Exploring Equitable Development in Brooklyn Park



Prepared by

Elizabeth Dressel, Mustafa Omar, Elizabeth Showalter, Jared Staley, and Sarah Strain

Students in PA 8203: Neighborhood Revitalization Strategies and Theories Instructor: Neeraj Mehta

Prepared on Behalf of

City of Brooklyn Park
Community Development Department

Fall 2016



Resilient Communities Project

University of Minnesota

Driven to DiscoverSM

The project on which this report is based was completed in collaboration with the City of Brooklyn Park as part of the 2016–2017 Resilient Communities Project (RCP) partnership. RCP is a program at the University of Minnesota's Center for Urban and Regional Affairs (CURA) that connects University faculty and students with Minnesota communities to address strategic projects that advance local resilience and sustainability.

The contents of this report represent the views of the authors, and do not reflect those of RCP, CURA, the Regents of the University of Minnesota, or the City of Brooklyn Park.



This work is licensed under a Creative Commons Attribution-NonCommercial 3.0 Unported License. To view a copy of this license, visit www.creativecommons.org/licenses/by-nc/3.0/ or send a letter to Creative Commons, 444 Castro Street,

Suite 900, Mountain View, California, 94041, USA. Any reproduction, distribution, or derivative use of this work under this license must be accompanied by the following attribution: "Produced by the Resilient Communities Project (www.rcp.umn.edu) at the University of Minnesota. Reproduced under a Creative Commons Attribution-NonCommercial 3.0 Unported License."

This publication may be available in alternate formats upon request.

Resilient Communities Project

University of Minnesota 330 HHHSPA 301—19th Avenue South Minneapolis, Minnesota 55455

Phone: (612) 625-7501 E-mail: <u>rcp@umn.edu</u>

Web site: http://www.rcp.umn.edu



The University of Minnesota is committed to the policy that all persons shall have equal access to its programs, facilities, and employment without regard to race, color, creed, religion, national origin, sex, age, marital status, disability, public assistance status, veteran status, or sexual orientation.

Exploring

Equitable Development

In Brooklyn Park

Elizabeth Dressel, Mustafa Omar, Elizabeth Showalter, Jared Staley, and Sarah Strain 12-23-2016

Table of Contents

Executive Summary	2
SNAP Report Update	4
Equitable Development in Brooklyn Park	23
Participation in Equitable Development	25
Recommendations: Live	27
Recommendations: Work	36
Recommendations: Play	52
Conclusion	56
Resources	58

Executive Summary

In 2004, the City of Brooklyn Park developed the Stable Neighborhood Action Plan (SNAP) to better serve the needs of the residents of the SNAP area. SNAP is a concentrated area of the City located one mile east and west of Zane Avenue with 85th Avenue serving as the northern border down the southern border of the City. As stated in the first SNAP report, "SNAP is a plan which seeks to enhance neighborhood stability, by better meeting the housing and infrastructure-related needs of the current and forecasted residents and improving the position of the City of Brooklyn Park in the regional housing marketplace." Since this original plan, the City has undergone significant redevelopment, but there are still parcel of city-owned land to be developed. The City is beginning the second phase of redevelopment with hopes of meeting the needs of the SNAP residents and develop the City owned parcels. To begin this next phase of development, this report provides an updated demographic analysis to understand how the SNAP area has changed since 2004, and is currently situated in relation to Brooklyn Park as a whole. In sum, SNAP is a racially and ethnically diverse area in Brooklyn Park with lower income levels than many other neighborhoods in the City. City staff asked this group to think about what equitable development would like for their specific community. Our research and analysis has guided the recommendations outlined in this report. The recommendations we are encouraging the City to consider fall into three main categories: live, work, and play.

Live	Work	Play	
Residential Community	Commercial Land Trust	Parks	
Land Trust			The
	Community Development	Recreation Spaces with a	The
Larger Affordable Units	Corporations	Purpose	City of
Changes to City Practices to	Resident Owned Community	Trees and Vegetation	Broo
Encourage Affordable Housing	Development Financial		klyn
Development	Institutions		Park
			has
	Anchor Institutions		а
			uniq
	Community Benefits Agreement		ue .
			орр
	Incubation and Business		ortu
	Development		nity
			•
			to

be leader in equitable development, particularly in a suburban context. SNAP residents, being of lower incomes and greater racial diversity, are situated in a place that makes the use of equitable development practices important to ensure stable living arrangements and opportunities to build

¹ Brooklyn Park Stable Neighborhoods Action Plan (SNAP). 2005. Page 1.

wealth and community in SNAP as the City continues to grow and develop. Equitable development in SNAP can help ensure that Brooklyn Park can continue to be home for all current residents and improve their quality of life.

The recommendations outlined in the chart above encompass a wide variety of residents' lives. We believe that the City must look to enhance all three elements to create equitable development for SNAP residents. Public participation processes and genuine resident engagement is the foundation to equitable development and must be a part of any recommendations the City pursues. For many of the recommendations, constituent ownership is important for the idea to grow to scale. However, we see the City as in the role of convener and providing the leadership and resources to begin the process. As the ideas take ground, the City will transition leadership to the members of the community. It is our hope that this report will be a guide for the City to pursue equitable development to build wealth and opportunity to SNAP area residents.

SNAP Report Update

Methods

Demographic data was obtained using ArcMap Online, Community Analyst feature. This data uses 2014 American Community Survey (ACS) data to project demographics to 2016 (present day) and 2021 (5-years out). While the data may not be the most current, it provides details more specific to the SNAP area than can be obtained through census block group data. These data were compared to data representing the entirety of Brooklyn Park, also obtained through the Community Analyst feature of ArcMap Online. Where noted, data comes from the census tracts that most closely reflect the SNAP area. Tract level data (2015 five year estimates) was used for the creation of maps, when data was not available through community analyst. These data were supplemented with data from OnTheMap, a census bureau tool for viewing Longitudinal Employer-Household Dynamics and the US Department of Housing and Urban Development.

Demographics and Projections

In 2015 the SNAP area had a population of 28,995 with an estimated 10,433 households. This area comprises approximately 36% of the total population of Brooklyn Park. There have been significant shifts in demographics between 2005 and 2015. The SNAP area has become less White and more diverse. In 2005, residents who were White alone represented 60 percent of the population. Black or African American alone represented 24 percent, Asian, Native Hawaiian and Other Pacific Islander represented 9 percent, other race represented 2 percent, and two or more races represented 4 percent. American Indians are roughly the same proportion of the population in 2005 as in 2015. For the City as a whole, the largest immigrant groups are from Liberia, Vietnam, Mexico, Laos, each with over 2,000 residents, with between 500 and 1000 immigrants from Kenya, Ethiopia, Thailand, and Nigeria.²

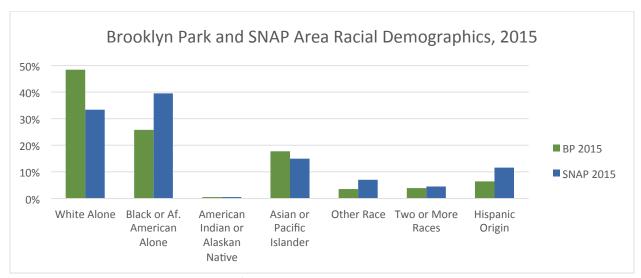


Figure 1: ESRI Community Analyst Projections of US Census Bureau 2010 Census

² American Communities Survey 2014 Five Year Estimate Table B05006

The distribution of income in the SNAP area continues to differ from the city as a whole. The SNAP area has a larger proportion of households with incomes in the lowest two income groups, which are below \$50,000, while the city as a whole has more households with incomes in excess of \$75,000.

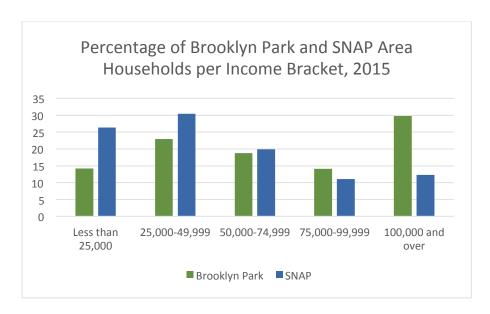


Figure 2: ESRI Community Analyst Projections of US Census Bureau 2010 Census

As part of the Community Analyst function, ArcMap projects demographics and data out five years. With projections available for 2021, the anticipated opening of the Metro Blue Line extension into Brooklyn Park, it would be beneficial for planning and development to help determine who will likely be living in Brooklyn Park in the next five years.

Brooklyn Park and SNAP Area Racial Demographics

	Brooklyn Park		SNAP	Area
	2015	2021	2015	2021
White	48%	45%	33%	30%
Black or African American	26%	27%	40%	41%
American Indian or Alaskan Native	<1%	<1%	<1%	<1%
Asian or Pacific Islander	18%	20%	15%	16%
Other Race	4%	4%	7%	7%
Two or More Races	4%	4%	5%	5%
Hispanic Origin*	6%	7%	12%	12%

^{*}Individuals of Hispanic Origin were removed from the individual races they identified

Table 1: ESRI Community Analyst Projections of US Census Bureau 2010 Census

Over the next five years, the population and households in Brooklyn Park and the SNAP area are expected to increase by 1%. Median household incomes in Brooklyn Park as a whole are projected to increase 2.65% to \$73,918, while the median income in SNAP is projected to remain constant, if not slightly decrease. The city as a whole will have more households making over \$100,000 per year, with lower income groups shrinking. In the SNAP area, more households are anticipated to make less than \$50,000 and more than \$75,000, with the middle income bracket decreases to include only 14% of SNAP households.

SNAP area families with children under 18 are more likely to not be headed by a married couple. Thirtyone percent of SNAP households have children under 18 without being headed by a married couple, compared to 19 percent in the city overall. It is worth noting that the census does not provide any distinction between a household with only one adult and a household with two adults, or even a household with two adults that are both parents of the children. This is an increasingly antiquated definition of family that may be overstating the proportion of families that are headed by a single adult. That in mind, the larger proportions of female headed families, and to a somewhat lesser extent male headed families, does place additional difficulty in supporting the family on a single income. In addition to affordability, these families may have other needs that can be met through housing that incorporates additional services, such as homework help and childcare.

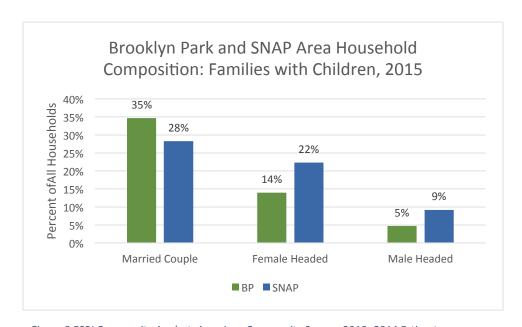


Figure 3 ESRI Community Analyst, American Community Survey, 2010- 2014 Estimates

The household size of SNAP residents is similar to the city as a whole. Both have an average household size of about 2.8. The most noticeable difference is the larger proportion of SNAP households with four people.

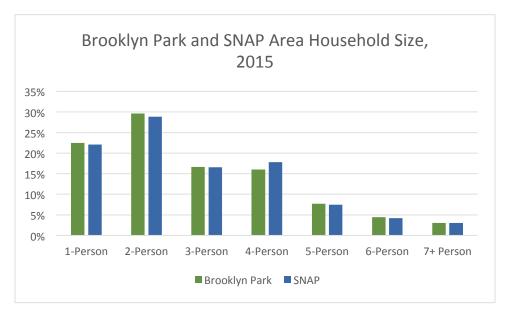


Figure 4 ESRI Community Analyst, American Community Survey, 2010- 2014 Estimates

Housing

As was the case in the first SNAP report, the housing in the SNAP area is older than the housing in the rest of the city. In the SNAP area, over 70 percent of occupied housing units were built before 1980, compared to 50 percent in the city as a whole. Less than five percent of occupied SNAP units have been built since 2000, compared to over ten percent in the city as a whole.

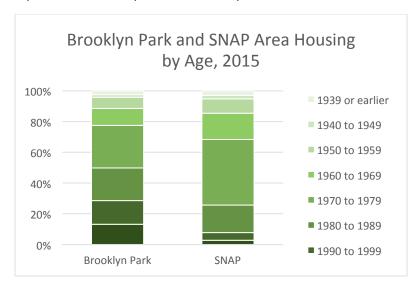


Figure 5 ESRI Community Analyst, American Community Survey, 2010- 2014 Estimates

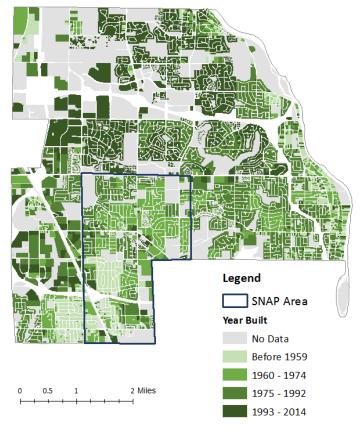


Figure 6 Map of Housing Stock of Brooklyn Park by Construction Year

The majority of units in the SNAP area are in multifamily buildings, compared to less than a quarter of the units in the city overall. The median household in the city as a whole live in a single family detached home, while the median SNAP household lives in a duplex. This is not necessarily a problem, but does raise a concern for having surrounding infrastructure that supports multifamily housing. In the SNAP area, fewer families have access to private outdoor space, necessitating children playing at parks, rather than backyards. This should be taken into account in the provision of adequate play space that meets needs that are likely different from the needs of families with backyards.

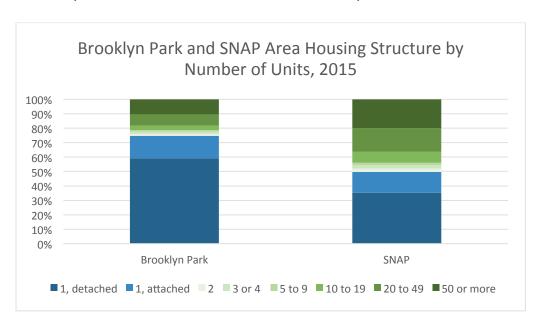


Figure 7 ESRI Community Analyst, American Community Survey, 2010- 2014 Estimates

Rental Cost Burden is defined as residents or households spending more than 30% of their pretax incomes on rent. Spending more than 30% of income on rent/housing costs leaves less income for other necessities like food, clothing, and medicine. Rental cost burden is a significant problem in Brooklyn Park. More than 60% percent of Brooklyn Park renters are cost burdened, while more than 25% are severely cost burdened, spending more than 50% of their pretax income on rent, which severely limits income available for other life necessities. There is little difference in the proportion of the population experiencing rental cost burden in the SNAP area compare to the city as a whole. For the country as a whole, one fifth of renters are severely cost burdened. Cost burden should be addressed in two ways. First, cost burden can be reduced by increasing income, allowing the current rent to be more affordable. We recommend doing this through targeted community wealth building. Secondly, cost burden can be addressed by providing lower cost options, through rent subsidies, Low Income Housing Tax Credit developments and affordable homeownership options, such as a land trust. The large amount of city owned land provides ample opportunity for affordable housing in a variety of styles, which can have a more immediate effect on currently cost burdened residents than wealth building.

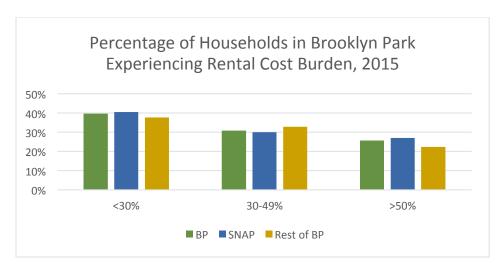


Figure 8 ESRI Community Analyst, American Community Survey, 2010- 2014 Estimates

Rents in Brooklyn Park have risen since 2011, with the largest increase between 2013 and 2014 for most unit sizes. Studios rose sharply from 2014 to 2015, but fell in 2016 to near the 2014 level.

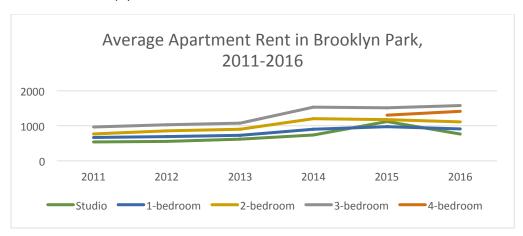


Figure 9 Brooklyn Park Community Development Survey of Apartments

Average rent in Brooklyn Park apartment units exceeds the Fair Market Rent (FMR), established by the US Department of Housing and Urban Development for all units except for four bedrooms. The Fair Market Rent is established on metropolitan scale and is used to determine the rents acceptable in the Housing Choice Voucher program. It is generally the fortieth percentile of gross rent of standard quality units. HUD also calculates FMRs for individual counties within the metro area, which in the case of Hennepin County, is the same as the metro area FMR. All average rents exceed the affordable rents for households at 50 percent of area median income, while the average studio, 1,2 and 4-bedroom unit is affordable to renters at 60 percent area median income.

³ The FMR is generally calculated as the 40th percentile of gross rent (including tenant paid utilities other than phone, TV, or internet) of standard quality rental units. Standard quality units have full plumbing and kitchen, are more than 2 years old, meals are not included in rent and are less than 10 acres.

⁴Retrieved from Novogradac & Company's Rent and Income Calculator https://ric.novoco.com/tenant/rentincome/calculator/z1.jsp



Figure 10 Brooklyn Park Community Development Survey of Apartments, US Department of Housing and Urban Development, Novogradac & Company Rent and Income Calculator

Housing Choice Vouchers (HCV, formerly called Section 8 vouchers) are used more frequently in the tracts to the East of the SNAP area. This may be because HCV vouchers cannot be used in units that do not meet a number of requirements, including size and bedroom suitability for the family. Approximately fifty-percent of voucher holders in Minnesota have at least one child, which prohibits them from using the voucher in a one-bedroom unit.

There are three Low Income Housing Tax Properties in Brooklyn Park, two of which are located within the SNAP area. Brooks Landing is age restricted for seniors. Combining the two developments that allow children there are twenty-three bedroom units and 4 four bedroom units. With thirty percent of households in the city as a whole and twenty-seven percent of the SNAP households having four or more people, there is a great need for units with more bedrooms.

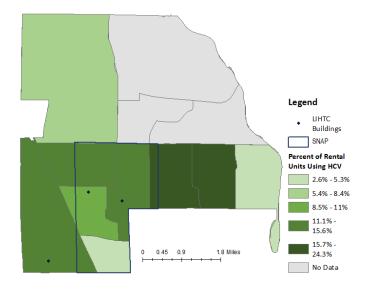


Figure 11 Map of Low Income Housing Tax Credit Properties and Rental Units Using Housing Choice Vouchers, Brooklyn Park 2015

The two census tracts entirely within the SNAP area are the two tracts with the highest proportion of households experiencing crowding.⁵

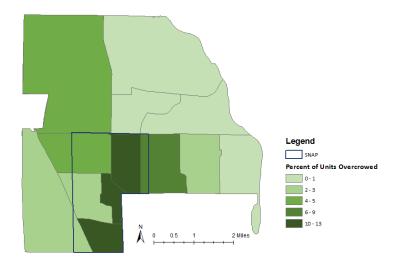


Figure 12 Map of Housing Units Experiencing Overcrowding, Brooklyn Park 2015

Workforce Characteristics

The table below shows the top five most common work destinations for SNAP resident workforce in 2015. Work locations remain largely the same between 2005 and 2014 for both SNAP workers and Brooklyn Park workers outside of SNAP. SNAP area residents represent 33% of Brooklyn Park's total workforce, of which 9.4% are employed within the City of Brooklyn Park. The percentage of SNAP residents working in Brooklyn Park has increased between 2005 and 2014, from 7% to 9.4%. This is higher than the city average of 8.9% of Brooklyn Park residents live and work in Brooklyn Park. SNAP area residents live and work in the SNAP area, a slight decrease from 2005 (3% in 2005).

Most Common Work Destinations for SNAP Resident Workforce,

⁵ Crowding is defined using the Census Bureau definition of more than one person per room, excluding bathrooms, hallways, porches, and entryways.

⁶ US Census Bureau, 2005 and 2014 American Community Survey (ACS), Center for Economic Studies. OnTheMap Application Work Destination Analysis for SNAP specific and City of Brooklyn Park geographies. https://onthemap.ces.census.gov/

⁷ US Census Bureau, 2005 and 2014 ACS, Center for Economic Studies. OnTheMap Application Work Destination Analysis for SNAP specific and City of Brooklyn Park geographies. https://onthemap.ces.census.gov/

⁸ US Census Bureau, 2005 and 2014 ACS, Center for Economic Studies. OnTheMap Application Work Destination Analysis for SNAP specific geography. https://onthemap.ces.census.gov/

2015

	Percent of SNAP
Destinations	Workers
Minneapolis	21%
Brooklyn Park	9%
Maple Grove	7%
Plymouth	6%
St Paul	5%

Table 2 US Census Bureau, 2014 American Community Survey, Center for Economic Studies.

SNAP area workers are slightly younger than the city-wide workforce, shown in the following table.9

Age of Resident Workforce, 2015

Ago Dongo	Percent of SNAP Resident	Percent of Brooklyn Park
Age Range	Workforce	Resident Workforce
Age 29 or Younger	28%	24.5%
Age 30 to 54	55.6%	56.6%
Age 55 or Older	16.4%	18.9%

Table 3 US Census Bureau, 2014 American Community Survey, Center for Economic Studies.

There has been a shift in the SNAP resident workforce age that shows the natural aging of the SNAP population and resident workforce; there is a 38% increase in the percentage of workers over 55 years old, up from 11.9% in 2005. There is also a 17% decrease in worker aged 29 years and younger, down from nearly 34% in 2005. The solution of the SNAP population and resident workforce; there is a solution and resident workforce age that shows the natural aging of the SNAP population and resident workforce; there is a 38% increase in the percentage of workers over 55 years old, up from 11.9% in 2005. There is also a 17% decrease in worker aged 29 years and younger, down from nearly 34% in 2005.

SNAP area workers also make slightly less than the city-wide workforce, shown in the following table.¹¹ Annual incomes in SNAP have slightly shifted between 2005 and 2014, with both the upper and lower income brackets growing since 2005 (15% and 8%, respectively) while the middle income bracket decreased (down 13% from 2005).

Annual Earnings of Resident Workforce, 2015

⁹ US Census Bureau, 2005 and 2014 ACS, Center for Economic Studies. OnTheMap Application Home Area Profile Report for SNAP specific and City of Brooklyn Park geographies. https://onthemap.ces.census.gov/

¹⁰ US Census Bureau, 2005 and 2014 American Community Survey (ACS), Center for Economic Studies. OnTheMap Application Home Area Profile Report for SNAP specific geography. https://onthemap.ces.census.gov/

¹¹ US Census Bureau, 2005 and 2014 ACS, Center for Economic Studies. OnTheMap Application Home Area Profile Report for SNAP specific and City of Brooklyn Park geographies. https://onthemap.ces.census.gov/

Annual Earnings	Percent of SNAP Residents	Percent of Brooklyn Park Residents
Under \$15,000	29%	24.6%
\$15,000-39,999	41.4%	33.7%
\$40,000+	30%	41.7%

Table 4 US Census Bureau, 2014 American Community Survey, Center for Economic Studies.

Employment in the SNAP area is primarily service based. ¹² Just under half of SNAP area residents hold White Collar jobs (48.1%), the majority of these jobs being administrative support, while the remaining half of the workforce is divided fairly evenly between Services (26.4%) and Blue Collar jobs (25.4%), the majority of these jobs being in production. Most of the primary industries worked by SNAP area residents, shown in the table below, have remained unchanged between 2005 and 2014¹³. Finance is no longer one of the primary industries, surpassed by Accommodation and Food Services. Health Care and Social Assistance jobs now make up a larger share of resident occupations than Manufacturing jobs, becoming the primary industry worked in SNAP.

Most Common Industry Sectors for SNAP Resident Workforce, 2015

Industries	Percent of SNAP Workers
Health Care and Social Assistance	24%
Manufacturing	13%
Retail	9%
Accommodation and Food Service	9%
Administration and Support, Waste Management, and Remediation	9%

Table 5 US Census Bureau, 2014 American Community Survey, Center for Economic Studies.

The racial demographics of the SNAP workforce and the SNAP population are shown in the chart below. ¹⁴ Compared to total population demographics, Whites are overrepresented in the SNAP workforce while Blacks/African Americans, Hispanics, and persons of Two or More Race Groups are underrepresented. Asians, American Indians and Alaskan Natives and Hawaiian and Pacific Islanders are proportionally represented in the workforce. This likely means that Black/African American, Hispanic, and Two or More Race Groups populations in the SNAP area younger than workforce ages and are a sign

¹² US Census Bureau, 2005 and 2014 ACS. OnTheMap Application Home Area Profile Report, Jobs by NAICS Industry Sector for SNAP specific geography. https://onthemap.ces.census.gov/

¹³ US Census Bureau, 2005 and 2014 ACS. OnTheMap Application Home Area Profile Report, Jobs by NAICS Industry Sector for SNAP specific geography. https://onthemap.ces.census.gov/

¹⁴ US Census Bureau, 2014 ACS, Center for Economic Studies. OnTheMap Application Home Area Profile Report for SNAP specific and geography and ESRI ACS Community Profile, 2016

of Brooklyn Park's changing family demographics. Unfortunately, these data for 2005 are unavailable to determine any changes over time

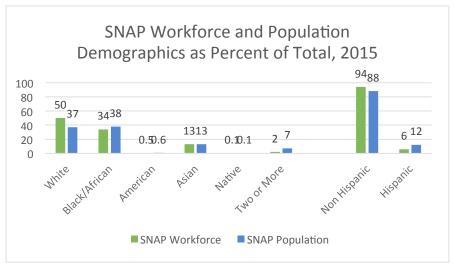


Figure 13 US Census Bureau, 2014 American Community Survey, Center for Economic Studies and ESRI Community Analyst
Projections of US Census Bureau 2010 Census.

The commuting methods of SNAP residents are not markedly different from other Brooklyn Park residents, shown in the table below. Three more percentage points of SNAP workers use public transit than workers in the city as a whole, and three fewer percentage points of SNAP workers drive alone.

Commuting Methods of Brooklyn Park Residents

Commute Method	Brooklyn	SNAP
	Park	
Drove alone	79%	76%
Carpooled	11%	11%
Public transit	5%	8%
Worked at home	3%	2%
Walked	1%	1%
Other means	1%	1%
Taxicab	<1%	<1%
Motorcycle	<1%	<1%
Bicycle	<1%	<1%

Table 6 ESRI Community Analyst, American Community Survey, 2010-2014 Estimates

Car availability likely influences the use of public transit. The chart below shows vehicle access for both SNAP and Brooklyn Park residents. Eight percent of Brooklyn Park households do not have a car available while 16 percent of SNAP households do not have a car available. Sixty-four percent of households in Brooklyn Park have two or more vehicles available while only 47 percent of SNAP residents have two or more cars available. Homeowners in both areas are more likely to own cars than renters, but both renters and owners in SNAP are less likely to own cars than similar households in the City as a whole. In considering these data, an important caveat is the circumstances surrounding the vehicle. The data do not specify the size of the household or number of labor market participants. The number of vehicles needed for a household is quite different if there is one adult in the labor force then if there are three. Also lacking is the reliability of the vehicle, which may be a factor for low-income vehicle owners. These differences may indicate greater difficulties for SNAP residents in obtaining and maintaining employment, and especially employment that best matches their qualifications and desires, but these data do not provide adequate information to validate that.

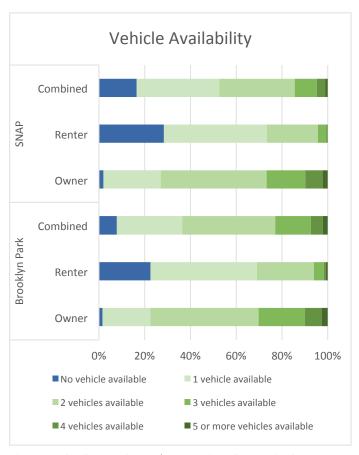


Figure 14 ESRI Community Analyst, American Community Survey, 2010- 2014 Estimates

Crime Update

Overall, crime in Brooklyn Park and SNAP has decreased since 2004. Despite this overall decline, certain crimes have increased both in SNAP and the rest of Brooklyn Park. It should also be noted that throughout this overall decline, several crimes experienced a spike between 2008 and 2010 and have since decreased to 2004 levels or lower. The spike during these years may be attributed to the economic hardships many individuals and families faced during the peak of the Great Recession. Throughout this crime analysis, crimes are defined as follows:

<u>Part 1 Crimes:</u> Assault, Narcotics, Theft, Robbery, Domestic Assault Felony, Burglary (business, garage, dwelling, and other), Vehicle Theft, Kidnapping, Arson, Murder and Sex Related/Prostitution.

<u>Part 2 Crimes:</u> Counterfeit/Forgery, Theft Related, Disturbance of Peace/Privacy, Property Damage (including graffiti)/Trespassing/Littering, Weapons, Theft from Auto, Crimes against Family, Domestic Verbal Disputes and Domestic Assault Misdemeanors, Stolen Property Received, Concealed or Possessed, Miscellaneous/Juvenile/Liquor, DWI, Criminal Sexual Conduct, and Gambling.

The three following tables, showing crimes rates per 100,000 persons, are compiled and calculated data from Uniform Crime Reports¹⁵. The selected years represent the baseline established by the original SNAP report (2004), a midpoint year (2010), and the most recent year of data (2015). Total crime rates throughout Hennepin County and select similar cities in have decreased between 2004 and 2015. Brooklyn Park crimes rates are still higher than Hennepin County totals and other comparable cities, but they have grown closer to the county average. Part 1 crime rates in Brooklyn Park have dipped slightly below Hennepin County totals, with most of this change occurring between 2010 and 2015. Part 2 crimes rates are still higher than Hennepin County totals, but have grown closer to the county average.

Total Crime Rates per 100,000 Inhabitants

Agency	2004 Crime Rate	2010 Crime Rate	2015 Crime Rate	Change Between 2004 and 2015
Brooklyn Park	12,144	10,962	8,557	-30%
Bloomington	8,706	9,627	8,343	-4%
Brooklyn Center	13,354	12,823	7,573	-43%
Eden Prairie	5,244	3,781	3,495	-33%
Minneapolis	16,213	14,164	13,174	-19%
Hennepin County	10,567	9,368	8,310	-21%
Burnsville	6,657	5,653	6,025	-9%
Coon Rapids	12,098	10,386	6,664	-45%

Table 7 Bureau of Criminal Apprehension, Uniform Crime Reports 2004, 2010, 2015

17

¹⁵ Bureau of Criminal Apprehension, *Uniform Crime Reports 2004, 2010, 2015* https://dps.mn.gov/divisions/bca/bca-divisions/mnjis/Pages/uniform-crime-reports.aspx

Part 1 Crime Rates per 100,000 Inhabitants

Agency	2004 Crime Rate	2010 Crime Rate	2015 Crime Rate	Change Between 2004 and 2015
Brooklyn Park	4,606	4,507	3,315	-28%
Bloomington	4,017	4,090	3,507	-13%
Brooklyn Center	7,043	5,563	3,893	-45%
Eden Prairie	2,253	1,716	1,552	-31%
Minneapolis	6,658	5,875	5,285	-21%
Hennepin County Total	4,387	3,859	3,334	-24%
Burnsville	3,228	2,579	2,919	-10%
Coon Rapids	4,960	4,615	3,026	-39%

Table 8 Bureau of Criminal Apprehension, Uniform Crime Reports 2004, 2010, 2015

Part 2 Crime Rates per 100,000 Inhabitants

Agency	2004 Crime Rate	2010 Crime Rate	2015 Crime Rate	Change Between 2004 and 2015
Brooklyn Park	7,539	6,455	5,242	-30%
Bloomington	4,689	5,538	4,836	3%
Brooklyn Center	6,311	7,260	3,680	-42%
Eden Prairie	2,992	2,065	1,943	-35%
Minneapolis	9,555	8,290	7,889	-17%
Hennepin County				
Total	6,180	5,509	4,976	-19%
Burnsville	3,429	3,074	3,106	-9%
Coon Rapids	7,138	5,771	3,638	-49%

Table 9 Bureau of Criminal Apprehension, Uniform Crime Reports 2004, 2010, 2015

However, it should be noted that 59% of all crime in Brooklyn Park in 2015 was recorded in the SNAP area, compared to 41% occurring throughout the rest of the city¹⁶. Part 1 crimes rates are higher in SNAP, but Part 2 crimes rates are higher outside the SNAP area. The two graphs below compare the Part

18

 $^{^{16}}$ Calculated using the sum of Part 1 and Part 2 crimes for each geography

1 and Part 2 crime rates between 2004 to 2015 for the SNAP area and the City outside of SNAP.

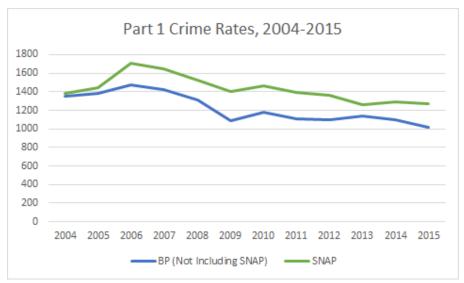


Figure 15 Geographical Analysis of Bureau of Criminal Apprehension, Uniform Crime Reports 2004 – 2015

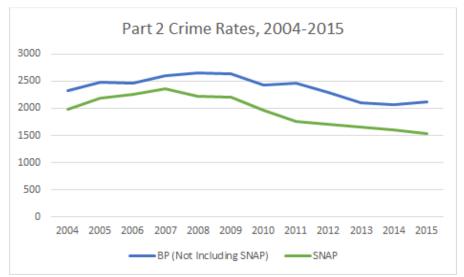


Figure 16 Geographical Analysis of Bureau of Criminal Apprehension, Uniform Crime Reports 2004 - 2015

2015 Selected Crime Data

Crime	Brooklyn Park	SNAP Area	Rest of Brooklyn
	Diookiyii i aik	SIVAL AICU	Park
Theft	643	300	343
Domestic Assault*	532	306	226
Theft from Auto	417	187	230
Burglary**	360	192	168
Assault	630	411	219
Auto Theft	106	63	43
Narcotics	386	215	171
Arson	8	4	4
Felony Domestic Assault	144	102	42
Robbery	105	75	30
Kidnapping	2	2	0
Murder***	4	4	0
Sex-Related & Prostitution	0	0	0
Total Number of Crimes	3,337	1,861	1,476
Total Population	79,149	28,995	50,154
Crimes per Person	4.20%	6.40%	2.90%

Table 10 Bureau of Criminal Apprehension, Uniform Crime Report 2015

One of the most important findings from this analysis is the issue of felony domestic assault in Brooklyn Park. Between 2004 and 2015, felony domestic assault in SNAP has increased 386%, from 21 in 2004 to 102 in 2015. Felony domestic assault outside of SNAP increased 320% from 10 in 2004 to 42 in 2015. These increases in more severe domestic assault is occurring while domestic assault misdemeanors and domestic verbal disputes are decreasing in SNAP (-17.5%) and the rest of the city (-11%). This increase in felony domestic assault among decreases in domestic assault misdemeanors and overall crime rates is

^{*}Domestic Assault is a compilation of domestic assault misdemeanors and domestic verbal disputes

^{**}Burglary is a compilation of Business, Garage, Dwelling, and Other Burglary. This distinction in the data is present from 2010 onward.

^{***}Murder includes Homicides

concerning for the health and well-being of Brooklyn Park residents. Steps should be taken by Brooklyn Park police, staff, and supporting agencies to better understand this trend and context.

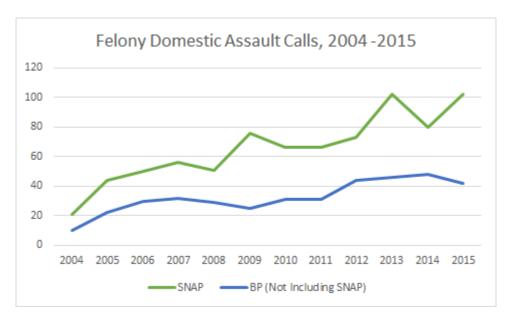
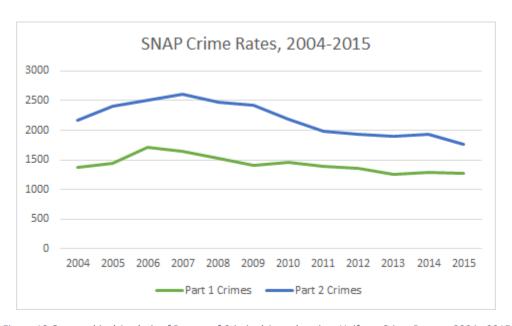


Figure 17 Bureau of Criminal Apprehension, Uniform Crime Reports 2004 - 2015

SNAP Crime Trends



Figure~18~Geographical~Analysis~of~Bureau~of~Criminal~Apprehension,~Uniform~Crime~Reports~2004~-~2015

SNAP Crimes per Person Rates

		Crimes per	Part 1 per	Part 2 per
Year	Population	Person	person	person
2004 ¹⁷	25,197	0.13	0.06	0.09
2010 ¹⁸	27,270	0.13	0.05	0.08
2010	27,270	0.13	0.03	0.06
2015 ¹⁹	28,995	0.10	0.04	0.06
	,			

Table 11 US Census Bureau 2010 Census, ESRI Community Analyst Projections of 2010 Census, Bureau of Criminal Apprehension, Uniform Crime Reports 2004, 2010, 2015

Between 2004 and 2015, there has been an overall decrease in crime in SNAP. While crime has been declining in Brooklyn Park between 2004 and 2015, Part 1 crimes in SNAP have only dipped below 2004 rates from 2012 onward, which coincides with the opening of the Village Creek Station. Part 2 crimes dipped below 2004 rates in 2010. Some key data points for the SNAP area include:

- Increase in robberies between 2004 and 2015, roughly 40%
- Weapons charges have increased 34% between 2004 and 2015, from 43 to 75.
- Vehicle theft has decreased over 50% between 2004 and 2015
- 50% decline in arson despite a spike in incidents in 2006, 2008, and 2012
- DWIs dramatically decreased in 2010 after a gradual increase between 2004 and 2008. DWIs between 2010 and 2015 have fluctuated but have all remained below 2004-2010 instances.
 However, this could be due to changes in traffic related incident reporting. Starting in 2010, it appears different vehicular offenses were separated from "traffic arrest" totals. This may have impacted how DWIs are reported.

Potential Influence of Village Creek Police Substation/South Precinct

The police substation/south precinct located in Village Creek opened in August 2011. According to our conversations with Brooklyn Park staff, this addition is highly liked by community members. Given this increase in police presence in SNAP between 2012 and 2015, we analyzed data during those years to note any marked increases or decreases in overall crime trends.

 Burglary noticeably decreased in SNAP starting in 2011, declining 26% in the past 5 years after seeing fairly stable and slightly increasing reports between 2004 and 2010. However, this may also be due to changes in data categorization. From 2010 onwards, there were more options to classify burglary, depleting one data category of almost all its records while creating 3 new ones that have no data or 0s reported prior to 2009. This change likely influenced how some crimes were recorded.

¹⁷ Brooklyn Park Stable Neighborhoods Actions Plan (SNAP) Report, 2004 & Uniform Crime Report 2004

¹⁸ US Census Bureau, 2010. Summary File 1. Obtained through ESRI Community Profile generation & Uniform Crime Reports 2010

¹⁹ US Census Bureau, 2010. Summary File 1. Obtained through ESRI Community Profile population projection for 2016 & Uniform Crime Report 2015

- Disturbance of Peace and Privacy calls in SNAP decreased between 2010 and 2015 after increasing between 2004 and 2009.
- Miscellaneous/Juvenile/Liquor crimes increased between 2006 and 2008 and have since declined. These rates have been below pre-spike and 2004 levels since 2012.
- Since 2012, instances of reported graffiti have increased in SNAP, from 4 in 2012 to 23 in 2015.
 However, this is most likely due to changes in data categorization. It appears that starting in 2012, graffiti became a separate or more distinct category from property damage/trespassing/littering.

While there has been a general decline in crime in SNAP and Brooklyn Park over the past 11 years, the largest decreases occurred between 2010 and 2015, somewhat coinciding with the opening of the police substation in SNAP. However, the timing of these data also coincides with recovery from the Great Recession, making it difficult to discern the influence of the station. Additionally, changes in data recording for burglary and graffiti that started in 2010 may also be contributing to these increases and decreases. Given these influencing factors in both behavior and data collection, these results should be considered with caution.

Overall Crime Trends for areas of Brooklyn Park excluding the SNAP area

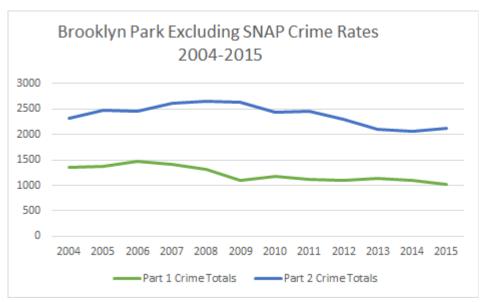


Figure 19 Geographical Analysis of Bureau of Criminal Apprehension, Uniform Crime Reports 2004 - 2015

Brooklyn Park Excluding SNAP Crimes per Person Rates

Year	Population	Crimes per Person	Part 1 per person	Part 2 per person
2004 ²⁰	42,813	0.09	0.03	0.05
2010 ²¹	48,514	0.07	0.02	0.05
2015 ²²	50,154	0.06	0.02	0.04

Table 12 Geographical Analysis of Bureau of Criminal Apprehension, Uniform Crime Reports 2004, 2010, 2015

Between 2004 and 2015, there has been an overall decrease in crime in areas of Brooklyn Park outside of SNAP. While crime has been declining in Brooklyn Park between 2004 and 2015, Part 1 crimes outside of the SNAP area have dipped below 2004 rates from 2008 onward. Part 2 crimes are much more significant proportion of the crimes committed outside of SNAP. Part 2 crime rates are lower than 2004, but did not dip below the 2004 rate until 2012. Some key data points for areas of Brooklyn Park outside of SNAP are:

- Crimes committed per person in areas of Brooklyn Park outside of SNAP has decreased slightly more than 2% since 2004. Part 2 crimes make up a larger percent of the crimes committed per person. Much of the Part 2 crime increase are in theft related and drug crimes.
- Theft related crimes has increased city-wide by 44%, while this area saw a 51% increase in theft related crimes since 2004. Theft related crimes is a vague topic, but is something for the Brooklyn Park Police to notice as an increasing crime trend outside of the SNAP area.
- Drug related crimes have increased by 84% since 2009, where it was at its lowest. It peaked in 2013, and has seen a 5.5% decline between 2013-2015.
- Crimes related to property damage, trespassing, and littering has decreased 56% since 2004 from 506 in 2004 to 222 in 2015.
- Vehicle theft has decreased over 70% between 2004 and 2015.

²⁰ Brooklyn Park Stable Neighborhoods Actions Plan (SNAP) Report, 2004 & *Uniform Crime Report 2004*

US Census Bureau, 2010. Summary File 1. Obtained through ESRI Community Profile generation & *Uniform Crime Reports* 2010

²² US Census Bureau, 2010. Summary File 1. Obtained through ESRI Community Profile population projections for 2016 & *Uniform Crime Report 2015*

Equitable Development in Brooklyn Park

The above demographic, population, and crime data analyses show that SNAP residents are situated differently from other Brooklyn Park resident as it relates to multiple indicators. As such, it is strongly recommended that Brooklyn Park approach development in the SNAP area differently from the rest of the city. A city-wide, universal development strategy will not address the unique position of the SNAP community nor provide equal outcomes and results. A targeted investment strategy is needed to improve the quality of life for SNAP residents and to ensure the residents and area benefit from development in ways similar to other areas and populations in the city. Developing with a focus on equal outcomes for SNAP area residents and being mindful of how residents' views may differ will lead to a stronger Brooklyn Park. It is recommended that the City approach development in the area using an equity lens. In order to do so, the City must first define equitable development so as to provide a baseline for evaluations of future developments.

Equitable development is often broadly defined, and each institution has its own unique perspective on the topic. Take for instance the definitions below:

- Equitable development creates healthy vibrant communities of opportunity where low income people, people of color, new immigrants and people with disabilities participate in and benefit from systems decisions, and activities that shape their neighborhoods.²³
- Equitable development is achieved through policies and practices that enable low income and low-wealth residents to participate in and benefit from local and regional economic activity.²⁴
- Equitable development is defined as development activity with a triple bottom line, taking into
 account the interests of the business community and local developers, fairness in the treatment
 of employees, and sustainability in protecting and enhancing resources (human and others) in
 responding to an array of social and environmental needs.²⁵
- Community development is asset building that improves the quality of life among residents of low to moderate income communities, where communities are defined as neighborhoods or multi-neighborhood areas.²⁶

These definitions can be broken down into three main parts, the Who, What, and How. As we prepare a working definition of equitable development for the City of Brooklyn Park, we have taken the liberty of specifying the parts of the definition as follows:

- The Who
 - People of Color
 - People from low to moderate socio-economic statuses
 - o Immigrants and those perceived to be immigrants

²³http://www.corridorsofopportunity.org/sites/default/files/PRO-RECE-Toolbox-Lib-CESCEquitDevtPrinciplesJuly2014.pdf

²⁴ http://www.mayorsinnovation.org/images/uploads/pdf/SarahTreuhaft.pdf

²⁵ https://nonprofitquarterly.org/2013/01/29/equitable-development-one-example-in-one-dc/

²⁶ http://neerajkmehta.com/equitable-neighborhood-revitalization/

- Those managing physical or mental disabilities
- Other underrepresented demographics such as women and youth with special attention paid to intersectionality, the idea that all our identities (gender, race, ethnicity, religion, sexual orientation, ability, etc.) overlap to influence how we perceive the world and how others perceive us.

• The What

- o Improvement of quality of life
- Fairness in treatment and opportunity
- o Participation and involvement in economic markets
- Benefiting from community and neighborhood impacts
- o Vibrant communities of opportunity
- Access to good jobs, transportation that efficiently allows you to travel where you need to go, safe streets, schools that equitably educate our children.

• The How:

- Targeted investment toward minority and low-wealth communities
- Development decisions made with community that to benefit minority and low-wealth communities
- o Creative agency
- o Community control and ownership
- Development activity (such as business development, housing, etc.) both in the private and public spheres

From these sources and considering the uniqueness of Brooklyn Park, we have arrived at the following definition for equitable development in the city:

Equitable development is the practice of understanding the particular situation of previously underrepresented individuals who live, work, and play in Brooklyn Park so that the city may prioritize their needs, participation, and benefits in order to create an environment where such individuals experience a higher quality of life and improved life outcomes.

We have also provided the City with a recommended equity statement. This statement is meant to challenge Brooklyn Park to create an inviting and successful environment for all of its people.

Though not limited to a specific neighborhood or area, Brooklyn Park will provide intentional services that favor equity over equality and will benefit and value the SNAP area in addition to other previously underrepresented individuals. The City of Brooklyn Park shall lend its ear and voice to its underrepresented populations, even in the face of those who have already accessed such agency. Brooklyn Park recognizes that it cannot succeed and meet its goals without the support and engagement of people of color, women, immigrants, people of low and moderate incomes and others who are at a disadvantage in voicing their opinion.

This recommended statement will be a guiding force throughout the following recommendations and ideas for improving the SNAP neighborhood and community. This statement was design by the authors

without consulting the City of Brooklyn Park. However, it is strongly recommended that this statement be adopted by the City of Brooklyn Park.

Participation in Equitable Development

In order to be successful, equitable development requires a radical shift in the way our city engages, reacts, and supports people of color, women, immigrants, and people of low and moderate incomes. Public participation plays a vital role in equitable development and thus should play an equally important role in Brooklyn Park's development. It is not possible to build a strong relationship with the community, if the space to do so is not appropriately made. It is the city's responsibility to recognize its situation and to relinquish its control so that people who best understand their own situation are permitted to play a central role in their governance.

We do not assume that such steps to engage these specific groups have not occurred; rather, we encourage deeper relationships between the city's passionate engagement team and community members. Participation and involvement are key ingredients in either the success or missed opportunities of equitable development around the country. They are equally important in all of the recommendations outlined in the sections below. As an example of the indispensable nature of community engagement and participation we provide two case studies for exploration.

Equitable Development and Urban Park Space²⁷

The Urban Institute collaborated on a report for Washington, DC's 11th Street Bridge Park, which is slated to be open in the next 2-3 years. The park is meant to be a community asset. In its report, the Urban Institute gave a thorough background on equity in urban planning. The concepts it presented were not new and had been developed as early as 1969 in reaction to America's Urban Renewal. In this overview, the authors stress how important participatory processes is in returning control to disadvantaged populations, as well as making lasting change.

Participants in the planning process helped set the agenda and determine the metrics by which success could be measured. These individuals were an important factor in getting stakeholders together as well as other community member buy-in. Participation was most utilized in affordable housing discussions. As a result, it seems that the authors feel that there will be a stronger output.

The Unified New Orleans Plan²⁸

Post-Katrina New Orleans was in desperate need of recovery. As part of its 394-page document detailing its plan to rebuild, the City of New Orleans put forth a detailed community participation plan. The plan was complete with a timeline and several different ways to engage with the public so that all community voices could be heard. The city and its collaborators reiterates these facts in several places throughout the document. Due to its focus, the city's resident was integral in the development of the plan.

²⁷ Bogle, M., Diby, S., & Burnstein, E. (2016, July). *Equitable Development Planning and Urban Park Space: Early Insights from DC's* 11th Street Bridge Park Project.

²⁸ New Orleans, City of. *Unified New Orleans Plan: UNOP*. (2007). New Orleans: City Planning Commission.

Unfortunately, however, with all of this discussion and praise for community involvement in the designing of the plan, the actual implementation is missing the same focus and participation. This could result in serious issues moving forward. First, the city's and resident's vision could be diluted. Second, this could spur serious distrust toward the city from community members. The city was able to engage its citizens effectively to initiate the plan, however, follow through is just as important. Due to the need for new funding sources and other resources, most of the implementation was done by the city on the citizen's behalf. There should have been a clear continuation of the participatory process to see the project to its completion.

Based on these experiences, it is of the utmost importance that the City of Brooklyn Park devise and execute a clear public participation and engagement plan. This will require numerous hours of front-end work, but the payoffs will be much greater. A community-led plan has more resilience than a plan designed solely by the city.

Recommendations

Based on the outlined definition of equitable development, we recommend the City of Brooklyn Park consider a number of recommendations bucketed into three categories of live, work, and play. Together these encompass what the residents and visitors of Brooklyn Park experience in all facets of their lives. These recommendations have proven to be successful in situations around the country. However, no one recommendation can stand alone and solve the issues that face Brooklyn Park and its community. Implementing several recommendations from all three categories will provide the best outcome and form a strong foundation for future growth in the City.

Live

It is important the SNAP area residents have safe, stable, and affordable housing that fits the needs of their family. Therefore, live is one component of an equitable development strategy. The recommendations put forward below offer opportunity to create lasting affordability and promotes a path to ownership for residents who currently are unable to pursue homeownership due to lack of affordability. Creating an affordable range of options will allow residents a place to thrive and build stable connections within the neighborhood.

Recommendation: Build more affordable housing in the SNAP area. This housing should:

- Accommodate larger units- 3+ bedrooms
- Be service enriched housing to provide necessary support to families
- Follow strong urban design principles to accommodate families with children.

Based on the demographics analysis, there is a need for larger units. A majority of the apartments in the SNAP area are one or two bedroom units, while 26.4% households are four or more people. This clearly highlights the need for developing larger units to accommodate larger families. Crowding is an issue due to the lack of larger apartment units; so implementing this recommendation will help alleviate crowding. We recommend that the City incentivize the development of larger apartment units that are three or more bedrooms, which will need to include city resources. Grants and forgivable loans are one option, but the city can reduce the cost of development by waiving city permitting fees, such as SAC and WAC. Since the city owns the land in the Village Creek Area, the city can provide the land to an affordable housing developer at a below market rate cost, or to sell the land at market rate and provide a portion of the funds received as a forgivable loan, which provides the greatest tax credit benefit.

Viability of Large Family Affordable Housing in Brooklyn Park - Conversations with Local Developers In order to assess the potential for and the viability of large family affordable rental housing, we spoke with housing developers with experience providing that type of housing. We also utilized the transcripts from a focus group conducted at a family housing development in Minneapolis²⁹. From our interviews,

 $^{^{29}}$ Focus group conducted by Housing and the Social Environment course at Creekside Commons. Report is forthcoming.

we found that units with three or more bedrooms were very in demand, and developers rarely needed to advertise the units. Once units are leased, tenants in larger units typically stay for a long time, since finding affordable units with three or more bedrooms is quite difficult. Long term tenants help to build community, can make property management easier, and is a positive outcome for the family. Long term tenants are then long term residents of Brooklyn Park, and can become active participants in school and community activities. Focus group participants and developers indicated the need for families to be able to grow in place, which can be accomplished by giving current residents priority if larger units become available.

Different families have different preferences for structures. Some families prefer to have a larger space to themselves, like in a townhouse, while others like having a building where their kids can walk to their friends' units safely.

All developers felt that having on site services of some kind was important to resident and development success. Many developments include on site homework help, often supported by volunteers. Beacon Interfaith partners with one or more congregations for their developments, and the congregation provides homework help, child care, special events or other programming at the site. Additionally, some developments include services for adults such as work readiness training or job search assistance. When services are provided through community partnerships they can strengthen the relationships of the affordable housing residents with the broader community. Property managers should emphasize community building when the development opens, which will increase resident sense of ownership and belonging, reducing crime. The City should be a part of the initial community building effort and support events that integrate residents of affordable, market rate, and land trust units in order to increase community cohesion. Several developers indicated a need for large public spaces. These can be used for programming, resident initiated activities, and for extra play space for children.

It is important for apartments to be designed with children in mind. This includes sound proofing and cleanable and durable surfaces. Units and the building as a whole should facilitate supervision of children. Porches and windows overlooking outdoor play areas allows for parents to supervise children both inside and outside, or attend to cooking or household tasks while keeping an eye on older children.

The current MHFA qualified allocation plan for Low Income Housing Tax Credits includes preference for housing for larger families. All housing must be single occupancy housing affordable to those with an income at 30% of the area median income or below, preserve existing affordable housing or must follow the family housing criteria. Qualified family housing must have at least 75% of units be affordable, three quarters of which must have 2 or more bedrooms and one third of which must have three or more bedrooms. In affordable units, the excess rent gathered from units with more bedrooms is generally not sufficient to cover the increased development cost. According to the developers we spoke with, a limited, but substantial, number of three bedroom units are feasible without city funds, but for a development to include four bedroom units, city funds would be needed.

Under the 2018 Qualified Allocation Plan, 9% Tax Credit Projects must be primarily single occupancy units affordable to households at 30% AMI, have 75% of units affordable with three-quarters of those having two or more bedrooms, and at least one third of the affordable units with three or more bedrooms, or be a part of a substantial rehabilitation project targeted by the city. Bonus points are allocated for family housing with large proportions of three bedroom units.

The Economic Integration and Access to Higher Performing Schools points are not available for any of the Village Creek sites, but several tracts in Brooklyn Park (North and South) of 85th qualify for those points. The Village Creek sites would score well on walkability and transit accessibility, while locations near the Blue line extension could receive points for transit oriented development. The Village Creek sites would be candidates for the Planned Community Development points, since they will be part of a greater planning effort to develop several parcels. These points require citizen engagement. The Village Creek sites are eligible for the Qualified Census Tract points.

Thus, we are recommending the city prioritize affordable housing that accommodates larger bedroom units, is service enriched to provide necessary support to families, and follows strong urban design that accommodates families with children. From our research, the City should work to provide incentives including waiving of fees and sell the city owned land at a discounted rate to promote this large unit development and meet the specific needs of the area.

Recommendation: Changes to City Practices to Encourage Affordable Housing Development

A literature review highlighted changes local governments are doing to support affordable housing development. A study conducted by The University of Minnesota Center for Urban and Regional Affairs (CURA), the Housing Justice Center, and Becker Consulting stated that the most important thing they distilled from their research is that local policies have an impactful role in the determination of the feasibility to build affordable housing. We recommend the City evaluate its current policies and look at ways to change city practices that will encourage affordable housing development in the SNAP area and across the entire City of Brooklyn Park. Areas to pursue include:

- O Pass an Inclusionary Housing Policy
- o Allow for Increased Density
- Contribute local financial resources
- o Fee reductions and waivers
- o Streamlined administrative processes
- O Openness to all types of affordable housing developments
- O Address community opposition to affordable housing proactively

Examples from the Twin Cities

Erika Brown conducted a study titled Policy and Regulatory Barriers to Affordable Housing Development in Twin Cities Suburbs. Through the lens of a community developer she discusses four cities that are model cities that use a combination of regulatory flexibility, financial commitment, and community support to develop affordable housing. The four model cities identified are Chaska, Edina, Hopkins and St. Louis Park. Coon Rapids, Eden Prairie, Minnetonka, and Woodbury were highlighted as support cities that have shown a commitment to affordable housing, but could implement more tools. Outlined below is an overview of the work the Cities of Edina and Chaska are pursuing in inclusionary housing, commitment of financial resources, density and flexibility, and building community support.³¹

³⁰ University of Minnesota Center for Urban and Regional Affairs, Housing Justice Center, & Becker Consulting. (2015). Best Practices to Reduce the Cost of Affordable Housing. Retrieved from: http://hjcmn.org/ docs/reducing costs.pdf

³¹ Brown, E. (2016). Policy and Regulatory Barriers to Affordable Housing Development in Twin Cities Suburban Communities. Kris Nelson Community-Based Research Program (1406). Prepared in partnership with Center for Urban and Regional Affairs and Metropolitan Consortium of Community Developments.

Inclusionary Housing Policy and Commitment of Financial Resources - Edina

In 2015, Edina became the most recent city to adopt an inclusionary zoning policy in the Twin Cities. Their policy requires at least 10 percent of the units are affordable in a multi-family development with greater than 20 units. Developers can pay an in-lieu fee of \$220,000 per affordable unit they choose not to develop and developers are allowed to build unites off-site. Additionally, Edina has committed financial resources and created policies and programs that support the development of affordable housing and homeownership. This is a policy not an ordinance, so the inclusionary policy has not been adapted into the zoning code. Therefore, it lacks legal basis for the city to enforce it. They have allocated the Community Block Development Grant (CBDG) funds to organizations including Senior Community Services, Community Action Partnership for Suburban Hennepin, HOME line, and West Hennepin Affordable Housing Land Trust to support housing low and moderate income families. In 2015, 85 percent of CBDG funds went to the West Hennepin Affordable Housing Land Trust's Homes Within Reach program focused on affordable homeownership. The city has committed to expand their community engagement efforts to share information on the resources that are available too low- and moderate-income families.

Allow for Increased Densities and Flexibility - Chaska

Land costs are high in Chaska like many suburbs, which drives up the cost for developers. The city understands that higher densities may reduce the costs of building affordable housing. In their comprehensive plan, they have a more flexible approach to determining appropriate densities. They are looking at increased densities on a case by case basis and use the Planned United Development process. They have held zones knowing there is development likely, which allows for more flexibility when a develop seeks a zoning change. They have essentially passed an inclusionary zoning resolution by including this zoning flexibility to make it easier to meet affordable housing goals. Additional policies they have put in the comprehensive plan include establishing sale and rental prices and maximum income limits for housing that is affordable to low- and moderate-income families. They also plan to establish a land trust agreement to maintain long-term affordability of the developed affordable units.

Community Support and Changing the Narrative – Chaska and Edina

Chaska works proactively to engage stakeholders in the community early on in the process. The early engagement helps break down any misconceptions around affordable housing and staff can share the city's objectives. The city has a commitment to well-managed projects and wanting projects to be highly regarded in the community, so the residents might be more likely to support higher density projects in the future. The proactive approach has been useful to them.

Changing the narrative around affordable housing has played a role. The faith community in Edina has been involved in the development of affordable housing to serve homeless youth and low-income families, which has shifted the narrative in the city around affordable housing. Beacon Interfaith Housing Collaborative helped organize the faith communities in support of the 66 West development. The faith coalition was a strong presence at city council meetings and asked for support of the project and a commitment of city resources. In addition, the inclusionary zoning policy has helped to change the narrative in the community and brought attention to the need for affordable housing.

What does this look like in Brooklyn Park?

To build an inclusionary housing policy, the city will need to make the case for a need for affordable housing. In doing that, build a coalition of community partners that support inclusionary housing to achieve more affordable housing development. We encourage the City to pursue inclusionary housing policy, and to look at ways to be open to all types of affordable housing development. Allowing for

increased density as an incentive to affordable housing development is a way to keep costs of building down and in turn make the units more affordable. The City can be a leader in building community support and addressing opposition that may arise around affordable housing development. Based on our research, community support and a transparent process are important for a successful project. Focusing on community engagement and transparency will be incredibly important for Brooklyn Park as there has been a history with some opposition to higher density affordable apartments. The City should not overlook this, but work to build support and explain how this aligns with equitable development.

Recommendation: Create a Residential Community Land Trust

Ensuring affordable housing built is important for Brooklyn Park. When using an equitable lens to development, it vital to create a plan that guarantees lasting affordability. In addition to the city practices outlined above that help ensure affordable housing developers build affordable units, the creation of a residential community land trust is an opportunity for lasting affordability and wealth building opportunities for area residents. For many SNAP residents, homeownership is unaffordable, but the creation of a land trust would provide an opportunity to become a homeowner. We recommend the City lead the research and community education to discover if this is something the community would like to pursue. As the CLT is developed, the City would then take a step back and allow a non-profit to run and allow for ownership by the residents.

As way of background, a community land trust (CLT) is a community-based organization designed to ensure community stewardship of land to ultimately ensure long-term housing affordability. To create the lasting affordability, the CLT buys the land and retains permanent ownership of it. Instead of a traditional sale of the home and land, the CLT enters into a long-term renewable lease with the homeowner where the trust retains ownership of the land while the homeowner owns the structure/s on the land. When the homeowner sells the home back to the trust, they keep a portion of an increased property value and the rest is kept by the trust. The resale ratio is set and determined by each individual land trust board. The permanent land ownership allows the CLT to preserve the affordability for future families. Resident land trusts can include both homeownership and rental models. 32

There are a variety of models for operation of a CLT. The Classic CLT model has ten main key features: 33

- 1. Non-profit, tax-exempt corporation: usually started as its own 501(c)(3) nonprofit.
- 2. Dual ownership: CLT owns multiple pieces of land in a defined geographic area and retains permanent ownership of the land. Homes or structures on the land are sold to homeowners, condo owners, cooperative housing corporations, and developers of rental housing.
- 3. Leased land: Long-term ground leases are used with homeowners.
- 4. Perpetual affordability: Resale price is set by a formula in the ground lease that provides a fair return to current owner and access to affordable housing to the future buyer.
- 5. Perpetual responsibility: The CLT has a stake in what is happening on their land and who is occupying them. Ground leases require owner-occupancy and stipulate uses of the land.
- 6. Open, place-based membership: CLT is guided by the people who live within the defined geographic area which it operates in and anyone can be a voting member.
- 7. Community control: Voting members nominate and elect two-thirds of the board members.

³³ Emmeus Davis, J. & Jacobus, R. (2008). The City-CLT Partnership: Municipal Support for Community Land Trusts. Lincoln Institute of Land Policy: Cambridge, MA.

³² http://community-wealth.org/strategies/panel/clts/index.html - Community Land Trust Overview

- 8. Tripartite governance: The board of directors has three equal parts. One-third of seats representing the interests of the people who lease the land from the CLT; one-third of seats representing the interests of the residents in the surrounding community not on leased land; and one-third is made up of public officials, local funders, nonprofit providers, and other individuals who speak for the public interest.
- 9. Expansionist program: Commitment to acquisition of more land and development of more affordable housing.
- 10. Flexible development: Land is always an ingredient, but each CLT pursues different types of projects and there is flexibility to what they promote. This flexibility allows some CLTs work more on rental housing or commercial buildings.

Land and ownership should not be just for the wealthy few, but a resource for the entire community. Community Land Trusts provide opportunities for low-income families to build wealth and buy homes or live in affordable rental units.

Case Study: City-CLT Partnerships

There are numerous CLTs across the county and in Minnesota the City can look to as case studies to understand various models in use. This section will focus on a policy focus report published by the Lincoln Land Institute titled "The City-CLT Partnership: Municipal Support for Community Land Trusts." This report focuses on how local governments can be most effective in investing in a CLT to expand the affordable housing stock within their community. The authors reviewed of three dozen municipal programs and interviewed local officials and CLT practitioners to share the methods and mechanisms being used by local governments in CLT startups, projects, and operations.³⁴

They outline the two main priorities for the local government interest in CLTs as the long-term preservation of subsidies and long-term stewardship of housing. The role and support of local governments is varied and depends on whether or not the CLT is well established, but some of the local government support may include:

- Administrative or financial support during the planning or startup phase
- Donation of city-owned land and grants or low-interest loans for developing and financing projects
- Assistance with tax assessment practices to ensure fair treatment of resale-restricted homes on trust owned land

There are numerous practices and ways a city can support a CLT. The practices in this report highlight work to balance the interests of the various parties and include: protecting the public's investment in affordable housing; expanding and preserving access to homeownership for households excluded from the market; stabilizing neighborhoods buffeted by cycles of disinvestment and reinvestment; and ensuring accountability to funders, taxpayers, and the communities served by the CLT. Below is a sample of recommendations based on the city-CLT partnerships at the various stages of the development process.

³⁴ Emmeus Davis, J. & Jacobus, R. (2008). The City-CLT Partnership: Municipal Support for Community Land Trusts. Lincoln Institute of Land Policy: Cambridge, MA.

Things cities have done to support the startup of a CLT

This is the very initial startup of the CLT. A city can be very hands on in the startup phase. This case study offers a checklist for starting a CLT from the ground up which outlines key decisions that will need to be made about who it will serve, development, governance structure, and resources.

- <u>Introducing the model:</u> The city can take the lead in researching community land trusts and educating the leaders and community. It is important to have full participation from community members to make the partnership and model a success. There needs to be targeted outreach with community members for this to be a success.
- <u>Participation in the Planning Process:</u> Many local governments have elected officials or staff a part of the planning committing for the CLT.
- <u>Staffing the Startup:</u> There have been cities who have taken the responsibility of staffing an advisory committing or governing board or assumed the primary responsibility of administering the CLT in the startup phase, such as was dome in Chicago and Delray Beach.
- Contracting for Expert Assistance: Cities can take on the cost of hiring consultants to assist with the planning process. Many cities have contracted with consultants to heal with organizational development, ground leases, project feasibility, and business planning.
- <u>Providing Startup Financing:</u> Cities can provide startup grants to support the planning of a CLT.
 In 2003, Hennepin County provided a \$25,000 grant for the research and planning of the City of the Lakes CLT.
- Retooling Existing Programs: Cities turn existing programs and resources into support for a new CLT. This often means the CLT adapts to existing regulations for homeownership subsidy programs or cities can work to make modifications to programs for a CLT.
- <u>Committing Multiyear Operational Funds:</u> Some cities have gone beyond a startup grant and paid for the first few years' operation costs.
- <u>Committing to Project Funding and/or Municipal Property:</u> Some cities have committed to building the CLTs portfolio through equity investments, low-interest loans, conveyance of publicly owned land or housing units.

Early stage of development: Building the CLT Portfolio

In this stage, the CLT has been started, but it is in its first year or two of existence. The CLT is working on acquiring land and building its portfolio. Strategies local governments have used are:

- Donation of land and Buildings: Cities can sell land and buildings at a discounted rate.
- <u>Loans and Grants:</u> Cities can provide direct cash subsidies to CLTs to lower prices of the homes.
 The subsidies are often structured as grants or deferred payment forgivable loans. The loans are
 often interest free, require no monthly payments and are forgiven if the CLT completes the
 project. This does require legal work for the city and CLT.
- <u>Inclusionary Housing:</u> Cities require inclusion of affordable development units by private developers. A CLT can help with the long-term oversight for this type of housing.
- Regulatory Concessions: Cities can support the development of CLT homes by waiving or reducing fees, adjusting zoning requirements, and offering other regulatory concessions.

Sustaining CLT Operations

At this stage, the CLT is well-developed and can begin to generate a share of its operating revenue from fees and projects. The establishment of a track record can help the CLT attract other funding sources such as money from foundations, corporations, and individual donors. While many CLT's become self-sustaining, they may continue to need support from local governments.

- Grants from Local Government: Often cites provide general operating grants to a CLT. Some cities target grants to specific programs. Multiyear funding commitments is a model practice. This requires a partnership between the city and the CLT and allows the CLT to have a predictable funding sources.
- <u>Donations from Private Sources:</u> CLTs often leverage foundation and private corporation grants. Some CLTs also raise portions of money from individual donors.
- Revenues from Project Development and Ongoing Operations: CLTs generate income from various fees including development, ground leases, resale, and membership dues.

Taxing CLT Property

Local tax assessments have a large impact on the affordability of CLT homes. The tax policy varies greatly from city to city and there is not a set policy and procedure. Cities and CLTs have a common interest in the continued affordability in the housing and equitable taxation. Taxes that are tied to the market value of the home and land make the property much less affordable. Model practices in cities have allowed CLT homes to be assessed differently than market-rate. Cities also assess CLT land and revaluation of a CLT over time. Many cities realize that it is not fair to tax resale-restricted homes in the same way, the calculations of assessments vary from city to city. A model practice is to assess based on the CLT's formula price for resale.

Role for Cities in CLT-Municipal Partnerships

In the past few years, relationships between cities and CLTs have grown to be more collaborative and focused on common goals. Cities are now often the driving force for the development of a CLT. Cities such as Chicago, IL, Highland Park, IL, and Irvine, CA have taken the lead in the startup process. The advantages to city led development include:

- direct access to subsidies to acquiring land
- municipal staff dedicated to the new CLT speeds up the development
- can lead to CLT benefitting from inclusionary zoning, density bonuses, and other regulatory measures

The disadvantages to city led development include:

- Gaining community support resources for a participatory planning process and attracting local community leaders
- Lack of focus on community development and empowerment

If the city is the leader of a CLT startup, there needs to be a discussion about continued involvement and moving from leading to participating. Most models have reserved seats on the governing board for local government representatives. In Chicago, the mayor appoints all of the board members, but keeps to the classic model of three groups of representation. There are positives and negatives to the various roles cities play in governing of the board. Being involved in governance, especially in the beginning, can help with a successful launch. However, when cities become too involved and CLTs are not seen as independent from the city, can cause a lack of trust from community members.

Overall, this case study highlights opportunities and options for local governments to consider when looking at developing a CLT. There has been growth in the partnership between cities and CLTs in recent years. While there is no set model or process, the areas highlighted above outline options for Brooklyn Park to consider in the various stages in the development of CLT.

We recommend that the City of Brooklyn Park promote and assist in the development of CLT. The City has an opportunity to be a leader in the development of a new model to affordability and wealth building for immigrants and low wealth families living in the SNAP area. The City can partner with community members to develop a model that will work best for Brooklyn Park. Creating lasting affordability through the creation of a CLT can also help combat any potential gentrification that might come with the light rail development. The City can either operate the CLT as a part of the community development department or work to find a non-profit partner.

We recommend using the case study as a resource as well as the resources listed in the appendix to begin research and dialogue with the community. A first step would be to understand CLTs and introduce community members and city council to the model. There are nine CLTs in Minnesota and Minnesota Community Land Trust Coalition that can be a resource on development. We recommend that the West Hennepin Community Land Trust could be a good place to start, since they serve other Hennepin County suburbs. In this process, other cities have developed an exploration task force and held community meetings to present the idea and gather input from community members. This will need to be a partnership with the community, but the City can be a leader and convener, and dedicating resources to it.

As the City pursues equitable development, preserving affordability should be a lasting tenant. The CLT model is a recognized and proven way to provide affordable housing for community residents and build wealth and homeownership opportunities. It also offers an opportunity for residents to shape how land is used and developed within their community. The city owned land could be sold at a reasonable cost or donated to be developed and managed by a CLT. There are opportunities for the recommendations done in tandem to create a strong, livable community for SNAP area residents.

While these recommendations provide a strong foundation for the "live" aspect of equitable development, there are several other aspects that must be addressed in order for the quality of life of previously disadvantaged populations to be improved. Developing strategies to impact "work" and "play" in conjunction with "live" will increase the likelihood of success.

Work

Work is another component of equitable development in communities. Creating a strong commercial area not only increases the city's tax base but provides employment opportunities, wealth building opportunities, and fosters community networks and relationships. For economic development to be equitable development, Brooklyn Park should look for opportunities to invest in both place and people of color, low income residents, women, immigrants, and other underrepresented and disadvantaged populations. fill needs in the SNAP community. This will largely involve tapping into and strengthening current community assets. Below are suggested strategies for building community wealth for SNAP residents (investing in people) while creating business and economic opportunities on the area's vacant lots (investing in place).

Asset Based Community Development

Asset-based community development is an economic development approach that seeks to strengthen and build upon community assets to help create community wealth. This approach opens up possibilities to bring people-based changes to communities instead of solely focusing on place-based solutions. The following section offers strategies for strengthening and building upon community assets as components of physical and economic development, combining the best of place-based and people-based development and outcomes.

Commercial Land Trusts35

Commercial land trusts are similar to residential land trusts described in the previous section. Most commercial land trusts are run by nonprofit organizations and help keep commercial spaces affordable through their management models. Low commercial prices encourage new businesses and makes commercial space more accessible to entrepreneurs who have a more difficult time securing traditional commercial space. To help make businesses and the commercial land trusts successful, it is best to pair affordable business spaces in the land trust with technical assistance, training and mentorships, offered through the nonprofit manager or an affiliated private sector or educational institution. There are three models for commercial land trusts:

Nonprofit Commercial Land Trust

This model is most closely related to residential land trust models. It creates affordable commercial space by separating the building from the land on a parcel. The land trust maintains ownership of the land while businesses purchase the building with down payment and financing. Owners can accumulate equity through asset appreciation, reduce their debt-liability through regular payments, and accumulate wealth through exchange of cash for their goods and services. This model is gathering traction nationally with a number of examples being in operation for several years.

However, care will need to be taken by the city and managing nonprofit to create a transparent and fair application and selection process for building/business occupants. This process should be established by

³⁵ Greater Frogtown Community Development Corporation, Rondo Community Land Trust, and Donjek. (2012). Commercial Land Trust Feasibility: Final Summary. Retrieved from clt-network.org.

the nonprofit manager, community members, and city planners. One downside to this model is its dependence on traditional financing methods. Equity, loans, and financing create barriers for some small businesses and emerging entrepreneurs from participating in the land trust and commercial opportunities in SNAP.

Public Commercial Land Trust

This model is very similar to the nonprofit commercial land trust model, the key difference being the owner of the land trust. As a public land trust, the municipality acquires land and negotiates ownership of buildings, maintaining ownership of the land to ensure long-term affordability. Businesses and entrepreneurs can accumulate wealth through asset appreciation and profits in their commercial venture. As a public land trust, decisions about operations and occupying businesses can be facilitated through community shareholders. City staff could work with community shareholders to identify needs within the community and attract suitable and desired businesses.

There is plenty of room in this model for innovation; if implemented, Brooklyn Park would be one of the first public commercial land trusts in nation. However, Brooklyn Park would need to work with contractors to prepare commercial spaces inside buildings, which can be difficult given the low return on investment from the developer's end, adding another layer of complexity to financing. This model also creates more work for a busy city. Lastly, while the model could help strengthen ties between SNAP residents and the city, there may be tension and resistance in the beginning of the process.

Land Trust as Master Lessor

In this model, the land trust acquires property and buildings to lease directly to businesses and entrepreneurs. The land trust maintains control and ownership of the plots, buildings, and the tenants in the development. Wealth is largely generated through the business profits, not asset appreciation; since rents are lower, overhead costs for tenant businesses are lower, allowing a greater portion of money earned to become profits.

This model eliminates equity provisions typically required in commercial property transactions, making commercial space more accessible to a wider range of entrepreneurs. It also helps ensure long-term modest pricing of building space. However, similar models have needed additional fundraising to reach affordability and stability goals, the closest example being the Midtown Global Market in Minneapolis, MN. Since the nonprofit owns the land and the buildings, it creates more financial and management pressure for the nonprofit.

Recommendation

Implementing a commercial land trust is highly recommended to help ensure the commercial corridor of SNAP remains affordable as property values and leases increase. It is also a unique way to engage community members in decision-making processes and shaping their community. Given the demographics of SNAP, a master lessor model may be best suited for the area, reducing financial barriers that may keep SNAP residents from accessing commercial space for their businesses.

Brooklyn Park already owns a large amount of land in the commercial stretch of Brooklyn Boulevard, removing one of the biggest barriers in establishing land trusts. Maintaining control of the land leaves Brooklyn Park well positioned to adopt the master lesser/public land trust option. If the city does not want to run the land trust, a deal could be made between the city and managing nonprofit to make land

acquisition affordable for the land trust. Nonprofit land trusts are more common, giving city and nonprofit staff more resources and case studies to consult with in planning and implementing the commercial land trust.

In establishing any of these commercial land trust models, it is recommended Brooklyn Park work with the managing agency to implement additional management strategies to build community capacity. Specifically, centralized asset management should be utilized to ensure businesses in the land trust serve community needs, complement one another, and reinforce community and cultural identity. Likewise, it is important to enroll the help of nonprofits and private agencies to provide resources and support to new and growing small businesses through mentorships, technical assistance, and advanced training. It is also essential to establish operating rules upfront to determine eligibility, the party responsible for modifying building space to meet tenants' needs, and to establish capital reserves.

Anchorage Community Land Trust, Anchorage, Alaska³⁶

The Anchorage Community Land Trust (ACLT) is a nationally recognized hybrid commercial land trust and community development organization. As a land trust, ACLT buys and redevelops properties along Mountain View Drive, the commercial corridor of the Mountain View neighborhood. As a community development organization, ACLT focuses on projects to improve community and quality of life like community gardens, gathering community input to draft a neighborhood plan, and working with area businesses to improve building facades. The Mountain View neighborhood is a racially and ethnically diverse neighborhood with lower and moderate incomes, making this example relevant to the unique situation in SNAP.

Crescent City Community Land Trust, New Orleans, Louisiana³⁷

Crescent City Community Land Trust has both residential and commercial land trusts. They also work on mixed-use developments, striving to combine the two models. In the commercial side of their operations, they:

- Focus on gaining essential community services. This is done through partnerships with public agencies and private capital providers to attract needed services to the neighborhood.
- Focus on the commercial corridor. By creating a vibrant area that supports businesses and residents, Crescent City looks to maximize community benefits. This includes measures like local hiring, investing in both people and place.
- "Deep Development for Low Wealth Communities." Crescent City works with partners to ensure all aspects of a project are geared towards small businesses. This includes wrap around services that are funded for the long-term to support local business owners throughout the stages of their business. This helps create more access to commercial spaces by lowering the entry threshold; more support means more people have resources start their business.
- Including existing businesses. While much of Crescent City's work focuses on business creation, they help existing businesses purchase their buildings through a shared-equity ownership model. They also provide technical assistance to help keep businesses and community assets in place, investing in both people and place.

21

³⁶ http://anchoragelandtrust.org

http://www.ccclt.org/

Community Development Corporations (CDCs) with Resident Shareholders³⁸

Community development corporations (CDCs) with resident shareholders are nonprofit entities established and owned by local resident shareholders. They are designed to stimulate local economies and provide services and needs not being met by existing commercial ventures while providing wealth-creation opportunities for shareholders. Through this model, residents can purchase shares of the CDC. Shares in low-income communities in CDCs nationwide have typically ranged from \$10 to \$100 per stock. To make shares more accessible, the CDC pays any legal fees involved with purchasing stocks. Shareholders are then given a stronger voice in development and real estate projects; shareholders and residents choose which projects to invest in. Shareholders can build financial assets through appreciation of their shares or selling them back to the CDC if they move out of the community.

CDCs are a great way to create place-based development with people-focused results. CDCs help bring in needed development and services into communities while providing decision-making and wealth building opportunities to resident shareholders. Given this structure, CDCs have the potential to empower communities. Engagement is elevated to decision-makers, and shareholders can help enact the changes and projects they feel best fits the needs of the community. CDCs are particularly good in areas where private sector interest is emerging to help ensure residents and community members have a say in development projects. CDCs can also protect residents against displacement by helping to build wealth through shareholding and by providing an elevated voice in the decision-making process to advocate for community needs.

Recommendations

CDCs have great potential in SNAP to spur development and help build wealth. There is also the potential to garner philanthropic support from foundations supporting redevelopment and community ownership in communities. Market Creek Plaza, described more below, is a good example of charitable dollars laying a strong foundation for the CDC to be successful. However, SNAP residents need to be excited and support the idea of a CDC for any success to occur. For a CDC with resident shareholders to work in SNAP, Brooklyn Park and a partnering nonprofit must work with community shareholders to:

- Develop a timeline of returns: Shareholders and the CDC need to determine if they should seek quick returns on investment or long, stable development. These perspectives will need to be balanced among shareholders.
- Determine who is eligible to purchase shares (SNAP residents, Brooklyn Park residents, etc.)
- Negotiate sales of stock through federal and state entities
- Develop legal structure and identify assistance needs
- Solicit philanthropic and foundation dollars to support CDC founding: This could come from anchor institutions throughout Brooklyn Park.
- Mitigate risk: Technical training should be provided for residents to help them understand their investment and associated risks. This may also involve discussions about appropriate tenants in commercial developments and creating a balance between long and short term financial gains.
 The City and nonprofit should work upfront to mitigate risk for shareholders.

³⁸ PolicyLink. (2011). Equitable Development Toolkit: CDCs with Resident Stakeholders. Retrieved from http://www.policylink.org/equity-tools/equitable-development-toolkit/about-toolkit

- Continue to foster community engagement in all city decision making processes

Examples

San Diego, California - Market Creek Plaza, LLC³⁹

Market Creek Plaza is a nationally recognized CDC incorporating community development with cultural communities. However, it is an unconventional CDC being structured as limited liability company (LLC). This allows residents to be a special class of investors at negotiating tables. Roughly 40% of Market Creek Plaza is owned by hundreds of residents, made possible through both initial public offerings targeted towards residents with median incomes of \$35,000 and the Neighborhood Unity Foundation⁴⁰. The remaining 60% of shares is owned by the Jacobs Center for Neighborhood Innovation (JCNI), who also developed the plaza. Residents worked with nonprofit and city staff to design the site to reflect the cultures within the community and to select tenant businesses, which currently is a mix of basic services, local businesses, and chain restaurants. The site also includes an amphitheater for community gatherings and entertainment.

JCNI worked to absorb the biggest risk associated with CDCs and development before opening investment opportunities to the community. Additionally, JCNI staff worked to inform residents and first-time investors about the Market Creek Plaza plan, goals, and potential risks and benefits⁴¹. Philanthropic dollars from the founding nonprofits and others were instrumental in the success of the CDC and laying out a lower-risk foundation for resident shareholders.

South Euclid, Ohio - One South Euclid, Section 501(c)(3) nonprofit⁴²

One South Euclid is a more standard CDC structured as a nonprofit. They offer a variety of services to resident throughout South Euclid with a primary focus on four "downtown" neighborhoods, which are designated by a Block Group. Some of their work includes:

- Neighborhood grant program: Annual, competitive \$100-\$2,000 grants belonging in 4
 categories: Community Engagement/Neighborhood Events; Community Beautification &
 Improvement; Owner-Occupied Residential Property; and Residential Rental Property
- Fiscal sponsorship to provide administrative support and financial management services to individuals and community organizations that develop charitable projects. CDC earns 5% of project revenue as their fee. One South Euclid clearly lays out what services they can provide, and applicants have to complete budget and application to be considered. This allows the CDC to take a calculated risk, since applicants and projects must show they have some means to support themselves.
- Partnering with land bank to by vacant lots (mostly single-family residential parcels)
- Downtown/Community revitalization with parks and storefront art gallery with art from college (Notre Dame) and area public schools.

40 http://www.jacobscenter.org/areas-of-focus/place/redevelopment/market-creek-partners/

_

³⁹ http://www.jacobscenter.org/shopmcp/

⁴¹ Stuhldreher, A. (2007). The People's IPO. Stanford Social Innovation Review. Retrieved from https://ssir.org/articles/entry/the peoples ipo

⁴² http://www.onesoutheuclid.org/

Resident Owned Community Development Financial Institutions (CDFIs)⁴³

CDFIs are private financial institutions "dedicated to delivering responsible, affordable lending to help disinvested people and communities join the economic mainstream." Resident owned CDFIs recycle resident, government, and organization capital back into the community, intentionally targeting low-income communities. This capital provides loans for small businesses, home mortgages, cars, and other large capital ventures. Residents enter the CDFI by making a deposit, which grants them one vote in decision-making processes. CDFIs are a tested and replicable method to build community and wealth at the neighborhood and city level, including 32 here in Minnesota. However, resident owned CDFIs have limited lending capacity due to less interest accumulation. This also limits financial benefits for members.

Recommendation

We recommend the City convene community leaders and residents to discuss the possibility and interest surrounding CDFIs. While the City would not establish or operated a CDFI, they would work with SNAP residents to find partners to run the CDFI. While the City should be involved in these discussions, much of the decision-making and discussion must come from residents, community leaders, and the CDFI. This approach minimizes the burden of coordination on the city staff and engages residents to develop innovative solutions to benefit of their communities. Additionally, city staff will be key in helping the CDFI establish itself in the community by helping to secure a location in SNAP and reducing any red tape in their approval and start-up processes.

Examples

African Development Center of Minnesota (ADC)⁴⁶

ADC seeks to serve African immigrant communities in Minnesota by providing services that help grow African owned businesses, build wealth, and increase reinvestment in African communities. The organization's services fall in the following three categories:

- Financial Education: ADC provides basic budgeting and financial education services to African community members to improve participants' credit history and understanding of American markets.
- Home Buyer's Workshop: The workshop provides pre-home buying counseling education to first time home buyers and process-description and education and counseling for individual home buyers.
- ADC Business Development: This is a one-stop shop for training, technical assistance and commercial financing (both traditional business financing and alternative terms). ADC seeks to help start or expand businesses and help improving business financing process knowledge for it clients.

43

⁴³ PolicyLink. (2011). Equitable Development Toolkit: Resident Owned CDFIs. Retrieved from http://www.policylink.org/equity-tools/equitable-development-toolkit/about-toolkit

⁴⁴ Opportunity Finance Network. "What are CDFIs?" http://ofn.org/CDFIs

⁴⁵ CDFI.org. CDFIs in Minnesota. Retrieved from http://www.cdfi.org/wp-content/uploads/2015/02/Minnesota.pdf

⁴⁶ http://www.adcminnesota.org/

Credit Unions⁴⁷

Credit unions can be one type of CDFI. Credit unions are nonprofit financial institutions that are owned by, and serve, members. They function like other financial institutions, providing banking services to members. Credit unions also provide access to other financial services like small business loans and financial education. They are held to the same regulations as banks and other financial institutions but are operated as a cooperative. This allows members to benefit from the credit union's success. Credit unions are common nationwide with several examples throughout the Twin Cities.

Recommendation

There are three credit unions currently operating in Brooklyn Park. However, none of these institutions are located in SNAP. We recommend the city contact and work with these credit unions to encouraging them to relocate their Brooklyn Park branch into the SNAP area or to open a new branch in SNAP. This would fill a vacant lot along Brooklyn Boulevard and provide more financial services and opportunity for SNAP residents. Otherwise, stronger partnership could be made with existing credit unions in Brooklyn Park to better serve the needs of SNAP residents.

Business/Merchant Associations

Organized retailers and businesses through merchant associations can become powerful stakeholders in community discussions and advocate for needed changes. Merchant associations also create a network of support for entrepreneurs, creating a community that will hopefully encourage businesses to stay, and invest in, the community. They can also be culturally specific, which can help an area maintain its cultural identity and accentuate it as a source of community pride.

Recommendation

While Brooklyn Park already has a Business Advisory Board representing businesses of all sizes from across the city, a corridor or community specific merchant association can help develop stronger networks, community identity, and pride. The City's Economic Development Authority or Business Advisory Board can organize the association, which can be turned over to participating businesses once established. A merchant association would be best implemented before and during commercial development in SNAP so incoming businesses can have some expectation of being involved with an association. African Economic Development Solutions has implemented a business association linking businesses and institutions owned by and serving African Americans along the Green Line. 48

Anchor Institutions

Anchor institutions can take many shapes and forms to fit the needs of the community. Anchors are typically nonprofit entities that are not likely to leave the area once established, but they can also be public or private entities. Common examples include universities, hospitals, churches, and other cultural institutions. The benefits of anchor institutions can take two forms: physical and nonphysical.

Physical

An anchor institution in an area can attract traffic, potentially increasing business for nearby establishments. It also creates a market for services supporting the work of the anchor, which can

⁴⁷ Opportunity Finance Network. "What are CDFIs? Types of CDFIs" http://ofn.org/CDFIs

⁴⁸ http://aeds-mn.org/category/little-africa-of-minnesota

increase employment rates and business opportunities, particularly if contracts are made with anchor institutions to hire area residents and buy local products and services. Likewise, anchor institutions can help advocate for infrastructure investment in the area, benefitting both the anchor and area residents. This can include green energy investments in the community.

However, many anchor institutions will not pay much, if anything, for land as either a nonprofit or public entity. This decreases tax revenue potential for the city. Reliance on an anchor is also risky should the anchor leave the area. Likewise, increased traffic is not a guarantee of more business; many people only visit anchors, bypassing local businesses. This largely has to do with the area's walkability; if the area is pedestrian friendly, visitors to the anchor institutions are more likely to stop at other area businesses. ⁴⁹

Nonphysical

Large anchor institutions create potential for several community benefits beyond brick-and-mortar development and infrastructure. However, it takes work on the city's part to create incentives and motivation in policy, contracts, and community benefit agreements to obtain community benefits (discussed in more detail in the next section). Options include⁵⁰:

- Supporting enterprise and retaining businesses through co-ops
- Directing a greater percentage of purchasing power toward local vendors.
 - For example, New Orleans requires anchor institutions to purchase 50% of their goods and services from local businesses.
- Hiring a greater percentage of their workforce locally.
- Providing workforce training for people needing assistance in the community.
- Incubating the development of new businesses, including social enterprise among nonprofits.
- Serving as an advisor or network builder.
- Leveraging real estate development to promote local retail, employer-assisted housing, and community land trusts.
- Using pension and endowment funds to invest in local job creation strategies and to provide community venture capital for nonprofits, entrepreneurs, and employee-owned firms.
- Capital or low-interest loan financing to community development financial institutions (CDFIs).

Recommendation

Brooklyn Park is home to two community colleges, the Target campus, a Hennepin County Medical Center clinic, located in SNAP, and other industries. Bringing in another anchor institution into the city is not advised. Most likely, an anchor institution in SNAP would not increase traffic to local businesses and could pose a threat for increased property values and gentrification. The only exception to an anchor in SNAP would be a classroom and resource center for one of the community colleges. This would decrease distance between SNAP residents and the college while providing opportunities for training and resources. For example, North Hennepin has several business programs; creating a space in SNAP for

⁴⁹ NPR Staff. (2011). How Anchor Stores Keep Neighborhoods Afloat. Retrieved from http://www.npr.org/2011/08/20/139815836/without-an-anchor-store-does-a-neighborhood-float-away http://community-wealth.org/strategies/panel/anchors/index.html

North Hennepin business resource centers could give SNAP residents and budding entrepreneurs access to training.

While there are benefits to physical anchors, the needs of the SNAP community go beyond what physical development can provide. There are greater gains for SNAP in nonphysical agreements with existing anchor institutions, such as hiring practices, service agreements, and training programs. Therefore, it is recommended that Brooklyn Park work with existing institutions to create partnerships and programs to benefit city residents, particularly SNAP residents. The city can encourage colleges, clinics, and city departments to support local and minority-owned businesses through purchasing agreements, hiring contracts, and program funding.

Community Benefits Agreement

A community benefits agreement is a legal contract typically negotiated and entered into by a city and a developer. In most cases, CBAs are particular to a singular site; however, creative thinking and application could lead benefits applying to a larger area, the SNAP area for instance. Though we advise that SNAP residents should take a lead role in the planning and implementation of all our proposed changes, the city would have to lead negotiations on the community's behalf. Once the city successfully negotiated the contract, the community may be able to take over the oversight of the contractual obligations. Like any contract, a CBA requires legal skill and management, but there is seemingly no end to what could be implemented through a CBA.

The city could design its CBA to be specific to the entire SNAP area or select parcels within the area. A mixture of the two is also plausible considering the anticipated development near the new Target Campus. Regardless, the city should act on behalf and in the best interest of the SNAP area residents and community. Aspects of the CBA can be drawn from the non-physical benefits from the previous anchor institution section or the following examples of CBAs:

Shaw District, Washington, D.C.51

The Shaw District designed a CBA, the first for Washington, D.C., and it proved very successful. The CBA was negotiated between several parties including the city, two developers, and two community organizations. The contract was designed specifically for a 20,000 parcel of land that was to be developed for retail use. Due to wide community support from community members themselves, the CBA was designed primarily for the construction of affordable housing and the abatement of blight. The contract included:

- Affordable housing (125 units)
- Job training program
- \$1,500 square feet of retail space reserved for small community businesses
- First source hiring⁵²

⁵¹CBAs AS MECHANISMS FOR HISTORIC PRESERVATION PLANNING AND IMPLEMENTATION, JULIE ANN COLLIER

⁵² First source hiring is the practice of connecting dislocated workers and economically disadvantaged individuals with entry level positions. (Source: http://oewd.org/first-source)

The CBA is widely considered successful, especially to its resident approval and involvement. However, the city has commented that it could use improvements in the monitoring and enforcement provisions. Such provisions defined the amount of time the developer has to correct any failures in implementing the CBA. Overall, this agreement helped curb gentrification in a historic district of the city.

Park East Corridor, Milwaukee, WI⁵³

The Park East Corridor CBA was not a traditional CBA in that it was not a legal contract. This CBA was not site specific either. Instead, this was a legislative action that had little community input or support and applied to all county-owned property that will be sold to a private developer. Nevertheless, it is a good case study to learn from so that Brooklyn Park may move forward and represent and serve the SNAP area successfully. The CBA requirements made is so that land would only be sold to developers who:

- Provide the most jobs
- Increase the tax base
- Enhance community image
- Offer a fair price

Other issues were included in the CBA but were not a requirement for sale of land:

- Tax Increment Financing (TIF) for physical amenities and infrastructure
- Affordable housing funding
- Expansion of transit options
- Green building design requirements

The agreement has seen some moderate success, but progress slowed during the recession. Some argue that if the agreement were negotiated at a more local level and engaged more community members, it would be more successful. While the development is still underway, it seems that no affordable housing is planned or will be implemented.

Yale University, New Haven Connecticut⁵⁴

Yale University and the city of New Haven negotiated their agreement in 2005 with the Connecticut Center for a New Economy (CCNE). The CBA applied to a new cancer center on Yale's campus. CCNE organized multiple opportunities for the community to engage and provide input for the agreement, which ultimately helped it succeed. The CBA included the following provisions⁵⁵:

- Yale-New Haven Hospital (YNHH) will provide \$1.2 million for housing and economic development in the area surrounding the hospital.
- YNHH will hire 500 area residents over a five-year period. A comprehensive training program will be established that includes at least 50 career ladder opportunities and \$300,000 in funding per year.
- YNHH agrees to contribute \$100,000 per year for a minimum of five years to the City of New Haven's Youth Initiative.

 $^{^{53}\} https://www.huduser.gov/portal/pdredge/pdr_edge_inpractice_072012.html$

⁵⁴ COMMUNITY BENEFITS AGREEMENTS: LESSONS FROM NEW HAVEN

⁵⁵ http://www.forworkingfamilies.org/sites/pwf/files/documents/YaleNewHavenHospitalCBA.pdf

- YNHH agrees to establish a Citizen's Advisory Committee to review issues and advise on "free care" policies.
- YNHH agrees to fund two outreach positions--one for asthma and one for uninsured children--through the City of New Haven Health Department.
- YNHH is initiating and funding a comprehensive program aimed to reduce by 10% the number of employees that drive to work.
- YNHH will register for LEED (Leadership in Environmental and Energy Design) Certification.

Thought this CBA had several important aspects, it seems that the city has lost its bargaining power and did not enforce the local hiring practices. This CBA speaks volumes about the ability to break through mega-bureaucracies but also how vital it is that a city stick to its word and support its communities.

Staples Center, Los Angeles, CA⁵⁶

A large number of community and labor organizations came together to design and negotiate a comprehensive CBA in Los Angeles. This CBA applied to the Los Angeles Sports and Entertainment District which is a large multipurpose development but is commonly referred to as the Staples Center or the Staples CBA. The Staples Center CBA included similar provisions as the other, but at the time pushed the boundaries of CBAs. The provisions are detailed below⁵⁷:

- a developer-funded assessment of community park & recreation needs, and a \$1 million commitment toward meeting those needs;
- a goal that 70% of the jobs created in the project will pay the City's living wage, and consultation with the coalition on selection of tenants;
- a first source hiring program targeting job opportunities to low-income individuals and those displaced by the project;
- increased affordable housing requirements in the housing component of the project, and a commitment of seed money for other affordable housing projects;
- developer funding for a residential parking program for surrounding neighborhoods; and
- standards for responsible contracting and leasing decisions by the developer.

The Staples CBA was successful for its participatory and engagement with the thousands of people who would be affected as well as about 30 community and labor organizations. While it may be difficult to see how this CBA could apply to Brooklyn Park, it is important to recall that these are legal contracts that can be negotiated and tailored to each city's specific needs. This case study is an example of the scale at which a CBA can be applied and successfully executed.

It's clear that there is a lot of potential for CBAs to create equitable and lasting change. However, it will take considerable effort and planning on both the city and community's part to make it an effective solution. The city will need to commit itself to the standards it defines in the CBA, even as governance of the city changes over time. The city should look beyond the SNAP area to implement CBA(s) on the north side of Brooklyn Park; however, the primary benefit should be given to SNAP area residents.

⁵⁶http://www.forworkingfamilies.org/sites/pwf/files/resources/CBA-LosAngelesSportsAndEntertainmentDistrictProject.pdf

⁵⁷ http://www.forworkingfamilies.org/resources/staples-cba

Incubation and Business Development: Addressing Equitable Development in Brooklyn Park

The private sector can be a dynamic and efficient provider of economic and equitable development. Small, micro, and medium-sized enterprises (SMEs) are often hailed as a solution to development problems. Such programs are perceived as advantageous for being neither big, bureaucratic or corrupt. These enterprises are considered to ensure equitable development for their broader distribution of assets, creation of jobs and increase in income; however, these benefits alone do not meet our definition of equitable development. To truly ensure that SMEs are effective and meet our definition of equitable development, programs should be tailored and given preference to underrepresented groups, such as people of color (POC) and immigrants.

SMEs are typically enacted as a solution to economic inequities in countries with gross domestic products well below global averages – often referred to the Third World or developing countries. However, similar solutions have been employed domestically and can serve as case studies to spark the imagination of Brooklyn Park. Business incubators are a common practice in the private sector and has begun gaining traction in the public sector. Business incubators are similar to research and development parks in that they favor innovative solutions, but focus on creating new, start-up businesses and early-stage enterprises rather than furthering existing major corporations. Business incubators typically provide management services as well as office space for these blossoming enterprises. While a model exists, there is opportunity to think creatively, outside typical constraints, to support small-business as a mechanism to improve the economic strength of Brooklyn Park communities.

Mercado Central; Minneapolis, MN

Mercado Central, located along East Lake Street, Minneapolis, opened in 1999. The market began and continues as a local business cooperative. It is home to over 44 businesses, and was born and developed by the Latino community in Minneapolis. The Mercado also promoted local employment, generating 70 new employment opportunities for mostly local residents. In its first year, Mercado central generated over \$2 million in sales. Mercado central has received over \$277,000 in small business loans, but has also paid out over \$80,000 in local and state sales tax.⁵⁹

By promoting previously disadvantaged individual owned businesses, the city celebrates its unique cultural diversity while also showing real interest in the success of the community. It is both a vote of confidence for the community and opportunity for the city to improve its public perception. It allows for upward economic mobility without an abandonment from core principals of business development, but a refocus and belief that previously disadvantaged individuals have agency when given the appropriate opportunity.

⁵⁸ Jeppesen, S. (2005). Enhancing competitiveness and securing equitable development: Can small, micro, and medium-sized enterprises (SMEs) do the trick? *Development in Practice, 15*(3-4), 463-474. doi:10.1080/09614520500076100

⁵⁹ http://abcdinstitute.org/stories/mercado/index.html

North Market; Columbus, OH

The North Market is located in downtown Columbus, Ohio, just across the street from the Columbus Convention Center. It is a publicly owned site that previously functioned as an industrial site. Today, it is home to about 35 individual merchants ranging from eateries and fresh fish and meat markets to retailers selling cookware and gifts. The market is also home to a weekly farmer's market promoting about 18 different local farmers. Several of the vendors at the market have either expanded their business to include a second stall at North Market or a brick and mortar location in the city. The North Market has a stable base as it attracts locals, but also brings in non-local money from those visiting the city for special expositions or conferences.

The market has been operation since 1876 and has over a million visitors per year, though it has moved sites over the years. While its current site is owned by the City of Columbus, the market is managed by the North Market Development Authority, a not-for-profit entity. To be clear, this example does not target underrepresented community members. However, it is an important case study based on the fact that it is a publicly owned site and its operating structure involves an independent non-profit. Recently, however, the city announce that it is interested in selling the property, an opportunity for the city to recoup its property taxes in future years. This is also a testament to the success of the market.

Nordeast Makers; Minneapolis, MN

The Nordeast Makers opened around 2013 and is the brainchild of 6 people. The founders focused on a simple mission: to have a space that had premium, top of the line equipment, but the operation must remain sustainable. Given the top of the line equipment, monthly membership fees are set at \$200 with a minimum 3-month commitment. This is a major investment for low income people, but partnerships with area makers and others can reduce costs. The success of a makerspace relies heavily on the knowledge base of its members. The more members that join, the more collective knowledge there is that can benefit an incredible number of people.

A makerspace is not necessarily the same as SME or an incubator, but it is included in this section for its community value in providing education in skilled trades. A makerspace is a membership-based activity center that hosts resources that are either too costly for the average person/household or require too much space to be located in or on residential property. Makerspaces harness the creativity of community members and encourage collaboration, especially in terms of ideation and foundational knowledge. Yet, if approached as a workforce development center, training people with hard skills that will allow them to develop necessary skills to enter the workforce ready and prepared.

St. Paul Public Library; St. Paul, MN⁶³

As our society and education values evolve, many public libraries struggle to remain relevant. St. Paul Library's downtown Central branch as well as other area libraries have implemented makerspaces in

⁶⁰ http://www.northmarket.com/about.aspx

⁶¹http://www.dispatch.com/content/stories/business/2016/09/14/city-seeks-developer-to-upgrade-north-market.html

⁶² http://nordeastmakers.com/about-us/

⁶³ http://www.twincities.com/2016/03/22/st-paul-libraries-makerspaces-tech-creativity/

order to keep up with these changes. While it is not necessary to belabor the hands-on learning approach makerspaces provide, it is important to realize that there are public service models that provide similar opportunity as for-profit and nonprofit models. The St. Paul Library offers age-specific spaces for people to tinker and create which is a great step in instilling confidence and creative intellect across the board. It is not, then, a huge leap to create a space specific to the needs of other demographics.

Recommendations

The provided case studies should be viewed as a reference and spur the imagination of Brooklyn Park and the community for a path forward. However, it is our recommendation that the city implement some variation(s) of these programs. The vacant parcels in and near the SNAP area provide valuable opportunity to site a business incubator, regardless of the shape it may take. In addition, regardless of the type of business incubator there are several policy recommendations that should be considered and implemented to ensure an equitable environment that benefits otherwise underrepresented community members. These recommendations are as follows:

- Business incubators needs to be located in the SNAP area near public transit routes
- Preference needs to be given to people of color, women and immigrants with special attention to intersectionality
- Preference needs to be given to residents of the SNAP area
- In addition to space, programs such as business development, mentorship, and financial management need to be provided
- Specific programs and venues for youth-run SMEs need to be considered and implemented
- Strong relationships with local anchor institutions need to be at the heart of the development of these SMEs and programs
- Federal, state, and local governmental and private funding sources, such as grants, loans and tax incentives need to be considered to minimize the burden on business owners
- SME owners and entrepreneurs must retain ownership of their businesses and all its assets including, but not limited to, intellectual property, personal property and real property with an exception to the real property that is provided by the city or other anchor institution

SMEs and incubators are not an end all and be all solution to support equitable development in Brooklyn Park. These ideas are simply a part of the larger picture. Pairing the SME and incubator recommendation with recommendations based on participation, housing, and community partnerships. In addition, it is important to reiterate that the siting of such opportunities must be in the SNAP area and be accessible by public transit. The existing site vacancies along Brooklyn Boulevard are potential options that should be seriously considered.

While "[w]orldwide experience shows that SMEs can potentially play a substantial part in promoting economic and social development," SMEs are not without their challenges. Careful planning and

⁶⁴ Jeppesen, S. (2005). Enhancing competitiveness and securing equitable development: Can small, micro, and medium-sized enterprises (SMEs) do the trick? *Development in Practice*, *15*(3-4), 463-474. doi:10.1080/09614520500076100

thought must go into siting, structuring, and targeting POC, women, immigrants, and youth. This will require deeper conversations between the city, community leaders, and private partnerships. Special consideration must also be given to the current market climate and potential for clustering related businesses.

Brooklyn Park Financing Resources for Incubators

In order to help spur business development in the SNAP area through incubation, the city will likely need to support small business owners financially. The role of the city in this sector is to provide micro loans for for-profit businesses for up to \$50,000, which can be used for working capital, inventory, equipment or general operation. The loans pay fixed interest of 10%, and loan repayment terms can range from 3 to 5 years. These loans can come from a variety of source like the ones administered through MCCD.

Moreover, the city facilitates for loan guarantee. The loan guarantee program allows new or expanding businesses to access capital that is provided by market-lenders. The guarantee is issued by Brooklyn Park Development Corporation to the lenders. The loan guarantee program is accessible by businesses with projected sales of \$5 million or less. The guarantee can be used for purchase of real estate, machinery, inventory, working capital or line of credit.

In addition, the city also facilitates access to State's investment funds. Minnesota Investment Funds provide financing for businesses that need capital to add new labor or retain high-quality jobs in the State. Minnesota Investment funds provides a maximum of \$500,000 per project and stipulates that 50% of the total project cost comes from private financing courses. The terms of the loans can be 10 - 20 years. This may serve as a likely additional resource for the residents of Brooklyn Park, including those that live in SNAP area.

Hiring Practices

The Economic Development Authority and other city departments have the ability to direct private investment and city funds towards women, minorities, and other groups that can build wealth in Brooklyn Park. There are opportunities to strengthen the Affirmative Action and Equal Employment Opportunity language used in Requests for Proposal and Requests for Qualifications. Currently, the city uses the standards that are required by the funding source, which generally require language about using Women and Minority Owned Small Businesses. Language requiring prevailing wages and affirmative action plans for developments regardless of funding sources can be included, as it is in Minneapolis and St. Paul. Prevailing wage requirements ensure that workers earn union wages whether it is a union project or not. This can be a concern in limiting the ability of underutilized businesses to take the bids since they often compensate for the higher overhead they might experience by paying less than prevailing wages.

Training

An element of the selection process can be the participation in job training activities. Many residents of Brooklyn Park lack the education, experience, or connections to obtain higher paying jobs. By providing preference points for participation in job training, contractors can be incentivized to help residents obtain higher paying employment, building community wealth. Minneapolis requires that prime contractors with bids in excess of \$100,000 and subcontractors with bids in excess of \$50,000 show

evidence of participation in a registered apprenticeship program. Trades in which there are not apprenticeships, as documented by the Minnesota Department of Labor and industry, are exempt. These apprenticeships last between 2,000 and 10,000 on the job hours and involve additional educational hours. This policy does not allow for local residents to be preferred. Alternative programs could utilize partnerships with North Hennepin Community College and Hennepin Technical College to give students on the job experience through paid internships or similar programs. Contractors could also agree to hire interns through the Brooklynk program. This would assure that the individuals receiving training would be from Brooklyn Park or Brooklyn Center. Depending on the area of employment, interns under 18 may not be acceptable for the project, due to labor laws and liabilities. Most construction projects do have sufficient work that is appropriate for youth 16 and older. While mandating participation for contractors may not seeking bids above a particular level may not be appropriate, providing preference point to applicants agreeing to partnerships with local community colleges or Brooklynk could advance job training for local residents.

Proposal Selection

The City of Portland has a Minority Evaluator Program administered by the Alliance of Minority Chambers, a collaboration of racial and ethnic minority based organizations in the greater Portland area, and the City which requires that all boards or commissions selecting contracts not based solely on the lowest bid must include a minority evaluator. These evaluators are trained to meet qualifications need to score proposals, are minorities based on federal guidelines, and are not employees of the government, except in education. City ordinance requires that all contracts meeting minimum dollar amounts and all development agreements have a minority evaluator serving in the group making the decision. This is not feasible for a city the size of Brooklyn Park, but changes can be made to improve the diversity of the decision making bodies.

Recommendation

The City only has control over its own hiring practice. However, the City should encourage inclusive hiring practices and other community benefits in working with developers and selecting project proposals. Language requiring prevailing wages and affirmative action plans for developments regardless of their funding sources should be included in City policy. Likewise, the city could provide preference to applicants agreeing to partnerships with agencies and nonprofits supporting SNAP residents and equitable development goals to advance job training and education for local residents.

It is also recommended that Brooklyn Park utilize the existing Human Rights Commission in reviewing proposals, hiring practices, and community benefits. By utilizing the existing skill sets of commission members and training for additional skills, members could serve on boards making decisions about city contracts. Since the Human Rights Commission is made up of residents who are committed to eliminating discrimination and advancing racial equity, these residents would be able bring equity into the conversation. Alternatively, changes to the selection of commissioners and board members can be made to have more diverse, representative voices. The Economic Development Authority is currently governed by the city council, which does not reflect the diversity of the city. A change in the city council election process could improve its representativeness of the city, or the Authority could have a separately selected board chosen in a way to ensure minority voices are included and well represented.

Play

By building a community where people want to live and want to work, Brooklyn Park will also be creating a community where people will want to play. Therefore, Brooklyn Park needs to ensure that recreational options and spaces are accessible and functional to all area residents. Shopping in commercial retail spaces developed as part of the above Work plan are certainly parts of the City's recreational repertoire. Parks and green spaces are also an important part of community recreation and need to be considered as part of an equitable, livable community strategy.

Parks

Green spaces and parks can be an effective way to create community identity and pride. They are also a community asset, providing safe and enjoyable walking, biking, and recreation experiences. In a way, parks are a community's living room, serving as gathering spaces to foster relationships and keep "eyes on the streets." Parks and green spaces improve the quality of life in neighborhoods and cities.

Brooklyn Park has a wonderful parks system and is likely aware of the many benefits of green spaces and vegetation in communities and streetscapes. That being said, parks are a key part to equitable and livable communities and need to be considered in SNAP development. There are about 13 park scattered throughout SNAP, some being connected to elementary schools, hosting a variety of recreation options. While there are recreation options in SNAP, expanding and connecting parks and greenspaces can be part of a larger, equity vision. Likewise, featuring the park and green space in SNAP can be source of community identity and pride. This was likely some of the intention in the Village Creek Master Plan and Phase A development. Community engagement will be a key part of park planning to ensure a diversity of people's interests and needs are met. This will help ensure green spaces are accessible to all mobility capabilities and contain appropriate play and recreation equipment for several age ranges.

Recommendation

As previously mentioned, Brooklyn Park has good parks and recreation options. However, the playground installed in the Village Creek development falls short of standards set forth by other city parks. The Village Creek Park playground is very age specific and is not accessible. If possible, it should be removed due to its low functionality and replaced with a better designed park in a more accessible and less vulnerable (flooded) location. In any new housing built in SNAP, park and recreation space appropriate for a wide range of ages and abilities is needed. While other parks are in the area, the increased density will create a demand for more recreation spaces. Further, busy roads (Zane Avenue and Brooklyn Boulevard) create a barrier for children and less mobile residents, restricting access to these community resources.

Similar recreation options should also be available in parks throughout the city. It may seem repetitive, but at a neighborhood level it improves access to recreation options. For example, handicapped accessible play equipment or rental pavilions only available at one or two parks city-wide creates a short supply of resources and restricts access to mobile residents in the neighborhood and residents with cars.

Making resources and amenities more accessible to more people is a step toward equitable development.

Furthermore, Shingle Creek, the heart of Village Creek Park and a key asset in SNAP, has been under kept since its restoration and surrounding development. Maintaining and expanding the restoration work at Shingle Creek can help create community identity and pride as well as a gathering space. There is some evidence of community identity with the creek since residents chose a more "naturalistic" walking path connecting the high school to residential areas through Shingle Creek over a more direct "urban-inspired" sidewalk. Work on Shingle Creek will involve an agency, either a city department or an appropriate nonprofit, taking ownership of the space to ensure its maintenance. City residents could volunteer on supervised plant clearing and removal days or with other low-skill projects. If done correctly, Shingle Creek can be a huge community asset and focal point for future development.

Additionally, some of the vacant lots in the Heart of SNAP could be used to create a new park or expand Village Creek or Waite Park. Recreation and community gathering spaces designed by and for SNAP residents can help build trust between planners, city hall, and residents while building community capacity. Loitering and "criminal activities" may be a concern in parks, but implementing crime prevention design, described more below, can encourage park use by the whole community, creating an "eyes on the street" community that serves as a watchdog.

Lastly, as vacant lots in SNAP are developed, it will be important to leave enough growing space for trees and vegetation in the streetscape. The trees planted along Brooklyn Boulevard outside the Hennepin County Medical Center Clinic are already dying or dead. This could be due to a variety of factors; reasons for failure need to be determined before new development begins in the area to ensure new trees and vegetation will not come to the same fate. If trees are not desired or feasible on the site, other vegetation, including vegetated storm water management practices, should be considered to provide curb appeal in the streetscape.

Examples

Equitable Parks Policy, Seattle Equitable Development⁶⁵

- Develop partnerships with organizations that focus on race and social justice as fundamental aspects of their operations
- Expand city park holdings with special emphasis on urban centers and villages: This increases access to parks by bringing them to where people live, work, and gather and is a way to revitalized tired shopping and residential centers.

Framework for an Equitable Future, New York City Parks Department⁶⁶

• Establish programming for neighborhoods in need: This can be achieved through interagency partnerships. For example, after school programs for middle school students were hosted by schools, the parks department, and area nonprofits.

⁶⁵ Seattle Office of Planning and Community Development. (2016). Equitable Development Implementation Plan. Retrieved from http://2035.seattle.gov/wp-content/uploads/2016/05/EDI-Imp-Plan-042916-final.pdf

⁶⁶ NYC Parks. (2014). Framework for an Equitable Future. Retrieved from https://www.nycgovparks.org/about/framework-for-an-equitable-future

- Standard maintenance at all facilities: Develop a schedule for maintenance and repairs that
 divides time evenly between parks given their size and maintenance needs. All parks will receive
 baseline maintenance and services on a predetermined basis, though residents can call to
 request service.
- Study park utilization rates, attitudes, and activities: By better understanding what is going on in
 parks, planners and city staff can develop a starting point for community conversations.
 Residents can be part of data collection, reporting their lived experiences while gather the lived
 experiences of their neighbors. It also provides something tangible for city council members and grant
 applications to fund park improvements.
- Expand parks to create better access: New York City has a goal for every resident to be within a 10-minute walk of a park.

Crime Preventative Design

The current narrative in SNAP is that there is a high level of crime, which has spurred the opening of the south precinct/Village Creek police station and design and policy choices to reduce loitering. More importantly, it has increased the interest in civilian policing and intervention. Community residents are an important part of making communities safe through "eyes on the street;" by getting to know neighbors and businesses in the area and by being out in and using public spaces for intended purposes, residents build a network of knowledge and support. The strength of this network and the presence of community is one way to deter crime and undesired loitering in public spaces while creating pride and agency within the community. A strong community network, and reduced crime, creates an environment residents and visitors want to stay and play in.

There are many different strategies to reduce crime and build community in neighborhoods. These include community engagement regarding site and planning in the neighborhood, community events, programs sponsored by multifamily housing developers or community groups, and events held at parks and other public facilities. In order to have the strongest community, residents must have a sense of agency in and ownership of their community. Residents, in feeling more connected with their community, then feel as though they are losing something when a building is vandalized or crime impacts their neighbors. Additionally, the city and property owners must communicate and demonstrate through actions and investment that SNAP and its residents are worthy of care. If the city and property owners do not care to maintain their properties and public spaces, SNAP residents are unlikely to feel they should treat their neighborhood and public spaces well. Additionally, taking care of an area can spur infill development of vacant lots. Developers and businesses see the city cares about area and are more likely to feel their investment will be looked after and supported.

Recommendation

While community engagement and participation are critical for "eyes on the street" and community-led crime prevention to be successful, the city can support SNAP and reduced crime efforts through crime prevention design. Writing zoning codes or overlay districts that incorporate crime prevention design elements in building standards can help ensure new developments support community building, communication, and facilitate "eyes on the street." Likewise, city staff should communicate the importance of these design elements to developers and work with both community members and developers to obtain strong community engagement and support for projects. Taking a lead on

maintenance and improving infrastructure in SNAP is another way the city can lead new development, investment, and community/area pride.

The Crime Prevention Through Environmental Design Committee of the Virginia Crime Prevention Association produced a set of guidelines that can be implemented in the SNAP area to greater facilitate "eyes on the street" and reduce crime. ⁶⁷ Overall, these, and our, recommendations are for increased lighting, defining uses for spaces and facilities, and maintaining those spaces. More specifically, these include:

- Consistent lighting throughout residential, commercial areas, and walking paths that is replaced on a schedule, not as bulbs burn out.
- Selecting plants with lower profiles (at or less than 3 feet) that are maintained.
- Ample street-facing windows and lighting in residential and commercial developments
- Front porches and short distance between dwellings and sidewalks in residential and commercial areas. This also makes communities more walkable.
- Minimize use of bars on windows, heavy roll down doors, and the visibility of security cameras.
 While these efforts are implemented to deter crime, they may act as a self-fulfilling prophecy and increase or encourage crime.
- Parking lots should be visible from the street and building interiors. They should also be well-lit to deter crimes and car thefts/vandalism.
- Install window displays or wraps in vacant commercial properties to avoid an abandoned feel, which contributes to the "broken windows" theory of crime⁶⁸.

Specifically, for Village Creek Park, an unused park is far more likely to result in crime and undesired behaviors than one that is used. Defining space in and around the pavilion can create purpose, increase usability, and improve overall park experience. For example, providing a picnic table would define the space and encourage its intended use. Park benches can be strategically placed to increase the visibility of public spaces to users and residents. Playgrounds and other public spaces should be placed so they have maximum visibility from homes and external streets. Currently, the play structure in Village Creek Park is located in a low-lying area, out of sight lines for many homes and streets in the development.

⁶⁷ Virginia CPTED Committee and Virginia Crime Prevention Association, 2005. CPTED Guidelines Safety by Design: Creating a Safer Environment in Virginia. http://www.illinoislighting.org/resources/VCPA%20CPTED%20Guidelines.pdf

⁶⁸ Center for Evidence-Based Crime Policy, George Mason University. 2013. *Broken Windows Policing*. http://cebcp.org/evidence-based-policing/what-works-in-policing/research-evidence-review/broken-windows-policing/

Conclusion

Each of the above recommended strategies are good steps towards equity, new development, and stronger communities in SNAP. However, without community support and an overarching plan or vision and goals for equitable development, these efforts will fall short in creating new opportunities and outcomes for SNAP residents. By adopting a holistic "Live, Work, Play" approach to equitable development, Brooklyn Park can be a leader in improving the lives and outcomes for SNAP residents and businesses. By addressing all aspects of community and equity in planning for equitable development, Brooklyn Park can lay the foundation for sustainable equity and outcomes.

Brooklyn Park's has 4 main roles in creating equitable development in SNAP. First, planning staff and city council should amend and implement zoning codes or overlay districts for the 20 acres of City owned land or the commercial stretches in SNAP that lay out specific design elements and CBA benefits required or recommended in new SNAP development. City staff then needs to uphold these standards and support developers in creating site plans and developments that encompass all design elements and support SNAP residents. Second, Brooklyn Park should work with SNAP community leaders to engage SNAP residents in planning and development efforts. Brooklyn Park has a passionate, dedicated community engagement team that should be central to these efforts. Third, the City should be a convener and facilitator of conversations. Many of these recommendations, like land trusts, CDFIs, and CDCs, are more frequently implemented and managed by nonprofit agencies. Brooklyn Park should work with community leaders to identify and work with appropriate nonprofit agencies to develop these strategies and resources. The City should the support these agencies in implementing and carrying out their work through site approval, variances, and political will. Lastly, the City should support equitable development and the work of nonprofit partners financially through grants, loans, tax breaks, infrastructure investment, partnerships with anchor institutions and foundations, and any other appropriate form of assistance. Investing in SNAP, programs, and agencies supporting SNAP residents is one of the best ways to show the City cares about the neighborhood and its residents. It also helps establish equitable development work and shows the City is committed to equity for the long term benefit of the community.

It is essential that Brooklyn Park plan with SNAP residents to ensure all development fits the needs and desires of the community. This includes the locations of developments on the City's 20 acres. While certain developments will need more space physically than others, requiring the larger lots, location of development both in the area and on the site are important components of building welcoming, strong communities.

Through these recommended strategies and the work and dedication of Brooklyn Park, it is our sincerest hopes that equitable development can be realized in SNAP and Brooklyn Park as a whole. We believe these strategies and considerations will help Brooklyn Park prioritize the needs, participation, and benefits of underrepresented individuals to create an environment where such individuals experience higher quality of life and improved life outcomes. By focusing on equity over equality, we believe

Brooklyn Park will be taking one step closer to creating a unique, vibrant city with living, working, and recreation options for all residents.

Equitable Development Scenario

Given the expanse and detail of information provided in this report, we feel it important to identify the best opportunities that will yield high beneficial impacts for SNAP residents and businesses. We believe the following three strategies, when combined, are the strongest, healthiest options for sustainable equitable development in SNAP. Each of these strategies encompass "Live, Work, Play" individually. Combined, they can support one another to create a holistic approach to equitable development in Brooklyn Park.

Residential and Commercial Land Trust

It is recommended that a combined residential and commercial land trust model be adopted. This can provide larger, affordable housing units needed in SNAP and ensure affordability for commercial establishments throughout market conditions. There are many examples of combined residential and commercial land trusts nationwide, either in mixed used development or managed by the same agency, providing models and resources for both the City and the land trust to create a solid, stable foundation for residents and the community. Additionally, a resident shareholding option can be built into the land trust model to provide additional wealth building opportunities for SNAP residents. A master lessor option would remove financial barriers for budding businesses and entrepreneurs, making this model a strong fit for the SNAP area. Establishing a commercial and residential land trust combination is a good equitable development strategy encompassing all three "Live, Work, and Play" components. It is recommended to engage SNAP residents and community leaders early in considering a land trust to gauge and grow support and ensure resident needs, concerns, and desires are being met by the development.

• CBA – hiring practices, contracting with anchor institutions

It is recommended that a CBA be adopted specifically for the sites located in the SNAP area. The CBA must include specific guidelines for hiring practices, design, affordable housing, and green space modifications. The CBA is a large umbrella under which numerous other recommendations that have been proposed can be housed. CBAs are also flexible enough that they can be tailored to specific needs making them a unique and versatile solution that the City can implement. The city's role in this would be to negotiate on the behalf of community members and ensure that the community gets the best deal possible. The sites and a CBA will only be as effective as the city ensures.

• Crime Prevention Design

In general, the city must approach crime prevention through community building and perceive residents to be the solution, not the problem. Creating "eyes on the street" through building and landscape design, intentional and purposeful uses for public spaces, and maintenance of the land and buildings in SNAP can help reduce crime concerns in the area while building community and developing community pride. By

investing in the residents and developments in SNAP, Brooklyn Park can show residents and area businesses that they value and are committed to the area, setting an example for developers, property owners, and residents to do the same. This approach to development creates safer, more pleasant residential areas, more vibrant and active commercial districts, and creates an environment both residents and visitors want to stay and play.

Resources

These resources could be helpful when looking at changes to city policies:

- Research from Lincoln Institute of Land Policy on Inclusionary Housing and Affordability.
 http://www.lincolninst.edu/publications/working-papers/achieving-lasting-affordability-through-inclusionary-housing
- Policy Tool Series on Developing an Inclusionary Zoning Ordinance.
 http://www.bpichicago.org/wp-content/uploads/2014/01/Issues-to-Consider-When-Creating-an-Inclusionary-Housing-Ordinance.pdf
- Edina's Inclusionary Housing Policy.
 http://edinamn.gov/index.php?section=planning_affordablehousing

These resources were identified in our research and can be helpful tools as the City considers supporting the development of a CLT.

- Minnesota Community Land Trust Coalition Resource for the nine Minnesota CLTs. http://www.mncltc.org/
- Mixed Income Calculator: is a tool for testing out different development conditions to
 determine impacts on the financial viability of a development. A project manager can enter the
 specifics of a development, and then see what impact reducing parking requirements or
 requiring affordable housing does. mncalculator.inclusionary.net
- **Homes within Reach:** This land trust serves western Hennepin County and could be a partner or expand to Brooklyn Park. http://homeswithinreach.org/wp/
- Community-Wealth.org has resources and links to other CLT models nationwide. There are also resources on development and funding of a CLT. http://community-wealth.org/strategies/panel/clts/index.html
- Starting a Land Trust: Organizational and Operational Choices. http://www.burlingtonassociates.com/#!/resources
- **Community-CLT Partnership full report.** http://www.lincolninst.edu/publications/policy-focus-reports/city-clt-partnership
- Lowe, J. S. & Thaden, E. (2014). Deepening stewardship: Resident engagement in community land trusts. *Urban Geography 37(4), 611-628*. This article specifically looks at resident engagement as component of stewardship.