

Council Study Session

VIRTUAL meeting being
conducted by electronic
means in accordance with
Minnesota Statutes, section
13D.021 Public portion
available for connection via
telephone Dial: 1-312-626-
6799 Meeting ID:
81506192332# Passcode:
216824#
November 22, 2021

AGENDA

-
1. **City Council Discussion of Agenda Items and Questions - 6 p.m.**
 2. **Miscellaneous**
 3. **Discussion of Work Session Agenda Item as Time Permits**
 4. **Adjourn**

CITY COUNCIL MEETING

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telephone Dial: 1-312-626-
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November 22, 2021

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.

I will first call on those who notified the Clerk that they would like to speak during open forum, and then I will ask if anyone else connected to this meeting would like to speak. When I do, please indicate your name and then proceed when I call on you. Please be sure to state your name and address before speaking.

2. Invocation - Ryan - 7 p.m.

3. Call to Order Regular Business Meeting

This meeting is being conducted electronically under Minnesota Statutes, section 13D.021 due to the pandemic. For those who are connected to this meeting, please keep your microphone muted. If there is an opportunity for public comment, you may unmute and speak when called upon. Please do not talk over others and anyone being disruptive may be ejected from the meeting. The packet for this meeting is on the City's website, which is linked on the calendar or can be found on "City Council" page.

a. Council Norms

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 Minutes
 - *Motion to approve the following minutes:*
 - 11.8.21 - Study Session Meeting
 - 11.8.21 - Regular Session Meeting
 - 11.8.21 - Work Session Meeting
- b. Approval of Licenses
 - *Motion to approve the licenses as presented.*
- c. Resolution Accepting Bid and Awarding a Contract, Improvement Project No. 2021-18, Lift Station 8 Rehabilitation Project
 - *Motion to approve the resolution accepting the lowest responsible bid and award a contract to Pember Companies, Inc. for Improvement Project No. 2021-18, Lift Station 8 Rehabilitation Project.*
- d. Accepting Bid and Award contract for Diesel Exhaust capture system for both fire stations
 - *Motion to approve the lowest responsible bid and award a contract to TNC Industries, Inc. for the vehicle exhaust capture systems for both fire stations.*

7. Presentations/Proclamations/Recognitions/Donations

- a. Opportunity Site Pilot Project - Community Engagement Update
 - ~ *Motion to accept the presentation*
- b. COVID Presentation

8. Public Hearings

The public hearing on this matter is now open. I will first call on those who notified the Clerk that they would like to speak to this matter, then I will ask if anyone else on this meeting would like to speak during this hearing. When I do, please indicate your name and then proceed when I call on you. Please be sure to state your name and address before speaking.

- a. Resolution Relating to the Issuance of Conduit Revenue Bonds to Finance the Costs of a Multifamily Housing Development (The Crest Apartments Project)
 - *Motion to approve a resolution reciting a proposal for a Housing Finance Program for a multiple rental housing development, approving the project and the program and authorizing the issuance of conduit multifamily housing revenue obligations and the execution of related documents (the Crest Apartments Project)*
- b. Resolutions Approving the 2022 Utility Rates
 - *Motion to:*
 - *Open the public hearing;*
 - *Take public input; and*
 - *Close the public hearing*
 - *Motion to approve:*
 - *Resolution for 2022 Water Utility Rates*

- *Resolution for 2022 Sanitary Sewer Utility Rates*
- *Resolution for 2022 Storm Sewer Utility Rates*
- *Resolution for 2022 Street Light Rates*
- *Resolution for 2022 Recycling Rates*

9. Planning Commission Items

10. Council Consideration Items

- a. Emergency Ordinance for the Curfew Process
~ *Motion to approve the emergency ordinance regarding curfews*

11. Council Report

12. Adjournment

We Agree To

Internal Council Relations – Norms for 2021 – Practiced for next 90 days

- Seek to not repeat or re-iterate points that were already shared
- Engage in discussion and sharing alternate perspectives *without* weaponizing other people's words
- Recognize others with "What I heard you say is _____, with your permission, I'd like to move forward now."
- Call for consensus when it's time to make a discussion
- Allow new solutions in a time of dynamic change, process: (1) name the problem (2) find the process to resolve (3) have the discussion (4) make a decision.
- After open discussion, close down the chat during council chamber discussion (*need to vote on it).

Council Regular Meeting

DATE: 11/22/2021

TO: City Council

FROM: Dr. Reggie Edwards, City Manager

THROUGH: N/A

BY: Barb Suciu, City Clerk

SUBJECT: Approval of Minutes

Requested Council Action:

- Motion to approve the following minutes:

- 11.8.21 - Study Session Meeting
- 11.8.21 - Regular Session Meeting
- 11.8.21 - Work Session Meeting

Background:

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

Budget Issues:

None

Inclusive Community Engagement:

None

Antiracist/Equity Policy Effect:

None

Strategic Priorities and Values:

Operational Excellence

ATTACHMENTS:

Description	Upload Date	Type
11.8 Study Session	11/15/2021	Backup Material
11.8 Regular Session	11/15/2021	Backup Material
11.8 Work Session	11/15/2021	Backup Material

MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL
OF THE CITY OF BROOKLYN CENTER IN THE COUNTY
OF HENNEPIN AND THE STATE OF MINNESOTA

STUDY SESSION
NOVEMBER 8, 2021
VIA ZOOM

CALL TO ORDER

The Brooklyn Center City Council met in Study Session called to order by Mayor Mike Elliott at 6:00 p.m.

ROLL CALL

Mayor Mike Elliott and Councilmembers Marquita Butler, April Graves, Kris Lawrence-Anderson, and Dan Ryan. Also present were City Manager Reggie Edwards, City Attorney Troy Gilchrist, and City Clerk Barb Suci.

MISCELLANEOUS

IN-PERSON MEETINGS

City Manager Reggie Edwards explained the Council wanted more information about other cities and if they are meeting in person and an update on COVID-19 in the City. Staff looked at a few neighboring cities including Brooklyn Park, Columbia Heights, Fridley, Golden Valley, New Hope, Robbinsdale, Rogers, all of which are meeting in person and one is meeting both in-person and online for a hybrid style. Brooklyn Center was trending downward for the number of COVID-19 cases and is ranked sixth or seventh for jurisdictions in Hennepin County. Dr. Edwards stated Brooklyn Center used to have a high proportion of cases, but it has improved significantly. He noted the City has installed a system that would allow for the City to have hybrid meetings where participants could participate virtually. Dr. Edwards asked the Council when they would like to resume meeting in person.

Councilmember Ryan stated the Council has agreed to approach the situation with abundant caution. He stated if they continue to see a decline in cases and there are appropriate precautions taken for in-person meetings, then they could potentially meet starting in the new year. The holidays may affect the trend of COVID-19, including the delta variant, but he would defer to health experts ultimately.

Mayor Elliott asked if Fire Chief Todd Berg was available to comment on the topic. Dr. Edwards stated Chief Berg was unable to attend the meeting.

Councilmember Butler asked how the spacing would look like in the meetings or chambers. She noted she wants to make sure they are being safe and added she wants to hear from the Fire Chief. While Brooklyn Center had been trending down, the cases in Minnesota have been increasing as

a whole. Dr. Edwards stated there was plexiglass made for separation between councilmembers and Staff will get an exact answer on numbers and capacity from the Minnesota Department of Health.

Councilmember Graves noted her agreement with other members of the Council. She stated she was eager to meet back in person again, but she wants to make sure it is done safely. Councilmember Graves added it would probably be wisest to wait to meet in person again until after the holiday season.

Councilmember Lawrence-Anderson stated she concurs with her colleagues regarding their eagerness to return to in-person meetings and waiting to start that until after the holidays. She added the plexiglass would be a prudent move to ensure safety.

Mayor Elliott asked if Fire Chief Berg would be present at the next meeting to answer more questions. Dr. Edwards confirmed Fire Chief Berg would attend the next meeting to further address the topic.

MEETINGS WITH COMMON SENSE

Dr. Edwards stated that a few staff have met with Common Sense about how to move forward. He stated he would like to establish 45 minutes to an hour for Council to meet with Common Sense, and he noted it is preferred to meet on a day that does not already have a meeting because it seems to be less fruitful. The meeting would provide updates on changes since the last meeting with Common Sense. Dr. Edwards asked Council for a preferred date if they are open to the meeting.

Councilmember Butler stated she received an email from Common Sense asking to schedule a meeting. She asked if that referred to a different meeting than what Dr. Edwards was currently discussing. Dr. Edwards explained Common Sense is doing follow-up meetings with individuals and as a whole.

Mayor Elliott asked how long the meeting would be. Dr. Edwards stated it would be a maximum of an hour.

After a short discussion, the members of the Council agreed that Thursday, December 2 would work for a meeting with Common Sense with a backup date of Thursday, December 9 for the meeting with Common Sense. Mayor Elliott noted the meeting would be at 6:00 p.m.

ORGAN DONATION SHOUT-OUT

Councilmember Lawrence-Anderson stated she would like to shout out her daughter's 13th liver anniversary and acknowledge the generous gift she received from her donor. She noted she would like to cast a light on the success of the procedure and encourage people to be organ donors.

IMPROPER TRASH AND RECYCLING DISPOSAL COMPLAINT

Councilmember Ryan stated he has received multiple phone calls from a resident living in the 7000 block of Emerson expressing issues related to a group home there. He explained there were complaints about the group home improperly disposing of trash and recycling. Councilmember Ryan noted he had brought this issue up to staff before and hoped they could reevaluate it and reach out to the resident. Dr. Edwards stated staff will communicate with the resident to address the issue. He added they will add the issue to the weekly update to ensure all members of the Council are aware of the concern.

WORK SESSION ABOUT CITY BUDGET

Mayor Elliott asked if Councilmembers were available during the week of November 15 to discuss the City budget. He explained they should discuss the Council's budgetary priorities for the coming year. Mayor Elliott noted the driving reason for the meeting is the call from the community to better fund the Daunte Wright and Kobe Dimock-Heisler Community Safety and Violence Prevention Resolution. He suggested November 15 or November 18.

Mayor Elliott asked Dr. Edwards to send out the latest copy of the budget to the Council before that meeting. Dr. Edwards confirmed he would provide that information to the Council. Mayor Elliott encouraged the members to ask Dr. Edwards for any information that would aid them in the discussion of the budget.

Following a short discussion on availability, Council consensus was reached to direct staff to schedule a Work Session on November 15, 2021, at 6:00 p.m.

Councilmember Graves stated the Staff always tries to bring them a balanced budget, but she stated she was curious Staff had ideas to make the budget more efficient. For example, perhaps there is a program that is not doing as well as they would like. She added she would like to know how much money the Police Department is spending on military-grade equipment as a part of that discussion.

Councilmember Lawrence-Anderson stated she has considered a dialogue about their succession. She noted she is concerned they do not have a Deputy City Manager and explained there is not anyone prepared to step in and succeed in the responsibilities of the City Manager. Mayor Elliott asked Dr. Edwards to give that concern thought and provide input on it at a later time.

Councilmember Lawrence-Anderson noted they started the discussions back in June. Considering they must approve the budget on December 6 and it is mid-November, a deep-dive would have been more relevant a couple of months ago.

Mayor Elliott asked Dr. Edwards for a timeline update on the budget. Dr. Edwards stated there is a public hearing on December 6 and it will also be the date for the Council to approve the budget.

Dr. Edwards asked if the Council plans on inviting the Finance Commission to the November 15 special Work Session. Mayor Elliott stated they should invite the Finance Commission to the

special Work Session.

Councilmember Ryan stated a few years back there was a change in the statute that the December 6 meeting is no longer called a “truth in taxation” meeting, but the function remains the same. He stated he would appreciate it if Dr. Edwards checked with the City Attorney to ensure the statutory limits or rules on the deadline are observed. Dr. Edwards confirmed he would do that.

Mayor Elliott asked Dr. Edwards to share that information with the Council as soon as possible. Dr. Edwards confirmed he would share the statutory information with the Council once he receives it.

Councilmember Graves noted her agreement with the other members of the Council that it is a late hour to be readdressing the budget. She believes there is more space to do a deeper dive next year, but added this special Work Session could be an opportunity to reflect on what they are approving, how that could look different next year, and fill in the gaps and questions as identified by the Council. Councilmember Graves explained this could be an opportunity to get an earlier start on the budget or big changes for next year, and they should treat this meeting as a launching pad for the future. She stated they should not make dramatic changes so close to the date they will pass the budget, but she agrees the conversation needs to be had. If they move forward with the attitude of looking towards the future, then they could implement more innovative strategies down the line.

Councilmember Graves added they need to have very specific communication regarding what they are doing for the Daunte Wright and Kobe Dimock-Heisler Community Safety and Violence Prevention Act such as who has been hired, what they are doing to work on the Resolution, the details on the traffic stop, information on the pilot programs, and explaining what funding they have secured. All in all, they need to make it clear they are moving forward on the Resolution while being smart and strategic about it. She explained things cannot happen overnight because something was written on paper.

Councilmember Graves added it would be helpful for the Council to have talking points to reference while speaking to the public and provide the specifics to news outlets because the public seems to misunderstand what is happening.

Councilmember Ryan stated he concurs with Councilmember Graves. He stated some pieces of the budget deserve a high level of community engagement, similar to that of the Opportunity Site.

Mayor Elliott stated he is open to considering the budget that has been proposed, although the final version has yet to be presented. He explained they need to carefully consider the budget and to be open to community input. He noted he also wants to be open himself to what is possible in the current year because another year is a long time to address disparities in policing and traffic. Mayor Elliott stated he worries about public safety a lot, and that drives him to further consider the budget.

Councilmember Graves stated she agrees additional resources will be needed. The funding they have been able to obtain through outside sources should not be trivialized but instead, they should celebrate and elevate that. She added they should consider input from staff to address potential

gaps in the budget. Councilmember Graves explained they could talk to Police Chief Tony Gruenig to see the likelihood of filling the open law enforcement positions, and if they are over-budgeting for that, then they could use that portion of the budget for something to expand mental health response, for example. They could shift the money from holding a spot to something tangible related to community cohesiveness, rebuilding trust and relationships, or other strategies they are already supporting through alternative funding. Councilmember Graves stated she is not opposed to a discussion but noted there may not be enough time to properly discuss major changes, staff and community input on the changes, and the potential consequences of any changes.

City Attorney Troy Gilchrist stated, according to statute, the deadline for certifying the property tax levy to the state is December 28, 2021.

ADJOURN STUDY SESSION TO INFORMAL OPEN FORUM WITH CITY COUNCIL

Hearing no objection, Mayor Elliott closed the Study Session at 6:45 p.m.

MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL
OF THE CITY OF BROOKLYN CENTER IN THE COUNTY
OF HENNEPIN AND THE STATE OF MINNESOTA

REGULAR SESSION
NOVEMBER 8, 2021
VIA ZOOM

1. INFORMAL OPEN FORUM WITH CITY COUNCIL

CALL TO ORDER INFORMAL OPEN FORUM

The Brooklyn Center City Council met in Informal Open Forum called to order by Mayor Mike Elliott at 6:45 p.m.

ROLL CALL

Mayor Mike Elliott and Councilmembers Marquita Butler, April Graves, Kris Lawrence-Anderson, and Dan Ryan. Also present were City Manager Reggie Edwards, City Engineer Mike Albers, Community Development Director Meg Beekman, City Clerk Barb Suci, and City Attorney Troy Gilchrist.

Mayor Mike Elliott opened the meeting for Informal Open Forum.

Diane stated she is aware of a purchase of property for a liquor store for the City in 2021. She asked if the public would be given information about the location and the project before the end of the year.

City Manager Reggie Edwards stated Staff will provide more information on that. Community Development Director Meg Beekman stated she does not anticipate that an acquisition will take place in 2021. It was a goal of theirs to complete this year, but she does not believe it will take place this year.

Diane asked if the public could provide input or comment on the property acquisition before it goes through.

Mayor Elliott stated he believes that is something that would normally allow for public input. Dr. Edwards stated it is something that has already been presented to and approved by Council. Mayor Elliott asked if something on the matter will come before the Council again. Dr. Edwards stated once they are ready to move forward with a site, the information will come back to the Council.

Matt stated he is reaching out as a concerned small business owner due to the lack of safety for his employees. For the last several months, they have had a difficult time maintaining employees due to safety. He asked for an update from Council on measures they are taking to address shoplifting, car thefts, and public shootings to better support and retain small business employees.

Councilmember Ryan stated Informal Open Forum is not a time for problem-solving. He asked Matt to provide information about his business. Matt stated he would prefer not to share the name of his business, but he explained his business is in the realm of retail and has about 35 employees. He added he has had problems maintaining more than 25 employees due to safety concerns.

Councilmember Ryan asked if any of Matt's employees had been threatened. Matt confirmed his employees have been threatened multiple times. He added there was a shooting in the parking lot a few weeks ago which resulted in three employees leaving for that incident alone. He explained he cannot ask them to work there because their safety is at risk. Matt noted he has had to hire security, but he cannot afford to do that every day of the week. He added it is not a sustainable way of keeping his employees safe. Matt stated there is not a lot of help offered when he calls to ask for help and that concerns him as a small business owner.

Matt asked if there are any updates on how the City is trying to keep employees safe. Mayor Elliott stated they will follow up with him on that. Matt stated it has gotten so much worse and the unsafe environment is out of control. He added COVID-19 is the least of his staffing concerns.

Councilmember Graves stated she is very sorry that his employees feel unsafe. She stated the best action step would be to reach out directly to one of the Councilmembers or Staff to problem-solve with him in a different setting. She added she might have a few ideas to improve the situation.

Mayor Elliott moved and Councilmember Ryan seconded to close the Informal Open Forum at 6:56 p.m.

Motion passed unanimously.

Mayor Elliott called for a short recess of the meeting at 6:56 p.m. The meeting was reconvened at 7:00 p.m. with all in attendance.

2. INVOCATION

Mayor Elliott shared a quote by Paul Wellstone, "Politics is about the improvement of people's lives. It's about advancing the cause of peace and justice in our country and the world. Politics is about doing well for the people."

3. CALL TO ORDER REGULAR BUSINESS MEETING

The Brooklyn Center City Council met in Regular Session called to order by Mayor Mike Elliott at 7:01 p.m.

4. ROLL CALL

Mayor Mike Elliott and Councilmembers Marquita Butler, April Graves, Kris Lawrence-Anderson, and Dan Ryan. Also present were City Manager Reggie Edwards, City Engineer Mike Albers, Community Development Director Meg Beekman, City Clerk Barb Suci, and City Attorney Troy Gilchrist.

5. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

6. APPROVAL OF AGENDA AND CONSENT AGENDA

Councilmember Lawrence-Anderson moved and Mayor Elliott seconded to approve the Agenda and Consent Agenda, and the following consent items were approved:

6a. APPROVAL OF MINUTES

1. October 18, 2021 - Joint Council/Financial Commission
2. October 25, 2021 - Study Session Meeting
3. October 25, 2021 - Regular Session Meeting
4. October 25, 2021 - Work Session Meeting

6b. APPROVAL OF LICENSES

MECHANICAL

Climate Tech LLC

14702 Excelsior Blvd
Minneapolis, MN 55407
21725 Linden Way
Rogers, MN 55374

Deschene Enterprises, Inc.

Friendly Home Services Inc.

11792 272nd Ave NW
Zimmerman, MN 55398
1008 Prospect Pointe Rd
Jordan, MN 55352

Total Home Solutions

RENTAL

INITIAL (TYPE III — one-year license)

5144 Ewing Avenue N.

Kofi Yeboah/Gracelands LLC

INITIAL (TYPE II — six-month license)

5924 Dupont Avenue N.

5524 Humboldt Avenue N.

Jonathan Miller
Devon Youngblood/Larkin Street
Homes LLC
Joseph Florczak/HPA US1 LLC
Joseph Florczak/HPA US1 LLC
Ishmael Komara

6924 Scott Avenue N.

6931 Toledo Avenue N.

6218 Unity Avenue N.

RENEWAL (TYPE IV — six-month license)

5338-40 Queen Avenue N.

7001 Emerson Avenue N.

Thanh Kim Oan
Mara Jenson/Moses Gibson

6424 Girard Avenue N.

5739 James Avenue N.

7156 Unity Avenue N.

RENEWAL (TYPE III — one-year license)

1600 71st Avenue N.

6107 Bryant Avenue N.

5310 Knox Avenue N.

5642 Logan Avenue N.

RENEWAL (TYPE II — two-year license)

5351 Irving Avenue N.

5636 Irving Avenue N.

4007 Joyce Lane

RENEWAL (TYPE I — three-year license)

1113 73rd Avenue N.

5325 Newton Avenue N.

4734 Twin Lake Avenue N.

SIGNHANGER

Electro Neon & Design Inc

JDI Signs & Graphics, LLC

TOBACCO

Burr St Market

Casey's General Stores

Kabalan Co

Leng Ku

Olufemi Sowemimo/Livewell Home
Care LLC

Douglas Wahl/Rifive Investments
LLC

Michelle Shaffer

FYR SFR Borrow LLC

Daniel Yesnes

Douglas Wahl/Cel Ponton LLC

MNSFII W1 LLC

Douglas Wahl/Cel Ponton LLC

Bruce Goldberg

John Jorgenson

Mary Ellen Carroll

EE & J Investment Inc

Elizabeth Becht

1680 99th Lane NE

Blaine, MN 55449

6451 McKinley Street NW, Suite P
Ramsey, MN 55303

dba Quick Shop

5808 Xerxes Avenue N

Brooklyn Center, MN 55429

dba Casey's General Store #3823

2101 Freeway Boulevard

Brooklyn Center, MN 55430

dba Pump N Munch

1505 69th Avenue N

Brooklyn Center, MN 55430

dba Sun Foods

6350 Brooklyn Boulevard

Brooklyn Center, MN 55429

**6c. RESOLUTION NO. 2021-135 ESTABLISHING 2022 STREET AND STORM
DRAINAGE SPECIAL ASSESSMENT RATES**

- 6d. RESOLUTION NO. 2021-136 ESTABLISHING INTEREST RATE OFR 2022 SPECIAL ASSESSMENTS**
- 6e. RESOLUTION NO. 2021-137 DECLARING COSTS TO BE ASSESSED AND CALLING FOR A PUBLIC HEARING ON PROPOSED SPECIAL ASSESSMENTS FOR IMPROVEMENT PROJECT NO. 2022-01, WOODBINE AREA STREET IMPROVEMENTS**
- 6f. RESOLUTION NO. 2021-138AMENDING SPECIAL ASSESSMENT LEVY ROLL NOS. 21001 AND 21002 TO PROVIDE FOR THE DEFERRAL OF SPECIAL ASSESSMENTS**
- 6g. RESOLUTION NO. 2021-139 AUTHORIZING THE CITY MANAGER TO WRITE-OFF UNCOLLECTIBLE ACCOUNTS RECEIVABLE AND RETURNED CHECKS**
- 6h. AN ORDINANCE 2021-04 AMENDING CHAPTER 23 TO ALLOW AND REGULATE SPECIAL EVENTS AND RESOLUTION 2021-140ACKNOWLEDGING THE FIRST READING OF THE ORDINANCE**
- 6i. RESOLUTION NO. 2021-141 APPROVING THE CONTRACT FOR THE LABOR AGREEMENT FOR LAW ENFORCEMENT LABOR SERVICES, INC. (LELS NUMBER 86) AND THE CITY OF BROOKLYN CENTER FOR THE CALENDAR YEARS 2022-2024**

7. PRESENTATIONS/PROCLAMATIONS/RECOGNITIONS/DONATIONS

7a. HIGHWAY 252/I-94 ENVIRONMENTAL IMPACT STATEMENT (EIS) UPDATE

Dr. Edwards introduced the topic and invited City Engineer Mike Albers to make the staff presentation.

City Engineer Mike Albers stated the City is partnering with MnDOT, Hennepin County, the City of Brooklyn Center, and the City of Minneapolis on an Environmental Impact Statement for the Highway 252/I-94 corridor from Highway 610 in Brooklyn Park to 4th Street in Minneapolis. The project partners will use the EIS to gain a better understanding of safety and transportation needs in the area and take a closer look at how a potential construction project could affect the environment surrounding Highway 252 and I-94. This includes the people, plants, animals, water, air, roadways, buildings, and other structures in the area. The project is currently in the Scoping phase and MnDOT has retained SRF Consulting Group, Inc. to provide transportation planning, engineering, and environmental expertise. Mr. Albers invited Chris Hoberg to continue the presentation.

Chris Hoberg, West Area Engineer with the Minnesota Department of Transportation, provided an overview of the presentation. Mr. Hoberg explained they heard concerns and requests from Council regarding the project, and they have made sure to integrate those items into the project.

He noted the Council's request for the project to benefit the City and not just stakeholders beyond the City's borders. It was agreed upon that it was important to hear about health equity and its impacts. Additionally, Council had requested a presentation on traffic flow in the region around Brooklyn Center to better understand the origin and destinations of traffic and to understand how Brooklyn Center plays a role in the regional transportation system. He stated they have been trying to reach people where they live rather than inviting people to a distant venue. Knowing that pop-up events are effective, they have been preparing for more public meetings and hosted an event this fall. Mr. Hoberg acknowledged multimodal solutions are important.

Mr. Hoberg noted Brooklyn Park is eager to remove stoplights and build interchanges at Brookdale Drive and 85th and, without removal of the signals, they will continue to have crashes. He added safety and functionality of the roadway are of the utmost importance to both the Council and the Minnesota Department of Transportation. Council had asked about the air quality impacts of converting Highway 252 to a freeway, and Mr. Hoberg agreed environmental is a concern for both the Council and the Minnesota Department of Transportation. Regarding the mission statement or purpose statement, they would like to see a statement that addresses reducing emissions, improving health, and improving racial disparities. Mr. Hoberg stated they have the tools in place to help them understand that and aid in reaching a solid decision. One of the key reasons they want to go through the process is because success is measured by increased safety and not increasing poor air quality concentrations. They must look at the impacts and benefits of any proposed project.

Craig Vaughn, representing Transportation Collaborative and Consultants, LLC, stated the Environmental Impact Statement process is currently expected to span through the year 2024. They are currently in the scoping decision document phase that should last through Summer 2022, which is looking at a host of improvements across the corridor and potential alternatives. Mr. Vaughn explained the technical project analysis project includes four steps of action. Step one includes identifying project improvements, and they are currently on step two, which is combining project improvements to develop a list of project alternatives. Step three determines which alternatives should be studied further in the draft Environmental Impact Statement, and step four reviews the draft Environmental Impact Statement and determines if there is a preferred alternative.

Mr. Vaughn stated they have had community engagement updates since the last meeting. They have expanded the Environmental Impact Statement 101 video library, completed two rounds of open house engagement, continued to host ongoing pop-up meetings, and done targeted outreach to faith-based, African, and African American communities. The expanded Environmental Impact Statement 101 video library includes an overview of the project, an explanation of why Highway 252 and I-94 are being studied, the relationship between the two roadways, what design changes are being considered, and what the design changes mean for traffic patterns in Brooklyn Park, Brooklyn Center, and Minneapolis.

Mr. Vaughn stated the June 2021 open house series included 99 total attendees, 86 total live comments, and 96 inline comments. They heard various comments from the community they are taking into consideration. It was suggested they can improve the roadway without building a freeway and they could consider an overpass and underpass at 66th Avenue instead of a full interchange to improve safety. There were concerns about air pollution and increased traffic

posing safety risks to the community. Additionally, the open house addressed questions about timelines.

Mr. Vaughn explained the October 2021 open house included 177 attendees, 134 live comments, and 13 comment cards. Comments included questions about why the project was taking so long and why traffic will shift to local roads. Residents expressed concerns about the freeway negatively affecting property values and current safety issues, such as running red lights, that are not being enforced. Some people also commented they want to see signals removed and freeway options considered but noted they need to figure out interchange locations and traffic shifts to local roads.

Mr. Vaughn stated there was a significant amount of pop-up engagement, meaning engaging with people where they are at. As of a week before the presentation, there had been 962 total impressions. One comment expressed the desire for funding to go towards transit and bikeways rather than freeway expansion. Another shared they would like to get rid of signals and they like the six-lane grade-separated freeway. Community members also said it was encouraging to see the government out at an event and noted it was much better than doing focus groups on the topic.

Mr. Hoberg stated the Equity and Health Assessment is underway, and the Equity and Health Neighborhood Advisors, a neighborhood advisory group, has met twice. He explained the focus is on equity, health, and transportation. Community characteristics they are considering include demographic measures, built environment, health status, and health disparities. Transportation systems and mobility include travel behavior, pedestrian and bicycle infrastructure, public transit systems, and overall safety. Mr. Hoberg noted there is also a focus on community input and engagement.

Mr. Hoberg stated they wanted to highlight workforce initiatives. The benefits of a major highway project are not just limited to a safer highway, but also connecting people to the investment. Heavy highway construction tries to connect people to the trades, and forethought is required to train people before the project begins. He explained it could be from now until the project is built. The maintenance pathway is another potential career option hired by the Department of Transportation. Lastly, the Minnesota Department of Transportation has an internship program and a student worker program to connect folks in the science, technology, engineering, and math fields to projects.

Mr. Hoberg noted they have consistently been asked how they are addressing safety concerns. The project team has heard from the public at previous engagement events that they would like to see improvements made now to Highway 252 to address safety concerns. Minnesota Department of Transportation and its partners are currently investigating interim safety improvements to Highway 252 that could be implemented before major project construction in 2027. Minnesota Department of Transportation will release a report summarizing potential interim safety improvements.

Mr. Vaughn explained the next significant community engagement will include additional information on the relationship between speed and safety and a refined set of alternatives with a discussion of access, pedestrian and bicycle crossing locations, transit stations, and physical impact considerations. Spring of 2022 will be the official public comment period as part of the scoping

decision and Environmental Impact Statement process. He noted there is continued business stakeholder outreach.

Mr. Vaughn noted there is always information available on the project website, and there is the opportunity to share comments by visiting the project website contacts tab. Additionally, there is an option to receive email updates to stay involved in the process.

Councilmember Lawrence-Anderson stated she looks forward to hearing about public safety measures they can take in the interim as this project is still a few years out from being implemented. Councilmember Butler thanked the presenters for engaging with the community in several ways. She noted the videos are very helpful.

Councilmember Ryan stated he has had his questions answered by the team and noted his appreciation for the online resources. He stated he concurs with Councilmember Lawrence-Anderson about interim safety measures.

Councilmember Graves agreed with the comments of other members of the Council. She is excited to hear about the work for interim safety such as flashing lights to warn of an upcoming red light. Mr. Hoberg confirmed flashing lights is one of the options they are in the process of evaluating. Councilmember Graves asked how long that process may take. Mr. Hoberg stated the timeline depends on the outcome of the report. He explained they will want to come back and discuss the findings, but there is the desire to implement things as soon as they can.

Jerome Adams, Minnesota Department of Transportation Project Advisor, stated he plans to report to the policy advisors in January 2022. From there, they will see if they can do construction in 2023 if they identify something to do.

Councilmember Graves stated she appreciates the information on the career pathways programs. She stated it might be helpful to communicate those opportunities to communities that do not usually receive such information. Options for outreach include Summit Academy and Job Corps. Mr. Adams stated they have a plan to connect people to jobs, and the next step they are working on its implementation. Implementation means doing targeted outreach starting in 2022 and yearly through 2027 to explain the job opportunities that exist and connect people to those opportunities.

Mayor Elliott noted his excitement that they are addressing the air quality and potential health implications for the community. This all has to do with the historical nature of transportation. He added it is welcome news to hear about the level of community engagement and the interim mitigation strategies. Mayor Elliott asked if the project is committed to decreasing air pollution. Mr. Adams stated there is not a specific commitment to that, but they do study air pollution and its changes based on projects.

Councilmember Ryan moved and Councilmember Graves seconded to accept the presentation Highway 252/I-94 Environmental Impact Statement Update.

Motion passed unanimously

7b. MARKET TRENDS AND DEMAND OVERVIEW

Dr. Edwards introduced the item of market trends and demand overview and invited Ms. Beekman to make the staff presentation.

Ms. Beekman stated in 2019, the City worked with Kimble Company to take a high-level look at market demand and regional market trends affecting Brooklyn Center. The study was initiated as part of several initiatives focused on understanding the available land in the City and how best to target development on them. The high-level market study considered the Opportunity Site area, the former Sears site, and the Brooklyn Boulevard Corridor. Ms. Beekman noted the study was intended to be presented to the Council in early 2020 but was postponed as a result of the pandemic and the City pivoted to focus on other areas of concern. Given a renewed interest from developers on various sites in the City, Kimble Company was asked to update their study and provide their expertise regarding where the market is currently heading and what types of development are more probable than others. Julie Kimble will present her findings and will be available to answer any questions that the Council may have.

Ms. Beekman explained Staff is seeking to provide information to the Council to assist with design making in the future in regards to development sites. The presentation is designed to be fairly high level. The Council will have an opportunity to identify if there is additional information they would like more detail on, which can be provided as part of a future and ongoing discussion.

Julie Kimble of KimbleCo stated the purpose of the presentation is intended to provide a summary update of commercial real estate market information to assess realistic opportunities for development and redevelopment throughout Brooklyn Center now and in the near term. She summarized the agenda of the presentation.

Ms. Kimble stated she founded the company KimbleCo in 2014 and it is a full-service commercial real estate firm. They have developed and leased over six million square feet of commercial real estate and include principals with over 65 years of diverse real estate experience locally, nationally, and globally. Ms. Kimble added she is the chair of the Roseville Planning Commission.

Ms. Kimble explained KimbleCo was a member of a consultant team in 2019 and 2020 that performed a variety of scope for Brooklyn Center. This work helped to inform this market update. At that time, they assessed the retail, office & multifamily markets in Brooklyn Center resulting in two reports, a Market Review, and a Redevelopment Analysis. The study was focused on redevelopment sites along Brooklyn Boulevard therefore industrial was not included. The purpose of the study was to provide a view into opportunities for development that were grounded in market realities. She noted it is easy to create wonderful visions for sites but another to make them happen. The analysis focused on opportunities that supported job and revenue growth in the city, provided resources for residents, and developments that could happen now and shortly based on current market fundamentals.

Ms. Kimble stated industrial space is in high demand. Development potential is high almost anywhere due to the strong underlying real estate fundamentals in the market and the demand for products and services of essential businesses, and vacancy is low across the entire Twin Cities

market at 4.2% with 15 million square feet of demand in the market. Rents are increasing due to principles of supply and demand. Brooklyn Center's current inventory is a mix of traditional office warehouses and flex/R&D and has a slightly higher vacancy than the market overall, possibly due to the fact much of its product is older. Ms. Kimble explained office/warehouse space is typically 24 feet clear in height or more and use is usually 20 percent for office and 80 percent for retail. Distribution requires a ceiling clear height of more than 28 feet with a very small office component. Lastly, flex/R&D/office showroom can be lower clear ceiling heights with closer to 40 percent office use and 60 percent warehouse use. Other industrial product types may include truck terminals, cross docks, cold storage, and self-storage.

Ms. Kimble stated national institutional investors and owners are interested in the Twin Cities market and noted some now control large portfolios and are driving rents and annual escalations up. Numerous speculative industrial developments have recently been announced and the economics for industrial easily supports such new developments. There is a higher percentage of local owners in comparison to institutional or national owners of industrial buildings in the Brooklyn Center market. Ms. Kimble noted this may change with the development of a newer product.

Ms. Kimble added industrial likes access to freeway infrastructure. Cities and residents typically prefer that industrial production is not located in proximity to residential and retail centers but planned for areas set aside and zoned specifically as industrial centers due to the scale of buildings, truck traffic, and general operations. She explained current economics are strong, and incentives should not be necessary unless there are extenuating circumstances such as necessary environmental clean-up.

Ms. Kimble stated in thinking about the industrial market, they must consider if flex product works in areas with commercial or residential adjacencies. This could drive up the number of new jobs and present smaller-scale buildings that can work more easily with commercial and residential adjacencies. If not flexible, then developers should commit to a minimum level of office finish to drive jobs. They additionally could consider if there is an opportunity to target and attract destination entertainment use such as brewery, interactive sporting with food & beverage, roller-skating, or other features as a part of the industrial tenant mix and does zoning allows this. They would need to ensure the different types of uses can coexist and query whether the Twin Cities is nearing its limit of breweries and distilleries.

Ms. Kimble noted if there is a development agreement be careful to include important items such as minimum finish levels or creation of jobs standards, goals for tenant mix or specific market voids, pay careful attention to design standards, require minimum standards, especially to commercial, residential and high traffic-facing adjacencies, materials, require buffers as needed, pay attention to lighting zones, hours of operation if residential and commercial adjacencies, incorporate good site planning such as green space, pedestrian connections to nearby amenities, connections to city trail and or other city amenities as appropriate, and to ensure the property is well lit to enhance safety and security.

Ms. Kimble explained opportunities for industrial sites include a higher office component creating more job capacity, quality of jobs is typically higher than retail, and market demand is strong, and

industrial is likely to thrive. Potential challenges are that industrial spaces require a large footprint and typical facades are a challenge if commercial or residential adjacencies, need to manage truck traffic, light & noise, and, if higher warehouse usage in comparison to office, job counts are reduced.

Ms. Kimble stated the current retail vacancy in Brooklyn Center is 8.7% greater than the rest of the Twin Cities. Lease-up of existing space and development of available pad sites in the city has been slow. Additionally, current rental rates do not support new construction except for single-tenant, standalone projects. Lenders will require substantial pre-leasing for multi-tenant buildings, the speculative product will be nearly impossible to finance. As always, retailers are laser-focused on demographics, now more than ever due to the impact of the pandemic and the competition with online shopping. Additionally, daytime population to support retail is key.

Ms. Kimble explained Brooklyn Center cannot just consider city boundaries but must look at larger retail trade areas to understand opportunities. This is especially important as there is considerable competition with relative nearby retail trade centers such as Maple Grove. This is even more important as retailers are reducing the number of bricks and mortar stores placing them further apart than they used to. Developers have extensively targeted national retailers including grocery and entertainment venues unsuccessfully. Primary reasons include demographic mix, too close to other operations, and just simply they are not expanding. A high percentage of tenants and building ownership are local – there is not a strong track record of investment by national or institutional investors/owners which usually is not a positive signal for developers. Some cities, to attract retail uses have invested in substantial subsidies with no promise of future success.

Ms. Kimble stated considerations for retail spaces include asking how the city helps guide retail and zoning such that there is long-term success, where retail centers belong and how does this play into the many sites available in the City, and what concentration of retail needs to be located in the Opportunity Site to make that a success. They need to consider if there is an opportunity to target and attract destination entertainment use such as brewery, interactive sporting, food and beverage, roller-skating, or other attraction as a part of the tenant mix, even in a light industrial property and if zoning would allow this.

Ms. Kimble added they should assess if there is an opportunity for a project such as a market, be it small scale, clustered, or niche retail, or food hall concept for locally-owned retailers along with how much of this type of retail can realistically be supported and on what site should it be located. The City must also consider if it can have long-term success. Before any city investment, considerable research should be done. For example, Midtown Market on Lake Street has had ups and downs and has had to pivot numerous times even though it is located in a prime location with good demographics to support the concept and significant day and nighttime population. As an alternative to encourage locally-owned retailers, the City can consider if vacant and unused storefronts are used as an economic development tool. It is possible City subsidies create a lower barrier to entry such as to “white-box” the space and assist with tenant improvements or to write down some of the rent. This fills existing, vacant space and provides opportunities for new and emerging businesses. Finally, they must incorporate good site planning such as green space, pedestrian connections to nearby amenities, the city trail system, and or other city amenities as

appropriate. Ms. Kimble added they should make sure the site is well-lit to enhance safety and security.

Ms. Kimble stated offices are currently a bit of a dismal space. Current rental rates do not support new construction except for single-tenant, stand-alone projects. Brooklyn Center rents and sales over the last five years are below the market averages. Known cap rates for sales are 8.0% and above representing market risk and reducing developer returns impacting decisions to invest. Ms. Kimble explained the pandemic has greatly influenced office use and the future of the office is evolving. Because of this as well as increasing vacancies and considerable sublease space on the market, development has paused. Build to suit, for lease or ownership can be designed to a budget that fits for a business, however, competition is high for these sites, likely requiring city subsidy. However, the pandemic has put almost all thought of this type of development on hold for now due to changing workplace policies such as hybrid and remote work.

Ms. Kimble noted lenders will require substantial pre-leasing, speculative products will be nearly impossible to finance. A smaller footprint, office condo project, carefully designed to meet the market, with a competitive land purchase may be able to be developed with little to no subsidy or redeployment of vacant storefronts as suggested in the retail overview. She added developer owners must be capitalized up-front to fund tenant improvement allowances and transaction fees that are typical in the market. Additionally, emerging developers of small office properties must be well-capitalized and prepared for these costs to have long-term success.

Ms. Kimble stated, along with industrial, multifamily is the current darling of development and investment. Despite considerable new construction over the past four years, market fundamentals remain healthy and there is room for more development in many communities. Even with higher construction pricing and delayed access to some materials, the market fundamentals remain strong supporting new development. The passing of rent control policies in St. Paul and Minneapolis will likely drive development to the suburbs.

Ms. Kimble explained there continues to be insufficient affordable housing and in many communities a need for “missing middle” housing such as duplex and triplex properties both for rent and for ownership. Brooklyn Center is starting to fill this gap with some of its newer developments along Brooklyn Boulevard. Demand for missing middle housing is high and the regional housing shortage is driving costs up. Brooklyn Center is competing for projects with other suburban communities. Ms. Kimble noted that missing middle housing also is a key driver to retain existing residents that are at retirement age and wish to downsize and remain in the community.

Ms. Kimble noted the capital stack for affordable housing continues to be a challenge with limited pools of funding which can cause long delays in development starts and the requirement for local subsidies remains. Some communities, such as Brooklyn Center, need to update and add market-rate apartments to diversify and expand their housing mix. Given the lower rents in this market and rising construction costs, the subsidy is likely required in the current market, particularly if there is structured parking. According to the Met Council, Brooklyn Center will add over 2,200 new households over the next 20 years.

Ms. Kimble stated industrial and multi-family are the strongest contenders. The City has great sites available for development and redevelopment. Yet, the market for development in any one area is not unlimited and there is at some point a finite amount of supply for the demand. Given this, development may occur later on some sites as market fundamentals improve for asset classes such as retail and office.

Ms. Kimble stated the City should consider where they could take advantage of current opportunities for development such as the need for industrial products. The City plays an important role in guiding land use across the City. Given the available land, the city will need to be strategic about land planning so that developments and sectors can thrive once built. What uses work best for the Opportunity Site and what works best for the Sears site or Brooklyn Boulevard, for example. Additionally, Ms. Kimble noted the Council should consider which types of developments have more success being near other types of “like” development such as retail concentrations or how commercial amenities are positioned to provide live-work-play environments.

Ms. Kimble stated they should consider guiding industrial uses to one area of the city and concentrate multi-family, service retail, and community gathering spots to one area to create vibrancy and a sense of place. As much as possible keep industrial uses away from densities of housing and highly trafficked pedestrian locations. Given current land availability in the city, this may mean directing light industrial and jobs-based opportunities to the Sears site and making sure the city has a well-documented agreement with the developer to ensure the site and design standards and minimum requirements for job creation.

Ms. Kimble explained the City must ask how the City attracts and diversifies its multifamily mix, perhaps a balance of market-rate and affordable workforce and often missing middle housing such as townhomes. Office space is currently in tremendous flux due to the pandemic. However, well-placed office condo products may support the incubation of Brooklyn Center’s existing and new entrepreneurs or unused and vacant storefronts can be used to support local business growth. The development of a product with healthy underlying market fundamentals should eliminate or greatly reduce the need for city subsidy thereby positively impacting the city’s revenue.

Ms. Kimble noted they should consider encouraging locally-owned retailers by using economic development tools to fill unused storefronts. This fills existing, vacant space and provides opportunities for new and emerging businesses. She recommended incorporating requirements into developer agreements that ensure they get what was promised and to achieve a project that will enhance the community and meet city goals.

Mayor Elliott stated some communities are being developed that have home storefronts. Some time ago, some neighborhoods had houses but were able to have storefronts attached to them or the lower level of it. He asked if that is a strategy Ms. Kimble was aware of. Ms. Kimble stated that is not something she is aware of in any great density. She stated Minneapolis and St. Paul have opportunities for sorts of neighborhood-places businesses such as Grand Avenue. However, she is not aware of a suburban area that has been able to accomplish that.

Ms. Beekman stated they have been looking at codes and zoning, specifically in the Brooklyn Boulevard corridor area. She stated the potential rezoning allows for a transition between the corridor and neighborhoods, and they want to be mindful of the transition. The zoning would allow for single-family homes along Brooklyn Boulevard to be used for commercial or mix-used purposes. Ms. Beekman explained they made that distinction because those structures are already there and it may make sense for owners of the homes to convert the spaces to businesses. She added there are a couple of cities that have a similar type of zoning and referenced downtown Hopkins and Grand Avenue in St. Paul as two examples. Mayor Elliott stated the method makes sense especially in light of the pandemic driving people to work from home.

Councilmember Lawrence-Anderson asked if Ms. Kimble had any examples of what businesses to avoid surrounding the Opportunity Site with. Ms. Kimble stated the City should be careful about what they put around the site. When a city wants space to be for gathering and community, then they have to be carefully surround it with industrial spaces. If industrial were to be in the mix, it would have to be very carefully planned. While they want vibrancy in terms of product mixes, she would be hesitant to introduce buildings with high degrees of industrial space into the area that would primarily serve for purposes of retail and housing. Councilmember Lawrence-Anderson stated much of Brooklyn Center's housing stock is considered affordable and noted she appreciates Ms. Kimble's data related to that type of housing.

Councilmember Butler stated she believes they need a greater range of housing stock in Brooklyn Center. She asked how they do that without pricing out people currently in homes. Ms. Kimble asked for Councilmember Butler to clarify her question. Councilmember Butler stated she believed Ms. Kimble recommended they have both affordable housing and market-rate housing as they are developing the City. Councilmember Butler asked how they introduce the higher-end options without pricing people out of their homes because it would impact taxes for people already living in more affordable options. Ms. Kimble stated she isn't sure she can answer the question off the cuff. She stated she is not sure it would impact them because there is a need for more housing in the community, and she doesn't believe introducing market-rate housing would impact single-family homes due to the current market. She stated she will think about that more and share any future thoughts on the topic with Ms. Beekman. She added it is beneficial to attract competitive-rate housing.

Councilmember Ryan stated Ms. Kimble highlighted the fact that speculative-industrial development is desirable given a suitable site location because it would be attracting higher-paying jobs than retail. He asked if that is analogous to building more market-rate family housing that they are also attracting more households with more disposable income. Ms. Kimble stated industrial is an opportunity due to current supply and demand. She explained there is less industrial space and there are more users in the market. The pandemic has proven that essential businesses are here to stay and necessary.

Councilmember Ryan stated it seems that if they have more market-rate housing in a community like Brooklyn Center where the multi-family rentals are below average for the Twin Cities area, it would ultimately attract more families with more disposable income. Household incomes in Brooklyn Center have trended down, so the notion raises concerns about the City's future financial liability if that individual income trend continues. He noted one of the Council's goals is to address

economic inequity, but one of the ways to approach that could be market-rate opportunity housing as it may bring more disposable income into the City and drive the local economy. Ms. Kimble stated she agrees everything Councilmember Ryan has said makes sense and is accurate, but she is not sure how it relates to industrial development. Councilmember Ryan stated the market recognizes the need for industrial spaces which would bring in more higher-paying jobs than retail.

Councilmember Graves stated the presentation was very informative. She noted there seems to be space for industrial development. Although it is unappealing for her, she explained it can be helpful in terms of job creation and taking on a larger burden of the tax base. Councilmember Graves stated it is interesting the current industrial spaces are locally owned and yet those owners aren't upgrading and trying to stay current. She noted they could potentially be better supporting them as she wants to prioritize supporting and leveraging local businesses.

Councilmember Graves added the idea of using smart zoning stood out to her. She stated she likes the idea of a marketplace concept, but they need to be careful about how they build and support that. Councilmember Graves added the presentation caused her to think about the spaces off of Highway 280 where there have been both restaurants and industrial uses. She noted she likes the idea of an anchor space.

Councilmember Graves stated if there is something they could be doing to better support the empty storefronts, then the Council needs to be doing that. She added she would like more information about supporting local businesses and current vacancies. Ms. Kimble stated it always makes sense to think about maximizing what is already there and considering why the space is vacant. She explained the idea of the storefronts is a concept as there has not been a study done. She noted it could be a strip mall or a single storefront, and it could be a way to promote entrepreneurship and give local entrepreneurs a jumpstart.

Mayor Elliott moved and Councilmember Ryan seconded to accept the presentation Market Trends & Demand Overview.

Mayor Elliott asked if Councilmember Graves meant to reference Highway 100 instead of Highway 280. Councilmember Graves stated she meant Highway 280 because she grew up in St. Paul. She clarified she was thinking about the Como area and the feel of those neighborhoods.

8. PUBLIC HEARINGS

None.

9. PLANNING COMMISSION ITEMS

None.

10. COUNCIL CONSIDERATION ITEMS

10a. AN ORDINANCE 2021-05 AMENDING CHAPTER 12 OF THE CITY CODE OF ORDINANCE REGARDING TENANT PROTECTION AND RESOLUTION NO.

2021-142 ACKNOWLEDGING THE FIRST READING OF THE ORDINANCE

Dr. Edwards introduced the item and then invited Ms. Beekman to continue the staff presentation.

Ms. Beekman stated this has been developed over multiple work sessions. City Staff has had multiple discussions with the City Council relating to affordable housing policies and programs. The City is currently working with the Center for Urban and Regional Affairs and Research in Action on a citywide housing study. It is a priority to support current residents without alienating them. That work is completed its engagement phase and is anticipated to be completed in early 2022. The deliverables from the study will be used to complete a Housing Policy Action Plan to address the housing priorities in the city. Staff is anticipating moving forward with programs and policies based on the results of that study. However, Brooklyn Center and the Twin Cities region are facing continued and extremely low vacancy rates. Estimates show the region will be short by 40,000 housing units by 2040, so there is a desperate need for new housing.

Ms. Beekman showed a slide with a map depicting ten core-based statistical areas with the lowest vacancy rates. According to a recent 2020 Census Report, the Twin Cities has the lowest vacancy rate among the 30 largest U.S. cities. She noted this disparity promotes the power gap as there are fewer choices for renters.

Ms. Beekman noted Staff has been working closely with the City Attorney's office to draft an ordinance relating to tenant protections. This ordinance was created to include multiple areas of concern from tenants such as just cause non-renewal, pre-eviction notices, maintenance fees, damage deposits, material changes to the lease, and discrimination relating to public assistance status. Based on the current low vacancy rates and the urgency created by the phasing out of the pandemic's eviction moratorium, Staff thought it to be necessary to expedite the tenant protection ordinance relating specifically to items addressing displacement, particularly evictions and non-renewals. Putting anti-displacement measures into effect sooner rather than later is intended to get ahead of a growing problem and provide renters with more leverage in their negotiations with landlords.

Ms. Beekman stated there are three provisions addressed in the ordinance. The first is a pre-eviction filing notice which requires 30 days written notice before filing an eviction. The timeline would allow the tenant to be notified of imminent eviction and for the tenant and landlord to come to some sort of understanding or agreement such as fixing a behavior. Another benefit is this process could help tenants avoid receiving a negative mark on their record for receiving an eviction, which makes future rental more difficult down the line. Evictions would be restricted to non-payment of rent or material breach of the lease.

Ms. Beekman explained the ordinance also includes a just cause non-renewal which establishes requirements that prevent a property owner or property manager from non-renewing an existing tenant lease without just cause. Non-renewals have been used instead of evictions to eliminate less desirable tenants. She added they have seen more property maintenance violations in recent years, so they know that is a concern for tenants. Just causes for non-renewals would include non-payment of rent, material noncompliance, refusal to renew, occupancy by the property owner or family member, building demolishing or conversion, rehabilitation or renovation, complying with

a government order to vacate, or occupancy conditioned on employment. The landlord would have to provide evidence for which cause resulted in the non-renewal.

Ms. Beekman stated another provision includes private enforcement where a tenant or former tenant of an affordable housing unit harmed by an owner in violation of this ordinance may bring an action against the owner in district court. A waiver is not allowed by a tenant to waive their rights under the new ordinance. This would allow people to remedy violations that have occurred.

Ms. Beekman stated the Brooklyn Center Housing Commission met on October 19, 2021, and discussed the proposed tenant protection ordinance. The Housing Commission received feedback from multiple Housing Advocacy Groups including African Career, Education, and Resource, HomeLine, and the Housing Justice Center as well as numerous Brooklyn Center tenants. It was strongly recommended from all agencies and tenants to expedite and approve the ordinance specifically relating to evictions and non-renewals. Further, the Housing Commission has unanimously approved a recommendation to approve the proposed ordinance before the Council.

Ms. Beekman explained the recommended action is to approve the first reading of the ordinance at the current meeting and hold a public hearing with a second reading at a later date. She added they have been working with housing advocacy groups and a couple of the partners are present at the meeting to answer any questions.

City Attorney Tony Gilchrist stated the actual action would be to adopt the Resolution approving the first reading.

Mayor Elliott noted he was very proud of the work Staff has done to develop the ordinance.

Councilmember Graves stated if the Council is open to it, perhaps they could open the floor to the public for comment. Mr. Gilchrist stated the Resolution was to approve the first reading and to set a public hearing to include a second reading, so there is a formal hearing that will be held on December 13. He explained they could still open public comment that evening if Council would like.

Mayor Elliott stated he would recommend taking comments from Council first then consider opening the floor for public comment.

Councilmember Ryan stated he can appreciate the public's comment, but he would like to recognize the ordinances that promote effective time management for the Council. Considering they have a work session, he recommended they leave the public comment for the public hearing on December 13, 2021. Councilmember Ryan added he appreciates the spirit of the ordinance.

Mayor Elliott agreed it was getting late. Councilmember Graves stated she would agree to limit the discussion of the topic by the public until a later date.

Councilmember Butler thanked everyone who had a hand in putting together the ordinance. Mayor Elliott added they have heard from many residents that this type of policy is desperately needed. As noted by Ms. Beekman, the condition has been made worse due to the pandemic. Mayor Elliott

explained he has heard from the public that there are evictions used as retaliation for requesting basic maintenance.

Mayor Elliott moved and Councilmember Graves seconded to adopt RESOLUTION NO. 2021-142 approving the first reading of an Ordinance 2021-05 Amending Chapter 12 of the city code of ordinances regarding tenant protections and hold a public hearing and second reading to be held on December 13, 2021.

Motion passed unanimously.

11. COUNCIL REPORT

None.

12. ADJOURNMENT

Mayor Elliott moved and Councilmember Graves seconded adjournment of the City Council meeting at 9:37 p.m.

Motion passed unanimously.

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
NOVEMBER 8, 2021
VIA ZOOM

CALL TO ORDER

The Brooklyn Center City Council/Economic Development Authority (EDA) met in Work Session called to order by Mayor/President Mike Elliott at 9:38 p.m.

ROLL CALL

Mayor/President Mike Elliott and Councilmembers/Commissioners Marquita Butler, April Graves, Kris Lawrence-Anderson, and Dan Ryan. Also present were City Manager Reggie Edwards, and City Clerk Barb Suci.

DISCUSSION OF PERMANENT FENCE

City Manager Reggie Edwards introduced the topic and explained during the City Council/EDA meeting on Monday, October 25 the issue of an addition to the existing permanent fence located at the police station was raised by a resident. The Council/EDA asked for information regarding the fence. The City Manager indicated he would provide information to the concerned resident and the Council/EDA. On Monday, November 1, the City Council/EDA directed staff to add the fence to the work session as part of the agenda for the upcoming City Council/EDA meeting on November 8, 2021.

Dr. Edwards showed a slide with a picture of the current temporary fence and another picture of the permanent fence. Currently, the City has multiple facilities that are fenced including the water treatment plant, public works garage, water towers, Center Brook Golf Course, and miscellaneous park spaces. The idea of adding a fence to the Police Department has included years of discussion totaling nearly a decade. Additionally, there were requests from the community for the fence in April 2021.

Dr. Edwards stated currently there is permanent fencing surrounding three sides and temporary fencing in the front of the Police Station. The proposed addition would be on the front side of the facility and would connect the current permanent fence. The total cost of the project is estimated to be \$190,000 and there is a federal grant of \$150,000 which covers 79 percent of the project. He explained the federal grant is through the Urban Area Security Initiative Grant Program and is administered by the State. The grant was submitted in April 2021. The remaining portion of the project would be funded by forfeiture funds. Dr. Edwards noted the temporary fences cost about \$10,000 per month.

Dr. Edwards stated the rationale for the fence is to improve the safety of the public facility and staff. The staff includes administrative staff and not just the law enforcement personnel. The discussion about the fence has been going on for several years, but there have never been funds available for the project. The grant funding was made available for application, so the City could finally access funds to support the project. Additionally, the fence provides de-escalation and prevention of law enforcement and protest interaction. The dual fencing was implemented during the civil unrest and has allowed for improved interactions.

Dr. Edwards stated there was a request from the Police Department in April 2021 and grant funding became available around that time. After that, there was some operational decision making and Staff sought out community feedback from neighboring properties regarding the feel, perspective, and appearance of a permanent fence. The comments were favorable and supportive of the permanent fence, especially because it was replacing the current temporary fence. Staff coordinated with replacing the inner temporary fence with a permanent fence. There was community comment during November 1, 2021, City Council/EDA meeting and Dr. Edwards received additional broad-based community feedback over the weekend of November 5. Based on the additional community feedback and unforeseen impacts, the construction of the permanent fence was suspended until after the trial of Kim Potter and further community dialogue on November 1, 2021.

Dr. Edwards explained there were lessons learned in listening to the community and Staff. There is a relationship of distrust currently, so the Staff needed a better understanding of assumptions and motives. While some members of the community may dislike police and some want to defund or make the police go away, that was not the underlying issue with the fence. Dr. Edwards stated he heard the community hearing that they want to have a relationship with the police. The fence could be seen as the Police Department distancing and separating from the community as well as armed police officers protecting themselves from protesters. There was a misunderstanding that the permanent fence was completed in preparation for the Kim Potter trial and that the construction was meant to be completed without the public knowing. In reality, it was built because several City facilities do include fencing and to improve safety for administrative personnel.

Dr. Edwards explained the community heard that symbols and images matter and are part of public safety. The community spoke up and the government responded by listening and pausing the project. Additionally, the community engaged on a routine operational matter, so Staff is reevaluating the City's process of communicating with the public. He noted the public likely would not have spoken upon a matter like this in previous years.

Dr. Edwards stated there is currently suspension of construction of a permanent until after the Kim Potter trial. The fence serves as a focal point for a deeper conversation as it is not really about the fence. The topics for deeper conversation include addressing the reality of safety measures in a work environment, the desire for a relationship between the public and law enforcement, and resident ownership and say with City facilities. Dr. Edwards noted there has been a distrust around motives for both building the fence and stopping the construction of the fence, and he looks forward to conversations about creating safety for staff and residents and building relationships throughout the community. Ultimately, Dr. Edwards sees this as an opportunity for the City.

Councilmember/Commissioner Butler thanked Dr. Edwards for the presentation. She noted Dr. Edwards' rationale for the project makes sense, but she stated how it was handled was not okay because they are not in crisis. When they were in crisis, it made sense to make moves to protect unsafe people. She explained she has never heard discussion about a fence being built during her tenure on the Council/EDA and added comparing a fence around the Police Department to other City facilities with a fence is unfair, especially given the current climate with a majority of the community feeling distrust with the Police Department. There is a feeling of the City being proactive and protecting the Police Department and its structure but left out those in the apartment building across the street who had nothing to do with the civil unrest that was happening.

Councilmember/Commissioner Butler stated the communication about the fence was subpar. The Council/EDA has received presentations on community art displays or other public construction projects that do not affect the grand scheme of things, but the fence was completely off the radar of the Council/EDA. If this grant was applied for back in May, it should have been presented to the Council/EDA at that time. Instead, it was the public who brought the construction up to the Council/EDA who had no working knowledge of the project. Councilmember/Commissioner Butler stated she has the feeling that the construction of the fence was done behind the backs of the Council/EDA. Similarly, the Police Department felt left in the dark throughout the process of developing the Dante Wright and Kobe Dimock-Heisler Community Safety & Violence Prevention Act and expressed their desire to be a part of the decision-making process for that. Councilmember/Commissioner Butler stated if Staff needs the support of the Council/EDA on something, then they need the benefit of a presentation before decisions are made. It is inappropriate to compare the building of a fence around the Police Department to other structures because they are in a new time with new dynamics in the community.

Councilmember/Commissioner Butler noted she hopes there is better communication in the future. She added she is still not in favor of the fence after hearing Dr. Edward's presentation. She agreed there should be a temporary fence around the Police Department throughout the Kim Potter trial, but stated there should be further discussion before installing a permanent fence with ample community input.

Councilmember/Commissioner Ryan asked if the immediate plan is to keep the temporary fence up throughout the Kim Potter trial. Dr. Edwards confirmed that is correct. Councilmember/Commissioner Ryan stated he can understand that measure. He added it is a real imperative to separate protestors and law enforcement. Unfortunately, what had to be erected in short order was not aesthetically pleasing. He noted it seems like what staff did to improve safety for both protestors and Police Department staff in a short time has been misconstrued as something else entirely. Councilmember/Commissioner Ryan stated he would defer to others and noted they could return to the topic when tensions have decreased. At that time, they could have a balanced, informed discussion about potential options. The bottom line is the City has an obligation to protect all of its assets.

Councilmember/Commissioner Graves stated she does not have any comments, but she would like to hear from community members.

Joy stated she heard comments that law enforcement is more vulnerable and the fence has been in the works for years. Joy asked why they waited until April 2021 to access the funding if it had been a long-awaited project. Dr. Edwards stated several sources of funding became available during the aftermath of the George Floyd trial and the civil unrest in Brooklyn Center that were previously unavailable. He added he was unsure if anyone pursued funding for a fence before his tenure.

Joy noted Dr. Edwards said there are fences around other City facilities and that employees are vulnerable. She asked why the staff wasn't working remotely and why they can't move patrol vehicles to the Public Safety Facility. Dr. Edwards stated there may be different and better alternatives or solutions that may help build relationships and improve safety at the same time, so he hopes those ideas will come forth in future discussions.

Joy stated it appears the Council/EDA was not aware of the decision, but subdivision 7 of Chapter 6.02 of the City Charter says the City Manager's role is to keep the Council/EDA fully advised. Joy asked why Council/EDA would not be fully advised on this matter. She added it begs the question about what other conversations have been taking place without the City Council/EDA's knowledge. Dr. Edwards stated there are several operational matters not brought before the Council/EDA and explained he is charged with handling the operational matters with Staff. He noted he does so to the best of his ability while maintaining the spirit of the Charter.

Joy stated she heard earlier that budget conversations had been happening since July, and she noted she was curious where the fence grant funding was on the line items.

Melissa stated this is the third time she has brought up the issues of grants and what it requires of them when they accept these grants. When they say "yes" to grants, they must ask what else they are saying "yes" to. For example, the Department of Justice grants attach a federal notice where it requires the City and law enforcement to work with and provide information to Immigration and Customs Enforcement. She explained they have taken those grants in the past which requires the City to have a cooperative relationship with Immigration and Customs Enforcement. Melissa asked what having the grant for the fence requires the City to do and noted if a new presidential group comes to power, then there could be a change in the requirements. Such changes would seriously affect undocumented or under-documented members of Brooklyn Center. She added she would like to see the signed paperwork for the grant to ensure that it does not require the City to work with Immigration and Customs Enforcement. Additionally, she encouraged the Council/EDA to deny engaging with grant programs that support the work of Immigration and Customs Enforcement.

Melissa asked why this grant didn't need to be approved by City Council/EDA when all of the other grants have required approval from the Council/EDA. She noted it is concerning that this grant was not presented to the Council/EDA. In the future, there could be a resolution to ensure certain grants must be presented to and discussed by the Council/EDA.

Melissa asked where the additional \$40,000 for the fence is coming from. She thanked Councilmembers that have fielded emails from residents concerned about the fence. Melissa explained people are very scared about going to the Police Department.

Melissa stated while she can only speak for herself, she explained while she and her family were in the process of becoming documented citizens, they were extremely fearful to advocate for themselves. There is already a barrier for immigrants to access City services and to overcome the differences between their previous and current governments. She asked if the goal as a City is to build bridges, then why are they building fences. The City has improved the U-Visa process which allows victims of domestic violence to receive help in the application process, but if someone is afraid to go to the Police Department to get those documents filed, that means the difference between being safe or unsafe. The fence is another layer of a barrier for community members, whether they are immigrants or domestic abuse survivors, and that is very important in promoting public safety.

Melissa stated there was a question posed at a recent Multicultural Advisory Committee about when the temporary barrier would go down. The response was when the permanent barrier goes up. She explained that communicates that whoever is in that building doesn't feel safe with the rest of the community because the temporary barrier was brought up during civil unrest - civil unrest which was a result of a misbehaving member of the Police Department. The chaos was caused by someone being killed by a member of law enforcement, so it's frightening to think of living in a permanent war zone. She asked what the intention is behind the action and if it means the City is going to allow the misbehavior by law enforcement to continue or that something similar may happen again. Melissa stated she cannot stand for that option. Unless there is some new use for the fence such as to surround a basketball court for youth to play with the police or other creative use, then it's unhelpful. This is the opposite of people saying they hate the police, but they want open communication. She added knows the intent was not negative, but the impact is negative.

Councilmember/Commissioner Ryan thanked Melissa for her comments. He stated he hopes staff can address her wide range of comments in a report that helps the Council/EDA and the Staff to make these decisions more seriously while respecting the various positions. While the fence was well-intended, it was ultimately misplaced. Councilmember/Commissioner Ryan asked Dr. Edwards to have his communication staff shine more light on the positive intentions of police officers, such as their recent trip to visit the elderly in the community. He added the extraordinary scrutiny is understandable considering the time they are in, but the City needs to work on addressing the impacts of its decisions on the community. Councilmember/Commissioner Ryan stated he supports Staff's recommendation to keep the temporary fence up during the Kim Potter trial, but he would like to defer discussion on a permanent fence to a later date.

Brett asked if a permanent fence is more cost-effective in the long-term, then should the City consider having a permanent fence in place rather than spending more money on temporary fencing.

Mayor/President Elliott stated he believes they should take a look at the grant agreement and asked Dr. Edwards to email the grant agreement to the Council/EDA. He noted Melissa raised important concerns, and he was also concerned that he hasn't seen or signed off on the grant. He added it is important for Dr. Edwards to bring grants of this size to the Council/EDA. This discussion underscores the important time they are in.

Mayor/President Elliott noted he has read up on uprisings, and people have consistently responded to uprisings of Black folks in America with more militarization, armor, and fortification of urban police departments. He stated this is a sobering moment for all of them, and they need to ask how they can continue to move forward in ways that can help the City deal with the quagmire that the entire United States of America continues to be stuck in.

ADJOURNMENT

Mayor/President Elliott moved and Councilmember/Commissioner Graves seconded adjournment of the City Council/Economic Development Authority Work Session at 10:38 p.m.

Motion passed unanimously.

Council Regular Meeting

DATE: 11/22/2021

TO: City Council

FROM: Dr. Reggie Edwards, City Manager

THROUGH: N/A

BY: Alix Bentrud, Deputy City Clerk

SUBJECT: Approval of Licenses

Requested Council Action:

- Motion to approve the licenses as presented.

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.

Gasoline Service Station

Royalty & Sons / Soad Dahdal	6044 Brooklyn Blvd
DBA Brooklyn BP	Brooklyn Center MN 55429

Liquor License Club

American Legion Post 630	6110 Brooklyn Blvd
	Brooklyn Center MN 55429

Liquor License Off-Sale 3.2%

Diamond Lake 1994 Inc	3245 Co Rd No 10
DBA Cub Foods	Brooklyn Center MN 55429

Liquor License On-Sale 3.2%

Brooklyn Center Restaurant Inc	5524 Brooklyn Blvd
DBA 50's Grill	Brooklyn Center MN 55429
Davanni's Inc	5937 Summit Dr
DBA Davanni's Pizza & Hot Hoagies	Brooklyn Center MN 55430

Liquor Licenses On-Sale Intoxicating

Apple Minnesota Partners Inc	1400 Shingle Creek Crossing
DBA Applebee's Neighborhood Grill	Brooklyn Center MN 55430
Bayou Crab Shack	1360 Shingle Creek Crossing

DBA Captain Crab	Brooklyn Center MN 55430
Brooklyn Hotel Partners	6300 Earle Brown Drive
DBA Embassy Suites	Brooklyn Center MN 55430
Jambo Africa Restaurant and Bar	1601 Freeway Blvd Brooklyn Center MN 55430

-
Liquor Licenses On-Sale Intoxicating Sunday

American Legion Post 630	6110 Brooklyn Blvd Brooklyn Center MN 55429
Apple Minnesota Partners Inc	1400 Shingle Creek Crossing
DBA Applebee's Neighborhood Grill	Brooklyn Center MN 55430
Bayou Crab Shack	1360 Shingle Creek Crossing
DBA Captain Crab	Brooklyn Center MN 55430
Brooklyn Hotel Partners	6300 Earle Brown Drive
DBA Embassy Suites	Brooklyn Center MN 55430
Jambo Africa Restaurant and Bar	1601 Freeway Blvd Brooklyn Center MN 55430

-
Liquor On-Sale Wine

Brooklyn Center Restaurant Inc	5524 Brooklyn Blvd
DBA 50's Grill	Brooklyn Center MN 55429
Davanni's Inc	5937 Summit Dr
DBA Davanni's Pizza & Hot Hoagies	Brooklyn Center MN 55430

-
Mechanical Licenses

All Pride Plumbing	21930 Heidelberg St NE Stacy MN 55079
Wencl Services	8148 Pillsbury Ave S Bloomington MN 55420
Wenzel Heating & A/C.	4145 Old Sibley Memorial Hwy Eagan MN 55122

Tobacco Related Products

Holiday Stationstores	6890 Shingle Creek Pkwy Brooklyn Center MN 55430
Royalty & Sons / Soad Dahdal	6044 Brooklyn Blvd
DBA Brooklyn BP	Brooklyn Center MN 55429

Budget Issues:

Inclusive Community Engagement:

Antiracist/Equity Policy Effect:

ATTACHMENTS:

Description	Upload Date	Type
Rental Criteria	3/16/2021	Backup Material
Rental Dwelling Licenses 11/22/2021	11/17/2021	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

Council Regular Meeting

DATE: 11/22/2021

TO: City Council

FROM: Dr. Reggie Edwards, City Manager

THROUGH: N/A

BY: Michael Marsh, Acting Director of Public Works

SUBJECT: Resolution Accepting Bid and Awarding a Contract, Improvement Project No. 2021-18,
Lift Station 8 Rehabilitation Project

Requested Council Action:

- Motion to approve the resolution accepting the lowest responsible bid and award a contract to Pember Companies, Inc. for Improvement Project No. 2021-18, Lift Station 8 Rehabilitation Project.

Background:

Bids for the Lift Station 8 Rehabilitation Project were received and opened on November 12, 2021. Five bids were received and results are tabulated below:

Bidder	Amount
Pember Companies, Inc.	\$302,175.00
Magney Construction, Inc.	\$355,600.00
Meyer Contracting Inc.	\$356,745.00
Vinco, Inc.	\$387,300.00
Park Construction Company	\$432,500.00

Of the five bids received, the lowest bid of \$302,175.00 was submitted by Pember Companies, Inc. of Menomonie, Wisconsin. This contractor has the experience, equipment and capacity to qualify as the lowest responsible bidder for the project. The city's consultant, TKDA, recommends awarding a contract to Pember Companies, Inc.

Budget Issues:

The total estimated budget including contingencies, administration, engineering and legal was \$442,000 and is amended to \$382,519.00, an approximate 13.5 percent decrease from the originally budgeted amount (see attached Resolution – Costs and Revenues tables). Funding for this project is under the Sanitary Sewer Utility Fund.

Inclusive Community Engagement:

N/A

Antiracist/Equity Policy Effect:

N/A

Strategic Priorities and Values:

Key Transportation Investments

ATTACHMENTS:

Description	Upload Date	Type
Resolution	11/15/2021	Cover Memo
Bid Tab	11/15/2021	Cover Memo
Award Letter	11/15/2021	Cover Memo

Member introduced the following resolution and moved its adoption:

RESOLUTION NO. _____

RESOLUTION ACCEPTING BID AND AWARDING A CONTRACT,
IMPROVEMENT PROJECT NO. 2021-18, LIFT STATION 8
REHABILITATION PROJECT

WHEREAS, pursuant to an advertisement for bids for Improvement Project No. 2021-18, bids were received, opened and tabulated on the 12th day of November, 2021. Said bids were as follows:

Bidder	Amount
Pember Companies, Inc.	\$302,175.00
Magney Construction, Inc.	\$355,600.00
Meyer Contracting Inc.	\$356,745.00
Vinco, Inc.	\$387,300.00
Park Construction Company	\$432,500.00

WHEREAS, the city's consultant, TKDA, recommends that the contract be awarded based on the total bid;

WHEREAS, it appears that Pember Companies, Inc. of Menomonie, Wisconsin 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 Pember Companies, Inc. of Menomonie, Wisconsin in the name of the City of Brooklyn Center, for Improvement Project No. 2021-18, 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:

<u>COSTS</u>	<u>Estimated</u>	<u>Amended per Low Bid</u>
Construction Cost	\$ 360,000	\$ 302,175.00
Engineering and Administrative	\$ 42,000	\$ 40,344.00
Contingency	\$ 40,000	\$ 40,000.00
TOTAL	\$ 442,000	\$ 382,519.00

<u>REVENUES</u>	<u>Estimated</u>	<u>Amended per Low Bid</u>
Sanitary Sewer Utility	\$ 442,000	\$ 382,519.00

RESOLUTION NO. _____

November 22, 2021

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.

TABULATION OF BIDS
 Lift Station No. 8 Improvements
 Brooklyn Center, MN
 City Project No. 2021-18
 12-Nov-21



ITEM NO.	DESCRIPTION	QUANTITY	UNIT	ENGINEER'S ESTIMATE		Magney Construction, Inc.		Meyer Contracting, Inc.		Park Construction Company		Pember Companies, Inc.		Venco, Inc.	
				UNIT PRICE	TOTAL AMOUNT	UNIT PRICE	TOTAL AMOUNT	UNIT PRICE	TOTAL AMOUNT	UNIT PRICE	TOTAL AMOUNT	UNIT PRICE	TOTAL AMOUNT	UNIT PRICE	TOTAL AMOUNT
1	Base Bid - Lift Station Improvements	1	LS	\$ 180,000.00	\$ 180,000.00	\$ 136,000.00	\$ 136,000.00	\$ 132,000.00	\$ 132,000.00	\$ 210,000.00	\$ 210,000.00	\$ 96,775.00	\$ 96,775.00	\$ 194,300.00	\$ 194,300.00
2	Furnish and Install Submersible Pump	2	EA	\$ 22,500.00	\$ 45,000.00	\$ 22,500.00	\$ 45,000.00	\$ 30,000.00	\$ 60,000.00	\$ 18,500.00	\$ 37,000.00	\$ 15,000.00	\$ 30,000.00	\$ 16,500.00	\$ 33,000.00
3	Painting and Coatings	1	LS	\$ 25,000.00	\$ 25,000.00	\$ 28,000.00	\$ 28,000.00	\$ 29,000.00	\$ 29,000.00	\$ 26,000.00	\$ 26,000.00	\$ 26,000.00	\$ 26,000.00	\$ 30,000.00	\$ 30,000.00
4	Electrical and Controls	1	LS	\$ 75,000.00	\$ 75,000.00	\$ 115,000.00	\$ 115,000.00	\$ 104,500.00	\$ 104,500.00	\$ 121,000.00	\$ 121,000.00	\$ 110,500.00	\$ 110,500.00	\$ 95,000.00	\$ 95,000.00
5	Electrical Generator	1	LS	\$ 95,000.00	\$ 95,000.00	\$ 29,000.00	\$ 29,000.00	\$ 26,000.00	\$ 26,000.00	\$ 26,500.00	\$ 26,500.00	\$ 36,600.00	\$ 36,600.00	\$ 30,000.00	\$ 30,000.00
6	Resoration	1	LS	\$ 5,000.00	\$ 5,000.00	\$ 2,600.00	\$ 2,600.00	\$ 5,245.00	\$ 5,245.00	\$ 12,000.00	\$ 12,000.00	\$ 2,300.00	\$ 2,300.00	\$ 5,000.00	\$ 5,000.00
TOTAL BID					\$ 425,000.00		\$ 355,600.00		\$ 356,745.00		\$ 432,500.00		\$ 302,175.00		\$ 387,300.00



444 Cedar Street, Suite 1500
Saint Paul, MN 55101
651.292.4400
tkda.com

November 12, 2021

Mr. Michael Weber
City of Brooklyn Center
6844 Shingle Creek Parkway
Brooklyn Center, MN 55430

Re: Lift Station No. 8 Improvements
City Project No. 21-18

Dear Mr. Weber:

Bids for the above referenced project were received on November 12, 2021 from five bidders; the results are summarized in the Bid Tab attached.

Pember Companies, Inc. was the low bidder for the base bid. Based on Pember Companies capabilities and previous project experience they are qualified to complete the work. TKDA recommends that Brooklyn Center award the project to Pember Companies. and that the City proceed with the Project at a cost of \$302,175.

Please do not hesitate to call me if you have questions or require additional information.

Sincerely,

Daniel Nesler, P.E.
Project Manager

TABULATION OF BIDS

Lift Station No. 8 Improvements
 Brooklyn Center, MN
 City Project No. 2021-18
 12-Nov-21



ITEM NO.	DESCRIPTION	QUANTITY	UNIT	ENGINEER'S ESTIMATE		Magney Construction, Inc.		Meyer Contracting, Inc.		Park Construction Company		Pember Companies, Inc.		Vinco, Inc.	
				UNIT PRICE	TOTAL AMOUNT	UNIT PRICE	TOTAL AMOUNT	UNIT PRICE	TOTAL AMOUNT	UNIT PRICE	TOTAL AMOUNT	UNIT PRICE	TOTAL AMOUNT	UNIT PRICE	TOTAL AMOUNT
1	Base Bid - Lift Station Improvements	1	LS	\$ 180,000.00	\$ 180,000.00	\$ 136,000.00	\$ 136,000.00	\$ 132,000.00	\$ 132,000.00	\$ 210,000.00	\$ 210,000.00	\$ 96,775.00	\$ 96,775.00	\$ 194,300.00	\$ 194,300.00
2	Furnish and Install Submersible Pump	2	EA	\$ 22,500.00	\$ 45,000.00	\$ 22,500.00	\$ 45,000.00	\$ 30,000.00	\$ 60,000.00	\$ 18,500.00	\$ 37,000.00	\$ 15,000.00	\$ 30,000.00	\$ 16,500.00	\$ 33,000.00
3	Painting and Coatings	1	LS	\$ 25,000.00	\$ 25,000.00	\$ 28,000.00	\$ 28,000.00	\$ 29,000.00	\$ 29,000.00	\$ 26,000.00	\$ 26,000.00	\$ 26,000.00	\$ 26,000.00	\$ 30,000.00	\$ 30,000.00
4	Electrical and Controls	1	LS	\$ 75,000.00	\$ 75,000.00	\$ 115,000.00	\$ 115,000.00	\$ 104,500.00	\$ 104,500.00	\$ 121,000.00	\$ 121,000.00	\$ 110,500.00	\$ 110,500.00	\$ 95,000.00	\$ 95,000.00
5	Electrical Generator	1	LS	\$ 95,000.00	\$ 95,000.00	\$ 29,000.00	\$ 29,000.00	\$ 26,000.00	\$ 26,000.00	\$ 26,500.00	\$ 26,500.00	\$ 36,600.00	\$ 36,600.00	\$ 30,000.00	\$ 30,000.00
6	Resoration	1	LS	\$ 5,000.00	\$ 5,000.00	\$ 2,600.00	\$ 2,600.00	\$ 5,245.00	\$ 5,245.00	\$ 12,000.00	\$ 12,000.00	\$ 2,300.00	\$ 2,300.00	\$ 5,000.00	\$ 5,000.00
TOTAL BID					\$ 425,000.00		\$ 355,600.00		\$ 356,745.00		\$ 432,500.00		\$ 302,175.00		\$ 387,300.00

Council Regular Meeting

DATE: 11/22/2021

TO: City Council

FROM: Dr. Reggie Edwards, City Manager

THROUGH: N/A

BY: Todd Berg, Fire Chief

SUBJECT: Accepting Bid and Award contract for Diesel Exhaust capture system for both fire stations

Requested Council Action:

- Motion to approve the lowest responsible bid and award a contract to TNC Industries, Inc. for the vehicle exhaust capture systems for both fire stations.

Background:

Bids for the vehicle exhaust capture system were advertised, received, and opened on October 29th, 2021. One bid was received and listed below:

Bidder	Amount
TNC Industries	\$119,972

There was one bid of \$119,972 was submitted by TNC Industries, Inc. of Wayzata, Minnesota. This contractor has the experience, equipment and capacity to qualify as the lowest responsible bidder for the project. The deputy fire chief, recommends awarding a contract to TNC Industries, Inc.

Budget Issues:

The total budget for the project is \$11,307.64. The fire department was awarded a FEMA Assistance to Firefighters Grant for the remaining cost of the project for \$113,076.36. The budgeted amount of \$11,307.64 is the city's 10% cost share required of the grant. When calculating the city's 10% cost share, we end up with a \$5,101.56 surplus of the AFG Grant. This surplus allows the department to purchase other high-priority safety equipment.

TNC Industries Contract	\$119,972.00
City of Brooklyn Center 10% cost share	- \$11,997.20
TNC Industries Contract Balance	\$107,974.80
FEMA AFG Grant	- \$113,076.36
AFG Grant Surplus	\$5,101.56

Inclusive Community Engagement:

Antiracist/Equity Policy Effect:

Strategic Priorities and Values:

Safe, Secure, Stable Community

ATTACHMENTS:

Description	Upload Date	Type
Memo	11/16/2021	Cover Memo
Resolution	11/16/2021	Resolution Letter

COUNCIL ITEM MEMORANDUM

DATE: 11/22/2021

TO: Reggie Edwards, City Manager

FROM: Todd Berg, Fire Chief

SUBJECT: Resolution Accepting Bid and Awarding a Contract, for Vehicle Exhaust Capture System for Both Fire Stations.

Recommendation:

Motion to approve the lowest responsible bid and award a contract to TNC Industries, Inc. for the vehicle exhaust capture systems for both fire stations.

Background:

Bids for the vehicle exhaust capture system were advertised, received, and opened on October 29th, 2021. One bid was received and listed below:

Bidder	Amount
TNC Industries	\$119,972

There was one bid of \$119,972 was submitted by TNC Industries, Inc. of Wayzata, Minnesota. This contractor has the experience, equipment and capacity to qualify as the lowest responsible bidder for the project. The deputy fire chief, recommends awarding a contract to TNC Industries, Inc.

Budget:

The total budget for the project is \$11,307.64. The fire department was awarded a FEMA Assistance to Firefighters Grant for the remaining cost of the project for \$113,076.36. The budgeted amount of \$11,307.64 is the city's 10% cost share required of the grant. When calculating the city's 10% cost share, we end up with a \$5,101.56 surplus of the AFG Grant. This surplus allows the department to purchase other high-priority safety equipment.

TNC Industries Contract	\$119,972.00
City of Brooklyn Center 10% cost share	- <u>\$11,997.20</u>
TNC Industries Contract Balance	\$107,974.80
FEMA AFG Grant	- <u>\$113,076.36</u>
AFG Grant Surplus	\$5,101.56

Strategic Priorities:

- Safe, Secure, Stable Community

Member

introduced the following resolution and moved its adoption:

RESOLUTION NO. _____

**RESOLUTION ACCEPTING BID AND AWARDING A CONTRACT, FOR
VEHICLE EXHAUST CAPTURE SYSTEM FOR THE FIRE STATIONS**

WHEREAS, pursuant to an advertisement for bids for a vehicle exhaust capture system, bids were received, opened and tabulated on the 29th day of October, 2021. Said bids were as follows:

Bidder	Amount
TNC Industries	\$119,972.00

WHEREAS, the deputy chief within the fire department, recommends that the contract be awarded based on the total bid;

WHEREAS, it appears that TNC Industries, Inc. of Wayzata, 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 TNC Industries, Inc. of Wayzata, Minnesota in the name of the City of Brooklyn Center, for vehicle exhaust capture system, according to the plans and specifications therefore approved by the City Council and on file in the fire department with the deputy fire chief.
2. The estimated project costs and revenues are as follows:

<u>COSTS</u>	<u>Estimated</u>	<u>Low Bid</u>
Installation and Equipment Cost	\$ 156,384	\$119,972
TOTAL	\$ 156,384	\$119,972

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:

RESOLUTION NO. _____

and the following voted against the same:

whereupon said resolution was declared duly passed and adopted.

Council Regular Meeting

DATE: 11/22/2021

TO: City Council

FROM: Dr. Reggie Edwards, City Manager

THROUGH: N/A

BY: Meg Beekman, Community Development Director

SUBJECT: Opportunity Site Pilot Project - Community Engagement Update

Requested Council Action:

~ Motion to accept the presentation

Background:

At the June 28, 2021, meeting, the City Council approved moving ahead with a community engagement process related to the Opportunity Site. The engagement process would focus on the initial pilot development project being led by developer Alatus. The engagement framework and narrative for the engagement process is attached to this memo.

The approved engagement process authorized staff to enter into contracts with up to 10 local community-based organizations to lead community engagement efforts. As part of this work, a citizen advisory taskforce was to be formed, which would distill the larger engagement efforts and work to identify a term sheet for the development, which would form the basis of a community benefits plan.

The city contracted with NEOO Partners to manage the engagement effort and provide technical assistance to the local community partners conducting the engagement work. In addition to leading their own community engagement efforts, ACER was contracted to form and facilitate the citizen advisory taskforce.

Much work has been accomplished since June. Community partners have been out in community door knocking, holding focus group sessions, and larger community listening sessions. ACER has convened the citizen advisory taskforce and they have begun their work.

NEOO Partners and ACER, Inc will be presenting an update to the Council on their work and discussing next steps this evening. They will be available for any questions as well.

Budget Issues:

Inclusive Community Engagement:

Antiracist/Equity Policy Effect:

Strategic Priorities and Values:

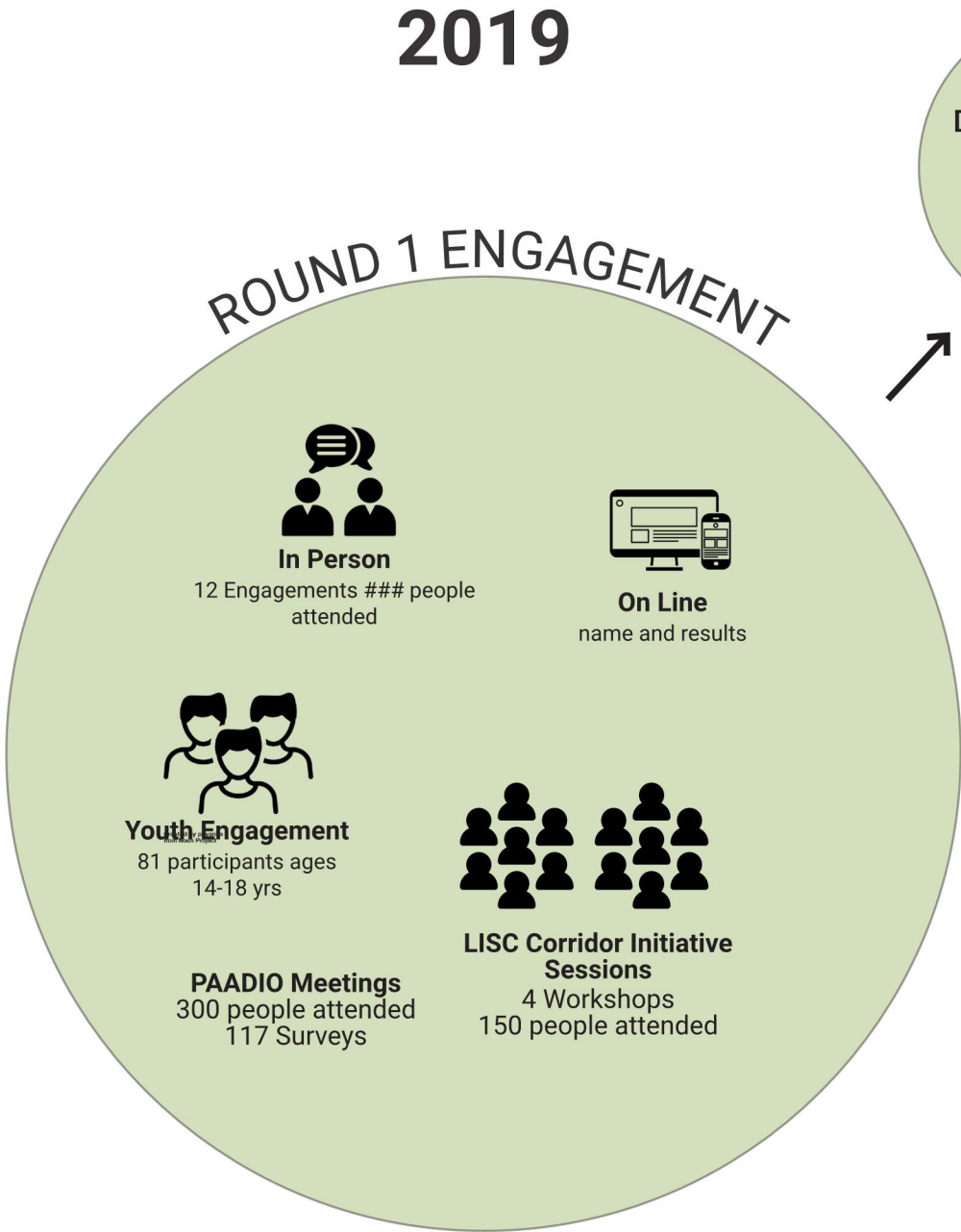
Inclusive Community Engagement

ATTACHMENTS:

Description	Upload Date	Type
Community Engagement Framework	11/16/2021	Backup Material
Community Engagement Narrative	11/16/2021	Backup Material

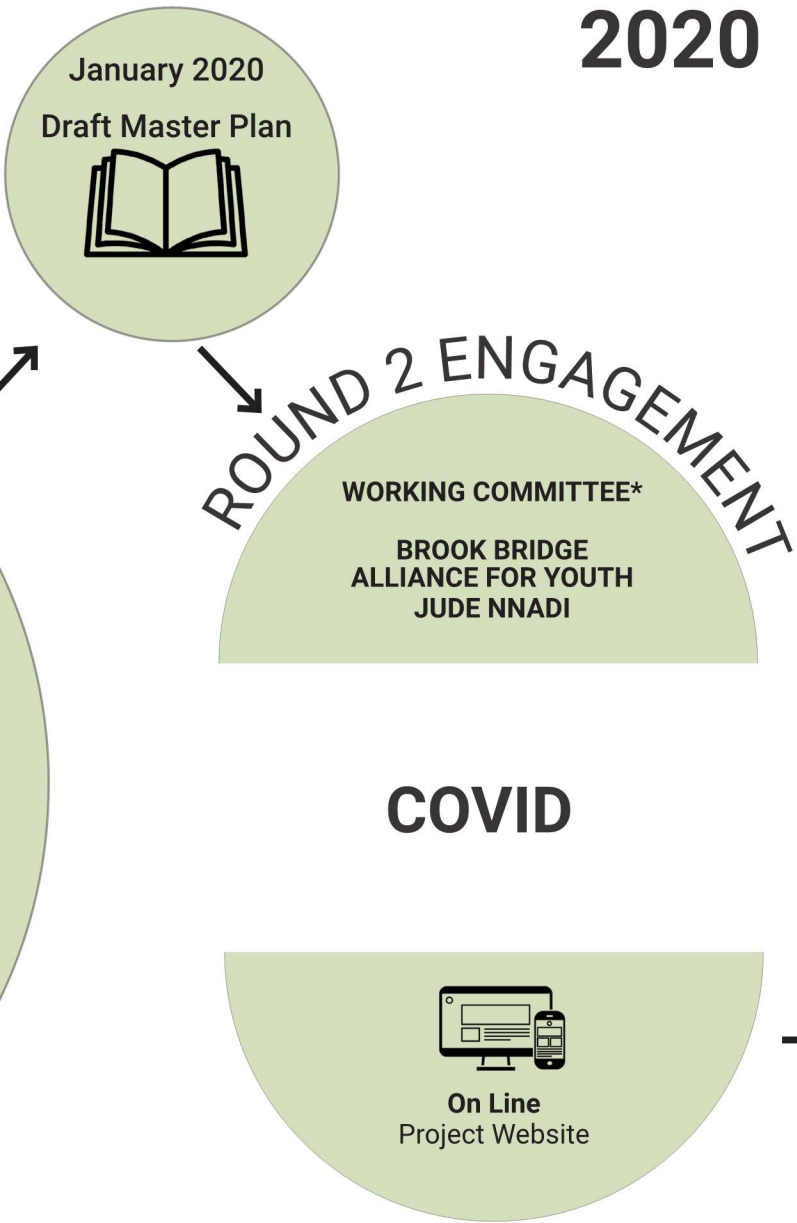
Downtown Brooklyn Center : Public Engagement Activities

2019



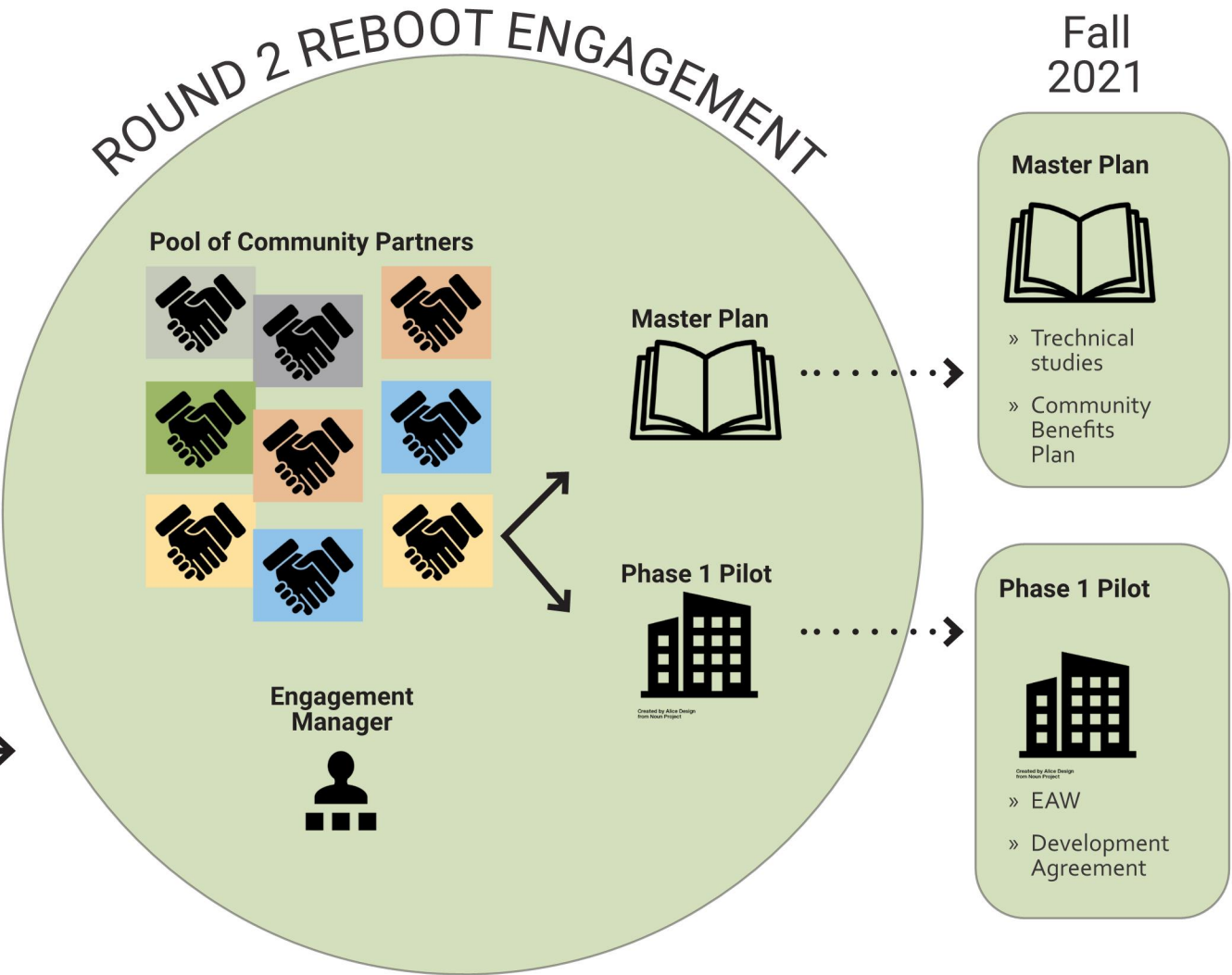
RESULTS AND OUTCOMES
> 1000 direct engagements
> 30 meetings

2020



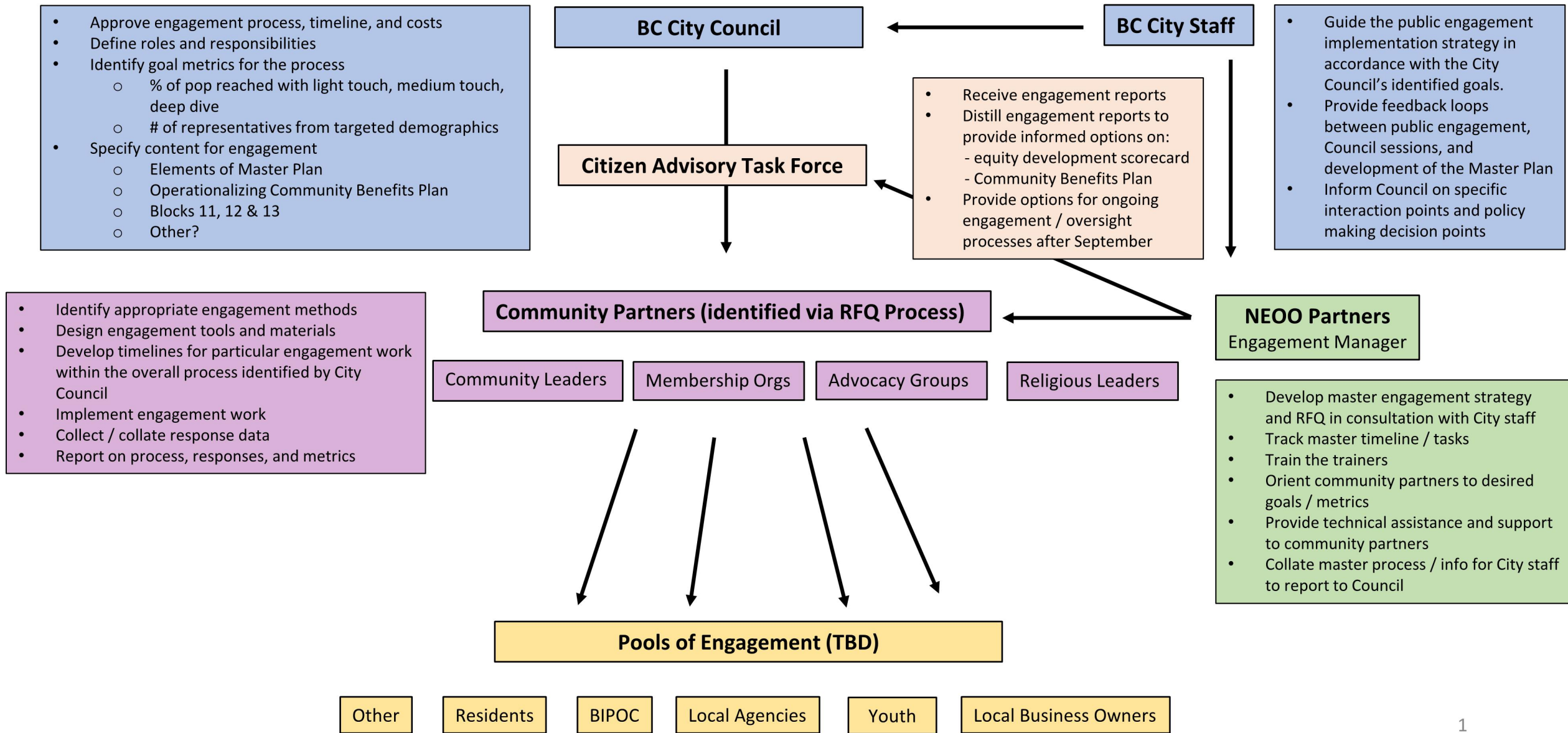
RESULTS AND OUTCOMES
2500 direct engagements
140,000 website hits

2021



* Working Committee
ACER, CAPI, OLM, LIBA, Alliance
for Metropolitan Stability, Brooklyn

Master Plan Public Engagement Framework



Potential Levels of Engagement / Methods

Light Touch (General informing w/ voluntary response)

- Update City Master Plan Website
 - Clearinghouse of info re: engagement work completed and in-process
 - Master Plan / Community Benefits
 - Option for comments via email or form
- Host Facebook Live
 - Share City staff presentations / discussions from Council work sessions
 - Collect public comments

Medium Touch (Targeted sharing w/ requested input)

- Send mailers to addresses within X radius of the Opp Site
 - Master Plan overview
 - Link to City Master Plan Website
 - QR code for survey
- Convene online forums for residents / businesses within X radius of Opp Site
 - Master Plan overview
 - Gather individual comments
 - Link to survey
- Door knocking within X geography

Deep Dive (Targeted conversations to shape outcomes)

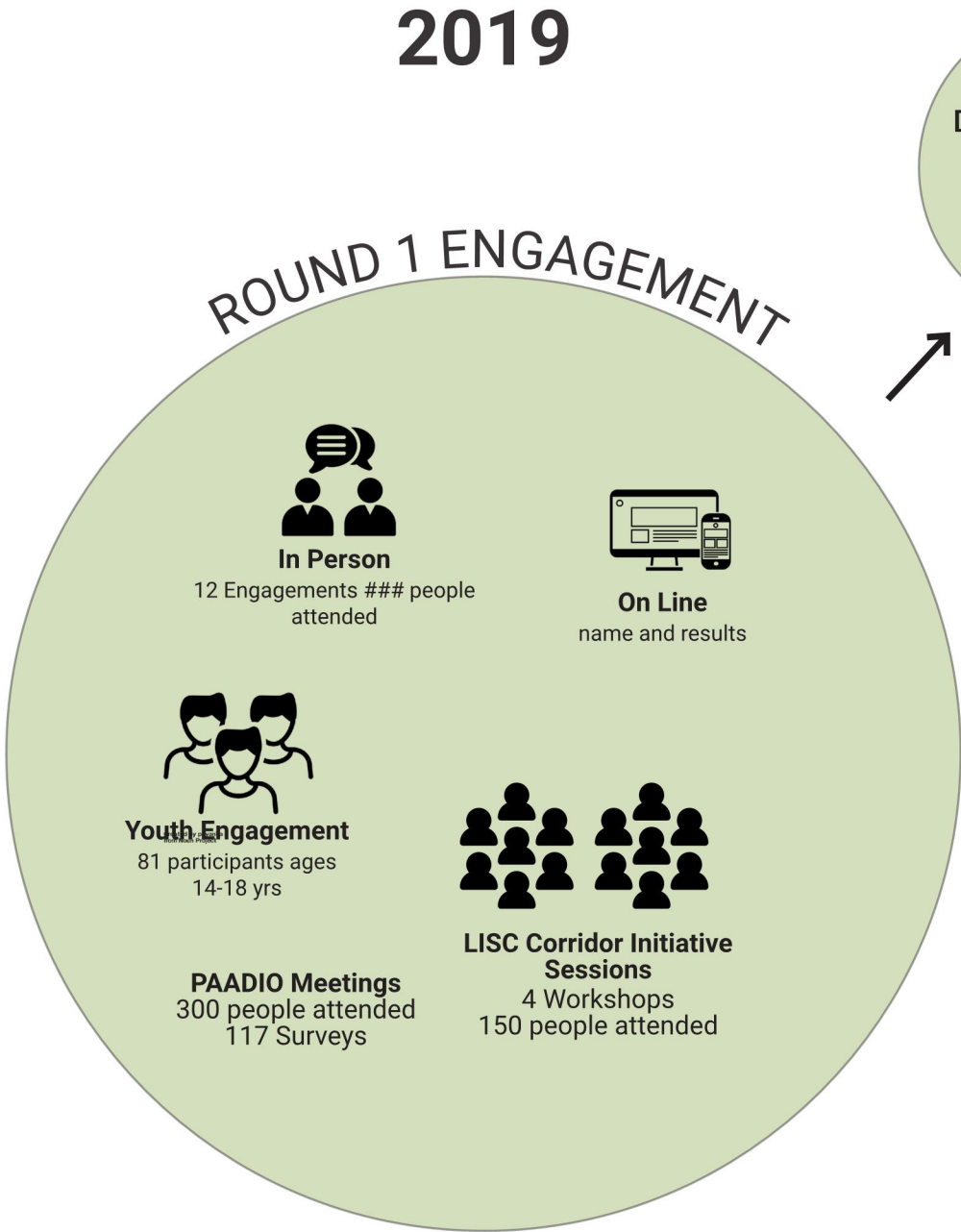
- Host focus groups with identified / specified demographic groups
 - Questions / discussions around Master Plan and Community Benefits
- Attend specific community taskforce meetings to share, ask questions, and gather input
 - School board
 - Chamber of commerce
 - Neighborhood associations
 - Rotary
 - Etc.

Public Engagement Content

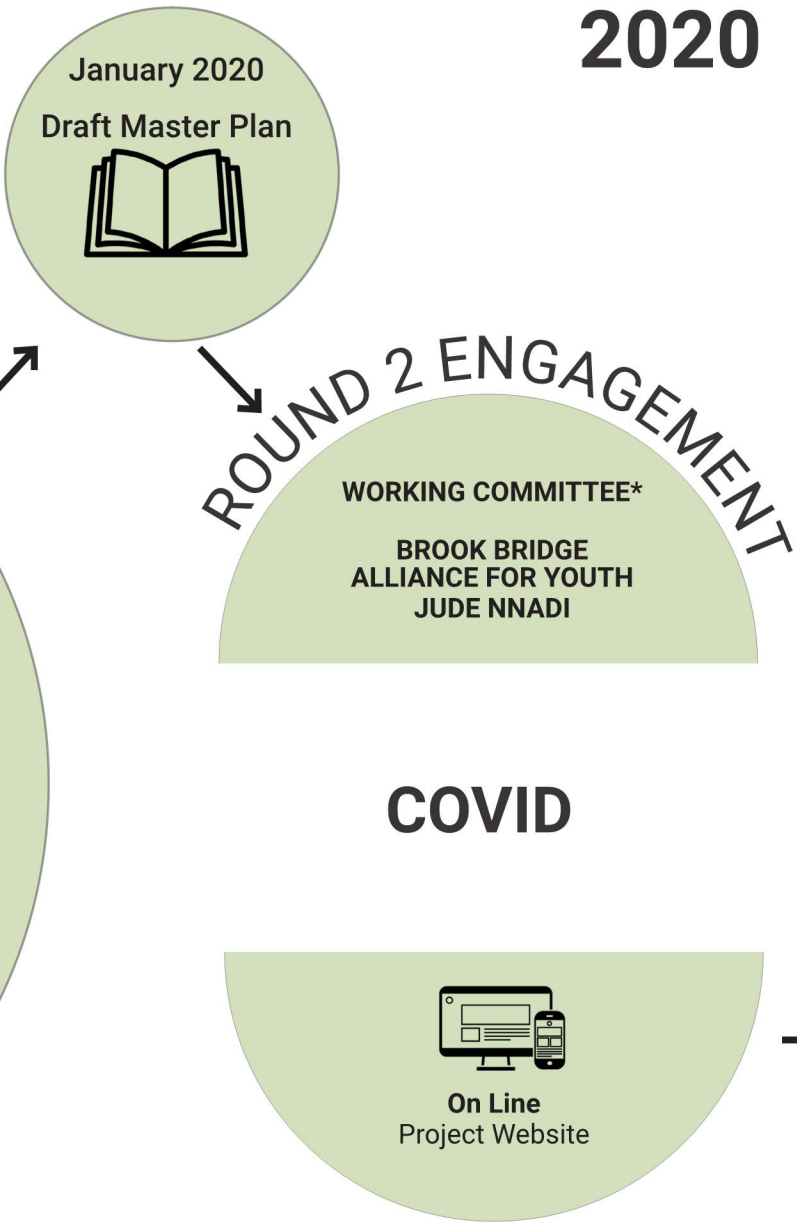
<i>History</i>	<i>Master Plan</i>	<i>Community Benefits</i>
• Land • Process • Master Plan • Phase 1	• Uses • Process • Timing • Scale • Impact • Public Spaces • Programming	• Jobs • Housing • Parks • Infrastructure • Revenues • Entrepreneurship • Others?

Downtown Brooklyn Center : Public Engagement Activities

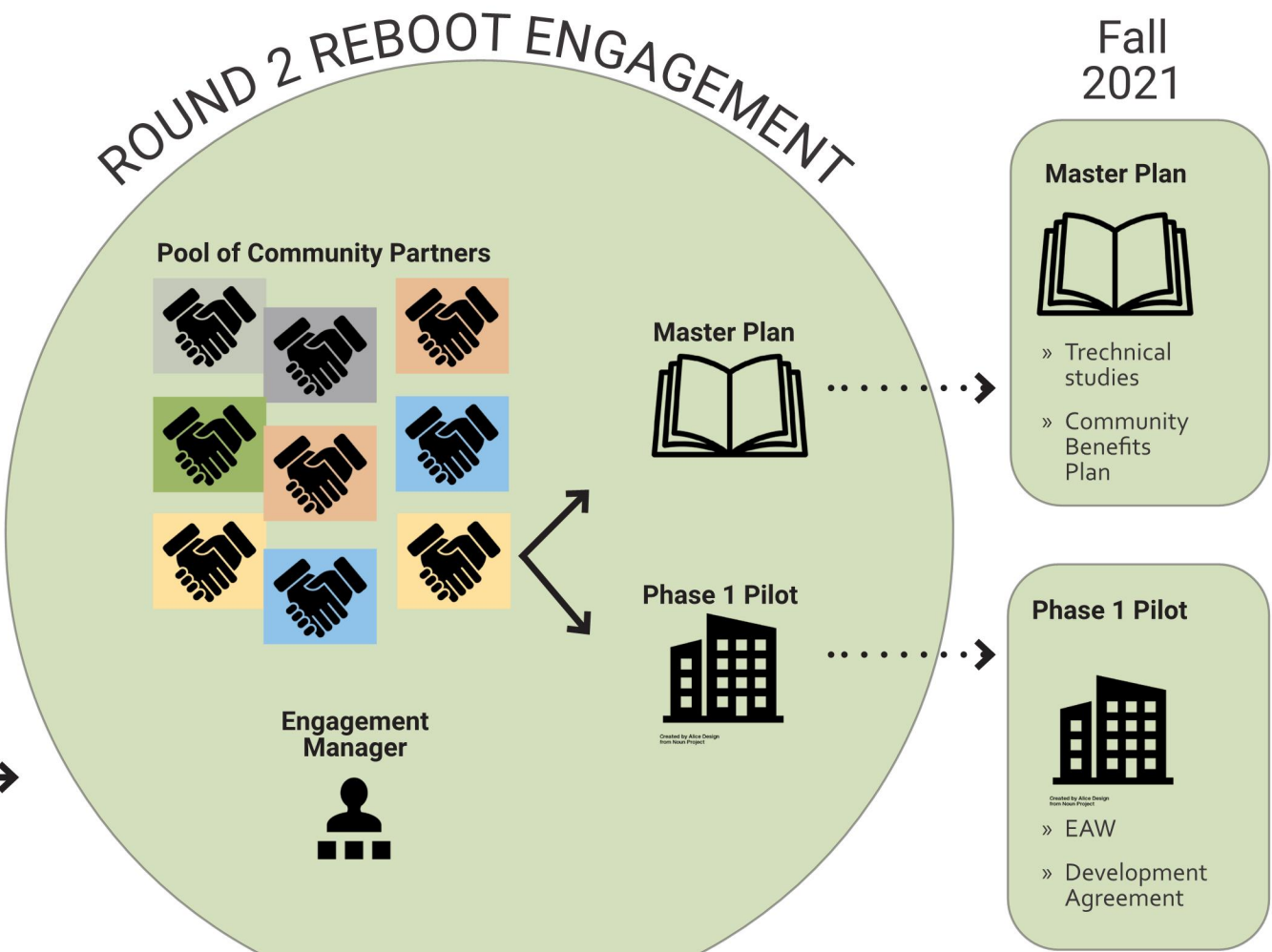
2019



2020

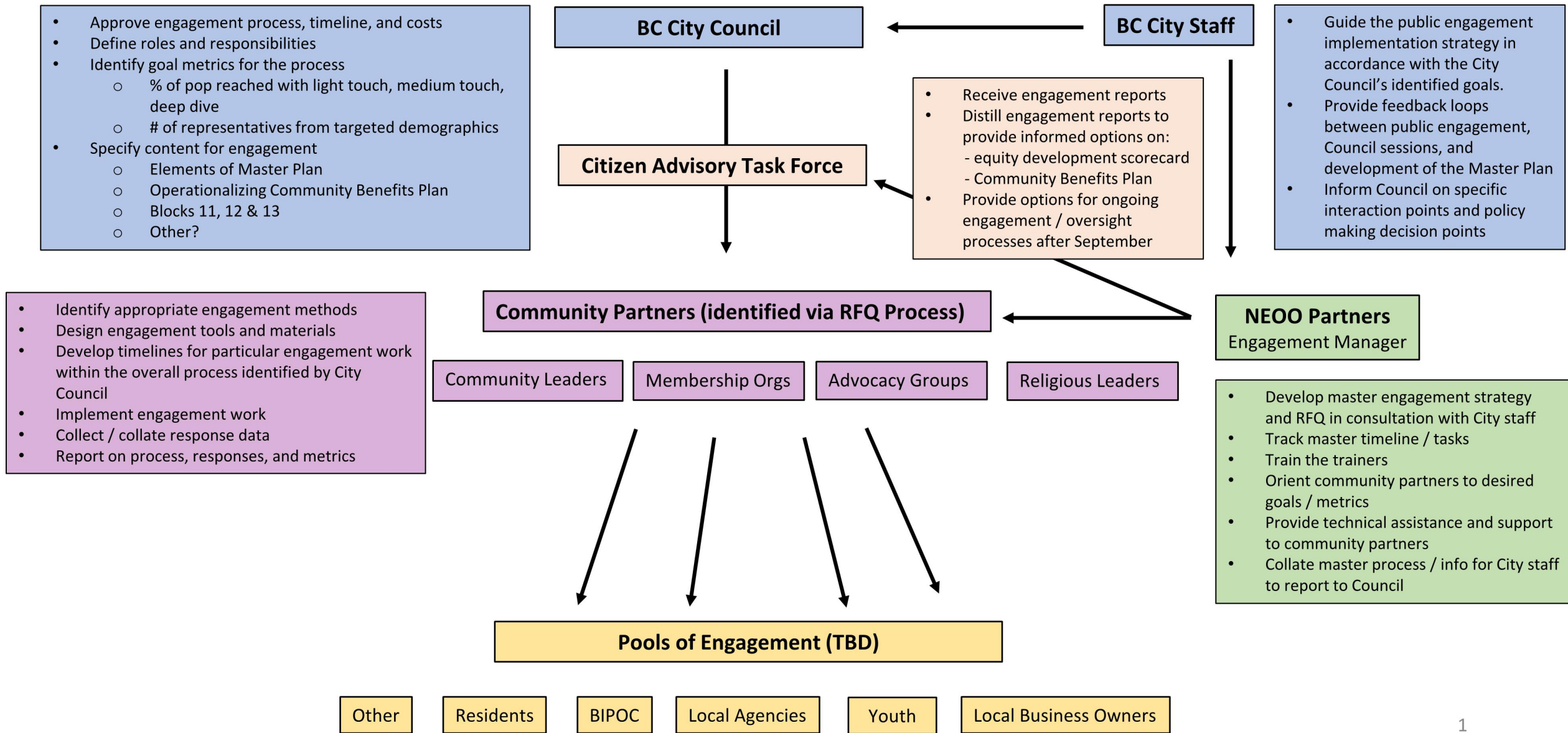


2021



* Working Committee
ACER, CAPI, OLM, LIBA, Alliance
for Metropolitan Stability, Brooklyn

Master Plan Public Engagement Framework



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Public Engagement Content

<i>History</i>	<i>Master Plan</i>	<i>Community Benefits</i>
• Land • Process • Master Plan • Phase 1	• Uses • Process • Timing • Scale • Impact • Public Spaces • Programming	• Jobs • Housing • Parks • Infrastructure • Revenues • Entrepreneurship • Others?

Council Regular Meeting

DATE: 11/22/2021

TO: City Council

FROM: Dr. Reggie Edwards, City Manager

THROUGH: N/A

BY: Meg Beekman, Community Development Director

SUBJECT: Resolution Relating to the Issuance of Conduit Revenue Bonds to Finance the Costs of a Multifamily Housing Development (The Crest Apartments Project)

Requested Council Action:

- Motion to approve a resolution reciting a proposal for a Housing Finance Program for a multiple rental housing development, approving the project and the program and authorizing the issuance of conduit multifamily housing revenue obligations and the execution of related documents (the Crest Apartments Project)

Background:

Aeon is the owner and operator of the Crest apartments, which purchased the property in 2012 and completed renovations in 2014. The Crest is a 122-unit affordable multifamily apartment building in Brooklyn Center.

At their June 28, 2021, meeting, the City Council approved a resolution (2021-83) approving the establishment of a Planned Unit Development and amendments to the City's zoning map and 2040 Comprehensive Plan to allow for the construction of a 48-unit addition to the existing 122-unit Crest Apartment building. As part of that project, Aeon intends to renovate the existing building as well.

Aeon is now requesting that the City of Brooklyn Center issue up to \$19,000,000 of tax-exempt, conduit Housing Revenue Bonds to finance the rehabilitation and new construction of the Crest Apartments. Conduit revenue bonds give the borrower access to tax exempt financing so the borrower realizes lower interest costs and the City achieves a public purpose, in this case the preservation and rehabilitation of existing affordable housing units.

If authorized by the City Council, the Bonds will be issued as conduit revenue bonds secured solely by the revenues derived from a loan agreement to be executed by Brooklyn Center and the Borrower and from other security provided by the Borrower. The lender or bondholders provide the funds for the loan, either directly or through a trustee, and Brooklyn Center assigns its rights and obligations under the Loan Agreement to the lender or the trustee.

No money actually flows through Brooklyn Center. No money or assets of Brooklyn Center would ever be pledged or available to pay the Bonds. The Bonds will not constitute general or moral obligations of Brooklyn Center and will not be secured by or payable from any property or assets of Brooklyn Center and will not be secured by any taxing power of Brooklyn Center. The Bonds will not affect any debt limitation imposed on Brooklyn Center and the issuance of the Bonds will not have any adverse impact on the credit

rating of Brooklyn Center, even in the event that Borrower encounters financial difficulties with respect to the project.

In order to proceed, Brooklyn Center needs to hold a public hearing and adopt a resolution authorizing the issuance of the Bonds, and execute various related documents, including the Bonds and the Loan Agreement. Kennedy and Graven, as bond counsel, will provide forms of resolutions and all the necessary documents. The borrower will be required to pay all the expenses of Brooklyn Center paid or incurred with respect to the Bonds and will be required to indemnify Brooklyn Center for any potential liability incurred by Brooklyn Center with respect to the Bonds, the project, and granting necessary approvals.

Budget Issues:

Inclusive Community Engagement:

Antiracist/Equity Policy Effect:

Strategic Priorities and Values:

Resident Economic Stability

ATTACHMENTS:

Description	Upload Date	Type
Resolution	11/16/2021	Resolution Letter

**CITY OF BROOKLYN CENTER, MINNESOTA
COUNTY OF HENNEPIN
STATE OF MINNESOTA**

**RESOLUTION NO. ____ RECITING A PROPOSAL FOR A HOUSING
FINANCE PROGRAM FOR A MULTIFAMILY RENTAL HOUSING
DEVELOPMENT, APPROVING THE PROJECT AND THE PROGRAM
AND AUTHORIZING THE ISSUANCE OF CONDUIT MULTIFAMILY
HOUSING REVENUE OBLIGATIONS AND THE EXECUTION OF
RELATED DOCUMENTS (THE CREST APARTMENTS PROJECT)**

WHEREAS, the City of Brooklyn Center, Minnesota (the “City”) is a home rule charter city, municipal corporation, and political subdivision duly organized and existing under the Constitution, its Charter and laws of the State of Minnesota;

WHEREAS, the 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;

WHEREAS, the issuance of the City’s revenue obligations and in the making of a loan to finance 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, without limitation under the provisions of Minnesota Statutes, Chapter 475, as amended;

WHEREAS, The Crest Apartments LLC, a Minnesota limited liability company (or another entity to be formed by Aeon, the “Borrower”), has requested that the City issue its housing revenue obligations, in one or more series (collectively, the “Note”) under the Act and lend the proceeds thereof to the Borrower to: (i) finance the acquisition of The Crest Apartments, an existing 123-unit rental housing facility located at 6221 Shingle Creek Parkway in the City, the rehabilitation thereof to include, among other things, one additional unit, and the construction and equipping of an approximately 48-unit building to be located on the same property in the City; (ii) fund one or more reserve funds to secure the timely payment of the Note, if necessary; (iii) pay interest on the Note during the construction of the Project, if necessary; and (iii) pay the costs of issuing the Note, if necessary (collectively, the “Project”);

WHEREAS, the City has prepared a housing program (the “Housing Program”) to authorize the issuance by the City of tax-exempt and taxable revenue bonds in one or more series to be issued to finance the Project in an amount not to exceed \$19,000,000;

WHEREAS, a public hearing on the Housing Program and the Project was held by the City on this same date, following duly published notice in the *Sun Post*, a newspaper of general circulation in the City, with respect to: (i) the required public hearing under Section 147(f) of the

Internal Revenue Code of 1986, as amended (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 Note;

WHEREAS, during said public hearing a reasonable opportunity was provided for interested individuals to express their views, both orally and in writing; and

WHEREAS, the City received Certificate of Allocation No. 408, dated July 6, 2021, from Minnesota Management and Budget allocating volume cap bonding authority to the City in the amount of \$19,000,000 for the Project.

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

SECTION 1. LEGAL AUTHORIZATION AND FINDINGS.

1.1 Findings. The City hereby finds, determines and declares as follows:

(a) The issuance and sale of the Note by the City, pursuant to the Act, is in the best interest of the City, and the City hereby determines to issue the Note and to sell the Note to Bridgewater Investment Management, Inc., a Minnesota corporation, or another financial institution selected by the Borrower (the “Lender”). The City will loan the proceeds of the Note (the “Loan”) to the Borrower in order to finance the Project.

(b) Pursuant to a Loan Agreement (the “Loan Agreement”) to be entered into between the City and the Borrower, the Borrower will agree to repay the Loan in specified amounts and at specified times sufficient to pay in full when due the principal of, premium, if any, and interest on the Note. In addition, the Loan Agreement contains provisions relating to the construction, maintenance and operation of the Project, indemnification, insurance, and other agreements and covenants which are required or permitted by the Act and which the City and Borrower deem necessary or desirable for the financing of the Project.

(c) Pursuant to an Assignment of Loan Agreement between the City, the Borrower and the Lender, (the “Assignment of Loan Agreement”), the City will pledge and grant a security interest in all of its rights, title, and interest in the Loan Agreement to the Lender (except for certain rights of indemnification and to reimbursement for certain costs and expenses).

(d) The obligations of the Borrower under the Loan Agreement and payment of amounts due under the Note will be secured by certain security instruments required by the Lender and in forms authorized by the Borrower to be executed by or on behalf of the Borrower in favor of the Lender, which may include: (i) a mortgage or security agreement granting a mortgage lien or security interest with respect to the Project or any portion thereof to the Lender or to the City and assigned to the Lender pursuant to an Assignment of Mortgage to be executed by the City (the “Mortgage Assignment”); (ii) one or more collateral assignments of the contracts between the Borrower and the architect and contractor with respect to the Project; (iii) one or more security agreements, guaranty

agreements, and indemnity agreements; and (iv) other security documents that are intended to ensure timely payment of the loan and the Note (collectively, the “Security Documents”).

(e) As determined by the Lender, the proceeds of the Note may be disbursed pursuant to a Disbursing Agreement (the “Disbursing Agreement”) by and among the Lender, Borrower and a title insurance company.

(f) Certain requirements of federal and state law which require that a portion of the housing units in the Project be occupied by families of low and moderate income are set forth in a Regulatory Agreement (the “Regulatory Agreement”) by and among the City, Borrower and the Lender.

(g) The Note will be a special, limited revenue obligation of the City. The Note shall not be payable from or a charge upon any funds other than the revenues pledged to the payment thereof, nor shall the City be subject to any liability thereon. No holder of the Note shall ever have the right to compel any exercise of the taxing power of the City to pay the Note or the interest thereon, nor to enforce payment thereof against any property of the City. The Note shall not constitute a debt of the City within the meaning of any constitutional, charter or statutory limitation.

(h) It is desirable, feasible and consistent with the objects and purposes of the Act to issue the Note for the purpose of financing the costs of the Project.

(i) 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.

(j) The purpose of the Project is, and the effect thereof will be, to promote the public welfare by the acquisition, rehabilitation and equipping of a facility for use as a multifamily housing development designed primarily for occupancy by persons of low and moderate income.

(k) The Act authorizes (i) the acquisition, rehabilitation and equipping of the Project, (ii) the issuance and sale of the Note, (iii) the execution and delivery by the City of related documents and the performance of all covenants and agreements of the City contained therein, and (iv) the performance of all other acts and things required under the constitution and laws of the State of Minnesota to make the Note and such agreements valid and binding obligations of the City in accordance with their terms.

(l) It is desirable that the Borrower be authorized, subject to the terms and conditions set forth in the Loan Agreement, which terms and conditions the City determines to be necessary, desirable and proper, to complete the acquisition, rehabilitation and installation of the Project by such means as shall be available to the Borrower and in the manner determined by the Borrower, and with or without advertisement for bids as required for the acquisition and installation of municipal facilities.

(m) The payments under the Loan Agreement are fixed to produce revenue sufficient to provide for the prompt payment of principal of, premium, if any, and interest on the Note, when due, and the Loan Agreement also provides that the Borrower (or its general partner) is required to pay all expenses of the operation and maintenance of the Project, including, but without limitation, adequate insurance thereon and insurance against all liability for injury to persons or property arising from the operation thereof, and all taxes and special assessments levied upon or with respect to the Project and payable during the term of the Loan Agreement.

(n) The City hereby finds, determines and declares that it is in the public interest of the residents of the City that the Project be undertaken in order to further the public purposes of rehabilitating existing property and increasing the supply of decent, safe, and sanitary rental housing units available to residents of the City.

1.2 Authorization and Ratification of Project. The City does hereby authorize the Borrower, in accordance with the provisions of the Act and subject to the terms and conditions imposed by the Lender, to provide for the acquisition, rehabilitation, and equipping of the Project by such means as shall be available to the Borrower and in the manner determined by the Borrower, and without advertisement for bids as may be required for the construction and acquisition of other municipal facilities; and the City hereby ratifies, affirms, and approves all actions heretofore taken by the Borrower consistent with and in anticipation of such authority.

SECTION 2. THE NOTE.

2.1 Authorized Maximum Amount, Form of Note and Interest Rate.

(a) The Note is hereby approved and shall be issued pursuant to this Resolution in substantially the form on file with the City Manager of the City with such appropriate variations, omissions and insertions as are necessary and appropriate and are permitted or required by this Resolution, and in accordance with the further provisions hereof. The Note shall be issued in a denomination equal to its entire principal amount. The Note shall mature in the year and amount and be subject to redemption as therein specified, as such may be modified by agreement of the Lender, Borrower and the City; and the principal amount of the Note that may be outstanding hereunder is expressly limited to \$19,000,000. The actual amount of the Note shall be determined by the agreement of the Lender and the Borrower and the Mayor and the City Manager (the "Authorized Officers") as evidenced by their execution of the Note.

(b) The Note will bear interest at the fixed or variable rates determined by the Borrower and the Lender, and set forth in the Note as executed by the Authorized Officers; provided that such rates shall be subject to adjustment pursuant to the terms as set forth in the Note, this Resolution, the Loan Agreement, the Assignment of Loan Agreement, a Loan Purchase Agreement or similar agreement with respect to the purchase of the Note by the Lender and dated as of the date of delivery of the Note, between the Borrower (or its general partner) and the Lender, (the "Loan Purchase Agreement"), or the Security Documents. The sale of the Note to the Lender at a purchase price equal to its stated amount is hereby accepted.

2.2 The Note. The Note shall be dated as of the date of delivery to the Lender, shall be payable at the times and in the manner and shall be subject to such other terms and conditions as are set forth therein.

2.3 Execution of Note. The Note shall be executed on behalf of the City by the Authorized Officers. In case any Authorized Officer whose signature shall appear on the Note shall cease to be such officer before the delivery of the Note, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such signatory had remained in office until delivery. In the event of the absence or disability of any Authorized Officers, such officer(s) of the City as, in the opinion of the City Attorney, may act in their behalf, shall without further act or authorization of the Council execute and deliver the Note.

2.4 Disposition of the Proceeds of the Note. Upon delivery of the Note to the Lender, the Lender shall, on behalf of the City, disburse the purchase price thereof for payment of Project costs in accordance with the terms of the Loan Agreement, any Disbursing Agreement and any Loan Purchase Agreement.

2.5 Registration of Transfer. The City will cause to be kept at the office of the City Manager of the City a Note Register for the Note in which, subject to such reasonable regulations as it may prescribe, the City shall provide for the registration of transfers of ownership of the Note. The Note shall be initially registered in the name of the Lender and, subject to the limitations on transfer provided herein, shall be transferable upon the Note Register for such Note by the Lender in person or by its agent duly authorized in writing, upon surrender of such Note together with a written instrument of transfer satisfactory to the City Manager of the City, duly executed by the Lender or its duly authorized agent. The City will require, as a precondition to any transfer, that the transferee provide to the City an investor letter or certification in a form satisfactory to the City and other evidence satisfactory to the City that the transferee is a financial institution or other accredited investor under the securities laws. The following form of assignment shall be sufficient for purposes of assigning the Note.

For value received _____ hereby sells, assigns and transfers unto _____ the attached Note of the City of Brooklyn Center, Minnesota, and does hereby irrevocably constitute and appoint _____ attorney to transfer said Note on the books of said City, with full power of substitution in the premises. The undersigned certifies that the transfer is made in accordance with the provisions of Sections 2.5, 2.7 and 2.8 of the Resolution authorizing the issuance of the Note.

Dated: _____

Registered Owner

Upon such transfer the City Manager of the City shall note the date of registration and the name and address of the successor Lender in the applicable Note Register for such Note and in the registration blank appearing on such Note; subject to receipt of a purchaser letter or certification as required by Section 2.8 hereof.

2.6 Mutilated, Lost or Destroyed Note. In case the Note shall become mutilated or be destroyed or lost, the City shall, if not then prohibited by law, cause to be executed and delivered a new Note of like outstanding principal amount, number and tenor in exchange and substitution for and upon cancellation of such mutilated Note, or in lieu of and in substitution for such Note destroyed or lost, upon the payment by the Lender of the reasonable expenses and charges of the City in connection therewith, and in the case of a Note destroyed or lost, the filing with the City of evidence satisfactory to the City with indemnity satisfactory to it. If the mutilated, destroyed or lost Note has already matured or been called for redemption in accordance with its terms it shall not be necessary to issue a new Note prior to payment.

2.7 Ownership of Note. In accordance with the policy of the City, the Lender will be required to execute and deliver an investor letter or certification to the City, confirming that the Lender is either (a) a “qualified institutional buyer” as defined in Rule 144A promulgated under the Securities Act of 1933, as amended (the “1933 Act”), that purchases the Note for its own account or for the account of a qualified institutional buyer, or (b) an “accredited investor” as defined in Regulation D promulgated under the 1933 Act, that purchases the Note for its own account and without registration under state or other securities laws, pursuant to an exemption for such sale. The City may deem and treat the person in whose name the Note is last registered in the Note Register and by notation on the Note, whether or not such Note shall be overdue, as the absolute owner of such Note for the purpose of receiving payment of or on account of the Principal Balance, redemption price or interest and for all other purposes whatsoever, and the City shall not be affected by any notice to the contrary.

2.8 Limitation on Note Transfers. The Note will be issued to a “qualified institutional buyer” or an “accredited investor” and without registration under state or other securities laws, pursuant to an exemption for such sale; and accordingly the Note may not be assigned or transferred in whole or part, except to another “accredited investor” or “qualified institutional buyer”. The City will require, as a precondition to any transfer, that the transferee provide to the City an investor letter or certification substantially in the form required of, and delivered upon issuance of the Note by the Lender in accordance with Section 2.7 hereof and other evidence satisfactory to the City that the transferee is a “qualified institutional buyer” or other “accredited investor”.

SECTION 3. MISCELLANEOUS.

3.1 Severability. If any provision of this Resolution shall be held or deemed to be or shall, in fact, be inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions or in all cases because it conflicts with any provisions of any constitution or statute or rule or public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions contained herein invalid, inoperative, or unenforceable to any extent whatever. The invalidity of any one or more phrases, sentences, clauses or paragraphs contained in this Resolution shall not affect the remaining portions of this Resolution or any part thereof.

3.2 Authentication of Transcript. The officers of the City are directed to furnish to Bond Counsel certified copies of this Resolution and all documents referred to herein, and affidavits or certificates as to all other matters which are reasonably necessary to evidence the validity of the Note. All such certified copies, certificates and affidavits, including any heretofore furnished, shall constitute recitals of the City as to the correctness of all statements contained therein.

3.3 Authorization to Execute Agreements. The forms of the proposed Note, the Loan Agreement, the Assignment of Loan Agreement, Regulatory Agreement and the Mortgage Assignment (collectively, and together with any Loan Purchase Agreement, any Disbursing Agreement, the Security Documents and such other documents as Bond Counsel considers appropriate in connection with the issuance of the Note, the "Financing Documents") are hereby approved in substantially the forms on file with the City Manager of City, together with 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 Bond Counsel prior to the execution of the documents, and the Authorized Officers are authorized to execute, in the name of and on behalf of the City, the Financing Documents to which the City is a party. In the event of the absence or disability of any of the Authorized Officers, such officers of the City as, in the opinion of the City Attorney for the City, may act on their behalf shall without further act or authorization of the Council do all things and execute all instruments and documents required to be done or executed by such absent or disabled officers. The execution of any instrument by the appropriate officer or officers of the City herein authorized shall be conclusive evidence of the approval of such documents in accordance with the terms hereof. The electronic signature of a party to the Financing Documents, including all acknowledgements, authorizations, directions, waivers and consents thereto (or any amendment or supplement thereto) shall be as valid as an original signature of such party and shall be effective to bind such party to the Financing Documents. Any electronically signed Financing Documents shall be deemed (i) to be "written" or "in writing," (ii) to have been signed, and (iii) to constitute a record established and maintained in the ordinary course of business and an original written record when printed from electronic files. For purposes hereof, (i) "electronic signature" means (a) a manually signed original signature that is then transmitted by electronic means or (b) a signature obtained through DocuSign, Adobe or a similarly digitally auditable signature gathering process; (ii) "transmitted by electronic means" means sent in the form of a facsimile or sent via the internet as a portable document format ("pdf") or other replicating image attached to an electronic mail or internet message; and, (iii) "electronically signed document" means a document transmitted by electronic means and containing, or to which there is affixed, an electronic signature.

3.4 Future Amendments. The authority to approve, execute and deliver future amendments to the Financing Documents entered into by the City in connection with the issuance of the Note and consents required under the Financing Documents is hereby delegated to the Authorized Officers of the City, subject to the following conditions: (a) such amendments or consents do not materially adversely affect the interests of the City; (b) such amendments or consents do not contravene or violate any policy of the City, (c) such amendments or consents do not require the consent of the holder or such consent has been obtained; and (d) such amendments or consents are acceptable in form and substance to the counsel retained by the City to review such amendments. 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 Manager shall be conclusive evidence of the approval of such instruments in accordance with the terms hereof. In the absence of the City Manager, any instrument authorized by this paragraph to be executed and delivered may be executed by the officer of the City authorized to act in his or her place and stead.

3.5 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.

3.6 Adoption of Housing Program. The preparation of the Housing Program is hereby ratified, confirmed, and approved in all respects. The Housing Program is hereby adopted, ratified, and approved. The City Manager of the City is hereby authorized to do all other things and take all other actions as may be necessary or appropriate to carry out the Housing Program in accordance with the Act and any other applicable laws and regulations.

3.7 Costs; Indemnification by Borrower. The Borrower has agreed and it is hereby determined that any and all costs incurred by the City in connection with the financing of the Project whether or not the Project is carried to completion will be paid by the Borrower, as the case may be. It is understood and agreed that 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, the Financing Documents, or the Note, as further provided for and agreed to by and between the Borrower and the City in the Loan Agreement.

3.8 Headings; Terms. Paragraph headings in this resolution are for convenience of reference only and are not a part hereof, and shall not limit or define the meaning of any provision hereof. Capitalized terms used, but not defined, herein shall have the meanings given them in, or pursuant to, the Financing Documents. This Resolution shall be in full force and effect from and after its approval.

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

November 22, 2021

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:

Council Regular Meeting

DATE: 11/22/2021

TO: City Council

FROM: Dr. Reggie Edwards, City Manager

THROUGH: N/A

BY: Andy Splinter, Interim Finance Director

SUBJECT: Resolutions Approving the 2022 Utility Rates

Requested Council Action:

- Motion to:

- *Open the public hearing;*
- *Take public input; and*
- *Close the public hearing*

- Motion to approve:

- *Resolution for 2022 Water Utility Rates*
- *Resolution for 2022 Sanitary Sewer Utility Rates*
- *Resolution for 2022 Storm Sewer Utility Rates*
- *Resolution for 2022 Street Light Rates*
- *Resolution for 2022 Recycling Rates*

Background:

At the October 18, 2021 joint work session of the City Council and Financial Commission, staff presented the expected expenditures for operation of the City's utility services for 2022. The expenditures include total direct and indirect costs including depreciation of capital assets and administrative costs. Along with those costs are projections of the revenues needed for 2022 and for the next fifteen years to keep operations running smoothly and fund the infrastructure improvements needed in each of the utility systems. The cash flow analysis for each of the five utilities indicate anticipated rate changes necessary to maintain sufficient cash balances during the construction of the utility improvements associated with the City's 15-year Capital Improvement Plan (CIP).

For 2022, rate increases are proposed Water, Sanitary Sewer, Recycling, and Storm Sewer in order to maintain cash reserves, fund normal operations, pay for debt service and finance infrastructure improvements. Rates for the various utilities for 2022 are shown in comparison to 2021 below:

Fund	Description	2021 Rate	2022 Rate	Change
Water	Base Charge - Residential (quarterly)	\$17.44	\$19.01	\$1.57 / quarter
Consumption Charge - Residential Meters	Tier I (0 - 30 gallons)	\$2.91	\$3.17	\$0.26 / 1,000 gallons
	Tier II (31 - 60 gallons)	3.62	3.95	\$0.33 / 1,000 gallons
	Tier III (61 and greater)	5.41	5.90	\$0.49 / 1,000 gallons
Consumption Charge -				

Non-residential	(Per 1,000 gallons)	\$3.84	\$4.18	\$0.34 / 1,000 gallons
Sanitary Sewer	Base Charge (quarterly)	\$93.59	\$98.27	\$4.68 / quarter
Consumption Charge - Non-residential	(Per 1,000 gallons)	\$3.95	\$4.15	\$0.20 / 1,000 gallons
Storm Sewer	Base Charge (quarterly)	\$15.98	\$17.10	\$1.12 /quarter
Street Light	Base Charge (quarterly)	\$6.55	\$6.55	No change
Recycling	Base Charge (quarterly)	\$11.98	\$12.10	\$0.12 /quarter

The quarterly utility bill for a household using 18,000 gallons of water (considered the typical residential user) is shown in comparison to 2021 rates as follows:

Fund	2021 Bill	2022 Bill	\$ Change/quarter
Water	\$69.82	\$76.07	\$6.25
Sanitary Sewer	93.59	98.27	4.68
Storm Sewer	15.98	17.10	1.12
Street Light	6.55	6.55	-
Recycling	<u>11.98</u>	<u>12.10</u>	<u>0.12</u>
Total	\$197.92	\$210.09	\$12.17

The proposed rates would become effective on January 1, 2022.

City Code sections 11.02 and 11.06 require a notice and hearing prior to the City Council setting new utility rates. The Public Hearing Notice was published in the Brooklyn Center Post on November 4, 2021.

Budget Issues:

Inclusive Community Engagement:

Antiracist/Equity Policy Effect:

Strategic Priorities and Values:

Safe, Secure, Stable Community

ATTACHMENTS:

Description	Upload Date	Type
Water Rate Resolution	11/16/2021	Resolution Letter
Sanitary Rate Resolution	11/16/2021	Resolution Letter
Storm Drainage Rate Resolution	11/16/2021	Resolution Letter
Street Light Rate Resolution	11/16/2021	Resolution Letter
Recycling Rate Resolution	11/16/2021	Resolution Letter

Member _____ introduced the following resolution and moved its adoption:

RESOLUTION NO. _____

RESOLUTION ADOPTING 2022 WATER UTILITY RATES, FEES AND CHARGES

WHEREAS, the City of Brooklyn Center Charter requires that municipal utilities be self-supporting through revenue provided by a uniform schedule of rates, fees and charges; and

WHEREAS, this uniform schedule shall be called the “Public Utility Rate Schedule” and shall be adopted by resolution of the City Council; and

WHEREAS, the City Council has reviewed data provided on delinquent utility charges.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Brooklyn Center that the following Water Utility rates, fees and charges are hereby adopted and shall be effective for all billings issued on or after January 1, 2022.

2022 WATER UTILITY RATE SCHEDULE
Water Rates, Fees and Charges

Base Rate

Year 2022 \$4.18 per 1,000 Gallons

Quarterly Minimum Rate

<u>Meter Size</u>	<u>2021 Quarterly Minimum Charge</u>
1”	\$ 55.24
1 ½”	\$ 71.02
2”	\$ 138.10
3”	\$ 276.24
4”	\$ 465.65
6”	\$ 1,065.48
8”	\$ 2,017.95
10”	\$ 2,690.61

Water Conservation Rate

<u>Meter Size</u>	<u>Base Charge (minimum charge per quarter)</u>
5/8” and 3/4”	\$ 19.01

<u>Thousands of Gallons</u>	<u>Consumption Charge (per 1,000 gallons used)</u>
0 to 30	\$ 3.17
31 to 60	\$ 3.95
61 and greater	\$ 5.90

RESOLUTION NO. _____

Fees

Water Meter Charge 5/8" or 3/4" \$149.00

Water Meter Charge Larger than 3/4" Actual Cost + \$2.00

Other Charges

Delinquent account, quarterly charge No Additional Charge

Certification for collection with property taxes \$50.00
(Utility accounts with an outstanding balance
owed of \$200.00 or greater)

Fire Service Line Charge \$ 12.50 per quarter

November 22, 2021
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.

Member _____ introduced the following resolution and moved its adoption:

RESOLUTION NO. _____

RESOLUTION ADOPTING 2022 SEWER UTILITY RATES, FEES AND CHARGES

WHEREAS, the City of Brooklyn Center Charter requires that municipal utilities be self-supporting through revenue provided by a uniform schedule of rates, fees and charges; and

WHEREAS, this uniform schedule shall be called the “Public Utility Rate Schedule” and shall be adopted by resolution of the City Council; and

WHEREAS, the City Council has reviewed data provided on delinquent utility charges.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Brooklyn Center that the following Sewer Utility rates, fees and charges are hereby adopted and shall be effective for all billings issued on or after January 1, 2022.

2022 SEWER UTILITY RATE SCHEDULE

Sewer Rates, Fees and Charges

Base Rate Quarterly Residential
(Minimum quarterly charge)

	Single Family	Apartment	Senior Citizen
Year 2022	\$98.27	\$68.79	\$54.04

Non-Residential Rate

Year 2022	\$4.15 per 1,000 Gallons
-----------	--------------------------

Fees

SAC Charge set by MCES

Fee Established by MCES

Charges

Delinquent account, quarterly charge

No Additional Charge

Certification for collection with property taxes
(Utility accounts with an outstanding balance
owed of \$200.00 or greater)

\$50.00

Line cleaning charge

Labor, materials, equipment and overhead

Sanitary Sewer Connection

Established annually by resolution

November 22, 2021

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.

Member _____ introduced the following resolution and moved its adoption:

RESOLUTION NO. _____

**RESOLUTION ADOPTING 2022 STORM SEWER UTILITY RATES, FEES
AND CHARGES**

WHEREAS, the City of Brooklyn Center Charter requires that municipal utilities be self-supporting through revenue provided by a uniform schedule of rates, fees and charges; and

WHEREAS, this uniform schedule shall be called the “Public Utility Rate Schedule” and shall be adopted by resolution of the City Council; and

WHEREAS, the City Council has reviewed data provided on delinquent utility charges.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Brooklyn Center that the following Storm Sewer Utility rates and charges are hereby continued and shall be effective for all billings issued on or after January 1, 2022.

**2022 STORM SEWER UTILITY RATE SCHEDULE
Storm Sewer Rates and Charges**

Quarterly Rates per Acre

	<u>2022 Minimum Quarterly Charge</u>
Base Rate	\$68.39
Cemeteries and Golf Courses	\$17.10
Parks	\$34.20
Single Family, Duplex, Townhouse	\$17.10/lot
School, Government Buildings	\$85.49
Multiple Family, Churches	\$205.18
Commercial, Industrial	\$341.97
Vacant Land	As Assigned

Charges

Delinquent account, quarterly charge No Additional Charge

Certification for collection with property taxes \$50.00
(Utility accounts with an outstanding balance
owed of \$200.00 or greater)

Private facility cleaning charge Labor, materials, equipment and overhead

November 22, 2021

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.

Member
resolution and moved its adoption:

introduced the following

RESOLUTION NO. _____

RESOLUTION ADOPTING 2022 STREET LIGHT RATES AND CHARGES

WHEREAS, the City of Brooklyn Center Charter requires that municipal utilities be self-supporting through revenue provided by a uniform schedule of rates, fees and charges; and

WHEREAS, this uniform schedule shall be called the "Public Utility Rate Schedule" and shall be adopted by resolution of the City Council; and

WHEREAS, the City Council has reviewed data provided on delinquent utility charges.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Brooklyn Center that the following Street Light Utility rates and charges are hereby adopted and shall be effective for all billings issued on or after January 1, 2022.

2022 STREET LIGHT UTILITY RATE SCHEDULE

Street Light Rates and Charges

Quarterly Rates

<u>Customer</u>	<u>2022 Minimum Quarterly Charge</u>
Per Dwelling Unit:	
Single, Double and Multiple Family Residential	\$6.55
Per Acre:	
Parks	\$10.90
Schools, Government Buildings, Churches	\$21.80
Retail and Service-Office	\$32.69
Commercial and Industrial	\$32.69
Vacant Land and Open Space	As Assigned
Charges	
Delinquent account, quarterly charge	No Additional Charge
Certification for collection with property taxes (Utility accounts with an outstanding balance owed of \$200.00 or greater)	\$50.00

November 22, 2021
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.

Member introduced the following resolution and moved its adoption:

RESOLUTION NO. _____

RESOLUTION ESTABLISHING 2022 RECYCLING RATES AND CHARGES

WHEREAS, the City of Brooklyn Center is a member of the Hennepin Recycling Group (HRG), which is a joint powers group organized pursuant to Minnesota Statutes Section 471.59 (1987); and

WHEREAS, the purpose of the joint powers agreement is to create an organization by which member cities may jointly and cooperatively provide for the efficient and economical collection, recycling and disposal of solid waste within and without their respective corporate boundaries in compliance with the Minnesota Waste Management Act, Minnesota Statutes Chapter 115A (1987); and

WHEREAS, the HRG has established a curbside recycling program for its member cities to meet the requirements of Hennepin County Ordinance No. 13, Solid Waste Source Separation for Hennepin County; and

WHEREAS, the City of Brooklyn Center must establish rates to fund the City's curbside recycling program and the cost for projected reimbursement of recycling charges from the HRG along with other program operating charges; and

WHEREAS, the recycling program includes a bi-annual curbside cleanup; and

WHEREAS, the City Council has reviewed data provided on delinquent utility charges; and

WHEREAS, Brooklyn Center Ordinance No. 89-11 authorizes the City to establish rates for recycling services.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Brooklyn Center that the recycling charges shall be as follows for all billings issued on or after January 1, 2022:

2022 RECYCLING UTILITY RATE SCHEDULE

Recycling Rates and Charges

Minimum Charge per Household per quarter: \$12.10 per quarter

Charges

Delinquent account, quarterly charge No Additional Charge

Certification for collection with property taxes \$50.00
(Utility accounts with an outstanding balance
owed of \$200.00 or greater)

November 22, 2021

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.

Public Hearing Utility Rates for 2022



City Council Meeting 11-22-21
Andrew Splinter, Acting Finance Director

Rate Considerations

- Maintain service levels
- Stabilize rate changes
- Provide cash for operating needs
- Provide cash for capital projects
- Provide cash for debt service



Utility Improvements

Total
upcoming
projects in
Utility funds:

\$12,266,000

Project	Storm Water	Sanitary Sewer	Water	Street Lights
Woodbine Area Improvements	\$ 940,000	\$ 1,870,000	\$ 3,080,000	\$ 110,000
Storm Water Ponds 12-001, 12-006 & 57-003 Rehab	124,000	-	-	-
Freeway and Highway Utility Crossing Replacement	-	194,000	393,000	-
Lift Station No. 4 Rehabilitation	-	259,000	-	-
I94/Dupont Ave Water Main Crossing Replacement	-	-	364,000	-
Water Treatment Plant Redundant Water Main Connection	-	-	352,000	-
Well No. 7 and Water Treatment Plant HSP No. 1	-	-	160,000	-
Subtotal 2022	1,064,000	2,323,000	4,349,000	110,000
50th Avenue Improvements (France Ave to Drew Ave)	40,000	20,000	160,000	
51st Avenue Improvements (west of France Avenue)	70,000	10,000	10,000	20,000
Knox, James and 54th Ave. Area Improvements	240,000	20,000	100,000	
Earle Brown/Opportunity Area Street Light Replacement	-	-	-	261,000
Lift Station No. 5 Rehabilitation	-	251,000	-	-
Lift Station No. 9 Rehabilitation	-	606,000	-	-
Lift Station No. 9 Force Main Replacement	-	333,000	-	-
Well Nos. 4 and 9; Water Treatment Plant HSP No. 2	-	-	185,000	-
65th Avenue Trunk Storm Sewer Rehabilitation	1,591,000	-	-	-
61st & Perry Avenues Storm Sewer Improvement	185,000	-	-	-
Storm Water Pond 48-001 Rehab	318,000	-	-	-
Subtotal 2023	2,444,000	1,240,000	455,000	281,000
Grand Total	\$ 3,508,000	\$ 3,563,000	\$ 4,804,000	\$ 391,000

2022 Proposed Rate Changes

Fund	Description	2021 Rate	2022 Rate	Change
Water	Base Charge - Residential (quarterly)	\$17.44	\$19.01	\$1.57 / quarter
Consumption Charge - Residential Meters	Tier I (0 - 30 gallons)	\$2.91	\$3.17	\$0.26 / 1,000 gallons
	Tier II (31 - 60 gallons)	3.62	3.95	\$0.33 / 1,000 gallons
	Tier III (61 and greater)	5.41	5.90	\$0.49 / 1,000 gallons
Consumption Charge - Non-residential	(Per 1,000 gallons)	\$3.84	\$4.18	\$0.34 / 1,000 gallons
Sanitary Sewer	Base Charge (quarterly)	\$93.59	\$98.27	\$4.68 / quarter
Consumption Charge - Non-residential	(Per 1,000 gallons)	\$3.95	\$4.15	\$0.20 / 1,000 gallons
Storm Sewer	Base Charge (quarterly)	\$15.98	\$17.10	\$1.12 /quarter
Street Light	Base Charge (quarterly)	\$6.55	\$6.55	No change
Recycling	Base Charge (quarterly)	\$11.98	\$12.10	\$0.12 /quarter



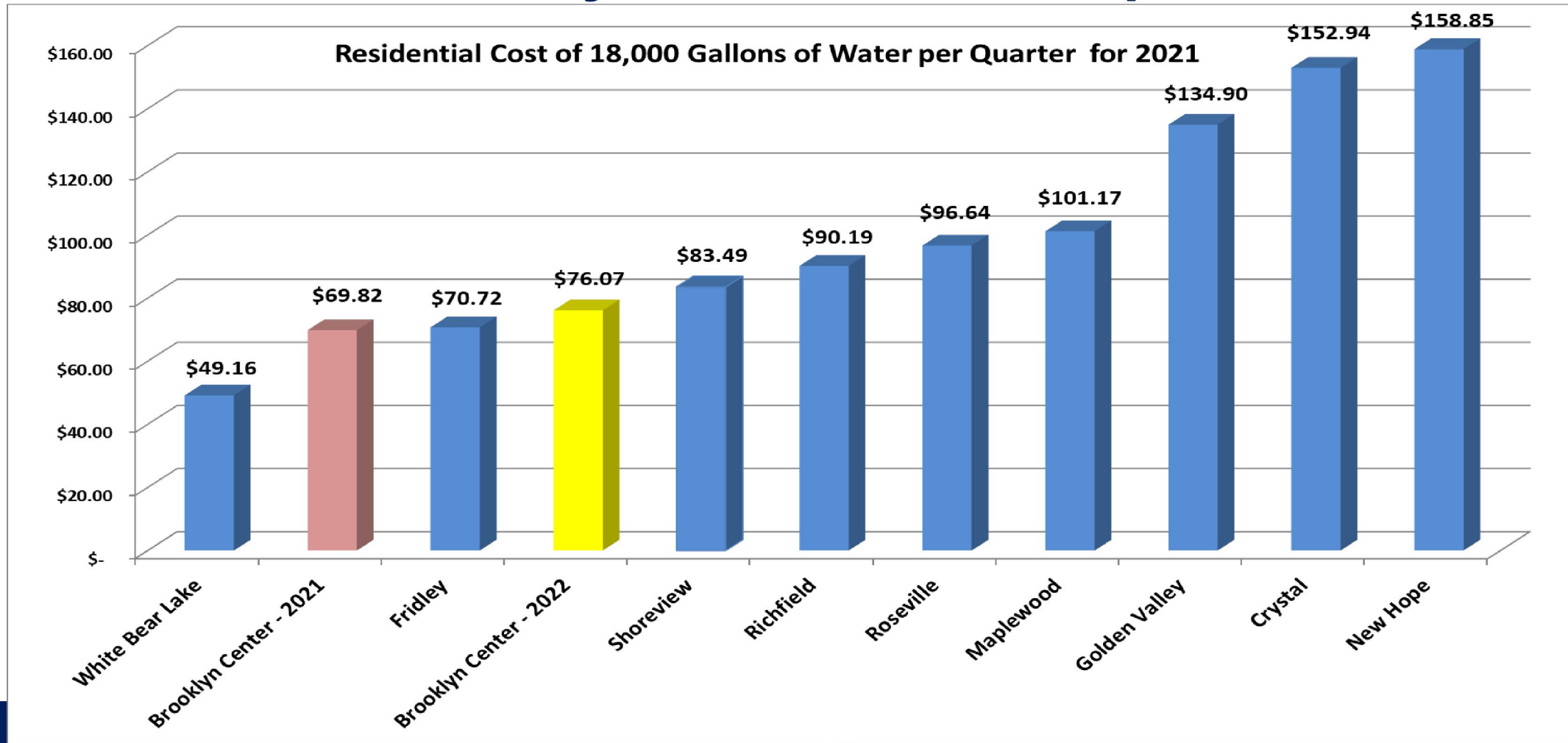
2022 Proposed Rate Changes

The quarterly utility bill for a household using 18,000 gallons of water (considered the typical residential user) is shown in comparison to 2021 rates as follows:

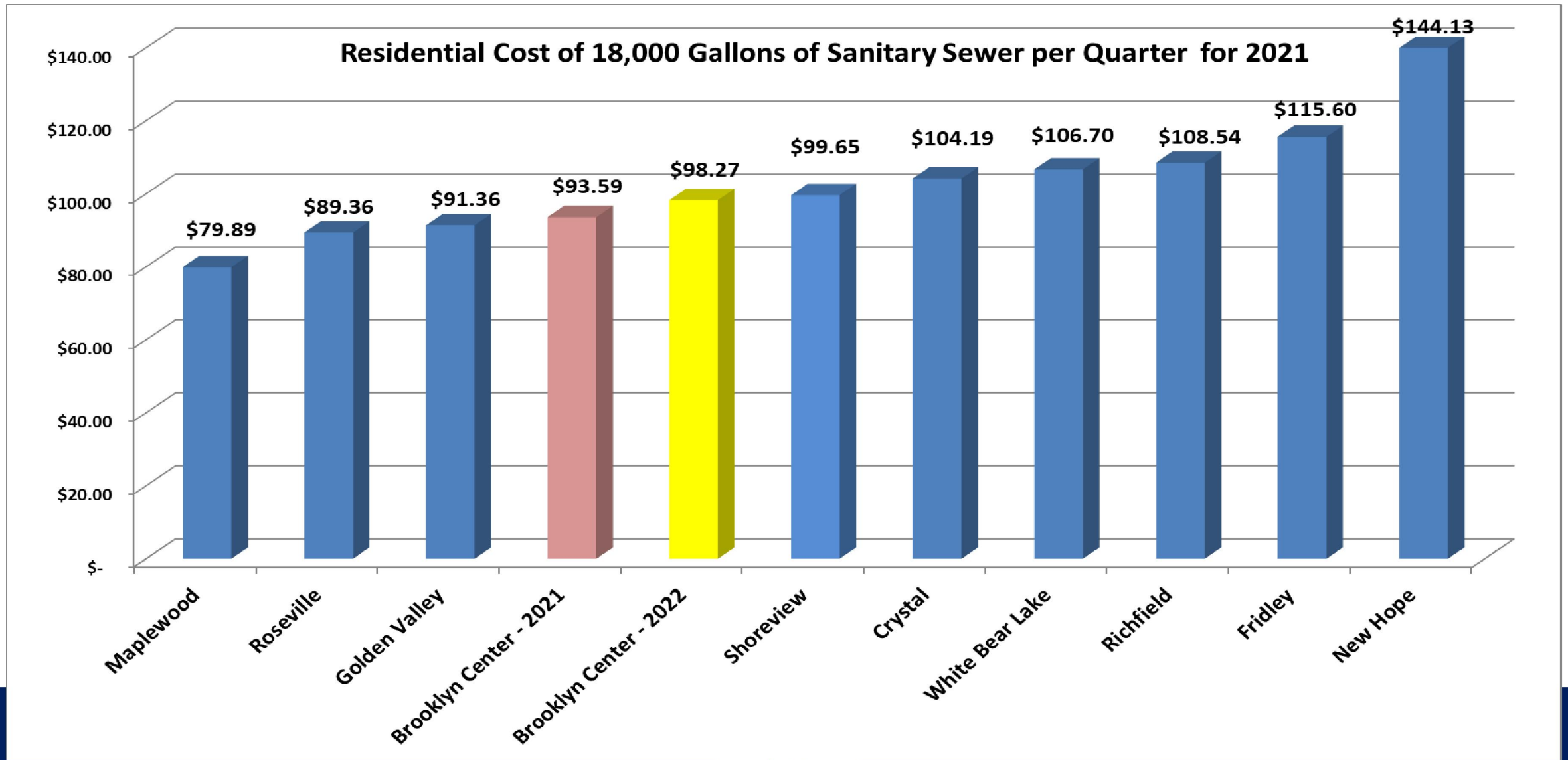
Fund	2021 Bill	2022 Bill	\$ Change/quarter
Water	\$69.82	\$76.07	\$6.25
Sanitary Sewer	93.59	98.27	4.68
Storm Sewer	15.98	17.10	1.12
Street Light	6.55	6.55	-
Recycling	<u>11.98</u>	<u>12.10</u>	<u>0.12</u>
Total	\$197.92	\$210.09	\$12.17



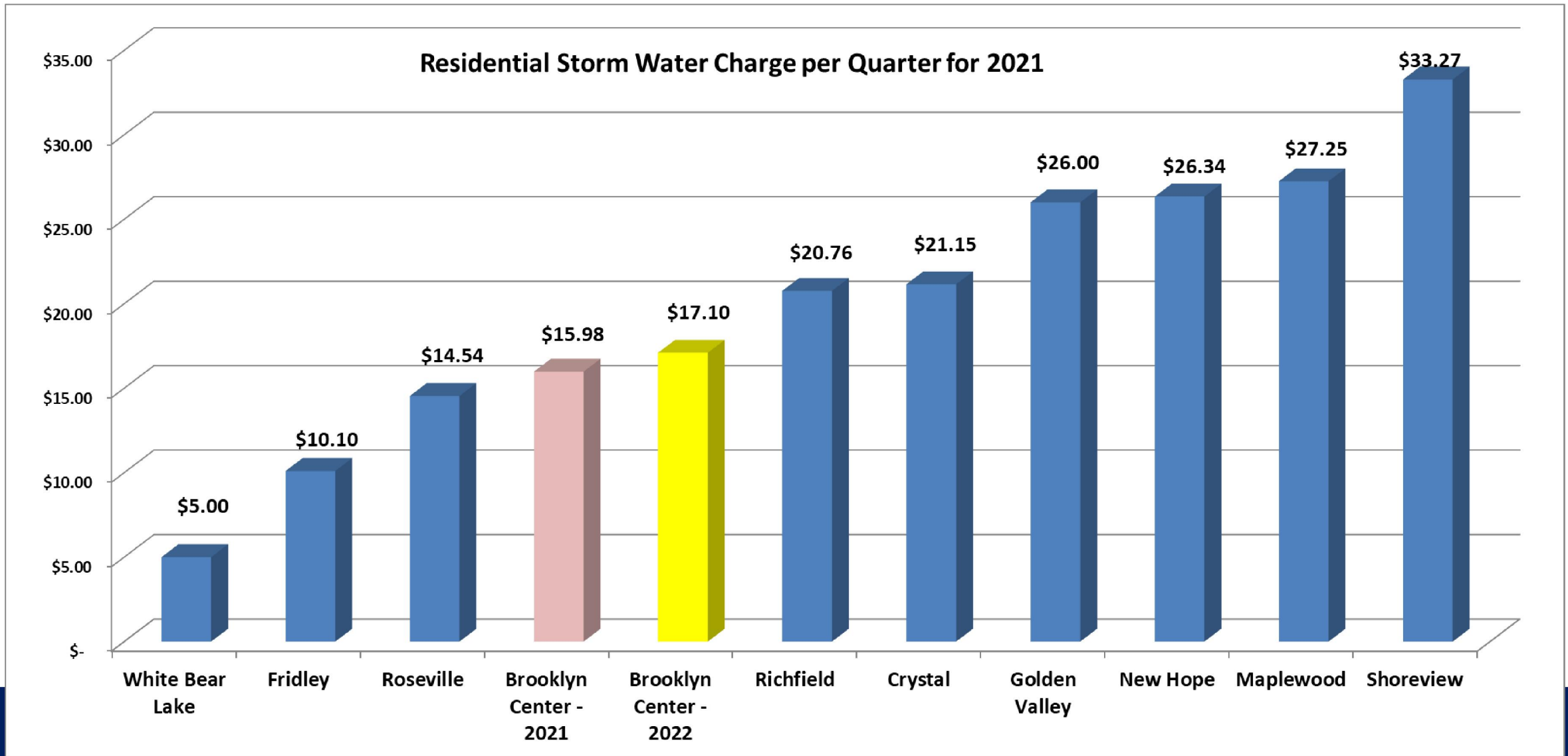
Water Utility Rate Comparison



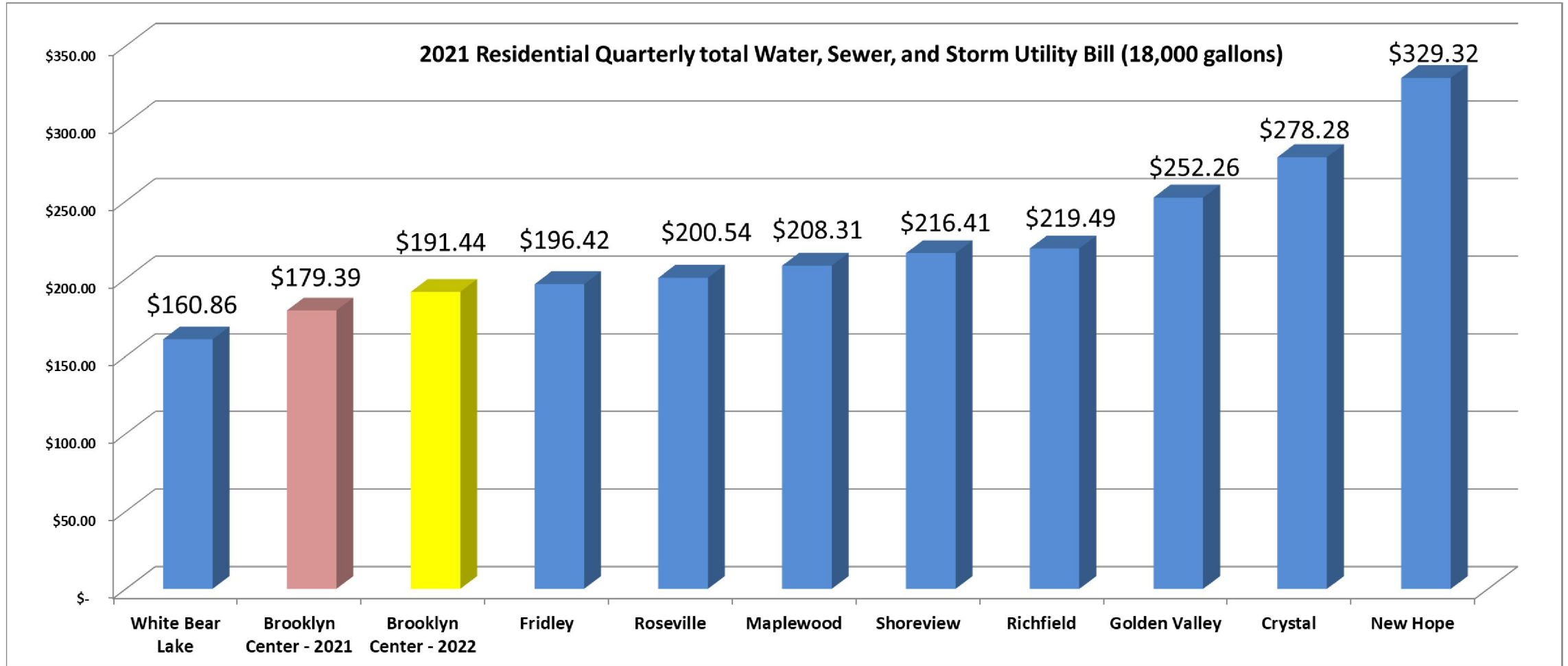
Sanitary Sewer Utility Rate Comparison



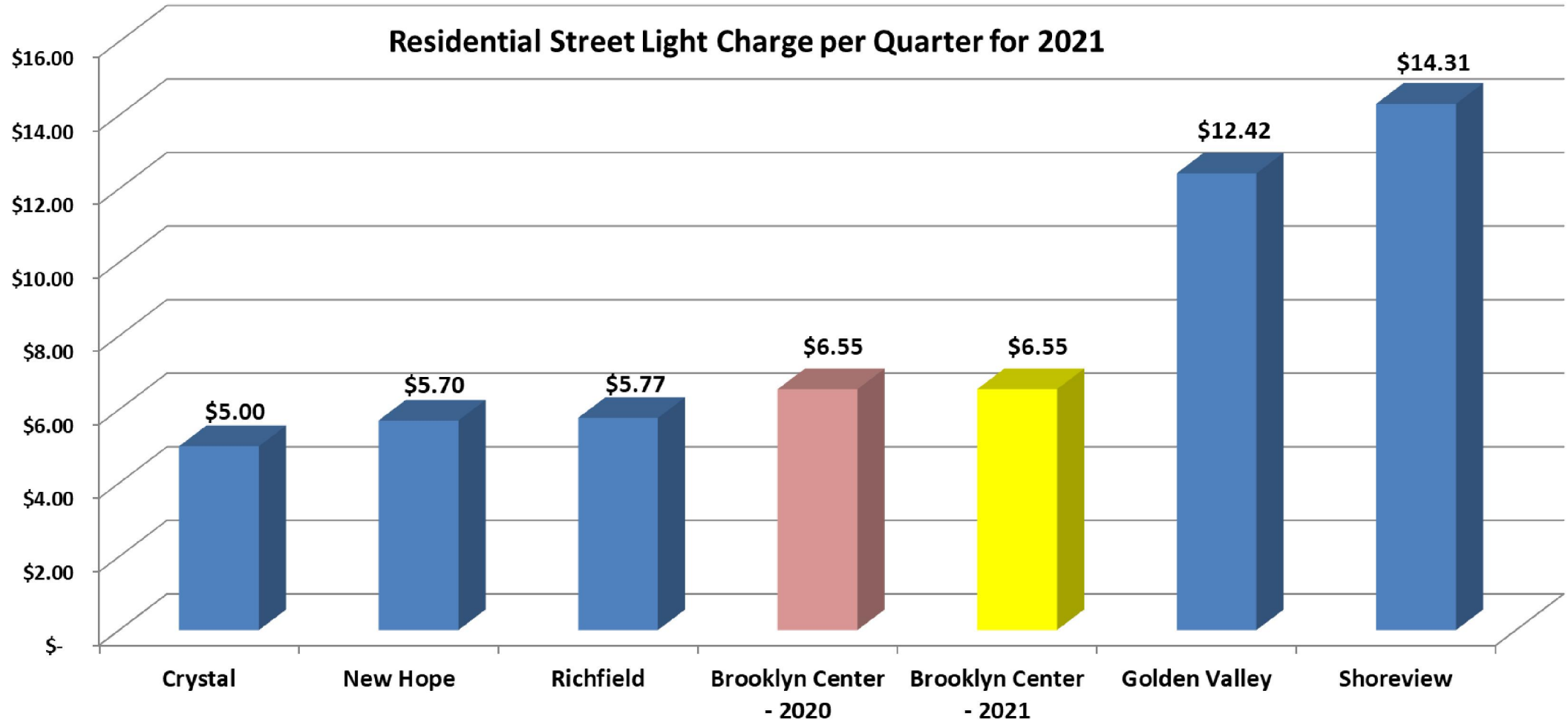
Storm Drainage Utility Rate Comparison



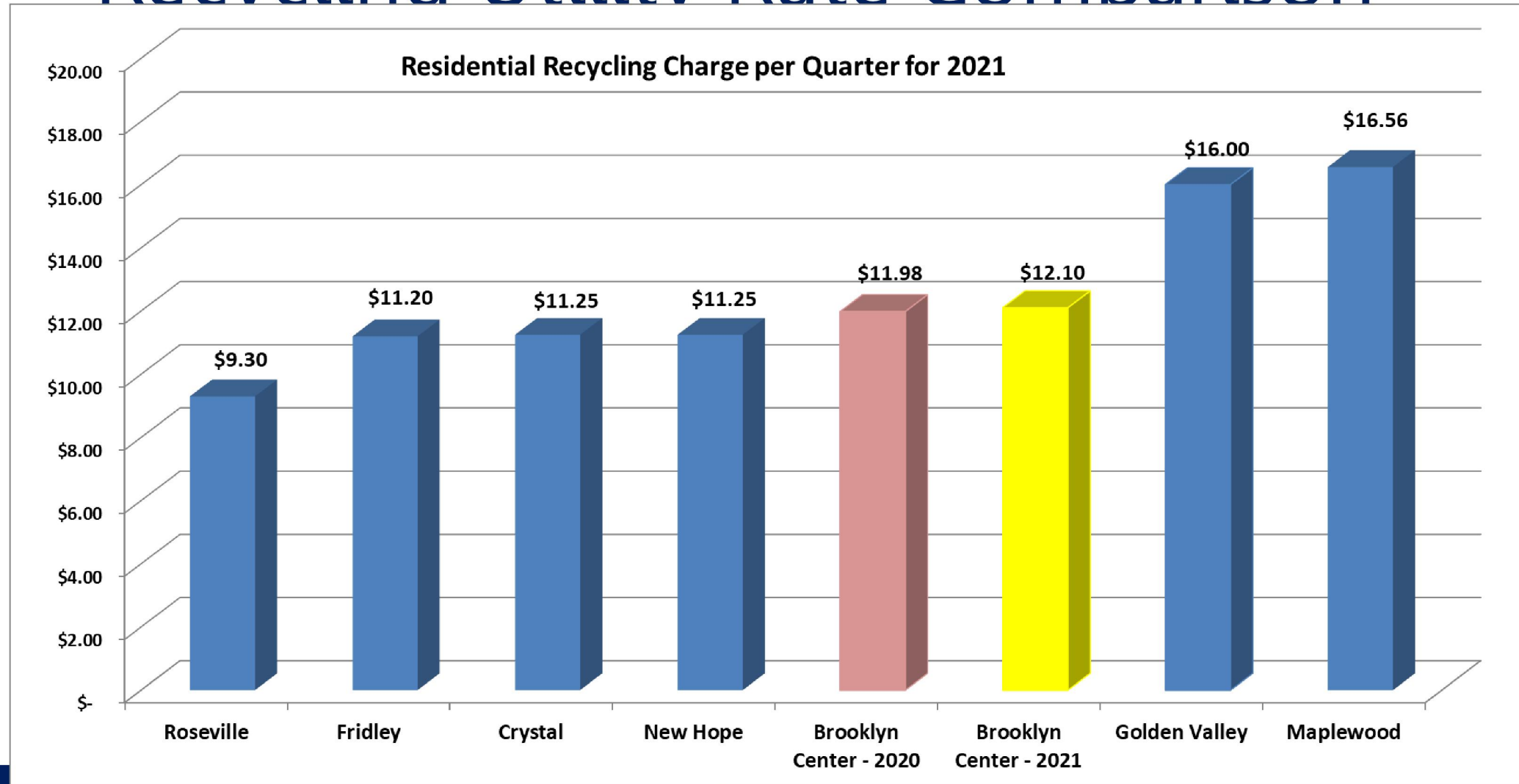
Water, Sewer, Storm Utility Rate Comparison



Street Light Utility Rate Comparison



Recycling Utility Rate Comparison



Next Steps

- Open public hearing for comments on proposed 2022 utility rates
- Council consideration of:
 - Resolution adopting 2022 water utility rates
 - Resolution adopting 2022 sewer utility rates
 - Resolution adopting 2022 storm sewer utility rates
 - Resolution adopting 2022 street light rates
 - Resolution adopting 2022 recycling rates
- Questions?



Council Regular Meeting

DATE: 11/22/2021

TO: City Council

FROM: Dr. Reggie Edwards, City Manager

THROUGH: N/A

BY: Dr. Reginald Edwards, City Manager

SUBJECT: Emergency Ordinance for the Curfew Process

Requested Council Action:

~ Motion to approve the emergency ordinance regarding curfews

Background:

Budget Issues:

Inclusive Community Engagement:

Antiracist/Equity Policy Effect:

**Council/EDA Work
Session**

VIRTUAL meeting being
conducted by electronic
means in accordance with
Minnesota Statutes, section
13D.021 Public portion
available for connection via
telephone Dial: 1-312-626-
6799 Meeting ID:
81506192332# Passcode:
216824#
November 22, 2021

AGENDA



ACTIVE DISCUSSION ITEMS

1. Concept Review Follow-up Discussion Regarding the Former Sears Site
2. Follow Up to Budget Presentation

PENDING LIST FOR FUTURE WORK SESSIONS

1. Upcoming Items

Council/EDA Work Session

DATE: 11/22/2021

TO: City Council

FROM: Dr. Reggie Edwards, City Manager

THROUGH: N/A

BY: Meg Beekman, Community Development Director

SUBJECT: Concept Review Follow-up Discussion Regarding the Former Sears Site

Requested Council Action:

Background:

A concept review is considered advisory and is nonbinding to the City and the applicant. No formal action can be taken at a work session, and the Council is not being asked to vote on the proposal. If the developer chooses to submit a formal application to the City to proceed, it would be subject to the full review process, as with any other development application.

The former Sears site has been vacant since 2018. The Brooklyn Center site, along with multiple other former Sears sites were purchased by TransformCo, with the intention of redeveloping the sites. TransformCo has been exploring redevelopment options on the site for the last year and a half. This process has included conducting their own market studies and working with local brokers to identify a feasible reuse for the site. They initiated an RFP process in late 2020 to identify a redevelopment partner. Through that process, Scannell Properties was selected, and they have now entered into an option agreement with TransformCo for the site.

Scannell Properties is a developer of primarily light industrial and commercial business centers. They have most recently completed projects in Brooklyn Park and Maple Grove. At a Council work session In May 2021, Scannell presented a concept plan for a redevelopment to an office/warehouse use which would classify under the City's current light industrial (I1) zoning district and the 2040 Comprehensive Plan's future land use designation of Business Mixed Use. The office/warehouse product type is in high demand in the market and is not a product that is readily available in the Brooklyn Center market. Office/warehouse buildings typically provide a 24-28 foot clear ceiling height, which offer the most flexibility for businesses.

Scannell began their due diligence of the site and completed an environmental assessment of the property, which identified significant amounts of asbestos in the existing buildings, which will need to be remediated before demolition can take place. The total estimated cost to remediate the asbestos in the former Sears building is nearly a million dollars. This work will be required prior to demolition of the existing structures.

At their May work session the Council provided feedback on the concept plan, and indicated that the proposed concept was not satisfactory. Councilmembers provided direction to the developer to go back and rework their concept. The Council's feedback on the plan fell into four main areas:

- Provide a greater mix of uses, primarily a desire to see more retail/entertainment uses on the site
- Provide an overall high finish level on any buildings, with four-sided architecture, and a focus on

- enhancing the Hwy 100 frontage
- Provide a site layout and design that adds value to the adjacent Shingle Creek Crossing shopping center
- Provide community benefit through opportunities for space for local businesses or local hiring goals

Scannell and TransformCo have been exploring the regional market, seeking opportunities to provide a greater mix of retail and entertainment uses. They have been working with a local broker, and have not had any interest in the site for this type of use. They have also focused on enhancing the architectural design and finish level of the building, as well as the layout to better consider the adjacent shopping area. They are also exploring ways to provide greater community benefits from the site.

TransformCo and their partner developer Scannell, have requested a work session to discuss the site, their revised concept plan, and how they intend to more closely align with the City's goals. The Staff have asked Julie Kimble, with KimbleCo, to also participate in the discussion on behalf of the City to ensure a collective understanding of the City's goals as well as the market realities and constraints on the site.

TransformCo is requesting this discussion now as they are at a decision point around whether to proceed with a project in Brooklyn Center, or to begin to focus on other sites, and are seeking direction on their development concept.

The former Sears site is currently zoned PUD-C2. This zoning is specific to the former Brookdale Mall, and any reuse of the property would require a rezoning to a new PUD. However, the underlying zoning is that of C2, Commerce, which primarily allows retail and service uses. Scannell's proposed use would require a rezoning to PUD-BMU, which aligns more closely with the City's I-1 - Light Industrial zoning district.

The property is guided TOD in the 2040 Comprehensive Plan. At the time that the Comprehensive Plan was adopted, it was not clear what the future for the former Sears site would be, nor had a market study been completed. The site is near a BRT transit stop, and TOD allows a broad mix of land use options, including housing. The 2040 Comprehensive Plan recognized that not all of the properties guided for TOD would be appropriate housing sites, and indicated that areas such as the Opportunity Site, would focus more on housing, while other sites around Xerxes and Brooklyn Boulevard would focus more on commercial land uses, providing a jobs base.

That said, the 2040 Comprehensive Plan did not contemplate light industrial and business mixed use for the former Sears site, and as such, a Comprehensive Plan Amendment would be required if this development were to move forward.

Policy Discussion

A resilient community includes a balanced approach to land use and redevelopment. This means identifying opportunities for adding jobs and tax base enhancing development projects, as well as promoting housing stabilization, a diverse housing stock, and meeting broader community goals.

Scannell has not yet indicated whether they will request Tax Increment Financing or not. Any request for TIF will be required to meet the City's Public Subsidy Policy and go through formal review.

Policy Issues:

- Does the Council have any comments or direction related to the proposed land use concept?
- Is the Council comfortable with a light industrial/business mixed use project, knowing it will require a rezoning and Comprehensive Plan Amendment?
- Does the City Council have any questions for Scannell properties related to their project proposal?

Next Steps

Based on the discussion with the Council, Scannell properties will work on a site concept, which will be brought back to the City Council for further consideration before they prepare a final land use application.

Budget Issues:

There are no budget issues regarding this item at this time.

Antiracist/Equity Policy Effect:**Strategic Priorities and Values:**

Targeted Redevelopment

ATTACHMENTS:

Description	Upload Date	Type
presentation	11/22/2021	Presentation

PRESENTED TO:



SEARS SITE REDEVELOPMENT

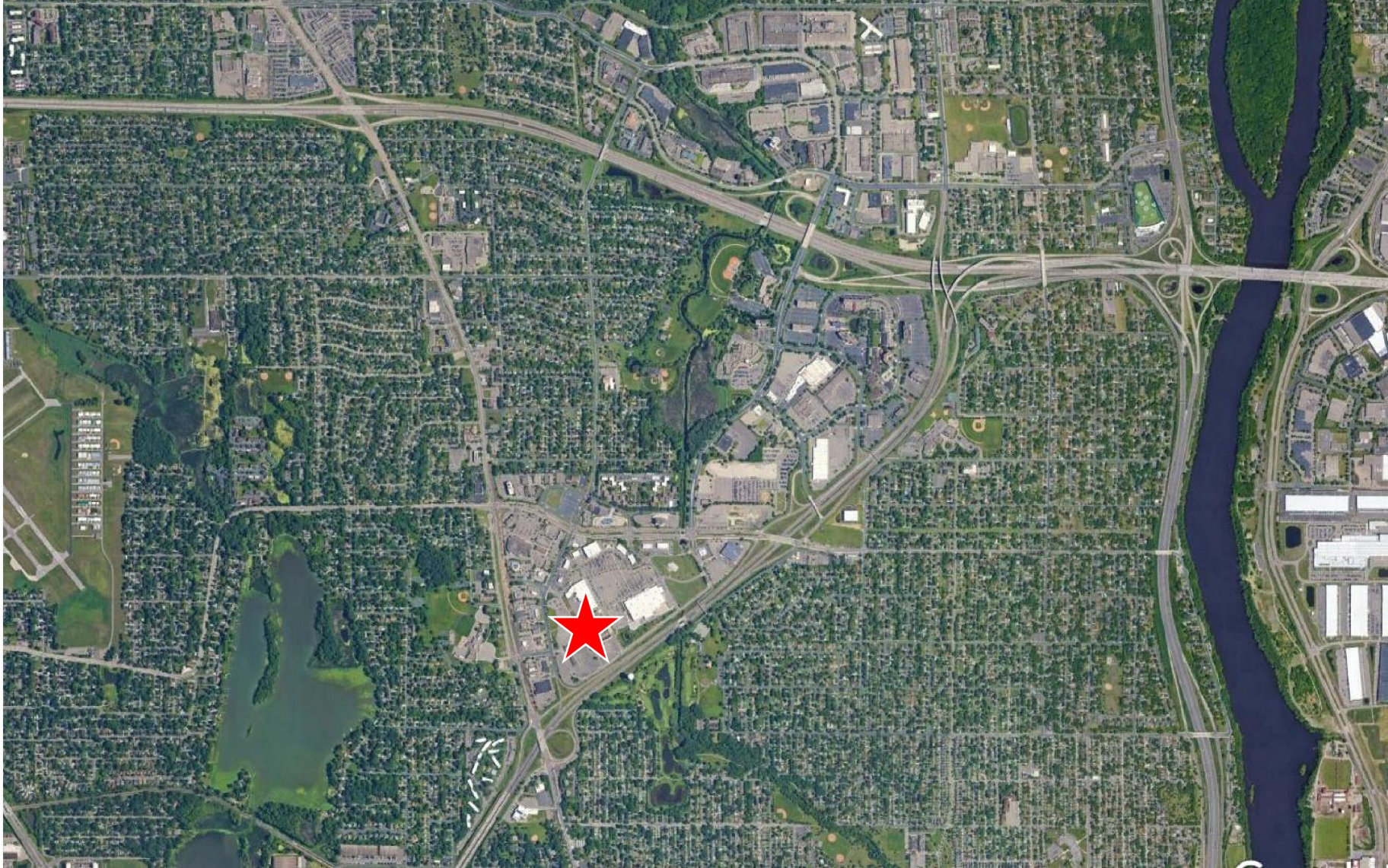
PRELIMINARY CONCEPT REVIEW – BROOKLYN CENTER, MN

TRANSFORMCO

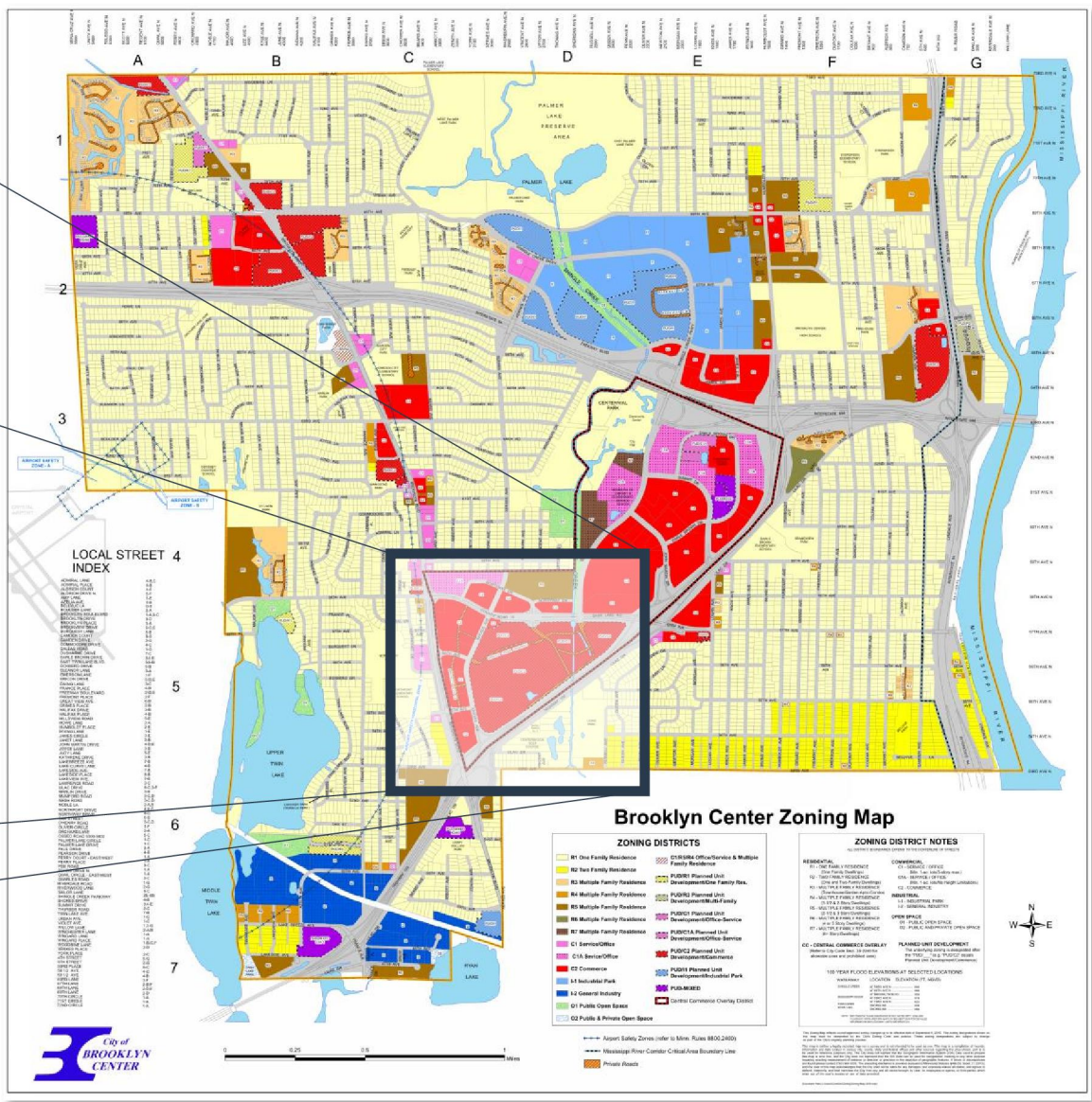
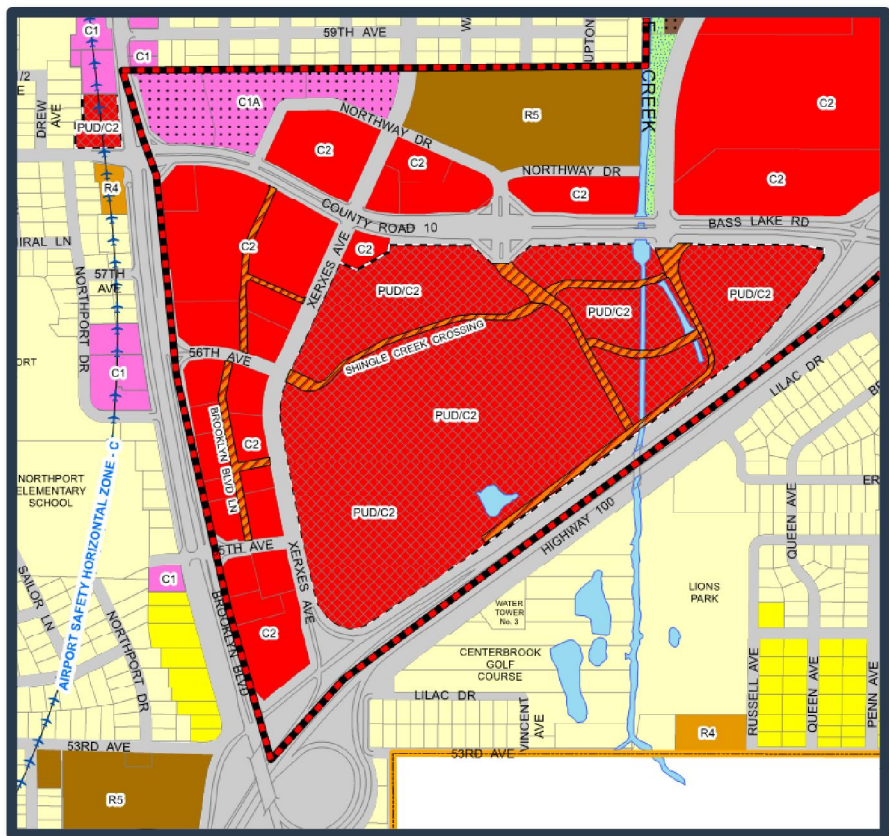


SCANNELL
PROPERTIES

SITE LOCATION MAP



LAND USE PLAN



RETAIL MARKET OVERVIEW



EXISTING SITE AERIAL



CONCEPT SITE PLAN



SAMPLE RENDERING #1



SAMPLE RENDERING #2



SAMPLE RENDERING #3



BUSINESS PARK JOB CREATION COMPS

Tenant	Primary Use	Total Size	Office	Office %	Approximate Employees	Jobs Per 1,000 Square Feet
Tenant A	Manufacturing	30,000	6,000	20.0%	50	1.67
Tenant B	Manufacturing	110,000	15,500	14.1%	150	1.36
Tenant C	Warehouse	30,000	2,000	6.7%	30	1.00
Tenant D	E-Commerce	80,000	3,500	4.4%	70	0.88
Tenant E	Health & Wellness	20,000	2,000	10.0%	30	1.50
Tenant F	Lab/Manufacturing	70,000	16,000	22.9%	120	1.71
Tenant G	Manufacturing	61,000	5,500	9.0%	70	1.15
Tenant H	Lab/Manufacturing	48,000	10,500	21.9%	80	1.67
Tenant I	Warehouse	36,000	2,800	7.8%	40	1.11
Tenant J	Warehouse	36,000	500	1.4%	30	0.83
Tenant K	E-Commerce	84,000	6,400	7.6%	90	1.07
Tenant L	E-Commerce	221,000	11,200	5.1%	200	0.90
Tenant M	E-Commerce	100,000	19,000	19.0%	150	1.50
Tenant N	Manufacturing	20,000	2,500	12.5%	30	1.50
		946,000	103,400	10.9%	1,140	1.21

As illustrated, the property has the potential to attract at least **230** new, high-quality jobs with a high likelihood of generating of **300**.

OBJECTIVES:

- ❖ Growth of local companies
- ❖ Attract new employers
- ❖ Create quality jobs for residence
- ❖ Increase tax base by over 400%
- ❖ Employment base to support local retailers

Summary of six (6) business park buildings in Scannell's NorthPark Business Center in Brooklyn Park.

THANK YOU

PRELIMINARY CONCEPT REVIEW – BROOKLYN CENTER, MN

TRANSFORMCO



SCANNELL
PROPERTIES

Council/EDA Work Session

DATE: 11/22/2021

TO: City Council

FROM: Dr. Reggie Edwards, City Manager

THROUGH: N/A

BY: Dr. Reginald Edwards, City Manager

SUBJECT: Follow Up to Budget Presentation

Requested Council Action:

Background:

At the Monday, November 15, special work session there was a presentation regarding the 2022 Police Department budget and suggested reallocations of funds to fund Resolution 2021-73 Safety Act. We will present a follow up to these proposed allocations.

Budget Issues:

Antiracist/Equity Policy Effect:

Strategic Priorities and Values:

ATTACHMENTS:

Description	Upload Date	Type
Resolution	11/22/2021	Backup Material

Council/EDA Work Session

DATE: 11/22/2021

TO: City Council

FROM: Dr. Reggie Edwards, City Manager

THROUGH: N/A

BY: Dr. Reginald Edwards, City Manager

SUBJECT: Upcoming Items

Requested Council Action:

- Overnight Parking Discussion - 11/22
- Earle Brown Name Change for Public Property - 1/10/22
- Council Policy for City Charter requirement of Mayor's signature on all contracts
- Strategic Plans for years 2018-2020 and 2021-2023
- Review Special Assessment Policy
- Tobacco Ordinance
- Emerald Ash Borer Policy Review
- Community-Wide Survey
- Attorney RFP Process - Extension 11/22 and RFP Process 12/13
- Franchise Fees
- Pilot Opportunity Site Concept Review - 12/13

Background:

Budget Issues:

Antiracist/Equity Policy Effect:

Strategic Priorities and Values: