

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
JANUARY 10, 2022
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 9:07 p.m.

ROLL CALL

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

CONCEPT OPPORTUNITY SITE PILOT PROJECT - CONCEPT PLAN REVIEW

City Manager Reggie Edwards explained the topic was deliberated during the previous meeting. However, they ran out of time for discussion. He explained Staff needs direction from the Council regarding the next steps. He introduced Community Development Director Meg Beekman to continue the presentation.

Community Development Director Meg Beekman explained she gave a thorough presentation on the topic at the December 13, 2021 meeting. At that time, she explained the process and the Council heard from an Alatus representative. She invited Chris Osmundson to continue the presentation.

Chris Osmundson, Director of Development with Alatus, noted he gave a brief presentation at the December 13, 2021 meeting but would summarize his previous presentation. He explained there have been had various starts and stops in the project since March 2018. Since then, they have brought in two additional development sponsors: Project for Pride in Living and Resurrecting Faith World Ministries. Project for Pride in Living will assist with the affordable housing component, and Resurrecting Faith World Ministries is a nondenominational faith-based organization. Resurrecting Faith World Ministries had previously approached Project for Pride in Living to develop a campus site to allow for affordable housing, daycare, and other services.

Mr. Osmundson stated there has been quite a bit of community engagement and discussions thus far. There were four formal engagement opportunities throughout 2019 related to the Opportunity Site. Additionally, since August of 2021, there have been informal engagement events. They met with various organizations at an external meeting, and they plan to continue a similar style of meetings through April 2022.

Mr. Osmundson explained the principles of the project are to embrace the growing diversity of the community, produce plans that bring the community together, create a vibrant and distinctive destination for the community and region, and consider sustainability in the design of the development. Benefits for the Pilot Site include an increased tax base, a benefit to community schools, new parks, and recreation amenities, increased shopping, dining, and entertainment options, more housing options, spaces for local businesses, and water quality improvements to Shingle Creek.

Mr. Osmundson noted the engagement outcomes resulted in several master plan guiding principles such as diversity and inclusivity, affordability, health and wellness, fiscal responsibility, flexibility, community pride, environmental sustainability, local benefit, and counteracting displacement.

Mr. Osmundson explained Alatus was initially the sole sponsor. Over time, that has changed to become more diverse and specialized to help one another put the project together. The original proposal was predominantly market-rate housing, but that has changed dramatically. There will be various types of mixed-income and affordable housing in addition to market-rate housing. Instead of simply a local business focus, there will be a business incubator owned and programmed via community stakeholders.

Ms. Osmundson stated the development agreement has evolved to include a community benefits framework and community benefits agreement for the Opportunity Site. Additionally, a Citizen Advisory Task Force has been created and will continue to influence the project. Furthermore, the original vision of a downtown destination center has turned into more of a campus-oriented development.

Mr. Osmundson stated they originally had a big box focus with Target. However, there is now a focus on housing and creating equitable opportunities throughout the proposed development phasing. Lastly, the community requested inclusive gathering spaces, open spaces, and a connected trail system. Alatus and its partners have partnered with the Three Rivers District and are including more gathering and event space based on community needs.

Mr. Osmundson added the level of affordability, contracting, target population for housing, incorporation of urban agriculture component, and a community-led design process for the incubator and plaza spaces are topics to be discussed in future engagement sessions.

Mr. Osmundson stated there are many business programs and deliverables the team is working through. Mr. Osmundson showed an aerial overview site plan reflective of the business plan. He explained the plan includes a Three Rivers Park District park, a public plaza, the business incubator, a flex street, a building to include an event center, childcare center, therapy suites, and barber quires, market-rate residential housing, mixed-income residential housing, affordable housing, community gardens, public art opportunities, and a stormwater park. There are connections to existing trails and nearby bus stops to connect folks to the rest of the transit. He added the buildings would be primarily powered through sustainable energies.

Mr. Osmundson stated there would be about 289 market-rate housing units, 205 mixed-income units, with 20 percent of 60 percent area median income, and 250 affordable housing units, where 100 percent of the units fall at or below the 50 percent area median income. He noted the affordable housing would be built in multiple phases. There are 19,110 feet within the business incubator building to be programmed. The gathering space can hold about 27,000 people. The parking is both in lots and parallel parking. However, a majority of the parking for the residents is underground.

Mr. Osmundson stated they are working on community engagement for the Pilot Site through April 2022. As for the Opportunity Site, they will continue to develop the site plan and engage the community through the end of December 2022. The engagement opportunities will be both formal and informal throughout the community. Mr. Osmundson offered to answer any further questions.

Councilmember/Commissioner Ryan asked for clarification for the square footage for the various gathering spaces. Mr. Osmundson stated the business incubator would be 19,110 square feet and would be developed simultaneously with the market-rate housing. The determination of spacing and programming is still being determined.

Ms. Beekman stated the City is leading the work around the incubator in partnership with organizations that are doing the feasibility work on their behalf. The concept they are contemplating is if the EDA would own the building. The plaza outside of the incubator space would allow for pop-up business opportunities. The operating model has not been determined. As for the cost, the project would deliver the building. Then the building would be a self-sustaining project owned by the EDA. In the coming months, there will be more information on the financing and feasibility details.

Councilmember/Commissioner Ryan noted he understands they don't know exact numbers currently, but he does have concerns about how the City will pay for the buildings and the long-term financial viability of the development for the City. The project is very critical for the City's future, and they must do their due diligence. The concept is very appealing, especially because there has been a large amount of community engagement. However, the residents that have engaged in the process are not responsible for the financial viability, and the Council must be good stewards of their limited resources.

Councilmember/Commissioner Ryan suggested the Council spend more time on the project through a work session of sorts. Considering the hour is late, he proposed they dive deeper into the topic at a later time with more information.

Mayor/President Elliott confirmed the meeting was going late and the third item regarding allocation of American Rescue Plan Act funds would need to be rescheduled to a later date. He added he is in favor of scheduling more time to discuss the Pilot Site. He explained he likes the direction and evolution of the project. They are living in a time where equity has come to the forefront.

Mayor/President Elliott added equity efforts are not necessarily intuitive, and they need to make sure they are creating substantial levels of affordability in the development. The project is setting

the City up for economic growth. The community of Brooklyn Center and its great diversity can make a great impact, similar to that of other communities of color. They are all immigrants that have come in varying ways. The project is an amazing ability to help local businesses thrive more than other communities have in the State. Brooklyn Center is positioned well to lead the way in economic development.

Councilmember/Commissioner Ryan stated they need to have a robust discussion on the project. He noted he wants the residents to have housing they can afford. However, building more housing for lower-income individuals does not necessarily set up the City well financially in the long term. The Council needs to debate the issue beyond the political aspirations of the Council to face the hard economic realities.

Councilmember/Commissioner Lawrence-Anderson thanked the presenters for attending the meeting. She explained she has enjoyed meeting with people from the project.

Dr. Edwards stated Staff is seeking direction from the Council regarding the Pilot Site and the Opportunity Site. Mayor/President Elliott stated the Council will not address that question right now as Councilmember/Commissioners have raised important points that need to be further discussed at a work session.

Councilmember/Commissioner Graves thanked the presenters, Staff, and community organizations for their hard work throughout the long process. She agreed she likes the direction of the project. She noted has been working at the Minnesota Health Department for five years, and she works near an Alatus building that she always thought was too fancy. However, Alatus has been flexible and hardworking.

Councilmember/Commissioner Graves added she would like to learn more about Resurrecting Faith World Ministries as she does not know much about them. Additionally, she is a big proponent of the business incubator and would like to incorporate ways to support youth through that programming. She stated it does seem somewhat disjointed that doesn't feel quite right for her. Additionally, she would like to further discuss the concerns raised by Councilmember/Commissioner Ryan.

Mayor/President Elliott echoed the sentiments of Councilmember/Commissioner Graves. Alatus is known for building luxury, but he agrees with Councilmember/Commissioner Graves about being surprised by Alatus.

Mayor/President Elliott stated it is time to listen to residents and put the listening into action. He doesn't want Minnesota to be the state with the worst racial disparities, which starts with housing. He noted if someone doesn't have a place to live, then they don't have a stake in the community. He would also like to use EDA funds to support a land-ownership model where the communities can have the right of first refusal to land when it is ready to be sold and explore a portion of the lands to be given back to Native communities.

Mayor/President Elliott agreed there are community members and community organization partners who have played an important role in the direction of the project. There have been many heated debates and deep investments in the work.

ADJOURNMENT

Mayor/President Elliott moved and Councilmember/Commissioner Butler seconded adjournment of the City Council/Economic Development Authority Work Session at 9:58 p.m.

Motion passed unanimously.

STATE OF MINNESOTA)
COUNTY OF HENNEPIN)
CITY OF BROOKLYN CENTER)

ss. Certification of Minutes

The undersigned, being the duly qualified and appointed City Clerk of the City of Brooklyn Center, Minnesota, certifies:

1. That attached hereto is a full, true, and complete transcript of the minutes of the Work Session of the City of Brooklyn Center held on January 10, 2022.
2. That said meeting was held pursuant to due call and notice thereof and was duly held at Brooklyn Center City Hall.
3. That the City Council adopted said minutes at its January 24, 2022, Regular Session.

City Clerk

Mayor