Application. Funding request approvals still require discretionary City approval.	Based on previous same and similar direction from EDA on this site, Staff does not believe that this proposal meets previous City Council/EDA Direction and would not recommend additional discussion with the EDA unless specifically directed by the EDA. General housing policies now include a desired mix of income levels, not 100% of market-rate or affordable. This proposal is 100% affordable housing. Developer still requesting EDA consideration. Staff will forward general concept to

		City Council for direction regarding the Conduit Bond Financing Request and support for Minnesota Housing Application (Low Income Housing Tax Credits).
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OTHER UPDATES:

American Rescue Plan Act (ARPA)

American Rescue Plan Act (ARPA) activities for all programs will wrap up in December 2024. Currently, ARPA funds are deployed for council approved projects – direct city implemented projects and Community Partner Programs (CPP). The CPP programs are funded by both ARPA dollars and EDA funds. In July 2023, City Council extended work for 10 community partners who received the original CPP awards to continue their work into 2024. Those partners received funds from both EDA and ARPA for the extensions. The extension partners are wrapping up their work and submitting reports. Additionally, in December 2023, the City Council also approved \$294,438 for 10 community partners to begin work in 2024. The EDA awarded \$75,938 in funding to five of these community partners. The partner work will also be completed in November 2024.

Attachments: N/A