Council Study Session
City Hall Council Chambers
February 24, 2020

AGENDA

The City Council requests that attendees turn off cell phones and pagers during the meeting. A copy of the full City Council packet is available to the public. The packet ring binder is located at the entrance of the council chambers.

1. **City Council Discussion of Agenda Items and Questions - 6:15 p.m.**
2. **Miscellaneous**
   a. Status of Commission Appointments - Council Member Graves
      - Discussion regarding the Status of Commission appointments.
   b. Joint School Board and City Council meeting - March 2, 2020
      - Schedule the second joint meeting with the Brooklyn Center School District 286.
3. **Discussion of Work Session Agenda Item as Time Permits**
4. **Adjourn**

Council Study Session

DATE: 2/24/2020

TO: City Council
FROM: Curt Boganey, City Manager
THROUGH: N/A
BY: Cornelius L. Boganey, City Manager

SUBJECT: Status of Commission Appointments - Council Member Graves

Background:

Councilmember Graves made an inquiry regarding the status of Commission member appointments following a concern raised by a Commissioner whose term has expired but has yet to be reappointed.

One concern raised was whether or not a Commissioner could legally serve without being reappointed. In response to this concern, I advised that the language for all of our standing advisory commissions provide the following. " Upon expiration of his or her term of office, a member shall continue to serve until his or her successor is appointed and shall be qualified".

I have attached a memo that describes the current status of Commission vacancies and expired Commissioner terms.

Strategic Priorities and Values:

Operational Excellence

ATTACHMENTS:

Description	Upload Date	Type
Commissioner Status	2/19/2020	Cover Memo

Status of Commissions

Below is a chart showing the status of vacancies on our advisory commissions. We are providing this information so you may consider encouraging residents to serve.

COMMISSION VACANCIES	NO. of VACANCIES	DATE OF VACANCY	NO. OF APPLICANTS	DATE OF APPLICATION
Financial	1	1/1/2019	2	8/7/19 and 10/24/19
Housing	1	12/31/2019	1	
Park and Recreation	1	8/30/2019	1	1/24/2020
Planning	1	1/1/2019	4	3/7/19, 11/19/19, 12/16/19, and 1/13/2020

We have also received information from the following commissioners expressing they would like to continue serving. Their terms have expired.

- Abate Terefe – Financial Commission
- Kathie Amdahl – Housing Commission
- Travis Bonovsky –Park & Recreation
- Gail Ebert - Park & Recreation
- Randall Christensen – Planning Commission
- Alex Koenig – Planning Commission
- John MacMillan – Planning Commission
- Stephen Schonning – Planning Commission
- Rochelle Sweeney - Planning Commission
- Susan Tade – Planning Commission
- Jacob Saffert – Sister City Commission
- Shaku Samba – Sister City Commission

Thank you.

~ Barb

Council Study Session

DATE: 2/24/2020

TO: City Council
FROM: Curt Boganey, City Manager
THROUGH: N/A
BY: Cornelius L. Boganey, City Manager

SUBJECT: Joint School Board and City Council meeting - March 2, 2020

Background:

At their request, our first joint meeting with the Brooklyn Center School Board was hosted by the District on November 19, 2020. At that meeting, we identified several issues for follow up and agreed that a second meeting hosted by the City should be scheduled.

I recently met with the School Superintendent and Board President to plan for the follow up meeting. It was recommended that we schedule the next meeting for March 2, 2020 starting at 6:00 p.m. in the Cohen Room of the Community Activity Center. Please let us know if you concur with this recommendation.

Budget Issues:

There are no budget issues to consider.

Strategic Priorities and Values:

Operational Excellence

CITY COUNCIL MEETING
City Hall Council Chambers
February 24, 2020

AGENDA

1. Informal Open Forum with City Council - 6:45 p.m.

Provides an opportunity for the public to address the Council on items which are not on the agenda. Open Forum will be limited to 15 minutes, it is not televised, and it may not be used to make personal attacks, to air personality grievances, to make political endorsements, or for political campaign purposes. Council Members will not enter into a dialogue with presenter. Questions from the Council will be for clarification only. Open Forum will not be used as a time for problem solving or reacting to the comments made but, rather, for hearing the presenter for informational purposes only.

2. Invocation - 7 p.m.

3. Call to Order Regular Business Meeting

The City Council requests that attendees turn off cell phones and pagers during the meeting. A copy of the full City Council packet is available to the public. The packet ring binder is located at the entrance of the council chambers.

4. Roll Call

5. Pledge of Allegiance

6. Approval of Agenda and Consent Agenda

The following items are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Councilmember so requests, in which event the item will be removed from the consent agenda and considered at the end of Council Consideration Items.

a. Approval of Licenses

- Motion to approve licenses as presented

b. Resolution Authorizing Issuance of Conduit Multifamily Housing Revenue Refunding Bonds Relating to the REE Xerxes Avenue Senior Housing Project

- Motion to Approve a Resolution Authorizing the Issuance, Sale, and Delivery of Its Conduit Multifamily Housing Revenue Refunding Bonds Relating to the REE Xerxes Avenue Senior Housing Project; Approving the Forms of and Authorizing the Execution and Delivery of the Bonds and Related Documents; Providing for the Security, Rights, and Remedies with Respect to the Bonds; and Granting Approval for Certain other Actions with Respect Thereto

c. Resolution Accepting Bid and Awarding a Contract, Improvement Project No. 2018-04, 2018 Bridge Rehabilitation Phase 2

- Motion to consider approval of the lowest responsible bid and award a contract to PCi Roads, Inc. for Improvement Project No. 2018-14, 2018 Bridge Rehabilitation Phase 2.

d. Resolution Approving Purchase Agreement for 6000 Ewing Avenue as Part of the Brooklyn Boulevard Corridor Project Phase 2

- Motion to consider approval of the attached resolution approving purchase agreement for 6000 Ewing Avenue as part of the Brooklyn Boulevard Corridor Project Phase 2.

e. Resolution Accepting Bid and Awarding a Contract, Improvement Project Nos. 2020-01, 02, 03 and 04, Grandview North Area Street, Storm Drainage and Utility Improvements

- Motion to approve the resolution accepting the lowest responsible bid and award a contract to R.L. Larson Excavating, Inc., for Improvement Project Nos. 2020-01, 02, 03 and 04, Grandview North Area Street, Storm Drainage, and Utility Improvements.

f. Resolution Eliminating the Purchase of One Time Use Plastic and Styrofoam Plates, Utensils, Cups, and Straws with City Funds for All Buildings

- Motion to approve a resolution eliminating the purchase of one time use plastic and styrofoam plates, utensils, cups, and straws with city funds for all city buildings

g. North Metro Mayors Association Joint Powers Agreement Revised

- Adopting revised and amended North Metro Mayors Association Joint Powers Agreement

7. Presentations/Proclamations/Recognitions/Donations

a. Hennepin County Sheriff David Hutchinson

- Hear and accept the report Hennepin County Sheriff David Hutchinson

b. Resolution Recognizing Sue Fogal for 39 years of Service to the City of Brooklyn Center

- It is recommended by the City Manager that the City Council consider recognizing Accounting Technician Sue Fogal for 39 years of service with the City of Brooklyn Center

c. Metro Transit Presentation on Brooklyn Center Transit Center Improvements

8. Public Hearings

a. An Ordinance Vacating a Portion of Right-of-Way: Brooklyn Boulevard

- Motion to consider approval on second reading An Ordinance Vacating a Portion of Right-of-Way: Brooklyn Boulevard.

- Motion to approve a resolution for a summary publication of Ordinance

b. Resolution Approving the Projected Use of Funds for the 2020 Urban Hennepin County Community Development Block Grant Program and Authorizing Signature of a Subrecipient Agreement with Hennepin County

- Motion to open public hearing, take public comment, and close public hearing

- Motion to approve a resolution approving the projected use of funds for the

2020 Urban Hennepin County Community Development Block Grant program and authorizing signature of a subrecipient agreement with Hennepin County

c. An Ordinance Amending Chapter 12 of the City Code of Ordinances Regarding Access to Multi-Unit Housing Structures by the United States Census Bureau Employees

- Motion to open a public hearing, take public comment, and close the public hearing.
- Adopt Ordinance 2020-03.
- Approve a resolution for a summary publication of Ordinance 2020-03

d. Resolution Adopting a Business Subsidy Policy

- Motion to open a public hearing, take public comment, and close the public hearing.

- Motion to adopt a resolution adopting a policy and criteria for granting business subsidies.

9. Planning Commission Items

10. Council Consideration Items

11. Council Report

12. Adjournment

Council Regular Meeting

DATE: 2/24/2020

TO: City Council
FROM: Curt Boganey, City Manager
THROUGH: Dr. Reggie Edwards, Deputy City Manager
BY: Alix Bentrud, Deputy City Clerk

SUBJECT: Approval of Licenses

Background:

The following businesses/persons have applied for City licenses as noted. Each business/person has fulfilled the requirements of the City Ordinance governing respective licenses, submitted appropriate applications, and paid proper fees.

Applicants for rental dwelling licenses are in compliance with Chapter 12 of the City Code of Ordinances, unless comments are noted below the property address on the attached rental report.

MECHANICAL LICENSE

Pro Master Plumbing Inc	9007 Jane RD N Lake Elmo 55042

SIGN HANGER LICENSE

Digital Billboard Inc	16101 Ramsey Blvd NW Ramsey 55303

Strategic Priorities and Values:

Safe, Secure, Stable Community, Operational Excellence

ATTACHMENTS:

Description	Upload Date	Type
Rental Criteria	5/7/2019	Backup Material
2-24-2020 Rentals	2/18/2020	Backup Material

Property Code and Nuisance Violations Criteria		
License Category (Based on Property Code Only)	**Number of Units**	**Property Code Violations per Inspected Unit**
Type I – 3 Year	1-2 units	0-2
	3+ units	0-0.75
Type II – 2 Year	1-2 units	Greater than 2 but not more than 5
	3+ units	Greater than 0.75 but not more than 1.5
Type III – 1 Year	1-2 units	Greater than 5 but not more than 9
	3+ units	Greater than 1.5 but not more than 3
Type IV – 6 Months	1-2 units	Greater than 9
	3+ units	Greater than 3

b. Police Service Calls.

Police call rates will be based on the average number of valid police calls per unit per year. Police incidences for purposes of determining licensing categories shall include disorderly activities and nuisances as defined in Section 12-911, and events categorized as Part I crimes in the Uniform Crime Reporting System including homicide, rape, robbery, aggravated assault, burglary, theft, auto theft and arson.

Calls will not be counted for purposes of determining licensing categories where the victim and suspect are "Family or household members" as defined in the Domestic Abuse Act, Minnesota Statutes, Section 518B.01, Subd. 2 (b) and where there is a report of "Domestic Abuse" as defined in the Domestic Abuse Act, Minnesota Statutes, Section 518B.01, Subd. 2 (a).

License Category	**Number of Units**	**Validated Calls for Disorderly Conduct Service & Part I Crimes** (Calls Per Unit/Year)
No Category Impact	1-2	0-1
	3-4 units	0-0.25
	5 or more units	0-0.35
Decrease 1 Category	1-2	Greater than 1 but not more than 3
	3-4 units	Greater than 0.25 but not more than 1
	5 or more units	Greater than 0.35 but not more than 0.50
Decrease 2 Categories	1-2	Greater than 3
	3-4 units	Greater than 1
	5 or more units	Greater than 0.50

Rental Licenses for Council Approval on February 24, 2020								
Property Address	Dwelling Type	Renewal or Initial	Owner	Property Code Violations	License Type	Police CFS *	Final License Type **	Previous License Type ***
1425 55th Ave N	Multi 1 Bldg 4 Units	Renewal	Trung Duong	10	IV	0	IV	II
1300 67th Ave N Brookside Manor	Multi 5 Bldgs 90 Units	Renewal	Roger & Elizabeth Family Properties LLC - Met Mitigation Plan	202 2.2 per unit	III	12 valid calls .14 per unit 1121 67th Ave: Theft 3/4/2019, Auto Theft 7/16/2019, Theft 8/23/2019, Burglary 9/4/2019, Disturbance 10/11/2019, Burglary 11/11/2019, Vandalism 11/11/2019, Auto Theft 2/13/2020 1300 67th Ave N: Burglary 6/24/2019 1306 67th Ave N: Theft 3/25/2019, Burglary 7/20/2019, Auto Theft 12/2/2019	III	IV
3800 66th Ave N	Single	Renewal	Nancy Yang / Kayo Investments - met mitigation plan	9	III	0	III	IV
3224 67th Ave N	Single	Renewal	Haymat Dasrath	9	III	0	III	II
5420 Emerson Ave N	Single	Renewal	Christopher Raisch - met action plan	3	II	0	II	III
5510 France Ave N	Single	Renewal	Kin Chew / Urban Enterprises	19	IV	0	IV	II
7100 Lee Ave N	Single	Renewal	Selene Avendamo	10	IV	0	IV	II
5344 Twin Lake Blvd E	Single	Renewal	Takasi Sibuya / John Johansson	0	I	0	I	II
7012 Unity Ave N	Single	Renewal	Shuxing Sun	9	III	0	III	I
4118 Woodbine La	Single	Renewal	Ron & Jeanette Blasewitz	0	I	0	I	II

* CFS = Calls For Service for Renewal Licenses Only (Initial Licenses are not applicable to calls for service and will be listed N/A.)

Rental Licenses for Council Approval on February 24, 2020								
Property Address	Dwelling Type	Renewal or Initial	Owner	Property Code Violations	License Type	Police CFS *	Final License Type **	Previous License Type ***
** License Type Being Issued								
*** Initial licenses will not sho\ Type 1 = 3 Year Type II = 2 Year Type III = 1 Year								
All properties are current on City utilities and property taxes								

Council Regular Meeting

DATE: 2/24/2020

TO: City Council
FROM: Curt Boganey, City Manager
THROUGH: N/A
BY: Meg Beekman, Community Development Director

SUBJECT: Resolution Authorizing Issuance of Conduit Multifamily Housing Revenue Refunding Bonds Relating to the REE Xerxes Avenue Senior Housing Project

Background:

Real Estate Equities, Inc. (REE) has requested that the City issue its revenue refunding bonds in an amount up to $38,000,000 to support the financing of an 143-unit senior rental housing facility and related amenities at 5801 Xerxes Avenue N. REE submitted an application for conduit revenue bond project financing along with the applicable fee. City staff and bond attorney have reviewed the application and concur that it meets the criteria set forth in the City's conduit debt administrative guidelines.

Administrative guidelines include:

- The project is to be compatible with the overall development plans and objectives of the City and of the neighborhood in which the project is located.
- The project is in areas of the City that the City wishes to develop, redevelop, or which in any way complements any development plans or policy of the City. It is also the City's intent to assist in business expansions or relocations within the City where it can be shown that such would have a substantial, favorable impact on employment or tax base, or both.

On October 14, 2019, the City Council held a public hearing and adopted a resolution granting REE the use of conduit tax-exempt bonds. On October 30, 2019, the City issued the original bond amount for the project in the principal amount of $9,101,093.

REE is seeking to reuse a portion of the bonding authority from the City of St. Paul from the recent Press Apartments project via recycled bonding authority in an amount up to $3,000,000 towards the financing of the senior housing facility in Brooklyn Center. In order to facilitate the reuse of bonding authority, a Joint Powers Agreement is needed. The attached resolution also contains a Joint Powers Agreement that related to the ability to "recycle" bonding authority, as permitted under federal tax law, rather than using a new allocation of bonding authority. This allows REE to "reuse" bonding authority from other housing projects in other cities for this project in Brooklyn Center. REE can also return some of the allocation received earlier this year and this will free up bonding authority for more affordable housing projects statewide.

REE is now requesting conduit revenue refunding bonds in an amount not to exceed $38,000,000 that will allow them to refinance the existing bonding on the project, refund the original bond note which was issued on October 30th, and return any outstanding bonds back into the statewide pool.

This request will have no impact on the city's ability to leverage future debt or bonding authority.

Budget Issues:

The total administrative fee that the City will receive for the issuance will be approximately $95,000. The Bonds will not constitute a charge, lien, or encumbrance, legal or equitable, upon any property of Brooklyn Center. The issuance of the Bonds will not affect the City's credit rating.

Strategic Priorities and Values:

Targeted Redevelopment

ATTACHMENTS:

Description	Upload Date	Type
Resolution v2	2/19/2020	Resolution Letter

Council Member _____introduced the following resolution and moved its adoption:

RESOLUTION _____
AUTHORIZING THE ISSUANCE, SALE, AND DELIVERY OF ITS CONDUIT MULTIFAMILY HOUSING REVENUE REFUNDING BONDS RELATING TO THE REE XERXES AVENUE SENIOR HOUSING PROJECT; APPROVING THE FORMS OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF THE BONDS AND RELATED DOCUMENTS; PROVIDING FOR THE SECURITY, RIGHTS, AND REMEDIES WITH RESPECT TO THE BONDS; AND GRANTING APPROVAL FOR CERTAIN OTHER ACTIONS WITH RESPECT THERETO

WHEREAS, the City of Brooklyn Center, Minnesota (the "City"), is a home rule charter city duly organized and existing under its Charter and the Constitution and laws of the State of Minnesota; and

WHEREAS, pursuant to Minnesota Statutes, Chapter 462C, as amended (the "Act"), the City is authorized to carry out the public purposes described in the Act by issuing revenue bonds and notes or other obligations to finance or refinance multifamily housing developments located within the City, and as a condition to the issuance of such revenue obligations, adopt a housing program providing the information required by Section 462C.03, subdivision 1a, of the Act; and

WHEREAS, Minnesota Statutes, Section 471.656, as amended, authorizes a municipality to issue obligations to finance the acquisition or improvement of property located outside of the corporate boundaries of such municipality if the obligations are issued under a joint powers agreement between the municipality issuing the obligations and the municipality in which the property to be acquired or improved is located. Pursuant to Minnesota Statutes, Section 471.59, as amended, by the terms of a joint powers agreement entered into through action of their governing bodies, two municipalities may jointly or cooperatively exercise any power common to the contracting parties or any similar powers, including those which are the same except for the territorial limits within which they may be exercised and the joint powers agreement may provide for the exercise of such powers by one or more of the participating governmental units on behalf of the other participating units; and

WHEREAS, in the issuance of the City's revenue obligations and in the making of a loan to finance or refinance a multifamily housing development, the City may exercise, within its corporate limits, any of the powers that the Minnesota Housing Finance Agency may exercise under Minnesota Statutes, Chapter 462A, as amended, including without limitation under the provisions of Minnesota Statutes, Chapter 475, as amended; and

WHEREAS, Brooklyn Center AH II, LLLP, a Minnesota limited liability limited partnership ("Borrower"), has requested that the City issue its revenue refunding bonds, pursuant to the Act, in an aggregate amount not to exceed $38,000,000, in one or more series, at one time or from time to time (the "Bonds") and lend the proceeds thereof to the Borrower to (i) refund the Multifamily Housing Revenue Note (REE Xerxes Avenue Senior Housing Project), Series 2019 (the "Prior Note") issued by the City on October 30, 2019 in the original aggregate principal amount of $9,101,093, the proceeds of which were used to finance the acquisition, construction, and equipping of an approximately 143-unit senior rental housing facility and related amenities to be located at 5803 Xerxes Avenue North in the City (formerly the northern portion of the property at 5801 Xerxes Avenue North) (the "Project"); (ii) fund one or more reserve funds to secure the timely payment of the Bonds, if necessary; (iii) pay interest on the Bonds during the

construction of the Project, if necessary; (iv) pay the costs of issuing the Bonds; and (v) provide additional funds to finance a portion of the costs of the acquisition, construction and equipping of the Project; and

WHEREAS, Section 146(i)(6) of the Internal Revenue Code of 1986, as amended (the "Code") permits the reuse of bonding authority for affordable housing projects and treats the reuse as a refunding for tax purposes if: (i) the "refunding" occurs within 4 years after the original bonds were issued, (ii) the "refunding" bonds are issued within 6 months after the principal payment of the original bonds, and (iii) the "refunding" bonds mature within 34 years of the original issue date; and

WHEREAS, the Borrower has represented to the City that the Bonds will meet the requirements of Section 146(i)(6) of the Code with respect to the reuse of a portion of the bonding authority from the Housing and Redevelopment Authority of the City of Saint Paul, Minnesota (the "HRA") Multifamily Housing Revenue Bonds (Pioneer Press Apartments Project), Series 2017B issued by the HRA in the original aggregate principal amount of $14,000,000 and Multifamily Housing Revenue Note (Pioneer Press Apartments Project), Series 2017C issued by the HRA in the original aggregate principal amount of $9,000,000 (collectively the "HRA Bonds"); and

WHEREAS, in order to better leverage public funding by recycling bonding authority as permitted by Section 146(i)(6) of the Code, the City and the HRA wish to enter into a Joint Powers Agreement, pursuant to which the HRA consents to the issuance of the Bonds to finance, in part, the construction, acquisition, and equipping of the Project, all in accordance with Minnesota Statutes, Sections 471.59 and 471.656, as amended, and Section 147(f) of the Code. The City will use up to $3,000,000 of recycled bonding authority from the HRA Bonds, pursuant to the Joint Powers Agreement, in order to finance a portion of the Project; and

WHEREAS, the City has approved a housing program providing the information required by Section 462C.03, subdivision 1a of the Act (the "Housing Program") regarding the issuance by the City of one or more revenue bonds in the maximum principal amount of $38,000,000 to be loaned to the Borrower to finance the acquisition, construction and equipping of the Project; and

WHEREAS, a notice of public hearing (the "Public Notice") was published in accordance with the Act and Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), with respect to: (i) the required public hearing under the Code; (ii) the required public hearing under Section 462C.04, subdivision 2, of the Act; (iii) the Housing Program; and (iv) approval of the issuance of the Bonds and on October 14, 2019, the City Council conducted a public hearing on the date hereof at which a reasonable opportunity was provided for interested individuals to express their views, both orally and in writing; and

WHEREAS, the Bonds will be issued pursuant to this Resolution and the Bonds and the interest on the Bonds: (i) shall be payable solely from the revenues pledged therefor under the Loan Agreement, the Indenture, the Funding Loan Agreement and the Project Loan Agreement (all as hereinafter defined); (ii) shall not constitute a debt of the City within the meaning of any constitutional or statutory limitation; (iii) shall not constitute nor give rise to a pecuniary liability of the City or a charge against its general credit or taxing powers; (iv) shall not constitute a charge, lien, or encumbrance, legal or equitable, upon any property of the City other than the City's interest in the Loan Agreement and the Project Loan Agreement; and (v) shall not constitute a general or moral obligation of the City; and

NOW, THEREFORE, BE IT RESOLVED by the City Council (the "Council") of the City of Brooklyn Center, Minnesota (the "City"), as follows:

1. Findings. The City acknowledges, finds, determines, and declares that the issuance of the Bonds is authorized by the Act and is consistent with the purposes of the Act and that the issuance of the

Bonds, and the other actions of the City under the Indenture, the Loan Agreement, the Project Loan Agreement, the Funding Loan Agreement, and this resolution constitute a public purpose and are in the interests of the City. The Project constitutes a "qualified residential rental project" within the meaning of Section 142(d) of the Code, and a "multifamily housing development" authorized by the Act, and furthers the purposes of the Act. In authorizing the issuance of the Bonds for the financing and refinancing of the Project and the related costs, the City's purpose is and the effect thereof will be to promote the public welfare of the City and its residents by providing or preserving affordable multifamily housing developments for low or moderate income residents of the City and otherwise furthering the purposes and policies of the Act.

2. Financing Structure. The Borrower has requested that the City issue, sell, and deliver the Bonds pursuant to a Trust Indenture, dated on or after April 1, 2020 (the "Indenture"), between the Issuer and U.S. Bank National Association, a national banking association (the "Trustee"), as the Multifamily Housing Revenue Refunding Bonds (REE Xerxes Avenue Senior Housing Project), Series 2020 to be purchased by Dougherty & Company, LLC (the "Underwriter") pursuant to the Purchase Contract, dated on or after the date this Resolution is approved (the "Purchase Contract"), among the Underwriter, the City, and the Borrower and the proceeds derived from the sale of the Bonds will be loaned by the City to the Borrower to refinance the Prior Note and finance a portion of the cost of the Project pursuant to the terms of a Loan Agreement, dated on or after April 1, 2020, by and between the Borrower and the City (the "Loan Agreement"). Pursuant to the Loan Agreement the City will loan the proceeds of the Bonds and transferred, unexpended proceeds of the Prior Note to the Borrower.

The Borrower's repayment obligations under the Loan Agreement will be evidenced by a Promissory Note delivered by the Borrower to the Issuer (the "Promissory Note"), which will be assigned by the Issuer to the Trustee pursuant to an assignment (the "Assignment of Note") and will be secured by a mortgage granting a mortgage lien on the Project or a portion thereof (the "Mortgage") to be delivered by the Borrower to the Issuer and assigned to the U.S. Bank National Association, a national banking association, as construction lender, pursuant to an assignment of mortgage (the "Assignment of Mortgage") and, upon conversion from construction to permanent financing, to the Trustee, acting as the Fiscal Agent for Federal Home Loan Mortgage Corporation, a shareholder-owned government-sponsored enterprise ("Freddie Mac"), as the permanent mortgage lender. The payments to be made by the Borrower under the Loan Agreement are fixed so as to produce revenue sufficient to pay the principal of, premium, if any, and interest on the Bonds when due. When executed, the right, title and interest of the City in, to and under, among other things, the Loan Agreement (except as therein provided) will be assigned to the Trustee pursuant to the Indenture. The Bonds shall bear interest at the rates, shall be numbered, shall be dated, shall mature, shall be subject to redemption prior to maturity, and shall be in such form and have such other details and provisions as may be prescribed in the Indenture, as executed in accordance with Sections 8 and 16. The Trustee is hereby appointed as the Paying Agent and the Bond Registrar for the Bonds.

3. Conversion. Pursuant to the Indenture, the Bonds will convert from construction financing to permanent financing (the "Conversion"). Upon the satisfaction of certain conditions to Conversion set forth in the Indenture (i) the Bonds shall be subject to mandatory tender, (ii) the purchase price of the Bonds shall be paid with amounts on deposit in with the Trustee on behalf of Freddie Mac as the permanent mortgage lender, and (iii) the Bonds shall be converted to a physical Multifamily Note with designation as Multifamily Housing Revenue Refunding Note (REE Xerxes Avenue Senior Housing Project), Series 2020 (the "Governmental Note") which shall be purchased by NorthMarq Capital, LLC, a Minnesota limited liability company (the "Freddie Mac Seller/Servicer"). In connection with Conversion, the Funding Loan Agreement, dated on or after April 1, 2020 (the "Funding Loan Agreement"), by and between the City, U.S. Bank National Association, a national banking association, in its capacity as fiscal agent (the "Fiscal Agent") will be executed and will replace and supercede the Indenture and the Project Loan Agreement, dated on or after April 1, 2020 (the "Project Loan Agreement") by and between the City, the Fiscal Agent

and the Borrower will be executed and will replace and supercede the Loan Agreement. Additionally, at conversion, the Borrower will issue a project note (the "Project Note") to the City to secure its obligations under the Project Loan Agreement to be endorsed by the City to the Fiscal Agent.

4. Authorization of Bonds. The Bonds shall bear interest at the rates, shall be designated, shall be numbered, shall be dated, shall mature, shall be in the aggregate principal amount, shall be subject to redemption prior to maturity, shall be in such form, and shall have such other terms, details, and provisions as are prescribed in the Indenture, in substantially the form now on file with the City, with any necessary and appropriate variations, omissions, and insertions (including changes to the aggregate principal amount of the Bonds, the stated maturity of the Bonds, the interest rate or rates on the Bonds and the terms of redemption of the Bonds) as are approved as evidenced by the execution thereof as provided in Sections 8 and 16. The City hereby authorizes the Bonds to be issued in an amount not to exceed $38,000,000, subject to the availability of adequate bonding authority under Section 146 of the Code, in whole or in part, as "tax-exempt bonds," the interest on which is excludable from gross income for federal and State of Minnesota income tax purposes; provided that, if necessary, certain Bonds may be issued as taxable obligations.

The Council hereby authorizes and directs the execution of the Bonds in accordance with the terms of the Indenture, and hereby provides that the Indenture shall provide the terms and conditions, covenants, rights, obligations, duties, and agreements of the owners of the Bonds, the City, and the Trustee as set forth therein. The Trustee is hereby appointed as the Paying Agent and the Bond Registrar for the Bonds.

All of the provisions of the Bonds, when executed as authorized herein, shall be deemed to be a part of this Resolution as fully and to the same extent as if incorporated verbatim herein and shall be in full force and effect from the date of execution and delivery thereof. The Bonds shall be substantially in the form in the Indenture on file with the City, which form is hereby approved, with such necessary and appropriate variations, omissions, and insertions (including changes to the aggregate principal amount of the Bonds, the stated maturities of the Bonds, the interest rates on the Bonds and the terms of redemption of the Bonds) as the Mayor and the City Manager (the "City Officials"), in their discretion, shall determine. The execution of the Bonds with the manual or facsimile signatures of the City Officials and the delivery of the Bonds by the City shall be conclusive evidence of such determination.

Upon Conversion, the Governmental Note shall bear interest at the rates, shall be designated, shall be numbered, shall be dated, shall mature, shall be in the aggregate principal amount, shall be subject to redemption prior to maturity, shall be in such form, and shall have such other terms, details, and provisions as are prescribed in the Funding Loan Agreement, in substantially the form now on file with the City, with necessary and appropriate variations, omissions, and insertions (including changes to the aggregate principal amount of the Governmental Note, the stated maturity of the Governmental Note, the interest rates on the Governmental Note and the terms of redemption of the Governmental Note) as are approved as evidenced by the execution thereof as provided in Section 8. Pursuant to the Funding Loan Agreement, the City will assign its rights to the basic payments and certain other rights and interests under the Project Loan Agreement, the Project Loan, the Project Note, and certain moneys and securities held by the Fiscal Agent in the funds and accounts established under the Funding Loan Agreement to the Fiscal Agent.

5. Limitation of Liability. The Bonds and the Governmental Note shall be special, limited revenue obligations of the City payable solely from the revenues provided by the Borrower pursuant to the Loan Agreement, the Project Loan Agreement, and other funds pledged pursuant to the applicable Financing Documents; the City does not pledge its general credit or taxing powers or any funds of the City to the payment of the Bonds or the Governmental Note.

No provision, covenant or agreement contained in the aforementioned documents, the Bonds, the Governmental Note or in any other document relating to the Bonds or the Governmental Note, and no

obligation therein or herein imposed upon the City or the breach thereof, shall constitute or give rise to a general or moral obligation of the City or any pecuniary liability of the City or any charge upon its general credit or taxing powers. In making the agreements, provisions, covenants, and representations set forth in such documents, the City has not obligated itself to pay or remit any funds or revenues, other than funds and revenues derived from the Loan Agreement and the Project Loan Agreement which are to be applied to the payment of the Bonds and the Governmental Note, as provided therein and as assigned to the Trustee or the Fiscal Agent, under the Indenture or the Funding Loan Agreement, respectively.

6. Compliance with Certain Rental and Occupancy Restrictions as to the Project. To ensure compliance with certain rental and occupancy restrictions imposed by the Act and Section 142(d) of the Code and to ensure compliance with certain restrictions imposed by the City, the Project will be subject to a Regulatory Agreement, dated as of or after April 1, 2020 (the "Regulatory Agreement"), among the City, the Borrower, and the Trustee.

7. Joint Powers Agreement. The Joint Powers Agreement is hereby approved and the Mayor and the City Manager are hereby authorized to execute and deliver such agreement in substantially the form on file with the City, together with such omissions and insertions as do not materially change the substance thereof, or as the Mayor and the City Manager, in their discretion, shall determine are appropriate and in the best interests of the City, and the execution of the Joint Powers Agreement by the Mayor and the City Manager shall be conclusive evidence of such determination. In accordance with the Joint Powers Agreement, the City is authorized to reuse bonding authority from the HRA Bonds in an amount not to exceed $3,000,000.

8. Approval of Forms; Execution. The City Officials are hereby authorized and directed to execute and deliver the Indenture, the Loan Agreement, the Bonds, the Purchase Contract, the Regulatory Agreement, the Joint Powers Agreement, the Assignment of Mortgage, the Assignment, the Project Loan Agreement, the Funding Loan Agreement, the Governmental Note, the assignment of the Project Note, and any consents or such other documents and certificates as are necessary or appropriate in connection with the issuance, sale, and delivery of the Bonds, including without limitation various certificates of the City, the Information Return for Tax-Exempt Private Activity Bond Issues, Form 8038, a letter prepared in accordance with Section 42(m)(2)(D) of the Code evidencing the determination of the City, as the issuer of the Bonds, based on conclusions of a third party analyst, that the amount of tax credits to be allocated to the Project will not exceed the amount necessary for the financial feasibility of the Project and its viability as a qualified low-income housing project, a certificate as to arbitrage and rebate and similar documents (collectively, the "Financing Documents").

All of the provisions of the Financing Documents, when executed and delivered as authorized herein, shall be deemed to be a part of this resolution as fully and to the same extent as if incorporated verbatim herein and shall be in full force and effect from the date of execution and delivery thereof. The Financing Documents shall be substantially in the forms currently on file with the City, which are hereby approved, with such necessary and appropriate variations, omissions and insertions as do not materially change the substance thereof, and as the City Officials, in their discretion, shall determine, and the execution thereof by the City Officials shall be conclusive evidence of such determination.

9. Bond Opinion. The City hereby authorizes Kennedy & Graven, Chartered, as bond counsel, to prepare, execute, and deliver its approving legal opinions with respect to the Bonds.

10. Official Statement. The City has not participated in the preparation of the Official Statement relating to the offer and sale of the Bonds (the "Official Statement"), and has made no independent investigation with respect to the information contained therein, including the appendices thereto, and the City assumes no responsibility for the sufficiency, accuracy, or completeness of such

information, except for the information under the captions "THE ISSUER" and "ABSENCE OF LITIGATION—The Issuer." Subject to the foregoing, the City hereby consents to the distribution and the use by the Underwriter of the Official Statement in connection with the offer and sale of the Bonds. The Official Statement is the sole material consented to by the City for use in connection with the offer and sale of the Bonds.

11. Council Authority; No Personal Liability. Except as otherwise provided in this resolution, all rights, powers, and privileges conferred and duties and liabilities imposed upon the City or the City Council by the provisions of this resolution or of the aforementioned documents shall be exercised or performed by the City or by such members of the City Council, or such officers, board, body or agency thereof as may be required or authorized by law to exercise such powers and to perform such duties.

No covenant, stipulation, obligation or agreement herein contained or contained in the aforementioned documents shall be deemed to be a covenant, stipulation, obligation or agreement of any member of the City Council, or any officer, agent or employee of the City in that person's individual capacity, and neither the City Council nor any officer or employee executing the Bonds or the Governmental Note shall be personally liable on the Bonds or the Governmental Note or be subject to any personal liability or accountability by reason of the issuance thereof.

Except as otherwise expressly provided herein, nothing in this resolution or in the aforementioned documents expressed or implied, is intended or shall be construed to confer upon any person or firm or corporation, other than the City, or any holder of the Bonds or the Governmental Note issued under the provisions of this resolution, any right, remedy or claim, legal or equitable, under and by reason of this resolution or any provisions hereof, this resolution, the aforementioned documents, and all of their provisions being intended to be and being for the sole and exclusive benefit of the City, and any holder from time to time of the Bonds or the Governmental Note issued under the provisions of this resolution.

12. Severability. In case any one or more of the provisions of this Resolution, other than the provisions contained Section 5, or of the aforementioned documents, or of the Bonds or the Governmental Note issued hereunder shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this resolution, or of the aforementioned documents, or of the Bonds or the Governmental Note, but this Resolution, the aforementioned documents, and the Bonds or the Governmental Note shall be construed and endorsed as if such illegal or invalid provisions had not been contained therein.

13. Validity. The Bonds, when executed and delivered, shall contain a recital that they are issued pursuant to the Act, and such recital shall be conclusive evidence of the validity of the Bonds and the regularity of the issuance thereof, and that all acts, conditions, and things required by the laws of the State of Minnesota relating to the adoption of this resolution, to the issuance of the Bonds, and to the execution of the aforementioned documents to happen, exist, and be performed precedent to the execution of the aforementioned documents have happened, exist, and have been performed as so required by law.

14. Authorization; Direction. The officers of the City, bond counsel, other attorneys, engineers, and other agents or employees of the City are hereby authorized to do all acts and things required of them by or in connection with this resolution, the aforementioned documents, and the Bonds, for the full, punctual, and complete performance of all the terms, covenants, and agreements contained in the Bonds, the aforementioned documents, and this resolution. If for any reason either of the City Officials is unable to execute and deliver the documents referred to in this Resolution, such documents may be executed by any member of the City Council or any officer of the City delegated the duties of such City Officials with the same force and effect as if such documents were executed and delivered by such City Officials.

15. City Costs. The Borrower shall pay the City's administrative fee in connection with the issuance of the Bonds, as provided in the Loan Agreement, and pay, or, upon demand, reimburse the City for payment of, any and all costs incurred by the City in connection with the Project and the issuance of the Bonds, whether or not the Bonds are issued, including any costs for attorneys' fees. The Borrower shall indemnify the City against all liabilities, losses, damages, costs and expenses (including attorney's fees and expenses incurred by the City) arising with respect to the Project or the Bonds, as provided for and agreed to by the Borrower in the Loan Agreement.

16. Future Amendments. The authority to approve, execute and deliver future amendments to the Financing Documents herein authorized entered into by the City in connection with the issuance of the Bonds and any consents required under the Financing Documents is hereby delegated to the City Officials upon consultation with the City's Bond Counsel, subject to the following conditions: (a) such amendments or consents do not require the consent of the holder of the Bonds or such consent has been obtained; (b) such amendments or consents to not materially adversely affect the interests of the City; (c) such amendments or consents do not contravene or violate any policy of the City; and (d) such amendments or consents are acceptable in form and substance to the City's Bond Counsel. The authorization hereby given shall be further construed as authorization for the execution and delivery of such certificates and related items as may be required to demonstrate compliance with the agreements being amended and the terms of this Resolution. The execution of any instrument by the City Officials shall be conclusive evidence of the approval of such instruments in accordance with the terms hereof. In the absence of either of the City Officials, any instrument authorized by this paragraph to be executed and delivered may be executed by the officer of the City or the City authorized to act in his/her place and stead.

17. Governmental Program. The City has established a governmental program of acquiring purpose investments for qualified residential rental projects. The governmental program is one in which the following requirements of §1.148-1(b) of the federal regulations relating to tax-exempt obligations shall be met:

(a) the program involves the origination or acquisition of purpose investments;

(b) at least 95% of the cost of the purpose investments acquired under the program represents one or more loans to a substantial number of persons representing the general public, states or political subdivisions, 501(c)(3) organizations, persons who provide housing and related facilities, or any combination of the foregoing;

(c) at least 95% of the receipts from the purpose investments are used to pay principal, interest, or redemption prices on issues that financed the program, to pay or reimburse administrative costs of those issues or of the program, to pay or reimburse anticipated future losses directly related to the program, to finance additional purpose investments for the same general purposes of the program, or to redeem and retire governmental obligations at the next earliest possible date of redemption;

(d) the program documents prohibit any obligor on a purpose investment financed by the program or any related party to that obligor from purchasing Bonds of an issue that finances the program in an amount related to the amount of the purpose investment acquired from that obligor; and

(e) the City shall not waive the right to treat the investment as a program investment.

18. Effective Date. This Resolution shall be in full force and effect from and after its approval.

February 24, 2020 _____
Date

_____
Mayor

ATTEST:_____
City Clerk

The motion for the adoption of the foregoing resolution was duly seconded by Councilmember _____ and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

whereupon said resolution was declared duly passed and adopted.

Council Regular Meeting

DATE: 2/24/2020

TO: City Council
FROM: Curt Boganey, City Manager
THROUGH: N/A
BY: Doran Cote, P.E., Director of Public Works

SUBJECT: Resolution Accepting Bid and Awarding a Contract, Improvement Project No. 2018-04, 2018 Bridge Rehabilitation Phase 2

Background:

Bids for the 2018 Bridge Rehabilitation Phase 2 of two bridges over Shingle Creek on Shingle Creek Parkway, Project No. 2018-14, were received and opened on February 6, 2020. The bidding results are tabulated below:

Bidder:	Total Base Bid:
PCI Roads, LLC	$314,328.10
Global Specialty Contractors, Inc.	$387,400.00

The updated estimated project cost for two bridges was $315,000.00. Of the two bids, the lowest base bid of $314,328.10 was submitted by PCi Roads, LLC of St. Michael MN. PCi Roads, LLC has the experience, equipment and capacity to qualify as the lowest responsible bidder for the project. Staff checked PCi Roads LLC's references and those references were positive. This contractor has the experience, equipment and capacity to qualify as the lowest responsible bidder for the project and that they have worked on other similar projects in the past. PCi Roads, LLC is also currently under contract for the Lift Station 2 Rehabilitation project.

Budget Issues:

The low bid amount of $314,328.10 is 0.2 percent under the current estimated construction cost of $315,000. The total estimated budget in the Capital Improvement Program (CIP) for rehabilitation of two bridges was $240,000. The total estimated cost including contingencies, administration, engineering and legal is $352,900 (see attached Resolution – Costs and Revenues tables).

Strategic Priorities and Values:

Key Transportation Investments

ATTACHMENTS:

Description	Upload Date	Type
Resolution	2/18/2020	Cover Memo

Member introduced the following resolution and moved its adoption:

RESOLUTION NO. _____

RESOLUTION ACCEPTING BID AND AWARDING CONTRACT, IMPROVEMENT PROJECT NO. 2018-14, 2018 BRIDGE REHABILITATION PHASE 2

WHEREAS, pursuant to an advertisement for bids for Improvement Project No. 2018-14, two bids were received, opened and tabulated by the City Engineer on the 6th day of February, 2020. Said bids were as follows:

Bidder	Total Base Bid
Global Specialty Contractors, Inc.	$387,400.00
PCi Roads, LLC	$314,328.10

WHEREAS, it appears that PCi Roads, LLC of St. Michael, Minnesota is the lowest responsible bidder.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Brooklyn Center, Minnesota, that:

1. The Mayor and City Manager are hereby authorized and directed to enter into a contract with PCi Roads LLC of St. Michael, Minnesota, in the name of the City of Brooklyn Center, for Improvement Project No. 2018-14, according to the plans and specifications therefore approved by the City Council and on file in the office of the City Engineer.

2. The estimated project costs and revenues are as follows:

COSTS	Estimated	per Low Bid
Construction Cost	$315,000.00	$314,328.10
Engineering and Administrative	$ 40,000.00	$ 37,843.00
Contingency	$ 20,000.00	$ 728.90
TOTAL	$355,000.00	$352,900.00

REVENUES	Estimated	Amended per Low Bid
Street Reconstruction Fund	$355,000.00	$325,900.00

RESOLUTION NO. _____

March 25, 2019 _____
Date

_____
Mayor

ATTEST: _____
City Clerk

The motion for the adoption of the foregoing resolution was duly seconded by member

and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:
whereupon said resolution was declared duly passed and adopted.

Council Regular Meeting

DATE: 2/24/2020

TO: City Council
FROM: Curt Boganey, City Manager
THROUGH: N/A
BY: Doran M. Cote, P.E., Public Works Director

SUBJECT: Resolution Approving Purchase Agreement for 6000 Ewing Avenue as Part of the Brooklyn Boulevard Corridor Project Phase 2

Background:

On March 25, 2019, the City Council directed staff to proceed with the preliminary design, environmental documentation, easement acquisition and final design work for the Brooklyn Boulevard Corridor Project Phase 2 (Bass Lake Road to Interstate 94), Project No. 2021-05. As identified in the City's Capital Improvements Plan (CIP), this project is scheduled to be constructed in 2021.

The proposed street reconstruction and streetscape improvements will improve roadway safety, enhance traffic operations, reduce access points and provide improved bicycle and pedestrian facilities for a one-mile segment of corridor in Brooklyn Center between Bass Lake Road (CSAH 10) and Interstate 94. The project will enhance bicycle and pedestrian travel by adding a trail, improving sidewalks, transit stops, adding streetscaping and landscaping, and improving the functionality of intersections with modified turn lanes and access control throughout the corridor. This project consists of Project Nos. 8, 9 and 10 from the Brooklyn Boulevard Corridor Study.

As part of the project it is proposed to realign Admiral Lane on the west side of Brooklyn Boulevard to line up with 60th Avenue east of Brooklyn Boulevard. This proposed realignment was included with the approved Brooklyn Boulevard Corridor Study. The realignment will make use of 2 existing vacant Economic Development Authority (EDA) owned properties and 6000 Ewing Avenue.

On April 30, 2019, staff met with the owner of 6000 Ewing Avenue to discuss the potential impacts to her property. At the meeting, the owner asked if the City would be interested in acquiring her property. She cited her advanced age and diminishing ability to maintain the property as reasons for wanting to sell. Staff agreed to obtain an appraisal to determine the fair market value of the property. Shortly after the appraisal was complete and reviewed by staff, the property owner passed away. Staff was unable to present the appraisal or offer to the owner.

Within a month of the owner passing, staff was contacted by the owner's daughter. She indicated that with her mother's passing, she would like to continue discussions with the City about acquiring the property. In a July 23, 2019 email, the daughter confirmed "the estate still wants to consider this sale to Brooklyn Center." On August 29, 2019, staff presented the daughter with a Letter of Intent to purchase her mother's property for the appraised value.

On September 6, 2019, staff received an email from the property owner's daughter which stated "We are honored by the respectable offer from Brooklyn Center. It reflects the 62 years of good energy our beautiful

mother has given the city in terms of her volunteering on the Charter Commission and the Historical Society, working as an election judge, and just being a good neighbor and citizen. She would be proud." On September 17, 2019 staff received a signed Letter of Intent agreeing to the appraised value offer.

Subsequently, staff has performed full due diligence on the property including a Phase I Environmental Site Assessment (ESA) and a Hazardous Building Materials Inspection Report (Destructive). There were no significant abnormalities identified in either report so on November 25, 2019, staff presented the family a Purchase Agreement for the acquisition of the property at the appraised value. The Purchase Agreement was signed by the daughter, now owner of the property, on January 23, 2020.

Budget Issues:

The Brooklyn Boulevard Corridor Project Phase 2 (Bass Lake Road to Interstate 94) is identified in the City's 2020 Capital Improvement Program and the total project cost is estimated to be $15,009,000. Hennepin County has estimated the market value for the parcel to be $207,000 for taxes payable 2020 (2019 assessment). The fair market independently appraised value of the property that was accepted is $230,000 and the acquisition would be funded out of the overall project budget.

Strategic Priorities and Values:

Key Transportation Investments

ATTACHMENTS:

Description	Upload Date	Type
Resolution	2/18/2020	Cover Memo
Location Map	2/18/2020	Cover Memo
Purchase Agreement	2/18/2020	Cover Memo

Member introduced the following resolution and moved its adoption:

RESOLUTION NO. _____

RESOLUTION APPROVING PURCHASE AGREEMENT FOR 6000 EWING AVENUE AS PART OF THE BROOKLYN BOULEVARD CORRIDOR PROJECT PHASE 2

WHEREAS, the City Council has authorized the project titled Brooklyn Boulevard Corridor Project Phase 2 (the "Project"); and

WHEREAS, the Project area includes a 1.0-mile segment of Brooklyn Boulevard (County Road 152) between Bass Lake Road (County Road 10) and Interstate 94; and

WHEREAS, the Project scope includes reconstruction and streetscape improvements that will improve roadway and intersection safety, enhance traffic operations and provide improved bicycle and pedestrian facilities. The Project will enhance bicycle and pedestrian travel by adding a trail, improving sidewalks and transit stops, adding streetscaping and landscaping and improving the functionality of intersections with modified turn lanes; and

WHEREAS, as part of the Project the City needs realign Admiral Lane on the west side of Brooklyn Boulevard to line up with 60th Avenue east of Brooklyn Boulevard: and

WHEREAS, the realignment will make use of 2 existing vacant Economic Development Authority (EDA) owned properties and 6000 Ewing Avenue ("Property") legally described as:

Lot 7, Block 1 Pearsons Northport 3rd Addition, according to the recorded plat thereof, County of Hennepin, State of Minnesota; and

WHEREAS, the City Council finds that acquiring the Property is preferred to attempting to establish an easement over a portion of it as part of the Project; and

WHEREAS, the fair market independent appraisal has determined the market value for the Property is $230,000.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Brooklyn Center, Minnesota, that:

1. The City Council hereby approves the Purchase Agreement for the Property to be used as part of the Project.

2. The Mayor and City Manager are authorized to take such actions and execute such documents as may be needed to accomplish the purpose of this Resolution.

February 24, 2020 _____
Date

_____
Mayor

ATTEST: _____
City Clerk

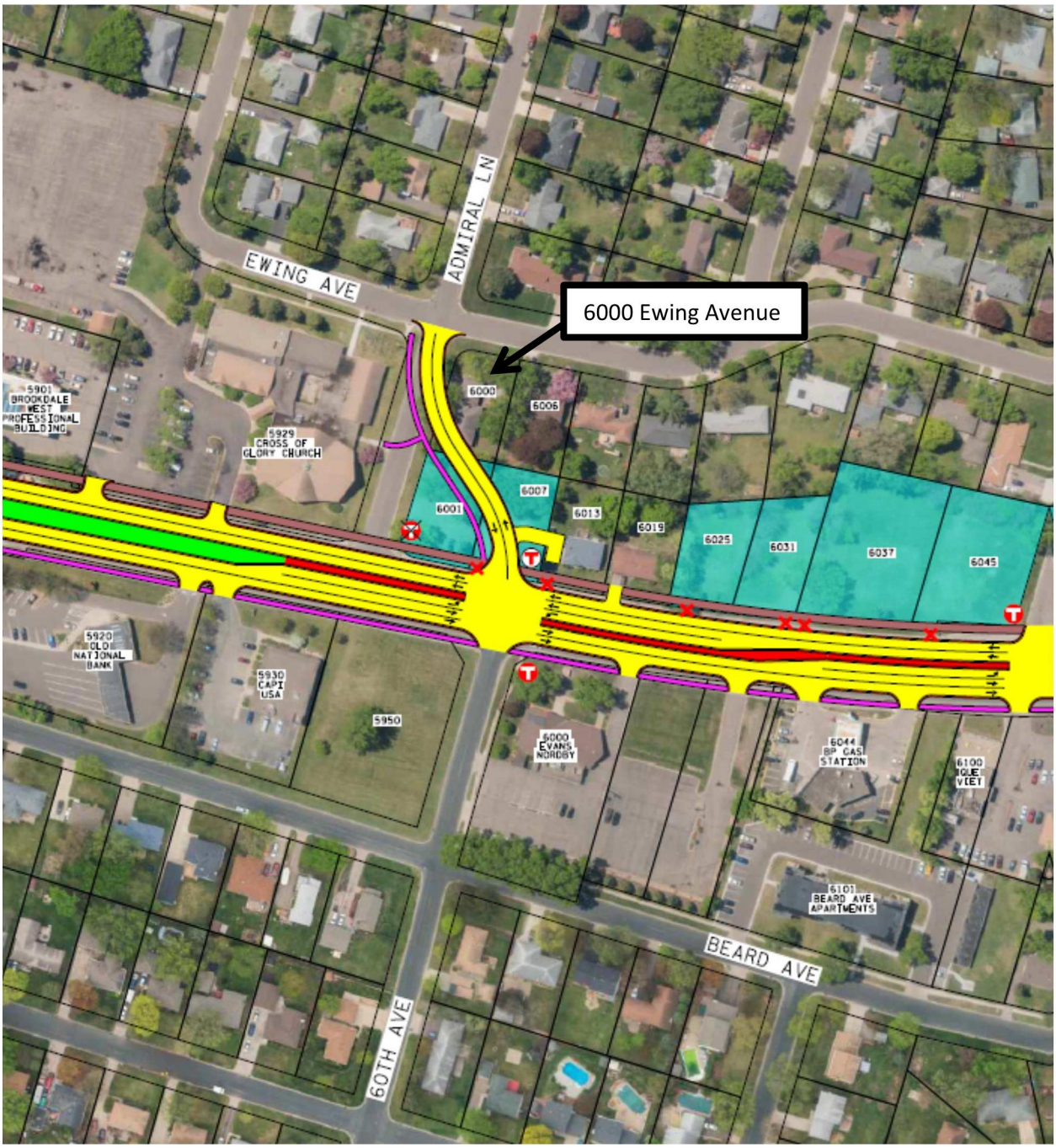
The motion for the adoption of the foregoing resolution was duly seconded by member

and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:
whereupon said resolution was declared duly passed and adopted.

Location Map

6000 Ewing Avenue



PURCHASE AGREEMENT

1. PARTIES. This Purchase Agreement ("Purchase Agreement") is entered into this 23 day of January, 2020, by and between The Estate of Eileen H. Oslund ("Seller") and the City of Brooklyn Center, Minnesota, a Minnesota municipal corporation ("Buyer").

2. SALE OF PROPERTY. Seller is the owner of that certain real estate ("Property") located at 6000 Ewing Avenue N., Brooklyn Center, PID 03-118-21-12-0021, legally described as follows:

Lot 7, Block 1, Pearson's Northport 3rd Addition, according to the recorded plat thereof, County of Hennepin, State of Minnesota.

3. OFFER/ACCEPTANCE. In consideration of the mutual agreements herein contained, Buyer offers and agrees to purchase and Seller agrees to sell and hereby grants to Buyer the exclusive right to purchase the Property and all buildings, improvements, and fixtures thereon, together with all appurtenances, including, but not limited to, plant, shrubs, trees, and grass.

4. NO PERSONAL PROPERTY INCLUDED IN SALE: There are no items of personal property or fixtures owned by Seller and currently located on the Property included in the Purchase Price for purposes of this sale. Seller may remove the following fixtures from the Property provided the Property is left secure: Cedar shed in back yard.

5. PURCHASE PRICE AND TERMS:

A. PURCHASE PRICE: The total Purchase Price ("Purchase Price") for the Property is Two Hundred Thirty Thousand and No/100ths Dollars ($230,000.00).

B. EARNEST MONEY. Earnest money of Five Thousand and No/100th Dollars ($5,000.00) shall be deposited by Buyer with a title company upon execution of the Agreement by both parties. The earnest money shall be applied to the Purchase Price at closing.

C. TERMS:

(1) BALANCE DUE SELLER: Buyer agrees to pay the Purchase Price, less the earnest money to Seller by check or wire transfer on the Closing Date ("Closing").

(2) DEED/MARKETABLE TITLE: Subject to performance by Buyer, Seller agrees to execute and deliver a Warranty Deed conveying marketable title to the Property to Buyer, subject only to the following exceptions:

a. Building and zoning laws, ordinances, and state and federal regulations.

b. Reservation of minerals or mineral rights to the State of Minnesota, if any.

c. Public utility and drainage easements of record which will not interfere with Buyer's intended use of the Property.

d. Title defects waived by Buyer pursuant to paragraph 6 below.

6. CONTINGENCIES.

A. Notwithstanding any other provision in this Agreement to the contrary, the parties agree that the purchase of the Property is subject to the following contingencies, which must be accepted or waived before the expiration of the Due Diligence Period hereafter defined, unless a shorter period is expressly provided herein:

(1) Title to the Property shall be acceptable to Buyer, in its sole discretion.

(2) The Property's environmental condition must be acceptable to Buyer, in its sole discretion.

(3) Buyer shall have the right during the Due Diligence Period to conduct such soil tests/geotechnical analyses, inspections, reviews, examinations, storm water/drainage requirement analyses, pre-demolition assessments, and surveys, if any, as Buyer deems necessary at Buyer's expense. The results of the same shall be satisfactory to Buyer in its sole discretion.

B. Buyer shall satisfy or waive the above contingencies on or before the expiration of the Due Diligence Period. On or before the expiration of the Due Diligence Period, Buyer shall, by giving written notice to Seller, either:

(1) Terminate this Agreement if any one or more of the contingencies above have not been satisfied to the satisfaction of Buyer; or

(2) Waive the contingencies listed above and proceed to closing.

If Buyer elects to terminate this Agreement under paragraph (B)(1) above, then upon, Seller's receipt of Buyer's written notice of termination, this Purchase Agreement shall be null and void and neither party shall have any further obligation to the other.

If Buyer elects to waive the contingencies and proceed under paragraph (B)(2) above, the parties shall proceed to closing as provided in this Purchase Agreement.

7. DOCUMENTS TO BE DELIVERED AT CLOSING BY SELLER.

A. Warranty Deed free and clear of encumbrances subject only to the exceptions stated in paragraphs 5 (C) (2) (a), (b), (c), and (d) of this Purchase Agreement.

B. Standard form Affidavit of Seller.

C. Well disclosure certificate, if required.

D. Waiver of Relocation Benefits in the form attached hereto as Exhibit A.

E. Such other documents as may be reasonably required by Buyer's title examiner or title insurance company.

8. CLOSING DATE/DUE DILIGENCE PERIOD. For a maximum of 180 days after the mutual execution of the Purchase Agreement (the "Due Diligence Period"), Buyer shall have the right, but not the obligation, to conduct an investigation of the Property as described in paragraph 6 (A) of this Purchase Agreement. The closing of the sale of the Property shall take place within 30 days following the end of the Due Diligence Period. The closing shall take place at City Hall, 6301 Shingle Creek Parkway, Brooklyn Center, MN 55430 (or at such other location as the parties shall agree).

9. DELIVERY OF DOCUMENTS. Within seven business days of signing the Purchase Agreement, Seller shall have provided Buyer with copies of all relevant material in Seller's possession relating to the Property, including but not limited to, title reports, soil reports, environmental studies, surveys, environmental reports, agreements with governmental authorities, or other records of the Property that Seller has in Seller's possession (collectively, the "***Documents***").

10. INSPECTION OF PROPERTY. During the Due Diligence Period, Seller shall allow Buyer and Buyer's agents access to the Property without charge and at all reasonable times for Buyer's inspection of the Property. This includes the right of Buyer and its agents to take soil borings of the Property. Buyer shall pay all costs and expenses of such inspections and any testing carried out in connection therewith and shall hold Seller and the Property harmless from all costs and liabilities relating to Buyer's activities. Buyer shall not damage, encumber, or permit a lien or claim to result from its activities, or alter the Property in any way. Buyer shall not have the right to do any intrusive testing without the prior written authorization of Seller. Buyer shall repair and restore any damage to the Property caused by or occurring during Buyer's inspection and testing and return the Property to substantially the same condition as existed prior to such entry. Buyer's obligations under this paragraph shall survive termination of this Agreement.

11. ENVIRONMENTAL INSPECTION. Seller, prior to vacation of the Property, shall remove all substances that, under state or federal law, must be disposed of at an approved disposal facility. This requirement does not apply to hazardous substances integrated into the building improvements (e.g., asbestos) or soil but applies only to movable equipment, supplies

and materials that are located or stored on the Property. Buyer and Seller will conduct a joint inspection of the Property at a time to be mutually agreed upon prior to closing for the purpose of identifying materials that must be removed by Seller.

12. LEAD. If the dwelling structure on the Property was constructed prior to 1978, a lead paint disclosure accompanies this Agreement.

13. REAL ESTATE TAXES.

A. Seller will pay at or prior to closing all real estate taxes due and payable in 2019 and prior years on the Property, including any delinquent real estate taxes.

B. Real estate taxes due and payable in 2020 shall be prorated as of the date of closing between Buyer and Seller. If the amount of real estate taxes due and payable in 2020 is not available on the date of closing, the pro-rated taxes will be based on the amount of real estate taxes due and payable in 2019.

14. SPECIAL ASSESSMENTS.

A. Seller shall pay on or prior to closing the balance of all special assessments levied for payment in 2019 and prior years. Buyer shall pay all special assessments pending or levied for payment with real estate taxes payable in 2020.

B. Seller shall pay any deferred real estate taxes or special assessments, payment of which is required as a result of the Closing of this sale.

C. As of the date of this Purchase Agreement, Seller has not received a notice of hearing for a new public improvement project from any governmental assessing authority, the costs of which project may be assessed against the Property.

D. Notwithstanding any other provision of this Agreement, Seller shall at all times be responsible to pay special assessments, if any, for delinquent sewer or water bills, removal of diseased trees prior to the date of this Purchase Agreement, snow removal, or other current services provided to the Property by the assessing authority while Seller is in possession of the Property.

15. MARKETABILITY OF TITLE. Buyer shall, within a reasonable time after execution of this Purchase Agreement by both parties, obtain a commitment for title insurance or other evidence satisfactory to Buyer ("Title Evidence") for the Property. Buyer shall have ten (10) business days after receipt of a fully executed purchase agreement and the Title Evidence to examine the same and to deliver written objections to title, if any, to Seller. Seller shall have until the expiration of the Due Diligence Period (or such later date as the parties may agree upon) to make title marketable, at Seller's expense. In the event that title to the Property cannot be made marketable or is not made marketable by Seller by the expiration of the Due Diligence Period, then, at the option of Buyer, Buyer may terminate this Purchase Agreement in accordance with paragraph 6 (B)(1) of this Purchase Agreement.

16. CLOSING COSTS AND RELATED ITEMS. Seller will pay: (a) any deed transfer taxes and conservation fees and recording fees for all instruments required to establish marketable title in Seller; (b) any deed transfer taxes and conservation fees required to enable Buyer to record its deed from Seller under this Purchase Agreement; (c) the cost of the title commitment, title search, name searches, and exam fees; and (d) one-half of the closing fee charged by the title insurance or other closing agent, if any, utilized to close the transaction contemplated by this Purchase Agreement. Buyer shall be responsible for the payment of the following costs: (a) recording fees for deed from Seller under this Purchase Agreement; (b) the title insurance premium, and endorsements, if any; (c) the cost to seal and/or abandon the well on the Property; and (d) one-half of the closing fee charged by the title insurance or other closing agent, if any, utilized to close the transaction contemplated by this Purchase Agreement. Each party shall be responsible for its own attorneys' fees and costs.

17. DISCLOSURE; INDIVIDUAL SEWAGE TREATMENT SYSTEM. Seller discloses that there **is not** an individual sewage treatment system on or serving the Property. If there is an individual sewage treatment system on or serving the Property, Seller discloses that the system **is not** in use. In the event there is a sewage treatment system, a map of said location of the system is attached.

18. WELL DISCLOSURE. Seller discloses that there is a well on the Property.

19. SELLER'S WARRANTIES. Seller warrants that buildings, if any, are entirely within the boundary lines of the Property. Seller warrants that there is a right of access to the Property from a public right-of-way. Seller warrants that there has been no labor or materials furnished to the Property for which payment has not been made. Seller warrants that there are no present violations of any restrictions relating to the use or improvement of the Property. Seller represents that Seller has good and marketable simple title interest to the Property and no consents or approvals from any third parties are required. Seller represents that there are no tenants or third parties in possession of the Property, or any part thereof; and that there are no leases, oral, or written, affecting the Property or any part thereof. Seller agrees that Seller will not enter into a lease for the Property after the date of this Purchase Agreement. Seller agrees to pay all charges for sewer, water, electric, gas, rubbish removal, Internet, cable/satellite television, and any other utility charges incurred prior to closing. These warranties shall survive the Closing of this transaction.

20. RELOCATION BENEFITS. Seller acknowledges that Seller initiated negotiations with Buyer for the transaction contemplated by this Purchase Agreement, and that this transaction is not made under threat of condemnation by Buyer. Seller agrees to waive any and all relocation benefits, assistance and services to which Seller might otherwise be eligible. Seller agrees to provide to Buyer at closing an executed waiver of relocation benefits in substantially the form of the attached Exhibit A.

21. NO MERGER OF REPRESENTATIONS, WARRANTIES. All representations and warranties contained in this Purchase Agreement shall not be merged into any instruments or conveyance delivered at closing, and the parties shall be bound accordingly.

22. ENTIRE AGREEMENT; AMENDMENTS. This Purchase Agreement constitutes the entire agreement between the parties, and no other agreement prior to this Purchase Agreement or contemporaneous herewith shall be effective except as expressly set forth or incorporated herein. Any purported amendment to this Purchase Agreement shall not be effective unless it shall be set forth in writing and executed by both parties or their respective successors or assigns.

23. BINDING EFFECT; ASSIGNMENT. This Agreement shall be binding upon and inure to the benefit of the parties and their respective heirs, executors, administrators, successors, and assigns. Buyer shall not assign its rights and interest hereunder without notice to Seller.

24. NOTICE. Any notice, demand, request or other communication which may or shall be given or served by the parties shall be deemed to have been given or served on the date the same is deposited in the United States Mail, registered or certified, postage prepaid and addressed as follows:

SELLER: The Estate of Eileen H. Oslund
c/o Catherine Oslund
10023 Juniper Ave N
Brooklyn Park, MN 55443

BUYER: City of Brooklyn Center
Attn: City Manager
6301 Shingle Creek Parkway
Brooklyn Center, MN 55430-2113

AGENT: Kennedy & Graven, Chartered
Attn: Sarah Sonsalla
470 U.S. Bank Plaza
200 South Sixth Street
Minneapolis, MN 55402

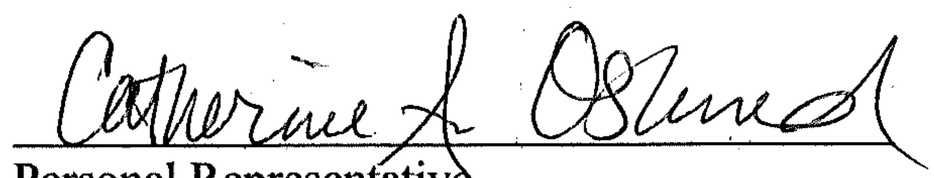
25. BROKER COMMISSIONS. Buyer and Seller each represent and warrant to the other that there is no broker involved in this transaction with whom either has negotiated or to whom the representing party has agreed to pay a broker commission or finder's fee in connection with negotiations for purchase or sale of the Property. Buyer and Seller agree to indemnify, defend, and hold the other party harmless against any and all claims of brokers, finders, or the like, and against the claims of all third parties, claiming any right to commission or compensation by or through acts of the indemnifying party or its partners, agents, or affiliates in connection with this Purchase Agreement. The indemnifying party's indemnity obligations shall include all damages, losses, costs, liabilities, and expenses, including reasonable attorneys' fees and litigation costs, which may be incurred by the other party.

26. METHAMPHETAMINE DISCLOSURE. To the best of Seller's knowledge, methamphetamine production has not occurred on the Property.

IN WITNESS WHEREOF, the parties have executed this agreement as of the date written above.

SELLER

The Estate of Eileen H. Oslund

By: 
Its: Personal Representative

BUYER

City of Brooklyn Center

By: _____
Mike Elliott

Its: Mayor

By: _____
Cornelius Boganey

Its: City Manager

27. SPECIFIC PERFORMANCE. This Purchase Agreement may be specifically enforced by the parties, provided that any action for specific enforcement is brought within six months after the date of the alleged breach. This paragraph is not intended to create an exclusive remedy for breach of this agreement; the parties reserve all other remedies available at law or in equity.

28. REMOVAL OF FIXTURES AND MATERIALS. The Seller shall have the opportunity to salvage any fixtures or materials from the buildings on the Property provided that the buildings are left secure and provided that removal does not create any hazardous conditions. Any fixtures or materials which remain on the Property after Seller's occupancy has been terminated shall be deemed to have been abandoned and shall become the exclusive property of Buyer. Seller assumes all risk in undertaking any salvage operations. Seller shall not permit the attachment of any lien or encumbrance on the Property as a result of this or other work thereof.

EXHIBIT A

FORM OF
WAIVER OF RELOCATION BENEFITS

The undersigned, acknowledges that I met with a representative of the City of Brooklyn Center, Minnesota (City) on N/A, 2019. The representative, N/A, explained that in the event that the City acquires my property located at 6000 Ewing Avenue North, Brooklyn Center, Minnesota, I may be entitled to certain relocation benefits, in addition to the amount of money being paid to me to acquire my property. These benefits may include:

1. Moving Expenses:

   a. A payment for actual reasonable moving expenses; or

   b. A fixed payment determined in accordance with the applicable schedule approved by the Federal Highway Administration.

2. Replacement Housing Payment:

   A 180-day homeowner is eligible to receive a replacement housing payment to cover the following costs:

   a. If the homeowner must pay more to buy a comparable replacement home than homeowner receives for the property, then homeowner may be compensated for the difference.

   b. Homeowners may be entitled to compensation for incidental and closing expenses related to the purchase of a decent, safe, and sanitary replacement home, such as recording fees, title insurance, appraisal, and inspection fees.

   c. If a homeowner must pay a higher interest rate on a mortgage to finance the purchase of a replacement home than the rate on the mortgage of the property, then homeowner may be entitled to compensation for increased mortgage interest costs.

3. Other Relocation Assistance:

   This includes referrals and other assistance to help the owner(s) relocate to a comparable decent, safe, and sanitary dwelling. These payments and services are required under the regulations of the Department of Housing and Urban Development (HUD). The owner(s) cannot be required to move from his/her home unless he/she is given reasonable opportunities to relocate to a comparable decent, safe and sanitary dwelling unit that he/she can afford.

Finally, it was explained to me that the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 as amended, entitles me to these relocation benefits; and if I sign this waiver, I will be waiving those relocation benefits.

After having these benefits explained to me, I agree to waive them. In signing this waiver, I acknowledge that no threats have been made to me, either expressly or by implication that my property will be taken from me through condemnation. If after signing this waiver, I attempt to collect relocation benefits, I will have to prove that, contrary to what I am agreeing to in this waiver, my waiver of relocation benefits was not entered into voluntarily. This wavier is conditioned upon the City of Brooklyn Center, Minnesota purchasing my property for the gross purchase price of $230,000.00. If this commitment to me is not fulfilled, this waiver is null and void.

1-23-2020
Date

THE ESTATE OF EILEEN H. OSLUND

By: Catherine A. Oslund

Its: Personal Representative

WITNESS:

_____

Council Regular Meeting

DATE: 2/24/2020

TO: City Council
FROM: Curt Boganey, City Manager
THROUGH: Doran M. Cote, P.E., Director of Public Works
BY: Mike Albers, P.E., City Engineer

SUBJECT: Resolution Accepting Bid and Awarding a Contract, Improvement Project Nos. 2020-01, 02, 03 and 04, Grandview North Area Street, Storm Drainage and Utility Improvements

Background:

Bids for the Grandview North Area Street, Storm Drainage and Utility Improvements, Project Nos. 2020-01, 02, 03 and 04, were received and opened on February 14, 2020. The bidding results are tabulated below:

BIDDER:	TOTAL BASE BID:
R.L. Larson Excavating, Inc.	$5,074,230.28
Ryan Contracting Co.	$5,263,385.25
S.R. Weidema, Inc.	$5,596,684.10
Kuechle Underground Inc.	$5,930,342.16
Northdale Construction	$6,833.396.91

Of the five (5) bids received, the lowest bid of $5,074,230.28 was submitted by R.L. Larson Excavating, Inc. of St. Cloud, Minnesota. R.L. Larson Excavating, Inc. has the experience, equipment and capacity to qualify as the lowest responsible bidder for the project.

Budget Issues:

The bid amount of $5,074,230.28 is within the 2020 budgeted amount. The total estimated budget including contingencies, administration, engineering and legal was $6,294,000.00 and is amended to $6,080,894.02, an approximate 3.4 percent decrease (see attached Resolution – Costs and Revenues tables).

Additionally, $30,224.00 of work was added to the project for the removal of the existing CenterPoint Energy gas main, which they plan to replace concurrently with the City's project. CenterPoint Energy will reimburse the City for this work that is included in the Contract.

Strategic Priorities and Values:

Key Transportation Investments

ATTACHMENTS:

Description	Upload Date	Type
Resolution	2/18/2020	Cover Memo

Member introduced the following resolution and moved its adoption:

RESOLUTION NO. _____

RESOLUTION ACCEPTING BID AND AWARDING A CONTRACT, IMPROVEMENT PROJECT NOS. 2020-01, 02, 03 AND 04, GRANDVIEW NORTH AREA STREET, STORM DRAINAGE AND UTILITY IMPROVEMENTS

WHEREAS, pursuant to an advertisement for bids for Improvement Project Nos. 2020-01, 02, 03 and 04, bids were received, opened and tabulated by the City Clerk and Engineer on the 14th day of February, 2020. Said bids were as follows:

Bidder	Total Base Bid
R.L. Larson Excavating, Inc.	**$5,074,230.28**
Ryan Contracting Co.	$5,263,385.25
S.R. Weidema, Inc.	$5,596,684.10
Kuechle Underground Inc.	$5,930,342.16
Northdale Construction	$6,833,396.91

WHEREAS, it appears that R.L. Larson Excavating, Inc. of St. Cloud, Minnesota is the lowest responsible bidder.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Brooklyn Center, Minnesota, that

1. The Mayor and City Manager are hereby authorized and directed to enter into a contract with R.L. Larson Excavating, Inc. of St. Cloud, Minnesota in the name of the City of Brooklyn Center, for Improvement Project Nos. 2020-01, 02, 03 and 04, according to the plans and specifications therefore approved by the City Council and on file in the office of the City Engineer.

2. The estimated project costs and revenues are as follows:

COSTS	Amended Estimate (11/5/19)	Amended per Low Bid
Contract	$ 5,151,500.00	$ 5,074,230.28
Lighting	$ 49,500.00	$ 26,063.74
Contingency	$ 520,500.00	$ 408,100.00
Subtotal Construction Cost	$ 5,721,500.00	$ 5,508,394.02
Admin/Legal/Engr.	$ 572,500.00	$ 572,500.00
Total Estimated Project Cost	$ 6,294,000.00	$ 6,080,894.02

RESOLUTION NO. _____

REVENUES	Amended Estimate (11/5/19)	Amended per Low Bid
Street Assessment	$ 655,062.47	$ 655,062.47
Storm Drainage Assessment	$ 218,505.97	$ 218,505.97
Sanitary Sewer Utility	$ 1,060,000.00	$ 1,166,211.50
Water Utility Fund	$ 784,000.00	$ 772,796.00
Storm Drainage Utility Fund	$ 1,261,494.03	$ 1,032,797.03
Street Light Utility	$ 60,000.00	$ 33,663.74
Street Reconstruction Fund	$ 2,254,937.53	$ 2,170,833.31
CenterPoint Energy	$ -0-	$ 30,224.00
Miscellaneous (plan sales)	$ -0-	$ 800.00
Total Estimated Revenue	$ 6,294,000.00	$ 6,080,894.02

February 24, 2020
Date

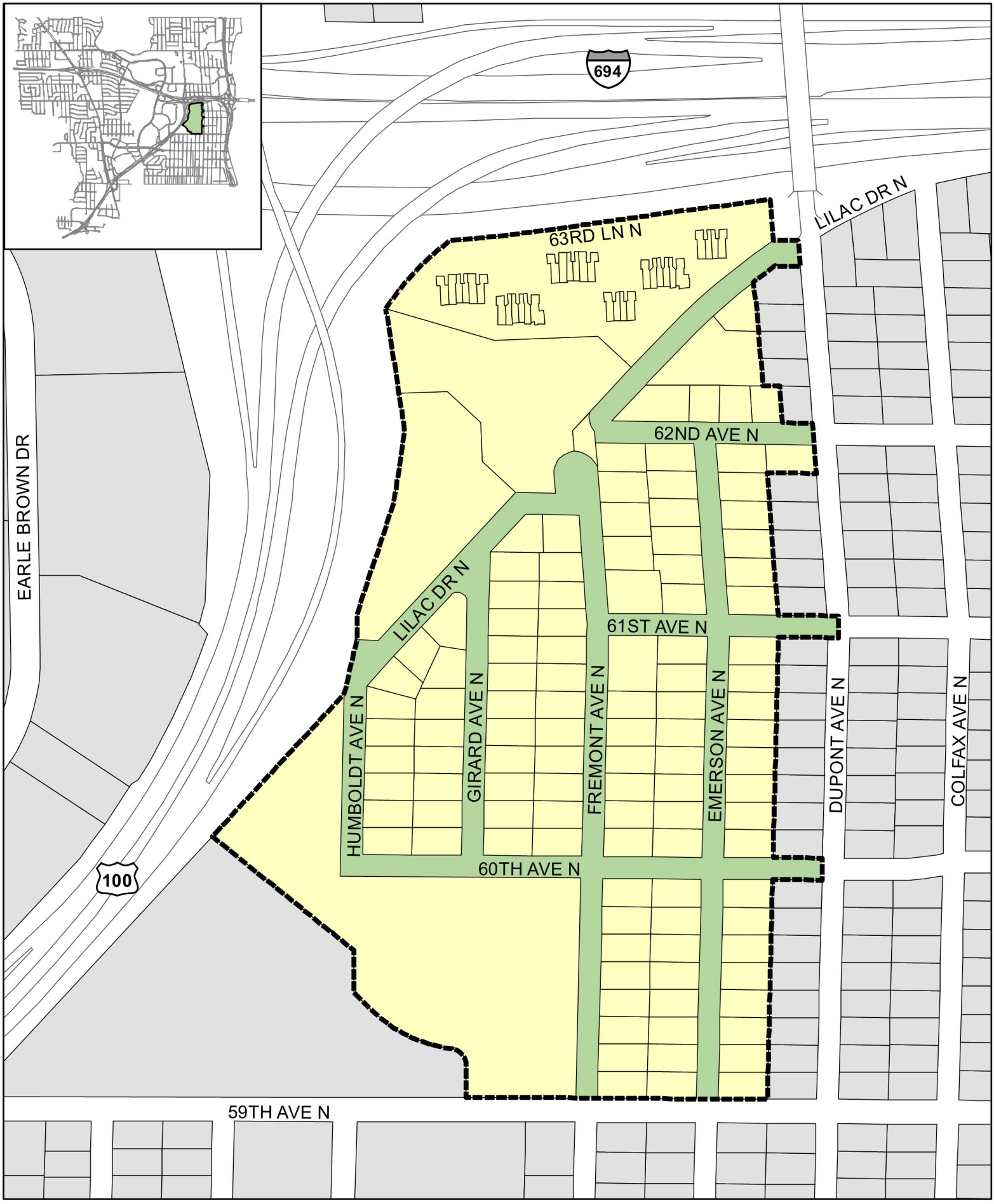
_____
Mayor

ATTEST: _____
City Clerk

The motion for the adoption of the foregoing resolution was duly seconded by member

and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:
whereupon said resolution was declared duly passed and adopted.



Project Area
Grandview North Street and Utility Improvements

N

Figure 1

Council Regular Meeting

DATE: 2/24/2020

TO: City Council
FROM: Curt Boganey, City Manager
THROUGH: N/A
BY: Cornelius L. Boganey, City Manager

SUBJECT: Resolution Eliminating the Purchase of One Time Use Plastic and Styrofoam Plates, Utensils, Cups, and Straws with City Funds for All Buildings

Background:

At the February 10, 2020, City Council work session, you were presented with a Environmental Sustainability Report. At that time, the City Council discussed additional initiatives for being environmentally responsible.

The City Council agreed that eliminating the use of one time plastic and styrofoam plates, utensils, cups and straws from being purchased with city funds was a step forward for the environment. Attached is a resolution for your consideration for this initiative.

Budget Issues:

- None

Strategic Priorities and Values:

Enhanced Community Image, Operational Excellence

ATTACHMENTS:

Description	Upload Date	Type
Resolution	2/19/2020	Resolution Letter

Member introduced the following resolution and moved its adoption:

RESOLUTION NO. _____

RESOLUTION ELIMINATING THE PURCHASE OF ONE TIME USE PLASTIC AND STYROFOAM PLATES, UTENSILS, CUPS, AND STRAWS WITH CITY FUNDS FOR ALL CITY BUILDINGS

WHEREAS, the City Council of the City of Brooklyn Center was presented the Environmental Sustainability Report at their February 10, 2020 work session meeting; and

WHEREAS, the City Council of Brooklyn Center agreed that the City should lead and set the example as stewards of the environment; and

WHEREAS, the City Council of Brooklyn Center agreed eliminating the purchase of one time use plastic and Styrofoam plates, utensils, cups, and straws with city funds for all city buildings was a step forward in being environmentally responsible.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Brooklyn Center that one time use plastic and styrofoam plates, utensils, cups, and straws are eliminated from being purchased with city funds for all city buildings effective March 1, 2020

February 24, 2020
Date

_____
Mayor

ATTEST:_____
City Clerk

The motion for the adoption of the foregoing resolution was duly seconded by member

and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:
whereupon said resolution was declared duly passed and adopted.

Council Regular Meeting

DATE: 2/24/2020

TO: City Council
FROM: Curt Boganey, City Manager
THROUGH: N/A
BY: Cornelius L. Boganey, City Manager

SUBJECT: North Metro Mayors Association Joint Powers Agreement Revised

Background:

I have attached a copy of the revised and amended Joint Powers Agreement with the North Metro Mayors Association. The changes are largely housekeeping matters to bring the current language into alignment with current practices. The most significant change is the additional of the City of Fridley to the membership roll. For these changes to take effect all members must adopt the revised agreement.

Approval is recommended.

Budget Issues:

- None

Strategic Priorities and Values:

Operational Excellence

ATTACHMENTS:

Description	Upload Date	Type
NMMA JPA REVISED	2/19/2020	Cover Memo
JPA Markup	2/19/2020	Cover Memo

2019 AMENDED AND RESTATED
JOINT POWERS AGREEMENT
FOR A COALITION OF METROPOLITAN COMMUNITIES

THIS AGREEMENT, made and entered into by and between the cities of Andover, Anoka, Blaine, Brooklyn Center, Brooklyn Park, Champlin, Circle Pines, Coon Rapids, Dayton, Fridley, Mounds View, Maple Grove, New Brighton, New Hope, Ramsey, Spring Lake Park, which cities are all of the current members (hereinafter collectively referred to as the "Current Members") of the North Metro Mayors Association, a Minnesota joint powers organization (hereinafter referred to as the "Coalition").

WHEREAS, the Current Members determined in 2010 that it was in the best interest of the public to amend the joint powers agreement of the Coalition; and

WHEREAS, the Current Members determined in 2019 that it is the best interest of the public to amend the Amended and Restated JPA of the Coalition as hereinafter set forth.

NOW THEREFORE, pursuant to the authority granted by Minnesota Statutes, Section 471.59, the parties hereto agree that the Original Joint Powers Agreement and Amended and Restated JPA is amended and restated as follows:

1) NAME OF ORGANIZATION. The parties hereby create a joint powers organization to be known as the North Metro Mayors Association (hereinafter referred to as the "Coalition").

2) MEMBERS. Entities authorized to be parties to a joint powers agreement by Minnesota Statutes, Section 471.59 may join the Coalition as members upon approval of a majority of the Member Cities, approval by resolution of the governing body of the entity, execution of a copy of this Agreement and filing of an executed copy of the resolution and agreement with the Coalition.

3) PURPOSE. The purpose of the Coalition is to promote transportation and economic development and to assist governmental units in providing government services and conducting government functions effectively and efficiently.

4) BOARD OF DIRECTORS. The governing body of the Coalition shall be its Board of Directors. Each member shall appoint two (2) directors. Each director shall have one (1) vote. Board Members shall hold office at the pleasure of the appointing member and shall remain in office until replaced.

   A majority of the Member Cities shall constitute a quorum of the Board.

5) COMMITTEES. The Board of Directors shall appoint an Operating Committee. The Operating Committee shall have authority to manage the affairs and business of the

Coalition between Board meetings, but at all times, shall be subject to the control and direction of the Board.

The Operating Committee shall meet as needed at a time and place to be determined by the Chair of Operating Committee.

The Board may establish such other committees, task forces or working groups as it deems appropriate.

6) MEETINGS. The Coalition shall meet on call of the President, the Executive Director or chair of the Operating Committee.

7) FINANCIAL MATTERS. Coalition funds may be expended consistent with the annual operating budget adopted by the Board. Other legal instruments shall be executed by Coalition officers with authority granted by the Board. The Board shall have no authority to expend funds in excess of the Coalition funds or incur any debt.

The financial contribution of the members in support of the Coalition shall be determined annually by the Board. Each of the members shall, by February 2 of each year, pay to the Coalition an amount as annually determined by the Board. The Board may authorize changes in the member assessment for all members upon majority vote. The annual member assessment levy shall be determined by October 1 of the preceding year.

Special member assessments may be made upon Board approval by majority vote for a project and program not budgeted, however, members shall retain the right to participate in such project or program in their sole discretion.

The Board may receive financial contributions from counties, non-profit organizations, private associations, entities or financial institutions. The Board may make such counties, non-profit organizations, associations, entities or institutions associate members. Associate members may send representatives to Board meetings, but shall not be entitled to representation on the Board or have any voting rights.

8) BYLAWS. The Board of Directors shall adopt such bylaws and procedures as it deems appropriate for the administration of the Coalition and the conduct of its meetings. Such bylaws may be adopted and amended only by a majority vote of all Member Cities.

9) OFFICERS. At the first meeting of the Board of Directors in each year, the Board will elect from its members a President, a Vice President, a Treasurer and a Secretary and such other officers as it deems necessary to conduct its meetings and affairs. The offices of Treasurer and Secretary may be held by the same person.

10) POWERS.

A. The Coalition may employ such persons as it deems necessary to accomplish its

purposes.

B. The Coalition may contract with any members, other governmental units or other entities to accomplish its purposes.

C. The Coalition may contract for space, equipment and supplies to carry on its activities.

D. The Coalition shall designate one or more national or state banks or trust companies authorized by Minnesota Statutes, Chapter 118A or 427, to receive deposit of public monies to act as depositories for the Coalition's funds. No funds may be disbursed without the signatures of an authorized officer.

E. The Coalition shall purchase such insurance as it deems appropriate but shall purchase liability insurance in at least the amount of potential liability for political subdivisions under Minnesota Statutes, Section 466.04.

F. The Coalition may undertake programs and contract with members, and with any non-members authorized to enter into joint powers agreements under Minnesota Statutes, Section 471.59, to provide services to those contracting parties including, but not limited to, joint purchasing of supplies, other products, equipment and services; provided, however, that the Coalition may provide such services to individual members or to non-members only when the program is self-supporting and will not result in any non-participating member incurring expenses or in expenditure of any of the Coalition funds derived from membership contributions without the approval of the Board.

11) WITHDRAWAL. Any member may withdraw from the Coalition effective on January 1 of any year by giving written notice to the Coalition prior to October 15 of the preceding year.

12) TERMINATION. The Coalition shall be dissolved if less than three (3) members remain, or by mutual signed agreement of all of the members. Upon termination, remaining assets of the Coalition shall be distributed to the members still remaining at the time of termination, pro rated according to their respective contributions for the year of termination.

13) NOTICES. All notices or other communications required to be given to the Coalition shall be sufficiently given and shall be deemed given when delivered or mailed by registered or certified mail, postage prepaid.

14) AMENDMENTS. This Agreement may be amended and become effective only by written agreement entered into by all members in good standing.

15) MULTIPLE EXECUTION. This Agreement may be executed simultaneously in any number of counterparts, each of which counterparts shall be deemed to be an original

and all such counterpart shall constitute but one and the same instrument. An originally executed counterpart shall be filed with the Executive Director, North Metro Mayors Association, 1000 Westgate, Suite #201, St. Paul, MN 55114.

16) EFFECTIVE DATE. This Agreement shall be in full force and effect upon receipt by the Executive Director, North Metro Mayors Association, 1000 Westgate, Suite #201, St. Paul, MN 55114, of an executed copy hereof. Upon receipt of all such documents, the previous Joint Powers Agreement 2010 and Amended and Reinstated JPA shall be superseded and replaced by this Agreement, and the Coalition will promptly mail a copy of the fully executed agreement to each of the Current Members.

[The remainder of this page intentionally left blank.]

CITY OF ANDOVER

By: _____

And by: _____

CITY OF ANOKA

By: _____

And by: _____

CITY OF BLAINE

By: _____

And by: _____

CITY OF BROOKLYN CENTER

By: _____

And by: _____

CITY OF BROOKLYN PARK

By: _____

And by: _____

CITY OF CHAMPLIN

By: _____

And by: _____

CITY OF CIRCLE PINES

By: _____

And by: _____

CITY OF COON RAPIDS

By: _____

And by: _____

CITY OF DAYTON

By: _____

And by: _____

CITY OF FRIDLEY

By: _____

And by:_____

CITY OF MOUNDS VIEW

By: _____

And by: _____

CITY OF MAPLE GROVE

By: _____

And by: _____

CITY OF NEW BRIGHTON

By: _____

And by: _____

CITY OF NEW HOPE

By: _____

And by: _____

CITY OF RAMSEY

By: _____

And by: _____

CITY OF SPRING LAKE PARK

By: _____

And by: _____

2019 AMENDED AND RESTATED
JOINT POWERS AGREEMENT
FOR A COALITION OF METROPOLITAN COMMUNITIES

THIS AGREEMENT, made and entered into by and between the cities of Andover, Anoka, Blaine, Brooklyn Center, Brooklyn Park, Champlin, Circle Pines, Coon Rapids, Dayton, Fridley Mounds View, Maple Grove, New Brighton, New Hope, Ramsey, Spring Lake Park, which cities are all of the current members (hereinafter collectively referred to as the "Current Members") of the North Metro Mayors Association, a Minnesota joint powers organization (hereinafter referred to as the "Coalition").

WHEREAS, the Current Members determined in 2010 that it was in the best interest of the public to amend the joint powers agreement of the Coalition; and

WHEREAS, the Current Members determined in 2019 that it is the best interest of the public to amend the Amended and Restated JPA of the Coalition as hereinafter set forth.

NOW THEREFORE, pursuant to the authority granted by Minnesota Statutes, Section 471.59, the parties hereto agree that the Original Joint Powers Agreement and Amended and Restated JPA is amended and restated as follows:

1) NAME OF ORGANIZATION. The parties hereby create a joint powers organization to be known as the North Metro Mayors Association (hereinafter referred to as the "Coalition").

2) MEMBERS. Entities authorized to be parties to a joint powers agreement by Minnesota Statutes, Section 471.59 may join the Coalition as members upon approval of a majority of the Member Cities, approval by resolution of the governing body of the entity, execution of a copy of this Agreement and filing of an executed copy of the resolution and agreement with the Coalition.

3) PURPOSE. The purpose of the Coalition is to promote transportation and economic development and to assist governmental units in providing government services and conducting government functions effectively and efficiently.

4) BOARD OF DIRECTORS. The governing body of the Coalition shall be its Board of Directors. Each member shall appoint two (2) directors. Each director shall have one (1) vote. Board Members shall hold office at the pleasure of the appointing member and shall remain in office until replaced.

   A majority of the Member Cities shall constitute a quorum of the Board.

5) COMMITTEES. The Board of Directors shall appoint an Operating Committee. The Operating Committee shall have authority to manage the affairs and business of the

Coalition between Board meetings, but at all times, shall be subject to the control and direction of the Board.

The Operating Committee shall meet as needed at a time and place to be determined by the Chair of Operating Committee.

The Board may establish such other committees, task forces or working groups as it deems appropriate.

6) MEETINGS. The Coalition shall meet on call of the President, the Executive Director or chair of the Operating Committee.

7) FINANCIAL MATTERS. Coalition funds may be expended consistent with the annual operating budget adopted by the Board. Other legal instruments shall be executed by Coalition officers with authority granted by the Board. The Board shall have no authority to expend funds in excess of the Coalition funds or incur any debt.

The financial contribution of the members in support of the Coalition shall be determined annually by the Board. Each of the members shall, by February 2nd of each year, pay to the Coalition an amount as annually determined by the Board. The Board may authorize changes in the member assessment for all members upon majority vote. The annual member assessment levy shall be determined by October 1st of the preceding year.

Special member assessments may be made upon Board approval by majority vote for a project and program not budgeted, however, members shall retain the right to participate in such project or program in their sole discretion.

The Board may receive financial contributions from counties, non-profit organizations, private associations, entities or financial institutions. The Board may make such counties, non-profit organizations, associations, entities or institutions associate members. Associate members may send representatives to Board meetings, but shall not be entitled to representation on the Board or have any voting rights.

8) BYLAWS. The Board of Directors shall adopt such bylaws and procedures as it deems appropriate for the administration of the Coalition and the conduct of its meetings. Such bylaws may be adopted and amended only by a majority vote of all Member Cities.

9) OFFICERS. At the first meeting of the Board of Directors in each year, the Board will elect from its members a President, a Vice President, a Treasurer and a Secretary and such other officers as it deems necessary to conduct its meetings and affairs. The offices of Treasurer and Secretary may be held by the same person.

10) POWERS.

A. The Coalition may employ such persons as it deems necessary to accomplish its

purposes.

B. The Coalition may contract with any members, other governmental units or other entities to accomplish its purposes.

C. The Coalition may contract for space, equipment and supplies to carry on its activities.

D. The Coalition shall designate one or more national or state banks or trust companies authorized by Minnesota Statutes, Chapter 118A or 427, to receive deposit of public monies to act as depositories for the Coalition's funds. No funds may be disbursed without the signatures of an authorized officer.

E. The Coalition shall purchase such insurance as it deems appropriate but shall purchase liability insurance in at least the amount of potential liability for political subdivisions under Minnesota Statutes, Section 466.04.

F. The Coalition may undertake programs and contract with members, and with any non-members authorized to enter into joint powers agreements under Minnesota Statutes, Section 471.59, to provide services to those contracting parties including, but not limited to, joint purchasing of supplies, other products, equipment and services; provided, however, that the Coalition may provide such services to individual members or to non-members only when the program is self-supporting and will not result in any non-participating member incurring expenses or in expenditure of any of the Coalition funds derived from membership contributions without the approval of the Board.

11) WITHDRAWAL. Any member may withdraw from the Coalition effective on January 1 of any year by giving written notice to the Coalition prior to October 15 of the preceding year.

12) TERMINATION. The Coalition shall be dissolved if less than three (3) members remain, or by mutual signed agreement of all of the members. Upon termination, remaining assets of the Coalition shall be distributed to the members still remaining at the time of termination, pro rated according to their respective contributions for the year of termination.

13) NOTICES. All notices or other communications required to be given to the Coalition shall be sufficiently given and shall be deemed given when delivered or mailed by registered or certified mail, postage prepaid.

14) AMENDMENTS. This Agreement may be amended and become effective only by written agreement entered into by all members in good standing.

15) MULTIPLE EXECUTION. This Agreement may be executed simultaneously in any number of counterparts, each of which counterparts shall be deemed to be an original

and all such counterpart shall constitute but one and the same instrument. An originally executed counterpart shall be filed with the Executive Director, North Metro Mayors Association, 1000 Westgate, Suite #201, St. Paul, MN 55114.

16) EFFECTIVE DATE. This Agreement shall be in full force and effect upon receipt by the Executive Director, North Metro Mayors Association, 1000 Westgate, Suite #201, St. Paul, MN 55114, of an executed copy hereof. Upon receipt of all such documents, the previous Joint Powers Agreement 2010 and Amended and Reinstated JPA shall be superseded and replaced by this Agreement, and the Coalition will promptly mail a copy of the fully executed agreement to each of the Current Members.

[The remainder of this page intentionally left blank.]

CITY OF ANDOVER

By: _____

And by: _____

CITY OF ANOKA

By: _____

And by: _____

CITY OF BLAINE

By: _____

And by: _____

CITY OF BROOKLYN CENTER

By: _____

And by: _____

CITY OF BROOKLYN PARK

By: _____

And by: _____

CITY OF CHAMPLIN

By: _____

And by: _____

CITY OF CIRCLE PINES

By: _____

And by: _____

CITY OF COON RAPIDS

By: _____

And by: _____

CITY OF DAYTON

By: _____

And by: _____

CITY OF FRIDLEY

By: _____

And by: _____

CITY OF MOUNDS VIEW

By: _____

And by: _____

CITY OF MAPLE GROVE

By: _____

And by: _____

CITY OF NEW BRIGHTON

By: _____

And by: _____

CITY OF NEW HOPE

By: _____

And by: _____

CITY OF RAMSEY

By: _____

And by: _____

CITY OF SPRING LAKE PARK

By: _____

And by: _____

Council Regular Meeting

DATE: 2/24/2020

TO: City Council
FROM: Curt Boganey, City Manager
THROUGH: N/A
BY: Cornelius L. Boganey, City Manager

SUBJECT: Hennepin County Sheriff David Hutchinson

Background:

Sheriff Hutchinson will provide a short verbal presentation regarding Hennepin County Sheriff's departments activities.

Budget Issues:

- None

Strategic Priorities and Values:

Safe, Secure, Stable Community

Council Regular Meeting

DATE: 2/24/2020

TO: City Council
FROM: Curt Boganey, City Manager
THROUGH: N/A
BY: Mark Ebensteiner, Finance Director

SUBJECT: Resolution Recognizing Sue Fogal for 39 years of Service to the City of Brooklyn Center

Background:

Please find attached, a City Council resolution expressing appreciation to Accounting Technician Sue Fogal for 39 years of service with the City of Brooklyn Center.

Sue Fogal started with the City of Brooklyn Center Finance Department on June 9, 1980 and will retire on February 28, 2020. Over the years of dedicated service Sue has been instrumental in ensuring the accounts payable process ran smoothly. She has superbly supported staff and has been a valuable asset to the both the finance department and the city.

Budget Issues:

None

Strategic Priorities and Values:

Operational Excellence

ATTACHMENTS:

Description	Upload Date	Type
Resolution	2/19/2020	Resolution Letter
Excerpt from Council Policies	2/19/2020	Backup Material

Member introduced the following resolution and moved its adoption:

RESOLUTION NO. _____

RESOLUTION EXPRESSING RECOGNITION AND APPRECIATION TO SUE FOGAL FOR OVER 39 YEARS OF DEDICATED PUBLIC SERVICE TO THE CITY OF BROOKLYN CENTER

WHEREAS, Sue Fogal was hired as an Accounting Clerk in the Finance Department on June 9, 1980; and

WHEREAS, Sue Fogal currently serves as an Accounting Technician and during the more than 39 years with Fiscal and Support Services, Sue provided superb administrative support to the staff, including filling in and backing up utility billing, and directly supported the department's mission; and

WHEREAS, Sue Fogal has diligently worked with Finance Directors Paul Holmlund, Charlie Hansen, Doug Sell, Dan Jordet, Nate Reinhardt, and Mark Ebensteiner over her 39-year tenure; and

WHEREAS, Sue Fogal has worked in three finance systems during her career including Geminus, IFAS, and JD Edwards, and has been a key contributor to the integrity of the data and software, collaborating with LOGIS during the implementations and upgrades; and

WHEREAS, Sue Fogal has been consistent and dependable in the daily operations of the accounts payable process with city staff and vendors throughout her career; and

WHEREAS, Sue Fogal has been instrumental in implementing and updating the automated accounts payable system – including training department users and vendors, working with LOGIS to maintain system and troubleshooting any issues that arise. Sue's dedication, pride in her work and willingness to learn have had a direct impact on the success of the system and new processes; and

WHEREAS, Sue Fogal was a key contributor in organizing accounts payable documents for record retention in Laserfiche scanning; and

WHEREAS, the City Council of the City of Brooklyn Center wishes to recognize the dedication and professionalism Sue has displayed in discharging her duties and the positive impact she has made on the City and its citizens.

RESOLUTION NO. _____

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Brooklyn Center, Minnesota, upon the recommendation of the City Manager, that we recognize the retirement of Sue Fogal on February 28, 2020 with more than 39 years of service and express sincere appreciation for her dedicated public service.

February 28, 2020
Date

_____
Mayor

ATTEST: _____
City Clerk

The motion for the adoption of the foregoing resolution was duly seconded by member

and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:
whereupon said resolution was declared duly passed and adopted.

Except from Council Policies

2.94 Employee Service Recognition Program

The City of Brooklyn Center's Employee Service Recognition Program is to recognize City employees for years of service to the City. Effective January 1, 1997, the City of Brooklyn Center's Employee Service Recognition Program will include recognition of part-time City employees for their years of service to the City. The program recognizes all regular full-time and part-time employees who work 20 or more hours a week year round for the City of Brooklyn Center and part-time Fire Department employees retiring in good standing. The recognition is accomplished by the presentation of awards by the City Manager or by the Department Director.

Awards are for recognition of years of service as follows:

Five Years Awards such as City of Brooklyn Center sweatshirt and a personalized letter from the City Manager are given to employee.

10 Years Awards such as an engraved paperweight or engraved key chain and a personalized letter from the City Manager are given to the employee.

15 Years Awards such as an engraved letter opener, pocket knife, or desk clock and a personalized letter from the City Manager are given to the employee.

20 Years Awards such as an engraved desk set and a personalized letter from the City Manager are given to the employee. Council recognizes years of employment at a Council meeting.

25 Years Awards such as an engraved wall clock or wrist watch and a personalized letter from the City Manager are given to the employee. Council recognizes years of employment at a Council meeting.

30 Years Awards such as an engraved weather instrument and a personalized letter from the City Manager are given to the employee. Council recognizes years of employment at a Council meeting.

Awarded Upon Retirement to Employee Who Has Completed Ten Years or More of Service: Awarded personalized Council resolution giving thanks for the work and dedication of the retiring employee mounted on a plaque presented by the City Manager.

Employee Service Recognition Program is funded through the budget.

Reference: City Council Resolution No. 97-25; Amended Res. 2019-006

Council Regular Meeting

DATE: 2/24/2020

TO: City Council
FROM: Curt Boganey, City Manager
THROUGH: N/A
BY: Meg Beekman, Community Development Director

SUBJECT: Metro Transit Presentation on Brooklyn Center Transit Center Improvements

Background:

Representatives from Metro Transit will be present to go over planned improvements to the Brooklyn Center Transit Center and answer questions about the upcoming project.

ATTACHMENTS:

Description	Upload Date	Type
Metro Transit Presentation	2/21/2020	Backup Material

Brooklyn Center Transit Center Renovation

Brooklyn Center City Council Update

February 24, 2020

Metro Transit
a service of the Metropolitan Council

BCTC Renovation-Location

BCTC Renovation

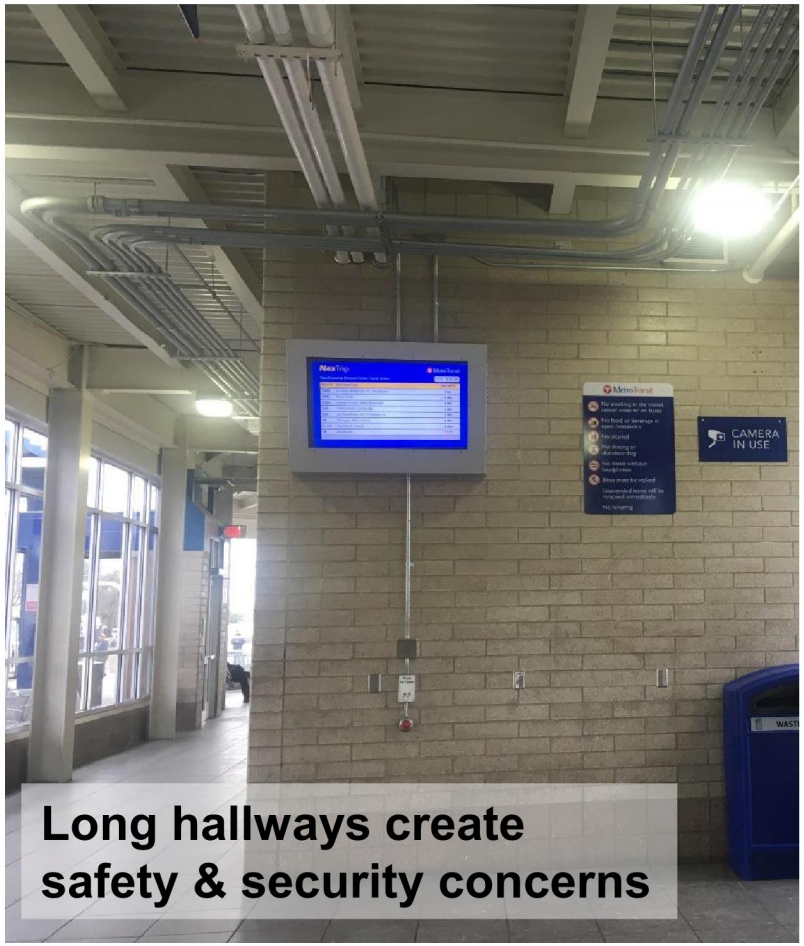
- Why is the building being renovated?
  - Opened in 2004, deteriorating plaza concrete, accessibility concerns
  - Safety and security issues made worse with long hallways and waiting areas on west and east ends
  - Interior renovation will provide improved passenger amenities
  - Opportunity to reprogram interior spaces to support changing use, such as MTPD daily use
  - Introduction of C Line in 2019 and planned D Line in 2022, as well as planned adjacent development

Metro Transit
a service of the Metropolitan Council

BCTC Renovation —Existing Conditions

Metro Transit
a service of the Metropolitan Council

BCTC Renovation —Existing Conditions



Long hallways create safety & security concerns

Wood slats added to ceiling to provide warmer atmosphere

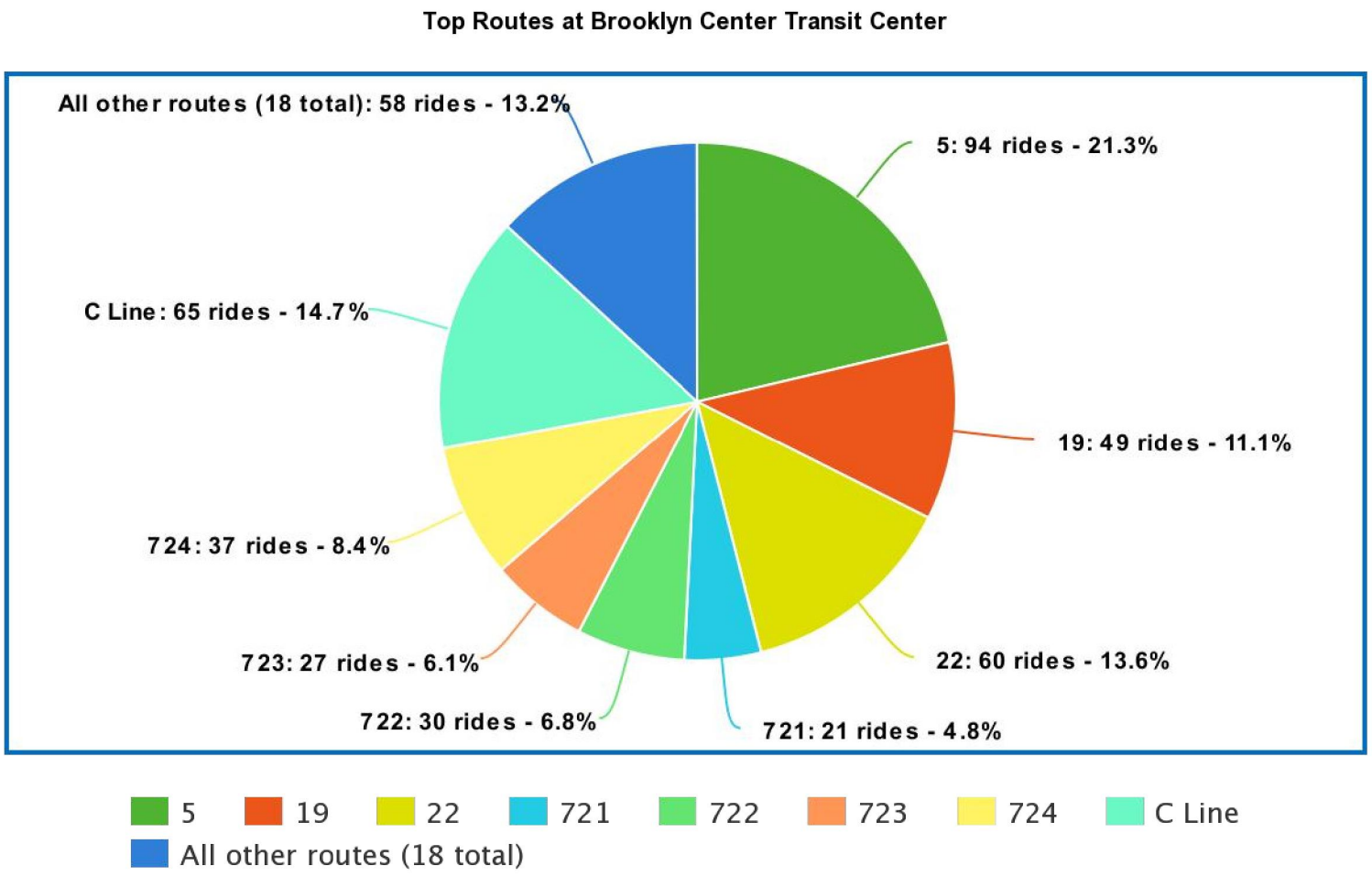
Remote public waiting areas

BCTC Renovation —Outreach Efforts

- Significant interest in extended hours for bathrooms + general facilities
- Pre-C Line survey: 30% interest in increased staff presence, both MTPD and general staff
- Transfer hub used to commute, access public/medical services, and shopping needs
- Most common origin-destination: BC<->MPLS

Metro Transit
a service of the Metropolitan Council

BCTC Renovation —Outreach Efforts



Metro Transit
a service of the Metropolitan Council

BCTC Renovation—Project Description

- Exterior elements:
  - Replacing plaza concrete
  - Adding canopies on west and east ends
  - Landscape reintroduced into plaza
- Interior spaces:
  - Public waiting area consolidated to building center, softened with finishes and warmer ceiling material at lower height
  - Renovating public restrooms
  - Providing additional space for bus operators and MTPD on west and east ends

Metro Transit
a service of the Metropolitan Council

BCTC Renovation —Renderings

Metro Transit
a service of the Metropolitan Council

BCTC Renovation —Renderings

Metro Transit
a service of the Metropolitan Council

BCTC Renovation —Renderings

Metro Transit
a service of the Metropolitan Council

BCTC Renovation —Renderings

Metro Transit
a service of the Metropolitan Council

BCTC Renovation —Renderings

Metro Transit
a service of the Metropolitan Council

BCTC Renovation—Artwork Opportunity

- Metro Transit and Brooklyn Center working to utilize space in public waiting area for artwork
- Open space unprogrammed on wall in public waiting area for yet to be determined artwork
- Metro Transit and Brooklyn Center working to determine the artwork medium, as well as funding and ownership/maintenance

Metro Transit
a service of the Metropolitan Council

BCTC Renovation—Schedule & Staging

- Construction Schedule
  - Plans complete – Quarter 1 2020
  - Construction begins – Quarter 2 2020
  - Construction complete – Quarter 4 2020
- Construction Staging
  - Plaza concrete work completed in stages, proposing temporarily relocating four gates to Northway Drive to limit impacts to transit users
  - Interior facility closed to public, bus operators and MTPD during construction

Metro Transit
a service of the Metropolitan Council

BCTC Renovation—Questions

- Questions?

  Alicia Vap, Metro Transit

  alicia.vap@metrotransit.org

Metro Transit
a service of the Metropolitan Council

Council Regular Meeting

DATE: 2/24/2020

TO: City Council
FROM: Curt Boganey, City Manager
THROUGH: Doran M. Cote, P.E., Director of Public Works
BY: Mike Albers, P.E., City Engineer

SUBJECT: An Ordinance Vacating a Portion of Right-of-Way: Brooklyn Boulevard

Background:

On May 9, 2016, the City Council directed staff to proceed with the preliminary design, environmental documentation, easement acquisition and final design work for the Brooklyn Boulevard Corridor Project Phase 1 (49th Avenue to Bass Lake Road), Project No. 2018-05, SP 109-020-013.

The City of Brooklyn Center owns a fee interest in certain lands located adjacent to Brooklyn Boulevard, legally described in the attached Exhibit A. The subject area for vacation was formerly used for a section of roadway that was removed as part of the Boulevard Corridor Project Phase 1. This vacated area would be used to mitigate the loss of parking on the Brookdale Covenant Church property due to the installation of a new signal at Trunk Highway 100 South Ramp and the extension of Lilac Drive North. The property owner will be required to dedicate a drainage and utility easement over the vacated portion of the right-of-way to maintain access to the existing utilities within the vacated area.

Consistent with the City Charter, at its January 13, 2020, meeting, the City Council approved the first reading of this ordinance and notice of the Public Hearing was published in the official newspaper on January 23, 2020. The second reading and Public Hearing are scheduled for February 24, 2020. If adopted by the City Council, the ordinance would be effective after thirty days following legal publication.

Budget Issues:

There are no budget issues to consider.

Strategic Priorities and Values:

Key Transportation Investments

ATTACHMENTS:

Description	Upload Date	Type
Ordinance	2/19/2020	Ordinance
Resolution	2/19/2020	Resolution Letter

CITY OF BROOKLYN CENTER

Notice is hereby given that a public hearing will be held on the 24nd day of February, 2020, at 7:00 p.m. or as soon thereafter as the matter may be heard at the City Hall, 6301 Shingle Creek Parkway, to consider an ordinance vacating certain public right-of-way adjacent to Brooklyn Boulevard.

Auxiliary aids for persons with disabilities are available upon request at least 96 hours in advance. Please contact the City Clerk at 763-569-3300 to make arrangements.

ORDINANCE NO. 2020-01

AN ORDINANCE VACATING A PORTION OF RIGHT-OF-WAY: BROOKLYN BOULEVARD

WHEREAS, The City of Brooklyn Center owns a fee interest in certain lands originally acquired for highway purposes, all of which are located adjacent to Brooklyn Boulevard, legally described in the attached Exhibit A (the "**Subject Right-of-Way**");

WHEREAS, the Subject Right-of-Way is no longer needed for a public purpose; and

WHEREAS, after due notice and a public hearing, the City Council has determined that it is in the public interest to vacate the Subject Right-of-Way pursuant to Minnesota Statutes, sections 412.851.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BROOKLYN CENTER DOES ORDAIN AS FOLLOWS:

Article I. The above recitals are hereby adopted as findings and incorporated into this Ordinance.

Article III. The Subject Right-of-Way is hereby vacated.

Article IV. This ordinance shall be effective after adoption and thirty days following its legal publication.

Article V. Upon the ordinance becoming effective, the City Clerk is directed to prepare a Notice of Completion of Vacation Proceedings and to record it with the Hennepin County Recorder or Hennepin County Registrar of Titles, as appropriate.

Adopted this 24th day of February, 2020.

_____
Mayor

ATTEST: _____
City Clerk

Date of Publication_____

Effective Date_____

EXHIBIT A

Legal Description

All that part of the Northeast Quarter of the Northeast Quarter of Section 10, Township 118, Range 21, Hennepin County, Minnesota, lying east of the following-described “Parcel A” and lying west of the following described “Line A” and lying between the northerly boundary line of "Parcel A” extended East and the southern-most boundary line of "Parcel A” extended East, to wit:

“Parcel A” being all that part of the Northeast Quarter of the Northeast Quarter of Section 10, Township 118, Range 21, Hennepin County, Minnesota, described as follows: Beginning at the point of intersection of the Southeasterly line of the right-of way of State Trunk Highway Number 100 with a line drawn East from a point on the West line of said Northeast Quarter of the Northeast Quarter, distant 518 feet South of the Northwest corner of said Northeast Quarter of the Northeast Quarter; thence East 64.2 feet to the Southwesterly line of the right-of-way of County Road Number 152, formerly State Highway Number 152; thence Southeasterly along said right-of-way line of County Road Number 152, formerly State Highway Number 152, a distance of 600 feet; thence West 200 feet; thence Northwesterly parallel with said right-of-way line of County Road Number 152, formerly State Highway Number 152, a distance of 150 feet; thence West 292.50 feet to said right-of-way line of State Trunk Highway Number 100; thence Northeasterly along said right-of-way line of State Trunk Highway Number 100 a distance of 493.9 feet, more or less, to the point of beginning.

“Line A” being described as follows: commencing at the northeast corner of said Section 10; thence westerly along the north line of said Northeast Quarter of the Northeast Quarter a distance of 623.78 feet; thence Southwesterly deflecting left 58°55’00” for a distance of 289.80 feet to the point of beginning of said “Line A”; thence southeasterly deflecting to the left 52°34’45” for a distance of 718.00 feet; thence southeasterly deflecting to the right 8°49’11” for a distance of 163.64 feet to the point of intersection with the easterly prolongation of the south line of said “Parcel A” and there terminating.

Member introduced the following resolution and moved its adoption:

CITY OF BROOKLYN CENTER
HENNEPIN COUNTY

RESOLUTION NO. _____

RESOLUTION APPROVING SUMMARY PUBLICATION FOR ORDINANCE 2020-01;

WHEREAS, the City Council of the City of Brooklyn Center has adopted the above referenced ordinance vacating a portion of right-of-way of Brooklyn Boulevard; and

WHEREAS, Minnesota Statutes, section 412.191, subdivision 4 allows publication by title and summary in the case of lengthy ordinances or those containing maps or charts; and

WHEREAS, the City Council believes that the following summary would clearly inform the public of the intent of Ordinance 2020-01.

NOW, THEREFORE, BE IT RESOLVED that: the following summary of Ordinance 2020-01 shall be published in the official newspaper in lieu of the entire ordinance.

SUMMARY PUBLICATION
Ordinance 2020-01
An Ordinance Vacating a Portion of Right-of-Way; Brooklyn Boulevard

This ordinance is for vacating a portion of Right-of-Way on Brooklyn Boulevard. The vacation is for the reconstruction of Brooklyn Boulevard Phase II. A complete ordinance amendment is available at city hall or available online.

February 24, 2020
Date

_____
Mayor

ATTEST: _____
City Clerk

The motion for the adoption of the foregoing resolution was duly seconded by member

and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:
whereupon said resolution was declared duly passed and adopted.

Council Regular Meeting

DATE: 2/24/2020

TO: City Council
FROM: Curt Boganey, City Manager
THROUGH: Meg Beekman, Community Development Director
BY: Jesse Anderson, Deputy Director of Community Development

SUBJECT: Resolution Approving the Projected Use of Funds for the 2020 Urban Hennepin County Community Development Block Grant Program and Authorizing Signature of a Subrecipient Agreement with Hennepin County

Background:

It is recommended that the City Council conduct the Public Hearing and accept input from the public regarding use of funds for 2020 Urban Hennepin County Community Development Block Grant Program. Staff has prepared a resolution allocating funds as discussed at the February 10, 2020, work session.

Home Ownership/Down Payment Assistance
The program guidelines set up a maximum of $7,500 per loan. Therefore, it would be anticipated that the proposed funds of $100,000 would benefit 13-14 households.

Hennepin County Rehab Program Details
Staff reviewed the last five years of the program. The average cost per household for the past 5 years is $16,173. Brooklyn Center has allocated $395,426 in the past five years, of that $291,122.92 has been expended. Further, five loans are in process with up to $30,000 allocated for each. The actual loans maybe less, however the cap is set at $30,000. Therefore, it would be anticipated that the proposed funds of $158,000 would benefit 9-10 households.

Demographics	
Income	Count
<30	5
30-50	4
50-80	9
14 out of 18 were people of color/minority	

Rental Rehab funds Requirements:
City staff discussed the rental rehab requirements and expenditures with Hennepin County Housing Staff. The following requirements were noted:

- Requires 51% of residents to be at 80% AMI or below.
- Requires relocation benefits based on the Uniform relocation act.
    - There could be residents that can't stay due to the construction or they don't qualify for the

80% income requirements.
    - Relocated tenants would be paid the difference between current rent and comparable unit for 42 - 60 months.
- Typically cities have to hire a relocation consultant
- Tracking of who is there before rehab, during, and after.
- Use of federal funds triggers Prevailing Wage requirements are required for all contractors hired for renovations.

Brooklyn Park Rental Rehab Funds.
The City of Brooklyn Park previously allocated CDBG funding to do renovation work at a 4-unit apartment that is owned by the City of Brooklyn Park. The units are specifically used to assist recently or persistently homeless. The City of Brooklyn Park does not allocate CDBG funds towards multi-family rental housing on an ongoing basis or for any other programs.

Further, the Council requested information about the city's one-time CDBG allocation for Shingle Creek Towers, now known as the Crest. Shingle Creek Towers received $175,000 in CDBG funding in 2003. These funds were combine with other affordable housing funds and resulted in an approximately $4.9 million dollar rehabilitation of the property. As part of the subsidy, the property was required to keep 96 of the 122 units affordable at or below 60% of the area median income. Currently, the building is owned and operated by Aeon and has a Low-Income Rental Classification (LIRC) for 100% of the 122 units at 60% AMI or below. The 2003 request for funding is attached.

General CDBG Information:

CDBG funds are provided by the U.S. Department of Housing and Urban Development (HUD) to help with community development activities that benefit low and moderate income persons. The funds are primarily intended for bricks and mortar improvements, as opposed to public service activities.

Hennepin County receives CDBG funds directly from HUD as part of a consolidated pool of funds, which is administered on behalf of participating suburban Hennepin County communities. Bloomington, Eden Prairie, Minnetonka and Plymouth do not participate in the consolidated pool and receive CDBG funds directly from HUD. Brooklyn Center is considered a Direct Allocation City and is a sub-recipient of the funds through Hennepin County.

CDBG Statutory and Administrative Requirements

The Federal Authorizing Statute for the CDBG program requires that each funded CDBG activity meet one of three national objectives:

1. Benefiting low income persons
2. Preventing or eliminating slums and/or blight
3. Meeting urgent community needs

The Federal Law also specifies that each recipient receiving funds must insure at least 70 percent of the CDBG expenditures during the program year be used for activities benefiting low and/or very low income persons. Each city must meet this requirement at the local level.

As part of the administration of the CDBG funds, Hennepin County adopts a 5-year funding plan, which further defines the priority needs of the program and clarifies what activities are eligible for funding. This year Hennepin County will adopt a new 5-year funding plan. While a new plan has not yet been finalized,

Hennepin County has provided a draft to cities. Overall, the priority needs are around continuing what's working, while shifting the focus to preserving affordability and reducing disparities in housing stability.

These include:

- Priority Need 1: Focus home ownership activities on creation; on preserving affordability of home ownership; on reducing disparities
- Priority Need 2: Rehab multifamily rentals (especially for smaller NOAH / duplexes)
- Priority Need 3: Increase funding and impact of emergency assistance / homeless prevention
- Priority Need 4: Increase rental inspections (code enforcement)
- Priority Need 5: Create deeply affordable senior rentals

2020-2021 CDBG Allocation

We do not yet know the exact amount of CDBG allocation for the 2019-2020 cycle. Therefore, we have been advised by Hennepin County to use the estimate of $258,000 for the purposes of determining the allocation of funds. However, this allocation amount could be adjusted once HUD provides final amounts. Hennepin County receives the lump sum from HUD and determines the allocation among the participating cities based on a formula that takes into account population and need.

Public Hearing

The attached Public Hearing notice was published in the February 13, 2020 edition of the Brooklyn Center Sun Post newspaper. Hennepin County requires a Public Hearing be held regarding the use of CDBG funds. Further, the 2020 CDBG programs must be submitted to Hennepin County by February 29, 2020. Funding for the 2020 CDBG program would be made available by July 1, 2020 and CDBG funds must be spent no later than July 1, 2021.

Resolution

A resolution has been prepared for City Council's consideration to approve the 2020 CDBG program.
Total preliminary City Allocation for CDBG Program Year 2020 is estimated $258,000. The following allocation is based on the work session discussion.

CDBG Activity	**City Council Requested Allocation**
Home Rehabilitation Program	**$158,000**
Down Payment/Home Buyer Assistance	**$100,000**
Total CDBG Funds	**$258,000**

The resolution included with this memorandum also authorizes signature of a Subrecipient Agreement, which is the agreement between Hennepin County and the City of Brooklyn Center relative to CDBG funds. This agreement is a standardized agreement developed by Hennepin County and will be submitted after approval of the City's 2020 CDBG program.

Attachments

- Resolution
- Public Hearing Notice

- Rehab 5 Year Summary
- 2003 Funding Request for Shingle Creek Towers

Budget Issues:

CDBG funds are exclusively federal dollars.

The Cities 2019 Budget includes CDBG grant funds for Code Enforcement Activity. With $75,000 allocated for Code Enforcement from the 2019-2020 CDBG funds, all code enforcement allocated funds will be expended in 2019.

Strategic Priorities and Values:

Resident Economic Stability, Safe, Secure, Stable Community

ATTACHMENTS:

Description	Upload Date	Type
Resolution	2/11/2020	Resolution Letter
Notice of Public Hearing	2/11/2020	Backup Material
HC Rehab 5 Year Summary	2/12/2020	Backup Material
Shingle Creek Tower Request for Funding	2/13/2020	Backup Material

Member introduced the following resolution and moved its adoption:

RESOLUTION NO. _____

RESOLUTION APPROVING PROJECTED USE OF FUNDS FOR 2020 URBAN HENNEPIN COUNTY COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM, AUTHORIZING SIGNATURE OF SUBRECIPIENT AGREEMENT WITH HENNEPIN COUNTY

WHEREAS, the City of Brooklyn Center, through execution of a Joint Cooperation Agreement with Hennepin County, is cooperating in the Urban Hennepin County Community Development Block Grant (CDBG) Program; and

WHEREAS, the City of Brooklyn Center has developed a proposal for the use of Urban Hennepin County CDBG funds made available to it; and

WHEREAS, the City of Brooklyn Center held a Public Hearing on February 11, 2019 to obtain the view of citizens on housing and community development needs and priorities and the City's proposed use of **$258,000** from the 2020 Urban Hennepin County Community Development Block Grant; and

WHEREAS, the City of Brooklyn Center, through execution of a Joint Cooperation Agreement with Hennepin County, is a Subrecipient community in the Urban Hennepin County Community Development Block Grant Program; and

WHEREAS, pursuant to the Subrecipient Agreement between the City of Brooklyn Center and Hennepin County, the City agrees to assume certain responsibilities for the utilization of Community Development Block Grant funds; and

WHEREAS, a notice to solicit public comment was published and comments were solicited for a period of 10 days, ending on February 13, 2020.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Brooklyn Center that it approves the following project(s) for funding from the 2019 Urban Hennepin County Community Development Block Grant Program and authorizes submittal of the proposal to Urban Hennepin County.

Project	Budget
Home Rehabilitation Program (Rehabilitation of Private Property)	$158,000
Housing Purchase Assistance	$100,000

BE IT FURTHER RESOLVED, that the City Council hereby authorizes and directs the Mayor and its' City Manager to execute the Subrecipient Agreement and any required Third

Party Agreement on behalf of the City to implement the 2020 Community Development Block Grant Program.

BE IT FURTHER RESOLVED, that should the actual amount of FY2020 CDBG available to the city be different from the preliminary amount provided to the City, the City Council hereby authorizes the city manager to adjust the following activity budget(s) at this rate:

Project	Budget Adjustment
Home Rehabilitation Program (Rehabilitation of Private Property)	100%
Housing Purchase Assistance	0%

_____ _____

Date Mayor

ATTEST: _____

City Clerk

The motion for the adoption of the foregoing resolution was duly seconded by member

and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:
whereupon said resolution was declared duly passed and adopted.

ECM Publishers, Inc.

Ad Proof
Enlarged

-Public Notice Ad Proof-

This is the proof of your ad scheduled to run on the dates indicated below. Please proof read carefully if changes are needed, please contact us prior to deadline at
Cambridge (763) 691-6000 or email at publicnotice@ecm-inc.com

---

Date: 02/04/20

Account #: 413069
Customer: CITY OF BROOKLYN CENTER ~

Address: 6301 SHINGLE CREEK
BROOKLYN CENTER

Telephone: (612) 569-3440
Fax: (763) 569-3494

Ad ID: 1020524
Copy LIne: Grant Program-PH

PO Number:
Start: 02/13/20
Stop: 02/13/2020
Total Cost: $107.10
# of Lines: 39
Total Depth: 4.42
# of Inserts: 1
Ad Class: 150
Phone # (763) 691-6000
Email: publicnotice@ecm-inc.com
Rep No: SE700

Contract-Gross

Publications:
SP Brooklyn Ctr/Brooklyn Park

Ad: 1

$107.10

CITY OF BROOKLYN CENTER
2020 URBAN HENNEPIN COUNTY
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
NOTICE OF PUBLIC HEARING

Notice is hereby given that the City of Brooklyn Center in cooperation with Hennepin County, pursuant to Title I of the Housing and Community Development Act of 1974, as amended, is holding a Public Hearing on February 24, 2020, at 7 p.m. or as soon thereafter as the matter may be heard, at the Brooklyn Center City Hall, 6301 Shingle Creek Parkway, Brooklyn Center, Minnesota.

The Public Hearing is about the housing and community development needs and the City's proposed use of the estimated 2020 Urban Hennepin County Community Development Block Grant Program planning allocation of $258,000. The Public Hearing is being held pursuant to MS 471.59.

The City of Brooklyn Center is proposing to undertake the following activities with 2020 Urban Hennepin County CDBG funds starting on or about July 1, 2020.

Activity	Budget
Rehab of Private Property	$158,000
Housing Purchase Assistance	$100,00

For additional information about the priorities, proposed activities, level of funding and program performance, contact the City of Brooklyn Center at 763-569-3300 or the Hennepin County Housing Department at 612-348-2205.

Auxiliary aids for persons with disabilities are available upon request at least 96 hours in advance. Please contact the City Clerk at 763-569-3300 to make arrangements.

Published in the
Sun Post
February 13, 2020
1020524

Brooklyn Center since start of 2015 Program Year (7/1/2015)						
PY	**Allocation (Funding Year)**	**PI**	**Address**		**Loan total (Calendar Year)**	**Scope summary**
2015	$63,589	$800	6219 Quail Ave N	Emergency	$20,000.00	Bath, siding, egress window
			5906 Vincent Ave N	Emergency	$16,000.00	Windows, safety, eletrical, paint
2016	$62,162	$43,560	3224 Mumford Rd	Emergency	$9,800.00	Windows (lead-based paint)
			6225 Chowen Ave N	Emergency	$10,000.00	Update electrical service, entry doors
			3706 53rd Ave N	Emergency	$6,359.35	Roof
			3018 65th Ave N	Emergency	$3,693.00	furnace
			6606 Dupont Ave N		$30,000.00	Siding/trim, gutters, windows, ext doors, code updates
2017	$67,235		6907 Regent Ave N		$20,000.00	Roof, windows, ext doors, plumbing/code repairs
			4401 Winchester Lane		$30,000.00	Windows, kitchen, ceiling repair, code repairs
			6201 Bryant Ave N		$29,930.00	Water damage repairs and baths, radon, egress
			3918 58th Ave N	Emergency	$8,347.30	Roof
			2712 64th Ave N	Emergency	$750.00	Water heater
2018	$89,800	$19,078	3212 Poe Rd		$25,000.00	Bathroom work, water damage
			6225 Chowen Ave N	Emergency	$4,431.00	Fall hazard, driveway
2019	$112,640		5734 Irving Ave N		$30,000.00	Water damage and bathrooms; flooring
			6825 Dupont Ave N		$29,850.00	Kitchen, plumbing/electrical repairs, ext doors
			5725 Emerson Ave N	Emergency	$9,927.27	Mold and water intrusion
			5818 June Ave N	Emergency	$7,035.00	HVAC
Totals	$395,426	$63,438			$291,122.92	
***Loans may use multiple year fundsing and are show based on calendar year and not on allocation year.**						

Demographics	
Income	Count
<30	5
30-50	4
50-80	9
14 out of 18 were people of color/minority	

Loans in process/under construction		**Committed**
3113 Ohenry Rd		$30,000.00
5344 Morgan Ave N		$30,000.00
6413 Noble Ave N		$30,000.00
3207 Quarles Rd		$30,000.00
3713 72nd Ave N		$30,000.00
2 applications in progress		

Number of Closed Loans	18
Total fund spend	$ 291,122.92
Average Per Household	$ 16,173.50

2003
URBAN HENNEPIN COUNTY CDBG PROGRAM
REQUEST FOR FUNDING

(Use one form per project)

A. GENERAL INFORMATION

1. Community: Brooklyn Center

2. Project Name: Shingle Creek Tower

3. Contact Person/Phone No. Tom Bublitz, 763-569-3433

B. PROJECT DATA

1. **Funding Request** $175,000

2. **Is this a request to fund an existing CDBG-funded project?** _X_ Yes ___ No

3. **Leveraged Funds:** (What other public or private funds does project include? If none, indicate w/check here - None:____)

Amount $5,200,000	**Source** - Housing Revenue Bonds with HUD 221 (d)(4) Mortgage Insurance
Amount $760,000	**Source** - HUD IRP Loan
Amount $2,000,000	**Source** - Equity Investment (Tax Credits)
Amount $750,000	**Source** - MHFA Preservation Rental Investment Fund (PARIF)
Amount $400,000	**Source** - Hennepin County Affordable Housing Incentive Fund (AHIF)

4. **Project Location:** Address 6221 Shingle Creek Parkway

5. **Project Description:** (Describe the project in as much detail as possible and identify what, if any, alternative funding sources have been considered for this project.) Amcon, a large Minnesota based construction contractor, is proposing to purchase Shingle Creek Tower, provide major renovation to the building and maintain it as affordable rental housing. Shingle Creek Tower is a 122 unit apartment building (77 one bedroom and 45 two bedroom units) located at 6221 Shingle Creek Parkway in Brooklyn Center. The building was completed in 1974 and was financed with the assistance of a Federal subsidized loan under the authority of Housing and Urban Development (HUD) 236 Housing Program. In return for the 236 program loan, the rental owners were obligated to maintain rents at certain levels through the term of the loan. As with HUD section 236, and many other project based federal subsidies funded in the 1970's, the terms of the program loans are now ending and owners can convert the properties to market rate rental housing.

Amcon proposes to purchase the property, renovate and maintain it as affordable housing for income eligible and qualified residents to remain in the property. This will allow income eligible residents to remain in the building.

Amcon's purchase and renovation of the property contemplates numerous sources of funds to complete the purchase and rehabilitation, including assumption of the Housing Revenue Bonds previously approved by the City when the Boisclair Corporation proposed a similar acquisition and renovation of the property. Ninety-six (96) of the 122 units in the project are proposed to be tax credit units eligible at 60% of median income. Along with Housing Revenue Bond financing, tax credits and CDBG funds, funding will also be provided from the State of Minnesota (MHFA) and Hennepin County through its Affordable Housing Incentive Fund (AHIF).

6. **Consolidated Plan Priorities:** Using the list provided, identify what priority(ies) the project will meet. (Note: If a proposed project is a low Urban County priority, you must explain why it has a higher priority in your community.)

   The project meets two of nine highest priorities, as identified in the five year consolidated plan for the years 2000 - 2004. The priorities are as follows:

   - Preserve the existing affordable housing supply.
   - Improve housing owned or rented by households with income below 50% of median income.

7. **Describe anticipated results/accomplishments projects will have.** (number of persons/households to be assisted/served, number of housing units to be rehabbed/built, etc.)

   Shingle Creek Tower has 122 units of affordable housing. The property was originally financed using the HUD 236 program to keep rents affordable.

   The plan for renovating Shingle Creek Tower includes the following:

   - 96 of the 122 units will be tax credit units eligible to households at 60% of median income. Two of units will be used as caretaker and manager units with the remainder rented as market rate units at the same rents as tax credit units.
   - The property will receive a substantial renovation which will address all structural deficiencies in the building. The actual dollar amount for the rehabilitation will be approximately $4.9 million.
   - The present demographic makeup of the project shows that 97% of the current residents have incomes below 60% of the county median income and over 70% of residents have incomes below 50% of the county median income.

8. **Describe how project will assist community in achieving Livable Communities Act goals. (if applicable)**

   One of the goals in the city's Livable Community Act Action Plan includes the support of projects assisted with housing revenue bonds. The goal is to assist in acquisition and rehabilitation of multi-family housing developments through the issuance of housing revenue bonds.

9. **Implementation Schedule:** (For the time period to , identify the major project tasks to be performed and when they will occur.)

Task	Date Month/Date
Property Acquisition	7/31/2003
Start Rehabilitation	9/30/2002

10. **Budget:** Specify total project budget by major project component -i.e.; administration, planning, construction, acquisition, direct grants, public service.)

Component	BUDGET/SOURCE OF FUNDS CDBG	Other
Acquisition of Real Property	$175,000	$ 0
Administration	$ 0	$ 0
Maintenance	$ 0	$ 0
Operating	$ 0	$ 0
Taxes	$ 0	$ 0
Debt Service	$ 0	$ 0
Construction Costs	$ 0	$ 0
Fees	$ 0	$ 0
Financing and Carrying Charges	$ 0	$ 0
Project Budget	$175,000	
Total Project Budget (Acquisition)	$3,325,000	

Note: $150,000 in CDBG funds have been allocated from 2001 CDBG Program and $175,000 from the 2002 CDBG Program. The $175,000 allocation from the 2003 program represents the final payment on this project.

Council Regular Meeting

DATE: 2/24/2020

TO: City Council
FROM: Curt Boganey, City Manager
THROUGH: N/A
BY: Dr. Reggie Edwards, Deputy City Manager

SUBJECT: An Ordinance Amending Chapter 12 of the City Code of Ordinances Regarding Access to Multi-Unit Housing Structures by the United States Census Bureau Employees

Background:

In 2019, the City of Brooklyn Center established participation in the 2020 Census by becoming a Complete Count Committee (CCC). The City also aligned with the City of Brooklyn Park to lead the Brooklyns 2020 Census Coalition. The purpose of the CCC and the Brooklyns 2020 Census Coalition is to conduct activities or efforts in order to increase participation by Brooklyn Center residents in the 2020 Census.

In May, 2019, staff presented information on the 2020 Census to the City Council including: its purpose, timeline, challenges and efforts of the City. One of the challenges presented was achieving high or full participation in the 2020 Census by historically under-counted populations.

Historically, under-counted populations include: veterans, people with disabilities, homeless, renters, college students, immigrants, people of color, seniors, people living in poverty, and children under age five. Renters is one of the specific historically under-counted populations that the City is focused on increasing participation.

The State has developed template ordinance language for local units of government that would require property owners of multi-unit housing to permit access to their properties by census bureau employees for purposes of gaining greater participation in the 2020 Census by renters and/or reaching residents who have not yet participated in the 2020 Census.

The cities of Edina and Brooklyn Park have initiated an ordinance amendment process in order to permit census bureau employees access to multi-unit housing (see attached copies of policies for by cities).

Attached for the review of Council is a draft ordinance amendment of the Brooklyn Center City Code of Ordinances regarding access to multi-unit housing structures by United States Census Bureau employees.

Budget Issues:

None.

Strategic Priorities and Values:

Enhanced Community Image, Operational Excellence

ATTACHMENTS:

Description	Upload Date	Type
Ordinance	2/19/2020	Ordinance
Resolution	2/18/2020	Resolution Letter

CITY OF BROOKLYN CENTER

ORDINANCE NO. 2020-03

AN ORDINANCE AMENDING CHAPTERS 12 OF THE CITY CODE OF ORDINANCES REGARDING ACCESS TO MULTI-UNIT HOUSING STRUCTURES BY UNITED STATES CENSUS BUREAU EMPLOYEES

THE CITY COUNCIL OF THE CITY OF BROOKLYN CENTER DOES ORDAIN AS FOLLOWS:

ARTICLE I. Brooklyn Center City Code Section 12-1302 is hereby amended by renumbering it to 12-1303 and creating a new Section 12-302 as follows:

Section 12-1302. ACCESS TO MULTI-UNIT HOUSING STRUCTURES BY UNITED STATES CENSUS BUREAU EMPLOYEES.

1. Declaration; Purpose.

   a. The United States Constitution directs a decennial census count of all persons living in the United States.

   b. Complete, accurate census data is of critical importance to all residents of Brooklyn Center for equal political representation, fair distribution of federal and state funding, and sound planning and investment in infrastructure, real estate, business development, and public policy and programming.

   c. During the decennial census, the United States Census Bureau conducts Non-Response Follow-up Operations ("NRFU"), when employees of the United States Census Bureau visit households that have not yet submitted a census form.

   d. Renters and others who live in multi-unit housing structures have historically been at higher risk of being undercounted in the decennial census, with the number of renter households in an area being the most influential variable affecting an area's census self- response rate; in other words, the more renters in an area, the lower the self response rate of that area.

   e. The risk of an undercount is compounded in areas with high concentrations of communities that have been consistently undercounted in the past and who are more likely to be renters, including low income households, communities of color, Native American/American Indian communities, immigrants and refugees, and young people.

   f. Multi-unit housing structures can be difficult for Census Bureau employees to enter due to security barriers.

g. It is critical that Census Bureau employees have access to multi-unit housing structures during the decennial census, so they can reach households that have not yet participated.

h. 13 U.S. Code § 223 authorizes Census Bureau employees to access "any hotel, apartment house, boarding or lodging house, tenement, or other building".

2. Prohibition. It is unlawful for a person, either directly or indirectly, to deny access to an apartment building, dormitory, nursing home, manufactured home park, other multi-unit structure used as a residence, or an area in which one or more single-family dwellings are located on private roadways, to employees of the United States Census Bureau who display current, valid Census Bureau credentials and who are engaged in official census counting operations during the Census Bureau's standard operational hours of 9:00 a.m. to 9:00 p.m. during the decennial census.

3. Census materials. Census Bureau employees granted access must be permitted to leave census materials in an orderly manner for residents at their doors, except that the manager of a nursing home may direct that the materials be left at a central location within the facility.

4. Exceptions. This Section does not prohibit any of the following:

a. Denial of admittance into a particular apartment, room, manufactured home, or personal residential unit;

b. Denial of permission to visit certain persons for valid health reasons, in the case of a nursing home or a registered housing with services establishment providing assisted-living services meeting the requirements of Minnesota Statutes, section 144G.03, subdivision 2;

c. Limiting visits to a reasonable number of census employees;

d. Requiring a prior appointment or notification to gain access to the structure; or

e. Denial of admittance to or expulsion of an individual employee from a multi-unit housing structure for good cause.

5. Written reason. A person denying a Census Bureau employee access to a multi-unit housing structure shall, upon request of the Census Bureau employee, provide the City a written reason within 72 hours of the denial that identifies the specific basis under this Section for denying access. Providing a false basis for denying a Census Bureau employee access shall constitute a violation of this Section. An owner or tenant denying access to their dwelling unit under paragraph 4.a of this Section is not required to state a reason or provide a written reason for the denial.

Section 12-1303. PENALTIES. Any person or responsible party who violates any provision in Sections 12-101 through 12-1302 is subject to the penalty provided under Section 12-1205 of this Code. Nothing in this Chapter however is deemed to limit other remedies or civil penalties available to the City under this Code or state law. Each day that a violation continues shall be deemed a separate punishable offense. No provision of this Chapter designating the duties of any official or employee of the City shall be so construed as to make such official or employee liable for the penalty provided in this Section because of failure to perform such duty, unless the intention of the City Council to impose such penalty on such official or employee is specifically and clearly expressed in the Section creating the duty.

ARTICLE III. Effective Date. This ordinance shall become effective after adoption and upon thirty days following its legal publication.

Adopted this 24th day of February, 2020.

_____
Mayor

ATTEST: _____
City Clerk

Date of Publication: March 5, 2020

Effective Date: April 4, 2020

Member introduced the following resolution and moved its adoption:

CITY OF BROOKLYN CENTER
HENNEPIN COUNTY

RESOLUTION NO. _____

RESOLUTION APPROVING SUMMARY PUBLICATION FOR ORDINANCE 2020-03;

WHEREAS, the City Council of the City of Brooklyn Center has adopted the above referenced ordinance concerning an amendment to Chapter 12 of the City Ordinances; and

WHEREAS, Minnesota Statutes, section 412.191, subdivision 4 allows publication by title and summary in the case of lengthy ordinances or those containing maps or charts; and

WHEREAS, the City Council believes that the following summary would clearly inform the public of the intent of Ordinance 2020-03.

NOW, THEREFORE, BE IT RESOLVED that: the following summary of Ordinance 2020-03 shall be published in the official newspaper in lieu of the entire ordinance.

SUMMARY PUBLICATION
Ordinance 2020-03

An Ordinance Amending Brooklyn Center City Code, Chapter 12 on February 24, 2020.

Section 12-1302; Access to multi-unit housing structures by United States Census Bureau employees.

Establishing language that would allow U.S. Census Bureau employees into multi-unit housing structures to conduct business. It requires a written reason to the City for any person denied access to a multi-unit housing structure, within 72 hours of the denial. It must include the specific basis for denying access.

January 13, 2020
Date

_____
Mayor

ATTEST: _____
City Clerk

The motion for the adoption of the foregoing resolution was duly seconded by member

and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:
whereupon said resolution was declared duly passed and adopted.

Council Regular Meeting

DATE: 2/24/2020

TO: City Council
FROM: Curt Boganey, City Manager
THROUGH: Meg Beekman, Community Development Director
BY: Jimmy Loyd, Economic Development Coordinator

SUBJECT: Resolution Adopting a Business Subsidy Policy

Background:

The City has an existing Business Subsidy Policy; however, it is narrow in scope and does not include many elements that can be useful in guiding policy decisions about the use of public subsidy for development projects, and significant business subsidy requests.

In order to develop a more robust, useful, and clear Business Subsidy Policy, staff has asked Ehlers and Associates, the City's public finance consultant, to take the City Council through a series of discussions that will identify clear parameters for the use of public subsidy.

The first discussion took place in March and included a brief presentation from Ehlers, which provided background information and an overview of public finance policies. Ehlers introduced homework at that meeting, which they asked each member of the City Council to complete.

The second discussion took place in April at a City Council work session and involved a more in-depth discussion among the Council members regarding their responses to the homework and their values around the use of public subsidy. Based on that conversation, Ehlers prepared a draft policy for the use of business subsidies which conforms to state statutes and also responds to the specific needs of Brooklyn Center.

The third discussion was in September and was an opportunity for Ehlers to present the draft Business Subsidy Policy which responded to the Council's direction from the previous meeting. The Council gave feedback on the policy, which has since been modified based on that discussion.

This is the presentation of the final draft of policy to be adopted by the City of Brooklyn Center.
Attached is a memo from Ehlers with a background on the rational for the new policy. Ehlers will be present at the meeting to provide a presentation on the policy. In order to adopt a business subsidy policy it is required for the City Council to hold a public hearing. Notice was published in the February 13, 2020 edition of the *Sun Post.*

Attached to this memo is the Business Subsidy Policy for consideration.

Budget Issues:

There are no budget issues to consider at this time.

Strategic Priorities and Values:

Targeted Redevelopment, Operational Excellence

ATTACHMENTS:

Description	Upload Date	Type
Memo from Ehlers, dated February 14, 2020	2/17/2020	Backup Material
Business Subsidy Policy	2/17/2020	Backup Material
Resolution	2/17/2020	Resolution Letter

Memo

To: Meg Beekman, AICP – Community Development Director

From: Jason Aarsvold and Stacie Kvilvang, Ehlers

Date: February 14, 2020

Subject: Public Hearing and Adoption of Business Subsidy & Public Financing Policy

---

On April 8, 2019 the Council met in a work session to review and discuss the key provisions that would serve as the basis for the City's Business Subsidy Policy and Public Financing Criteria. The goal was to have a policy in place the meets state statutory requirements, but also reflects desired City-specific requirements for the use of public assistance tools.

Using the feedback received from City Council members, Ehlers worked with City staff to develop a draft policy for Council consideration. The City Council reviewed a draft of this policy in September 2019 and provided additional direction and feedback for revisions.

Attached to this memorandum is a final policy that incorporates Brooklyn Center's specific objectives and qualifications as well as standard best practice language. The City Council is required to hold a public hearing to formally adopt the policy. Upon formal approval, Ehlers will submit the policy to the Department of Employment and Economic Development (DEED) as required by Statute.

Approval of the policy does not mean any projects are entitled to receive City assistance. Every future project defined as a business subsidy will require a Business Subsidy Agreement. The Business Subsidy Agreement outlines the amount and public purpose of the subsidy, job and wage goals, requirements for continued operation, and recapture requirements (if goals are not met). These business subsidy agreements must be reviewed and approved by the City Council using this policy as a guide in giving consideration. For that reason, the policy is set up to provide flexibility and not to be overly prescriptive.

Please contact either of us at 651-697-8500 with any questions.

City of Brooklyn Center and
Brooklyn Center Economic Development Authority
Business Subsidy & Public Financing Policy
November 2019

INTRODUCTION:

This Policy is adopted for purposes of the business subsidies act, pursuant to Minnesota Statutes, Sections 116J.993 through 116J.995 (the "Statutes"). Terms used in this Policy are intended to have the same meanings as used in Statutes. Subdivision 3 of the Statutes specifies forms of financial assistance that are not considered a business subsidy. This list contains exceptions for several activities, including redevelopment, pollution clean-up, and housing, among others. By providing a business subsidy, the city commits to holding a public hearing, as applicable, and reporting annually to the Department of Employment and Economic Development ("DEED") on job and wage goal progress.

1. PURPOSE AND AUTHORITY

A. The purpose of this document is to establish criteria for the City of Brooklyn Center ("City") and the Brooklyn Center Economic Development Authority ("EDA") for the granting of business subsidies and public financing for private development within the City. As used in this Policy, the term "City" shall be understood to include the EDA. These criteria shall be used as a guide in processing and reviewing applications requesting business subsidies and/or City public financing.

B. The City's ability to grant business subsidies is governed by the limitations established in the Statutes. The City may choose to apply its Business Subsidy Criteria to other development activities not covered under this statute. City public financing may or may not be considered a business subsidy as defined by the Statutes.

C. Unless specifically excluded by the Statutes, business subsidies include grants by state or local government agencies, contributions of personal property, real property, infrastructure, the principal amount of a loan at rates below those commercially available to the recipient of the subsidy, any reduction or deferral of any tax or any fee, tax increment financing (TIF), abatement of property taxes, loans made from City funds, any guarantee of any payment under any loan, lease, or other obligation, or any preferential use of government facilities given to a business.

D. These criteria are to be used in conjunction with other relevant policies of the City. Compliance with the Business Subsidy Criteria and City Public Financing Guidelines shall not automatically mean compliance with such separate policies.

E. The City, at its sole discretion, may deviate from the job and wage goals criteria outlined in Sec. 5, Subd. D, E, and F below by documenting in writing the reason(s) for the deviation. The documentation shall be submitted to DEED with the next annual report.

F. The City may amend this document at any time. Amendments to these criteria are subject to public hearing requirements contained in the Statutes.

2. CITY'S OBJECTIVE FOR THE USE OF PUBLIC FINANCING

A. As a matter of adopted policy, the City may consider using public financing which may include tax increment financing (TIF), tax abatement, bonds, and other forms of public financing as appropriate, to assist private development projects. Such assistance must comply with all applicable statutory requirements and accomplish one or more of the following objectives:

1. Remove blight and/or encourage redevelopment in designated redevelopment/development area(s) per the goals and visions established by the City Council and EDA.

2. Expand and diversify the local economy and tax base.

3. Encourage additional unsubsidized private development in the area, either directly or indirectly through secondary "spin-off" development.

4. Offset increased costs for redevelopment over and above the costs that a developer would incur in normal urban and suburban development (determined as part of the But-For analysis).

5. Facilitate the development process and promote development on sites that could not be developed without this assistance.

6. Retain local jobs and/or increase the number of diverse quality jobs.

7. Reduce the unemployment rate within the City and encourage created jobs are filled by local residents.

8. Provide opportunities for small businesses and/or entrepreneurs and promote resident economic stability.

9. Meet other uses of public policy, as adopted by the City Council or EDA from time to time, including but not limited to promotion of quality urban design, quality architectural design, energy conservation, sustainable building practices, and decreasing the capital and operating costs of local government.

3. PUBLIC FINANCING PRINCIPLES

A. The guidelines and principles set forth in this document pertain to all applications for City public financing regardless of whether they are considered a Business Subsidy as defined by the Statutes. The following general assumptions of development/redevelopment shall serve as a guide for City public financing:

1. All viable requests for City public financing assistance shall be reviewed by staff, and, if staff so designates, a third party financial advisor who will inform the City of its findings and recommendations. This process, known as the "But For" analysis is intended to establish the project would not be feasible but for the City assistance.

2. The City shall establish mechanisms within the development agreement to ensure that adequate checks and balances are incorporated in the distribution of financial assistance where feasible and appropriate, including but not limited to:

   a. Third party "but for" analysis
   b. Establishment of "look back provisions"
   c. Establishment of minimum assessment agreements

3. TIF and abatement will be provided on a pay-as-you-go-basis. Any request for upfront assistance will be evaluated on its own merits and may require security to cover any risks assumed by the City.

4. The City will set up TIF districts in accordance with the maximum number of statutory years allowable. However, this does not mean that the developer will be granted assistance for the full term of the district.

5. The City shall elect to have the fiscal disparities contribution come from inside applicable TIF district(s) to eliminate any impact to the existing tax payers of the community.

6. Public financing will not be used to support speculative commercial, office or housing projects. In general the developer should be able to provide market data, tenant letters of commitment or finance statements which support the market potential/demand for the proposed project.

7. Public financing will generally not be used to support retail development. The City may consider projects that include a retail component provided they meet a Desired Qualification as identified in Sec. 4.2 Subd. C of this policy.

8. Public financing will not be used in projects that would give a significant competitive financial advantage over similar projects in the area due to the use of public subsidies. Developers should provide information to support that assistance will not create such a

competitive advantage. Priority consideration will be given to projects that fill an unmet market need.

9. Public financing will not be used in a project that involves a land and/or property acquisition where the price is in excess of the fair market value.

10. TIF and Abatement will not be utilized for the construction of Warehouse/distribution, commercial storage, discount motel or Fortune 1,000 companies.

11. The developer shall pay all applicable application fees and pay for the City and EDA's fiscal and legal advisor time as stated in the City's Public Assistance Application.

12. The City may consider waiving fees including, but not limited to, park dedication fees, and SAC charges. The City may consider using SAC credits, to the extent they are available, to off-set a project's SAC expenses.

13. The developer shall proactively attempt to minimize the amount of public assistance needed through the pursuit of grants, innovative solutions in structuring the deal, and other funding mechanisms.

14. All developments are subject to execution and recording of a Minimum Assessment Agreement.

4. PROJECTS WHICH MAY QUALIFY FOR PUBLIC FINANCING ASSISTANCE

A. All new applications for public financial assistance that are considered by the City must meet each of the following minimum qualifications. However, it should **not** be presumed that a project meeting these qualifications will automatically be approved for assistance. Meeting the qualifications does not imply or create contractual rights on the part of any potential developer to have its project approved for assistance.

4.1 MINIMUM QUALIFICATIONS/REQUIREMENTS:

A. In addition to meeting the applicable requirements of State law, the project shall meet one or more of the public financing objectives outlined in Sec. 2.

B. The developer must demonstrate to the satisfaction of the City that the project is not financially feasible "but for" the use of tax increment or other public financing.

C. The project is, or will be through the City approval processes, consistent with the City's Comprehensive Plan and Zoning Ordinances, Design Guidelines or any other applicable land use documents.

D. Prior to approval of a financing plan, the developer shall provide any requested market and financial feasibility studies, appraisals, soil boring, private lender commitment, and/or other information the City or its financial consultants may require in order to proceed with an independent evaluation of the proposal.

E. The developer must provide adequate financial guarantees to ensure the repayment of any public financing and completion of the project. These may include, but are not limited to, assessment agreements, letters of credit, personal deficiency guarantees, guaranteed maximum cost contract, etc.

F. Any developer requesting public financial assistance must be able to demonstrate a previous capability for successful development, as well as specific capability regarding the type and size of the development proposed, unless for a use specified in Sec. 4.2 Subd. C (9-10). Public financing shall not be used when the developer's credentials, in the sole judgment of the City, are inadequate due to previous history relating to completion of projects, general reputation, and/or bankruptcy, or other problems or issues considered relevant to the City.

G. The developer, or its contractual assigns, shall retain ownership of any portion of the project long enough to complete it, stabilize its occupancy, establish project management and/or needed mechanisms to ensure successful operation.

4.2 DESIRED QUALIFICATIONS:

A. Projects providing a high ratio of private investment to City public investment shall receive priority consideration. Private investment includes developer cash, government and bank loans, conduit bonds, tax credit equity, and land if already owned by the developer.

B. Proposals that significantly increase the amount of property taxes paid after redevelopment will receive priority consideration.

C. Proposals that encourage the following will receive priority consideration:

1. Implements the City's vision and values for a City-identified redevelopment area

2. Provides significant improvement to surrounding land uses, neighborhoods, and/or the City

3. Attracts or retains an employer within the City providing over 50 jobs

4. Provides increased quality and higher paying jobs

5. Promotes multi-family housing investment that meets the following City goals:

a. Increase housing choice within the community; diversify existing housing stock; and provide options that do not currently exist
b. Provide clean, safe, and affordable housing units
c. Include housing as part of City special purpose projects, such as the Opportunity Site, or other priority City redevelopment areas.
d. Multi-family housing with high-amenities considered luxury and/or market rate

6. Provides opportunity for the attraction and retention of sit-down restaurants

7. Fulfils workforce needs by hiring local residents and partnering with the City and local community organizations for targeted recruitment of residents, job training and mentorship programs.

8. Offers employment opportunities for local residents with safe working conditions and access to comprehensive benefit packages

9. Provides opportunities for small businesses and/or entrepreneurs

10. Projects that promote resident economic stability

11. Redevelops a blighted, contaminated and/or challenged area

12. Preserves and/or stabilizes a major commercial or industrial node

13. Adds needed public infrastructure such as roads or structured parking

5. BUSINESS SUBSIDY PUBLIC PURPOSE, JOBS AND WAGE REQUIREMENT

A. All business subsidies must meet a public purpose with measurable benefit to the City as a whole.

B. Job retention may only be used as a public purpose in cases where job loss is specific and demonstrable. The City shall document the information used to determine the nature of the job loss.

C. The creation of tax base shall not be the sole public purpose of a subsidy.

D. Unless the creation of jobs is removed from a particular project pursuant to the requirements of the Statutes, the creation of jobs is a public purpose for granting a subsidy. Creation of at least **1** Full Time, or Full Time Equivalent (FTE) jobs is a minimum requirement for consideration of assistance. For purposes of this Policy, FTE jobs must be permanent positions with set hours, and be eligible for benefits.

E. Part-Time Equivalent jobs may receive a partial credit and be counted toward the job goals.

F. The wage floor for wages to be paid for the jobs created shall be not less than 150% of the State of MN Minimum Wage. The City will seek to create jobs with higher wages as appropriate for the overall public purpose of the subsidy. Wage goals may also be set to enhance existing jobs through increased wages, which increase must result in wages higher than the minimum under this Section.

G. After a public hearing, if the creation or retention of jobs is determined not to be a goal, the wage and job goals may be set at zero.

6. SUBSIDY AGREEMENT

A. In granting a business subsidy, the City shall enter into a subsidy agreement with the recipient that provides the following information: wage and job goals (if applicable), and recourse for failure to meet goals required by the Statutes.

B. The subsidy agreement may be incorporated into a broader development agreement for a project.

C. The subsidy agreement will commit the recipient to providing the reporting information required by the Statutes.

7. PUBLIC FINANCING PROJECT EVALUATION PROCESS

A. The following methods of analysis for all public financing proposals will be used:

1. Project is deemed consistent with City's Goals and Objectives
2. Consideration of project meeting minimum qualifications
3. Consideration of project meeting desired qualifications
4. Project meets "but-for" analysis and/or statutory qualifications

Please note that the evaluation methodology is intended to provide a balanced review. Each area will be evaluated individually and collectively and in no case should one area outweigh another in terms of importance to determining the level of assistance.

Member introduced the following resolution and moved its adoption:

RESOLUTION NO.

RESOLUTION ADOPTING A POLICY AND CRITERIA FOR GRANTING BUSINESS SUBSIDIES

WHEREAS, The City of Brooklyn Center, Minnesota has determined that it is necessary and appropriate to adopt a business subsidy policy and criteria pursuant to the Statutes; and

WHEREAS, Minnesota Statutes, Sections 116J.993 through 116J.995 (the "Statutes") require the adoption of a policy and criteria for the granting of business subsidies as defined in the Statutes; and,

WHEREAS, The City has performed all actions required by law to be performed prior to the adoption and approval of the proposed business subsidies, including the holding of a public hearing on February 24, 2020 upon published notice as required by law on February 13, 2020.

BE IT RESOLVED By the City Council (the "Council") of the City of Brooklyn Center, Minnesota (the "City") as that the business subsidy policy and criteria, contained in Exhibit A of this resolution are hereby approved, ratified, established, and adopted and shall be placed on file at City Hall.

BE IT FURHTER RESOLVED by the Council that the City Manager is authorized and directed to file a copy of the business subsidy criteria, along with annual reports, to the Minnesota Department of Employment and Economic Development, pursuant to the Statutes.

February 24, 2020
Date

_____
Mayor

ATTEST: _____
City Clerk

The motion for the adoption of the foregoing resolution was duly seconded by member

and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:
whereupon said resolution was declared duly passed and adopted.

RESOLUTION NO.

"Exhibit A"

Economic Development Authority
City Hall Council Chambers
February 24, 2020

AGENDA

1. Call to Order

The City Council requests that attendees turn off cell phones and pagers during the meeting. A copy of the full City Council packet, including EDA (Economic Development Authority), is available to the public. The packet ring binder is located at the entrance of the council chambers.

2. Roll Call

3. Approval of Consent Agenda

The following items are considered to be routine by the Economic Development Authority (EDA) and will been acted by one motion. There will be no separate discussion of these items unless a Commissioner so requests, in which event the item will be removed from the consent agenda and considered at the end of Commission Consideration Items.

a. Approval of Minutes

- Motion to approve the minutes for:

- *January 13, 2020*

b. Resolution Approving a TIF Development Agreement for the REE Xerxes Avenue Senior Housing Project

- Motion to adopt a resolution approving a TIF Development Agreement (REE Xerxes Avenue Senior Housing Project)

c. Resolution Adopting a Business Subsidy Policy

Motion to adopt a resolution adopting a policy and criteria for granting business subsidies.

4. Commission Consideration Items

a. Resolution Approving a Preliminary Development Agreement with JO Properties

- Motion to approve a resolution adopting a Preliminary Development Agreement between the Economic Development Authority of Brooklyn Center and JO Properties.

5. Adjournment

Economic Development Authority

DATE: 2/24/2020

TO: City Council
FROM: Curt Boganey, City Manager
THROUGH: Dr. Reggie Edwards, Deputy City Manager
BY: Barb Suciu, City Clerk

SUBJECT: Approval of Minutes

Background:

In accordance with Minnesota State Statute 15.17, the official records of all meetings must be documented and approved by the governing body.

Strategic Priorities and Values:

Operational Excellence

ATTACHMENTS:

Description	Upload Date	Type
January 13 EDA	2/17/2020	Backup Material

MINUTES OF THE PROCEEDINGS OF THE
ECONOMIC DEVELOPMENT AUTHORITY
OF THE CITY OF BROOKLYN CENTER
IN THE COUNTY OF HENNEPIN AND THE
STATE OF MINNESOTA

REGULAR SESSION
JANUARY 13, 2020
CITY HALL – COUNCIL CHAMBERS

1. CALL TO ORDER

The Brooklyn Center Economic Development Authority (EDA) met in Regular Session called to order by President Mike Elliott at 9:03 p.m.

2. ROLL CALL

President Mike Elliott and Commissioners Marquita Butler, April Graves, Kris Lawrence-Anderson, and Dan Ryan. Also present were Executive Director Curt Boganey, Community Development Director Meg Beekman, Police Chief Tim Gannon, and City Attorney Troy Gilchrist.

3. APPROVAL OF AGENDA AND CONSENT AGENDA

Commissioner Ryan moved, and Commissioner Graves seconded to approve the Agenda and Consent Agenda, and the following items were approved:

3a. APPROVAL OF MINUTES

1. December 2, 2019, meeting minutes
2. December 9, 2019, meeting minutes

3b. RESOLUTION NO. 2020-01 AUTHORIZING AN INTERFUND LOAN FOR ADVANCE OF CERTAIN COSTS IN CONNECTION WITH A TAX INCREMENT FINANCING DISTRICT

Motion passed unanimously.

4. COMMISSION CONSIDERATION ITEMS

4a. RESOLUTION NO. 2020-02 ELECTING OFFICERS FOR THE ECONOMIC DEVELOPMENT AUTHORITY IN AND FOR THE CITY OF BROOKLYN CENTER

Executive Director Curt Boganey requested that the Commissioner's names be inserted into the Resolution document. He added these include Mayor/President, President Pro Tem/Vice President, Treasurer, and Secretary.

Commissioner Graves moved, and Commissioner Lawrence-Anderson seconded to adopt RESOLUTION NO. 2020-02 Electing Officers for the Economic Development Authority in and for the City of Brooklyn Center.

Motion passed unanimously.

4b. RESOLUTION NO. 2020-03 OPTING NOT TO WAIVE LIMITED TORT LIABILITY FOR 2O20

Commissioner Ryan moved, and Commissioner Graves seconded to adopt RESOLUTION NO. 2020-03 Opting not to Waive Limited Tort Liability for 2020.

Motion passed unanimously.

5. ADJOURNMENT

Commissioner Graves moved, and Commissioner Ryan seconded adjournment of the Economic Development Authority meeting at 9:07 p.m.

Motion passed unanimously.

Economic Development Authority

DATE: 2/24/2020

TO: City Council
FROM: Curt Boganey, City Manager
THROUGH: N/A
BY: Meg Beekman, Community Development Director

SUBJECT: Resolution Approving a TIF Development Agreement for the REE Xerxes Avenue Senior Housing Project

Background:

On July 8, 2019, the City created Tax Increment Financing District No. 8, and adopted a TIF plan which provides for the use of tax increment financing in connection with certain development within the TIF District. The City also authorized the drafting of a TIF Development Agreement between the EDA and the developer.

TIF District No. 8 is a housing district that was created to support a 270-unit senior and workforce development in two multi-family buildings at 5801 Xerxes Avenue N. Real Estate Equities is the developer. The first TIF request and financing was related to 127 units of workforce housing in to facilitate the construction of the initial building. The developer is now seeking this second request related to the second senior building, which is anticipated to commence construction this spring.

Attached to this report is a TIF Assistance Agreement, drafted by the City Attorney, which encompasses the terms and conditions under which the City approved the creation of TIF District No. 8. The terms and conditions are substantially in conformance with those identified in the term sheet, approved by the EDA on June 24, 2019.

The general terms of the agreement are as follows:

1. Developer: Brooklyn Center AH II, LLLP (or a limited partnership or other entity to be formed by or affiliated with Real Estate Equities, Inc.)

2. Property: portions of PID 03-118-21-14-0024 (northern portion of the property at 5801 Xerxes Avenue North in the City)

3. Developer Conditions:
    a. Execution of Development Agreement
    b. Securing necessary financing, including issuance of conduit revenue bonds by the City
    c. Site Control
    d. Delivery of Construction Plans

4. EDA Conditions:
    a. EDA approval of Construction Plans
    b. Execution of a Development Agreement

Issuance of Certificate of Completion

5. Minimum Improvements: Improvements to the Property will include the construction of an approximately 143-unit workforce rental housing facility and related amenities as approved by the City.

6. Construction Schedule: Commence construction by April 30, 2020, and complete by January 31, 2022. For the purpose hereof, "Commence" shall mean beginning of physical improvement to the Property, including grading, excavation, or other physical site preparation work; and "Completed" shall mean that the Minimum Improvements are sufficiently complete for the issuance of a Certificate of Occupancy for all rental housing units on the Property. Upon Completion the EDA shall issue, if requested by the Developer, a "Certificate of Completion" in recordable form.

7. Public Assistance: Subject to all terms and conditions of the Development Agreement, EDA will reimburse Developer for Qualified Costs equal of the Minimum Improvements in an amount not to exceed $1,850,000. "**Qualified Costs**" shall mean site improvement and infrastructure costs, and other costs eligible in accordance with applicable law, incurred in connection with the construction of the Minimum Improvements on the portion of the Property located in the new TIF District. Payments will be made semiannually, on a pay-as-you-go basis from 90% of available increments generated by the Property over a 16-year term, with interest at a rate equal to the lesser of 4.25% per annum or the rate per annum on the Developer's financing for the construction of the Project until the note is fully paid.

8. Minimum Improvements Value: No Minimum Assessment Agreement.

9. Affordable Housing: The Property is intended for occupancy by persons or families of low and moderate income. The project will be subject to a Declaration of Restrictive Covenants requiring income limitations (20% of units at 50% of area median income or 40% of units at 60% of area median income in accordance with statue statute) for the 26-year statutory duration of the TIF District.

10. Jobs: Job creation is not a goal of this project.

11. Fees: The Developer has deposited with the EDA the sum of $10,000.00 to pay for the reasonable out-of-pocket legal, financial consultant and administrative fees associated with this transaction. Unexpended funds will be returned to the Developer and if additional funds are needed to pay such expenses the Developer will deposit such additional funds upon request by the EDA.

12. Miscellaneous:

a. Transfer of the Property located in the new TIF District or of the Development Agreement or TIF Note Payments will be subject to EDA consent except for certain limited exceptions including mortgage financing.

b. Developer covenants to pay property taxes and maintain customary insurance.

Budget Issues:

There are no budget issues to consider at this time.

Strategic Priorities and Values:

Targeted Redevelopment

ATTACHMENTS:

Description	Upload Date	Type
TIF Assistance Agreement v4	2/19/2020	Backup Material
Resolution Development Agreement	2/19/2020	Resolution Letter

TIF ASSISTANCE AGREEMENT

BETWEEN

ECONOMIC DEVELOPMENT AUTHORITY OF BROOKLYN CENTER, MINNESOTA

AND

BROOKLYN CENTER AH II, LLLP

This document drafted by:
KENNEDY & GRAVEN, CHARTERED (JSB)
470 U.S. Bank Plaza
200 South Sixth Street
Minneapolis, Minnesota 55402
(P) 612-337-9300
(F) 612-337-9310

TABLE OF CONTENTS

Page

ARTICLE I DEFINITIONS 2
Section 1.1. Definitions 2

ARTICLE II REPRESENTATIONS AND WARRANTIES 6
Section 2.1. Representations and Warranties of the EDA 6
Section 2.2. Representations and Warranties of the Developer 6

ARTICLE III UNDERTAKINGS BY DEVELOPER AND EDA 8
Section 3.1. Total Development Costs and Public Costs. 8
Section 3.2. TIF Note. 8
Section 3.3. Income Restrictions 10
Section 3.4. Developer to Pay EDA's Fees and Expenses 11
Section 3.5. Compliance with Environmental Requirements. 11
Section 3.6. Construction Plans. 11
Section 3.7. Commencement and Completion of Construction 12
Section 3.8. Certificate of Completion. 13
Section 3.9. Encumbrance of the Development Property. 13
Section 3.10. Business Subsidy Act 14
Section 3.11. Right to Collect Delinquent Taxes. 14
Section 3.12. Review of Taxes. 14
Section 3.13. Project Rents 15

ARTICLE IV EVENTS OF DEFAULT 16
Section 4.1. Events of Default Defined. 16
Section 4.2. Remedies on Default 16
Section 4.3. No Remedy Exclusive 17
Section 4.4. No Implied Waiver 17
Section 4.5. Indemnification of EDA. 17
Section 4.6. Reimbursement of Attorneys' Fees. 18

ARTICLE V ADDITIONAL PROVISIONS 19
Section 5.1. Restrictions on Use 19
Section 5.2. Reports 19
Section 5.3. Limitations on Transfer and Assignment. 19
Section 5.4. Conflicts of Interest 20
Section 5.5. Titles of Articles and Sections 21
Section 5.6. Notices and Demands 21
Section 5.7. No Additional Waiver Implied by One Waiver 22
Section 5.8. Counterparts 22
Section 5.9. Law Governing 22
Section 5.10. Term; Termination 22
Section 5.11. Provisions Surviving Rescission, Expiration or Termination 22
Section 5.12. Superseding Effect 22
Section 5.13. Relationship of Parties 22
Section 5.14. Venue 22

EXHIBIT A DESCRIPTION OF TIF DISTRICT A-1
EXHIBIT B LEGAL DESCRIPTION OF DEVELOPMENT PROPERTY B-1
EXHIBIT C PUBLIC DEVELOPMENT COSTS C-1
EXHIBIT D FORM OF TAXABLE TIF NOTE D-1
EXHIBIT E TOTAL DEVELOPMENT COSTS E-1
EXHIBIT F DECLARATION OF RESTRICTIVE COVENANTS F-1
EXHIBIT G PERMITTED ENCUMBRANCES G-1
EXHIBIT H CERTIFICATE OF COMPLETION OF PROJECT H-1

TIF ASSISTANCE AGREEMENT

THIS AGREEMENT, made as of the ____ day of April, 2020, by and between the Economic Development Authority of Brooklyn Center, Minnesota (the "EDA"), a public body corporate and politic under the laws of the State of Minnesota, and Brooklyn Center AH II, LLLP, a Minnesota limited liability limited partnership (the "Developer").

WITNESSETH:

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

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

WHEREAS, pursuant to the EDA Act and the HRA Act, the EDA has undertaken a program to promote the development and redevelopment of land which is underutilized or characterized by blight within the City, and in connection therewith created the Housing and Redevelopment Project No. 1 (the "Project Area") and adopted a Redevelopment Plan (the "Redevelopment Plan"); and

WHEREAS, pursuant to the provisions of Minnesota Statutes, Section 469.174 through 469.1794, as amended, (the "TIF Act"), the City and the EDA have created, within the Project Area, the Tax Increment Financing District No. 8: Real Estate Equities (a housing district) qualified as a housing tax increment financing district (the "TIF District"), the legal description of which is attached hereto as **Exhibit A**, and has adopted a tax increment financing plan therefor approved by the City Council of the City on July 8, 2019 (the "TIF Plan") which provides for the use of tax increment financing in connection with certain development within the Project Area and TIF District; and

WHEREAS, the Developer proposes the acquisition, construction and equipping of an approximately 143-unit senior rental housing facility and related amenities to be located at 5803 Xerxes Avenue North in the City (formerly the northern portion of the property at 5801 Xerxes Avenue North) within the TIF District (the "Project"); and

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

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

ARTICLE I

DEFINITIONS

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

Administrative Costs has the meaning set forth in Section 3.4;

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

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

Architect means Kaas Wilson Architects, LLC, in Minneapolis, Minnesota as the architect for the Project;

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

Certificate of Completion means a Certificate of Completion with respect to the Project executed by the EDA pursuant to Section 3.9;

City means the City of Brooklyn Center, Minnesota;

Completion Date means the date on which the Certificate of Completion with respect to the Project is executed by the EDA pursuant to Section 3.9;

Construction Costs means the capital costs of the construction of the Project, including the costs of labor and materials; construction management and supervision expenses; insurance and payment or performance bond premiums; architectural and engineering fees and expenses; property taxes; usual and customary fees or costs payable to the EDA, the City or any other public body with regulatory authority over construction of the Project (e.g. building permits and inspection fees); the developer fee; and all other costs chargeable to the capital account of the Project under generally accepted accounting principles;

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

Construction Lender means U.S. Bank National Association, a national banking association, and its successors and assigns;

Construction Phase has the meaning given in the Construction Phase Financing Agreement;

Construction Phase Financing Agreement means the Construction Phase Financing Agreement dated April 1, 2020 among Construction Lender, Permanent Lender, and Federal Home Loan Mortgage Corporation;

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

Conversion Date has the meaning defined in the Indenture;

County means Hennepin County, Minnesota;

Declaration means the Declaration of Restrictive Covenants in substantially the form attached hereto as **Exhibit F;**

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

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

Development Property means the real property legally described in **Exhibit B** attached to this Agreement;

EDA means the Economic Development Authority of Brooklyn Center, Minnesota

Event of Default means any of the events described in Section 4.1 hereof;

Final Payment Date means the earlier of (i) the date on which the entire principal and accrued interest on the TIF Note has been paid in full; or (ii) February 1, 2037; or (iii) any earlier date this Agreement or the TIF Note is cancelled in accordance with the terms hereof or deemed paid in full; or (iv) the February 1 following the date the TIF District is terminated in accordance with the TIF Act; or (v) the date the EDA cancels the TIF Note upon a written request for termination from the Developer and a determination in the EDA's sole discretion that such termination will not limit or interfere with the EDA's ability to pool Tax Increments generated by the TIF District for affordable housing in accordance with the TIF Act (provided that there shall be no payment of any Tax Increments on such date unless it is a regular Payment Date);

General Contractor means Big-D Construction Midwest, LLC, a Minnesota limited liability company;

Indenture means the Trust Indenture, dated as of April 1, 2020, by and between the City and U.S. Bank National Association, a national banking association (the "Trustee");

Mortgage Lender means: (i) during the Construction Phase, the Construction Lender and (ii) during the Permanent Phase, the Permanent Lender;

Mortgage Lender Collateral Assignment means (i) during the Construction Phase, a Collateral Assignment of Development Agreement, Tax Increment Financing Note and Available Tax Increment given by the Developer in favor of the Construction Lender, together with any amendments thereto and (ii) during the Permanent Phase, a Collateral Assignment of Tax Increment Financing Note and Available Tax Increment given by the Developer in favor of the Permanent Lender, together with any amendments thereto;

Payment Date means August 1, 2021 and each February 1 and August 1 thereafter to and including the Final Payment Date; provided, that if any such Payment Date should not be a Business Day, the Payment Date shall be the next succeeding Business Day;

Permanent Lender means Northmarq Capital, LLC, and its successors and assigns;

Permanent Phase means the period from and after the Conversion Date;

Permitted Encumbrances means those encumbrances set forth in **Exhibit G**;

Pledged Tax Increments means for any six month period, 90% of the Tax Increments received by the EDA since the previous Payment Date;

Project means the construction of an approximately 143 unit senior rental housing facility and related amenities and improvements to be located at 5803 Xerxes Avenue North in the City (formerly the northern portion of the property at 5801 Xerxes Avenue North) within the TIF District;

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

Reimbursement Amount means the lesser of (i) $1,850,000 or (ii) the Public Development Costs actually incurred and paid by the Developer;

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

State means the State of Minnesota;

Tax Credit Investor means U.S. Bancorp Community Development Corporation;

Tax Increments means the tax increments derived from the Development Property and the improvements thereon which have been received and are permitted to be retained by the EDA in accordance with the TIF Act including, without limitation, Minnesota Statutes, Section 469.177; 469.176, Subd. 4h; and 469.175, Subd. 1a, as the same may be amended from time to time; for

purposes of this definition, "derived from the Development Property and the improvements thereon" means the portion of Tax Increment actually received by the EDA from the TIF District determined by the EDA, in its sole determination, to have been derived from the Development Property;

Termination Date means the earlier of: (i) the date the TIF District is terminated in accordance with the TIF Act; or (ii) the date the TIF Note is paid in full; or (iii) the date the EDA cancels the TIF Note upon a written request for termination from the Developer and a determination in the EDA's sole discretion that such termination will not limit or interfere with the EDA's ability to pool Tax Increments generated by the TIF District for affordable housing in accordance with the TIF Act;

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

TIF District means the Tax Increment Financing District No. 8: Real Estate Equities (a housing district) consisting of the property legally described in **Exhibit A** attached hereto, which was established as a housing district under the TIF Act;

TIF Note means the Taxable Tax Increment Revenue Note (REE Xerxes Avenue Senior Housing Project) to be executed by the EDA and delivered to the Developer pursuant to Article III hereof, a form of which is attached hereto as **Exhibit D**;

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

Total Development Costs means the costs of the Project as set forth on **Exhibit E**;

Unavoidable Delays means delays, outside the control of the party claiming their occurrence, which are the direct result of strikes, other labor troubles, prolonged adverse weather, acts of God, acts of war or terrorism, fire or other casualty to the Project, litigation commenced by third parties which, by injunction or other similar judicial action or by the exercise of reasonable discretion, directly results in delays, or acts of any federal, state or local governmental unit (other than the City or EDA) which directly result in delays, acts of the public enemy or acts of terrorism and discovery of unknown hazardous materials or other concealed site conditions or delays of contractors due to such discovery.

ARTICLE II

REPRESENTATIONS AND WARRANTIES

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

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

(2) The EDA has taken the actions necessary to establish the TIF District as a "housing district" within the meaning of Minnesota Statutes, Section 469.174, Subdivision 11.

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

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

(5) No member of the Board of Commissioners, or officer of the EDA, has either a direct or indirect financial interest in this Agreement, nor will any member of the Board of Commissioners, or officer of the EDA, benefit financially from this Agreement within the meaning of Minnesota Statutes, Sections 412.311 and 471.87.

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

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

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

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

(4) The Developer understands that the EDA or the City may subsidize or encourage the development of other developments in the City, including properties that compete with the Development Property and the Project, and that such subsidies may be more favorable than the

terms of this Agreement, and that neither the EDA nor the City has informed the Developer that development of the Development Property will not be favored over the development of other properties.

ARTICLE III

UNDERTAKINGS BY DEVELOPER AND EDA

Section 3.1. Total Development Costs and Public Costs.

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

(2) Based on the Developer's representation that the Total Development Costs for the Project are approximately $33,563,476, that the sources of revenue available to pay such costs, excluding the tax increment assistance contemplated herein, is $31,713,476, and that the Developer is unable to obtain additional private financing for the estimated Total Development Costs, the EDA has agreed to provide tax increment financing subject to the terms and conditions as hereinafter set forth. The Developer must provide the EDA copies of all executed financing documents related to financing the Total Development Costs of the Project.

(3) The parties agree that the Public Development Costs to be incurred by the Developer are essential to the successful completion of the Project. The Developer anticipates that the Public Development Costs for the Project which are identified on **Exhibit C** attached hereto will be at least $1,850,000.

(4) As of January 2, 2021, the estimated market value of the Development Property, as improved, is expected to be at least $_____.

(5) The Developer has acquired or has entered into a purchase agreement pursuant to which it will acquire fee title to the Development Property, and will cause the Project to be constructed in accordance with the terms of this Agreement, the Redevelopment Plan, and all local, state and federal laws and regulations including, but not limited to, environmental, zoning, energy conservation, building code and public health laws and regulations.

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

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

Section 3.2. TIF Note.

(1) The TIF Note will be originally issued to the Developer, as provided in Section 3.2(2), in a principal amount equal to the Reimbursement Amount and shall be dated as of its date of issuance. The principal of the TIF Note and interest thereon shall be payable on a pay-as-you-go basis solely from the Pledged Tax Increments as provided below.

(2) The TIF Note shall be issued, in substantially the form attached hereto as **Exhibit D** and interest will commence to accrue on the TIF Note only when: (A) the Developer shall have submitted written proof and other documentation as may be reasonably satisfactory to the EDA of the exact nature and amount of the Public Development Costs incurred by the Developer, together with such other information or documentation as may be reasonably necessary and satisfactory to the EDA to enable the EDA to substantiate the Developer's tax increment expenditures per **Exhibit C** and/or to comply with its tax increment reporting obligations to the Commissioner of Revenue, the Office of the State Auditor or other applicable official; (B) the EDA shall have received evidence that the Declaration has been recorded against the Development Property; (C) the Developer shall have obtained from the City a certificate of occupancy for all residential units in the Project and a Certificate of Completion as provided in this Agreement; (D) the Developer shall have paid all of the EDA's Administrative Costs required to have been paid as of such date in accordance with Section 3.4 hereof; and (E) the Developer is in material compliance with each term or provision of this Agreement required to have been satisfied as of such date. The documentation provided in accordance with Section 3.2(2)(A) shall include specific invoices for the particular work from the contractor or other provider and shall include paid invoices, copies of remittances and/or other suitable documentary proofs of the Developer's payment thereof.

(3) Subject to the provisions thereof, the TIF Note shall bear simple, non-compounding interest at the rate equal to the lesser of 4.25% per annum or the rate per annum on the Permanent Phase financing for the Project. Interest shall be computed on the basis of a 360 day year consisting of twelve 30-day months. Principal and interest on the TIF Note will be payable on each Payment Date; however, the sole source of funds required to be used for payment of the EDA's obligations under this Section and correspondingly under the TIF Note shall be the Pledged Tax Increments received in the 6-month period preceding each Payment Date. The principal amount of TIF Note shall be the Reimbursement Amount. On each Payment Date the Pledged Tax Increment shall be credited against the accrued interest then due on the TIF Note and then applied to reduce the principal. In the event the Pledged Tax Increments are not sufficient to pay the accrued interest, the unpaid accrued interest shall be carried forward without interest. All Tax Increments in excess of the Pledged Tax Increments necessary to pay the principal and accrued interest on the TIF Note are not subject to this Agreement, and the EDA retains full discretion as to any authorized application thereof. To the extent that the Pledged Tax Increments are insufficient through the Final Payment Date, to pay all amounts otherwise due on the TIF Note, said unpaid amounts shall then cease to be any debt or obligation of the EDA whatsoever.

(4) No interest will accrue during any period in which payments have been suspended pursuant to Section 4.2.

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

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

(7) The EDA's obligation to make payments on the TIF Note on any Payment Date shall be conditioned upon the requirement that (A) there shall not at that time be an Event of

Default that has occurred and is continuing under this Agreement that has not been cured during the applicable cure period, and (B) this Agreement shall not have been terminated pursuant to Section 4.2, and (C) all conditions set forth in Section 3.2(2) have been satisfied as of such date.

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

Section 3.3. Income Restrictions. The Developer hereby represents, covenants and agrees as follows:

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

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

(3) In accordance with the Declaration, commencing on the Completion Date and continuing until the Termination Date, at least 40% of the residential units shall be occupied by or available for rent to persons whose income does not exceed 60% of the area-wide median family income for the standard metropolitan statistical area which includes Brooklyn Center, Minnesota, as that figure is determined and announced from time to time by HUD, as adjusted for family size ("Median Income");

(4) Alternatively, the Developer may elect to satisfy the foregoing affordability requirements by substituting "20% of the residential units" in place of "40% of the residential units" in the preceding paragraph if, for such purposes, the term "Qualifying Tenants" means those persons and families who are determined from time to time by the Developer to have combined adjusted income that does not exceed 50% of the Median Income; and

(5) The Developer will provide the EDA an annual certification in the form attached as **Exhibit 3** to the Declaration (the "Compliance Certificate") evidencing compliance with the requirements of paragraph (3) above, and the income verifications from tenants used to meet such requirements. The annual certification shall also include the vacancy rate for the preceding calendar year. The annual certification shall be provided on or before July 1 of each year commencing July 1, 2022, and shall cover the preceding calendar year.

(6) The provisions of this Section 3.3 shall be incorporated into the Declaration in substantially the form attached as **Exhibit F**, and recorded against the Development Property prior to the issuance of the TIF Note.

Section 3.4. Developer to Pay EDA's Fees and Expenses. The Developer will pay all of the EDA's reasonable Administrative Costs (as defined below) and must pay such costs to the EDA within 30 days after receipt of a written invoice from the EDA describing the amount and nature of the costs to be reimbursed. For the purposes of this Agreement, the term "Administrative Costs" means out of pocket costs incurred by the EDA together with staff and consultant (including reasonable legal, financial advisor, etc.) costs of the EDA, all attributable to or incurred in connection with the establishment of the TIF District and the TIF Plan and review, negotiation and preparation of this Agreement (together with any other agreements entered into between the parties hereto contemporaneously therewith) and review and approvals of other documents and agreements in connection with the Project. In addition, certain engineering, environmental advisor, legal, land use, zoning, subdivision and other costs related to the development of the Development Property are required to be paid, or additional funds deposited in escrow, as provided in accordance with the City's planning, zoning, and building fee schedules. The parties agree and understand that Developer deposited with the EDA $10,000 toward payment of the EDA's Administrative Costs. If such costs exceed such amount, then at any time, but not more often than monthly, the EDA will deliver written notice to Developer setting forth any additional fees and expenses, together with suitable billings, receipts or other evidence of the amount and nature of the fees and expenses, and Developer agrees to pay all fees and expenses within 30 days of EDA's written request. Any unused amount of such deposit shall be returned to the Developer.

Section 3.5. Compliance with Environmental Requirements.

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

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

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

Section 3.6. Construction Plans.

(1) Prior to the commencement of construction of the Project, the Developer will deliver to the EDA the Construction Plans, Construction Documents and a sworn construction cost statement certified by the Developer and the General Contractor (the "Sworn Construction Cost Statement") all in form and substance acceptable to the EDA. The Construction Plans for the Project shall be consistent with the Redevelopment Plan, this Agreement, and all applicable State

and local laws and regulations and the Site Plan and Design Drawings previously submitted to the EDA. The City's building official and the Executive Director of the EDA, on behalf of the EDA shall promptly review any Construction Plans upon submission and deliver to the Developer a written statement approving the Construction Plans or a written statement rejecting the Construction Plans and specifying the deficiencies in the Construction Plans. The City's building official and the Executive Director of the EDA on behalf of the EDA shall approve the Construction Plans if: (i) the Construction Plans substantially conform to the terms and conditions of this Agreement; (ii) the Construction Plans are consistent with the goals and objectives of the Redevelopment Plan and the TIF Plan; (iii) the Construction Plans comply with the Site Plan and Design Drawings; and (iv) the Construction Plans do not violate any applicable federal, State or local laws, ordinances, rules or regulations. If the Construction Plans are not approved by the EDA, then the Developer shall make such changes as the EDA may reasonably require and resubmit the Construction Plans to the EDA for approval, which will not be unreasonably withheld, unreasonably conditioned or unreasonably delayed. If the EDA has not rejected the Construction Plans in writing within 30 calendar days of submission, such Construction Plans shall automatically be deemed approved by the EDA but only if the Construction Plans provided to the EDA are complete and final and meet all requirements necessary for the City to issue a building permit.

(2) No changes shall be made to the Construction Plans for the Project without the EDA's prior written approval, unless the aggregate of such changes do not increase or decrease the Total Development Costs by more than 10%. No changes which materially alter (a) the Project's site plan, (b) exterior appearance, (c) construction quality, or (d) exterior materials included in the final Design Drawings and Construction Plans shall be made without the EDA's prior written consent. The approval of the EDA will not be unreasonably withheld, conditioned or delayed. If an amendment or prior written approval from the EDA is necessary with respect to a change in the Construction Plans, if the EDA has not rejected such amendment in writing within 30 calendar days of submission of such amendment, the amendment to Construction Plans shall automatically be deemed approved by the EDA but only if such amendment provided to the EDA is complete and final and meets all requirements necessary for the City to issue a building permit or determine compliance with an applicable building permit.

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

Section 3.7. Commencement and Completion of Construction. Subject to the terms and conditions of this Agreement and to Unavoidable Delays, the Developer will commence construction of the Project by April 30, 2020 and shall substantially complete the Project by January 31, 2022. Notwithstanding the foregoing, failure of the Developer to commence

construction or substantially complete the Project shall not be an Event of Default hereunder unless the Developer fails to commence construction of the Project by June 30, 2020 or the Developer fails to obtain a certificate of occupancy for the Project by July 31, 2022. The Project will be constructed by the Developer on the Development Property in conformity with the Construction Plans approved by the EDA. Prior to completion, upon the request of the EDA, and subject to applicable safety rules, the Developer will provide the EDA reasonable access to the Development Property. "Reasonable access" means at least one site inspection per week during regular business hours. During construction, marketing and rentals of the Project, the Developer will deliver progress reports to the EDA from time to time as reasonably requested by the EDA.

Section 3.8. Certificate of Completion. The Developer shall notify the EDA when construction of the Project has been substantially completed. The EDA shall, within 20 days after such notification, inspect the Project in order to determine whether the Project has been constructed in substantial conformity with the approved Construction Plans. If the EDA determines that the Project has not been constructed in substantial conformity with the approved Construction Plans, the EDA shall deliver a written statement to the Developer indicating in adequate detail the specific respects in which the Project has not been constructed in substantial conformity with the approved Construction Plans and Developer shall have a reasonable period of time to remedy such deficiencies. The EDA shall re-inspect the Project within a reasonable period of time after receiving notice that such deficiencies have been remedied in order to determine whether the Project has been constructed in substantial conformity with the approved Construction Plans and this Agreement. Within a reasonable period of time after determining that the Project has been constructed in substantial conformity with the approved Construction Plans, the EDA will furnish to the Developer a Certificate of Completion substantially in the form attached hereto as **Exhibit H** certifying the completion of the Project. The Certificate of Completion issued for the Project shall conclusively satisfy and terminate the agreements and covenants of the Developer in this Agreement solely with respect to construction of the Project. The issuance of a Certificate of Completion under this Agreement shall not be construed to relieve the Developer of any approval required by any City department in connection with the construction, completion or occupancy of the Project nor shall it relieve the Developer of any other obligations under this Agreement.

Section 3.9. Encumbrance of the Development Property. Until the Final Payment Date, without the prior written consent of the EDA, neither the Developer nor any successor in interest to the Developer will engage in any financing or any other transaction creating any mortgage or other encumbrance or lien upon the Development Property, or portion thereof, whether by express agreement or operation of law, or suffer any encumbrance or lien to be made on or attach to the Development Property except for the purpose of obtaining funds only to the extent necessary for financing or refinancing the acquisition and construction of the Project (including, but not limited to, land and building acquisition, labor and materials, professional fees, development fees, real estate taxes, reasonably required reserves, construction interest, organization and other direct and indirect costs of development and financing, costs of constructing the Project, and an allowance for contingencies) including without limitation regulatory agreements and land use restriction agreements in connection with such financings; provided, however, this provision shall not be considered a waiver of the requirements of Section 5.3 with respect to any Transfer of the TIF Note in connection with any such financing or refinancing nor shall anything contained in this Section prohibit the Developer from making transfers in accordance with Section 5.3. The EDA hereby consents to any mortgages securing the Developer's construction financing for the Project

and to the succession of the mortgagee thereunder (or any assignee of the mortgagee) or any purchasers at or after foreclosure thereof, by the successful bidder at the sale, to title to the Development Property, and to any other Permitted Encumbrances set forth in **Exhibit G**; provided, however, this provision shall not be considered a waiver of the requirements of Section 5.3 with respect to any Transfer of the TIF Note in connection with any such mortgage. Notwithstanding the foregoing, the TIF Note shall be terminated by the EDA in the event that any mortgagee (or any assignee of the mortgagee) or any purchasers at or after foreclosure thereof, by the successful bidder at the sale, to the title to the Development Property, terminates the Declaration, in accordance with its terms, or does not otherwise comply with the Declaration.

Section 3.10. Business Subsidy Act. The subsidy granted to the Developer pursuant to this Agreement is assistance for housing and therefore the provisions of Minnesota Statutes, Section 116J.993 to 116J.995 do not apply. No portion of the tax increment assistance shall be used to construct any commercial space.

Section 3.11. Right to Collect Delinquent Taxes. The Developer acknowledges that the EDA is providing substantial aid and assistance in furtherance of the Project through reimbursement of Public Development Costs. To that end, the Developer agrees for itself, its successors and assigns, that in addition to the obligation pursuant to statute to pay real estate taxes, it is also obligated by reason of this Agreement, to pay before delinquency all real estate taxes assessed against the Development Property and the Project. The Developer acknowledges that this obligation creates a contractual right on behalf of the EDA through the Termination Date to sue the Developer or its successors and assigns, to collect delinquent real estate taxes related to the Development Property and any penalty or interest thereon and to pay over the same as a tax payment to the county auditor. In any such suit in which the EDA is the prevailing party, the EDA shall also be entitled to recover its costs, expenses and reasonable attorney fees.

Section 3.12. Review of Taxes.

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

(2) Other than 4d Classification, the Developer shall notify the EDA within 10 days of filing any petition to seek reduction in market value or property taxes on any portion of the Development Property under any State law (referred to as a "Tax Appeal"). If as of any Payment Date, any Tax Appeal is then pending, the EDA will continue to make payments on the TIF Note but only to the extent that the Pledged Tax Increment relates to property taxes paid with respect to the market value of the Development Property not being challenged as part of the Tax Appeal as determined by the EDA in its sole discretion and the EDA will withhold the Pledged Tax Increment

related to property taxes paid with respect to the market value of the Development Property being challenged as part of the Tax Appeal as determined by the EDA in its sole discretion. The EDA will apply any withheld amount to the extent not reduced as a result of the Tax Appeal promptly after the Tax Appeal is fully resolved and the amount of Pledged Tax Increment, as applicable, attributable to the disputed tax payments is finalized.

(3) If the Development Property qualifies for 4d Classification and Minn. Stat. 273.13, subdivision 25 or any applicable successor statute is amended to reduce the 4d Classification tax rate, the Developer acknowledges that the amount of Tax Increments may be negatively impacted.

Section 3.13. Project Rents. The Developer covenants and agrees that during the Qualified Project Period (as defined in the Declaration) it will not increase the rent charged to any tenant of a rental unit within the Project during such tenant's lease term and, at any rate, will not increase the rent charged to any tenant more than once in any 6-month period.

ARTICLE IV

EVENTS OF DEFAULT

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

(1) Failure by the Developer to timely pay any ad valorem real property taxes assessed with respect to the Development Property.

(2) Subject to Unavoidable Delays, failure by the Developer to commence construction of the Project by June 30, 2020, and to proceed with due diligence to substantially complete the construction of the Project pursuant to the terms, conditions and limitations of this Agreement and obtain a certificate of occupancy from the City by July 31, 2022.

(3) Failure of the Developer to observe or perform any other material covenant, condition, obligation or agreement on its part to be observed or performed under the Declaration, or this Agreement, including, without limitation, compliance with the requirements set forth in Section 3.3 hereof.

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

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

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

Notwithstanding anything to the contrary set forth in this Agreement the lenders providing construction or permanent financing for the Project, the general partner and any limited partner of the Developer shall have the right, but not the obligation, to cure an Event of Default during the cure period provided for the Developer.

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

such 30 day cure period shall be extended for a period deemed reasonably necessary by the EDA to effect the cure, but in any event not to exceed 180 days:

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

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

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

Notwithstanding anything to the contrary set forth in this Agreement the lenders providing construction or permanent financing for the Project, the general partner and any limited partner of the Developer shall have the right, but not the obligation, to cure an Event of Default during the cure period provided for the Developer.

If the EDA has been provided a notice address, the EDA agrees to give the applicable Mortgage Lender the same notice provided to the Developer of any Event of Default hereunder that occurs prior to the termination of the applicable Mortgage Lender Collateral Assignment and opportunity to cure the same, as further set forth in the applicable Mortgage Lender Collateral Assignment. If the EDA has been provided a notice address, the EDA agrees to give the Tax Credit Investor the same notice provided to the Developer of any Event of Default hereunder and opportunity to cure the same.

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

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

Section 4.5. Indemnification of EDA.

(1) The Developer releases from and covenants and agrees that the City and the EDA, and their governing bodies' members, officers, agents, including the independent contractors, consultants and legal counsel, servants and employees thereof (for purposes of this Section, collectively the "Indemnified Parties") shall not be liable for and agrees to indemnify and hold harmless the Indemnified Parties against any loss or damage to property or any injury to or death

of any person occurring at or about or resulting from any defect in the Project, or any other loss, cost expense, or penalty, except to the extent caused by any willful misrepresentation or any willful or wanton misconduct of the Indemnified Parties.

(2) Except for any willful misrepresentation or any willful or wanton misconduct of the Indemnified Parties, the Developer agrees to protect and defend the Indemnified Parties, now and forever, and further agrees to hold the Indemnified Parties harmless from any claim, demand, suit, action or other proceeding whatsoever by any person or entity whatsoever arising or purportedly arising from the actions or inactions of the Developer (or if other persons acting on its behalf or under its direction or control) under this Agreement, or the transactions contemplated hereby or the acquisition, construction, installation, ownership, and operation of the Project; including, without limitation, any pecuniary loss or penalty (including interest thereon at the rate of 5% per annum from the date such loss is incurred or penalty is paid by the EDA or the City) as a result of the Project failing to cause the TIF District to qualify as a "housing district" under Section 469.174, Subdivision 11, of the Act, or to violate limitations as to the use of Tax Increments as set forth in Section 469.176, subd. 4d.

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

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

ARTICLE V

ADDITIONAL PROVISIONS

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

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

Section 5.3. Limitations on Transfer and Assignment.

(1) Except as provided in Sections 3.9 and 5.3(5), the Developer will not sell, assign, convey, lease or transfer in any other mode or manner (collectively, "Transfer") this Agreement, the TIF Note, or the Development Property or the Project, or any interest therein, without the express written approval of the EDA, which consent will not be unreasonably withheld, conditioned or delayed. The EDA shall, within 20 days after such a written request for approval of a Transfer, deliver a written statement to the Developer indicating whether the Transfer is approved or specifying the additional conditions to be satisfied in accordance with Section 5.3(3). The provisions of this Section 5.3 apply to all subsequent Transfers by authorized transferees;

(2) Notwithstanding clause (3) below, the EDA hereby consents to (A) the Mortgage Lender Collateral Assignment to the Construction Lender during the Construction Phase, upon receipt of (i) an Acknowledgment Regarding TIF Note from the Construction Lender in the form included in Exhibit 2 to the TIF Note, (ii) an executed copy of Mortgage Lender Collateral Assignment between Construction Lender and the Developer, and (iii) reasonable legal fees of the EDA in accordance with clause (4) below and (B) the Mortgage Lender Collateral Assignment to the Permanent Lender during the Permanent Phase, upon receipt of (i) an Acknowledgment Regarding TIF Note from the Permanent Lender in the form included in Exhibit 2 to the TIF Note, (ii) an executed copy of Mortgage Lender Collateral Assignment between Permanent Lender and the Developer, (iii) a termination and release from the Construction Lender of the Construction Lender's Mortgage Lender Collateral Assignment and (iv) reasonable legal fees of the EDA in accordance with clause (4) below;

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

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

(b) Any proposed transferee, by instrument in writing satisfactory to the EDA shall, for itself and its successors and assigns, and expressly for the benefit of the EDA have

expressly assumed any of the remaining obligations of the Developer under this Agreement and agreed to be subject to all the conditions and restrictions to which the Developer is subject;

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

(d) Any proposed transferee of the TIF Note shall (i) execute and deliver to the EDA the Acknowledgment Regarding TIF Note in the form included in **Exhibit 2** to the TIF Note and (ii) surrender the TIF Note to the EDA either in exchange for a new fully registered note or for transfer of the TIF Note on the registration records for the TIF Note maintained by the EDA;

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

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

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

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

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

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

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

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

Brooklyn Center AH II, LLLP
579 Selby Avenue
Saint Paul, Minnesota 55102
Attn: Patrick Ostrom

With a copy to: Winthrop & Weinstine, P.A.
225 South Sixth Street, Suite 3500
Minneapolis, Minnesota 55402-4629
Attention: Jeffrey Drennan, Esq.

and a copy to: NorthMarq Capital, LLC
3500 American Blvd West, #500
Bloomington, MN 55431
Attn: Servicing Department

and a copy to: U.S. Bancorp Community Development Corporation
1307 Washington Avenue, Suite 300
St. Louis, MO 63103
Attn: Director of Affordable Housing Asset Management

and a copy to: Applegate & Thorne-Thomsen
425 S. Financial Place, Suite 1900
Chicago, IL 60605
Attn: Ben Applegate, Esq.

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

Economic Development Authority of Brooklyn Center, Minnesota
Brooklyn Center City Hall
6301 Shingle Creek Parkway
Brooklyn Center, MN 55430
Attn: City Finance Director

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

Section 5.7. No Additional Waiver Implied by One Waiver. If any agreement contained in this Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other concurrent, previous or subsequent breach hereunder.

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

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

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

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

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

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

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

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

ECONOMIC DEVELOPMENT AUTHORITY
OF BROOKLYN CENTER, MINNESOTA

By _____
Its President

By _____
Its Executive Director

This is a signature page to the TIF Assistance Agreement.

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

By: Brooklyn Center AH II, LLC, a Minnesota limited liability company
Its: General Partner

By: REE Brooklyn Center AH II, LLC, a Minnesota limited liability company
Its: Manager

By:_____
William R. Bisanz
Its: President

This is a signature page to the TIF Assistance Agreement.

EXHIBIT A

DESCRIPTION OF TIF DISTRICT

The area encompassed by the TIF District shall also include all street or utility right-of-ways located upon or adjacent to the property described below:

Originally:

Tract B, Registered Land Survey No. 1262, Hennepin County, Minnesota.

Being Registered Land as is evidenced by Certificate of Title No. 1432398

Which has been re-platted as:

Lots 1 and 2, Block 1, Northway Crossing Addition

Being Registered Land as evidenced by Certificates of Title Nos. 1496796 and _____

EXHIBIT B

LEGAL DESCRIPTION OF DEVELOPMENT PROPERTY

Lot 1, Block 1, Northway Crossing, according to the recorded plat thereof, Hennepin County, Minnesota.

Being Registered Land as is evidenced by Certificate of Title No. 1496796.

EXHIBIT C

PUBLIC DEVELOPMENT COSTS

Land acquisition

Site grading and improvements

Underground and above ground utilities

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

EXHIBIT D

FORM OF TAXABLE TIF NOTE

No. R-1 [**$1,850,000**]

UNITED STATES OF AMERICA
STATE OF MINNESOTA
COUNTY OF HENNEPIN
CITY BROOKLYN CENTER, MINNESOTA
TAXABLE TAX INCREMENT REVENUE NOTE
(REE XERXES AVENUE SENIOR HOUSING PROJECT)

_____, 20___

The Economic Development Authority of Brooklyn Center, Minnesota (the "EDA"), hereby acknowledges itself to be indebted and, for value received, hereby promises to pay the amounts hereinafter described (the "Payment Amounts") to Brooklyn Center AH II, LLLP, a Minnesota limited liability limited partnership or its registered assigns (the "Registered Owner"), the principal amount of _____ and 00/100 Dollars [($**1,850,000**)], but only in the manner, at the times, from the sources of revenue, and to the extent hereinafter provided.

This Note is issued pursuant to that certain TIF Assistance Agreement, dated as of April ____, 2020, as the same may be amended from time to time (the "TIF Assistance Agreement"), by and between the EDA and Brooklyn Center AH II, LLLP (the "Developer"). Unless otherwise defined herein or unless context requires otherwise, undefined terms used herein shall have the meanings set forth in the TIF Assistance Agreement.

This Note shall bear simple, non-compounding interest at the rate equal to the lesser of 4.25% per annum or the rate per annum on the Permanent Phase financing for the Project; provided that no interest shall accrue on this Note during any period that an Event of Default has occurred, and such Event of Default is continuing, under the TIF Assistance Agreement and EDA has exercised its remedy under the TIF Assistance Agreement to suspend payment on the Note. Interest shall be computed on the basis of a 360-day year of twelve 30-day months.

The amounts due under this Note shall be payable on August 1, 2021 and on each February 1 and August 1 thereafter to and including the earliest of (i) the date on which the entire principal and accrued interest on the TIF Note has been paid in full; or (ii) February 1, 2037; or (iii) any earlier date the TIF Assistance Agreement or this Note is cancelled in accordance with the terms of the TIF Assistance Agreement or deemed paid in full; or (iv) the February 1 following the date the TIF District is terminated in accordance with the TIF Act or (v) the date the EDA cancels the TIF Note upon a written request for termination from the Developer and a determination in the EDA's sole discretion that such termination will not limit or interfere with the EDA's ability to pool Tax Increments generated by the TIF District for affordable housing in accordance with the TIF Act (provided that there shall be no payment of any Tax Increments on such date unless it is a regular Payment Date) (the "Final Payment Date") or, if the first should not be a Business Day

(as defined in the TIF Assistance Agreement) the next succeeding Business Day (collectively, the "Payment Dates"). On each Payment Date, the EDA shall pay by check or draft mailed to the person that was the Registered Owner of this Note at the close of the last business day preceding such Payment Date an amount equal to 90% of the Tax Increments (as hereinafter defined) received by the EDA during the 6-month period preceding such Payment Date ("Pledged Tax Increments").

"Tax Increments" are the tax increments derived from the Development Property (as defined in the TIF Assistance Agreement) and the improvements thereon which have been received and are permitted to be retained by the EDA in accordance with the Minnesota Statutes, Sections 469.174 through 469.1794, as the same may be amended or supplemented from time to time (the "TIF Act") including, without limitation, Minnesota Statutes, Section 469. 469.177; 469.176, Subd. 4h; and 469.175, Subd. 1a, as the same may be amended from time to time; for purposes of this definition, "derived from the Development Property and the improvements thereon" means the portion of Tax Increment actually received by the EDA from the TIF District determined by the EDA, in its sole determination, to have been derived from the Development Property.

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

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

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

The EDA's payment obligations hereunder shall be further subject to the conditions that (i) no Event of Default under Section 4.1 of the TIF Assistance Agreement shall have occurred and be continuing at the time payment is otherwise due hereunder, including without limitation failure to obtain the Compliance Certificate in accordance with Section 3.3 of the TIF Assistance Agreement and deliver the Declaration (as defined therein), and (ii) the TIF Assistance Agreement shall not have been terminated pursuant to Section 4.2, and (iii) all conditions set forth in Section 3.2(2) of the TIF Assistance Agreement have been satisfied as of such date. Any such suspended and unpaid amounts shall become payable, without interest accruing thereon in the meantime, if this Note has not been terminated in accordance with Section 4.2 of the TIF Assistance Agreement and said Event of Default shall thereafter have been cured in accordance with Section 4.2. If pursuant to the occurrence of an Event of Default under the TIF Assistance Agreement the EDA elects, in accordance with the TIF Assistance Agreement to cancel and rescind the TIF Assistance

Agreement and/or this Note, the EDA shall have no further debt or obligation under this Note whatsoever. Reference is hereby made to all of the provisions of the TIF Assistance Agreement, for a fuller statement of the rights and obligations of the EDA to pay the principal of this Note and the interest thereon, and said provisions are hereby incorporated into this Note as though set out in full herein.

THIS NOTE IS A SPECIAL, LIMITED REVENUE OBLIGATION AND NOT A GENERAL OBLIGATION OF THE CITY OF BROOKLYN CENTER, MINNESOTA (THE "CITY") OR THE EDA AND IS PAYABLE BY THE EDA ONLY FROM THE SOURCES AND SUBJECT TO THE QUALIFICATIONS STATED OR REFERENCED HEREIN. THIS NOTE IS NOT A GENERAL OBLIGATION OF THE CITY OR THE EDA, AND THE FULL FAITH AND CREDIT AND TAXING POWERS OF THE CITY AND THE EDA ARE NOT PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THIS NOTE AND NO PROPERTY OR OTHER ASSET OF THE CITY OR THE EDA, SAVE AND EXCEPT THE ABOVE-REFERENCED PLEDGED TAX INCREMENTS, IS OR SHALL BE A SOURCE OF PAYMENT OF THE EDA'S OBLIGATIONS HEREUNDER.

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

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

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

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

IN WITNESS WHEREOF, the Economic Development Authority of Brooklyn Center, Minnesota by its Board of Commissioners has caused this Note to be executed by the manual signatures of its President and Executive Director and has caused this Note to be issued on and dated as of the date first written above.

ECONOMIC DEVELOPMENT
AUTHORITY OF BROOKLYN CENTER,
MINNESOTA

By_____
Its President

By_____
Its Executive Director

Signature Page for Tax Increment Revenue Note (REE Xerxes Avenue Senior Housing Project)

CERTIFICATION OF REGISTRATION

It is hereby certified that the foregoing Note, as originally issued on the date first written above, was on said date registered in the name of Brooklyn Center AH II, LLLP, a Minnesota limited liability limited partnership, and that, at the request of the Registered Owner of this Note, the undersigned has this day registered the Note in the name of such Registered Owner, as indicated in the registration blank below, on the books kept by the undersigned for such purposes.

NAME AND ADDRESS OF REGISTERED OWNER	DATE OF REGISTRATION	SIGNATURE OF EXECUTIVE DIRECTOR
Brooklyn Center AH II, LLLP 579 Selby Avenue Saint Paul, Minnesota 55102 Attn: Patrick Ostrom	_____, 20__	_____
_____ _____ _____ _____ _____ _____ _____ _____	_____, 20__	_____
_____	_____, 20__	_____

Exhibit 1
to Taxable TIF Note

RISK FACTORS

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

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

2. Damage or Destruction. If the Project is damaged or destroyed after completion, their value will be reduced, and taxes and tax increments will be reduced. Repair, restoration or replacement of the Project may not occur, may occur after only a substantial time delay, or may involve property with a lower value than the Project, all of which would reduce taxes and tax increments.

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

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

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

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

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

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

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

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

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

11. Hennepin County's Sharing Factor. In determining the amount of tax increment generated by the development property, Hennepin County uses a Sharing Factor when there are multiple parcels of land in the tax increment financing district. This may result in a lower amount of tax increment attributable to the development property than if the development property was the only parcel in the district. In addition, the Sharing Factor is not consistent with the method that the EDA will use to determine Pledged Tax Increments.

Exhibit 2
to Taxable TIF Note

ACKNOWLEDGMENT REGARDING TIF NOTE

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

A. On the date hereof the Note Holder has [acquired from]/[made a loan (the "Loan") [to/for the benefit] of] Brooklyn Center AH II, LLLP (the "Developer") [secured in part by] the Taxable Tax Increment Revenue Note (REE Xerxes Avenue Senior Housing Project), a pay-as-you-go tax increment revenue note (the "Note") in the original principal amount of $1,850,000 [dated _____, 20___ of]/[to be issued by] the Economic Development Authority of Brooklyn Center, Minnesota (the "EDA").

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

C. The Note Holder represents and warrants that:

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

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

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

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

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

D. The Note Holder understands that the Note is payable solely from certain tax increments derived from certain properties located in a tax increment financing district, if and as received by the EDA. The Note Holder acknowledges that the EDA has made no representation or covenant, express or implied, that the revenues pledged to pay the Note will be sufficient to pay, in whole or in part, the principal and interest due on the Note. Any amounts which have not been

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

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

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

2. Damage or Destruction. If the Project is damaged or destroyed after completion, their value will be reduced, and taxes and tax increments will be reduced. Repair, restoration or replacement of the Project may not occur, may occur after only a substantial time delay, or may involve property with a lower value than the Project, all of which would reduce taxes and tax increments.

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

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

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

6. Reductions in Taxes Levied. If property taxes are reduced due to decreased municipal levies, taxes and tax increments will be reduced. Reasons for such reduction could include lower local expenditures or changes in state aids to municipalities. For instance, in 2001 the Minnesota Legislature enacted an education funding reform that

involved the state increasing school aid in lieu of the local general education levy (a component of school district tax levies).

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

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

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

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

11. Hennepin County's Sharing Factor. In determining the amount of tax increment generated by the development property, Hennepin County uses a Sharing Factor when there are multiple parcels of land in the tax increment financing district. This may result in a lower amount of tax increment attributable to the development property than if the development property was the only parcel in the district. In addition, the Sharing Factor is not consistent with the method that the EDA will use to determine Pledged Tax Increments.

F. The Note Holder acknowledges that the Note was issued as part of a TIF Assistance Agreement between the EDA and the Developer dated April ____, 2020 ("TIF Assistance Agreement"), and that the EDA has the right to suspend payments under this Note and/or terminate the Note upon an Event of Default under the TIF Assistance Agreement.

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

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

Note Holder:

_____
By _____
Name: _____
Its _____

EXHIBIT E
TOTAL DEVELOPMENT COSTS

EXHIBIT F

DECLARATION OF RESTRICTIVE COVENANTS

THIS DECLARATION OF RESTRICTIVE COVENANTS, dated April ____, 2020 (the "Declaration"), by BROOKLYN CENTER AH II, LLLP, a Minnesota limited liability limited partnership (the "Developer"), is given for the benefit of the ECONOMIC DEVELOPMENT AUTHORITY OF BROOKLYN CENTER, MINNESOTA, a public body corporate and politic organized under the laws of the State of Minnesota (the "EDA").

RECITALS

WHEREAS, the EDA and the Developer entered into that certain TIF Assistance Agreement, dated April ____, 2020, (the "Contract"); and

WHEREAS, pursuant to the Contract, the Developer is obligated to cause construction of an approximately 143-unit senior rental housing facility and related amenities (the "Project") to be located on the property described in **EXHIBIT 1** hereto (the "Property"), and to cause compliance with certain affordability covenants described in Section 3.3 of the Contract; and

WHEREAS, Section 3.3 of the Contract requires that the Developer cause to be executed an instrument in recordable form substantially reflecting the covenants set forth in Section 3.3 of the Contract; and

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

WHEREAS, capitalized terms in this Declaration have the meaning provided in the Contract unless otherwise defined herein.

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

1. Term of Restrictions.

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

(b) Termination of Declaration. This Declaration shall terminate upon the earlier of (i) December 31, 2046, or (ii) the date the TIF District is terminated in accordance with the TIF Act, or

(iii) the date (A) the TIF Note is paid in full or the EDA cancels the TIF Note upon a written request for termination from the Developer and (B) the EDA determines, in its in sole discretion, that such termination will not limit or interfere with the EDA's ability to pool Tax Increments generated by the TIF District for affordable housing in accordance with the TIF Act.

In addition, in the event of foreclosure or transfer of title by deed in lieu of foreclosure, upon completion of the foreclosure and expiration of the applicable redemption period, or recording of a deed in lieu of foreclosure, any mortgagee (or any assignee of the mortgagee) or any purchasers at or after foreclosure thereof, by the successful bidder at the sale, to the title to the Development Property, may terminate this Declaration, by providing written notice to the EDA and by filing a termination document in the applicable real property records in Hennepin County, and thereafter this Declaration shall be of no further force and effect; provided, however, that the preceding provisions of this sentence shall cease to apply and the restrictions contained herein shall be reinstated if, at any time subsequent to the termination of this Declaration as the result of the foreclosure, or the delivery of a deed in lieu of foreclosure, or a similar event, the Developer or any related person (within the meaning of Section 1.103-10(e) of the Treasury Regulations) obtains an ownership interest in the Project for federal income tax purposes.

Each of the events set forth in the first two paragraphs of this Section 1(b) are referred to individually and collectively herein as the "Termination Date". The Developer acknowledges, on behalf of itself and its successors and assigns that, upon any termination of this Declaration prior to the payment in full of the TIF Note, the EDA will terminate the TIF Note.

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

2. Project Restrictions.

(a) The Developer represents, warrants, and covenants that all leases of residential units to Qualifying Tenants (as defined in Section 3(a)(i) hereof) will contain clauses, among others, wherein each individual lessee:

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

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

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

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

(a) Qualifying Tenants. Throughout the Qualified Project Period, at least 40% of the residential units will be occupied (or treated as occupied as provided herein) or held vacant and available for occupancy by Qualifying Tenants. "Qualifying Tenants" means those persons and families who are determined from time to time by the Developer to have combined adjusted income that does not exceed 60% of the median income for the standard metropolitan statistical area which includes Brooklyn Center, Minnesota, as that figure is determined and announced from time to time by HUD, as adjusted for family size (the "Median Income") for the applicable calendar year. For purposes of this definition, the occupants of a residential unit will not be deemed to be Qualifying Tenants if all the occupants of such residential unit at any time are "students," as defined in Section 152(f)(2) of the Internal Revenue Code of 1986, as amended (the "Code"), not entitled to an exemption under the Code. The determination of whether an individual or family is of low or moderate income will be made at the time the tenancy commences and on an ongoing basis thereafter, determined at least annually. If during their tenancy a Qualifying Tenant's income exceeds 140% of the Median Income, the next available residential unit (determined in accordance with the Code and applicable regulations) (the "Next Available Unit Rule") must be leased to a Qualifying Tenant or held vacant and available for occupancy by a Qualifying Tenant. If the Next Available Unit Rule is violated, the residential unit will not continue to be treated as a Qualifying Unit.

Alternatively, the Developer may elect to satisfy the foregoing affordability requirements by substituting "20% of the residential units" in place of "40% of the residential units" in the preceding paragraph if, for such purposes, the term "Qualifying Tenants" means those persons and families who are determined from time to time by the Developer to have combined adjusted income that does not exceed 50% of the Median Income.

(b) Certification of Tenant Eligibility. As a condition to initial and continuing occupancy, each person who is intended to be a Qualifying Tenant will be required annually to sign and deliver to the Developer a Certification of Tenant Eligibility substantially in the form attached as **EXHIBIT 2** hereto, or in any other form as may be approved by the EDA (the "Eligibility Certification"), in which the prospective Qualifying Tenant certifies as to having a qualifying low or moderate income. In addition, the Qualifying Tenant will be required to provide whatever other information, documents, or certifications are deemed necessary by the EDA to substantiate the Eligibility Certification, on an ongoing annual basis, and to verify that the tenant continues to be a Qualifying Tenant within the meaning of Section 3(a) hereof. Eligibility Certifications will be maintained on file by the Developer with respect to each Qualifying Tenant who resides in a residential unit or resided therein during the immediately preceding calendar year.

(c) Lease. The form of lease to be utilized by the Developer in renting any residential units in the Project to any person who is intended to be a Qualifying Tenant will provide for termination of the lease and consent by the person to immediate eviction for failure to qualify as a Qualifying Tenant as a result of any material misrepresentation made by the person with respect to the Eligibility Certification.

(d) Annual Report. The Developer covenants and agrees that during the term of this Declaration, it will prepare and submit to the EDA on or before July 1 of each year, a certificate substantially in the form of **EXHIBIT 2** hereto, executed by the Developer, (a) identifying the tenancies and the dates of occupancy (or vacancy) for all Qualifying Tenants in the Project, including the percentage of the residential units of the Project which were occupied by Qualifying Tenants (or held vacant and available for occupancy by Qualifying Tenants) at all times during the year preceding the date of the certificate; (b) describing all transfers or other changes in ownership of the Project or any interest therein; and (c) stating, that to the best knowledge of the person executing the certificate after due inquiry, all the residential units were rented or available for rental on a continuous basis during the year to members of the general public and that the Developer was not otherwise in default under this Declaration during the year.

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

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

5. Enforcement.

(a) The Developer will permit, during normal business hours and upon reasonable notice, any duly authorized representative of the EDA to inspect any books and records of the Developer regarding the Project with respect to the incomes of Qualifying Tenants.

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

(c) The Developer acknowledges that the primary purpose for requiring compliance by the Developer with the restrictions provided in this Declaration is to ensure compliance of the property with the housing affordability covenants set forth in Section 3.3 of the Contract, and by reason thereof, the Developer, in consideration for assistance provided by the EDA under the Contract that makes possible the construction of the Project (as defined in the Contract) on the Property, hereby agrees and consents that the EDA will be entitled, for any breach of the provisions of this Declaration, and in addition to all other remedies provided by law or in equity, to enforce specific performance by the Developer of its obligations under this Declaration in a state court of competent jurisdiction. The Developer hereby further specifically acknowledges that the EDA cannot be adequately compensated by monetary damages in the event of any default hereunder.

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

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

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

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

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

To the EDA:

Economic Development Authority of Brooklyn Center, Minnesota
Brooklyn Center City Hall
6301 Shingle Creek Parkway
Brooklyn Center, MN 55430
Attn: Finance Director

To the Developer:

Brooklyn Center AH II, LLLP
579 Selby Avenue
Saint Paul, Minnesota 55102
Attn: Patrick Ostrom

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

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

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

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

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

By: Brooklyn Center AH II, LLC, a Minnesota limited liability company
Its: General Partner

By: REE Brooklyn Center AH II, LLC, a Minnesota limited liability company
Its: Manager

By:_____
William R. Bisanz
Its: President

STATE OF MINNESOTA)
) SS.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____, 2020, by _____, the _____ of Brooklyn Center AH II, LLLP, a Minnesota limited liability limited partnership.

_____
Notary Public

THIS INSTRUMENT WAS DRAFTED BY:
Kennedy & Graven, Chartered (JSB)
470 U.S. Bank Plaza
200 South Sixth Street
Minneapolis, MN 55402
(612) 337-9300

This Declaration is acknowledged and consented to by:

ECONOMIC DEVELOPMENT AUTHORITY OF BROOKLYN CENTER, MINNESOTA

By _____
Its President

By _____
Its Executive Director

STATE OF MINNESOTA)
) SS.
COUNTY OF HENNEPIN)

The foregoing instrument was acknowledged before me this _____, 2020, by _____, the President of the Economic Development Authority of Brooklyn Center, Minnesota a public body corporate and politic organized under the laws of the State of Minnesota, on behalf of said EDA.

_____
Notary Public

STATE OF MINNESOTA)
) SS.
COUNTY OF HENNEPIN)

The foregoing instrument was acknowledged before me this _____, 2020, by _____, the Executive Director of the Economic Development Authority of Brooklyn Center, Minnesota, a public body corporate and politic organized under the laws of the State of Minnesota, on behalf of said EDA.

_____
Notary Public

EXHIBIT 1 TO DECLARATION OF RESTRICTIVE COVENANTS

Lot 1, Block 1, Northway Crossing, according to the recorded plat thereof, Hennepin County, Minnesota. Being Registered Land as is evidenced by Certificate of Title No. 1496796.

EXHIBIT 2 TO DECLARATION OF RESTRICTIVE COVENANTS

Certification of Tenant Eligibility

TENANT INCOME CERTIFICATION ☐ Initial Certification ☐ Recertification ☐ Other _____	Effective Date: _____ Move-in Date: _____ (MM/DD/YY): _____

PART I. DEVELOPMENT DATA		
Property Name: _____ Apartments Address: _____, Brooklyn Center, Minnesota	County: Hennepin Unit Number: _____	BIN #: _____ # Bedrooms: _____

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

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

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

HOUSEHOLD CERTIFICATION & SIGNATURES

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

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

_____	_____	_____	_____
Signature	(Date)	Signature	(Date)
_____	_____	_____	_____
Signature	(Date)	Signature	(Date)

PART V. DETERMINATION OF INCOME ELIGIBILITY

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

Household Meets Income Restriction at:
☐ 60% ☐ 50%
☐ 40% ☐ 30%
☐ ___%

RECERTIFICATION ONLY:
Current Income Limit x 140%
$ _____
Household income exceeds 140% at recertification:
☐ Yes ☐ No

Current Income Limit per Family Size: $ _____

Household Income at Move-in
$_____

Household Size at Move-in:
_____

PART VI. RENT

Not Applicable

PART VII. STUDENT STATUS

ARE ALL OCCUPANTS FULL-TIME STUDENTS?

☐ yes ☐ no

If yes, enter student explanation** (also attach documentation)

Enter 1-4

Student explanation:

1. TANF assistance
2. Job training program
3. Single parent/dependent child
4. Married/joint return*

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

PART VIII. PROGRAM TYPE

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

a. Tax Credit ☐ b. HOME ☐ c. Tax Exempt ☐ d. AHDP ☐ e. _____ ☐ (Name of Program)

See Part V above.

Income Status	*Income Status*	*Income Status*	*Income Status*
☐ ≤ 50% AMGI	☐ 50% AMGI	☐ ≤ 50% AMGI	☐ _____
☐ ≤ 60% AMGI	☐ 60% AMGI	☐ ≤ 80% AMGI	☐ _____
☐ ≤ 80% AMGI	☐ 80% AMGI	☐ ≤ 0I **	☐ ≤ 0I **
☐ ≤ 0I **	☐ 0I **		

** Upon recertification, household was determined over income (OI) according to eligibility requirements of the program(s) marked above.

SIGNATURE OF OWNER / REPRESENTATIVE

Based on the representations herein and upon the proofs and documentation required to be submitted, the individual(s) named in Part II of this Tenant Income Certification is/are eligible under the provisions of Section 42 of the Internal Revenue Code, as amended, and the Regulatory Agreement (if applicable), to live in a unit in this Project.

_____ _____

SIGNATURE OF OWNER / REPRESENTATIVE DATE

INSTRUCTIONS FOR COMPLETING TENANT INCOME CERTIFICATION

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

Part I – Development Data

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

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

Part II – Household Composition

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

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

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

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

Part III – Annual Income

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

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

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

Part IV – Income from Assets

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

From the third party verification forms obtained from each asset source, list the gross amount anticipated to be received during the 12 months from the effective date of the certification. List the respective household member number from Part II and complete a separate line for each member.

Column (F)	List the type of asset (i.e., checking account, savings account, etc.)
Column (G)	Enter C (for current, if the family currently owns or holds the asset), or I (for imputed, if the family has disposed of the asset for less than fair market value within two years of the effective date of (re)certification).
Column (H)	Enter the cash value of the respective asset.
Column (I)	Enter the anticipated annual income from the asset (i.e., savings account balance multiplied by the annual interest rate).

TOTALS Add the total of Column (H) and Column (I), respectively.

If the total in Column (H) is greater than $5,000, you must do an imputed calculation of asset income. Enter the Total Cash Value, multiply by 2% and enter the amount in (J), Imputed Income.

Row (K) Enter the Greater of the total in Column (I) or (J)

Row (L) Total Annual Household Income from All Sources Add (E) and (K) and enter the total

EXHIBIT 3 TO DECLARATION OF RESTRICTIVE COVENANTS

Certificate of
Continuing Program Compliance

Date: _____

The following information with respect to the Project located at _____, Brooklyn Center, Minnesota (the "Project"), is being provided by Brooklyn Center AH II, LLLP (the "Owner") to the Economic Development Authority of Brooklyn Center, Minnesota (the "EDA"), pursuant to that certain Declaration of Restrictive Covenants, dated April __, 2020 (the "Declaration"), with respect to the Project:

(A) The total number of residential units which are available for occupancy is 143. The total number of these units occupied is _____.

(B) The vacancy rate at the Project in the last 12 months is ___%.

(C) The following residential units which are included in (B) above, have been re-designated as residential units for Qualifying Tenants since _____, 20___, the date on which the last "Certificate of Continuing Program Compliance" was filed with the EDA by the Owner:

Unit Number	Previous Designation of Unit (if any)	Replacing Unit Number
_____	_____	_____
_____	_____	_____

(D) The following residential units are considered to be occupied by "Qualifying Tenants," as the term is defined in the Declaration based on the information set forth below (for a total of at least 56 units):

	Unit Number	Last Name of Tenant	Number of Persons Residing in the Unit	Number of Bedrooms	Total Adjusted Gross Income	Date of Initial Occupancy	Date Vacated and Held for Qualifying Tenants, if Applicable
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
28							
29							
30							

[expand to cover 56 units]

(E) The Owner has obtained a "Certification of Tenant Eligibility," in the form provided as **EXHIBIT 2** to the Declaration, from each Tenant named in (D) above, and each such Certificate is being maintained by the Owner in its records with respect to the Project. Attached hereto is the most recent "Certification of Tenant Eligibility" for each Tenant named in (D) above who signed such a Certification since _____, 20___, the date on

which the last "Certificate of Continuing Program Compliance" was filed with the EDA by the Owner.

(F) In renting the residential units in the Project, the Owner has not given preference to any particular group or class of persons (except for persons who qualify as Qualifying Tenants); and none of the units listed in (D) above have been rented for occupancy entirely by students, no one of which is entitled to file a joint return for federal income tax purposes. All of the residential units in the Project have been rented pursuant to a written lease, and the term of each lease is at least 12 months.

(G) The information provided in this "Certificate of Continuing Program Compliance" is accurate and complete, and no matters have come to the attention of the Owner which would indicate that any of the information provided herein, or in any "Certification of Tenant Eligibility" obtained from the Tenants named herein, is inaccurate or incomplete in any respect.

(H) The following transfers or other changes in ownership of the Project or any interest therein have occurred in the last 12 months: [None] or [describe_____]

(I) To the best knowledge of the person executing this certificate after due inquiry, all the residential units were rented or available for rental on a continuous basis during the year to members of the general public.

(J) The Owner certifies that as of the date hereof ___% of the residential dwelling units in the Project are occupied or held open for occupancy by Qualifying Tenants, as defined and provided in the Declaration.

(K) The Project is in continuing compliance with the Declaration.

IN WITNESS WHEREOF, I have hereunto affixed my signature, on behalf of the Owner, on _____, 20__.

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

By: Brooklyn Center AH II, LLC, a Minnesota limited liability company
Its: General Partner

By: REE Brooklyn Center AH II, LLC, a Minnesota limited liability company
Its: Manager

By:_____
William R. Bisanz
Its: President

EXHIBIT G

PERMITTED ENCUMBRANCES

The liens, charges and encumbrances on title to the Development Property listed on Schedule B to the title policy issued on the date hereof by Guaranty Commercial Title, Inc., as issuing agent for Old Republic National Title Insurance Company

EXHIBIT H

CERTIFICATE OF COMPLETION OF PROJECT

_____, 20___

WHEREAS, the ECONOMIC DEVELOPMENT AUTHORITY OF BROOKLYN CENTER, MINNESOTA a public body corporate and politic organized under the laws of the State of Minnesota (the "EDA"), and Brooklyn Center AH II, LLLP, a Minnesota limited liability limited partnership (the "Developer") have entered into a TIF Assistance Agreement (the "TIF Assistance Agreement"), dated April ____, 2020; and

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

WHEREAS, the Developer has constructed the Project in a manner deemed sufficient by the EDA to permit the execution of this certification in accordance with Section 3.9 of the TIF Assistance Agreement;

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

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

ECONOMIC DEVELOPMENT
AUTHORITY OF BROOKLYN CENTER,
MINNESOTA

By _____
Its Executive Director

STATE OF MINNESOTA)
) SS.
COUNTY OF HENNEPIN)

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

_____
Notary Public

Commissioner _____ introduced the following resolution and moved its adoption:

EDA RESOLUTION NO._____

RESOLUTION APPROVING A TIF DEVELOPMENT AGREEMENT (REE XERXES AVENUE SENIOR HOUSING PROJECT)

WHEREAS, the EDA has received a proposal from Brooklyn Center AH II, LLLP (the "Developer") that the EDA assist the Developer in the construction of an approximately 143-unit senior rental housing facility and related amenities (the "Project") to be located on the northern portion of the property at 5803 Xerxes Avenue North in the City (formerly the northern portion of the property at 5801 Xerxes Avenue North), within Tax Increment Financing District No. 8: Real Estate Equities (a housing district) (the "TIF District"); and

WHEREAS, the EDA has caused to be prepared the TIF Assistance Agreement for the Project by and between the EDA and the Developer (the "Development Agreement") setting forth the terms and conditions under which the EDA will provide assistance for the Project.

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

Section 1. EDA Approval; Further Proceedings.

1.01. The EDA hereby approves the Development Agreement substantially in accordance with the terms set forth in the form presented to the Board, together with any related documents necessary in connection therewith, including without limitation all documents, exhibits, certifications or consents referenced in or attached to the Development Agreement including without limitation the TIF Note as defined therein (collectively, the "Development Documents") and hereby authorizes the President and Executive Director to negotiate the final terms thereof and, in their discretion and at such time as they may deem appropriate, to execute the Development Documents on behalf of the EDA, and to carry out, on behalf of the EDA, the EDA's obligations thereunder when all conditions precedent thereto have been satisfied.

1.02. The approval hereby given to the Development Documents includes approval of such additional details therein as may be necessary and appropriate and such modifications thereof, deletions therefrom and additions thereto as may be necessary and appropriate and approved by legal counsel to the EDA and by the 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 Development Documents shall not be effective until the date of execution thereof as provided herein.

1.03. In the event of absence or disability of the 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 the City Attorney, may act in their behalf. Upon execution and delivery of the Development Documents, the officers and employees of the EDA are hereby authorized and directed to take or cause to be taken such actions as may be necessary on behalf of the EDA to implement the Development Documents, including without limitation the issuance of the pay-as-you-go tax increment revenue note thereunder, when all conditions precedent thereto have been satisfied, and reserving funds for the payment thereof in the applicable tax increment accounts.

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

February 24, 2020 _____
Date President

The motion for the adoption of the foregoing resolution was duly seconded by Commissioner

and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

whereupon said resolution was declared duly passed and adopted.

Economic Development Authority

DATE: 2/24/2020

TO: City Council
FROM: Curt Boganey, City Manager
THROUGH: Meg Beekman, Community Development Director
BY: Jimmy Loyd, Economic Development Coordinator

SUBJECT: Resolution Adopting a Business Subsidy Policy

Background:

The City has an existing Business Subsidy Policy; however, it is narrow in scope and does not include many elements that can be useful in guiding policy decisions about the use of public subsidy for development projects, and significant business subsidy requests.

In order to develop a more robust, useful, and clear Business Subsidy Policy, staff has asked Ehlers and Associates, the City's public finance consultant, to take the City Council through a series of discussions that will identify clear parameters for the use of public subsidy.

The first discussion took place in March and included a brief presentation from Ehlers, which provided background information and an overview of public finance policies. Ehlers introduced homework at that meeting, which they asked each member of the City Council to complete.

The second discussion took place in April at a City Council work session and involved a more in-depth discussion among the Council members regarding their responses to the homework and their values around the use of public subsidy. Based on that conversation, Ehlers prepared a draft policy for the use of business subsidies which conforms to state statutes and also responds to the specific needs of Brooklyn Center.

The third discussion was in September and was an opportunity for Ehlers to present the draft Business Subsidy Policy which responded to the Council's direction from the previous meeting. The Council gave feedback on the policy, which has since been modified based on that discussion.

Statute requires the adoption of the business subsidy policy by both the City Council and EDA. The City Council is required to hold a public hearing prior to adoption, which was formally notices and scheduled for February 24, 2020. Following close of the public hearing, the City Council can take formal action. Following adoption by the City Council the EDA may take action on the plan.

Attached to this memo is the Business Subsidy Policy for consideration.

Budget Issues:

There are no budget issues to consider at this time.

Strategic Priorities and Values:

Resident Economic Stability, Targeted Redevelopment, Operational Excellence

ATTACHMENTS:

Description	Upload Date	Type
Memo from Ehlers dated February 14, 2020	2/17/2020	Backup Material
Final Public Subsidy Policy	2/14/2020	Exhibit
Resolution	2/17/2020	Resolution Letter

Memo

To: Meg Beekman, AICP – Community Development Director

From: Jason Aarsvold and Stacie Kvilvang, Ehlers

Date: February 14, 2020

Subject: Public Hearing and Adoption of Business Subsidy & Public Financing Policy

---

On April 8, 2019 the Council met in a work session to review and discuss the key provisions that would serve as the basis for the City's Business Subsidy Policy and Public Financing Criteria. The goal was to have a policy in place the meets state statutory requirements, but also reflects desired City-specific requirements for the use of public assistance tools.

Using the feedback received from City Council members, Ehlers worked with City staff to develop a draft policy for Council consideration. The City Council reviewed a draft of this policy in September 2019 and provided additional direction and feedback for revisions.

Attached to this memorandum is a final policy that incorporates Brooklyn Center's specific objectives and qualifications as well as standard best practice language. The City Council is required to hold a public hearing to formally adopt the policy. Upon formal approval, Ehlers will submit the policy to the Department of Employment and Economic Development (DEED) as required by Statute.

Approval of the policy does not mean any projects are entitled to receive City assistance. Every future project defined as a business subsidy will require a Business Subsidy Agreement. The Business Subsidy Agreement outlines the amount and public purpose of the subsidy, job and wage goals, requirements for continued operation, and recapture requirements (if goals are not met). These business subsidy agreements must be reviewed and approved by the City Council using this policy as a guide in giving consideration. For that reason, the policy is set up to provide flexibility and not to be overly prescriptive.

Please contact either of us at 651-697-8500 with any questions.

City of Brooklyn Center and
Brooklyn Center Economic Development Authority
Business Subsidy & Public Financing Policy
November 2019

INTRODUCTION:

This Policy is adopted for purposes of the business subsidies act, pursuant to Minnesota Statutes, Sections 116J.993 through 116J.995 (the "Statutes"). Terms used in this Policy are intended to have the same meanings as used in Statutes. Subdivision 3 of the Statutes specifies forms of financial assistance that are not considered a business subsidy. This list contains exceptions for several activities, including redevelopment, pollution clean-up, and housing, among others. By providing a business subsidy, the city commits to holding a public hearing, as applicable, and reporting annually to the Department of Employment and Economic Development ("DEED") on job and wage goal progress.

1. PURPOSE AND AUTHORITY

A. The purpose of this document is to establish criteria for the City of Brooklyn Center ("City") and the Brooklyn Center Economic Development Authority ("EDA") for the granting of business subsidies and public financing for private development within the City. As used in this Policy, the term "City" shall be understood to include the EDA. These criteria shall be used as a guide in processing and reviewing applications requesting business subsidies and/or City public financing.

B. The City's ability to grant business subsidies is governed by the limitations established in the Statutes. The City may choose to apply its Business Subsidy Criteria to other development activities not covered under this statute. City public financing may or may not be considered a business subsidy as defined by the Statutes.

C. Unless specifically excluded by the Statutes, business subsidies include grants by state or local government agencies, contributions of personal property, real property, infrastructure, the principal amount of a loan at rates below those commercially available to the recipient of the subsidy, any reduction or deferral of any tax or any fee, tax increment financing (TIF), abatement of property taxes, loans made from City funds, any guarantee of any payment under any loan, lease, or other obligation, or any preferential use of government facilities given to a business.

D. These criteria are to be used in conjunction with other relevant policies of the City. Compliance with the Business Subsidy Criteria and City Public Financing Guidelines shall not automatically mean compliance with such separate policies.

E. The City, at its sole discretion, may deviate from the job and wage goals criteria outlined in Sec. 5, Subd. D, E, and F below by documenting in writing the reason(s) for the deviation. The documentation shall be submitted to DEED with the next annual report.

F. The City may amend this document at any time. Amendments to these criteria are subject to public hearing requirements contained in the Statutes.

2. CITY'S OBJECTIVE FOR THE USE OF PUBLIC FINANCING

A. As a matter of adopted policy, the City may consider using public financing which may include tax increment financing (TIF), tax abatement, bonds, and other forms of public financing as appropriate, to assist private development projects. Such assistance must comply with all applicable statutory requirements and accomplish one or more of the following objectives:

1. Remove blight and/or encourage redevelopment in designated redevelopment/development area(s) per the goals and visions established by the City Council and EDA.

2. Expand and diversify the local economy and tax base.

3. Encourage additional unsubsidized private development in the area, either directly or indirectly through secondary "spin-off" development.

4. Offset increased costs for redevelopment over and above the costs that a developer would incur in normal urban and suburban development (determined as part of the But-For analysis).

5. Facilitate the development process and promote development on sites that could not be developed without this assistance.

6. Retain local jobs and/or increase the number of diverse quality jobs.

7. Reduce the unemployment rate within the City and encourage created jobs are filled by local residents.

8. Provide opportunities for small businesses and/or entrepreneurs and promote resident economic stability.

9. Meet other uses of public policy, as adopted by the City Council or EDA from time to time, including but not limited to promotion of quality urban design, quality architectural design, energy conservation, sustainable building practices, and decreasing the capital and operating costs of local government.

3. PUBLIC FINANCING PRINCIPLES

A. The guidelines and principles set forth in this document pertain to all applications for City public financing regardless of whether they are considered a Business Subsidy as defined by the Statutes. The following general assumptions of development/redevelopment shall serve as a guide for City public financing:

1. All viable requests for City public financing assistance shall be reviewed by staff, and, if staff so designates, a third party financial advisor who will inform the City of its findings and recommendations. This process, known as the "But For" analysis is intended to establish the project would not be feasible but for the City assistance.

2. The City shall establish mechanisms within the development agreement to ensure that adequate checks and balances are incorporated in the distribution of financial assistance where feasible and appropriate, including but not limited to:

   a. Third party "but for" analysis
   b. Establishment of "look back provisions"
   c. Establishment of minimum assessment agreements

3. TIF and abatement will be provided on a pay-as-you-go-basis. Any request for upfront assistance will be evaluated on its own merits and may require security to cover any risks assumed by the City.

4. The City will set up TIF districts in accordance with the maximum number of statutory years allowable. However, this does not mean that the developer will be granted assistance for the full term of the district.

5. The City shall elect to have the fiscal disparities contribution come from inside applicable TIF district(s) to eliminate any impact to the existing tax payers of the community.

6. Public financing will not be used to support speculative commercial, office or housing projects. In general the developer should be able to provide market data, tenant letters of commitment or finance statements which support the market potential/demand for the proposed project.

7. Public financing will generally not be used to support retail development. The City may consider projects that include a retail component provided they meet a Desired Qualification as identified in Sec. 4.2 Subd. C of this policy.

8. Public financing will not be used in projects that would give a significant competitive financial advantage over similar projects in the area due to the use of public subsidies. Developers should provide information to support that assistance will not create such a

competitive advantage. Priority consideration will be given to projects that fill an unmet market need.

9. Public financing will not be used in a project that involves a land and/or property acquisition where the price is in excess of the fair market value.

10. TIF and Abatement will not be utilized for the construction of Warehouse/distribution, commercial storage, discount motel or Fortune 1,000 companies.

11. The developer shall pay all applicable application fees and pay for the City and EDA's fiscal and legal advisor time as stated in the City's Public Assistance Application.

12. The City may consider waiving fees including, but not limited to, park dedication fees, and SAC charges. The City may consider using SAC credits, to the extent they are available, to off-set a project's SAC expenses.

13. The developer shall proactively attempt to minimize the amount of public assistance needed through the pursuit of grants, innovative solutions in structuring the deal, and other funding mechanisms.

14. All developments are subject to execution and recording of a Minimum Assessment Agreement.

4. PROJECTS WHICH MAY QUALIFY FOR PUBLIC FINANCING ASSISTANCE

A. All new applications for public financial assistance that are considered by the City must meet each of the following minimum qualifications. However, it should **not** be presumed that a project meeting these qualifications will automatically be approved for assistance. Meeting the qualifications does not imply or create contractual rights on the part of any potential developer to have its project approved for assistance.

4.1 MINIMUM QUALIFICATIONS/REQUIREMENTS:

A. In addition to meeting the applicable requirements of State law, the project shall meet one or more of the public financing objectives outlined in Sec. 2.

B. The developer must demonstrate to the satisfaction of the City that the project is not financially feasible "but for" the use of tax increment or other public financing.

C. The project is, or will be through the City approval processes, consistent with the City's Comprehensive Plan and Zoning Ordinances, Design Guidelines or any other applicable land use documents.

D. Prior to approval of a financing plan, the developer shall provide any requested market and financial feasibility studies, appraisals, soil boring, private lender commitment, and/or other information the City or its financial consultants may require in order to proceed with an independent evaluation of the proposal.

E. The developer must provide adequate financial guarantees to ensure the repayment of any public financing and completion of the project. These may include, but are not limited to, assessment agreements, letters of credit, personal deficiency guarantees, guaranteed maximum cost contract, etc.

F. Any developer requesting public financial assistance must be able to demonstrate a previous capability for successful development, as well as specific capability regarding the type and size of the development proposed, unless for a use specified in Sec. 4.2 Subd. C (9-10). Public financing shall not be used when the developer's credentials, in the sole judgment of the City, are inadequate due to previous history relating to completion of projects, general reputation, and/or bankruptcy, or other problems or issues considered relevant to the City.

G. The developer, or its contractual assigns, shall retain ownership of any portion of the project long enough to complete it, stabilize its occupancy, establish project management and/or needed mechanisms to ensure successful operation.

4.2 DESIRED QUALIFICATIONS:

A. Projects providing a high ratio of private investment to City public investment shall receive priority consideration. Private investment includes developer cash, government and bank loans, conduit bonds, tax credit equity, and land if already owned by the developer.

B. Proposals that significantly increase the amount of property taxes paid after redevelopment will receive priority consideration.

C. Proposals that encourage the following will receive priority consideration:

1. Implements the City's vision and values for a City-identified redevelopment area

2. Provides significant improvement to surrounding land uses, neighborhoods, and/or the City

3. Attracts or retains an employer within the City providing over 50 jobs

4. Provides increased quality and higher paying jobs

5. Promotes multi-family housing investment that meets the following City goals:

a. Increase housing choice within the community; diversify existing housing stock; and provide options that do not currently exist
b. Provide clean, safe, and affordable housing units
c. Include housing as part of City special purpose projects, such as the Opportunity Site, or other priority City redevelopment areas.
d. Multi-family housing with high-amenities considered luxury and/or market rate

6. Provides opportunity for the attraction and retention of sit-down restaurants

7. Fulfils workforce needs by hiring local residents and partnering with the City and local community organizations for targeted recruitment of residents, job training and mentorship programs.

8. Offers employment opportunities for local residents with safe working conditions and access to comprehensive benefit packages

9. Provides opportunities for small businesses and/or entrepreneurs

10. Projects that promote resident economic stability

11. Redevelops a blighted, contaminated and/or challenged area

12. Preserves and/or stabilizes a major commercial or industrial node

13. Adds needed public infrastructure such as roads or structured parking

5. BUSINESS SUBSIDY PUBLIC PURPOSE, JOBS AND WAGE REQUIREMENT

A. All business subsidies must meet a public purpose with measurable benefit to the City as a whole.

B. Job retention may only be used as a public purpose in cases where job loss is specific and demonstrable. The City shall document the information used to determine the nature of the job loss.

C. The creation of tax base shall not be the sole public purpose of a subsidy.

D. Unless the creation of jobs is removed from a particular project pursuant to the requirements of the Statutes, the creation of jobs is a public purpose for granting a subsidy. Creation of at least **1** Full Time, or Full Time Equivalent (FTE) jobs is a minimum requirement for consideration of assistance. For purposes of this Policy, FTE jobs must be permanent positions with set hours, and be eligible for benefits.

E. Part-Time Equivalent jobs may receive a partial credit and be counted toward the job goals.

F. The wage floor for wages to be paid for the jobs created shall be not less than 150% of the State of MN Minimum Wage. The City will seek to create jobs with higher wages as appropriate for the overall public purpose of the subsidy. Wage goals may also be set to enhance existing jobs through increased wages, which increase must result in wages higher than the minimum under this Section.

G. After a public hearing, if the creation or retention of jobs is determined not to be a goal, the wage and job goals may be set at zero.

6. SUBSIDY AGREEMENT

A. In granting a business subsidy, the City shall enter into a subsidy agreement with the recipient that provides the following information: wage and job goals (if applicable), and recourse for failure to meet goals required by the Statutes.

B. The subsidy agreement may be incorporated into a broader development agreement for a project.

C. The subsidy agreement will commit the recipient to providing the reporting information required by the Statutes.

7. PUBLIC FINANCING PROJECT EVALUATION PROCESS

A. The following methods of analysis for all public financing proposals will be used:

1. Project is deemed consistent with City's Goals and Objectives
2. Consideration of project meeting minimum qualifications
3. Consideration of project meeting desired qualifications
4. Project meets "but-for" analysis and/or statutory qualifications

Please note that the evaluation methodology is intended to provide a balanced review. Each area will be evaluated individually and collectively and in no case should one area outweigh another in terms of importance to determining the level of assistance.

Commissioner _____ introduced the following resolution and moved its adoption:

EDA RESOLUTION NO. 2020-

RESOLUTION ADOPTING A POLICY AND CRITERIA FOR GRANTING BUSINESS SUBSIDIES

WHEREAS, The Economic Development Authority of the City of Brooklyn Center (the "Authority"), Minnesota has determined that it is necessary and appropriate to adopt a business subsidy policy and criteria pursuant to the Statutes; and

WHEREAS, Minnesota Statutes, Sections 116J.993 through 116J.995 (the "Statutes") require the adoption of a policy and criteria for the granting of business subsidies as defined in the Statutes; and,

WHEREAS, The City has performed all actions required by law to be performed prior to the adoption and approval of the proposed business subsidies, including the City Council of the City of Brooklyn Center holding of a public hearing on February 24, 2020 upon published notice as required by law on February 13, 2020.

BE IT RESOLVED By the Economic Development Authority of the City of Brooklyn Center, Minnesota that the business subsidy policy and criteria, contained in Exhibit A of this resolution are hereby approved, ratified, established, and adopted and shall be placed on file at City Hall.

BE IT FURHTER RESOLVED by the Authority that the City Manager is authorized and directed to file a copy of the business subsidy criteria, along with annual reports, to the Minnesota Department of Employment and Economic Development, pursuant to the Statutes.

February 24, 2020
Date

_____
President

ATTEST: _____
City Clerk

The motion for the adoption of the foregoing resolution was duly seconded by member

and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

whereupon said resolution was declared duly passed and adopted.

Economic Development Authority

DATE: 2/24/2020

TO: City Council
FROM: Curt Boganey, City Manager
THROUGH: Meg Beekman, Community Development Director
BY: Jimmy Loyd, Economic Development Coordinator

SUBJECT: Resolution Approving a Preliminary Development Agreement with JO Properties

Background:

On January 27th JO Companies concept plan was presented to the City Council for Concept Review. The proposal was for a development on four EDA-owned properties located at the northwest corner of 61st Avenue North and Brooklyn Boulevard, which total a combined 1.79 acres.

The configuration proposed on the proposed site plan contemplates the redevelopment of the northwest corner of 61st Avenue North and Brooklyn Boulevard into a four story, 83-unit apartment building, although the developer (J O Companies, LLC) has indicated the potential for up to 88 units of housing. The building would run lengthwise along 61st Avenue North and, as proposed in the concept review, provide 53 surface parking stalls and 76 indoor parking stalls for a total of 129 on-site parking stalls. This is a ratio of 1.55 parking stalls per unit (83 units) or 1.47 stalls per unit (88 units).

As proposed, 51-percent of the units in the development would be three-bedrooms, which is unique given that one and two-bedroom units are the norm in Brooklyn Center. As such, the project would address a gap in larger rental units in the community. As the project is intended to provide housing options to those making 50 to 60% AMI (Area Median Income), the larger three-bedroom units would be attractive for families looking for rental options in Brooklyn Center. The developer is also seeking project-based Section 8 vouchers for up to 25 percent of the building, which if received would provide housing options at even more deeply affordable rents.

The building amenities being contemplated would include a fitness center, business/community center, as well as in-unit washers and dryers and balconies. The building would also be pet-friendly. The developer is exploring opportunities to leverage a direct connection to Wangstad Park, which is located immediately to the west, as well as utilize partnerships with neighboring properties to allow space for community gardens or other community-based amenities.

The City of Brooklyn Center issued a letter of support to accompany JO Companies' Hennepin County Grant applications, which were submitted on February 6th.

The developer submitted an initial proforma which indicates a total project cost of approximately $22.5 million. The proforma indicates that there will be a gap in the financing and the developer anticipates applying for public subsidy to make the project feasible. The project as proposed would meet the affordability requirements for a housing TIF district, which is the type of TIF district that the property currently is in. Any request for public subsidy would go through the City's formal review process, including review by the City's public finance consultant.

After reviewing the concept proposal the City Council indicated an openness to the project. The developer is now requesting a Preliminary Development Agreement to allow them time to conduct a review of the property, obtain financing for the project, prepare appropriate plans, obtain necessary City approvals for the development, and negotiate with the EDA on an agreement for the sale of the Property. The Preliminary Development Agreement would expire on February 28, 2021.

Once the PDA is executed, the next step would be for the developer to submit an application for public subsidy, which would trigger the City and EDA's formal review process. The EDA and developer will also need to negotiate a purchase agreement for the property, which would also require a public hearing and approval from the EDA prior to execution.

Budget Issues:

There are no budget issues to consider at this time.

Strategic Priorities and Values:

Targeted Redevelopment

ATTACHMENTS:

Description	Upload Date	Type
Preliminary Development Agreement	2/17/2020	Backup Material
JO Letter of Support	2/14/2020	Exhibit
JO Companies Concept Plan	2/14/2020	Exhibit
Resolution	2/18/2020	Resolution Letter

PRELIMINARY DEVELOPMENT AGREEMENT

PRELIMINARY DEVELOPMENT AGREEMENT dated this _____ day of February, 2020, by and between the Economic Development Authority of Brooklyn Center, a Minnesota body corporate and politic, 6301 Shingle Creek Parkway, Brooklyn Center, MN 55430 (the "Authority") and JO Companies, LLC, a Minnesota limited liability company, 12678 74th Avenue North, Maple Grove, MN 55369 (the "Developer").

WHEREAS, the Authority is the fee owner of property located in the City of Brooklyn Center (the "City") at 6101, 6107 Brooklyn Blvd and 3600 61st Ave North (the "Property") which Property the Authority is willing to consider selling for purposes of development of an approximately 83-88 unit multi-family affordable housing apartment building (the "Development");

WHEREAS, the Developer desires to explore the possibility of acquiring the Property together with additional adjoining private property ("Additional Property") to combine with the Property (together, the "Property" and "Additional Property" are referred to herein as the "Development Property") for development of the Development;

WHEREAS, the Authority's Board of Commissioners has reviewed the Development concept and is interested in development of the Property as proposed by the Developer;

WHEREAS, if the Developer is successful in obtaining the necessary financing and commitments to construct the Development and agrees to construct the Development, then the Authority would be willing to enter into an agreement with the Developer for the conveyance of the Property and construction of the Development at a mutually agreed upon price together with other negotiated conditions for conveyance of the Development Property;

WHEREAS, Developer has requested that the Authority execute this Preliminary Development Agreement ("PDA") agreeing to work solely with Developer during the term hereof on negotiations for acquisition of the Development Property by Developer to provide Developer with time to conduct review of the Development Property, obtain financing for the proposed Development, prepare appropriate plans for the Property, obtain necessary City approvals for the Development, and negotiate with the Authority on an agreement for the sale of the Development Property;

WHEREAS, the Authority is willing to enter into this PDA for such purposes upon the terms and conditions provided herein.

NOW THEREFORE the parties agree as follows:

1. In consideration of the processing of the Development under the terms of this PDA, the Authority agrees that it will negotiate and work solely with Developer on negotiations for sale of the Property to Developer for Developer's proposed Development until February 28, 2021 ("Term").

2. During the Term of this PDA, Developer agrees to use its best efforts to:

a. make application for Low Income Housing Tax Credits to Minnesota Housing Finance Agency to obtain financing for the development;
b. complete site planning and site engineering;
c. complete architectural concept plans;
d. submit application for a Business Subsidy request to the City and all necessary financial documentation needed for review;
e. submit application, and receive all necessary City approvals related to the subdivision and development of the Development Property;
f. secure construction financing necessary to construct a project consistent with the terms of this PDA;
g. negotiate a Purchase Agreement with the Authority for acquisition and development of the Development Property and construction of an approved Development.

3. During the Term of this PDA, Developer and the Authority agree to use their best efforts to resolve property acquisition issues related to the Development Property and to attempt to bring fruition to the proposed Development through conveyance of the Property and development of the Development Property; provided, however, that the Developer acknowledges that the Authority will not exercise the power of eminent domain with respect to the acquisition of any property in connection with the Development or this PDA.

4. Developer may assign this PDA to an affiliate or Authority approved successor upon written notification and approval by the City.

5. The Developer will provide the Authority with a written progress report on the status of the goals identified in Paragraphs 2 and 3 every 30 days following the date of this PDA.

6. This PDA represents the entire understanding of the parties regarding the Development Area and any amendment to this PDA shall be in writing and be executed by both parties.

7. Both Parties are aware of and acknowledge that contingencies and unknowns presently exist, any one or more of which could make the Development cost prohibitive, and that both parties are expending sums of money and time with full knowledge of the risks involved and that neither party shall be liable for any of the other party's expenses in any event, except (i) as otherwise provided pursuant to a separate agreement between the parties, (ii) in connection with an application for a Public Subsidy, or (iii) pursuant to required fees or costs related to applications made to the City or under City Code.

8. The parties agree that this PDA is not intended to bind the parties to enter into an agreement for the sale and acquisition of the Property, but is merely intended to set forth the parties' intent to proceed with the process of (i) negotiating an agreement for the sale of the Development Property and development of the Development Property and (ii) resolving certain pre-development issues related to the Development Property and Development.

9. No approval given by the Authority hereunder or in connection herewith shall be deemed to constitute an approval of the Development for any purpose other than as stated herein and the process outlined in this Agreement shall not be deemed to supersede any concept review, conditional use permit, vacation, subdivision, or other zoning or planning approval process of the Authority or the City relative to the development of real estate.

10. This PDA may be amended by mutual written agreement of the parties.

11. This Agreement may be terminated by the Developer at any time. The Authority may terminate this Agreement if it determines that the Developer is not using their best efforts to progress the Development and bring it to fruition. In either case, notice to terminate shall be provided in writing to the other party.

12. If any portion of this Agreement is held invalid by a court of competent jurisdiction, such decision shall not affect the validity of any remaining portion of this Agreement.

13. Notice, demand, or other communication from one party to the other shall be deemed effective if sent by certified mail, postage prepaid, return receipt requested or delivered personally to a party at its address in the first paragraph of this Agreement, or at such other address as such party may designate in writing to the other party.

14. The Authority and Developer agree that this Agreement is intended to be preliminary in nature and will be superseded by one or more definitive contracts, mutually satisfactory to the Authority and the Developer, which shall be negotiated, approved and executed by the Authority and the Developer and no obligation regarding the conveyance of property or provision of any Public Subsidy shall exist with respect to the Development prior the approval and execution of such definitive contract(s).

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

ECONOMIC DEVELOPMENT AUTHORITY OF BROOKLYN CENTER, MINNESOTA

By_____
Its President

By_____
Its Executive Director

JO COMPANIES, LLC

By_____

Its _____

January 30, 2020

JO Companies, LLC
Johnny Opara, President & CEO

Re: Applications for 2020 Hennepin County HIP, and AHIF grants

To Whom It May Concern:

I am writing on the behalf of the City of Brooklyn Center in support of the application by JO Companies for funding through the Hennepin County HIP and AHIF programs.

The Brooklyn Center City Council conducted its concept review January 27th, 2020 and is in support of the proposed four story workforce housing development. The development plans to cater to residents at 50-60% of Area Median Income, and allocates 51% of its 88 units as three bedrooms. Three-bedroom apartments have been identified as a specific need in the community, particularly affordable three-bedroom units. The development also includes amenities such as a community garden, in-unit washer and dryer, fitness center, and a business/community center space.

With the adoption of the 2040 Comprehensive Plan, the City adopted new future land use designations for much of the Brooklyn Boulevard corridor, which included a land use designation of "Neighborhood Mixed Use (N-MU)." The NMU designation contemplates an allowance of a mix of medium density residential and/or commercial uses on a given site depending on its location along the corridor. The project is consistent with the city's 2040 Comprehensive Plan.

The proposed development project is in keeping with the goals of the corridor to intensify land uses, is consistent with the adjacent Sanctuary development, and provides a highest and best use for the City owned properties. In addition, the proposed development, paired with the Sanctuary at Brooklyn Center would perhaps provide momentum for future redevelopment to occur along the corridor.

Mr. Opara has not only been professional as he leads his project, but also a pleasure to work with. The City of Brooklyn Center is pleased to work with JO Companies LLC on their new development and hopes that you will consider approving their application for funding.

If additional information is required, please contact Economic Coordinator Jimmy Loyd at (763) 569-3301, or via email at jloyd@ci.brooklyn-center.mn.us.

Sincerely,

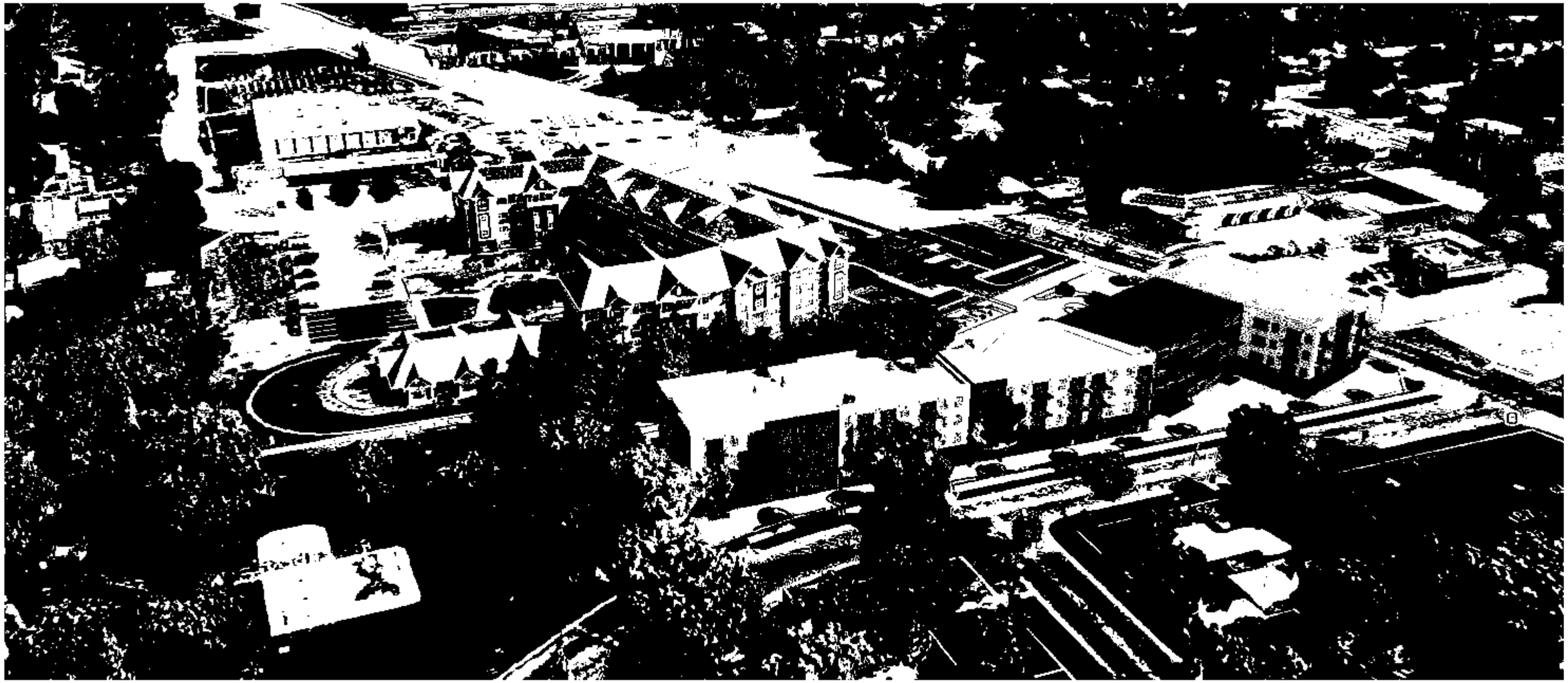
Curt Boganey
City Manager

AERIAL PERSPECTIVE

J O Companies, LLCAffordable Housing - Conce

BROOKLYN CENTER, MI

12.18.2019 | M19-234



AERIAL PERSPECTIVE

J O Companies, LLCAffordable Housing - Conce

BROOKLYN CENTER, MI

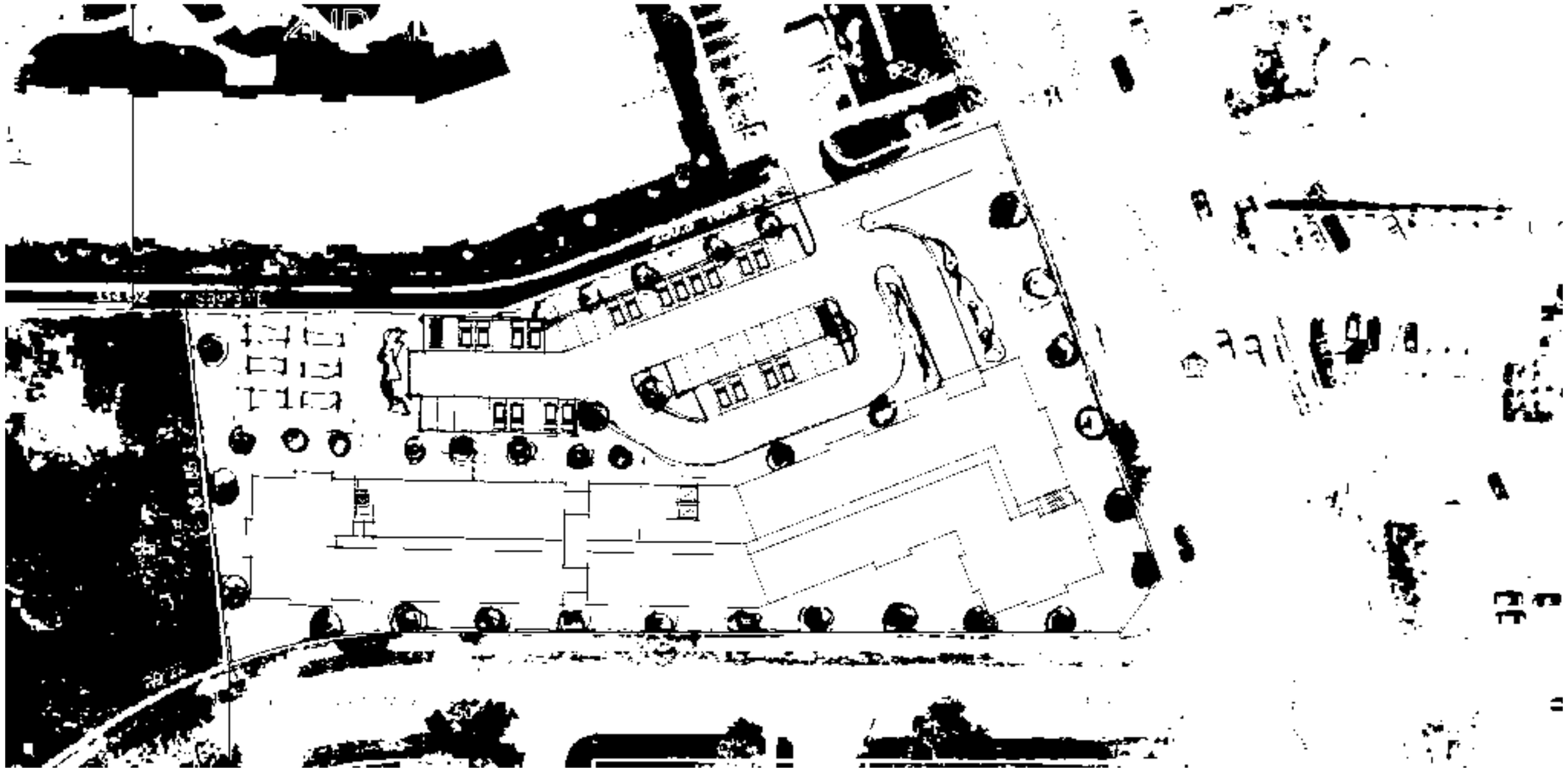
12.18.2019 | M19-234

AERIAL PERSPECTIVE

J O Companies, LLCAffordable Housing - Conce

BROOKLYN CENTER, MI

12.18.2019 | M19-234

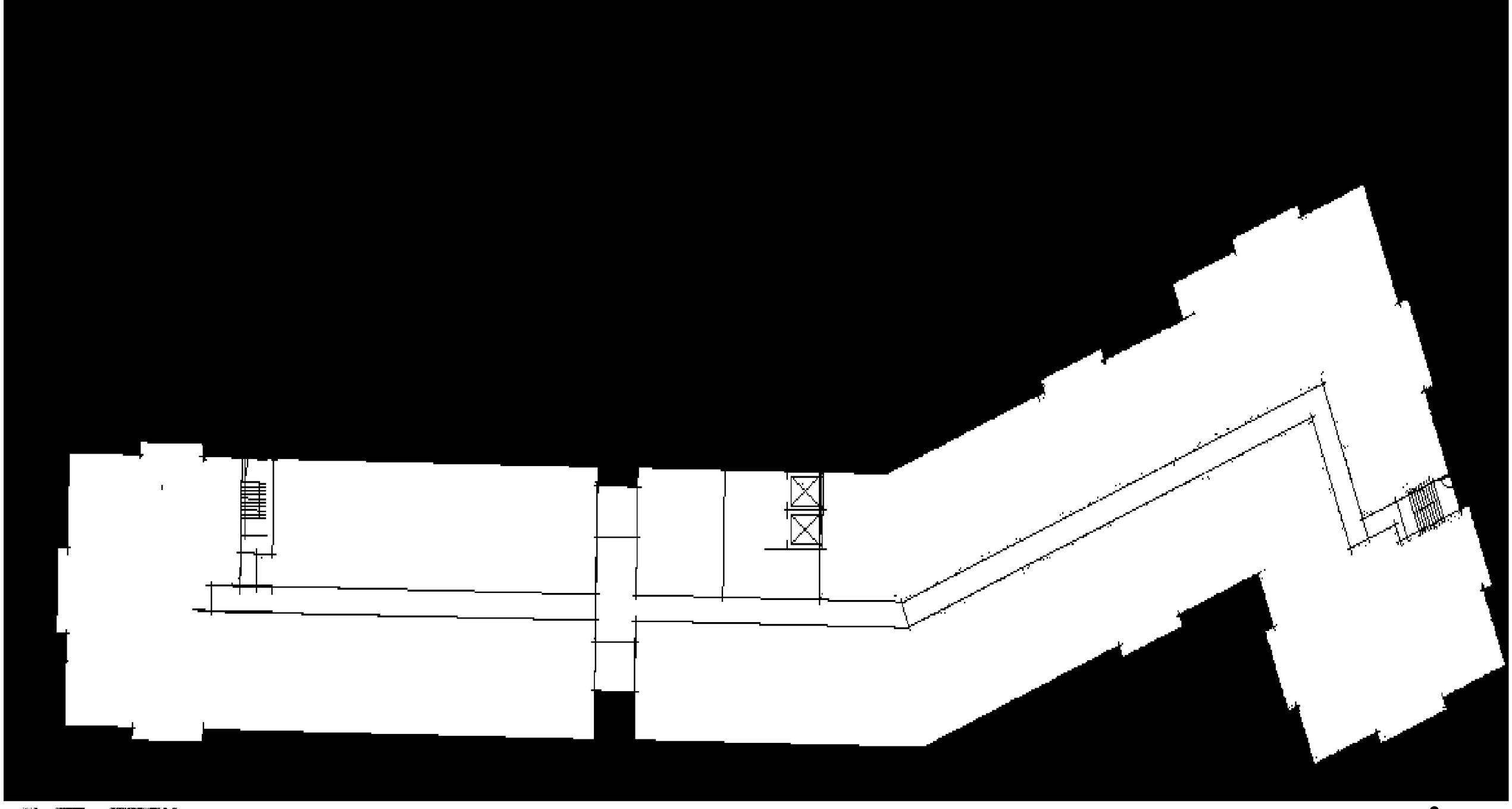


CONCEPT SITE PLAN

J O Companies, LLCAffordable Housing - Conce

BROOKLYN CENTER, MI

12.18.2019 | M19-234



J O Companies, LLCAffordable Housing - Conce

BROOKLYN CENTER, MI

12.18.2019 | M19-234

SOUTH PERSPECTIVE AT ENTRY

J O Companies, LLCAffordable Housing - Conce

BROOKLYN CENTER, MI

12.18.2019 | M19-234

SOUTH PERSPECTIVE AT LINK

J O Companies, LLCAffordable Housing - Conce

BROOKLYN CENTER, MI

12.18.2019 | M19-234

WEST PERSPECTIVE AT PARK

J O Companies, LLCAffordable Housing - Conce

BROOKLYN CENTER, MI

12.18.2019 | M19-234

Commissioner _____ introduced the following resolution and moved its adoption:

EDA RESOLUTION NO. 2020-____

RESOLUTION APPROVING A PRELIMINARY DEVELOPMENT AGREEMENT WITH JO COMPANIES, LLC

WHEREAS, the Economic Development Authority of Brooklyn Center, Minnesota (the "Authority") has received a proposal from JO Companies, LLC, a Minnesota limited liability company (the "Developer") regarding the development of land owned by the Authority for the creation of a multifamily affordable housing apartment building, which proposal contemplates the Authority's conveyance of the property located at 6101, 6017 Brooklyn Boulevard and 3600 61st Avenue North (the "Authority Property") to the Developer; and

WHEREAS, the Authority's Board of Commissioners has reviewed the Developer's development concept and has caused to be prepared a Preliminary Development Agreement to allow the Developer to negotiate the purchase of the Authority Property, conduct due diligence, obtain the necessary financing and commitments to construct the development, apply for, and gain approval from the City for the development and any necessary public subsidy; and

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

1. The EDA hereby approves the Preliminary Development Agreement substantially in accordance with the terms set forth in the form presented to the Board, together with any related documents necessary in connection therewith (collectively, the "Preliminary Development Documents") and hereby authorizes the President and Executive Director to negotiate the final terms thereof and, in their discretion and at such time as they may deem appropriate, to execute the Preliminary Development Documents on behalf of the Authority, and to carry out, on behalf of the Authority, the Authority's obligations thereunder.

2. The approval hereby given to the Preliminary Development Documents includes approval of such additional details therein as may be necessary and appropriate and such modifications thereof, deletions therefrom and additions thereto as may be necessary and appropriate and approved by legal counsel to the Authority 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 Authority. The execution of any instrument by the appropriate officers of the Authority herein authorized shall be conclusive evidence of the approval of such document in accordance with the terms hereof. In the event of absence or disability of the 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 the City Attorney, may act in their behalf.

3. Upon execution and delivery of the Preliminary Development Documents, the officers and employees of the Authority are hereby authorized and directed to take or cause to be taken such actions as may be necessary on behalf of the Authority to implement the Preliminary

4. The Board hereby determines that the execution and performance of the Preliminary Development Documents will help realize the public purposes of the Economic Development Authority Act.

February 24, 2020
Date

_____
President

The motion for the adoption of the foregoing resolution was duly seconded by Commissioner

and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

whereupon said resolution was declared duly passed and adopted.

Council/EDA Work Session
City Hall Council Chambers
February 24, 2020

AGENDA

The City Council requests that attendees turn off cell phones and pagers during the meeting. A copy of the full City Council packet is available to the public. The packet ring binder is located at the entrance of the council chambers.

ACTIVE DISCUSSION ITEMS

1. Housing Policy Framework (45 minutes)
2. Opportunity Site Update (30 minutes)

PENDING LIST FOR FUTURE WORK SESSIONS

1. Pending Items
   - Metro Transit Bus Hub - *(upcoming CC presentation)*
   - Commemoration of 400 years of Slavery Activities -3/9
   - Livable Wages -3/9
   - Use of EDA Owned Property -3/9
   - Food Trucks - 3/9
   - Options for Use of Adjacent Space to Liquor Store - 3/9
   - Discussion of Mayor/City Council roles & responsibilities (CommonSense Inc.)

MEMORANDUM - COUNCIL WORK SESSION

DATE: 2/24/2020

TO: City Council

FROM: Curt Boganey, City Manager

THROUGH: N/A

BY: Meg Beekman, Community Development Director

SUBJECT: Housing Policy Framework (45 minutes)

Recommendation:

- *Consider the proposed housing policy framework, and provide direction relating to housing efforts.*

Background:

Housing and the policy issues related to housing have become some of the most pressing and important matters facing communities today. For most suburban communities, housing comprises a significant majority of a cities land use and tax base. Maintaining and preserving a safe, quality, and desirable housing stock is critical to a community's long term economic health. Further, a diverse housing stock which offers a wide range of housing choices and price points ensures that a community can be resilient through economic ups and downs as well as provide housing options for a diverse population throughout their lives.

In addition to maintaining a quality and diverse supply of housing, communities are more and more becoming focused on concerns regarding livability and accessibility of housing. The Twin Cities Metropolitan Area is currently experience record low vacancy rates. According to Marquette Advisors' midyear report from August 2019, the average vacancy rate across the seven-county metro area is 2.3 percent. Experts agree that a balanced rental market will typically see an average vacancy rate of around 5 percent.

The Twin Cities has been experiencing record low vacancy rates for several years now as are many metro areas throughout the nation. Severe housing shortages are being caused from spikes in construction costs, combined with unprecedented demand for rental housing as millennial and baby boomer generations are finding similar desires for lifestyles that offer more mobility and convenience over the debt and maintenance of home ownership. In addition, as the cost of living out paces incomes, for many families, home ownership may feel out of reach, and renting becomes the only choice.

The effect of low vacancy rates over time is increasing rents, a growing interest from outside investors, and landlords in a position to be choosier about who they rent to. This has borne out throughout the Twin Cities Metropolitan Area, with the average rent increasing nearly 8 percent year over year to a current unprecedented $1,254 per month. In addition, the Metropolitan Council continues to see a reduction in the number of landlords accepting Section 8 vouchers. According to the Metropolitan Council, landlords are citing the increased interest for their units from non-voucher holders as the primary reason for the change.

Yet another impact of the increasing value of rental property is the growing number of investors purchasing Class B or Class C rental properties, which are renting for naturally affordable rents, making cosmetic improvements, and increasing rents so that the units are no longer affordable. According to the Minnesota

Housing Partnership, the sales of apartment buildings in the metro area jumped 165 percent between 2010 and 2015. Often the change in ownership will also come with a change in policy related to criminal history, acceptance of Section 8 vouchers, or minimum income requirements, resulting in existing tenants being displaced from the property.

Brooklyn Center's Current Rental Housing
The result of the regional trends described above are being felt in Brooklyn Center. Vacancy rates in the community remain lower than the regional average, hovering around 2 percent. This is common in communities with more affordable rental units.

35 percent of Brooklyn Center's housing stock is comprised of rental units. Of those, about 8 percent are single family homes. The Community Development Department is preparing a summary report on the rental licensing program which includes a deeper analysis of rental housing in the City. This will be presented as part of a separate memo.

According to the Metropolitan Council, the following table indicates what is considered affordable rents in the Twin Cities Metropolitan Area:

2019 Rental Housing

# Bedrooms	30% AMI	50% AMI	60% AMI	80% AMI
Efficiency	$525	$875	$1,050	$1,400
1 Bedroom	$562	$937	$1,124	$1,499
2 Bedrooms	$675	$1,125	$1,350	$1,800
3 Bedrooms	$780	$1,300	$1,560	$2,080
4 Bedroom	$870	$1,450	$1,740	$2,320

*Rents include tenant-paid utilities

According to the Census American Community Survey indicates average gross rents in Brooklyn Center:

Average Rents in Brooklyn Center	
# Bedrooms	**Rent**
Studio	$760
1 Bedroom	$914
2 Bedrooms	$1,057
3 Bedrooms	$1,309
4 Bedrooms	$1,607
Gross Rent	$1,008
*2018 Census American Community Survey	

Average rents in Brooklyn Center are considered naturally occurring affordable because the market rents, based on the age and condition of the units make them affordable at around 50 percent AMI in the metropolitan area. Rents in Brooklyn Center are lower than the regional average. Approximately 90 percent of all of the housing units in Brooklyn Center are considered naturally occurring affordable housing (NOAH). While NOAH properties are considered affordable, they can be at risk of being lost as market demand increases and rents continue to go up. They can also experience disinvestment over time, causing deterioration, loss of value, and most importantly poor quality or unsafe living situations.

At present only 3.7 percent of units are considered legally-binding, or subsidized affordable units. Subsidized

affordable units are housing units which are required to maintain an affordable rent regardless of shifts in market demand. Due to their financing structure, they also are required to be maintained to a certain minimum standard. One of the goals of affordable housing advocates is to preserve existing NOAH properties by converting them to legally binding affordable units through NOAH preservation programs. With the construction of Sonder Housing, Real Estate Equities will be adding 270 units of legally-binding new affordable housing units to the city. These will be the first new construction multi-family housing units built in Brooklyn Center since 1971, and will increase the percentage of legally-binding affordable units to 6 percent.

The City's 2040 Comprehensive Plan identifies several broad housing goals
2040 Housing & Neighborhood Goals

- Promote a diverse housing stock that provides safe, stable, and accessible housing options to all of Brooklyn Center's residents.
- Recognize and identify ways to match Brooklyn Center's housing with the City's changing demographics.
- Explore opportunities to improve the City's housing policies and ordinances to make them more responsive to current and future residents.
- Maintain the existing housing stock in primarily single-family neighborhoods through proper ordinances, incentive programs and enforcement.
- Explore opportunities to incorporate new affordable housing into redevelopment areas that promote safe, secure and economically diverse neighborhoods.

In addition to these goals, the 2040 Comprehensive Plan identifies implementation strategies as well as resources and tools for achieving its housing goals. These are contained in Chapters 4 and 9, of the Housing and Implementation chapters respectively (attached).

Issue Identification
As engagement related to the comprehensive plan and various redevelopment sites have occurred throughout the community over the past few years, a number of issues, concerns, and priority areas have bubbled up related to housing. Many of these issues are identified in the 2040 Comprehensive Plan.

As it relates to housing policy within the City of Brooklyn Center, these issues can be categorized into two distinct topic areas:

1. **Housing choice** - What is the composition and condition of the current housing stock? What are the current market demands for housing? How does the city's housing stock relate to the market, and does the city have enough and the right type to meet current and future need?

2. **Affordable housing policies** - What can the city do to improve livability and accessibility to quality affordable housing for residents? What best practices exist to support an effective approach to addressing the need for affordable housing in the community? What policies are most effective to prevent displacement?

In order to address these topic areas related to housing, staff is proposing a framework plan which takes a comprehensive review of the City's housing policy approach, with an emphasis in key focus areas based on priorities issues which merit special attention.

The overall review would include identifying those housing issues which are currently surfacing in the community and prioritizing those which are most pressing. Issues which have broadly been identified that merit special attention include:

- Mitigating and preventing displacement of existing residents as the community redevelops
- Tenant protections

- Creating and expanding home ownership opportunities
- Fair housing policy
- Maintenance and preservation of single family housing stock
- Expanding housing options

Housing Policy Framework

In order to gather data and to identify the needs for additional housing choice in the community, staff is recommending working with a consultant to complete a housing study. A proposed scope of work for the housing study is attached to this memo. The study would include an analysis of regional trends effecting Brooklyn Center's housing, the city's existing housing stock, current rent trends, market demand and gaps analysis. The housing study is also proposed to include a tenant and home owner survey in order to ascertain whether residents are satisfied with their current housing options, and what housing choices they anticipate needing/wanting over time. The results of this analysis will assist with guiding land use and policy decisions as it pertains to housing stock and choice.

As it relates to the needs around affordable housing, policy approaches fall into one of three categories: 1) Construction of new legally-binding units; 2) Preservation of NOAH units; 3) Tenant protections

In April 2018, the City Council discussed several possible policies to address affordable housing issues. The memo from that discussion is attached to this report. Based on that discussion, Council directed staff to move forward with a Tenant Protection Ordinance, and in December 2018, the city adopted one.

Additional policies which address affordable housing topics are described below. Staff is seeking direction on which policies Council would like to move forward with, would like additional information on, or would like to wait on.

Inclusionary Housing Policy (Creation Policy) – These are a collection of policies which would either encourage or require new affordable units to be included as part of new market-rate residential development projects which receive public subsidy or other discretionary City approvals. Frequently it is in the form of a requirement that a percentage of units be affordable in a new residential development in exchange for public subsidy of the project.

- New developments such as those in the Opportunity Site would be required to include a certain number of affordable units.
- Inclusionary Housing policies ensure that new affordable units are added as market-rate units are built, thus ensuring mixed-income communities.
- Cities such as St. Louis Park and Minneapolis have found that in higher rent developments, a certain percentage of affordable units can be required without increasing the need for additional public subsidy. This is due to the higher than average market rents, which off-set the affordable units. In Brooklyn Center, as is true in communities with lower average rents, the cost of the affordable units would require additional public subsidies in order for a project to be financially feasible.
- Brooklyn Park recently adopted an Inclusionary Housing Policy. As part of their analysis they concluded that any amount of included affordable would create a financial gap in the project and require subsidy. The policy acknowledges this and projects will be looked at on a project by project basis to determine if the gap can be financed.
- Community input on the Opportunity Site has identified many community benefits and goals for the redevelopment in addition to affordable housing; affordable commercial space, a cultural center, civic space, event space, and a recreation center to name a few. All of these uses would require public subsidy in some form or another, not to mention the infrastructure needs of the site. Identifying affordable housing as a singular or primary goal of the development through an inclusionary housing policy inevitably elevates it above other community goals for the site.

NOAH Preservation Program (Preservation Policy) – A preservation program can be set up in various ways, but essentially how they work is to incentivize existing NOAH property owners into setting aside a percentage of rental units as legally binding affordable for a set period of time. The City would create a NOAH preservation fund and identify additional funding sources to grow it. Staff would work with existing property owners to provide a modest subsidy for building rehabilitation, which would then be combined with a 4D tax classification, also known as the Low Income Rental Classification Program (LIRC), to provide a property tax break, currently amounting to 40%. The result is the preservation of NOAH units through legally binding contract.

- The tax break would be proportional to the percentage of units which would be affordable, and not apply to the entire building.
- 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.
- The reduction in property taxes would not decrease the City's revenue from property taxes, as the funds would be distributed to all other properties; however, it would reduce that property's share of local property taxes.
- The amount of the tax break is a limiting factor as it equates to around $80/unit per year; however, the program may be an incentive for a property owner in a community where the market rents are already considered affordable, since they would not need to depress their rent rates.
- The city is estimated to have approximately $320,000 of Housing TIF #3 funds when TIF #3 decertifies at the end of 2021. These funds could be used to seed a NOAH preservation fund.
- NOAH preservation is a more cost efficient form of creating legally binding affordable units compared with new construction, and ensures families are not displaced from their homes. A NOAH preservation program, combined with efforts to support tenant protections could be highly effective at addressing community concerns about displacement. Further, staff could begin to work on setting up such a program in the near term, and begin to identify potential funding sources for it.

Fair Housing Policy (Tenant Protection Policy) - Title VIII of the Civil Rights Act establishes federal policy for providing fair housing throughout the United States. The intent of Title VIII is to assure equal housing opportunities for all citizens. Further, Cities as a recipient of federal community development funds under Title I of the Housing and Community Development Act of 1974, is obligated to certify that it will affirmatively further fair housing.

- The city of Bloomington's Fair Housing Policy is attached as an example. Many other cities within Minnesota have Fair Housing Policies that are written very similar to Bloomington's.
- At present Brooklyn Center does not have a Fair Housing Policy. It is staff's recommendation that this be addressed in the near term, and that the Housing Commission be tasked with reviewing and recommending a policy to be adopted by the City.

Review Rental Licensing through the lend of Tenant Protections (Tenant Protection Policy) - Nearly a third of the City's housing units are rental. With vacancy rates hovering near 3 percent, tenants are not in a favorable position when it comes to negotiating with landlords on lease terms or other accommodations. Nearly all of the City's multi-family residential is considered naturally occurring affordable housing (NOAH). This is primarily due to its age and condition. Brooklyn Center hasn't had new multi-family housing constructed since 1971, and so this particular housing type, like most in the City, is aging. Maintenance varies significantly depending on ownership, as does the quality of property management. Therefore, it is important to continue to monitor the City's NOAH properties through a robust rental license program. However, when the rental license program was established tenant protections was not the focus of the program. A review of the City's ordinances, policies, and procedures through the lens of tenant protections would ensure that the program is serving residents as effectively as possible.

- Community engagement strategies would be necessary to identify problems and potential solutions. Suggested engagement strategies include listening sessions with tenants and landlords; and engaging

stakeholders such as Homeline, Housing Justice Center, ACER, etc
- City staff have met with ACER, Homeline, and the Housing Justice Center and discussed some of the issues affecting Brooklyn Center residents already. In addition, the city's housing inspectors spend a significant amount of time interacting with tenants and landlords and understand the complexities of the issues. These resources can be drawn upon to further explore ways to make adjustments to the City's ordinances, policies, and procedures to ensure existing residents are provided safe, secure, stable housing and tenants are afforded protections under the law.
- Staff's recommendation is to move forward with reviewing the city's current policy and ordinance, and to begin to implement improvements. Tenant input could be incorporated into the tenant survey that is part of the housing study.

Single Family Housing Stabilization (Preservation Policy) - Approximately 86 percent of Brooklyn Center's single family housing stock is more then 40 years old. This is a significant portion of the City's housing, therefore it is important to track the condition of these older homes as they are at-risk of deferred maintenance. At the same time, well maintained older homes can be an important source of entry-level housing. When considering the type and age of housing in Brooklyn Center, the 2040 Comprehensive plan recommended the following programs:
- Housing study to assess the condition of the City's housing stock
- Home Ownership Program Assistance Program
    - Down Payment Assistance
    - Home Ownership Education
- Additional Low or No Cost Home improvement funding

Staff recommends moving forward with a review of the city's single family housing programs. The first part of which would be incorporated into the housing study.

Review of Additional Best Practices to Mitigate and Prevent Displacement - Housing Study and Impact Assessment - As was mentioned above, staff is recommending moving forward with a housing study in the near-term. Because issues around the impact of significant development on the city's existing housing, particularly around displacement and gentrification, have been raised in the community, staff is proposing to include within the housing study an impact assessment to evaluate the potential impact of the Opportunity Site in this way. The study would include a literature review of existing research on the topic of displacement and gentrification as it may pertain to Brooklyn Center, as well as case studies and best practices from other places that the community might draw from. The study, as the scope is currently proposed, would assist with providing an informed basis from which policy decisions can be made. The outcome of the study would allow us to identify additional policies and best practices which may forward the city's priorities around housing policy.

Implementation

Housing policy is both an urgent and important need in the community; however, staff capacity is also limited to address these issues in a timely manner. Some items identified above could be undertaken immediately such as the housing study and the creation of a fair housing policy. A NOAH preservation program may be a policy which could also be addressed in the near-term. Other items will take longer to address such as reviewing of the city's rental licensing ordinance.

The City of Brooklyn Park currently facilitates a housing stakeholder group with many of the same stakeholders which Brooklyn Center would very likely ask to participate in similar conversations. Rather than hold a second meeting each month, Brooklyn Park staff has suggested the two cities combine efforts with the group. This also offers the opportunity to share research and resources on topics which are likely to be of a similar nature in terms of housing issues.

It may also be valuable to create subject specific Housing Task Forces, over time, as each housing area is addressed. This can be vetting as work progresses. Not only would this allow greater community engagement, but also ensure that as various areas of focus are under review (i.e. tenant protections, single family preservation, multi-family preservation) that the right people are at the table to provide input and expertise.

Though, inevitably, task forces and committees take considerable staff time to facilitate and manage. Ensuring that any engagement that is done is intentional and on topics where input is warranted is critical.

Staff has identified 5 key areas to address over the next 18 months. Other priority areas may arise through continued engagement which would require an adjustment to this framework.

Tentative Time Line

1. Q1 2020 Fair Housing Policy
2. Q1 2020 Housing Study and Impact Assessment - Gaps analysis and identify best practices for anti-displacement
3. Q2 2020 NOAH Preservation program
4. Q4 2020 Tenant Protections
5. Q1 2021 Single Family Housing Stabilization

Next Steps

Staff recommends moving forward initially with the Housing Commission undertaking the review and drafting of a Fair Housing policy, which would then go to the City Council for final consideration. In addition, staff would recommend proceeding with the housing study and impact assessment as the initial step.

Policy Issues:

- What housing-related issues/topics do you see rising to the surface in the community?
- Are there any major elements you see needing to be addressed in the housing study in order to create a thorough baseline assessment of the City's housing stock?
- Should staff begin working with the Housing Commission on developing a Fair Housing Policy?
- Do you have any questions/concerns with the framework for a Housing Policy Plan as it has been laid out?
- Is the Council comfortable with moving forward with the housing study and gaps analysis?

Strategic Priorities and Values:

Resident Economic Stability, Safe, Secure, Stable Community

ATTACHMENTS:

Description	Upload Date	Type
Housing Fact Sheet	11/19/2019	Backup Material
April 9, 2018 - City Council Memo - Affordable Housing Policy	11/19/2019	Backup Material
Housing Study Scope of Work	11/19/2019	Backup Material
Example Housing Gaps Analysis	11/19/2019	Backup Material
Chapter 4 - Housing	6/10/2019	Backup Material
Chapter 9 - Implementation Chapter	10/22/2019	Backup Material
Fair Housing Policy Example	8/16/2019	Backup Material
Distribution of Naturally Occurring Affordable Housing Buildings in Hennepin County	11/20/2019	Backup Material

Brooklyn Center Housing Facts

11,764 total housing units in Brooklyn Center as of 2018

(*Source:* Metropolitan Council)

37% of all housing units are rental units (single family and multi-family residential)

(*Sources: Metropolitan Council; US Census; SHC)*

70% of housing units are single-family

(*Source:* Metropolitan Council; US Census; SHC)

86% of housing stock is more than 40 years old (over 10,000 units)

(*Sources:* US Census; SHC)

2019 Median Home Values:

$198,000 - Brooklyn Center

$298,400 - Hennepin County

(*Source: Hennepin County Assessment Report)*

35% of households are housing cost burdened, meaning they pay at least 30% of their incomes on housing

(Source: Metropolitan Council)

Housing stock fairly homogenous which results in lack of choice (e.g. most homes less than 1,500 SF)

27.6% of housing units are in multi-family residential buildings

(*Source:* Metropolitan Council; US Census; SHC)

All of the City's multi-family residential was constructed between 1960 and 1971

Since 2010, 21 single family homes, 34 senior units, and 158 assisted senior units have been constructed

93% of housing units are considered "naturally occurring affordable" with 5% of housing considered "legally binding" affordable (2017)

Median Gross Rent(2017):

Brooklyn Center - $962

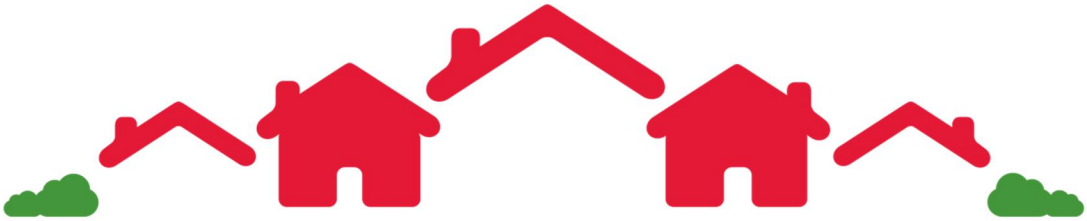
Metro Area - $1,001

(*Source: 2013-2017 American Community Survey)*

Metropolitan Council projects a demand of 2,258 new housing units in Brooklyn Center by 2040

One of the goals of the 2040 Comprehensive Plan is to promote a diverse housing stock that identifies ways to match the City's housing stock with its changing demographics

40% of households in Brooklyn Center have children (well above County and Metro Area)



City of Brooklyn Center | Community Development Department | www.cityofbrooklyncenter.org
6301 Shingle Creek Pkwy. Brooklyn Center, MN 55430 | **Phone:** (763) 569-3300 | **Fax:** (763) 569-3494

MEMORANDUM – COUNCIL WORK SESSION

DATE: April 9, 2018

TO: Curt Boganey, City Manager

FROM: Jesse Anderson, Deputy Director of Community Development

THROUGH: Meg Beekman, Community Development Director

SUBJECT: Affordable Housing Policy

Recommendation:

It is recommended that the City Council consider providing direction to staff regarding potential affordable housing policies for the City.

Background:

In May of 2017, the City Council received copies of emails forwarded by Councilmember Butler from African Career and Education Resource Inc. (ACER) requesting an opportunity to come before the City Council to discuss concerns about the need for affordable housing in Brooklyn Center. In addition Mayor Willson was in contact with a representative of Community Action Partnership of Hennepin County (CAPHC) regarding the same topic.

On July 10, 2017, by consensus the City Council directed staff to invite representatives from ACER and CAPHC to a future work session to present information and have a dialogue on the issue of affordable housing.

On August 14, 2017, the City Council received a presentation from ACER and CAPHC regarding the topic of affordable housing. At the presentation ACER and CAPHC advocated that the City consider adopting policies that would address the region's need for affordable housing, protect tenants, and help preserve naturally occurring affordable housing. The Council directed staff to bring the subject back to a future work session for discussion.

Regional Housing Trends:

The Twin Cities Metropolitan Area is currently experience record low vacancy rates. According to Marquette Advisors' midyear report in August 2017, the average vacancy rate across the Twin Cities metro was 2.4 percent. Experts agree that a balanced rental market will typically see an average vacancy rate of around 5 percent.

The impact of low vacancy rates over time has increased rents, a growing interest from outside investors, and landlords in a position to be choosier about who they rent to. This has borne out throughout the Twin Cities Metropolitan Area as rents have gone up throughout the region. The average rent at the end of July 2017 had increased 3.1-pecent year over year. In addition, the Metropolitan Council is seeing a reduction in the number of landlords accepting Section 8

vouchers. According to the Metropolitan Council, landlords are citing the increased interest for their units from non-voucher holders as the primary reason for the change.

Yet another impact of the increasing value of rental property is the growing number of investors purchasing Class B or Class C rental properties, which are renting for naturally affordable rents, making cosmetic improvements, and increasing rents so that the units are no longer affordable. According to the Minnesota Housing Partnership, the sales of apartment buildings in the metro area jumped 165 percent between 2010 and 2015. Often the change in ownership will also come with a change in policy related to criminal history, acceptance of Section 8 vouchers, or minimum income requirements, resulting in existing tenants being displaced from the property.

The region is also seeing a loss of smaller-sized rental properties (1-4-units). This is due, in part to single family properties converting back into owner-occupied as the market recovers from the recession, but also a growing number of local investors purchasing smaller properties and flipping them. While some of the proposed policies would impact single family rentals, the primary focus of affordable housing advocates and media attention has been on larger properties (40-units or greater).

Affordable housing advocates have identified potential policies designed to address these issues. The policies fall into one of three categories; 1) preservation policies designed to preserve naturally occurring affordable housing and prevent it from being flipped; 2) tenant protection policies designed to prevent or mitigate displacement; and 3) creation policies designed to create new, legally-binding, affordable housing that will replace the naturally occurring affordable housing that is being lost.

Brooklyn Center's Current Rental Housing:

According to the Metropolitan Council, the following table indicates what is considered affordable rents in the Twin Cities Metropolitan Area:

# of Bedrooms	30% AMI	50% AMI	60% AMI	80% AMI
Efficiency	$474	$791	$949	$1,265
1-Bedroom	$508	$848	$1,017	$1,356
2-Bedroom	$610	$1,017	$1,220	$1,627
3-Bedroom	$705	$1,175	$1,410	$1,880
4-Bedroom	$786	$1,311	$1,573	$2,097

*Rents include tenant-paid utilities

According to the Metropolitan Council, the following table indicates average rents in Brooklyn Center:

# of Bedrooms	Survey	5-Year Avg
Efficiency	$730	$744
1-Bedroom	$869	$801
2-Bedroom	$1,019	$925
3+ Bedroom	$1,281	$1,147

Brooklyn Center currently has 834 rental license holders. 713 of those are for single family homes. 71 of the licenses are for 2-4-unit properties. 24 are for properties with between 5 and 39 units. 27 licenses are for properties with greater than 40 units. There are approximately 4,300 rental units in the City. The average rents in Brooklyn Center are considered affordable for those making around 50 percent of the Area Median Income. Of the 11,608 total housing units (both rental and owner-occupied) in Brooklyn Center, 89.5 percent are naturally occurring affordable housing. There are currently 402 Section 8 voucher holders in the City.

Brooklyn Center currently has five apartment building that are legally-binding affordable housing, Ewing Square Townhomes (23-units), The Crest Apartments (69-units), Unity Place (112-units), Emerson Chalet Apartments (18-units), and The Sanctuary (158-units). Also, Lynwood Apartment (50-units) is currently applying for Certified Low Income Status, which would make it a legally-binding affordable property. This equates to 3.7 percent of the City's housing stock is legally-binding affordable housing.

Anecdotally, a recent phone survey of 34 Brooklyn Center landlords found a current average vacancy rate of 1.3 percent.

Rents in Brooklyn Center are currently very affordable compared to the region. Low rents may be contributing to the low vacancy rates. If the vacancy rates are in fact below 2 percent, and they remain that low over time, it would be reasonable to expect rents to increase. However, given the current low rents, even an increase in rents of 20-30 percent would result in rents still considered affordable for those making 60-80% AMI.

Affordable Policy Options:

Section 8 Ordinance (Tenant Protection) - Prohibiting discrimination against Section 8 voucher holders and other recipients of government programs. The policy would prohibit landlords from denying any tenants' application based on the applicant receiving government assistance.

- Staff surveyed 34 Brooklyn Center apartments and found that 50 percent indicated that they do not accept section 8 vouchers.
- Minneapolis recently adopted this ordinance, which allows applicants who feel they have been discriminated against to seek damages through the city's department of Civil Rights.
- The City of Minneapolis has an active lawsuit filed against them by 55 apartment owners over the legality of this ordinance. The lawsuit argues the mandate conflicts with state law and unfairly forces them to comply with requirements of federal housing voucher programs for low-income residents. It also says the law violates the Minnesota Constitution because it reduces their property values, forces landlords to enter into contracts and represents an unnecessary government intervention in their businesses. Landlords also claim that this could cause landlords to increase rent and/or application criteria as to price out Section 8 vouchers.

- Staff feels that if the ordinance is upheld by the courts, it could be a useful tool to ensure residents are not discriminated against based on their source of income; however additional review would be necessary related to the enforcement of the ordinance. Staff

recommends that the City monitor the Minneapolis lawsuit then review pending the outcome.

Notice of Intent to Sell (Preservation) – Rental property owners must give advanced notice prior to the sale of a rental property. This gives a preservation buyer an opportunity to match the purchase price. It would also give service providers additional time to relocate residents who would be displaced as a result of the sale.

- Landlords would be concerned about delaying the closing of a property sale, which could have a negative effect on price. Preservation companies such as Aeon have expressed concerns that this could increase the competition for these properties, and thusly increase sales prices.
- Enforcement would be difficult because the penalty would come after the sale has occurred. If the property has sold, the seller no longer has ties to the property so enforcing a citation could be challenging and may not be a deterrent. In a workgroup in St. Louis Park landlords stated that if there was a $1000.00 citation for selling without notice, they would likely still sell the property and pay the citation.
- It is unclear who the seller would need to notify of their intent to sell and what would be done with that information once it was known. Who would decide what buyers could have access to the information? Who would be responsible for disseminating the information?
- It is possible that this ordinance would dissuade investors, who may opt to purchase property in cities that do not have the additional requirements.
- St. Louis Park is looking at an alternative ordinance related to tenant transition/protection would address the need for additional time to relocate tenants.

➢ Staff recommends that the city consider other options such as the tenant transition ordinance.

Tenant Transition/Protection Ordinance (Tenant Protection) – This would require a new owner of a naturally occurring affordable housing property to pay relocation benefits to tenants if the new owner increases rent, rescreens existing residents or implements non-renewals without cause within 3 months after the purchase. The ordinance has the effect of freezing lease terms for 90 days after the sale of a property. The purpose is to allow tenants three (3) months to relocate if necessary.

- This ordinance wouldn't interfere with the sale of naturally occurring affordable housing, however; it would provide assistance to the tenants if necessary.
- The ordinance would require new buyers to notify tenants within 30 days if substantive changes to the lease are forthcoming, giving tenants time to relocate if necessary.
- St. Louis Park adopted the Tenant Protection Ordinance in March of 2018.
- The policy could dissuade potential apartment buyers from buying in Brooklyn Center, who may opt to purchase a property in a city without this policy.

➢ Staff recommends that the City review this policy further to determine the legality of it, the enforcement mechanism, and what the specific impacts in Brooklyn Center might be.

Just-Cause Eviction (Tenant Protection) – Also known as Just-Cause Non-Renewal, this would require a landlord to provide a reason if they were going to not renew a tenant's lease that was expiring. Currently landlords must provide a just cause for eviction, which a tenant can appeal in court. There is no appeal process available to tenants who lose their housing due to non-renewal of lease.

- Landlords see this as taking away a valuable management tool for dealing with problem tenants and have the unintended consequence of increasing the number of evictions filed and strengthening screening standards.
- When St. Louis Park conducted their meetings with landlords and the Multi-family Housing Association, this ordinance received the strongest opposition.
- The enforcement of this policy would be through the court system and would require a tenant to take legal action against their landlord via a lawsuit.
- Of the 34 landlords surveyed by staff, the majority of evictions or non-renewals are the result of non-payment of rent or criminal activity.
- The intent of this ordinance would be to protect tenants from being non-renewed in the event a new owner wants to empty a building in order to do a substantial renovation with the goal of increasing rents.

➢ Staff recommends that the City consider other options such as the tenant transition ordinance to protect tenants.

Inclusionary Housing Policy (Creation) – These are a collection of policies that could be adopted by the city which would either encourage or require new affordable units to be included as part of new market-rate residential development projects which receive public subsidy or other discretionary City approvals. Frequently it is in the form of a requirement that a percentage of units be affordable in a new residential development in exchange for public subsidy of the project.

- New developments such as the Opportunity Site would be required to include a certain number of affordable units.
- Inclusionary Housing policies ensure that new affordable units are added as market-rate units are built, thus ensuring mixed-income communities.
- Cities such as St. Louis Park and Minneapolis have found that in higher rent developments, a certain percentage of affordable units can be required without increasing the need for additional public subsidy. This is due to the higher than average market rents, which off-set the affordable units. In Brooklyn Center, as is true in communities with lower average rents, it is likely that the cost of the affordable units would require additional public subsidies in order for a project to be financially feasible.

➢ If the Council would like to move forward with this police staff would recommend reviewing the feasibility of future development if an affordable housing policy is adopted.

4D Tax Breaks (Preservation) – Also known as the Low Income Rental Classification Program (LIRC), Minnesota provides a property tax break, currently amounting to 40%, to subsidized rental properties under LIRC, commonly referred to as the 4D program. There is the potential,

however, to extend 4D eligibility to certain currently unsubsidized affordable properties, without changing current law. 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.

- A government agency would need to provide a financial contribution to a rental apartment with a low income agreement placed on the property. The property could then be eligible to apply for 4D status. This would allow a landlord to make physical improvements to the property in exchange for affordable rents.
- The reduction in property taxes would not decrease the City's revenue from property taxes, as the funds would be distributed to all other properties; however, it would reduce that property's share of local property taxes.
- The amount of the tax break is a limiting factor as it equates to around $80/unit per year; however, the program may be an incentive for a property owner in a community where the market rents are already considered affordable, since they would not need to depress their rent rates.
- Hennepin County is looking into a rehabilitation program for rental properties which would function similarly to the CDBG housing rehabilitation program, but be County funded.
- The City could also look at funding a program for rental housing rehabilitation.

➢ Staff recommends working with the County to determine the feasibility of a County-led program. The City could also review EDA or TIF 3 Housing funds to determine the availability of funds for a city program that would provide rental housing rehab assistance in exchange for a 5-10 year affordability requirement. This could be set up as a per unit matching forgivable loan.

<u>Other Policies/Programs</u>

- Identify buildings that are at-risk of being flipped. Reach out to owners of at-risk buildings and gauge their short and long-term plans. Help connect them with preservation buyers on a case-by-case basis.
- Comprehensive Plan – the City is in the process of updating its Comprehensive Plan. If the preservation and/or creation of affordable housing are a priority for the City, it should be reflected in the City's Comprehensive Plan.
- Education – Work with the Metropolitan Council to provide education on Section 8 voucher programs to dispel some of the negative perceptions of the program.

Policy Issues:

Does the Council believe that the information presented indicates a need for additional policy actions to address the concerns raised regarding affordable housing and the protection of tenant rights?

MEMORANDUM – COUNCIL WORK SESSION

Does the Council require additional information regarding these issues before concluding if further policy actions are necessary?

Which policies if any would the Council want brought back for further consideration?

Which policy does the council consider a higher priority?

Strategic Priorities:

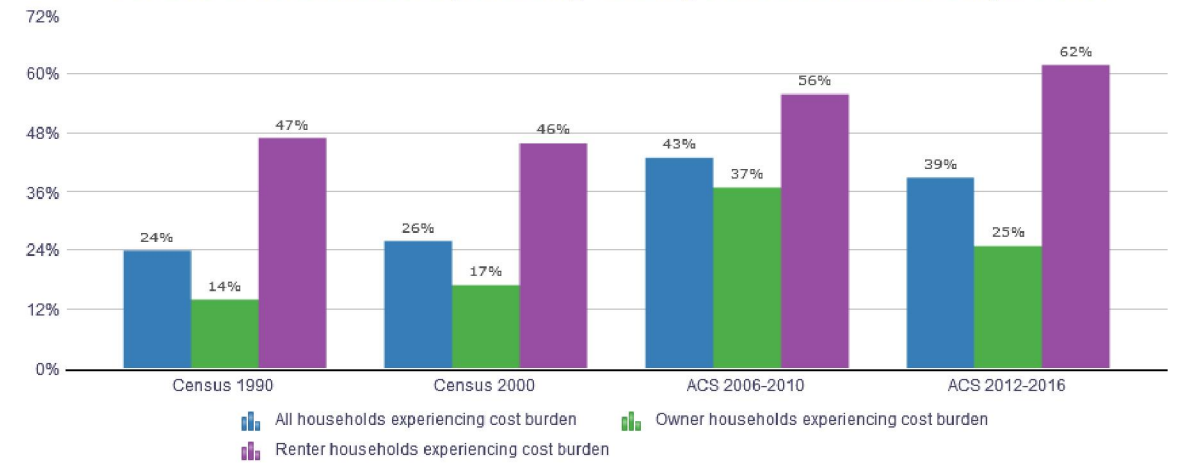
- Resident Economic Stability

Attachments:
US Census Bureau Data
Metropolitan Council Land use Chart
August 14, 2017 Council Work Session Memo
August 14, 2017 Council Work Session Minutes
Housing Strategies Table Presented at Previous Work-Session
Mixed-Income Housing Policies among Neighboring Cities Table
Phone Survey of Brooklyn Center Apartments
Phone Survey of Brooklyn Center Single Family Property Management Companies:

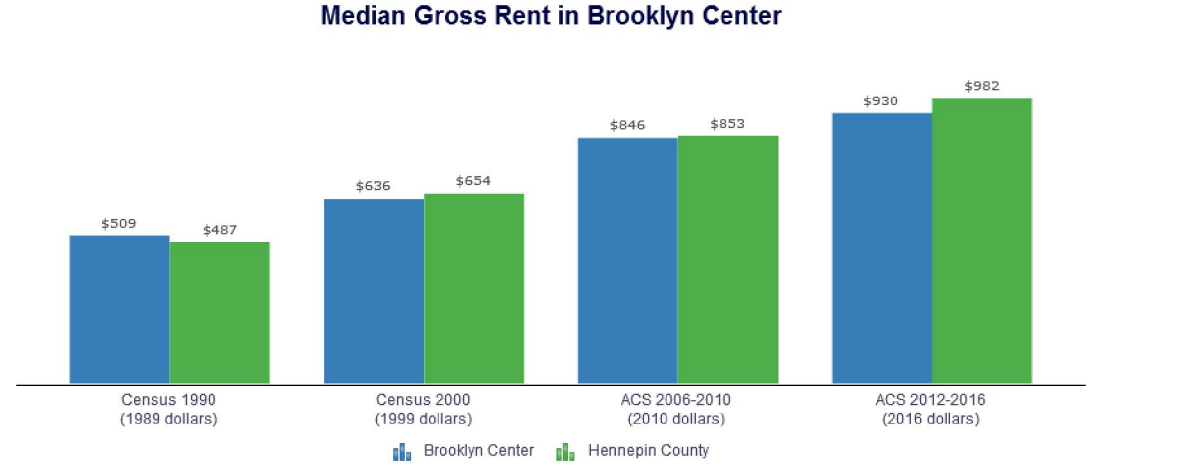
US Census Bureau Data:

Source: Certificate of Real Estate Value, Minnesota Department of Revenue.
Download chart data

Back to top

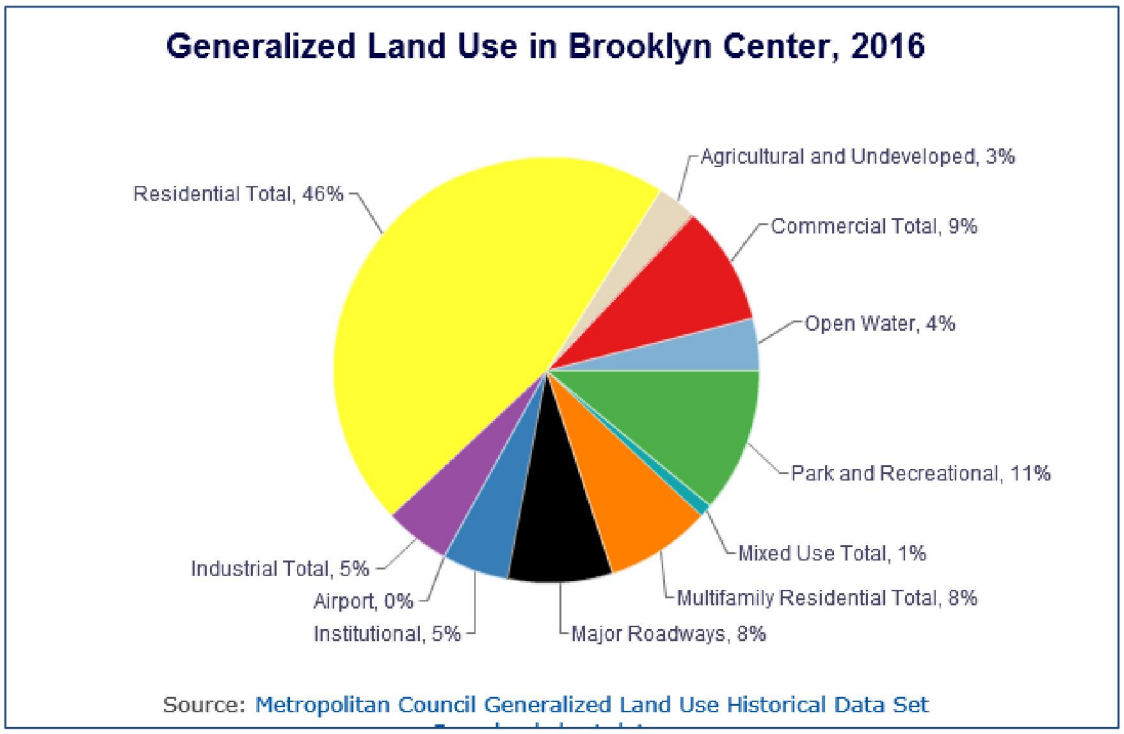


Source: U.S. Census Bureau Decennial Census and American Community Survey.
Households experience housing cost burden when their housing costs are 30% or more of their gross income. For renters, housing costs include rent and utilities; for owners, housing costs include mortgage principal and interest, property taxes, property insurance, utilities, and other fees. Use caution when comparing 1990 and 2000 data (which include only some households) to American Community Survey data (which include all households). See the metadata for more information.



Source: U.S. Census Bureau Decennial Census and American Community Survey.

Metropolitan Council Land Use Chart:



MEMORANDUM – COUNCIL WORK SESSION

DATE: August 10, 2017

TO: City Council

FROM: Curt Boganey, City Manager

SUBJECT: Affordable Housing Presentation

Recommendation:

It is recommended that the City Council receive the presentation/report and consider providing direction to staff.

Background:
In May of 2017 the City Council received copies of emails (attached) forwarded by Councilmember Butler from African Career and Education Resource Inc. (ACER) requesting an opportunity to come before the City Council to discuss concerns about the need for affordable housing in Brooklyn Center. In addition Mayor Wilson was in contact with a representative of Community Action Partnership of Hennepin County (CAPHC) regarding the same topic.

On July 10th 2017 by consensus the City Council directed staff to invite representatives from ACER and CAPHC to a future work session to present information and have a dialogue on the issue of affordable housing.

It is my understanding that these groups have collaborated in the past and will jointly present on the issue of Affordable Housing before the City Council. . As stated in the email from Executive Director, Munene the overall goal of the group is to enact or strengthen current policies that will preserve naturally occurring affordable housing, secure the rights and improve the living conditions of tenants living in affordable rental properties.

Enclosed with this report is a copy of Housing Strategies and Tools for the City Of Brooklyn Center (Exhibit A) provided by ACER and 3 Pillars of Affordable Housing Advocacy (exhibit B) provided by CAPHC. These documents represent some of the issues that will be presented to the City Council

Policy Issues:
Does the Council believe that the information presented indicate a need for additional policy actions to the address the concerns raised regarding affordable housing and the protection of tenant rights?

Does the Council require additional information regarding these issues before concluding if further policy actions are necessary?

How does the Council want staff to proceed regarding the issues raised about affordable housing and tenant rights?

Excerpt- July 10th 2017 City Council Study Session

Councilmember Butler referenced the document from African Career Education & Resource (ACER) and stated this group would like to present findings related to affordable housing and how the City can ensure that housing remains for those who need it. She asked that this topic be scheduled for a future Work Session agenda. Mayor Willson stated this is the second time the City Council has received this information, noting in the second report they correctly updated Brooklyn Park to Brooklyn Center. He stated he is not opposed to scheduling this topic for a future Work Session. Mr. Boganey asked how much time they will require. Councilmember Butler suggested 20 minutes plus time for questions. Mr. Boganey stated he will contact them to arrive at a date within the next 30 days.

The City Council consensus was to direct staff to schedule this topic for a future Work Session.

MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL/ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF BROOKLYN CENTER IN THE COUNTY OF HENNEPIN AND THE STATE OF MINNESOTA

WORK SESSION
AUGUST 14, 2017
CITY HALL – COUNCIL CHAMBERS

CALL TO ORDER

The Brooklyn Center City Council/Economic Development Authority (EDA) met in Work Session called to order by Mayor/President Tim Willson at 7:59 p.m.

ROLL CALL

Mayor/President Tim Willson and Councilmembers/Commissioners Dan Ryan, Kris Lawrence-Anderson, April Graves, and Marquita Butler were present. Also present were City Manager Curt Boganey, Director of Business and Development Gary Eitel, City Attorney Troy Gilchrist, and Michaela Kujawa-Daniels, TimeSaver Off Site Secretarial, Inc.

AFRICAN CAREER AND EDUCATION RESOURCE, INC. (ACER) AFFORDABLE HOUSING – CITY MANAGER

Denise Butler, ACER Project Manager, Nelima Sitati Munene, ACER Executive Director, and Christine Hart with Community Action Partnership of Hennepin County Community Development provided a presentation on the background and purpose of this item.

Councilmember/Commissioner Ryan stated in the *Star Tribune* newspaper, there was an article on the issue of landlords deciding not to take Section 8 anymore and noted it is now in litigation. He stated in some of these cases they may need to wait to see how the items in litigation play out before they can decide how to proceed and help with these issues.

Mayor/President Willson asked what the State Legislature has indicated they are looking to do regarding the suggested local ordinances. Ms. Hart stated cities are still moving forward with these ordinances and then hoping the State makes some changes.

Councilmember/Commissioner Graves stated she believes there are some items they are already working on but there are a few she believes they could look at.

Mayor/President Willson stated he agrees with Councilmember/Commissioner Graves and also would like to explore and continue conversations on these issues. He stated at the Mayor's conference recently, they discussed the same issues and at a City level, they are being asked to look at the issues because it is closer to home and affecting their communities and then hopefully the state will follow suit.

Mr. Boganey stated the three policies that are being proposed are not new and have been used in other places. He asked how they choose these options and from their research, asked if it is their opinion that these are the most effective tools to address these issues being raised.

Councilmember/Commissioner Ryan stated he wished they had been here earlier this evening during the presentation by Brooklyn Alliance for Youth. He noted they discussed how to lift people out of poverty and make changes.

Mayor/President Willson asked if they would like to come back and speak further another time. Ms. Hart stated they would like to do that. Mr. Boganey noted he will add this to the agenda in the near future.

DISCUSSION REGARDING A LETTER OF INTENT WITH EBERT CONSTRUCTION FOR THE COMMERICAL DEVELOPMENT OF APPROXIMATELY 2 ACRES OF THE NORTHERN PORTION OF LOT 1, BLOCK 1, NORTHBROOK CENTER 2ND ADDITION (FOUR STORY, 112,000 SF COMMERICAL STORAGE BUILDING – 57TH AND LOGAN AVENUES NORTH) – MR. EITEL

Mr. Eitel Provided a presentation on this item with background and history.

Councilmember/Commissioner Ryan stated the change in the configuration of the roadway makes this site somewhat disadvantaged. He stated due to the problems they have had with this site he feels this would be something he agrees with.

Mr. Eitel stated this is a good site for this building in his opinion, brings income and not a lot of foot traffic, it is a win/win scenario, and noted it's a good-looking building.

It was the consensus of the EDA/City Council to move forward with this plan.

ADJOURNMENT

Councilmember/Commissioner Ryan moved and Councilmember/Commissioner Graves seconded adjournment of the City Council/Economic Development Authority Work Session at 9:47 p.m.

Motion passed unanimously.

Housing Strategies Table Presented at Previous Work-Session

HOUSING STRATEGIES & TOOLS FOR THE CITY OF BROOKLYN CENTER

Tools	Description	Opportunities	Challenges	Hennepin County Cities Considering
Identification of buildings; Document the problem	There should be an organized effort to track the most significant examples of this trend as well as identify buildings as soon as they come on the market (if possible before that). The City can also do a housing study that will identify the housing inventory and at-risk properties.	Brooklyn Center is at a great risk given the high percentage of naturally occurring affordable housing (NOAH). Identifying the multi-family housing in Brooklyn Center and documenting the problem gives the City more knowledge and ability to craft a strategic, outcome-oriented approach.		A number of cities have been doing housing studies and research on their housing inventory, particularly with the upcoming Comprehensive Plans.
Notice Period	The City must be given advanced notice prior to the sale of any building.	A Notice Period will give the City more to approach a preservation buyer to rehab the property and prevent displacement. In addition, the City can give service providers advanced notice in order to support tenants.	Developers will push back stating that it is restraining their ability to get the best price (i.e. buyers will lower the price if the market fluctuates in the 90 day time period.) Also, there could be a potential for the price to rise if there is a bidding war between a for-profit and a not for profit developer.	St. Louis Park, Golden Valley, Minneapolis, St. Paul, Bloomington, Richfield
Help preservation buyers to buy at risk buildings	Several of our non-profit housing providers are actively competing in the market for these properties, but they are disadvantaged in competing against for-profit purchasers on price and timing with the complex financial process. The City can help notify preservation buyers when they know properties will be up for sale. (e.g. Seasons Park).	Preservation buyers will keep the rents affordable while enhancing the property.	Preservation buyers often need at least a 90 day notice prior to the property being listed on the market in order to put together a competitive bid.	Many cities have relationships with preservation buyers, and there is frequent communication.

Right of First Refusal	When owners offer their buildings for sale, they would be required to notify tenants and the designated unit of government. Tenants or the government unit would then have a defined period of time to match the essential terms of the offer (price, timeline, etc.). If they are able to do so, they have the right to purchase the building themselves.	Prevents tenant displacement and can help a preservation buyer be competitive.	It can be hard to anticipate where these purchase opportunities will materialize, making it difficult to know where to push for local ordinances. Could get complicated determining what the offer's "essential terms" are.	Minnesota has a ROFR for manufactured home parks.
Local programs offering rehab financing in return for affordability commitments	Many cities, like Brooklyn Cente, have a supply of aging complexes that have deferred maintenance. Many managers of these complexes cite the costs of improvements as a reason to either 1) not make improvements or 2) increase the rents once improvements are made. Municipalities could offer rehab financing (low interest loans, forgivable grants) with commitments to maintain affordability over a set period of time. This could be done with CDBG dollars or in conjunction with Brooklyn Park's current Rental Rehab Program.	Preserves affordable housing units in the City as well as makes the property safe housing for residents.	Administration of the financing (could be done in conjunction with a local nonprofit), funds for the financing.	Bloomington- using their HRA levy money to put $50,000 every year for a NOAH fund to preserve developments. It has been proposed to
4d Property Tax Program	This is essentially a tax credit given to housing providers who receive a government subsidy, and in exchange provide a percentage of their units at affordable levels (60%/50% AMI) for a set period of time. It has been suggested to staff in Brooklyn Center and we would like to see this move forward.	Increases the number of new affordable housing units in the City.	Providing the pot of money for developers to tap into; the program is voluntary.	This is a program Richfield had when it was funded at the state level. That funding has dried up, and it seems that most people think 4D has gone away. However, the statute allows for "local subsidies."

Prohibition of Section 8 Discrimination	Changes to business practices in Brooklyn Park has resulted in a number of apartment properties not accepting Housing Choice Vouchers: (We are in the process of compiling the list of properties and will update this document and share it with you) This ordinance would say that properties cannot exclude applicants simply because they use a rent subsidy.	Voucher holders would not lose housing every time a building changes policies and practices. There would also more housing options available to voucher holders.	Oftentimes the challenge will be for the HRA to lessen the administrative burden on landlords participating in the HCV program. The challenge is minimal for the City.	St. Louis Park, Minneapolis, Suggested to Golden Valley, Bloomington, Eden Prairie and Richfield.
Just Cause Eviction	Just Cause Eviction protects tenants from eviction for improper reason as well as prevents involuntary displacement through lease non-renewals or notices to vacate. This would allow landlords to evict a tenant only for certain reasons, such as failure to pay rent or for violation of the lease terms. As an example, what we saw at Crossroads in Richfield could also happen in Brooklyn Center, where the new screening criteria was the reason many tenants' leases to not be renewed. Just Cause would allow these renters to continue living there until they break a condition of their new lease. It can be tied in with rental licensing.	Prevents involuntary displacement and protects tenants from eviction without a proper reason.		St. Louis Park, Minneapolis, Suggested to Golden Valley, Bloomington and Eden Prairie, suggested to Richfield.

Incentives to address landlord concerns about renting to certain groups of tenants	Risk Mitigation Fund is oftentimes associated with the Housing Choice Voucher program. This Fund can be created as a response to the extremely low vacancy rate and the disparity between cost of living and wages. It serves as a damage fund to supplement costs the security deposit does not fulfill. It also has been offered as short-term vacancy reimbursement.	Incentivizes landlords to participate in voucher programs, providing voucher holders with more access to housing options. Provides insurance to landlords for any monetary losses from potential damage to property.	Funding the RMF; perpetuating stigma that voucher holders cause more damage (no evidence to support this)	Minneapolis HRA, Metro HRA, Dakota County CDA; many models across Minnesota.
Inclusionary Housing	This policy would ensure that with every development that happens, there would be an inclusion of affordable housing. It also can be applied to rehabbed developments.	Increases the number of new affordable housing units in the City.	Only applies to new construction, therefore not addressing the need to preserve and maintain NOAH	St. Louis Park, Edina, Minnetonka, Golden Valley, Eden Prairie, Minneapolis, Richfield is considering and others have shown interest.
Increasing local government leverage through zoning	Brooklyn Center could structure its zoning so as to prevent an owner engaging in conversion actions from doing so before obtaining the city's zoning related approval.	Provides the City of Brooklyn Center with more leverage to intervene.		Minneapolis. Has been presented to Richfield.
Rental assistance	51% of Brooklyn Center households are cost burdened (ACS 2015). Rental assistance would lessen the burden by supplementing income, so housing costs are no more than 30% of income.	Residents would be able to afford housing costs without sacrificing other basic needs.	It is costly and unsustainable. As rent increases, rental assistance is insufficient and cannot serve as many households.	Hennepin County & a number of cities
Comp Plan: Include strong language and solutions regarding affordable housing	As Brooklyn Center completes its Comprehensive Plan, it is encouraged that the Plan has detailed solutions with strong language around the preservation of naturally occurring affordable housing. This plan will guide the City's housing efforts in the next ten years.	Strong language can positively guide the City's housing efforts in the next ten years.		A number of Hennepin County cities

Mixed-Income Housing Policies among Neighboring Cities

City	Policy/Program Type	Affordability Requirements	Affordability Period	Opt-out (alternative) options	Enforcement Tool	Other Notes
St. Louis Park (2015)	• City financial assistance for new developments creating at least 10 multi-family units or renovation of an existing multi-family development with at least 10 units.	• 18% of total units in the development required at 60% AMI or 10% of units required affordable at 50% AMI. • Families may remain in the dwelling unit as long as the income does not exceed 120% AMI.	• 25 year minimum (considering an increase).	• Subject to City Council approval: ○ Dedication of existing units ○ Offsite construction near public transit ○ Participation in construction of affordable units by another developer within the City	• Affordable Housing Performance Agreement between City and Developer prior to Zoning Compliance Permit being issued.	• Implemented 2015 – 6/7 new developments triggered policy with 1,073 units and 281 affordable units produced. • No development has used an opt-out option. • Units must be located within the development and distributed throughout the building unless approved by City Council.
Edina (2015)	• Re-zoning or Comprehensive Plan Amendment for all new multi-family development of 20 or more units.	• 10% of all rentable area at 50% AMI or 20% of all rentable area at 60% AMI.	• 15 year minimum.	• Dedication of existing units equal to 110%, must be equivalent quality. • New construction at a different site. • Participation in construction of affordable units by another developer within the City.	• Land use restrictive covenant. • PUD ordinance states development must consider affordability.	• City will consider incentives for developments with affordable housing including: Density bonuses, parking reductions, TIF, deferred low interest loans from the Edina Foundation, and Tax Abatement.
Golden Valley (policy approved in 2017; ordinance in coming months)	• Market rate residential development with 10 or more units and receive: ○ Conditional Use Permit (ord.) ○ Planned Unit Development ○ Zoning Map Amendment (ord.) ○ Comprehensive Plan Amendment ○ Or Financial Assistance	• 15% of total project units at 60% AMI or 10% of project units at 50% AMI. • Families may remain in the dwelling unit as long as the income does not exceed 120% AMI.	• 20 year minimum.	• Equal or greater amount dedication of existing units.	• Affordable Housing Performance Agreement. • Mix of policy and ordinance.	• City will consider incentives including: • Minimum in 33% reduction in required parking spaces • Minimum of 10% density bonus
Brooklyn Park	• New market rate residential development with 10 or more units and receive: ○ Planned Development Overlay (ord. required) ○ Zoning Map Amendment (ord. required) ○ Comprehensive Plan Amendment • Or Financial Assistance	• 15% of units at 60% AMI or 10% of units at 50%AMI or 5% of units at 30%AMI	• 20 year minimum.	• Consider an alternative proposed by developer.	• Affordable Housing Performance Agreement. • Mix of policy and ordinance.	• Units must be located within the development and distributed throughout the building unless approved by City Council.
Minneapolis (2002)	• City-assisted housing projects of 10 or more units. • City-assistance includes TIF, condemnation, land buy downs, issuance of bonds to finance project, pass-through funding, and other forms of	• Varies based on funding source but generally is either 20% of units at 60% AMI or 20% of units at 50% AMI (AHTF)	• 15 year minimum.	• None.		• Only 1-2 projects have taken advantage of the incentive program since 2002. • Currently engaging a consultant to develop an effective system.

	• direct subsidy. • Density bonus and parking reduction incentive					
Saint Paul (2014)	• City/HRA assisted rentals and homeownership. • Rental development in selected zones – density bonus incentive	• Rentals – 30% of units affordable to households earning 60% AMI, of which at least one third will be affordable to 50% AMI, and at least one third will affordable to 30% AMI.	• Rental - 10 year minimum .		• Development Agreement	• Voluntary/incentive density bonus is not being used so policy is currently being revised.
Minnetonka (2004)	• City Assistance • Voluntary/incentive based for all developments.	• Rentals – 10% of units at 50% AMI for all developments, 20% of units at 50% AMI if using TIF funding.	• 30 year minimum.	• Considered on a case by case basis.	• Development Agreement.	• Produced over 500 affordable units since 2004.
Eden Prairie	• City Assistance • Using a voluntary/incentive based approach for all developments; exploring adopting a policy.	• City subsidy – 20% of units at 50% AMI. • Voluntary/incentive – starts at 10% of units at 50% AMI.				
Woodbury (2012)	• Voluntary/incentive based – density bonus policy	• 20% of units at 80% AMI or negotiated.	• 15 year minimum.			
Chaska	• All developments that need City approval	• 30% of units at 80% AMI.				
Forest Lake (2014)	• Voluntary/incentive based – density bonus policy	• Negotiable				• 15% density bonus, flexible parking requirements.

Phone Survey of Brooklyn Center Apartments:

Apartment Name	number of Units	number of vacant units	Rent for a studio	Rent for a 1 bedroom	Rent for a 2 bedroom	Rent for a 3 bedroom	Rent for a 4 bedroom	Do you accept section 8	Has rent increased over the past 2years?	How much has rent increased?	Most common reason for Eviction or non-renewal
4819 Azealia	12	0		750	800			no new	yes	$15-50	non-renewal
5207 Xerxes	12	0	0	Ave: $750	Ave $850			Yes	yes	8%	Disturbance
5240 Drew	10	0			845-950			yes	no		police calls for service
The Avenue	36	0	755	929	1075			no	yes	5% each month	non-payment
Beard Ave	24	0		$895	1 fl-$1025, 2-3 fl $1075			Yes (Typically don't meet criteria)	yes	100 - 2bd - 1bd 75	smoke in units, police calls (pattern)
Brookside Manor	90	0			garden - $750 2-3 floor $800			yes	yes	$20	police calls, disturbance, non-payment
Carrington Dr	128	0	$735	$835-855	$945-975			no	yes	$50	disturbance, illegal activity, cleanliness, non-payment
The Crest	122	3 for end of march		$755	$935			yes	yes	50	non-payment, crime free addendum
Crossings - 6201 Lilac - 55+	81	4 (0 in past few years)	1181-1275 (1bd + den	1081	1190-1750			No (inherited)	yes	2-5%	rarely - non-payment
Crossings - 6125 Lilac - 55+	65			1150							
Earle Brown Farm	120	1		845-920	1010-190			No new ones	yes	3% increase	disturbance, non-payment
Emerson Chalet	18	0		737	870			yes	no		non-payment, 3 strikes
Gateway	252	3	775	850-875-895	995-1045			no	yes	50	late payment, police calls, unit maintenance
Granite City	72	0	849	949	1139			yes	yes	34-55	smoking
Granite Peaks	54	0	849	949	1139			no	yes	34-55	non-payment
Humboldt Courts	36	1	750		900-995			no	yes	75-95	non-payment
Lynwood - mark	50	0		895-925	1050-1190			yes	Yes	2-4%	non-payment of rent
Melrose Gates	217	0		919-949	1129-1159	1159-1189 2bd+1.5ba	1209-1249 2bd+2ba	no	yes	100	non-payment
River Glen	128	0		900	975-1000	1250		yes	yes	50-75	non-payment/late rent
Riverwood Estates	84	2		929	999-1050			no	yes	40	lease violation
Ryan Lake	22	1		800	800-1000			yes	yes	75	non-payment
Summerset	36	3		700	800-850	1150-1200		yes	yes	$50	non-payment, lease violations
Twin Lake North	276	3		950+	1105-1225+			yes	yes	5%	non-payment, behavior
Unity Place	112	2			904-909	970		yes	yes	30	non-payment
Victoria Townhomes	48	4				1340-1400		no	yes	40-60	tenant not renew

Phone Survey of Brooklyn Center Single Family Property Management Companies:

Management Agency	number of Units	number of vacant units	Rent for a studio	Rent for a 1 bedroom	Rent for a 2 bedroom	Rent for a 3 bedroom	Rent for a 4 bedroom	Rent for a 5 bedroom	Do you accept section 8	Has rent increased over the past 2years?	How much has rent increased?	Most common reason for Eviction or non-renewal
Prosperous	40	0			1050	1250	1450	1550	yes	yes	2-3%	non-payment
Urban homes	2					1300	1400	1500	Yes			NA
Juliana Koi	2	1				1350			no	yes	50	NA
Kathleen Freitag	4	0				1235-1325	1410-1450		no	no		non-payment; destruction of property
Tyang	1	0				1150			no	no		NA
Michelle Nyarecha	1	0				1170-1250			yes	no		non-payment; police violations
Nazeen	2	0			1000	1200			no	yes	5%	NA
Tracy Hinkemyer	7						1350-2000		no	no		NA
Dan tan	4	0			850-950				yes	no		non-payment drugs, noise

Proposed Scope of Work for Housing Study and Gaps Analysis

Understand Existing Conditions and Trends. Use Hennepin County and the Broader Twin Cities MSA as comparison points where that makes sense. Any overview of regional housing trends as well as forecasted regional housing demand will provide context to both the issues faced in Brooklyn Center as well as the market gaps that will surface. This includes attention to:

- Housing units by type, tenure, year built, senior/general occupancy, formal affordability status (Costar)
- Rent levels and trends, for recently built apartment buildings, and pre-2000 apartment buildings (Costar)
- Household housing costs and trends (these are measures of the affordability of Brooklyn Center housing, regardless of affordability status of the development) (Census, ACS)
    - Reported housing cost
    - Reported cost as a percentage of household income
    - Cost-burdened households
- Development trends (Costar, Brooklyn Park, Metropolitan Council)

Analysis of Likely Impact.

- Review of the literature on the impact of major area improvements on property values and rents—including local case studies such as Bottineau Housing Gaps Analysis —and apply the findings to Brooklyn Center's context. The goal would be to estimate the impact on rents due to the proposed development improvements, above what is happening due to general city-wide market trends, and to estimate how distant from the development improvements the impact extends.
- Conduct best practices research to include recent research and studies locally, including the work done by CURA and LISC on the topics of gentrification and displacement. Be sure to incorporate work that has local context.

Survey of residents. A survey should be conducted to augment data related to cost-burdened households. Work with the City to conduct a survey of renters in the community. work with the city to identify appropriate questions. Questions may include:

- Are you living in your desired area of Brooklyn Center? If not, what are your barriers to living somewhere else?
- What drew you to live in this rental property?
- Do you share rent with a partner or roommate?
- What percentage of your gross annual salary (before taxes are taken out) do you pay for rent?
- Do you anticipate your salary increasing steadily over the next 5 (or 10) years?
- Has your rent increased over the last 2 years? 5 years? By how much?
- Do you live in a studio, 1-br, 2-br, 3-br, or other?
- How would you rate you're the level of service you experience from your landlord/property manager? Has it increased or decreased in the last two years?

Best practices research. Look at actions cities have taken, locally and nationally, to mitigate the impact on residential housing costs that stem from area improvements. Goal will be to identify strategies and best practices that are available and could be employed in Brooklyn Center either by the City, or by its development partners as identified in the City/developer development agreements. (Such provisions can be, but need not be, referred to as a community benefits agreement.)

BOTTINEAU COMMUNITY WORKS

STATION AREA HOUSING GAPS ANALYSIS

June 2018

Prepared by

PERKINS+WILL

TANGIBLE Consulting Services

SHC SWANSON HASKAMP consulting + planning

Blank Page

TABLE OF CONTENTS

Introduction 1

- Purpose 1
- Report Format 1
- Data Resources 2

Characteristics of the Housing Stock 3

- Total Housing Units 3
- Housing Unit Density 4
- Structure Type 4
- Household Tenure by Structure Type 6
- Vacancy Trends 12
- Bedroom Analysis 14
- Housing Costs 16
  - Pricing Trends: Market Rate Rental Housing 16
  - Pricing Trends: For-Sale Housing 18
  - Affordability 20
  - Cost Burden 22
- Restricted Housing 23
- Development Trends 26

Demographic Characteristics 28

- Median Age 28
- Household Tenure (owners and renters) 30
- Household Size 32
- Household Type 33
- Length of Residence 35
- Race and Ethnicity 36
- Household Income 38

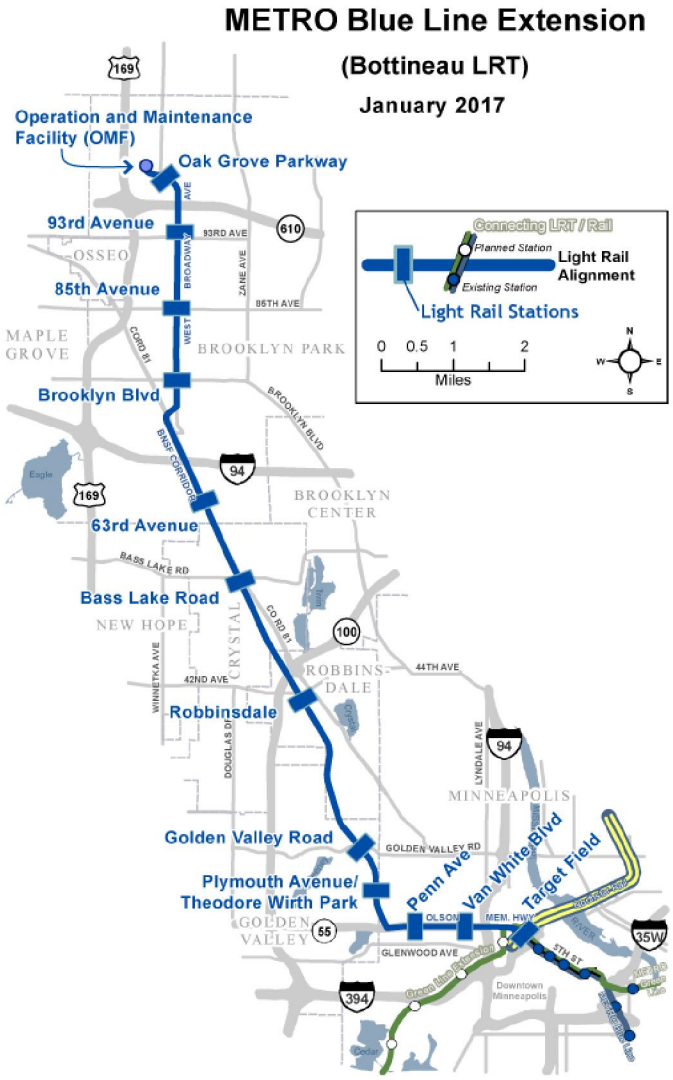
Socio-Economic Forecasts 40
Population and Household Forecast 40
Employment forecast 41
Population Projections by Age Group 42
Impacts of New LRT Service 43
Real Estate Agent Interviews 49
Community Stakeholder Interviews and Presentation 53
Gaps Analysis 57
Corridor-Wide Housing Gaps 58
Station Area Housing Gaps 61
Oak Grove Parkway 63
93rd Avenue 65
85th Avenue 67
Brooklyn Boulevard 69
63rd Avenue 71
Bass Lake Road 73
Robbinsdale 75
Golden Valley Road 77
Plymouth Avenue 79
Penn Avenue 81
Van White Boulevard 83
Appendices 85
Community Stakeholder Interview Notes 85
Data Tables 111

INTRODUCTION

Purpose

The Bottineau Community Works Housing Gaps Analysis evaluates the existing and near term supply of housing along the Bottineau Corridor and compares it to important demographic and economic trends to determine whether there are critical gaps in the supply of housing. The METRO Blue Line Extension is a planned 13-mile light rail transit (LRT) line that will connect downtown Minneapolis to the communities of northwestern Hennepin County, including the neighborhoods of north Minneapolis, and the cities of Golden Valley, Robbinsdale, Crystal, and Brooklyn Park. The LRT will terminate near the Brooklyn Park campus of Target Corporation.

The METRO Blue Line Extension will be transformative by vastly increasing the mobility of people who live and work along the Corridor today, but also increasing the Corridor's accessibility to the entire region. As a result, demand for housing along the Corridor will increase substantially. Therefore, one of the main purposes of this study is to determine not only where existing housing gaps need to be addressed but also understand how future growth pressures may exacerbate those gaps. This second point means using this study to inform appropriate policy responses at the city level (i.e., zoning) in order to position each of the LRT station areas along the Corridor to be able to close any future housing gaps once the transit line is operational.



Source: Metropolitan Council

Report Format

This report is broken into seven major sections or chapters. The first two sections address characteristics of Bottineau Corridor's housing stock and household base. These sections mostly consist of data

from the US Census and other relevant secondary sources. It should provide the reader with a solid foundation of objective data with which to assess each station area's current housing situation. The third section is a brief review of the socio-economic trends affecting the demand for housing through 2040.

The fourth through sixth sections step beyond the quantitative analysis presented in the first three sections by providing the reader with qualitative data about the housing stock. It includes a summary of findings from a literature review of LRT impacts on housing costs, interviews with residential real estate agents, and interviews with community stakeholders regarding important housing issues and concerns.

The concluding section of the report builds upon the previous six sections. This is the gap analysis, which is an assessment of the types of housing needed in each station area in order to provide a full continuum of housing choice for its residents in a transit-supportive environment.

Data Resources

The majority of data presented in this report is secondary data from the US Census, including the decennial censuses from 2000 and 2010, and the American Community Survey (ACS), which is a rolling 1-, 3-, and 5-year survey of a statistically significant sample of the US population. For this study, the 2011-2015 American Community Survey was used for many variables.

In addition to the US Census, other data sources included each city along the Corridor, Hennepin County, Esri, CoStar, Minneapolis Area Association of Realtors, Twin Cities Senior Housing Guide, Housing Link, and apartment websites. Although these sources generally augmented the US Census data, in many cases they were valuable in either filling in holes not covered by or to corroborate the Census data.

Although these sources are judged to be reliable, it is impossible to authenticate all data. The analyst does not guarantee the data and assumes no liability for any errors in fact, analysis, or judgment. The secondary data used in this study are the most recent available at the time of the report preparation.

The objective of this report is to gather, analyze, and present as many housing components as reasonably possible within the time constraints agreed upon. The conclusions contained in this report are based on the best judgments of the analysts; Perkins+Will and its project partners make no guarantees or assurances that the projections or conclusions will be realized as stated. It is Perkins+Will's function to provide our best effort in data aggregation, and to express opinions based on our evaluation.

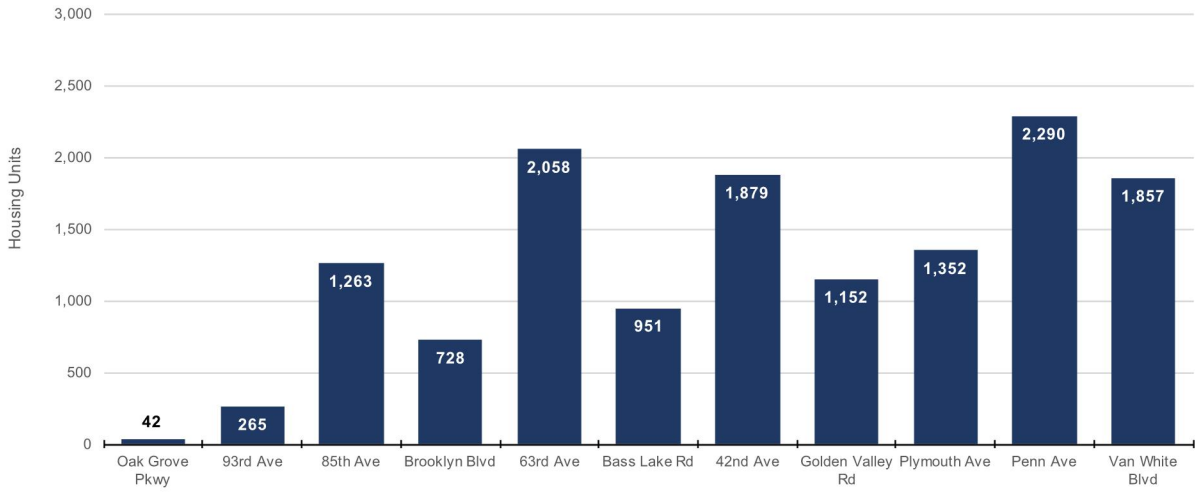
CHARACTERISTICS OF THE HOUSING STOCK

Total Housing Units

The amount of housing varies significantly from station area to station area. As of data from 2016, the station with the least amount of housing within ½-mile of a station is 93rd Avenue with 265 units and the most is Penn Avenue with nearly 2,300 units. This variation in the number of units is due to a number of reasons. For example, the Oak Grove Parkway station area is mostly vacant and undeveloped. Other station areas are dominated by non-residential land uses; the Brooklyn Boulevard and Bass Lake Road station areas contain large shopping centers; 93rd Avenue has significant industrial and office uses; and the Golden Valley Road and Plymouth Avenue station areas are dominated by Theodore Wirth Park.

Generally, though, the number of housing units within a ½-mile radius of a given station tends to decrease from south to north along the Corridor largely because older areas of the Corridor (in the south) were originally developed at higher densities compared to newer areas of the Corridor (in the north).

Figure 1: Total Housing Units by Station Area (1/2-Mile Radius)[1]



Source: US Census, ACS 2011-2015 Estimate

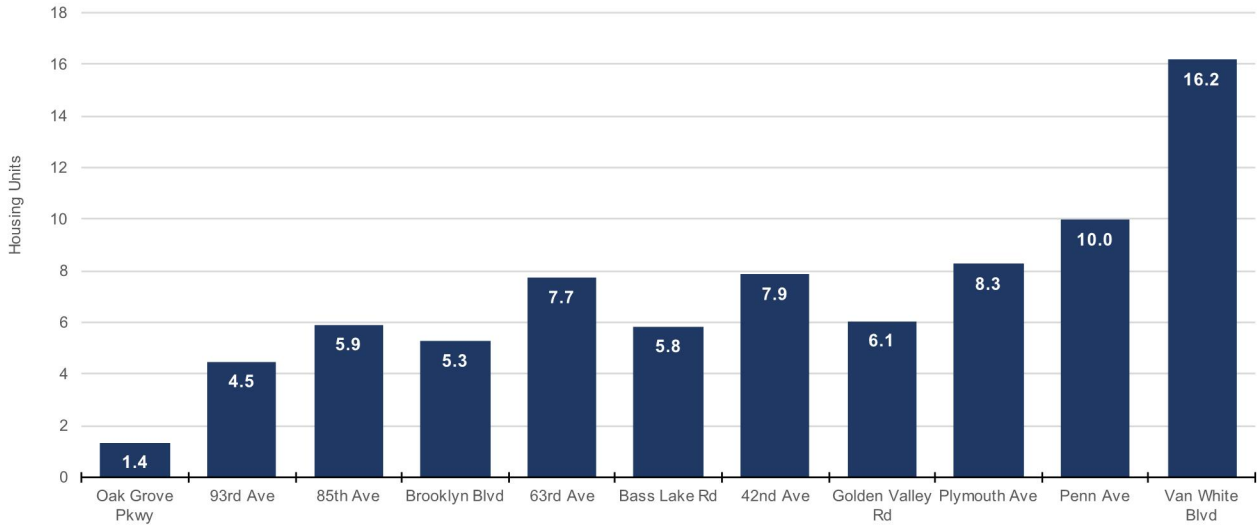
1. The 42nd Ave Station Area noted on all figures has been renamed to "Robbinsdale Station Area" or "Robbinsdale" station. The Station name change has been updated and noted within the text, tables and maps of this report.

Housing Unit Density

The density gradient is more obvious when non-residential land uses are subtracted out of the ½-mile radius. Figure 2 shows how density of housing per acre starts high in the Van White Boulevard station area and then decreases rapidly once the station areas are outside of the city of Minneapolis. Most station areas have a residential density of between five and eight units per acre.

For comparison purposes, density along the Green Line in Saint Paul between Lexington Avenue and Rice Street ranges between 10 and 14 units per residential acre. Many newer multifamily developments located along either the Blue or Green Lines often have more than 60 units per acre.

Figure 2: Housing Units per Acre of Residential Land (1/2-Mile Radius)



Source: Met Council; SHC; Perkins+Will

Structure Type

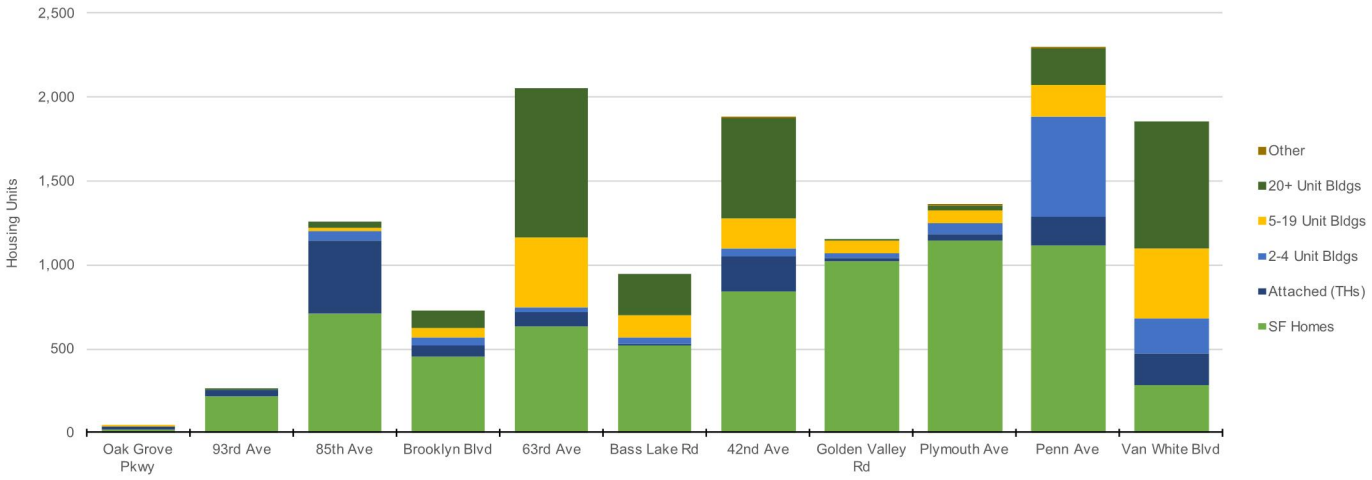
Housing is not monolithic. It often comes in a variety of shapes, sizes, and structure types. The number of housing units in a given building is a basic way to differentiate housing types.

There is a great deal of variety among the station areas along the Bottineau Corridor. In several station areas, larger multifamily buildings account for a significant proportion of units, especially in the 63rd Avenue, Robbinsdale, and Van White Boulevard station areas.

The presence of large multifamily buildings is also correlated with a higher density of units. The Penn Avenue station area, however, is able to achieve the highest overall density despite having more units in

smaller multifamily buildings compared to larger multifamily buildings. Other station areas, however, can often have a dominant housing type, such as Golden Valley Road and Plymouth Avenue, where nearly all of the units are detached, single-family homes.

Figure 3: Housing Units by Structure Size (1/2-Mile Radius)



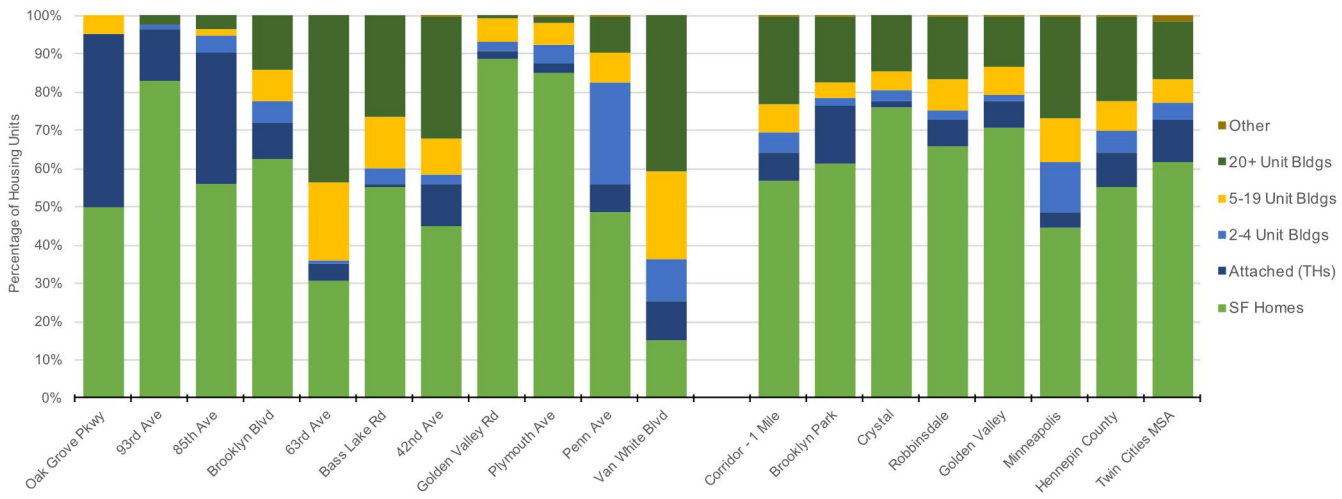
Source: US Census, ACS 2011-2015 Estimate

Although the detached, single-family house is synonymous with the concept of the American dream, there is no ideal structure type for housing. So many factors influence our housing needs that it is best to assume that a range of housing choices will not only meet the broadest range of needs but also be able to easily respond to changing market and demographic conditions.

Figure 4 compares the distribution of the housing types not only among the station areas but also to the Corridor[2], each city along the Corridor, Hennepin County, and the Twin Cities metropolitan statistical area[3]. Although there is a lot of variety in the housing structure types from station area to station area, the Corridor as a whole has a very similar distribution of housing structures compared to the Metro Area. Although the Corridor-wide profile reflects the general historical pattern of building less dense homes in more recently developed areas, it underscores the fact that policy changes will likely be needed to promote/support transit supportive housing development in the station areas.

2. In most cases, and especially when comparing geographies, the Bottineau Corridor is defined as a 1-mile buffer surrounding the planned LRT route.
3. There are a variety of ways to define metropolitan areas. In the Twin Cities, there are two common definitions. The first is the seven core counties that are under the purview of the Metropolitan Council. The second is defined by the US Census and is based on commuter travel sheds. For the Minneapolis-St. Paul region, the Census currently defines the metropolitan area as a 16-county region that also includes portions of Western Wisconsin. This is known as the MSA or Metropolitan Statistical Area. Due to various data sources, this report references both definitions. Because any "metro area" statistics referred to in this report are primarily used as basis to compare a station area or the Bottineau Corridor to a much larger geographic area in order to establish a "norm" or baseline, the authors of this report are comfortable using the two definitions as the availability of data dictates.

Figure 4: Distribution of Housing by Units in Structure (1/2-Mile Radius)



Source: US Census, ACS 2011-2015 Estimate

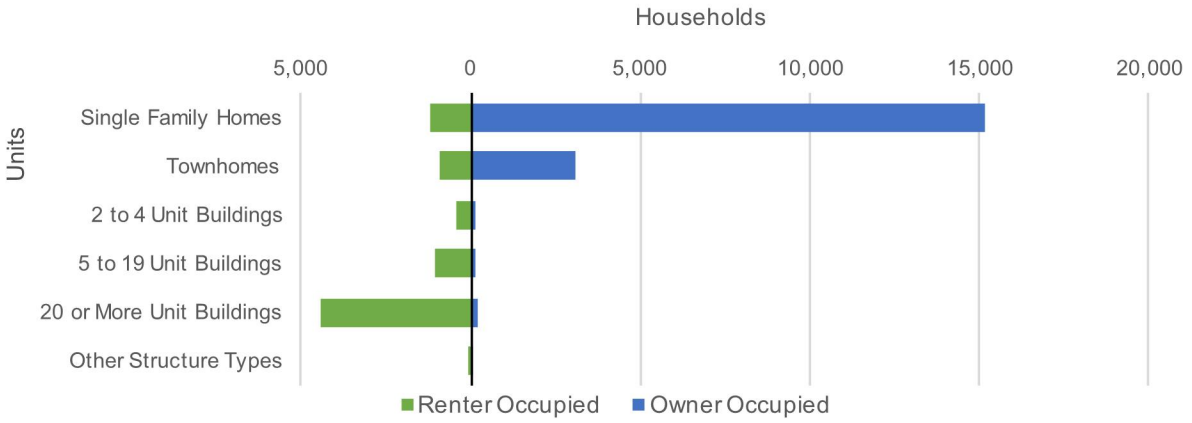
Household Tenure by Structure Type

The type of housing structure is strongly correlated with whether an occupant owns or rents the unit they are living in, also referred to as household tenure. Figure 5 is a series of charts that break down the number of housing units by structure size and type of tenure (i.e., own vs. rent) for each city along the Bottineau Corridor, Hennepin County, and the Twin Cities metro area.

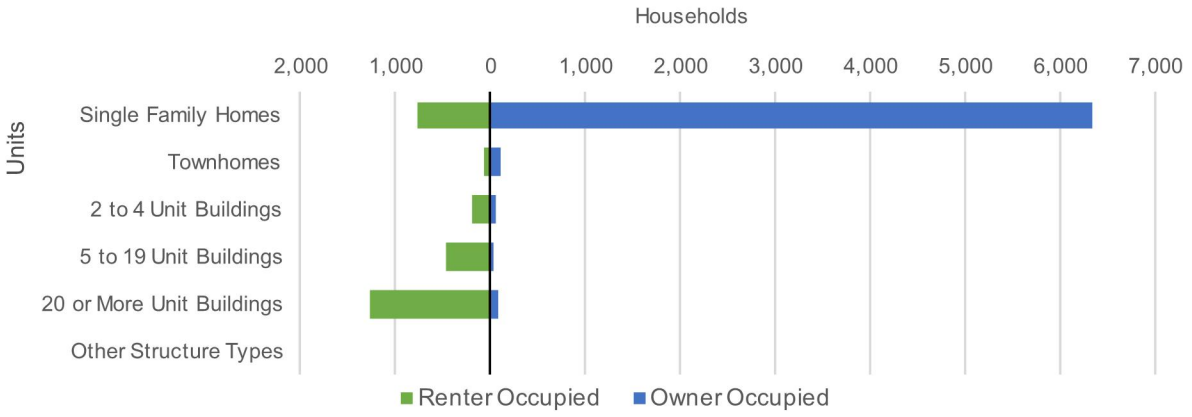
It corroborates the fact that the vast majority of owned housing are single-family homes. However, single-family homes represent a significant portion of rented housing as well. Small to medium size structures are generally rented, though outside the Corridor it is more common to find owned units in such structures. Attached or townhome-style housing is more commonly owned, but rented forms are prominent as well.

Figure 5: Rented vs Owned Housing by Units in Structure

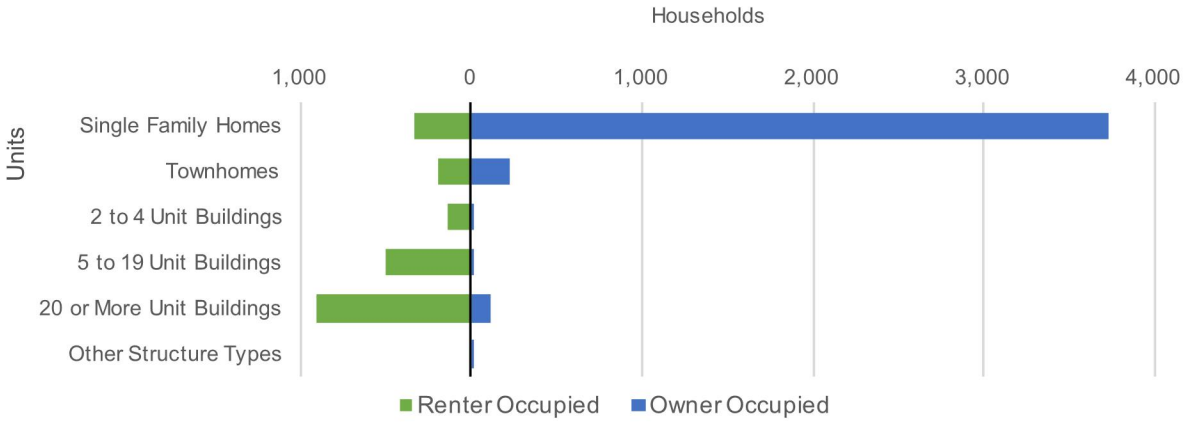
CITY OF BROOKLYN PARK



CITY OF CRYSTAL

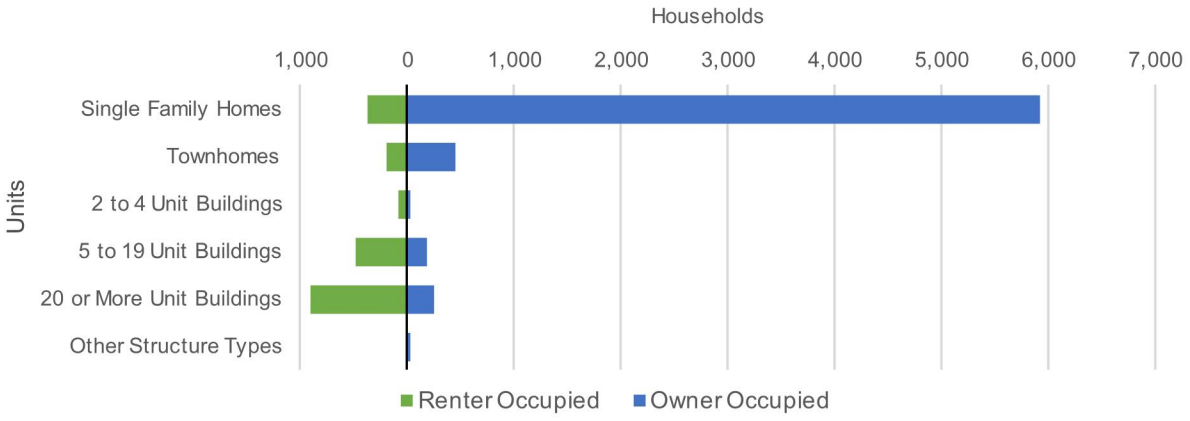


CITY OF ROBBINSDALE

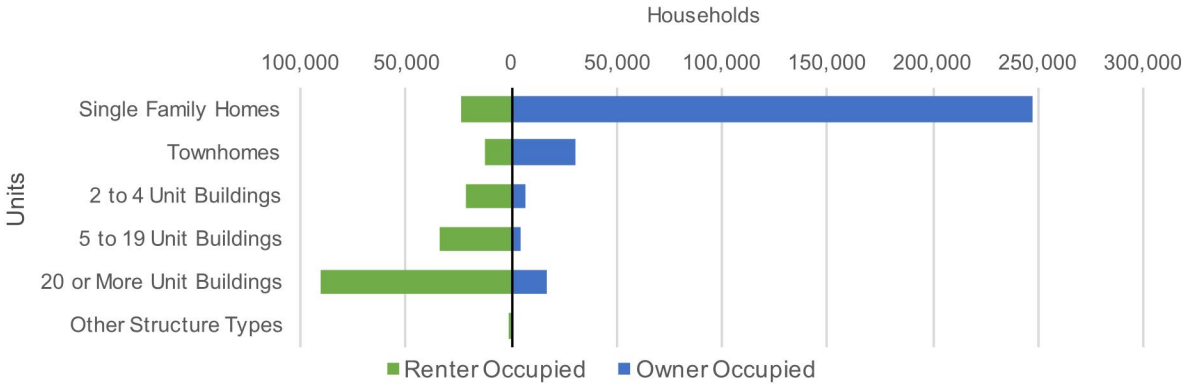


Sources: US Census; Tangible Consulting Services

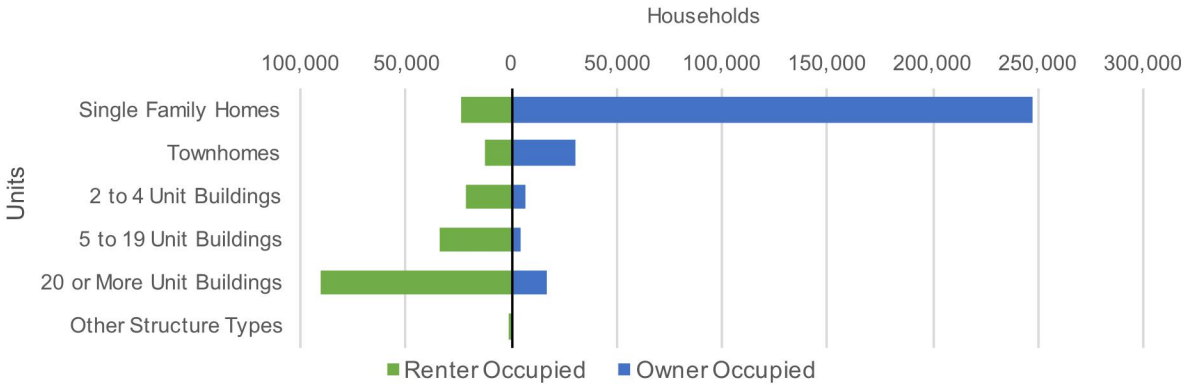
CITY OF GOLDEN VALLEY



HENNEPIN COUNTY



TWIN CITIES MSA



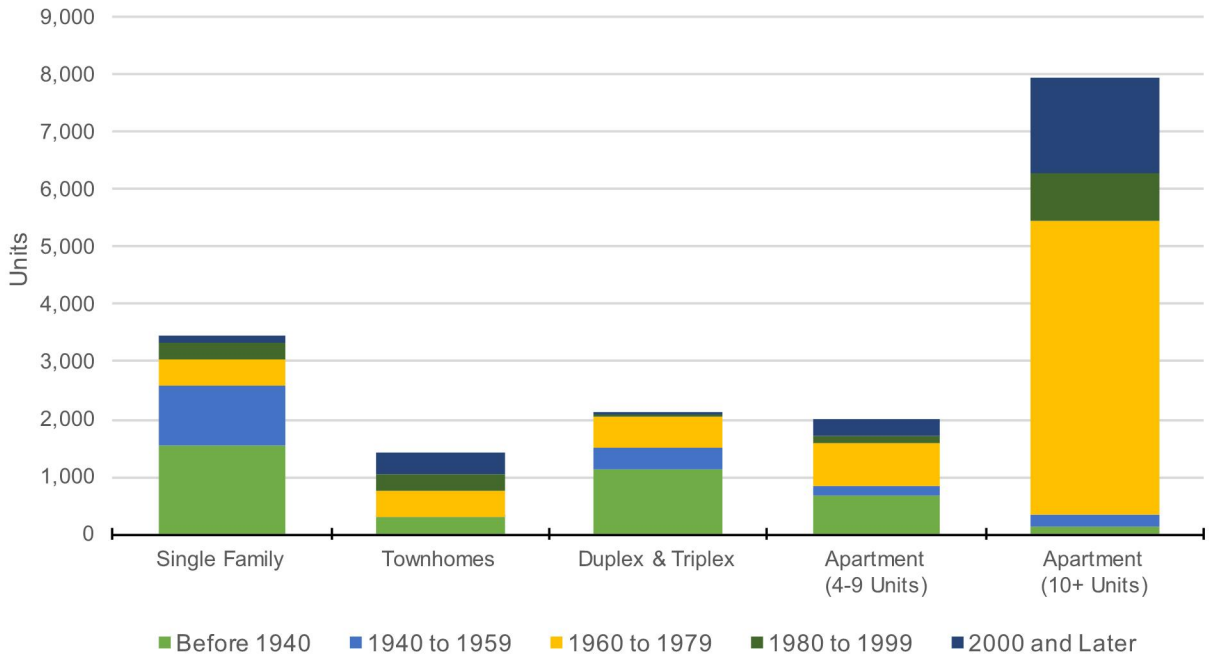
Sources: US Census; Tangible Consulting Services

Figures 6 and 7 present data on the number of rental units by structure size and the year built. Rented housing tends to have shorter-term occupants compared to owner-occupied housing and, therefore, is more susceptible to wear and tear. The age of the units can be an important indicator of the likely condition of this portion of the housing stock.

In Figure 6, which includes data for the entire Bottineau Corridor, the majority of rental housing is in larger multifamily buildings (10 or more units). Within this category, most buildings were built between 1960 and 1979, which means they are now old enough to require major maintenance projects to keep them habitable, such as new roofs, windows, and critical mechanical systems (i.e., furnace, hot water heater, etc.).

Among the small structure types, the rental housing stock is even older. For example, among the single-family and duplex/triplex categories, the overwhelming majority of the rental units are more than 50 years old.

Figure 6: Rental Housing by Units in Structure and Year Built (1-Mile Corridor)

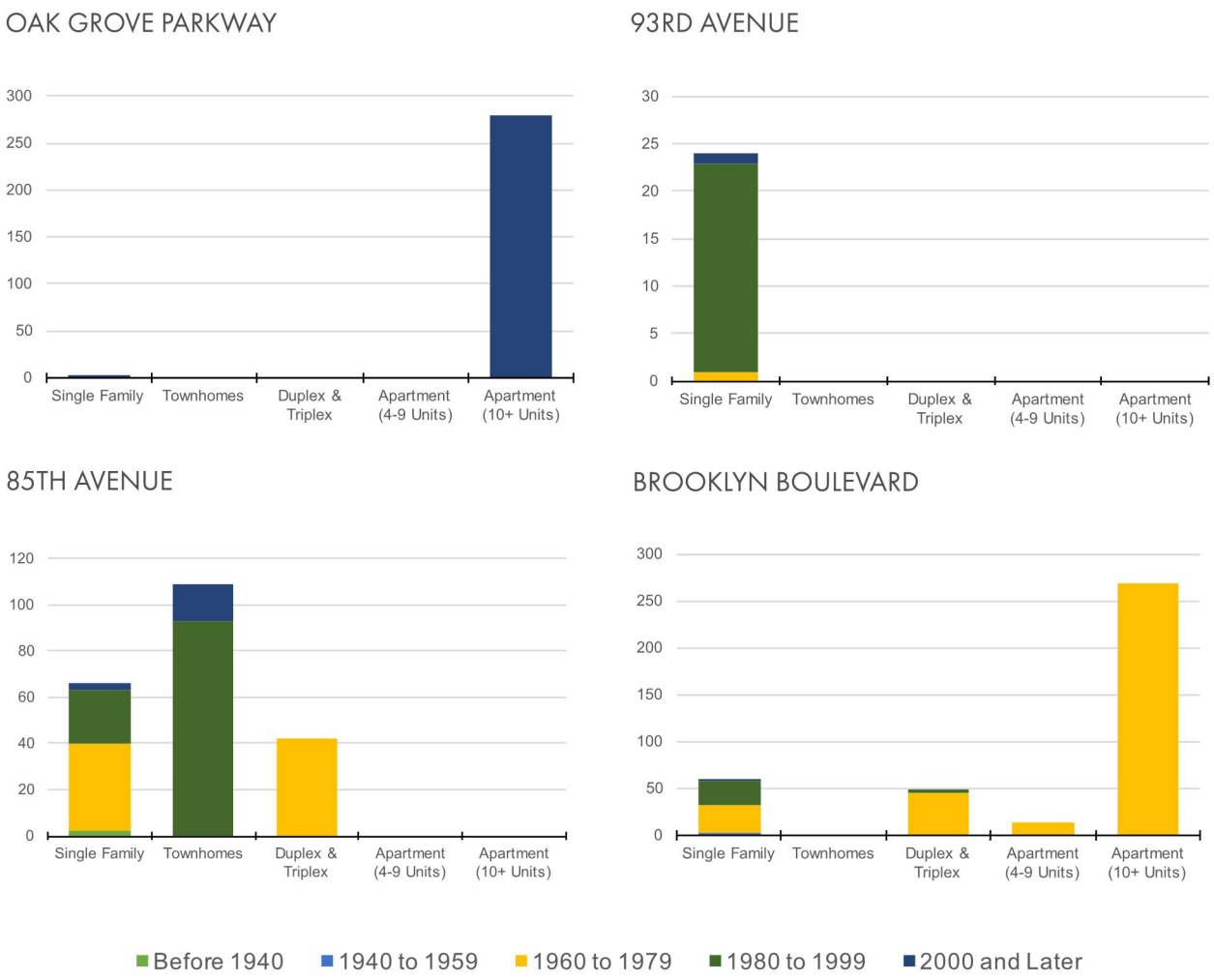


Sources: CoStar; Tangible Consulting Services

Figure 7 on the following two pages is a series of charts that highlights the age and size of rental properties within one mile of each station area. The age and type of rental housing differs significantly from station area to station area. In the Brooklyn Boulevard and 63rd Avenue station areas, there is very little variety of rental housing types. Almost all of the rental housing is in large buildings built between 1960 and 1979. Single-family or attached housing dominates the rental housing stock in the 93rd Avenue, 85th Avenue, Golden Valley Road, and Plymouth Avenue station areas.

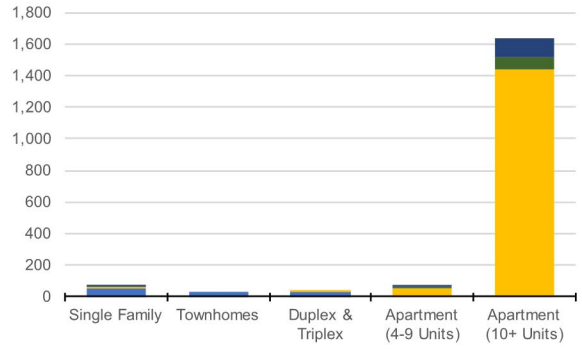
It is important to note that there are very few rental units that have been built within the last 20 years throughout the Corridor. Only in the Oak Grove Parkway (due to a new development) and the Van White Boulevard station areas are there any significant amounts of newer rental housing.

Figure 7: Rental Housing by Units in Structure and Year Built (1-Mile Radius)

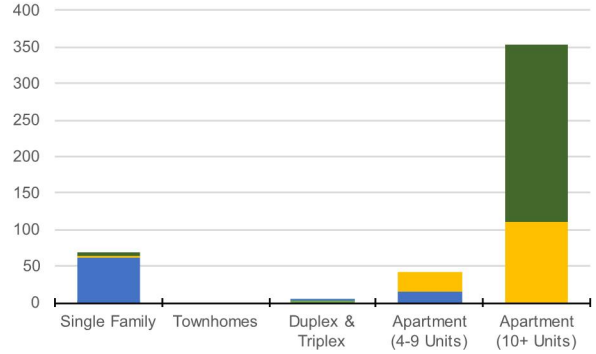


Sources: CoStar; Tangible Consulting Services

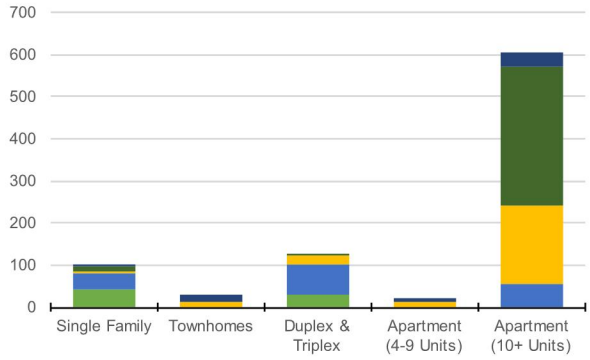
63RD AVENUE



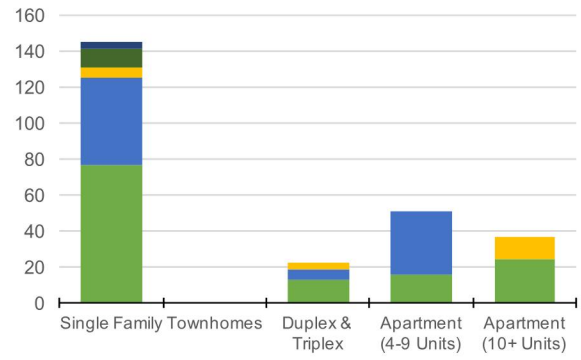
BASS LAKE ROAD



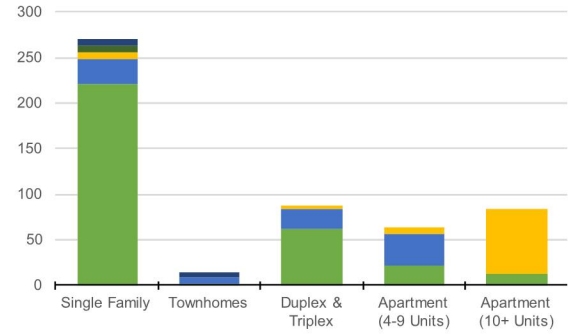
ROBBINSDALE



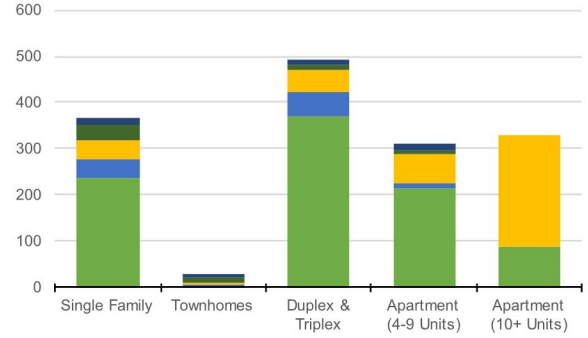
GOLDEN VALLEY ROAD



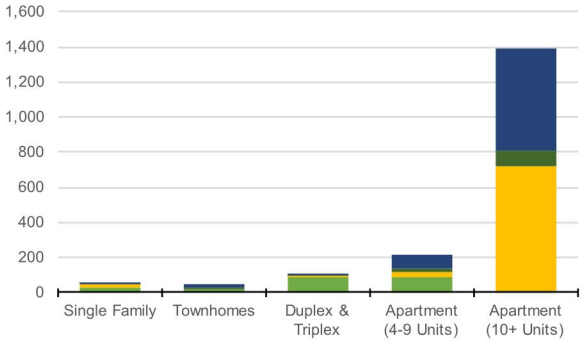
PLYMOUTH AVENUE



PENN AVENUE



VAN WHITE BOULEVARD



Sources: CoStar; Tangible Consulting Services

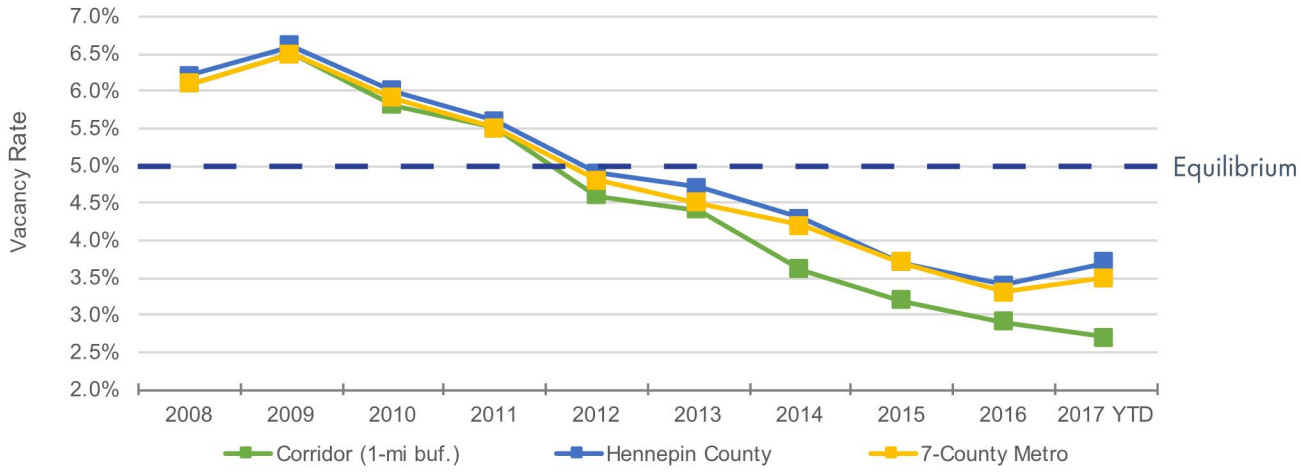
Vacancy Trends

Figure 8 presents data on the general availability of market rate rental housing within the Bottineau Corridor and the broader metro area. The rental market is extremely tight everywhere with very little available units throughout the Corridor or the metro area.

The current vacancy rate is just above 2.5% in the Corridor. This is well below what is generally accepted among housing experts as market equilibrium, the point at which supply is high enough to accommodate most households in need of housing, but not so high that land lords are unable to maintain their properties due to low revenues caused by excessive numbers of vacant units.

This is an extremely low rate of vacancy. Furthermore, the vacancy rate has been low for many years. The impact of persistently low vacancy is that many households that want to relocate to the area are unable to do so due to a lack of availability. It also means landlords are in a position to raise rents, sometimes excessively. In many cases, this results in the need to combine households, either because of inability to keep up with rising rents or a simple lack of housing options. In either case, it can often result in rapid wear and tear on units not designed for such occupancy conditions.

Figure 8: Market Rate Apartments – Average Vacancy Rate

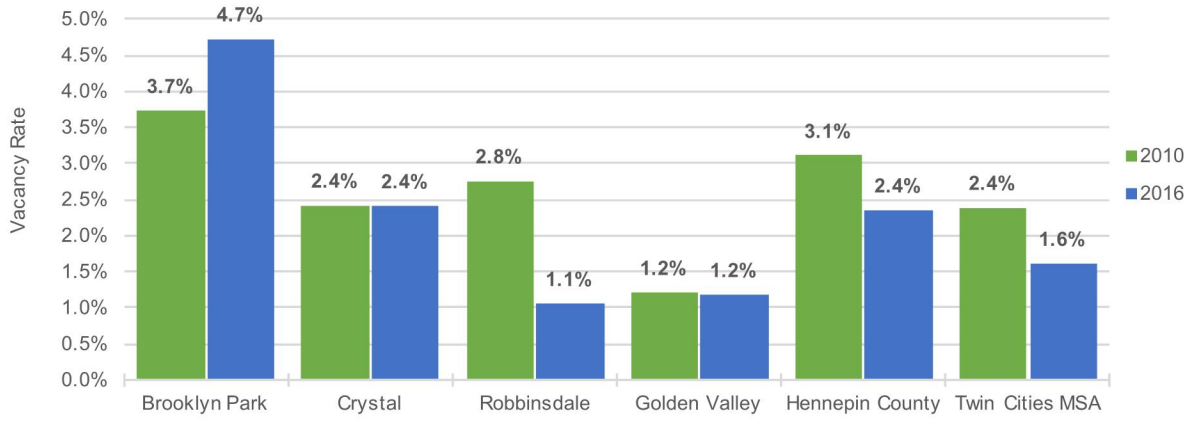


Sources: CoStar; Perkins+Will

Vacancy data for owner-occupied units is less reliably tracked compared to rental housing. Nevertheless, Figure 9 displays data on the vacancy rate of owned housing from the US Census for each City along the Corridor, Hennepin County, and the Twin Cities metro area. The figure compares the vacancy rate of 2010 (the height of the for-sale housing bust) and 2016.

Throughout the region, even owned housing has experienced a decline in vacant units since the beginning of the decade. This is a testament of how the improved economy of the region is creating demand for all types of housing. In Robbinsdale and Golden Valley the vacancy of owned housing is extremely low. In Crystal the rate is on par with the County. The exception is Brooklyn Park. One possible explanation for the shown increase is that Brooklyn Park is the only city along the corridor with significant tracts of vacant land available for traditional subdivision development. During the housing bust, new housing construction dramatically declined, which meant homes newly constructed and not yet occupied were rare. Now with the improved economy, Brooklyn Park has a number of active housing subdivisions.

Figure 9: Estimated Vacancy of Owned Housing (2010 and 2016)



Source: US Census, ACS 2012-2016 Estimate

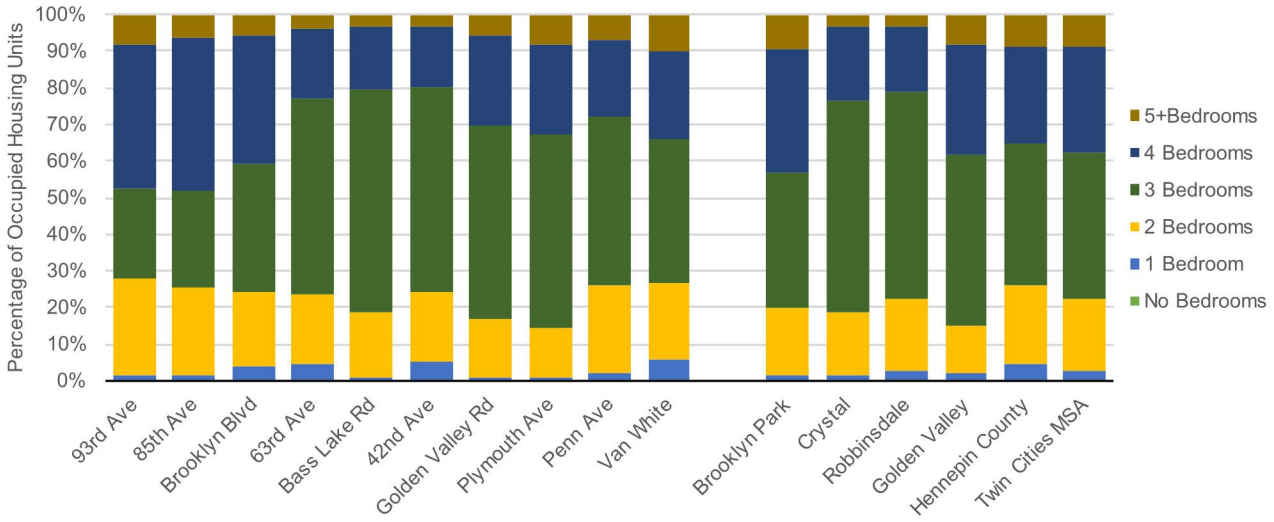
Bedroom Analysis

The size of individual housing units is important to understand because it is correlated with housing cost and impacts the types of choices households have depending on where they are in their lifecycle. Younger and older households, for example, tend to be smaller and have lower incomes. Therefore, they tend to demand smaller unit types, such as studio, one-, or two-bedroom units. Families with several children and multiple wage earners not only have more people per household but also have higher incomes compared to older and younger households.

Figures 10 and 11 display the percentage of housing units in each station area according to the number of bedrooms. Data for owned and rented housing is presented separately because so much of the owner-occupied housing stock is dominated by detached, single-family homes. For comparison purposes, data is also presented for each city along the Corridor, Hennepin County, and the Twin Cities metro area.

Owner-occupied housing, regardless of station area, does not have significant percentage of units with two or fewer bedrooms. This is consistent with Hennepin County and the Metro Area. The lack of smaller unit sizes among the owned housing stock is a reflection of lifecycle conditions as noted above. However, it can be a barrier to those who want to access homeownership. The other important finding from Table 10 is that the station areas with the newest housing tend to have a much larger proportion of units with four or more bedrooms.

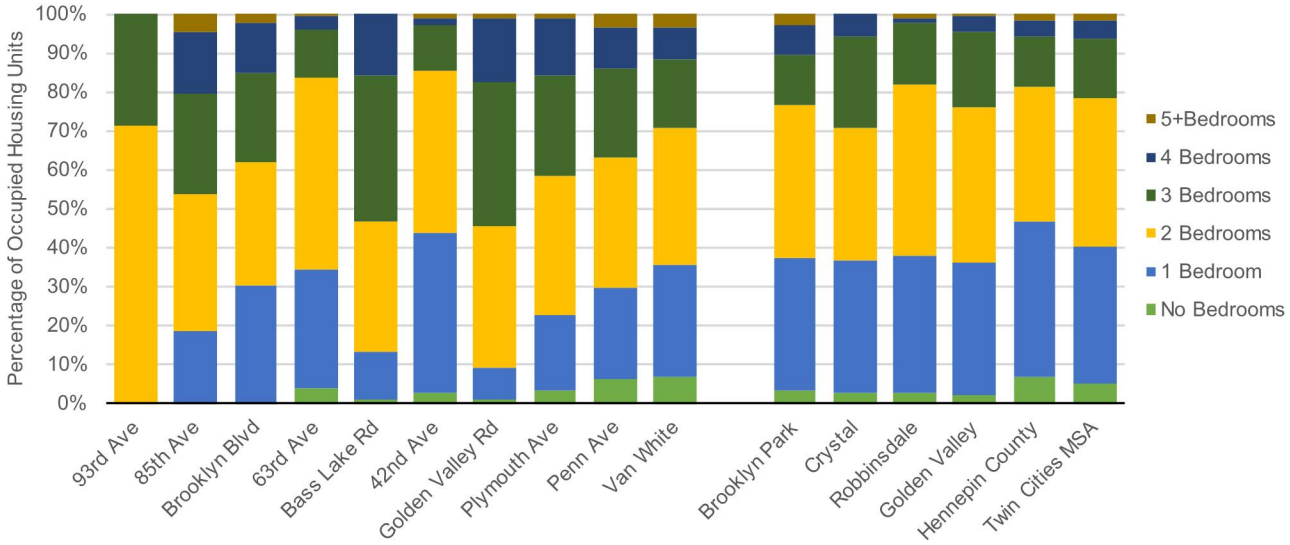
Figure 10: Bedrooms per Housing Unit - Owner-Occupied Housing (1/2-Mile Radius)



Sources: U.S. Census Bureau, ACS 2011-2015 Estimate;Tangible Consulting Services

In Figure 11 the percentage of units with more bedrooms is correlated with the presence of rented single-family homes. For example, the Bass Lake Road and Golden Valley Road station areas have more than 50% of their rental housing stock containing three or more bedrooms. These are station areas with a lot of rented single-family homes.

Figure 11: Bedroom per Housing Unit – Renter-Occupied Housing (1/2-Mile Radius)

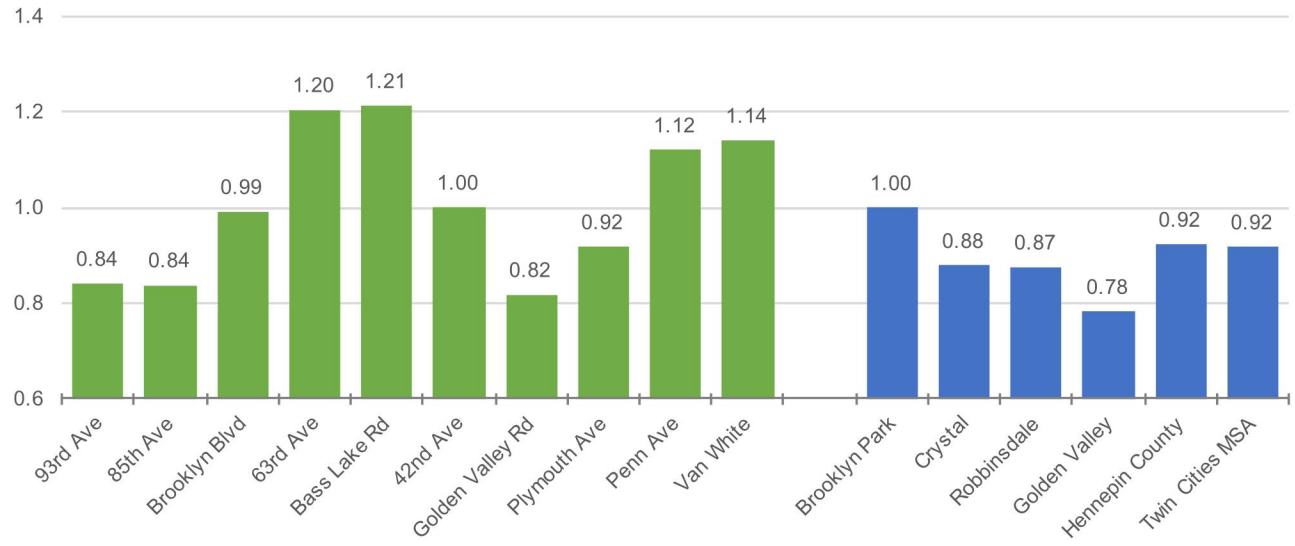


Sources: U.S. Census Bureau, ACS 2011-2015 Estimate;Tangible Consulting Services

Data from Figures 10 and 11 were further analyzed to generate Table 12 that show the number of persons per bedroom in each station area. The data include both owner- and renter-occupied data. High rates of person per bedroom can signal not only a mismatch between housing need and supply, but also the potential for excessive wear and tear on the housing stock.

Across the metro area, the average number of persons per bedroom is 0.92. In areas with an older population, the number of persons per bedroom can be quite low due to empty-nest situations. However, in areas well above the metro area rate is evidence of the lack of supply for larger unit sizes. In particular, the 63rd Avenue, Bass Lake Road, Penn Avenue, and Van White Boulevard station areas have rates well above the metro area rate.

Figure 12: Persons per Bedroom (1/2-Mile Radius)



Sources: U.S. Census Bureau, ACS 2011-2015 Estimate;Tangible Consulting Services

Housing Costs

The cost of housing has profound impact on the ability to afford and access adequate housing. This section provides data from a number of sources and perspectives to better understand the current situation with respect to housing costs in the Bottineau Corridor and within each station area.

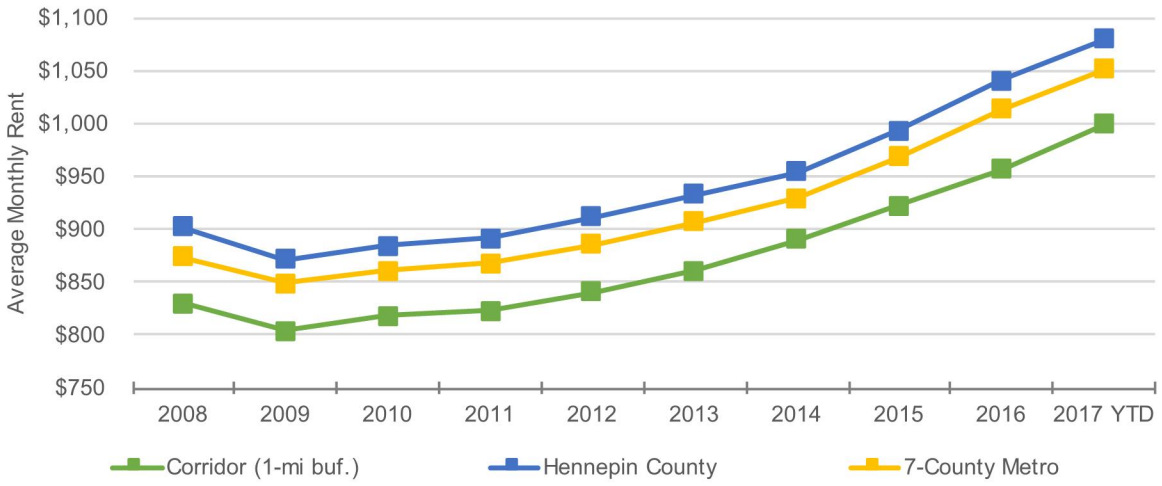
Pricing Trends: Market Rate Rental Housing

As noted previously, the vacancy rate for market rate apartments has been persistently low for many years. This has resulted in sharp increases in the average monthly asking rent. Figure 13 presents this data for buildings more than 20 years old[4]. Although the average asking rent in the Bottineau Corridor is about 7-8% lower when compared to the metro area average, it nevertheless has experienced an increase of roughly $200 since 2009, which is a 25% increase.

4. Because there are so few newer rental units in the Bottineau Corridor, it is important to compare data for older properties instead of all properties. Many of the newest rental properties being built today in the Twin Cities metro area are luxury product with pricing significantly above the average. Therefore, to include these newer properties in the analysis would skew the results.

For those with lower incomes who are unable to access income-restricted or rent-controlled housing this is a significant increase that undoubtedly has squeezed a number of households out of the market and into dire arrangements. Moreover, since 2012, the annual change has been increasing at a more rapid rate.

Figure 13: Average Monthly Asking Rent – Market Rate Apartments More than 20 Years Old

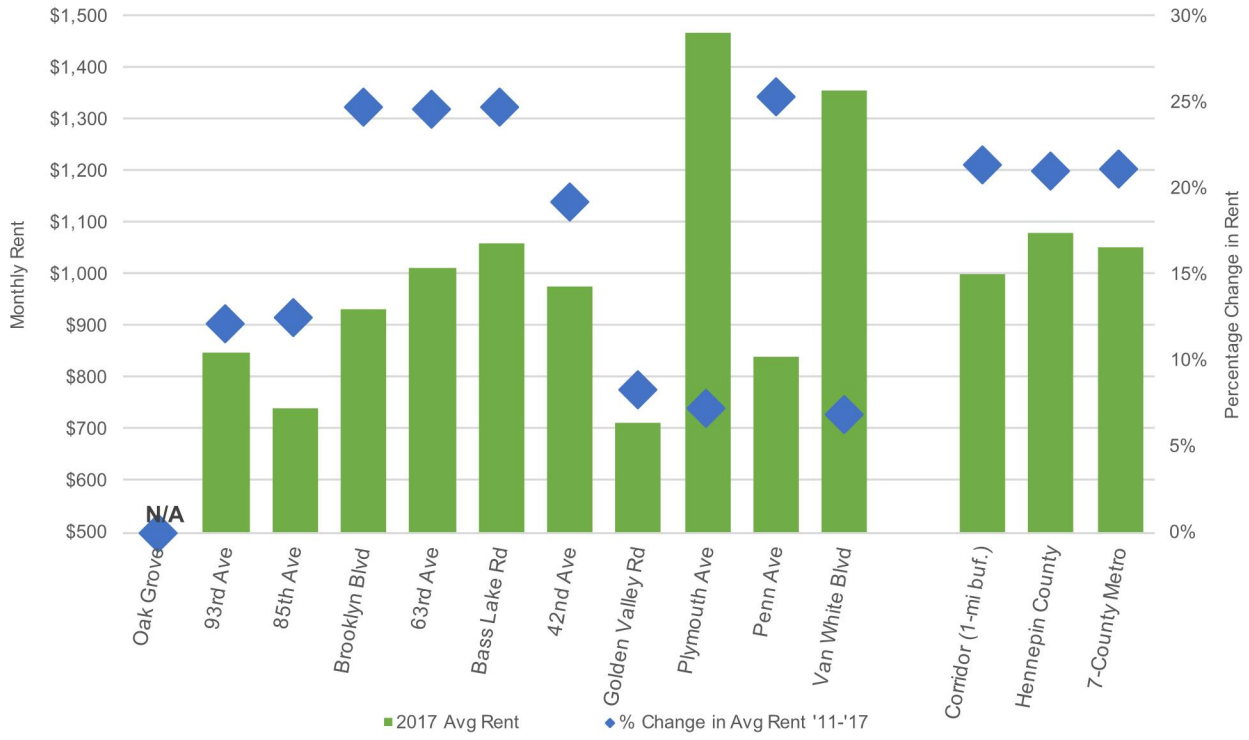


Sources: CoStar; Perkins+Will

Figure 14 presents apartment rent trends within ½-mile of each station area. According to the figure, most station areas have an average asking rent well below the County and metro area average asking rent. The Plymouth Avenue and Van White Boulevard station areas are the exceptions. This is due to upscale properties at the periphery of these station areas (one overlooks Wirth Park and another is in the rapidly growing North Loop area).

Despite overall lower average rents, several of the station areas have experienced rent increases since 2011 that have exceeded the County or metro area rate of rent growth. This indicates how overall economic conditions can have an outsized impact on area with more affordably priced housing and lower incomes.

Figure 14: Average Monthly Asking Rent and Percentage Change – Market Rate Apartments More than 20 Years Old (1/2-Mile Radius)



Sources: CoStar; Perkins+Will

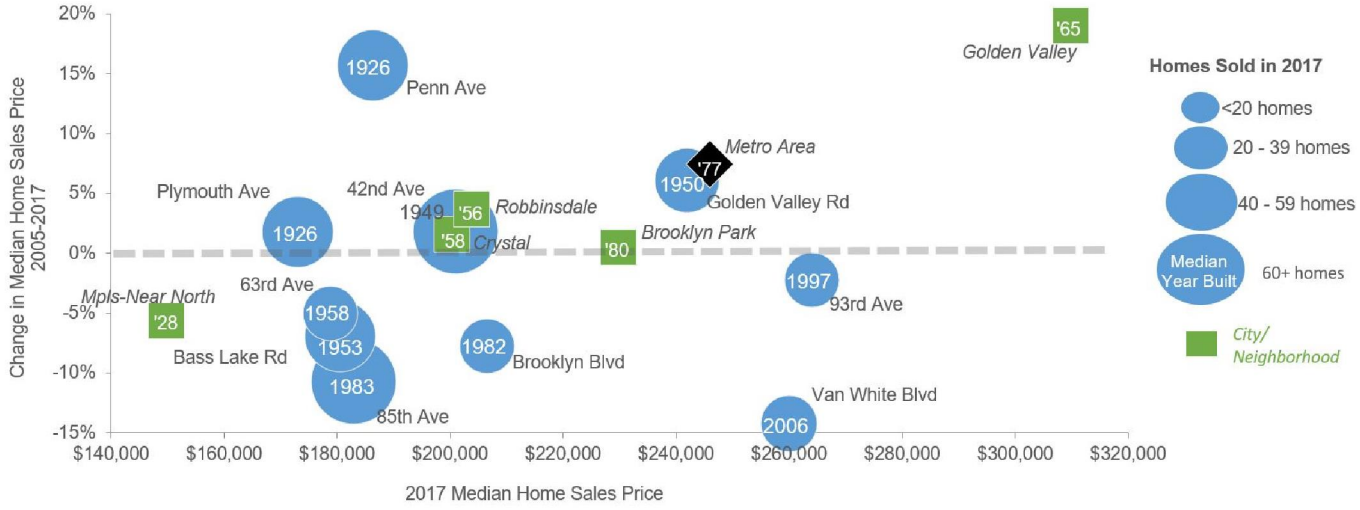
Pricing Trends: For-Sale Housing

Figure 15 presents a dense set of information characterizing the nature of the for-sale housing market in each station area (1/2-mile radius). It shows the most recent median sales price, the rate of change in the median sales since before the housing bust (2005), the volume of sales in 2017, and the median age of homes sold. Most of the station areas when compared to the metro area have a lower median sales price and have yet to return to their pre-bust pricing (as noted by the dashed line in the graph). The lower median sales price is somewhat reflected in the age of the for-sale housing stock. Several of the station areas have a median age well below that of the metro area.

The Van White Boulevard and 93rd Avenue station areas have a higher median sales price than the metro area, which can be explained somewhat by their newer housing stock. However, neither station area has been able to attain their pre-bust pricing. The Penn Avenue station area is the only area whose median sales price has substantially exceeded its pre-bust levels.

Home pricing can be influenced by the number of sales in a given area. The fewer the number of sales, the more the median sales price can wildly fluctuate. The station areas with the most number of recorded home sales in 2017 are Robbinsdale and 85th Avenue.

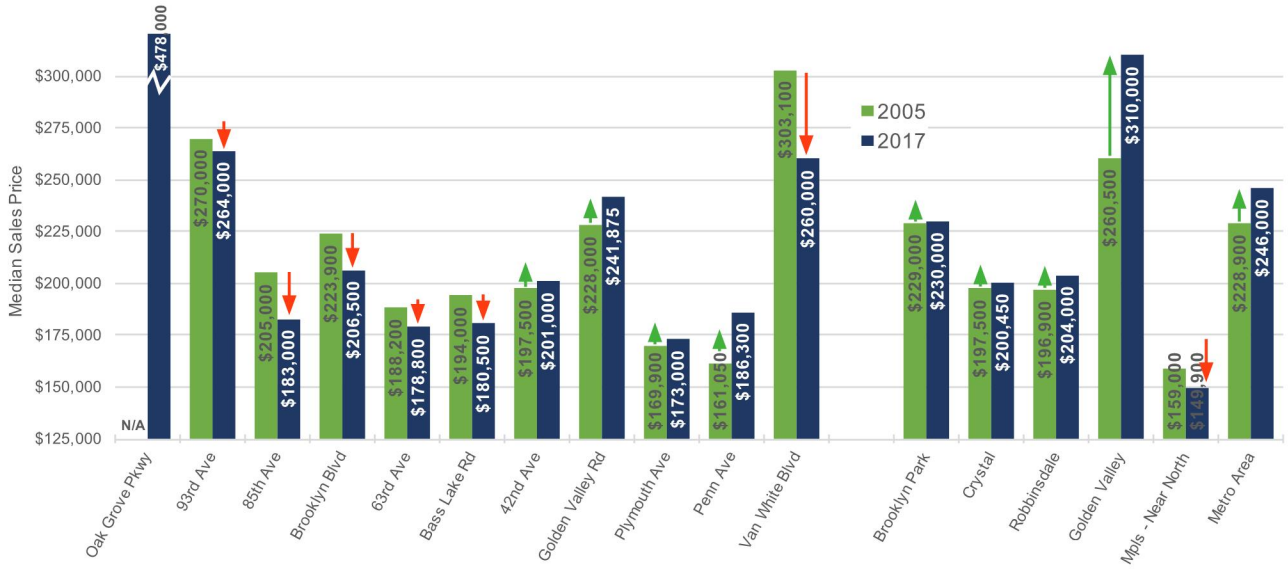
Figure 15: Home Sales Statistics by Station Area (1/2-mile radius), Corridor City, and Twin Cities Metro Area



Source: Minneapolis Association of Realtors, Multiple Listing Service

Figure 16 presents data that focuses on the change in the Median Sales from 2005 (pre-bust) to 2017. Homes located closer to downtown Minneapolis have been able to rebound from the bust more successfully than those located further out. The only exception is the Van White Boulevard station area. However, data for this station area is heavily impacted by a large, upscale condominium building that opened just prior to the housing bust that was saddled with many foreclosures. Therefore, statistically speaking it has a much deeper hole to climb out of compared to other station areas.

Figure 16: Median Home Sales Price (1/2-Mile Radius)



Source: Minneapolis Association of Realtors, Multiple Listing Service

Affordability

A survey of all rental housing properties with 10 or more units was conducted for an area within one mile of the planned LRT line. Information on individual properties, such as age of building, asking rents, unit mix (i.e., proportion of units that have one, two, or three bedrooms), unit square footages, and the presence of any restrictions (e.g., income or age requirements), were collected and analyzed in support of the gaps analysis.

Figure 17 presents data on the number of existing rental units that are affordable[5] to households at varying income levels. The income levels are set by the US Department of Housing and Urban Development (HUD) and benchmarked against the Twin Cities' area median income (AMI), which was $90,400 in 2017. The income categories used to determine affordability levels area defined as follows: Extremely Low Income (30% of AMI or less); Very Low Income (31% to 50% of AMI); and Low Income (51% to 80% of AMI). Corresponding to these income levels are HUD rent tables that identify the amount of rent that would be considered affordable at each income level according to unit size (i.e., number of bedrooms). These rent tables were used to analyze the affordability of rental units captured in the housing survey.

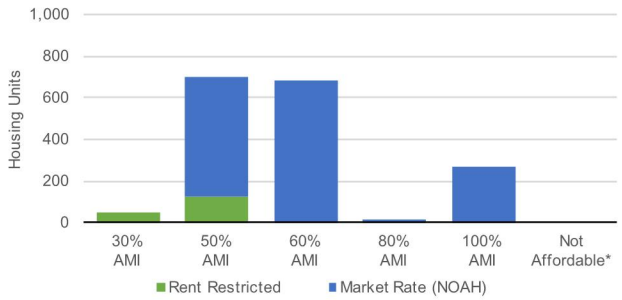
Based on the above definitions, Figure 17 breaks out units that have some level of rent or income restriction versus those that have no restrictions (i.e., market rate). In the case of market rate units that meet some level of affordability, these are commonly referred to as naturally occurring affordable housing (NOAH).

5. Affordability, as defined here, is based on the assumption that housing costs should not be more than 30% of gross income to allow for other household needs, such as food, clothing, transportation, and healthcare. For example, if monthly housing costs (i.e., gross rent) are $750 per month this would translate to an annual cost ($750 x 12 months) of $9,000. Therefore, if a household should be spending no more than 30% of their income on housing, they would need an annual income of at least $30,000 to afford such a rent.

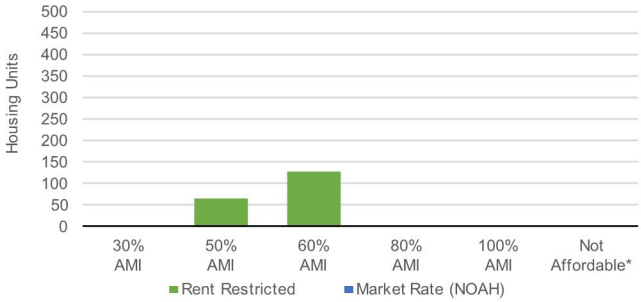
All of the rental housing along the Bottineau Corridor meets some level of affordability with over 80% of the units affordable to households with incomes at or below 60% of AMI. In Brooklyn Park and Robbinsdale very few of the rental units have a restriction. Almost all of the rental housing are naturally occurring affordable housing or NOAH. In Crystal and Minneapolis, the inverse is true in which all or the vast majority of units are restricted with very little NOAH. Not surprisingly, the restricted units tend to concentrate below 60% of AMI, meanwhile the NOAH units are mostly above 50% of AMI.

Figure 17: Affordability of Rental Units Based on Income Levels (in Buildings with 10+ Units)

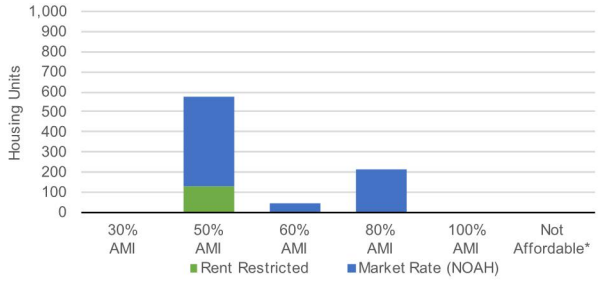
BROOKLYN PARK (WITHIN 1-MILE OF CORRIDOR)



CRYSTAL (WITHIN 1 MILE OF CORRIDOR)



ROBBINSDALE (WITHIN 1 MILE OF CORRIDOR)



MINNEAPOLIS (WITHIN 1 MILE OF CORRIDOR)

CORRIDOR-WIDE (1-MILE BUFFER)

Sources: CoStar; Tangible Consulting Services

Naturally Occurring Affordable Housing (NOAH)

A simple definition for NOAH is any housing unit that meets some definition of affordability without any restriction on who can live there (other than what a landlord is legally allowed to screen). In most areas, the vast majority of what would be considered affordably priced housing does not have a restriction. Prices are generally set by the market place and what a landlord can achieve in a competitive environment. However, due to the condition of a property, the presence (or lack thereof) of essential unit features, its location, or a glut of available units, many times housing can be priced to be affordable to many households "naturally" or without public subsidy.

When markets function under ideal conditions for both renters and landlords, property owners invest in their properties to keep them marketable yet sufficient competition means they are unable to raise prices beyond what the market can comfortably bear. However, NOAH is very susceptible to rapidly changing market conditions. If household growth outpaces housing supply or wage increases are unfairly distributed, landlords of NOAH properties may be able to raise rents to the point that segments of the market are often left unable to afford rent increases.

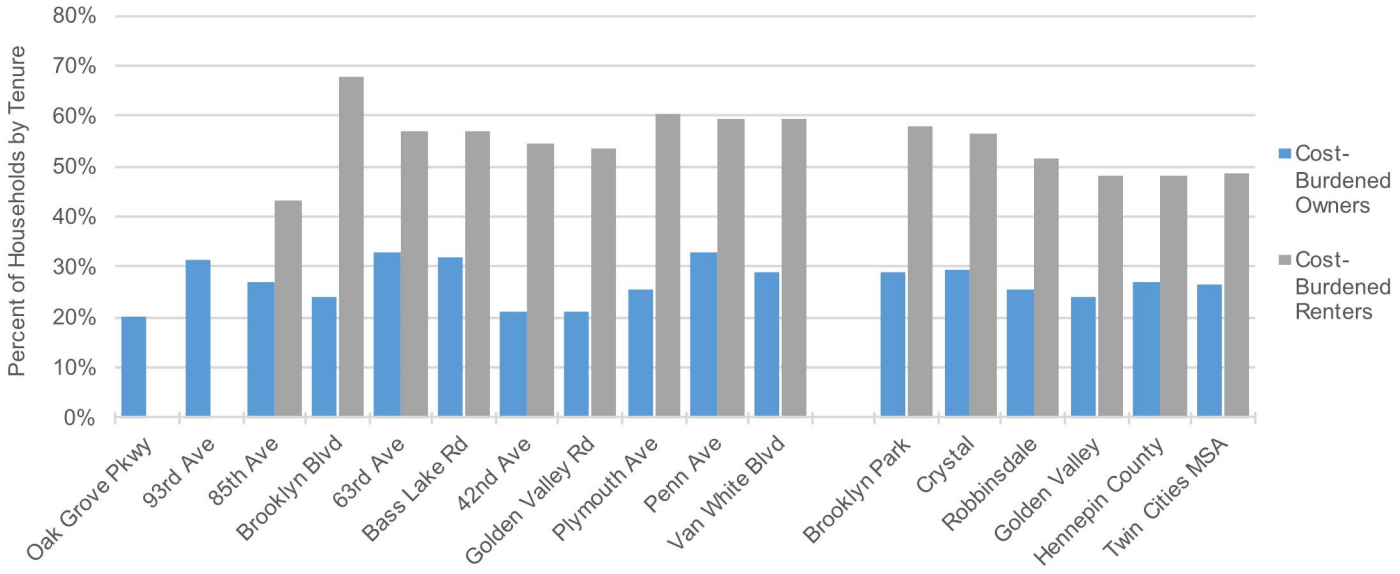
Cost Burden

Although many households may be living in housing that meets some definition of affordability, this does not mean that the cost of housing is not a burden (i.e., paying more than 30% of income toward housing costs). Figure 18 presents data on the proportion of owner- and renter-occupied households that are cost burdened for each station area, each city along the Corridor, Hennepin County, and the Twin Cities metro area.

From the figure, many of the renters living along the Corridor are more cost burdened than compared to other renters across in the County or across the metro area. This is despite the fact that housing in the Corridor tends to be more "affordable." Renters in the Brooklyn Boulevard station area are especially burdened with nearly 70% meeting the definition.

The figure also shows the cost burden for owner-occupied households. Although the prevalence of being cost burdened is not as high among homeowners, in some station areas nearly one-third of these households would be considered cost burdened.

Figure 18: Cost Burdened Households by Tenure (1/2-Mile Radius)



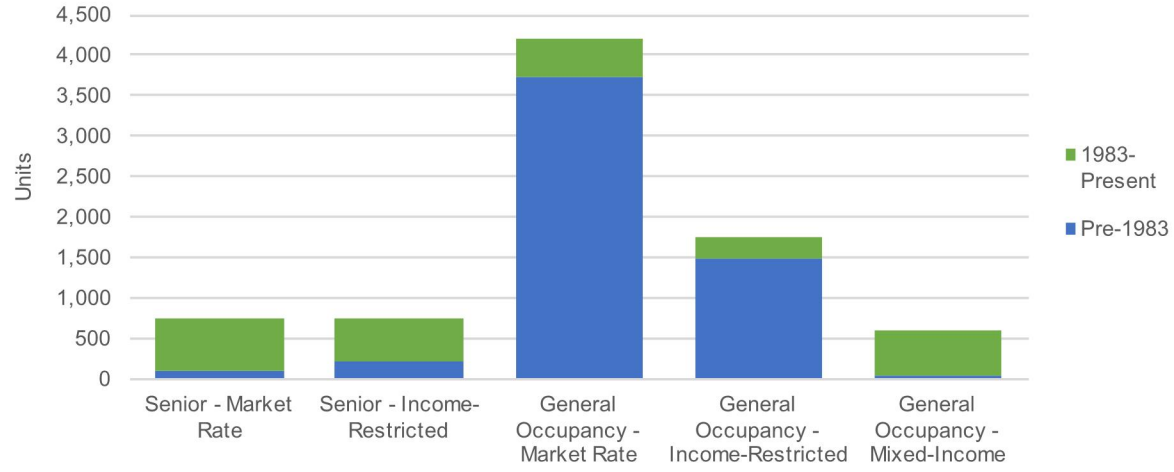
Sources: U.S. Census Bureau; Esri; Tangible Consulting Services; Perkins+Will

Restricted Housing

Figure 19 displays data on the number of rental units according to the type of restriction (i.e., income-restricted or age-restricted) or lack of restriction (i.e., general-occupancy). Also indicated in the figure is the whether the units have been built since 1983 or are older. Figure 20 is a companion chart showing the same data for the Twin Cities metro area.

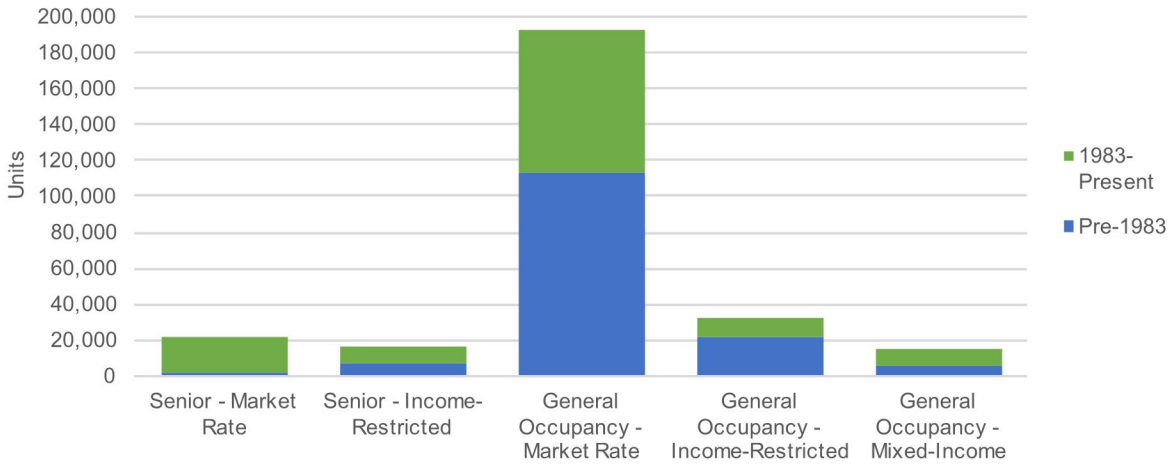
Nearly 50% of the rental units in the Corridor have some type of restriction. Of these, more than half have been built since 1983. The vast majority of general-occupancy rental units without any restrictions were built before 1983 and are more than 35 years old. This is in contrast to other parts of the metro area in which a much higher proportion of general-occupancy rental units have been built since 1983.

Figure 19: Restricted Rental Housing (1-Mile Corridor)



Source: CoStar; Tangible Consulting Services; Perkins+Will

Figure 20: Restricted Rental Housing (Twin Cities MSA)



Source: CoStar; Tangible Consulting Services; Perkins+Will

Many income-restricted properties are funded through multiple sources. Furthermore, many funding sources have an expiration date in which the owners of the properties are no longer required to restrict tenancy to their properties based on income. This is one of the most common ways in which communities can lose housing that is affordable to lower-income households. Based on data from HousingLink.Org and Hennepin County, Table 1 lists each of the income-restricted properties in the Corridor with an expiration date associated with the restriction. In total, just over 2,000 units exist within a mile of the LRT line. Roughly 200 of the units are set to expire within the next five years and unless the property owner decides to reapply to a funding program that supports the restriction, these units are at risk of being priced according to market forces and, thus, may lose their affordability.

Table 1: Income-Restricted Properties in which Restrictions are Set to Expire

Name	Address	City	Station Area	#Units	Expiration Year
Park Haven	6917 76th Ave N	Brooklyn Park	Brooklyn Blvd	176	2033
Autumn Ridge	8500 63rd Ave N	Brooklyn Park	63rd Ave	366	2037
Kentucky Lane Apts	6910 54th Ave N	Crystal	Bass Lake Rd	67	2030
Cavanagh Senior Apts	5401 51st Ave N	Crystal	Bass Lake Rd	130	2044
Bass Lake Court Townhomes	7300 Bass Lake Rd	New Hope	Bass Lake Rd	60	2019
Bridgeway Apartments	3755 Hubbard Ave N	Robbinsdale	Robbinsdale	45	2047
Copperfield Hill - The Manor	4200 40th Ave N	Robbinsdale	Robbinsdale	150	2024
The Commons at Penn Ave	2211 Golden Valley Rd	Minneapolis	Golden Valley Rd	47	2046
St. Anne's Senior Housing	2323 26th Ave N	Minneapolis	Golden Valley Rd	61	2037
Gateway Lofts	2623 W Broadway Ave	Minneapolis	Golden Valley Rd	46	2040
Broadway Flats	2505 Penn Ave N	Minneapolis	Golden Valley Rd	102	2047
Lindquist Apartments	1931 W Broadway Ave	Minneapolis	Golden Valley Rd/ Plymouth Rd	21	2034
West Broadway Crescent	2022-1926 W Broadway Ave	Minneapolis	Golden Valley Rd/ Plymouth Rd	54	2045
Ripley Gardens	301 Penn Ave N	Minneapolis	Plymouth Rd/Penn Ave	52	2026
Homewoods	1239 Sheridan Ave N	Minneapolis	Penn Ave/Van White	35	2024
	1618 Glenwood Ave N	Minneapolis	Penn Ave/Van White	12	2029
Park Plaza Apts	525 Humboldt Ave N	Minneapolis	Van White/Penn Ave	134	2021
	610 Logan Ave N	Minneapolis	Van White/Penn Ave	12	2040
Heritage Park Apts	1000 Olson Memorial Hwy	Minneapolis	Van White/Penn Ave	440	2033
Total Units				**2,010**	
Units Set to Expire within 5 Years				*194*	

Sources: HousingLink.Org; Hennepin County

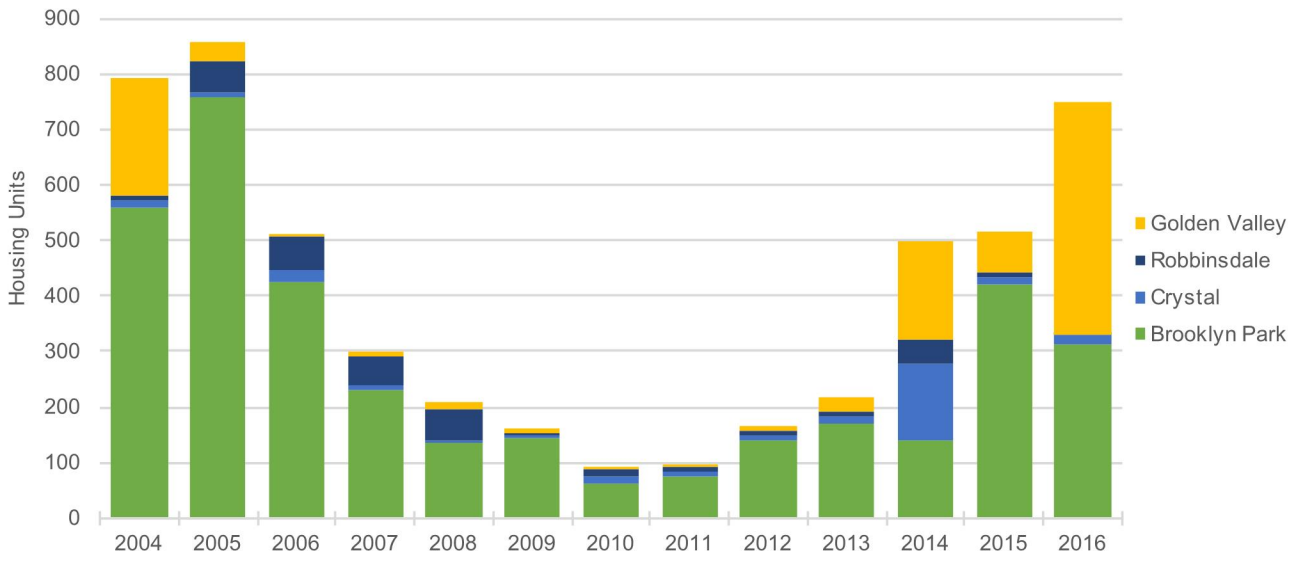
Development Trends

Housing production is an important strategy for maintaining an adequate and healthy stock of housing. New construction replaces obsolete or poorly maintained units. It adds to the supply and meets demand driven by growth. It also introduces new types of housing that meets the needs of ever evolving demographic and economic conditions.

Figure 21 displays the number of new housing units constructed in Golden Valley, Robbinsdale, Crystal, and Brooklyn Park from 2004 to 2016. Figure 22 presents the breakdown of those units by structure type. Data for Minneapolis is not included in Figures 21 and 22 for two reasons: 1) data specific to the portion of Minneapolis within or near the Bottineau Corridor is not readily available; and 2) Minneapolis is sufficiently large that including city-wide data would have skewed the numbers and not provided meaningful conclusions.

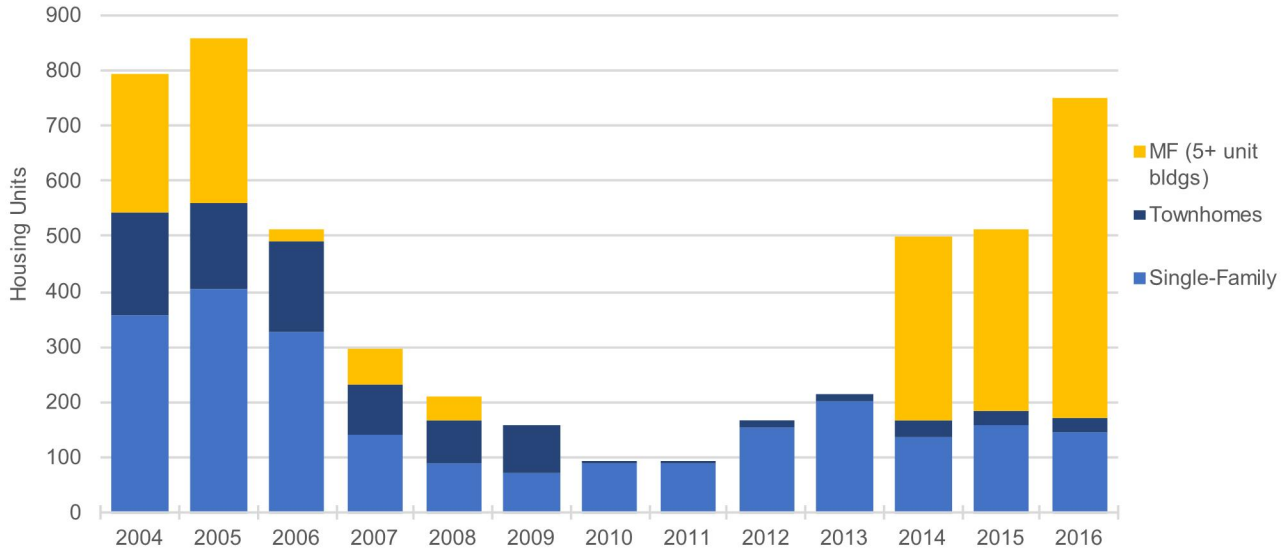
From the Figures 21 and 22, it is evident how much the housing bust from the late 2000s slowed new construction. At the bust's nadir, less than 100 new units were constructed annually compared to 850 units during the peak in 2005. Although not quite to the pre-bust levels, housing construction is adding significant numbers to the housing stock of Corridor communities.
Pre-bust, Brooklyn Park was capturing the majority of housing development. Post-bust, Golden Valley has begun to add significant numbers of new units as well. Although much of this recent development is in the form of larger multifamily buildings, very little of it has been occurring in or near the station areas.

Figure 21: Total Housing Units Permitted for Construction in Golden Valley, Robbinsdale, Crystal, and Brooklyn Park from 2004 to 2016



Source: Metropolitan Council

Figure 22: The Structure Type of Housing Units Permitted for Construction in Golden Valley, Robbinsdale, Crystal, and Brooklyn Park from 2004 to 2016



Source: Metropolitan Council

As previously noted, there has not been a significant amount of multifamily development within 1-mile of the Bottineau Corridor for over 30 years. As the LRT project gets closer to fruition and the market for new rental housing strengthens in suburban areas, there is evidence of new development occurring in the Corridor. In Brooklyn Park, Doran Development opened the first new multifamily project in decades in 2016 and is currently constructing a second phase. There are also two proposals for new multifamily projects in Robbinsdale, which would be the first such development in several decades as well.

Although the LRT line is likely a number of years from being operational, it is valuable to compare what level of activity is occurring in the other LRT corridors. Table 2 highlights the number of units currently under construction or have reached some level of approvals to consider them likely developments according to CoStar, a nationally-based provider of commercial real estate information. The existing Green Line in St. Paul and the planned extension into the western suburbs both have well over 2,000 units of housing under development. In contrast, the Blue Line extension has approximately 550 units in development.

Table 2: Multifamily Units under Development along Metro Area LRT Corridors

LRT Line*	Units Under Construction	Units Proposed**	Total Units in Development
Blue Line Ext	202	347	**549**
Blue Line	53	830	**883**
Green Line Ext	51	2,522	**2,573**
Green Line	841	1,403	**2,244**

** Excludes Downtown Minneapolis*

*** According to CoStar, these are the number proposed units in each corridor that have reached some level of approvals to consider them likely developments. In most cases, this means the proposed project has received approvals from a city. However, it can also be influenced by the track record of the developer.*

Source: CoStar

DEMOGRAPHIC CHARACTERISTICS

Median Age

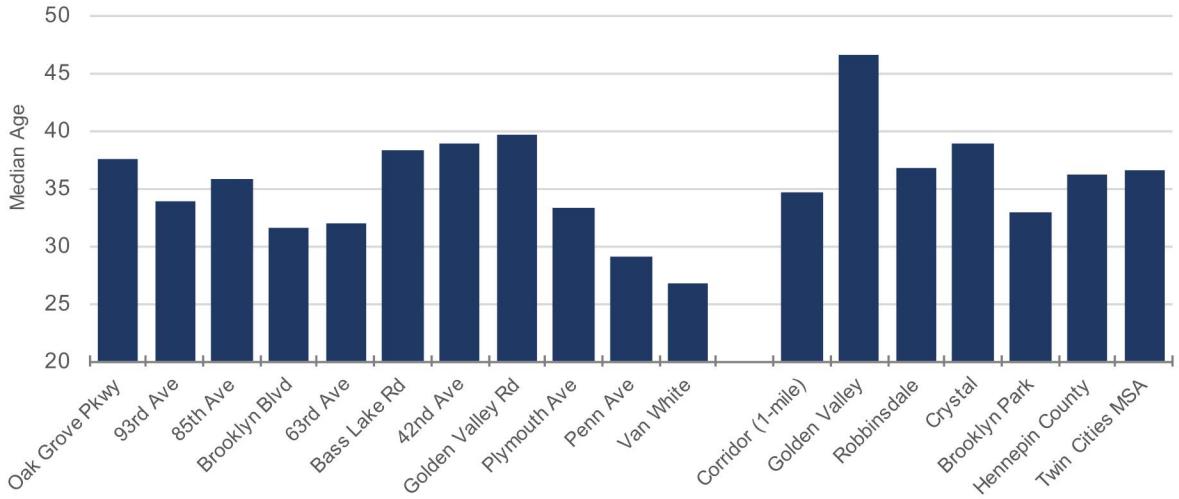
The age profile of the population has a direct impact on housing needs. Figure 23 depicts the current median age of the population in each station area, in each community along the Corridor, Hennepin County, and the Twin Cities metro area. Figure 24 depicts the recent and anticipated future trend with respect to aging.

Overall, the Corridor is younger than the metro area or Hennepin County. The population in the Van White Boulevard, Penn Avenue, Brooklyn Boulevard, and 63rd Avenue station areas are especially youthful with a median age well below the metro area median.

Balancing out some of the more youthful station areas are the Golden Valley Road, Robbinsdale, and Bass Lake Road station areas which are older than the metro area median. The Robbinsdale and Bass Lake Road station areas have multiple senior housing properties which explain the older median in these areas. For the Golden Valley Road station area, the higher median age likely has to do with a more expensive, owner-occupied housing stock relative to nearby neighborhoods, which is a barrier to entry for younger households.

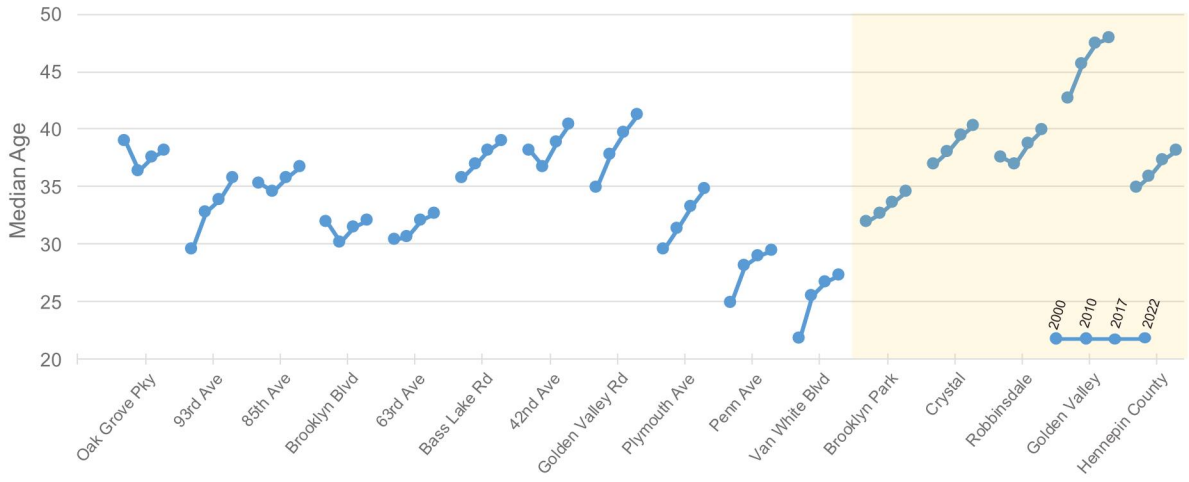
Although several station areas experienced a drop in the median age from 2000 to 2010, despite continued aging of the County as a whole, all of the stations are expected to increase their median age in the foreseeable future. An aging population within the station areas will increase demand for certain types of housing and decrease demand for other types.

Figure 23: Median Age of Station Areas (1/2-Mile Radius)



Sources: U.S. Census Bureau, ACS 2011-2015 Estimate; Esri;Tangible Consulting Services

Figure 24: Aging Trends of Station Areas 2000-2022 (1/2-Mile Radius)



Sources: U.S. Census Bureau; Esri; Tangible Consulting Services; Perkins+Will

Household Tenure (owners and renters)

Housing tenure is important to track because it provides insight into the potential to respond to a changing age profile or shocks to the economy, such as a recession. For example, many older households often transition out of homeownership into rental housing as they require more assistance with activities of daily living.

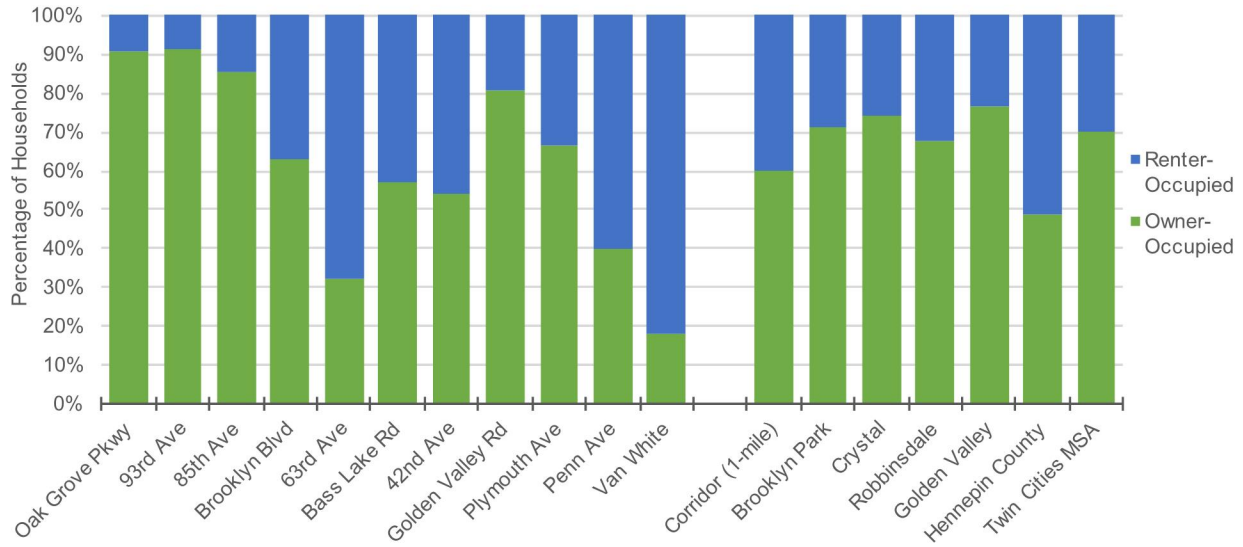
Figure 25 presents data on the breakdown between owners and renters while Figure 26 presents data on recent and anticipated changes in the homeownership rate. There is wide variation in tenure from station area to station area. Some station areas, such as those at the north end of the Corridor, mostly consist of households that own their housing. Other station areas, such as 63rd Avenue and Van White Boulevard, mostly consist of renters.

The recent and future trend, regardless of the station area, is toward lower levels of homeownership. Evidence appears to be growing that younger age groups are not embracing homeownership the way previous generations did. First, mortgage standards have returned to more stringent levels where the barrier to entry is much higher due to substantially larger down payments that are required on the part of mortgagors.

Second, with housing no longer seen as a "safe" investment due to the housing bust the nest egg that so many previous generations created through homeownership is no longer seen as attainable. Third, many younger households are now saddled with tremendous student debt and qualifying for, much less affording, a mortgage is much more difficult than compared to previous generations. Finally, with an increasingly digital-based economy, gone are the expectations that one works for a single employer for most of their career. Therefore, homeownership can be viewed as reducing employment flexibility which further depresses demand for for-sale housing. As a result, younger households are starting to choose rental housing as a preferred arrangement rather than a temporary situation prior to homeownership.

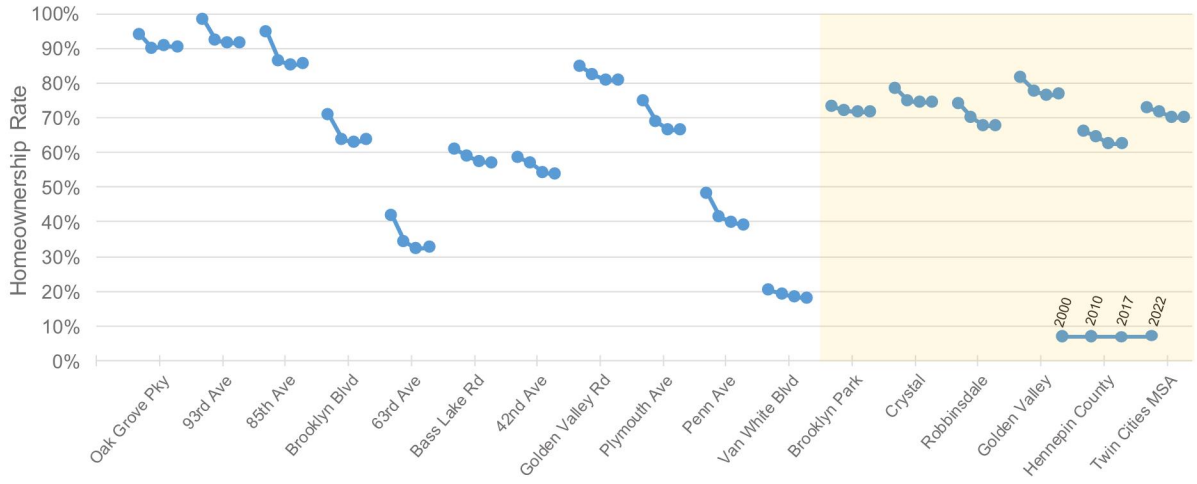
If these trends persist or become deeply established, the demand for rental housing could remain high for many years. These trends, however, are difficult to predict because of the large impact Federal policies have on homeownership. For instance, if the Federal government revamps Fannie Mae and Freddie Mac, the two big institutions that help support homeownership, in a way that help loosen lending standards, homeownership may again regain its value to younger generations. Conversely, given the recent changes to the mortgage interest deduction allowed through the Federal tax code, this may have a profound impact on the rental market.

Figure 25: Household Tenure by Station Area (1/2-Mile Radius)



Source: U.S. Census Bureau, ACS 2011-2015 Estimate

Figure 26: Homeownership Rate 2000-2022 (1/2-Mile Radius)



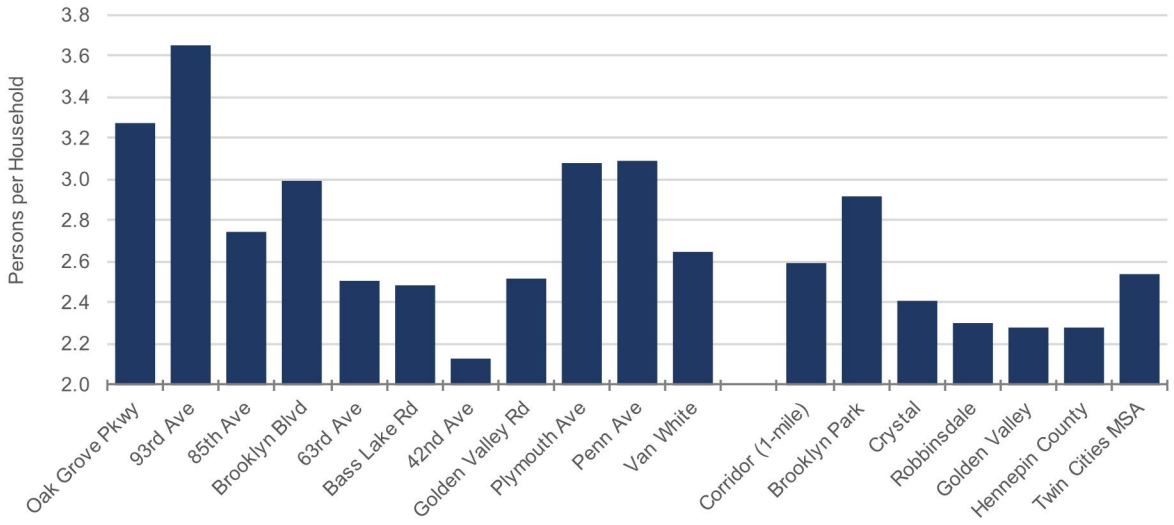
Sources: U.S. Census Bureau; Esri; Tangible Consulting Services; Perkins+Will

Household Size

Figures 27 and 28 present data on household size. Household size has a direct impact on the types of housing needed. Furthermore, data on household size can reveal where the housing stock may be most stressed in meeting the needs of a changing demographic. Within the Corridor, station areas with larger multifamily properties tend to attract smaller households. Conversely, station areas with a higher proportion of single-family homes tend to attract larger households.

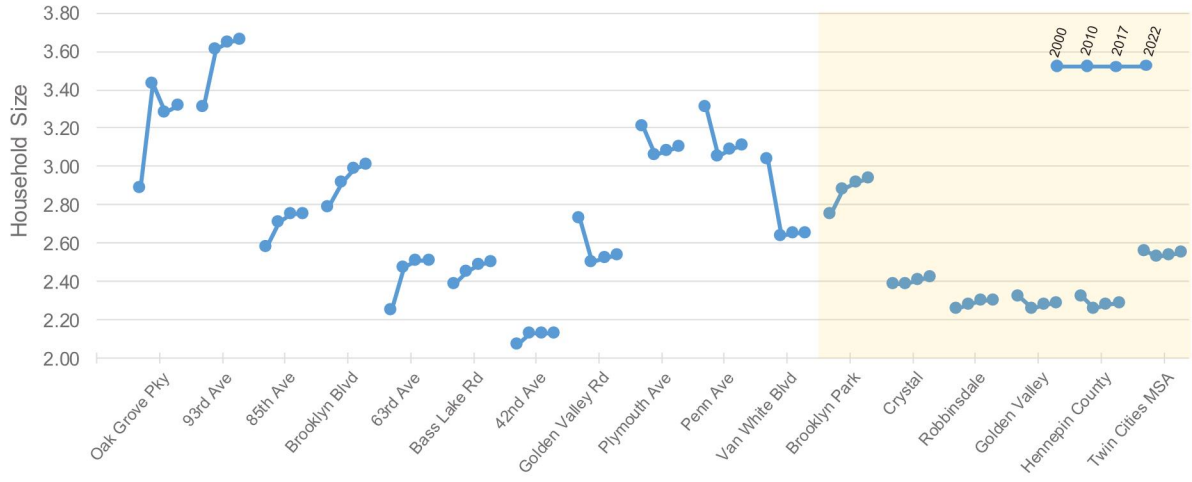
Exceptions are station areas where the aging of the population has yet to result in a turnover to younger households (e.g., Golden Valley Road) or areas with a high number of larger apartment units that can support families (e.g., Van White Boulevard).

Figure 27: Average Household Size by Station Area (1/2-Mile Radius)



Sources: U.S. Census Bureau, ACS 2011-2015 Estimate; Esri;Tangible Consulting Services; Perkins+Will

Figure 28: Household Size Trends 2000-2022 (1/2-Mile Radius)



Sources: U.S. Census Bureau; Esri; Tangible Consulting Services; Perkins+Will

Household Type

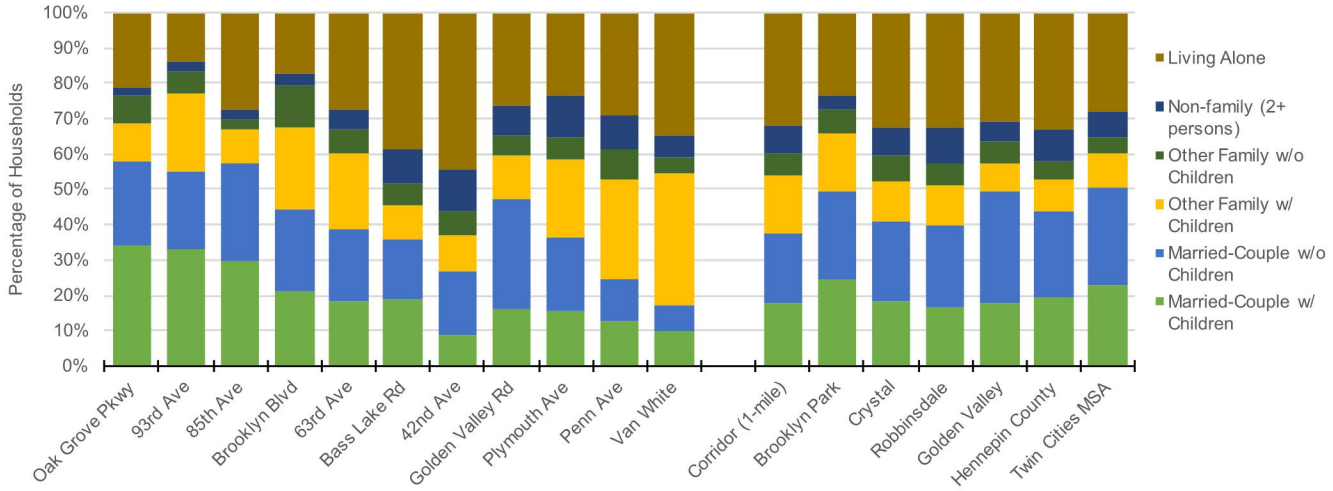
Related to household size is household type. Changes in household type can place pressure on the types of rental units needed in a community. For example, increasing numbers of renter households with children will place greater demand for units with three or more bedrooms, not to mention amenities such as play areas and accessibility to nearby schools.

Household structure throughout the Corridor is generally similar to the Metro Area and Hennepin County – though the Corridor tends to have slightly more non-traditional families and persons living alone.

Within station areas, though, there is significant variation of household types. The Oak Grove Parkway and 93rd Avenue station areas have a high percentage of married couples with families. The Robbinsdale station area has a high percentage of persons living alone. The Van White Boulevard, Penn Avenue, Brooklyn Boulevard, and 63rd Avenue station areas have higher percentages of non-traditional families with children.

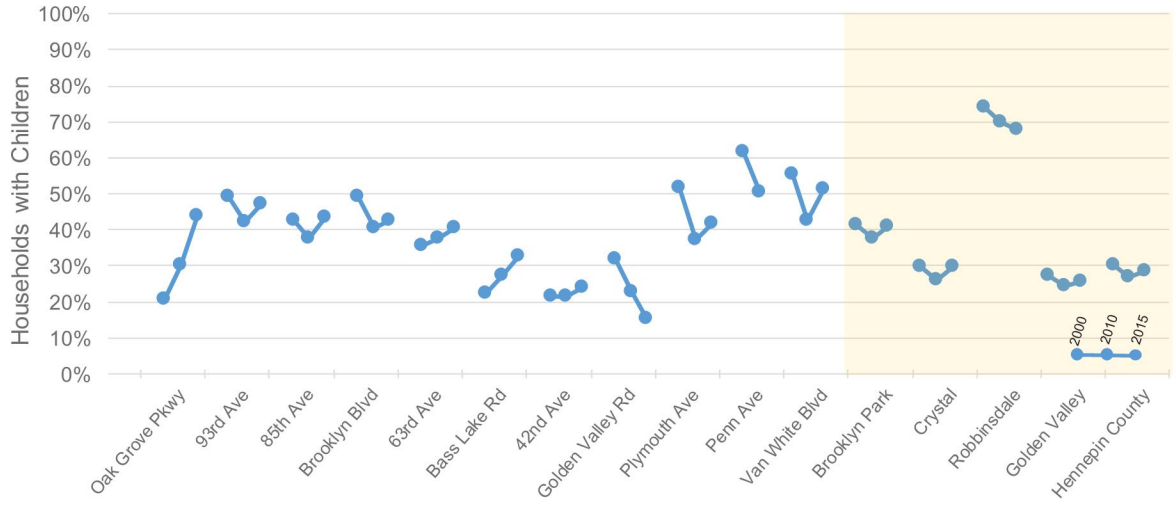
Recent trends indicate that the proportion of households with children is increasing across the metro area and within most of the station areas. Single-person households, which have different housing needs than households with children, are starting to stabilize after a large increase between 2000 and 2010.

Figure 29: Household Type by Station Area (1/2-Mile Radius)



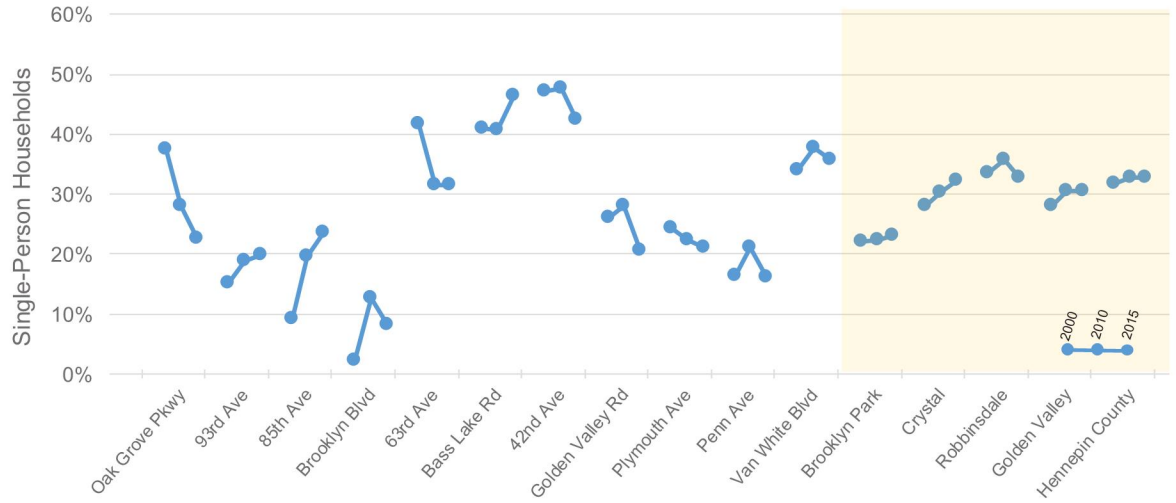
Sources: U.S. Census Bureau, ACS 2011-2015 Estimate; Esri;Tangible Consulting Services

Figure 30: Households with Children 2000-2015 (1/2-Mile Radius)



Sources: U.S. Census Bureau; Tangible Consulting Services; Perkins+Will

Figure 31: Single-Person Households 2000-2015 (1/2-Mile Radius)



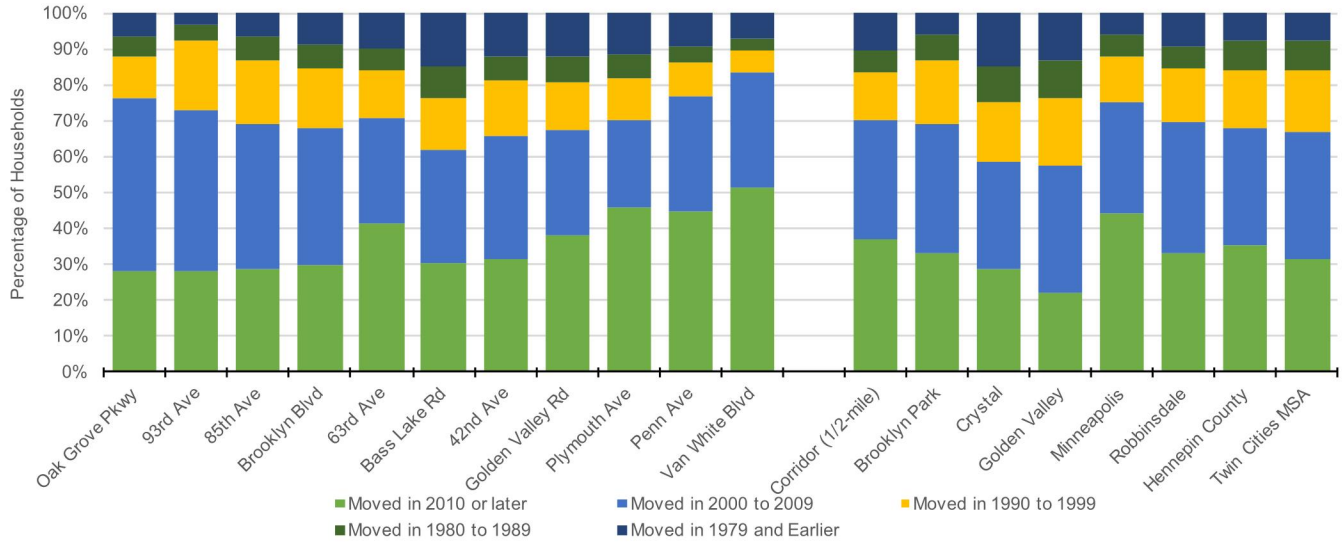
Sources: U.S. Census Bureau; Tangible Consulting Services; Perkins+Will

Length of Residence

Length of residence indicates how much turnover there is in the housing stock. Frequent turnover can result in greater wear and tear on the housing stock. It can also be an indicator of community involvement and participation among residents since it is often difficult to get involved in community issues and concerns when your residence is short term.

Longer-term residencies tend to be more associated with owner-occupied housing. This is generally due to the fact that younger and older households, which have a propensity to rent, do so because their expectation is for shorter-term residencies. Also, being more affordable, rental housing tends to accommodate households with financial and/or employment situations that are tenuous, which may precipitate a shorter-term residency.

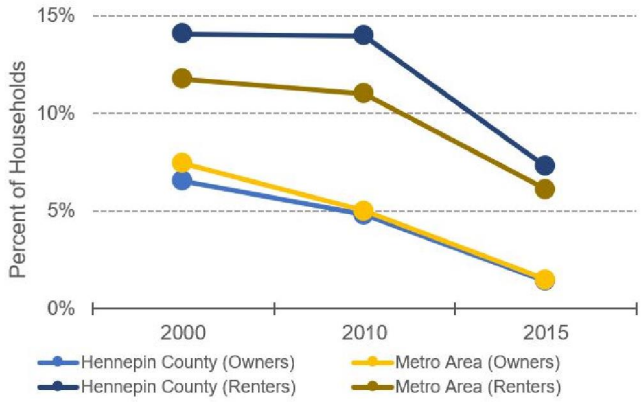
Figure 32: Year Householder Moved into Dwelling Unit by Station Area (1/2-Mile Radius)



Sources: US Census, ACS 2011-2015 Estimate; Esri

Figure 33 presents data for Hennepin County and the Twin Cities metro area showing the difference in the percentage of households that moved into their housing unit within the past year between 2010 and 2015. Regardless of whether the unit is owner- or renter-occupied, the trend has been toward far less movement among households in the last six years. This indicates how a tight housing market can not only displace households due to rising rents or other landlord driven circumstances, but that it can cause households to remain in the same home despite changing life circumstances and the inability to find housing that better meets their needs.

Figure 33: Households that Moved into Dwelling Unit within the Last Year

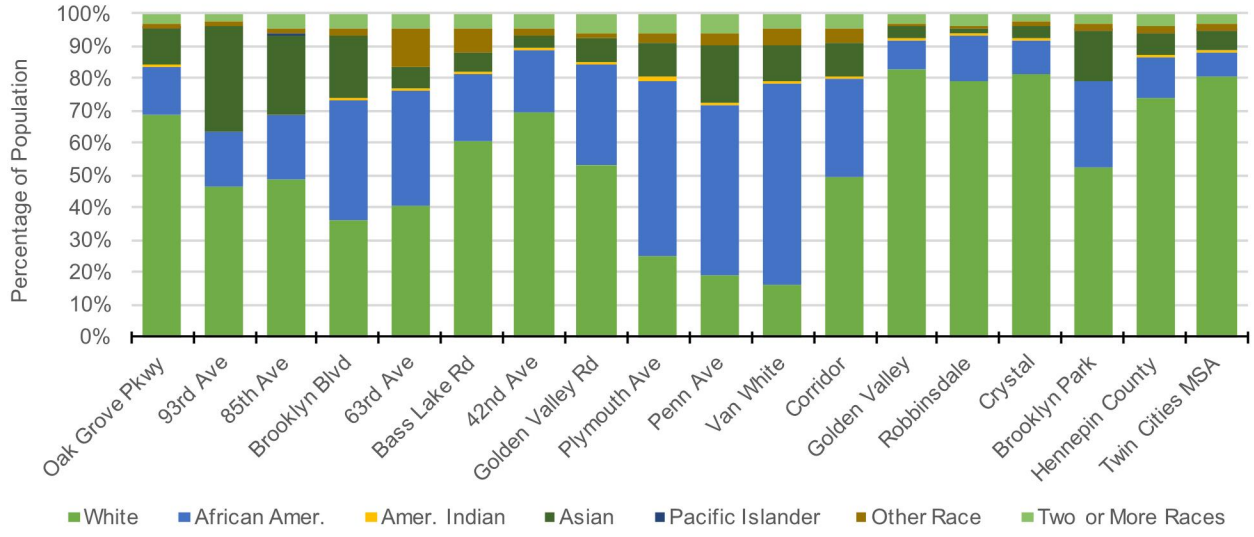


Sources: US Census; Perkins+Will

Race and Ethnicity

Figures 34 and 35 present data on the race/ethnicity and Hispanic origin of station area residents. Racial and ethnic diversity is very high throughout the Corridor. The number of people of color in the station areas is well above the Metro Area rate. African Americans are an important part of the population base throughout the Corridor. Asian Americans are a significant component to the population in the southern and northern station areas.

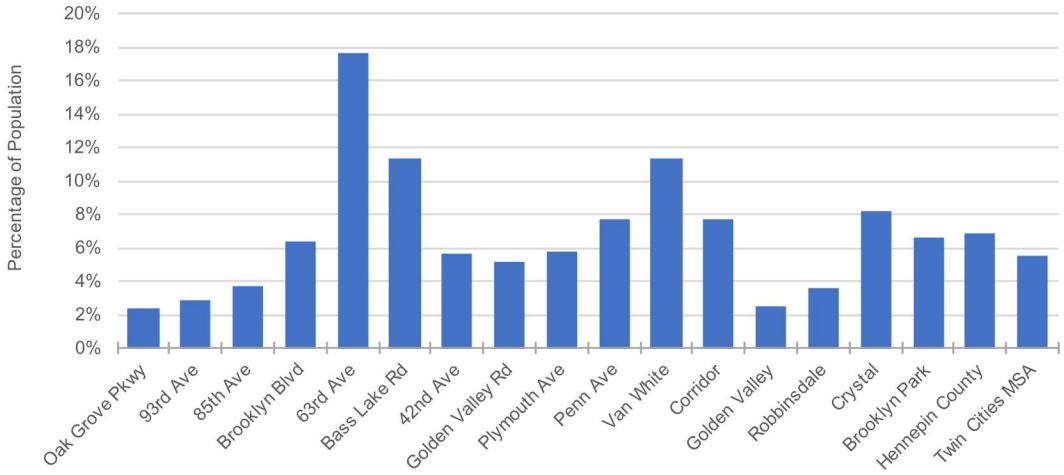
Figure 34: Race and Ethnicity by Station Area (1/2-Mile Radius)



Sources: U.S. Census Bureau; Esri; Tangible Consulting Services; Perkins+Will

The Hispanic population, which can be of any race, are prominent throughout the Corridor as well. Concentrations of Hispanic persons are in the Van White Boulevard, Bass Lake Road, and 63rd Avenue station areas.

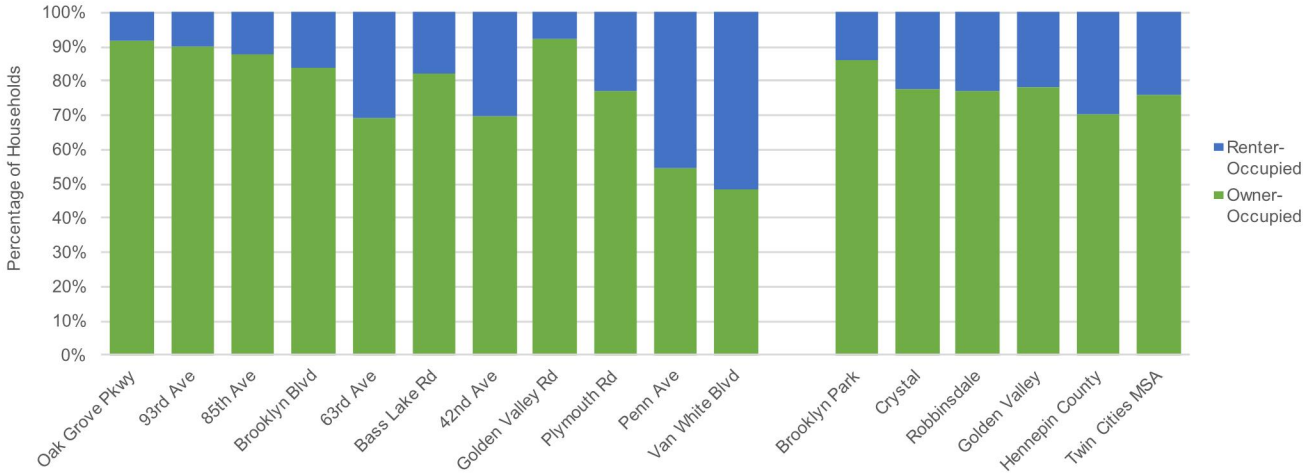
Figure 35: Hispanic Origin by Station Area (1/2-Mile Radius)



Sources: U.S. Census Bureau; Esri; Tangible Consulting Services; Perkins+Will

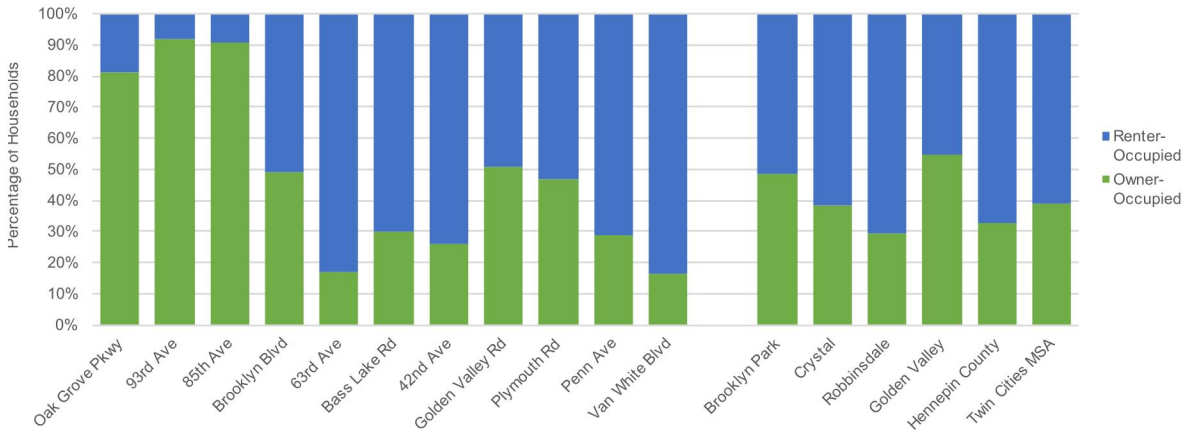
Critical housing gaps are often correlated with race or ethnicity. Figures 36 and 37 highlight the stark differences in the rate of homeownership throughout the corridor between white households and households of color. Only in station areas where there is an almost complete lack of rental housing (e.g., Oak Grove Parkway, 93rd Avenue, and 85th Avenue) is the homeownership rate between whites and persons of color relatively similar. Otherwise, white households have a rate of homeownership that is typically twice -- sometimes three times -- the rate of households of color. This underscores how housing gaps that fall along race and ethnic lines may not be overcome by simply building more housing, but addressing other issues, such as homeownership assistance, fair housing policies, and similar strategies aimed at equity and equal access to resources.

Figure 36: Household Tenure by Station Area for White Households (1/2-Mile Radius)



Source: U.S. Census Bureau, ACS 2012-2016 Estimate

Figure 37: Household Tenure by Station Area for Households of Color (1/2-Mile Radius)



Source: U.S. Census Bureau, ACS 2012-2016 Estimate

Household Income

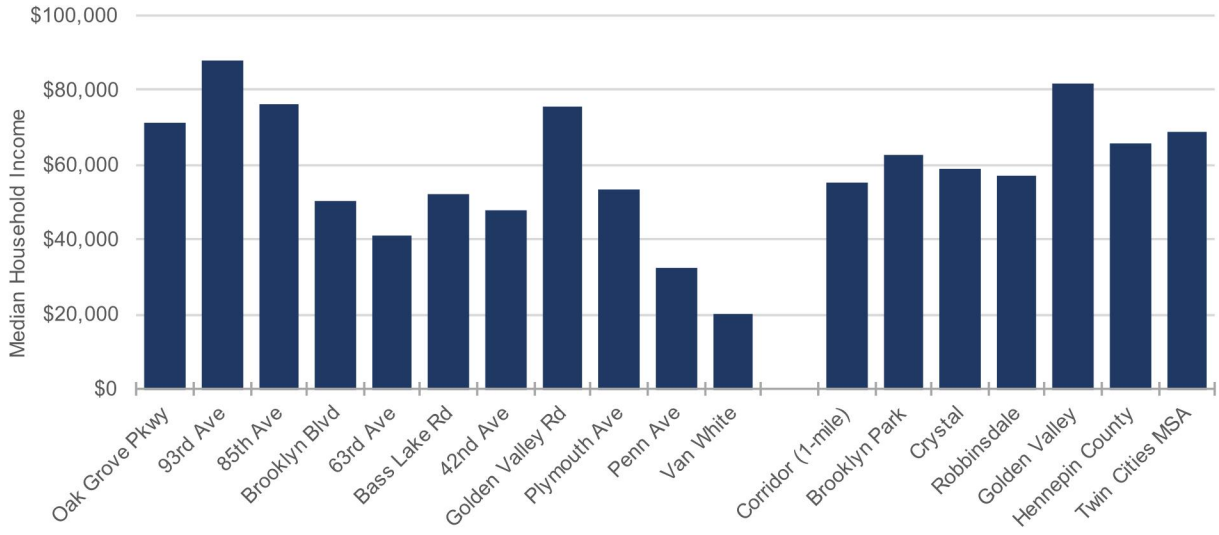
Household income is important to track because it is strongly correlated with age and also directly affects the spending power of area residents and their ability to afford housing. Figures 36 and 37 display data on median household incomes for each station area, the Corridor, each city along the Corridor, Hennepin County, and the Twin Cities metro area.

Except for the Golden Valley Road station area, all of the station areas from Brooklyn Boulevard and southward have median incomes well below the metro area median. Stations at the northern end of the Corridor where the housing consists mostly of newer, larger, owned single-family homes have median incomes above the metro area median.

In terms of income trends, there is a great deal of variation throughout the Corridor. By and large, it appears that income trends tend to correlate with whether households are getting younger or much older (i.e., entering retirement).

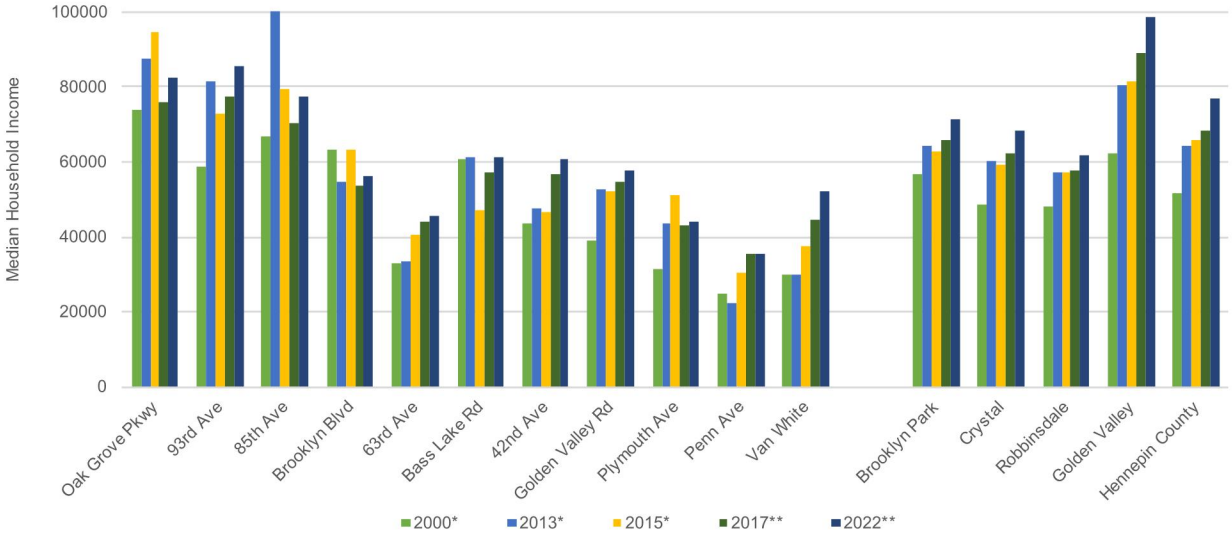
Because homeownership often has a significant financial barrier to entry, rental housing tends to have a larger proportion of lower-income households, though many middle- and higher-income households choose to rent as well. Furthermore, households at the two ends of the age spectrum, younger and older households, often prefer renting because it provides greater flexibility and requires less maintenance. Yet, these same households also have lower incomes because of limited earning potential (i.e., little work experience or retirement).

Figure 38: Median Household Income by Station Area (1/2-Mile Radius)



Sources: U.S. Census Bureau, ACS 2011-2015 Estimate; Esri; Tangible Consulting Services

Figure 39: Median Household Income Trends 2000-2022 (1/2-Mile Radius)



*Sources: * US Census; ** Esri; Tangible Consulting Services*

SOCIO-ECONOMIC FORECASTS

Previous sections addressed the current and recent demographic situation for each station area and communities along the Bottineau Corridor. This section presents data of several types of forecasts that provide insight into the potential increase in demand for housing due to population, household, and employment growth.

Population and Household Forecast

Table 3 presents data on the forecasted population and household growth of each community along the Bottineau Corridor as well as Hennepin County and the Twin Cities Metro Area. With the exception of a small portion of Brooklyn Park, the communities along the Bottineau Corridor are fully developed, which helps explain why their forecasted growth rates do not equal that of the entire Metro Area. The Metro Area figures include both fully developed communities as well as those communities with large tracts of vacant land that can accommodate large scale residential construction. Communities with significant amounts of new residential construction are typically the ones that experience the largest population increases.

Table 3: Population and Household Forecasts for Corridor Communities, Hennepin County, & Twin Cities Metro Area

			Forecast			Numeric Change			Percentage Change		
Community	2000	2010	2020	2030	2040	2010s	2020s	2030s	2010s	2020s	2030s
POPULATION											
Brooklyn Park	67,388	75,781	86,700	91,800	97,900	10,919	5,100	6,100	14.4%	5.9%	6.6%
Crystal	22,698	22,151	22,700	23,200	23,800	549	500	600	2.5%	2.2%	2.6%
Robbinsdale	14,123	13,953	14,750	15,100	15,300	797	350	200	5.7%	2.4%	1.3%
Golden Valley	20,281	20,371	21,300	22,000	22,900	929	700	900	4.6%	3.3%	4.1%
Corridor Communities	*124,490*	*132,256*	*145,450*	*152,100*	*159,900*	*13,194*	*6,650*	*7,800*	*10.0%*	*4.6%*	*5.1%*
Minneapolis	382,618	382,578	423,300	439,100	459,200	40,722	15,800	20,100	10.6%	3.7%	4.6%
Hennepin County	1,116,200	1,152,425	1,255,520	1,330,480	1,407,640	103,095	74,960	77,160	8.9%	6.0%	5.8%
7-County Metro Area	2,642,056	2,849,567	3,160,000	3,459,000	3,738,000	310,433	299,000	279,000	10.9%	9.5%	8.1%
HOUSEHOLDS											
Brooklyn Park	24,432	26,229	30,000	32,200	34,300	3,771	2,200	2,100	14.4%	7.3%	6.5%
Crystal	9,389	9,183	9,500	9,600	9,700	317	100	100	3.5%	1.1%	1.0%
Robbinsdale	6,097	6,032	6,300	6,600	6,800	268	300	200	4.4%	4.8%	3.0%
Golden Valley	8,449	8,816	9,300	9,600	9,800	484	300	200	5.5%	3.2%	2.1%
Corridor Communities	*48,367*	*50,260*	*55,100*	*58,000*	*60,600*	*4,840*	*2,900*	*2,600*	*9.6%*	*5.3%*	*4.5%*
Minneapolis	162,352	163,540	183,800	194,000	204,000	20,260	10,200	10,000	12.4%	5.5%	5.2%
Hennepin County	456,129	475,913	528,090	566,560	600,930	52,177	38,470	34,370	11.0%	7.3%	6.1%
7-County Metro Area	1,021,454	1,117,749	1,264,000	1,402,000	1,537,000	146,251	138,000	135,000	13.1%	10.9%	9.6%

Sources: US Census; Metropolitan Council; Perkins+Will

Although the Bottineau Corridor is mostly developed, the Metropolitan Council expects an important amount of household growth to occur over the next 20-25 years due to redevelopment opportunities of older, underutilized parcels. According to the table, the communities along the Corridor, excluding Minneapolis, can anticipate roughly 3,000 new households each decade.

In order to accommodate this new household growth, substantial amounts of new multifamily housing will need to be built because the economic feasibility of replacing non-residential uses with single-family housing is very challenging without substantial public support and subsidy.

Employment Forecast

Employment growth in and near the Bottineau Corridor will be a key driver of housing demand in the coming decades. According to Table 4, the communities along the Bottineau Corridor are anticipated to add nearly 6000 jobs in the 2020s and 2030s. Even if a small proportion of those new workers want to live along the Corridor it will place a great deal of demand on the local housing supply. If a range of new product types at varying price points is not added to the housing stock, this will result in significant increases in housing costs.

Table 4: Employment Forecasts for Corridor Communities, Hennepin County, and Twin Cities Metro Area

			Forecast			Numeric Change			Percentage Change		
Community	2000	2010	2020	2030	2040	2010s	2020s	2030s	2010s	2020s	2030s
EMPLOYMENT											
Brooklyn Park	23,692	24,084	32,100	36,100	40,200	8,016	4,000	4,100	33.3%	12.5%	11.4%
Crystal	5,638	3,929	4,400	4,640	4,900	471	240	260	12.0%	5.5%	5.6%
Robbinsdale	7,109	6,858	7,000	7,100	7,200	142	100	100	2.1%	1.4%	1.4%
Golden Valley	30,142	33,194	36,000	37,500	38,900	2,806	1,500	1,400	8.5%	4.2%	3.7%
Corridor Communities	*66,581*	*68,065*	*79,500*	*85,340*	*91,200*	*11,435*	*5,840*	*5,860*	*16.8%*	*7.3%*	*6.9%*
Minneapolis	308,127	281,732	315,300	332,400	350,000	33,568	17,100	17,600	11.9%	5.4%	5.3%
Hennepin County	877,346	805,089	924,710	981,800	1,038,140	119,621	57,090	56,340	14.9%	6.2%	5.7%
7-County Metro Area	1,606,263	1,543,872	1,828,000	1,910,000	2,039,000	284,128	82,000	129,000	18.4%	4.5%	6.8%

Sources: US Census; Metropolitan Council; Perkins+Will

Population Projections by Age Group

As presented previously, it is important to understand the age breakdown of the population because there is a strong correlation between one's age and the type of housing desired. Although long range age forecasts are not available at the municipal level, the Minnesota State Demographer recently released projections for Hennepin County, which are presented in Table 5.

According to the table, the age groups under 25 and over 65 will grow substantially through 2030. Therefore, macro demographic trends suggest numeric growth will increase demand for both larger unit types that can accommodate families while at the same time smaller unit styles focused on aging adults wanting to downsize.

Table 5: Hennepin County Population Forecast by Age Group

Population Age	2010	2020	2030	2040	Numeric Change			Percent Change		
					2010s	2020s	2030s	2010s	2020s	2030s
Under 18 Years	261,596	300,118	321,408	334,524	38,522	21,290	13,116	14.7%	7.1%	4.1%
18 to 24 years	113,300	112,122	137,640	149,718	-1,178	25,518	12,078	-1.0%	22.8%	8.8%
25 to 34 years	187,523	198,711	212,434	247,227	11,188	13,723	34,793	6.0%	6.9%	16.4%
35 to 44 years	154,304	169,184	155,538	163,307	14,880	-13,646	7,769	9.6%	-8.1%	5.0%
45 to 54 years	171,130	160,088	176,320	158,642	-11,042	16,232	-17,678	-6.5%	10.1%	-10.0%
55 to 64 years	133,758	165,602	161,777	175,103	31,844	-3,825	13,326	23.8%	-2.3%	8.2%
65 to 74 years	66,516	117,183	145,800	139,920	50,667	28,617	-5,880	76.2%	24.4%	-4.0%
75 to 84 years	42,476	42,104	68,109	82,280	-372	26,005	14,171	-0.9%	61.8%	20.8%
85 years and over	21,822	29,259	28,306	47,670	7,437	-953	19,364	34.1%	-3.3%	68.4%
Total Population	**1,152,425**	**1,294,371**	**1,407,332**	**1,498,391**	**141,946**	**112,961**	**91,059**	**12.3%**	**8.7%**	**6.5%**

Source: Minnesota State Demographer

IMPACTS OF NEW LRT SERVICE

The planned light rail transit (LRT) in the Bottineau Corridor will provide significantly enhanced transit service for residents and workers near the stations. Access to faster, high-frequency transit will reduce travel costs (in both time and money) and provide transportation flexibility. The result will be greater demand to live and work near a station.

Research and experience show that there are a range of additional impacts that can result from new transit service, such as:

- Property values tend to increase near transit stations, benefiting homeowners and other property owners.
- Station areas may attract new housing and commercial development that would otherwise not occur.
- Commercial businesses may benefit from increased visibility and sales.
- Investment in existing property tends to increase.
- In certain locations the impact on the area is multiplied by the emergence of broader place-making changes, which transform the market context, character and vibrancy of an area, inviting subsequent development and area changes.
- Value increases in station areas, and the increased attractiveness of the location for rental households, leads to rent increases in existing rental properties.

In order to better understand the potential impact of new LRT service on Blue Line communities, and especially on those living near future station areas, we did additional research on the impacts of new transit service—specifically its impact on property values, property investment, new development, and rent levels.

The Impact of New LRT Service on Property Values and Property Investment

A number of studies have explored the relationship between new LRT transit service, and increases in surrounding property values. Such studies have been conducted in contexts across the country, looking at the question from a range of perspectives.

Given that the existing Blue Line and Green Line transit lines offer the closest comparison to the future Blue Line extension, the impacts of those lines are particularly relevant. Fortunately, there have been prominent studies by the Center for Transit Studies (CTS) which have specifically looked at property value impacts from the Hiawatha Light Rail Line (now the Blue Line). Key findings from those reports are summarized below.

The Hiawatha Line: Impacts on Land Use and Residential Housing Value (CTS, 2010)

This study used property sale records for a period of time before the opening of the Hiawatha (Blue) Line, and after the opening of the Hiawatha Line. It compared the change in sale prices for properties within a half mile of the station to the change in sale prices for properties further distant from the stations. Trends in sale prices were examined for both single family homes and multifamily residential properties.

The researchers also looked at whether area investment increased due to the new transit service. They did this by comparing property expenditures, as represented by 2000 to 2007 building permit records, between the period before 2004 and the period after 2004.

Key findings of the study included the following:

- Before light rail service began in 2004, single family homes in the half mile station area radius sold for an average of 16% lower than homes in the broader area. After 2004, single family homes in the station area sold for an average of 4% higher than homes in the broader area. The value premium that station area homes achieved compared with more distant homes equates to around $5,000 per home.

- The increases in home value were significantly diminished for homes on the east side of Hiawatha Avenue. Those homes faced two barriers to accessing the station area—the difficulty of crossing the arterial corridor, and the visual barrier of a set of older industrial properties between the residential neighborhoods and Hiawatha Avenue.

- Property sale records showed that multifamily properties increased in value as well, due to the new transit service. The gain in value, after the opening of the transit service, was an estimated $15,755 per multifamily property.

- The new transit service prompted additional investment in new home construction and home improvement.

- There was an increase of 187% in the number of new single family homes constructed in the station areas.

    » The aggregate home improvement permit value was 50% higher in the station areas than it was for the comparison area for the 2000 – 2007 period.

Impacts of the Hiawatha Light Rail Line on Commercial and Industrial Property Values in Minneapolis (CTS, 2010)

This study utilized property sale records from before and after the opening of the Hiawatha (Blue) Line to assess the impact of new LRT service on commercial property values. It found a clear positive impact on property values, which extended out to almost a mile from the station locations.

The value appreciation that resulted from the new transit service varied according to the proximity to the station. The closer the property was to the station, the greater the resulting appreciation in property value. The study estimated that, for the average commercial property that is 400 meters (around 1,300 feet) from the station, its value would increase by $6,500 for each meter it was closer to the station.

The Impact of New LRT Service on Attracting New Development

There is a growing literature that looks at the development that occurs in areas near new transit stations. Questions asked in these studies include:

- Why does development occur in some instances, and not in others?

- What steps can be taken to increase the likelihood that new development will be attracted to a station area?

A 2011 study by the Center for Transit Oriented Development (Rails to Real Estate: Development Patterns along Three New Transit Lines, CTOD, 2011) was influential in understanding these dynamics. Moreover, one of the study's three focus areas included the Hiawatha (Blue) Line, which has particular relevance to this housing gaps analysis.

The study documented real estate development patterns in the areas around transit lines in Minneapolis, Denver, and Charlotte. The researchers reviewed development records, and interviewed city planners and developers in each area. The report makes qualitative findings concerning the development that occurred, and why.

Key findings from the report are as follows:

- Development has occurred on all three lines that may otherwise not have occurred.

- The character of development near the stations is shaped by its location, tending to be higher density and more pedestrian oriented than development in other locations.

- Developers (and their equity partners) are attracted to station area locations because they are viewed as having the potential to achieve faster absorption rates, higher occupancy rates, and higher sale prices or rents.

- Transit station areas in and close to existing employment centers and downtowns are most attractive to developers.

- Locations where there are major opportunities for infill development on vacant or lightly developed land are most attractive.

- Public actions to surmount barriers and improve the area context can be key to attracting development.

The Impact of New LRT Service on Rent Levels in Existing Rental Properties

New transit service makes an area more desirable, for both property owners and renters. Because of that, rents can go up with the arrival of the service. That's relevant in the Bottineau Corridor because communities want to understand how the new transit service might impact renter households in the station areas. There seems, however, to have been less research on the impact of transit service on rent levels than there has been on the impact on property values. Researchers contacted at the University of Minnesota's Center for Transit Studies were not aware of either local or national research that explores that relationship. And our own internet search didn't turn up any useful research.

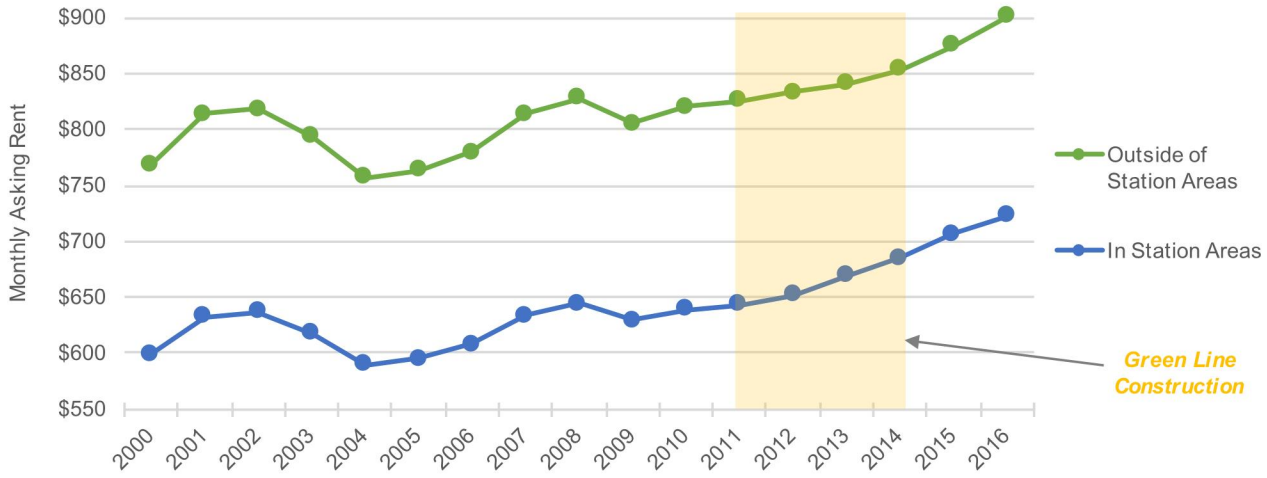
There is a local organization that has done some work in this area. Twin Cities LISC (Local Initiatives Support Coalition) has been working with Minneapolis and St. Paul neighborhoods to set goals and monitor change relative to development in the Green Line station areas. The initiative is called "The Big Picture Project." Their 2016 progress report included a light analysis of rent changes in the corridor. It found a 44% rent increase in the Green Line corridor between 2011 and 2015 compared with a 22% rent increase across Minneapolis and St. Paul. The analysis was based on advertised rent listings, which limits the validity of the findings because new apartment developments are likely to be overrepresented in advertised rent listings. For our purposes, the rent levels in new apartment buildings are less interesting than how rents change for tenants of existing apartment buildings.

Given the limitations of existing research, we decided it would be beneficial to look at the question ourselves. We were in a good position to assess the rent impacts of new transit service for two reasons: 1) the Green Line provides a great context for the analysis, since there is an abundance of rental properties in the neighborhoods between the two downtowns; and 2) CoStar data offers a record of rents in most of the large apartment buildings in those neighborhoods, going back to 2000. That allowed us to build a record of rent changes over time, before and after the start of the Green Line service.

Using the CoStar platform, we selected all multifamily properties in the CoStar-defined multifamily submarkets between Highway 280 and St. Paul's Capitol Area. The selected geography excluded multifamily properties in the two downtowns and the area around the University of Minnesota, which are presumably subject to a more complex market context. From that list, we chose developments built before 2000 that had not been the subject of a major renovation since 2000. We eliminated affordable housing developments, which would be restricted in their ability to raise rents.

The preceding steps yielded an inventory of 376 properties in housing submarkets along the transit corridor. Those properties were divided into 114 properties (station area properties) that are located within a half mile of a Green Line station, and 262 properties (control group) that are not. Figure 38 shows that average rents in the station area properties are lower than the average rents in the control group; and they remain lower over the period of study.

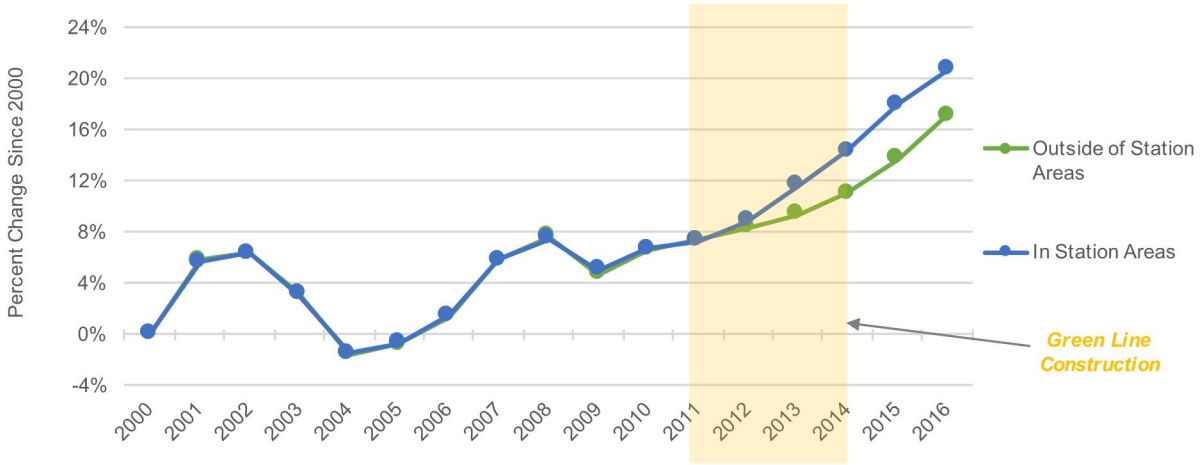
Figure 40: Average Asking Rent Central Corridor (Green Line LRT) Submarkets



Source: Tangible Consulting Services; CoStar

However, when one focuses not on the rent level, but on how rents changed over time, an interesting pattern emerges. The rent changes were almost identical between the two groups until around 2012. But starting in 2012, the average rent in the station area properties increased more than it did in for control group properties. The simplest explanation is that starting in 2012 the new transit service was cause for charging a rent premium in station area apartment buildings.

Figure 41: Rent Growth from 2000 Central Corridor (Green Line LRT) Submarkets



Source: Tangible Consulting Services; CoStar

The analysis indicates that the rent premium associated with the new transit service is around $20 per month for properties located within a half mile of a station compared to those located between a half mile and one mile from a station. This suggests that rent increase due to proximity to LRT service are likely to be higher for properties closer to the stations.

REAL ESTATE EXPERT INTERVIEWS

In addition to analyzing quantitative housing data, interviews with residential real estate agents and multifamily developers were conducted to better understand the current and future housing needs along the Bottineau Corridor and within each station area.

Residential Real Estate Agents

Although residential real estate agents typically focus on the buying and selling of detached, single-family homes, which are not usually considered TOD, the prevalence of this housing type and the frequency of sales means that many agents often have a very good understanding of the ever changing housing needs of home buyers and homeowners in a given area. The following is a list real estate agents that primarily work along the Bottineau Corridor and were willing to share their insights and perspectives on the for-sale housing market:

- Tom Slupske, RE/MAX Results
- Emily Green, Sandy Green Realty
- Becky O'Brien, RE/MAX Results
- Joe Houghton, RE/MAX Results
- Kerby Skurat, RE/MAX Results

The overarching perspective of those interviewed was that the for-sale housing market in communities along the Bottineau Corridor is robust. There is a low inventory of properties being sold. Moreover, the housing in most of these communities is available at an affordable price by metropolitan standards. The interviewees offered the following additional considerations:

- **Sellers:** In many cases older people are moving out of their homes. Many would like to remain in the community. This is especially true in Robbinsdale. People who delayed selling their homes due to the housing

crisis (2006-2010) are now finding it a good time to sell as well. Investors who purchased properties when prices were low are now selling them.

- **Buyers:** Younger people began moving into Robbinsdale a few years ago. Now this trend is happening in Crystal and Brooklyn Park. Affordable homes make it easier for first time homebuyers to move into this area. Those who suffered foreclosures are now back on track. Their credit is repaired, and they are looking to buy. High rents are causing some renters to buy homes instead. Many of the buyers today in this area are first-time homebuyers. People who move into these communities tend to have connections to the area. They are from here and/or they have friends and families here. There are some buyers who are downsizing from other communities, looking for living space all on one floor.

- **Product Demand:** There is demand for larger homes for families. Three-bedroom, two-bath homes are in great demand. Buyers are looking to put down roots here. "Move-in ready" homes are in demand. Two- and three-bedroom townhomes also sell quickly. People will pay a premium for new construction in this area. Many of the homes in these communities, particularly in North Minneapolis and Brooklyn Park are older, not updated, and in some cases, moldy/musty, and sloping. Some buyers are drawn further out to Maple Grove and Rogers in search of larger homes. Senior housing, particularly in Crystal, is lacking. The abundance of mid-century ramblers presents an opportunity. They are one-level, and with some redesign can be good places for seniors to live. More studio and other small apartments are not needed in these communities. New higher end apartment developments have not opened up single family housing for younger buyers as some expected.

- **Desired Amenities:** These communities are desirable places to live. They are near downtown Minneapolis and the amenities, such as parks and the swimming pool in Crystal, draw families. Robbinsdale's downtown is walkable, has good restaurants, and is very attractive to people. Lower housing prices are also a big draw. It's an area where a buyer can find a home for less than $200,000. More mid- and higher-end restaurants would increase desirability.

- **Perceived LRT Impact:** LRT may not change the housing market much, and it will take time for impacts to be felt. LRT will have a positive impact on the communities, as it will provide transportation options. It may invite new housing product that includes larger single-family homes. New construction, and housing product that is new and forward-thinking will attract people. Homes close to LRT stations will likely gain desirability, although those adjacent to stations may be less desirable, and will probably be rented. Housing market conditions and availability of financing will continue to be the big influencers. The number of people in these communities that commute via LRT will grow.

Multifamily Housing Developers

Although the market for owner-occupied single-family housing is a major component of the overall housing market, the Bottineau Corridor also consists of a significant amount of rental housing as well. Moreover, multifamily housing, whether owner- or renter-occupied, tends to also occur at densities much more supportive of TOD. Therefore, in order to gain greater insight into the current and future multifamily housing market, interviews were conducted with a number of multifamily developers active along the Bottineau Corridor.

The following is a list multifamily developers interviewed as part of this study. The developer backgrounds include market rate housing, affordable housing, senior housing, and student housing.

- Beard Group – Bill Beard
- Inland Development Partners – Kent Carlson
- Common Bond – Diana Dyste, Kayla Schuchman
- Aeon – Blake Hopkins
- Doran Companies – Kelly Doran
- Ron Clark Construction & Design – Mike Waldo, Ron Clark

It should be noted that many of these developers also have experience developing commercial properties integrated with housing (i.e., mixed-use development). A companion study that researched the commercial market conditions and development potential in each station area also summarizes feedback from these experts. The following are key findings from the interviews specific to housing:

- LRT will be a catalyst for housing development, though other factors, such as the availability of neighborhood amenities (e.g., schools, parks, grocery stores, trails, etc.) and the regional economy, will play an important role in determining when and where development will most likely occur.

- Regardless of the LRT, there currently is and will be a high demand for middle-market multifamily development (i.e., properties with fewer on-site amenities and not as high of unit finishes as the luxury product being built in the downtowns or more affluent suburban locations).

- Affordable housing is in high demand, and sites near stations can attract favorable tax credits necessary to support development.

- Land values are already beginning to increase in expectation of future development, which will increase the financial need to develop multi-story, multifamily housing on the part of developers.

- Neighborhood amenities (e.g., schools, parks, grocery stores, trails, etc.) are important and help attract and support new housing development.

- Regardless of the type of development, interviewees stressed the need to design appropriate pedestrian and vehicular infrastructure that encourages the use of the LRT (i.e., reimagining streets, improved sidewalks, and safer street crossings).

COMMUNITY STAKEHOLDER INTERVIEWS AND PRESENTATION

Overview

Quantitative data on the supply and demand of housing does not always provide a complete picture of the real-world issues that often result from a housing gap or housing need. Therefore, qualitative research was conducted with community members and housing advocates familiar with the Bottineau Corridor to better understand the types of housing issues and needs not apparent from the quantitative research.

Outreach for the qualitative research consisted of engaging representatives of a number of community-based organizations active along the Bottineau Corridor with an interest in housing issues. The engagement was in two forms: 1) one-on-one interviews with organization leadership regarding housing issues and concerns; and 2) a presentation to members of the Blue Line Coalition and the Health Equity Engagement Cohort to solicit their input regarding preliminary findings from the quantitative portion of the study.

The one-on-one interviews were conducted in November and December 2017. The purpose of these meetings was to understand housing barriers, needs, and opportunities within the planned METRO Blue Line Extension (Bottineau LRT) corridor. The persons interviewed and organizations they represented are listed below.

- Nelima Sitati Munene, African, Career, Education and Resources Inc., November 27, 2017
- Sebastian Rivera, La Asamblea de Derechos Civiles, December 05, 2017
- Christine Hart, Community Action Partnership of Hennepin County, December 05, 2017
- Staci Howritz, City of Lakes Community Land Trust, December 06, 2017
- Martine Smaller, Northside Residents Redevelopment Council, December 07, 2017
- Pastor Kelly Chatman, Redeemer Lutheran Church/Redeemer Center for Life, December 07, 2017

The presentation of preliminary findings occurred on December 13, 2017 at the Brookdale Library in Brooklyn Center. Below are key themes from the one-on-one interviews and comments received in response to the presentation of findings. Detailed notes from the interviews and specific comments from the presentation attendees are in the appendices.

Key Themes

The following is a summary of the key discussion themes from the stakeholder interviews. The opinions presented herein are of the persons interviewed and do not necessarily represent the opinions of the report authors or report sponsor (Hennepin County). Detailed meeting notes from the stakeholder interviews are included as an appendix.

Rental Housing

- Most stakeholders felt that there is an abundance of rental housing within the study area, and that it tends to be in large- and mid-size apartment complexes. However, some felt that there is not an adequate supply of quality [i.e., safe and desirable condition] affordable housing.

- Most stakeholders agreed that much of the rental housing is considered affordable. However, several interviewees felt strongly that much of this housing is in older buildings that is often not adequately maintained, which often leads to health concerns. Examples of property issues cited by interviewees include poor heating and cooling, improperly functioning appliances, and leaky ceilings.

- Many stakeholders noted that there are very few rental units in the market with three or more bedrooms, which are needed for families. This is especially the case in the Latino and Asian communities, who often have larger households. Some stakeholders noted that it is not uncommon for a family of six to live in a small two-bedroom apartment because of the lack of larger unit types.

Owner-Occupied Housing

- Stakeholders reported an abundance of single family homes within the study area, many of which are considered affordable. However, demand for homeownership is high and inventory is low, which tends to put upward pressure on price and can limit affordability.

- It was noted that there are few townhomes or other multifamily ownership options within the corridor, which tend to be more affordable because they occupy less land.

- Stakeholders who focus on North Minneapolis noted that there is a lot of quality housing (e.g., bricked homes with stucco) in North Minneapolis that should be preserved. In contrast, they noted an increase in the use of poor quality materials (e.g., low grade vinyl siding) among newly built housing.

- Most stakeholders expressed the need for more opportunities for homeownership and homeownership assistance strategies. While some cities have first time homeowner resources, there is still an unmet need.

- Some felt that there is a need for more transitional and smaller houses (1-bedroom and smaller footprint) with less maintenance for seniors to transition from their 3 to 4-bedroom homes.

Affordability

- Many stakeholders made the point that even with the prevalence of naturally occurring affordable housing in the corridor, many people are still spending over 50% of their income on rent alone and are therefore "housing cost burdened."

- Several stakeholders cited current market conditions as exacerbating affordability issues. For example, it was noted that low vacancy is a barrier to accessing quality affordable housing, and, for many households, this means that if they are unable to renew their lease or are evicted without cause they have no other housing option.

Concerns about Discriminatory Practices

- Several stakeholders reported that some landlords engage in discriminatory practices, especially during the application/screening process. Examples cited by those interviewed include refusing to accept Section 8 housing vouchers, charging higher application fees and rents to those who lack identification, such as social security cards or car insurance, and the use of credit checks, which penalize people who lack good credit or those trying to establish credit.

- Some stakeholders also cited the lack of [or perceived lack of] tenant protection policies as contributing to an environment in which tenants are fearful of reporting legitimate issues, such as plumbing or HVAC problems, for fear that they may be evicted. Exacerbating the situation, according to those interviewed, is when markets are extremely tight with few if any available units at other properties. Under these conditions, tenants are even more fearful of potential evictions because there are so few housing options.

Concerns about Gentrification/Displacement

- While the stakeholders interviewed were generally supportive of the proposed LRT project, gentrification is a major concern. It is important for the LRT to serve not only new residents, but also the people who currently live in the affected areas. For example, rent control policies were suggested as a possible strategy to limit displacement among existing residents who would be unable to afford any significant rent increases due to the LRT.

Connectivity and Access to Goods and Services

- Many stakeholders expressed a desire for improved multimodal facilities, such as sidewalks and bicycle facilities. They also mentioned access to transit, such as buses, is limited, and access to goods and services (e.g., groceries) within walking distance is a challenge, particularly for older adults and those who do not have access to a personal vehicle.

Other

- Some stakeholders noted the idea of "owning" and "investing" in something can be a difficult conversation to have with some religious and cultural communities. For example, Sharia finance rules won't allow Muslim communities to pay interest, such as the interest in a conventional mortgage which is often needed to purchase a home.

- Historically, there is a lack of attractive retail sites and a disparity in neighborhood investment, particularly in North Minneapolis. It would be beneficial to have more user-friendly community retail that has a stronger sense of community investment (i.e., Whole Foods, coffee shops, cooperatives, replace the smoke shop with other retails, etc.).

GAPS ANALYSIS

Findings from the previous sections were synthesized into a Gaps Analysis focused on each station area as well as corridor-wide concerns. Although the methodology of identifying and subsequently determining the scale of a "housing gap" starts with the process of comparing supply against demand to see where gaps may exist, it doesn't stop there. Housing need, which the gaps analysis is fundamentally trying to address, is more nuanced than that. Therefore, quantitative data was augmented with qualitative data gleaned from interviews with housing advocates and experts familiar with the housing supply and needs of the local population.

Another key purpose of the gaps analysis is not to simply address existing gaps, but to draw attention to how each station area could accommodate future housing demand and thus prevent the creation of new gaps or the exacerbation of existing gaps. Therefore, the gaps analysis also takes into consideration forecasted household growth in each of the Corridor communities.

Because the METRO Blue Line Extension will have an obvious impact on mobility and accessibility, it is likely to profoundly influence housing need, particularly through the pricing of housing. Therefore, the gaps analysis also factors in potential impacts on housing costs as well.
A simplified methodological approach to the gaps analysis is as follows:

Figure 42: Methodological Steps of the Gaps Analysis

When thinking about a gaps analysis it is important to be reflective of two considerations which sometimes support the same housing prescriptions but in some cases can be different or complementary.

1. **Housing gaps.** The lack of housing types in the existing housing stock, filling gaps in the array of existing housing types.

1. **Household gaps.** The unmet housing needs of current residents, allowing them new options that meet identified needs.

Corridor-Wide Housing Gaps

Closing a housing gap observed within a station area may not always require a station-specific prescription. For example, this can be seen in station areas where there is very little diversity in the housing supply or very little housing altogether. However, due to the station area plan, which may be more focused on non-residential uses, or a lack of developable sites, it may make more sense to consider housing prescriptions that are distributed throughout the corridor instead within a given station area.

To address such considerations, the following are corridor-wide housing observations and prescriptions:

- **Housing age.** Housing age analysis suggests the need to build new multifamily housing in many portions of the corridor because the housing stock is aging with little replacement. Generally, this is true at every station area since there has been so little new multifamily housing constructed over the last 30 years throughout the corridor. However, multifamily development is particularly limited in the 93rd Avenue, 85th Avenue, and the Golden Valley Road station areas. There are also parts of the corridor where the initial era of housing development was many decades ago, and, thus, there is a strong need for newer multifamily housing that can complement an older apartment stock. This is particularly true of the Brooklyn Boulevard and 63rd Avenue station areas in Brooklyn Park where essentially all of the apartment stock was built before 1980 as well as the Minneapolis station areas, which has an even older multifamily stock.

- **Housing maintenance.** Maintaining the quality, condition, and marketability of the existing housing stock reduces the pressure to build new housing needed to replace obsolete or uninhabitable housing. Moreover, community input suggests that there are significant management and maintenance issues with the existing rental housing. This is true of both multifamily and single family rental housing, and it suggests:

    - » Continued attention to oversight through rental licensing and other approaches

    - » Support for capital investment in the existing housing stock (e.g., new roofs, windows, HVAC systems, etc.)

» Programs to help educate and support landlords in how to manage properties with tenants of diverse needs, such as aging residents, non-English speakers, families with young children, new arrivals unaccustomed to a cold climate, etc.

» Programs to help educate and support landlords new to renting and unfamiliar with the rights afforded to both owners and renters, especially in terms of maintenance responsibilities

- **Housing affordability.** This is an area where gaps in the housing stock and gaps in household needs suggest the need for different housing types—which could be thought of as complementary as opposed to contradictory.

  » New market rate or even upscale rental housing are in scarce supply in many of the station areas. High quality market-rate apartments and townhomes would fill gaps in the housing stock at every station. But it may be particularly needed as an action step that can improve market perceptions in the station areas that have the most dated existing apartment stock (noted above).

  » Affordable housing. The station areas are appropriate locations for affordable housing because they provide access without the need of a car to jobs in a large portion of the metro area. From a housing stock perspective, new affordable housing would add diversity in the available housing stock in the more affluent parts of the corridor such as at Oak Grove and Golden Valley Road station areas. From the standpoint of meeting the needs of existing households, new affordable housing can reduce cost burdens or offer an improvement in quality and property management for existing households. From this standpoint, new affordable housing may be particularly needed in lower income areas. The median household income is lowest (around $40,000 or lower) in the 63rd Avenue, Penn Avenue, and Van White station areas, followed by the Brooklyn Boulevard, Bass Lake Road, Robbinsdale, and Plymouth Ave station areas (around $50,000). It's $70,000 or more in the other station areas.

- **Workforce housing.** Used in a nontechnical sense, housing at all stations along the corridor support workers who commute to downtown, the airport, Target headquarters, and other employment destinations served by LRT. There is a particular need for housing at the employment nodes of Oak Grove Parkway, 93rd Avenue, and 85th Avenue, and at the retail hubs at Bass Lake Road and Brooklyn Boulevard. Housing for workers in these locations can be both market rate and income restricted.

- **Household age.** Demographic trends suggest that there will be an ongoing need for a range of senior housing options throughout the corridor. The one exception is the Robbinsdale station area, which accounts for roughly one-third of all the age-restricted housing within a mile of the corridor. In all the other station areas, senior housing would fill an existing gap and any growing gaps due to an aging population. In particular, there is a strong need for housing that provides assistance, such as assisted living and memory care services. Currently, less than one-quarter of the age-restricted units in the corridor have such types of assistance. For more independent seniors, the best locations will offer other amenities, such as close proximity to walking trails and shopping. Therefore, it may be particularly appropriate at 85th Avenue, Bass Lake Road, Golden Valley Road, or Van White Boulevard station areas (if developed as a mixed use node).

- **Unit type**. A bedroom analysis combined with comments from community stakeholders revealed a gap between the number of rental units with three or more bedrooms and the number of households with children. Most larger rental properties are dominated by one- and two-bedroom units because the traditional target market for these properties when built were young singles living alone or with a roommate or older households that have downsized from a single-family home. Households with children unable to afford homeownership, therefore, have had very limited housing options. Every station area has this housing gap because it is a need that is pervasive throughout the corridor and the region.

- **Medium density structures.** Duplexes, triplexes, and many types of townhome product are a good way to achieve TOD densities without significantly changing the character of a station area. Furthermore, these product types can often be delivered as a more affordable option to

traditional single-family product because they use less land yet retain some of the attributes often desired in single-family homes, such as private-entry, space for a patio or garden, and larger unit sizes (i.e., three or more bedrooms). These types of units can also be a complement to larger mixed-use developments where distances beyond ¼ or ½-mile from the station may make them more feasible. This would be especially relevant in stations such as Oak Grove Parkway and Bass Lake Road.

Station Area Housing Gaps

Although corridor-wide housing gaps are important to understand how wide spread gaps may be and that responses to a gap may need to be thought of more holistically, one of the purposes of this study is to provide insight at the station area level to help inform the creation of zoning codes that will support TOD and remove barriers to closing any critical housing gaps.

For each station area a gaps analysis was prepared in order to identify short-term (pre-LRT) and long-term (post-LRT) housing need. Each analysis includes the following components:

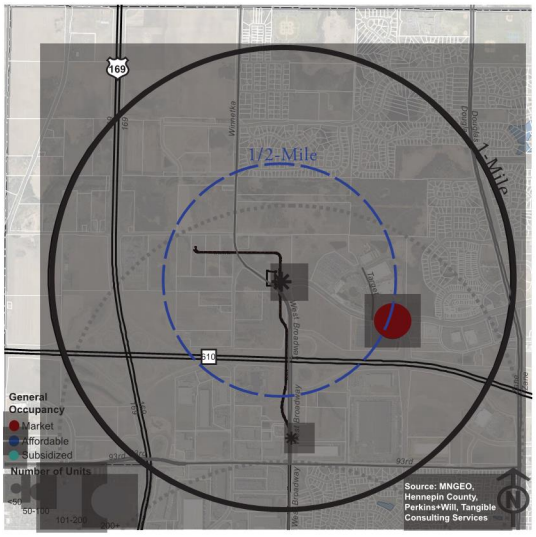
- Map of existing general-occupancy (i.e., non-senior or age-restricted) multifamily properties with 10 or more units.
- Map of existing senior or age-restricted multifamily properties.
- Summary of demographic and housing statistics presented previously in the report. For comparison purposes, Hennepin County statistics are also included as a benchmark since it is a much larger unit of geography and would represent a regional norm or average for these type of data.
- A basic description of the station area vision included as part of the station area plan.
- Estimate of housing demand through 2040. This estimate is based on household growth forecasts prepared by the Metropolitan Council for each city along the Corridor. Based on the station area plan, the amount of existing developable land, opportunities for redevelopment (i.e., presence of underutilized, aging, or obsolete properties), and market dynamics, a proportion the city's forecasted household growth was assigned to the station area and considered to be its future housing demand.

For example, in the Oak Grove Parkway station area, there is a significant amount of vacant land. Moreover, given the station area plan to create a new transit oriented village, it was assumed the station area could capture 20-25% of the City of Brooklyn Park's forecasted household growth through 2040, which translates 1,500-2,000 housing units.

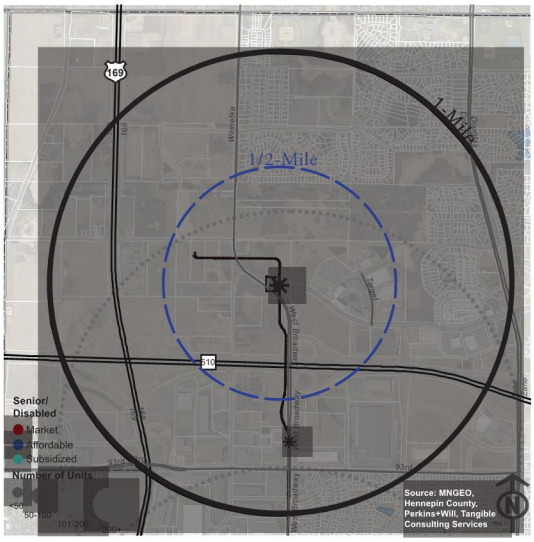
- List of most appropriate new housing types that would best address current gaps and future demand.

- Narrative that describes the housing gap situation in each station area. The narrative provides context and understanding of the factors contributing to a housing gap (if any) and possible prescriptions for how to address current and future needs taking into consideration the unique circumstances of each station area.

Oak Grove Parkway



Map 1: Oak Grove Parkway - Multifamily Properties



Map 2: Oak Grove Parkway – Senior Properties

STATISTIC	OAK GROVE PKWY	HENNEPIN COUNTY
Total Population (1/2-mi radius)[1,2]	**291**	**1,197,776**
Toal Households (1/2-mi radius)[1,2]	**88**	**490,196**
Median Age[1,2]	37.5	36.1
Population Age 18 and Younger[1,2]	23%	25%
Population Age 65 and Older[1,2]	13%	12%
Average Household Size[1,2]	2.7	2.4
Persons per Bedroom[1,2]	--	0.92
Median Household Income[1,2]	$71,454	$65,834
Homeownership Rate[1,2]	90.9%	49.0%
Households with Children[1,2]	44.7%	28.0%
Single-Person Households[1,2]	21.1%	33.0%
Persons of Color[1,2]	31.5%	26.0%
Households that are Housing Cost Burdened[1,6,7]	10.4%	36.2%
Total Housing Units (1/2-mi radius)[1,2]	**42**	**518,332**
Units in Buildings with 5+ Units[1,2]	4.8%	29.9%
Units in Buildings with 2-4 Units[1,2]	0.0%	5.8%
Townhome Units[1,2]	45.2%	8.7%
Single-Family Units[1,2]	50.0%	55.3%
Median Year Built (Multifamily Units)[3,6,7]	2016	1973
Median Year Built (Single-Family Units)[5,6,7]	2004	1958
Median Home Sales Price[4]	$477,874	$264,000
Average Monthly Rent - 1BR Units[3,6]	$1,491	$1,105
Average Monthly Rent - 2BR Units[3,6]	$2,012	$1,427
Average Monthly Rent - 3BR+ Units[3,6]	$2,288	$1,819

1 US Census, American Community Survey 2011-2015 Five-Year Estimate
2 Esri
3 CoStar
4 Minneapolis Area Association of Realtors, Multiple Listing Service
5 Hennepin County Assessor
6 Tangible Consulting Services
7 Perkins+Will

Station Area Plan

- New village concept with areas for mixing of uses, including residential, retail, and office. Major growth district.

Housing Demand through 2040

- 1,500-2,000 units (20-25% of projected Brooklyn Park household growth through 2040)

New Housing Types Needed

- Market rate rental apartments
- Affordable rental apartments (<30% AMI; 31-50% AMI; 51%-80% AMI)
- Affordable rental townhomes (<30% AMI; 31-50% AMI; 51%-80% AMI)
- Senior housing (market rate and affordable)
- Mixed-income housing (properties inclusive of both market rate and affordable units)
- Multi-story condominiums (multiple price points)
- Owner-occupied townhomes (multiple price points)

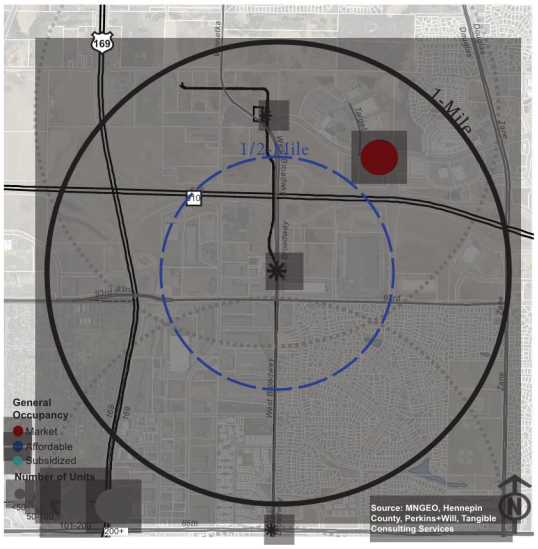
Housing Gaps Analysis

Being mostly vacant, the Oak Grove Parkway station area currently does not have a housing gap in the way other fully developed station areas have housing gaps. However, this is the one station area that will be able to accommodate a significant amount of new housing along the Corridor. Therefore, a range of housing product types and price points should be supported through zoning and other policies.

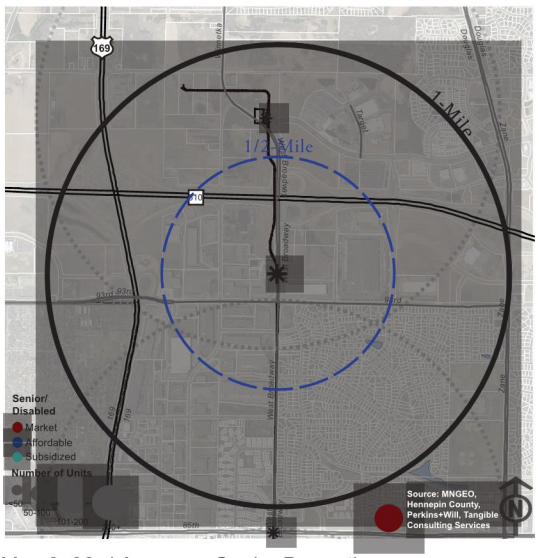
The timing of development will be highly dependent on the introduction of new infrastructure into the station area. Given the rapid absorption of the 610 West apartments, which are located east of the station area just beyond its ½-mile radius, the market for market rate, transit-oriented development is strong and would support more near-term development. With that being said, the amount of vacant, developable land is large enough that full build out the station area will take many years even when factoring in the operation of the LRT.

In order to fully leverage the opportunity of building in essence a new neighborhood, densities should be highest nearest the station. However, further from the station, densities can drop down to much lower levels. A wide variety of housing types will allow for not only a range household types but also a variety of price points, which will be extremely important. As a growing area with the potential to attract residents drawn to nearby high paying jobs, some type of inclusionary policy guaranteeing a portion of all housing development be of a certain type and affordability would likely be feasible in this station area.

93rd Avenue



Map 4: 93rd Avenue – Multifamily Properties



Map 3: 93rd Avenue – Senior Properties

STATISTIC	93rd AVE	HENNEPIN COUNTY
Total Population (1/2-mi radius)[1,2]	**1,000**	**1,197,776**
Toal Households (1/2-mi radius)[1,2]	**274**	**490,196**
Median Age[1,2]	33.9	36.1
Population Age 18 and Younger[1,2]	30%	25%
Population Age 65 and Older[1,2]	9%	12%
Average Household Size[1,2]	3.2	2.4
Persons per Bedroom[1,2]	0.84	0.92
Median Household Income[1,2]	$88,134	$65,834
Homeownership Rate[1,2]	91.6%	49.0%
Households with Children[1,2]	54.9%	28.0%
Single-Person Households[1,2]	14.1%	33.0%
Persons of Color[1,2]	53.8%	26.0%
Households that are Housing Cost Burdened[1,6,7]	27.5%	36.2%
Total Housing Units (1/2-mi radius)[1,2]	**265**	**518,332**
Units in Buildings with 5+ Units[1,2]	2.3%	29.9%
Units in Buildings with 2-4 Units[1,2]	1.1%	5.8%
Townhome Units[1,2]	13.6%	8.7%
Single-Family Units[1,2]	82.6%	55.3%
Median Year Built (Multifamily Units)[3,6,7]	--	1973
Median Year Built (Single-Family Units)[5,6,7]	1991	1958
Median Home Sales Price[4]	$264,000	$264,000
Average Monthly Rent - 1BR Units[3,6]	--	$1,105
Average Monthly Rent - 2BR Units[3,6]	--	$1,427
Average Monthly Rent - 3BR+ Units[3,6]	--	$1,819

1 US Census, American Community Survey 2011-2015 Five-Year Estimate
2 Esri
3 CoStar
4 Minneapolis Area Association of Realtors, Multiple Listing Service
5 Hennepin County Assessor
6 Tangible Consulting Services
7 Perkins+Will

Station Area Plan

- Support current trend of new employment/business growth with emphasis on stronger multimodal connections throughout station area. Minimal residential vision.

Housing Demand through 2040

- 100-200 units (1-2% of projected Brooklyn Park household growth through 2040)

New Housing Types Needed

- Affordable rental apartments (<30% AMI; 31-50% AMI; 51%-80% AMI)
- Affordable rental townhomes (<30% AMI; 31-50% AMI; 51%-80% AMI)
- Senior housing (market rate and affordable)
- Owner-occupied townhomes (middle market price points)

The existing housing stock within the 93rd Avenue station area is newer and mostly consists of detached, single-family homes. The median home sales price is one of the highest along the Corridor, which suggests that most of the stock is not at risk for deferred maintenance. Therefore, there are minimal gaps that can be closed through modifying the existing housing supply.

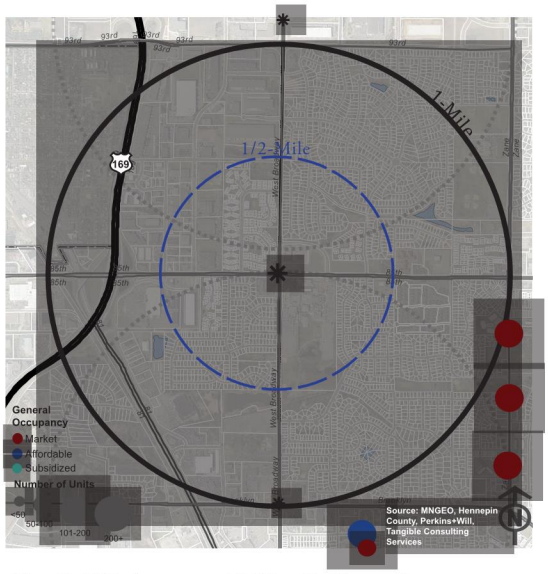
Adding new housing is the most likely path to addressing any housing gaps in the station area. However, near-term opportunities for new housing development are limited. The undeveloped portions of the station area are guided for industry and are currently being rapidly developed. Nevertheless, some non-residential properties that are relatively older will experience redevelopment pressure once the LRT is established. At locations closest to existing housing or adjacent to uses complementary with housing, there would be the opportunity to introduce new housing.

In the interest of broadening the limited housing choices that currently exist, any new development should consider affordable rental housing in the form of apartments or townhomes, depending on the site. Introducing more affordable housing product would provide additional choice because the cost of the existing housing in the station area is at or above the regional median. Therefore, new housing affordable to lower-income households will be especially attractive given the strong concentration of employment in this station area.

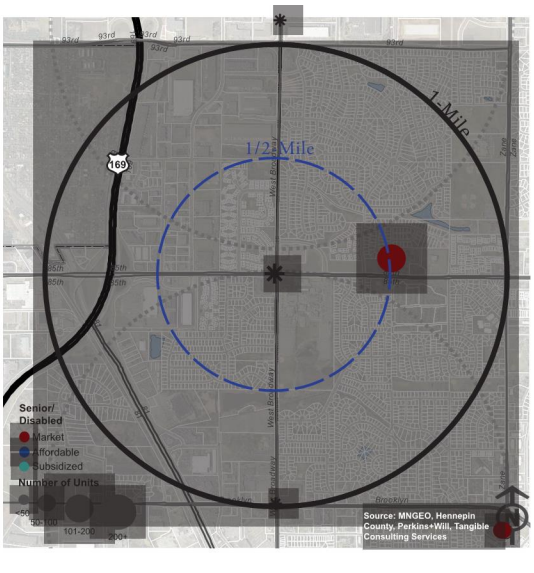
Senior housing will also be a likely need in the future as there currently are few senior housing options in the vicinity today[6]. As residents of the existing residential neighborhoods to the south and east continue to age, there will likely be a need for senior housing at some point in the future.

6 At the time this report was being prepared, the local media reported that a senior housing project was proposed approximately 1 mile east of the station.

85th Avenue



Map 6: 85th Avenue – Multifamily Properties



Map 5: 85th Avenue – Senior Properties

STATISTIC	85th AVE	HENNEPIN COUNTY
Total Population (1/2-mi radius)[1,2]	**3,589**	**1,197,776**
Toal Households (1/2-mi radius)[1,2]	**1,299**	**490,196**
Median Age[1,2]	35.7	36.1
Population Age 18 and Younger[1,2]	26%	25%
Population Age 65 and Older[1,2]	12%	12%
Average Household Size[1,2]	2.7	2.4
Persons per Bedroom[1,2]	0.84	0.92
Median Household Income[1,2]	$76,323	$65,834
Homeownership Rate[1,2]	85.2%	49.0%
Households with Children[1,2]	38.9%	28.0%
Single-Person Households[1,2]	27.3%	33.0%
Persons of Color[1,2]	51.0%	26.0%
Households that are Housing Cost Burdened[1,6,7]	30.3%	36.2%
Total Housing Units (1/2-mi radius)[1,2]	**1,263**	**518,332**
Units in Buildings with 5+ Units[1,2]	5.0%	29.9%
Units in Buildings with 2-4 Units[1,2]	4.7%	5.8%
Townhome Units[1,2]	34.5%	8.7%
Single-Family Units[1,2]	55.8%	55.3%
Median Year Built (Multifamily Units)[3,6,7]	1983	1973
Median Year Built (Single-Family Units)[5,6,7]	1978	1958
Median Home Sales Price[4]	$183,000	$264,000
Average Monthly Rent - 1BR Units[3,6]	$871	$1,105
Average Monthly Rent - 2BR Units[3,6]	$994	$1,427
Average Monthly Rent - 3BR+ Units[3,6]	$1,361	$1,819

1 US Census, American Community Survey 2011-2015 Five-Year Estimate
2 Esri
3 CoStar
4 Minneapolis Area Association of Realtors, Multiple Listing Service
5 Hennepin County Assessor
6 Tangible Consulting Services
7 Perkins+Will

Station Area Plan

- Support growth and expansion of institutional uses. Select sites identified as opportunities to introduce new housing.

Housing Demand through 2040

- 300-600 units (3-6% of projected Brooklyn Park household growth through 2040)

Housing Types

- Affordable rental apartments (<30% AMI; 31-50% AMI; 51%-80% AMI)
- Affordable rental townhomes (<30% AMI; 31-50% AMI; 51%-80% AMI)
- Mixed-income housing (properties inclusive of both market rate and affordable units)
- Senior housing (affordable)

Homeownership is currently very high in the 85th Avenue station area. The median home sales price is below the County median, but this is likely due to a high percentage of owner-occupied townhomes, which tend to be smaller than detached, single-family homes and thus less expensive.

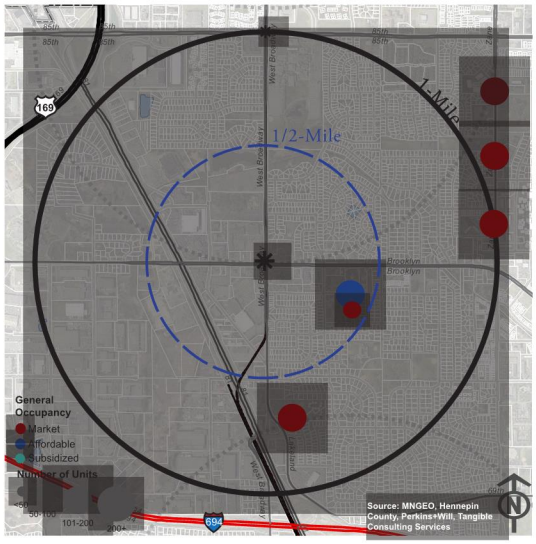
There are two sites with strong development potential. One site is vacant and owned by North Hennepin Community College, which has identified the site as housing in their most recent campus plan. The other is an existing strip retail center that would front the station and is currently for –sale. The status of these prime sites increases the possibility of near-term housing development.

With the North Hennepin Community College anchoring the station area, there is a clear need for rental housing that would accommodate some of their student population. Currently, there is very little rental housing in the station area. Any new rental housing targeted to students of the community college does not need to be designed for the traditional college student because community college students often work and have families. Therefore, the strongest need would be affordably-priced rental housing that could accommodate a family. The advantage of promoting a more standard housing design that does not specifically cater to a traditional student population is that it could meet the needs of non-students as well.

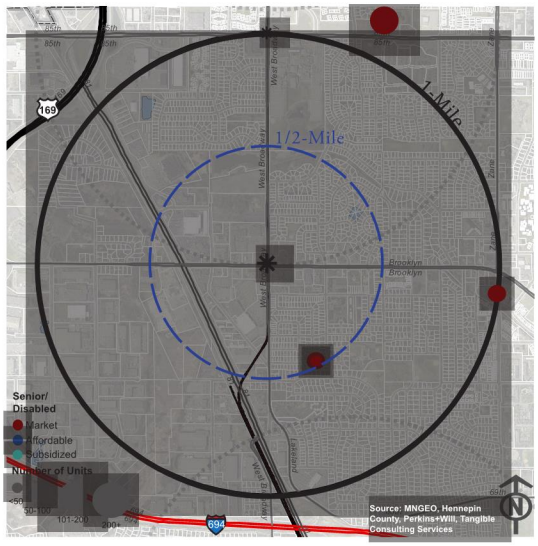
Although townhomes are plentiful in the station area, rental townhomes are a good way to provide larger unit types to households that are unable to access homeownership. If such a development is professionally managed this would potentially mitigate some of the landlord issues that come with the renting of individually owned rental units.

There is one senior housing development near the station area. Similar to the 93rd Avenue station, in all likelihood as the existing household base continues to age, providing housing that older adults can transition into can help them remain in the community and make housing available for new households that want to live in the station area.

Brooklyn Boulevard



Map 7: Brooklyn Boulevard – Multifamily Properties



Map 8: Brooklyn Boulevard – Senior Properties

STATISTIC	BROOKLYN BLVD	HENNEPIN COUNTY
Total Population (1/2-mi radius)[1,2]	**2,231**	**1,197,776**
Toal Households (1/2-mi radius)[1,2]	**746**	**490,196**
Median Age[1,2]	31.5	36.1
Population Age 18 and Younger[1,2]	30%	25%
Population Age 65 and Older[1,2]	10%	12%
Average Household Size[1,2]	2.9	2.4
Persons per Bedroom[1,2]	0.99	0.92
Median Household Income[1,2]	$50,160	$65,834
Homeownership Rate[1,2]	62.7%	49.0%
Households with Children[1,2]	44.6%	28.0%
Single-Person Households[1,2]	17.4%	33.0%
Persons of Color[1,2]	63.5%	26.0%
Households that are Housing Cost Burdened[1,6,7]	54.3%	36.2%
Total Housing Units (1/2-mi radius)[1,2]	**728**	**518,332**
Units in Buildings with 5+ Units[1,2]	22.5%	29.9%
Units in Buildings with 2-4 Units[1,2]	5.5%	5.8%
Townhome Units[1,2]	9.6%	8.7%
Single-Family Units[1,2]	62.4%	55.3%
Median Year Built (Multifamily Units)[3,6,7]	1970	1973
Median Year Built (Single-Family Units)[5,6,7]	1970	1958
Median Home Sales Price[4]	$206,500	$264,000
Average Monthly Rent - 1BR Units[3,6]	$833	$1,105
Average Monthly Rent - 2BR Units[3,6]	$1,050	$1,427
Average Monthly Rent - 3BR+ Units[3,6]	--	$1,819

1 US Census, American Community Survey 2011-2015 Five-Year Estimate
2 Esri
3 CoStar
4 Minneapolis Area Association of Realtors, Multiple Listing Service
5 Hennepin County Assessor
6 Tangible Consulting Services
7 Perkins+Will

Station Area Plan

- Maintain commercial character with emphasis on stronger multimodal connections throughout station area. Minimal residential vision.

Housing Demand through 2040

- 300-600 units (3-6% of projected Brooklyn Park household growth through 2040)

New Housing Types Needed

- Affordable rental apartments (<30% AMI; 31-50% AMI; 51%-80% AMI)
- Senior housing (affordable)
- Mixed-income housing (properties inclusive of both market rate and affordable units)
- Affordable rental townhomes (<30% AMI; 31-50% AMI; 51%-80% AMI)
- Owner-occupied townhomes (middle market price points)

The Brooklyn Boulevard station area is dominated by auto-oriented, big-box retail. There has been substantial reinvestment to many of the retail properties in recent years. Therefore, redevelopment opportunities will be limited to a small number of older retail centers or freestanding retail buildings. Due to the lack of immediate opportunities and the challenge of introducing new multi-modal infrastructure supportive of TOD, the Brooklyn Boulevard station area is envisioned to remain a commercial district with its current character in the near-term. However, with the advent of LRT, any future redevelopment of a major commercial parcel could easily accommodate some type of multi-story housing. In such cases, a mixed-income rental project that would include both market rate and income-restricted units would help close the gap on the need for affordably-priced housing.

Despite the lack of immediate development opportunities adjacent or near the station, there are potential sites approximately a ½-mile north and south of the station that would have more immediate, near-term potential. Given their distance from the station itself, these sites may likely be able to support lower-density development that is still transit supportive, such as townhomes, both affordable rentals and middle market owner-occupied product, because the land would less expensive than land adjacent or closer to the station.

Most of the existing rental product in the vicinity of the station area is beyond the ½-mile radius. Therefore, it will not be as subject to rent inflation due to the LRT as other station areas. Nevertheless, renters in the Brooklyn Boulevard station area are already extremely cost burdened. Therefore, any measures to reduce this burden, such preserving affordability of units, would greatly assist the local population.

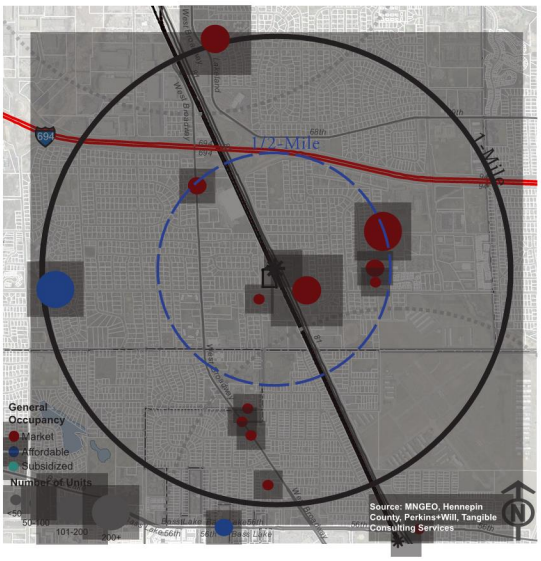
The Brooklyn Boulevard station area is also an area mentioned by representatives of several community-based organizations and housing advocates as having a concentration of rental housing that is in poor condition or in need of updating. Although such units may meet the City's maintenance codes, the livability issues of certain properties remains a concern. Therefore, additional policies that would address apartment conditions and their enforcement should be evaluated.

Also, the construction of new high-quality affordable housing can not only increase the number of desirable housing units but can also serve to raise the market standard for many NOAH properties, which often results in improved maintenance and upkeep by landlords of existing properties.

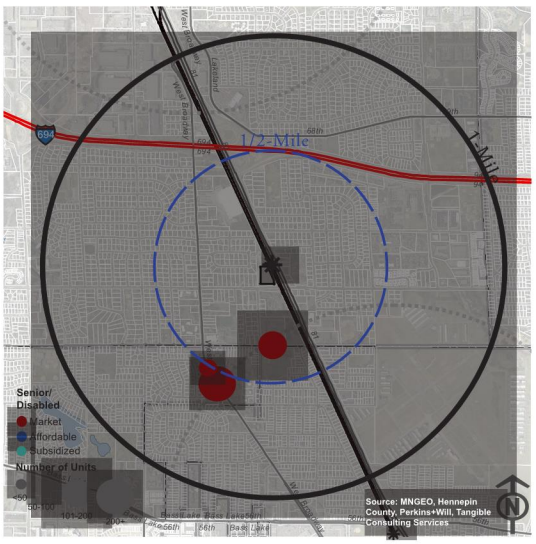
The median age of single-family homes in the station area is nearing 50 years. This is the point in the age of house in which routine maintenance of important systems (e.g., roof, HVAC, plumbing, windows, etc.) is critical or else a house will fall into serious disrepair quickly. Well-maintained older homes are often an important source of affordable housing and are an entry point into homeownership for many younger households. Therefore, home improvement programs and homeownership assistance are strategies to help maintain the owner-occupied housing stock.

Although the population in the Brooklyn Boulevard station area tends to skew younger, the needs of the existing senior population are not being met. Many of the existing rental apartments do not have design features that assist with aging. For example, many buildings do not have elevators and units on upper floors must be accessed by walking up and down stairs. New senior housing with universal design features would address this gap.

63rd Avenue



Map 9: 63rd Avenue – Multifamily Properties



Map 10: 63rd Avenue – Senior Properties

STATISTIC	63rd AVE	HENNEPIN COUNTY
Total Population (1/2-mi radius)[1,2]	**4,649**	**1,197,776**
Toal Households (1/2-mi radius)[1,2]	**1,848**	**490,196**
Median Age[1,2]	32	36.1
Population Age 18 and Younger[1,2]	28%	25%
Population Age 65 and Older[1,2]	13%	12%
Average Household Size[1,2]	2.5	2.4
Persons per Bedroom[1,2]	1.20	0.92
Median Household Income[1,2]	$41,101	$65,834
Homeownership Rate[1,2]	32.1%	49.0%
Households with Children[1,2]	40.0%	28.0%
Single-Person Households[1,2]	27.2%	33.0%
Persons of Color[1,2]	59.3%	26.0%
Households that are Housing Cost Burdened[1,6,7]	52.4%	36.2%
Total Housing Units (1/2-mi radius)[1,2]	**2,058**	**518,332**
Units in Buildings with 5+ Units[1,2]	63.9%	29.9%
Units in Buildings with 2-4 Units[1,2]	1.0%	5.8%
Townhome Units[1,2]	4.4%	8.7%
Single-Family Units[1,2]	30.8%	55.3%
Median Year Built (Multifamily Units)[3,6,7]	1971	1973
Median Year Built (Single-Family Units)[5,6,7]	1955	1958
Median Home Sales Price[4]	$178,800	$264,000
Average Monthly Rent - 1BR Units[3,6]	$851	$1,105
Average Monthly Rent - 2BR Units[3,6]	$986	$1,427
Average Monthly Rent - 3BR+ Units[3,6]	$1,397	$1,819

1 US Census, American Community Survey 2011-2015 Five-Year Estimate
2 Esri
3 CoStar
4 Minneapolis Area Association of Realtors, Multiple Listing Service
5 Hennepin County Assessor
6 Tangible Consulting Services
7 Perkins+Will

Station Area Plan

- Allow residential uses to transition to TOD in select areas.

Housing Demand through 2040

- 300-600 units (3-6% of projected Brooklyn Park household growth through 2040)

New Housing Types Needed

- Affordable rental apartments (<30% AMI; 31-50% AMI; 51%-80% AMI)
- Mixed-income housing (properties inclusive of both market rate and affordable units)
- Owner-occupied townhomes (middle market price points)
- Affordable rental townhomes (<30% AMI; 31-50% AMI; 51%-80% AMI)

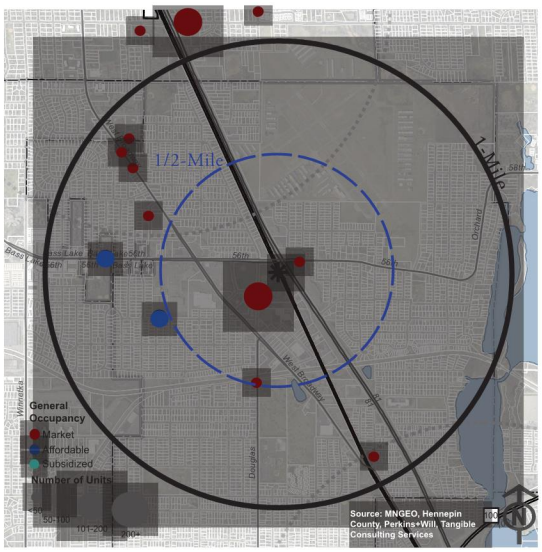
The 63rd Avenue station area mostly consists of residential uses with a mix of rental apartments, single-family homes, and senior housing. With the exception of one identified site, most of the station area is expected to take many years to transition from its current low-density character to a higher-density, TOD character. Therefore, the opportunities to address any existing housing gaps have more to with physical preservation and/or enhancement of existing properties than with new construction.
The 63rd Avenue station has one of the highest concentrations of rental housing along the Corridor. Most of it was built between 40 and 60 years ago and, if not suffering from deferred maintenance, is at risk to do so. The vast majority of the rental housing is market rate, but well below the County average and thus would be considered naturally occurring affordable housing (NOAH). Given this condition, the station area is at risk of losing substantial amounts of affordable housing due to: 1) future redevelopment of properties in poor condition; or 2) rising rents caused by market demand or the impact of the LRT. Therefore, physical preservation strategies should be considered to help maintain the existing rental stock, and financial preservation programs should be considered to help maintain affordability of the existing rental stock.

Where newer housing could be developed in coming years, higher-quality product that would be available to households at a mix of income levels would help close the gap on the need for better conditioned homes. Allowing increased density at sites closest to the station is one possible strategy that could help with introducing more affordably-priced, higher quality units.

In areas further from the station, townhome product may be appropriate, both owned and rented. Rental townhomes would help with the lack of rented three-bedroom units in the station area. Townhomes would also help provide a transition between areas of single-family homes and higher-density sites closer to the station. Although the 63rd Avenue station already has a fair amount of senior housing, single-level townhomes would meet the needs of many seniors who are still independent, but want to remain in the community.

One possible housing strategy that would be appropriate in this station area would be to allow in-fill development on larger lots with existing homes. This would increase density of the station area without significantly changing the character of the area as well. In-fill development could happen on a fine grain level. Therefore, market forces could dictate a large portion of this type of development. However, because of the small-scale of such developments, they could also be attractive to wide range of programs that fund affordable housing development.

Bass Lake Road



Map 11: Bass Lake Road – Multifamily Properties

Map 12: Bass Lake Road –Senior Properties

STATISTIC	BASS LAKE RD	HENNEPIN COUNTY
Total Population (1/2-mi radius)[1,2]	**2,364**	**1,197,776**
Toal Households (1/2-mi radius)[1,2]	**948**	**490,196**
Median Age[1,2]	38.2	36.1
Population Age 18 and Younger[1,2]	22%	25%
Population Age 65 and Older[1,2]	13%	12%
Average Household Size[1,2]	2.3	2.4
Persons per Bedroom[1,2]	1.21	0.92
Median Household Income[1,2]	$51,914	$65,834
Homeownership Rate[1,2]	57.2%	49.0%
Households with Children[1,2]	28.6%	28.0%
Single-Person Households[1,2]	38.8%	33.0%
Persons of Color[1,2]	39.1%	26.0%
Households that are Housing Cost Burdened[1,6,7]	49.3%	36.2%
Total Housing Units (1/2-mi radius)[1,2]	**951**	**518,332**
Units in Buildings with 5+ Units[1,2]	39.9%	29.9%
Units in Buildings with 2-4 Units[1,2]	4.2%	5.8%
Townhome Units[1,2]	0.7%	8.7%
Single-Family Units[1,2]	55.1%	55.3%
Median Year Built (Multifamily Units)[3,6,7]	1983	1973
Median Year Built (Single-Family Units)[5,6,7]	1949	1958
Median Home Sales Price[4]	$180,500	$264,000
Average Monthly Rent - 1BR Units[3,6]	$700	$1,105
Average Monthly Rent - 2BR Units[3,6]	$811	$1,427
Average Monthly Rent - 3BR+ Units[3,6]	--	$1,819

1 US Census, American Community Survey 2011-2015 Five-Year Estimate
2 Esri
3 CoStar
4 Minneapolis Area Association of Realtors, Multiple Listing Service
5 Hennepin County Assessor
6 Tangible Consulting Services
7 Perkins+Will

Station Area Plan

- Establish Becker Park as a town square surrounded by TOD; strengthen connections between station and Crystal Shopping Center

Housing Demand through 2040

- 400-600 units (80-100% of projected Crystal household growth through 2040)

New Housing Types Needed

- Mixed-income housing (properties inclusive of both market rate and affordable units)
- Affordable rental apartments (<30% AMI; 31-50% AMI; 51%-80% AMI)
- Affordable rental townhomes (<30% AMI; 31-50% AMI; 51%-80% AMI)
- Senior housing (market rate and affordable)
- Multi-story condominiums and cooperatives (multiple price points)

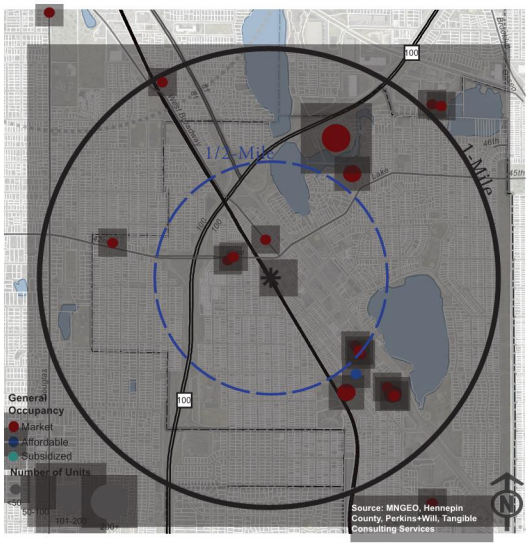
A great deal of new investment beyond the LRT is planned for the Bass Lake Road station area; Becker Park will be reconstructed and Bass Lake Road will receive a new streetscape. These investments have the potential to significantly change the perception of the station area.

Currently, many of the households living in the station area pay an exorbitant share of their income for housing. If these investments do change the perception of the station area, existing residents that are cost burdened are at an even higher risk of being displaced because of potential rising housing costs. Therefore, policies should be considered that would help existing residents remain in the community once the LRT is operational. Such approaches can include preserving the condition and affordability of properties that are older yet well-maintained, mixing market rate and income-restricted units in any new development, and encouraging a wide range in product types. Also, the station area has a very high rate of persons per bedroom, which suggest a housing market that is out of equilibrium, both in terms of housing cost burden and availability of larger rental unit styles (e.g., 3+ bedroom units), and therefore is not meeting the needs of the local population.

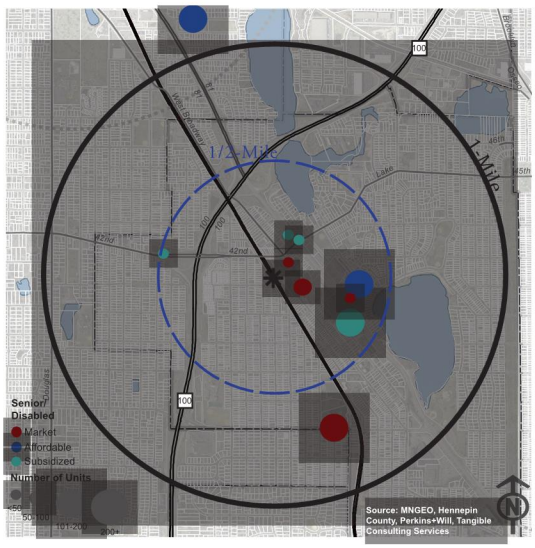
With several potential redevelopment areas within a few blocks of the station, the Bass Lake Road station area could accommodate most of Crystal's projected household growth through 2040. In order to truly leverage all this investment and accommodate the Met Council's forecasted household growth, this would require primarily multifamily housing. This should include a range of product type and styles. In addition to traditional market rate rental housing, the station area could help close some of the housing gaps by also including senior housing and affordable rental and owner-occupied multifamily housing.

One example of affordable owner-occupied multifamily housing that has been very successful in the Twin Cities is the limited-equity cooperative. In the region, these types of properties are often age-restricted and targeted to seniors because banks are otherwise reluctant to prepare mortgages for these types of properties. The buildings look and operate very much a like a multifamily condominium property. However, instead of owning title to an individual unit, the owner owns shares in the cooperative that owns the building. An individual's shares entitle them to live in a particular unit. In a limited-equity model, the share prices increase on an annual set rate and not according to market pricing. This "limits" the equity needed to buy into the cooperative making it more affordable. In return, the residents do not expect as much return on the value of their shares when they go to sell.

Robbinsdale



Map 14: Robbinsdale – Multifamily Properties



Map 13: Robbinsdale –Senior Properties

STATISTIC	42nd AVE	HENNEPIN COUNTY
Total Population (1/2-mi radius)[1,2]	**4,181**	**1,197,776**
Toal Households (1/2-mi radius)[1,2]	**1,953**	**490,196**
Median Age[1,2]	38.9	36.1
Population Age 18 and Younger[1,2]	21%	25%
Population Age 65 and Older[1,2]	16%	12%
Average Household Size[1,2]	1.9	2.4
Persons per Bedroom[1,2]	1.00	0.92
Median Household Income[1,2]	$48,121	$65,834
Homeownership Rate[1,2]	54.3%	49.0%
Households with Children[1,2]	19.0%	28.0%
Single-Person Households[1,2]	44.3%	33.0%
Persons of Color[1,2]	30.5%	26.0%
Households that are Housing Cost Burdened[1,6,7]	32.3%	36.2%
Total Housing Units (1/2-mi radius)[1,2]	**1,879**	**518,332**
Units in Buildings with 5+ Units[1,2]	41.3%	29.9%
Units in Buildings with 2-4 Units[1,2]	2.4%	5.8%
Townhome Units[1,2]	11.3%	8.7%
Single-Family Units[1,2]	44.8%	55.3%
Median Year Built (Multifamily Units)[3,6,7]	1980	1973
Median Year Built (Single-Family Units)[5,6,7]	1949	1958
Median Home Sales Price[4]	$201,000	$264,000
Average Monthly Rent - 1BR Units[3,6]	$670	$1,105
Average Monthly Rent - 2BR Units[3,6]	$1,104	$1,427
Average Monthly Rent - 3BR+ Units[3,6]	$1,665	$1,819

1 US Census, American Community Survey 2011-2015 Five-Year Estimate
2 Esri
3 CoStar
4 Minneapolis Area Association of Realtors, Multiple Listing Service
5 Hennepin County Assessor
6 Tangible Consulting Services
7 Perkins+Will

Station Area Plan

- Preserve/protect West Broadway as a main street; promote TOD around the periphery of the downtown.

Housing Demand through 2040

- 600-800 units (80-100% of projected Robbinsdale household growth through 2040)

New Housing Types Needed

- Market rate rental apartments
- Mixed-income housing (properties inclusive of both market rate and affordable units)
- Owner-occupied townhomes (multiple price points)
- Multi-story condominiums (multiple price points)

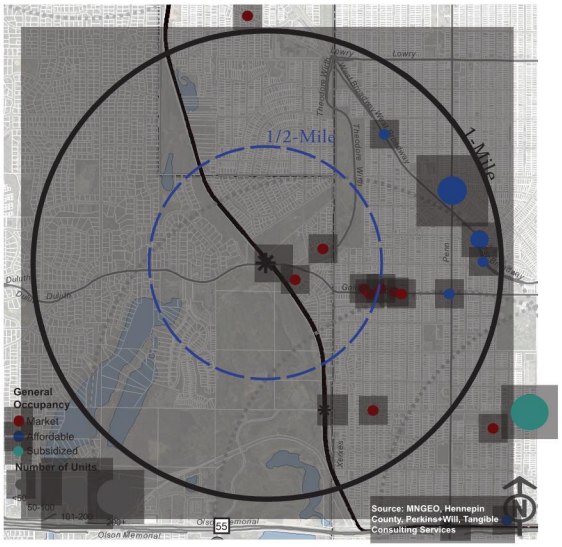
The Robbinsdale station area has the greatest mixing of uses of any station area along the Corridor. In recent decades there has been substantial multifamily development both in the core and around the periphery of what is considered downtown Robbinsdale. However, almost all of this development has been senior housing. Therefore, like many other station areas along the Corridor, there is a distinct absence of newer, market rate, general occupancy apartments.

This is likely to change in the near future, though. Unlike most of the other stations areas, there are currently two proposals for large, market rate apartments just south of the station area that would be at higher densities not typically found in Robbinsdale. This is a clear example of the current strength of the broader housing market, but it also demonstrates that the mixed-use environment in the station area is a factor in attracting residents to the area. Once the LRT is operational, any such momentum will only increase.

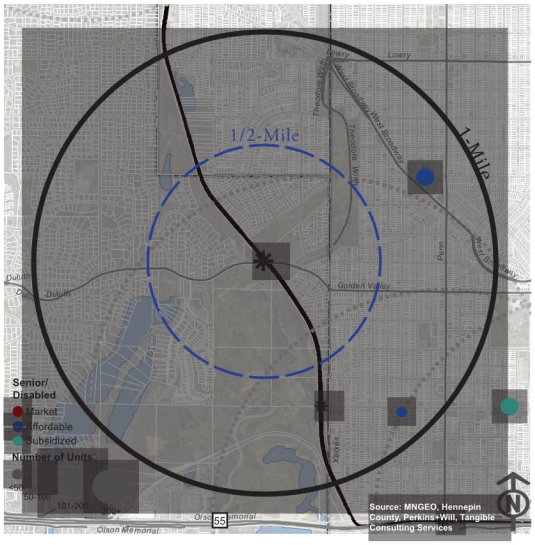
Market rate rental apartments will satisfy most of the future housing gaps in the Robbinsdale station area. Given the existing pedestrian scale of the station area, demand for this product will only accelerate. Therefore, consideration should be given to promoting mixed-income developments. In many cases, this product type is most successful in areas where growth will be strongest.

With the pressure to develop market rate apartments, an important gap that may need to be addressed would be units for families or other larger household types. Therefore, consideration should be given to where certain types of townhome product can complement traditional apartment development. Townhomes use less land than typical detached, single-family homes. However, much of the single-family housing stock in Robbinsdale, especially near the station, is older, smaller, and located on very small lots. Thus, it is challenging to modify these existing homes to accommodate larger homes. Townhome product located on strategic parcels can provide larger home sizes and help control for costs by using less land.

Golden Valley Road



Map 15: Golden Valley Road – Multifamily Properties



Map 16: Golden Valley Road – Senior Properties

STATISTIC	GOLDEN VALLEY RD	HENNEPIN COUNTY
Total Population (1/2-mi radius)[1,2]	**2,778**	**1,197,776**
Toal Households (1/2-mi radius)[1,2]	**1,090**	**490,196**
Median Age[1,2]	39.7	36.1
Population Age 18 and Younger[1,2]	23%	25%
Population Age 65 and Older[1,2]	14%	12%
Average Household Size[1,2]	2.5	2.4
Persons per Bedroom[1,2]	0.82	0.92
Median Household Income[1,2]	$75,360	$65,834
Homeownership Rate[1,2]	80.6%	49.0%
Households with Children[1,2]	28.2%	28.0%
Single-Person Households[1,2]	26.4%	33.0%
Persons of Color[1,2]	46.9%	26.0%
Households that are Housing Cost Burdened[1,6,7]	39.4%	36.2%
Total Housing Units (1/2-mi radius)[1,2]	**1,152**	**518,332**
Units in Buildings with 5+ Units[1,2]	6.8%	29.9%
Units in Buildings with 2-4 Units[1,2]	2.4%	5.8%
Townhome Units[1,2]	2.2%	8.7%
Single-Family Units[1,2]	88.5%	55.3%
Median Year Built (Multifamily Units)[3,6,7]	1940	1973
Median Year Built (Single-Family Units)[5,6,7]	1941	1958
Median Home Sales Price[4]	$241,875	$264,000
Average Monthly Rent - 1BR Units[3,6]	$791	$1,105
Average Monthly Rent - 2BR Units[3,6]	$996	$1,427
Average Monthly Rent - 3BR+ Units[3,6]	$998	$1,819

1 US Census, American Community Survey 2011-2015 Five-Year Estimate
2 Esri
3 CoStar
4 Minneapolis Area Association of Realtors, Multiple Listing Service
5 Hennepin County Assessor
6 Tangible Consulting Services
7 Perkins+Will

Station Area Plan

- Maintain residential character and feel of station area. Some potential long-term residential opportunities on currently institutional lands.

Housing Demand through 2040

- 100-200 units (10-20% of projected Golden Valley household growth through 2040)

New Housing Types Needed

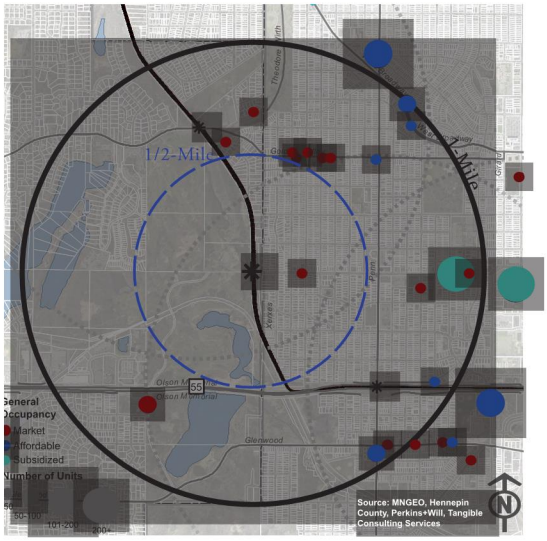
- Senior housing (market rate and affordable)
- Affordable rental apartments (<30% AMI; 31-50% AMI; 51%-80% AMI)

The Golden Valley Road station area consists mainly of park land (Theodore Wirth Park) or detached, single-family homes. The only exceptions are a few institutional uses (e.g., church, fire station, and care center) in scattered locations. Because single-family housing is such a dominant use in the station area, multifamily housing should be added to diversify housing choice and provide more affordable options. The challenge to increasing housing choice through development is that there are so few readily available redevelopment opportunities in the station area. As determined through the station area planning process, the Church of St. Margaret Mary controls a site that is large enough to accommodate substantial new development either on land that is vacant or underutilized (i.e., surface parking) or through redevelopment of existing structures. However, if the church does not see a need to sell their land for development or redevelopment then the timing of any new housing of a significant scale in the station area would be uncertain.

Due to station area population that is significantly older than the Corridor or County average, there is an obvious gap and need for senior housing. A multifamily senior housing development on a sufficiently large site would provide greater housing choices to local residents and potentially open up some of the existing single-family housing stock to younger households. The persons per bedroom in the station area is well below the Hennepin County rate, which indicates that there is a lot of excess housing not being utilized in the form of empty bedrooms. This is likely the result of an aging population staying in their homes as children grow up and leave the household.

In addition, the small amount of rental housing that does exist in the station area is very affordable with average rents being well the County average. This is likely because the rental housing stock is concentrated in the Minneapolis portion of the station area where the age of the stock is significantly older and likely liking in amenities and other features. New rental apartments at a variety of price points would introduce additional housing choice in the station area currently not available.

Plymouth Avenue



Map 17: Plymouth Avenue – Multifamily Properties

Map 18: Plymouth Avenue – Senior Properties

STATISTIC	PLYMOUTH AVE	HENNEPIN COUNTY
Total Population (1/2-mi radius)[1,2]	**3,921**	**1,197,776**
Toal Households (1/2-mi radius)[1,2]	**1,264**	**490,196**
Median Age[1,2]	33.3	36.1
Population Age 18 and Younger[1,2]	28%	25%
Population Age 65 and Older[1,2]	12%	12%
Average Household Size[1,2]	2.9	2.4
Persons per Bedroom[1,2]	0.92	0.92
Median Household Income[1,2]	$53,189	$65,834
Homeownership Rate[1,2]	66.5%	49.0%
Households with Children[1,2]	37.4%	28.0%
Single-Person Households[1,2]	23.6%	33.0%
Persons of Color[1,2]	75.3%	26.0%
Households that are Housing Cost Burdened[1,6,7]	46.4%	36.2%
Total Housing Units (1/2-mi radius)[1,2]	**1,352**	**518,332**
Units in Buildings with 5+ Units[1,2]	7.4%	29.9%
Units in Buildings with 2-4 Units[1,2]	5.0%	5.8%
Townhome Units[1,2]	2.5%	8.7%
Single-Family Units[1,2]	84.9%	55.3%
Median Year Built (Multifamily Units)[3,6,7]	1949	1973
Median Year Built (Single-Family Units)[5,6,7]	1938	1958
Median Home Sales Price[4]	$173,000	$264,000
Average Monthly Rent - 1BR Units[3,6]	$658	$1,105
Average Monthly Rent - 2BR Units[3,6]	$777	$1,427
Average Monthly Rent - 3BR+ Units[3,6]	$998	$1,819

1 US Census, American Community Survey 2011-2015 Five-Year Estimate
2 Esri
3 CoStar
4 Minneapolis Area Association of Realtors, Multiple Listing Service
5 Hennepin County Assessor
6 Tangible Consulting Services
7 Perkins+Will

Station Area Plan

- Maintain current residential character. Minimal redevelopment opportunities. Potential to infill on numerous vacant lots throughout station area.

Housing Demand through 2040

- <100 units

New Housing Types Needed

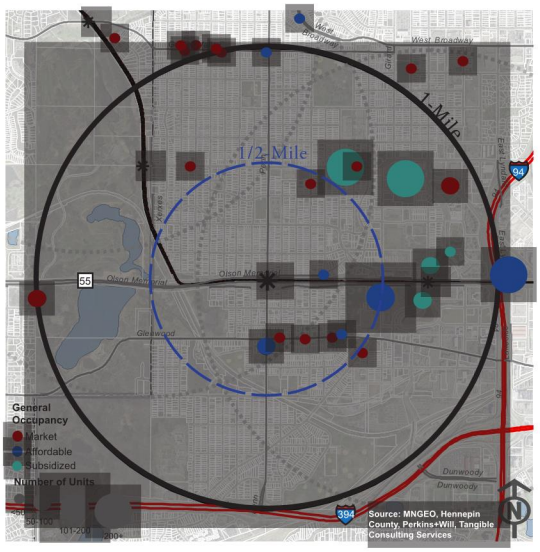
Small-scale infill development on small urban lots, such as:

- Accessory dwelling units (ADUs)
- Townhomes
- Small multifamily properties (<5 units)

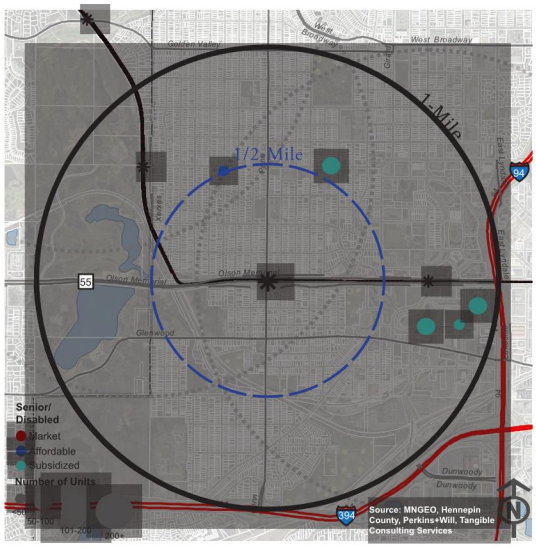
Due its proximity to Theodore Wirth Park and its prevalence of detached, single-family homes, the Plymouth Avenue station area is not envisioned to change significantly through redevelopment in the coming years. Therefore, addressing its housing gaps will not be achieved through significant, large-scale development. Instead, infill on small sites consisting mostly of vacant single-family lots will be the primary method of addressing housing gaps.

In recent years, portions of the station area have seen a fair amount of infill development on vacant lots due to a tornado that severely damaged many homes in this area. Based on interviews with community stakeholders, one of the concerns that emerged out of this rush to rebuild was the quality of the newly built housing stock. The stock of single-family homes in the station area is generally priced below the County median. Therefore, to help prevent further erosion of market pricing in this area, it would be important to have policies in place that ensure a higher standard in the quality of the construction. Although new, large-scale development is not likely in this station area, one possibility that would help create new housing is to promote accessory dwelling units, which are already allowed under Minneapolis's zoning code. Many of the blocks in the station area have alleys, which are ideal for accommodating accessory dwelling units. These units could either support extended families living together or be rented to boarders, which would help homeowners stay in their homes by providing a source of income to help cover housing costs.

Penn Avenue



Map 19: Penn Avenue – Multifamily Properties



Map 20: Penn Avenue – Senior Properties

STATISTIC	PENN AVE	HENNEPIN COUNTY
Total Population (1/2-mi radius)[1,2]	**6,246**	**1,197,776**
Toal Households (1/2-mi radius)[1,2]	**1,986**	**490,196**
Median Age[1,2]	29	36.1
Population Age 18 and Younger[1,2]	31%	25%
Population Age 65 and Older[1,2]	9%	12%
Average Household Size[1,2]	2.7	2.4
Persons per Bedroom[1,2]	1.12	0.92
Median Household Income[1,2]	$32,276	$65,834
Homeownership Rate[1,2]	39.6%	49.0%
Households with Children[1,2]	40.5%	28.0%
Single-Person Households[1,2]	28.8%	33.0%
Persons of Color[1,2]	80.7%	26.0%
Households that are Housing Cost Burdened[1,6,7]	54.4%	36.2%
Total Housing Units (1/2-mi radius)[1,2]	**2,290**	**518,332**
Units in Buildings with 5+ Units[1,2]	17.5%	29.9%
Units in Buildings with 2-4 Units[1,2]	26.2%	5.8%
Townhome Units[1,2]	7.5%	8.7%
Single-Family Units[1,2]	48.6%	55.3%
Median Year Built (Multifamily Units)[3,6,7]	1937	1973
Median Year Built (Single-Family Units)[5,6,7]	1933	1958
Median Home Sales Price[4]	$186,300	$264,000
Average Monthly Rent - 1BR Units[3,6]	$807	$1,105
Average Monthly Rent - 2BR Units[3,6]	$946	$1,427
Average Monthly Rent - 3BR+ Units[3,6]	--	$1,819

1 US Census, American Community Survey 2011-2015 Five-Year Estimate
2 Esri
3 CoStar
4 Minneapolis Area Association of Realtors, Multiple Listing Service
5 Hennepin County Assessor
6 Tangible Consulting Services
7 Perkins+Will

Station Area Plan

- Primarily maintain residential character of existing neighborhoods. Intersection of Penn and Highway 55 is envisioned to have higher density (up to 5 stories) in order to anchor the station and provide a mixture of commercial and higher density residential.

Housing Demand through 2040

- 200-400 units

New Housing Types Needed

- Mixed-income housing (properties inclusive of both market rate and affordable units)
- Affordable rental apartments (<30% AMI; 31-50% AMI; 51%-80% AMI)
- Affordable rental townhomes (<30% AMI; 31-50% AMI; 51%-80% AMI)
- Senior housing (market rate and affordable)

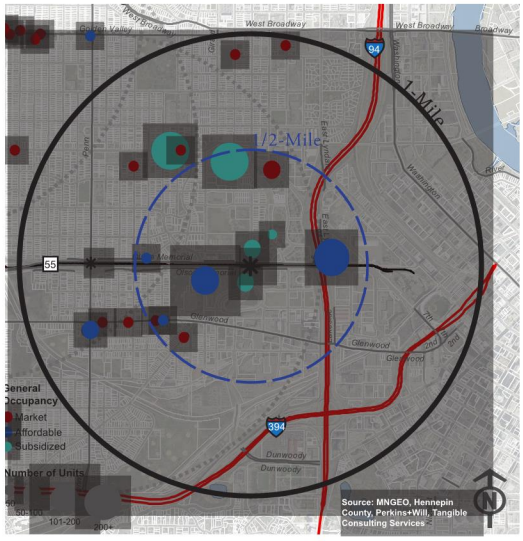
The Penn Avenue station area has the highest population and number of households of any station area along the Bottineau Corridor. This is attributable to the overwhelmingly residential character of the station area and its mix of all types of housing from single-family homes to small multifamily properties to large multifamily properties.

Housing cost burden is significant in the station area despite lower overall costs for housing. Due to the station area's proximity to downtown and Theodore Wirth Park, the area is highly susceptible displacement of existing households due to rapidly rising prices for housing. Based on interviews with community stakeholders, there already is strong evidence of rising prices and concerns over displacement. Therefore, any new housing development should be seen as an opportunity to help retain existing residents. Mixed-income rental apartments is an obvious strategy. Per the station area plan, these could be located closest to the station. Other strategies could include helping existing households that rent their housing to access homeownership before pricing becomes too unobtainable.

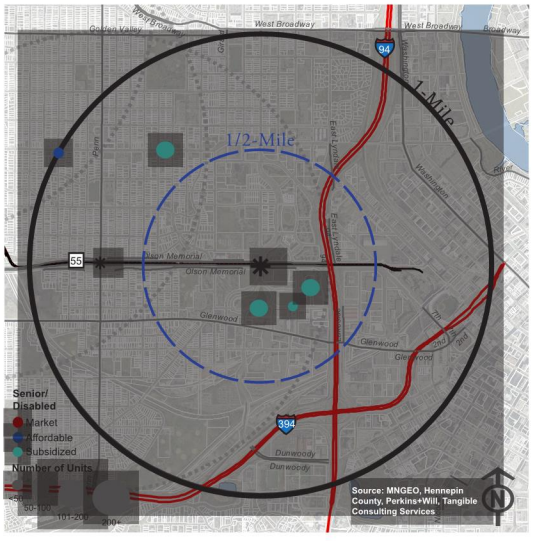
Given the rich diversity of housing options already in place, promoting accessory dwelling units may be a low impact path to maintaining affordability and helping existing residents remain in the community (also see discussion under Plymouth Avenue station area). Other possibilities to be explored may be co-housing arrangements. These are not common in the United States, but have been proven to help housing affordability issues in areas of rapid price increases in Europe.

The Penn Avenue station area has a lot of older housing stock, which can often be difficult for older residents to safely age-in-place. New senior housing options, or at least properties developed with principles of Universal Design, which allow persons of varying physical abilities to live safely and comfortably, should be considered for the station area.

Van White Boulevard



Map 21: Van White Boulevard – Multifamily Properties



Map 22: Van White Boulevard Senior Properties

STATISTIC	VAN WHITE BLVD	HENNEPIN COUNTY
Total Population (1/2-mi radius)[1,2]	**4,899**	**1,197,776**
Toal Households (1/2-mi radius)[1,2]	**1,828**	**490,196**
Median Age[1,2]	26.7	36.1
Population Age 18 and Younger[1,2]	36%	25%
Population Age 65 and Older[1,2]	8%	12%
Average Household Size[1,2]	2.6	2.4
Persons per Bedroom[1,2]	1.14	0.92
Median Household Income[1,2]	$20,186	$65,834
Homeownership Rate[1,2]	18.2%	49.0%
Households with Children[1,2]	47.4%	28.0%
Single-Person Households[1,2]	34.5%	33.0%
Persons of Color[1,2]	84.1%	26.0%
Households that are Housing Cost Burdened[1,6,7]	56.7%	36.2%
Total Housing Units (1/2-mi radius)[1,2]	**1,857**	**518,332**
Units in Buildings with 5+ Units[1,2]	63.5%	29.9%
Units in Buildings with 2-4 Units[1,2]	11.3%	5.8%
Townhome Units[1,2]	10.1%	8.7%
Single-Family Units[1,2]	15.1%	55.3%
Median Year Built (Multifamily Units)[3,6,7]	1978	1973
Median Year Built (Single-Family Units)[5,6,7]	1937	1958
Median Home Sales Price[4]	$260,000	$264,000
Average Monthly Rent - 1BR Units[3,6]	$794	$1,105
Average Monthly Rent - 2BR Units[3,6]	$977	$1,427
Average Monthly Rent - 3BR+ Units[3,6]	--	$1,819

1 US Census, American Community Survey 2011-2015 Five-Year Estimate
2 Esri
3 CoStar
4 Minneapolis Area Association of Realtors, Multiple Listing Service
5 Hennepin County Assessor
6 Tangible Consulting Services
7 Perkins+Will

Station Area Plan

- Intensify land uses within 1-3 blocks of the station. Strong vision for TOD in this area with 5+ story buildings. Primary land uses would be residential with some commercial at the street level.

Housing Demand through 2040

- >500 units

Housing Types

- Mixed-income housing (properties inclusive of both market rate and affordable units)
- Owner-occupied townhomes (multiple price points)
- Multi-story condominiums (multiple price points)

The Van White station area has the largest concentration of income-restricted housing along the Corridor. Therefore, it is somewhat well positioned to preserve critical affordable housing when inevitable price increases begin the happen. The station area is too close to downtown Minneapolis to not be impacted by gentrification.

Although most of the income-restricted housing is preserved through the next 20 years, it will still be important to maintain these funding sources or find other strategies for preserving affordable housing. The station area plan envisions a significant amount of new, higher density housing. Making sure new development has a mixture of income requirements will be an important strategy for ensuring the station area will retain current residents.

Owner-occupied housing is limited in the station area. Therefore, by encouraging certain types of owner-occupied product this will help diversify the housing stock and provide opportunities for some households to access ownership who currently are not able to do so. Smaller unit types often found in townhomes and multifamily condominiums can often be source of more affordably priced owner-occupied housing. At the station area's periphery there have been examples of new multifamily condominium development in recent years. Thus, it is likely that when the LRT becomes operational the demand for this type of housing may increase.

APPENDICES

Community Stakeholder Interview Notes

African Career, Education and Resources Inc. (ACER)

Attending: Nelima Sitati Munene (ACER Inc.), Dan Edgerton (Zan), Faith Xiong (Zan)

1. **What communities do you work with in the Bottineau Corridor?** Identifying specific populations, geographies and station areas, if possible.

Organization and Background

- African Career, Education, and Resource Inc. (ACER) is a grassroots organization. The mission of the organization is to create equitable communities by addressing health, education, housing, and community inequality.

- Geographies and Population

- ACER serves communities in the northwest suburbs (Brooklyn Center, Brooklyn Park, New Hope, Robbinsdale, and Crystal), and the communities ACER works with are primarily African-American and immigrant communities.

- Immigrant communities includes both West African and East African (i.e., Somali, Uganda, Kenya, etc.). ACER also partner and work with other communities including the Latino community and Southeast Asian communities.

Organization Projects/Programs

- Some of the projects ACER are working on focus around housing justice, immigration, transportation equity, and health equity.

2. **What type of housing is abundant in the community you represent? What type of housing is most needed in the community you represent?** This is intended to be very open ended. "Type" of housing, could mean any styles or arrangement. For example: rental vs. owned; townhomes vs single-family vs multi-story; large homes vs small homes; old homes vs new homes; homes affordable to low-income households; homes designed for children; homes designed for older adults or persons with disabilities; etc.

    - There is a lot of apartment housing and single-family rental. Most of the housing units tend to be old rentals and are "unhealthy housing." Statistically there are a lot of affordable housing units, but they are really not affordable to the populations served by ACER. People are spending over 50% of their income on rent alone for both apartment and single-family housing and are therefore "housing cost burdened."

    - Rental units are often small, 1-2 bedroom units. Eden Park and Park Haven are the two largest apartment rentals in the area. There are a few 3-bedroom apartments located at Park Haven. The rental units tend to be small for the families ACER serves.

    - It is not uncommon for a 1-bedroom unit to house a family of four people, a 2-bedroom unit can house six people, and a 3-bedroom unit can house larger families, however, there are very few 3-bedroom or larger units (mostly at Park Haven).

    - We need healthier housing, more affordable housing and more opportunities for homeownership/homeownership strategies. For example, the City of Brooklyn Park is among the cities with the highest level of homeownership in the metro, but also has the second highest racial disparity in homeownership.

    - Healthier housing means better-maintained housing. For example, the existing housing doesn't have adequate lighting (indoor or outdoor), often has roof leakage, and there is not enough security at Park Haven and Eden Park Apartments. The doors to the apartment complexes are not secure, and sometimes there are people who don't live in the apartments loitering inside the apartment complexes. There is also a lack of management.

    - Many apartments are old and dirty with bad refrigerators/other appliances that can cause food poisoning. The playgrounds are not well kept, which is an unhealthy environment for kids.

3. **What barriers does the community you represent have in accessing housing?** For example cost; discrimination; physical accessibility; other barriers.

    » Available and adequate housing in the community does not exist. There are also discriminatory practices in housing, such as landlords refusing to accept Section 8 housing vouchers. The application screening is also discriminatory. People with immigrant status can't get housing or will have to pay more if they don't have a social security card.

    » Another barrier is having large families in small housing units, as the kind of housing needed (i.e., 3+ bedroom units) in these neighborhoods is not available.

4. **Are there design issues with the type of housing available? Are there design features that are desired by the community you represent?** For example, not enough bedrooms; bad layout/ format; not designed to accommodate children; not designed to accommodate people with disabilities; other design issues.

    » See answers to questions #1, #2 and # 3.

5. **What are the desirable neighborhood features in the communities you represent? Are there neighborhood location issues with the housing available?** For example, too far from transit; too much crime; too far from essential goods and services; not in a walkable neighborhood; etc.

    » Park Haven Apartment is not a senior apartment, but there are a lot of seniors/elderly African population that live there. Access to transit, such as buses, is limited, and while it is within walking distance of a grocery store (i.e., Cub is approximately one-half mile), it is difficult for seniors carry more than two bags of grocery for that distance.

    » Another barrier is the application process for affordable housing. There are a lot of people that lack credit and some places require a credit check. Currently there are no policy strategies to address issue of displacement and gentrification.

    » Data is outdated, and existing trend analysis alone is not enough to address the issue of displacement and gentrification as well as racially

concentrated areas of poverty. We need analyses to forecast the supply of housing (and affordable housing, considering the gentrification likely to occur) into the future.

» At the policy level, no one is talking about gentrification and affordable housing, and there is no action being taken to address the question: "Why are they poor". We need to get to the root cause of the issue. We need to consider a private and public partnership strategy.

» City policies and practices are also a barrier. For example, there is a monthly landlord crime and safety meeting. At these meetings they will look at a 911 call catalog, and if there are a lot of calls at a given complex, they assume it is a high crime area. But they never really look at the root cause. At Park Haven, there are a lot of seniors, and the high volume of 911 calls could be for medical purposes rather than a crime prevention concern.

» There are intentional restrictions and discriminatory practices, such as parking restrictions to restrict certain types of people from accessing housing.

6. Other issues

» Displacement and gentrification are a concern. There are currently no policies in place to prevent displacement. For example, ACER lost a senior housing complex in New Hope and seniors are being displaced. In Brooklyn Park, ACER almost lost a senior housing complex, but because of community action Aeon got involved and purchased the complex. Across the metro, we are losing 100 units every week, and this may not include some of the smaller buildings which are often not counted.

» No analysis has been done to look at displacement and dealing with affordable housing.

» The Hennepin County preliminary study (affordable housing study) assumes that people are choosing to rent rather than buy houses. This is a false assumption; people just can't afford to buy houses.

La Asamblea de Derechos Civiles

Attending: Sebastián Rivera (La Asamblea) Dan Edgerton (Zan), Faith Xiong (Zan)

1. **What communities do you work with in the Bottineau Corridor?**
   Identifying specific populations, geographies and station areas, if possible.

   Organization and Background

   - La Asamblea de Derechos Civiles is a faith-based organization that started 19 years ago with its core work focusing on social justice ministry and immigration issues. The organization was first established in Minneapolis. Today La Asamblea has several congregations located in Minneapolis, Brooklyn Park and St. Cloud.

   Geographies and Population

   - La Asamblea primarily serves undocumented populations: Latino, African, and Southeast Asian immigrants. Most of their work is focused on immigrant families living in apartments and mobile homes.

   Organization Projects/Programs

   - La Asamblea projects and programs seek to identify social justice for immigrant families.

   - La Asamblea and ACER are partner organizations working on housing and economic development efforts in both the Latino and East African communities – emphasizing that both Latino and East African communities are experiencing similar issues.

   - In Brooklyn Park and Brooklyn Center, La Asamblea's core work focuses on ensuring that immigrant communities thrive while still living in the shadow. With this focus, the organization provides services in housing and economic development, education on civil rights and immigrant rights, and education on landlord-tenant rights.

   - Some of the areas most impacted by inequality and injustice are the Grove Apartments, Park Haven Apartments, and Autumn Ridge Apartments.

Grove Apartments have a large population of Latino, Liberian, Somali, Vietnamese and Hmong population. This apartment complex has been targeted by Immigration and Customs Enforcement (ICE) many times, and a lot of breadwinners have been taken.

Park Haven Apartments have a huge senior African community.

Autumn Ridge Apartments was the first building to be focused on when the Blue Line LRT was being studied and planned. There are 970+ units, and many of these units were infested with bedbugs, rats and mice. The apartments primarily house African and African-American families who are on Section 8 vouchers. La Asamblea's role was to ensure the city provided code enforcement, which the city is currently working on. La Asamblea notices that as the Blue Line LRT is coming in, rent is also going up.

» The organization also work towards minimizing the gap between the community and the cities. To do this, the organization educates the community about available resources and create various opportunities for cities to connect with the community. One example of this work is the creation of the Civil Rights Blue Print put together for the City of Brooklyn Center and Brooklyn Park by La Asamblea and ACER. In the process of designing the Civil Rights Blue Print, the organizations were able to engage the community, and connect community members with elected officials.

» The blue print was created to help cities create policies that reflect the communities they serve. Under this blue print, La Asamblea and other organizations are working to get buy-ins from the cities for the following policies:

- Just Clause Eviction
- Section 8 Protection
- Inclusionary Housing
- Right of First Refusal Clause

2. **What type of housing is abundant in the community you represent? What type of housing is most needed in the community you represent?** This is intended to be very open ended. "Type" of housing, could mean any styles or arrangement. For example: rental vs. owned; townhomes vs single-family vs multi-story; large homes vs small homes; old homes vs new homes; homes affordable to low-income households; homes designed for children; homes designed for older adults or persons with disabilities; etc.

    - South of Brooklyn Park, there are more single-family homes and some duplexes. After the 2008 housing crash, bigger homes were transformed into duplexes and multi-family housing.

    - There is an abundance of older housing stock (mid-70s and mid-80s). These homes are affordable, but are in bad conditions – emphasizing that conditions are inhumane.

    - South of Crystal and Brooklyn Park, there are a few 15-20-unit housing renting out units at $1000-$1200/month. These are harder to find, but are easier to get into because of the high turnover rate.

    - Compared to Robbinsdale and Crystal, Brooklyn Park has larger apartment complexes.

    - La Asamblea emphasizes the need for more multi-family housing with more than 2-bedrooms. A 2-bedroom unit does not suffice for the communities they serve, particularly Latino and Southeast Asian communities, who often have larger households.

    - While some cities have first time homeowner resources, there is a great need here for homeownership resources and opportunities.

    - Park Haven has a few 3-bedroom units, all located on the top floor. Most of these larger units often house families with younger children, which is inconvenient for seniors.

    - Bigger housing tends to be more expensive, especially in Crystal, Robbinsdale, New Hope, and anywhere along the Blue Line LRT. There is not a chance for affordable housing along the Blue Line LRT.

    - There are some affordable starter homes in Robbinsdale.

3. **What barriers does the community you represent have in accessing housing?** For example cost; discrimination; physical accessibility; other barriers.

» Parking ordinances are a barrier. While the shift in parking time makes it easier for snow plowing, it gets difficult when residents' vehicles are being towed.

» The assumption that everyone has a car is a false assumption.

» Lack of sidewalk connections make it difficult for seniors to walk in the middle of winter. There is also a lack of sidewalk connection from the neighborhood area to the busy intersection.

» The Blue Line LRT corridor's busy intersection discourages people from walking.

» There are no bike lanes.

» Gentrification is a barrier to accessing housing. There is a huge influx of immigrant and people of color (Hmong, Vietnamese, Liberian, etc.), and there is an old mentality of keeping the suburb the way it should be. However, this new form of gentrification is problematic because it pushes more people into the suburbs without any resources.

» Discriminatory practices are also barriers to accessing housing. Undocumented immigrants usually pay $75 to $100 more in fees and rent than any other tenants. Landlords are now asking for car insurance to get a parking space, which targets undocumented immigrants. Often the extra money, advocated with the help of La Asamblea, is used to pay for towing fees and not rental fees.

» Accessing information and resources on the city websites is difficult for Spanish, Somali and Hmong speakers. It would be beneficial for cities to send yearly and/or quarterly newsletters about available resources provided at the city.

» Identifying landlords is very difficult. When an apartment management company changes, La Asamblea goes door-to-door letting people know about what to expect from new management; frequently screening criteria changes.

4. **Are there design issues with the type of housing available? Are there design features that are desired by the community you represent?** For example, not enough bedrooms; bad layout/ format; not designed to accommodate children; not designed to accommodate people with disabilities; other design issues.

» See question #2

5. **What are the desirable neighborhood features in the communities you represent?** Are there neighborhood location issues with the housing available? For example, too far from transit; too much crime; too far from essential goods and services; not in a walkable neighborhood; etc.

» See question #3

6. **Other issues**

» There is an apparent disconnect between the cities and the county.

» Hennepin County housing inventory is very helpful, and the organization would like the cities to also know about this document. The document is beneficial for the cities because it talks about housing cost burden, who is impacted, and what are the housing needs in the county and cities.

» Homelessness is rising in the suburbs. La Asamblea want the cities and county to work together to prevent the increase of homelessness (i.e., loitering in the LRT) when the Blue Line LRT comes in.

Community Action Partnership of Hennepin County

Attending: Christine Hart (CAP-HC) Dan Edgerton (Zan), Faith Xiong (Zan)

1. **What communities do you work with in the Bottineau Corridor?**
   Identifying specific populations, geographies and station areas, if possible.

   Organization and Background

   - Community Action Partnership of Hennepin County (CAP-HC) is a service provider organization, and is the only CAP organization that services all of Hennepin County. A few of the programs established by the organization focus on homeownership, economic stability, and housing stability.

   Geographies and Population

   - CAP-HC serves all communities along the Blue Line LRT. The organization primarily works with low-income families at 125%-200% of the federal poverty guideline.

   Organization Projects/Programs

   - CAP-HC provide energy assistantship, financial services (i.e., financial literacy workshops, financial and employment counseling, etc.), and housing stabilization services. The housing stabilization program provides case management services for someone transitioning from shelter to affordable housing.

   - CAP-HC would like to increase and preserve affordable housing in Brooklyn Park.

2. **What type of housing is abundant in the community you represent? What type of housing is most needed in the community you represent?** This is intended to be very open ended. "Type" of housing, could mean any styles or arrangement. For example: rental vs. owned; townhomes vs single-family vs multi-story; large homes vs small homes; old homes vs new homes; homes affordable to low-income households; homes designed for children; homes designed for older adults or persons with disabilities; etc.

    - There is an abundance of affordable old housing stock in Robbinsdale, Crystal and New Hope.

    - There is less than a 2% vacancy rate for affordable housing ($1,200 or less) in the county, which is a challenge because people will move out of the county to find affordable housing elsewhere. The vacancy rate is nearing 0%, and if people are terminated from their current rental, they basically have nowhere to go.

    - In the current market, there are a lot of families in rental units/housing because people can't afford to own a home. There is also a lack of 3 or more-bedroom rentals. Frequently there are six people living in 1-2-bedroom unit housing, which gets tenants in trouble and creates an ongoing problem for tenants. Three or more-bedroom housing is needed across Hennepin County.

    - Senior housing is also needed. The rent for the New Hope senior apartment complex that was sold has gone up by $200. In Golden Valley, there is a community housing team comprised of 3-4 seniors. These seniors are looking to move out of homeownership because they can no longer maintain their home; but they also face a challenge with finding affordable rental housing in the neighborhood. There is a shortage of affordable senior housing for rent.

3. **What barriers does the community you represent have in accessing housing?** For example cost; discrimination; physical accessibility; other barriers.

    - Low vacancy rates and discriminatory practices are barriers to accessible housing. People with housing subsidies (i.e., Section 8 vouchers) experience discrimination by landlords. Many landlords do not want to work with people with housing subsidies because they don't want to take the extra step to fill out additional paperwork. In some cases, people with

housing subsidies are being discriminated by property managers because of their race.

» Rent increases are also a challenge. For example, rent used to be $800/month, now rents are going up to $1,400/month. This barrier is not only a hurdle for accessible housing, but also impacts people's employment and where children are going to school.

4. **Are there design issues with the type of housing available? Are there design features that are desired by the community you represent?** For example, not enough bedrooms; bad layout/format; not designed to accommodate children; not designed to accommodate people with disabilities; other design issues.

» While there are many issues with layout and design, at the end of the day these issues do not matter. As long as people have housing, they are satisfied with whatever housing layout they have. Layout and design are not a priority for many people.

» There is no tenant protection. Tenants would prefer to not complain because of the fear of having nowhere to go if they get terminated for complaining about small things like plumbing.

» There are four policies CAP-HC is pushing for city buy-in:

- Just cost eviction or non-renewal
  - Landlords cannot terminate tenants unless there is a just cause.
- Section 8 ordinances
  - Whether or not rent is being paid through housing subsidies, landlords cannot discriminate potential tenants by how their rent is being paid.
  - Right of First Refusal If the owner/landlord sells the property, they need to give 90-day notice to tenants. This allows the city or other agencies to get involved with rehab or making the property more affordable for the tenants.

- Inclusionary Housing

    - Requires any new development to contribute a percentage of the total units as permanently affordable housing.

    - Brooklyn Park and Golden Valley both have inclusionary housing ordinances, and the organization is working to get other cities on board.

5. **What are the desirable neighborhood features in the communities you represent? Are there neighborhood location issues with the housing available?** For example, too far from transit; too much crime; too far from essential goods and services; not in a walkable neighborhood; etc.

    » Walkability – having more sidewalks in neighborhood area.

    » Transit – always an issue in the suburbs. Seniors rely on Metro Mobility to get around, but this service is not enough.

    » Cities should prioritize community-building opportunities. In most cities, community building is not a priority for funding. CAP-HC emphasized that it is in the city's best interest to prioritize community connection opportunities. While cities are aware of this need, there have been no action to build capacity in moving forward with community building in the neighborhood.

6. **Other issues**

    » There is a disconnect between the county and the cities; they are not working together. The county and cities don't really have a clear understanding of what the other is doing.

    » CAP-HC would like to have county take a stronger leadership role to help guide cities with planning for equity.

City of Lakes Community Land Trust

Attending: Staci Howritz (CLCLT), Dan Edgerton (Zan), and Faith Xiong (Zan)

1. **What communities do you work with in the Bottineau Corridor?** *Identifying specific populations, geographies and station areas, if possible.*

Organization and Background

- City of Lakes Community Land Trust is a business that focuses on homeownership opportunities in Minneapolis. The organization's mission is to "create community ownership that preserves affordability and inclusivity."

- CLCLT began in 2002 as a non-profit organization. This year is CLCLT's second business year. They are projected to have 38 home closings in the following year. On average, CLCLT,on average, closes 25-30 houses per year, earning about $2-4 million in capital.

- CLCLT is marketed through homebuyer education courses, partnerships and lender referrals, and by word of mouth by current homeowners.

Geographies and Population

- CLCLT serves populations with 80% or less of the median average income. Most of the people they serve have an average median income of 5% or lower.

- 53% of CLCLT homeowners are communities of color (African-American, East African, Somali, Hmong, and Latino), and 54% of CLCLT homeowners are single.

- CLCLT only serves the City of Minneapolis

Organization Projects/Programs

- CLCLT's primary role is to invest in land and make it affordable for potential homeowners to own a home on the land. While CLCLT owns the land, the homeowner takes title of the home. Any changes to the net worth of the home are shared between homeowner and CLCLT.

» CLCLT currently has 250 homes, ranging from single-family homes to duplexes, condos, and townhomes. The organization also has 50 resales. While the organization mostly focuses on homeownership, they also have rental properties near their business.

2. **What type of housing is abundant in the community you represent? What type of housing is most needed in the community you represent?** This is intended to be very open ended. "Type" of housing, could mean any styles or arrangement. For example: rental vs. owned; townhomes vs single-family vs multi-story; large homes vs small homes; old homes vs new homes; homes affordable to low-income households; homes designed for children; homes designed for older adults or persons with disabilities; etc.

» CLCLT needs a range of housing, however their main concern is not about the type of housing they need, but about who gets to live in Minneapolis.

» Minneapolis used to be against duplexes, but there is also a need for density. CLCLT emphasizes that when thinking about filling up empty city lots in Minneapolis, it is also important to think strategically about the need for density.

» There is a decent stock of single-family and multi-family housing, and it is important for the city and county to create different housing options along LRT.

3. **What barriers does the community you represent have in accessing housing?** For example cost; discrimination; physical accessibility; other barriers.

» Credit is the biggest barrier for homeownership.

» There are a lot of rental properties in Minneapolis, but not enough homes for people to own in Minneapolis. The demand for homeownership is high, but home inventory is low.

» There is still a traditional mindset that, in order to own a home, one must have $20,000-$30,000 for closing costs. CLCLT is modeling homeownership, but it is still difficult.

» Cultural religious policy is also a barrier to homeownership. The idea of "owning" and "investing" in something is a difficult conversation to have with religious and cultural communities. For example, Sharia finance won't allow Muslim communities to pay interest, but a conventional mortgage with interest is recommended for owning a home.

» Land ownership has always been a barrier towards homeownership for many of the cultural and religious communities CLCLT work with. However, homeownership is possible within these communities when people accept changes (i.e., Little Earth community).

4. **Are there design issues with the type of housing available? Are there design features that are desired by the community you represent?** For example, not enough bedrooms; bad layout/ format; not designed to accommodate children; not designed to accommodate people with disabilities; other design issues.

» There is a need for larger family homes with 4 to 6-bedrooms.

» There is also a need for accessible and visible homes, particularly for seniors and people with disabilities.

» CLCLT is interested in more transitional and smaller houses (1-bedroom and smaller footprint) with less maintenance for seniors to transition from their 3 to 4-bedroom homes.

» CLCLT is also interested in mixed-generational homes and mixed-income homes in Minneapolis.

5. **What are the desirable neighborhood features in the communities you represent? Are there neighborhood location issues with the housing available?** For example, too far from transit; too much crime; too far from essential goods and services; not in a walkable neighborhood; etc.

    » North Minneapolis is a great place, but it also has a very bad reputation for crime.

    » 97% of the people who live in Minneapolis live within a six-block radius to transit. While there is certainly transit accessibility, there is no accessibility to amenities (i.e., banks, grocery stores, coffee shop, restaurant options, etc.) where people live.

    » It is important to be mindful of creating an economic center where people can live, work, and play.

6. **Other issues**

    » CLCLT encourages the Blue Line LRT study to think creatively in the future about landownership and community ownership opportunities.

Northside Residents Redevelopment Council (NRRC)

Attending: Martine Smaller (NRRC), Gale (NRRC), Dan Edgerton (Zan), and Faith Xiong (Zan)

1. **What communities do you work with in the Bottineau Corridor?** Identifying specific populations, geographies and station areas, if possible.

   Organization and Background

   » Northside Residents Redevelopment Council is non-profit neighborhood organization that serves both the Willard-Hay and Near North neighborhoods in North Minneapolis. Their role as a neighborhood organization is to empower residents to make changes in their community.

   Geographies and Population

   » NRRC serves a range of communities. The residents they serve are African-American, Hmong, Latino, and European American with a wide range of income.

   Organization Projects/Programs

   » Some of the programs and services NRRC provides include block grants, first time homebuyer loans, and reviewing/making recommendations on development proposals.

1. **What type of housing is abundant in the community you represent? What type of housing is most needed in the community you represent?** This is intended to be very open ended. "Type" of housing, could mean any styles or arrangement. For example: rental vs. owned; townhomes vs single-family vs multi-story; large homes vs small homes; old homes vs new homes; homes affordable to low-income households; homes designed for children; homes designed for older adults or persons with disabilities; etc.

   » There is a lot of quality housing (bricked homes) that should be preserved and respected, and there is also an increase in housing built using poor quality materials. The quality that housing developers are putting up does not fit the characteristic and aesthetic of the community. These poor-quality homes frequently, after a short period of ownership, are turned

into rental properties. When developers are putting resources in an old narrative (social service neighborhood), the community is losing income and the tax base that contributes to the wealth of our neighborhood. There is a need for more relevant details.

» The definition of affordable housing is a challenge. While there is an abundance of extremely low-income housing, there is a lack of affordable housing for younger, talented people. Without any affordable housing stock, the community is losing young talented people who are choosing to live elsewhere in the city.

2. **What barriers does the community you represent have in accessing housing?** For example cost; discrimination; physical accessibility; other barriers.

» There are a lot of owner-occupied homes and there are also several rentals that are owned by slum lords. There is a lack of quality rentals in the neighborhood.

» There are a lot of entities financially dependent on the old narrative (a community needing of social services resources), and it is not helping the community.

» Data is also feeding the old narrative, so there is a need to collect new data and more relevant details to support the neighborhood's new narrative.

» The disconnect within Hennepin County and the disconnect between the county and the city makes it difficult for NRRC to align its neighborhood small area plan with them.

» NRRC's role is to gather data from residents and to share it with the city and the county. In the future, NRRC wants to work more with the city and the county in this aspect.

3. **Are there design issues with the type of housing available? Are there design features that are desired by the community you represent?** For example, not enough bedrooms; bad layout/ format; not designed to accommodate children; not designed to accommodate people with disabilities; other design issues.

    » Most of the homes in the neighborhood are stucco and brick homes. New sidings do not fit in, and we would like to see strategies for preserving the character of neighborhood. If you look down Plymouth Avenue, there is a mix of housing/building types which is not cohesive.

4. **What are the desirable neighborhood features in the communities you represent? Are there neighborhood location issues with the housing available?** For example, too far from transit; too much crime; too far from essential goods and services; not in a walkable neighborhood; etc.

    » The organization expressed that zoning is the biggest problem. The current zoning codes have not been changed since the protest and burning of the small businesses along the corridor. Plymouth Avenue and Penn Avenue used to be commercial corridors, similar to 50th and France in South Minneapolis. However, when the city rezoned the neighborhood into residential zoning, it deprived the community of the opportunity to grow economically. There is a need for a more proactive approach to zoning and more commercial zoning in the neighborhood.

    » Zoning is also designed specifically for vehicles and not pedestrians, which is hindering people from getting to know each other.

    » Crime is not an issue, but the organization is concerned about the potential of crime when there is an increase in pedestrian traffic outside of walkshed.

    » Many essential goods are too far for people to walk to. NRRC want more pedestrian--friendly and walkable neighborhoods.

    » NRRC expressed that the Blue Line LRT was planned without seniors in mind. The organization would like to have more special bus services to serve senior citizens to get to the Blue Line LRT.

Redeemer Lutheran Church/Redeemer Center for Life

Attending: Pastor Kelly Chatman (Redeemer), Dan Edgerton (Zan), and Faith Xiong (Zan)

1. **What communities do you work with in the Bottineau Corridor?** Identifying specific populations, geographies and station areas, if possible.

   Organization and Background

   - » Redeemer Lutheran Church/Redeemer Center for Life is a church and non-profit organization in the Harrison Neighborhood. There are over 4,000 people in the community, in which 39% are African American and 60% rentals in the Harrison neighborhood.

   Geographies and Population

   - » Harrison Neighborhood is considered near-north due to its proximity to Downtown Minneapolis.

2. **What type of housing is abundant in the community you represent? What type of housing is most needed in the community you represent?** This is intended to be very open ended. "Type" of housing, could mean any styles or arrangement. For example: rental vs. owned; townhomes vs single-family vs multi-story; large homes vs small homes; old homes vs new homes; homes affordable to low-income households; homes designed for children; homes designed for older adults or persons with disabilities; etc.

   - » The neighborhood is primarily industrial and single-family residential. A few of these single-family homes are Pride for Project Living (PPL) housing projects. There is also an abundance of single-family rentals, some apartment complexes, and vacant lots in the neighborhood.

   - » There are more investors than there are foreclosures in the community.

» There is an early sign of gentrification that is changing the neighborhood because there is a limited amount of affordable housing, which is pressuring people to move out. There is an increase of younger people in the community today.

» As development is coming in, rents will most likely increase. Rent control is needed when LRT comes in.

3. **What barriers does the community you represent have in accessing housing?** For example cost; discrimination; physical accessibility; other barriers.

» The Neighborhood Association wants to advocate more for homeowners and become a homeowner association.

» Historically, there is a lack of attractive retail sites and a disparity in neighborhood investment. It would be beneficial to have more user-friendly community retail that has a stronger sense of community investment (i.e., Whole Foods, coffee shops, cooperatives, replace the smoke shop with other retails, etc.). The people in this neighborhood deserve amenities present in other neighborhoods too.

» As gentrification comes in, it is likely that the impound lot and industrial sites will turn into retail locations. While adding more commercial sites is a positive thing, there is the risk of further gentrification.

4. **Are there design issues with the type of housing available? Are there design features that are desired by the community you represent?** For example, not enough bedrooms; bad layout/format; not designed to accommodate children; not designed to accommodate people with disabilities; other design issues.

» There is a need to create healthy design to improve community health. The organization wants to see height limitations, as designs from the city do not fit the characteristic of the community. The organization doesn't want a "downtown/Grand Canyon" feel, but urges planning and design to maintain the "small town" feel.

5. **What are the desirable neighborhood features in the communities you represent? Are there neighborhood location issues with the housing available**? For example, too far from transit; too much crime; too far from essential goods and services; not in a walkable neighborhood; etc.

    » There is a need to expand mobility options (bike lanes, sidewalks, buses, etc.) to improve connectivity to amenities and facilities in the neighborhood. It is inaccessible for Minneapolis residents to get to Theodore Wirth Park, an urban park used for skiing and golfing.

- Theodore Wirth Park facility also needs to program and promote their facility as a part of the neighborhood. Today, Edina residents are using the park more than local residents.

- Harrison Neighborhood is a food desert. Access to healthy food is limited.

6. **Other issues**

    » Try to encourage more homeownership and longer-term leases.

Comments Received in Response to Presentation of Draft Findings to members of the Blue Line Coalition and Health Equity Engagement Cohort (December 13, 2017 – Brookdale Library)

Attendee #1:

- The number of new affordable units (as listed by the Met Council) seems small compared to the number of total new units
- Van White will be a busy station. Students coming and going, start of the corridor
- Like how universal design is being addressed
- Long term affordability
    - » This needs to be addressed--especially the fact that some developments are halfway thru their affordability period and will be close to finished by opening day
    - » NOAH--be clear on "relative" affordability. Be aware of the pushback by city officials…."We have NOAH, why do we need more". Many NOAH units are substandard.
- Potentially creating homelessness because not producing housing stock that folks are looking for or need

Attendee #2:

- Much of the naturally-occurring affordable housing in the corridor is uninhabitable or significantly aged. Poor housing stock is bad for residents, obviously, but it also increases the risk that these buildings will be targets for redevelopment. I'd like the report to emphasize that NOAH is unlikely to remain naturally affordable as the corridor becomes a more attractive real estate market. The report should encourage cities to be proactive about preserving affordability either by adding new units or adding rent protections (and renovations) to current NOAH properties. Cities cannot rely on their current NOAH stock to continue meeting the affordability needs of their residents.

- Along this theme, a lot of the current rental housing of all types is aging and likely in need of capital investment. The increased costs of these improvements often push property owners to raise their rents. I'd like to see the report discuss this phenomenon and include recommendations about how cities can help landlords maintain quality housing stock while preserving affordability.

- Given the age of the corridor's housing stock, I would also like to see the report discuss whether any current affordable housing properties that were built under Section 42 or similar programs are nearing the end of their affordability term commitment. Again, this represents another threat to affordable housing in the corridor as property owners seek to take advantage of the rising rental market and/or can't afford capital investments in their properties without raising rents.

- The corridor's housing density is currently well under the recommended levels of density for TOD. I'd like to see the report emphasize that permitting higher-density development is one way to make affordable housing and commercial space more financially feasible.

- Concerns were raised about the shortage of 3+ bedroom units in the corridor, and I worry that pushback about developing larger units could be a smokescreen for discrimination against immigrant families who tend to be larger. The report should encourage cities to prioritize housing units of all sizes in both the ownership and rental markets.

- The report should discuss the current status of owner-occupied multifamily housing stock within the corridor and include recommendations for affordable homeownership as an important strategy. Density, homeownership, and affordability do not need to be mutually exclusive goals.

Attendee #3:

My apologies for being unable to attend this session but I'm confident that my fellow BLC members were a great representation. My comments are listed below and as indicated represent a context outside of being in attendance and outside of receiving or providing direct input from the presenters.

a. I would have welcomed better identification of the areas being addressed at the beginning of the report
b. My understanding of a Gap Analysis involves the "comparison of actual performance with potential or desired performance" and ways to bridge the "Gap".
c. I was unable to match the "Purpose of a Gap Analysis" with many of the Takeaways. The first sentence can be said about most major cities but would have preferred to see Takeaways specific to the Blue Line corridor and its specific needs. In addition, other than "upgrading current limited stock" there was no need identified for new development in the "under 3 bdrm market."
d. Without a Glossary, I'm unclear on the definition of an "owner-occupied MF unit" or where are the "Hennepin County and Twin Cities MSA areas might be located.
e. I would like to see the source document indicating that affordable housing is available as stated in your document.
f. In that same vein, I disagree and have seen reports that dispute the premise in this report that most housing along the corridor is owned and not rental, especially when the same report touts the large population of people of color along this same corridor.
g. I am in disagreement with Page 16's premise that the median income of people on Golden Valley Rd. is $80,000 and I would also challenge the amount attributed to Plymouth Ave too.
h. Page 36 graph-2017 Household Size does not include "Oak Grove Parkway" or "Corridor 1-mile" (whatever that is) data.
i. Page 41 does not reference any cost-burdened renters in Oak Grove Parkway or at 93rd Ave, is that correct?
j. Page 46 Development Trends do not reference a specific area or areas.
k. Page 51 I would suggest an increase in the Community Experts going forward. this group(s) do not mention government policies around density and zoning that impact housing. They failed to mention high construction costs, bias against those with criminal backgrounds and those with unlawful detainers. They did not mention red-lining by banks and lenders and many other factors impacting construction and rehab of affordable housing.
l. Page 53, I'm unclear on who may have been asked a question and what was the question they were attempting to answer.
m. There is no reference to gentrification and its related displacement of community members.
n. There appears to be no Equity or Racial Disparity lens applied to any of the captured data and potential Takeaways.
o. On the "Why Do A Gap Analysis" page, four items (or conclusions) are referenced but none of the Takeaway's offer alternatives or solutions to any of these items.

DATA TABLES

Housing Units by Units in Structure

	SF Homes	Attached (THs)	2-4 Unit Bldgs	5-19 Unit Bldgs	20+ Unit Bldgs	Other	All Housing Units
Oak Grove Pkwy	21	19	0	2	0	0	42
93rd Ave	219	36	3	0	6	0	265
85th Ave	705	436	59	17	46	0	1,263
Brooklyn Blvd	454	70	40	62	102	0	728
63rd Ave	633	90	21	421	894	0	2,058
Bass Lake Rd	524	7	40	126	253	0	951
Robbinsdale	841	212	46	178	598	4	1,879
Golden Valley Rd	1,020	25	28	72	6	0	1,152
Plymouth Ave	1,148	34	68	77	23	3	1,352
Penn Ave	1,113	172	601	184	217	2	2,290
Van White Blvd	281	188	209	423	757	0	1,857
Corridor - 1/2 Mile	11,703	1,585	1,199	1,936	3,392	12	19,827
Corridor - 1 Mile	24,071	3,229	2,234	3,141	9,792	47	42,515
Brooklyn Park	16,410	4,001	544	1,151	4,623	29	26,758
Crystal	7,113	159	236	495	1,345	0	9,348
Robbinsdale	4,066	414	150	503	1,014	14	6,161
Golden Valley	6,289	643	123	677	1,145	28	8,905
Minneapolis	75,287	6,533	22,052	19,183	44,989	341	168,385
Hennepin County	271,200	42,701	28,395	38,148	108,263	1,489	490,196
Twin Cities MSA	826,141	143,539	58,862	81,791	202,845	21,217	1,334,395

Source: US Census, ACS 2011-2015 Estimate

Rental Housing by Type and Year Built (1-mile Buffer)

Oak Grove Pkwy	Single Family	Town- homes	Duplex/ Triplex	Apt, 4-9 Units	Apts 10+ Units	Total
Before 1940	1					1
1940 to 1959						0
1960 to 1979						0
1980 to 1999						0
2000 and Later	2				279	281
Total	3	0	0	0	279	282
93rd Ave	Single Family	Town- homes	Duplex/ Triplex	Apt, 4-9 Units	Apts 10+ Units	Total
Before 1940						0
1940 to 1959						0
1960 to 1979	1					1
1980 to 1999	22					22
2000 and Later	1					1
Total	24	0	0	0	0	24
85th Ave	Single Family	Town- homes	Duplex/ Triplex	Apt, 4-9 Units	Apts 10+ Units	Total
Before 1940	2					2
1940 to 1959						0
1960 to 1979	38		42			80
1980 to 1999	23	93				116
2000 and Later	3	16				19
Total	66	109	42	0	0	217
Brooklyn Blvd	Single Family	Town- homes	Duplex/ Triplex	Apt, 4-9 Units	Apts 10+ Units	Total
Before 1940						0
1940 to 1959	2					2
1960 to 1979	31		46	14	268	359
1980 to 1999	25		2			27
2000 and Later	1					1
Total	59	0	48	14	268	389
63rd Ave	Single Family	Town- homes	Duplex/ Triplex	Apt, 4-9 Units	Apts 10+ Units	Total
Before 1940						0
1940 to 1959	56	28	27			111
1960 to 1979	9		19	56	1,445	1,529
1980 to 1999	3			7	73	83
2000 and Later	1			7	122	130
Total	69	28	46	70	1,640	1,853
Bass Lake Rd	Single Family	Town- homes	Duplex/ Triplex	Apt, 4-9 Units	Apts 10+ Units	Total
Before 1940	1		2			3
1940 to 1959	60		4	14		78
1960 to 1979	4			28	111	143
1980 to 1999	4				241	245
2000 and Later						0
Total	69	0	6	42	352	469

Robbinsdale	Single Family	Town- homes	Duplex/ Triplex	Apt, 4-9 Units	Apts 10+ Units	Total
Before 1940	41		30			71
1940 to 1959	38		71		55	164
1960 to 1979	8	11	20	14	185	238
1980 to 1999	11		4		331	346
2000 and Later	2	20		7	36	65
Total	100	31	125	21	607	884
Golden Valley Rd	Single Family	Town- homes	Duplex/ Triplex	Apt, 4-9 Units	Apts 10+ Units	Total
Before 1940	77		13	16	24	130
1940 to 1959	48		6	35		89
1960 to 1979	6		3		13	22
1980 to 1999	10					10
2000 and Later	4					4
Total	145	0	22	51	37	255
Plymouth Ave	Single Family	Town- homes	Duplex/ Triplex	Apt, 4-9 Units	Apts 10+ Units	Total
Before 1940	220	2	62	21	12	317
1940 to 1959	29	6	21	35		91
1960 to 1979	7		5	7	72	91
1980 to 1999	7					7
2000 and Later	7	7				14
Total	270	15	88	63	84	520
Penn Ave	Single Family	Town- homes	Duplex/ Triplex	Apt, 4-9 Units	Apts 10+ Units	Total
Before 1940	237		371	213	88	909
1940 to 1959	39	6	52	14		111
1960 to 1979	43	5	49	63	243	403
1980 to 1999	33	12	11	7		63
2000 and Later	14	7	11	14		46
Total	366	30	494	311	331	1,532
Van White Blvd	Single Family	Town- homes	Duplex/ Triplex	Apt, 4-9 Units	Apts 10+ Units	Total
Before 1940	28	19	83	90	12	232
1940 to 1959			2			2
1960 to 1979	15		8	28	703	754
1980 to 1999	7	6	7	14	88	122
2000 and Later	10	25	8	84	588	715
Total	60	50	108	216	1,391	1,825
Corridor	Single Family	Town- homes	Duplex/ Triplex	Apt, 4-9 Units	Apts 10+ Units	Total
Before 1940	1,531	290	1,132	666	147	3,766
1940 to 1959	1,054	23	362	174	172	1,785
1960 to 1979	444	449	534	757	5,152	7,336
1980 to 1999	289	271	52	123	834	1,569
2000 and Later	153	390	19	273	1,641	2,476
Total	3,471	1,423	2,099	1,993	7,946	16,932

Housing Cost-Burdened Status of Households (2015)

	Owner Households		Renter Households		Owner Households		Renter Households	
	Cost-Burdened	Not Cost-Burdened	Cost-Burdened	Not Cost-Burdened	Cost-Burdened	Not Cost-Burdened	Cost-Burdened	Not Cost-Burdened
Oak Grove Pkwy	7	28	0	32	10.4%	41.8%	0.0%	47.8%
93rd Ave	74	163	0	32	27.5%	60.6%	0.0%	11.9%
85th Ave	294	788	116	153	21.8%	58.3%	8.6%	11.3%
Brooklyn Blvd	104	332	656	308	7.4%	23.7%	46.9%	22.0%
63rd Ave	203	415	1,422	1,063	6.5%	13.4%	45.8%	34.3%
Bass Lake Rd	150	321	604	455	9.8%	21.0%	39.5%	29.7%
Robbinsdale	901	3,393	1,195	999	13.9%	52.3%	18.4%	15.4%
Golden Valley Rd	173	651	573	496	9.1%	34.4%	30.3%	26.2%
Plymouth Ave	201	587	708	461	10.3%	30.0%	36.2%	23.6%
Penn Ave	250	506	1,870	1,274	6.4%	13.0%	47.9%	32.7%
Van White Blvd	95	234	1,875	1,271	2.7%	6.7%	54.0%	36.6%
Brooklyn Park	4,195	10,248	4,477	3,239	18.9%	46.2%	20.2%	14.6%
Crystal	1,374	3,309	1,514	1,171	18.6%	44.9%	20.5%	15.9%
Golden Valley	1,121	3,506	924	997	15.4%	45.2%	20.4%	19.0%
Robbinsdale	786	2,306	1,041	967	17.1%	53.5%	14.1%	15.2%
Hennepin County	60,081	163,163	84,579	91,932	15.0%	40.8%	21.2%	23.0%
Twin Cities MSA	180,536	504,729	186,397	198,387	16.9%	47.2%	17.4%	18.5%

Sources: U.S. Census Bureau; Esri; Tangible Consulting Services; Perkins+Will

Age Distribution 2015 (Numeric)

1/2 Mile Radius	0-18	19-24	25 to 34	35 to 44	45 to 54	55 to 64	65-74	75-84	85+	Total	Median
Oak Grove Pkwy	67	17	49	43	37	40	24	12	2	291	37.5
93rd Ave	298	69	152	156	140	102	49	26	8	1,000	33.9
85th Ave	931	240	585	505	446	427	266	142	47	3,589	35.7
Brooklyn Blvd	672	211	346	256	253	268	169	47	9	2,231	31.5
63rd Ave	1,298	493	755	599	453	402	291	197	161	4,649	32.0
Bass Lake Rd	531	191	345	345	332	300	180	82	58	2,364	38.2
Robbinsdale	871	330	618	635	530	518	337	181	161	4,181	38.9
Golden Valley Rd	637	226	333	398	383	403	258	97	43	2,778	39.7
Plymouth Ave	1,093	400	554	490	438	458	312	128	48	3,921	33.3
Penn Ave	1,929	775	951	775	702	594	345	128	47	6,246	29.0
Van White	1,755	521	932	581	382	340	259	93	36	4,899	26.7
Corridor (1/2-mile)	12,556	4,157	7,647	6,286	6,107	4,716	2,377	1,627	821	46,294	34.9

1 Mile Radius	0-18	19-24	25 to 34	35 to 44	45 to 54	55 to 64	65-74	75-84	85+	Total	Median
Oak Grove Pkwy	417	111	291	258	226	225	130	63	9	1,730	36.6
93rd Ave	1,521	384	911	821	773	641	354	243	105	5,753	35.7
85th Ave	2,930	861	1,706	1,460	1,343	1,266	782	354	126	10,828	34.5
Brooklyn Blvd	2,787	894	1,610	1,252	1,134	1,189	758	259	68	9,951	33.0
63rd Ave	3,979	1,516	2,433	1,983	1,638	1,439	996	559	329	14,872	32.9
Bass Lake Rd	2,427	858	1,602	1,627	1,511	1,421	880	434	255	11,015	38.6
Robbinsdale	3,267	1,121	2,251	2,210	1,985	1,954	1,244	665	489	15,186	39.1
Golden Valley Rd	4,139	1,600	2,027	1,960	1,758	1,702	1,032	419	166	14,803	33.1
Plymouth Ave	4,361	1,770	2,148	1,821	1,669	1,558	946	390	152	14,815	30.5
Penn Ave	5,732	2,062	2,919	2,335	1,969	1,780	1,133	408	147	18,485	29.6
Van White	5,218	2,494	4,724	2,859	2,360	2,037	1,115	387	127	21,321	30.5
Corridor	25,330	9,055	16,900	13,377	13,210	10,019	4,821	3,306	1,688	97,706	34.7

Cities & Region	0 to 19	20 to 24	25 to 34	35 to 44	45 to 54	55 to 64	65-74	75-84	85+	Total	Median
Golden Valley	4,382	730	2,671	2,149	3,130	3,526	2,251	1,126	875	20,845	46.5
Robbinsdale	3,001	800	2,615	2,015	2,015	1,600	941	646	379	14,046	36.8
Crystal	5,471	746	3,662	3,459	3,233	2,916	1,513	1,084	497	22,584	38.9
Brooklyn Park	24,006	5,317	12,355	10,244	10,947	8,445	4,466	1,959	627	78,351	32.8
Hennepin County	297,048	79,053	203,622	158,106	166,491	148,524	79,053	43,120	22,758	1,197,776	36.1
Twin Cities MSA	930,415	217,904	508,442	460,019	508,442	425,431	224,821	121,058	58,799	3,458,790	36.6

Source: U.S. Census Bureau, ACS 2011-2015 Estimate; Esri; Tangible Consulting Services

Age Distribution 2015 (Percentage)

1/2 Mile Radius	0 to 19	20 to 24	25 to 34	35 to 44	45 to 54	55 to 64	65-74	75-84	85+	Total
Oak Grove Pkwy	23%	6%	17%	15%	13%	14%	8%	4%	1%	100%
93rd Ave	30%	7%	15%	16%	14%	10%	5%	3%	1%	100%
85th Ave	26%	7%	16%	14%	12%	12%	7%	4%	1%	100%
Brooklyn Blvd	30%	9%	16%	11%	11%	12%	8%	2%	0%	100%
63rd Ave	28%	11%	16%	13%	10%	9%	6%	4%	3%	100%
Bass Lake Rd	22%	8%	15%	15%	14%	13%	8%	3%	2%	100%
Robbinsdale	21%	8%	15%	15%	13%	12%	8%	4%	4%	100%
Golden Valley Rd	23%	8%	12%	14%	14%	15%	9%	3%	2%	100%
Plymouth Ave	28%	10%	14%	12%	11%	12%	8%	3%	1%	100%
Penn Ave	31%	12%	15%	12%	11%	10%	6%	2%	1%	100%
Van White	36%	11%	19%	12%	8%	7%	5%	2%	1%	100%
1 Mile Radius	**0 to 19**	**20 to 24**	**25 to 34**	**35 to 44**	**45 to 54**	**55 to 64**	**65-74**	**75-84**	**85+**	**Total**
Oak Grove Pkwy	24%	6%	17%	15%	13%	13%	8%	4%	1%	100%
93rd Ave	26%	7%	16%	14%	13%	11%	6%	4%	2%	100%
85th Ave	27%	8%	16%	13%	12%	12%	7%	3%	1%	100%
Brooklyn Blvd	28%	9%	16%	13%	11%	12%	8%	3%	1%	100%
63rd Ave	27%	10%	16%	13%	11%	10%	7%	4%	2%	100%
Bass Lake Rd	22%	8%	15%	15%	14%	13%	8%	4%	2%	100%
Robbinsdale	22%	7%	15%	15%	13%	13%	8%	4%	3%	100%
Golden Valley Rd	28%	11%	14%	13%	12%	11%	7%	3%	1%	100%
Plymouth Ave	29%	12%	14%	12%	11%	11%	6%	3%	1%	100%
Penn Ave	31%	11%	16%	13%	11%	10%	6%	2%	1%	100%
Van White	24%	12%	22%	13%	11%	10%	5%	2%	1%	100%
Corridor										
Cities & Region	**0 to 19**	**20 to 24**	**25 to 34**	**35 to 44**	**45 to 54**	**55 to 64**	**65-74**	**75-84**	**85+**	**Total**
Golden Valley	21%	4%	13%	10%	15%	17%	11%	5%	4%	100%
Robbinsdale	21%	6%	19%	14%	14%	11%	7%	5%	3%	100%
Crystal	24%	3%	16%	15%	14%	13%	7%	5%	2%	100%
Brooklyn Park	31%	7%	16%	13%	14%	11%	6%	3%	1%	100%
Hennepin County	25%	7%	17%	13%	14%	12%	7%	4%	2%	100%
Twin Cities MSA	27%	6%	15%	13%	15%	12%	7%	4%	2%	100%

Source: U.S. Census Bureau, ACS 2011-2015 Estimate; Esri; Tangible Consulting Services

Median Age (2000-2022)

1/2 Mile Radius	2000	2010	2017	2022
Oak Grove Pkwy	39.0	36.4	37.5	38.2
93rd Ave	29.6	32.8	33.9	35.7
85th Ave	35.3	34.6	35.7	36.7
Brooklyn Blvd	31.9	30.2	31.5	32.1
63rd Ave	30.4	30.6	32.0	32.6
Bass Lake Rd	35.7	37.0	38.2	39.0
Robbinsdale	38.2	36.7	38.9	40.4
Golden Valley Rd	34.9	37.8	39.7	41.2
Plymouth Ave	29.5	31.3	33.3	34.8
Penn Ave	24.9	28.1	29.0	29.4
Van White	21.8	25.5	26.7	27.3
Golden Valley	42.7	45.7	47.4	47.9
Robbinsdale	37.6	36.9	38.7	39.9
Crystal	36.9	38.0	39.5	40.3
Brooklyn Park	32.0	32.6	33.6	34.6
Hennepin County	34.9	35.9	37.3	38.1
Sources: U.S. Census Bureau; Esri; Tangible Consulting Services				

Household Size 2015

1/2-Mile Radius	
Oak Grove Pkwy	3.3
93rd Ave	3.7
85th Ave	2.8
Brooklyn Blvd	3.0
63rd Ave	2.5
Bass Lake Rd	2.5
Robbinsdale	2.1
Golden Valley Rd	2.5
Plymouth Ave	3.1
Penn Ave	3.1
Van White	2.7
Corridor (1/2-mile)	2.5
Corridor (1-mile)	2.6
1- Mile Radius	
Oak Grove Pkwy	2.8
93rd Ave	2.8
85th Ave	2.9
Brooklyn Blvd	2.8
63rd Ave	2.6
Bass Lake Rd	2.4
Robbinsdale	2.3
Golden Valley Rd	2.7
Plymouth Ave	2.8
Penn Ave	2.7
Van White	2.2
Corridor	2.4
Cities & Region	
Brooklyn Park	2.9
Crystal	2.4
Robbinsdale	2.3
Golden Valley	2.3
Hennepin County	2.3
Twin Cities MSA	2.5
Source: U.S. Census Bureau 2015 5-year ACS, Esri, Tangible Consulting Services	

Household Type (2015)

Household Type	Married Couple w/ Children	Married Couple w/o Children	Other Family w/ Children	Other Family w/o Children	Non-family (2+ persons)	Living Alone
Half Mile Radius						
Oak Grove Pkwy	13	9	4	3	1	8
93rd Ave	91	62	61	17	7	39
85th Ave	354	335	114	36	36	329
Brooklyn Blvd	151	165	167	83	23	124
63rd Ave	362	400	428	132	115	538
Bass Lake Rd	174	157	89	57	86	357
Robbinsdale	154	325	185	120	209	790
Golden Valley Rd	174	342	133	64	89	288
Plymouth Ave	190	260	271	74	148	291
Penn Ave	264	254	594	180	214	610
Van White	176	124	658	76	118	607
Corridor (1/2-Mile)	3,329	3,920	3,417	1,247	1,488	5,486
One Mile Radius						
Oak Grove Pkwy	138	96	55	29	7	77
93rd Ave	564	480	251	99	42	456
85th Ave	984	872	611	157	128	827
Brooklyn Blvd	660	706	679	214	125	865
63rd Ave	1,175	1,025	1,148	417	297	1,664
Bass Lake Rd	938	889	504	257	372	1,352
Robbinsdale	1,021	1,501	769	494	622	2,056
Golden Valley Rd	887	978	959	361	424	1,276
Plymouth Ave	739	813	1,174	374	414	1,261
Penn Ave	858	887	1,716	433	613	1,851
Van White	729	1,133	1,628	387	841	3,706
Corridor	7,010	8,058	6,619	2,507	3,060	12,797
Cities & Region						
Brooklyn Park	6,543	6,694	4,436	1,776	1,107	6,202
Crystal	1,735	2,085	1,058	707	737	3,026
Robbinsdale	1,033	1,416	715	371	610	2,016
Golden Valley	1,578	2,844	707	542	514	2,720
Hennepin County	94,700	120,473	44,999	23,774	45,563	160,687
Twin Cities MSA	305,630	367,720	127,855	64,344	98,744	370,102

Source: U.S. Census Bureau, ACS 2011-2015 Estimate; Esri; Tangible Consulting Services

Households by Number of Bedrooms

Owner-Occupied	Total	No Bedroom	1 Bedroom	2 Bedrooms	3 Bedrooms	4 Bedrooms	5+ Bedrooms	Total Bedrooms
Oak Grove	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
93rd Ave	649	0	10	170	161	254	54	2,130
85th Ave	2,407	12	29	576	626	1,008	156	7,914
Brooklyn Blvd	3,183	12	119	641	1,108	1,118	185	10,171
63rd Ave	2,552	0	112	495	1,352	486	107	7,658
Bass Lake Rd	2,334	0	24	418	1,417	397	78	7,105
Robbinsdale	2,609	14	122	502	1,457	427	87	7,671
Golden Valley Rd	3,357	0	35	533	1,771	831	187	10,710
Plymouth Ave	2,048	0	14	277	1,087	501	169	6,712
Penn Ave	2,502	0	50	602	1,155	519	176	7,710
Van White	1,871	7	105	385	743	438	193	5,867
Brooklyn Park	18,743	12	267	3,446	6,963	6,278	1,777	62,412
Crystal	6,594	0	107	1,134	3,794	1,345	214	20,250
Robbinsdale	4,083	14	105	791	2,312	732	129	12,236
Golden Valley	6,851	0	127	915	3,179	2,070	560	22,686
Hennepin County	307,395	595	12,504	67,039	118,634	81,659	26,964	969,928
Twin Cities MSA	932,769	1,449	23,571	185,911	371,780	268,897	81,161	3,009,807

Source: U.S. Census Bureau, Tangible Consulting Services

Households by Number of Bedrooms – Renter-Occupied 2015

Renter-Occupied	Total	No Bedroom	1 Bedroom	2 Bedrooms	3 Bedrooms	4 Bedrooms	5+ Bedrooms	Total Bedrooms
Oak Grove	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
93rd Ave	45	0	0	32	13	0	0	103
85th Ave	528	0	97	187	135	84	25	1,342
Brooklyn Blvd	964	0	293	306	216	124	25	2,179
63rd Ave	2,124	79	652	1,042	263	81	7	3,964
Bass Lake Rd	576	6	71	191	217	91	0	1,474
Robbinsdale	1,805	50	739	747	213	30	26	3,177
Golden Valley Rd	1,320	14	104	481	491	215	15	3,491
Plymouth Ave	1,194	39	233	426	305	176	15	2,821
Penn Ave	3,343	198	801	1,109	758	359	118	7,541
Van White	3,295	220	957	1,143	598	266	111	6,898
Brooklyn Park	8,015	250	2,749	3,116	1,063	597	240	16,056
Crystal	2,754	75	932	939	643	159	6	5,481
Robbinsdale	2,078	50	739	914	323	26	26	3,825
Golden Valley	2,054	42	698	821	391	85	17	3,983
Hennepin County	182,801	12,192	72,588	64,026	23,385	7,690	2,920	328,931
Twin Cities MSA	401,626	21,118	140,480	152,216	61,485	19,819	6,508	763,603
Source: U.S. Census Bureau, Tangible Consulting Services								

Households by Number of Bedrooms – All Occupied Households 2015

Total-Occupied	Total	No Bedroom	1 Bedroom	2 Bedrooms	3 Bedrooms	4 Bedrooms	5+ Bedrooms	Total Bedrooms
Oak Grove	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
93rd Ave	694	0	10	202	174	254	54	2,233
85th Ave	2,935	12	126	763	761	1,092	181	9,256
Brooklyn Blvd	4,147	12	412	947	1,324	1,242	210	12,350
63rd Ave	4,676	79	764	1,537	1,615	567	114	11,623
Bass Lake Rd	2,910	6	95	609	1,634	488	78	8,579
Robbinsdale	4,414	64	861	1,249	1,670	457	113	10,849
Golden Valley Rd	4,677	14	139	1,014	2,262	1,046	202	14,201
Plymouth Ave	3,242	39	247	703	1,392	677	184	9,533
Penn Ave	5,845	198	851	1,711	1,913	878	294	15,251
Van White	5,166	227	1,062	1,528	1,341	704	304	12,765
Brooklyn Park	26,758	262	3,016	6,562	8,026	6,875	2,017	78,468
Crystal	9,348	75	1,039	2,073	4,437	1,504	220	25,731
Robbinsdale	6,161	64	844	1,705	2,635	758	155	16,061
Golden Valley	8,905	42	825	1,736	3,570	2,155	577	26,669
Hennepin County	490,196	12,787	85,092	131,065	142,019	89,349	29,884	1,298,859
Twin Cities MSA	1,334,395	22,567	164,051	338,127	433,265	288,716	87,669	3,773,410

Source: U.S. Census Bureau, Tangible Consulting Services

Year Householder Moved Into Dwelling Unit (2015)

1/2 Mile Radius	Moved in 2010 or later	Moved in 2000 to 2009	Moved in 1990 to 1999	Moved in 1980 to 1989	Moved in 1979 and Earlier
Oak Grove Pkwy	113	195	47	22	26
93rd Ave	534	846	365	88	59
85th Ave	1,028	1,446	628	249	227
Brooklyn Blvd	960	1,256	532	216	285
63rd Ave	2,371	1,675	755	349	576
Bass Lake Rd	1,310	1,365	617	385	634
Robbinsdale	2,027	2,227	1,007	437	764
Golden Valley Rd	1,874	1,427	653	339	591
Plymouth Ave	2,189	1,165	557	307	557
Penn Ave	2,855	2,030	583	290	599
Van White Blvd	4,319	2,733	500	268	604
Corridor (1/2-mile)	14,819	13,304	5,255	2,602	4,071
Brooklyn Park	8,816	9,739	4,702	1,928	1,573
Crystal	2,693	2,803	1,513	954	1,385
Golden Valley	1,956	3,175	1,655	932	1,187
Minneapolis	74,762	52,112	20,714	10,650	10,147
Robbinsdale	2,027	2,251	939	358	586
Hennepin County	172,848	161,342	79,003	39,882	37,121
Twin Cities MSA	417,614	472,598	230,987	110,528	102,668

Sources: US Census, ACS 2011-2015 Estimate; Esri

Number of Vehicles Available to Households

	All Occupied Housing Units			
	None	1	2	3 or More
Oak Grove Pkwy	1	111	212	70
93rd Ave	59	546	869	325
85th Ave	115	1,055	1,711	486
Brooklyn Blvd	338	1,055	1,261	366
63rd Ave	610	2,391	1,900	613
Bass Lake Rd	344	1,716	1,606	502
Robbinsdale	762	2,345	2,369	786
Golden Valley Rd	649	1,668	1,941	470
Plymouth Ave	895	1,733	1,540	426
Penn Ave	1,472	2,463	1,814	408
Van White Blvd	2,316	3,857	1,789	321
Corridor (1-mile)	5,345	15,505	13,930	3,962
Brooklyn Park	2,156	7,734	10,541	6,327
Crystal	747	3,403	3,836	1,362
Robbinsdale	727	2,196	2,367	871
Golden Valley	497	3,162	4,012	1,234
Minneapolis	30,549	70,851	52,200	14,785
Hennepin County	50,479	176,114	189,982	73,621
Twin Cities MSA	100,220	411,746	549,084	273,345

Source: Esri, Tangible Consulting Services

Race, Ethnicity, and Hispanic Origin (2015)

1/2 Mile Radius	White	African Amer.	Amer. Indian	Asian	Pacific Islander	Other Race	Two or More Races	Total	Hispanic*
Oak Grove Pkwy	198	44	1	33	1	4	8	289	7
93rd Ave	462	174	2	321	0	14	26	999	28
85th Ave	1,760	707	7	883	7	68	158	3,591	133
Brooklyn Blvd	814	818	18	421	0	49	107	2,229	143
63rd Ave	1,891	1,654	19	325	0	544	214	4,647	823
Bass Lake Rd	1,440	487	14	142	0	168	111	2,365	270
Robbinsdale	2,907	820	13	172	0	92	176	4,183	234
Golden Valley Rd	1,475	878	14	197	0	58	156	2,778	142
Plymouth Ave	968	2,137	43	416	0	125	227	3,921	227
Penn Ave	1,206	3,255	87	1,081	0	250	362	6,248	481
Van White	779	3,047	39	558	0	240	230	4,899	554
Corridor	24,951	15,304	354	5,505	0	2,020	2,374	50,508	3,889
1 Mile Radius									
Oak Grove Pkwy	1,114	273	5	263	5	24	43	1,730	40
93rd Ave	3,118	874	17	1,484	0	92	167	5,753	184
85th Ave	5,188	2,513	43	2,339	11	271	455	10,831	520
Brooklyn Blvd	4,109	3,254	60	1,711	10	338	468	9,950	687
63rd Ave	7,019	4,520	74	1,234	0	1,368	654	14,870	2,141
Bass Lake Rd	7,467	1,817	77	617	0	485	562	11,014	859
Robbinsdale	11,330	2,111	76	623	15	349	699	15,188	835
Golden Valley Rd	5,477	6,173	148	1,688	15	444	859	14,804	933
Plymouth Ave	3,601	7,557	193	2,045	15	489	919	14,817	978
Penn Ave	4,455	9,668	222	2,440	18	702	980	18,486	1,405
Van White	7,291	9,295	277	2,622	21	682	1,109	21,319	1,684
Corridor	55,610	30,489	859	11,272	107	3,972	5,046	107,356	7,944
Cities & Region									
Golden Valley	17,352	1,787	132	860	0	126	609	20,866	529
Robbinsdale	11,353	1,992	58	218	0	180	488	14,289	507
Crystal	18,429	2,337	161	804	0	312	564	22,607	1,858
Brooklyn Park	40,851	20,998	246	11,986	57	1,617	2,440	78,195	5,133
Hennepin County	889,634	145,718	8,273	81,406	475	30,305	41,965	1,197,776	81,719
Twin Cities MSA	2,790,735	262,209	20,834	211,862	1,192	64,386	107,572	3,458,790	192,461

** Persons of Hispanic origin can be of any race*

Sources: U.S. Census Bureau 2015 5-year ACS, Esri, Tangible Consulting Services

Household Income 2015

1/2 Mile Radius	<$15,000	$15,000 - $24,999	$25,000 - $34,999	$35,000 - $49,999	$50,000 -$74,999	$75,000 - $99,999	$100,000 - $149,999	$150,000 - $199,999	$200,000+	Total	Median
Oak Grove Pkwy	4	4	10	8	20	13	18	5	6	88	$71,454
93rd Ave	6	13	18	20	49	52	79	26	12	275	$88,134
85th Ave	52	66	97	153	270	172	227	161	102	1,300	$76,323
Brooklyn Blvd	93	119	44	116	108	130	79	41	16	746	$50,160
63rd Ave	183	316	255	342	401	156	140	39	16	1,848	$41,101
Bass Lake Rd	97	131	111	103	256	118	101	10	21	948	$51,914
Robbinsdale	218	321	160	307	407	181	230	96	34	1,954	$48,121
Golden Valley Rd	69	97	77	116	185	108	235	115	90	1,092	$75,360
Plymouth Ave	159	139	118	175	225	143	172	71	61	1,263	$53,189
Penn Ave	451	352	243	330	300	142	116	36	15	1,985	$32,276
Van White	703	338	242	237	153	66	53	15	21	1,828	$20,186
Corridor (1/2-mile)	2,298	2,380	1,881	2,716	3,813	2,218	2,570	843	550	19,269	$51,570
Corridor (1-mile)	4,351	4,520	4,114	5,547	7,922	5,045	6,140	2,137	1,768	41,544	$55,170
1 Mile Radius	**<$15,000**	**$15,000 - $24,999**	**$25,000 - $34,999**	**$35,000 - $49,999**	**$50,000 - $74,999**	**$75,000 - $99,999**	**$100,000 - $149,999**	**$150,000 - $199,999**	**$200,000+**	**Total**	**Median**
Oak Grove Pkwy	23	26	64	56	135	100	138	37	40	619	$76,002
93rd Ave	78	115	161	233	374	293	437	197	116	2,004	$77,670
85th Ave	171	226	341	462	762	570	691	328	170	3,721	$70,407
Brooklyn Blvd	334	366	365	493	688	504	443	152	75	3,420	$53,887
63rd Ave	568	853	757	958	1,162	594	521	145	79	5,637	$43,841
Bass Lake Rd	359	445	473	543	1,077	669	655	156	124	4,501	$57,408
Robbinsdale	489	761	555	950	1,488	822	1,079	330	137	6,611	$56,833
Golden Valley Rd	512	562	521	643	872	562	776	261	202	4,911	$54,553
Plymouth Ave	752	701	502	696	775	429	536	216	167	4,774	$43,146
Penn Ave	1,413	942	762	926	893	493	458	239	193	6,319	$35,492
Van White	1,744	1,099	866	1,056	1,154	819	1,080	451	655	8,924	$44,753
Corridor	4,351	4,520	4,114	5,547	7,922	5,045	6,140	2,137	1,768	41,544	$55,170
Cities & Region	**<$15,000**	**$15,000 - $24,999**	**$25,000 - $34,999**	**$35,000 - $49,999**	**$50,000 - $74,999**	**$75,000 - $99,999**	**$100,000 - $149,999**	**$150,000 - $199,999**	**$200,000+**	**Total**	**Median**
Brooklyn Park	2,049	2,323	2,483	4,128	4,511	4,212	4,586	1,490	976	26,758	$62,974
Crystal	710	882	965	1,311	2,266	1,275	1,435	371	133	9,348	$59,188
Robbinsdale	795	530	463	935	1,066	911	1,098	262	101	6,161	$57,357
Golden Valley	546	697	585	717	1,631	1,031	1,813	797	1,088	8,905	$81,534
Hennepin County	49,098	41,037	40,528	58,734	83,304	63,792	78,453	34,052	41,198	490,196	$65,834
Twin Cities MSA	111,789	104,137	105,671	158,769	242,392	191,985	234,382	95,089	90,181	1,334,395	$68,778

Source: U.S. Census Bureau 2015 5-year ACS, Esri, Tangible Consulting Services

Household Income by Age of Householder 2015 (1-mile Radius)

Age: Under 25	<$15,000	$15,000 - $24,999	$25,000 - $34,999	$35,000 - $49,999	$50,000 - $74,999	$75,000 - $99,999	$100,000 - $149,999	$150,000 - $199,999	$200,000+	Total
Oak Grove Pkwy	1	2	1	2	3	2	1	0	0	12
93rd Ave	2	5	6	7	8	6	5	1	1	41
85th Ave	7	12	15	17	21	12	8	3	1	96
Brooklyn Blvd	32	30	22	23	26	15	5	2	1	156
63rd Ave	68	93	62	67	53	17	9	4	1	374
Bass Lake Rd	15	18	20	15	25	10	4	5	0	112
Robbinsdale	19	30	20	34	38	15	8	3	0	167
Golden Valley Rd	35	42	27	26	31	12	6	2	0	181
Plymouth Ave	50	51	28	33	31	12	6	4	0	215
Penn Ave	126	77	43	51	36	14	7	2	0	356
Van White	217	129	112	117	83	49	48	20	18	793
Corridor	403	359	286	312	296	137	96	40	22	1,951
Age: 25-44	**<$15,000**	**$15,000 - $24,999**	**$25,000 - $34,999**	**$35,000 - $49,999**	**$50,000 - $74,999**	**$75,000 - $99,999**	**$100,000 - $149,999**	**$150,000 - $199,999**	**$200,000+**	**Total**
Oak Grove Pkwy	2	3	9	9	27	21	31	11	12	125
93rd Ave	10	12	26	40	70	68	107	62	30	425
85th Ave	21	24	48	76	147	127	162	100	47	752
Brooklyn Blvd	48	43	49	79	134	101	104	46	22	626
63rd Ave	78	92	102	149	212	120	112	42	25	932
Bass Lake Rd	54	53	65	90	227	146	151	47	41	874
Robbinsdale	56	85	76	152	277	165	240	96	39	1,186
Golden Valley Rd	80	72	80	110	171	111	175	78	54	931
Plymouth Ave	134	98	81	125	148	82	116	63	46	893
Penn Ave	207	119	115	165	172	95	102	81	60	1,116
Van White	231	129	113	168	197	128	176	95	144	1,381
Corridor	1395	1,394	1,588	2,096	3,245	2,231	2,860	906	738	16,453
Age: 45-64	**<$15,000**	**$15,000 - $24,999**	**$25,000 - $34,999**	**$35,000 - $49,999**	**$50,000 - $74,999**	**$75,000 - $99,999**	**$100,000 - $149,999**	**$150,000 - $199,999**	**$200,000+**	**Total**
Oak Grove Pkwy	8	8	22	20	54	39	58	17	20	246
93rd Ave	30	31	57	79	145	121	187	94	55	799
85th Ave	63	64	113	155	300	241	302	162	86	1,486
Brooklyn Blvd	127	105	113	165	272	203	198	78	39	1,300
63rd Ave	174	195	197	284	395	221	209	67	44	1,786
Bass Lake Rd	133	125	142	180	432	269	289	77	70	1,717
Robbinsdale	156	213	165	309	555	320	469	161	65	2,413
Golden Valley Rd	194	167	166	222	331	225	339	140	111	1,895
Plymouth Ave	299	216	156	244	287	164	230	112	91	1,799
Penn Ave	462	259	222	312	327	184	192	131	113	2,202
Van White	561	291	213	309	366	231	316	150	255	2,692
Corridor	1460	1225	1,177	1,759	2,899	1,901	2,514	998	850	14,783

Age: 65+	<$15,000	$15,000 - $24,999	$25,000 - $34,999	$35,000 - $49,999	$50,000 - $74,999	$75,000 - $99,999	$100,000 - $149,999	$150,000 - $199,999	$200,000+	Total
Oak Grove Pkwy	9	8	20	13	26	14	15	3	3	111
93rd Ave	28	50	47	71	77	40	36	15	13	377
85th Ave	53	91	101	134	135	77	72	22	16	701
Brooklyn Blvd	72	124	100	120	103	62	45	9	3	638
63rd Ave	144	246	201	222	233	97	63	20	2	1,228
Bass Lake Rd	114	190	162	189	217	118	74	14	11	1,089
Robbinsdale	213	341	186	293	311	154	127	29	15	1,669
Golden Valley Rd	121	177	128	152	169	91	98	37	37	1,010
Plymouth Ave	152	211	112	139	143	68	72	30	26	953
Penn Ave	264	270	133	151	135	70	50	20	16	1,109
Van White	312	289	105	116	103	61	64	19	33	1,102
Corridor	1094	1,542	1,062	1,380	1,483	776	668	193	159	8,357
Sources: U.S. Census Bureau 2015 5-year ACS; Esri; Tangible Consulting Services										

Household Income by Age of Householder 2015

Age: Under 25	<$15,000	$15,000 - $24,999	$25,000 - $34,999	$35,000 - $49,999	$50,000 - $74,999	$75,000 - $99,999	$100,000 - $149,999	$150,000 - $199,999	$200,000+	Total
Golden Valley	546	697	585	717	1,631	1,031	1,813	797	1,088	8,905
Robbinsdale	795	530	463	935	1,066	911	1,098	262	101	6,161
Crystal	710	882	965	1,311	2,266	1,275	1,435	371	133	9,348
Brooklyn Park	2,049	2,323	2,483	4,128	4,511	4,212	4,586	1,490	976	26,758
Hennepin County	49,098	41,037	40,528	58,734	83,304	63,792	78,453	34,052	41,198	490,196
Twin Cities MSA	111,789	104,137	105,671	158,769	242,392	191,985	234,382	95,089	90,181	1,334,395
Age: 25-44	**<$15,000**	**$15,000 - $24,999**	**$25,000 - $34,999**	**$35,000 - $49,999**	**$50,000 - $74,999**	**$75,000 - $99,999**	**$100,000 - $149,999**	**$150,000 - $199,999**	**$200,000+**	**Total**
Golden Valley	546	697	585	717	1,631	1,031	1,813	797	1,088	8,905
Robbinsdale	795	530	463	935	1,066	911	1,098	262	101	6,161
Crystal	710	882	965	1,311	2,266	1,275	1,435	371	133	9,348
Brooklyn Park	2,049	2,323	2,483	4,128	4,511	4,212	4,586	1,490	976	26,758
Hennepin County	49,098	41,037	40,528	58,734	83,304	63,792	78,453	34,052	41,198	490,196
Twin Cities MSA	111,789	104,137	105,671	158,769	242,392	191,985	234,382	95,089	90,181	1,334,395
Age: 45-64	**<$15,000**	**$15,000 - $24,999**	**$25,000 - $34,999**	**$35,000 - $49,999**	**$50,000 - $74,999**	**$75,000 - $99,999**	**$100,000 - $149,999**	**$150,000 - $199,999**	**$200,000+**	**Total**
Golden Valley	546	697	585	717	1,631	1,031	1,813	797	1,088	8,905
Robbinsdale	795	530	463	935	1,066	911	1,098	262	101	6,161
Crystal	710	882	965	1,311	2,266	1,275	1,435	371	133	9,348
Brooklyn Park	2,049	2,323	2,483	4,128	4,511	4,212	4,586	1,490	976	26,758
Hennepin County	49,098	41,037	40,528	58,734	83,304	63,792	78,453	34,052	41,198	490,196
Twin Cities MSA	111,789	104,137	105,671	158,769	242,392	191,985	234,382	95,089	90,181	1,334,395
Age: 65+	**<$15,000**	**$15,000 - $24,999**	**$25,000 - $34,999**	**$35,000 - $49,999**	**$50,000 - $74,999**	**$75,000 - $99,999**	**$100,000 - $149,999**	**$150,000 - $199,999**	**$200,000+**	**Total**
Golden Valley	546	697	585	717	1,631	1,031	1,813	797	1,088	8,905
Robbinsdale	795	530	463	935	1,066	911	1,098	262	101	6,161
Crystal	710	882	965	1,311	2,266	1,275	1,435	371	133	9,348
Brooklyn Park	2,049	2,323	2,483	4,128	4,511	4,212	4,586	1,490	976	26,758
Hennepin County	49,098	41,037	40,528	58,734	83,304	63,792	78,453	34,052	41,198	490,196
Twin Cities MSA	111,789	104,137	105,671	158,769	242,392	191,985	234,382	95,089	90,181	1,334,395

Sources: U.S. Census Bureau 2015 5-year ACS; Esri; Tangible Consulting Services

DRAFT CHAPTER 4:
Housing & Neighborhood

Comprehensive Plan 2040

INTRODUCTION

This Chapter evaluates Brooklyn Center's existing housing stock and plans for future housing needs based on household projections, population projections, and identified needs communicated through this planning process. As required in the City's 2015 System Statement prepared by the Metropolitan Council, understanding and planning for the City's housing stock is a critical part of the 2040 Comprehensive Plan (Plan). The City's planned land use includes three residential categories and residential components of new mixed-use designations which together account for approximately half of the City's land use area. Residential land use will continue to be the largest land use in the community. A diverse housing stock that offers neighborhood stability combined with access to open space, goods and services is essential to a healthy, sustainable, and resilient community. It protects the community's tax base against market fluctuations; it builds community pride and engagement of existing residents; it helps the community's economic competitiveness by assisting Brooklyn Center businesses with employee attraction and retention; it provides options for existing residents to remain in the community should their life circumstances (e.g., aging-in-place) change; and it offers future residents access to amenities and levels of service that support a stable and supportive housing and neighborhood environment.

The first part of this Chapter focuses on the existing housing stock. It summarizes important information regarding the overall number of housing units, the type of units, their affordability, and the profile of their residents. These sections are a summary of more detailed socio-economic data which is attached to this Plan as an Appendix and serves as a supporting resource to this Chapter. Understanding the existing housing stock is key to determining what types of housing products may be demanded over the next 10-20 years and where they should be located.

In conjunction to the statistical or inventory information collected, this Chapter includes a summary of community, stakeholder and policy-maker feedback related to housing and neighborhoods heard throughout this planning process. Additionally, this Chapter addresses the projected housing needs during the planning period and presents some neighborhood and housing aspirations as identified by the City's residents and policy-makers. The final section of this Chapter links projected housing need to practical implementation tools to help the City achieve its housing goals and identified strategies. The list contained in this Chapter is not exhaustive but provides a starting place from which the City can continue to expand and consider opportunities to meet current and future resident needs.

HOUSING & NEIGHBORHOOD - DRAFT 03-21-2019
City of Brooklyn Center Comprehensive Plan 2040

2040 Housing & Neighborhood Goals

- » Promote a diverse housing stock that provides safe, stable, and accessible housing options to all of Brooklyn Center's residents.
- » Recognize and identify ways to match Brooklyn Center's housing with the City's changing demographics.
- » Explore opportunities to improve the City's housing policies and ordinances to make them more responsive to current and future residents.
- » Maintain the existing housing stock in primarily single-family neighborhoods through proper ordinances, incentive programs and enforcement.
- » Explore opportunities to incorporate new affordable housing into redevelopment areas that promote safe, secure and economically diverse neighborhoods.

** Supporting Strategies found in Chapter 2: Vision, Goals and Strategies*

ASSESSMENT OF EXISTING HOUSING SUPPLY

Overview of Brooklyn Center's Residential Neighborhoods

The City of Brooklyn Center's residential neighborhoods are diverse and include a variety of housing types from single-family neighborhoods to large-scale apartment complexes. Although the City originally incorporated as a village in 1911, it wasn't until the Post-World War II era that the City began to develop on a large scale in which entire blocks and neighborhoods were constructed with tract housing, suburban streets, and neighborhood parks. Like much of the region's first ring suburbs, Brooklyn Center took on the role of a typical bedroom community where residents could get to their jobs in the downtown, stop for groceries at the retail center, and go home and park their cars in their garages for the evening. This pattern of development can be seen throughout the region, but Brooklyn Center had one significant difference for many decades – the regional mall known as Brookdale. The prominence of the mall and its surrounding commercial district played a major role in how neighborhoods were built and developed, which influenced neighborhood patterns and housing types.

Even though the mall is now gone, it continues to have lasting effects on the existing housing types and neighborhoods and will influence future housing as described in subsequent sections of this Chapter. For example, in the decades that the mall and regional retail center was operational much of Brooklyn Center's multi-family and apartment development was concentrated near the mall and its surrounding commercial district and provided a transition to the surrounding single-family neighborhoods. Therefore, even though the mall no longer exists, the apartments developed around the periphery of its retail area in the 1960s continue to be in high demand and provide a critical source of housing for many households.

The following sections identify and inventory the existing housing stock in the community including single-family, attached and apartment uses. Each of these housing types serve a different role in the community, but each type is an important part of the City's neighborhoods. A summary of the City's existing residential types and neighborhoods are as follows:

Single-Family Residential

Single-family residential neighborhoods are the dominant land use within the City and single-family detached homes comprise nearly 63 percent of the City's housing stock. The City's single-family detached neighborhoods were developed surrounding higher density and higher intensity land uses that included the former regional retail center and the major freeway corridors of I-94 and Highway 100. Most of the single-family neighborhoods are developed on a grid system with traditional 'urban' size lots. Exceptions of some larger lots are interspersed within the traditional block pattern and along the Mississippi River where a pocket of residents have views and/or frontage of the river corridor.

The 1950s were the peak decade for housing construction in the City; a period in which owner-occupied housing predominated. While other housing types began to emerge post 1950s, the demand for single-family detached housing continued through 1980 as the remaining land in the community developed. Given the period in which the majority of Brooklyn Center's housing stock was built, nearly the entire single-family detached housing stock is more than 40 years old. This is a major concern because at 40 years of age exterior components of a building including siding, windows, and roofs often need to be replaced to protect its structural integrity. Because the City became mostly built-out by the late 1970s, nearly all of the City's housing stock falls into this category, which means the City must be cognizant of potential issues and proactively monitor the situation to ensure neighborhoods are sustainable into the future.

While related to housing age, the size or square footage of single-family homes also plays a significant role in the demographics of a community. Changes to family structure, technology, and other factors alter housing preferences over time, which can lead to functional obsolescence of homes and result in reduced home values because they no longer meet current buyers' expectations. Brooklyn Center's single-family housing stock is fairly homogeneous and the overwhelming majority of homes in every neighborhood are less than 1,500 square feet – and in many areas less than 1,000 square feet. This is a relatively modest single-family housing size, and, therefore, the single-family housing stock lacks diversity, which results in lack of choice for current and prospective residents. At the same time, these homes offer an option for small families, single and two-person households, and first time homebuyers.

Because the majority of the City's single-family housing stock is relatively small, older, and of a homogeneous type as compared to newer larger homes or neighborhoods with more housing variety, housing prices in Brooklyn Center tend to be affordable. Also, given the similar age, size and styles of many of the homes, housing in the community has a fairly consistent price-per-square foot. Affordability in the existing housing stock can be a positive attribute that has the potential to provide long-term stability to residents and neighborhoods. However, as shown in the Background Report residents of Brooklyn Center also tend to have lower median household incomes, which can mean residents may struggle to pay for large-scale capital investments in their homes such as replacing windows or a roof.

Additionally, within the region some communities with similar single-family stock to Brooklyn Center have experienced pressure for tear-downs and major remodeling, and that market trend has yet to reach the City. While that trend may eventually impact the community, at the present time the change and growth impacting the single-family neighborhoods is mostly related to the evolving demographics within the community. This change presents different considerations and challenges because it is not necessarily physical growth or changes to homes and neighborhoods. Instead the community is challenged with how to manage larger numbers of people living within a household such as growing numbers of multi-generational households.

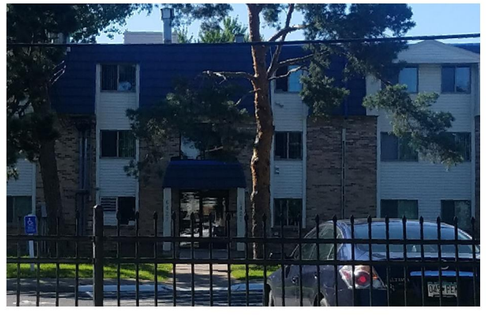
Existing Single-family Neighborhood Perspectives Described in this Planning Process

Throughout this planning process policy-makers and residents alike expressed the desire to maintain the affordability of the existing single-family neighborhoods but acknowledged the current challenges of helping residents maintain their structures, blocks and neighborhoods in the face of compounding maintenance due to the age of the City's neighborhoods. In addition to the physical condition of the structures, residents and policy-makers also acknowledged that as the City's population and demographics become increasingly more diverse new residents are changing how existing homes are being occupied and, therefore, it would be valuable for the City to evaluate it's ordinances and policies to ensure they align with the needs of residents. The demographic considerations are identified in subsequent sections of this Chapter, but it is worth noting that the demographic changes can have a significant impact the character of existing single-family residential neighborhoods. Most recognized this as a positive change, but also acknowledged and stated that the City must figure out how to pro-actively address some of these changes to protect the existing neighborhood fabric. For example, multi-generational households are becoming increasingly more prevalent within the City's single-family neighborhoods which can impact how rooms within a home are used, how many cars may be present at the home, and how outdoor spaces and yards may be used.

Closely related to the demographic changes in the community is the City's aspiration to promote and maintain neighborhood stability. This objective emerged repeatedly throughout this planning process as residents and policy-makers expressed the desire to identify strategies to help promote and encourage sustainability, resiliency and accessibility within the single-family neighborhoods. In part this objective is the result of several years of turnover within the single-family neighborhoods as long-term residents begin to age and move onto other housing options, new residents and families are moving into the neighborhoods. This life-cycle of housing is common, but the City wants to find ways to ensure new residents want to stay in their homes, their neighborhoods, and the community long-term and invest in making the City a better place for generations to come.

Multi-family Residential

Nearly one third (29 percent) of the City's housing units are in multi-family residential buildings located throughout the community. Nearly all of these buildings were constructed in the 1960s and 1970s, and are primarily located on major roadways or corridors, and surrounding the former regional retail areas. This means these buildings are nearly 50 years old or older. Just as noted within the single-family neighborhoods, the potential for deterioration and need for significant investment in these aging buildings can pose a threat to the quality of the City's housing stock if the buildings are not properly maintained, managed and updated.



There has been some maintenance and management of the multi-family housing stock, and a few complexes have even incorporated modest upgrades to the interiors. In fact, the City has started one large-scale rehabilitation of a building that would bring higher-market rate rental options to the community once completed. However, this is one project and despite these improvements the City's multi-family housing stock continues to be one of the most affordable in the region with some of the lowest rental rates in the metropolitan area.

Many of the multi-family areas are near major corridors and are adjacent to high intensity uses that do not necessarily support or serve the residential use with the current development and land use patterns. As a result, many of the multi-family areas do not feel like an incorporated part of the City's neighborhoods. As discussed in subsequent sections of this Chapter, the City is planning for redevelopment in or adjacent to many of the existing multi-family areas that will hopefully reinvigorate and reconnect the existing multi-family uses into a larger neighborhood context.

Multifamily Neighborhood Perspectives Described in this Planning Process

Throughout this planning process the City's residents were vocal about the existing multi-family options available in the community and the lack of diversity within the multi-family housing stock. Without a full inventory of all available multi-family units it is difficult to confirm some of the anecdotal comments heard throughout the process, but nevertheless it is important to consider since residents' testimony provides valuable insight into the existing housing stock. Several residents indicated that there are few options available for larger multi-family units with at least three (3) bedrooms, making it difficult to find stable living options for families with more than two (2) children. Residents also communicated a desire to have housing options that were closer to supportive retail, commercial and services so that they could walk, bike or easily use transit to meet their needs. Despite these challenges, the City's parks, trails and open spaces were viewed as an integral and important part of their quality of life.

Similarly, to the single-family neighborhoods, the community's aspiration to create a stable, accessible, and economically diverse multi-family housing stock was established as a short and long-term priority. Though not discussed at length during this planning process, it is widely known and understood that resident turnover, including evictions, is a serious problem that is most concentrated within the multi-family neighborhoods of the City. While this Chapter does not attempt to fully evaluate the causes for turnover and eviction in these neighborhoods, it does acknowledge it as a significant challenge and issue which shapes the character of these areas of the community. Turnover, including evictions, changes how residents feel about the community whether the City is directly involved or not. It has lasting affects on how safe people feel within a community, how invested in an area they want to become and how willing they are to contribute and reinvest in the City. For these reasons, it is imperative that the City tackle these issues and create a more stable, and integrated living environment so all residents feel a part of a neighborhood, and the larger community.

Housing Stock Statistics

The following existing housing stock characteristics support the previous neighborhood descriptions through more detail. This information, coupled with the previous description, provides a valuable baseline from which the City can evaluate and plan for the future of its housing stock.

Total Housing Units

According to data from the Metropolitan Council and the City of Brooklyn Center, there are 11,603 housing units in Brooklyn Center as of 2017. As a fully developed community, new residential development in Brooklyn Center has been limited since the late 1980s. According to the Metropolitan Council, around 100 new housing units have been built since 2000 and these homes were primarily small infill locations or small redevelopment opportunities.

11,603 Brooklyn Center housing units as of February 2017

- Sources: Metropolitan Council

Housing Tenure (Owned and Rented Units)

Nearly 40 percent of the community's residents rent, and the majority of those renters live in apartment buildings which are integrated throughout the community. The Background Report in the Appendix includes maps illustrating the location of rental housing and demographics of renters. Given that a significant portion of the City's population lives in apartments, the age of such structures becomes critically important to the overall health of the housing supply. The majority of the apartments were constructed prior to 1979 with the bulk of the units being constructed between 1966 and 1969. This means that the majority of the apartments is more than 50 years old, and that structural deficiencies and major capital improvements may be required in the relatively near term in order for the structures to remain marketable.

40% of community residents are renters

- Sources: Metropolitan Council; US Census; SHC

Housing Type

Related to housing tenure is housing type. Due to Brooklyn Center's peak time of housing development in the 1950s, the housing type is predominantly single-family detached homes. As of 2017, there are 8,270 units (71 percent) of single-family housing (attached and detached) and 3,333 (29 percent) classified as multi-family housing.

71% of housing units are single-family

- Sources: Metropolitan Council; US Census; SHC

The type of housing structure can influence not only affordability but also overall livability. Having a range of housing structures can provide residents of a community options that best meet their needs as they shift from one life stage to another. For example, retirees often desire multi-family housing not only for the ease of maintenance, but also for security reasons. Multifamily residences are less susceptible to home maintenance issues or burglary concerns because of on-site management. For those with health concerns, multi-family residences often have neighbors that can also provide oversight should an acute health problem occur.

The majority (63 percent) of Brooklyn Center's housing stock consists of detached single-family homes. This is above the proportion found in Hennepin County (55 percent) or throughout the metropolitan area (59 percent). Nevertheless, the City's housing stock is diversified, with many multi-family units in large structures, as well as a significant number of single-family attached units. More detailed data are included in the Background Report in the Appendix.

Year Built

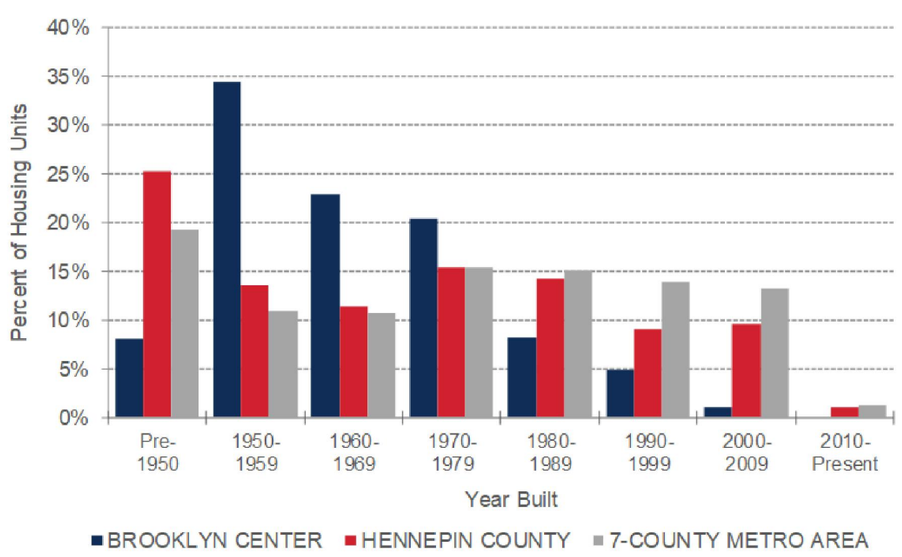
The age of the housing stock is an important characteristic of the community particularly as it relates to potential structural obsolescence and other limiting factors which correlate to housing values. As described earlier, much of Brooklyn Center's single-family housing stock was developed post-World War II between 1950 and 1963 and many of the homes in this age range were dominated by rambler architectural styles. As shown on Map 15, entire neighborhoods were all constructed in a relatively short period of time which strongly defines a neighborhood pattern. As shown, most of Brooklyn Center was developed on a fairly regular grid pattern and does not reflect a 'suburban' development pattern. This is positive from the perspective that transportation and transit connections should be easier to improve, where necessary, because of the relatively dense population of the neighborhoods. However, aging neighborhoods can present a challenge as major systems (i.e. roof, siding, windows, HVAC, etc.) reach the end of their useful life. This can be particularly difficult if residents are unable to reinvest and maintain their properties, which leads to deferred maintenance and the potential for more significant problems that would become widespread across entire neighborhoods.

Approximately 86 percent of Brooklyn Center's housing stock (over 10,000 units) is more than 40 years old. This is an overwhelming portion of the City's housing, and it is therefore important to track the condition of these older homes as they are at-risk of deferred maintenance. This can rapidly result in critical structural problems. At the same time, well-maintained older housing can be an important source of entry-level housing because of its relative affordability when compared to newer construction.

86% of housing stock is more than 40 years old

- Sources: US Census; SHC

Table 4-1. Year Built



Source: US Census: 2011-2015 American Community Survey

Housing Affordability

The Metropolitan Council considers housing affordable when low-income households are spending no more than 30 percent of their income on housing costs. Households are considered low-income if their income is at or below 80 percent of the metropolitan area's median income (AMI).

The housing stock in Brooklyn Center is affordable relative to other communities in the Twin Cities region. According to the Metropolitan Council, 93 percent of the housing units in 2017 in Brooklyn Center were considered affordable. Moreover, only a small portion (5 percent) of this housing is publicly subsidized. Therefore, most housing is privately-owned and pricing is set by the market. According to the Minneapolis Area Association of Realtors, there were 480 home sales in Brooklyn Center in 2017 with a median sales price of $186,125. This was roughly 25 percent lower than the Metro Area median sales price of $247,900. For rental housing, according to CoStar, a national provider of real estate data, the average monthly rent for a market rate apartment in Brooklyn Center in 2017 was $981 compared to the Metro Area average of $1,190.

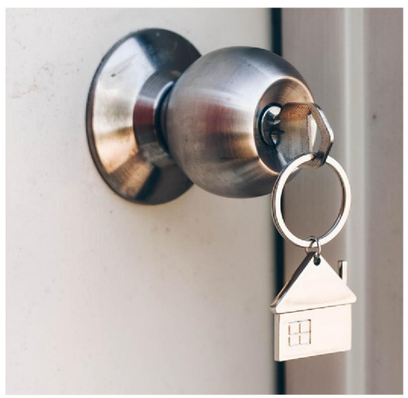
$186,125

2017 median home sale price in Brooklyn Center

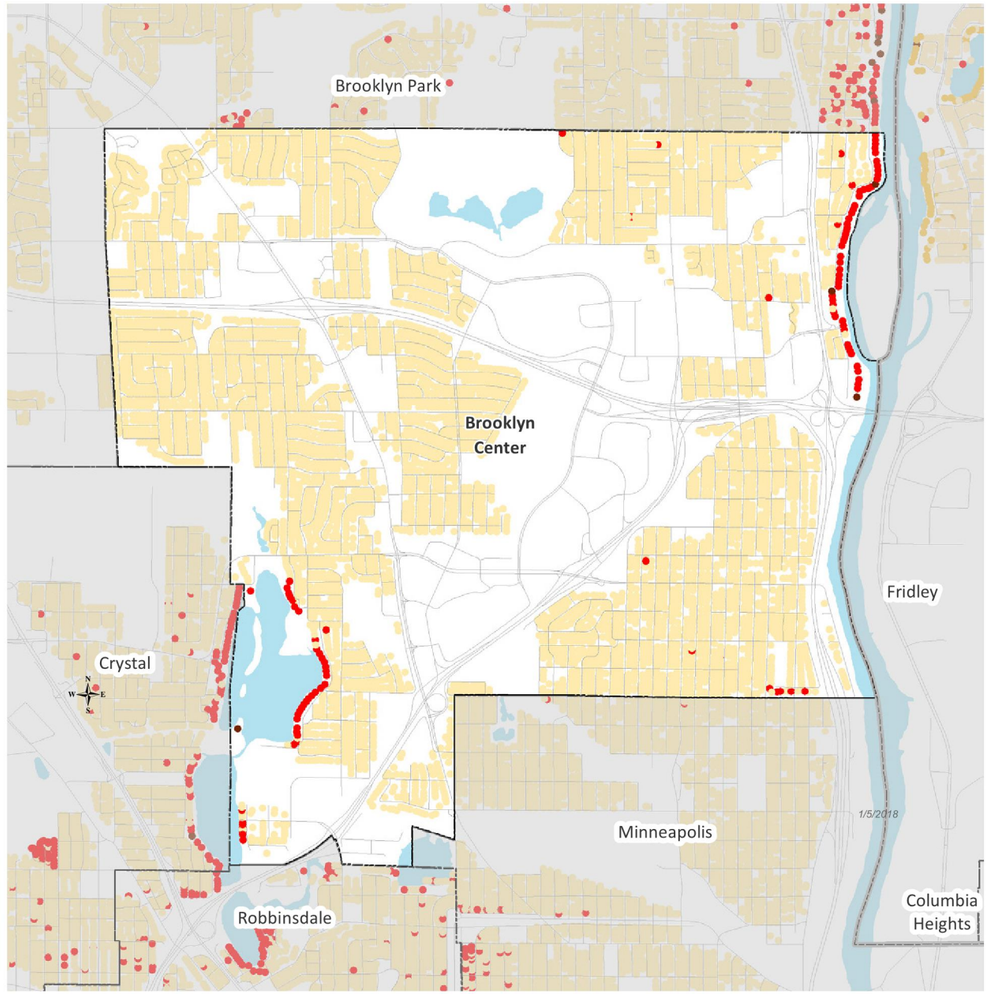
$247,900

2017 median home sale price in the Metro Area

- Source: Minneapolis Area Association of Realtors,



Map 4-1. Estimated Market Value of Owner-Occupied Housing



HOUSING & NEIGHBORHOOD - DRAFT 03-21-2019
City of Brooklyn Center Comprehensive Plan 2040

Table 4-2. Existing Housing Assessment

Total Housing Units[1]			**11,608**
Affordability[2]			
Units affordable to households with income at or below 30% of AMI	Units affordable to households with income 31% to 50% of AMI	Units affordable to households with income 51% to 80% of AMI	
460	4,451	6,029	
Tenure[3]			
Ownership Units	**Rental Units**		
6,911	4,697		
Type[1]			
Single-family Units	Multifamily Units	Manufactured Homes	Other Housing Units
8,275	3,333	0	0
Publicly Subsidized Units[4]			
All publicly subsidized units	Publicly subsidized senior units	Publicly subsidized units for people with disabilities	Publicly subsidized units: all others
553	22	0	531
Housing Cost Burdened Households[5]			
Income at or below 30% of AMI	Income 31% to 50% of AMI	Income 51% to 80% of AMI	
1,691	1,406	895	

[1] Metropolitan Council, 2016 housing sock estimate. Single-family units include single-family detached homes and townhomes. Multifamily units include units in duplex, triplex, and quadplex buildings as well as those in buildings with five or more units.

[2] Metropolitan Council staff estimates for 2016 based on 2016 and 2017 MetroGIS Regional Parcel Datasets (ownership units), 2010-2014 Comprehensive Housing Affordability Strategy data from HUD (rental units and household income), and the Council's 2016 Manufactured Housing Parks Survey (manufactured homes). Counts from these datasets were adjusted to better match the Council's estimates of housing units and households in 2016 as well as more current tenure, affordability, and income data from eh American Community Survey, home value data from the Federal Housing Finance Agency, and rents from HousingLink's Twin Cities Rental Revue data.

[3] US Census Bureau, 2012-2016 American Community Survey five-year estimates; counts adjusted to better match the Council's 2016 housing stock estimates.

[4] Source: HousingLink Streams data (covers projects whose financing closed by December 2016)

[5] Housing cost burden refers to households whose housing costs are at least 30% of their income. Source: US Department of Housing and Urban Development, 2010-2014 Comprehensive Housing Affordability Strategy (CHAS) data, with counts adjusted to better match Metropolitan Council 2016 household estimates.

The high rate of affordability is largely due to the prevalence of smaller and older homes in the single-family neighborhoods, and the age and level of improvements within the multi-family rental neighborhoods. Such small sized properties are typically less expensive because they have significantly less living space than newer homes (average construction square footage has increased each decade since the 1950s). Age and level of update and improvements within the apartment stock, coupled with the average number of bedrooms in the rental units is impacting the relative affordability of the multi-family units. The condition in both the single-family and multi-family housing stock is what is known as Naturally Occurring Affordable Housing (NOAH), because the physical characteristics of the properties are what makes them affordable rather than the affordability being established through a legally binding contract. Although there is a high rate of affordability for existing units, the Metropolitan Council identifies a need for additional affordable units in any new housing construction added to the community through 2040. This condition would most likely be achieved by a legally binding contract, or some other financing mechanism as new affordable housing product would be difficult to achieve without some assistance given construction and land costs. Of the 2,258 projected new housing units, the Metropolitan Council establishes a need of 238 units to be affordable to households at or below 80 percent AMI to satisfy the regional share of affordable housing.

Although nearly all of Brooklyn Center's housing stock essentially fits within the criteria as naturally occurring affordable housing, there are some observable trends that would suggest the price of housing in Brooklyn Center could rise in the coming years. Most recently in 2018 the City's for-sale housing median home sales price surpassed the pre-bust pricing. While the median remains below the regional median, it does indicate growing demand and increased pricing. Significant areas of redevelopment identified on the Future Land Use Plan, including the former regional mall (Brookdale) location, present opportunities for higher-market rates for new housing added. These opportunities have the potential to create a more economically diverse housing stock within the City, which is relatively homogeneous at the time this Plan is written. Given these opportunities, it is important to continue to monitor the City's NOAH stock, and to evaluate and establish policies to incorporate legally binding and protected affordable housing as redevelopment occurs. This is a careful balancing act that requires concerted and direct monitoring, study, and evaluation in order to ensure an economically diverse, sustainable and resilient housing stock for the long-term success of the community.

KEY DEMOGRAPHICS

Age Profile of the Population

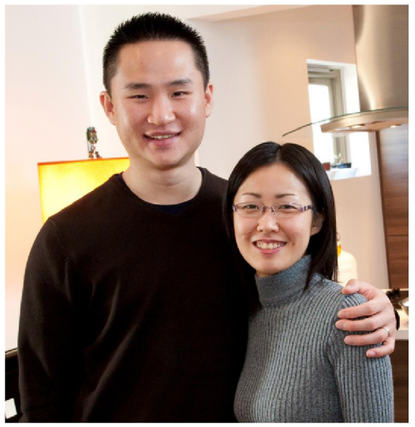
The age profile of a community has important ramifications on demand for housing, goods and services, and social cohesion. Tables and figures illustrating the City's age distribution are presented in the Background Report in the Appendix. Unlike the broader region, in which the population continues to age rapidly, Brooklyn Center's population grew younger between 2000 and 2010, and has stayed relatively stable since 2010. This is largely due to a significant increase in people age 25 to 34, many of which are starting families and having children. Increases in the number of young families place demands on schools, housing affordability, and the types of retail goods and services needed.

The median age of residents in Brooklyn Center in 2016 was 32.8, which is consistent with the 2010 median age of 32.6. This is younger than 2000 when the median ages was 35.3. With such a young population, it is expected housing units may turn over more frequently. But, as of 2016, more than 60 percent all households have been living in their homes for more than five (5) years. More data about geographic mobility of households is found in the Background Report in the Appendix.

Household & Family Type

Changing family and household structures can also have a profound effect on housing and other community needs. For example, decreasing household size has a direct impact on the amount of housing a household needs. As mentioned, the presence of children not only impacts local schools and parks, but also the types of retailers that can be supported and the nature of housing demanded.

Since 2010, the number of households with children in both single-parent and married couple households has been growing significantly. Meanwhile, the trend among households without children, especially married couples (i.e., empty-nesters) has been on the decline. The percentage of households with children is approaching 40 percent, which is well above the rate in the County and the metro area.



32.8 **Median age of Brooklyn Center residents**

- Sources: US Census, SHC

Cost Burdened Households

Cost burden is the proportion of household income spent toward housing and utilities. When lower income households spend more than 30 percent of their income toward housing and utilities this burden is considered excessive because it begins to limit the money available for other essentials such as food, clothing, transportation, and healthcare. According to data from the Metropolitan Council, 4,114 (35 percent) Brooklyn Center households at or below 80 percent average median income (AMI) are considered cost-burdened which means they spend more than 30 percent of household income on housing costs. This percentage is well above the metro area rate of 23 percent. Half of these Brooklyn Center households are lower income households who earn at or less than 30 percent AMI. The high incidence of cost burdened households is correlated with younger wage earners, lower-wage jobs, and a high proportion of older households, many of which are in retirement and no longer working.

FUTURE HOUSING OPPORTUNITIES

Projected Housing Need

As referenced in Chapter 3: Land Use & Redevelopment and the following Table 4-4, the Metropolitan Council's 2015 System Statement forecasts that Brooklyn Center will add approximately 4,169 new residents and 2,258 new households through 2040 and identifies the following affordable housing allocation to be accommodated between 2020 and 2030.

Table 4-3. Affordable Housing Need Allocation

At or below 30% AMI	103
31 to 50% AMI	0
51 to 80% AMI	135
Total Units	**238**

Source: 2015 System Statement - Metropolitan Council

Housing Challenges inform Housing Needs

The Metropolitan Council's System Statement identifies approximately 10% of the planned housing units for some level of affordability as identified in Table 4-3. As described in other chapters of this Plan, for the first time since the post-World War II housing boom the City is expected to add a significant number of new households. These new households have the opportunity to provide a more diverse housing stock, and add to the options of available for existing and new residents in the community. Redevelopment can reinvigorate and revive

areas of the community with vibrant, experience-rich areas that will benefit everyone in the community. The City is excited for redevelopment to create a dynamic central hub of activity in the community, but also acknowledges that it must be balanced with strong assessment, planning and appropriate protection of its existing housing stock to ensure neighborhood sustainability and stability in all areas of the community.

New housing stock brings the possibility of adverse impacts to existing single-family and multi-family properties if proactive steps are not taken to protect existing naturally occurring affordable housing (NOAH), single-family neighborhoods, and multi-family properties. The City's policy makers throughout this process discussed and acknowledged that bringing new market-rate, amenity rich housing products could have deleterious affects specifically on existing naturally occurring affordable housing if a plan to protect affordability is not implemented. This is a huge concern as resident stability through access to safe and healthy housing is one of the City's adopted strategic priorities. If proper tools are not in place there are no protections to keep rents reasonable for residents and to maintain reasonably priced for-sale housing as redevelopment takes holds.

One of the positive aspects of the City's identified redevelopment areas is that the land proposed for redevelopment does not contain existing housing. In a fully-development community this is unusual for a large redevelopment area, and is positive because no residents will be displaced as a result of the City's redevelopment aspirations. However, even though residents will not be displaced directly, indirectly, redevelopment could increase the desirability of activities such as flipping single-family homes and converting NOAH multi-family properties for higher-rents.

To address some of these concerns an extensive list of high-level tools have been outlined in Table 4-5 of this Chapter. The City recognizes that this chapter is only the start of an ongoing conversation, and it is the City's policy-makers intent to continue to be proactive, and to collaborate with non-profits and advocate for a broader regional approach to housing affordability. In addition to the tools identified in Table 4-5, the City is also continuing conversations about:

- Viability of a non-discrimination ordinance related to Section 8 acceptance. Adjacent Cities, including Minneapolis, have attempted to include ordinances in their tool-kit addressing this issue. While the issue is currently in court, Brooklyn Center will continue to monitor the process and may consider adoption of a similar ordinance depending on its outcome.

- The City has discussed developing a more formal housing action plan to better understand the needs of its residents. The plan would work to better understand cost-burdened households, eviction rates and policies, home-ownership racial disparities, and gaps in the housing stock.

- Continuing to revise, enhance and modify its policies and ordinance to respond to residents needs. This includes monitoring best-practices in the region, being agile and open to changes and enhancements. As an example of this type of ordinance or policy response the City recently adopted a Tenant Protection Ordinance that is aimed and protecting the City's residents ability to maintain stable, safe housing.

The City's projected housing needs are complex, and are likely to become more complicated as redevelopment occurs. However, the City intends to continue to prioritize discussion and action around creating safe and stable housing throughout the City. The following sections specifically address the new housing expected to be develop in this planning period. The new and redevelopment areas should be considered collectively with the City's existing neighborhoods to ensure an incorporated, integrated approach to the City's neighborhoods is achieved to create a dynamic community for generations to come.

New Housing Opportunities in this Planning Period

Recognizing that the land use plan for Brooklyn Center identifies several key areas that are envisioned for new development or redevelopment, this will result in an opportunity to accommodate more housing and increase the City's number of households. Based on guided residential densities in the development opportunity areas, the City can accommodate the Metropolitan Council's forecasted households as well as meet the allocated affordable units as shown in Table 4-3 above. As indicated in the Land Use Chapter, depending on how the market responds to these redevelopment areas the City could accommodate anywhere between 2,658 and 3,836 new households by 2040 (Chapter 3: Table 3-5, repeated in the following Table 4-4).

Table 4-4. Future Land Use Densities and Projected Acres, Households & Population

Future Land Use	Density (DU/A)	2020 Acres (Res)[b]	HH	Pop[c]	2030 Acres (Res)[b]	HH	Pop[c]
Transit Orient Development	31.01-130 DU/A	9	279	619	26	814	1,807
Neighborhood Mixed-Use	15.01-31 DU/A	13	195	433	19	285	632
Commercial Mixed Use	10.01 – 25 DU/A	8	80	178	15	150	333
High Density Residential	15.01-31 DU/A	212	3,180	7,060	212	3,180	7,060
TOTAL	--	--	**3,734**	**8,290**	--	**4,429**	**9,832**

Source: Metropolitan Council, Thrive 2040 Brooklyn Center 2015 System Statement, SHC.

[a] Acreages assume that some recently redeveloped areas within these land use designations will not experience redevelopment until post-2040 and therefore households are not calculated. Please refer to Map 3-3 that identifies areas planned for change within this planning period.

[b] Note, there are existing households in each of the designations today that would be re-guided for potential redevelopment in the future. This accounts for existing households and those that my potentially develop over the next two years.

[c] Calculation multiplies households by 2.22 persons per household (According to the 2016 ACS (Census), for multi-family units (5+ units in structure)

There are three large districts identified in the City with guided land use that allows for significant potential of new development and redevelopment through 2040. These areas have the potential to greatly expand Brooklyn Center's current housing numbers and choices. Moreover, each opportunity area has the potential to not only provide new forms and types of housing but to catalyze or rejuvenate investment into the City resulting in stronger linkages between neighborhoods and districts that are currently isolated from one another. The following section discusses these areas further.

Future Residential Uses in Planned [Re] Development Opportunity Areas

Transit-Oriented Development (TOD)

Transit-Oriented Development (TOD) is a new land use and redevelopment concept in the City that focuses on existing and planned transit as a major amenity and catalyst for redevelopment. While previous planning efforts have acknowledged the presence of transit in the community, none have embraced it as an opportunity for redevelopment. As this portion of the City redevelops, the location of future transit enhancements has the potential to attract significant new housing development. Therefore, this is where guided densities are the highest. This is purposeful because the area has exceptional visibility and access from Highway 100 and I-94, and will be served by two transit stops (one being a transit hub) for the C-Line Bus Rapid Transit (BRT) and the potential future D-Line BRT. The C-Line BRT is planned to open in 2019 and will mimic the operations of LRT (light rail transit), offering frequent transit service that will connect residents to the larger region. To best support the C-Line, and future D-Line, the City has planned to reinvigorate and re-imagine this central area of the community as a more livable, walkable, and connected neighborhood within the City. In addition, the potential for desirable views of Downtown Minneapolis could result in pressure to build taller structures in this area. Any development of this area should also be seen as an opportunity to support commercial users, improve multi-modal service and access, and allow safe, pleasant, and walkable connections to transit, parks, and other community destinations.

As this area evolves, the desirability of this area as an amenity-rich livable area is likely to improve. As change occurs, the housing within the area is likely to be at market rates adding to a more economically diverse housing stock than is currently available in the community. This would add more housing choices in Brooklyn Center, and it could also support a mix of both market rate and affordable units; provided proper policies are developed to ensure legally binding affordable housing is incorporated into development plans. Communities oftentimes explore policies such as inclusionary zoning as redevelopment accelerates which may become an appropriate consideration in the future, but is likely not to be the best approach given current market conditions. However, in the future if significant increases in the market occur it may warrant further discussion in the City. Regardless of the policy tool (whether regulatory or incentive based) selected, consideration will need to be given to working with any future developer in a possible partnership with the City to help deliver affordable units as part of redevelopment. As described within the Chapter 9: Implementation, the City will continue to explore proper methodology and policies to ensure an economically diverse housing stock is created as housing continues to evolve in the community.

Commercial Mixed-Use Areas

The Commercial Mixed-Use areas generally surround the TOD area and are contemplated for large-scale redevelopment but are equally as focused on supporting business and office users. These areas are generally within one mile of the transit station that serves as a major hub for regional and local transit services, and therefore new housing will still have opportunities to capitalize on this as an amenity. Slightly less dense than the TOD district, these areas may provide exceptional opportunities to introduce multi-family uses such as town homes, row homes, and small lot single-family uses that could cater to larger families and incorporate more units with three or more bedrooms. As indicated in previous sections of this Chapter, the City's residents expressed a desire to have access to more rental units with more bedrooms and larger square footages. While a detailed market study would likely be needed to confirm the demand for these uses, if we can take the anecdotal information as true, this area has the potential to support those types of uses. As with the TOD district, affordability is likely to become a consideration in any redevelopment within these areas because new construction naturally costs more and as the area redevelops interest and demand is likely to escalate costs. It is therefore important, just as with the redevelopment of the TOD district, that the City evaluate and explore ways to incorporate a range of affordable and market rate opportunities in new developments.

Neighborhood Mixed-Use Areas

The Neighborhood Mixed-Use is a new land use designation that responds to resident and policy-makers desire to incorporate retail and services into the neighborhood fabric. One of the ways the City can accomplish that objective is to create 'nodes' of mixed-uses that include residential uses, but protect key corners for small retailers, shops, or restaurants that create a more vibrant streetscape. The City acknowledges that these areas are less likely to redevelop with any regularity. Therefore, the number of new housing units expected to come on-line in these areas is a little less tangible than in areas with large contiguous redevelopment acres. However, the nodes have the opportunity to provide yet another housing style and type, as these areas are not envisioned for large high-rises or extensive master plans. Instead, these areas are contemplated to have smaller footprints with living units above a small store front or restaurant for example.

HOUSING RESOURCES, STRATEGIES & TOOLS

Table 4-5 outlines a variety of resources, strategies, and tools to implement Brooklyn Center's identified housing needs and stated housing goals. There is a wealth of resources available to assist communities in meeting their goals. The following table should be considered a starting point. As the City's housing needs evolve or become clearer, this set of tools should expand with options.

Table 4-5. Housing Resources, Strategies & Tools

Housing Goal	Tool/ Resource/ Strategy	Description	Affordability Target
Promote a diverse stock that provides opportunities for all income levels	Housing Demand Market Study	Conduct a market study and gaps analysis to track housing demand. This study and report could double as a marketing and promotional piece about housing opportunities.	<30% AMI 51-80% AMI
	HRA/CDA/ EDA	Work with the County HRA and City EDA to protect and enhance existing NOAH in the City. Use Market Studies to help identify opportunities to meet housing needs in the City and evaluate ways to partner with the County and other program providers.	<30% AMI 30-50% AMI 51-80%
	Site Assembly	Consider strategies for assembling sites in high-density or mixed-use districts that would increase appeal to developers.	<30% AMI 51-80% AMI
	CDBG	Work with Hennepin County to use CDBG funds to help low-and moderate-income homeowners with rehabilitation assistance. CDBG funds will also be explored for use to support redevelopment efforts that meet the City's goals towards a diverse housing stock (units and market/ affordable diversity).	<30% AMI 51-80% AMI
	Tax Abatement	Consider tax abatement for large rental project proposals that provide unit and income-mix within a single project. The City is particularly interested in projects with market diversity and units of different size to cater to a larger market (singles, families, multi-generational, etc).	<30% AMI 51-80% AMI
	HOME and Affordable Housing Incentive Fund	Consider application, and utilization, of HOME and Affordable Housing Incentive fund grants to support a diverse housing stock. The City will prioritize projects that include a unit size and income mix that meets the needs of single-person and families in the City.	<30% AMI 30-50% AMI
	Housing Bonds	The City would consider issuing Housing Bonds for projects that include units for large families, particularly in projects with a mix of unit sizes and incomes. However, it should be noted that there are limitations to the city bonding authority and other programs may be more suitable	<30% AMI 51-80% AMI
	Brownfield Clean-up	In potential redevelopment areas, explore EPA and MN DEED grant programs that provide funding and assistance with planning, assessment, and site clean-up.	<30% AMI 30-50% AMI 51-80%
	4D for NOAH Properties	The City will continue use of 4D classification for the purpose of protecting its Naturally Occurring Affordable Housing (NOAH) uses throughout the City.	<30% AMI 30-50% AMI
	Pooled TIF Funds	Explore the use of TIF housing funds to create a revolving loan program to support the rehabilitation of existing single-family and multi-family NOAH properties.	<30% AMI 30-50% AMI 51-80%

Housing Goal	Tool/ Resource/ Strategy	Description	Affordability Target
Identify ways to match housing stock with changing demographic	Housing Coordinator Position	The City would create a position that would serve as a liaison to existing landlords to help them respond to shifting demographics through training and access to city resources. The position could also serve as a resource for tenants to connect to support services in the event of eviction notices, discriminatory practices, and other issues related to housing access. The position would include coordinating housing programs, including home ownership programs, resident financial literacy programs, with the intent to convert Brooklyn Center renters to successful home owners.	<30% AMI 30-50% AMI 51-80%
	Referrals	Review and update reference procedures and training for applicable staff including a plan to maintain our ability to refer residents to any applicable housing programs outside the scope of local services.	<30% AMI 30-50% AMI 51-80%
	Preserve LIHTC properties	The City will monitor expiring LIHTC properties and work to find solutions to protect and preserve these affordable units to meet the needs and demands of the City's residents. The City will approach owners with expiring properties to discuss the possibility of 4d program tax breaks	<30% AMI 30-50% AMI
Explore opportunities to improve City housing policies and ordinance to make more responsive	Expedited Application Process	Streamline the pre-application process in order to minimize unnecessary delay for projects that address our stated housing needs, prior to a formal application submittal	<30% AMI 30-50% AMI 51-80%
	Fair Housing Policy	The City will work to incorporate a Fair Housing policy into its ordinances and policies.	<30% AMI 30-50% AMI 51-80%
	Existing ordinances	The City will continue to operate its Rental Licensing Program, and will periodically review and make enhancements to support the City's residents.	<30% AMI 30-50% AMI 51-80%
	Update the City's Zoning to support new land uses	The City's future land use plan provides opportunities to include high density residential uses in the areas identified for redevelopment. The City will update its zoning ordinance, including prepare new zoning districts, to support the housing needs identified in this Housing chapter.	<30% AMI 51-80%
Maintain existing housing stock in single-family neighborhoods through proper ordinances, incentives and enforcement	Foreclosure Prevention	In established neighborhoods, a rash of foreclosures, especially in close proximity to one another, can have a deleterious effect on the surrounding neighborhood. Be aware of foreclosures and be able to direct homeowners at-risk of foreclosure to resources that can help prevent foreclosures. http://www.hocmn.org/	<30% AMI 30-50% AMI 51-80%
	Low or No Cost Home Loans	Providing low-or no-cost loans to help homeowners repair heating, plumbing, or electrical systems helps preserve existing housing. For example, Minnesota Housing's Rehabilitation Loan and Emergency Loan programs make zero percent, deferred loans that are forgivable if the borrower lives in the home for 30 years. Minnesota Housing's Community Fix Up Program offers lower-cost home improvement loans, often with discounted interest rates, remodeling advising, or home energy services, through a trained lender network.	<30% AMI 30-50% AMI 51-80%
	Home Ownership Program	Work with residents to provide education and programs to make home ownership possible, particularly converting existing renters to home owners through supporting down-payment assistance programs.	30-50% AMI 51-80%
	Code Enforcement	The City will continue to operate a robust code enforcement program that includes both complaint-based enforcement and proactive sweeps.	<30% AMI 30-50% AMI 51-80%
	Vacant Building Program	The City will continue to operate its Vacant Building Program that tracks and monitors vacant properties in the City to ensure adequate upkeep and maintenance.	<30% AMI 30-50% AMI 51-80%
Explore opportunities to incorporate new affordable housing into redevelopment areas	Inclusionary Housing Ordinance	*If* the market strengthens in redevelopment areas to the extent that policies would not deter investment, the City could consider an inclusionary housing ordinance to ensure that affordable housing is a component of any new housing development. Since current market conditions in the City are well below those of adjacent communities, an inclusionary policy may deter short-term investment. The City may want to explore this policy in the future if the market rents rise to levels of at least 80% AMI.	<30% AMI 30-50% AMI 51-80%
	Livable Communities (LCA and LCA LCDA-TOD)	Consider supporting/sponsoring an application to LCDA programs for multi-family rental proposals in areas guided for high density residential and targeted to households of all income levels.	<30% AMI 30-50% AMI 51-80%
	Tax Increment Financing (TIF)	To help meet the need for low-income housing, the City will establish a TIF district in an area guided for TOD and mixed uses.	<30% AMI 30-50% AMI 51-80%

DRAFT Chapter 9: Implementation

Comprehensive Plan 2040

Dupont Av N

INTRODUCTION

This chapter is a critical part of the Comprehensive Plan Update process providing a roadmap for the City of next steps and implementation strategies to help bring this Plan to reality. The implementation strategies contained in subsequent sections of this Plan are specific to the chapters, goals and strategies, and feedback heard throughout this planning process.

Throughout this planning process consistent themes and messaging emerged that became the foundation for plan development, including the implementation strategies found in this chapter. At key milestones in this process the City solicited targeted feedback from residents, stakeholders, commission members and the City Council in an effort to establish Brooklyn Center's top priorities for the next 10–20 years. The following top priorities, including those characteristics of the community that are important to maintain, emerged from the planning process (unordered):

- Our location is exceptional but a consistent brand for the community has yet to be recognizable in the region since Brookdale closed. We have an opportunity to reimagine and redevelop this area—we have to design and implement a plan that is innovative, forward thinking and creative.
- Brooklyn Center's population is diverse and will be into the future. The City should embrace its diversity and use it as a differentiator that makes the City a desirable, exciting and vibrant place to live, work, and recreate.
- Creating an economically competitive, accessible and stable business climate is important to developing a stable, vibrant and sustainable community long-term.
- Brooklyn Center's accessible regional location in conjunction with the available redevelopment areas in the center city provide an opportunity to create a dynamic and vibrant sub-regional job center that provides employment opportunities to the City's residents and the larger region.
- Our youth is our future and we need to focus on their needs today, and in the future. We should partner with schools, work-programs, public and private post-secondary institutions to ensure kids have opportunities to work and live in the City as they become adults.
- The City's housing stock is aging and lacks economic diversity. We need to find ways to integrate a range of housing types, sizes, affordability, and market rate into redevelopment to expand the choices available to new and existing residents.

- We need to establish clear standards and regulations for areas designated or identified for redevelopment. It is important to consider massing, setbacks, relationship with existing homes, open spaces, trails, and natural resources.
- We should capitalize on the transit improvements, particularly the C-Line, that could be an amenity to any new development in the center city if designed and planned for appropriately.
- The City should establish and enhance key relationships with partner agencies such as Metropolitan Council, DEED, MnDNR, Three Rivers Park District and Hennepin County to create a more integrated region that provides improved connections within the City and to the region.
- Safety of transit users was repeatedly mentioned particularly for users that would like to use the main transit station in the community. Community members identified concerns such as loitering, lighting, accessibility, and lack of consistency with routes as concerns. This transit 'hub' will likely become busier as the C-Line opens, and it is important for the City to partner with Metro Transit to plan for this station to ensure residents feel comfortable and safe at the station.

Based on these guiding priorities and principles the following implementation strategies were derived. Most chapters' implementation strategies can be found in the following sections with the exception of some the Housing Implementation Strategies that are partially included within the individual chapter for consistency with the Metropolitan Council's checklist.

The following implementation strategies are meant to identify a set of high-level steps and considerations that will help guide the City to achieve the goals and objectives of this Plan. The strategies are not all encompassing, but instead are meant to serve as a guide and roadmap to describe the methods, steps and types of questions the City will tackle throughout this planning period. Just as this list may not include every strategy, Brooklyn Center may not complete every strategy on this list based on market dynamics or other external factors. But generally the City will use the following strategies as a guide to work towards implementing the Vision and Goals that this Plan has established for the City as it continues to evolve and change into 2040.

CAPITAL IMPROVEMENT PLAN

The Capital Improvement Program is a flexible plan based upon long-range physical planning and financial projections, which schedules the major public improvements that may be incurred by the City over the next five years. Flexibility of the Capital Improvement Plan is established through annual review, and revision if necessary. The annual review assures that the program will become a continuing part of the budgetary process and that it will be consistent with changing demands as well as changing patterns in cost and financial resources. Funds are appropriated only for the first year of the program, which is then included in the annual budget. The Capital Improvement Plan serves as a tool for implementing certain aspects of the City's comprehensive plan; therefore, the program describes the overall objectives of City development, the relationship between projects with respect to timing and need, and the City's fiscal capabilities.

The full Capital Improvement Plan is available at Brooklyn Center City Hall and on the City's website. It is also included as an appendix to the Comprehensive Plan. Specific implementation strategies for water, sewer and transportation infrastructure are also described in those chapters.

CHAPTER 3: LAND USE & REDEVELOPMENT

The following list of Implementation Strategies is provided as a guide to implement the goals and strategies identified in Chapter 2 of this Comprehensive Plan Update.

Land Use

1. The City will complete a full update of its zoning ordinance to support the modified land use designations identified on the Future Land Use Plan.
    a. The update at a minimum will include a full review of all residential, commercial, and industrial zoning classifications that consider the following:
        i. Setbacks
        ii. Parking
        iii. Height Restrictions
        iv. Coverage
        v. Performance Standards
        vi. Permitted/Un-permitted Uses
        vii. Conditional Uses
        viii. Accessory Structures/Uses
        ix. Fencing/Screening

b. To support the individual zoning district update process, a full review of the City Code as it may pertain to the administration of the Zoning Code will be completed. This process may result in changes and updates or may find that the existing ordinances are adequate. At a minimum, the review will consider the following:

i. Sign Standards
ii. Public Nuisances
iii. Special Use Permit (SUP) will be brought into Compliance with Minnesota State Statute requirements for Conditional Use Permits
iv. Variance process and language will be updated and revised to reflect 'Practical Difficulties' if not already completed.
v. Platting ordinance will be reviewed for platting process compliance and proper reference to revised zoning ordinance.
vi. PUD process and procedures will be reviewed for consistency with the City's stated goals and objectives, particularly as it relates to redevelopment areas identified within this Plan.
vii. Addition of a Shoreland Ordinance to comply with MRCCA requirements.

c. The process to prepare the zoning ordinance update will be led by the City's staff, with support and assistance from a Consultant and input and direction from the City Council.

i. The City may establish a community engagement plan for the Zoning Code update process. This may include a sub-committee or task force to provide feedback and input on key issues throughout the update process to ensure a broad spectrum of perspectives is represented and addressed within the process.

2. The City will continue to support and explore incorporating policies within ordinance updates that address community resiliency and long-term sustainability.

a. As ordinances are updated, the City will explore opportunities to encourage through incentives or regulations energy efficiency in redevelopment and site design.

b. Addressing resiliency with respect to the City infrastructure and PTOS systems can be cost-effective when incorporated into initial site design requirements. The City will explore opportunities to address and incorporate such site design standards into its ordinances, particularly within new zoning districts.

Redevelopment

1. The City will create zoning districts to support the new land use designations identified on the Future Land Use Plan.

    a. At a minimum seven new zoning districts will be developed for consistency with the Transit Oriented Development (TOD), Neighborhood Mixed-Use (N-MU), Commercial Mixed-Use (C-MU), and Business Mixed Use (B-MU) land use designations.

    b. The process to prepare the new zoning districts will be led by Staff and a Consultant with direction from the City Council and City Commissions. The process should be initiated immediately upon adoption of this Comprehensive Plan and should be completed within nine (9) months of its adoption. Each zoning district will address, at a minimum:

        i. Massing and architectural design
        ii. Setbacks
        iii. Height restrictions
        iv. Site design/landscape standards
        v. Permitted, conditionally permitted and not permitted uses
        vi. Accessory structures/uses
        vii. Transition of uses
        viii. Mix of uses
        ix. PUD process or other incentive process
        x. Establishment of how mixed-use will be applied (i.e. through a master plan approach, parcel-by-parcel basis, etc.)

2. The City will develop a process and methodology for tracking the mixed-use and redevelopment projects to achieve the mix of uses as contemplated within this Comprehensive Plan. The ordinances should be developed with graphic representations of the standards to be more user friendly. The process may include exploration of ghost-platting, development of a database/tracking spreadsheet, and the development of 'cheat-sheet' or development reference guides for developers and land owners that describe the mix of uses contemplated and the process to ensure compliance with the ordinance and this Plan.

3. The City will establish guidelines and procedures for the sale of EDA-owned property. This may include creating marketing materials and promoting revised ordinances that highlight the ease of developing in the community.

4. The City will continue to evaluate opportunities for additional land acquisition particularly within proximity to land holdings in the center city that may offer larger redevelopment opportunities.

5. The City will participate as an active partner in any redevelopment effort that includes City financial participation including as the land owner, or TIF, tax abatement, grant partner, etc.

6. What has historically been known as the "Opportunity Site" is re-guided in this Plan to allow for mixed-use development of the site. At the time of this Plan the City is working with a developer on a master plan for the redevelopment that will add a significant number of new households to the community. Understanding that this redevelopment effort is in-progress, the new zoning districts that are created to support the land use designation must be prepared for consistency with the anticipated development. In an effort to minimize duplication of the process, the City will create a minimum of one supporting zoning district that is consistent with the known redevelopment plans. The zoning district will address, at a minimum, the following:

    a. A minimum percentage of a project that must contain commercial, office or retail uses that support and are consistent with any developed housing.

    b. The ordinance development process should consider how to incorporate a range of housing types, including considering incentives and/or standards that encourage the construction of new affordable housing

    c. The ordinance will incorporate architectural and landscape design standards that support the goals and strategies contained within Chapter 2 of this Plan.

    d. The ordinance will incorporate incentives, and where applicable standards, that are focus on sustainable site improvements and resilient infrastructure improvements such as: transit, trail and sidewalk connections, pervious pavers and other innovate landscape products, localized surface water management and other low impact development techniques.

    e. The ordinance will require development that incorporates best practices for creating transit oriented places, including density minimums, parking maximums, pedestrian-oriented design, and accommodates a mix of uses.

CHAPTER 4: HOUSING

The Implementation Strategies that support the Metropolitan Council's checklist to achieve the City's Housing goals and objectives can be found in Chapter 4 of this Plan. The following implementation strategies support those contained within Chapter 4.

1. As part of the zoning ordinance update process the City will evaluate the rules and regulations to ensure that they allow existing and future residents to improve their homes in ways that add value and are desirable, and allow for infill housing that offers a range of housing types and products.

    a. Residential zoning districts should be written to allow for a mix of housing types, with various setbacks and massing standards to allow for diversity within an individual development.

    b. Ordinances should be written to define 'family' consistently with current demographics. This may require additional study to fully understand the greatest needs anticipated in the community over the next planning period.

    c. Setback requirements should reflect existing conditions and allow reasonable expansions and additions to homes.

2. The City will evaluate the housing stock for consistency with current and projected demographics. This includes understanding appropriate mix of bedrooms, unit types, etc., that match the changing needs of the City's residents. The following examples may require additional study:

    a. Unit mix, such as studios, 1-bedrooms, 2-bedrooms, 3 and 3+ Bedrooms

    b. Private entry rental opportunities such as town homes, row homes, etc., versus standard multi-family apartments and condominium development.

3. The City will continue to operate its Rental Licensing Program, which has proven to be highly effective in maintaining the City's rental housing stock.

4. The City will continue to operate a robust code enforcement program that incorporates both complaint-based enforcement and proactive sweeps. The City will continue to engage residents and business owners to ensure code compliance and to provide information in a way that is understandable and clear.

5. The City will continue to operate its Vacant Building Program, which tracts and monitors vacant properties in the City, as well as ensuring adequate upkeep and maintenance.

6. The City will explore programs and policies that promote home ownership in the City.

7. The City will explore programs and policies that provide assistance with single-family housing rehabilitation and maintenance, including low and no-cost loans and grants, project consultation, and other resources. This may include partnerships with outside agencies as well as programs administered by the City.

8. The City will explore polices and ordinances, including incentives and standards, that encourage the construction of new affordable housing.

9. The City will explore partnerships that provide sources of financing and incentives to preserve existing multi-family housing, particularly ways to preserve naturally occurring affordable housing that maintains its affordability.

10. The City will explore programs and policies that encourage landlords to invest in their rental properties.

11. The City will consider creating a housing coordinator position to build relationships with existing landlords and tenants, administer programs, seek funding opportunities, and promote the City's housing goals.

12. The City will consider adopting policies that promote further the goal of providing safe, secure, and stable housing for renters. This may include adopting ordinances and/or policies that protect the rights of renters.

13. The City will consider inclusionary housing policies that ensure that affordable housing is a component of new housing development when the market strengthens to the extent that it would not deter investment.

    a. For example, if market rents rise to levels that are affordable to those making 80% AMI then the City would consider adopting an inclusionary housing policy.

14. The City will consider adopting a public subsidy policy that gives greater consideration to projects that forward the City's housing goals. This includes the option of TIF Housing Set-Aside funds or new TIF Districts that support mixed-income and affordable housing. The City will support grant applications to outside agencies to benefit projects that forward the City's housing goals.

CHAPTER 5: COMMUNITY IMAGE, BUSINESS STABILITY & ECONOMIC COMPETITIVENESS

The following list of Implementation Strategies is provided as a guide to implement the goals and strategies identified in Chapter 2 of this Comprehensive Plan Update.

1. The City will work to create strategies and supporting resources to incorporate affordable commercial, retail and office space into new redevelopment areas.

2. The City will actively pursue a branding and marketing strategy that leverages the community's diversity as a key asset from which new businesses can be developed.

3. To promote and support local businesses the City will explore the development of a local procurement policy.

4. The City will form a task force or steering committee to study local entrepreneurial needs, gaps and opportunities of residents. Study and research will focus on:

    a. Identification of barriers to growing or starting a business in the City.

    b. Review of existing ordinances and policies to ensure they support small, start-up and pop-up businesses.

    c. Understand what opportunities exist locally and regionally, and what strategies the City might employ to further support local entrepreneurs.

5. The City will explore the feasibility of a commercial land trust model that promotes perpetually affordable commercial space.

6. The City will review its existing business and industrial zoning district designations and revise and update, as necessary, language and policies to ensure regulations support and incentivize:

    a. Local businesses to stay and grown in the City

    b. New businesses to locate in the community

    c. A mix of land uses that reflect current market needs and desires

7. The City will explore opportunities to enhance partnerships with local secondary and post-secondary education institutions that support school-work opportunities, skills and job training, and matching local companies with young talent.

8. The City will partner with DEED and Hennepin County to offer entrepreneurial resource and support programs such as WomenVenture and Open to Business.

9. The City will create a Business Retention & Expansion Program to work directly with the businesses within the community to ensure that their needs are being met.

10. The City will amend its Business Subsidy Policy to prioritize the creation of livable and high wage jobs.

11. The City will create and fund a revolving loan/grant program to assist property and business owners with expansions, interior buildouts, equipment purchasing, and exterior enhancements.

12. The City will explore other economic development programs, including with outside agencies, which would incentivize business expansion and attraction.

13. The City will explore job training and career pathways programs and policies that would benefit residents.

14. The City will explore options to connect the local workforce to employers.

15. The City will continue to support partnerships that promote workforce readiness and removing barriers for existing residents to access education and workforce training, such as the Brooklynk partnership with Brooklyn Park.

16. The City will explore partnerships and programs that promote financial literacy and wealth creation amongst residents.

17. The City will continue to explore ways to reduce racial disparities that exist as they relate the economic stability of its residents, including access to livable wage jobs, home ownership opportunities, financial literacy and wealth creation, and job pathways training.

CHAPTER 6: PARKS, TRAILS AND OPEN SPACE (PTOS)

The following list of Implementation Strategies is provided as a guide to implement the goals and strategies identified in Chapter 6 of this Comprehensive Plan Update.

1. The City will continue to prioritize the completion of the PTOS system within redevelopment areas and will work with developers to identify appropriate and reasonable opportunities to enhance and improve access to the system by all residents.

2. Redevelopment projects will be required to provide trail connections that align with the surrounding local and regional trail system that are existing or planned within this Plan.

3. Redevelopment projects will be required to plan for parks and open spaces consistent with this Plan, and the City will work with developers to identify and prioritize improvements to the PTOS system.

4. The City will continue to maintain and manage the existing parks, trails and open space plan consistent with past and current practices. Current management includes:

    a. Annual CIP budgeting and planning to support current park, trail, and open space function.

    b. Continue to support the City's Community Activities, Recreation and Services (CARS) division through appropriate capital investments.

    c. Periodic survey of residents and stakeholders to understand appropriate and needed parks, trails, and open space programming within the system.

    d. Prepare and plan for system improvements that respond to the needs of the community. This includes improvements such as park system component conversions including transitioning baseball fields to multi-purpose fields (example)

5. Brooklyn Center will continue to support opportunities for community gatherings at each of its parks, including, but not limited to the summer markets, pavilion rentals, Brooklyn Center's movie in the parks, and Central Park events that unite the community.

6. The City will continue to complete the sidewalk and trail network consistent with previous planning efforts. This plan acknowledges that trails and sidewalks are a critical component of the Park and Recreation system but are equally as important to the transportation system.

CHAPTER 7: TRANSPORTATION

The following list of Implementation Strategies is provided as a guide to implement the goals and strategies identified in Chapter 2 of this Comprehensive Plan Update.

1. The City's accessibility to the region, and within the region, is an important differentiator and asset to the community. The City will continue to prioritize roadways as an important part of the transportation network.

2. The City will continue to partner with Hennepin County and MnDOT on planned road reconstruction projects to ensure safety and accessibility of the road system within the City are prioritized.

3. Any roadway reconstruction or improvement will consider the incorporation of a stormwater assessment, and any plans should incorporate and implement the Minnesota Pollution Control Agency's Best Management Practices to improve stormwater quality, recharge local aquifers, and reuse and conserve stormwater where possible.

4. The City will continue to budget for regular maintenance of roadways approximately every five to eight years and include such plan within the City's Capital Improvement Program.

5. Brooklyn Center will plan for completing the Regional Bicycle Transportation Network (RBTN) that is currently planned within the City to connect to other regional and sub-regional job centers. As redevelopment and reconstruction of roadways occurs RBTN segments or gaps will be constructed to help complete the system.

6. Many of the City's residents use Transit, and many more could if service were improved in the City. Currently the City is divided into Transit Market II and Transit Market II, which provides varying levels of services. The following summary of considerations is provided:

    a. The City will work with Metro Transit over this planning period to evaluate the appropriate Transit Market areas for the City per the Metropolitan Council.

        i. The mapping completed for this Plan demonstrates that some of the residents that may benefit most from frequent and reliable transit may be underserved.

        ii. The City is developed with a similar urban grid pattern for the majority of its neighborhoods without much distinction. Therefore, it seems inaccurate to identify some areas as more typical "suburban" development.

    b. The City's Future Land Use Plan has identified the 'central spine' for possible redevelopment in this planning period. The redevelopment pattern contemplated embraces the Transit Station and uses it as an organizing feature.

CHAPTER 8: INFRASTRUCTURE (UTILITIES)

The following list of Implementation Strategies is provided as a guide to implement the goals and strategies identified in Chapter 2 of this Comprehensive Plan Update.

1. The City will continue to plan for water and sewer infrastructure improvements to occur concurrently with any planned roadway improvements and reconstruction projects.

2. The City prepared a full sanitary sewer plan and supportive modeling in conjunction with this Plan update. As redevelopment occurs, the sewer plan will be used to guide proper infrastructure improvements including sizing and capacity recommendations, timing and consideration for future phases of redevelopment.

3. The City prepared an update to its water plan and supportive modeling in conjunction with this Plan update. As redevelopment occurs the water plan will be used to guide proper/necessary infrastructure improvements.

    a. The water supply permit from the DNR will be updated once this Plan and Future Land Use Plan are adopted to reflect projected housing and employment forecasts contained in this Plan.

4. The LSWMP identifies several capital and administrative projects that are incorporated into this implementation plan by reference. The City will properly manage and schedule such improvements to be included within its CIP for on-going planning and action.

5. The City will continue to work with its regional partners, including the Metropolitan Council, on sewer and water infrastructure planning and development so that regional coordination is maintained throughout this planning period.

6. Consideration for how to incorporate sustainable and resilient infrastructure through new development will be addressed at the specific site redevelopment level. This will first be accomplished through the ordinance review, creation and update process and described within previous sections; and will then be implemented through site and redevelopment plan sets and engineering.

    a. The City's Public Works Department and its staff will work collaboratively with the Community Development department to identify potential ordinance revisions that would support the development of an integrated green network that not only supports the PTOS system but the City's infrastructure.

APPENDIX: MISSISSIPPI RIVER CRITICAL CORRIDOR AREA PLAN

The following list of Implementation Strategies is provided as a guide to implement the MRCCA Plan contained within Appendix B of this Plan.

1. The City will develop ordinances to support the Minnesota Department of Natural Resources (MnDNR) requirements to regulate property contained within the MRCCA overlay designations.

    a. At a minimum the City will develop a shoreland ordinance for properties that abut the Mississippi River and will structure the ordinance to comply with MnDNR requirements.

    b. The City will work collaboratively with the MnDNR to establish appropriate setback and height standards based on specific parcel locations and potential redevelopment.

        i. The City may seek flexibility from the MnDNR's standard requirements, particularly on sites identified for redevelopment. The City will work with the MnDNR to identify appropriate standards.

    c. The City will engage residents during the ordinance development to provide education about the MRCCA standard requirements and ordinance development process.

        i. The public engagement process will also solicit feedback regarding specific standards development include appropriate setbacks, height, coverage requirements, etc.

CITY OF
BLOOMINGTON
MINNESOTA

Fair Housing Policy

1. Purpose and Vision

Title VIII of the Civil Rights Act establishes federal policy for providing fair housing throughout the United States. The intent of Title VIII is to assure equal housing opportunities for all citizens. Furthermore, the City of Bloomington, as a recipient of federal community development funds under Title I of the Housing and Community Development Act of 1974, is obligated to certify that it will affirmatively further fair housing.

The City of Bloomington strives to advance its commitment to inclusion and equity by developing this Fair Housing Policy to further the goal of creating a vibrant, safe, and healthy community where all residents will thrive.

2. Policy Statement

It is the policy and commitment of the City of Bloomington to ensure that fair and equal housing opportunities are available to all persons in all housing opportunities and development activities funded by the City regardless of race, color, religion, sex, sexual orientation, marital status, status with regard to public assistance, creed, familial status, national origin, or disability. This is done through external policies to provide meaningful access to all constituents as well as fair housing information and referral services; and through internal practices and procedures that promote fair housing and support the City's equity and inclusion goals.

3. External Practices

a. Intake and Referral

The City of Bloomington has designated the Staff Liaison to the Human Rights Commission as the responsible authority for the intake and referral of all fair housing complaints. At a minimum the Staff Liaison will be trained in state and federal fair housing laws, the complaint process for filing discrimination complaints, and the state and federal agencies that handle complaints. The date, time, and nature of the fair housing complaint and the referrals and information given will be fully documented. The Human Rights Commission will advise the City Council on City programs and policies affecting fair housing and raise issues and concerns where appropriate.

b. Meaningful Access

i. **Online Information**. The City of Bloomington will continue to display information about fair housing prominently on its website. The website will continue to include links to various fair housing resources, including the Department of Housing and Urban Development, Minnesota Department of Human Rights, Mid-Minnesota Legal Aid, and others as well as links to state and federal fair housing complaint forms. In addition, the City will post the following documents on its website:

1. Reasonable Accommodation Policy;
2. Limited English Proficiency (LEP) Policy;
3. Americans with Disabilities Act (ADA) Policy regarding access to City services; and
4. The State of Minnesota's Olmstead Plan.

ii. **In-Person Information**. The City of Bloomington will provide in-person fair housing information including:

1. A list of fair housing enforcement agencies;
2. Frequently asked questions regarding fair housing law; and
3. Fair housing complaint forms for enforcement agencies

c. **Languages**. The City of Bloomington is committed to providing information in the native language of its residents. The City of Bloomington will provide information in languages other than English as described in its LEP Policy.

4. **Internal Practices**

The City of Bloomington commits to the following steps to promote awareness and competency regarding fair housing issues in all of its government functions.

a. **Staff and Officials Training**. The City will continue to train its staff and officials on fair housing considerations.

b. **Housing Analysis**. The City will review its housing periodically to examine the affordability of both rental and owner-occupied housing to inform future City actions.

c. **Code Analysis**. The City will review its municipal code periodically, with specific focus on ordinances related to zoning, building, and occupancy standards, to identify any potential for disparate impact or treatment.

d. **Project Planning and Analysis**. City planning functions and development review will consider housing issues, including whether potential projects may perpetuate segregation or lead to displacement of protected classes.

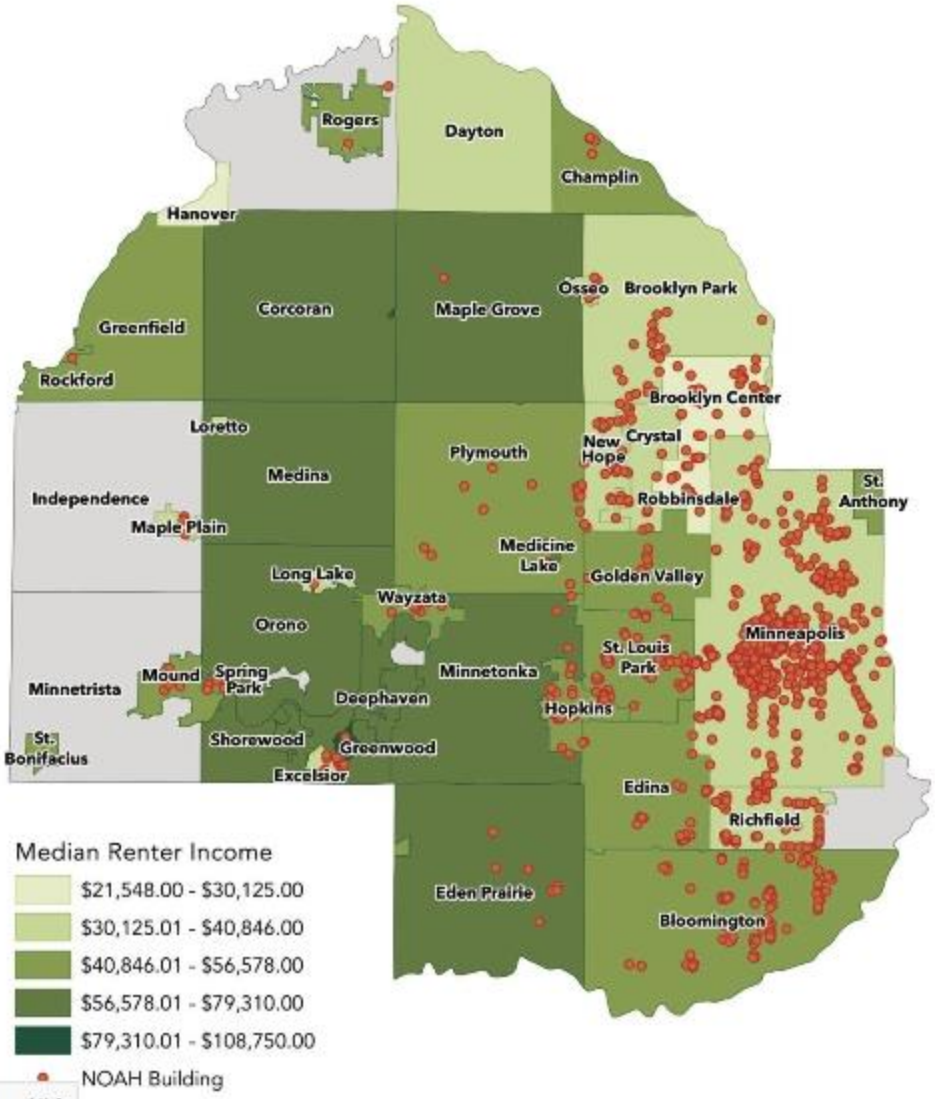
e. **Community Engagement**. The City will seek input from underrepresented populations in the community. Conversations regarding fair housing, development, zoning, and land use changes may be facilitated by the City.

f. **Affirmatively Furthering Fair Housing.** As a recipient of federal funds, the City agrees to participate in the Regional Analysis of Impediments, as organized by the regional Fair Housing Implementation Council (FHIC), an ad hoc coalition of Community Development Block Grant (CDBG) entitlement jurisdictions and

others working together to affirmatively further fair housing. The City will review the recommendations from the analysis for potential integration into City planning documents, including the Consolidated Plan, the Comprehensive Plan, and other related documents.

Adopted by the City Council on August 6, 2018

BUILDINGS WITH UNITS AFFORDABLE TO HOUSEHOLDS EARNING UNDER 60% OF AMI



MEMORANDUM - COUNCIL WORK SESSION

DATE: 2/24/2020

TO: City Council

FROM: Curt Boganey, City Manager

THROUGH: N/A

BY: Meg Beekman, Community Development Director

SUBJECT: Opportunity Site Update (30 minutes)

Background:

In accordance with the proposed timeline, a draft plan has been prepared for the Opportunity Site, incorporating community input from the first phase of engagement as well as ongoing conversations and input from the Working Committee.

The Working Committee has not reviewed this draft, but will do so at their next meeting. The purpose of this update and discussion is to provide the City Council with an opportunity to review the direction of the master plan draft and to provide any feedback and comments ahead of the next phase of community engagement work.

Attached to the memo is an executive summary of the draft master plan. A full copy of the draft master plan is being compiled and will be emailed out to the City Council ahead of the meeting. At the work session staff and the consultant team will go over highlights from the draft master plan and discuss any changes from the past version. City Council will have an opportunity to provide feedback on the work that has been done to date and direction on next steps for the roll out of the draft plan for community engagement.

The draft master plan contains significantly more content than previous versions of the plan. It breaks the plan into five categories or chapters; Vision; Public Realm; Access and Connectivity; Buildings and Development; and Implementation. Some elements are identified as placeholders since additional technical analysis and community input are needed in order to understand greater detail.

For example, the implementation section identifies targets, or goals, for the development. These include among others, affordable housing targets which are described as a range of overall affordability for the entire development. The implementation section identifies a path for developing a more detailed housing implementation plan, which will require more community input, a housing study, as well as a financial feasibility analysis to determine the final target percentage and specific affordability bands (ie; 30% AMI, 50% AMI, and 60% AMI). The final version of the master plan will contain the final target numbers, while this draft version contains placeholders and language which describes how the final targets will be identified.

Internally, staff and the consultant team debated if more technical and feasibility analysis should be completed before a draft master plan was made public. In the end it was decided that it was better to move forward with creating a draft plan with the information that was available in order to allow more community input into the process and to shape the feasibility work, rather than to wait until the plan was more fully formed to gather community input.

The next steps will be to present the draft master plan to the Working Committee for feedback and review. This input will assist with completing the community engagement products, such as the Meeting-in-a-Box tool, posters, and other handouts which are being prepared. The City has entered into contracts to assist with this next phase of engagement with ACER, Jude Nnadi, and the Organization for Liberians in Minnesota (OLM), and is negotiating a second contract for engagement with the Brooklyn Bridge Alliance. The focus of these contracts is to assist with reaching historically underrepresented and difficult to reach groups in the community, such as renters, youth, immigrant communities, West African communities, and African American communities. Staff is also reaching out to organizations to assist with engaging Lao/Hmong communities as well as Latinx communities. In addition, once the engagement tools are completed, community facilitators will be enrolled to conduct community conversations throughout the community on the topic of the draft plan and to solicit discussions and collect survey information on behalf of the city.

With the draft plan, Ehlers will begin work on a high level financial analysis which will look at the financial feasibility of the plan, along with identifying any funding gaps. Staff has asked them to provide high level analysis that will include reviewing the impact of including a certain percentage of mixed income housing as part of the development as well to see the affect that may have on the feasibility. A traffic study and stormwater analysis will also begin to identify any issues or impacts associated with the plan related to these items.

The input from the community engagement, along with the technical analysis work will be used to revise and shape the plan to ensure that it minimizes impacts and maximizes benefits to the community, infrastructure, and environment.

Policy Issues:

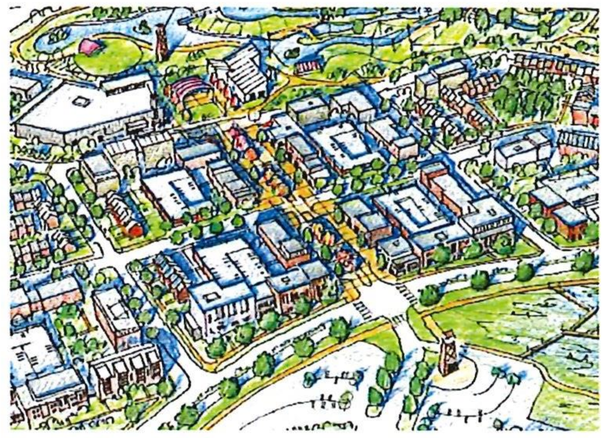
- Is the City Council comfortable with the direction the draft master plan is heading?
- Are there areas or elements of the draft master plan which the City Council has concerns about, or would like to see altered?
- Is the City Council comfortable with staff proceeding with the roll out of the draft master plan for community engagement and input?

Strategic Priorities and Values:

Targeted Redevelopment

ATTACHMENTS:

Description	Upload Date	Type
Executive Summary	1/8/2020	Executive Summary



Executive Summary

Background

Purpose

Brooklyn Center is a **city of the future.** The population is rich with diversity from around the world.

Brooklyn Center also brings strengths from its past. Its location is accessible and connected. And people still value its stock of affordable housing with convenient access to shopping and services.

Transitioning from the past to the future means transitioning spaces and places built for a previous era, that no longer meet current needs. It also means addressing past and current practices that excluded some people from benefitting from progress and opportunity, particularly people of color.

Redevelopment of the Opportunity Site is a **once in a generation opportunity** for Brooklyn Center to seize control of its future - to grow and change on it's own terms; and to celebrate all that is special about the community. Rather than re-branding a community through redevelopment, Brooklyn Center wants to grow in such a way that the existing character is strengthened, not pushed aside for the sake of attracting new development.

Brooklyn Center is a fully built out city. As such it relies heavily on redevelopment to grow, to enhance it's revenues, which enables it to invest in necessary services, infrastructure, and amenities which are essential to improving the quality of life of its residents.

This project is also important because it presents an opportunity for the City to **change the way** it has done development in the past. With land control and a strong position in the market, Brooklyn Center can define the public benefits of redevelopment **- on its own terms.**

The Opportunity Site

Planning Process Goals

- Defined timeline to take advantage of development opportunity
- Consistent with city goals and principles
- Process is grounded in data and best practices
- Provides direct access and benefits for city residents
- Authentic engagement to connect people with decision making
- Meaningful opportunities for the public to influence outcomes
- Transparency in decision making

Community Values Expressed in the Plan

- Diversity and inclusivity
- Affordability
- Health and Wellness
- Fiscal Responsibility
- Flexibility
- Community Pride
- Environmental Sustainability
- Local Benefit
- Counteracting Displacement

Public Engagement and Community Input

Throughout 2019, the project had over 1000 direct engagements with residents and community stakeholders. While participants were not asked to identify themselves directly, around 40% of participants were estimated to be people of color. By comparison, approximately 57% of the total population in Brooklyn Center, and 45% of the adult (18+) population, are people of color.

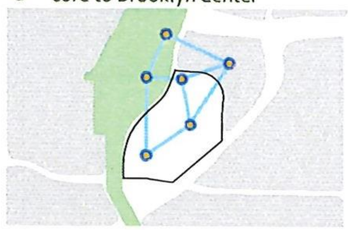
The Plan for a New Downtown Brooklyn Center

Concepts that Organize The Site

1 Trail and park connections to the expansive regional system

2 A spine to organize neighborhoods

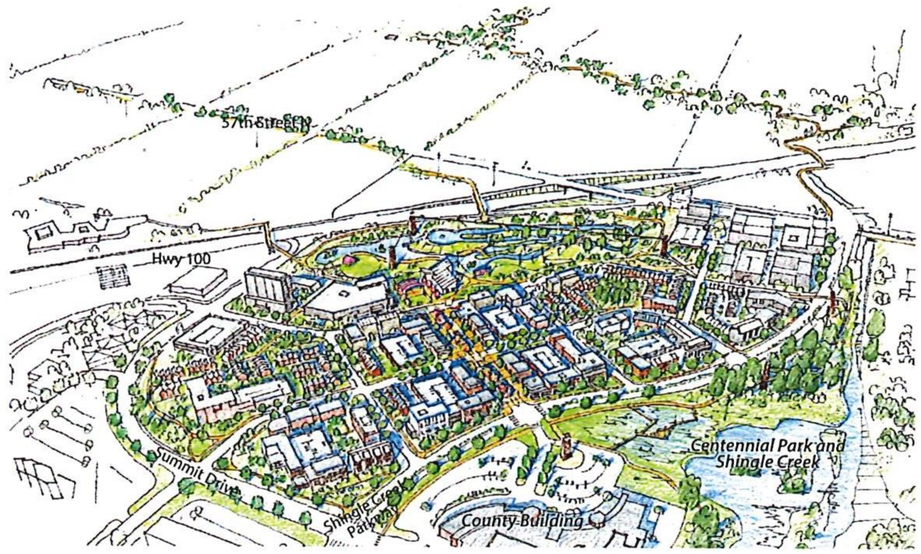
3 Community Anchors to create a core to Brooklyn Center



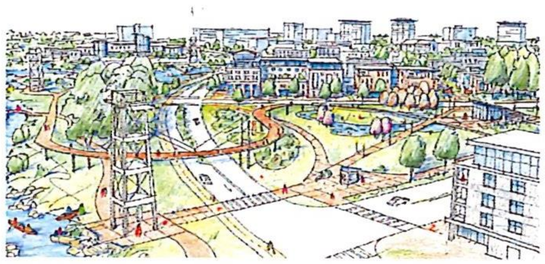
4 Local connections to make it easy to get to Downtown

Downtown Brooklyn Center...

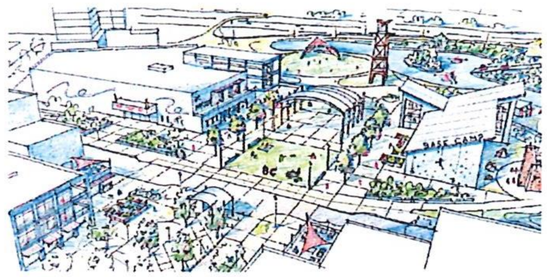
- Will be a place that represents ***all of what Brooklyn Center is*** and can become.
- People will choose to invest their time and energies in Downtown Brooklyn Center as much ***for what it is*** as for what it is near.
- Will contain a ***mix of uses*** that appeal to both current and future residents, entrepreneurs, and visitors of Brooklyn Center.
- Will have a significant amount of new medium and high density housing that helps diversify the City's housing stock - ***allowing residents to stay*** in Brooklyn Center and also attracting new residents.
- Will be a place that ***nurtures local businesses*** while also attracting new businesses that appeal locally and regionally.
- Will ***generate value to the City*** by leveraging its irreplaceable assets - proximity to the Park and civic buildings, centrality to the City and it's people, and access to the region.



Main Street



Three Rivers Mini Park and an integrated Centennial Park



BC Plaza

Garden Street

Expected Outcomes of the Plan

Public Realm

Downtown Brooklyn Center will feature a system of open spaces, streets, trails and pedestrian areas that promotes healthy living, gathering, social mixing, and environmental responsibility

- An inclusive, accessible, welcoming and dynamic public realm that becomes a social and gathering center for the entire City.
- An "inside out" City that attracts people to spend time outside together throughout all seasons of the year.
- Recreational and leisure activities for all ages and abilities
- Connecting to and leveraging the potential of Centennial Park
- A green and active stormwater system that provides health, recreational, and environmental benefits to all

Shingle Creek, Centennial Park and a new Three Rivers Mini Park

Access and Connectivity

Downtown Brooklyn Center will have a transportation system that encourages walking and biking, is well connected to the region and reduces the need to own a car by providing safe, affordable, convenient and accessible options.

- Prioritizing pedestrians to create a walkable community
- Creating a safe and connected bicycle network
- Ensuring vehicular access to Downtown from throughout the City and the region.
- Establishing a network of streets that enables people to get round easily without the use of a car if they choose.

Earle Brown Parkway and a new recreational attraction

Housing & Economic Development

Downtown Brooklyn Center will feature building and development patterns that are compact, sustainable, and mixed - creating nodes and neighborhoods for people to live and enjoy at any stage of life

- Life-long neighborhoods for new and existing residents of Brooklyn Center to call home.
- Centers and Nodes that combine uses to become places to gather, a focus for local economic development and designed to evolve over time
- Spaces that create opportunities for local entrepreneurs and small businesses in the Downtown
- A range of buildings, development types, and land uses on a simple block pattern

Neighborhoods for new and existing residents of Brooklyn Center

Next Steps

FOCUS AREA 1 | Complete Environmental and Systems Planning

Private Sector

- City and lender required reports – environmental, survey, traffic, and geotechnical
- Plan development for submittal

Public Sector

- Report and analysis over and above developer baseline – AUAR
- TIF district determination

Community Partnership

- Traffic analysis related to Highway 100 ramps
- District stormwater approach with Shingle Creek
- Regional park and trail connectivity
- City Hall determination
- District energy/on-site generation concept

FOCUS AREA 2 | Establish Developer Agreement for Opportunity Site (Phase 1)

Private Sector

- City and lender required reports – environmental, survey, traffic, and geotechnical
- Construction for phase one development

Public Sector

- Public finance strategy
- Developer Agreement
- Infrastructure plans and construction for phase one needs – roads, utilities, lighting, public realm

Community Partnership

- District systems planning and improvements – stormwater, trails, transit
- Sustainable energy systems development – scope dependent on earlier planning

MEMORANDUM - COUNCIL WORK SESSION

DATE: 2/24/2020

TO: City Council

FROM: Curt Boganey, City Manager

THROUGH: Dr. Reggie Edwards, Deputy City Manager

BY: Barb Suciu, City Clerk

SUBJECT: Pending Items

Recommendation:

- Metro Transit Bus Hub - *(upcoming CC presentation)*
- Commemoration of 400 years of Slavery Activities -3/9
- Livable Wages -3/9
- Use of EDA Owned Property -3/9
- Food Trucks - 3/9
- Options for Use of Adjacent Space to Liquor Store - 3/9
- Discussion of Mayor/City Council roles & responsibilities (CommonSense Inc.)

Background:

Strategic Priorities and Values:

Operational Excellence