

HENNEPIN COUNTY

MINNESOTA

FINAL COMMITTEE AGENDA

ADMINISTRATION, OPERATIONS AND BUDGET COMMITTEE

TUESDAY, AUGUST 1, 2023
1:30 PM

Chair: Debbie Goettel, District 5
ViceChair: Chris LaTondresse, District 6
Members: Jeff Lunde, District 1
Irene Fernando, District 2
Marion Greene, District 3
Angela Conley, District 4
Kevin Anderson, District 7

1. Minutes from Previous Meeting

1.A. July 11, 2023 Administration, Operations and Budget Committee Minutes

Attachments: [Administration.Operations.Budget-COMMITTEEMINUTES11-Jul-23](#)

2. New Business

Routine Items

2.A. [23-0276](#)

Ratification of permits, leases, lease amendments, and related property agreements approved by the County Administrator, 01/01/23-06/30/23, total NTE \$15,000

Attachments: [Real Estate Documents Executed by Administrator First Half 2023](#)

2.B. [23-0277](#)

Establish a public hearing for comment on the program year 2022 Consolidated Annual Performance and Evaluation Report related to the HUD CDBG, HOME & ESG prgms in suburban Hennepin County on Tuesday, September 26, 2023 at 1:30 p.m.

Attachments: [Exhibit A - 2022 CAPER Official Publication](#)

Items for Discussion and Action

2.C. [23-0278](#)

Terminate and forgive HOME Agmts A07333, A07604, A13444, A18517 with the Housing and Redevelopment Authority of the City of Bloomington for the Rental Homes for Future Homebuyers Program

2.D. [23-0279](#)

Appointment of Bruce Kelii as the Deputy Emergency Management Director for Hennepin County effective August 1, 2023

Addendum

2.E. [23-0296](#)

Amd 3 to Agmt PR00004910 with Maslon LLP for legal services, incr NTE by \$150,000

2.F. [23-0297](#)

Schematic Design Contract for the Southdale Library Replacement (CP 1005259) with MSR Design for architectural and engineering services, 08/15/23-01/31/24, NTE \$1,224,607

HENNEPIN COUNTY

MINNESOTA

300 South Sixth Street
Minneapolis, MN
55487-0240

Board Action Request

TMP-0286

Item Description:

July 11, 2023 Administration, Operations and Budget Committee Minutes

HENNEPIN COUNTY

MINNESOTA

COMMITTEE MINUTES

ADMINISTRATION, OPERATIONS AND BUDGET COMMITTEE

TUESDAY, JULY 11, 2023
1:30 PM

Chair: Debbie Goettel, District 5
ViceChair: Chris LaTondresse, District 6
Members: Jeff Lunde, District 1
Irene Fernando, District 2
Marion Greene, District 3
Angela Conley, District 4
Kevin Anderson, District 7

Commissioner Goettel, Chair, called the meeting of the Administration, Operations and Budget Committee for Tuesday, July 11, 2023 to order at 1:31 p.m.

Present: Debbie Goettel, Chris LaTondresse, Jeff Lunde, Irene Fernando, Angela Conley and Kevin Anderson

Absent: Marion Greene

1. Minutes from Previous Meeting

1.A. June 13, 2023 Administration, Operations and Budget Minutes

APPROVE

Commissioner Jeff Lunde moved, seconded by Commissioner Chris LaTondresse, to approve the Minutes .

Aye: Commissioner Goettel, Commissioner LaTondresse, Commissioner Lunde, Commissioner Fernando, Commissioner Conley and Commissioner Anderson

Absent: Commissioner Greene

2. New Business

Routine Items

2.A. [23-0260](#)

Neg Lease Agmt LS00000030 with Regents of the University of Minnesota for rental space to be temporarily utilized by Hennepin County Library at 2001 Plymouth Ave., Mpls, 09/01/23-08/31/24, NTE \$21,000 first year gross rent

CONSENT

Commissioner Irene Fernando moved, seconded by Commissioner Angela Conley, to consent the Resolution .

Aye: Commissioner Goettel, Commissioner LaTondresse, Commissioner Lunde, Commissioner Fernando, Commissioner Conley and Commissioner Anderson

Absent: Commissioner Greene

There being no further business, the Administration, Operations and Budget Committee for July 11, 2023 was declared adjourned at 1:34 p.m.

Karen Keller
Deputy Clerk to the County Board

HENNEPIN COUNTY

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Board Action Request

23-0276

Item Description:

Ratification of permits, leases, lease amendments, and related property agreements approved by the County Administrator, 01/01/23-06/30/23, total NTE \$15,000

Resolution:

BE IT RESOLVED, that the agreements listed on the report entitled "Summary of Real Estate Documents Executed by Administrator, First Half 2023: 01/01/23-06/30/23, dated June 30, 2023" and the administration of all leases within the building located at 701 4th Avenue South, Minneapolis be ratified.

Background:

Pursuant to Resolution 97-04-238, dated April 29, 1997, the County Board authorized the County Administrator to sign temporary permits, licenses, leases, lease amendments, and related property agreements, provided that the resulting expenditure does not exceed \$15,000 per year; and pursuant to Resolution 11-0339, dated August 16, 2011, the County Board delegated the County Administrator the responsibility for the management and administration of all leases within the building located at 701 4th Avenue South, Minneapolis; and that following review and approval by the County Attorney's Office, the County Administrator be authorized to sign all leasing documents.

Current Request: Ratification is requested of those agreements signed by the County Administrator for the period January 1, 2023 through June 30, 2023, as identified on the report entitled, "Summary of Real Estate Documents Executed by Administrator, First Half 2023: 01/01/23-06/30/23, dated June 30, 2023" and the administration of all leases within the building located at 701 4th Avenue South, Minneapolis.

Recommendation from County Administrator: Recommend Approval

**Summary of Real Estate Documents Executed by Administrator,
First Half 2023: 1/1/23-6/30/23
Dated 6/30/23**

Contracting Party	Subject Matter and Property	Date Approved	Authorizing Resolution
Metropolitan Airports Commission	Lease Agreement LS00000028 between Hennepin County and the Metropolitan Airports Commission, allowing Hennepin County Emergency Management to rent 33 sq ft of storage space at Minneapolis-St. Paul International Airport located at 4300 Glumack Drive, St. Paul, for the period commencing February 1, 2023 and continuing month-to-month until either party terminates. First year rent: \$1,230.24.	1/23/23	97-4-238
Independent School District No. 879	Land Use Agreement A2211504 between Hennepin County and Independent School District No. 879 allowing Hennepin County Emergency Management to install a weather station within a 40' x 40' area located at 700 Elm Avenue East, Delano, MN, commencing on May 1, 2023 and automatically renewing every five years until either party terminates. No rent.	1/19/23	97-4-238
American Indian Community Development Corporation	Amendment 2 to Lease Agreement A2110797 between Hennepin County and American Indian Community Development Corporation, amending language to expand the leased premises 200 sq ft from 16,022 sq ft to the new size of 16,222 sq ft effective May 1, 2023.	6/22/23	97-4-238
University Baptist Church of Minneapolis	Amendment 4 to Agreement A091218 between Hennepin County and the University Baptist Church of Minneapolis for use of the Arvonne Fraser Library parking lot, located at 1222 4 th St. SE., Minneapolis, during non-library hours, extending the agreement for the period of September 1, 2023 through August 31, 2026. No Rent.	6/22/23	97-4-238
Minneapolis School District, Special School District No. 1	Permit For Use Agreement A2311757 between Hennepin County and Minneapolis School District, Special School District No. 1 for use of the parking lots at Pillsbury Elementary School and Patrick Henry High School on the dates of June 22, 2023 – June 26, 2023 and August 10, 2023 – August 14, 2023 respectively. No rent.	5/23/23	97-4-238

HENNEPIN COUNTY

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Board Action Request

23-0277

Item Description:

Establish a public hearing for comment on the program year 2022 Consolidated Annual Performance and Evaluation Report related to the HUD CDBG, HOME & ESG prgms in suburban Hennepin County on Tuesday, September 26, 2023 at 1:30 p.m.

Resolution:

BE IT RESOLVED, that a public hearing to obtain comments on the program year 2022 (July 1, 2022 through June 30, 2023) Consolidated Annual Performance and Evaluation Report (CAPER) related to Hennepin County's implementation of the U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), and Emergency Solutions Grant (ESG) programs in suburban Hennepin County, be held before the Administration, Libraries and Budget Committee meeting of the Hennepin County Board of Commissioners on Tuesday, September 26, 2023, at 1:30 p.m., or as soon thereafter as practicable. Comment for the public hearing can be made in person or via telephone, by calling the toll-free dial-in telephone conference number (855) 946-3351.

Background:

The Hennepin County Board of Commissioners approved the Hennepin County Consortium Consolidated Plan 2020-2024 (the Five-Year Plan) on May 19, 2020 (Resolution 20-0186). The Five-Year Plan is prepared to meet the statutory planning and application requirements for the receipt and use of the following U.S. Department of Housing and Urban Development (HUD) funding programs in suburban Hennepin County: Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), and Emergency Solutions Grant (ESG).

Participation in the CDBG, HOME, and ESG programs requires submission of a Consolidated Annual Performance and Evaluation Report (CAPER) detailing progress towards Five-Year Plan goals during the previous program year. Hennepin County's program year 2022 is July 1, 2022 through June 30, 2023. The CAPER is due to HUD no later than September 28, 2023. In addition to the proposed September 26, 2023 public hearing, written comments on the CAPER will be accepted from September 11, 2023 to September 26, 2023. During this period, a draft copy of the CAPER will be available at <http://www.hennepin.us/CAPERpassword>.

Current Request: This request is for establishment of a public hearing on Tuesday, September 26, 2023 at 1:30 p.m. to obtain comment on Hennepin County's program year 2022 CAPER. The Clerk of the Board will publish the notice of the public hearing in Finance and Commerce.

Impact/Outcomes: Consistent with Hennepin County's HUD-approved Citizen Participation Plan, residents will have the opportunity to testify on the program year 2022 CAPER and Hennepin County's progress toward Five-Year Plan goals.

Recommendation from County Administrator: Recommend Approval

**HENNEPIN COUNTY
PUBLIC COMMENT SOLICITED and
NOTICE OF PUBLIC HEARING**

The Hennepin County Board of Commissioners is soliciting public comment on the Hennepin County Consortium Draft 2022 Consolidated Annual Performance and Evaluation Report (CAPER), which will be submitted to the U.S. Department of Housing and Urban Development (HUD) in September 2023. The Hennepin County Consortium includes all cities in suburban Hennepin County.

Purpose: The CAPER reports on the Consortium's Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), and Emergency Solutions Grant (ESG) program activities during the period July 1, 2022 through June 30, 2023. CDBG, HOME, and ESG funds are used for housing, community development, and public service activities that principally benefit low- and moderate-income persons.

Written Comment: Written comments will be accepted beginning September 11, 2023 and ending September 26, 2023. Written comments **must** be submitted by 4:30 p.m., September 26, 2023 and addressed to Julia Welle Ayres, Manager, Housing Development and Finance, Hennepin County Housing and Economic Development Department, 701 Fourth Avenue South, Suite 400, Minneapolis, MN 55415 or at Julia.WelleAyres@hennepin.us. Written comments will be included in the final report.

The draft 2022 CAPER will be available September 11, 2023 on the county's website at www.hennepin.us/CAPER. If you would like a copy of either draft plan or have questions, please contact the Hennepin County Housing and Economic Development Department at 612-543-4342.

In compliance with the Americans with Disabilities Act (ADA), this material is also available in alternative forms by calling 612-348-8955 (voice). Translated materials will also be made available upon request.

Public Hearing: A Public Hearing on the 2022 CAPER will be held on Tuesday, September 26, 2023 at 1:30 p.m., or as soon thereafter as practicable, at the Administration, Libraries and Budget Committee meeting of the Hennepin County Board of Commissioners. Interested persons may attend the public hearing by telephone conference by using the following instructions and all such persons shall be given an opportunity to express their views with respect to the Hennepin County Consolidated Annual Performance and Evaluation Report. To attend the public hearing via telephone, call the toll-free dial-in telephone conference number (855) 946-3351

For further information, please contact Julia Welle Ayres, Manager of Housing Development and Finance, Julia.welleayres@hennepin.us.

HENNEPIN COUNTY

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Board Action Request

23-0278

Item Description:

Terminate and forgive HOME Agmts A07333, A07604, A13444, A18517 with the Housing and Redevelopment Authority of the City of Bloomington for the Rental Homes for Future Homebuyers Program

Resolution:

BE IT RESOLVED, that the HOME Investment Partnerships (HOME) Program Agreements A07333, A07604, A13444, and A18517 with Housing and Redevelopment Authority of the City of Bloomington for the Rental Homes for Future Homebuyers Program be terminated and forgiven; that the County Administrator be authorized to negotiate and sign any related documents agreements on behalf of the county.

Background:

In 1992, the Housing and Redevelopment Authority of the City of Bloomington (Bloomington HRA) was awarded a \$419,450 loan from Hennepin County's HOME Investment Partnerships (HOME) program for their Rental Homes for Future Homebuyers program (Agreement A07333). The Bloomington HRA leveraged local, private, and federal funding, including funding from Hennepin County's HOME Program, to purchase nine single-family homes for its Rental Homes for Future Homebuyers Program, which provides the opportunity for income-eligible participants to rent an HRA-owned home for up to five years while escrowing funds towards the purchase of a home of their choice. This program continues to meet priorities of increasing housing and homeownership opportunities for low- and moderate-income households, and of preserving the existing housing inventory.

Since the first HOME award in 1992, the county provided three additional HOME loans to the Bloomington HRA: \$510,270 in 1993 for five additional single-family homes (Agreement A07604), \$220,000 in 1994 for three additional single-family homes (Agreement A13444), and \$250,000 in 1998 for the final three single-family homes (Agreement A18517). Separately, the Bloomington HRA purchased a 21st home for the Rental Homes for Future Homebuyers program. All four awards were structured as 30-year payable loans, and included a Declaration of Covenants and Restrictions, a note, and a mortgage to ensure affordability. The four agreements, totaling \$1,399,720, are payable February 2023, January 2024, October 2024, and July 2030 respectively.

The Bloomington HRA has requested termination and forgiveness of all four loans to allow them to maintain ongoing affordability of the homes.

- The 15-year HOME affordability period for all twenty homes has been satisfied.
- 50 percent area median income (AMI) restrictions will remain on all properties through their original loan expiration date.
- Since inception, the Rental Homes for Future Homebuyers program has created 62 new homebuyers.
- The Bloomington HRA will use forgiven loan funding to sustain ongoing affordability of the 21-property portfolio.
- Forgiveness supports the City of Bloomington's voluntarily membership in Hennepin County's HOME Consortium; since 1992, Bloomington's membership has totaled approximately 11 percent

(\$4.5 million) of the Consortium's total federal receipts of \$42 million.

Based on the information presented herein, staff recommends terminating and forgiving the four loans to the Bloomington HRA.

Current Request: This request is for authorization to terminate and forgive the HOME Investment Partnerships (HOME) Program Agreements A07333, A07604, A13444, and A18517 with the Bloomington HRA for the Rental Homes for Future Homebuyers Program.

Impact/Outcomes: Bloomington HRA's Rental Homes for Future Homebuyers program has supported long-term affordability (at or below 50 percent of area median income) for 21 units and created 62 new homebuyers.

Recommendation from County Administrator: Recommend Approval

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Board Action Request

23-0279

Item Description:

Appointment of Bruce Kelii as the Deputy Emergency Management Director for Hennepin County effective August 1, 2023

Resolution:

BE IT RESOLVED, that pursuant to Minnesota Statutes Section 12.25 subd 2(a), the Hennepin County Board appoints Bruce Kelii as the Deputy Emergency Management Director, effective August 1, 2023.

Background:

In accordance with Minnesota Statutes 12.25 subd 2(a), each county emergency management organization must have a director and one or more deputy directors appointed by the county board. After the previous deputy director resigned, the county installed Mr. Kelii as acting Deputy Director and began an open competitive recruitment process. Following a series of applicant screenings and interviews, the County Administrator is recommending the appointment of Bruce Kelii for the permanent position of Deputy Emergency Management Director. Mr. Kelii has experience in disasters in both military and civilian settings and has worked in the Hennepin County Emergency Management department since 2013 and holds a Masters Degree in Emergency Management.

Recommendation from County Administrator: Recommend Approval

HENNEPIN COUNTY

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Board Action Request

23-0296

Item Description:

Amd 3 to Agmt PR00004910 with Maslon LLP for legal services, incr NTE by \$150,000

Resolution:

BE IT RESOLVED, that Amendment 3 to Agreement PRR00004910 with Maslon LLP for the provision of legal services, increasing the not to exceed amount by \$150,000 for a new total not to exceed amount of \$350,000 with no other changes to the contract terms, be approved; that the County Administrator be authorized to sign the Amendment on behalf of the county; and that the Controller be authorized to disburse funds as directed.

Background:

On November 2, 2022, a complaint was filed in Hennepin County District Court, alleging several claims against Hennepin County and county officials, in Tamburino v. Freeman, et al., Case No. 27-CV-22-16364. Maslon LLP is providing legal services to a county official who is named as a defendant in this action, pursuant to the County's statutory defense and indemnity obligations. Pursuant to the Administrator's delegated authority, Agreement PR00004910 was originally executed for the period of November 15, 2022 through December 31, 2023 in the not to exceed amount of \$50,000.

Amendment 1 to Agreement PR00004910 increased the not to exceed amount by \$50,000 for a new total not to exceed amount of \$100,000, with no change to other contract terms.

Amendment 2 to Agreement PR00004910 increasing the not to exceed amount by \$100,000 for a new total not to exceed amount of \$200,000, with no change to other contract terms was approved via Resolution 23-0086.

Current request: The litigation is progressing, and the requested increase is needed to continue providing legal services through upcoming stages of the lawsuit. This request seeks approval of Amendment 3 to Agreement PR00004910, increasing the not to exceed amount by \$150,000 for a new total not to exceed amount of \$350,000, with no change to other contract terms.

Recommendation from County Administrator: Recommend Approval

HENNEPIN COUNTY

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Board Action Request

23-0297

Item Description:

Schematic Design Contract for the Southdale Library Replacement (CP 1005259) with MSR Design for architectural and engineering services, 08/15/23-01/31/24, NTE \$1,224,607

Resolution:

BE IT RESOLVED, that Authorization to proceed with project schematic design for the Southdale Library Replacement (CP 1005259) be approved; and

BE IT FURTHER RESOLVED, that a contract with MSR Design for architectural and engineering services for the Schematic Design Phase of the for the Southdale Library Replacement (CP 1005259) for period August 15, 2023 to January 31, 2024, in an amount not to exceed \$ 1,224,607 be approved.

Background:

The Southdale Library was built in 1971, and serves the residents of Edina, Bloomington, Richfield and Minneapolis with its extensive collections, meeting spaces, and community-responsive programming. In addition to the library, the 7.74-acre site previously also housed a Resident & Real Estate Service Center (relocated to Southdale Center in 2016) and district courts (relocated to other county facilities in 2019).

Southdale continues to be one of the busiest libraries in the Hennepin County system:

- 4th most visited library in the Hennepin County system, welcoming approximately 185,000 visitors in 2022
- 6th highest volume of physical checkouts, more than 250,000 first-time checkouts in 2022
- 7th highest volume of Wi-Fi connections, more than 225,000 sessions in 2022
- 2nd highest in information counts, second only to Minneapolis Central Library

In 2017, the Designer Selection Committee recommended MSR Design (MSR) to design the new Southdale Library. The International Federation of Library Associations recently selected the MSR-designed Missoula, Montana Public Library for the International Public Library of the Year. This contract allows MSR to continue with the next phase of architectural planning, Schematic Design. Funding for this contract comes from an existing capital budget project (CP 1005259). The full cost of construction will be added to budget this summer.

The county is currently exploring several ideas for this project:

- Using area demographic data and library use data, the county is exploring the appropriate size of the library and services for the library. The initial estimate is a library with approximately 45,000 square feet (sf).
- The County is in discussions with the City of Edina to determine if the Edina Arts Center can

be co-located with the library. This would allow for shared use of many common spaces, conference rooms, maker spaces as well as outdoor education spaces. The Edina Art Center would be approximately 16,000 sf and would be located on the second floor of the library.

- After studying multiple development scenarios, the county is exploring utilizing the remaining portion of the site for greenspace, and reparative landscape, supporting educational opportunities and stormwater management. The southwest corner of the site is dominated by a one-acre 100-year floodplain which would make development of the site complicated. This greenspace would also connect the Edina Promenade to Three River's Nine Mile Creek Regional Trail. Early conversations with the City of Edina and Three Rivers have contemplated a trailhead on the library site as well as an outdoor learning area which could be utilized by the library, Edina Arts Center and the two park entities.
- The Project will support the county's Climate Action goals as it will be built to State of Minnesota's Buildings, Benchmarks and Beyond (B3) guidelines. It will most likely manage all stormwater on site, have solar panels and a green roof, and a Darcy geothermal system.
- Parking would be reduced from 400 on-grade parking stalls to approximately 150 stalls below and on-grade.

Between 2016-2018, the county and the city held a series of public meetings to look at library functionality and adjacent site uses. The county explored moving the library to Southdale Mall in 2019-2020, but the pandemic stalled those conversations and planning for a new library at the current site resumed in 2023. The library has had a resident survey open since mid-April and, as of mid-July, the library has received over 600 responses. There will be a preliminary community meeting at the existing Southdale Library at the end of August and another when design for the project is further along.

The design phases are scheduled to continue until the end of 2024. Abatement and deconstruction will start in the spring of 2025 with construction substantially complete by spring 2027.

It is estimated that the Schematic Design report will come to the board in December or January.

Current Request: This is a request to approve a contract with MSR Design for architectural and engineering services for the Schematic Design Phase of the for the Southdale Library Replacement (CP 1005259) for period August 15, 2023 to January 31, 2024, in an amount not to exceed \$ 1,224,607.

Impact/Outcomes: The new library will be designed to meet the needs and expectations of the diverse and growing community of Edina and surrounding metro communities such as Richfield, Minneapolis and Bloomington, and to provide a welcoming and accessible space for learning, creativity, and civic engagement. This contract allows Facility Services to continue with the next design phase of the project.

Recommendation from County Administrator: Recommend Approval