



Carver County Community Development Agency

Board of Commissioners Packet

July 20, 2023

5:00 p.m. - Regular Meeting

CDA Office, 705 N. Walnut Street, Chaska



- I. CONVENE CARVER COUNTY CDA BOARD MEETING**
- II. CALL TO ORDER BY CHAIR**
- III. PUBLIC PARTICIPATION**
- IV. AGENDA REVIEW & ADOPTION**



**CARVER COUNTY CDA
BOARD OF COMMISSIONERS**

Agenda

Meeting Date: July 20, 2023

5:00 pm

CDA Boardroom, Chaska, MN

1. Call To Order and Roll Call

2. Audience

Anyone wishing to address the CDA Board on an item not on the agenda, or an item on the consent agenda, may notify Kari Steen (karis@carvercda.org or 952-448-7715) and instructions will be given to participate during the meeting or provide written comments. Verbal comments are limited to five minutes.

3. Approval of Agenda and Meeting Minutes

A. Approval of Meeting Minutes – June 15, 2023 Regular Meeting

4. Consent Agenda

A. Approval of July 2023 Dashboard

B. Approval of Write-Off of Past Tenant Balances for June 2023

C. Approval of Record of Disbursements – June 2023

D. Approval of the Creation of a Limited Partnership and Limited Liability Company General Partner – Carver Place

E. Approval of County-Wide Housing Study

5. Regular Agenda

A. Approval of the 2024 Budget and Levy-Karen Reed

B. Approval of Chaska Yards Development Agreement-Chuck Swanson

C. Approval of Community Growth Partnership Initiative Grant Awards-Chuck Swanson

D. Approval of Community Growth Partnership Initiative Grant Award-Chuck Swanson

E. John Fahey, Carver County Commissioner

F. Nick, Kuktavy, Assistant County Administrator Carver County

6. Information

A. CDA Housing Roundtable July 19, 2023 from 12:00 pm to 2:00 pm

B. CDA Strategic Planning August 10, 2023 from 8:30 am to 4:00 pm

7. Adjournment

For More Information, call 952-448-7715

Carver County CDA Board meeting agendas are available online at:

<https://www.carvercda.org/about-ccdda/board-of-commissioners/>

Next Meeting:

CDA Board of Commissioners Regular Meeting

August 17, 2023 at 5:00 pm

Carver County CDA Boardroom, 705 N Walnut St Chaska, MN 55318



Board of Commissioners

Meeting Minutes

Meeting Date: June 15, 2023

5:00 pm

CDA Boardroom, Chaska, MN

Board Chair Carlson called the meeting to order at 5:01 p.m.

COMMISSIONER ROLL CALL:

		Present	Absent
Chair	Sarah Carlson	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Vice Chair	Molly Koivumaki	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Secretary/Treasurer	Darrel Sudheimer	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Commissioner	Adam Teske	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Commissioner	Greg Anderson	<input checked="" type="checkbox"/>	<input type="checkbox"/>

CDA Staff in attendance:

Executive Director	Julie Frick
Deputy Director	Allison Streich
Director, Finance	Karen Reed
Director, Housing	Shanika Bumphurs
Director, Economic Development	Chuck Swanson
Human Resources	Janette Meyer
Office & Media Coordinator	Kari Steen

Others in attendance:

John Fahey, Carver County Commissioner
 Nick Koktavy, Assistant County Admin. CC
 Matt Udermann, Carver County Commissioner
 Nick Johnson, City of Mayer

AUDIENCE

No audience members addressed the board.

APPROVAL OF AGENDA AND MEETING MINUTES

23-17 Approval of Agenda and Meeting Minutes

Commissioner Anderson made a motion to approve the agenda. Chair Carlson made a motion to amend the agenda by removing the Community Growth Partnership Initiative agenda item to be discussed at the August 2023 board meeting. Chair Carlson indicated that Vice Chair Koivumaki was in agreement. Commissioner Sudheimer seconded the amended motion.

BE IT RESOLVED by the Carver County Community Development Agency Board of Commissioners, that the agenda for the June 15, 2023 Regular CDA Board meeting be approved as amended.

BE IT FURTHER RESOLVED by the Carver County Community Development Agency Board of Commissioners that the minutes for the May 18, 2023 Regular meeting be approved as written.

Motion: Anderson

Motion to Amend Agenda: Carlson

Second to Amended Agenda: Sudheimer

Ayes: 3 Nays: 0 Absent: 2 Abstain: 0

	Yes	No	Absent	Abstain
Carlson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Koivumaki	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sudheimer	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Teske	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Anderson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

CONSENT AGENDA

23-18 Approval of the June 2023 Dashboard

BE IT RESOLVED by the Carver County Community Development Agency Board of Commissioners, that the June 2023 Dashboard is approved as written.

23-19 Approval of Record of Disbursements – May 2023

BE IT RESOLVED by the Carver County Community Development Agency Board of Commissioners, that the May 2023 Record of Disbursements is approved as written.

REGULAR AGENDA

Approval of Community Growth Partnership Initiative Grant Awards

Removed from agenda to be discussed at the August 2023 board meeting.

INFO Strategic Plan Discussion

Julie Frick provided update.

INFO County-Wide Tourism Tour

Carver County Commissioner Udermann presented for CDA Board discussion.

APPROVAL OF THE REVISED CDA DRUG FREE WORKPLACE POLICY

23-20 Approval of the Revised CDA Drug Free Workplace Policy

Janette Meyer presented.

BE IT RESOLVED, by the Carver County Community Development Agency Board of Commissioners, that after review and consideration, the Drug Free Workplace Policy will be amended to Drug & Alcohol-Free Workplace & Testing Policy and is approved as written.

Motion: Anderson

Second: Sudheimer

Ayes: 3 Nays: Absent: Abstain:

	Yes	No	Absent	Abstain
Carlson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Koivumaki	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sudheimer	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Teske	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Anderson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

INFO Commissioner update

Carver County Commissioner Fahey provided an update.

INFO Carver County update

Carver County Assistant County Administrator provided an update.

INFORMATION

ADJOURNMENT

23-19 Adjournment

BE IT RESOLVED that the Carver County Community Development Agency Board of Commissioners hereby adjourns until Thursday, July 20, 2023.

Motion: Anderson

Second: Sudheimer

Ayes: 3 Nays:

Absent:

Abstain:

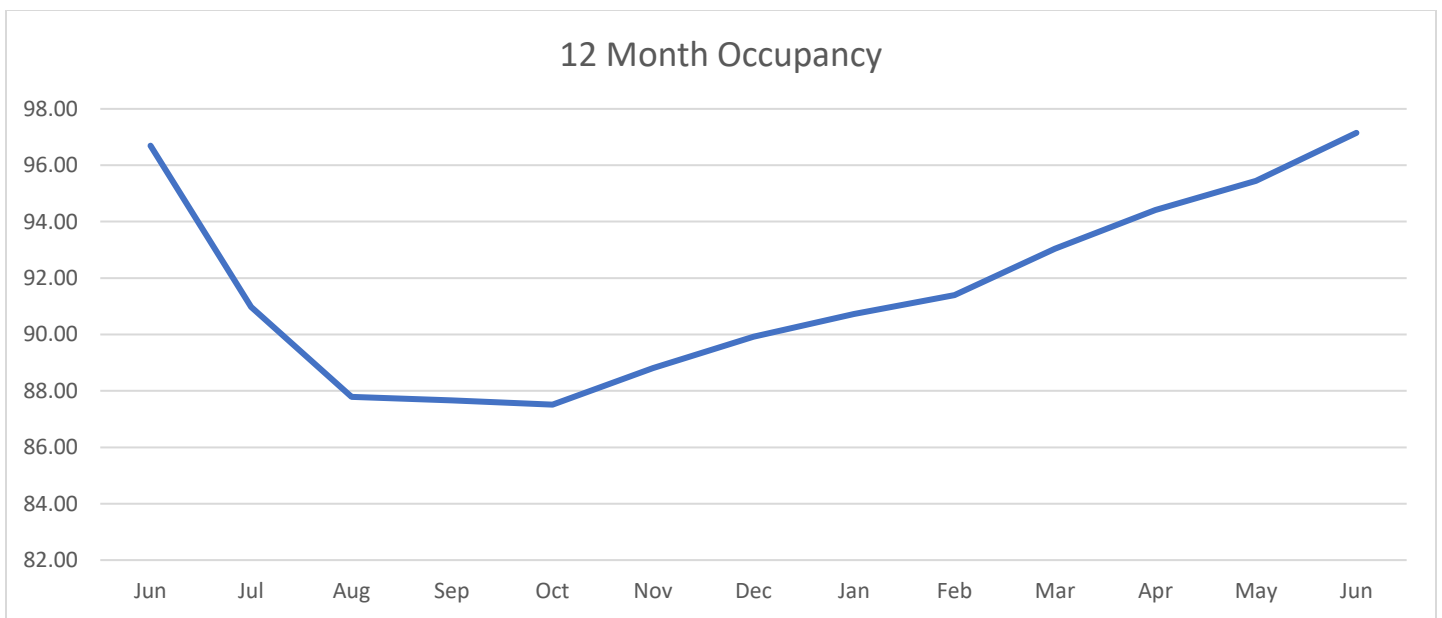
	Yes	No	Absent	Abstain
Carlson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Koivumaki	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sudheimer	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Teske	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Anderson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The CDA Board meeting adjourned at 6:42 p.m.

HOUSING UPDATES

HOUSING OCCUPANCY

	Workforce	Senior	Total
# Units	395	339	734
# Leased	386	327	713
Occupancy Rate	98%	96%	98%



The 12 Month Occupancy Report includes 13 vacant units at Hilltop/Mayer, that will not be leased until they are rehabbed

2023 Capital Improvements in Process

Property	Improvement Project	Status and Tentative Schedule
Brickyard	<ol style="list-style-type: none"> Brick and concrete repairs around entire building. Hallway Lighting Replacement 	<ol style="list-style-type: none"> Working on bid documents for phased approach. 80% documents due in July Still waiting on back-ordered lights and confirmation from City regarding Energy Efficiency Rebate.

Centennial	<ol style="list-style-type: none"> 1. Roof Replacement 2. Fire Alarm Panels 	<ol style="list-style-type: none"> 1. Main roof completed, flat roof and tin work are being completed. Soffit being completed the week of 7/17. 2. Reviewing bids for updating outdated Fire Alarms panels.
Crossings	<ol style="list-style-type: none"> 1. Roof Replacement 2. Entryway Concrete Replacement 3. Magic Pak Replacements 	<ol style="list-style-type: none"> 1. Final walk through on 7/13. Project starting on 8/30, expected to take 3 weeks. 2. Reviewing Bids 3. 15 Magic Paks being replaced, waiting on a start date from the vendor.
Hilltop/Mayer	<ol style="list-style-type: none"> 1. Property Transition and Rehab 	<ol style="list-style-type: none"> 2. Unit kitchens and bathrooms measured, colors, and styles selected. Demo work is scheduled to start in the beginning of September. Expected completion of the project is Spring 2024.
Oak Grove	<ol style="list-style-type: none"> 1. Concrete Work: Sidewalks, Catch Basin, and Entry 	<ol style="list-style-type: none"> 1. Still working with the City of NYA on how to move forward with the work.
Waybury	<ol style="list-style-type: none"> 1. Concrete and Drainage Repair 	<ol style="list-style-type: none"> 1. Anticipating the first week of August start time.
Windstone	<ol style="list-style-type: none"> 1. Stoop Repair and Replacement 	<ol style="list-style-type: none"> 1. Project starting first week of August.
Spruce	<ol style="list-style-type: none"> 1. Lighting Project Completion 	<ol style="list-style-type: none"> 1. Project started; half of the project has been completed as of 7/14.
Lake Grace	<ol style="list-style-type: none"> 1. Building Electrical Panel Replacements 2. Water Softener Installation 3. Parking Lot Repairs 	<ol style="list-style-type: none"> 1. Waiting for the panels to come in. 2. Work began on 7/13, expected completion timeframe is mid-August. 3. Still in Progress.
202 Building	<ol style="list-style-type: none"> 1. Exterior Tuckpointing/Masonry Work 	<ol style="list-style-type: none"> 1. Project starting 7/17, estimated to take about a one week.

Staffing News:

- Ryker Anderson has been hired as a Property Manager to cover Hilltop, Mayer, and Oak Grove; he started July 10th.
- Benjamin Hernandez has been hired as a Maintenance Technician to cover Centennial Hill and Brickyard Apartments; he started July 10th.
- Totaram Doobay has been hired as a Property Manager to cover Scattered Sites; he is scheduled to start July 17th.
- We are still in need of filling the following positions: 2-Property Manager positions, 5-Caretaker positions, and 2-Maintenance Technician positions.

Congratulations to:

The Trail's Edge South team for an amazing First Year Investor Audit, all benchmarks were met, with very few corrections!

Shanika, Angela, Andra, and Tracy for completing the HUD Today training, focused on the HOTMA changes scheduled to take effect in January of 2024.

Centennial Hill Roof Project:



202 Screen Door Replacement:



Bluff Creek Parking Lot Sealcoating:



Windstone Mulching and Sealcoating:



SPECIAL PROGRAMS

Program	Grant Term	# Units Under Contract	% Under Contract
Bridges	7/1/23-6/30/25	13	100%
Bridges RTC	7/1/23-6/30/25	3	100%
Housing Trust Fund	10/1/21-9/30/23	16	80% (1 lease up, 1 searching, 1 briefing)
CoC PSH	8/1/22-7/31/23	14	80% (1 application pending)

Resident Services

Presentations (2023)

Agency	Property	Number of Residents
SW Transit	Waybury	9
	Centennial	17
River Valley Health Services	Waybury	12
WeCAB	Waybury	7
	Centennial	19

2023 YTD:

# of appointments	# of residents/clients	Mobile food shelf participants	Energy Assistance Program Application assistance
26	25	Waybury-26 Centennial-3 Crossings-4 Brickyard-4 Trail's Edge-5	11 new

CDA SERVICES BY COMMUNITY

The table below lists the main CDA services and number of participants or units for each Carver County Community. Numbers are year to date (or are noted accordingly).

	Metro HRA Housing Choice Vouchers	CDA Affordable Rental Units	CDA Subsidized Rental Units	CDA Rental Assistance Participants	Septic Loans and Grants	Community Growth Partnership Initiative (awards since 2016) plus outstanding Business Loan Funds	Entrepreneur Support Program (Thru Q4 2021)	Land Trust Units	Housing Rehab (single family and multifamily rental)	Commercial and Mixed-Use Rehab
Carver	17	9	9	6		3	3			
Chanhassen	45	59	20	2		5	3			
Chaska	145	183	174	24		3	9	27	2	
Cologne			3	2		1	5	1		
Hamburg										
Mayer			10					1		
New Germany				1		4				
NYA	3	47	10	1		3	5		3	7
Victoria		3	3			4	4	1		
Waconia	13	119	51	7		2	4	9		
Watertown	2		34			4	2	1	7	9
Townships					17	1				
Other							1			
TOTAL	225	420	314	43	17	30	36	40	12	16

FINANCE

FINANCE

		June 2023 YTD Actual	June 2023 YTD Budget	Variance
CDA	Revenue	7,305,880	7,456,532	(150,652)
	Expenses	5,160,978	5,609,392	448,414
	Cash Balance	6,604,040		

		June 2023 YTD Actual	June 2023 YTD Budget	Variance
Properties	Revenue	3,864,736	3,830,672	34,064
	Expenses	2,445,127	2,636,784	191,657
	Cash Balance	2,951,610		

Revenue Recapture collected through June

Note-Write-off amounts and collected amounts may not be from the same year.

Property:	Written off:	Collected:	Notes:
Lake Grace	\$5,392	\$836	
Carver Homes	\$10,568	\$14,967	
Bluff Creek	\$ 21		
Oak Grove			
Hilltop	\$1,310		
Centennial	\$1,289		
Crossings			
Waybury	\$569		
Windstone	\$2,095		
Total:	\$21,244	\$15,803	

Other Finance updates

Consolidated YTD revenues for the CDA through June were \$7,305,880 and expenses were \$5,160,978. **Net Operating Income was \$2,144,902, 16% over budget.** YTD Revenues for the properties were \$3,864,736 and expenses were \$2,445,127. **Net Operating Income was \$1,419,609, 19.0% over budget.**

COMMUNITY & ECONOMIC DEVELOPMENT

COMMUNITY LAND TRUST (CCCLT)

Total Units	40
Total resales YTD	1
# of families helped	72
Waiting list	2
Acquisition this month	2
Funding amount by source for current acquisitions	N/A
Community	N/A

Notes:

Vacant Lot at 413 Franklin Ave NE, Watertown, will apply for funding in 2023

Chaska Yards (Ernst/Ess Project) Construction/Rehab phase. Start fall 2023, complete fall 2024.

BUSINESS DEVELOPMENT - NEXTSTAGE

	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Total 2023
Total Carver County Clients Assisted	15	12			27
# of Financing Events	3	0			3
Total Financing/Investment	\$111,000	\$0			\$111,000
New Business Starts	-				
New FT Jobs	-				
New PT Jobs	-				

COMMUNITY GROWTH PARTNERSHIP INITIATIVE (CGPI)

Open Grants:

Year	Grant	City	Project	Budget
2020	Community Development	CDA – Carver	103 Unit Senior Workforce Hsg	\$85,000
2020	Community Development	CDA – Chaska	Ernst House Rehab	\$85,000
2021	Community Development	CDA – Chaska	Ernst House Rehab	\$92,500
2022	Pre Development	Mayer	Old Firehall	\$7,500
2022	Pre Development	Victoria	Downtown West	\$7,500
2022	Pre Development	Chaska	Sewer Feasibility	\$7,500

MINNESOTA CITIES PARTICIPATION PROGRAM (MCP) –

2023 allocation is \$1,943,009 (increase of 9.4% from 2022). Numbers through June 2023.

	# Committed loans	Total \$	% of allocated funds
First Mortgage Loans	8	\$2,022,099	104%
Additional Start-up loans	4	\$1,213,087	N/A
Step up loans	11	\$3,229,704	N/A
Down payment assistance		\$150,800	N/A
TOTALS	23	\$6,464,890	N/A

SEPTIC / WELL LOAN PROGRAM (SSTS)

	2024 new assessments	Underway (anticipated 2024 assessment)	2023 Paid Off	Total active assessments
Applications	1	5	1	53

TOURISM

TOURISM WEBSITE visitcarvercounty.com					
	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Total 2022
Page Views	763	747	868	734	3,112
Average Engagement	1m 51s	46s	1m 27s	1m 45s	1m 33s
Top 3 Pages	Home/Events/To Do	Home/Events/To Do	Home/Events/To Do	Home/Events/To Do	Home/Events/To Do
	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Total 2023
Page Views	826	941			1,767
Average Engagement	1m 3s	57s			1m
Top 3 Pages	Home/Events/To Do	Home/Events/To Do			

ECONOMIC DEVELOPMENT/TOURISM

FACEBOOK choosecarvercounty (CDA officially took over social media March 9 th , 2023)					
	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Total 2023
Facebook Reach	94	3,982			
Facebook Visits	87	422			
Facebook Page new likes	2	31			



ADMINISTRATIVE/OTHER ITEMS OF INTEREST

Housing Roundtable:

The CDA will be hosting a Housing Roundtable on Wednesday, July 19 from 12:00 pm to 2:00 pm at the MN Landscape Arboretum. The roundtable will include city staff and elected officials. The event will include a discussion of housing needs and the establishment of a local housing trust fund.



Board of Commissioners

Request for Board Action

Meeting date: July 20, 2023

Agenda number: 4B

DEPARTMENT: Housing

FILE TYPE: Regular Consent

TITLE: Approval of Write-Off of Past Tenant Balances for June 2023

PURPOSE/ ACTION REQUESTED: Approve write-off of Past Tenant Balances

SUMMARY: The Carver County CDA's policy is to write off past tenant balances that have been submitted to MN Revenue Recapture and was approved by the CDA Board. When a past tenant moves out with a balance, the tenant has 10 business days to contact the CDA to either pay the balance in full or set up a repayment agreement. If the past tenant does not contact the CDA, the balance due is submitted to MN Revenue recapture. The CDA will "write-off" the past balance in Yardi once it has been submitted to MN Revenue Recapture. Any former resident that has been submitted to MN Revenue Recapture due to that past balance will remain there until such time as that balance is paid or the six-year statute of limitations has passed.

RECOMMENDATION: Staff recommend approval of the write-off of past tenant balances.

EXPLANATION OF FISCAL/ FTE IMPACTS:

None Current budget Other Amendment requested New FTE(s) requested

RESOLUTION:

BE IT RESOLVED by the Carver County Community Development Agency Board of Commissioners that the Past Tenant balance for June 2023 is hereby approved to be written off.

PREVIOUS BOARD ACTION

N/A

ATTACHMENTS

Past tenant balances

BOARD GOALS

Focused Housing Programs Collaboration Development/Redevelopment
 Financial Sustainability Operational Effectiveness

PUBLIC ENGAGEMENT LEVEL

Inform and Listen Discuss Involve N/A

CONTACT

Department Head: Shanika Bumphurs, Director of Property Management

Author: Allison Streich, Deputy Director

Tenant Unpaid Charges

Status = Past

Property Code	Unit Code	Tenant Status	Charge Type	Current Owed	Amount Paid
hilltop					
Resident 1					
	105	Past	LATE	\$60.00	\$0.00
	105	Past	LEGAL	\$597.50	\$0.00
	105	Past	RENT	\$1,454.00	\$512.00
	105	Past	CLEAN	\$3,014.00	\$0.00
Total For Resident 1				\$5,125.50	\$512.00
ph					
Resident 1					
	325SS205	Past	TPA	\$214.01	\$270.99
	325SS205	Past	CLEAN	\$1,321.79	\$0.00
Total For Resident 2				\$1,535.80	\$270.99
Resident 3					
	325SS302	Past	LEGAL	\$287.90	\$167.10
Total for Resident 3				\$287.90	\$167.10
Resident 4					
	308TERRI	Past	CLEAN	\$171.82	\$411.18
Total For Resident 4				\$171.82	\$411.18
Resident 5					
	325SS104	Past	CLEAN	\$14.68	\$525.42
	325SS104	Past	DAMAGE	\$1,800.00	\$0.00
Total For Resident 5				\$1,814.68	\$525.42
waybury					
Resident 6					
	220	Past	RENT	\$0.20	\$172.80
	220	Past	DAMAGE	\$80.00	\$0.00
Total for Resident 6				\$80.20	\$172.80
windstn					
Resident 7					
	F110527	Past	DAMAGE	\$1,778.33	\$0.00
	F110527	Past	RENT	\$1,946.78	\$0.00
	F110527	Past	LATE	\$100.00	\$0.00
	F110527	Past	CLEAN	\$450.00	\$0.00

Total For Resident 7	\$4,275.11	\$539.22
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Resident 8				
W110511	Past	UTILITIE	\$94.64	\$0.00
W110511	Past	DAMAGE	\$43,050.22	\$555.22

Total for Resident 8	\$43,144.86	\$555.22
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Property Code	Charge Type	SubTotal
hilltop		
	CLEAN	3,014.00
	LATE	60.00
	LEGAL	597.50
	RENT	1,454.00
	hilltop	5,125.50
ph		
	CLEAN	1,508.29
	DAMAGE	1,800.00
	LEGAL	287.90
	TPA	214.01
	ph	3,810.20
windstn		
	CLEAN	450.00
	DAMAGE	44,828.55
	LATE	100.00
	RENT	1,946.78
	UTILITIE	94.64
	windstn	47,419.97
waybury		
	DAMAGE	80.00
	RENT	0.20
	waybury	80.20
	Grand Total	56,435.87



Board of Commissioners

Request for Board Action

Meeting date: July 20, 2023

Agenda number: 4C

DEPARTMENT: Finance

FILE TYPE: Regular Consent

TITLE: Approval of Record of Disbursements - June 2023

PURPOSE/ ACTION REQUESTED: Approve Record of Disbursements for June 2023

SUMMARY: In June 2023, the Carver County Community Development Agency (CDA) had \$1,117,296.67 in disbursements and \$135,034.42 in payroll expenses. Attachment A provides the breakdown of disbursements. Additional detail is available from the Finance Department.

RECOMMENDATION: Staff recommends approval of the Record of Disbursements for June 2023.

EXPLANATION OF FISCAL/ FTE IMPACTS:

None Current budget Other Amendment requested New FTE(s) requested

RESOLUTION:

BE IT RESOLVED by the Carver County Community Development Agency Board of Commissioners, that the June 2023 Record of Disbursements is approved as written.

PREVIOUS BOARD ACTION

N/A

ATTACHMENTS

Attachment A: Record of Disbursement - June 2023

BOARD GOALS

Focused Housing Programs Collaboration Development/Redevelopment
 Financial Sustainability Operational Effectiveness

PUBLIC ENGAGEMENT LEVEL

Inform and Listen Discuss Involve N/A

CONTACT

Department Head: Karen Reed, Director of Finance

Author: Karen Reed, Director of Finance

**Carver County CDA
Record of Disbursements
For the Month of June 2023**

	Date	Amount	Total
Carver Homes	06/01/23	\$9,827.03	
	06/13/23	\$15,182.64	
	06/21/23	\$7,379.98	
	06/27/23	\$39,215.47	
			\$71,605.12
CDA	06/01/23	\$71,672.20	
	06/08/23	\$164,206.32	(1)
	06/13/23	\$28,038.12	
	06/21/23	\$31,211.29	
	06/27/23	\$220,117.98	(2)
			\$515,245.91
Properties	06/01/23	\$110,989.71	(3)
	06/13/23	\$171,639.56	(4)
	06/21/23	\$221,027.41	(5)
	06/27/23	\$26,788.96	
			\$530,445.64
Total June 2023 Disbursements			\$1,117,296.67
June 2023 Payroll			
	06/07/23	\$68,236.95	
	06/21/23	\$66,797.25	
			\$135,034.20

Disbursement detail is available in the Finance Office

- (1) US Bank - property levy payments - Oak Grove \$37,500, Brickyard - \$35,000
Centennial Hill - \$15,500, Lake Grace - \$20,000
- (2) Land Title - \$144,000 - Land cost for 2 Habitat for Humanity units
- (3) US Bank - \$34,000 debt service - Waybury
PuroClean - \$10,000 contract cleaning/restoration - Windstone
- (4) SR Mechanical - \$66,000 (MagicPak x 15) - Crossings
- (5) Clear interfund Properties to CDA - \$191,000



Board of Commissioners

Request for Board Action

Meeting date: July 20, 2023

Agenda number: 4D

DEPARTMENT: Housing

FILE TYPE: Regular Consent

TITLE: Approval of the Creation of a Limited Partnership and Limited Liability Company General Partner-Carver Place

PURPOSE/ ACTION REQUESTED: Authorize the creation of a Limited Partnership and Limited Liability Company General Partner in connection with the construction and financing of low-income housing tax credit project to be known as Carver Place Apartment Project

SUMMARY: The CDA submitted an application for funding to MN Housing in July 2022 to develop Carver Place Apartments. Carver Place will be a general occupancy project consisting of 60 units, with a mix of 1, 2 and 3-bedroom units. This development will be located at 1591 Hartwell Dr in Carver. Carver Place was recommended for funding at the December 15, 2022 MN Housing Board Meeting.

The Project Owner of Carver Place Apartments will be a Limited Partnership, consisting of a General Partner (“LLC”), the CDA and an Investor Limited Partner (TBD). In order to move forward with a reservation agreement for the tax credits, the CDA must provide MN Housing with the Tax Identification Number (TIN) of the Limited Partnership.

RECOMMENDATION: CDA staff recommends the board authorize the creation of the Limited Partnership and Limited Liability Company General Partner.

EXPLANATION OF FISCAL/ FTE IMPACTS:

None Current budget Other Amendment requested New FTE(s) requested

RESOLUTION:

WHEREAS, the CDA is authorized under Minnesota Statutes, Section 469.012, Subd. 2j, to become a partner in a limited partnership and a member in a limited liability company for the purpose of developing, constructing, rehabilitating, managing, supporting, or preserving housing projects and housing development projects, including low-income housing tax credit projects; and

WHEREAS, limited partnerships, limited liability companies and other entities created by the CDA pursuant to Section 469.012, Subd. 2j, are subject to the provisions of Minnesota laws applicable to housing and redevelopment authorities as if they were housing and redevelopment authorities; and

WHEREAS, the CDA, as sponsor, previously submitted a funding application to the Minnesota Housing Finance Agency to develop a low-income housing tax credit project to be known as Carver Place Apartments Project (the "Project"), and, in December, 2022, the Minnesota Housing Finance Agency selected the Project for an allocation of tax-exempt bonds and related "4%" low-income housing tax credits in the approximate annual amount of \$695,886 (the "Tax Credits"); and

WHEREAS, the Minnesota Housing Finance Agency requires the Project owner to be a duly formed and validly existing limited partnership or limited liability company as a condition to, among other things, entering into the agreement reserving the Tax Credits for the Project; and

WHEREAS, any institutional tax credit investor will require the general partner of the Project Owner to be a single purpose entity as a condition to being admitted as a limited partner in the Project Owner and as a condition to investing capital in the Project Owner; and

WHEREAS, it is in the best interest of the CDA to form a limited partnership pursuant to Minnesota Statutes, including, without limitation, Section 469.012, Subd. 2j, to serve as the owner of the Project (the "Project Owner") that will develop, construct, operate and own the Project; and

WHEREAS, it is in the best interest of the CDA to form a single purpose limited liability company to serve as the general partner of the Project Owner (the "General Partner") pursuant to Minnesota Statutes, including, without limitation, Section 469.012, Subd. 2j; and

WHEREAS, sole member of the General Partner will be the CDA, and, until an institutional tax credit investor is admitted as a limited partner of the Project Owner, the sole limited partner of the Project Owner also will be the CDA.

NOW THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Carver County Community Development Agency as follows:

1. There is hereby authorized the formation of a limited partnership to serve as the Project Owner pursuant to Minnesota Statutes, Section 469.012, Subd. 2j and Chapter 321 for the purpose of, among other things, reserving the Tax Credits for the Project in order to develop, construct, operate and own the Project.

2. There is hereby authorized the formation of a limited liability company pursuant to Minnesota Statutes, Section 469.012, Subd. 2j and Chapter 322C for the purpose of creating a single purpose entity to serve as the General Partner of the Project Owner.
3. All actions taken by staff of and counsel to the CDA to create the Project Owner and the General Partner in accordance with the laws of the State of Minnesota are hereby ratified and confirmed;
4. The Executive Director is authorized and directed to execute and deliver on behalf of the CDA any and all documents necessary or convenient to transfer the CDA's interests in the Project to the Project Owner. The Executive Director is authorized and directed to take such actions and execute such documents as may be necessary or convenient in connection with the establishment, and the acquisition by the CDA, of the sole membership interest in the General Partner and of a limited partnership interest in the Project Owner, including, without limitation, causing the CDA to make initial capital contributions to such entities in the approximate aggregate amount of \$200;
5. The Certificate of Limited Partnership of the Project Owner, which is to be filed with the Minnesota Secretary of State, is adopted and approved; and when and as received from the Minnesota Secretary of State, the original Certificate of Limited Partnership and the Certificate of Formation for the Project Owner shall be inserted in the Project Owner's minute book and made a permanent part of its records;
6. The form of Agreement of Limited Partnership on file with the CDA as of the date hereof is adopted and approved as the initial partnership agreement of the Project Owner; the Executive Director of the CDA is directed to execute the Agreement of Limited Partnership on behalf of the General Partner in her capacity as Chief Manager and President of the General Partner, and the Executive Director of the CDA is directed to execute the Agreement of Limited Partnership on behalf of the CDA as the initial limited partner in her capacity as the Executive Director of the CDA; and the original of the Agreement of Limited Partnership shall be inserted in the Project Owner's minute book and made a permanent part of its records;
7. The Articles of Organization of the General Partner, which are to be filed with the Minnesota Secretary of State, are adopted and approved; and when and as received from the Minnesota Secretary of State, the original Articles of Organization and the Certificate of Organization for the General Partner shall be inserted in the General Partner's minute book and made a permanent part of its records;
8. The form of Operating Agreement on file with the CDA as of the date hereof is adopted and approved as the Operating Agreement of the General Partner; the Executive Director of the CDA is directed to execute the Operating Agreement on behalf of the CDA as sole member of the General Partner in her capacity as the Executive Director of the CDA; and the original of the Operating Agreement shall be inserted in the General Partner's minute book and made a permanent part of its records;

9. The CDA, as the sole member of the General Partner, is authorized to pay, or cause to be paid, all charges and expenses arising out of the organization of the General Partner and/or the Project Owner, and to reimburse any persons who have made any disbursements therefore, consistent with the policies and procedures of the CDA.

10. The initial fiscal year of the Project Owner and the General Partner shall end December 31, 2023; thereafter the Project Owner and General Partner's fiscal year shall begin the first day of January and shall end on the last day of December; provided, however, the Project Owner's fiscal year may change at a later date depending on the requirements of the institutional tax credit investor;

11. The CDA's Executive Director or her designee is authorized to open an account or accounts in the name of the General Partner and the Partnership with Old National Bank, which is hereby designated as the General Partner's and the Partnership's depository, and to execute such documents or certificates necessary or convenient in order to open such accounts; and that each of the persons named in the master certificate of authority for the CDA and its subsidiaries are authorized and empowered to sign checks and other orders for withdrawals of funds and to take such other actions as are in accordance with such certificate;

12. The Project Owner shall be managed by the General Partner, and the General Partner shall be managed by the CDA, its sole member, rather than by a Board of Governors.

13. As long as the sole member of the General Partner is the CDA and the General Partner is the General Partner of the Project Owner, the Project Owner and the General Partner are and shall be subject to the provisions of Minnesota Statutes, Sections 469.001 to 469.047, and other laws that apply to housing and redevelopment authorities, as if the Project Owner and the General Partner were a housing and redevelopment authority, in accordance with Minnesota Statutes, Section 469.102, Subd. 2j.

PREVIOUS BOARD ACTION

N/A

ATTACHMENTS

None

BOARD GOALS

Focused Housing Programs Collaboration Development/Redevelopment
 Financial Sustainability Operational Effectiveness

PUBLIC ENGAGEMENT LEVEL

Inform and Listen Discuss Involve N/A

CONTACT

Department Head: Allison Streich, Deputy Director

Author: Allison Streich, Deputy Director



Board of Commissioners

Request for Board Action

Meeting date: July 20, 2023

Agenda number: 4E

DEPARTMENT: Housing

FILE TYPE: Regular Consent

TITLE: Approval of County-Wide Housing Study

PURPOSE/ ACTION REQUESTED: Authorize the acceptance of a County-Wide Housing Study.

SUMMARY: Maxfield Research and Consulting completed a County-wide Housing Study in 2014 for the CDA. In 2017, Community Partners Research, Inc. completed an Affordable Housing Update by city for each city to use in their 2040 Comprehensive Planning process. The CDA has been the lead agency in implementing the housing goals in the County's 2020-2024 Community Health Improvement Plan (CHIP) Priorities, Goals, Strategies and Objectives. The County is in the beginning stages of the County Community Health Assessment that will determine the goals for the next Community Health Improvement Plan (CHIP), which will include housing goals. As part of this assessment, staff is recommending an updated county-wide housing study be completed by Maxfield. Carver County has agreed to share the cost of this update with the CDA. The total cost of the study would be \$39,380.

RECOMMENDATION: CDA staff recommends the board authorize the acceptance of the approval from Maxfield Research and Consulting for a cost of \$39,380, to be split between the CDA and Carver County with each paying \$19,690.

EXPLANATION OF FISCAL/ FTE IMPACTS:

None Current budget Other Amendment requested New FTE(s) requested

RESOLUTION:

WHEREAS, the Carver County Community Development Agency (CDA) “the “Authority” and the Carver County “the County” has identified a need for affordable housing by developing new affordable housing, preserving and rehabilitating the existing housing stock in Carver County; and

WHEREAS, the Carver County CDA has successfully implemented a county-wide housing study in 2007 and 2014 and is in need of an update for planning and financing purposes and has the legal authority and staff ability and resources to make the study beneficial and cost effective for Carver County residents and cities; and

WHEREAS, the Carver County CDA and the cities in Carver County have identified a need for planning for a wide variety of housing in their communities; and

WHEREAS, the CDA operates numerous housing programs in cooperation with the Minnesota Housing Finance Agency, the Department of Housing and Urban Development (HUD), the USDA Rural Development, etc. and has identified a need for housing opportunities in Carver County and in its cities; and

WHEREAS, the proposed study would fill a much-needed gap in county housing study research after the completion of the 2020 US Census Data and conducting the Carver County Community Health Assessment.

NOW THEREFORE, BE IT RESOLVED by the Carver County Community Development Agency Board of Commissioners that:

- 1.) The Carver County CDA shall engage the services of Maxfield Research and Consulting, Inc. to prepare a Comprehensive Housing Needs Analysis for Carver County.

PREVIOUS BOARD ACTION

Resolution 13-38 Approving Maxfield Research Carver County 2014 Housing Study Update Proposal

ATTACHMENTS

Maxfield Research and Consulting, Inc. Proposal to Prepare a Comprehensive Housing Needs Analysis for Carver County, Minnesota

BOARD GOALS

- Focused Housing Programs
- Collaboration
- Development/Redevelopment
- Financial Sustainability
- Operational Effectiveness

PUBLIC ENGAGEMENT LEVEL

- Inform and Listen
- Discuss
- Involve
- N/A

CONTACT

Department Head: Allison Streich, Deputy Director
Author: Allison Streich, Deputy Director

A Proposal to Prepare a
Comprehensive Housing Needs Analysis for
Carver County, Minnesota

Prepared for:

Carver County Community Development Agency
Chaska, Minnesota

June 2023



Maxfield
Research & Consulting

2823 Hamline Avenue North
Roseville, MN 55113
612.338.0012
www.maxfieldresearch.com



Maxfield
Research & Consulting

Breaking Ground since 1983

June 19, 2023

Ms. Alison Streich
Executive Director
Carver County Community Development Agency
705 North Walnut Street
Chaska, MN 55318

Ms. Streich:

Thank you for contacting Maxfield Research and Consulting, LLC to provide a proposal for a Comprehensive Housing Needs Analysis for Carver County, Minnesota. The study would examine demographic and economic factors, current housing market conditions and would determine the market potential for developing additional housing products in the County. We would provide recommendations (number of units/lots; unit mix and sizes; price/rent; housing features and amenities, etc.) for the housing types identified as being needed in the short- and long-term. In addition, recommendations would be provided on programs and incentives that may be initiated to attract specific housing products.

The work program for this housing market study is outlined on the following pages. The total fee for staff time for the housing needs analysis would be \$39,380.00, including expenses for outside data purchases, telephone expenses, mileage for travel, photocopying, etc. Costs are presented for each major component of the work program. Maxfield Research and Consulting, LLC would be able to deliver a draft report of the housing analysis in an estimated 160 to 180 days.

Along with the proposal is a statement of qualifications for our firm which provides a company background, outlines our services and representative clients, and provides resumes of staff who would be conducting the housing study. We welcome the opportunity to work with you on this project. If this proposal meets with your approval, please sign and return one copy of the contract. Please call me at (612) 904-7971 if you have any questions about the proposed work program or if you need any other information. I can also be reached via email at mbujold@maxfieldresearch.com.

Sincerely,

MAXFIELD RESEARCH AND CONSULTING, LLC

Mary C. Bujold
President
(612) 904-7977 direct dial office



Maxfield
Research & Consulting

Breaking Ground since 1983

June 19, 2023

Ms. Alison Streich
Executive Director
Carver County Community Development Agency
705 North Walnut Street
Chaska, MN 55318

PROPOSAL/CONTRACT FOR PROFESSIONAL SERVICES

Maxfield Research and Consulting, LLC proposes to provide market research and consulting services to the Carver County Community Development Agency (CDA) (the “Client”) to prepare a Comprehensive Housing Needs Analysis. The market study will determine the market potential for developing different types of owned and rented housing in Carver County to 2040 based on an examination of demographic and employment growth trends and current housing market conditions. Detailed recommendations (number of units/lots; unit mix and sizes; prices/rents; housing features and amenities, etc.) for the housing types identified as needed in the short-term (2024 to 2030) and long-term (2030 to 2040) would be provided.

DESCRIPTION AND BIOGRAPHY OF FIRM

Maxfield Research and Consulting, LLC has 40 years of experience in assisting communities to determine market conditions for planning and development efforts, providing demographic estimates and projections, and analyzing county and municipal commercial and residential real estate needs. Our thorough knowledge of market trends in the real estate industry allows us to support our clients with valuable information that affects planning and development. We are able to determine viable solutions to the issues that communities face. We are local, regional and national with work completed in over 40 states.

Maxfield Research and Consulting, LLC provides research and analysis in the areas of general market housing, student housing, senior housing, office, retail, hospitality, industrial and financial institutions. Maxfield also has experience in organizing and conducting focus groups, preparing and administering on-line and mail surveys, holding public forums for large scale planning documents and organizing and making presentations to city councils, planning commissions and economic development authorities. A more detailed company overview is in the Appendix.

METHODOLOGY

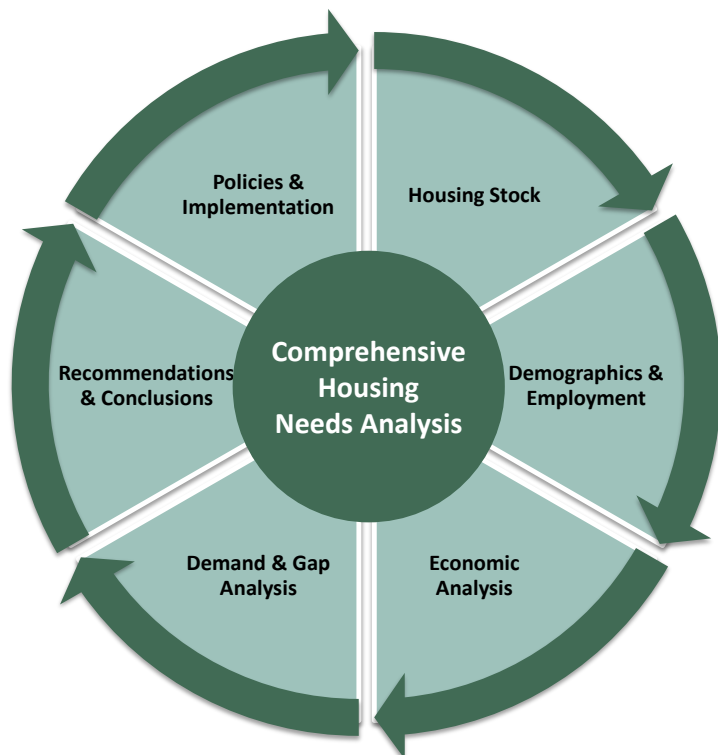
It is our understanding that the primary objective of this analysis is to provide Carver County Community Development Agency with a market-based analysis that will identify current and future housing needs in Carver County and help decision makers develop a greater understanding of the County's housing market. Maxfield Research and Consulting, LLC will provide detailed recommendations and an action plan for housing development (short-term and long-term) and recommend tools and policies that will assist implementation. Our findings will provide a basis for community leaders, stakeholders, and decision-makers to guide future efforts when addressing housing needs.

The hallmark of Maxfield Research and Consulting, LLC.'s approach to comprehensive housing studies is a thoughtful, in-depth combination of primary and secondary research. Primary research includes surveys of existing housing properties, one-on-one interviews with major employers, developers, builders, Realtors, property managers, city and government agency staff and others familiar with housing issues and the local housing market. Secondary research includes data obtained from reliable published sources including the Census Bureau, ESRI, Inc. (a national demographics firm), State demographic centers and economic development agencies, among others.

Secondary published data is always reviewed carefully considering other local factors revealed through the primary research that may have an impact on the analysis. The result is a custom report that provides the Client with information that is timely and locally pertinent.

Our work approach will draw on our experience and expertise in conducting housing studies on behalf of public entities and private developers.

Maxfield Research and Consulting, LLC routinely completes over 100 housing studies annually and is a market leader on housing research and consulting in the Upper Midwest.



WHY MAXFIELD RESEARCH?

We Know the Region

- **Benefit:** Work efficiency – our past experience in Carver County and the Twin Cities Metro Area will allow us to be on the ground immediately

Housing Inventory

- **Benefit:** Maxfield Research’s proprietary housing data includes detailed information on multifamily properties across the Twin Cities Metro Area

Experience Counts

- **Benefit:** Committed team of senior-level leaders; the four team members dedicated to this project have a combined 70-plus years of experience and have completed nearly 30 Comprehensive Housing Studies over the past two years

Local Knowledge - National Experience

- **Benefit:** Our work is grounded in local issues/reality and we can integrate best practices from elsewhere

Relationships

- **Benefit:** We have deep relationships with the development community; we understand their barriers and opportunities, we know what they want, and they will talk to us

Full-Service Real Estate Advisory Firm

- **Benefit:** We understand the connection between all real estate types and we advise both public- and private-sector clients

Comprehensive Approach

- **Benefit:** Data-driven analyses generate conclusions and recommendations based on market realities

On the Ground Field Research

- **Benefit:** Hands-on field work, in-person interviews, telephone surveys, combined with the analysis of the Census and other data to gain the most information possible.

Proven Methodologies & Results Oriented

- **Benefit:** Our process for projecting housing demand has proven to be effective and we deliver action-oriented strategies

RESEARCH STAFF



Mary Bujold, CRE, President, Maxfield Research and Consulting, LLC, will serve as principle-in-charge of the project and serves as a consultant for the recommendations. Ms. Bujold has nearly 40 years of experience in housing market research and is regarded as a market expert in the field of residential real estate. Ms. Bujold has been involved in numerous housing and commercial analyses for private developers and public agencies. She recently completed analyses for Washington County CDA and Scott County CDA.



Mr. Joe Hollman, Senior Analyst would assist Mr. Mullins on the project as a principal analyst. With over 20 years of experience, Mr. Hollman would complete a portion of the data gathering, prepare conclusions and recommendations, and compile the written report. Mr. Hollman was the lead analyst on several recent research studies that focused on the demand for residential and commercial real estate, including comprehensive housing studies for Scott County, City of Luverne, Minnesota, Rock County, the City of Maple Grove, Minnesota and Goodhue County, Minnesota. Mr. Hollman recently completed studies in northern Minnesota and as well as the Twin Cities Metro Area.

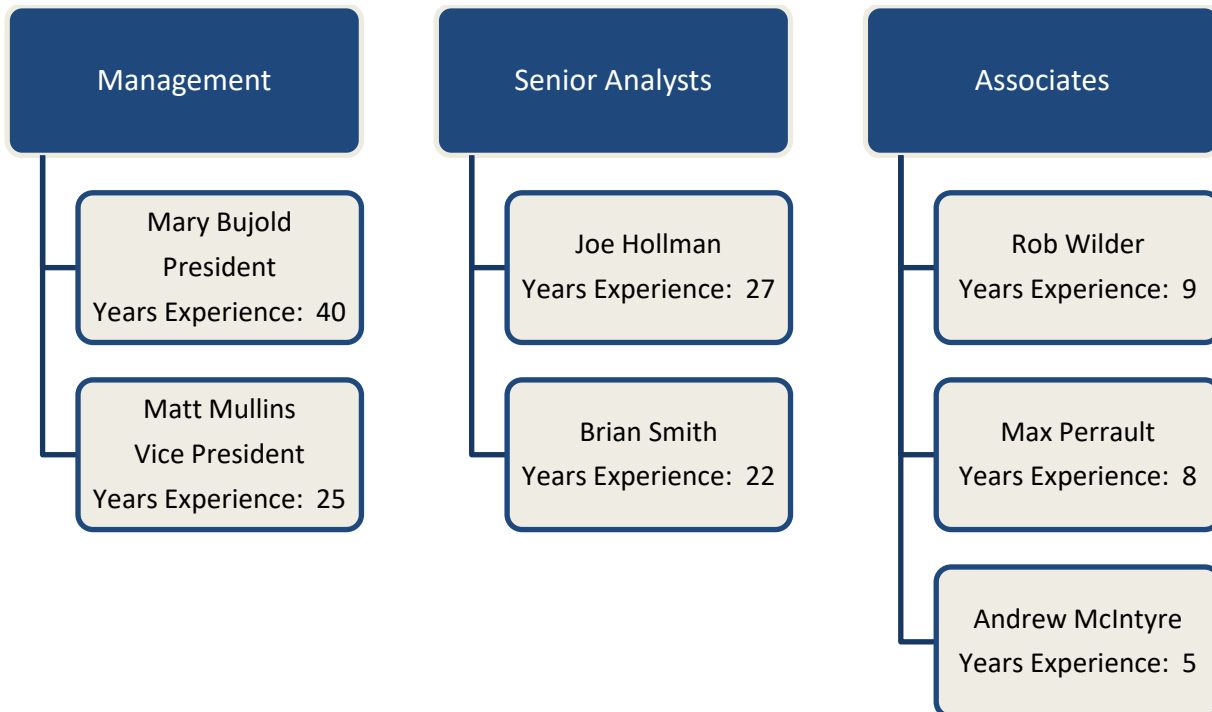


Mr. Andrew McIntyre, Research Associate, will provide data gathering services for this project. Mr. McIntyre will be responsible for compiling demographic and employment data, gathering base market information and GIS mapping. Mr. McIntyre has assisted on several comprehensive housing needs analyses during his tenure with Maxfield Research and Consulting, LLC, including studies for the Cities of St. Cloud and Edina, Minnesota and is currently working on an update of the housing needs analysis for the City of Owatonna, Minnesota.

Consultant's Name: Maxfield Research and Consulting, LLC
Year Established: 1983
Type of Ownership: LLC
Federal ID Number: 41-1463801
Employees: 7

Primary Contact:
Ms. Mary C. Bujold
President
Maxfield Research and Consulting, LLC
2823 Hamline Avenue North
Roseville, MN 55113
email: mbujold@maxfieldresearch.com
www.maxfieldresearch.com

**Maxfield Research and Consulting, LLC
Organization Chart**



SCOPE AND COST OF SERVICES – Comprehensive Housing Needs Analysis

A. Project Kickoff Meeting/Field Work

1. Meet with representatives of the Carver County CDA, Carver County, and other stakeholders to review project goals and objectives. Refine work program if required. This report will require some assistance from the stakeholders; data requests and other project assistance will be discussed during this time.
2. Conduct a windshield survey of the housing stock in the County.
3. Data will be provided for comparison purposes to other counties/communities similar to Carver County. Peer counties will be discussed during the kick-off meeting.

B. Review of Past Studies/Planning Documents

1. Obtain information on past housing studies/planning documents, ordinances, or other research reports/publications with information pertinent to the assignment. Review these documents and identify information that is relevant to this analysis; identify how current conditions have changed.
2. Summarize information obtained from previous documents and their impact on the current analysis; include conflicting information or document key issues and their relevance to the current project.

C. Demographic Analysis

1. Identify housing draw areas/submarkets for the communities/townships in Carver County (see map on following page for potential submarkets).
2. Examine population and household growth trends and projections to 2040.
3. Examine demographic information on:
 - a) Population age distribution
 - b) Persons per household (household size)
 - c) Household incomes by age of householder
 - d) Household incomes by tenure
 - e) Household net worth
 - f) Household tenure
 - g) Household tenure by age of householder
 - h) Household tenure by household size
 - i) Household type
 - j) Diversity/ethnicity/culture
4. Present information on mobility trends.
5. Summarize links between the demographic profile and housing demand.
6. Discuss the implications of the findings on housing demand in Carver County.

D. Employment Trends

1. Examine local data on resident employment (based on place of residence).
2. Examine local data on covered employment (based on location of jobs).
3. Provide data on jobs by NAICS industry sector.
4. Identify major employers.
5. Identify commuting patterns of area workers.
 - a) Place of residence vs. place of employment
 - b) Wage ranges
 - c) Demographic characteristics
6. Project job growth to 2040. Analyze any business expansions/contractions and their effect on the local housing market.
7. Interview economic development specialists, major employers, and local officials regarding major employment changes and other issues that may impact long-term employment growth (i.e. adequate supply of workforce housing).
8. Discuss the implications of the findings on housing demand in the County.

E. Housing Characteristics & Condition

1. Compile statistics on the age of the housing stock in the County by submarket.
2. Compile residential building permit data by type of housing to the most current available figures for each submarket.
3. Analyze U.S. Census and American Community Survey (ACS) findings collected between 2010 and 2021 (or most current data). Compile the following:
 - a) Renter-occupied units by contract rent
 - b) Owner-occupied housing units by value
 - c) Owner-occupied housing units by mortgage status
 - d) Housing units by structure and occupancy
 - e) Housing units by occupancy status and tenure
4. Review housing market value data from City/County tax records (if available) or ACS.
5. Interview area housing professionals and local government staff regarding housing conditions, economic development trends and other factors that affect the local housing markets.
6. Identify the residential land supply and its impact on potential housing production.
7. Conduct a windshield survey of housing properties in the County. The windshield survey provides a visual assessment of the general conditions of the housing stock. Comment on properties or neighborhoods with code enforcement concerns and other substandard housing issues that have undesirable housing conditions.
8. Discuss the implications of the findings on housing demand in Carver County.

F. For-Sale Housing Market Analysis

1. Collect data on housing resale values (single-family and multifamily); examine price distribution and average/median sale price of home resales in Carver County. (Note: this may require assistance from the county assessor).
2. Analyze data on the inventory and list price of homes currently for sale.
3. Survey active and recently completed for-sale housing developments (single-family homes, townhomes, twinhomes, etc.) in the County; analyze information on product types, lot sizes, home sizes, sale prices, buyer profile, and absorption (if available).
4. Identify the residential lot supply in the various submarkets and the impact on potential housing production. Present information on vacant lots by year platted, subdivision, pricing, etc.
5. Identify pending for-sale housing developments in the County by submarket and discuss the likely impact of these developments on the housing market.
6. Interview real estate sales agents, developers, and builders to assess the overall strength of the for-sale housing market, buyer profiles, the impact of foreclosures/short sales on the housing market, desired housing types and price range, and unmet market niches.
7. Based on a windshield survey of homes in the County as well as interviews with City/County staff and Realtors discuss the overall condition of the owner-occupied housing stock in the County.

G. General Occupancy Rental Market Analysis

1. Survey larger (eight units or more) general occupancy rental housing properties, including subsidized (deep subsidy/extremely low income), affordable (shallow subsidy/low income), workforce housing (80% to 120% of AMI) and market rate developments in the County. Map locations of the multifamily housing stock.
2. Analyze data collected from the rental survey on year built/remodeled, monthly rents, vacancies, rents per foot, unit types/sizes and features, common area amenities, and resident profiles.
3. Inventory pending (planned or under construction) rental developments in the County and assess their potential impact on the market.
4. Interview owners/managers of rental housing in the area to assess rental trends and the need for additional rental housing in the County. Identify appropriate rental rates and the target markets for new rental construction in the community.

H. Senior Housing Market Analysis

1. Inventory existing senior housing developments in the County, including subsidized (deep subsidy), affordable (shallow subsidy) and market rate developments. Projects will include rental and for-sale active adult, independent living with services available, assisted living, and memory care senior housing developments. In addition, collect information on skilled nursing facilities.
2. Map locations of the senior housing stock.

3. Analyze data collected from the survey on year opened, number of units, vacancies, pricing, unit types and features, common-area amenities, services provided (if applicable) and resident profile.
4. Inventory pending senior developments in the County and assess their potential impact on the market.
5. Interview senior housing managers/sponsors in the area to assess market trends and the potential need for additional senior housing or skilled nursing care in the County.

I. Housing Affordability

1. Review and present income limits, maximum gross rents, and fair market rents by household size in Carver County.
2. Based on income guidelines, present maximum rents based on household size and Area Median Income.
3. Based on the average rents by unit type from the *General Occupancy Rental Market Analysis Section*, present information on income-qualified renter households.
4. Based on the median home resale value from the *For-Sale Housing Market Analysis Section*, present information on income-qualified owner households.
5. Identify the number of cost burdened households (i.e. households paying more than 30% of their income on housing) in the County. Present cost burdened information for renters and owners.
6. Discuss housing voucher program in Carver County and present information on historic housing vouchers; both ported in and in the County.

J. Conclusions and Recommendations

1. Quantify demand for housing (subsidized, affordable, and market rate) by submarket in the County to 2040 based on employment and household growth projections, pent-up demand, turnover/mobility, and estimated replacement needs.
2. Identify potential target markets for new for-sale, rental, and senior housing.
3. Identify potential unmet market niches and discuss the primary deficiencies in the current market situation.
4. Prioritize housing needs and action steps to implement recommendations.
5. Based on lot supply and absorption trends, discuss the current land supply and whether more lots should be platted to meet projected demand.
6. Suggest an appropriate housing mix by product type (rental, ownership, and senior) and price point and discuss the target markets for each.
7. Suggest appropriate development concepts in the short-term (developments needed by 2030) and long-term (2030 to 2040), including number of units, unit mix, sizes, sale prices or monthly rents, and in-unit features and common area amenities.
8. Discuss the potential need for public/private partnerships to achieve housing development goals and support economic development in Carver County.
9. Discuss housing programs and resources that may be administered by the County or communities in the County to help achieve housing goals (i.e. home improvement

- loans, energy and environmental sustainability, fix-up funds, foreclosure assistance, first-time home buyer classes, etc.).
10. Review current programs provided by Carver County communities and recommend other successful programs offered at other communities similar in size to communities in the County.
 11. Provide recommendations on other challenges and opportunities that relate to the housing stock and housing development in the County.

L. Meetings and Client Contact

1. One kick-off meeting with Client (in person or via conference call).
2. Review of the Draft analysis (via conference call) that would address report findings.
3. Formal presentation (in person) to appropriate governing body.
4. Report Preparation.

Cost for Comprehensive Housing Needs Analysis (Staff Time)

\$39,380.00

GIS MAPPING

Maxfield Research and Consulting, LLC will present key data visually and spatially through GIS mapping. However, Maxfield Research will require assistance from the Client to obtain parcel level data and the County assessor database. We will provide a detailed data request list that will outline the mapping and data needs.

COST OF SERVICES

The work outlined under the Scope of Services – Comprehensive Housing Needs Analysis will be performed for Thirty-Nine Thousand Three Hundred Eighty Dollars (\$39,380.00), including out-of-pocket expenses postage, long-distance telephone, data purchases, mileage expenses and an electronic version.

Work completed on the assignment would be billed to the Client monthly as costs are incurred. Additional research or meeting time requested by the Client beyond that set forth in the accompanying Scope of Services will be billed at our normal hourly rates (\$55 to \$160).

The following fee proposal provides a detailed summary of staff hours needed to complete this project. The fee proposal includes a breakdown of costs by project task along with Maxfield Research and Consulting, LLC staff assigned to the project.

FEE PROPOSAL COMPREHENSIVE HOUSING NEEDS ANALYSIS FOR CARVER COUNTY, MINNESOTA						
	Maxfield Research and Consulting, LLC Staff					Cost by Task
	Mary Bujold	Joe Hollman	Andrew McIntyre	Admin. Assistant	Maxfield Research	
Project Task	<i>President</i>	<i>Sr. Analyst</i>	<i>Associate</i>	<i>Support</i>	Total	Total
A. Project Kick-off & Windshield Survey	4	2	4	0	10	\$1,280
B. Review of Past Studies	3	4	8	0	15	\$1,760
C. Demographic Analysis	4	14	24	0	42	\$4,780
D. Employment Trends	4	11	16	0	31	\$3,650
E. Housing Characteristics and Condition	3	8	12	0	23	\$2,700
F. For-Sale Housing Market Analysis	4	10	18	0	32	\$3,670
G. General Occupancy Rental Analysis	4	10	24	0	38	\$4,180
H. Senior Housing Market Analysis	6	10	14	0	30	\$3,620
I. Housing Affordability	4	10	12	0	26	\$3,160
J. Conclusions and Recommendations	8	14	10	0	32	\$4,230
K. Meetings and Report Preparation	8	8	4	6	26	\$3,150
L. Mapping & GIS	0	10	20	0	30	\$3,200
Total Hours	52	111	166	6	335	
(times) Hourly Rate	\$160	\$150	\$85	\$55		
Total Cost for Staff Time	\$8,320	\$16,620	\$14,110	\$330	\$39,380	
(Plus) Travel Cost (estimate)*					Incl.	
Total Cost for Staff Time plus Travel	\$8,320	\$16,620	\$14,110	\$330	\$39,380	

*Mileage billed at the standard IRS rate of \$0.655 per mile (2023 rate)

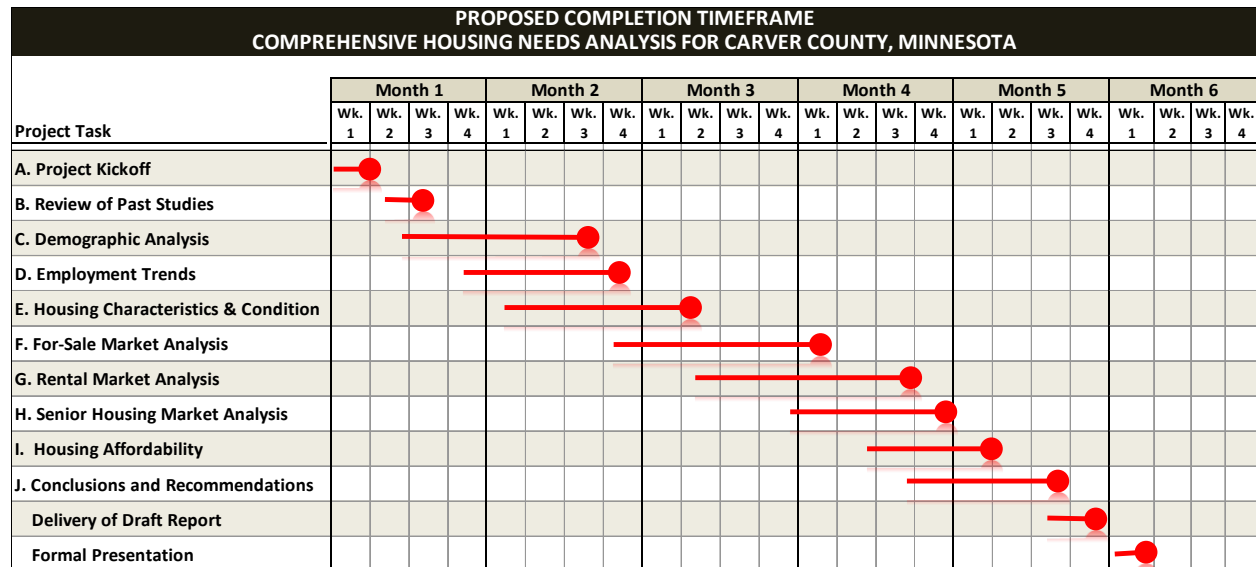
**Printing cost billed at our direct cost estimated at \$90 per copy.

WORK PRODUCT

Findings will be presented in an electronic PDF format. The Comprehensive Housing Needs Analysis is accepted by many lenders, limited partners, investors or governmental bodies who require such documentation to satisfy their financing criteria.

COMPLETION TIME

The work outlined under the Scope of Services will be completed in draft form within 160 to 180 days of the execution of this agreement unless delayed by unexpected emergencies, forces beyond the control of the parties, or by written agreement of the parties. A final report would be issued within two weeks of receiving all comments and feedback from the Client.



PAYMENT

All invoices are payable to Maxfield Research and Consulting, LLC within fifteen (15) days of receipt of an invoice showing the work completed and the direct costs for expenses. A finance charge of one and one-half percent (1.5%) per month will be added to the unpaid balance of each invoice not paid within thirty (30) days. All invoices are sent via email. A current email address needs to be supplied to Maxfield Research for billing purposes. A final invoice will be sent with the release of the draft report.

DISCLAIMER

The objective of this research assignment is to gather and analyze as many market components as is reasonable within the time limits and projected staff hours set forth in this agreement. We assume no responsibility for matters legal in character.

The property/land is assumed to be free and clear of any indebtedness, liens or encumbrances; and good and marketable title and competent management are assumed, unless otherwise stated.

If building plans or site plans are included in the report, they are to be considered only approximate and are submitted to assist the reader in visualizing the property. We assume no responsibility for the accuracy of any building or site plans.

Certain information and statistics contained in the report, which are the basis for conclusions contained in the report, will be furnished by other independent sources. While we believe this information is reliable, it has not been independently verified by us and we assume no responsibility for its accuracy.

The conclusions in the report are based on our best judgments as market research consultants. Maxfield Research and Consulting, LLC disclaims any express or implied warranty of assurance of representation that the projections or conclusions will be realized as stated.

The result of the proposed project may be achieved, but also may vary due to changing market conditions characteristic of the real estate industry, changes in facts that were the basis of conclusions in this report, or other unforeseen circumstances.

This agreement will be construed according to the laws of the State of Minnesota.

TERMINATION

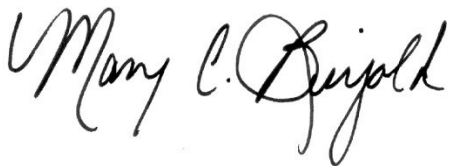
This agreement may be terminated upon written notification of either party to the other. In the event of termination, the Client will pay Maxfield Research and Consulting, LLC for staff hours performed at the firm's normal hourly rates, plus all expenses incurred through the date of termination.

If this proposal meets with your approval, please sign and return one copy to the offices of Maxfield Research and Consulting, LLC. The costs outlined in the Scope of Services shall remain in effect for a period of 90 days from the date listed at the top of this contract.

Agreed to this _____ day of _____ 2023.

MAXFIELD RESEARCH AND CONSULTING, LLC

CARVER COUNTY CDA



Mary C Bujold
President

Alison Streich
Executive Director

SELECTED HOUSING STUDIES/REFERENCES
Maxfield Research and Consulting, LLC

- 1. Comprehensive Housing Needs Analysis for Two Harbors, Minnesota** **2022**
Client: City of Two Harbors
Contact: Jennifer Sterbenz, (218) 834-8804, jsterbenz@twoharborsmn.gov
- 2. Comprehensive Housing Needs Update for Scott County, Minnesota** **2021**
Client: Scott County Community Development Agency
Contact: Julie Siegert, (952) 641-5185, jsiegert@scottcda.org
- 3. Comprehensive Housing Needs Assessment for Waseca, Minnesota** **2021**
Client: City of Waseca
Contact: Mike Anderson, (507) 835-9741, mikea@ci.waseca.mn.us
- 4. Comprehensive Housing Needs Analysis for Marshall, Minnesota** **2021**
Client: Marshall Economic Development Authority
Contact: Lauren Deutz, (507) 337-9013, lauren.deutz@ci.marshall.mn.us
- 5. Comprehensive Housing Needs Analysis for Sherburne County, Minnesota** **2020**
Client: Sherburne County
Contact: Dan Weber, (763) 765-3007, Dan.Weber@co.sherburne.mn.us
- 6. Comprehensive Housing Needs Analysis for Goodhue County, Minnesota** **2020**
Client: Goodhue County Economic Development Authority
Contact: Ron Zeigler, (507) 867-3164, ron.zeigler@cedausa.com
- 7. Comprehensive Housing Needs Analysis for Olmsted County, Minnesota** **2020**
Client: Olmsted County | Rochester Area Foundation
Contact: Jeremy Emmi, (507) 282-0203, jeremy@rochesterarea.org
- 8. Comprehensive Housing Needs Analysis for Luverne, Minnesota** **2019**
Client: Luverne Economic Development Authority
Contact: Holly Sammons, (507) 449-5033, hsammons@cityofluverne.org
- 9. Comprehensive Housing Needs Analysis for St. Cloud, Minnesota** **2019**
Client: City of St. Cloud
Contact: Matt Glaesman, (320) 650-3110, matt.glaesman@ci.stcloud.mn.us
- 10. Comprehensive Housing Needs Analysis for Chisago County, Minnesota** **2018**
Client: Chisago County HRA-EDA
Contact: Nancy Hoffman, (651) 674-5664, nancy@chisagocounty.org

--APPENDIX--

VI. DEPARTMENT REPORTS

A. Finance

B. Economic and Community Development

C. Housing

D. Administrative



Board of Commissioners

Request for Board Action

Meeting date: July 20, 2023

Agenda number: 5A

DEPARTMENT: Finance

FILE TYPE: Regular Agenda

TITLE: Approval of the 2024 Budget and Levy

PURPOSE/ ACTION REQUESTED: Approving the 2024 General Administrative Operating Budget and the 2024 (Payable) Special Benefits Tax Levy and Authorizing Certification of the Levy to Carver County for the fiscal year ending December 31, 2024.

SUMMARY: The proposed budget for the fiscal year ending December 31, 2024, projects revenue of \$16,549,904 and expenses of \$16,549,904.

RECOMMENDATION: Staff recommends approval of the general administrative operating budget and the 2024 (Payable) Special Benefits Tax Levy and Authorizing Certification of the Levy to Carver County request for the fiscal year ending December 31, 2024.

EXPLANATION OF FISCAL/ FTE IMPACTS:

None Current budget Other Amendment requested New FTE(s) requested

RESOLUTION:

WHEREAS, the Carver County Community Development Agency (the “Agency”) is duly organized and existing under the laws of the State of Minnesota, including Laws of Minnesota for 1980, Chapter 482, as amended (the “Special Law”); and

WHEREAS, with the approval of the Carver County Board of Commissioners (the “Carver County Board”), the Agency may levy special benefit taxes as authorized under Minnesota Statutes, section 469.107 or 469.033, Subd 6; and

WHEREAS, the Agency has prepared its 2024 General Administrative Operating Budget (the “2024 Budget”) and seeks the approval of the Carver County Board for the 2024 Budget and, to the extent required by law, the Agency’s levy of its special benefits tax, in order to continue the work of the Agency in Carver County;

WHEREAS, the Agency is required to certify a proposed special benefits tax levy to the Carver County Auditor (the “Auditor”) on or before September 30th, 2023, as required by Minnesota Statutes, Section 275.065, Subdivision 1(a), and to certify to the Auditor a final special benefits tax levy on or before December 27, 2023, which is five working days after December 20th, as required by Minnesota Statutes, Section 275.07;

NOW THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Carver County Community Development Agency as follows:

1. The 2024 Budget is hereby approved and directed to be submitted to Carver County pursuant to the requirements of Minnesota Statutes, Sections 469.033 and 275.065.
2. Subject to the consent of the Carver County Board, to the extent required under Minnesota Statutes, Section 469.033, and the Special Law, the Executive Director of the Agency is hereby authorized to certify to the Auditor on or before September 30, 2023, a proposed levy of the Agency’s special benefits tax for taxes payable in 2024 in the amount of \$3,775,425 which, based on current estimates of market value for property in Carver County, is the maximum permitted by law, and to determine the final maximum amount of such levy and certify the final levy to the Auditor on or before December 27, 2023.
3. Upon approval of the Carver County Board of the Agency’s budget and levy of the special benefits tax, the County’s approving resolution shall be attached hereto and made a part of this resolution.

PREVIOUS BOARD ACTION

None

ATTACHMENTS

Attachment 5A

BOARD GOALS

- Focused Housing Programs Collaboration Development/Redevelopment
 Financial Sustainability Operational Effectiveness

PUBLIC ENGAGEMENT LEVEL

- Inform and Listen Discuss Involve N/A

CONTACT

Department Head: Karen Reed, Director of Finance

Author: Karen Reed, Director of Finance

CARVER COUNTY CDA
2024
BUDGET DETAIL

5A - Attachment

Carver County CDA - 2024 Budget Detail	2023 Approved	2024 Requested
REVENUES		
Administrative Revenues		
Federal		
Housing Counseling	0	
Shelter + Care	10,385	9,100
SCDP - NYA	0	
State and Local		
Bridges	9,360	9,360
Bridges RTC	1,632	1,752
Housing Trust Fund	5,760	5,760
HECAT	0	
MHFA - RLP & ELP		
Total Administrative Revenues	\$27,137	\$25,972
Pass-Through Grant Funds		
Federal		
Shelter Plus Care	137,978	120,174
SCDP - NYA		
State and Local		
Bridges	123,974	140,257
Bridges RTC	13,250	20,308
Housing Trust Fund	69,000	69,000
MHFA - RLP & ELP		
Total Pass-Through Grant Funds	\$344,202	\$349,739
Operating Revenues		
Carver Well/Septic Program Fees	400	600
Investment Earnings	12,135	10,685
Land Trust	10,800	10,800
Enterprise Revenue	1,734,220	2,207,142
Clover Field Owners Association Dues	4,200	12,600
Property Management Fees	607,752	704,975
Miscellaneous Revenue	2,160	2,160
Total Operating Revenues	\$2,371,667	\$2,948,962
Housing Revenues		
Housing Revenues	9,064,000	9,449,806
Total Housing Revenues	\$9,064,000	\$9,449,806
CDA Special Benefit Levy		
Special Benefit Levy	3,131,889	3,775,425
Total CDA Special Benefit Levy	\$3,131,889	\$3,775,425
TOTAL REVENUES	\$14,938,895	\$16,549,904

CARVER COUNTY CDA
2024
BUDGET DETAIL

5A - Attachment

Carver County CDA - 2024 Budget Detail	2023 Approved	2024 Requested
EXPENDITURES		
Administrative & Operating Expenses		
Salaries	2,455,000	2,840,500
Benefits	902,000	1,149,500
Employee Wellness	5,000	6,000
Temporary Services	30,000	50,000
Board Member Expenses/ Per Diem	7,100	7,100
Audit Fees	55,275	57,000
Marketing/Advertising	15,000	165,000
Bad debt expense	1,000	1,000
Conferences & Training	20,000	20,000
Consulting	31,000	36,000
Credit Bureau	750	750
Dues & Subscriptions	13,000	13,000
HR Recruiting	40,000	40,000
Insurance	30,000	30,000
Legal	80,000	66,000
Mileage	20,000	20,000
Bank fees	3,000	3,000
Miscellaneous	12,968	13,009
Office Equipment	34,000	29,000
Payroll Fees	8,600	9,000
Postage	6,000	6,000
PILOT and Tax Assessments	3,000	3,000
Property Inspections	6,000	
Recorder Fees	1,500	1,000
Rent	76,000	76,000
Maintenance - CDA & Econ Development	7,000	7,000
Software License fees	13,000	25,000
Supplies	13,000	13,000
IT Support/Website/Internet	110,000	110,000
Telephone	15,000	15,000
Cell Phones	28,000	30,000
Utilities	2,500	2,500
Vehicle Maintenance	30,000	30,000
Capital Reserves		160,000
Total Administrative & Operating Expenses	\$ 4,074,693.00	\$ 5,034,359.00

CARVER COUNTY CDA
2024
BUDGET DETAIL

5A - Attachment

Carver County CDA - 2024 Budget Detail	2023 Approved	2024 Requested
Pass-Through Grant Funds		
Federal		
Shelter Plus Care	137,978	120,174
SCDP - NYA	0	
Bridges	123,974	140,257
Bridges - RTC	13,250	20,308
Housing Trust Fund	69,000	69,000
MHFA - RLP & ELP	0	0
Total Pass-Through Grant Funds	\$344,202	\$349,739
Housing Expenditures		
Housing Expenditures	9,064,000	9,449,806
Total Housing Expenditures	\$9,064,000	\$9,449,806
GO Bond Obligations		
Transfers to Lake Grace	40,000	40,000
Transfers to The Crossings	35,000	35,000
Transfers to Centennial Hills	31,000	31,000
Transfers to Chaska Brickyard	70,000	70,000
Transfers to Bluff Creek	25,000	25,000
Transfers to Oak Grove Senior Residence	75,000	75,000
Total GO Bond Obligation Expenditures	\$276,000	\$276,000
Community/Economic Development		
Home Ownership Programs		
Pre-development costs - housing	140,000	175,000
Housing Development	240,000	250,000
Home Improvement Loans		50,000
Economic Development Programs	400,000	
NextStage		55,000
Greater MSP		30,000
CEO Next		10,000
Business Loan Fund		125,000
Choose Carver County (website)		25,000
Other		180,000
Tourism		
Choose Carver County		125,000
Community Development Initiative	400,000	415,000
Total Community/Economic Development	1,180,000	1,440,000
TOTAL EXPENSES	\$14,938,895	\$16,549,904
REVENUES OVER (UNDER) EXPENDITURES	\$0	\$0



Board of Commissioners

Request for Board Action

Meeting date: July 20, 2023

Agenda number: 5B

DEPARTMENT: Community & Economic Development

FILE TYPE: Regular Agenda

TITLE: Carver County Community Land Trust – Chaska Yards Redevelopment Agreement

PURPOSE/ ACTION REQUESTED: Approval of Redevelopment Agreement with City of Chaska.

SUMMARY: The CDA and City of Chaska have been working together since the summer of 2020 on redeveloping the Ernst house and adjacent vacant land. The City of Chaska Planning Commission and Heritage Preservation Commission have voted in favor of the latest project designs. In June 2023, the City of Chaska City Council approved the final plat for the project. The final steps to move the project forward are to sign the Redevelopment Agreement with the City and negotiate final contracts with the General Contractor.

RECOMMENDATION: CDA staff recommends authorizing the Executive Director in signing the Redevelopment Agreement with the City of Chaska.

EXPLANATION OF FISCAL/ FTE IMPACTS:

None Current budget Other Amendment requested New FTE(s) requested

continued on next page

RESOLUTION:

WHEREAS, the Carver County Community Development Agency (CDA) established a Community Growth Partnership Initiative program (Initiative) in 2016 to assist Carver County cities with redevelopment goals and promote the development of affordable housing; and

WHEREAS, the Carver County Community Development Agency (CDA) runs the Carver County Community Land Trust (CCCLT) which seeks to provide permanently affordable homeownership options in Carver County; and

WHEREAS, the City of Chaska and the CDA have partnered together to preserve one unit and develop three new units of permanently affordable housing in the City’s historic downtown area; and

WHEREAS, funding has been received from a number of sources for gap financing in order to bring these units into the CCCLT portfolio; and

WHEREAS, the City of Chaska Heritage Preservation Commission, the City of Chaska Planning Commission, and the City of Chaska City Council have approved the final plat for development.

WHEREAS, the CDA staff recommends entering into a Redevelopment Agreement with the City of Chaska;

NOW, THEREFORE, BE IT RESOLVED by the Carver County Community Development Agency Board of Commissioners as follows:

The CDA Board of Commissioners will enter into a new Amended and Restated Purchase and Redevelopment Agreement with the City of Chaska.

PREVIOUS BOARD ACTION

NA

ATTACHMENTS

Amended and Restated Purchase and Redevelopment Agreement

BOARD GOALS

- Focused Housing Programs Collaboration Development/Redevelopment
- Financial Sustainability Operational Effectiveness

PUBLIC ENGAGEMENT LEVEL

- Inform and Listen Discuss Involve N/A

CONTACT

Department Head: Chuck Swanson, Director of Community and Economic Development
Author: Chuck Swanson, Director of Community and Economic Development

AMENDED AND RESTATED PURCHASE AND REDEVELOPMENT AGREEMENT

By and Among

CITY OF CHASKA, MINNESOTA

And

ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF CHASKA, MINNESOTA

And

CARVER COUNTY COMMUNITY DEVELOPMENT AGENCY

for the

ERNST HOUSE REDEVELOPMENT PROJECT

Dated as of _____, 2023

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List of Exhibits

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<u>Exhibit B</u>	Sources and Uses Budget
<u>Exhibit C</u>	Qualified Costs
<u>Exhibit D</u>	Form of Certificate of Completion
<u>Exhibit E</u>	Form of Ground Lease
<u>Exhibit F</u>	Form of Limited Tax Increment Revenue Note
<u>Exhibit G</u>	Form of Project Funding Certificate
<u>Exhibit H</u>	Form of Trust Fund Grant Agreement
<u>Exhibit I</u>	Memorandum of Redevelopment Agreement

AMENDED AND RESTATED PURCHASE AND REDEVELOPMENT AGREEMENT

This Amended and Restated Purchase and Redevelopment Agreement (this “Agreement”), is made and entered into as of _____, 2023 (the “Effective Date”), by and among the CITY OF CHASKA, MINNESOTA, a municipal corporation and political subdivision of the State of Minnesota (the “City”), the ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF CHASKA, MINNESOTA, a body corporate and politic of the State of Minnesota (the “EDA”), and CARVER COUNTY COMMUNITY DEVELOPMENT AGENCY (the “Developer”).

Recitals:

A. The City has designated a Redevelopment District in the City denominated the Redevelopment Project Area No. 4 (the “Redevelopment District”) and adopted a Redevelopment Plan (the “Redevelopment Plan”) therefor, pursuant to and in accordance with Minnesota Statutes (“M.S.”), Sections 469.124 to 469.133, as amended.

B. The City adopted a resolution establishing Tax Increment Financing (Redevelopment) District No. 22, a “redevelopment district” (the “TIF District”) pursuant to M.S., Section 469.174, Subdivision 10, and approved a Tax Increment Financing Plan therefor (the “TIF Plan”).

C. The TIF District includes certain real property currently owned by the EDA and located at 211 Walnut Street and 217 Walnut Street in the City and legally described in **Exhibit A** attached hereto (collectively, the “Development Property”).

D. Developer has proposed an affordable housing redevelopment project on the Development Property (the “Project”) that consists of (i) the rehabilitation of that certain existing historical structure located on that portion of the Development Property having an address of 211 Walnut Street and known as the “Ernst House” to create a new single-family housing unit (the “Ernst House”) and (ii) the construction of three (3) new single-family townhome housing units on that portion of the Development Property having an address of 217 Walnut Street (the Ernst House and such new single-family townhome housing units are each referred to herein as a “Residential Unit” and, collectively, the “Residential Units”).

E. Developer has further proposed that all four (4) such Residential Units be made part of the Carver County Community Land Trust (the “Land Trust”) such that the improvements constituting each Residential Unit shall be thereafter sold to households having incomes at or below **80%** of the Area Median Income for the Minneapolis-Saint Paul-Bloomington Metropolitan Statistical Area (including adjustments for household size) (“Qualified Households”) and the Development Property underlying each such Residential Unit shall be leased to each such Qualified Household pursuant to a long-term ground lease substantially, and in all material respects, in the form attached hereto as **Exhibit E** (each, a “Ground Lease”).

F. In order to achieve the objectives of the Redevelopment Plan and the TIF Plan, the City and EDA intend to provide certain assistance to Developer, to finance the Project including, without limitation, through (i) tax increment financing (“TIF”), as described in M.S., Sections 469.174 through 469.1794 (the “TIF Act”) and (ii) transferring the Development Property to the Land Trust for no cost.

G. The City and EDA have determined that, in order to accomplish the purposes specified in and to carry out the Redevelopment Plan and the TIF Plan, it is necessary and desirable for the City and the EDA to reimburse Developer for certain costs to be incurred and paid by Developer in connection with the Project.

H. The City will apply tax increment revenues generated from the TIF District to (i) pay or reimburse the City for administrative expenses relating to the TIF District to the extent permitted by the TIF Act and (ii) reimburse Developer, with interest, for certain costs incurred in connection with the construction of the Project.

I. The City and EDA believe that the development activities associated with the Project pursuant to this Agreement are in the best interests of the City and benefit the health, safety, morals and welfare of its residents, and comply with the applicable state and local laws and requirements under which the Project has been undertaken and is being assisted.

J. As more particularly described in Section 20.23, this Agreement amends, restates, supersedes, and replaces, in its entirety, the Original Agreement (as defined in Section 20.23).

NOW, THEREFORE, in consideration of the foregoing premises and the mutual obligations set forth in this Agreement, the parties hereto hereby agree as follows:

Article I
Recitals; Exhibits, Definitions

1.1 Recitals. The Recitals are true and correct statements of fact and are incorporated into this Amendment by this reference, including the definitions set forth therein.

1.2 Exhibits. All Exhibits referred to in and attached to this Agreement upon execution are incorporated in and form a part of this Agreement as if fully set forth herein.

1.3 Definitions. Unless the context otherwise specifies or requires, the following terms have the following definitions. Certain other capitalized terms are defined elsewhere in this Agreement. All defined terms may be used in the singular or the plural, as the context requires.

“Act” means M.S., Sections 469.124 to 469.133.

“Agreement” means this Agreement, as the same may be from time to time modified, amended or supplemented.

“Available Tax Increment” has the definition given it in Section 5.6(a)(iv).

“Board” means the Board of Commissioners of the EDA.

“Business Subsidies Act” means M.S., Sections 116J.993 through 116J.995.

“Certificate of Completion” means a certification in the form attached hereto as Exhibit D, to be provided to Developer pursuant to this Agreement.

“City” means the City of Chaska, Minnesota.

“City Council” means the City Council of the City.

“Commencement” means actual physical construction of the first visible improvement to the Development Property made in furtherance of the construction of the Project, specifically including pouring footings and foundations, but specifically excluding demolition of and environmental remediation, if any, related to the improvements on the Development Property existing of the Effective Date.

“Completion” means Developer’s receipt of the Certificate of Completion.

“County” means the County of Carver, Minnesota, a political subdivision of the State of Minnesota.

“Default” or “default” means any event which would with the passage of time or giving of notice, or both, be an Event of Default hereunder.

“Default Notice” means written notice from the City and/or the EDA to Developer setting forth the default and the action required to remedy the same.

“Developer” means Carver County Community Development Agency.

“Development Property” means that certain real property located at 211 Walnut Street and 217 Walnut Street in Chaska, Minnesota and legally described in **Exhibit A** attached hereto.

“Ernst House” means that certain existing historical structure located on that portion of the Development Property have an address of 211 Walnut Street.

“Escrow Agent” means **Title Mark, LLC** or a different reputable title insurance company selected by Developer and reasonably approved by the EDA and having an office in Carver County, Minnesota.

“Event of Default” means as any of the events set forth in Section 7.1 hereof.

“Land Trust” means Carver County Community Land Trust, a program of the Carver County Community Development Agency.

“Mortgage” means any mortgage made by Developer which covers, in whole or in part, the Development Property.

“Mortgagee” means the owner or holder of a Mortgage.

“M.S.” means Minnesota Statutes.

“Project” means the rehabilitation of the Ernst House and the construction of the other Residential Units for the creation of four (4) new affordable homeownership units, as described in Recital D.

“Project Approvals” has the definition given it in Section 4.2.

“Qualified Costs” means costs incurred by Developer in connection with construction of the Project that are reimbursable from tax increment pursuant to Sections 469.174, Subd. 10 and 469.1761 of the TIF Act, and which are shown on **Exhibit C** to this Agreement or are otherwise approved in advance by the City and the EDA in writing; which costs include, but are not limited to the costs of renovation of the Ernst House.

“Redevelopment District” means Redevelopment Project Area No. 4, designated pursuant to the Act.

“Redevelopment Plan” means the Redevelopment Plan developed for Redevelopment Project Area No. 4.

“Sources and Uses Budget” means a detailed sources and uses pro forma for the Project, in the form attached as **Exhibit B**.

“State” means the State of Minnesota.

“Termination Date” means the earlier of (i) the date the TIF Note is paid in full, (ii) the date on which the TIF District expires or is otherwise terminated, or (iii) the date this Agreement is terminated or rescinded in accordance with its terms.

“TIF Act” means M.S., Sections 469.174 through 469.1794, as amended.

“TIF Assistance” means the Available Tax Increment to be paid under Section 5.6 hereof.

“TIF District” means Tax Increment Financing (Redevelopment) District No. 22, a redevelopment district, established by the City Council on April 15, 2019.

“TIF Note” means the Tax Increment Revenue Note (Ernst House Redevelopment) to be executed by the City and delivered to Developer pursuant to Section 5.6 hereof, the form of which is attached hereto as **Exhibit F**. The total principal amount of the TIF Note issued to reimburse Developer for Qualified Costs of the Project will not exceed **\$180,000**.

“TIF Plan” means the Tax Increment Financing Plan for the TIF District approved by the City Council.

“Unavoidable Delay” means a failure or delay in a party’s performance of its obligations under this Agreement, or during any cure period specified in this Agreement which does not entail the mere payment of money, not within the party’s reasonable control, including but not limited to acts of God, governmental agencies, the other party, strikes, labor disputes (except disputes which could be resolved by using union labor), fire or other casualty, lack of materials, or declarations of any state, federal or local government, pandemics, epidemics (including the COVID-19 virus); provided that within 10 days after a party impaired by the delay has actual (as opposed to constructive) knowledge of the delay it shall give the other party notice of the delay and the estimated length of the delay, and shall give the other party notice of the actual length of the delay within 10 days after the cause of the delay has ceased to exist. The parties shall pursue with reasonable diligence the avoidance and removal of any such delay. Unavoidable Delay shall not extend performance of any obligation unless the notices required in this definition are given as herein required.

Article II

Representations and Warranties

2.1 City Representations. The City makes the following representations to Developer:

(a) The City a municipal corporation and political subdivision of the State. Under the provisions of the Act and the TIF Act, the City has the power to enter into this Agreement and carry out its obligations hereunder.

2.2 EDA Representations. The EDA makes the following representations to Developer:

(a) The EDA is a public body corporate and politic and a governmental subdivision of the State, duly organized and existing under State law and the EDA has the authority to enter into this Agreement and carry out its obligations hereunder.

2.3 Developer Representations. Developer represents and warrants that:

(a) Developer is a local government agency created by the Minnesota Legislature and has power to enter into this Agreement and has duly authorized, by all necessary corporate action, the execution and delivery of this Agreement.

(b) Developer will, subject to and as required by Agreement, construct the Project in accordance with the terms of this Agreement, the TIF Plan and all applicable local, state and federal laws and regulations.

(c) At such time or times as may be required by law, Developer will have complied with all local, state and federal environmental laws and regulations applicable to the Project, and will have obtained any and all necessary environmental reviews, licenses and clearances. Developer has received no written notice from any local, state or federal official that the activities of Developer or the City with respect to the Development Property may be or will be in violation of any environmental law or regulation. Developer has no actual knowledge of any facts the existence of which would cause it to be in violation of any local, state or federal environmental law, regulation or review procedure with respect to the Development Property.

(d) Neither the execution or delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms and conditions of this Agreement is prevented by, limited by, conflicts with, or results in a breach of, any restriction, agreement or instrument to which Developer is now a party or by which Developer is bound.

(e) Developer has no actual knowledge that any member of the City Council, or any other officer of the City has any direct or indirect financial interest in Developer, the Development Property, or the Project.

(f) Developer reasonably expects that it will be able to obtain financing in the amount shown in the preliminary Sources and Uses Budget attached hereto as **Exhibit B**, which amounts will be sufficient, together with funds provided by the City and the EDA and any other public agencies, to enable Developer to construct the Project, as provided herein.

(g) Developer would not undertake the Project without the financial assistance to be provided by the City pursuant to this Agreement and the TIF Plan.

Article III

Property Transfer; Land Write Down; Right of Reverter

3.1 Property Transfer. Subject to the terms and conditions of this Agreement, the EDA shall sell and convey to the Land Trust, and Developer will cause the Land Trust to accept from the EDA, fee ownership of the Development Property (the "Land Transfer").

3.2 Use and Ownership of Development Property. Upon the Land Transfer, the use and ownership of the Development Property shall be made perpetually subject to the terms and conditions of the Land Trust, such that the Development Property will be owned by the Land Trust for the purpose of preserving the affordability of housing units on the Development Property through the sale of the Residential Units only to Qualified Households and long-term leasing of the Development Property underlying the Residential Units only to Qualified Households or other persons and families of low and moderate income in compliance with M.S. Section 462A.31 and any successor statute, regulation, or law

governing community land trusts in Minnesota (the “Land Trust Use”), each pursuant to a Ground Lease. At the closing of any sale of a Residential Unit to a Qualified Household, Developer shall prepare, execute, and record on the title to the applicable portion of the Development Property a Ground Lease with such Qualified Household and promptly thereafter deliver to the City and EDA a fully executed and recorded Ground Lease for each Qualified Household. During the term of this Agreement, Developer shall also deliver to the City and EDA any amendments, modifications, restatements, and/or replacements of any Ground Leases affecting the Development Property. Developer shall otherwise cause the Development Property and Project to be in compliance with all of the conditions, covenants, restrictions and limitations imposed by this Agreement and all applicable laws, ordinances and regulations.

3.3 Time and Place. Subject to the terms and conditions of this Agreement, the closing of the Land Transfer (the “Closing”) shall be on a date mutually agreeable to the EDA and Developer the (“Closing Date”), but in no event later than **October 1, 2023** (the “Outside Closing Date”).

3.4 Purchase Price; Land Write Down. In consideration of Developer’s fulfillment of its obligations under this Agreement, and the conditions precedent to closing set forth in Section 3.7, the EDA agrees to sell the Development Property to the Land Trust for **\$400,000.00** (the “Purchase Price”), allocated as follows: (i) **\$100,000** to the portion of the Development Property located at 211 Walnut Street and **\$300,000** to the portion of the Development Property located at 217 Walnut Street. Developer acknowledges that the EDA previously acquired the Development Property for a market price and the EDA’s book value for the Development Property is as set forth on the Sources and Uses Budget attached here to as Exhibit B and, therefore, the Land Transfer to the Land Trust for the Purchase Price represents the EDA’s write down of the full cost of the Development Property (the “Land Write Down”), such Land Write Down being provided for the purposes of facilitating the financial feasibility of the Project and the creation of affordable housing in the City.

3.5 Title to the Development Property. Developer shall be responsible for performing any and all title and survey examination or due diligence of the Development Property that Developer deems prudent, at Developer’s sole cost and expense. No later than 30 days after the Effective Date, Developer may, by written notice to the EDA, object to any defects in the title to the Development Property. If Developer fails to so object, Developer will be deemed to have waived any right to object to title matters. If Developer so objects, the EDA may either (i) elect by written notice to Developer not to address such objections, in which case, Developer may elect to terminate this Agreement within three business days after such notice from the EDA or (ii) elect by written notice to Developer to attempt to address one or more of any such objections to the reasonable satisfaction of Developer, and if any such objection is not satisfactorily addressed by the Outside Closing Date, Developer may, as its sole remedy, elect to terminate this Agreement for failure of a Closing condition within three business days thereafter.

3.6 Due Diligence. Developer shall have until the date this is 60 days after the Effective Date (the “Due Diligence Deadline”) to conduct non-invasive inspections or reviews customary in the sale of commercial real estate in Minnesota of the Development Property. During this period, the EDA will make reasonable accommodations for Developer, or Developer’s agents, to enter and inspect and evaluate the Development Property. Developer may terminate this Agreement, at Developer’s sole and absolute discretion, if the Development Property is not satisfactory and if Developer provides notice to the EDA before the expiration of the Due Diligence Deadline. If Developer so terminates, Developer shall provide the EDA any reports or information relating to due diligence that were prepared by Developer or Developer’s agents. Developer shall defend, indemnify and hold harmless the EDA and the City, and their respective tenants, agents, employees and contractors, and the Development Property, from and against any and all loss, cost, damage, liability, settlement, cause of action or threat thereof or expense (including, without limitation, reasonable attorneys’ fees and costs) relating to the inspections or the activities at the

Development Property of Developer, its employees, agents, and contractors. The foregoing indemnity shall survive the Closing or the earlier termination this Agreement.

3.7 Conditions Precedent to Closing.

(a) EDA Contingencies. The EDA's obligation to close on the Land Transfer is expressly conditioned upon each of the following contingencies being satisfied or waived by the EDA on or before the Outside Closing Date:

(i) Developer shall have performed all of its obligations required to be performed by Developer under this Agreement as of the date of Closing Date and shall not be in default under this Agreement.

(ii) Developer shall have delivered to the EDA all of the Developer Deliveries in accordance with Section 3.8(a).

(iii) Developer shall have delivered Project Funding Certificate to the EDA and the EDA shall have approved the same.

(iv) Developer shall have obtained all Project Approvals, which may be conditioned only on Developer's acquisition of the Development Property.

(v) Developer shall have obtained all required construction and building permits necessary to immediately Commence construction of the Project.

(i) The representations and warranties of Developer hereunder shall be true and correct as the Closing Date.

(b) Developer Contingencies. Developer obligation to close on the Land Transfer is expressly conditioned upon each of the following contingencies being satisfied or waived by Developer on or before the Outside Closing Date:

(i) The EDA shall have delivered to Developer all of the EDA Deliveries in accordance with Section 3.8(b).

(ii) The EDA shall have approved the Financing Commitment.

(vi) Developer shall have obtained all Project Approvals, which may be conditioned only on Developer's acquisition of the Development Property.

(iii) The EDA shall have cured any objections to the title of the Development Property agreed to cured by the EDA in writing in accordance with Section 3.5, if any

(c) EDA and Developer Options. In the event that any of the foregoing contingencies are not satisfied on or before the Outside Closing Date Developer or the EDA, as applicable, may:

(i) terminate this Agreement by written notice to the other party; or

(ii) waive such failure and proceed to Closing.

In the event that all of the above conditions required to be satisfied as provided in this Section 3.7 have not been satisfied (or waived by the applicable party) by the Outside Closing Date,

then either the City and the EDA or Developer may terminate this Agreement if such conditions are not satisfied within 30 days following notice to the non-terminating party by the terminating party. Upon such termination, the provisions of this Agreement relating to the Project shall terminate and, except as provided in Section 10.6, neither Developer, the City nor the EDA shall have any further liability or obligation to the other hereunder.

3.8 Land Transfer Closing. The Closing of the Land Transfer will close, as provided below.

(a) Developer Deliveries. At the Closing, Developer shall execute, where appropriate, and deliver all of the following to the City and/or EDA, as applicable (collectively, the “Developer Deliveries”):

(i) The Purchase Price in immediately available funds.

(ii) Developer’s original executed counterpart to the Trust Fund Grant Agreement.

(iii) Such affidavits of Developer and/or the Land Trust or other documents as may be reasonably required by the Escrow Agent (including a Certificate of Real Estate Value) to record the Deed and issue any title insurance policy required by Developer.

(iv) A resolution of the governing body of Developer authorizing and approving the transaction contemplated by this Agreement, certified as true and correct by an officer of Developer.

(v) Any other instruments or other deliveries required by this Agreement or otherwise reasonably requested by the Escrow Agent, the City, or the EDA to consummate the Closing.

(a) EDA Deliveries. At the Closing, the City and/or the EDA, as applicable, shall execute, where appropriate, and deliver all of the following (collectively, the “EDA Deliveries”):

(i) A quit claim deed in the Minnesota Uniform Conveyancing Blank form properly executed on behalf of the EDA conveying the Development Property to the Land Trust (the “Deed”).

(ii) A Minnesota Uniform Conveyancing Blank Form 50.1.3 Affidavit Regarding Business Entity.

(iii) A non-foreign affidavit containing such information as required by Internal Revenue Code Section 1445(b)(ii) and any regulations relating thereto.

(iv) A Minnesota Well Disclosure Certificate unless the Deed includes this Statement: “Seller certifies that Seller does not know of any wells on the described real property.”

(v) The City’s and EDA’s original executed counterpart to the Memorandum.

(vi) The City’s original executed counterpart to the Trust Fund Grant Agreement.

(vii) Such information as required by Developer or Escrow Agent to permit Developer or Escrow Agent to file an electronic certificate of real estate value.

(viii) Any other instruments or other deliveries required by this Agreement or otherwise reasonably requested by the Escrow Agent or Developer to consummate the Closing.

(b) Prorations. The EDA and Developer shall make the following prorations and allocations of costs and expenses of each Land Transfer:

(i) Developer will be responsible for title examination costs, title insurance premiums and the cost of any survey.

(ii) Developer will be responsible for all costs and expenses associated with the Project Approvals.

(iii) Developer will pay the closing fee and any escrow fees imposed by the Escrow Agent in connection with the Land Transfer.

(iv) Developer shall pay the state deed tax due on the Deed to be delivered by the EDA under this Agreement.

(v) Developer shall pay the cost of recording the Deed and all other documents.

(vi) All real estate taxes, special assessments, utility charges and other costs of the Development Property will be prorated to the Closing Date.

(vii) All costs incidental to the Land Transfer and Closing not otherwise specifically allocated in this Agreement shall be allocated in accordance with the custom and practice for similar transactions in the area in which the Project is located.

(c) “AS IS” Sale. DEVELOPER HEREBY EXPRESSLY ACKNOWLEDGES AND AGREES THAT IT IS PURCHASING THE DEVELOPMENT PROPERTY “AS IS,” AND “WITH ALL FAULTS,” AFTER SUCH INSPECTION, ANALYSIS, EXAMINATION AND INVESTIGATION DEVELOPER CARES TO MAKE AND EXPRESSLY WITHOUT COVENANT, WARRANTY OR REPRESENTATION BY EITHER THE CITY OR THE EDA AS TO PHYSICAL OR ENVIRONMENTAL CONDITION, TITLE, LEASES, RENTS, REVENUES, INCOME, EXPENSES, OPERATION, FLOOD PLAIN, SHORELAND, WETLANDS, ZONING OR OTHER REGULATION, COMPLIANCE WITH LAW, SUITABILITY FOR PARTICULAR PURPOSES, ALL OTHER MATTERS WHICH DEVELOPER DEEMS RELEVANT TO ITS PURCHASE OF THE DEVELOPMENT PROPERTY OR ANY OTHER MATTERS WHATSOEVER, EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THIS AGREEMENT.

3.9 Right of Reverter.

(a) Subject to an Unavoidable Delay, if Developer fails to cause the Commencement of construction of the Project by **November 1, 2023**, then the EDA may, in addition to such other rights and remedies that are available to the EDA hereunder, require that the Development Property be transferred back to the EDA. The EDA may, but shall not be obligated to, cause Developer to

reconvey the Development Property and all improvements thereon to the EDA by giving Developer notice of the EDA's exercise of its right of reverter pursuant to this section. The right of reverter under this section for the Development Property shall terminate and no longer be of any force and effect upon the Commencement of the Project.

(b) Within 15 days following Developer's receipt of the EDA's notice exercising its right of reverter (the "Reverter Closing Date"), Developer will convey fee title to the Development Property and all improvements thereon to the EDA by deed (the "Reverter Deed"), as follows:

(i) The EDA will pay Developer **\$325,000.00** as consideration for receiving the Reverter Deed, with the balance of the original Purchase Price paid to the EDA at the Closing to be retained by the EDA as liquidated damages for Developer's default in failing to timely construct the Project as provided herein, and the parties hereto acknowledge the difficulty and inconvenience of ascertaining the EDA's actual damages in the event of such Developer default and agree that the foregoing represents a fair and reasonable estimate of such damages;

(ii) Developer will convey the Development Property and any improvements thereon to the EDA free and clear of all encumbrances other than encumbrances that existed when the EDA conveyed the Development Property to Developer and easements or other encumbrances which the EDA has previously approved in writing;

(iii) Upon Developer's delivery of the Reverter Deed to the EDA, this Agreement shall terminate, Developer shall have no further rights to the Development Property or any improvements thereon, and neither the EDA nor Developer will have any rights or obligations under this Agreement other than obligations which, by the express terms of this Agreement, expressly survive a termination of this Agreement;

(iv) On or before the Reverter Closing Date, Developer will execute and deliver to the EDA a Minnesota Uniform Conveyancing Blank Form 50.3.1 Affidavit Regarding Business Entity confirming that there has been no labor or materials provided to the Development Property since the EDA's conveyance of the Development Property to Developer for which payment has not been made; and

(v) Developer shall deliver an updated title insurance commitment to the EDA evidencing the status of title to the Development Property.

Article IV Project Requirements

4.1 Commencement and Completion of Project. Developer shall cause the Commencement of the Project no later than **November 1, 2023** and Completion of the Project by no later than **December 31, 2024**.

4.2 Zoning Land Use Approvals; Building Permit. Developer shall use diligent, commercially reasonable efforts to obtain, in a timely manner, all required permits, licenses and approvals, and will meet, in a timely manner, all requirements of all local, state and federal laws and regulations, in each case, which must be obtained or met in connection with the development and construction of the Project, including, without limitation, all necessary building permits, variances, conditional use permits and zoning changes related to the Project from the City and all necessary approvals from Minnesota State Historic Preservation Office for the rehabilitation of the Ernst House (collectively, the "Project Approvals"). Nothing in this

Agreement shall limit the authority of the City with respect to zoning and land use approvals and all zoning and land use approvals shall be by the City Council or the City planning commission in accordance with the ordinances of the City. Nothing in this Agreement shall limit the governmental authority of the City with respect to its building and construction permitting process for the Project. Developer shall comply with all applicable City building codes and construction requirements and shall be responsible for obtaining all building permits prior to construction.

4.3 EDA Review of Development Plans. Prior to submitting any development and/or construction plans for the Project to City for any step of the City's regulatory review and approval process, Developer shall first make such plans available to the EDA's review and approval. The EDA shall not unreasonably withhold its approval of such plans if, in the reasonable discretion of the EDA, such plan: (a) conform to the Redevelopment Plan, the TIF Plan, this Agreement, and to any subsequent amendments thereto approved by the City; (b) conform to all applicable federal, state and local laws, ordinances, rules and regulations; (c) are adequate to provide for construction of the Project; and (d) no Event of Default has occurred and no default is then existing. No approval by the EDA shall relieve Developer of the obligation to comply with the terms of this Agreement, applicable federal, state and local laws, ordinances, rules and regulations, or to properly construct the Project. No approval by the EDA shall constitute a waiver of a default or Event of Default. Any disapproval of any such plans shall set forth the reasons therefore and shall be made within 30 days after the date of their receipt by the EDA. If the EDA rejects any such plans, in whole or in part, Developer shall submit new or corrected plans within 30 days after written notification to Developer of the rejection. The provisions of this Section relating to approval, rejection and resubmission of the applicable plans shall continue to apply until such plans have been approved by the EDA.

4.4 Undertaking of Project.

(a) All work with respect to the Project shall be in substantial conformity with the Project Approvals.

(b) Developer shall not interfere with, or construct any improvements over, any public street or utility easement without the prior written approval of the City. All connections to public utility lines and facilities shall be subject to approval of the City (in accordance with City code) and any applicable private utility provider. Except for public improvements, which are undertaken by the City or other governmental body and assessed against benefited properties, all street and utility installations, relocations, alterations and restorations shall be at Developer's expense and without expense to the City. Developer, at its own expense, shall replace any public facilities or utilities damaged during the Project by Developer or its agents or by others acting on behalf of or under the direction or control of Developer.

4.5 Certificate of Completion.

(a) Upon Developer's request following the EDA's certification that the Project is completed to the reasonable satisfaction of the EDA, the EDA will furnish Developer with a Certificate of Completion for the Project, in substantially the form attached hereto as **Exhibit D**, as conclusive evidence of satisfaction and termination of the agreements and covenants of this Agreement with respect to the obligations of Developer to complete the Project. The furnishing by the EDA of such Certificate of Completion shall not constitute evidence of compliance with or satisfaction of any obligation of Developer to any Mortgagee.

(b) If the EDA shall refuse or fail to provide a Certificate of Completion following Developer's request, the EDA shall, within 10 business days after Developer's request, provide Developer with a written statement specifying in what respects Developer has failed to complete

the Project in accordance with this Agreement, or is otherwise in default, and what measures or acts will be necessary, in the reasonable opinion of the EDA, for Developer to obtain the Certificate of Completion.

4.6 Progress Reports. Until the Certificate of Completion is issued for the Project, Developer shall make, in such detail as may reasonably be required by the EDA, and forward to the City and EDA, upon request by the City or EDA, a written report as to the actual progress of construction and the sale/leasing of the housing units to Qualified Households.

4.7 Access to Development Property. Developer agrees to permit the City, the EDA, and any of their respective officers, employees or agents access to the Development Property at all reasonable times for the purpose of inspection of all work being performed in connection with the Project; provided, however, that neither the City nor the EDA shall not have an obligation to inspect such work.

Article V

Project Financing; Public Assistance

5.1 Project Financing. Except as provided herein, and otherwise subject to the terms and conditions of this Agreement, Developer shall be responsible to pay all of the costs and expenses of the Project. Developer shall certify to the EDA no later than **October 1, 2023**, that Project funding sources sufficient to complete the Project have been committed to (or otherwise remain available to) Developer by delivering to the EDA a Project funding certificate in substantially the form attached here to as **Exhibit G** and containing an updated Sources and Uses Budget (the "Project Funding Certificate"). Promptly following the EDA's request, Developer agrees to submit to the EDA evidence of commitment(s) for financing which is adequate, in the EDA's reasonable discretion, for the construction of the Project. If the EDA reasonably finds that the financing complies with the terms of this Section 5.1 and is sufficiently committed and adequate in amount, to provide for the construction of the Project, the EDA shall notify Developer in writing of its approval, such approval shall not be unreasonably defined, conditioned, or delayed. If the EDA rejects the evidence of financing as inadequate, it shall do so in writing specifying the basis for the rejection and Developer shall have 30 days thereafter to submit evidence of commitment(s) for additional or alternate financing acceptable to the EDA. If Developer fails to submit such commitment(s) for financing acceptable to the EDA within said period of time or any additional period to which the EDA may agree, the EDA may notify Developer of its failure to comply with the requirement of this Section 5.1, such failure being a default hereunder.

5.2 Grant Applications. Developer, the City, and the EDA will cooperate in efforts to obtain available public grant funding to undertake the Project. The EDA shall contract for grant writing assistance to pursue grant funds from the Minnesota Housing Finance Agency. Other costs of preparing the grant applications shall be borne by Developer. City and EDA staff shall have the final authority to review and submit the grant applications to the applicable agency.

5.3 Waiver of Area Fees. In consideration of Developer's fulfillment of its obligations under this Agreement, the City hereby agrees to waive the following City development fees: (a) water area, (b) sanitary sewer area, (c) storm water area, (d) parkland dedication and (e) trails. The foregoing waiver does not include and Developer shall be responsible, for (i) all other standard charges and fees due with respect to real estate developments and allocable to the Development Property under City ordinances and the City code, including, but not limited to, building permit fees, plat fees, and inspection fees, and (ii) any and all water and/or sewer availability charges required by the City and/or the Metropolitan Council in connection with the Project. If Developer fails to achieve Completion of the Project in accordance with this Agreement or if this Agreement is terminated due to an Event of Default by Developer, then Developer shall be responsible for paying to the City any such fees waived by the City under this Section.

5.4 City Contribution to Design Fees. Developer will pay all architectural and engineering fees for the concept design for the Project. Thereafter, the City will be responsible for architectural and engineering fees incurred by Developer for the design development and construction documents for the Project up to an amount of **\$200,000**. Such fees shall initially be paid by Developer and shall be reimbursed by the City after issuance of the Certificate of Completion as provided herein and not more than 60 days after the request for reimbursement is delivered to the City by Developer together presentation of paid invoices and other documentation of such costs. Any design and engineering costs not reimbursable by the City as provided in this Section will be the responsibility of Developer.

5.5 Housing Trust Fund Contribution. In consideration of Developer's fulfillment of its obligations under this Agreement, the City agrees to provide a grant (the "Trust Fund Grant") to Developer in the original principal amount of up to **\$300,000.00** to reimburse Developer for Qualified Costs, pursuant to the terms and conditions of a grant agreement in substantially the form attached as Exhibit H (the "Trust Fund Grant Agreement"). The Trust Fund Grant will be funded from the City's Housing Trust Fund. The City shall fund the Trust Fund Grant pursuant to the Trust Fund Grant Agreement upon completion of the Project, the issuance of the Certificate of Completion, and Developer providing evidence of Qualified Costs in accordance with Section 5.6(b).

5.6 TIF Assistance.

(a) Generally. The City, in order to encourage Developer to proceed with the construction of the Project, and to assist Developer in paying the costs thereof, is willing to provide certain TIF assistance as permitted by the TIF Act and in accordance with the TIF Plan and otherwise in accordance with this Section. The City shall reimburse Developer, using Available Tax Increment on a pay-as-you-go basis, for Qualified Costs of the Project. The City shall, upon completion of the Project and the issuance of the Certificate of Completion therefor, issue the TIF Note to Developer and thereafter make reimbursement payments pursuant to the TIF Note, with said payments of principal and interest to be made on the dates (the "Payment Dates") specified in the TIF Note, subject to the following terms and conditions:

(i) The total principal amount of the TIF Note issued for the Project will not exceed **\$180,000**.

(ii) The unpaid principal of the TIF Note shall bear simple non-compounding interest from the date of issuance of the TIF Note, at **4.0%** per annum. Interest shall be computed on the basis of a 360 day year consisting of twelve (12) 30-day months.

(iii) The City shall be obligated to make the payments to Developer required pursuant to the TIF Note and this Section 5.6 *only from and to the extent of* the Available Tax Increment actually received from the TIF District for any tax year, and such payments shall never be considered to be a general obligation or indebtedness of the City or the EDA.

(iv) Calculated on an annual basis, the City will retain five percent (5.0%) of the Tax Increment generated from the Project for administrative costs and apply the retained Tax Increment first to pay any administrative expenses relating to the Development Property to the extent permitted by the TIF Act and to the extent that such expenses have not been paid or reimbursed to the City by Developer. Any of the retained Tax Increment remaining after the payment of any administrative expenses then due and owing (the "Available Tax Increment") shall first be paid to Developer for reimbursement of the Qualified Costs plus interest on the Payment Dates, and any increment remaining thereafter shall be retained by the City.

(v) Upon 30 days' written notice to Developer, the City may prepay all or a portion of the outstanding principal balance due to Developer pursuant to this Section 5.6 without penalty, on any date at a prepayment price equal to the outstanding principal balance to be prepaid plus accrued interest to the prepayment date.

(vi) The City shall not be obligated to make any payments hereunder subsequent to the termination of this Agreement as provided in Section 7.2 hereof, and any amounts remaining unpaid as of such date (other than by reason of failure of the City to comply with the terms of this Agreement) shall be considered forgiven by Developer and shall cease to be owing.

(vii) Developer may assign its rights under this Agreement (including the payments to be made to Developer hereunder) to secure financing incurred by Developer to pay costs of the Project, including but not limited to any Mortgagee.

(b) Evidence of Qualified Costs. Upon payment by Developer of Qualified Costs for the Project, Developer will deliver to the City an instrument executed by Developer (i) specifying the amount and nature of the Qualified Costs to be reimbursed and (ii) certifying that such costs have been paid to third parties unrelated to Developer, or if any costs have been paid to third parties related to Developer, that such costs do not exceed the reasonable and customary costs of services, labor or materials of comparable quality, dependability, availability and other pertinent criteria and that such costs have not previously been contained in an instrument furnished to the City pursuant to this Section 5.6. Together with such instrument, Developer shall deliver to the City evidence reasonably satisfactory to the City of the payment by Developer of such costs to be reimbursed.

(c) Satisfaction of Conditions Precedent. Notwithstanding anything to the contrary contained herein, the City's obligation to reimburse Developer for Qualified Costs under the TIF Note shall be subject to satisfaction, or waiver in writing by the City, of all of the following conditions precedent:

(i) the Certificate of Completion has been issued for the Project;

(ii) Developer has provided written evidence reasonably satisfactory to the City that Qualified Costs in the amount to be reimbursed from the Available Tax Increment have been incurred for the Project and paid by Developer; and

(iii) Developer shall not be in default under the terms of this Agreement or any Project Approvals beyond any applicable cure period.

5.7 Funding Gap; Funding Surplus; Public Assistance Adjustment. The financial assistance to Developer under this Agreement is based on certain assumptions regarding likely costs and expenses associated with constructing the Project. The parties hereto agree that those assumptions may be reviewed in connection with Developer's delivery of the Project Funding Certificate. If the total Project costs reflected in the Project Funding Certificate are higher than set forth in the initial Project Sources and Uses Budget attached hereto, thereby creating a Project funding gap (the "Funding Gap"), then Developer shall first endeavor to cover the Funding Gap by increasing the sale prices of the housing units thereon to the Qualified Households. If the Funding Gap cannot be reasonably covered by such price increases and/or other funding sources reasonably available, the City and the EDA will consider undertaking to cover the Funding Gap by increasing the Trust Fund Grant and/or providing Developer with additional TIF Assistance in the manner provided in Section 5.6. Any increase in the Trust Fund Grant or provision of TIF Assistance will require approval by City Council and the Board. If the total Project costs reflected in the

Project Funding Certificate are lower than set forth in the initial Project Sources and Uses Budget attached hereto, thereby creating a Project funding surplus (the “Funding Surplus”), then such Funding Surplus shall first be applied to reduce the Trust Fund Grant and thereafter any remaining Funding Surplus be applied as directed by the City and the EDA.

5.8 Legal and Administrative Expenses. Except as otherwise provided in this Agreement, each party shall pay its own legal and administrative expenses that are incurred in connection with the negotiating, approval and documentation of this Agreement.

Article VI Prohibitions Against Assignment and Transfer

6.1 Transfer of Property and Assignment. Other than conveyance of the Development Property to the Land Trust as provided herein and leases or other conveyances of the Development Property permitted under the Land Trust to Qualified Households made to in the ordinary course of business, Developer has not made and will not make, or suffer to be made, any total or partial sale, assignment, conveyance, lease, or other transfer, with respect to this Agreement, the Project or Development Property or any part thereof or any interest therein (other than any Mortgage or Mortgages securing financing for the Project or other than any assignment of the payments to be made to Developer under Section 5.6 hereof that is permitted under Section 5.6 hereof), or any contract or agreement to do any of the same, without the prior written approval of the City and the EDA, which shall not be unreasonably withheld or delayed. The City and the EDA shall be entitled to require as conditions to any such approval that: (a) the proposed transferee have the qualifications and financial responsibility, as reasonably determined by the City and the EDA, necessary and adequate to fulfill the obligations undertaken in this Agreement by Developer; (b) the proposed transferee, by recordable instrument satisfactory to the City and the EDA shall, for itself and its successors and assigns, assume all of the obligations of Developer under this Agreement. No transfer of, or change with respect to, ownership in the Project or the Development Property or any part thereof, or any interest therein, however consummated or occurring and whether voluntary or involuntary, shall operate, legally or practically, to deprive or limit the City and the EDA of or with respect to any rights or remedies or controls provided in or resulting from this Agreement with respect to the Project or the Development Property and the completion of the Project that the City and the EDA would have had, had there been no such transfer or change. There shall be submitted to the City and the EDA for review all legal documents relating to the transfer. In the absence of specific written agreement by the City and the EDA to the contrary, no approval of any assignment or transfer by the City and the EDA thereof with respect to any transfer or assignment shall be deemed to relieve Developer, or any other party bound in any way by this Agreement or otherwise with respect to the Completion of the Project, from any of their obligations with respect thereto.

Article VII Event of Default; Fees

7.1 Events of Default. The following shall be “Events of Default” under this Agreement and the term “Event of Default” shall mean, whenever it is used in this Agreement (unless the context otherwise provides), any one or more of the following events which occurs and continues for more than 15 days after written notice thereof to Developer setting forth with specific particularity the default and the action required to cure or remedy the same (the “Default Notice”); provided, however, if a longer period is reasonably required to complete the cure, then the cure period shall be extended as may be reasonably required to complete the cure as soon as reasonably possible under the circumstances not to exceed 90 days and so long as Developer is diligently and continuously attempting to cure such failure:

- (a) Subject to Unavoidable Delay, failure of Developer to achieve Commencement and Completion of the Project by the applicable dates set forth in Section 4.1.

(b) Failure of Developer to otherwise construct or reconstruct the Project as required hereunder.

(c) Failure of Developer to obtain the EDA's approval of any development plans for the Project as required by Section 4.3.

(d) Failure of Developer to pay to the City or the EDA any amounts required to be paid by Developer hereunder.

(e) Failure of Developer to observe and perform any other covenant, condition, obligation or agreement on its part to be observed or performed hereunder.

(f) Failure of Developer to pay any taxes on the Development Property prior to the same becoming delinquent.

(g) Filing of any voluntary petition in bankruptcy or similar proceedings by Developer; general assignment for the benefit of creditors made by Developer or admission in writing by Developer of inability to pay its debts generally as they become due; or filing of any involuntary petition in bankruptcy or similar proceedings against Developer which are not dismissed or stayed within 60 days.

7.2 Remedies on Default. Upon the occurrence of an Event of Default, the City and/or the EDA, as applicable, may take any one or more of the following actions at any time prior to Developer's curing or remedying the Event of Default:

(a) terminate this Agreement;

(b) suspend its performance under this Agreement and/or the TIF Note until Developer cures its default to the satisfaction of the City and the EDA and thereafter continues its performance under this Agreement.

(c) withhold the Certificate of Completion.

(a) take whatever action at law or in equity may appear necessary or desirable to the City or the EDA to collect any payments due under this Agreement, or to enforce performance and observance of any obligation, agreement, or covenant of Developer under this Agreement; and

(b) exercise any remedies available at law and in equity to enforce performance of this Agreement, including a right to specific performance.

7.3 No Remedy Exclusive. No remedy herein conferred upon or reserved to the City, or to Developer is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the City, or Developer to exercise any remedy reserved to them, it shall not be necessary to give notice, other than such notice as may be required under this Agreement.

7.4 Waivers. All waivers by any party to this Agreement shall be in writing. If any provision of this Agreement is breached by any party and thereafter waived by another party, such waiver shall be

limited to the particular breach so waived and shall not be deemed to waive any other concurrent, previous or subsequent breach hereunder.

7.5 Agreement to Pay Attorneys' Fees. Whenever any Event of Default occurs and the City and/or the EDA shall employ attorneys or incur other expenses for the collection of payments due or to become due or for the enforcement or performance or observance of any obligation or agreement on the part of Developer herein contained, Developer agrees that it shall, on demand therefor, pay to the City and/or the EDA, as applicable, the reasonable fees of such attorneys and such other expenses so incurred by the City and/or the EDA.

Article VIII **Indemnification; Insurance**

8.1 Indemnification.

(a) Developer shall indemnify and hold harmless the City and the EDA and their respective governing body members, officers, and agents including the independent contractors, consultants, and legal counsel, servants and employees thereof (hereinafter, for the purposes of this Section, collectively the "Indemnified Parties") for any expenses (including reasonable attorneys' fees), loss (excluding consequential, special or punitive damages except to the extent payable to third parties by any Indemnified Parties), damage to property, or death of any person occurring at or about, or resulting from any defect in, the Project; provided, however, Developer shall not be required to indemnify any Indemnified Party for any claims or proceedings that Developer proves arose from any grossly negligent, intentional misconduct, or unlawful acts or omissions of such Indemnified Party. Promptly after receipt by the City or the EDA of notice of the commencement of any action in respect of which indemnity may be sought against Developer under this Section 8.1, such person will notify Developer in writing of the commencement thereof, and, subject to the provisions hereinafter stated, Developer shall assume the defense of such action (including the employment of counsel, who shall be counsel reasonably satisfactory to the City and the EDA) and the payment of expenses insofar as such action shall relate to any alleged liability in respect of which indemnity may be sought against Developer. The City and the EDA shall have the right to employ separate counsel in any such action and to participate in the defense thereof, but the fees and expenses of such counsel shall not be at the expense of Developer unless the employment of such counsel has been specifically authorized by Developer. Notwithstanding the foregoing, if the City or the EDA has been advised by independent counsel that there may be one or more legal defenses available to it which are different from or in addition to those available to Developer, Developer shall not be entitled to assume the defense of such action on behalf of the City or the EDA, as applicable, but Developer shall be responsible for the reasonable fees, costs and expenses (including the employment of counsel) of the City and/or the EDA, as applicable, in conducting their defense. Developer shall not be liable to indemnify any person for any settlement of any such action effected without Developer's consent. The omission to notify Developer as herein provided will not relieve Developer from any liability which they may have to any Indemnified Party pursuant hereto, otherwise than under this Section.

(b) Developer agrees to protect and defend the Indemnified Parties, and further agrees to hold the aforesaid harmless, from any claim, demand, suit, action or other proceeding whatsoever by any person or entity arising or purportedly arising from the actions or inactions of Developer (or other persons acting on its behalf or under its direction or control) under this Agreement, or the transactions contemplated hereby or the acquisition, construction, installation, ownership, and operation of the Project; provided that this indemnification shall not apply to the warranties made or obligations undertaken by the City or the EDA in this Agreement but shall, in any event, apply

to any pecuniary loss (excluding consequential, special or punitive damages except to the extent payable to third parties by any of the Indemnified Parties) or penalty (including interest thereon from the date the loss is incurred or penalty is paid by the City or EDA at a rate equal to the prime rate) as a result of the Project, as constructed and operated by Developer, causing the TIF District to cease to qualify as an “redevelopment district” under the TIF Act or to violate limitations as to the use of the revenues therefrom as set forth in the TIF Act.

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

8.2 Insurance.

(a) Developer shall obtain and continuously maintain insurance on the Project and, from time to time at the request of the City or the EDA, furnish proof to the City and the EDA that the premiums for such insurance have been paid and the insurance is in effect. The insurance coverage described below is the minimum insurance coverage that Developer must obtain and continuously maintain, provided that Developer shall obtain the insurance described in clause (i) below with respect to the Project prior to the Commencement of construction thereof and is only obligated to maintain the insurance described in clause (i) until Developer receives a Certificate of Completion:

(i) Builder’s risk insurance, written on the so-called “Builder’s Risk-Completed Value Basis,” in an amount equal to 100% of the insurable value of the Project at the date of Completion, and with coverage available in non-reporting form on the so-called “all risk” form of policy.

(ii) Fire, extended coverage perils, vandalism and malicious mischief, boiler explosion (but only if steam boilers are present), collapse on a replacement cost basis in an amount equivalent to the full insurable value thereof. (“Full insurable value” shall include the actual replacement cost of the Project, exclusive of foundations and footings, without deduction for architectural, engineering, legal or administrative fees or for depreciation.)

(iii) Comprehensive general liability insurance (including operations, contingent liability, operations of subcontractors, completed operations and contractual liability insurance) together with an Owner’s/Contractor’s Policy naming the City and the EDA, as an additional insured, with limits against bodily injury and property damage of not less than \$5,000,000 for each occurrence (to accomplish the above-required limits, an umbrella excess liability policy may be used), written on an occurrence basis.

(iv) Workers compensation insurance, for employees of Developer if and to the extent required by Law.

(b) All insurance required in this Article shall be obtained and continuously maintained by responsible insurance companies selected by Developer which are authorized under the laws of the State to assume the risks covered by such policies. If available on commercially reasonable terms, each policy must contain a provision that the insurer will not cancel nor modify the policy in a manner that would adversely impact coverage without giving written notice to the insured at least 30 days before the cancellation or modification becomes effective. Not less than 15 days prior to the expiration of any policy, Developer must renew the existing policy or replace the

policy with another policy conforming to the provisions of this Section. In lieu of separate policies, Developer may maintain a single policy, blanket or umbrella policies, or a combination thereof, having the coverage required herein. The policies required by this Section 8.2 shall be subject to a no coinsurance clause or contain an agreed amount clause, and may contain a deductibility provision not exceeding \$25,000.

Article IX
Other Covenants

9.1 Real Property Taxes. Prior to the Termination Date, Developer shall pay all real property taxes payable with respect to all and any parts of the Development Property acquired and owned by it until Developer's obligations have been assumed by any other person pursuant to the provisions of this Agreement.

Developer agrees that prior to the Termination Date:

(a) It will not seek administrative review or judicial review of the applicability of any tax statute relating to the ad valorem property taxation of real property contained on the Development Property determined by any tax official to be applicable to the Project or Developer or raise the inapplicability of any such tax statute as a defense in any proceedings with respect to the Development Property, including delinquent tax proceedings; provided, however, "tax statute" does not include any local ordinance or resolution levying a tax;

(b) It will not seek administrative review or judicial review of the constitutionality of any tax statute relating to the taxation of real property contained on the Development Property determined by any tax official to be applicable to the Project or Developer or raise the unconstitutionality of any such tax statute as a defense in any proceedings, including delinquent tax proceedings with respect to the Development Property; provided, however, "tax statute" does not include any local ordinance or resolution levying a tax;

(c) It will not seek any tax deferral or abatement, either presently or prospectively authorized under M.S., Section 469.1813, or any other State or federal law, of the ad valorem property taxation of the Development Property between the date of execution of this Agreement and the Termination Date.

9.2 Action to Reduce Taxes. Developer may seek through petition or other means to have the market value for the Development Property reduced. Until the TIF Note is fully paid, such activity must be preceded by written notice from Developer. Upon receiving such notice, or otherwise learning of Developer's intentions, the City may suspend payments due under the TIF Note until the actual amount of the reduction is determined, whereupon the City will make the suspended payments less any amount that the City is required to repay the County as a result any reduction in market value of the Development Property. During the period that the payments are subject to suspension, the City may make partial payments on the TIF Note if it determines, in its sole and absolute discretion, that the amount retained will be sufficient to cover any repayment which the County may require. The City's suspension of payments on the TIF Note pursuant to this Section shall not be considered a default under this Agreement.

9.3 Damage or Destruction. Subject to any mortgage requirements, upon any damage or destruction of the Project, or any portion thereof, by fire or other casualty, Developer shall within 60 days after such damage or destruction, commence the process required to repair, reconstruct and restore the

damaged or destroyed Project, or portion thereof, to substantially the same condition or utility value as existed prior to the event causing such damage or destruction and shall diligently pursue such repair, reconstruction and restoration.

9.4 Relocation Costs. Developer shall pay all relocation costs or expenses required under federal or state law to be paid to any owner or occupant of the Development Property as a result of the Project, and shall indemnify and hold harmless the City, its governing body members, officers, and agents including the independent contractors, consultants, and legal counsel, servants and employees thereof from any such relocation costs and expenses in accordance with the provisions of Section 8.1.

9.5 Restrictions on Use. During the term of the TIF District, Developer shall (a) not permit the Development Property to be exempt from real estate taxes notwithstanding the ownership or use of the land; (b) not permit the Development Property to be used for any use which would cause the Development Property to be valued and assessed for real estate tax purposes at a lower percentage of its market value than the Development Property is then being valued and assessed for real estate tax purposes or would result in the Development Property becoming exempt from real estate taxes; (c) cause the Development Property to be devoted to uses consistent with an “redevelopment district” under Minnesota Statutes, Sections 469.174 through 469.1794, and the uses specified in the Redevelopment Plan, this Agreement and other agreements entered into between Developer and the City; (d) cause the owner of the Development Property to not discriminate upon the basis of race, color, creed, religion, national origin, sex, marital status, disability, status with regard to public assistance, sexual orientation, and familial status in the sale, lease, or rental or in the use or occupancy of the Development Property, the Project or any part thereof; and (e) develop the Development Property in an orderly manner consistent with the City’s zoning ordinances and comprehensive plan.

Article X General Provisions

10.1 Conflicts of Interest; City Representatives Not Individually Liable. No member, official, employee, or consultant or employee of a consultant of the City or the EDA shall have any personal interest, direct or indirect, in this Agreement, nor shall any such member, official, consultant or the consultant’s employees or employee participate in any decision relating to this Agreement which affects his or her personal interests or the interests of any corporation, partnership, or association in which he or she is directly or indirectly interested. No member, official, consultant or consultant’s employee, or employee of the City or the EDA shall be personally liable to Developer, or any successor in interest, in the event of any default or breach by the City or the EDA or for any amount which may become due to Developer or successors or on any obligations under the terms of this Agreement. No member, official, consultant or consultant’s employee, or employee of Developer shall be personally liable to the City or the EDA, or any successor in interest, in the event of any default or breach by Developer or for any amount which may become due to the City and/or the EDA on any obligations under the terms of this Agreement.

10.2 Equal Employment Opportunity. Developer, for itself and its successors and assigns, agrees that during the construction of the Project it will comply with any applicable affirmative action and nondiscrimination laws or regulations.

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

10.4 Business Subsidies Act. The parties hereto agree that the Project is exempt from the requirement for entering into a business subsidy agreement within the meaning of the Minnesota Business

Subsidy Act, Minnesota Statutes, Sections 116J.993 through 116J. 995, because the TIF Assistance provides assistance for housing within the meaning of Minnesota Statutes, Section 116J.993, subd. 3(7).

10.5 Term of Agreement. This Agreement shall terminate upon the Termination Date; it being expressly agreed and understood that the provisions of this Agreement are intended to survive the expiration and satisfaction of any security instruments placed of record contemporaneously with this Agreement, if such expiration and satisfaction occurs prior to the expiration of the term of this Agreement, as stated in this Section 10.5.

10.6 Provisions Surviving Termination. The following section will survive any termination, rescission, or expiration of this Agreement with respect to or arising out of any event, occurrence, or circumstance existing prior to the date thereof: Section 3.9 [Right of Reverter]; Section 7.2 [Remedies on Default] to the extent of any Event of Default arising prior to such termination or expiration Section 8.1 [Indemnification]; Section 8.2 [Insurance]; Section 10.7 [Notices and Demands]; and Section 10.8 [Governing Law, Jurisdiction, Venue and Waiver of Trial by Jury].

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

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

Carver County Community Development Agency
705 N. Walnut Street
Chaska, MN 55318
Attention: Executive Director

- (b) in the case of the City, addressed or delivered personally to:

City of Chaska
500 4th Avenue NE
Chaska, MN 55912
Attention: City Administrator

with a copy to:

Jay R. Lindgren
Dorsey & Whitney LLP
50 South Sixth Street, Suite 1500
Minneapolis, MN 55402

- (c) in the case of the EDA, addressed or delivered personally to:

Chaska Economic Development Authority
500 4th Avenue NE
Chaska, MN 55912
Attention: Executive Director

with a copy to:

Jay R. Lindgren
Dorsey & Whitney LLP
50 South Sixth Street, Suite 1500
Minneapolis, MN 55402

Each party, by notice given hereunder to the other parties, may designate different addresses to which subsequent notices, certificates or other communications should be sent.

10.8 Governing Law, Jurisdiction, Venue and Waiver of Trial by Jury. All matters, whether sounding in tort or in contract, relating to the validity, construction, performance, or enforcement of this Agreement shall be controlled by, interpreted and determined in accordance with the laws of the state of Minnesota without regard to its conflict and choice of law provisions. Any litigation arising out of this Agreement shall be venued exclusively in Carver County District Court, state of Minnesota and shall not be removed therefrom to any other federal or state court. Developer, the City, and the EDA hereby consent to personal jurisdiction and venue in the foregoing court. Developer, the City, and the EDA hereby waive trial by jury for any litigation arising out of this Agreement.

10.9 Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon the City, the EDA, and Developer and their respective successors and assigns.

10.10 Severability. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

10.11 Amendments, Changes and Modifications. This Agreement may be amended or any of its terms modified only by written amendment authorized and executed by the City, the EDA, and Developer.

10.12 Further Assurances and Corrective Instruments. The City, the EDA, and Developer agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Development Property or the Project or for carrying out the expressed intention of this Agreement.

10.13 City/EDA Approval. Unless the City Council or Board, as applicable, determines otherwise in its discretion, whenever this Agreement provides for the consent or approval by the City or the EDA, such approval shall be given by, respectively, the City Administrator or the Executive Director of the EDA (or in either case his/her designee), unless (a) this Agreement explicitly provides for approval by the City Council or the Board, (b) approval by the City Council or Board is required by law or (c) the approval, in the opinion of the City Administrator or the Executive Director, would result in a material change in the terms of this Agreement.

10.14 No Waiver of Governmental Immunity and Limitations on Liability. Nothing in this Agreement shall in any way affect or impair the City's or the EDA's immunity or the immunity of the City's and the EDA's employees, consultants and contractors, whether on account of official immunity, legislative immunity, statutory immunity, discretionary immunity or otherwise. Nothing in this Agreement shall in any way affect or impair the limitations on the City's or the EDA's liability or the liability of the City's and the EDA's employees, consultants and independent contractors. By entering into this Agreement, neither the City nor the EDA waives any rights, protections, or limitations as provided under law and equity for the EDA, the City, or of their respective employees, consultants and contractors.

10.15 Memorandum of Agreement. Neither party shall cause this Agreement to be recorded or filed in the real estate records of the County. However, at Closing, the parties shall execute, and Developer shall cause to be recorded on the title to the Development Property, a memorandum of this Agreement in substantially the form attached as **Exhibit I** (the “Memorandum”).

10.16 Superseding Effect. This Agreement reflects the entire agreement of the parties with respect to the items covered by this Agreement, and supersedes in all respects all prior agreements of the parties, whether written or otherwise, with respect to the items covered by this Agreement.

10.17 Data Practices Act. Developer acknowledges that all of the data created, collected, received, stored, used, maintained, or disseminated by Developer with regard to the performance of its duties under this Agreement are subject to the requirements of Chapter 13, Minnesota Statutes.

10.18 City and EDA Regulatory Authority. Nothing in this Agreement shall be construed to limit or modify the City’s or the EDA’s regulatory authority.

10.19 Time is of the Essence. Time is of the essence of this Agreement and each and every term and condition hereof; provided, however, that if any date herein set forth for the performance of any obligations by Developer, the City, or the EDA or for the delivery of any instrument or notice as herein provided should not be on a business day, the compliance with such obligations or delivery shall be deemed acceptable on the next following business day.

10.20 Relationship of Parties. Nothing in this Agreement is intended, or shall be construed, to create a partnership or joint venture among or between the parties hereto, and the rights and remedies of the parties hereto shall be strictly as set forth in this Agreement.

10.21 Captions. The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope of intent of any provisions or Sections of this Agreement.

10.22 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall constitute one and the same instrument.

10.23 Amendment and Restatement. This Agreement amends, restates, supersedes, and replaces, in its entirety that certain Purchase and Redevelopment Agreement dated December 20, 2021 executed by the parties hereto (the “Original Agreement”).

[Remainder of page intentionally left blank; signature(s) on following page(s)]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first above written.

CITY OF CHASKA, MINNESOTA

By: Mark Windschitl
Mayor

By: Matt Podhradsky
City Administrator

STATE OF MINNESOTA)
) ss.
COUNTY OF CARVER)

The foregoing instrument was acknowledged before me on this 6th day of June, 2023, by Mark Windschitl, the Mayor, and Matt Podhradsky, the City Administrator, of the City of Chaska, a Minnesota municipal corporation, on behalf of the corporation.

Vicki L Schmid
Notary Public



ECONOMIC DEVELOPMENT AUTHORITY OF THE
CITY OF CHASKA, MINNESOTA

By: Mark Windschitl
President

By: Matt Podhradsky
Executive Director

STATE OF MINNESOTA)
) ss.
COUNTY OF CARVER)

This instrument was acknowledged before me on this 26th day of June, 2023, by Mark Windschitl and Matt Podhradsky, the President and Executive Director, respectively, of Economic Development Authority of the City of Chaska, Minnesota, a Minnesota political subdivision, on behalf of the political subdivision.

Vicki L Schmid
Notary Public



CARVER COUNTY COMMUNITY DEVELOPMENT
AGENCY

By: _____

By: _____

STATE OF MINNESOTA)
) ss.
COUNTY OF CARVER)

The foregoing instrument was acknowledged before me on this ____ day of _____,
202__, by _____, the _____, and _____, the
_____, of the Carver County Community Development Agency, on behalf of the agency.

Notary Public

Exhibit A

Legal Description of Development Property

The real property and interests in such property located in the County of Carver, State of Minnesota and described as follows:

Parcel 1:

Lot 2, Block 37, except the Northerly 6 feet of the Westerly 48 feet thereof and also including the South 4 feet of the Easterly 94 feet of Lot 1, Block 37, City of Lots of Chaska, Carver County, Minnesota.

Parcel 2:

Lot 3, Block 37, City of Lots Chaska, Carver County, Minnesota.

Exhibit B

Sources and Uses Budget

ERNST RIEDELE HOUSE	Source - Ernst		Funding Accessed
	Ernst Sales	\$	250,000.00
	TIF	\$	180,000.00
	Land Grant	\$	100,000.00
	CDA Contribution	\$	50,000.00
	Total	\$	580,000.00
	Project Costs - Ernst		
	Ernst House (includes contingency)	\$	531,732.00
	Land	\$	100,000.00
	Fees	\$	-
	Special assessment costs	\$	6,043.68
	Total	\$	637,775.68

3 SINGLE FAMILY HOMES	Source - Townhomes		
	Townhome Sales	\$	600,000.00
	Land Grant	\$	339,210.00
	City Trust Fund	\$	300,000.00
	CDA Grant (2020)	\$	85,000.00
	CDA Grant (2021)	\$	100,000.00
	CDA Contribution	\$	110,000.00
	Met Council (2020)	\$	30,000.00
	Met Council (2023)	\$	180,000.00
	Total	\$	1,744,210.00
	Project Costs - Townhomes		
	3 Townhomes (includes contingency)	\$	1,589,793.00
	Land - Payable to City of Chaska	\$	300,000.00
	Fees	\$	7,455.00
Special assessment costs	\$	5,272.90	
Total	\$	1,902,520.90	

ARCHITECTURAL FEES	Sources - Architectural Fees		
	CDA	\$	40,000.00
	City TIF/HTF	\$	200,000.00
	Total	\$	240,000.00
	Uses - Architectural Fees		
	Preliminary concept	\$	50,000.00
	Design Development & Construction	\$	275,000.00
	Total	\$	325,000.00

TOTAL SOURCES	\$ 2,564,210.00
TOTAL USES	\$ 2,865,296.58
GAP	\$ (301,086.58)

Exhibit C

Qualified Costs

The estimated Qualified Costs of the TIF District are listed below that are eligible for reimbursement from tax increments of the TIF District. The categories below identify the categories of expenses that the parties agree may be reimbursed through tax increment financing. The amounts assigned to each category are estimates only and not independent limitations of Developer's Qualified Costs.

Costs of eliminating structurally substandard condition within the Ernst House consistent with M.S. Section 469.174, subd. 10	\$180,000
Total	\$180,000*

* Developer's Qualified Cost. The total principal amount of the TIF Note issued to reimburse Developer for Qualified Costs of the Project will not exceed **\$180,000**.

Exhibit D

Form of Certificate of Completion

WHEREAS, CARVER COUNTY COMMUNITY DEVELOPMENT AGENCY (the “Developer”), is the Developer of the property in the County of Carver and State of Minnesota described on **Exhibit A** hereto and made a part hereof (the “Development Property”); and

WHEREAS, the Development Property is subject to the provisions of a certain Amended and Restated Purchase and Redevelopment Agreement (the “Agreement”) in the Redevelopment Project Area No. 4 and Tax Increment Financing (Redevelopment) District No. 22, dated as of _____, 202__, between Developer, the City of Chaska, Minnesota, and the Economic Development Authority of the City of Chaska, Minnesota; and

WHEREAS, Developer has fully and duly performed all of the covenants and conditions of Developer under the Agreement with respect to the completion of the Project (as defined in the Agreement);

NOW, THEREFORE, it is hereby certified that all requirements of Developer under the Agreement with respect to the completion of the Project have been completed and duly and fully performed, and this instrument is to be conclusive evidence of the satisfactory termination of the covenants and conditions of the Agreement as they relate to the completion of the Project. All other covenants and conditions of the Agreement shall remain in effect and are not terminated hereby.

Dated this ____ day of _____, 20__.

CARVER COUNTY COMMUNITY DEVELOPMENT
AGENCY

By: _____

By: _____

Exhibit A

Development Property

The real property and interests in such property located in the County of Carver, State of Minnesota and described as follows:

Exhibit E

Form of Ground Lease

Exhibit F

Form of Limited Tax Increment Revenue Note

No. R- _____

\$[_____]

**UNITED STATES OF AMERICA
STATE OF MINNESOTA
CITY OF CHASKA**

**LIMITED REVENUE TAXABLE TAX INCREMENT NOTE NO. [__]
(Ernst House Redevelopment Project)**

PRINCIPAL AMOUNT: \$

INTEREST RATE: ____%

The City of Chaska, Minnesota (the “City”) for value received, promises to pay, but solely from the source, to the extent and in the manner hereinafter provided, to Carver County Community Development Agency, or its registered assigns (the “Owner”), the principal sum of [_____ dollars] (\$[_____]), in semi-annual installments payable on August 1, 20__, and on each February 1 and August 1 thereafter up to and including February 1, 20__ (each being a “Scheduled Payment Date”), together with interest on the outstanding and unpaid principal balance of this Limited Tax Increment Revenue Note (Ernst House Redevelopment Project) (this “Note”) at the rate of four percent (4%) per annum. Installment payments shall be applied first to interest and then to a reduction of outstanding principal. Interest on the outstanding balance of this Note shall accrue from the date hereof as simple, non-compounding interest. Each payment on this Note is payable in any coin or currency of the United States of America which on the date of such payment is legal tender for public and private debts and shall be made by check or draft made payable to the Owner and mailed to the Owner at the postal address within the United States designated from time to time by the Owner.

This Note is subject to prepayment on any Scheduled Payment Date at the option of the City, in whole or in part, upon payment to the Owner of the principal amount of the Note to be prepaid, without premium or penalty.

This Note is a special and limited obligation and not a general obligation of the City, which has been issued by the City in aid of financing a project pursuant to and in full conformity with the Constitution and laws of the State of Minnesota, including M.S., Sections 469.174 through 469.1794. This Note is issued pursuant to the provisions of that certain Amended and Restated Purchase and Redevelopment Agreement, dated as of _____, 202__, as the same may be amended from time to time (the “Redevelopment Agreement”), between the City and Carver County Community Development Agency (the “Developer”).

**THIS NOTE IS NOT PAYABLE OUT OF ANY FUNDS OR PROPERTIES OTHER THAN
PLEGGED TAX INCREMENT, AS DEFINED BELOW.**

The Note Payment Amounts due hereon shall be payable solely from a portion of the tax increments calculated annually, less the City’s administrative fee of five percent (5%) from the Development Property within the City’s Tax Increment Financing (Redevelopment) District No. 22 (the “TIF District”) within its Redevelopment Project Area No. 4, which are paid to the City and which the City is entitled to retain pursuant to the provisions of M.S., Sections 469.174 through 469.1794, as the same may be amended or supplemented from time to time (the “Available Tax Increment”). Any increment remaining after retaining the percentage noted above for the City’s administrative fee and the payment of the Note Payment Amounts due shall be retained by the City. The City makes no representation or covenant, express or implied, that

the Available Tax Increments will be sufficient to pay, in whole or in part, the amounts which are or may become due and payable hereunder.

The City shall pay to the Owner on each Scheduled Payment Date all Available Tax Increment on that date to the extent necessary to pay principal and interest then due and any past due installment. To the extent that the City is unable to pay the total principal and interest due on this Note at or prior to the February 1, 20__, maturity date hereof as a result of its having received as of such date insufficient Available Tax Increment, such failure shall not constitute a default under this Note and the City shall have no further obligation hereon.

This Note shall not be payable from or constitute a charge upon any funds of the City, and the City shall not be subject to any liability hereon or be deemed to have obligated itself to pay hereon from any funds except the Available Tax Increment, and then only to the extent and in the manner herein specified.


The Owner shall never have or be deemed to have the right to compel any exercise of any taxing power of the City or of any other public body, and neither the City nor any council member, officer, employee or agent of the City, nor any person executing or registering this Note shall be personally liable hereon by reason of the issuance or registration hereof or otherwise. The Owner may assign its rights hereunder, with notice thereof provided to City, in accordance with the associated TIF Agreement.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions, and things required by the Constitution and laws of the State of Minnesota to be done, to have happened, and to be performed precedent to and in the issuance of this Note have been done, have happened, and have been performed in regular and due form, time, and manner as required by law; and that this Note, together with all other indebtedness of the City outstanding on the date hereof and on the date of its actual issuance and delivery, does not cause the indebtedness of the City to exceed any constitutional or statutory limitation thereon.

IN WITNESS WHEREOF, the City of Chaska has caused this Note to be executed by the manual signatures of the Mayor and the City Administrator and has caused this Note to be dated as of June 26th, 2023



Mayor



City Administrator

Exhibit G

Form of Project Funding Certificate

Project Funding Certificate
(Ernst House Redevelopment Project)

CARVER COUNTY COMMUNITY DEVELOPMENT AGENCY (“Developer”) has entered into that certain Amended and Restated Purchase and Redevelopment Agreement with the CITY OF CHASKA, MINNESOTA, a municipal corporation and political subdivision of the State of Minnesota (the “City”), and the ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF CHASKA, MINNESOTA, a body corporate and politic of the State of Minnesota (the “EDA”), dated effective as of _____, 202__ (the “Redevelopment Agreement”).

Developer hereby certifies to the City and the EDA, pursuant to Section 5.1 of the Redevelopment Agreement, that (i) **Exhibit 1** attached hereto contains an updated Sources and Uses Budget for the Project that is true and correct as of the date hereof, (ii) that all funding sources identified on said **Exhibit 1** have been fully committed and available to Developer for the construction of the Project and (iii) such funds are in a sufficient amount to fully fund acquisition of the Development Property and construction of the Project as required by the Redevelopment Agreement.

Dated: _____

DEVELOPER:

CARVER COUNTY COMMUNITY DEVELOPMENT
AGENCY

By: _____

By: _____

Exhibit 1
to
Project Funding Certificate
(Ernst House Redevelopment Project)

SOURCE

AMOUNT

Exhibit H

Form of Trust Fund Grant Agreement

GRANT AGREEMENT

This Grant Agreement (the “Agreement”) is made this _____, 20__ (the “Effective Date”), by and between CITY OF CHASKA, MINNESOTA, a municipal corporation and political subdivision of the State of Minnesota (the “City”), and CARVER COUNTY COMMUNITY DEVELOPMENT AGENCY (the “Grantee”).

Recitals:

A. Grantee has proposed an affordable housing redevelopment project (the “Project”) on that certain real property located at 211 Walnut Street and 217 Walnut Street in the City (the “Development Property”), which Project consisted of (i) the rehabilitation of that certain existing historical structure located on that portion of the Development Property having an address of 211 Walnut Street and known as the “Ernst House” to create a new single-family housing unit (the “Ernst House”) and (ii) the construction of three (3) new single-family townhome housing units on that portion of the Development Property having an address of 217 Walnut Street (the “Residential Units”).

B. Grantee, the City, and the Economic Development Authority of the City of Chaska, Minnesota, a body corporate and politic of the State of Minnesota (the “EDA”) have entered into that certain Amended and Restated Purchase and Redevelopment Agreement dated _____, 2023 (as may be amended from time to time, the “Redevelopment Agreement”), pursuant to which (i) the EDA sold the Development Property to Grantee for the development and construction of the Project and (ii) the City and the EDA agreed to provide certain financial assistance to Grantee to support the construction of the Project and development of new affordable housing therein.

C. In accordance with the Redevelopment Agreement, as part of such financial assistance, the City has agreed to provide certain grant funding to Grantee from the City’s Housing Trust Fund (the “Grant”) in the original principal amount of up to \$[300,000.00] (“Maximum Grant Amount”) to reimburse Grantee for Qualified Costs.

NOW, THEREFORE, to induce the City to make the Grant to Grantee, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Recitals; Definitions. The foregoing Recitals are true and correct statements of fact and are incorporated into this Agreement by this reference, including the definitions set forth therein. Each capitalized term used herein and the Recitals, unless otherwise defined herein, shall have the meaning ascribed to such term in the Redevelopment Agreement.

2. Term of this Agreement. This Agreement shall take effect on the Effective Date, and shall expire the date that is **26th** anniversary of the Effective Date (the “Termination Date”), unless earlier terminated or rescinded in accordance with the terms hereof.

3. The Grant. Subject to and upon the terms and conditions of this Agreement, the City agrees to make the Grant to Grantee in an amount not to exceed the Maximum Grant Amount, which Grant shall be disbursed pursuant to this Agreement. If the actual total Project costs reflected in the Disbursement Request (defined below) are less than such total Project costs initially reflected in the Project Funding

Certificate, thereby creating a Project funding surplus (the “Funding Surplus”), then such Funding Surplus shall be applied to reduce the Maximum Grant Amount hereunder. In consideration of the Grant, Grantee agrees to perform all of its obligations under this Agreement. Grantee’s obligation to repay to the City the amount of the Grant disbursed hereunder shall cease and terminate on Termination Date provided that as of such date Grantee has fully completed performance of Grantee’s obligations and agreements set forth in this Agreement. Grantee agrees that the Grant proceeds shall be used only for reimbursement of Qualified Costs as provided herein.

4. Conditions Precedent to Disbursement. The obligation of the City to disburse the Grant to Grantee, which shall be made one disbursement, shall be subject to satisfaction, or waiver in writing by the City, of all of the following conditions precedent:

(a) the Certificate of Completion has been issued for the Project in accordance with Redevelopment Agreement;

(b) Grantee has delivered to the City an instrument and disbursement request in form and substance reasonably acceptable to the City executed by Grantee (collectively, the “Disbursement Request”) which:

(i) shows all costs and expenses of any kind actually paid or incurred in constructing the Project, the sources for funding such Project costs, and details any changes to the actual Project costs sources and uses from those described in the initial Project Funding Certificate, together with written evidence reasonably satisfactory to the City that such Project costs have been incurred for the Project and paid by Grantee;

(ii) requests disbursement of the Grant in an amount not to exceed the Maximum Grant Amount (as may be adjusted as provided herein) and specifies the amount and nature of the Qualified Costs to be reimbursed by the Grant;

(iii) includes a certified statement of Grantee that all Project costs have been paid to third parties unrelated to Grantee, or if any costs have been paid to third parties related to Grantee, that such costs do not exceed the reasonable and customary costs of services, labor or materials of comparable quality, dependability, availability and other pertinent criteria, together with written evidence reasonably satisfactory to the City of the payment by Grantee of such costs to be reimbursed (e.g., sworn construction statement and final mechanics’ lien waivers); and

(iv) shall constitute a representation and warranty by Grantee to the City that all representations and warranties of Grantee set forth in this Agreement and the Redevelopment Agreement are true and correct as of the date of such Disbursement Request.

(c) Grantee shall not be in default under the terms of this Agreement, the Redevelopment Agreement, or any Project Approvals beyond any applicable cure period, and Grantee shall have provided to the City such evidence of compliance with all of the provisions of the same as the City may reasonably request.

5. Disbursement of Grant Proceeds. The City shall disburse the Grant to Grantee no later than 30 days after Grantee has satisfied the conditions precedent to disbursement set forth in Section 3 above, so long as the condition set forth in Section 3(c) remains true and correct as of the date of disbursement.

6. Representations and Warranties; Agreements. Grantee represents and warrants to the City and agrees that:

(a) Grantee is a local government agency created by the Minnesota Legislature and has power to enter into this Agreement and has duly authorized, by all necessary corporate action, the execution and delivery of this Agreement.

(b) The execution and delivery of this Agreement, and the performance by Grantee of its obligations hereunder, do not and will not violate or conflict with any provision of law or any governing documents of Grantee and do not and will not violate or conflict with, or cause any default or event of default to occur under, any agreement binding upon Grantee.

(c) The execution and delivery of this Agreement has been duly approved by all necessary action of Grantee, and this Agreement has in fact been duly executed and delivered by Grantee and constitutes its lawful and binding obligation, legally enforceable against it.

(d) Grantee warrants and agrees that it shall keep and maintain books, records, and other documents relating directly to the receipt and disbursements of Grant proceeds and compliance by Grantee with the terms and conditions of the this Agreement (collectively, the "Records"). Grantee agrees that any duly authorized representative of the City shall, at all reasonable times, have access to and the right to inspect, copy, audit, and examine all Records.

(e) Grantee warrants that it has fully complied with all applicable state and federal laws pertaining to its business and will continue said compliance throughout the term of this Agreement. If at any time Grantee receives notice of noncompliance from any governmental entity, Grantee agrees to take any necessary action to comply with the state or federal law in question.

7. Restrictions on the Property. Grantee covenants and agrees that the use and ownership of the Development Property shall be made perpetually subject to the terms and conditions of the Carver County Community Land Trust (the "Land Trust"), such that the Development Property will be owned by the Land Trust for the purpose of preserving the affordability of housing units on the Development Property through the sale of the housing units and long-term leasing of the land under said housing units to households having incomes at or below **80%** of the Area Median Income for the Minneapolis-Saint Paul-Bloomington Metropolitan Statistical Area (including adjustments for household size) ("Qualified Households") or other persons and families of low and moderate income in compliance with M.S. Section 462A.31 and any successor statute, regulation, or law governing community land trusts in Minnesota (the "Land Trust Use"). Grantee shall otherwise cause the Development Property and Project to be in compliance with all of the conditions, covenants, restrictions and limitations imposed by this Agreement, the Redevelopment Agreement, and all applicable laws, ordinances and regulations.

8. Event of Default by Grantee. The following shall be "Events of Default" under this Agreement and the term "Event of Default" shall mean, whenever it is used in this Agreement (unless the context otherwise provides), any one or more of the following events which occurs and continues for more than 15 days after written notice thereof to Grantee setting forth with specific particularity the default and the action required to cure or remedy the same (the "Default Notice"); provided, however, if a longer period is reasonably required to complete the cure, then the cure period shall be extended as may be reasonably required to complete the cure as soon as reasonably possible under the circumstances not to exceed 90 days and so long as Grantee is diligently and continuously attempting to cure such failure:

(a) Failure of Grantee to observe and perform any other covenant, condition, obligation or agreement on its part to be observed or performed hereunder or under the Redevelopment Agreement.

(b) Failure of Grantee to pay any taxes on the Development Property prior to the same becoming delinquent.

(c) Any representation or warranty made by Grantee herein or in any document, instrument, or certificate given in connection with this Agreement, is materially false when made; or

(d) Filing of any voluntary petition in bankruptcy or similar proceedings by Grantee; general assignment for the benefit of creditors made by Grantee or admission in writing by Grantee of inability to pay its debts generally as they become due; or filing of any involuntary petition in bankruptcy or similar proceedings against Grantee which are not dismissed or stayed within 60 days.

9. The City's Remedies upon Grantee's Default.

(a) Remedies. Upon the occurrence of an Event of Default, the City may take any one or more of the following actions at any time prior to Grantee's curing or remedying the Event of Default:

(i) terminate this Agreement

(ii) suspend its performance under this Agreement;

(iii) demand, seek, and obtain repayment of the Grant proceeds from Grantee, plus interest thereon from the original date of disbursement of the Grant at the rate of 10% per annum, which amount shall be paid to the City within 10 days of written demand; and

(iv) take whatever action at law or in equity may appear necessary or desirable to the City to collect any payments due under this Agreement, or to enforce performance and observance of any obligation, agreement, or covenant of Grantee under this Agreement; an

(v) exercise any remedies available at law and in equity to enforce performance of this Agreement, including a right to specific performance.

(b) No Remedy Exclusive. No remedy herein conferred upon or reserved to the City is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the City to exercise any remedy reserved to them, it shall not be necessary to give notice, other than such notice as may be required under this Agreement.

(c) Waivers. All waivers by any party to this Agreement shall be in writing. If any provision of this Agreement is breached by any party and thereafter waived by another party, such

waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other concurrent, previous or subsequent breach hereunder.

(d) Agreement to Pay Attorneys' Fees. Whenever any Event of Default occurs and the City shall employ attorneys or incur other expenses for the collection of payments due or to become due or for the enforcement or performance or observance of any obligation or agreement on the part of Grantee herein contained, Grantee agrees that it shall, on demand therefor, pay to the City the reasonable fees of such attorneys and such other expenses so incurred by the City.

10. Indemnification. Grantee shall and does hereby agree to indemnify against and to hold the City, and its officers, agents, and employees, harmless of and from any and all liability, loss, or damage which it may or might incur by reason of or arising from any and all claims and demands whatsoever which may be asserted against it by reason of any alleged obligations or undertakings on its part to perform or discharge any of the terms, covenants or agreements contained herein. Should the City, or its officers, agents, or employees incur any such liability or be required to defend against any such claims or demands, or should a judgment be entered against the City, the amount thereof, including costs, expenses, and reasonable attorneys' fees, shall bear interest thereon at 10% per annum, shall be added to the Grant, and Grantee shall reimburse the City for the same immediately upon demand.

11. Insurance. Grantee shall obtain and continuously maintain insurance on the Project in the form and content required by the Redevelopment Agreement, and, from time to time at the request of the City, furnish proof to the City that the premiums for such insurance have been paid and the insurance is in effect.

12. Assignment. This Agreement shall be binding upon Grantee and its successors and assigns and shall inure to the benefit of the City and its successors and assigns. All rights and powers specifically conferred upon the City may be transferred or delegated by the City to any of its successors and assigns. Except conveyances of the Development Property permitted under the Land Trust to Qualified Households made to in the ordinary course of business, Grantee has not made and will not make, or suffer to be made, any total or partial sale, assignment, conveyance, lease, or other transfer, with respect to this Agreement, the Project or Development Property or any part thereof or any interest therein (other than any Mortgage or Mortgages securing financing for the Project or other than any assignment of the payments to be made to Grantee under Section 5.6 of Redevelopment Agreement that is permitted under Section 5.6 of the Redevelopment Agreement), or any contract or agreement to do any of the same, without the prior written approval of the City, which shall not be unreasonably withheld or delayed.

13. Damage or Destruction. Subject to any mortgage requirements, upon any damage or destruction of the Project, or any portion thereof, by fire or other casualty, Grantee shall within 60 days after such damage or destruction, commence the process required to repair, reconstruct and restore the damaged or destroyed Project, or portion thereof, to substantially the same condition or utility value as existed prior to the event causing such damage or destruction and shall diligently pursue such repair, reconstruction and restoration.

14. Miscellaneous.

(a) Conflicts of Interest; City Representatives Not Individually Liable. No member, official, employee, or consultant or employee of a consultant of the City shall have any personal interest, direct or indirect, in this Agreement, nor shall any such member, official, consultant or the consultant's employees or employee participate in any decision relating to this Agreement which affects his or her personal interests or the interests of any corporation, partnership, or association in which he or she is directly or indirectly interested. No member, official, consultant or

consultant's employee, or employee of the City shall be personally liable to Grantee, or any successor in interest, in the event of any default or breach by the City or for any amount which may become due to Grantee or successors or on any obligations under the terms of this Agreement. No member, official, consultant or consultant's employee, or employee of Grantee shall be personally liable to the City, or any successor in interest, in the event of any default or breach by Grantee or for any amount which may become due to the City on any obligations under the terms of this Agreement.

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

(c) Provisions Surviving Termination. The following section will survive any termination, rescission, or expiration of this Agreement with respect to or arising out of any event, occurrence, or circumstance existing prior to the date thereof: Section 9 [The City's Remedies upon Grantee's Default] to the extent of any Event of Default arising prior to such termination or expiration Section 10 [Indemnification]; Section 11 [Insurance]; Section 14(d) [Notices and Demands]; and Section 14(e) [Governing Law, Jurisdiction, Venue and Waiver of Trial by Jury].

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

(i) in the case of Grantee, addressed to or delivered personally to:

Carver County Community Development Agency
705 N. Walnut Street
Chaska, MN 55318
Attention: Executive Director

(ii) in the case of the City, addressed or delivered personally to:

City of Chaska
500 4th Avenue NE
Chaska, MN 55912
Attention: City Administrator

with a copy to:

Jay R. Lindgren
Dorsey & Whitney LLP
50 South Sixth Street, Suite 1500
Minneapolis, MN 55402

Each party, by notice given hereunder to the other parties, may designate different addresses to which subsequent notices, certificates or other communications should be sent.

(e) Governing Law, Jurisdiction, Venue and Waiver of Trial by Jury. All matters, whether sounding in tort or in contract, relating to the validity, construction, performance, or enforcement of this Agreement shall be controlled by, interpreted and determined in accordance

with the laws of the state of Minnesota without regard to its conflict and choice of law provisions. Any litigation arising out of this Agreement shall be venued exclusively in Carver County District Court, state of Minnesota and shall not be removed therefrom to any other federal or state court. Grantee and the City hereby consent to personal jurisdiction and venue in the foregoing court. Grantee and the City hereby waive trial by jury for any litigation arising out of this Agreement.

(f) Severability. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

(g) Amendments, Changes and Modifications. This Agreement may be amended or any of its terms modified only by written amendment authorized and executed by the City and Grantee.

(h) Further Assurances and Corrective Instruments. The City and Grantee agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Development Property or the Project or for carrying out the expressed intention of this Agreement.

(i) City Approval. Unless the City Council determines otherwise in its discretion, whenever this Agreement provides for the consent or approval by the City, such approval shall be given by the City Administrator (or his/her designee), unless (A) this Agreement explicitly provides for approval by the City Council, (B) approval by the City Council is required by law or (C) the approval, in the opinion of the City Administrator would result in a material change in the terms of this Agreement.

(j) No Waiver of Governmental Immunity and Limitations on Liability. Nothing in this Agreement shall in any way affect or impair the City's immunity or the immunity of the City's employees, consultants and contractors, whether on account of official immunity, legislative immunity, statutory immunity, discretionary immunity or otherwise. Nothing in this Agreement shall in any way affect or impair the limitations on the City's liability or the liability of the City's employees, consultants and independent contractors. By entering into this Agreement, the City does not waive any rights, protections, or limitations as provided under law and equity for the City, or of their respective employees, consultants and contractors.

(k) Superseding Effect. This Agreement reflects the entire agreement of the parties with respect to the items covered by this Agreement, and supersedes in all respects all prior agreements of the parties, whether written or otherwise, with respect to the items covered by this Agreement.

(l) Data Practices Act. Grantee acknowledges that all of the data created, collected, received, stored, used, maintained, or disseminated by Grantee with regard to the performance of its duties under this Agreement are subject to the requirements of Chapter 13, Minnesota Statutes.

(m) City a Regulatory Authority. Nothing in this Agreement shall be construed to limit or modify the City's regulatory authority.

(n) Time is of the Essence. Time is of the essence of this Agreement and each and every term and condition hereof; provided, however, that if any date herein set forth for the performance of any obligations by Grantee or the City or for the delivery of any instrument or

notice as herein provided should not be on a business day, the compliance with such obligations or delivery shall be deemed acceptable on the next following business day.

(o) Relationship of Parties. Nothing in this Agreement is intended, or shall be construed, to create a partnership or joint venture among or between the parties hereto, and the rights and remedies of the parties hereto shall be strictly as set forth in this Agreement.

(p) Captions. The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope of intent of any provisions or Sections of this Agreement.

(q) Counterparts. This Agreement may be executed in any number of counterparts, each of which shall constitute one and the same instrument.

[Remainder of page intentionally left blank; signature(s) on following page(s)]

IN WITNESS WHEREOF, the undersigned officers of the City and Grantee have executed this Grant Agreement as of the date and year first written above.

CITY:

CITY OF CHASKA, MINNESOTA

By: Mark Windschitl
Mayor

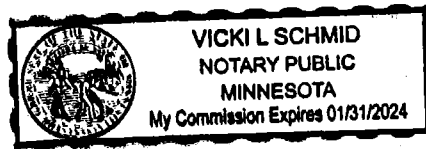
By: Matt Podhradsky
City Administrator

STATE OF MINNESOTA)
)
COUNTY OF CARVER)

ss.

The foregoing instrument was acknowledged before me on this 26th day of June, 2023, by Mark Windschitl, the Mayor, and Matt Podhradsky, the City Administrator, of the City of Chaska, a Minnesota municipal corporation, on behalf of the corporation.

Vicki L. Schmid
Notary Public



GRANTEE:

CARVER COUNTY COMMUNITY DEVELOPMENT
AGENCY

By: _____

By: _____

STATE OF MINNESOTA)
)
COUNTY OF CARVER)

ss.

The foregoing instrument was acknowledged before me on this ____ day of _____,
202____, by _____, the _____, and _____, the
_____, of the Carver County Community Development Agency, on behalf of the agency.

Notary Public

Exhibit I

Form of Memorandum of Agreement

Memorandum of Redevelopment Agreement

This Memorandum of Redevelopment Agreement (this "Memorandum") is entered into as of _____, 202__, by and among the CITY OF CHASKA, MINNESOTA, a municipal corporation and political subdivision of the State of Minnesota (the "City"), the ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF CHASKA, MINNESOTA, a body corporate and politic of the State of Minnesota (the "EDA"), and CARVER COUNTY COMMUNITY DEVELOPMENT AGENCY (the "Developer").

RECITALS:

A. The City, EDA, and Developer (collectively, the "Parties") have entered into a certain Amended and Restated Purchase and Redevelopment Agreement dated as of _____, 202__ (as the same may be amended or supplemented from time to time, the "Redevelopment Agreement"), whereby the Parties have agreed to various aspects of the redevelopment of certain real property more particularly described on the attached Exhibit A, together with all improvements, tenements, easements, rights and appurtenances pertaining to such real property, lying and being in Carver County, Minnesota (the "Property").

B. The Parties wish to give notice of the existence of the Redevelopment Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

1. The above recitals are incorporated by reference as if fully set forth herein.
2. Capitalized terms, when not defined herein, shall have the meanings ascribed to them in the Redevelopment Agreement.
3. The Parties have entered into the Redevelopment Agreement to set forth the terms and provisions governing the redevelopment of the Property.
4. This Memorandum has been executed and delivered by the Parties for the purpose of recording and giving notice that a contractual relationship for the redevelopment of the Property has been created between the Parties in accordance with the terms, covenants, and conditions of the Redevelopment Agreement.

5. The terms and conditions of the Redevelopment Agreement are incorporated by reference into this Memorandum as if fully set forth herein, specifically including, without limitation, the following provisions:

- (a) Developer's covenant that the use and ownership of the Development Property shall be perpetually subject to the terms and conditions of the of the Carver County Community Land Trust (the "Land Trust") such that the Residential Units constructed thereon shall be sold only to households having incomes at or below **80%** of the Area Median Income for the Minneapolis-Saint Paul-Bloomington Metropolitan Statistical Area (including adjustments for household size) ("Qualified Households") and the land underlying each such Residential Unit shall be leased only

to such Qualified Household pursuant to long-term ground lease in substantially the form set forth in the Redevelopment Agreement such that the Development Property will be owned by the Land Trust for the purpose of preserving the affordability of housing units on the Development Property, all as further provided in the Redevelopment Agreement; and

(b) a right of reverter of the Development Property in favor of the EDA if Developer fails to cause the Commencement of construction of the Project by [REDACTED], 2023.

6. This Memorandum may be executed separately in counterparts which, when taken together, shall constitute one and the same instrument.

[Remainder of page left blank intentionally; signature pages follow]

IN WITNESS WHEREOF, the Parties have executed this Memorandum as of the date first written above.

CITY OF CHASKA, MINNESOTA

By: Mark Windschitl
Mayor

By: Matt Podhradsky
City Administrator

STATE OF MINNESOTA)
) ss.
COUNTY OF CARVER)

The foregoing instrument was acknowledged before me on this 26th day of June, 2023, by Mark Windschitl, the Mayor, and Matt Podhradsky, the City Administrator, of the City of Chaska, a Minnesota municipal corporation, on behalf of the corporation.

Vicki L Schmid
Notary Public



ECONOMIC DEVELOPMENT AUTHORITY OF THE
CITY OF CHASKA, MINNESOTA

By: Mark Windschitl
President

By: Matt Podhradsky
Executive Director

STATE OF MINNESOTA)
) ss.
COUNTY OF CARVER)

This instrument was acknowledged before me on this 21st day of June, 2023, by Mark Windschitl and Matt Podhradsky, the President and Executive Director, respectively, of Economic Development Authority of the City of Chaska, Minnesota, a Minnesota political subdivision, on behalf of the political subdivision.

Vicki L. Schmid
Notary Public



CARVER COUNTY COMMUNITY DEVELOPMENT
AGENCY

By: _____

By: _____

STATE OF MINNESOTA)
) ss.
COUNTY OF CARVER)

The foregoing instrument was acknowledged before me on this ____ day of _____,
202__, by _____, the _____, and _____, the
_____, of the Carver County Community Development Agency, on behalf of the agency.

Notary Public

THIS DOCUMENT WAS DRAFTED BY:
Dorsey & Whitney LLP (ACS)
50 South Sixth Street
Suite 1500
Minneapolis, MN 55402-1498

Exhibit A

Legal Description

The real property and interests in such property located in the County of Carver, State of Minnesota and described as follows:

Parcel 1:

Lot 2, Block 37, except the Northerly 6 feet of the Westerly 48 feet thereof and also including the South 4 feet of the Easterly 94 feet of Lot 1, Block 37, City of Lots of Chaska, Carver County, Minnesota.

Parcel 2:

Lot 3, Block 37, City of Lots Chaska, Carver County, Minnesota.



Board of Commissioners

Request for Board Action

Meeting date: July 20, 2023

Agenda number: 5C

DEPARTMENT: Community & Economic Development

FILE TYPE: Regular Agenda

TITLE: Approval of 2023 Community Growth Partnership Initiative RFP Applications

PURPOSE/ ACTION REQUESTED: Approve recommendation of scoring committee.

SUMMARY: The Community Growth Partnership Initiative Grant Program (CGPI) started in January 2016 with the goals to increase the tax base and improve the quality of life in Carver County through Affordable Housing, Community Development, and Predevelopment strategies. As part of the 2023 CDA budget \$400,000 was allocated to the CGPI program. 10% (\$40,000) is reserved for Predevelopment grants leaving \$360,000 for Community Development & Housing grants.

We received four (4) Predevelopment applications requesting a total of \$30,000.

Laketown Township	Sewer Feasibility Study	\$7,500
NYA	Comprehensive Housing Study	\$7,500
Chanhassen	Downtown Design Guidelines	\$7,500
New Germany	Black Forest/Trophy Lake Wastewater	\$7,500

We received six (6) Community Development/Housing applications requesting a total of \$600,000.

Waconia	Trails Edge Senior	\$100,000
Waconia Township	Sovereign Estates Tasting Rm Kitchen/Bath	\$100,000
Mayer	Old Firehall Commercial Redevelopment	\$100,000
Carver	Mizzy's Pizza	\$100,000
Watertown	Watertown Warehouses	\$100,000
NYA	Tacoma West Industrial Park Phase II	\$100,000

RECOMMENDATION: Based on the totals for the submitted scoring sheet tabulations and scoring committee discussions, the recommendations are as follows:

Pre-Development: Fund all four (4) submitted applications at \$7,500 for a total of \$30,000

Community Development/Housing: Fund the top four (4) scoring applications at \$90,000 for a total of \$360,000

Waconia Township	\$90,000
Mayer	\$90,000
Carver	\$90,000
Watertown	\$90,000

EXPLANATION OF FISCAL/ FTE IMPACTS:

None Current budget Other Amendment requested New FTE(s) requested

RESOLUTION:

WHEREAS, the Carver County Community Development Agency (CDA) established a Community Growth Partnership Initiative program (Initiative) in 2016 to assist Carver County cities with redevelopment goals and promote the development of affordable housing; and

WHEREAS, the Initiative program has an approved budget of available grant funds of \$400,000 for the fiscal year ending December 31, 2023; and

WHEREAS, Carver County cities and townships can apply up to \$100,000 per community development project (through one or a combination of projects per local government) and up to \$7,500 per pre-development grant (one per local government);

WHEREAS, the CDA received four pre-developments grants and six community development applications from Carver County cities and townships on May 26th, 2023, for a total request of \$630,000; and

WHEREAS, the Initiative Review Panel reviewed applications based upon the threshold and competitive criteria; and

WHEREAS, the Initiative Review Panel recommends four pre-development grants and four community development grants; and

NOW, THEREFORE, BE IT RESOLVED by the Carver County Community Development Agency Board of Commissioners as follows:

That the following projects be awarded upon the grantees meeting program guidelines, and entering into grant agreements with the CDA, in form and content acceptable to the Executive Director of the CDA; and

APPLICANT	PROJECT	GRANT SOURCE	FUNDING AMOUNT
Laketown Township	Sewer Feasibility	Pre-Development	\$7,500
City of NYA	Comp Hsg Study	Pre-Development	\$7,500
City of Chanhassen	Downtown Design	Pre-Development	\$7,500
City of New Germany	Black Forest/Trophy Lake Wastewater	Pre-Development	\$7,500
Waconia Township	Sovereign Estates Tasting Rm Kitchen & Bathroom	Community Development	\$90,000
City of Mayer	Old Firehall Redevelopment	Community Development	\$90,000
City of Carver	Mizzy's Pizza	Community Development	\$90,000
City of Watertown	Watertown Warehouses	Community Development	\$90,000

PREVIOUS BOARD ACTION

NA

ATTACHMENTS

2023 CGPI Applications

BOARD GOALS

- Focused Housing Programs
 Collaboration
 Development/Redevelopment
 Financial Sustainability
 Operational Effectiveness

PUBLIC ENGAGEMENT LEVEL

- Inform and Listen
 Discuss
 Involve
 N/A

CONTACT

Department Head: Chuck Swanson, Director of Community and Economic Development
 Author: Chuck Swanson, Director of Community and Economic Development

Community Growth Partnership Initiative 2023 Community Development Grant Application

Project name: Mizzy's Pizza

Applicant: City of Carver

Contact name: Erin Smith

Contact email and phone: esmith@cityofcarver.com | 952-448-8743

Authorized official for contract execution (name and title): Brent Mareck, City Manager

Project Summary:

The property is located at 4715 Dahlgren Road, and is within a commercial node called Carver Square. Carver Square was originally platted in 2017 and established 4 commercial lots for development and is home to Carver Dental, Children of Tomorrow, Chiropractic Specialists, and Strive Nutrition. The Misgens purchased the fourth lot in 2021. The Misgens own Mizzy's Pizza which has locations in Belle Plaine and their Carver site. The project moved through City approvals in 2022, began construction in October 2022, and is slated to open June 2023.

Through the planning and construction process, the Misgens were faced with several development and construction costs that exceeded their construction budget. The application is to cover water and infrastructure costs related to the project. The Misgens are seeking \$100,000 through the Community Growth Partnership Initiative.

1. Request Details

1a. Request Amount:

1b. Proposed activities/use of CGPI funds (check all applicable boxes)

- | | | |
|---|---|--|
| <input checked="" type="checkbox"/> Acquisition | <input checked="" type="checkbox"/> Utilities | <input checked="" type="checkbox"/> Sidewalks/Trails |
| <input checked="" type="checkbox"/> Lighting | <input checked="" type="checkbox"/> Site Work | <input type="checkbox"/> Demolition |
| <input checked="" type="checkbox"/> Landscaping | <input type="checkbox"/> Roadways | <input type="checkbox"/> Stormwater |
| <input checked="" type="checkbox"/> Streetscaping | <input type="checkbox"/> Soil Remediation | <input type="checkbox"/> Environmental cleanup |
| <input checked="" type="checkbox"/> Parking | <input type="checkbox"/> Relocation | |
| <input type="checkbox"/> Other (list) | | |

2. Readiness Details

Milestone	Commitment date or anticipated date	Amount
<i>Construction Timeline</i>		
Market/feasibility study		Not Applicable
Land use approvals (including any zoning, comprehensive plan amendments, variances, etc.)		Not Applicable
Environmental approvals		Not Applicable
Construction bids		Not Applicable
Permits		Not Applicable
Site control		Not Applicable
Financial closing		Not Applicable
Clean up/demolition		Not Applicable
Begin construction		Not Applicable
Project completion		Not Applicable
<i>Project Funding Sources</i>		
First mortgage		
General partner cash/other equity	November 2021	\$65,000
Syndication proceeds		
Deferred loans		
TIF		
Sales tax/energy rebates		
Deferred developer fee		
Met Council TOD/LCDA/TBRA		
DEED Redevelopment/Cleanup		
DEED MIF/JCF		
Carver County CDA CGPI		
City		
Other: SBA Loan		\$1,150,000
Other: SBA Loan		\$920,000

2a. Total development cost: \$1,735,000

Percentage of funds committed: 100%

2b. List other sources of funds requested or considered but not obtained for the project and explain why.

3. Project Details

3a. Site address(es) 4715 Dahlgren Road

3b. Site size .81 Acres

3c. Number of parcels 1

3d. Parcel ID(s): 201160010

Housing

3e. Are there any existing housing units on the site: Yes **No**
If so, how many?

Are any of the units vacant? Yes No **N/A**

3f. Are any of the existing units affordable? Yes **No**

3g. Housing Units (Indicate the number of housing units planned in the project)

	Total Units	New Units	Retained Units	Owner-Occupied	Rental Units	Market Rate	Affordable Units	Affordability Level (% AMI)
Single Family								
Townhome								
Apartments/Condos								
Duplexes								
Other (Specify)								

3h. Is there a mechanism to ensure long term affordability? Yes No

3i. If yes, please describe the type and length of affordability.

3j. Who is the target population for these units (seniors, families, etc.)?

3k. If the project is a rental project, is the owner willing to accept Tenant Based Rental Assistance (Housing Choice Voucher or other tenant based rental assistance)?

Yes No

Commercial

- 3l. Are there existing commercial buildings on the site: Yes **No** If so, how many?
 Are any of the units vacant? Yes No **N/A**

3m. Commercial square footage *(Indicate the square footage and jobs planned for the project)*

	Total square footage	New square footage	Retained square footage	New FTEs	Retained FTEs	Jobs with wages ≥\$17/hour
Retail/commercial	7,532	7,532		10		40
Industrial						
Office						
Other (Specify)						

3n. List and describe any businesses that will be located on the site. Identify any that are Small Business Enterprises (SBE), Women Business Enterprises (WBE), Minority Business Enterprises (MBE) or Veteran owned.

Mizzy's Pizza. The building as tenant space that will be rented in the future. Total tenant space is 2,587 of the total 7,532 square feet.

4. Project Costs

4a. Current taxable market value of the site: \$171,300

4b. Anticipated taxable market value after redevelopment: \$2,300,000

4c. Development costs

Acquisition cost: \$246,000

Total development cost: \$1,735,000

4d. Proposed cost of activities/use of CGPI funds

Activity	Total Cost	CGPI Request
Acquisition		
Utilities	\$82,350	
Sidewalks/Trails	\$39,875	
Lighting	\$37,500	
Site Work	\$69,840	
Demolition		
Landscaping	\$40,350	
Roadways		
Stormwater		
Streetscaping		
Soil Remediation		
Environmental cleanup		
Parking	\$26,983	
Other Connection Fees	\$118,560	
Other Fence	\$15,000	

5. Narrative

5a. Describe how this project fits into the city's goals and the Redevelopment Plan, its public purpose, any extraordinary costs, and the community's need for the project. Describe other projects completed/underway as part of the Redevelopment Plan or in the area and how this project may catalyze additional (re)development.

The City of Carver is rapidly developing and there is a need for additional restaurants in our community. The Misgens live in Carver so we are excited to have a true local business joining our offerings both to Carver residents as well as people visiting the community. The project brings 60 jobs to the community ranging from fulltime to part time hours.

5b. Provide a brief history of the site including previous uses, slum or blight, activities, contamination and other attempts at redevelopment.

The site was undeveloped.

5c. How does your project create a more livable community? Include information about the mix of uses, proximity to transit, reduced/shared parking, resiliency, walkable neighborhoods, green space, increased density, benefits to businesses/organizations, and community building elements.

The Carver Square site utilizes a shared parking agreement for the businesses within the development. The site is adjacent to several residential neighborhoods and is walkable/bike-able for a majority of the community. Residential development in Carver has exploded within the past 5 years and there is a need for commercial development where Carver residents can spend money locally.

5d. Describe any contamination on the project site or in the redevelopment plan area. Was a Response Action Plan developed? Will the project be cleaning up any contaminated soil, hazardous waste or other elements? If so, describe the type of clean up.

There was no contamination on site.

5e. Describe how the project is maximizing the potential of the site.

The site has been zoned for a commercial user since 2017. The community is eager for additional restaurant users, making Mizzy's a welcomed business in Carver.

5f. Will any existing residents, tenants or businesses be temporarily or permanently relocated as a part of this project? If so, please describe how relocation will occur.

No.

5g. Describe the biggest challenges or extraordinary costs facing your project and explain why the project is not feasible without CGPI funds. Please include any challenges not previously described such as status of site control, financing, rents and returns, tenants/leasing and other items pertinent to a successful project.

From the Misgens:

The extraordinary costs facing our project started with the SAC/WAC fee, which was 2.5x what we had in our construction budget. From the get-go, we were stretched and starting off over budget due to this. The city graciously is allowing us to pay those fees over time, but this is an additional payment not anticipated in the cost of this project and there was no way around it. We would have had to sell the land and scrap the project. The city has also required the addition of a fence which was not in our budget.

We faced numerous delays at the onset of construction due to early cold snap with snow in November which meant we did not get curb and gutter poured on schedule as the mixing plants shut down.

We were faced with additional costs in the spring in heating costs to bring in heat to the building to pour concrete. We have had numerous issues with supply chains and obtaining crucial equipment. For example, the hurricanes in Florida meant it was almost impossible to secure our generator and the cost had increased due to demand. We are still waiting on the switch gear, of which there is a nation-wide shortage on. We cannot finish this project without that piece. At this point we are faced with purchasing one at double the original cost, or waiting to see if the third back-order date will be filled. Other general issues with material costs like lumber which is still over priced on the market and had to be purchased above budget price.

We are faced with loan payments now from our SBA loan, tax payments, etc and are still not open due to the delays and missing equipment, which is presenting a significant hardship without this project open and generating income. We have tenant space available at the end of our unit and at this point we cannot finish that space for rental income as we are over budget on this project and need to do everything possible to get open to generate income.

Attachments

1. City Resolution (sample is attached and must contain all provisions listed)
2. Location map
3. Site plan and elevations (if available)
4. Existing conditions photos
5. Redevelopment plan (if it is a redevelopment project)
6. Relocation plan (if applicable)
7. Copies of any funding commitments
8. Evidence of site control
9. Development pro forma that includes such things as sources and uses, financing assumptions of any debt, debt service coverage ratio, loan to value, loan to cost, percent equity and cash on cash return.



**CITY OF CARVER
CARVER COUNTY, MINNESOTA
RESOLUTION NO. 119-23**

**A RESOLUTION AUTHORIZING APPLICATION TO THE CARVER
COUNT COMMUNITY DEVELOPMENT AGENCY FOR MIZZY'S
PIZZA**

WHEREAS, the City of Carver has identified a proposed project within the city that meets the Carver County Community Development Agency (CDA) Community Growth Partnership Initiative Grant Program's purpose and criteria; and

WHEREAS, the City has identified a project that will create living wage jobs; and

WHEREAS, the City has the capacity and capability to ensure the proposed project will be completed and administered within the Community Growth Partnership Initiative predevelopment program guidelines; and

WHEREAS, the City has the legal authority to apply for financial assistance; and

WHEREAS, the City is supportive of affordable housing and of the CDA's mission to improve the lives of Carver County residents through affordable housing and community development.

NOW THEREFORE BE IT RESOLVED that the City of Carver approves the application for funding from the Carver County CDA Community Growth Partnership Initiative Grant program.

BE IT FURTHER RESOLVED that if the application is approved by the Carver County CDA, the City of Carver, is hereby authorized to execute such agreements as are necessary to receive and use the funding for the proposed project.

Adopted by the City Council of the City of Carver on this 15th day of May, 2023.


Courtney Johnson, Mayor

ATTEST:


Vicky Sons-Eiden, City Clerk



Legend

-  City Limits
-  Preliminary Plats
-  Parcels 02/07/2023



Mizzy's Location

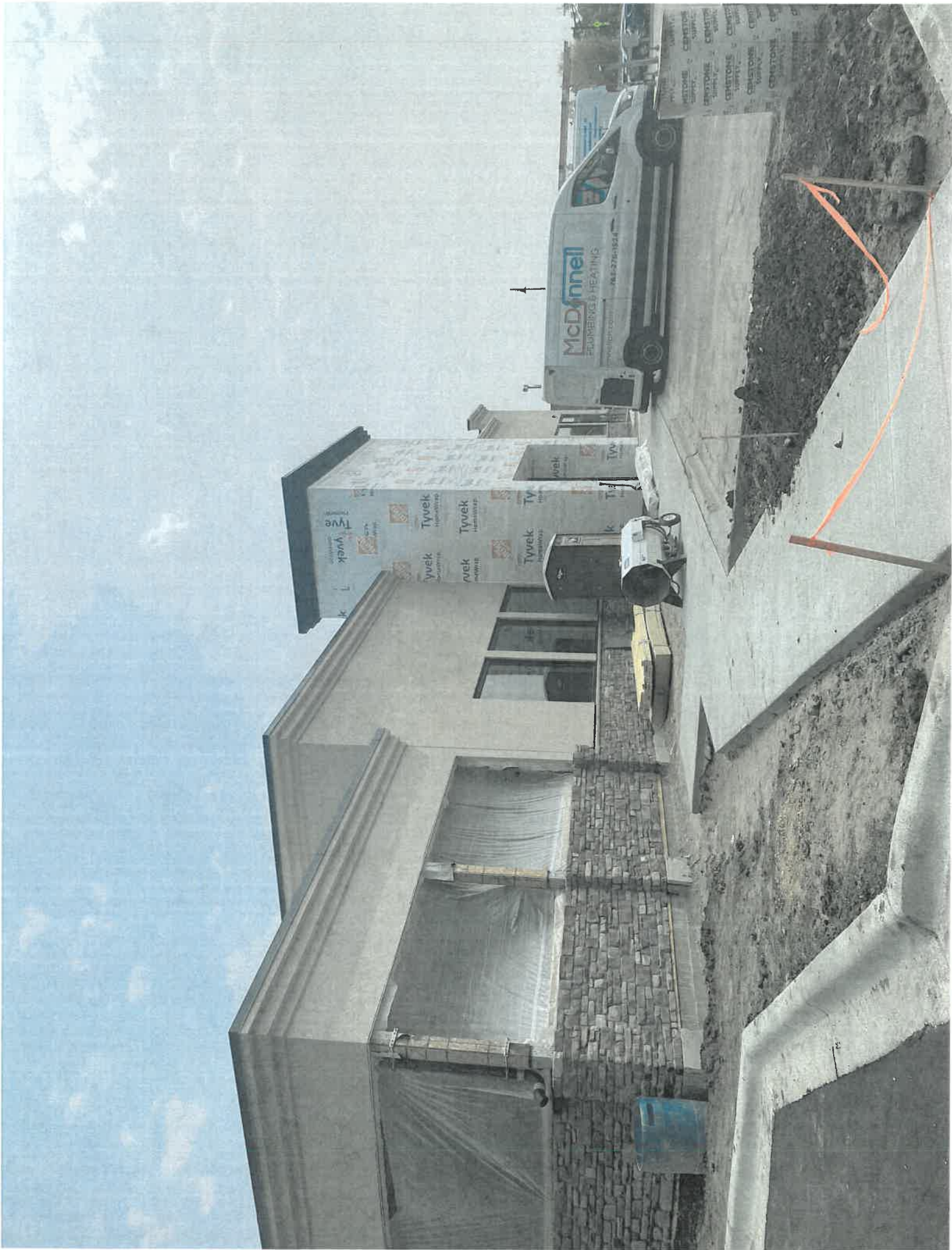
Disclaimer:

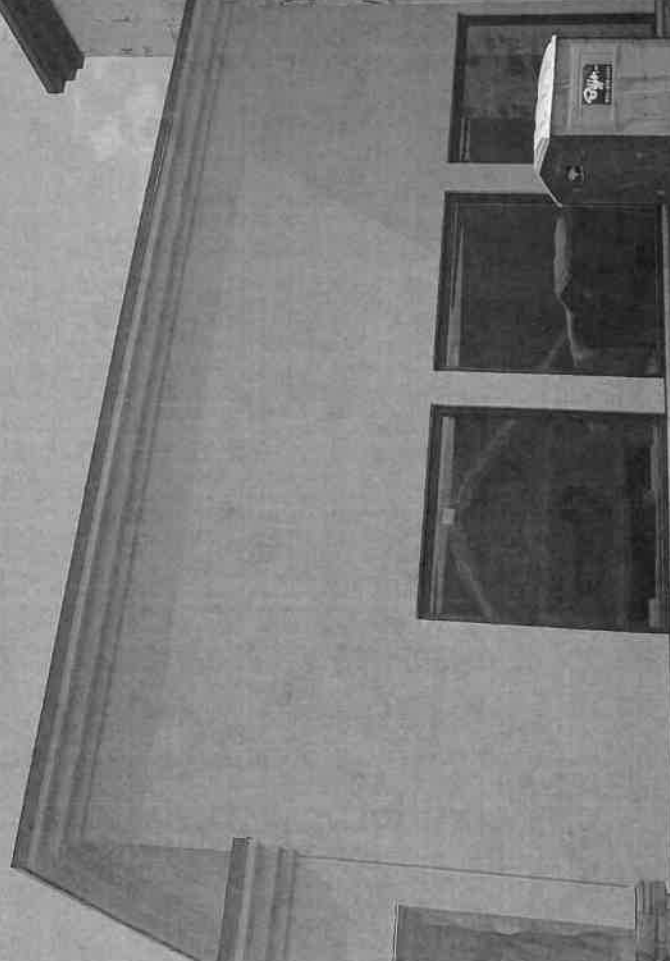
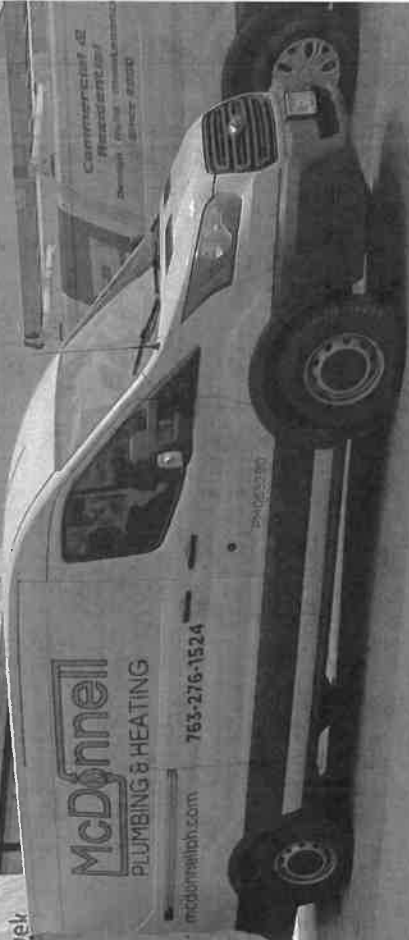
This drawing is neither a legally recorded map nor a survey and is not intended to be used as one. This drawing is a compilation of records, information, and data located in various city, county, and state offices, and other sources affecting the area shown, and is to be used for reference purposes only. The City of Carver is not responsible for any inaccuracies herein contained.



Real People. Real Solutions.







Closing Disclosure

This form is a statement of final loan terms and closing costs. Compare this document with your Loan Estimate.

Closing Information

Date Issued
 Closing Date 09/15/2022
 Disbursement Date 09/15/2022
 Settlement Agent GCS Title
 File # MN-08-221103
 Property 4715 Dahlgren Road
 Carver, MN 55315
 Lot 1 Block 1 CARVER
 SQUARE

Transaction Information

Borrower(s) Mizzy's Properties, LLC
 964 Woodview Circle
 Carver, MN 55315
 Lender First National Bank Minnesota

Loan Information

Loan Term
 Purpose Refinance
 Product
 Loan Type
 Loan ID # 201500541
 MIC #

Appraised Prop.
 Value:

Loan Terms		Can this amount increase after closing?
Loan Amount	\$1,150,000	No
Interest Rate		No
Monthly Principal & Interest <i>See Projected Payments below for your Estimated Total Monthly Payment</i>		No
Prepayment Penalty		No
Balloon Payment		No

Projected Payments		Year 1
Payment Calculation		
Principal & Interest		—
Mortgage Insurance		—
Estimated Escrow <i>Amount can increase over time.</i>		+ —
Estimated Total Monthly Payment		+ —

Estimated Taxes, Insurance & Assessments <i>Amount can increase over time. See page 4 for details</i>	\$0.00 a month	<p>This estimate includes</p> <input type="checkbox"/> Property Taxes <input type="checkbox"/> Homeowner's Insurance <input type="checkbox"/> Other: <i>See Escrow Account on page 4 for details. You must pay for other property costs separately.</i>	In escrow?
--	-------------------	--	------------

Costs at Closing	
Closing Costs	\$547,752.01 Includes \$25,065.00 in Loan Costs + \$522,687.01 in Other Costs - \$0.00 in Lender Credits. <i>See page 2 for details</i>
Cash to Close	\$165,459.00 Includes Closing Costs. See "Calculating Cash to Close" on page 3 for details. <i>See "Calculating Cash to Close" on page 3 for details.</i> <input checked="" type="checkbox"/> From Borrower <input type="checkbox"/> To Borrower

Closing Cost Details

LOAN COSTS	Borrower Paid		Seller Paid		Paid by Others
	At Closing	Before Closing	At Closing	Before Closing	
A. Origination Charges					
01 0% of Loan Amount (Points)		\$21,566.00			
02 Appraisal Fee to First National Bank Minnesota	\$4,000.00				
03 Document Prep Fee to First National Bank Minnesota	\$275.00				
04 Flood Certification Fee to First National Bank Minnesota	\$11.00				
05 Origination Fee to First National Bank Minnesota	\$17,250.00				
06 UCC Filing/Termination Fee to First National Bank Minnesota	\$20.00				
07 UCC Search to First National Bank Minnesota	\$10.00				
B. Services Borrower Did Not Shop For					
01 Records Search Assessment to First National Bank Minnesota		\$399.00			
02		\$399.00			
03					
04					
05					
06					
07					
C. Services Borrower Did Shop For					
01 Title - Closing Fee to GCS Title		\$3,100.00			
02 Title - Draws to GCS Title	\$200.00				
03 Title - Lender's Title Policy to Global Closing & Title Services, LLC dba GCS Title	\$700.00				
04 Title - Payoff Handling Fee to GCS Title	\$1,425.00				
05 Title - Priority Pictures to GCS Title	\$30.00				
06 Title - Title Exam Fee to GCS Title	\$150.00				
07	\$595.00				
08					
D. TOTAL LOAN COSTS (Borrower-Paid)		\$25,065.00			
Loan Costs Subtotals (A + B + C)		\$25,065.00			
OTHER COSTS					
E. Taxes and Other Government Fees					
01 Recording Fees Deed: Mortgage: \$46.00		\$2,788.00			
02 Conservation Fee (County Security Instrument Taxes) to Carver County Recording Office		\$138.00			
03 Mortgage Registration Tax (State Security Instrument Taxes) to Carver County Recording Office		\$5.00			
04		\$2,645.00			
F. Prepays					
01 Homeowner's Insurance Premium (mo.)		\$4,426.00			
02 Mortgage Insurance Premium (mo.)					
03 Prepaid Interest (per day from 09/15/22 to 10/01/22)					
04 Property Taxes (mo.) Carver County Property Tax Department		\$4,426.00			
05					
G. Initial Escrow Payment at Closing					
01 Homeowner's insurance					
02 Mortgage insurance					
03 Property taxes					
04					
05					
06					
07					
08 Aggregate adjustment					
H. Other					
01 Draw / Advance to National Contractors, Inc.		\$515,473.01			
02		\$515,473.01			
03					
04					
05					
06					
07					
08					
I. TOTAL OTHER COSTS (Borrower-Paid)		\$522,687.01			
Other Costs Subtotals (E + F + G + H)		\$522,687.01			
J. TOTAL CLOSING COSTS (Borrower-Paid)		\$547,752.01			
Closing Costs Subtotals (D + I)		\$547,752.01			
Lender Credits		\$547,752.01			

Payoffs and Payments

Use this table to see a summary of your payoffs and payments to others from your loan amount.

To	Amount
01 First Payoff to First National Bank MN	\$181,198.62
02 Second Payoff	
03 Third Payoff	
04 Fourth Payoff	
05 Funds Retained	\$572,892.87
06 Funds Required for 2nd Mortgage	\$13,615.50
07	
08	
09	
10	
11	
12	
13	
14	
15	
K. TOTAL PAYOFFS AND PAYMENTS	\$767,706.99

Calculating Cash to Close

Use this table to see what has changed from your Loan Estimate.

	Loan Estimate	Final	Did this change?
Loan Amount	\$0	\$1,150,000.00	NO
Total Closing Costs (J)	\$0	-\$547,752.01	NO
Closing Costs Paid Before Closing	\$0	\$0.00	NO
Total Payoffs and Payments (K)	\$0	-\$767,706.99	NO
Cash to Close	\$0	\$165,459.00	
	<input type="checkbox"/> From Borrower <input type="checkbox"/> To Borrower	<input checked="" type="checkbox"/> From Borrower <input type="checkbox"/> To Borrower	Closing Costs Financed (Paid from your Loan Amount) \$382,293.01

Loan Disclosures

Assumption

- If you sell or transfer this property to another person, your lender
- will allow, under certain conditions, this person to assume this loan on the original terms.
 - will not allow assumption of this loan on the original terms.

Demand Feature

Your loan

- has a demand feature, which permits your lender to require early repayment of the loan. You should review your note for details.
- does not have a demand feature.

Late Payment

If your payment is more than days late, your lender will charge a late fee of of the late payment amount.

Negative Amortization (Increase in Loan Amount)

Under your loan terms, you

- are scheduled to make monthly payments that do not pay all of the interest due that month. As a result, your loan amount will increase (negatively amortize), and your loan amount will likely become larger than your original loan amount. Increases in your loan amount lower the equity you have in this property.
- may have monthly payments that do not pay all of the interest due that month. If you do, your loan amount will increase (negatively amortize), and, as a result, your loan amount may become larger than your original loan amount. Increases in your loan amount lower the equity you have in this property.
- do not have a negative amortization feature.

Partial Payments

Your lender

- may accept payments that are less than the full amount due (partial payments) and apply them to your loan.
- may hold them in a separate account until you pay the rest of the payment, and then apply the full payment to your loan.
- does not accept any partial payments.

If this loan is sold, your new lender may have a different policy.

Security Interest

You are granting a security interest in

4715 Dahlgren Road

Carver, MN 55315

Lot 1 Block 1 CARVER SQUARE

You may lose this property if you do not make your payments or satisfy other obligations for this loan.

Escrow Account

For now, your loan

- will have an escrow account (also called an "impound" or "trust" account) to pay the property costs listed below. Without an escrow account, you would pay them directly, possibly in one or two large payments a year. Your lender may be liable for penalties and interest for failing to make a payment.

Escrow

Escrowed Property Cost over Year 1	Estimated total amount over year 1 for your escrowed property costs:
Non-Escrowed Property Cost over Year 1	Estimated total amount over year 1 for your non-escrowed property costs: You may have other property costs.
Initial Escrow Payment	A cushion for the escrow account you pay at closing. See Section G on page 2.
Monthly Escrow Payment	The amount included in your total monthly payment.

- will not have an escrow account because you declined it
- your lender does not offer one. You must directly pay your property costs, such as taxes and homeowner's insurance.

Contact your lender to ask if your loan can have an escrow account.

No Escrow

Estimated Property Cost over Year 1	Estimated total amount over year 1. You must pay these costs directly, possibly in one or two large payments a year.
Escrow Waiver Fee	

In The Future

Your property costs may change and, as a result, your escrow payment may change. You may be able to cancel your escrow account, but if you do, you must pay your property costs directly. If you fail to pay your property taxes, your state or local government may (1) impose fines and penalties or (2) place a tax lien on this property. If you fail to pay any of your property costs, your lender may (1) add the amounts to your loan balance, (2) add an escrow account to your loan, or (3) require you to pay for property insurance that the lender buys on your behalf, which likely would cost more and provide fewer benefits than what you could buy on your own.

Loan Calculations

Total of Payments. Total you will have paid after you make all payments of principal, interest, mortgage insurance, and loan costs, as scheduled.

Finance Charge. The dollar amount the loan will cost you.

Amount Financed. The loan amount available after paying your upfront finance charge.

Annual Percentage Rate (APR). Your costs over the loan term expressed as a rate. This is not your interest rate.

Total Interest Percentage (TIP). The total amount of interest that you will pay over the loan term as a percentage of your loan amount.

Questions? If you have questions about the loan terms or costs on this form, use the contact information below. To get more information or make a complaint, contact the Consumer Financial Protection Bureau at www.consumerfinance.gov/mortgage-closing

Other Disclosures

Appraisal

If the property was appraised for your loan, your lender is required to give you a copy at no additional cost at least 3 days before closing. If you have not yet received it, please contact your lender at the information listed below.

Contract Details

See your note and security instrument for information about

- what happens if you fail to make your payments
- what is a default on the loan,
- situations in which your lender can require early repayment of the loan, and
- the rules for making payments before they are due.

Liability after Foreclosure

If your lender forecloses on this property and the foreclosure does not cover the amount of unpaid balance on this loan,

- state law may protect you from liability for the unpaid balance. If you refinance or take on any additional debt on this property, you may lose this protection and have to pay any debt remaining even after foreclosure. You may want to consult a lawyer for more information.
- state law does not protect you from liability for the unpaid balance.

Refinance

Refinancing the loan will depend on your future financial situation, the property value, and market conditions. You may not be able to refinance this loan.

Tax Deductions

If you borrow more than this property is worth, the interest on the loan amount above this property's fair market value is not deductible from your federal income taxes. You should consult a tax advisor for more information.

Contact Information

	Lender	Mortgage Broker	Settlement Agent
Name	First National Bank Minnesota	First National Bank Minnesota	GCS Title
Address	226 Nassau Street St. Peter, MN 56082	201 West Main Street Belle Plaine, MN 56011	1915 Plaza Drive Suite 100 Eagan, MN 55122
NMLS ID			40092125
ST License ID			Jodie Anderson
Contact	Matt Wallskog	Matt Wallskog	
Contact NMLS ID			
Contact ST License ID			40726627
Email	matt.wallskog@fnbmn.bank	matt.wallskog@fnbmn.bank	janderson@gcstitle.com
Phone	(507) 931-5202	(507) 931-5202	(952) 895-8400

See signature addendum

Signature Addendum

By signing, you are only confirming that you have received this form. You do not have to accept this loan because you have signed or received this form.

Mizzy's Properties, LLC, a Minnesota Limited Liability Company

By: Jeffrey M. Misgen
Jeffrey M. Misgen, Chief Manager

9/15/2022
Date

Closing Disclosure

This form is a statement of final loan terms and closing costs. Compare this document with your Loan Estimate.

Closing Information

Date Issued
 Closing Date 09/15/2022
 Disbursement Date 09/15/2022
 Settlement Agent GCS Title
 File # MN-08-221103-A
 Property 4715 Dahlgren Road
 Carver, MN 55315
 Lot 1 Block 1 CARVER
 SQUARE

Transaction Information

Borrower(s) Mizzy's Properties, LLC
 Lender First National Bank Minnesota

Loan Information

Loan Term
 Purpose Refinance
 Product
 Loan Type
 Loan ID # 201500542
 MIC #

Appraised Prop.
 Value:

Loan Terms

Loan Amount	Interest Rate	Monthly Principal & Interest <i>See Projected Payments below for your Estimated Total Monthly Payment</i>	Prepayment Penalty	Balloon Payment	Can this amount increase after closing?	Does the loan have these features?
\$920,000					No	No
					No	No
					No	No
					No	No
					No	No

Projected Payments

Payment Calculation	Year 1
Principal & Interest	—
Mortgage Insurance	—
Estimated Escrow <i>Amount can increase over time.</i>	+ —
Estimated Total Monthly Payment	+ —

Estimated Taxes, Insurance & Assessments <i>Amount can increase over time. See page 4 for details</i>	This estimate includes	In escrow?
\$0.00 a month	<input type="checkbox"/> Property Taxes <input type="checkbox"/> Homeowner's Insurance <input type="checkbox"/> Other:	

See Escrow Account on page 4 for details. You must pay for other property costs separately.

Costs at Closing

Closing Costs	\$13,615.50	Includes \$11,402.50 in Loan Costs + \$2,213.00 in Other Costs - \$0.00 in Lender Credits. <i>See page 2 for details</i>
Cash to Close	\$0.00	Includes Closing Costs. See "Calculating Cash to Close" on page 3 for details. <i>See "Calculating Cash to Close" on page 3 for details.</i> <input type="checkbox"/> From Borrower <input type="checkbox"/> To Borrower

Closing Cost Details

LOAN COSTS	Borrower Paid		Seller Paid		Paid by Others
	At Closing	Before Closing	At Closing	Before Closing	
A. Origination Charges					
01 0% of Loan Amount (Points)		\$9,475.00			
02 Document Prep Fee to First National Bank Minnesota					
03 Origination Fee to First National Bank Minnesota	\$275.00				
04	\$9,200.00				
05					
06					
B. Services Borrower Did Not Shop For					
01					
02					
03					
04					
05					
06					
07					
08					
C. Services Borrower Did Shop For					
01 Title - Closing Fee to GCS Title		\$1,927.50			
02 Title - Draw Fee to GCS Title		\$100.00			
03 Title - Lender's Title Policy to Global Closing & Title Services, LLC dba GCS Title		\$495.00			
04 Title - Title Exam Fee to GCS Title		\$1,232.50			
05		\$100.00			
06					
07					
08					
D. TOTAL LOAN COSTS (Borrower-Paid)					
Loan Costs Subtotals (A + B + C)		\$11,402.50			
		\$11,402.50			
OTHER COSTS					
E. Taxes and Other Government Fees					
01 Recording Fees Deed: Mortgage: \$46.00		\$2,213.00			
02 Conservation Fee (County Security Instrument Taxes) to Carver County Recording Office		\$92.00			
03 Mortgage Registration Tax (State Security Instrument Taxes) to Carver County Recording Office		\$5.00			
04		\$2,116.00			
F. Prepays					
01 Homeowner's Insurance Premium (mo.)					
02 Mortgage Insurance Premium (mo.)					
03 Prepaid Interest (per day from 09/15/22 to 10/01/22)					
04 Property Taxes (mo.)					
05					
G. Initial Escrow Payment at Closing					
01 Homeowner's insurance					
02 Mortgage insurance					
03 Property taxes					
04					
05					
06					
07					
08 Aggregate adjustment					
H. Other					
01					
02					
03					
04					
05					
06					
07					
08					
I. TOTAL OTHER COSTS (Borrower-Paid)					
Other Costs Subtotals (E + F + G + H)		\$2,213.00			
		\$2,213.00			
J. TOTAL CLOSING COSTS (Borrower-Paid)					
Closing Costs Subtotals (D + I)		\$13,615.50			
Lender Credits		\$13,615.50			

Payoffs and Payments

Use this table to see a summary of your payoffs and payments to others from your loan amount.

To	Amount
01 First Payoff	
02 Second Payoff	
03 Third Payoff	
04 Fourth Payoff	
05 Funds Retained	\$920,000.00
06 Funds Paid by First Mortgage to GCS Title	\$-13,615.50
07	
08	
09	
10	
11	
12	
13	
14	
15	
K. TOTAL PAYOFFS AND PAYMENTS	\$906,384.50

Calculating Cash to Close

Use this table to see what has changed from your Loan Estimate.

	Loan Estimate	Final	Did this change?
Loan Amount	\$0	\$920,000.00	NO
Total Closing Costs (J)	\$0	\$-13,615.50	NO
Closing Costs Paid Before Closing	\$0	\$0.00	NO
Total Payoffs and Payments (K)	\$0	\$-906,384.50	NO
Cash to Close	\$0	\$0.00	

From Borrower From Borrower
 To Borrower To Borrower

Closing Costs Financed (Paid from your Loan Amount) \$13,615.50

Loan Disclosures

Assumption

- If you sell or transfer this property to another person, your lender
- will allow, under certain conditions, this person to assume this loan on the original terms.
 - will not allow assumption of this loan on the original terms.

Demand Feature

Your loan

- has a demand feature, which permits your lender to require early repayment of the loan. You should review your note for details.
- does not have a demand feature.

Late Payment

If your payment is more than days late, your lender will charge a late fee of of the late payment amount.

Negative Amortization (Increase in Loan Amount)

Under your loan terms, you

- are scheduled to make monthly payments that do not pay all of the interest due that month. As a result, your loan amount will increase (negatively amortize), and your loan amount will likely become larger than your original loan amount. Increases in your loan amount lower the equity you have in this property.
- may have monthly payments that do not pay all of the interest due that month. If you do, your loan amount will increase (negatively amortize), and, as a result, your loan amount may become larger than your original loan amount. Increases in your loan amount lower the equity you have in this property.
- do not have a negative amortization feature.

Partial Payments

Your lender

- may accept payments that are less than the full amount due (partial payments) and apply them to your loan.
- may hold them in a separate account until you pay the rest of the payment, and then apply the full payment to your loan.
- does not accept any partial payments.

If this loan is sold, your new lender may have a different policy.

Security Interest

You are granting a security interest in

4715 Dahlgren Road

Carver, MN 55315

Lot 1 Block 1 CARVER SQUARE

You may lose this property if you do not make your payments or satisfy other obligations for this loan.

Escrow Account

For now, your loan

- will have an escrow account (also called an "impound" or "trust" account) to pay the property costs listed below. Without an escrow account, you would pay them directly, possibly in one or two large payments a year. Your lender may be liable for penalties and interest for failing to make a payment.

Escrow

Escrowed Property Cost over Year 1	Estimated total amount over year 1 for your escrowed property costs:
Non-Escrowed Property Cost over Year 1	Estimated total amount over year 1 for your non-escrowed property costs: You may have other property costs.
Initial Escrow Payment	A cushion for the escrow account you pay at closing. See Section G on page 2.
Monthly Escrow Payment	The amount included in your total monthly payment.

- will not have an escrow account because you declined it
- your lender does not offer one. You must directly pay your property costs, such as taxes and homeowner's insurance.

Contact your lender to ask if your loan can have an escrow account.

No Escrow

Estimated Property Cost over Year 1	Estimated total amount over year 1. You must pay these costs directly, possibly in one or two large payments a year.
Escrow Waiver Fee	

In The Future

Your property costs may change and, as a result, your escrow payment may change. You may be able to cancel your escrow account, but if you do, you must pay your property costs directly. If you fail to pay your property taxes, your state or local government may (1) impose fines and penalties or (2) place a tax lien on this property. If you fail to pay any of your property costs, your lender may (1) add the amounts to your loan balance, (2) add an escrow account to your loan, or (3) require you to pay for property insurance that the lender buys on your behalf, which likely would cost more and provide fewer benefits than what you could buy on your own.

Loan Calculations

Total of Payments. Total you will have paid after you make all payments of principal, interest, mortgage insurance, and loan costs, as scheduled.	
Finance Charge. The dollar amount the loan will cost you.	
Amount Financed. The loan amount available after paying your upfront finance charge.	
Annual Percentage Rate (APR). Your costs over the loan term expressed as a rate. This is not your interest rate.	
Total Interest Percentage (TIP). The total amount of interest that you will pay over the loan term as a percentage of your loan amount.	

Questions? If you have questions about the loan terms or costs on this form, use the contact information below. To get more information or make a complaint, contact the Consumer Financial Protection Bureau at www.consumerfinance.gov/mortgage-closing

Other Disclosures

Appraisal

If the property was appraised for your loan, your lender is required to give you a copy at no additional cost at least 3 days before closing. If you have not yet received it, please contact your lender at the information listed below.

Contract Details

See your note and security instrument for information about

- what happens if you fail to make your payments
- what is a default on the loan,
- situations in which your lender can require early repayment of the loan, and
- the rules for making payments before they are due.

Liability after Foreclosure

If your lender forecloses on this property and the foreclosure does not cover the amount of unpaid balance on this loan,

- state law may protect you from liability for the unpaid balance. If you refinance or take on any additional debt on this property, you may lose this protection and have to pay any debt remaining even after foreclosure. You may want to consult a lawyer for more information.
- state law does not protect you from liability for the unpaid balance.

Refinance

Refinancing the loan will depend on your future financial situation, the property value, and market conditions. You may not be able to refinance this loan.

Tax Deductions

If you borrow more than this property is worth, the interest on the loan amount above this property's fair market value is not deductible from your federal income taxes. You should consult a tax advisor for more information.

Contact Information

	Lender	Mortgage Broker	Settlement Agent
Name	First National Bank Minnesota		GCS Title
Address	226 Nassau Street St. Peter, MN 56082		1915 Plaza Drive Suite 100 Eagan, MN 55122
NMLS ID			
ST License ID			
Contact	Matt Wallskog		40092125
Contact NMLS ID			Jodie Anderson
Contact ST License ID			
Email	matt.wallskog@fnbmn.bank		40726627
Phone	(507) 931-5202		janderson@gcstitle.com (952) 895-8400

See signature addendum

Signature Addendum

By signing, you are only confirming that you have received this form. You do not have to accept this loan because you have signed or received this form.

Mizzy's Properties, LLC, a Minnesota Limited Liability Company

By: 

Jeffrey M. Misgen, Chief Manager

9.15.22

Date

Property Card**Parcel ID Number** 201160010**Taxpayer Information**

Taxpayer Name
MIZZY'S PROPERTIES LLC

Mailing Address
964 WOODVIEW CIR
CARVER, MN 55315-

Property Address

Address
4715 DAHLGREN RD
City
CARVER, MN 55315

**Parcel Information**

Uses	Commercial	Acres	0.81
		Plat	CARVER SQUARE
		Lot	001
		Block	001

Legal Description

Building Information

Building Style	Above Grade Finished Sq Ft	Total Bedrooms
Year Built	Garage	

Miscellaneous Information

School District 0112	Watershed District WS 067 CARVER CO WMO	Homestead N	Green Acres	Ag Preserve N
--------------------------------	---	-----------------------	--------------------	-------------------------

Assessor Information

Estimated Market Value	2022 Values (Payable 2023)	2023 Values (Payable 2024)	Last Sale	
Land	\$171,300.00	\$229,300.00	Date of Sale	11/10/2021
Building	\$0.00	\$301,800.00	Sale Value	\$246,000.00
Total	\$171,300.00	\$531,100.00		

The data provided herewith is for reference purposes only. This data is not suitable for legal, engineering, surveying or other similar purposes. Carver County does not guarantee the accuracy of the information contained herein. This data is furnished on an 'as is' basis and Carver County makes no representations or warranties, either expressed or implied, for the merchantability or fitness of the information provided for any purpose. This disclaimer is provided pursuant to Minnesota Statutes §466.03 and the user of the data provided herein acknowledges that Carver County shall not be liable for any damages, and by using this data in any way expressly waives all claims, and agrees to defend, indemnify, and hold harmless Carver County, its officials, officers, agents, employees, etc. from any and all claims brought by anyone who uses the information provided for herein, its employees or agents, or third parties which arise out of user's access. By acceptance of this data, the user agrees not to transmit this data or provide access to it or any part of it to another party unless the user includes with the data a copy of this disclaimer.

Community Growth Partnership Initiative 2023

Community Development Grant Application

Project name: Old Fire Hall Commercial Redevelopment Project

Applicant: City of Mayer

Contact name: Nicholas Johnson

Contact email and phone: cityadmin@cityofmayer.com ; 952-657-1502

Authorized official for contract execution (name and title): Nicholas Johnson, City Administrator

Project Summary:

The City of Mayer completed the construction of a new Fire Station in 2022 located in the Shimmcor Industrial Park. The old fire hall is located at 400 Ash Avenue North in the downtown area of Mayer. The City of Mayer has signed a purchase agreement with Brad Quaas. Brad will buy the property from the City with a closing date of November 30, 2023.

Brad's project will redevelop the property from public institutional use into a commercial use with 5 leased spaces available for businesses to rent. The property is zoned to C-2 Central Business District (https://codelibrary.amlegal.com/codes/mayer/latest/mayer_mn/0-0-0-5856#JD_152.059) for typical uses of the downtown area such as retail, personal services, professional services, finance, and non-auto repair services. Unit size will vary a bit but the rough average will be 1,000 square feet per space.

In order to complete the project it will require obtaining the property, interior demolition and construction, exterior facade improvements, plumbing/mechanical/electrical improvements, landscaping, and parking measures.

The final product of 5 new commercial spaces for businesses will open up opportunities for new commercial growth in Mayer. Currently there are extremely limited rental opportunities like this in a newly renovated space. Mayer's business community is small which makes the advent of 5 new businesses an incredibly exciting venture for the City.

1. Request Details

1a. Request Amount: \$100,000

1b. Proposed activities/use of CGPI funds (check all applicable boxes)

- | | | |
|---|---|--|
| <input type="checkbox"/> Acquisition | <input checked="" type="checkbox"/> Utilities | <input type="checkbox"/> Sidewalks/Trails |
| <input checked="" type="checkbox"/> Lighting | <input checked="" type="checkbox"/> Site Work | <input checked="" type="checkbox"/> Demolition |
| <input checked="" type="checkbox"/> Landscaping | <input type="checkbox"/> Roadways | <input type="checkbox"/> Stormwater |
| <input type="checkbox"/> Streetscaping | <input type="checkbox"/> Soil Remediation | <input type="checkbox"/> Environmental cleanup |
| <input type="checkbox"/> Parking | <input type="checkbox"/> Relocation | |
| <input type="checkbox"/> Other (list) | | |

2. Readiness Details

Milestone	Commitment date or anticipated date	Amount
<i>Construction Timeline</i>		
Market/feasibility study		Not Applicable
Land use approvals (including any zoning, comprehensive plan amendments, variances, etc.)	Fall 2023	Not Applicable
Environmental approvals	Fall 2023	Not Applicable
Construction bids		Not Applicable
Permits	Fall 2023	Not Applicable
Site control	Fall 2023	Not Applicable
Financial closing		Not Applicable
Clean up/demolition		Not Applicable
Begin construction	Late 2023	Not Applicable
Project completion	2024/2025	Not Applicable
<i>Project Funding Sources</i>		
First mortgage		\$361,000
General partner cash/other equity		\$200,000
Syndication proceeds		
Deferred loans		
TIF		
Sales tax/energy rebates		
Deferred developer fee		
Met Council TOD/LCDA/TBRA		
DEED Redevelopment/Cleanup		
DEED MIF/JCF		
Carver County CDA CGPI		\$100,000
City		
Other:		
Other:		

2a. Total development cost: \$661,000

Percentage of funds committed: 84.87%

2b. List other sources of funds requested or considered but not obtained for the project and explain why. Other sources of funding weren't considered as we believed the CDA grant program fit the project the best. The City EDA does not have any loan or grant programs available at this time.

3. Project Details

3a. Site address(es): 400 Ash Avenue North, Mayer, MN 55360

3b. Site size: 11,750 square feet

3c. Number of parcels: 1

3d. Parcel ID(s): 500060400

Housing

3e. Are there any existing housing units on the site: Yes No

If so, how many?

Are any of the units vacant? Yes No N/A

3f. Are any of the existing units affordable? Yes No

3g. Housing Units (Indicate the number of housing units planned in the project)

	Total Units	New Units	Retained Units	Owner-Occupied	Rental Units	Market Rate	Affordable Units	Affordability Level (% AMI)
Single Family								
Townhome								
Apartments/ Condos								
Duplexes								
Other (Specify)								

3h. Is there a mechanism to ensure long term affordability? Yes No

3i. If yes, please describe the type and length of affordability.

3j. Who is the target population for these units (seniors, families, etc.)?

3k. If the project is a rental project, is the owner willing to accept Tenant Based Rental Assistance (Housing Choice Voucher or other tenant based rental assistance)?

Yes No

Commercial

3l. Are there existing commercial buildings on the site: Yes No If so, how many?
 Are any of the units vacant? Yes No N/A

3m. Commercial square footage (Indicate the square footage and jobs planned for the project)

	Total square footage	New square footage	Retained square footage	New FTEs	Retained FTEs	Jobs with wages ≥\$17/hour
Retail/commercial						
Industrial						
Office	5,000	5,000	0	10	0	\$18-\$22
Other (Specify)						

3n. List and describe any businesses that will be located on the site. Identify any that are Small Business Enterprises (SBE), Women Business Enterprises (WBE), Minority Business Enterprises (MBE) or Veteran owned.

4. Project Costs

4a. Current taxable market value of the site:
 Currently tax exempt as the property is owned by the City of Mayer as a public use property.

4b. Anticipated taxable market value after redevelopment:
 \$600,000 - \$750,000

4c. Development costs
 Acquisition cost: \$385,000 Total development cost: \$661,000

4d. Proposed cost of activities/use of CGPI funds

Activity	Total Cost	CGPI Request
Acquisition	\$385,000	
Utilities	\$50,000	
Sidewalks/Trails		
Lighting	\$5,000	
Site Work	\$200,000	\$100,000
Demolition	\$10,000	
Landscaping	\$5,000	
Roadways		
Stormwater		
Streetscaping		
Soil Remediation	\$5,000	
Environmental cleanup		
Parking	\$1,000	
Other		
Other		

5. Narrative

5a. Describe how this project fits into the city's goals and the Redevelopment Plan, its public purpose, any extraordinary costs, and the community's need for the project. Describe other projects completed/underway as part of the Redevelopment Plan or in the area and how this project may catalyze additional (re)development.

One of the City's goals is to promote and attract new businesses into the community. The limited existing space for rentals within community makes this a great opportunity to create and expand our commercial base. The proposed redevelopment and improvements to the property will make it one of the nicest commercial spots in town and open up 5 new commercial opportunities. The proposed redevelopment and uses align with the City's comprehensive plan for downtown commercial zoning use. We are hoping the addition of 5 new businesses in town will help spur additional economic development from other interested developers.

We do not anticipate any extraordinary costs with the project.

We do not have other projects in the works as part of the redevelopment plan.

5b. Provide a brief history of the site including previous uses, slum or blight, activities, contamination and other attempts at redevelopment.

The current site was utilized as a fire station from the 1970s until 2021. The City of Mayer constructed a new fire station at another location in 2021. Public Works began storing equipment in the old fire hall from 2021 to now. Prior to the fire station construction the site was of residential use. There are no known slum or blight, contamination, or other attempts are redevelopment.

5c. How does your project create a more livable community? Include information about the mix of uses, proximity to transit, reduced/shared parking, resiliency, walkable neighborhoods, green space, increased density, benefits to businesses/organizations, and community building elements.

The addition of 5 businesses in the downtown area will provide goods and services to the local community as well as to visitors. The attraction of more people to the downtown area will also have ancillary benefits to the other existing businesses in Mayer. The property is located adjacent to MN Highway 25, down the street from Mayer-Lutheran High School, and next to residential as well as city park space. The property is served by sidewalk which connects with the rest of the community.

5d. Describe any contamination on the project site or in the redevelopment plan area. Was a Response Action Plan developed? Will the project be cleaning up any contaminated soil, hazardous waste or other elements? If so, describe the type of clean up.

There is no contamination on the project site and no clean up of soil, hazardous waste, or other elements needed.

5e. Describe how the project is maximizing the potential of the site.

The current use of the site is a former fire station, with no taxable value or revenue, housing Public Works equipment, right on Highway 25. The project will result in a complete flip of the situation; creating 5 new commercial business space opportunities to add employment, tax base, and broadening business offerings to the community and visitors on the most traveled and highly visible roadway in Mayer.

5f. Will any existing residents, tenants or businesses be temporarily or permanently relocated as a part of this project? If so, please describe how relocation will occur.

None.

5g. Describe the biggest challenges or extraordinary costs facing your project and explain why the project is not feasible without CGPI funds. Please include any challenges not previously described such as status of site control, financing, rents and returns, tenants/leasing and other items pertinent to a successful project.

The biggest challenge and cost facing the project is the renovation and repurposing of the old fire hall. The bones of the structure are good, but the conversion incurs substantial costs. The main needs will be:

- Removal of the overhead doors and the installation of large sections of windows to fill the void.
- Demolition of the interior and construction of partition walls to split the building up into the 5 commercial spaces.
- Constructing the interiors of the 5 commercial spaces to make them suitable and marketable to businesses. The current interior is painted block walls.
- Installation of plumbing, mechanical, and electrical for the 5 separate units.

The CGPI grant funding would substantially speed up the completion of the project as the grant fills a financial gap need.

Attachments

1. City Resolution (sample is attached and must contain all provisions listed)
2. Location map
3. Site plan and elevations (if available)
4. Existing conditions photos
5. Redevelopment plan (if it is a redevelopment project)
6. Relocation plan (if applicable)
7. Copies of any funding commitments
8. Evidence of site control
9. Development pro forma that includes such things as sources and uses, financing assumptions of any debt, debt service coverage ratio, loan to value, loan to cost, percent equity and cash on cash return.

**City of Mayer
Resolution 2023-20**

**Resolution Approving an Application for the
Carver County Community Development Agency
Community Growth Partnership Initiative Grant Program**

WHEREAS, the City of Mayer has identified a proposed project within the city that meets the Carver County Community Development Agency (CDA) Community Growth Partnership Initiative Grant Program's purpose and criteria; and

WHEREAS, the City has identified a project that will create living wage jobs; and

WHEREAS, the City has the capacity and capability to ensure the proposed project will be completed and administered within the Community Growth Partnership Initiative predevelopment program guidelines; and

WHEREAS, the City has the legal authority to apply for financial assistance; and


WHEREAS, the City is supportive of affordable housing and of the CDA's mission to improve the lives of Carver County residents through affordable housing and community development.

NOW THEREFORE BE IT RESOLVED that the City of Mayer approves the application for funding from the Carver County CDA Community Growth Partnership Initiative Grant program.


BE IT FURTHER RESOLVED that if the application is approved by the Carver County CDA, Nicholas Johnson, the City Administrator, is hereby authorized to execute such agreements as are necessary to receive and use the funding for the proposed project.

Adopted by the City Council for the City of Mayer this 8th day of May, 2023.

Attest:

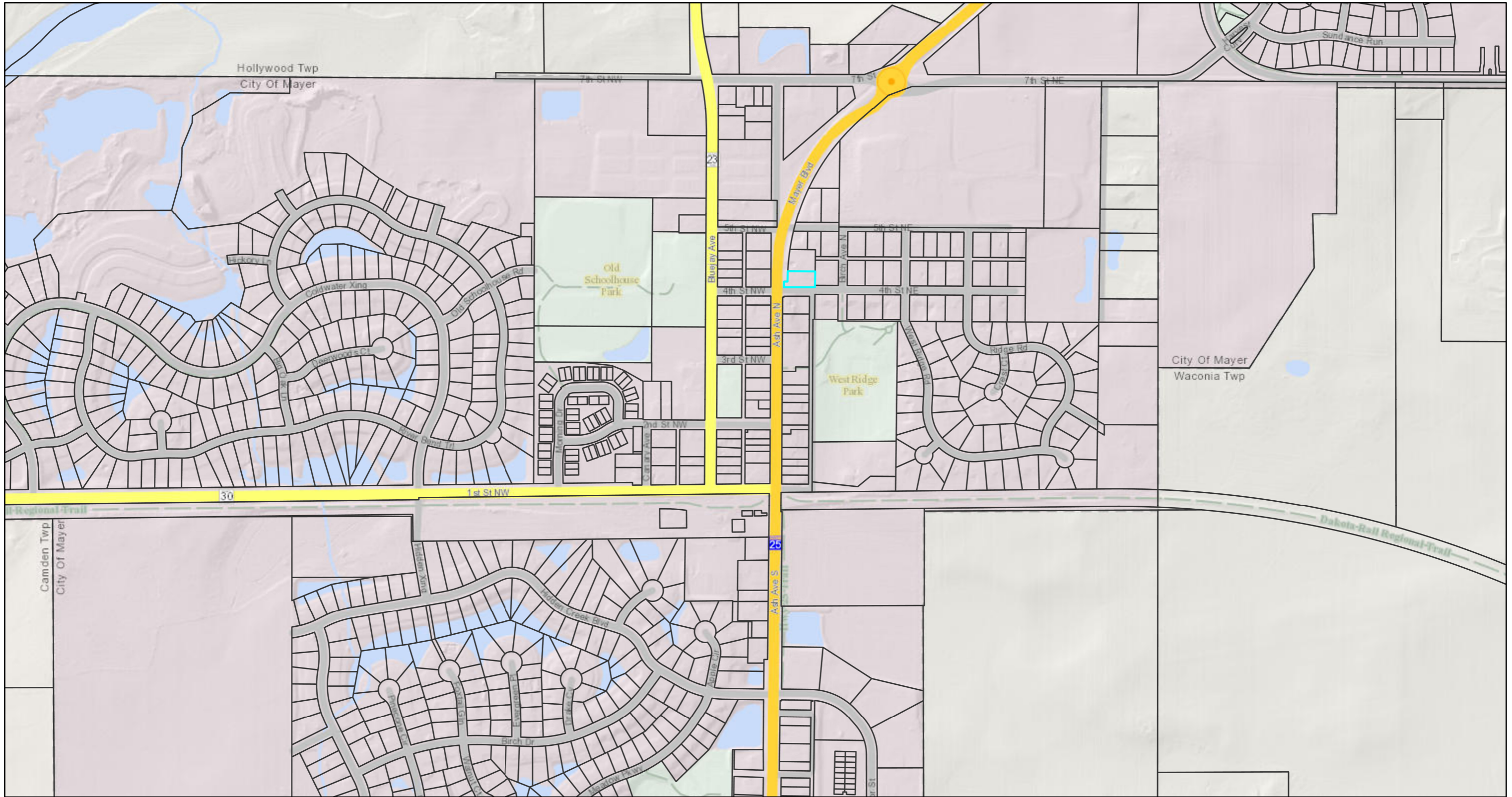


City Administrator



Mayor

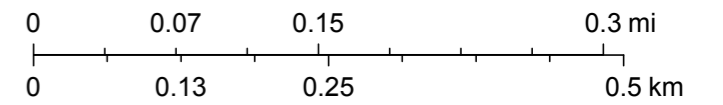
City of Mayer



5/22/2023, 8:16:11 AM

Parcels

1:9,028



Carver County GIS, City of Mayer, Carver County

QUAAS BUILDING EXTERIOR CONCEPTS REVIEW - NOVEMBER 18, 2022

CONSULTANT

QUAAS BUILDING EXTERIOR CONCEPTS

400 ASH AVE N.
 MAYER, MN 55360

REVISIONS

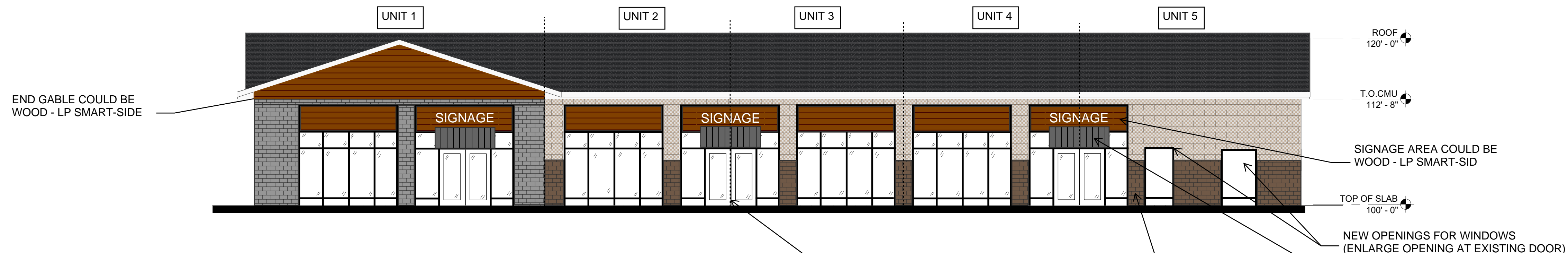
PROJECT # 22-060MA
 DATE
 DRAWN BY
 CHECKED BY
 © 2022 OLESON+HOBBIE ARCHITECTS, LLC.

SHEET TITLE

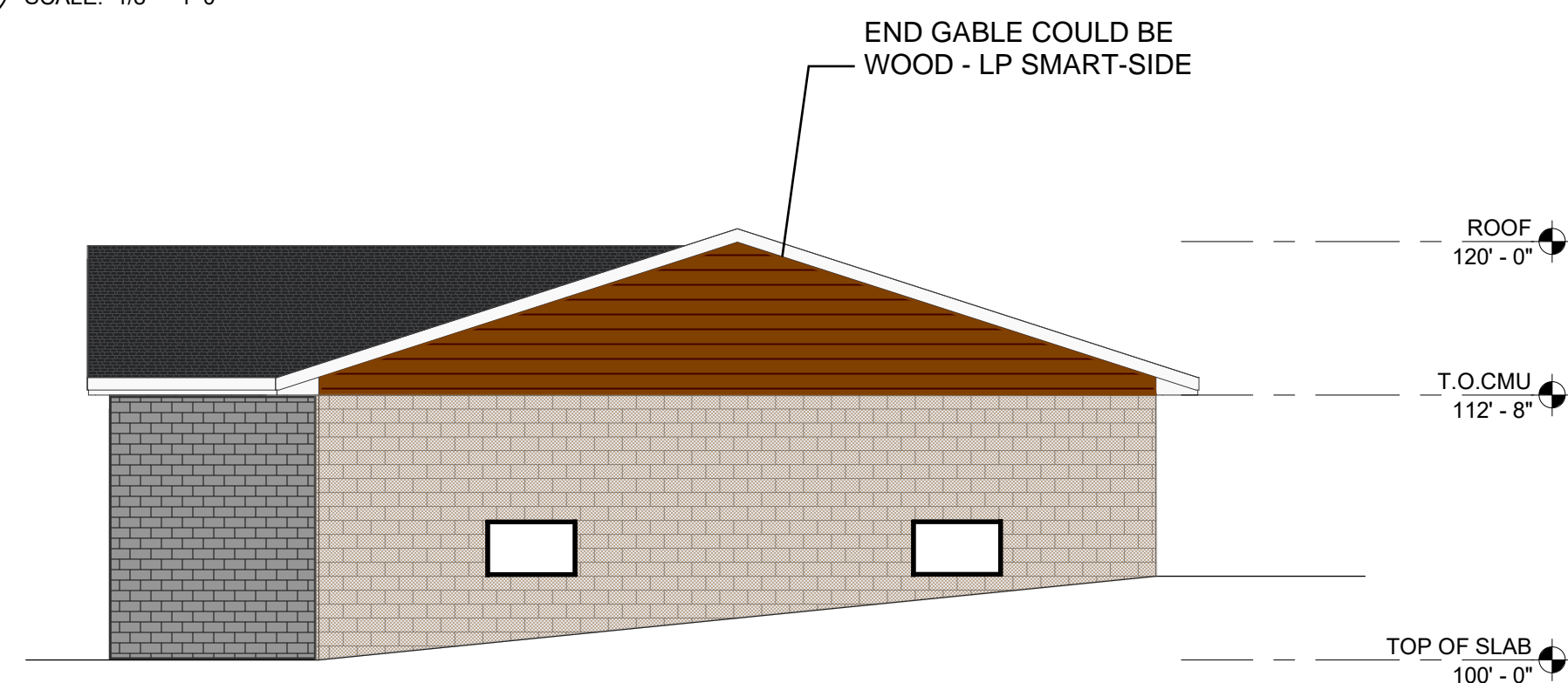
EXTERIOR ELEVATIONS

SHEET

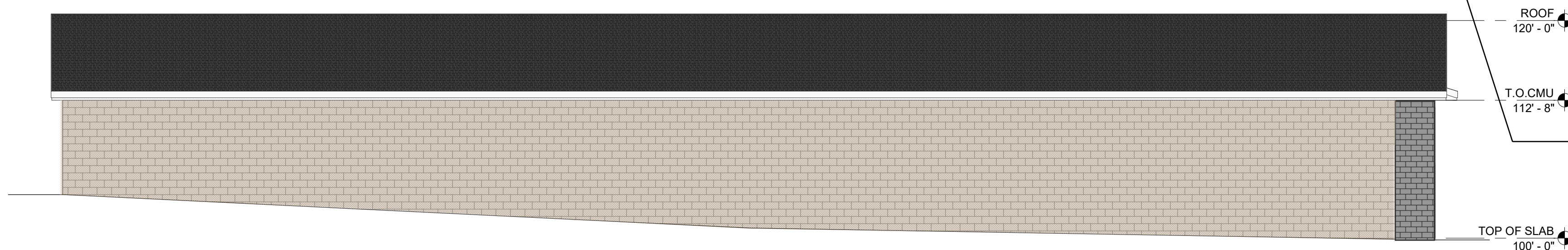
A3.1



1 SOUTH ELEVATION
 A3.1 SCALE: 1/8" = 1'-0"



2 EAST ELEVATION
 A3.1 SCALE: 1/8" = 1'-0"

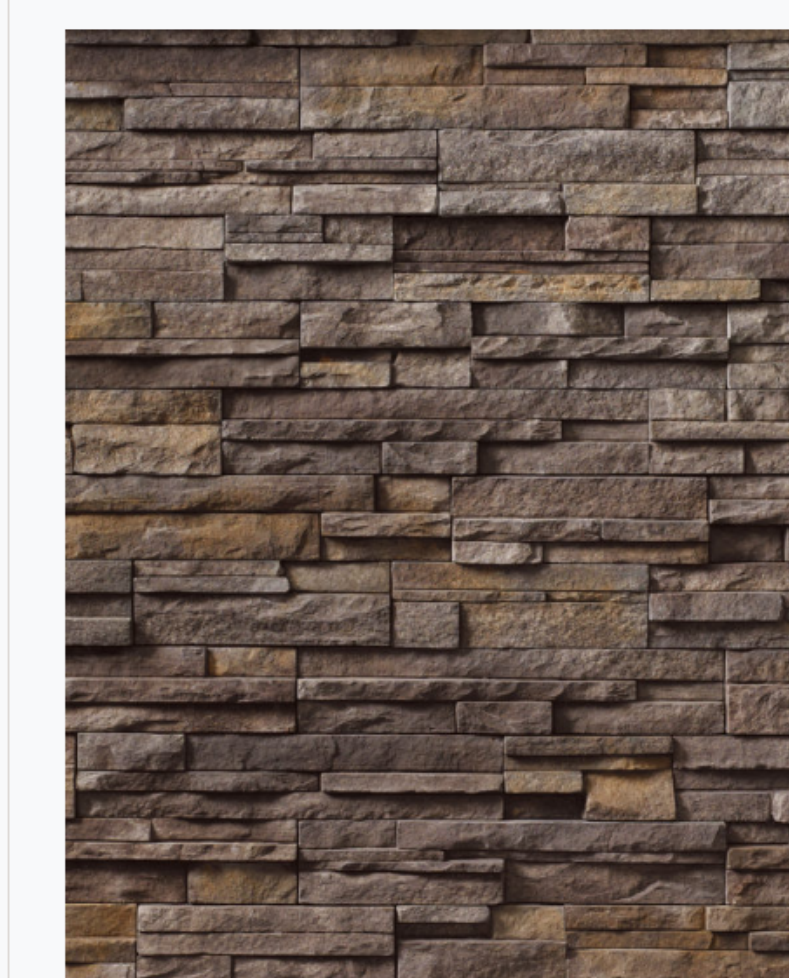


HIGH DESERT - USED BRICK

WAINSCOTE OPTIONS BETWEEN STOREFRONT ENTRANCES (CULTURED STONE)

UMBER CREEK - PRO-FIT® ALPINE LEDGESTONE

STANDING SEAM METAL AWNING OPTIONS

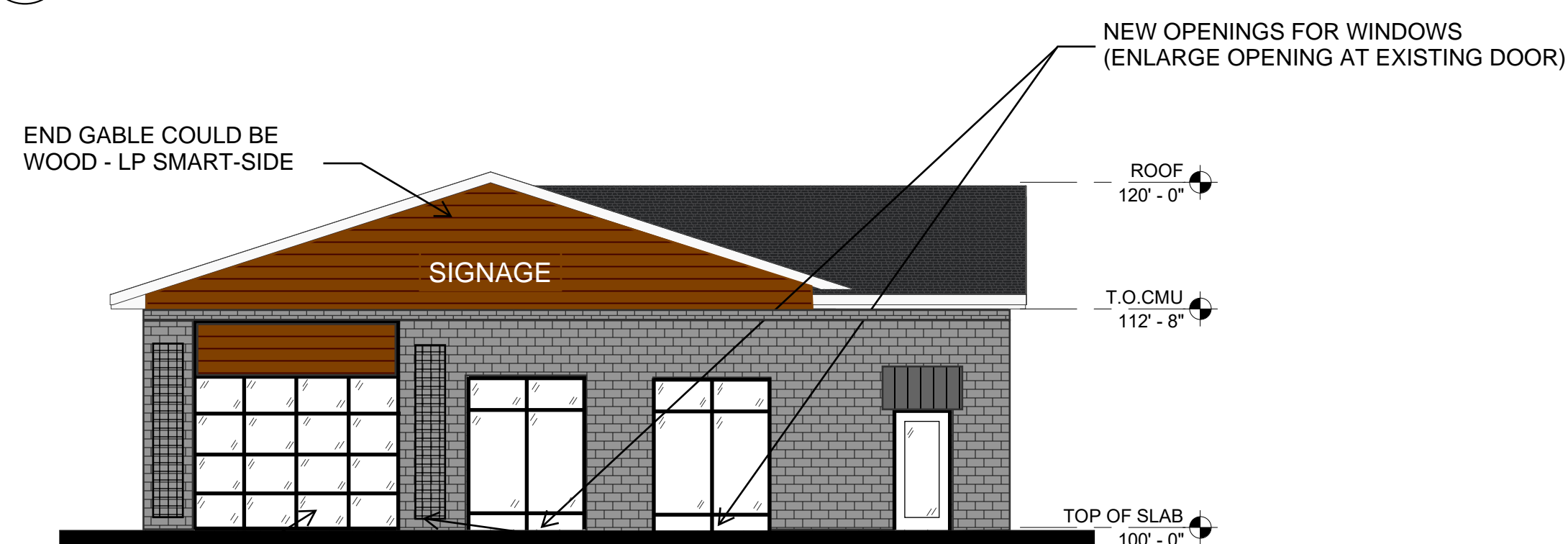


PAINTED CMU WITH METAL PANEL & WOOD (LP SMART-SIDE) OPTIONS



PAINTED CMU WITH WOOD (LP SMART-SIDE) OPTIONS

3 NORTH ELEVATION
 A3.1 SCALE: 1/8" = 1'-0"



4 WEST ELEVATION
 A3.1 SCALE: 1/8" = 1'-0"



STEEL SCREEN OVER EXTERIOR PAINTED CMU OPTIONS







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SECURITY BANK & TRUST CO.

May 22, 2023

Brad & Theresa Quaas
117 4th Street NE
Mayer, MN 55360

RE: Preapproval

Brad & Theresa,

Security Bank & Trust is pleased to inform you that you are pre-approved for a loan up to \$400,000.00.

If you should have any questions in regards to this commitment, please contact me at (952) 442-5161 EXT. 233 or email at Pamk@security-banks.com

Sincerely,

Pam Kurtz
Vice President
Security Bank & Trust Co.

LOCATIONS

Brownton
128 4th Ave N
Brownton, MN 55312
320-328-5222

Chaska
1575 White Oak Dr
Chaska, MN 55318
952-448-2265

Cologne
1110 Village Pkwy
Cologne, MN 55322
952-466-2014

Corporate
2202 11th St E
Glencoe, MN 55336
320-864-3107

Glencoe
735 11th St E
Glencoe, MN 55336
320-864-3171

Mayer
317 Ash Ave N
Mayer, MN 55360
952-657-2309

New Auburn
7422 7th Ave
New Auburn, MN 55366
320-864-6470

New Germany
270 Broadway St E
New Germany, MN 55367
952-353-2221

Plato
8 Third St SW
Plato, MN 55370
320-238-2208

Waconia
539 S Elm St
Waconia, MN 55387
952-442-5161

Waconia In-Store
835 Marketplace Dr
Waconia, MN 55387
952-442-5955

Winsted
110 First St N
Winsted, MN 55395
320-485-3831



Carver County Community Development Agency
705 North Walnut Street
Chaska, Minnesota 55318

May 22nd, 2023

RE: Letter Attesting to Evidence of Site Control

Dear Carver County CDA,

This letter comes to you as part of an application to your Community Growth Partnership Initiative to satisfy evidence of site control. I, Nicholas Johnson, duly authorized and appointed as the City Administrator for the City of Mayer, Minnesota, a municipal corporation under the Statutes of the State of Minnesota, do hereby attest to the following:

- The City of Mayer currently owns and holds title to the property described in the grant program as the old fire hall; PID 500060400; 400 Ash Avenue North.
- The City of Mayer has approved and signed a purchase agreement with Brad Quaas, developer of the property, with a closing date of November 30th, 2023.
- The City of Mayer anticipates no issues or matters which would cause interruption, delay, or cancellation of this property transaction.

If there are any further questions regarding or if additional proof is required please contact me right away.

Thank you,

Nicholas Johnson
City Administrator
City of Mayer, Minnesota

Community Growth Partnership Initiative 2023 Community Development Grant Application

Project name: *Tacoma West Industrial Park-Phase 2 (TWIP-2) Infrastructure Project*

Applicant: *City of Norwood Young America*

Contact name: *Karen Hallquist, Community & Economic Development Director*

Contact email and phone: economicdev@cityofnva.com 952-467-1810

Authorized official for contract execution (name and title): *Andrea Aukrust, City Administrator*

Project Summary

The City of Norwood Young America purchased 60.003 acres of land in March 2023 to expand the current Tacoma West Industrial Park due to business demand and lack of available space for that demand. The Tacoma West Industrial Park, 60-acres in size itself, has filled all eleven of the available lots with manufacturing and warehouse/shipping businesses. It has brought approximately 75 jobs into our community ranging from welding positions and warehouse workers to boar repair and storage. The total tax base for our community has increased by \$24 million in the last 15 years because of this industrial park alone.

The Tacoma West Industrial Park 2nd Addition (TWIP-2) is planned for approximately 14 lots, at minimum of 2-acre parcels. The proposed site for the TWIP-2 was annexed into the city in 2007 at the same time as the first industrial park land with the intentions for future park expansions. A comprehensive plan amendment was approved by the Met Council in March 2023 to accommodate the industrial zoning needs. The City has been approached by several businesses who are interested in purchasing property in the new park due to the amenities of the region along with Norwood Young America serving as a gateway to the Twin Cities with its safe and efficient access of Hwy 212. With the TWIP-2 addition, Norwood Young America will be able to offer competitive industrial park land, support new job opportunities, and create additional economic stability with the increase in tax base.

1. Request Details

1a. Request Amount: \$100,000

1b. Proposed activities/use of CGPI funds (check all applicable boxes)

- | | | |
|--|---|--|
| <input type="checkbox"/> Acquisition | <input checked="" type="checkbox"/> Utilities | <input type="checkbox"/> Sidewalks/Trails |
| <input type="checkbox"/> Lighting | <input checked="" type="checkbox"/> Site Work | <input type="checkbox"/> Demolition |
| <input type="checkbox"/> Landscaping | <input checked="" type="checkbox"/> Roadways | <input checked="" type="checkbox"/> Stormwater |
| <input type="checkbox"/> Streetscaping | <input type="checkbox"/> Soil Remediation | <input type="checkbox"/> Environmental cleanup |
| <input type="checkbox"/> Parking | <input type="checkbox"/> Relocation | |
| <input type="checkbox"/> Other (list) | | |

2. Readiness Details

Milestone	Commitment date or anticipated date	Amount
Construction Timeline		
Market/feasibility study	May/June 2023	included
Land use approvals (including any zoning, comprehensive plan amendments, variances, etc.)	Spring 2023	included
Environmental approvals	Summer 2023	TBD
Construction bids	Fall 2023	
Permits		
Site control	March 2023	2,100,000
Financial closing	March 2023	included
Clean up/demolition		
Begin construction	Spring 2024	
Project completion	Fall 2024	5,100,000
***See attached Project Schedule**		
Project Funding Sources		
First mortgage		
General partner cash/other equity		
Syndication proceeds		
Deferred loans		
TIF	Spring 2024	TBD
Tax Abatement (purchase of land)	March 2023	2,100,000
Sales tax/energy rebates		
Deferred developer fee		
Met Council TOD/LCDA/TBRA		
DEED Redevelopment/Cleanup		
DEED MIF/JCF		
Carver County CDA CGPI	June 2023	100,000
City – Revenue Bond	Winter 2024	2,700,000

Other: DEED TEDI or BDPI	Applying Fall 2023	2,000,000
Other: Minnesota Valley Electric	Applying Summer 2023	300,000

2a. Total development cost: \$7,200,000

(includes 60.003 acres land acquisition \$2.1m + \$5.1m infrastructure completion)

Percentage of funds committed: 26%

2b. List other sources of funds requested or considered but not obtained for the project and explain why.

NA

3. Project Details

3a. Site address(es) **See attached Exhibit A Legal Description**

3b. Site size – 60.003 acres

3c. Number of parcels – One parcel to be divided and purchased into accommodating sub-parcels.

3d. Parcel ID(s): 58.0146500

Housing

3e. Are there any existing housing units on the site: Yes **No**

 If so, how many?

 Are any of the units vacant? Yes No **N/A**

3f. Are any of the existing units affordable? Yes No

3g. Housing Units *(Indicate the number of housing units planned in the project)*

	Total Units	New Units	Retained Units	Owner-Occupied	Rental Units	Market Rate	Affordable Units	Affordability Level (% AMI)
Single Family								
Townhome								
Apartments/Condos								
Duplexes								
Other (Specify)								

3h. Is there a mechanism to ensure long term affordability? Yes No

3i. If yes, please describe the type and length of affordability.

3j. Who is the target population for these units (seniors, families, etc.)?

3k. If the project is a rental project, is the owner willing to accept Tenant Based Rental Assistance (Housing Choice Voucher or other tenant based rental assistance)?

Yes No

Commercial

3l. Are there existing commercial buildings on the site: Yes No If so, how many?

Are any of the units vacant? Yes No N/A

3m. Commercial square footage *(Indicate the square footage and jobs planned for the project)*

	Total square footage	New square footage	Retained square footage	New FTEs	Retained FTEs	Jobs with wages ≥\$17/hour
Retail/commercial						
Industrial						
Office						
Other (Specify)	TBD	TBD		TBD		TBD

3n. List and describe any businesses that will be located on the site. Identify any that are Small Business Enterprises (SBE), Women Business Enterprises (WBE), Minority Business Enterprises (MBE) or Veteran owned.

The City has accepted formal letters of intent for land purchase in the TWIP-2 from two industrial businesses and verbal commitments from seven others. The LOI businesses include a water-based manufacturer (WBE and MBE) and a light industrial operations manufacturer. The other verbal commitments include two veteran-owned warehousing centers, two incubator facilities for contractor operations, and three light industrial operations.

4. Project Costs

4a. Current taxable market value of the site: \$3,098

4b. Anticipated taxable market value after redevelopment: \$24,000,000 (as compared to the existing Tacoma West Industrial Park of 60 acres)

4c. Development costs

Acquisition cost: \$2,100,000

Total development cost: \$7,200,000

4d. Proposed cost of activities/use of CGPI funds

Activity	Total Cost	CGPI Request
Acquisition	\$2,100,000	na
Utilities		
Sidewalks/Trails		
Lighting		
Site Work		
Demolition		
Landscaping		
Roadways		
Stormwater		
Streetscaping		
Soil Remediation		
Environmental cleanup		
Parking		
<i>Other **See attached detailed Project Cost Sheet**</i>	<i>\$5,066,088.98</i>	<i>\$100,000</i>
Other		

Describe how this project fits into the city’s goals and the Redevelopment Plan, its public purpose, any extraordinary costs, and the community’s need for the project. Describe other projects completed/underway as part of the Redevelopment Plan or in the area and how this project may catalyze additional (re)development.

The City utilizes the 2040 Comp Plan, 2022-2026 NYA Strategic Plan, and 2021 NYA Commercial Market Study as guides for the increased growth and demand of new businesses and residential housing. The TWIP-2 project promotes a planned industrial development with accessibility to public infrastructure, broadband, electrical services, and transportation convenience to Hwy 212. With the extraordinary costs of infrastructure and construction, the City is hopeful of the CGPICDG funding along with other programs to assist with infrastructure costs. Based on the current TWIP, the City is conservatively anticipating at least 75 new jobs to be created with TWIP-2. Norwood Young America also has a desired need for all models of housing. Central Public Schools of Norwood Young America is in the process of a \$37 million renovation project which will ultimately accommodate an additional 500 students. The City has recently hired a firm to conduct a comprehensive housing study in preparation for discussions with developers and decisions made with City Council. Additional housing options will support the needs of the increased workforce and families relocating to Norwood Young America.

5b. Provide a brief history of the site including previous uses, slum or blight, activities, contamination, and other attempts at redevelopment.

The site was previously TA Transitional Ag farmland. The parcel, along with two adjacent parcels, was annexed into city limits in 2007 with the anticipation of expanding the current industrial park to the south.

5c. How does your project create a more livable community? Include information about the mix of uses, proximity to transit, reduced/shared parking, resiliency, walkable neighborhoods, green space, increased density, benefits to businesses/organizations, and community building elements.

NA

5d. Describe any contamination on the project site or in the redevelopment plan area. Was a Response Action Plan developed? Will the project be cleaning up any contaminated soil, hazardous waste or other elements? If so, describe the type of clean up.

Braun Intertec conducted a Phase I Environmental Study in December 2023 which showed no concerns of contamination. The land was previously TA Transitional Ag farmland.

5e. Describe how the project is maximizing the potential of the site.

To date, there are zero I-1 (Light Industrial) lots and only one B-1 (Business Industrial) lot available within city limits. TWIP-2 will be a combined zoning district of I-1 and B-1 which will allow a necessary mix of the following businesses: contractor operations, laboratories, light industry, warehousing, distribution centers, wholesale trade/showrooms, automobile repair, contractor yards, garden/landscape services, mini storage, and vocational/technical schools...all of which are currently limited by the lack of available space. The proposed project is also located approximately three blocks directly south off Hwy 212. The much-anticipated Hwy 212 four-lane expansion completion in 2026 will allow the businesses located in the TWIP and TWIP-2 safe and efficient access to the Twin Cities in less than 30 minutes.

Attached are drafted concept plans.

5f. Will any existing residents, tenants or businesses be temporarily or permanently relocated as a part of this project? If so, please describe how relocation will occur.

NA

5g. Describe the biggest challenges or extraordinary costs facing your project and explain why the project is not feasible without CGPI funds. Please include any challenges not previously described such as status of site control, financing, rents and returns, tenants/leasing and other items pertinent to a successful project.

The original TWIP had 6 parcels stagnant for almost 7 years. Between the summer of 2021 and January 2022, all 6 of those parcels have either been sold or have pre-development agreements for them with new and current manufacturing businesses. To accommodate high demand for industrial park land in western Carver County, the City was able to acquire 60.003 acres of land which abuts south of the current TWIP. The land was acquired for TWIP-2 by utilizing tax abatement from the current industrial park and financial support of the CGPICDG program in 2022. With the extraordinary costs of infrastructure and construction, the City is hopeful of the 2023 CGPICDG financial assistance for infrastructure costs.

Attachments

1. Resolution 2023-18 Approving CGPIDGP Application
2. Location map
3. Site/Concept plan
4. Land Purchase Agreement
5. Site Survey & Legal Description
6. Aerial View of TWIP-2
7. Resolution 2023-06 GO Tax Abatement Bonds, Series 2023A \$2,165,000 (land acquisition)
8. Resolution 2022-38 Comp Plan Amendment
9. Met Council Comp Plan Amendment Approval
10. Bolton & Menk Project Schedule
11. Bolton & Menk Project Costs

RESOLUTION NO. 2023-18
CITY OF NORWOOD YOUNG AMERICA

A RESOLUTION APPROVING COMMUNITY GROWTH PARTNERSHIP
INITIATIVE DEVELOPMENT GRANT PROGRAM APPLICATION

COPY

WHEREAS, the City of Norwood Young America has identified a proposed project within the city that meets the Carver County Community Development Agency (CDA) Community Growth Partnership Initiative Grant Program's purpose and criteria; and

WHEREAS, the City has identified a project that will create living wage jobs; and

WHEREAS, the City has the capacity and capability to ensure the proposed project will be completed and administered within the Community Growth Partnership Initiative development program guidelines; and

WHEREAS, the City has the legal authority to apply for financial assistance; and

WHEREAS, the City is supportive of affordable housing and of the CDA's mission to improve the lives of Carver County residents through affordable housing and community development.

NOW THEREFORE BE IT RESOLVED that the City of Norwood Young America approves the application for funding from the Carver County CDA Community Growth Partnership Initiative Grant Program.

Adopted by the City Council this 22nd day of May 2023.

Carol Lagergren
Carol Lagergren, Mayor

ATTEST:

Andrea Aukrust
Andrea Aukrust, City Administrator

TACOMA WEST INDUSTRIAL PARK 2ND ADDITION

The total project costs for the proposed project are apportioned as follows:

OVERALL PROJECT COST

Tacoma Ave Street Cost	\$266,967.65	
Tacoma Ave Storm Sewer Cost	\$90,998.34	
Tacoma Ave WM Cost	\$145,289.30	
Tacoma Ave Sanitary Sewer Cost	\$237,553.42	
Subtotal Tacoma Ave Cost	\$740,808.71	
Street Cost	\$2,763,440.94	
Storm Sewer Cost	\$180,079.24	
Stormwater Pond Cost	\$69,971.20	
Watermain Cost	\$589,717.65	
Sanitary Sewer Cost	\$722,071.23	
Subtotal Industrial Park Cost	\$4,325,280.28	
Total Project Cost	\$5,066,088.98	

PROJECT COMPONENT COST APPORTIONMENT

TACOMA AVENUE

Street Costs

Street Oversizing Cost (City)	\$61,802.06	
Total Street Standard Section Cost	\$205,165.60	\$268,967.65
Assessable / Charge Portion (50%)	\$102,582.80	
Total Assessable / Charge Units (Acres)	118.85	
Cost Per Unit (Acre)	\$863.13	
Total Assessable Units (Acres)	46.74	
Total Amount Assessed	\$40,342.62	
Total Availability Charge Units (Acres)	72.11	
Total Availability Charge	\$62,240.18	
Total City Cost	\$164,384.86	

Storm Sewer Costs

Total Storm Sewer Cost (City)	\$90,998.34	
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Sanitary Sewer Costs

Sanitary Sewer Oversizing Cost (City)	\$6,876.00	
Sanitary Sewer Assessable / Charge Cost	\$230,677.42	\$237,553.42
Total Units (Acres)	118.85	
Cost Per Unit (Acre)	\$1,940.91	
Total Assessable Units (Acres)	46.74	
Total Amount Assessed	\$90,718.24	
Total Availability Charge Units (Acres)	72.11	
Total Availability Charge	\$139,959.18	
Total City Sewer Cost	\$6,876.00	

Watermain Costs

Watermain Oversizing Cost	\$2,208.00	
Watermain Assessable Cost	\$143,081.30	\$145,289.30
Total Units (Acres)	118.85	
Cost Per Unit	\$1,203.88	
Total Assessable Units (Acres)	46.74	
Total Amount Assessed	\$56,269.41	
Total Availability Charge Units (Acres)	72.11	
Total Availability Charge	\$86,811.88	
Total City Watermain Cost	\$2,208.00	

INDUSTRIAL PARK

Street Costs

Street Oversizing Cost (City)	\$323,730.08	
Total Street Standard Section Cost	\$2,439,710.86	\$2,763,440.94
Total Units (Acres)	46.74	
Cost Per Unit	\$52,197.49	
Total Assessable Cost	\$2,439,710.86	
Total City Street Cost	\$323,730.08	

Sanitary Sewer Costs

Sanitary Sewer Oversizing Cost	\$8,702.40	
Sanitary Sewer Assessable Cost	\$713,368.83	\$722,071.23
Total Units (Acres)	46.74	
Cost Per Unit	\$15,262.49	
Total Assessable Cost	\$713,368.83	
Total City Sewer Cost	\$8,702.40	

Watermain Costs

Watermain Oversizing Cost	\$0.00	
Watermain Assessable Cost	\$589,717.65	
Total Units (Acres)	46.74	
Cost Per Unit	\$12,616.98	
Total Assessable Cost	\$589,717.65	
Total City Watermain Cost	\$0.00	

Storm Sewer Costs

Storm Sewer & Pond Cost	\$250,050.44	
Total Units (Acres)	46.74	
Cost Per Unit	\$5,349.82	
Total Assessable Cost	\$250,050.44	
Total City Storm Sewer Cost	\$0.00	

TACOMA AVENUE

Total City Cost	\$284,687.20
Total Assessment Amount	\$187,330.27
Total Availability Charge	\$289,011.28
Total Project Cost	\$740,808.71

INDUSTRIAL PARK

Total City Cost	\$332,432.48
Total Assessment Amount	\$3,992,847.78
Total Availability Charge	0
Total Project Cost	\$4,325,280.28

TOTAL PROJECT

Total City Cost	\$996,899.68
Total Assessment Amount	\$4,180,178.05
Total Availability Charge	\$289,011.28
Total Project Cost	\$5,066,088.98

Assessment to Industrial Park Per Acre	\$89,434.70
Availability Charge Per Acre	\$4,007.92



NYA City GIS

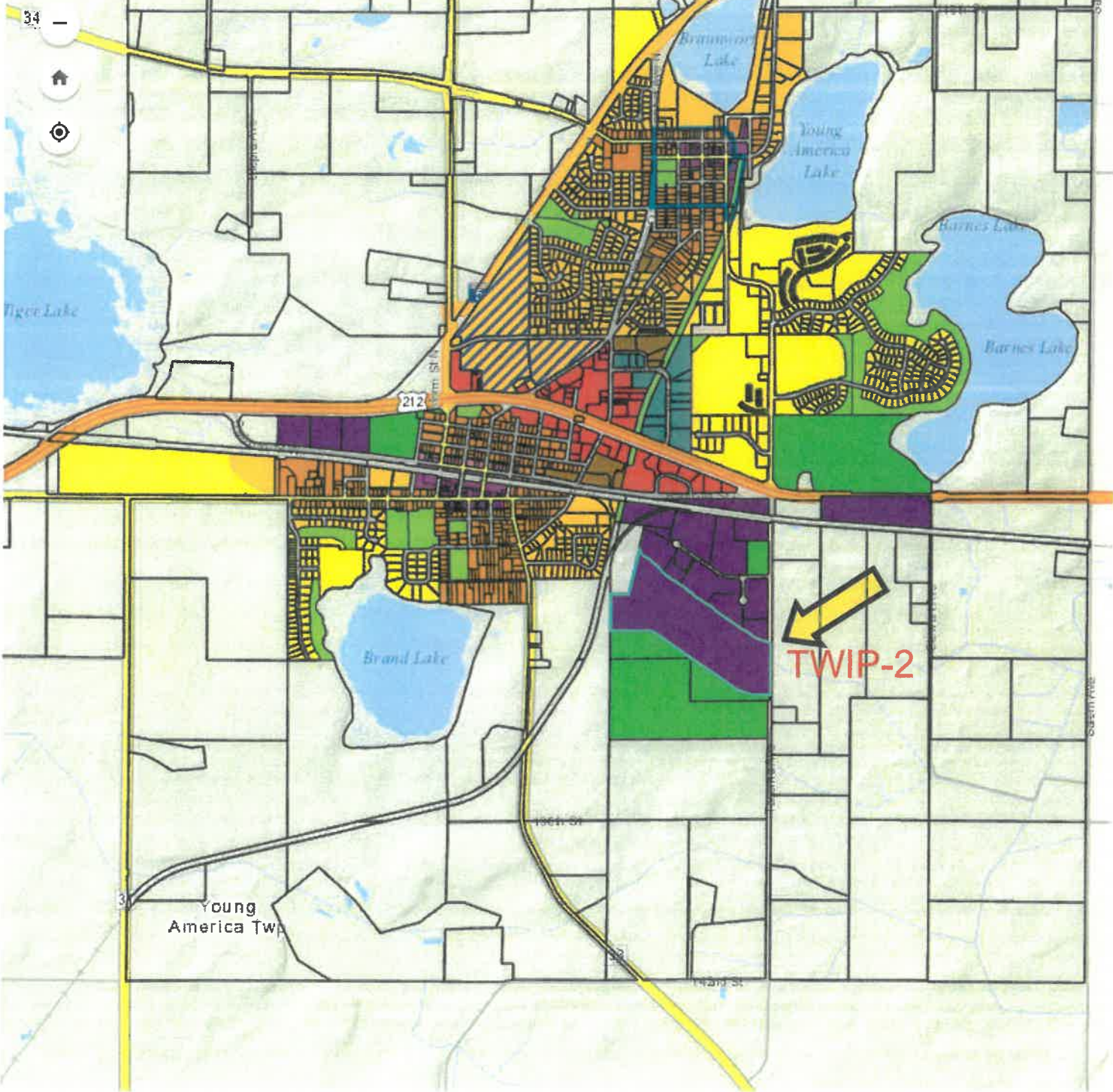
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Young America Twp



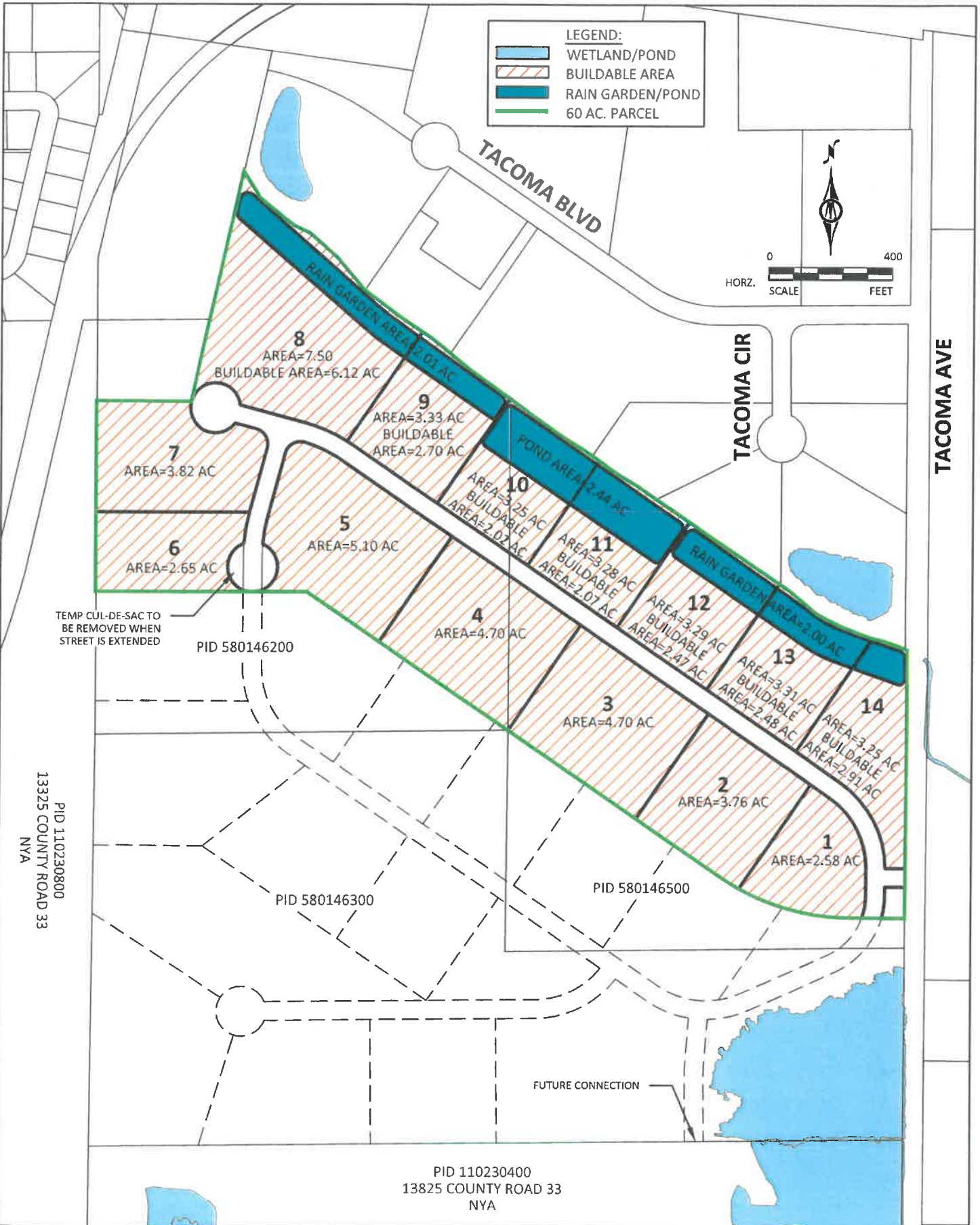
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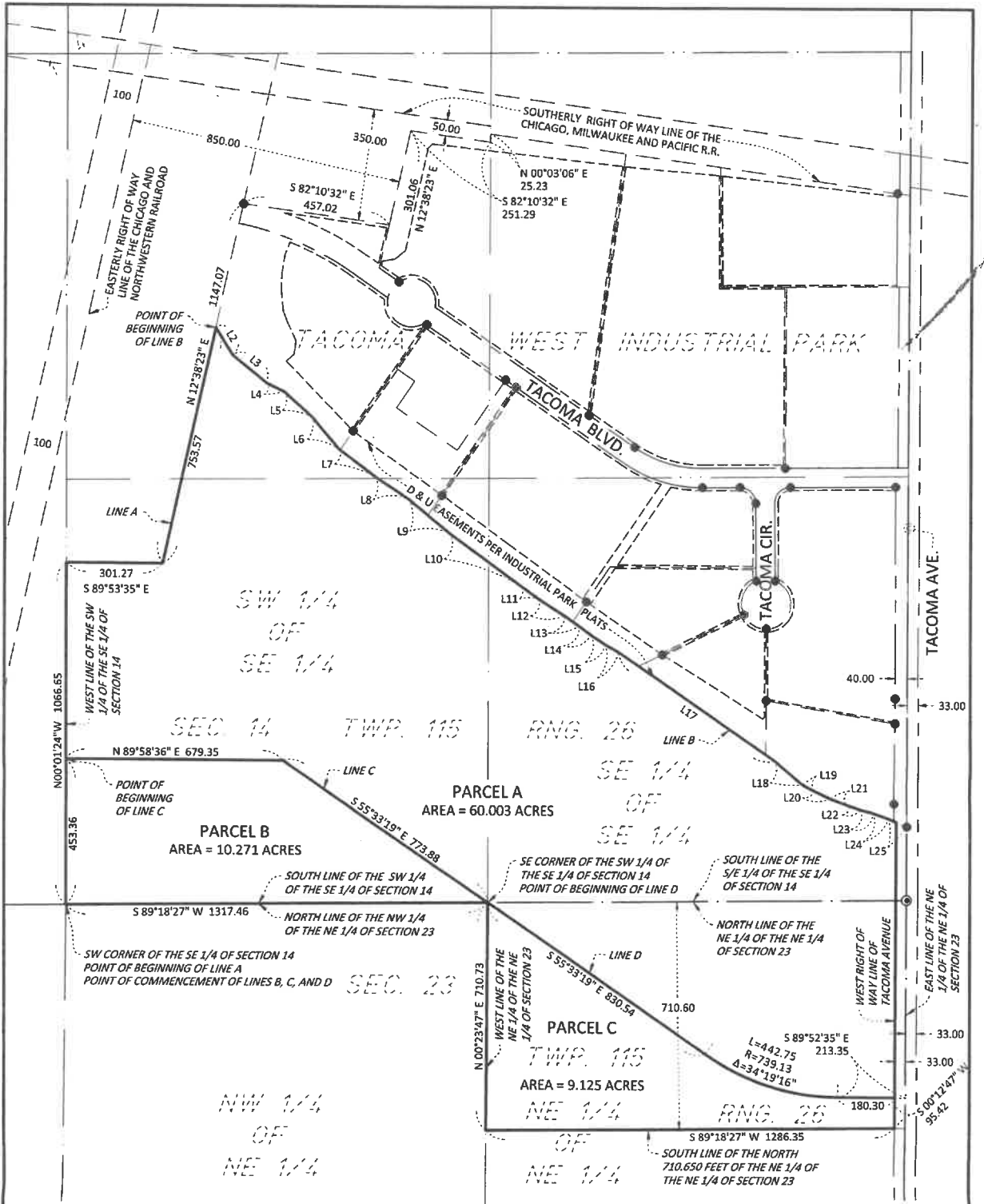
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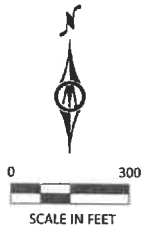


LINE TABLE		
LINE #	LENGTH	BEARING
L2	100.56	S31°49'32"E
L3	136.53	S50°56'31"E
L4	60.62	S64°34'00"E
L5	117.83	S47°59'04"E
L6	131.27	S40°11'42"E
L7	143.87	S53°07'17"E

LINE TABLE		
LINE #	LENGTH	BEARING
L8	124.11	S56°12'38"E
L9	162.80	S50°41'42"E
L10	279.27	S54°05'29"E
L11	63.59	S54°49'13"E
L12	98.65	S57°27'15"E
L13	55.10	S55°27'59"E

LINE TABLE		
LINE #	LENGTH	BEARING
L14	48.34	S53°34'22"E
L15	52.32	S56°38'50"E
L16	47.43	S59°46'01"E
L17	597.09	S55°38'09"E
L18	115.82	S50°43'10"E
L19	39.56	S62°28'36"E

LINE TABLE		
LINE #	LENGTH	BEARING
L20	55.47	S65°14'16"E
L21	65.91	S69°17'53"E
L22	34.89	S70°36'24"E
L23	38.97	S77°03'38"E
L24	53.60	S70°30'07"E
L25	62.91	S66°54'25"E



SURVEY EXHIBIT NORWOOD YOUNG AMERICA, MN		PART OF: SE 1/4 OF SEC. 14 AND NE 1/4 OF SEC. 23 TWP. 115, RNG. 26 CARVER COUNTY, MINNESOTA FOR: CITY OF NORWOOD YOUNG AMERICA
BOLTON & MENK 2638 SHADOW LANE, SUITE 200 CHASKA, MINNESOTA 55318 (952) 448-8838		

PROPERTY DESCRIPTIONS

PARCEL A:

That part of the Southeast Quarter of Section 14, Township 115, Range 26, Carver County, Minnesota lying Southerly and Easterly of Line A, Southwesterly of Line B, and Northeasterly of Line C.

Line A is described as follows:

Beginning at the Southwest corner of the Southeast Quarter of said Section 14; thence on an assumed bearing of North 00 degrees 01 minute 24 seconds West, along the West line of said Southeast Quarter, a distance of 1066.65 feet; thence South 89 degrees 53 minutes 35 seconds East, a distance of 301.28 feet; thence North 12 degrees 38 minutes 23 seconds East, parallel with the Easterly right-of-way of the Chicago and Northwestern Railroad, a distance of 1147.07 feet to a line drawn parallel with and 350.00 feet Southerly of the Southerly right-of-way line of the Chicago, Milwaukee, St. Paul, and Pacific Railroad; thence South 82 degrees 10 minutes 32 seconds East, parallel with the Southerly right-of-way line of the Chicago, Milwaukee, St. Paul, and Pacific Railroad, a distance of 457.02 feet to a line drawn parallel with and 850.00 feet Easterly of the Easterly right-of-way line of the Chicago and Northwestern Railroad; thence North 12 degrees 38 minutes 23 seconds East, parallel with the Easterly right-of-way line of the Chicago and Northwestern Railroad, a distance of 301.06 feet to a line drawn parallel with and 50.00 feet Southerly of the Southerly right-of-way line of the Chicago, Milwaukee, St. Paul, and Pacific Railroad; thence South 82 degrees 10 minutes 32 seconds East, parallel with the Southerly right-of-way line of the Chicago, Milwaukee, St. Paul, and Pacific Railroad, a distance of 251.29 feet to the East line of the Northwest Quarter of said Southeast Quarter; thence North 00 degrees 03 minutes 01 seconds East, along the East line of the Northwest Quarter of said Southeast Quarter, a distance of 25.23 feet to the Southerly right-of-way line of the Chicago, Milwaukee, St. Paul and Pacific Railroad and said Line A there terminating.

Line B described as follows:

Commencing at the Southwest Corner of the Southeast Quarter of said Section 14; thence on an assumed bearing of North 00 degrees 01 minute 24 seconds West, along the West line of said Southeast Quarter, a distance of 1066.65 feet; thence South 89 degrees 53 minutes 35 seconds East, a distance of 301.28 feet; thence North 12 degrees 38 minutes 23 seconds East, parallel with the Easterly right-of-way of the Chicago and Northwestern Railroad, a distance of 753.57 feet to the point of beginning of Line B to be described; thence South 31 degrees 49 minutes 32 seconds East, a distance of 100.56 feet; thence South 50 degrees 56 minutes 31 seconds East, a distance of 136.53 feet; thence South 64 degrees 34 minutes 00 seconds East, a distance of 60.62 feet; thence South 47 degrees 59 minutes 04 seconds East, a distance of 117.83 feet; thence South 40 degrees 11 minutes 44 seconds East, a distance of 131.27 feet; thence South 53 degrees 07 minutes 17 seconds East, a distance of 143.87 feet; thence South 56 degrees 12 minutes 38 seconds East, a distance of 124.11 feet; thence South 50 degrees 41 minutes 42 seconds East, a distance of 162.80 feet; thence South 40 degrees 11 minutes 44 seconds East, a distance of 131.27 feet; thence South 54 degrees 05 minutes 29 seconds East, a distance of 279.27 feet; thence South 54 degrees 49 minutes 13 seconds East, a distance of 63.59 feet; thence South 57 degrees 27 minutes 15 seconds East, a distance of 98.65 feet; thence South 55 degrees 27 minutes 59 seconds East, a distance of 55.10 feet; thence South 53 degrees 34 minutes 22 seconds East, a distance of 48.34 feet; thence South 56 degrees 38 minutes 50 seconds East, a distance of 597.09 feet; thence South 59 degrees 46 minutes 01 second East, a distance of 47.43 feet; thence South 55 degrees 38 minutes 09 seconds East, a distance of 597.09 feet; thence South 50 degrees 43 minutes 10 seconds East, a distance of 115.82 feet; thence South 62 degrees 28 minutes 36 seconds East, a distance of 39.56 feet; thence South 65 degrees 14 minutes 16 seconds East, a distance of 55.47 feet; thence South 69 degrees 17 minutes 53 seconds East, a distance of 65.91 feet; thence South 70 degrees 36 minutes 24 seconds East, a distance of 34.89 feet; thence South 77 degrees 03 minutes 38 seconds East, a distance of 38.97 feet; thence South 70 degrees 30 minutes 07 seconds East, a distance of 53.60 feet; thence South 66 degrees 54 minutes 25 seconds East, a distance of 62.91 feet to the East line of said Southeast Quarter of Section 14 and said Line B there terminating.

Line C described as follows:

Commencing at the Southwest corner of the Southeast Quarter of said Section 14; thence on an assumed bearing of North 00 degrees 01 minute 24 seconds West, along the West line of said Southeast Quarter, a distance of 453.36 feet to the point of beginning of Line C to be described; thence North 89 degrees 58 minutes 36 seconds East, a distance of 679.35 feet; thence South 55 degrees 33 minutes 18 seconds East, a distance of 773.88 feet to the Southeast corner of the Southwest Quarter of the Southeast Quarter of said Section 14 and said Line C there terminating.

Line D described as follows:

Commencing at the Southwest corner of the Southeast Quarter of said Section 14; thence on an assumed bearing of North 00 degrees 01 minute 24 seconds West, along the West line of said Southeast Quarter, a distance of 453.36 feet; thence North 89 degrees 58 minutes 36 seconds East, a distance of 679.35 feet; thence South 55 degrees 33 minutes 18 seconds East, a distance of 773.88 feet to the Southeast corner of the Southwest Quarter of the Southeast Quarter of said Section 14 and the point of beginning of Line D to be described; thence continuing South 55 degrees 33 minutes 18 seconds East, a distance of 830.54 feet; thence southeasterly, a distance of 442.75 feet along a tangential curve, concave to the north, having a radius of 739.13 feet, and a central angle of 34 degrees 19 minutes 16 seconds; thence South 89 degrees 52 minutes 34 seconds East, tangent to said curve, a distance of 213.35 feet to the east line of the Northeast Quarter of the Northeast Quarter of said Section 23 and said Line D there terminating.

AND

The North 710.60 feet of the Northeast Quarter of the Northeast Quarter of Section 23, Township 115, Range 26, Carver County, Minnesota lying Northeasterly of said Line D.

PARCEL B:

That part of the Southwest Quarter of the Southeast Quarter of Section 14, Township 115, Range 26, Carver County, Minnesota lying Southerly of Line C.

Line C described as follows:

Commencing at the Southwest corner of the Southeast Quarter of said Section 14; thence on an assumed bearing of North 00 degrees 01 minute 24 seconds West, along the West line of said Southeast Quarter, a distance of 453.36 feet to the point of beginning of Line C to be described; thence North 89 degrees 58 minutes 36 seconds East, a distance of 679.35 feet; thence South 55 degrees 33 minutes 18 seconds East, a distance of 773.88 feet to the Southeast corner of the Southwest Quarter of the Southeast Quarter of said Section 14 and said Line C there terminating.

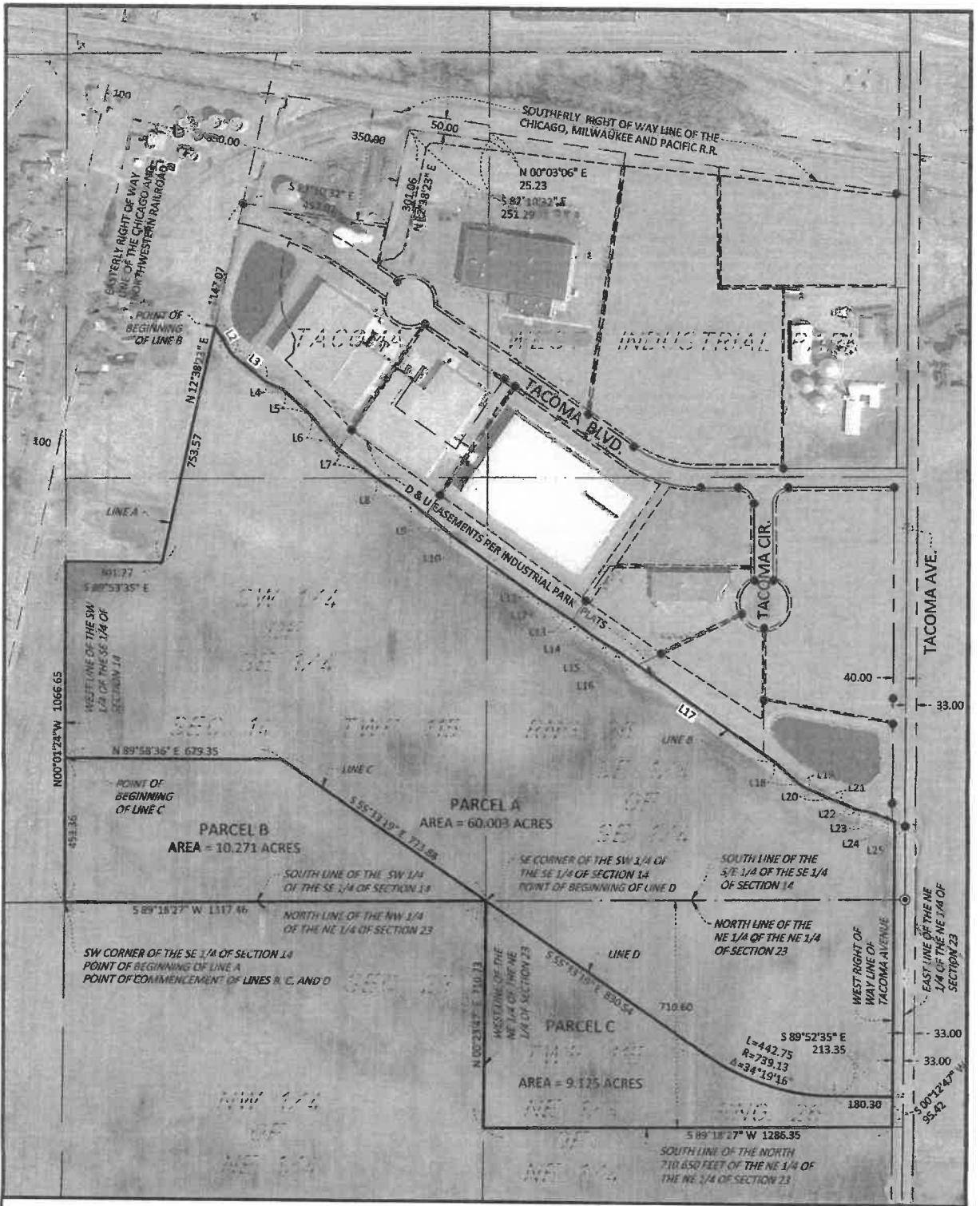
PARCEL C:

The North 710.60 feet of the Northeast Quarter of the Northeast Quarter of Section 23, Township 115, Range 26, Carver County, Minnesota lying Southerly of Line D.

Line D described as follows:

Commencing at the Southwest corner of the Southeast Quarter of said Section 14; thence on an assumed bearing of North 00 degrees 01 minute 24 seconds West, along the West line of said Southeast Quarter, a distance of 453.36 feet; thence North 89 degrees 58 minutes 36 seconds East, a distance of 679.35 feet; thence South 55 degrees 33 minutes 18 seconds East, a distance of 773.88 feet to the Southeast corner of the Southwest Quarter of the Southeast Quarter of said Section 14 and the point of beginning of Line D to be described; thence continuing South 55 degrees 33 minutes 18 seconds East, a distance of 830.54 feet; thence southeasterly, a distance of 442.75 feet along a tangential curve, concave to the north, having a radius of 739.13 feet, and a central angle of 34 degrees 19 minutes 16 seconds; thence South 89 degrees 52 minutes 34 seconds East, tangent to said curve, a distance of 213.35 feet to the east line of the Northeast Quarter of the Northeast Quarter of said Section 23 and said Line D there terminating.

SURVEY EXHIBIT NORWOOD YOUNG AMERICA, MN		PART OF: SE 1/4 OF SEC. 14 AND NE 1/4 OF SEC. 23 TWP. 115, RNG 26 CARVER COUNTY, MINNESOTA FOR: CITY OF NORWOOD YOUNG AMERICA
 BOLTON & MENK	2638 SHADOW LANE, SUITE 200 CHASKA, MINNESOTA 55318 (952) 448-8838	

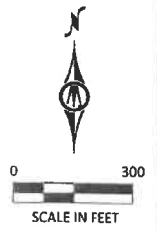


LINE TABLE		
LINE #	LENGTH	BEARING
L2	100.56	S31°49'32"E
L3	136.53	S90°56'31"E
L4	60.62	S64°34'00"E
L5	117.83	S47°59'04"E
L6	131.27	S40°11'42"E
L7	143.87	S93°07'17"E

LINE TABLE		
LINE #	LENGTH	BEARING
L8	124.11	S56°12'38"E
L9	162.80	S50°41'42"E
L10	279.27	S54°05'29"E
L11	63.59	S54°49'13"E
L12	98.65	S57°27'15"E
L13	55.10	S55°27'59"E

LINE TABLE		
LINE #	LENGTH	BEARING
L14	48.34	S53°34'22"E
L15	52.32	S56°38'50"E
L16	47.43	S59°46'01"E
L17	597.09	S55°38'09"E
L18	115.82	S50°43'10"E
L19	39.56	S62°28'36"E

LINE TABLE		
LINE #	LENGTH	BEARING
L20	55.47	S65°14'16"E
L21	65.91	S69°17'53"E
L22	34.89	S70°36'24"E
L23	38.97	S77°03'38"E
L24	53.60	S70°30'07"E
L25	62.91	S66°54'25"E



SURVEY EXHIBIT NORWOOD YOUNG AMERICA, MN		PART OF: SE 1/4 OF SEC. 14 AND NE 1/4 OF SEC. 23 TWP. 115, R26 CARVER COUNTY, MINNESOTA FOR: CITY OF NORWOOD YOUNG AMERICA
 BOLTON & MENK 2638 SHADOW LANE, SUITE 200 CHASKA, MINNESOTA 55318 (952) 448-8838		

PURCHASE AGREEMENT

This Agreement is made and entered into by and between Robert Kloth and Lori Kloth ("Seller") and the City of Norwood Young America ("Buyer").



RECITALS:

A. Seller is the fee owner of approximately sixty acres of property in the City of Norwood Young America, Minnesota (the "Property"), which comprises portions of tax parcels 580146500 and 580146200, and which is legally described in Exhibit A and depicted as Parcel A in Exhibit B, each attached hereto.

B. Seller wishes to convey, and Buyer wishes to purchase the Property, together with all rights, privileges, easements, and appurtenances belonging thereto.

AGREEMENT:

In consideration of the mutual covenants and agreements herein contained and other valuable consideration, the sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Purchase Price and Manner of Payment. The purchase price ("Purchase Price") to be paid by Buyer for the Property shall be Two Million One Hundred Thousand Dollars and 00/100 (\$2,100,000.00), subject to the following deductions and payable as follows:

- a. Upon execution of this Agreement, Five Thousand and 00/100 dollars (\$5,000) as earnest money ("Earnest Money"), to be held by the Closing Company and disbursed in accordance with the terms of this Purchase Agreement.
- b. The balance of the Purchase Price, as adjusted by prorations and credits specified herein, shall be paid in a draft or other immediately available funds on the Closing Date.

2. Condition of Property. Seller has no knowledge of adverse conditions affecting the Property. For purposes of this representation, "adverse conditions" shall include:

- a. Proposed, planned or commenced public improvements or public construction projects which may result in special assessments or otherwise materially affect the Property.

- b. Pre-existing land divisions or subdivisions for which required state or local approvals were not obtained.
- c. Boundary line or lot disputes, encroachments or encumbrances.
- d. Material violations of environmental rules or other rules or agreements regulating the use of the Property.
- e. Underground storage tanks presently or previously on the Property for storage of flammable or combustible liquids including, but not limited to, gasoline and heating oil
- f. Burial sites, archeological artifacts, conveyed mineral rights, or the presence of endangered species.

3. Hazardous Substances. There are, to the best of Seller's knowledge, no Hazardous Substances (as defined in state and federal law), asbestos, urea formaldehyde, polychlorinated biphenyls, radon gas or petroleum products (including gasoline, fuel oil, crude oil and various constituents of such products) which exist on, have been placed or stored on, or have been released from, the Property by any person in violation of any law.

4. Closing. The closing of the purchase and sale of the Property contemplated by this Agreement shall occur on a "Closing Date" which shall occur within thirty (30) days after the Due Diligence and Contingency Date described in Section 9 of this Agreement. The closing shall be conducted by a closing company (the "Closing Company") agreed to by the parties at a mutually agreeable time and place. Seller agrees to deliver possession of the Property to Buyer on the Closing Date. At the closing, Buyer shall pay the Purchase Price, as adjusted by prorations and credits specified herein, to Seller and the following closing documents shall be executed and delivered.

- a. A general warranty deed conveying to Buyer fee simple title of the Property, free and clear of all encumbrances, except the following "Permitted Encumbrances":
 - (1) Property taxes and special assessments to be allocated between the parties as provided in Section 5 of this Agreement;
 - (2) Building codes and laws and ordinances relating to zoning, land use and environmental matters; and
 - (3) Easements and Restrictions and Covenants of Record that do not interfere with Buyer's intended use of the Property;

- b. An Affidavit by Seller indicating no adverse matters.
- c. A closing statement detailing the financial terms of the closing.
- d. All other documents necessary to transfer the Property to Buyer free and clear of all encumbrances except the Permitted Encumbrances.
- e. The Option Agreement attached hereto as Exhibit C.

5. Costs and Prorations. Seller and Buyer agree to the following prorations and allocations of costs:

- a. **Closing Costs.** Seller shall pay all costs of issuing the title insurance commitment. Buyer shall be responsible title insurance premiums and surcharges required for the issuance of any owner's title insurance policy required by Buyer. The closing fees charged by the Title Insurer shall be split between the parties. All other closing costs shall be allocated per customary standards.
- b. **Documentary Taxes.** Seller shall pay all state deed tax for the general warranty deed to be delivered by Seller under this Agreement.
- c. **Real Estate Taxes and Levied and Pending Assessments.** General real estate taxes due in the year of Closing shall be prorated by Seller and Buyer as of the Closing Date based upon a calendar fiscal year. Seller shall be responsible for any green acre charges due on the property. Seller shall be responsible for all special assessments levied or pending against the Property as of the date of this Agreement.
- d. **Attorney's Fees.** Each party will pay its own attorney's fees, except that a party defaulting under this Agreement or any closing document will pay the reasonable attorney's fees and court costs incurred by the non-defaulting party to enforce its rights regarding such default.
- e. **Subdivision Costs.** Buyer shall be responsible for all costs associated with subdivision of the property from the larger parcel(s) retained by Seller. Seller shall cooperate with Buyer in the subdivision process.

6. Title.

- a. **Quality of Title.** Seller shall convey marketable fee title to the Property to Buyer, subject to no liens, easements, encumbrances, conditions, reservations or restrictions other than the Permitted Encumbrances.

b. **Title Evidence.** Within ten (10) business days after this Agreement is fully executed by the Parties, Seller shall furnish to Buyer a commitment (“Title Commitment”) for an owner’s policy of insurance in the amount of the Purchase Price insuring title to the Property subject only to the Permitted Encumbrances.

c. **Buyer’s objections.** Within ten (10) business days after receiving the Title Commitment, Buyer shall make written objections (“Objections”) to the form and/or contents of the Title Commitment. Buyer’s failure to make Objections within such time period will constitute waiver of Objections. Any matter shown on such Title Commitment and not objected to by Buyer shall be deemed an additional “Permitted Encumbrance” hereunder. Seller shall have ninety (90) days after receipt of the Objections to cure the Objections, during which period the Closing will be postponed as necessary. Seller shall use its best efforts to correct any Objections. If the Objections are not cured within such 90-day period, Buyer will, in addition to any other remedy available at law or under this Agreement, have the option to do either of the following:

- (1) Terminate this Agreement; or
- (2) Waive the Objections and proceed to close.

7. **Representations and Warranties by Seller.** Seller represents and warrants to Buyer as follows:

- a. **Authority.** Seller has the requisite power and authority to enter into and perform this Agreement.
- b. **Title to Property.** Seller owns the Property free and clear of all encumbrances except the Permitted Encumbrances.
- c. **Rights of Others to Purchase Property.** Seller has not entered into any other contracts for the sale of the Property.
- d. **FIRPTA.** Seller is not a “foreign person,” “foreign partnership,” “foreign trust” or “foreign state” as those terms are defined in § 1445 of the Internal Revenue Code.
- e. **Proceedings.** To the best knowledge of Seller, there is no action, litigation, investigation, condemnation or proceeding of any kind pending or threatened against the Property.

- f. **Wells and Septic Systems.** Seller represents that it is not aware of any septic systems or wells located on the Property.
- g. **Methamphetamine Production.** Pursuant to Minnesota Statutes section 152.0275, Seller certifies to Buyers that it is not aware of any methamphetamine production that has occurred on the Property.

8. Representations and Warranties by Buyer. Buyer represents and warrants to Seller as follows:

- a. **Authority.** Buyer has the requisite power and authority to enter in to this Agreement and perform it.
- b. **Blocked Persons.** Buyer has not received written notice that Buyer is:
 - (1) listed on the Specifically Designated Nationals and Blocked Persons List maintained by the Office of Foreign Assets Control, Department of the Treasury ("OFAC") pursuant to Executive Order No. 13224, 66 Fed. Reg. 49079 Sept. 25, 2001 ("Order") and/or on any other list of terrorists or terrorist organizations maintained pursuant to any of the rules and regulations of OFAC or pursuant to any other applicable Orders (such lists are collectively referred to as the "Lists");
 - (2) a person who has been determined by competent authority to be subject to the prohibitions contained in the Order; or
 - (3) owned or controlled by, or acts for or on behalf of, any person or entity who is (x) on the Lists or any other person or entity who has been determined by competent authority to be subject to the prohibitions contained in the Order, (y) a citizen of the United States who is prohibited to engage in transactions by any trade embargo, economic sanction, or other prohibition of United States law, regulation or Executive Order of the President of the United States, or (z) an "Embargoed Person," meaning any person, entity or government subject to trade restrictions under U.S. law, including , but not limited to the International Emergency Economic Powers Act, 50 U.S.C. § 1701 et seq., the Trading with the Enemy Act, 50 U.S.C. App. 1 et seq., and any Executive Orders or regulations promulgated under such acts.

9. Due Diligence and Contingencies. The Parties' obligation to close on the transaction contemplated hereunder is contingent upon the occurrence of the events described below on or before March 1, 2023 (the "Due Diligence and Contingency Period"):

- a. **Title and Survey.** The condition of title shall have been found acceptable to Buyer, or been made acceptable, in accordance with the requirements and terms of Section 6 above. The Due Diligence and Contingency Date shall be extended as necessary as provided in Section 6(c) hereof.
- b. **Bond Sale.** Buyer holding a successful bond sale, if necessary, and the sale of the bonds necessary to fund the acquisition hereunder.
- c. **Comprehensive Plan Amendment.** The Metropolitan Council approving a Comprehensive Plan Amendment to the Future Land Use Map re-guiding the Property from Medium Density Residential to Industrial.
- d. **Testing, Investigation.** Buyer shall have determined that it is satisfied, in its sole discretion, with the results of all matters disclosed by soil tests, soil borings, engineering inspections, surveys, and any and all other reviews, tests or studies of the Property, all such tests, inspections and reviews to be obtained at Buyer's sole cost and expense. Seller shall allow Buyer, and Buyer's agents, access to the Property without charge and at all reasonable times for the purpose of Buyer's investigation and testing the same. In performing such investigation and testing Buyer shall make reasonable efforts to minimize any interference with the Property's operation. Buyer shall restore the Property to the condition it existed prior to the testing, and shall defend, indemnify, and hold Seller harmless from all costs and liens related to said testing.
- e. **Environmental Investigation.** Buyer shall have determined that it is satisfied, in its sole discretion, with the results of all matters disclosed by hazardous waste and environmental reviews of the Property. Seller shall allow Buyer, and Buyer's agents, access to the Property without charge and at all reasonable times for the purpose of Buyer's investigation and testing the same. All such tests, inspections and reviews will be obtained at Buyer's sole cost and expense. Seller shall provide any Phase I and Phase II Environmental Assessment reports in Seller's possession.

The contingencies set forth in this Section 9 are for the sole benefit of the Buyer and Buyer shall be entitled to waive any and all components of such contingencies by written notice to Seller. If any contingency set forth in this Section 9 has not been satisfied on or before the Due Diligence and Contingency

Date, then this Agreement may be terminated by Buyer with written notice to the Seller. Such notice of termination may be given at any time but no later than the Due Diligence and Contingency Date.

Upon any such exercise of the right of termination, the Agreement shall be terminated, the Earnest Money shall be returned to Buyer, if any, provided that Buyer provides evidence of payment of all work performed during its investigation and the Property has been restored to the same condition as it was prior to Buyer's work, and the parties shall have no further obligations to each other except as to those obligations which specifically survive termination. If Buyer does not terminate this Agreement on or before the Due Diligence and Contingency Date, all Earnest Money shall become non-refundable except as otherwise provided by this Agreement.

10. Control of Property. Subject to the provisions of this Agreement, until the Closing Date, Seller shall have full responsibility and the entire liability for any and all damages or injuries of any kind whatsoever to the Property, to any and all persons, whether employees or otherwise, and to any other property from and connected to the Property, except liability arising from the negligence of Buyer, its agents, contractors, or employees and except as set forth in Section 9 regarding Buyer's tests and inspections.

11. Condemnation. If, prior to the Closing Date, eminent domain proceedings are commenced against all or any part of the Property, Seller shall immediately give notice to Buyer of such fact and at Buyer's option (to be exercised within ten (10) days after Seller's notice), this Agreement shall terminate, in which event neither party will have further obligations under this Agreement. If Buyer fails to exercise its option to terminate the Agreement, then there shall be no reduction in the Purchase Price, and Seller shall assign to Buyer at the Closing Date all of Seller's right, title and interest in and to any award made or to be made in the condemnation proceedings.

12. Assignment. Buyer may not assign their rights under this Agreement without written consent of the Seller.

13. Survival. All of the terms of this Agreement will survive and be enforceable after the Closing.

14. Notices. Any notices required or permitted to be given by any party to the other shall be given in writing, and shall be (i) hand delivered to any officer of the receiving party, or (ii) mailed in a sealed wrapper by United States registered or certified mail, return receipt requested, postage prepaid, or (iii) properly deposited with a nationally recognized, reputable overnight courier, properly addressed as follows:

If to Seller: Robert and Lori Kloth
13150 Tacoma Ave.
Norwood Young America, MN 55368

With copy to: Jason Winter
Citizens State Bank of Norwood Young America
409 Faxon Rd., PO Box 789
Norwood Young America, MN 55368

If to Buyer: City of Norwood Young America
310 Elm St. W
P.O. Box 59
Norwood Young America, MN 55368

With copy to: Jay Squires and Zach Cronen
Rupp, Anderson, Squires, Waldspurgen & Mace, P.A.
333 South Seventh Street, Suite 2800
Minneapolis, MN 55402

Notices shall be deemed effective on the earlier of the date of receipt or in the case of such deposit in the mail or overnight courier, on the first business day following such deposit. Any party may change its address for the service of notice by giving written notice of such change to the other party.

15. Option Agreement. By separate Option Agreement, attached hereto as Exhibit C, Seller grants Buyer a ten-year option to purchase the contiguous approximately 80 acres of its property, which is comprised of portions of tax parcels 580146500, 580146200, and 580146300, at the price of thirty five thousand dollars (\$35,000) per acre.

16. Captions. The captions appearing in this Agreement are for convenience only, are not a part of this Agreement and are not to be considered in interpreting this Agreement.

17. Entire Agreement. This written Agreement constitutes the complete agreement between the parties and supersedes any and all other oral or written agreements, negotiations, understandings and representations between the parties regarding the Property. There are no verbal or written side agreements that change this Agreement. Each Party represents that they have read this Agreement, understand its terms, and have had the opportunity to review this Agreement with their respective counsel

18. Amendment; Waiver. No amendment of this Agreement, and no waiver of any provision of this Agreement, shall be effective unless set forth in a writing expressing the intent to so amend or waive, and the exact nature of such amendment or waiver, and signed by both parties (in the case of amendment) or the waiving party (in the case of

waiver). No waiver of a right in any one instance shall operate as a waiver of any other right, nor as a waiver of such right in a later or separate instance.

19. **Governing Law.** This Agreement is made and executed under and in all respects is to be governed and construed under the laws of the State of Minnesota.

20. **Binding Effect.** This Agreement binds and benefits the parties and their respective successors and assigns.

21. **Remedies.**

a. **Default by Buyer.** If Buyer defaults under this Agreement, Seller shall have the right to terminate this Agreement by giving a 30-day written notice to Buyer pursuant to Minnesota Statutes section 559.21, as it may be amended for time to time. If Buyer fails to cure such default within thirty (30) days of the date of such notice, this Agreement will terminate, and upon such termination Seller shall retain the Earnest Money as liquidated damages, time being of the essence of this Agreement; or Seller may sue for specific performance of this Agreement or actual damages caused by Buyer's default.

b. **Default by Seller.** If Seller defaults under this Agreement, Buyer may sue for specific performance of this Agreement or actual damages caused by Seller's default.

SELLER: Robert Kloth and Lori Kloth

By: Robert Kloth
Robert Kloth

Dated: 1/18/2023

By: Lori Kloth
Lori Kloth

Dated: 1/18/2023

BUYER: City of Norwood Young America

By: Carol Lagergren
Carol Lagergren
Mayor

Dated: 01/23/2023

By: Andrea Aukrust
Andrea Aukrust
City Administrator

Dated: 01/23/2023

EXHIBIT A

That part of the Southeast Quarter of Section 14, Township 115, Range 26, Carver County, Minnesota lying Southerly and Easterly of Line A, Southwesterly of Line B, and Northeasterly of Line C.

Line A is described as follows:

Beginning at the Southwest corner of the Southeast Quarter of said Section 14; thence on an assumed bearing of North 00 degrees 01 minute 24 seconds West, along the West line of said Southeast Quarter, a distance of 1066.65 feet; thence South 89 degrees 53 minutes 35 seconds East, a distance of 301.28 feet; thence North 12 degrees 38 minutes 23 seconds East, parallel with the Easterly right-of-way of the Chicago and Northwestern Railroad, a distance of 1147.07 feet to a line drawn parallel with and 350.00 feet Southerly of the Southerly right-of-way line of the Chicago, Milwaukee, St. Paul, and Pacific Railroad; thence South 82 degrees 10 minutes 32 seconds East, parallel with the Southerly right-of-way line of the Chicago, Milwaukee, St. Paul and Pacific Railroad, a distance of 457.02 feet to a line drawn parallel with and 850.00 feet Easterly of the Easterly right-of-way line of the Chicago and Northwestern Railroad; thence North 12 degrees 38 minutes 23 seconds East, parallel with the Easterly right-of-way line of the Chicago and Northwestern Railroad, a distance of 301.06 feet to a line drawn parallel with and 50.00 feet Southerly of the Southerly right-of-way line of the Chicago, Milwaukee, St. Paul, and Pacific Railroad; thence South 82 degrees 10 minutes 32 seconds East, parallel with the Southerly right-of-way line of the Chicago, Milwaukee, St. Paul and Pacific Railroad, a distance of 251.29 feet to the East line of the Northwest Quarter of said Southeast Quarter; thence North 00 degrees 03 minutes 01 seconds East, along the East line of the Northwest Quarter of said Southeast Quarter, a distance of 25.23 feet to the Southerly right-of-way line of the Chicago, Milwaukee, St. Paul and Pacific Railroad and said Line A there terminating.

Line B described as follows:

Commencing at the Southwest Corner of the Southeast Quarter of said Section 14; thence on an assumed bearing of North 00 degrees 01 minute 24 seconds West, along the West line of said Southeast Quarter, a distance of 1066.65 feet; thence South 89 degrees 53 minutes 35 seconds East, a distance of 301.28 feet; thence North 12 degrees 38 minutes 23 seconds East, parallel with the Easterly right-of-way of the Chicago and Northwestern Railroad, a distance of 753.57 feet to the point of beginning of Line B to be described; thence South 31 degrees 49 minutes 32 seconds East, a distance of 100.56 feet; thence South 50 degrees 56 minutes 31 seconds East, a distance of 136.53 feet; thence South 64 degrees 34 minutes 00

seconds East, a distance of 60.62 feet; thence South 47 degrees 59 minutes 04 seconds East, a distance of 117.83 feet; thence South 40 degrees 11 minutes 44 seconds East, a distance of 131.27 feet; thence South 53 degrees 07 minutes 17 seconds East, a distance of 143.87 feet; thence South 56 degrees 12 minutes 38 seconds East, a distance of 124.11 feet; thence South 50 degrees 41 minutes 42 seconds East, a distance of 162.80 feet; thence South 54 degrees 05 minutes 29 seconds East, a distance of 279.27 feet; thence South 54 degrees 49 minutes 13 seconds East, a distance of 63.59 feet; thence South 57 degrees 27 minutes 15 seconds East, a distance of 98.65 feet; thence South 55 degrees 27 minutes 59 seconds East, a distance of 55.10 feet; thence South 53 degrees 34 minutes 22 seconds East, a distance of 48.34 feet; thence South 56 degrees 38 minutes 50 seconds East, a distance of 52.32 feet; thence South 59 degrees 46 minutes 01 second East, a distance of 47.43 feet; thence South 55 degrees 38 minutes 09 seconds East, a distance of 597.09 feet; thence South 50 degrees 43 minutes 10 seconds East, a distance of 115.82 feet; thence South 62 degrees 28 minutes 36 seconds East, a distance of 39.56 feet; thence South 65 degrees 14 minutes 16 seconds East, a distance of 55.47 feet; thence South 69 degrees 17 minutes 53 seconds East, a distance of 65.91 feet; thence South 70 degrees 36 minutes 24 seconds East, a distance of 34.89 feet; thence South 77 degrees 03 minutes 38 seconds East, a distance of 38.97 feet; thence South 70 degrees 30 minutes 07 seconds East, a distance of 53.60 feet; thence South 66 degrees 54 minutes 25 seconds East, a distance of 62.91 feet to the East line of said Southeast Quarter of Section 14 and said Line B there terminating.

Line C described as follows:

Commencing at the Southwest corner of the Southeast Quarter of said Section 14; thence on an assumed bearing of North 00 degrees 01 minute 24 seconds West, along the West line of said Southeast Quarter, a distance of 453.36 feet to the point of beginning of Line C to be described; thence North 89 degrees 58 minutes 36 seconds East, a distance of 679.35 feet; thence South 55 degrees 33 minutes 18 seconds East, a distance of 773.88 feet to the Southeast corner of the Southwest Quarter of the Southeast Quarter of said Section 14 and said Line C there terminating.

Line D described as follows:

Commencing at the Southwest corner of the Southeast Quarter of said Section 14; thence on an assumed bearing of North 00 degrees 01 minute 24 seconds West, along the West line of said Southeast Quarter, a distance of 453.36 feet; thence North 89 degrees 58 minutes 36 seconds East, a distance of 679.35 feet; thence South 55 degrees 33 minutes 18 seconds East, a distance of 773.88 feet to the Southeast corner of the Southwest Quarter of the Southeast Quarter of said Section

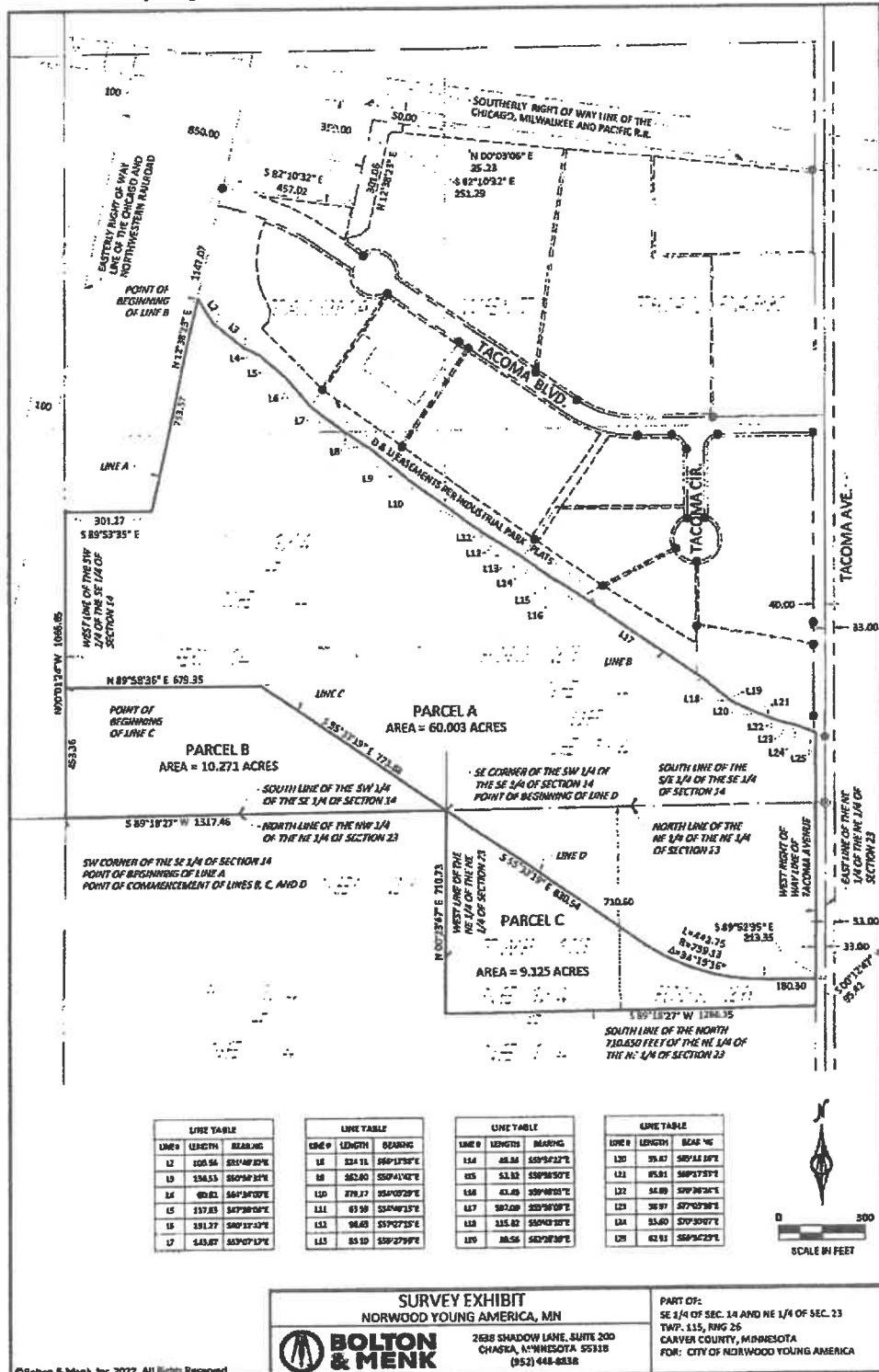
14 and the point of beginning of Line D to be described; thence continuing South 55 degrees 33 minutes 18 seconds East, a distance of 830.54 feet; thence southeasterly, a distance of 442.75 feet along a tangential curve, concave to the north, having a radius of 739.13 feet, and a central angle of 34 degrees 19 minutes 16 seconds; thence South 89 degrees 52 minutes 34 seconds East, tangent to said curve, a distance of 213.35 feet to the east line of the Northeast Quarter of the Northeast Quarter of said Section 23 and said Line D there terminating.

AND

The North 710.60 feet of the Northeast Quarter of the Northeast Quarter of Section 23, Township 115, Range 26, Carver County, Minnesota lying Northeasterly of said Line D.

Exhibit B

Depiction of the Property



1
2
3
4
5

Exhibit C

Option Agreement

RESOLUTION NO. 2023-06



A RESOLUTION AWARDING THE SALE OF TAXABLE GENERAL OBLIGATION TAX ABATEMENT BONDS, SERIES 2023A, IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$2,165,000; FIXING THEIR FORM AND SPECIFICATIONS; DIRECTING THEIR EXECUTION AND DELIVERY; AND PROVIDING FOR THEIR PAYMENT

BE IT RESOLVED By the City Council of the City of Norwood Young America, Carver County, Minnesota (the “City”) as follows:

Section 1. Sale of Bonds.

1.01. Background.

(a) Under Minnesota Statutes, Chapter 475, as amended, and Minnesota Statutes, Sections 469.1812 through 469.1815, as amended (collectively, the “Act”), the City is authorized to grant a property tax abatement on specified parcels in order to help finance land acquisition and public improvements to facilitate its West Tacoma Industrial Park Expansion Project (the “Project”).

(b) Pursuant to a resolution adopted by the City Council on September 26, 2022 (the “Abatement Resolution”), following a duly noticed public hearing, the City Council approved a property tax abatement (the “Abatements”) in the maximum amount of \$2,917,944 for certain property in the City identified in the Abatement Resolution (the “Abatement Parcels”) over a period of twenty (20) years, in an amount sufficient to pay the principal amount of and all or a portion of the interest on bonds issued to finance the Project.

(c) In the Abatement Resolution, the City found and determined that the Abatement Project benefits the Abatement Parcels, that the Project will help provide public infrastructure, provide employment opportunities, including construction jobs and jobs created by future businesses locating within the industrial park, help redevelop and prevent underutilized, marginal, or blighted land in the City, and help increase or preserve tax base by stimulating development through the creation of a new industrial park which will help attract new businesses to the community, and that the maximum principal amount of bonds to be secured by Abatements does not exceed the estimated sum of Abatements from the Abatement Parcels for the term authorized under the Abatement Resolution.

(d) The City Council finds it necessary and expedient to the sound financial management of the affairs of the City to issue its Taxable General Obligation Tax Abatement Bonds, Series 2023A (the “Bonds”), in the original aggregate principal amount of \$2,165,000, pursuant to the Act, to provide financing for the Project.

(e) The City is authorized by Section 475.60, subdivision 2(6) of the Act to negotiate the sale of the Bonds, it being determined on the advice of bond counsel, that the interest on the Bonds cannot be represented to be excluded from gross income for purposes of federal income taxation.

1.02. Award to the Purchaser and Interest Rates. The proposal of Robert W. Baird & Co., Inc., Milwaukee, Wisconsin, as syndicate manager (the “Purchaser”), to purchase the Bonds is hereby found and

determined to be a reasonable offer and is hereby accepted, the proposal being to purchase the Bonds at a price of \$2,147,212.81 (par amount of \$2,165,000.00, plus original issue premium of \$32,118.55, less underwriter's discount of \$49,905.74), plus accrued interest, if any, to the date of delivery for Bonds bearing interest as follows:

<u>Year of Maturity</u>	<u>Interest Rate</u>	<u>Year of Maturity</u>	<u>Interest Rate</u>
2025	6.000%	2031	4.400%
2026	6.000	2032	4.450
2027	6.000	2033	4.500
2028	6.000	2036*	4.600
2029	6.000	2039*	4.800
2030	6.000	2043*	5.000

** Term Bond*

1.03. Purchase Contract. The amount proposed by the Purchaser in excess of the minimum bid shall be credited to the Debt Service Fund hereinafter created or deposited in the Construction Fund hereinafter created, as determined by the City Administrator in consultation with the City's municipal advisor. The good faith deposit of the Purchaser shall be retained and deposited until the Bonds have been delivered and shall be deducted from the purchase price paid at settlement. The Mayor and City Administrator are directed to execute a contract with the Purchaser on behalf of the City.

1.04. Terms and Principal Amounts of the Bonds. The City will forthwith issue and sell the Bonds pursuant to the Act, in the original aggregate principal amount of \$2,165,000, originally dated the date of delivery, being in fully registered form, in the denomination of \$5,000 each or any integral multiple thereof, numbered No. R-1, upward, bearing interest as above set forth, and maturing on February 1 in the years and amounts as follows:

<u>Year of Maturity</u>	<u>Amount</u>	<u>Year of Maturity</u>	<u>Amount</u>
2025	\$70,000	2031	\$100,000
2026	75,000	2032	100,000
2027	80,000	2033	105,000
2028	80,000	2036*	345,000
2029	85,000	2039*	405,000
2030	90,000	2043*	630,000

** Term Bond*

1.05. Optional Redemption. The City may elect on February 1, 2030, and on any day thereafter to prepay Bonds maturing on or after February 1, 2031. Redemption may be in whole or in part and if in part, at the option of the City and in such manner as the City will determine. If less than all Bonds of a maturity are called for redemption, the City will notify DTC (as defined in Section 6 hereof) of the particular amount of such maturity to be prepaid. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interests in such maturity to be redeemed. Prepayments will be at a price of par plus accrued interest.

1.06. Mandatory Redemption; Term Bonds. The Bonds maturing on February 1, 2036, February 1, 2039, and February 1, 2043 shall hereinafter be referred to collectively as the “Term Bonds.” The principal amount of the Term Bonds subject to mandatory sinking fund redemption on any date may be reduced through earlier optional redemptions, with any partial redemptions of the Term Bonds credited against future mandatory sinking fund redemptions of such Term Bond in such order as the City shall determine. The Term Bonds are subject to mandatory sinking fund redemption and shall be redeemed in part at par plus accrued interest on February 1 of the following years and in the principal amounts as follows:

Sinking Fund Installment Date

<u>February 1, 2036 Term Bond</u>	<u>Principal Amount</u>
2034	\$110,000
2035	115,000
2036*	120,000

* *Maturity*

<u>February 1, 2039 Term Bond</u>	<u>Principal Amount</u>
2037	\$130,000
2038	135,000
2039*	140,000

* *Maturity*

<u>February 1, 2043 Term Bond</u>	<u>Principal Amount</u>
2040	\$145,000
2041	155,000
2042	160,000
2043*	170,000

* *Maturity*

Section 2. Registration and Payment.

2.01. Registered Form. The Bonds will be issued only in fully registered form. The interest thereon and, upon surrender of each Bond, the principal amount thereof, is payable by check or draft issued by the Registrar described herein.

2.02. Dates; Interest Payment Dates. Each Bond will be dated as of the last interest payment date preceding the date of authentication to which interest on the Bond has been paid or made available for payment, unless (i) the date of authentication is an interest payment date to which interest has been paid or made available for payment, in which case the Bond will be dated as of the date of authentication; or (ii) the date of authentication is prior to the first interest payment date, in which case the Bond will be dated as of the date of original issue. The interest on the Bonds is payable on February 1 and August 1 of each year, commencing February 1, 2024, to the registered owners of record thereof as of the close of business on the fifteenth day of the immediately preceding month, whether or not such day is a business day.

2.03. Registration. The City will appoint a bond registrar, transfer agent, authenticating agent and paying agent (the “Registrar” and “Paying Agent”). The effect of registration and the rights and duties of the City and the Registrar with respect thereto are as follows:

(a) Register. The Registrar must keep at its principal corporate trust office a bond register in which the Registrar provides for the registration of ownership of Bonds and the registration of transfers and exchanges of Bonds entitled to be registered, transferred or exchanged.

(b) Transfer of Bonds. Upon surrender for transfer of a Bond duly endorsed by the registered owner thereof or accompanied by a written instrument of transfer, in form satisfactory to the Registrar, duly executed by the registered owner thereof or by an attorney duly authorized by the registered owner in writing, the Registrar will authenticate and deliver, in the name of the designated transferee or transferees, one or more new Bonds of a like aggregate principal amount and maturity, as requested by the transferor. The Registrar may, however, close the books for registration of any transfer after the fifteenth day of the month preceding each interest payment date and until that interest payment date.

(c) Exchange of Bonds. When Bonds are surrendered by the registered owner for exchange the Registrar will authenticate and deliver one or more new Bonds of a like aggregate principal amount and maturity as requested by the registered owner or the owner's attorney in writing.

(d) Cancellation. Bonds surrendered upon transfer or exchange will be promptly cancelled by the Registrar and thereafter disposed of as directed by the City.

(e) Improper or Unauthorized Transfer. When a Bond is presented to the Registrar for transfer, the Registrar may refuse to transfer the Bond until the Registrar is satisfied that the endorsement on the Bond or separate instrument of transfer is valid and genuine and that the requested transfer is legally authorized. The Registrar will incur no liability for the refusal, in good faith, to make transfers which it, in its judgment, deems improper or unauthorized.

(f) Persons Deemed Owners. The City and the Registrar may treat the person in whose name a Bond is registered in the bond register as the absolute owner of the Bond, whether the Bond is overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on the Bond and for all other purposes, and payments so made to a registered owner or upon the owner's order will be valid and effectual to satisfy and discharge the liability upon the Bond to the extent of the sum or sums so paid.

(g) Taxes, Fees and Charges. The Registrar may impose a charge upon the owner thereof for a transfer or exchange of Bonds sufficient to reimburse the Registrar for any tax, fee or other governmental charge required to be paid with respect to the transfer or exchange.

(h) Mutilated, Lost, Stolen or Destroyed Bonds. If a Bond becomes mutilated or is destroyed, stolen or lost, the Registrar will deliver a new Bond of like amount, number, maturity date and tenor in exchange and substitution for and upon cancellation of the mutilated Bond or in lieu of and in substitution for any Bond destroyed, stolen or lost, upon the payment of the reasonable expenses and charges of the Registrar in connection therewith; and, in the case of a Bond destroyed, stolen or lost, upon filing with the Registrar of evidence satisfactory to it that the Bond was destroyed, stolen or lost, and of the ownership thereof, and upon furnishing to the Registrar an appropriate bond or indemnity in form, substance and amount satisfactory to it and as provided by law, in which both the City and the Registrar must be named as obligees. Bonds so surrendered to the Registrar will be cancelled by the Registrar and evidence of such cancellation must be given to the City. If the mutilated, destroyed, stolen or lost Bond has already matured or been called for redemption in accordance with its terms it is not necessary to issue a new Bond prior to payment.

(i) Redemption. In the event any of the Bonds are called for redemption, notice thereof identifying the Bonds to be redeemed will be given by the Registrar by mailing a copy of the redemption notice by first class mail (postage prepaid) to the registered owner of each Bond to be redeemed at the address shown on the registration books kept by the Registrar and by publishing the notice if required by law. Failure to give notice by publication or by mail to any registered owner, or any defect therein, will not affect the validity of the proceedings for the redemption of Bonds. Bonds so called for redemption will cease to bear interest after the specified redemption date, provided that the funds for the redemption are on deposit with the place of payment at that time.

2.04. Appointment of Initial Registrar. The City appoints Bond Trust Services Corporation, Roseville, Minnesota, as the initial Registrar. The Mayor and the City Administrator are authorized to execute and deliver, on behalf of the City, a contract with the Registrar. Upon merger or consolidation of the Registrar with another corporation, if the resulting corporation is a bank or trust company authorized by law to conduct such business, the resulting corporation is authorized to act as successor Registrar. The City agrees to pay the reasonable and customary charges of the Registrar for the services performed. The City reserves the right to remove the Registrar upon thirty (30) days' notice and upon the appointment of a successor Registrar, in which event the predecessor Registrar must deliver all cash and Bonds in its possession to the successor Registrar and must deliver the bond register to the successor Registrar. On or before each principal or interest due date, without further order of the City Council, the City Administrator must transmit to the Registrar money sufficient for the payment of all principal and interest then due.

2.05. Execution, Authentication and Delivery. The Bonds will be prepared under the direction of the City Administrator and executed on behalf of the City by the signatures of the Mayor and the City Administrator, provided that those signatures may be printed, engraved or lithographed facsimiles of the originals. If an officer whose signature or a facsimile of whose signature appears on the Bonds ceases to be such officer before the delivery of a Bond, that signature or facsimile will nevertheless be valid and sufficient for all purposes, the same as if the officer had remained in office until delivery. Notwithstanding such execution, a Bond will not be valid or obligatory for any purpose or entitled to any security or benefit under this resolution unless and until a certificate of authentication on the Bond has been duly executed by the manual signature of an authorized representative of the Registrar. Certificates of authentication on different Bonds need not be signed by the same representative. The executed certificate of authentication on a Bond is conclusive evidence that it has been authenticated and delivered under this resolution. When the Bonds have been so prepared, executed and authenticated, the City Administrator will deliver the same to the Purchaser upon payment of the purchase price in accordance with the contract of sale heretofore made and executed, and the Purchaser is not obligated to see to the application of the purchase price.

Section 3. Form of Bond.

3.01. Execution of the Bonds. The Bonds will be printed or typewritten in substantially the form set forth in EXHIBIT B.

3.02. Approving Legal Opinion. The City Administrator is authorized and directed to obtain a copy of the proposed approving legal opinion of Kennedy & Graven, Chartered, Minneapolis, Minnesota, and cause the opinion to be printed on or accompany each Bond.

Section 4. Funds and Accounts; Payment; Security; Pledges and Covenants.

4.01. Debt Service Fund. The Bonds will be payable from the Taxable General Obligation Tax Abatement Bonds, Series 2023A Debt Service Fund (the "Debt Service Fund") hereby created. The Debt Service Fund shall be administered and maintained by the City Administrator as a bookkeeping account separate and apart from all other funds maintained in the official financial records of the City. The City

Administrator shall timely deposit in the Debt Service Fund the Abatements from the Abatement Parcels, and proceeds of ad valorem taxes hereinafter levied (the "Taxes") for the Bonds are hereby pledged to the Debt Service Fund. There is also appropriated to the Debt Service Fund amounts over the minimum purchase price paid by the Purchaser, to the extent designated for deposit in the Debt Service Fund in accordance with Section 1.03 hereof. There also shall be deposited to the Debt Service Fund all investment earnings on amounts in the Debt Service Fund and any other funds appropriated for the payment of principal or interest on the Bonds.

4.02. Construction Fund. The City hereby creates the Taxable General Obligation Tax Abatement Bonds, Series 2023A Construction Fund (the "Construction Fund"). Proceeds of the Bonds, less the appropriations made in Section 4.01 hereof, together with any other funds appropriated for the Project collected during the construction of the Project, will be deposited in the Construction Fund to be used solely to defray expenses of the Project described herein and in the Abatement Resolution. When the Project is completed and the cost thereof paid, the Construction Fund is to be closed and any funds remaining may be deposited in the Debt Service Fund. There also shall be deposited to the Construction Fund all investment earnings on amounts in the Construction Fund and any other funds appropriated for the payment of costs of the Project.

4.03. General Obligation Pledge. For the prompt and full payment of the principal of and interest on the Bonds, as the same respectively become due, the full faith, credit and taxing powers of the City will be and are hereby irrevocably pledged. If the balance in the Debt Service Fund is ever insufficient to pay all principal and interest then due on the Bonds and any other bonds payable therefrom, the deficiency will be promptly paid out of monies in the general fund of the City which are available for such purpose, and such general fund may be reimbursed with or without interest from the Debt Service Fund when a sufficient balance is available therein.

4.04. Pledge of Tax Levy. For the purpose of paying a portion of the principal of and interest on the Bonds, there is levied a direct annual irrevocable ad valorem tax upon all of the taxable property in the City, which will be spread upon the tax rolls and collected with and as part of other general taxes of the City. The Taxes in the years and amounts as attached hereto as EXHIBIT C will be credited to the Debt Service Fund, as provided above.

4.05. Debt Service Coverage. It is hereby determined that the estimated collections of Abatements and Taxes will produce at least five percent (5%) in excess of the amount needed to meet when due the principal and interest payments on the Bonds. The tax levy herein provided is irrevocable until all of the Bonds are paid, provided that at the time the City makes its annual tax levies the City Administrator may certify to the Manager of Taxpayer Services Carver County, Minnesota (the "Manager of Taxpayer Services") the amount available in the Debt Service Fund to pay principal and interest due during the ensuing year, and the Manager of Taxpayer Services will thereupon reduce the levy collectible during such year by the amount so certified.

4.06. Registration of Resolution. The City Administrator is authorized and directed to file a certified copy of this resolution with the Manager of Taxpayer Services and to obtain the certificate required by Section 475.63 of the Act.

Section 5. Authentication of Transcript.

5.01. City Proceedings and Records. The officers of the City are authorized and directed to prepare and furnish to the Purchaser and to the attorneys approving the Bonds, certified copies of proceedings and records of the City relating to the Bonds and to the financial condition and affairs of the City, and such other certificates, affidavits and transcripts as may be required to show the facts within their knowledge or as shown by the books and records in their custody and under their control, relating to the validity and marketability of

the Bonds, and such instruments, including any heretofore furnished, will be deemed representations of the City as to the facts stated therein.

5.02. Certification as to Official Statement. The Mayor, the City Administrator, and/or the City Clerk/Treasurer are authorized and directed to certify that they have examined the Official Statement prepared and circulated in connection with the issuance and sale of the Bonds and that to the best of their knowledge and belief the Official Statement is a complete and accurate representation of the facts and representations made therein as of the date of the Official Statement.

5.03. Other Certificates. The Mayor, the City Administrator, and/or the City Clerk/Treasurer are hereby authorized and directed to furnish to the Purchaser at the closing such certificates as are required as a condition of sale. Unless litigation shall have been commenced and be pending questioning the Bonds or the organization of the City or incumbency of its officers, at the closing the Mayor, the City Administrator, and/or the City Clerk/Treasurer shall also execute and deliver to the Purchaser a suitable certificate as to absence of material litigation, and the City Clerk/Treasurer shall also execute and deliver a certificate as to payment for and delivery of the Bonds.

5.04. Electronic Signatures. The electronic signatures of the Mayor, the City Administrator and/or the City Clerk/Treasurer to this resolution and to any certificate authorized to be executed hereunder shall be as valid as an original signature of such party and shall be effective to bind the City thereto. For purposes hereof, (i) "electronic signature" means a manually signed original signature that is then transmitted by electronic means; and (ii) "transmitted by electronic means" means sent in the form of a facsimile or sent via the internet as a portable document format ("pdf") or other replicating image attached to an electronic mail or internet message.

5.05. Payment of Costs of Issuance. The City authorizes the Purchaser to forward the amount of Bond proceeds allocable to the payment of issuance expenses in accordance with the closing memorandum to be prepared and distributed by Ehlers and Associates, Inc., the municipal advisor to the City, on the date of closing.

Section 6. Book-Entry System; Limited Obligation of City.

6.01. DTC. The Bonds will be initially issued in the form of a separate single typewritten or printed fully registered Bond for each of the maturities set forth in Section 1.04 hereof. Upon initial issuance, the ownership of each Bond will be registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York, and its successors and assigns ("DTC"). Except as provided in this section, all of the outstanding Bonds will be registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC.

6.02. Participants. With respect to Bonds registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC, the City, the Registrar and the Paying Agent will have no responsibility or obligation to any broker dealers, banks and other financial institutions from time to time for which DTC holds Bonds as securities depository (the "Participants") or to any other person on behalf of which a Participant holds an interest in the Bonds, including but not limited to any responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any Participant or any other person (other than a registered owner of Bonds, as shown by the registration books kept by the Registrar), of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any Participant or any other person, other than a registered owner of Bonds, of any amount with respect to principal of, premium, if any, or interest on the Bonds. The City, the Registrar and the Paying Agent may treat and consider the person in whose name each Bond is registered in the registration books kept by the Registrar as the holder and absolute owner of such Bond for the

purpose of payment of principal, premium and interest with respect to such Bond, for the purpose of registering transfers with respect to such Bonds, and for all other purposes. The Paying Agent will pay all principal of, premium, if any, and interest on the Bonds only to or on the order of the respective registered owners, as shown in the registration books kept by the Registrar, and all such payments will be valid and effectual to fully satisfy and discharge the City's obligations with respect to payment of principal of, premium, if any, or interest on the Bonds to the extent of the sum or sums so paid. No person other than a registered owner of Bonds, as shown in the registration books kept by the Registrar, will receive a certificated Bond evidencing the obligation of this resolution. Upon delivery by DTC to the City Administrator of a written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the words "Cede & Co." will refer to such new nominee of DTC; and upon receipt of such a notice, the City Administrator will promptly deliver a copy of the same to the Registrar and Paying Agent.

6.03. Representation Letter. The City has heretofore executed and delivered to DTC a Blanket Issuer Letter of Representations (the "Representation Letter") which will govern payment of principal of, premium, if any, and interest on the Bonds and notices with respect to the Bonds. Any Paying Agent or Registrar subsequently appointed by the City with respect to the Bonds will agree to take all action necessary for all representations of the City in the Representation Letter with respect to the Registrar and Paying Agent, respectively, to be complied with at all times.

6.04. Transfers Outside Book-Entry System. In the event the City, by resolution of the City Council, determines that it is in the best interests of the persons having beneficial interests in the Bonds that they be able to obtain Bond certificates, the City will notify DTC, whereupon DTC will notify the Participants, of the availability through DTC of Bond certificates. In such event the City will issue, transfer and exchange Bond certificates as requested by DTC and any other registered owners in accordance with the provisions of this resolution. DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving notice to the City and discharging its responsibilities with respect thereto under applicable law. In such event, if no successor securities depository is appointed, the City will issue and the Registrar will authenticate Bond certificates in accordance with this resolution and the provisions hereof will apply to the transfer, exchange and method of payment thereof.

6.05. Payments to Cede & Co. Notwithstanding any other provision of this resolution to the contrary, so long as a Bond is registered in the name of Cede & Co., as nominee of DTC, payments with respect to principal of, premium, if any, and interest on the Bond and all notices with respect to the Bond will be made and given, respectively in the manner provided in DTC's Operational Arrangements, as set forth in the Representation Letter.

Section 7. Continuing Disclosure.

7.01. Execution of Continuing Disclosure Certificate. "Continuing Disclosure Certificate" means that certain Continuing Disclosure Certificate executed by the Mayor and City Administrator and dated the date of issuance and delivery of the Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

7.02. City Compliance with Provisions of Continuing Disclosure Certificate. The City hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of this resolution, failure of the City to comply with the Continuing Disclosure Certificate is not to be considered an event of default with respect to the Bonds; however, any bondholder may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations under this section.

Section 8. Defeasance. When all Bonds and all interest thereon have been discharged as provided in this section, all pledges, covenants and other rights granted by this resolution to the holders of the Bonds will cease, except that the pledge of the full faith and credit of the City for the prompt and full payment of the principal of and interest on the Bonds will remain in full force and effect. The City may discharge all Bonds which are due on any date by depositing with the Registrar on or before that date a sum sufficient for the payment thereof in full. If any Bond should not be paid when due, it may nevertheless be discharged by depositing with the Registrar a sum sufficient for the payment thereof in full with interest accrued to the date of such deposit.

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The motion for the adoption of the foregoing resolution was duly seconded by Member Storms, and upon vote being taken thereon, the following voted in favor thereof: Krueger, Storms, Lagergren, Allen, and McPadden

and the following voted against the same: none

whereupon said resolution was declared duly passed and adopted.

Extract of Minutes of Meeting
of the City Council of the City of
Norwood Young America, Carver County, Minnesota

Pursuant to due call and notice thereof, a regular meeting of the City Council of the City of Norwood Young America, Minnesota, was duly held in City Hall of said City on Monday, February 13, 2023, commencing at 6:00 p.m.

The following members were present:

and the following were absent:

* * *

* * *

* * *

The Mayor announced that the next order of business was consideration of the proposals which had been received for the purchase of the City's Taxable General Obligation Tax Abatement Bonds, Series 2023A, to be issued in the original aggregate principal amount of \$2,165,000.

The City Administrator presented a tabulation of the proposals which had been received in the manner specified in the Terms of Proposal for the Bonds. The proposals were as set forth in EXHIBIT A attached.

After due consideration of the proposals, Member Krueger then introduced the following resolution and moved its adoption:

EXHIBIT A
PROPOSALS



BID TABULATION

\$2,175,000* Taxable General Obligation Tax Abatement Bonds, Series 2023A

City of Norwood Young America, Minnesota

SALE: February 13, 2023

AWARD: BAIRD

Rating: S&P Global Ratings "AA"

Taxable - Non-Bank Qualified

NAME OF BIDDER	MATURITY (February 1)	RATE	REOFFERING YIELD	PRICE	NET INTEREST COST	TRUE INTEREST RATE
BAIRD				\$2,159,061.50	\$1,316,450.53	5.0160%
Milwaukee, Wisconsin	2025	6.000%	4.550%			
C.L. King & Associates	2026	6.000%	4.350%			
Colliers Securities LLC	2027	6.000%	4.300%			
Davenport & Co. L.L.C.	2028	6.000%	4.300%			
Sierra Pacific Securities	2029	6.000%	4.300%			
Crews & Associates, Inc.	2030	6.000%	4.350%			
Edward Jones	2031	4.400%	4.400%			
Commerce Bank, N.A.	2032	4.450%	4.450%			
Loop Capital Markets	2033	4.500%	4.500%			
First Bankers' Banc Securities, Inc.	2034 ¹	4.600%	4.600%			
Duncan-Williams, Inc.	2035 ¹	4.600%	4.600%			
Country Club Bank	2036 ¹	4.600%	4.600%			
Isaak Bond Investments, Inc Celadon	2037 ²	4.800%	4.800%			
Financial Group, LLC FMS Bonds Inc.	2038 ²	4.800%	4.800%			
Wintrust Investments, LLC First	2039 ²	4.800%	4.800%			
Southern LLC	2040 ³	5.000%	5.000%			
Midland Securities	2041 ³	5.000%	5.000%			
Dinosaur Securities Mountainside	2042 ³	5.000%	5.000%			
Securities LLC StoneX Financial Inc.	2043 ³	5.000%	5.000%			
Valdes and Moreno	2043 ³	5.000%	5.000%			
Central States Capital Markets Carty & Company, Inc.						
Seaport Global Securities LLC						
Midlegate Securities Alliance Global Partners						

* Subsequent to bid opening the issue size was decreased to \$2,165,000.

Adjusted Price - \$2,147,212.81 Adjusted Net Interest Cost - \$1,329,992.11 Adjusted TIC - 5.0175%

¹ \$345,000 Term Bond due 2036 with mandatory redemption in 2034-2035.

² \$405,000 Term Bond due 2039 with mandatory redemption in 2037-2038.

³ \$630,000 Term Bond due 2043 with mandatory redemption in 2040-2042.

NAME OF BIDDER	MATURITY (February 1)	RATE	REOFFERING YIELD	PRICE	NET INTEREST COST	TRUE INTEREST RATE
NORTHLAND SECURITIES, INC. Minneapolis, Minnesota				\$2,148,900.00	\$1,322,740.26	5.0277%

Bid Tabulation
City of Norwood Young America, Minnesota
\$2,175,000* Taxable General Obligation Tax Abatement Bonds, Series 2023A

February 13, 2023

Page 2

EXHIBIT B

FORM OF BOND

No. R- _____ UNITED STATES OF AMERICA \$ _____

STATE OF MINNESOTA
COUNTY OF CARVER
CITY OF NORWOOD YOUNG AMERICA

**TAXABLE GENERAL OBLIGATION TAX ABATEMENT BOND
SERIES 2023A**

<u>Rate</u>	<u>Maturity</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
%	February 1, 20__	March 9, 2023	_____

Registered Owner: Cede & Co.

The City of Norwood Young America, Minnesota, a duly organized municipal corporation in Carver County, Minnesota (the "City"), acknowledges itself to be indebted and for value received hereby promises to pay to the Registered Owner specified above or registered assigns, the principal sum of \$ _____ on the maturity date specified above, with interest thereon from the date hereof at the annual rate specified above (calculated on the basis of a 360-day year of twelve 30-day months), payable February 1 and August 1 in each year, commencing February 1, 2024, to the person in whose name this Bond is registered at the close of business on the fifteenth day (whether or not a business day) of the immediately preceding month. The interest hereon and, upon presentation and surrender hereof, the principal hereof are payable in lawful money of the United States of America by check or draft by Bond Trust Services Corporation, Roseville, Minnesota, as Bond Registrar, Paying Agent, Transfer Agent and Authenticating Agent, or its designated successor under the Resolution described herein. For the prompt and full payment of such principal and interest as the same respectively become due, the full faith and credit and taxing powers of the City have been and are hereby irrevocably pledged.

The City may elect on February 1, 2030, and on any day thereafter to prepay Bonds due on or after February 1, 2031. Redemption may be in whole or in part and if in part, at the option of the City and in such manner as the City will determine. If less than all Bonds of a maturity are called for redemption, the City will notify The Depository Trust Company ("DTC") of the particular amount of such maturity to be prepaid. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interests in such maturity to be redeemed. Prepayments will be at a price of par plus accrued interest.

The Bonds maturing on February 1, 2036, February 1, 2039, and February 1, 2043 shall hereinafter be referred to collectively as the "Term Bonds." The principal amount of the Term Bonds subject to mandatory sinking fund redemption on any date may be reduced through earlier optional redemptions, with any partial redemptions of the Term Bonds credited against future mandatory sinking fund redemptions of such Term Bond in such order as the City shall determine. The Term Bonds are subject to mandatory sinking fund redemption and shall be redeemed in part at par plus accrued interest on February 1 of the following years and in the principal amounts as follows:

Sinking Fund Installment Date

<u>February 1, 2036 Term Bond</u>	<u>Principal Amount</u>
2034	\$110,000
2035	115,000
2036*	120,000

* *Maturity*

<u>February 1, 2039 Term Bond</u>	<u>Principal Amount</u>
2037	\$130,000
2038	135,000
2039*	140,000

* *Maturity*

<u>February 1, 2043 Term Bond</u>	<u>Principal Amount</u>
2040	\$145,000
2041	155,000
2042	160,000
2043*	170,000

* *Maturity*

This Bond is one of an issue in the original aggregate principal amount of \$2,165,000 all of like original issue date and tenor, except as to number, maturity date, redemption privilege, and interest rate, all issued pursuant to a resolution adopted by the City Council on February 13, 2023 (the "Resolution"), for the purpose of providing money to defray the expenses incurred and to be incurred in making certain public improvements and finance land acquisition, pursuant to and in full conformity with the Constitution and laws of the State of Minnesota, including Minnesota Statutes, Chapter 475, as amended, and Minnesota Statutes, Sections 469.1812 through 469.1815, as amended. The principal hereof and interest hereon are in part from tax abatement revenues collected from certain property within the City and in part from ad valorem taxes, as set forth in the Resolution to which reference is made for a full statement of rights and powers thereby conferred. The full faith and credit of the City are irrevocably pledged for payment of this Bond and the City Council has obligated itself to levy additional ad valorem taxes on all taxable property in the City in the event of any deficiency in tax abatement revenues and ad valorem taxes pledged, which additional taxes may be levied without limitation as to rate or amount. The Bonds of this series are issued only as fully registered Bonds in denominations of \$5,000 or any integral multiple thereof of single maturities.

As provided in the Resolution and subject to certain limitations set forth therein, this Bond is transferable upon the books of the City at the principal office of the Bond Registrar, by the registered owner hereof in person or by the owner's attorney duly authorized in writing upon surrender hereof together with a written instrument of transfer satisfactory to the Bond Registrar, duly executed by the registered owner or the owner's attorney; and may also be surrendered in exchange for Bonds of other authorized denominations. Upon such transfer or exchange the City will cause a new Bond or Bonds to be issued in the name of the transferee or registered owner, of the same aggregate principal amount, bearing interest at the same rate and maturing on the same date, subject to reimbursement for any tax, fee or governmental charge required to be paid with respect to such transfer or exchange.

The City and the Bond Registrar may deem and treat the person in whose name this Bond is registered as the absolute owner hereof, whether this Bond is overdue or not, for the purpose of receiving payment and for all other purposes, and neither the City nor the Bond Registrar will be affected by any notice to the contrary.

IT IS HEREBY CERTIFIED, RECITED, COVENANTED AND AGREED that all acts, conditions and things required by the Constitution and laws of the State of Minnesota to be done, to exist, to happen and to be performed preliminary to and in the issuance of this Bond in order to make it a valid and binding general obligation of the City in accordance with its terms, have been done, do exist, have happened and have been performed as so required, and that the issuance of this Bond does not cause the indebtedness of the City to exceed any constitutional or statutory limitation of indebtedness.

This Bond is not valid or obligatory for any purpose or entitled to any security or benefit under the Resolution until the Certificate of Authentication hereon has been executed by the Bond Registrar by manual signature of one of its authorized representatives.

IN WITNESS WHEREOF, the City of Norwood Young America, Carver County, Minnesota, by its City Council, has caused this Bond to be executed on its behalf by the facsimile or manual signatures of the Mayor and City Administrator and has caused this Bond to be dated as of the date set forth below.

Dated: March 9, 2023

**CITY OF NORWOOD YOUNG AMERICA,
MINNESOTA**

(Facsimile)
Mayor

(Facsimile)
City Administrator

CERTIFICATE OF AUTHENTICATION

This is one of the Bonds delivered pursuant to the Resolution mentioned within.

BOND TRUST SERVICES CORPORATION

By _____
Authorized Representative

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this Bond, will be construed as though they were written out in full according to applicable laws or regulations:

TEN COM -- as tenants in common

UNIF GIFT MIN ACT

_____ Custodian _____

TEN ENT -- as tenants by entireties

(Cust) _____ (Minor) _____

under Uniform Gifts or Transfers to Minors Act, State of _____

JT TEN -- as joint tenants with right of survivorship and not as tenants in common

Additional abbreviations may also be used though not in the above list.

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto _____ the within Bond and all rights thereunder, and does hereby irrevocably constitute and appoint _____ attorney to transfer the said Bond on the books kept for registration of the within Bond, with full power of substitution in the premises.

Dated: _____

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by a financial institution that is a member of the Securities Transfer Agent Medallion Program ("STAMP"), the Stock Exchange Medallion Program ("SEMP"), the New York Stock Exchange, Inc. Medallion Signatures Program ("MSP") or other such "signature guarantee program" as may be determined by the Registrar in addition to, or in substitution for, STAMP, SEMP or MSP, all in accordance with the Securities Exchange Act of 1934, as amended.

The Registrar will not effect transfer of this Bond unless the information concerning the assignee requested below is provided.

Name and Address: _____

(Include information for all joint owners if this Bond is held by joint account.)

Please insert social security or other identifying number of assignee

PROVISIONS AS TO REGISTRATION

The ownership of the principal of and interest on the within Bond has been registered on the books of the Registrar in the name of the person last noted below.

Date of Registration

Registered Owner

Signature of
Officer of Registrar

Cede & Co.
Federal ID #13-2555119

EXHIBIT C
TAX LEVY SCHEDULE

YEAR *	TAX LEVY
2023	\$36,719.92
2024	38,033.25
2025	38,873.25
2026	39,398.25
2027	34,358.25
2028	34,568.25
2029	34,463.25
2030	39,293.25
2031	34,672.25
2032	35,249.75
2033	35,538.50
2034	35,475.50
2035	35,171.00
2036	39,875.00
2037	38,573.00
2038	37,019.00
2039	35,213.00
2040	38,100.50
2041	35,213.00
2042	37,313.00

** Year tax levy collected.*

STATE OF MINNESOTA)
)
COUNTY OF CARVER) SS.
)
CITY OF NORWOOD)
YOUNG AMERICA)

I, the undersigned, being the duly qualified and acting City Clerk/Treasurer of the City of Norwood Young America, Minnesota (the “City”), do hereby certify that I have carefully compared the attached and foregoing extract of minutes of a regular meeting of the City Council of the City held on February 13, 2023 with the original minutes on file in my office and the extract is a full, true and correct copy of the minutes insofar as they relate to the issuance and sale of the City’s Taxable General Obligation Tax Abatement Bonds, Series 2023A, in the original aggregate principal amount of \$2,165,000.

WITNESS My hand officially as such City Clerk/Treasurer and the corporate seal of the City this _____ day of February, 2023.

(SEAL)

City Clerk/Treasurer
City of Norwood Young America, Minnesota

Approved by the City Council of the City of Norwood Young America, Minnesota this 13th day of February, 2023.

Carol Lagergren
Carol Lagergren, Mayor

ATTEST:

Angela Brumbaugh
Angela Brumbaugh, City Clerk/Finance Director

RESOLUTION NO. 2022-38

A RESOLUTION APPROVING A COMPREHENSIVE PLAN AMENDMENT FOR LAND SOUTH OF THE INDUSTRIAL PARK

BE IT RESOLVED by the City Council of Norwood Young America, Carver County, Minnesota as follows:

WHEREAS, the subject land is outlined in red on Exhibit "A"; and,

WHEREAS, the subject land contains a part of the following parcels:

- PID 580146200
- PID 580146300

;and,

WHEREAS, the subject land contains the entire following parcel:

- 580146500

;and,

WHEREAS, the subject land is currently zoned Transition Agriculture; and,

WHEREAS, the subject land is guided for Medium Density Residential under the 2040 Comprehensive Plan and the City of Norwood Young America has requested a Comprehensive Plan Amendment to re-guide the subject land from Medium Density Residential (orange) to Industrial (purple) as illustrated in the map attached hereto as Exhibit "A"; and,

WHEREAS, the City of Norwood Young America Planning Commission held a public hearing on November 1, 2022, to consider the Comprehensive Plan Amendment; and,

WHEREAS, the Planning Commission, after review and discussion, recommended the City Council approve the Comprehensive Plan Amendment; and,

WHEREAS, the City Council considered the application materials on file with the City and the Planning Commission recommendation at their meeting on November 14, 2022.

THEREFORE, BE IT RESOLVED, that the City Council of Norwood Young America, Carver County, Minnesota, hereby makes and adopts the following findings of fact:

1. The proposed Comprehensive Plan Amendment meets the goals, policies, objectives, and criteria set forth in the Norwood Young America 2040 Comprehensive Plan and re-guiding the subject property will not be in conflict with those goals.

THEREFORE, BE IT FURTHER RESOLVED, that the City Council of Norwood Young America, Carver County, Minnesota, hereby approves a Comprehensive Plan Amendment re-guiding the subject land from Medium Density Residential to Industrial subject to the following condition:

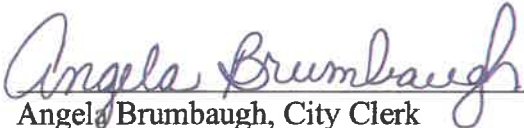
1. The Comprehensive Plan Amendment must have final approval by the Metropolitan Council.

Adopted by the City Council this 14th day of November 2022.



Carol Lagergren, Mayor

ATTEST:



Angela Brumbaugh, City Clerk



March 6, 2023

Hannah Rybak, Consulting City Planner
City of Norwood Young America
310 Elm Street W
Norwood Young America, MN 55368

RE: City of Norwood Young America – Industrial Park Expansion Comprehensive Plan Amendment – Post Council Action
Metropolitan Council Review File No. 22238-4
Metropolitan Council District 4

Dear Hannah Rybak:

At its Committee of the Whole meeting on March 1, 2023, the Metropolitan Council reviewed the City's comprehensive plan amendment, based on the staff report (attached). The amendment regulates 92 acres from Medium Density Residential (8-12 units per acre) to Industrial located in the southern part of the City, south of Tacoma Boulevard and west of Tacoma Avenue. This also includes expansion of the 2030 Metropolitan Urban Service Area (MUSA) to include the entire site. The purpose of the amendment is to expand an existing industrial park.

The Council found that the amendment conforms to the regional system plans for transportation, wastewater, and parks; is consistent with water resources management and Council forecasts; and is compatible with the plans of adjacent jurisdictions. The amendment is inconsistent with regional land use policies in *Thrive MSP 2040* and the *Housing Policy Plan*. Please note that the City is ineligible to participate in Livable Community Act (LCA) grant programs while it is inconsistent with regional policy. However, the City may place the amendment into effect.

A copy of the staff report to the Council is attached for your records. The Council will append the amendment, submission form and supplemental information to the City's plan in the Council's files. If you have any questions regarding the review please contact Raya Esmaeili, Principal Reviewer at 651-602-1616 or via email at Raya.Esmaeili@metc.state.mn.us.

Sincerely,

A handwritten signature in black ink that reads "Angela R. Torres".

Angela R. Torres, AICP, Senior Manager
Local Planning Assistance

Attachment

CC: Tod Sherman, Development Reviews Coordinator, MnDOT Metro
Deb Barber, Metropolitan Council District No. 4
Raya Esmaeili, Sector Representative/Principal Reviewer
Reviews Coordinator

N:\CommDev\LP\AI\Communities\Norwood Young America\Letters\Norwood Young America 2023 Industrial Park Expansion CPA Post Council Action 2238-4.docx

Metropolitan Council (Regional Office & Environmental Services)
390 Robert Street North, Saint Paul, MN 55101-1805
P 651.602.1000 | F 651.602.1550 | TTY 651.291.0904
metro council.org

An Equal Opportunity Employer

City of Norwood Young America
Tacoma West Industrial Park 2nd Addition
Project Schedule
May 8, 2023

No.	Item	By	Date	Document	Notes
1	Concept Planning	BMI / City	Complete		
2	Land Purchase	City	Complete		
3	Authorize Feasibility Study	City Council	3/27/2023	BMI Memo	
4	Environmental Review	BMI	3/28 - 6/15	EAW or Other?	Review is needed to determine if an Environmental review doc. is needed
5	Wetland Delineation	BMI	5/20 - 6/30	BMI Report	
6	Wetland Replacement Plan	BMI	6/30 - 9/30	BMI Document	ACOE Approvals
7	Complete Feasibility Study	BMI	3/28 - 6/16	Study	Includes cost estimate & Financial Planning
8	Receive Feasibility Study	City Council	3/27/2023	Study	Authorize Final Desin, Plat, Geotech & Topo
9	Topo Survey	BMI	5/9 - 5/19	BMI	
10	Geotechnical Analysis	Other	5/9 - 6/2	Geo Report	
11	Final Design & Preparation of Bid Docs	BMI	6/16 - 7/15	Plans & Specs	
12	Preparation of Plat	BMI	5/9 - 6/30	Prelim & Final Plat	
13	Preparation of Plat	WSB		PC Report & Packet	
14	Prelim Plat Hearing & Approval	P&Z		Prelim & Final Plat	
15	Accept Plans & Plat	City Council	7/29/2023	Plans & Specs & Plat	Preliminary Plat Public Hearing & Recommendation to Approve Prelim & Final Plat
16	Advertise	BMI	8/17 - 9-8	---	Accept Plans, Authorize Advertising, & approve plats
17	Open Bids	BMI			
18	Award Contract	City Council	9/25/2023		
19	Construction	BMI	10/15/2023		

Note: Financing schedules are unknown at this time and may affect the above schedule



Indicates Council Meeting Date
 Indicates P&Z Meeting Date

TACOMA WEST INDUSTRIAL PARK 2ND ADDITION

The total project costs for the proposed project are apportioned as follows:

PROJECT COMPONENT COST APPORTIONMENT SUMMARY

TACOMA AVENUE

Total Project Cost	\$740,808.71
Total Assessable Cost	\$187,330.27
Total Availability Charge Amount	\$289,011.25
Total Direct City Cost	\$264,467.20

INDUSTRIAL PARK

Total Project Cost	\$4,325,280.26
Total Assessable Cost	\$3,992,847.78
Total Availability Charge Amount	\$0.00
Total Direct City Cost	\$332,432.48

TOTAL PROJECT SUMMARY

Total Project Cost	\$5,066,088.98
Total Assessable Cost	\$4,180,178.05
Total Availability Charge Amount	\$289,011.25
Total Direct City Cost	\$596,899.68

Tacoma West Industrial Park 2nd Addition

PROPOSED PROJECT COMPONENTS	TOTAL PROJECT COST	TOTAL ASSESSABLE AMOUNT	TOTAL CHARGE AMOUNT	TOTAL CITY AMOUNT	TOTAL DEBT SERVICE	DEBT SERVICE FUNDING SOURCE					TOTAL
						DEBT SVC WATER FUND	DEBT SVC SEWER FUND	DEBT SVC STWSEWER FUND	DEBT SVC GENERAL FUND	REVENUE	
STREET RECONSTRUCTION	\$3,030,409	\$2,480,053	\$62,240	\$488,115	\$186,041.46					\$186,041	\$186,041
STORM SEWER/STORM TREATMENT	\$341,049	\$250,050	\$0	\$90,998	\$20,937.51			\$20,938		\$20,938	\$20,938
SANITARY SEWER	\$959,625	\$804,087	\$139,959	\$15,578	\$58,912.84			\$58,913		\$58,913	\$58,913
WATERMAIN	\$739,007	\$645,987	\$86,812	\$2,208	\$45,123.21			\$45,123		\$45,123	\$45,123
TOTALS:	\$5,086,089	\$4,180,178	\$289,011	\$596,900	\$311,015			\$20,938		\$186,041	\$311,015

Notes:

- 1.) \$5,000,000 Chapter 429 Bond
- 2.) All Debt Service Projections are Based on a 30-Year Bond At 2.0%, Actual Bond Term TBD.

(A)PISTYR	0.0514
RATE	4.50%
TERM	30
	0.061392

Community Growth Partnership Initiative 2023 Community Development Grant Application

Project name: Trail's Edge Senior

Applicant: City of Waconia

Contact name: Shane Fineran, City Administrator

Contact email and phone: sfineran@waconia.org, 952-442-3100

Authorized official for contract execution (name and title): Shane Fineran, City Administrator

Project Summary:

The proposed project is a 76 unit three-story elevator apartment building. The project will be owned and managed by the CDA. The project will primarily serve seniors earning 50% of the area median income or less. The project will include 7 units set aside for High Priority Homeless. These units will have Housing Support Room and Board rental assistance. 30% of the units (23 total units) will be affordable to seniors at or below 30% AMI.

Trails Edge Senior Apartments is part of a previously approved Master Planned Community that allowed for a wide variety and types of housing. The site is being developed to connect to adjacent and planned retail and high density residential uses, both existing and planned. Coordination between the City and County of sidewalks/trails to connect to city parks and a County regional trail have occurred. The density will support the existing retail and make the future paths more appealing to future businesses moving into the area based on the location and walkability. The project will be owned and managed for the long term by the CDA.

The City has historically been a preferred location for senior-oriented housing, and there are diverse options including housing with services. As a larger community, Waconia also has features and amenities that appeal to older adult households.

Property/unit amenities include: full size washer/dryer in each unit, controlled access/cameras, central air conditioning/individual Magic-Pak (temperature control in individual unit), full kitchen package (dishwashers, microwaves, stovetop/range, refrigerator), wired for high-speed internet/cable/satellite, enclosed parking and storage for each unit. Each unit will have a patio or full size balcony. All CDA owned property is 100% smoke free.

Staffing at the property will include a Senior Tenant Service coordinator. This staff member works with residents to make connections to services and programming. Staff will meet with residents to complete an intake and then determine what resources are needed. Staff will help residents complete applications such as Energy Assistance and SNAP. Staff connects residents to food shelves, free cell phones, the Workforce Center, transportation, River Valley Health Services (provides health related services to under and un-insured individuals), His House Foundation (is able to assist with furniture, etc.) and others. The Senior Tenant Service coordinator will work to make referrals to home and community based services. The CDA currently has a

Memorandum of Understanding signed with Carver County Adult Mental Health and Carver County Home and Community Based Care for several of our rental assistance programs. We have a great working relationship with both departments and will allow for warm hand-offs of clients needing this additional type of assistance to age in place.

1. Request Details

1a. Request Amount: \$100,000

1b. Proposed activities/use of CGPI funds (check all applicable boxes)

- | | | |
|--|---|--|
| <input type="checkbox"/> Acquisition | <input type="checkbox"/> Utilities | <input type="checkbox"/> Sidewalks/Trails |
| <input type="checkbox"/> Lighting | <input type="checkbox"/> Site Work | <input type="checkbox"/> Demolition |
| <input type="checkbox"/> Landscaping | <input type="checkbox"/> Roadways | <input type="checkbox"/> Stormwater |
| <input type="checkbox"/> Streetscaping | <input type="checkbox"/> Soil Remediation | <input type="checkbox"/> Environmental cleanup |
| <input type="checkbox"/> Parking | <input type="checkbox"/> Relocation | |
| <input type="checkbox"/> Other (list) | | |

2. Readiness Details

Milestone	Commitment date or anticipated date	Amount
<i>Construction Timeline</i>		
Market/feasibility study	None Needed	
Land use approvals (including any zoning, comprehensive plan amendments, variances, etc.)	Funding Based	
Environmental approvals	None Needed	
Construction bids	Funding Based	
Permits	Funding Based	
Site control	Complete	
Financial closing	N/A	
Clean up/demolition	Not Applicable	
Begin construction	Funding Based	
Project completion	Funding Based	
<i>Project Funding Sources</i>		
First mortgage	December 2023	\$3,004,000
General partner cash/other equity		
Syndication proceeds	December 2023	\$6,493,291
Deferred loans	December 2023	\$12,264,000
TIF		
Sales tax/energy rebates	December 2023	\$448,322
Deferred developer fee		
Met Council TOD/LCDA/TBRA		
DEED Redevelopment/Cleanup		
DEED MIF/JCF		

Carver County CDA CGPI	June 2023	\$100,000
City: Water/sewer trunk fee waivers	Already committed	\$280,000
Other: ARPA	Already committed	\$1,000,000
Other: Energy Rebate	December 2023	\$17,360

2a. Total development cost: \$23M Percentage of funds committed: 4% (excluding water/sewer trunk fee waivers). ARPA funds committed.

2b. List other sources of funds requested or considered but not obtained for the project and explain why.

3. Project Details

3a. Site address(es) 905 Airport Rd Waconia, MN 55387

3b. Site size: 2.77 acres

3c. Number of parcels: 1

3d. Parcel ID(s): 753140030

Housing

3e. Are there any existing housing units on the site: Yes No

If so, how many?

Are any of the units vacant? Yes No N/A

3f. Are any of the existing units affordable? Yes No

3g. Housing Units (Indicate the number of housing units planned in the project)

	Total Units	New Units	Retained Units	Owner-Occupied	Rental Units	Market Rate	Affordable Units	Affordability Level (% AMI)
Single Family								
Townhome								
Apartments/Condos	76	76					76	23-30% 53-50%
Duplexes								
Other (Specify)								

3h. Is there a mechanism to ensure long term affordability? Yes No

3i. If yes, please describe the type and length of affordability. We are applying for funding with MN Housing and will have a 40 year minimum affordability period.

3j. Who is the target population for these units (seniors, families, etc.)? Seniors

3k. If the project is a rental project, is the owner willing to accept Tenant Based Rental Assistance (Housing Choice Voucher or other tenant based rental assistance)?

Yes

No

Commercial

3l. Are there existing commercial buildings on the site: Yes No If so, how many?
 Are any of the units vacant? Yes No N/A

3m. Commercial square footage (Indicate the square footage and jobs planned for the project)

	Total square footage	New square footage	Retained square footage	New FTEs	Retained FTEs	Jobs with wages ≥\$17/hour
Retail/commercial						
Industrial						
Office						
Other (Specify)						

3n. List and describe any businesses that will be located on the site. Identify any that are Small Business Enterprises (SBE), Women Business Enterprises (WBE), Minority Business Enterprises (MBE) or Veteran owned.

4. Project Costs

4a. Current taxable market value of the site: \$770,000

4b. Anticipated taxable market value after redevelopment: \$12M

4c. Development costs

Acquisition cost: n/a Total development cost: \$23M

4d. Proposed cost of activities/use of CGPI funds

Activity	Total Cost	CGPI Request
Acquisition		
Utilities		
Sidewalks/Trails		
Lighting		
Site Work	\$340,000	\$100,000
Demolition		
Landscaping		
Roadways		
Stormwater		
Streetscaping		
Soil Remediation		
Environmental cleanup		
Parking		
Other		
Other		

5. Narrative

5a. Describe how this project fits into the city's goals and the Redevelopment Plan, its public purpose, any extraordinary costs, and the community's need for the project. Describe other projects completed/underway as part of the Redevelopment Plan or in the area and how this project may catalyze additional (re)development.

The CDA purchased two parcels in 2010. The CDA just opened Trail's Edge South in November 2022. This is a 60-unit general occupancy low-income housing tax credit project and the first phase. The CDA is now working to fund the senior building on the adjacent parcel. As part of the City's 20040 Comprehensive Plan, the city outlines the need for Life-cycle housing, which includes senior housing. The plan outlines that senior housing "may impact access to healthcare, transportation and long-established social networks." Additionally, "a community with quality affordable housing helps to ensure the stability of both neighborhoods and communities that greatly benefit its residents and businesses.

5b. Provide a brief history of the site including previous uses, slum or blight, activities, contamination and other attempts at redevelopment.

This site was previously vacant. The CDA has owned this site since 2010 and has been trying to develop it since that time.

5c. How does your project create a more livable community? Include information about the mix of uses, proximity to transit, reduced/shared parking, resiliency, walkable neighborhoods, green space, increased density, benefits to businesses/organizations, and community building elements.

The site is part of a previously approved PUD that allowed for a wide variety and types of housing and includes multi-family housing. The adjacent parcels also are zoned and developed as multi-family housing communities. The site is being developed to connect to adjacent and planned retail and high density residential uses, both existing and planned. Coordination between the City and County of sidewalks/trails to connect to city parks and County regional trail, shared uses of adjacent properties for transit and parking. Current placement of the parking and building will allow for use of existing drainage and slope, better vistas/views of the building, provisions for transit shelter/bus pickup, future development of the lot to the northeast for high density residential shared parking/access. The density will support the existing retail and make the future paths more appealing to future businesses moving into the area based on the location and walkability. The proposed Boulevard that will act as an entrance to the building is designed for connectivity to Phase II and shows a commitment to future growth and expansion.

5d. Describe any contamination on the project site or in the redevelopment plan area. Was a Response Action Plan developed? Will the project be cleaning up any contaminated soil, hazardous waste or other elements? If so, describe the type of clean up.

A Phase I has been completed and there is no contamination.

5e. Describe how the project is maximizing the potential of the site.

The site is zoned by the City for high density residential use which would allow the CDA to develop the site to the maximum density. The site lends itself well to allow for shared access for the adjacent site. Trail's Edge South, a 60-unit general occupancy low-income housing tax credit project, just opened in November 2022. The parcel was part of a master planning process that considered full build out of the area in the plan. This forward-looking process allowed for upgraded infrastructure related to streets, and sewer and water capacity to be constructed for capacity when fully built rather than for just the first phase of development.

5f. Will any existing residents, tenants or businesses be temporarily or permanently relocated as a part of this project? If so, please describe how relocation will occur.

N/A

5g. Describe the biggest challenges or extraordinary costs facing your project and explain why the project is not feasible without CGPI funds. Please include any challenges not previously described such as status of site control, financing, rents and returns, tenants/leasing and other items pertinent to a successful project.

The cost of new construction continues to rise. The CDA has consistently had a gap on this project and has sought funding sources to fill that gap. While our market study may allow for higher rents, the CDA is committed to keeping our rents lower so they remain affordable. Not only would this funding help with the current gap, but we will utilize this funding as an opportunity to score points under MN Housing's criteria

Attachments

1. City Resolution (sample is attached and must contain all provisions listed)
2. Location map
3. Site plan and elevations (if available)
4. Existing conditions photos
5. Redevelopment plan (if it is a redevelopment project)
6. Relocation plan (if applicable)

7. Copies of any funding commitments
8. Evidence of site control
9. Development pro forma that includes such things as sources and uses, financing assumptions of any debt, debt service coverage ratio, loan to value, loan to cost, percent equity and cash on cash return.

Sample Resolution

WHEREAS, the City of _____ has identified a proposed project within the city that meets the Carver County Community Development Agency (CDA) Community Growth Partnership Initiative Grant Program's purpose and criteria; and

WHEREAS, the City has established a Redevelopment Plan of which the proposed project is a component; and
OR WHEREAS, the City has identified a project that will create living wage jobs; and

WHEREAS, the City has the capacity and capability to ensure the proposed project will be completed and administered within the Community Growth Partnership Initiative predevelopment program guidelines; and

WHEREAS, the City has the legal authority to apply for financial assistance; and

WHEREAS, the City is supportive of affordable housing and of the CDA's mission to improve the lives of Carver County residents through affordable housing and community development.

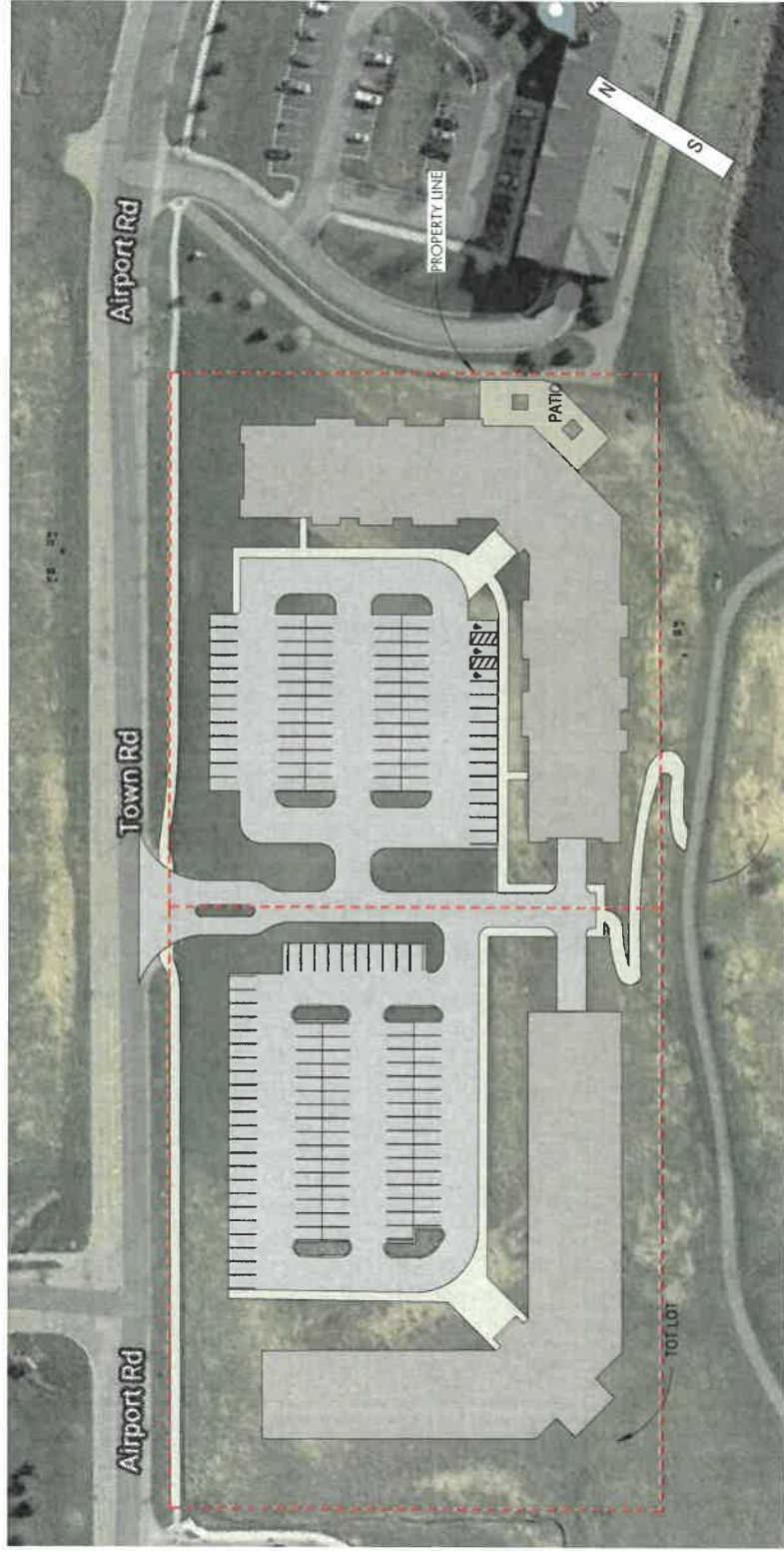
NOW THEREFORE BE IT RESOLVED that the City of _____ approves the application for funding from the Carver County CDA Community Growth Partnership Initiative Grant program.

BE IT FURTHER RESOLVED that if the application is approved by the Carver County CDA, _____, the _____, is hereby authorized to execute such agreements as are necessary to receive and use the funding for the proposed project.



This map was created using Carver County's Geographic Information Systems (GIS), it is a compilation of information and data from various City, County, State, and Federal offices. This map is not a surveyed or legally recorded map and is intended to be used as a reference. Carver County is not responsible for any inaccuracies contained herein.

Map Date: 5/9/2023



1 SD Site Plan
1" = 80'-0"

UNIT MIX PER FLOOR	
Name	Count
Level 1	
Unit 0-1	3
Unit 1-0	9
Unit 1-1	1
Unit 2-0	5
Unit 3-2	4
	22

Level 2	Count
Unit 0-1	3
Unit 1-0	9
Unit 1-1	2
Unit 2-0	6
Unit 3-0	1
Unit 3-1	2
Unit 3-2	4
	27

Level 3	Count
Unit 0-1	3
Unit 1-0	9
Unit 1-1	2
Unit 2-0	6
Unit 3-0	1
Unit 3-1	2
Unit 3-2	4
	27
Grand total	76

Level	Area
Level 3	27,251 ft ²
Level 2	24,941 ft ²
Level 1	27,391 ft ²
Level -1	27,656 ft ²
Grand total	107,238 ft²

Level	Type	Count
Level -1		72
Level 1		176
		248

Seniors Parking
 Garage stalls = 72
 Surface stalls = 176 - 96 stalls (workforce surface parking) =
 80 total Senior surface stalls
 Total Senior stalls = 152 stalls

Parking ratio = 152 stalls / 76 units = 2.0 stalls/unit

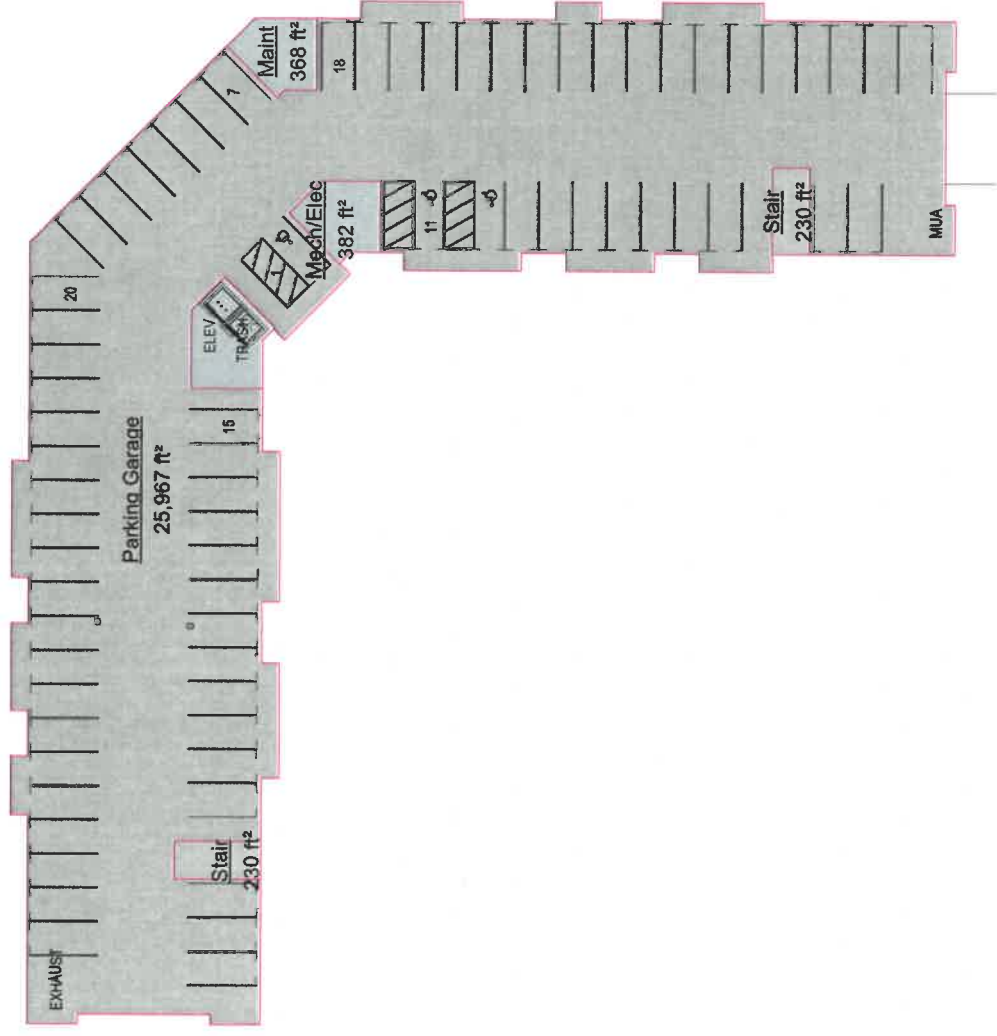
UNIT MIX - GROSS AREA					
Name	Count	Unit Gross Area		Total Area	%
		Main Floor			
TBR					
Unit 1-0	27			19,313 ft ²	36%
Unit 1-1	5	775 ft ²		3,874 ft ²	7%
	32			23,187 ft ²	42%

TBR +/-D				
Unit 2-0	Count	Main Floor	Total Area	%
Unit 2-0	17		16,212 ft ²	22%
	17		16,212 ft ²	22%

ZBR/ZBA				
Unit 3-0	Count	Main Floor	Total Area	%
Unit 3-0	2	939 ft ²	1,878 ft ²	3%
Unit 3-1	4	1,158 ft ²	4,633 ft ²	5%
Unit 3-2	12	1,074 ft ²	12,886 ft ²	16%
	18		19,397 ft ²	24%

Studio				
Unit 0-1	Count	Main Floor	Total Area	%
Unit 0-1	9	609 ft ²	5,477 ft ²	12%
	9		5,477 ft ²	12%
Grand total	76		64,272 ft²	100%





- Schema 1 Legend
- Circulation
 - Commons
 - Garage

① Level -1
1/32" = 1'-0"

75-3150010
75-3150011

Document No.
A 528125

OFFICE OF THE
COUNTY RECORDER
CARVER COUNTY, MINNESOTA

PID# [redacted]
No delinquent taxes and transfer entered: Certificate of
Real Estate Value (A) Med () Not Required
CRV # 078268
11-2, 2010

Fee: \$46.00 Receipt#: RA 2010000096

Certified Recorded on 11/2/2010 at 03:17 AM PM

Laurie Engblom Carver County Auditor
By [Signature] Deputy



[Signature]
Mark Lundgren
County Recorder

(Top 3 inches Reserved for Recording Data)

LIMITED WARRANTY DEED
Business Entity to Business Entity

Minnesota Uniform Conveyancing Blanks
Form 10.29 (2006)

DEED TAX DUE: \$ 2,343.00

DATE: November 1, 2010
~~October~~
(month/day/year)

FOR VALUABLE CONSIDERATION, Lakeland Construction Finance, LLC, a limited liability company under the laws of Minnesota, ("Grantor"), hereby conveys and quitclaims to Carver County Community Development Agency, a public body corporate and politic under the laws of Minnesota, ("Grantee"), real property in Carver County, Minnesota, legally described as follows:

Lot 1, Block 1, Interlaken 4th Addition, Carver County, Minnesota; and
[redacted]

Deed Tax of \$ 2,343.00
paid on 11-2-10 (Date)
Conservation Fee Paid
Carver County Auditor

Check here if part or all of the described real property is Registered (Torrans)

together with all hereditaments and appurtenances.

This Deed conveys after-acquired title. Grantor warrants that Grantor has not done or suffered anything to encumber the property, EXCEPT:

None.

Check applicable box:

- The Seller certifies that the Seller does not know of any wells on the described real property.
- A well disclosure certificate accompanies this document.
- I am familiar with the property described in this instrument and I certify that the status and number of wells on the described real property have not changed since the last previously filed well disclosure certificate.

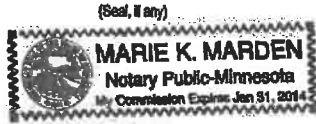
Grantor
Lakeland Construction Finance, LLC
By: [Signature]
Richard [Name]
Its: Vice President

507 142664 HB

Stewart Title of Minnesota, Inc.
1700 West 82nd Street, Suite 100
Bloomington, Minnesota 55431

State of Minnesota, County of DAKOTA

This instrument was acknowledged before me on ~~October~~ ^{November 1}, 2010 by Richard Lerew as Vice President of Lakeland Construction Finance, LLC, a Minnesota limited liability company, on behalf of said limited liability company.



Marie K Marden
(signature of notarial officer)
 Title (and Rank): Notary Public
 My commission expires: Jan 31, 2014
(month/day/year)

THIS INSTRUMENT WAS DRAFTED BY:
(print name and address)

Leonard, Street and Deinaud P.A. (BLP/ELM)
150 South Fifth Street, Suite 2300
Minneapolis, MN 55402

TAX STATEMENTS FOR THE REAL PROPERTY DESCRIBED IN THIS INSTRUMENT SHOULD BE SENT TO:

(insert name and address of Grantee to whom tax statements should be sent)
Carver County CDA
 Chief Financial Officer
 705 N. Walnut Street
 Chaska, MN 55318

Connection

Newsfeed OneDrive Sites Nick Koktavy  

Close

CDA Grant Agreement Trails Edge, Carver, Rehab			
Contract #	22-153	Contract Start Date	
External Parties	CARVER COUNTY CDA	Contract End Date	11/30/2026
Carver County Vendor #		Previous Related Contract #	
Originator	<input type="checkbox"/> Nick Koktavy	Contract State	Original
Division/Department	Public Services		
Type of Contract	Grant		
Type of Contract Explanation			
Fiscal Amount	\$5,000,000.00	Fiscal Terms	
Certificate of Insurance Required	No		
Quotes and Bids Obtained	No		
Approval Authority	Division, County Administrator, County Board		
RBA Number			

Sub-recipient grant agreement with the Carver County CDA for seed money on Trail's Edge Senior, Carver Oaks Senior and Carver Place. In addition, rehab work on Watertown/Mayer Rural Development Properties and Bluff Creek. Presented to the County Board on November 16, 2021.

Submit **In Process**

Submitter **Nick Koktavy**

Submit Date **4/21/2022**

Attorney **Approved**

Attorney Approval Date **4/25/2022**

Attorney Approver **Patrick Conness**

Risk **Approved**

Risk Approval Date **4/21/2022**

Risk Approver **Sonja Wolter**

Division **Approved**

Division Approver **Nick Koktavy**

Division Approval Date **6/14/2022**

Grant Agreement
Carver County Community Development Agency Equity-Focused Housing
Projects

Carver County 600 East 4 th Street Chaska, MN 55318 DUNS #:003265407	Grant Program: Coronavirus State and Local Fiscal Recovery Funds Pass-through Entity: US Treasury Grant Agreement: Carver County Community Development Agency Equity-Focused Housing Projects.
Grantee: Carver County Community Development Agency 705 North Walnut Street Chaska, MN 55318 DUNS #:963493783	Grant Agreement Terms: Effective Date: 3/3/2021 Expiration Date: 11/30/2026.
Grantee's Authorized Representative: Julie Frick (952)448-7715	Grant Agreement Amount: Original Agreement: \$5,000,000.00 Matching Requirement: 0.00
County Authorized Representative: David Hemze (952)361-1526	Federal Funding: CFDA 21.027 FAIN: None Provided

THIS AGREEMENT, is made and entered into as of the 14 day of June, 2022, between the County of Carver (herein called "County") and the Carver County Community Development Agency (herein called "CDA").

RECITALS

WHEREAS, on March 11, 2021, the President of the United States signed into law the American Rescue Plan Act (ARPA) to provide additional relief to address the continued impact of COVID-19 on the economy, public health, state and local governments, individuals, and businesses;

WHEREAS, under ARPA, federal fiscal recovery aid was made available for state and local governments through Coronavirus State and Local Fiscal Recover Funds (SLFRF);

WHEREAS, the County received SLFRF funds;

WHEREAS, on May 10, 2021, the Department of Treasury adopted the Interim Final Rule to implement the Coronavirus State Fiscal Recovery Fund and the Coronavirus Local Fiscal Recovery Fund established under the American Rescue Plan Act;

WHEREAS, the interim final rules allow for building stronger communities through investments in housing where the pandemic resulted in disproportionate public health or economic outcomes to specific populations;

WHEREAS, on October 21, 2021 the CDA Board heard presentations on ARPA affordable housing projects and approved moving forward including executing agreements with the County on projects;

WHEREAS, on November 16, 2021 the CDA made a presentation to the County Board on ARPA affordable housing projects and the County Board approved moving forward including executing agreements with the County on projects;

WHEREAS, on January 6, 2022 the Department of Treasury issued Final Rule for State and Local Fiscal Recovery Funds Program to support the ongoing COVID response and enables local governments to meet immediate pandemic response needs and promote long-term recovery; and

WHEREAS, the County would like to distribute ARPA funds to the CDA through a sub-recipient grant relationship to provide affordable housing development to increase supply of affordable and high-quality living units within Carver County.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and conditions hereafter contained, the parties agree as follows:

- 1) The Parties agree with all of the recitals set forth above, and agree to make each of the said recital part of this agreement.
- 2) The County agrees to distribute up to \$5,000,000.00 in ARPA funds to the CDA for the following projects:
 - a. Seed money towards:
 - i. Trail's Edge Senior: up to \$1,000,000 provided towards construction of a 76-unit affordable 55+ housing building including units for public housing. The project is located at 905 Airport Rd, in Waconia.
 - ii. Carver Oaks Senior: up to \$1,000,000 provided towards construction of a 43-unit affordable 55+ housing building including units for public housing. The project is located at 1591 Hartwell Drive in Carver.
 - iii. Carver Place: up to \$1,000,000 provided towards construction of 60 units of general occupancy affordable housing building including units for high priority homeless, people with disabilities and project-based voucher units. Project is located at 1591 Hartwell Drive in Carver.
 - b. Rehab work on:
 - i. Watertown/Mayer Rural Development Properties: up to \$1,800,000 towards rehabbing the rural development properties which serve households at or below 80% AMI. The three properties include 42 units.
 - ii. Bluff Creek: up to \$200,000 towards rehabbing the Bluff Creek property in Carver. This is an 18-unit property serving households at or below 80% AMI.
- 3) The CDA and their auditor will provide documentation and statistics to the County detailing how the projects identified in item 2 above meet the eligibility for ARPA funding. Furthermore, the documentation must identify how these projects will support populations disproportionately impacted by the pandemic. This document must be received and approved by the County's Property and Finance Director prior to distribution of funds.

- 4) The scopes of the projects and funding must match what was presented to the County Board on November 16, 2021. Any changes to the scope or funding must be approved by the County Board.
- 5) Funds for Trail's Edge Senior, Carver Oaks Senior, and Carver Place will be provided to the CDA once each project is fully funded, and a presentation on the project is made to the County Board.
- 6) Funds for the rehab work on the Watertown/Mayer Rural Development Properties and Bluff Creek will be provided after the work is complete and the CDA provides a written summary including the work completed and pictures of the improvements.
- 7) If the County determines that projects may not meet the ARPA deadlines or requirements, if the County determines that funds or projects are being mismanaged, or if the County determines that the projects are not being managed within the parameters presented to the County Board, the County reserves the right to obtain any unspent funds and stop the County's participation in the project.
- 8) Any remaining funds must be returned to the County once the project is complete. All County ARPA funds must be obligated by November 30th, 2024 and spent before November 30th, 2026. Any funds not spent by November 30th, 2026, must be returned to the County.
- 9) The CDA shall keep detailed records of the projects and funds and provide written report at least every 60 days updating the County on the progress. These written updates will be reviewed by the County Commissioners, County Administrator, Assistant County Administrator, and Property and Finance Director.
- 10) Pursuant to Minn. Stat. §16C.05, subd. 5, the CDA agrees that the County, the State Auditor, or any of their duly authorized representatives at any time during normal business hours and as often as they may reasonably deem necessary, shall have access to and the right to examine, audit, excerpt, and transcribe any books, documents, papers, records, et., which are pertinent to the accounting practices and procedures of the CDA and involve transactions relating to this Agreement. CDA agrees to maintain these records for a period of six years from the date of termination of this Agreement.
- 11) During the performance of this Agreement, the CDA and any of their contractors or sub-contractors agree to the following: No person shall, on the grounds of race, color, religion, age, sex, sexual orientation, disability, marital status, public assistance status, criminal record, creed or national origin be excluded from full employment rights in, participation in, be denied the benefits of or be otherwise subjected to discrimination under any and all applicable Federal and State laws against discrimination.
- 12) This Agreement shall be governed by and shall be construed in accordance with the laws of the State of Minnesota.
- 13) The Parties agree that the Carver County District Court shall have jurisdiction to enforce this Agreement.
- 14) This Agreement constitutes the entire agreement between the Parties, and neither the CDA nor the County is relying on any statements or promises by or on behalf of the other party, other than those statements or promises expressly stated in this Agreement.
- 15) The terms of this Agreement shall constitute a binding contract.
- 16) Each party shall bear its own costs, expenses, fees and disbursements occurred in enforcing this Agreement.

17) All CDA employees responsible for compliance shall obtain appropriate training in current grant administrative and compliance requirements.

18) Annual Audit.

a. Compliance with Single Audit Act. The CDA understands that these funds are subject to the requirements under the Single Audit Act (31 U.S.C. §§ 7501-7507) and the related provisions of the Uniform Guidance, 2 C.F.R. § 200.303 regarding internal controls, §§ 200.330 through 200.332 regarding subrecipient monitoring and management, and subpart B-F..

b. Audit Disallowance. The CDA shall be liable for the entire amount for the audit adjustment attributed directly to the CDA's distribution.

19) No modification to this Agreement shall be valid or binding unless contained in a written instrument that is signed by each of the Parties.

20) This Agreement shall become effective upon execution by the CDA and by the County and the delivery of the fully signed Agreement to the CDA and to the County.

21) Each party shall be liable for its own acts to the extent provided by law and hereby agrees to indemnify, hold harmless and defend the other, its officers and employees against any and all liability, loss, costs, damages, expenses, claims or actions, including attorney's fees which the other, its officers and employees may hereafter sustain, incur or be required to pay, arising out of or by reason of any act or omission of the party, its agents, servants or employees, in the execution or performance or failure to adequately perform its obligations pursuant to this Agreement. It is understood and agreed that the County's liability shall be limited by the provisions of Minn.Stat.Chap.466 and/or other applicable law.

22) The persons signing this Agreement in their representative capacities represent and warrant that by signing this Agreement: It is their intent to bind their respective principals to the terms and conditions set forth herein; The persons signing in their representative capacity have been authorized to bind their respective principals to the terms stated herein; and it is the respective principals' intent to be bound.

IN AGREEMENT, the undersigned have each executed and entered into this Agreement on the day and year set forth below.

CARVER COUNTY COMMUNITY DEVELOPMENT AGENCY:

Dated: _____, 2022


By: Julie Frick
Executive Director

Dated: _____, 2022


By: Sarah Carlson
CDA Board Chair

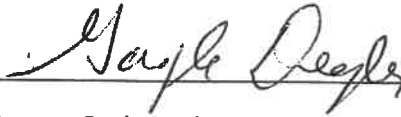
COUNTY OF CARVER:

Dated: 6-14, 2022



By: David Hemze
County Administrator

Dated: 6-14, 2022



By: Gayle Degler
County Board Chair

**CITY OF WACONIA
RESOLUTION NO. 2023-120**

**RESOLUTION APPROVING CARVER COUNTY CDA COMMUNITY GROWTH
PARTNERSHIP INITIATIVE GRANT APPLICATION**

WHEREAS, the City of Waconia has identified a proposed project within the city that meets the Carver County Community Development Agency (CDA) Community Growth Partnership Initiative Grant Program's purpose and criteria; and

WHEREAS, the City has established a Redevelopment Plan of which the proposed project is a component; and **OR WHEREAS**, the City has identified a project that will create living wage jobs; and

WHEREAS, the City has the capacity and capability to ensure the proposed project will be completed and administered within the Community Growth Partnership Initiative predevelopment program guidelines; and

WHEREAS, the City has the legal authority to apply for financial assistance; and

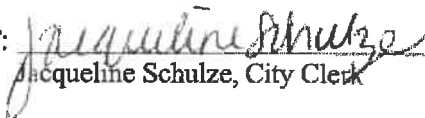
WHEREAS, the City is supportive of affordable housing and of the CDA's mission to improve the lives of Carver County residents through affordable housing and community development.

NOW THEREFORE BE IT RESOLVED that the City of Waconia approves the application for funding from the Carver County CDA Community Growth Partnership Initiative Grant program.

BE IT FURTHER RESOLVED that if the application is approved by the Carver County CDA, the City Administrator, is hereby authorized to execute such agreements as are necessary to receive and use the funding for the proposed project.



Nicole Waldron, Mayor

ATTEST: 

Jacqueline Schulze, City Clerk

Community Growth Partnership Initiative 2023 Community Development Grant Application

Project name: Sovereign Estate New Tasting Room Kitchen and Bathroom Building Phase 1

Applicant: Teresa J Savaryn

Contact name: Teresa J Savaryn

Contact email and phone: terri@sovereignstatewine.com

Authorized official for contract execution (name and title):

Teresa J Savaryn, Owner

Whistlepost LLC

Project Summary

Sovereign Estate Winery has been opened to the public since 2011. The Conditional Use Permit granted permission to erect a tasting room and kitchen facility. See Attached.

The current tasting room is located in what was an existing 10,000 sq ft pole barn before the business started. That building is primarily used for wine production and wine storage with a small kitchen and tasting room. The winery is experiencing steady growth in business and our customer service space is now too small. We need more dedicated bathrooms and a larger kitchen and tasting rooms. We need expanded production area to produce more wine.

It is now our intention to construct a new separate wine tasting and retail shop adjacent to the pavilion. The kitchen and bathroom building are Phase 1. An adjoining building for the new tasting room and wine shop would be Phase 2. These buildings will be located on our farm to the west of the seasonal pavilion and will shift the public service from the current building to allow for the expansion of production.

We are planning the construction in two phases. The first phase is a 1600 sq ft building that will be used as a full service catering kitchen and increased bathroom facilities near the pavilion. The existing pavilion bathroom facilities are temporary trailers and porta - johns. Prior to the COVID pandemic, the county requested we build this permanent structure as soon as possible . The new Kitchen Bathroom building will have a full foundation for storage of wine and food products. Occupation of this first phase would be desired immediately following construction to help with the operations in the summer season.

1. Request Details

1a. Request Amount: \$100,000

1b. Proposed activities/use of CGPI funds (check all applicable boxes)

Acquisition Utilities Sidewalks/Trails Lighting Site Work
 Demolition Landscaping Roadways Stormwater Streetscaping Soil
 Remediation Environmental cleanup Parking Relocation
 Other (list)

2. Readiness Details

Milestone	Commitment date or anticipated date	Amount
<i>Construction Timeline</i>	<i>July 1, 2023</i>	
Market/feasibility study		Not Applicable
Land use approvals (including any zoning, comprehensive plan amendments, variances, etc.)		Not Applicable
Environmental approvals		Not Applicable
Construction bids		Not Applicable
Permits		Not Applicable
Site control		Not Applicable
Financial closing		Not Applicable
Clean up/demolition		Not Applicable
Begin construction		Not Applicable
Project completion		Not Applicable
<i>Project Funding Sources</i>		
First mortgage		
General partner cash/other equity		\$ 50,000
Syndication proceeds		

Deferred loans		\$300,000
TIF		
Sales tax/energy rebates	Xcel	\$5000
Deferred developer fee		
Met Council TOD/LCDA/TBRA		
DEED Redevelopment/Cleanup		
DEED MIF/JCF		
Carver County CDA CGPI		
City		
Other:		
Other:		

2a. Total development cost: Percentage of funds committed: Estimate \$400,000 +

2b. List other sources of funds requested or considered but not obtained for the project and explain why.

3. Project Details

3a. Site address(es) 9950 North Shore Road, Waconia MN 55387 Waconia Township

3b. Site size 1 acre

3c. Number of parcels 1

3d. Parcel ID(s): 09.0010500

Housing

3e. Are there any existing housing units on the site: Yes No YES

If so, how many? 1 residential farm homestead

Are any of the units vacant? Yes No N/A 3f. Are any of the existing units

affordable? Yes No NO

3g. Housing Units *(Indicate the number of housing units planned in the project)*

	Total Units	New Units	Retain ed Units	Owner Occupied	Rental Units	Mark et Rate	Affordab le Units	Affordability Level (% AMI)
Single Family								
Townhome								
Apartments/ Condos								
Duplexes								
Other (Specify)								

3h. Is there a mechanism to ensure long term affordability? Yes No 3i. If yes, please describe the type and length of affordability.

3j. Who is the target population for these units (seniors, families, etc.)?

3k. If the project is a rental project, is the owner willing to accept Tenant Based Rental Assistance (Housing Choice Voucher or other tenant based rental assistance)?

Yes No

Commercial

3l. Are there existing commercial buildings on the site: Yes No If so, how many? Are any of the units vacant? Yes No N/A

3m. Commercial square footage *(Indicate the square footage and jobs planned for the project)*

	Total square footage	New square footage	Retained square footage	New FTEs	Retained FTEs	Jobs with wages ≥\$17/hour
Retail/commercial	5600	1600	none			10+
Industrial						
Office						
Other (Specify)						

3n. List and describe any businesses that will be located on the site. Identify any that are Small Business Enterprises (SBE), Women Business Enterprises (WBE), Minority Business Enterprises (MBE) or Veteran owned.

Women Business Enterprises (WBE)

4. Project Costs

4a. Current taxable market value of the site: [See Attached](#)

4b. Anticipated taxable market value after redevelopment: ?

4c. Development costs

Acquisition cost: Total development cost: Approximately \$400,000

4d. Proposed cost of activities/use of CGPI funds

Activity	Total Cost	CGPI Request
Acquisition	0	
Utilities		
Sidewalks/Trails		
Lighting		
Site Work		
Demolition		
Landscaping		
Roadways		

Stormwater		
Streetscaping		
Soil Remediation		
Environmental cleanup		
Parking		
Other	Building fees	100,000
Other		

5. Narrative

5a. Describe how this project fits into the townships goals and the Redevelopment Plan, its public purpose, any extraordinary costs, and the community's need for the project. Describe other projects completed/underway as part of the Redevelopment Plan or in the area and how this project may catalyze additional (re)development.

Citation: Paragraph 15 2010 CUP PZ20100820

"The Waconia Township Board has no issue with the plan to operate a winery/retail shop as described. The Board also noted that it supports local agriculture and business,"

Sovereign Estate Winery has clearly added to the aesthetic and desirable community benefit of Waconia Township. The Marquette pavilion serves as a gathering space for many civic and community events. In the face of the ever expanding housing development in the Waconia area, Sovereign preserves agricultural land and farming values to this rural community. Winner of the Family Farmers of Carver county in 2023 our wine production has increased to a serious business. The wines produced at Sovereign Estate are on a par with nationally recognized brands and we are pioneers and leaders of the Minnesota Farm Winery industry.

5b. Provide a brief history of the site including previous uses, slum or blight, activities, contamination and other attempts at redevelopment.

The 50 acre farm has been used as a large production dairy farm, and hobby farm in the past. The vineyards planted now will be productive for 40 years. Sustainable farming practices have an ongoing positive impact on the environment.

5c. How does your project create a more livable community? Include information about the mix of uses, proximity to transit, reduced/shared parking, resiliency, walkable neighborhoods, green space, increased density, benefits to businesses/organizations, and community building elements.

The winery is located directly off the Dakota Trail bike path. It sees hundreds of cyclists during the summer season. We provide bathrooms and water to the community. Our food demands have increased significantly and the public has enjoyed the outdoor spaces especially since the COVID pandemic.

5d. Describe any contamination on the project site or in the redevelopment plan area. Was a Response Action Plan developed? Will the project be cleaning up any contaminated soil, hazardous waste or other elements? If so, describe the type of clean up.

NO, our septic system was seized and approved in anticipation of this expansion in 2018.

5e. Describe how the project is maximizing the potential of the site.

Our lake view is unparalleled. We are preserving green space for the increasing population of the Lake Waconia recreational area. The customer gatherings and experiences are priceless. We get thanked everyday for providing this space for our guests.

5f. Will any existing residents, tenants or businesses be temporarily or permanently relocated as a part of this project? If so, please describe how relocation will occur.

NO

5g. Describe the biggest challenges or extraordinary costs facing your project and explain why the project is not feasible without CGPI funds. Please include any challenges not previously described such as status of site control, financing, rents and returns, tenants/leasing and other items pertinent to a successful project.

The funds available for this project from Carver County make us partners in community development. We are offering the public a destination that many tourists travel far and wide to find. Tourism dollars will flow in Carver County from the wineries. We are constantly asked where our guests can find accommodations to stay longer in the area.

This grant will make budget projections of this 1st phase manageable to repay supplemental loans with the expected increase in sales from an expanded kitchen.

Attachments

1. City Resolution (sample is attached and must contain all provisions listed) **Included**
2. Location map **Included**
3. Site plan and elevations (if available) **Included**
4. Existing conditions photos **Included**
5. Redevelopment plan (if it is a redevelopment project)
6. Relocation plan (if applicable)
7. Copies of any funding commitments **Included**
8. Evidence of site control
9. Development pro forma that includes such things as sources and uses, financing assumptions of any debt, debt service coverage ratio, loan to value, loan to cost, percent equity and cash on cash return.

Community Growth Partnership Initiative 2023 Community Development Grant Application

WHEREAS, the Township of Waconia has identified a proposed project within the city that meets the Carver County Community Development Agency (CDA) Community Growth Partnership Initiative Grant Program’s purpose and criteria; and

WHEREAS, the Township has established a Redevelopment Plan of which the proposed project is a component; and OR WHEREAS, the City has identified a project that will create living wage jobs; and

WHEREAS, the Township has the capacity and capability to ensure the proposed project will be completed and administered within the Community Growth Partnership Initiative pre development program guidelines; and

WHEREAS, the Township has the legal authority to apply for financial assistance; and

WHEREAS, the Township is supportive of affordable housing and of the CDA’s mission to improve the lives of Carver County residents through affordable housing and community development.

NOW THEREFORE BE IT RESOLVED that the Township of Waconia approves the application for funding from the Carver County CDA Community Growth Partnership Initiative Grant program.

BE IT FURTHER RESOLVED that if the application is approved by the Carver County CDA, _____, the _____, is hereby authorized to execute such agreements as are necessary to receive and use the funding for the proposed project.

Signature _____ Date _____

**COUNTY OF CARVER
BOARD OF COMMISSIONERS**

**AN ORDER FINDING CERTAIN FACTS AND ORDERING
THE ISSUANCE OF A CONDITIONAL USE PERMIT**

DATE: November 2, 2010

ORDER #: PZ20100020

FILE #: PZ20100020

APPLICANT: Paul Savaryn

OWNER: Paul & Teresa Savaryn

SITE ADDRESS: 9950 North Shore Road, Waconia

PERMIT TYPE: Farm Related/Large Scale Activity Business

PURSUANT TO: County Code, Section 152.079 C2 & 152.080 C7

LEGAL DESCRIPTION: See attached Exhibit "A"

PARCEL #: 09-001-0500

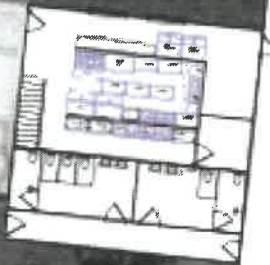
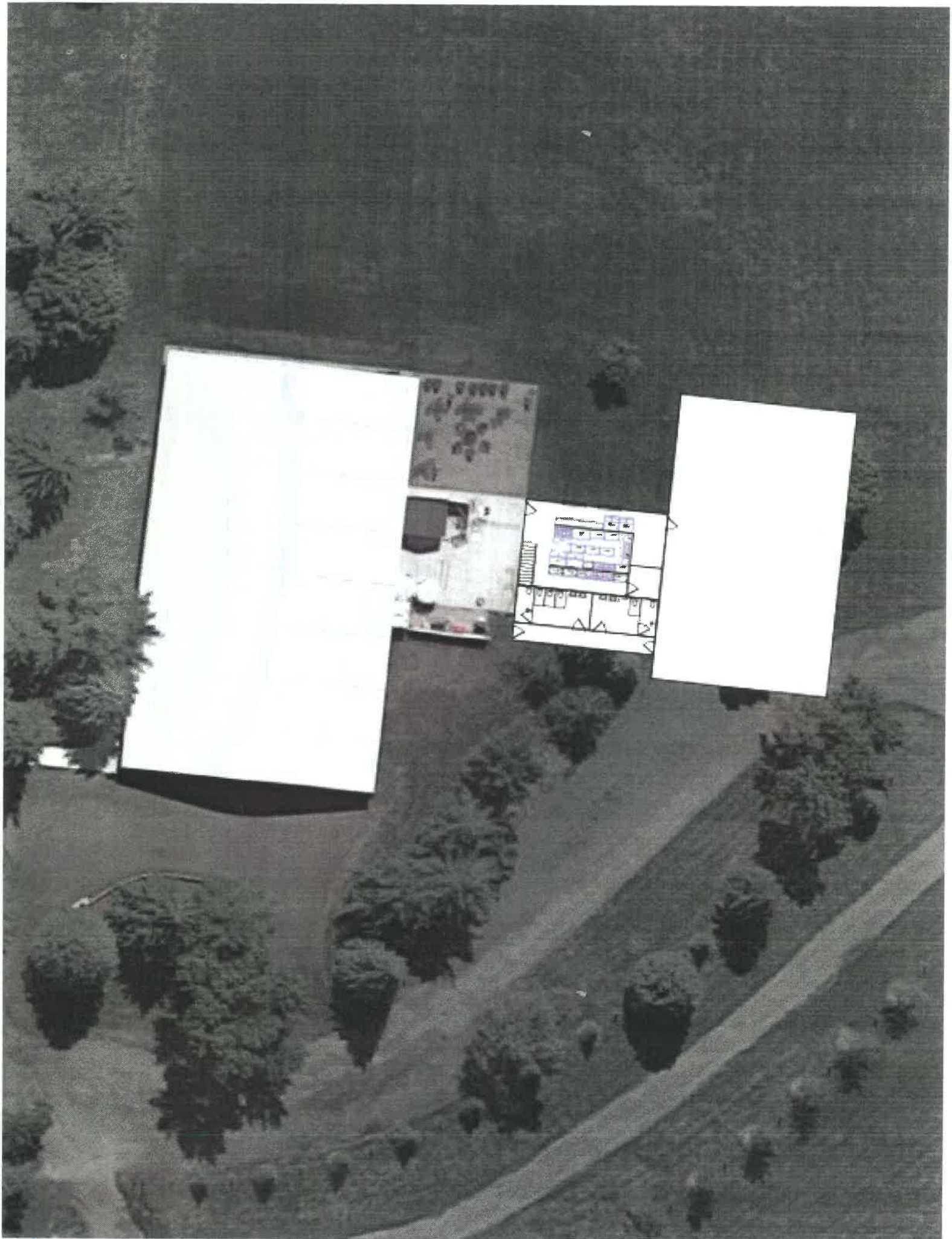
A public hearing was held on this matter on October 19, 2010, by the Carver County Planning Commission, and the recommendation of the Planning Commission was duly considered in the issuance of this order.

FINDINGS OF FACT

1. Paul & Teresa Savaryn own approximately 50 acres located in the North Half (N½) of Section 1, Waconia Township. The property is improved with a house with attached garage, several agricultural type structures and an existing personal storage accessory structure which is utilized not only for personal storage (CU-PZ20080006), but also a photography studio and wine process facility. The site is located in the Agriculture Zoning District, Shoreland Overlay District of Lake Waconia, and the CCWRMA – Carver Creek Watershed.
2. The applicant is requesting a Conditional Use Permit (CUP) to operate a vineyard/winery which will include growing grapes and winery operations (production and sales). According to the applicant, the "Sovereign Estate Vineyard" growing operational area encompasses approximately four (4) acres. It is anticipated that the vineyard of grapes was planted with the intention of producing wine this fall and selling wine in spring 2011.
3. The request is for a CUP to operate a farm related business/large scale activity pursuant to Section 152.079 and 152.080 of the Carver County Zoning Code.
4. The Sovereign Vineyard/Winery Plan consists of the submitted operational plan and site plan. The current land use request would allow for the construction of a sales room and wine tasting shop. The shop will have retail sales of wine produced on the premises and ancillary sales of items and gifts related to the wine and agro-tourism business. Future expansion would include a staging kitchen for caterers and medium establishment level licensing for food sales as per MN Department of Health (MDH) regulations. Adjacent to the retail sales facility the applicant is proposing an open-sided framed pavilion (or tent) for seasonal events related to the winery. The special event activities would include private parties (such as family reunions, corporate events or weddings). The applicant would like to be able to accommodate up to 300 guests.
5. The proposed operations would meet the requirements of Section 152.079 and 152.080 of the Zoning Code, provided as long as the existing and proposed buildings are suitable for public use as per the MN State Building Code. A building permit has been issued, but not finalized for the commercial/ag building & winery. A County Building Official will need to conduct inspections of the existing structures in order to finalize any open permits. All existing and/or new structures in which public activities will take place must meet MN State Building Code.

PID #09-001-0500



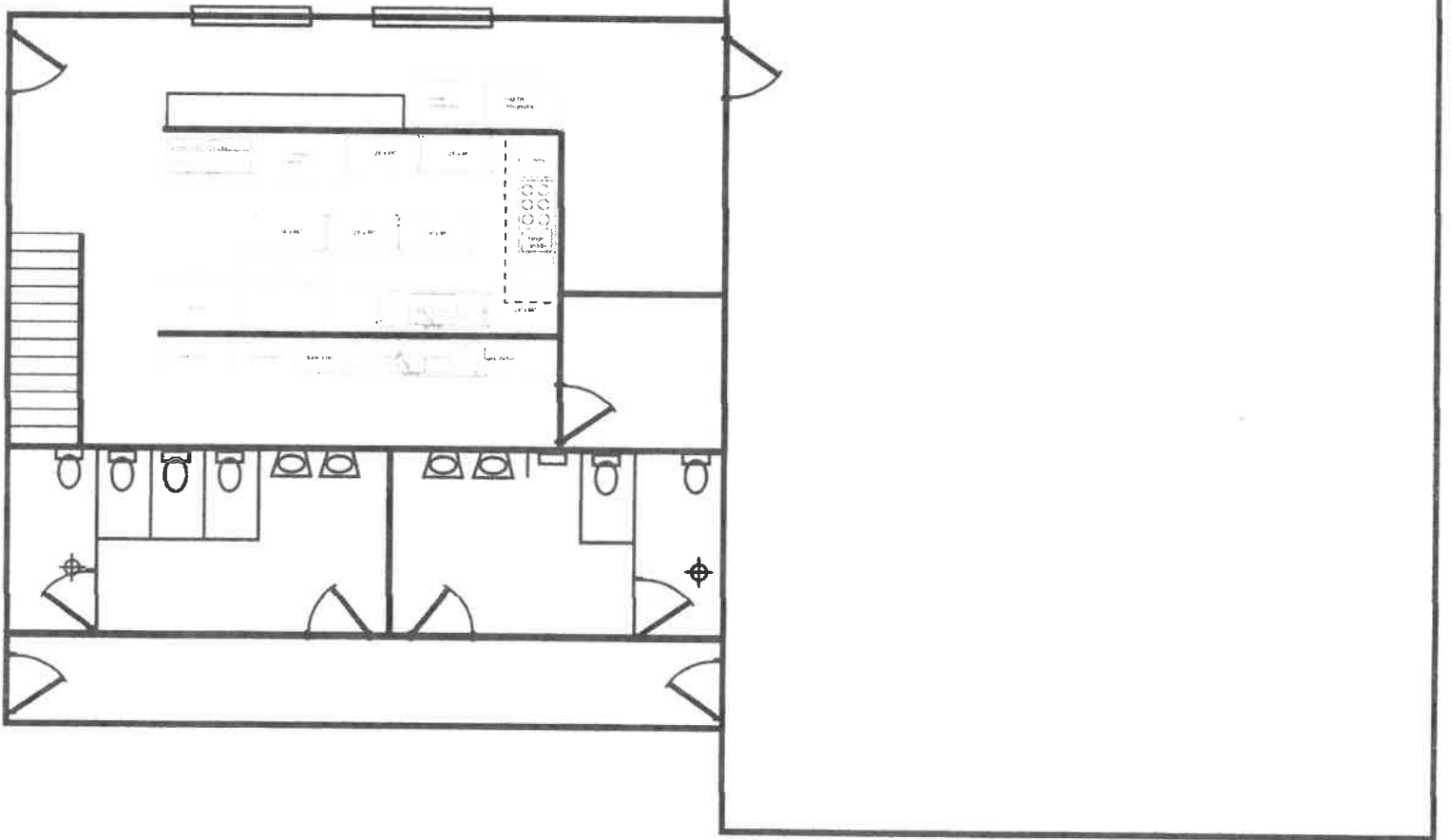


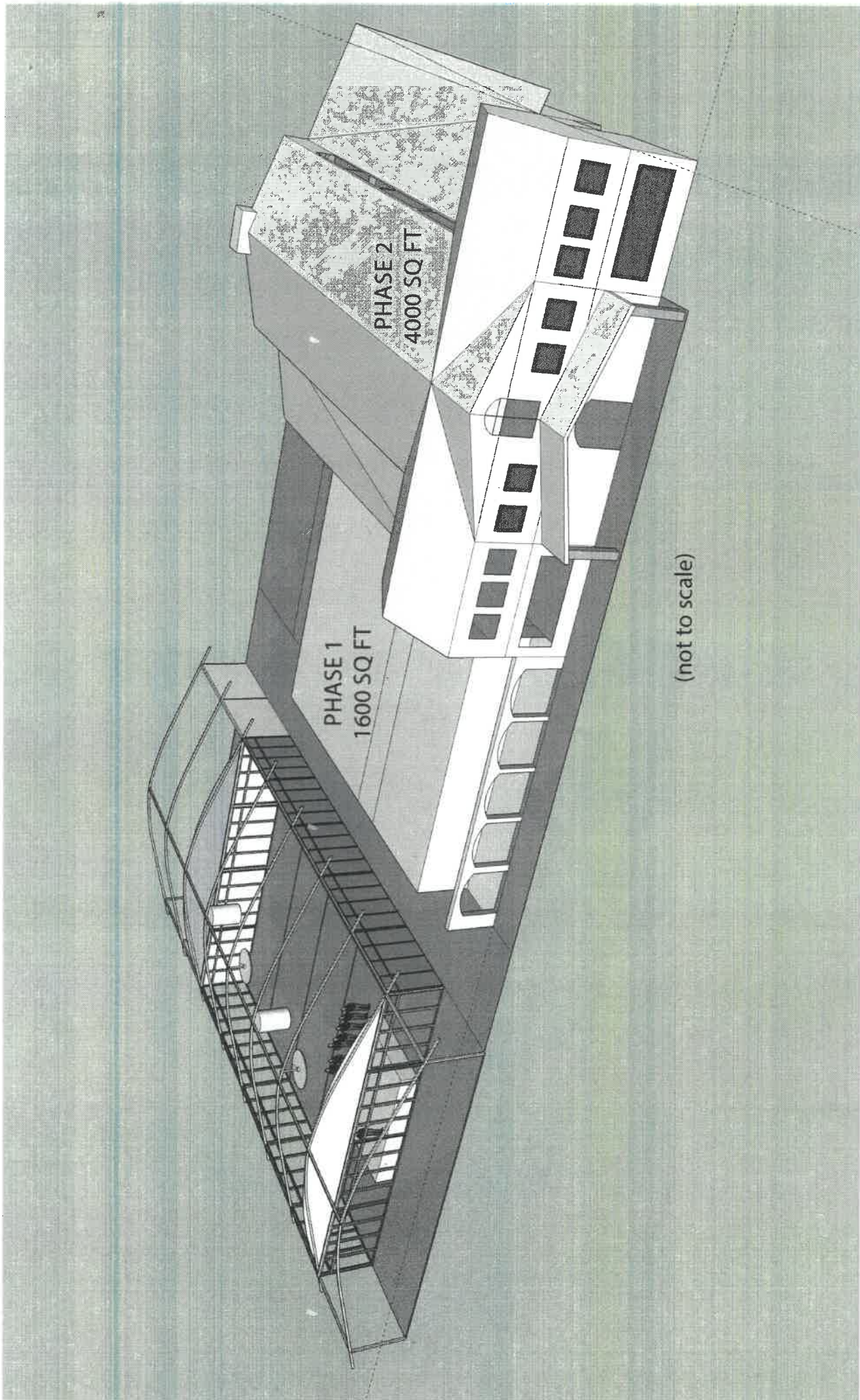
Phase 2

Tasting Room & Wine Store
4000 sq. ft.

Phase 1

Kitchen & Restrooms
1600 sq. ft.





PHASE 1
1600 SQ FT

PHASE 2
4000 SQ FT

(not to scale)



26717 Hwy 27
PO Box 219
Pierz, MN 56364
320-468-0366
www.unitybanking.com

May 22, 2023

Whistle Post LLC
9950 North Shore Rd
Waconia, MN 55387

To Whom it May Concern,

Theresa Savaryn with Sovereign Estate Winery has explained with detail the opportunity to expand their business. The kitchen and bathroom expansion along with future plans to expand a wine tasting room is a great opportunity for this business. Based on history and growth with this company, Unity Bank anticipates to lend up to \$300,000 on phase one of expansion.

If you have any questions, feel free to me at 320-468-0366.

Sincerely,

Anna Schutz, VP

Anna Schutz
Vice President
aschutz@unitybanking.com
Phone: 320-468-3066

CARVER COUNTY MINNESOTA

600 East 4th Street
Chaska, MN 55318
(952) 361-1910

Parcel Detail

[Search Results](#) [Change of Address](#)

[Print this Page](#)

Carver County Parcel Information

Parcel ID	Status	Last Update
09.0010500	Active	5/22/2023 1:35:48 PM

Current Owner:
SAVARYN PAUL J
9950 NORTH SHORE RD
WACONIA , MN 55387-9503

Property Address:
9950 NORTH SHORE RD
WACONIA MN 55387-9503

TAG
0902 WACONIA T/CCWMO/110

Lender:

[Legal Description](#)

Section 01 Township 116 Range 025

Carver County Tax Bills: Select tax year for installment detail

Tax Year	Original Tax	Paid to Date	Penalty/Fees Due	Interest Due	Total Due
2023	\$55,028.00	\$0.00	\$550.28	\$0.00	\$55,578.28
2022	\$52,072.00	\$52,072.00	\$0.00	\$0.00	\$0.00
2021	\$44,648.00	\$46,433.92	\$0.00	\$0.00	\$0.00
2020	\$42,758.00	\$44,468.32	\$0.00	\$0.00	\$0.00
2019	\$40,956.00	\$43,003.80	\$0.00	\$0.00	\$0.00
2018	\$39,332.00	\$41,456.96	\$0.00	\$0.00	\$0.00
2017	\$12,036.00	\$12,818.34	\$0.00	\$0.00	\$0.00
2016	\$11,842.00	\$12,670.94	\$0.00	\$0.00	\$0.00
2015	\$10,296.00	\$10,965.24	\$0.00	\$0.00	\$0.00
2014	\$10,684.00	\$11,325.04	\$0.00	\$0.00	\$0.00
2013	\$10,736.00	\$11,326.48	\$0.00	\$0.00	\$0.00
2012	\$9,100.00	\$9,705.75	\$0.00	\$0.00	\$0.00
2011	\$7,138.00	\$7,423.52	\$0.00	\$0.00	\$0.00
2010	\$6,548.00	\$6,905.41	\$0.00	\$0.00	\$0.00
Total					\$55,578.28

Online payments made from this site and will only be applied to the current year tax bill.

- The fee is 2.35% of the amount being paid with a minimum charge of \$1.20. The fees are retained by a third party payment processor.
- There is no fee if you pay with an E-check.

[Sign up for tax payment reminders](#)

[Online Payment Instructions](#)

[Property Tax Refund](#)

Pay 2023 Tax Online

To make any payment other than full year, use partial option and enter amount.

Select a payment option:

- Total Due \$55,578.28
 Partial

[ADD TO CART](#)

Payments will be applied to penalty first, if applicable.

Cart: \$0.00

Property Information

- [GIS Parcel Map](#)
- [2023 Tax Statement](#)
- [2022 Tax Statement](#)
- [2021 Tax Statement](#)
- [2024 Valuation Notice](#)
- [2023 Proposed Notice](#)

Community Growth Partnership Initiative 2023 Community Development Grant Application

WHEREAS, the Township of Waconia has identified a proposed project within the ^{Township} city that meets the Carver County Community Development Agency (CDA) Community Growth Partnership Initiative Grant Program's purpose and criteria; and

WHEREAS, the Township has established a Redevelopment Plan of which the proposed project is a component; and OR WHEREAS, the City has identified a project that will create living wage jobs; and


WHEREAS, the Township has the capacity and capability to ensure the proposed project will be completed and administered within the Community Growth Partnership Initiative pre development program guidelines; and

WHEREAS, the Township has the legal authority to apply for financial assistance; and

WHEREAS, the Township is supportive of affordable housing and of the CDA's mission to improve the lives of Carver County residents through affordable housing and community development.

NOW THEREFORE BE IT RESOLVED that the Township of Waconia approves the application for funding from the Carver County CDA Community Growth Partnership Initiative Grant program.

BE IT FURTHER RESOLVED that if the application is approved by the Carver County CDA, _____, the _____, is hereby authorized to execute such agreements as are necessary to receive and use the funding for the proposed project.

Signature  Date 5.24.23

Caveat: The township is concerned about the increase in traffic on North Shore Road. This has been an ongoing problem that should be addressed.

Community Growth Partnership Initiative 2023 Community Development Grant Application

Project name: Watertown Warehouses

Applicant: City of Watertown

Contact name: Jake Foster

Contact email and phone: jfoster@watertownmn.gov – 952-955-2690

Authorized official for contract execution (name and title): Jake Foster, Executive Director/City Administrator

Project Summary

The site at 701-709 Jefferson Ave. SW has recently changed ownership. The new owner intends to further convert the existing building into a multi-tenant workspace. After the redevelopment is completed, there will be 25 individual spaces that will be leased to small to medium sized businesses that work in the light-industrial spaces. The new property owner envisions a wide variety of potential uses including, but not limited to: Plumbers, electricians, builders, repair shops, light manufacturing, wood working, etc. Each unit will be 1,000 sf or larger, with the largest being 20,000 sf and currently occupied by "Hooked on Classics" (HOC).

In order to make the proposed updates to the existing building(s), the developer has/will need to bring several items up to City standards. In addition to the interior improvements, the developer has, or will be, adding parking, addressing current parking issues and paving parking lots in the front and back of the building(s), addressing stormwater issues, building roadways around the site, and updating lighting, landscaping, and making some facade improvements.

The new owners are brothers and third generation developers. A number of the properties they owned were developed by their grandfather and father, and are still in their portfolios. That have successfully deployed this, "small space for small business" model in other communities, and firmly believe it will continue to be a success in Watertown. Furthermore, they intend to hire local contractors where they are able.

1. Request Details

1a. Request Amount:

1b. Proposed activities/use of CGPI funds (check all applicable boxes)

- Acquisition
- Lighting
- Landscaping
- Streetscaping
- Parking
- Other (list)
- Utilities
- Site Work
- Roadways
- Soil Remediation
- Relocation
- Sidewalks/Trails
- Demolition
- Stormwater
- Environmental cleanup

2. Readiness Details

Milestone	Commitment date or anticipated date	Amount
<i>Construction Timeline</i>		
Market/feasibility study		Not Applicable
Land use approvals (including any zoning, comprehensive plan amendments, variances, etc.)	Spring 2022	\$15,000
Environmental approvals	Spring 2022	Not Applicable
Construction bids		Not Applicable
Permits	Spring 2022	\$3,000
Site control	Spring 2022	Not Applicable
Financial closing	Fall 2021	\$3,000,000 (mortgage)
Clean up/demolition		Not Applicable
Begin construction	Spring 2022	Not Applicable
Project completion	2023	Not Applicable
<i>Project Funding Sources</i>		
First mortgage	11/24/21	\$3,000,000 (all parcels)
General partner cash/other equity	1/1/22	\$1,500,000
Syndication proceeds		
Deferred loans		
TIF		
Sales tax/energy rebates		

Deferred developer fee		
Met Council TOD/LCDA/TBRA		
DEED Redevelopment/Cleanup		
DEED MIF/JCF		
Carver County CDA CGPI		100,000 (2022)
City		
Other:		
Other:		

2a. Total development cost: \$5,000,000.00 Percentage of funds committed: 95%

2b. List other sources of funds requested or considered but not obtained for the project and explain why.

3. Project Details

3a. Site address(es) 709 Jefferson Ave SW, Watertown, MN

3b. Site size 7 Acres

3c. Number of parcels 1

3d. Parcel ID(s): 850080100

Housing

3e. Are there any existing housing units on the site: Yes No

 If so, how many?

 Are any of the units vacant? Yes No N/A

3f. Are any of the existing units affordable? N/A Yes No

3g. Housing Units (*Indicate the number of housing units planned in the project*)

	Total Units	New Units	Retained Units	Owner-Occupied	Rental Units	Market Rate	Affordable Units	Affordability Level (% AMI)
Single Family								
Townhome								

Apartments/ Condos								
Duplexes								
Other (Specify)								

3h. Is there a mechanism to ensure long term affordability? N/A

3i. If yes, please describe the type and length of affordability.

3j. Who is the target population for these units (seniors, families, etc.)? N/A

3k. If the project is a rental project, is the owner willing to accept Tenant Based Rental Assistance (Housing Choice Voucher or other tenant based rental assistance)?

N/A

Commercial

3l. Are there existing commercial buildings on the site: Yes No If so, how many? 1
 Are any of the units vacant? Yes No N/A

3m. Commercial square footage (Indicate the square footage and jobs planned for the project)

	Total square footage	New square footage	Retained square footage	New FTEs	Retained FTEs	Jobs with wages ≥\$17/hour
Retail/commercial						
Industrial	67,520					30
Office						
Other (Specify)						

3n. List and describe any businesses that will be located on the site. Identify any that are Small Business Enterprises (SBE), Women Business Enterprises (WBE), Minority Business Enterprises (MBE) or Veteran owned.

Since development has begun, last fall, we have rented around 80% of the finished units. They are mainly service businesses; Hooked on Classics, a Fence company, plumbers, HVAC, water purification... etc. The rest of the units are used for temporary and long-term storage. As we continue to develop the building more businesses will fill the completed spaces. HOC is veteran owned and I believe a few other businesses have either veteran employees or are veteran owned.

4. Project Costs

4a. Current taxable market value of the site: 1,200,000

4b. Anticipated taxable market value after redevelopment: 2,000,000 (specific to subject parcel)

4c. Development costs

Acquisition cost: \$1,500,000 Total development cost: 1,000,000

4d. Proposed cost of activities/use of CGPI funds

Activity	Total Cost	CGPI Request
Acquisition	\$1,500,000	
Utilities		
Sidewalks/Trails		
Lighting		
Site Work		
Demolition		
Landscaping	\$20,000	

Roadways	\$200,000	\$100,000
Stormwater	See Roadways	
Streetscaping		
Soil Remediation		
Environmental cleanup		
Parking	See Roadways	
Other		
Other		

5. Narrative

5a. Describe how this project fits into the city's goals and the Redevelopment Plan, its public purpose, any extraordinary costs, and the community's need for the project. Describe other projects completed/underway as part of the Redevelopment Plan or in the area and how this project may catalyze additional (re)development.

This project provides an avenue for local small and medium sized businesses to grow, and creates/retains jobs within the community. Without this project, the City does not have leasable workspaces that can house light manufacturing jobs. The jobs will also offer an opportunity for residents to live and work in Watertown. Additionally, the increased property value will significantly support the City's tax base.

5b. Provide a brief history of the site including previous uses, slum or blight, activities, contamination, and other attempts at redevelopment.

This site was originally used as a tackle box manufacturing plant, and eventually sold to Hooked on Classics. The previous owners neglected any maintenance or bringing the building up to City standards. They relied heavily on being "grandfathered in" on many of these standards, and avoided any improvements to continue to hold these statuses and be legal-nonconforming properties. As part of the proposed project, the new owner will be improving the property to meet all City standards.

5c. How does your project create a more livable community? Include information about the mix of uses, proximity to transit, reduced/shared parking, resiliency, walkable neighborhoods, green space, increased density, benefits to businesses/organizations, and community building elements.

This project creates a significant opportunity to house businesses with a great variety of mixed uses. It creates a location for residents to live and work in Watertown, and an opportunity to grow local small and medium-sized businesses. The developer has also volunteered his parking lot to serve as overflow parking when there are games/events at the adjacent Highland Park. His project would provide better, paved, parking for those instances.

5d. Describe any contamination on the project site or in the redevelopment plan area. Was a Response Action Plan developed? Will the project be cleaning up any contaminated soil, hazardous waste or other elements? If so, describe the type of clean up.

N/A

5e. Describe how the project is maximizing the potential of the site.

This project is maximizing the current building by improving/modernizing each unit, increasing access to each unit (installing garage doors, service doors, and improving lighting and parking). This building was only 20%

occupied when it was purchased. Due to the improvements the developer has made this far, it is now approximately 80% occupied. This project is better utilizing the existing building. Furthermore, Mr. Smith purchased the immediately adjacent properties and has plans to develop the remaining buildable land. The long-term plan is anticipated to include additional commercial development and housing.

5f. Will any existing residents, tenants or businesses be temporarily or permanently relocated as a part of this project? If so, please describe how relocation will occur.

No.

5g. Describe the biggest challenges or extraordinary costs facing your project and explain why the project is not feasible without CGPI funds. Please include any challenges not previously described such as status of site control, financing, rents and returns, tenants/leasing and other items pertinent to a successful project.

Due to the sheer size of this project, the costs are also very large. The site is now generating revenue for the developer, but there are still significant costs that remain. The 2023 CGPI funds will allow the developer to continue upgrading the site at a much faster rate, rather than having to wait for lease revenue to reinvest in the site.

Attachments

1. City Resolution (sample is attached and must contain all provisions listed)
2. Location map
3. Site plan and elevations (if available)
4. Existing conditions photos
5. Redevelopment plan (if it is a redevelopment project)
6. Relocation plan (if applicable)

7. Copies of any funding commitments
8. Evidence of site control
9. Development pro forma that includes such things as sources and uses, financing assumptions of any debt, debt service coverage ratio, loan to value, loan to cost, percent equity and cash on cash return.

**CITY OF WATERTOWN
ECONOMIC DEVELOPMENT AUTHORITY
RESOLUTION NO. 2023-03EDA**

**A RESOLUTION APPLICATION FOR COMMUNITY GROWTH PARTNERSHIP
INITIATIVE GRANT PROGRAM**

WHEREAS, the City of Watertown Economic Development Authority (“the EDA”) has identified a proposed project within the city that meets the Carver County Community Development Agency (CDA) Community Growth Partnership Initiative Grant Program’s purpose and criteria; and

WHEREAS, the EDA has identified a project from Jefferson Avenue, LLC, that will create living wage jobs; and

WHEREAS, the EDA has the capacity and capability to ensure the proposed project will be completed and administered within the Community Growth Partnership Initiative program guidelines; and


WHEREAS, the EDA has the legal authority to apply for financial assistance; and

WHEREAS, the EDA is supportive of affordable housing and of the CDA’s mission to improve the lives of Carver County residents through affordable housing and community development.


NOW THEREFORE BE IT RESOLVED that the City of Watertown Economic Development Authority approves the application for funding from the Carver County CDA Community Growth Partnership Initiative Grant program.

BE IT FURTHER RESOLVED that if the application is approved by the Carver County CDA, Jake Foster, the EDA Executive Director, is hereby authorized to execute such agreements as are necessary to receive and use the funding for the proposed project.

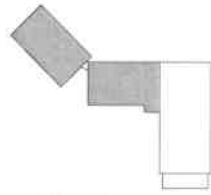
Adopted by the Economic Development Authority of the City of Watertown this 25th day of May 2023.



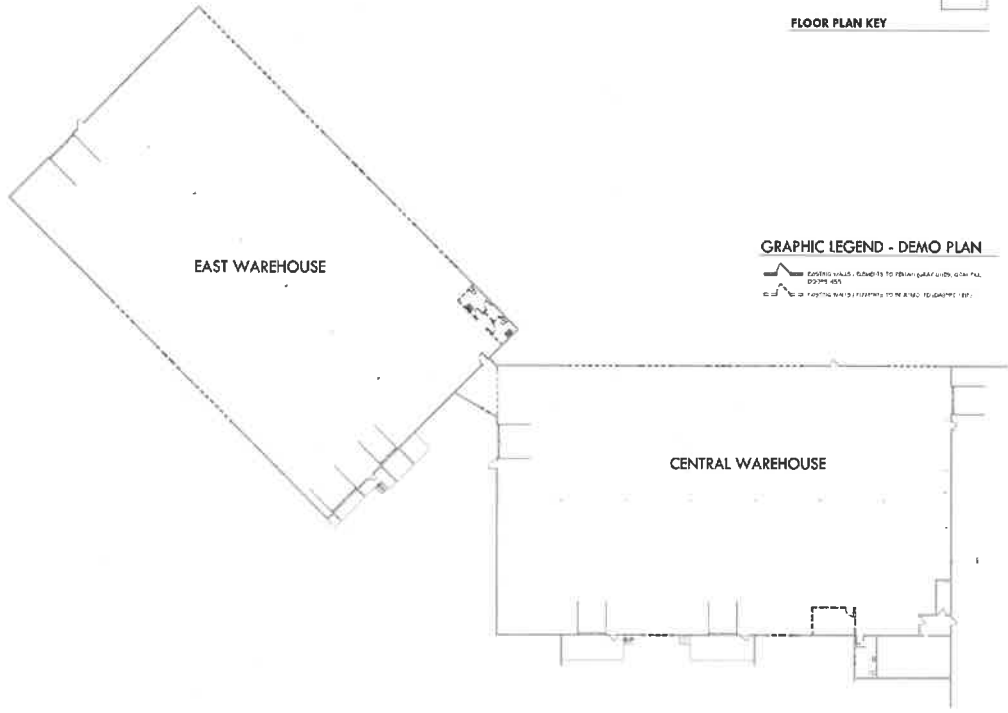
Ken Grotbo, President

ATTEST: 

Margaret Reisdorf, Secretary



FLOOR PLAN KEY



GRAPHIC LEGEND - DEMO PLAN

- Existing walls - Subject to removal with other full scope work
- Existing walls - Retaining to be used to complete 100%

PRELIMINARY
DRAWINGS
 - NOT FOR CONSTRUCTION

ISSUES / REVISIONS

NO.	DATE	DESCRIPTION

EXISTING CONDITIONS
 VERIFY ALL EXISTING CONSTRUCTION CONDITIONS, UTILITIES AND CONDITIONS BEFORE EXISTING AND CONSTRUCTION. VERIFY ALL DIMENSIONS WITH THE ARCHITECT. EXISTING AND CONSTRUCTION AS SHOWN.

WATERTOWN WAREHOUSE RENOVATION
 701-709 Jefferson Ave.,
 Watertown, MA 02158

411
 DEMOLITION FLOOR PLAN

1 FIRST FLOOR DEMOLITION PLAN
 1/16" = 1'-0"

AD201

12/22/2018 09:13 AM



PRELIMINARY
DRAWINGS
 - NOT FOR CONSTRUCTION

ISSUES	REVISIONS

EXISTING CONDITIONS
 VERIFY ALL EXISTING CONSTRUCTION DIMENSIONS, UTILITIES AND CONDITIONS BEFORE EXISTING ANY CONSTRUCTION. REVIEW ANY DISCREPANCIES WITH THE APPLICABLE LOCAL PERMITS DEPARTMENT AS REQUIRED.

NO PREVIOUS UNAPPROVED CONSTRUCTION

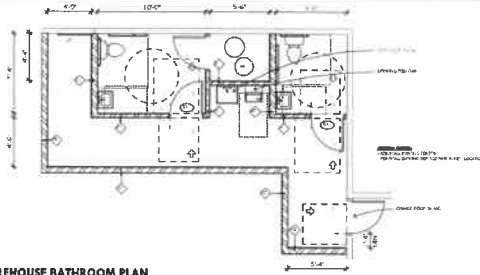
70-1700 Jefferson Ave.
 Atlanta, GA 30316

12/1/2021 9:10 AM
 SITE PLAN

A101

1 SITE PLAN
 1" = 60'

12/1/2021 9:10 AM

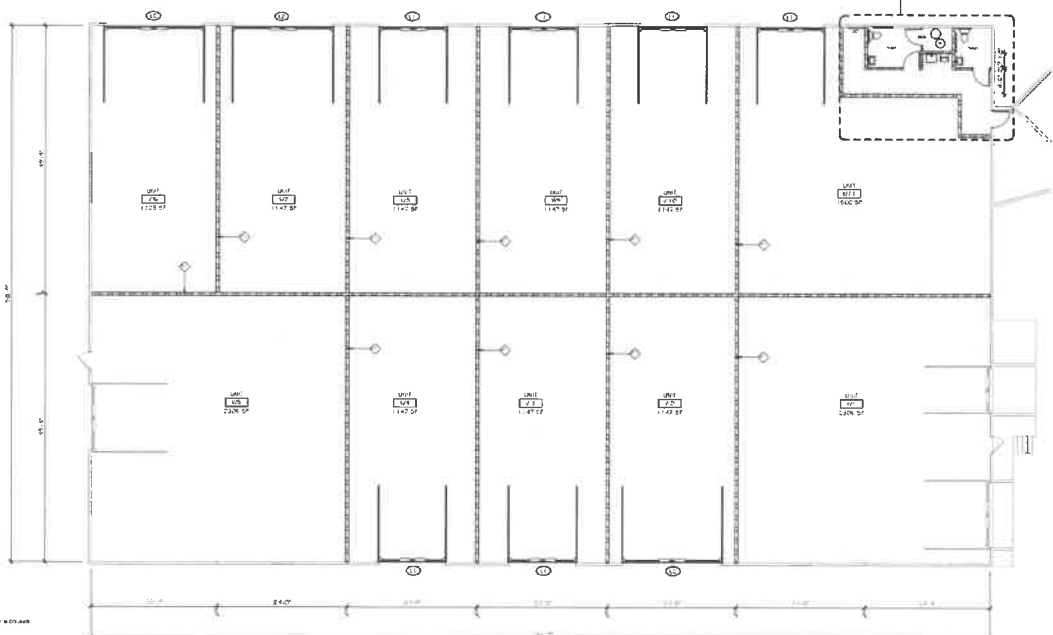
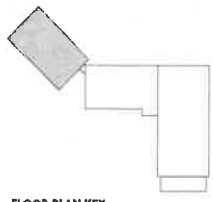


2 WEST WAREHOUSE BATHROOM PLAN
 1/4" = 1'-0"

GRAPHIC LEGEND - FLOOR PLAN

- 1. WALL (EXCEPTS AS NOTED): BLACK LINE - 3/16" THICK
- 2. PARTITION WALL (EXCEPTS AS NOTED): DASHED LINE - 3/16" THICK
- 3. GLASS PARTITION WALL (EXCEPTS AS NOTED): DASHED LINE WITH DIAMOND

FLOOR PLAN KEY



1 WEST WAREHOUSE FLOOR PLAN
 1/8" = 1'-0"

PRELIMINARY DRAWINGS
 NOT FOR CONSTRUCTION

ISSUES / REVISIONS

NO.	DATE	DESCRIPTION

EXISTING CONDITIONS



VERIFY ALL EXISTING CONDITIONS ON-SITE BEFORE CONSTRUCTION. VERIFY ALL CONDITIONS BEFORE PROCEEDING WITH ANY CONSTRUCTION. VERIFY ALL DISCREPANCIES WITH THE ARCHITECT AS SET BY CONSTRUCTION RECORDS.

WATER TOWN WASHHOUSES RENOVATION

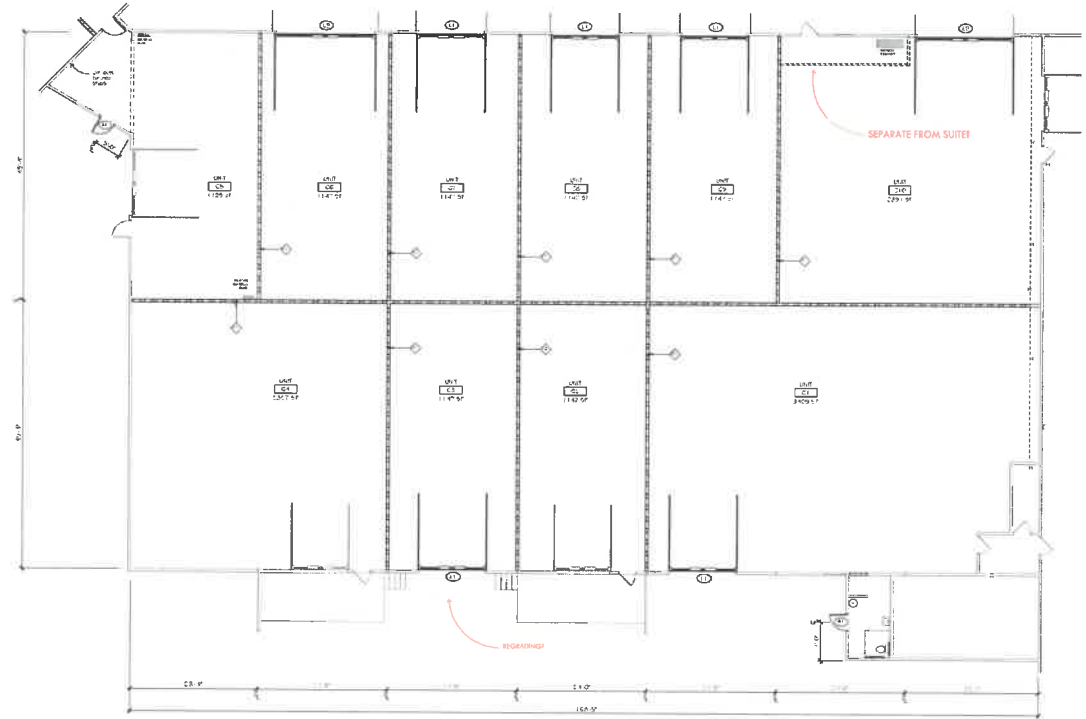
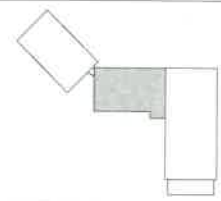
701-709 Jefferson Ave,
 Watertown, MN 55388

6/25/2020
 WEST BUILDING FLOOR PLAN

GRAPHIC LEGEND - FLOOR PLAN

-  NEW WALLS - SLOTTED BLACK LINES, BLACK PATCH DOORS 5/8"
-  EXISTING WALLS - DASHED LINES, DASHED PATCH DOORS 5/8"

FLOOR PLAN KEY



1 CENTRAL WAREHOUSE FLOOR PLAN
 1/8" = 1'-0"

PRELIMINARY DRAWINGS
 - NOT FOR CONSTRUCTION

ISSUES / REVISIONS

NO.	DATE	DESCRIPTION

EXISTING CONDITIONS
 VERIFY ALL EXISTING CONDITIONS (FOUNDATIONS, ELEVATIONS AND CONDUITS) BEFORE STARTING ANY CONSTRUCTION. VERIFY ANY DISCREPANCIES WITH THE ARCHITECT AND NOTIFY OWNER/ARCHITECT AS REQUIRED.

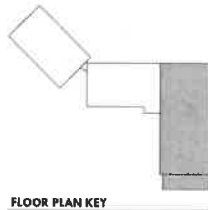
WATERTOWN WAREHOUSES RENOVATION

701-709 Jefferson Ave.
 Watertown, MN 55388

Project Number: **620-30**
CENTRAL WAREHOUSE FLOOR PLAN

A202

11/17/2011 9:10:12 AM

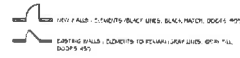


FLOOR PLAN KEY

WALL TYPES

NO.	TYPE	FINISH	HT.	MT.	REMARKS, IN CODE
1	WOOD PARTITION	1/2" GYP BOARD	8'-0"	1/2"	SEE SPEC. FOR FINISHES
2	CONCRETE	1/2" GYP BOARD	8'-0"	1/2"	SEE SPEC. FOR FINISHES
3	GLASS	1/2" GYP BOARD	8'-0"	1/2"	SEE SPEC. FOR FINISHES

GRAPHIC LEGEND - FLOOR PLAN



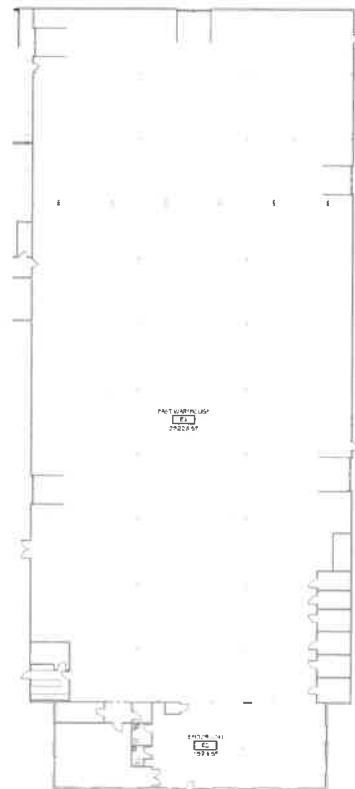
NO.	DESCRIPTION	DOOR		THICKNESS	HT.	MT.	TYPE	FIN.	PARTITION	GLASS
		WIDTH	HEIGHT							
A1	ENTRY DOORS	3'-0"	8'-8"	1 3/4"	1	1/2"	HW	HW		
B1	RESTROOMS	3'-0"	8'-8"	1 3/4"	2	1/2"	HW	HW		
C1	OFFICE DOOR	12'-0"	12'-0"	2 1/4"	3	1/2"	ALUM.			
C2	OFFICE DOOR	18'-0"	12'-0"	2 1/4"	3	1/2"	ALUM.			



FRAME TYPES
1/4" = 1'-0"



DOOR TYPES
1/4" = 1'-0"



1 EAST WAREHOUSE FLOOR PLAN
1/4" = 1'-0"

PRELIMINARY
DRAWINGS
NOT FOR CONSTRUCTION

ISSUES / REVISIONS

NO.	DATE	DESCRIPTION

EXISTING CONDITIONS

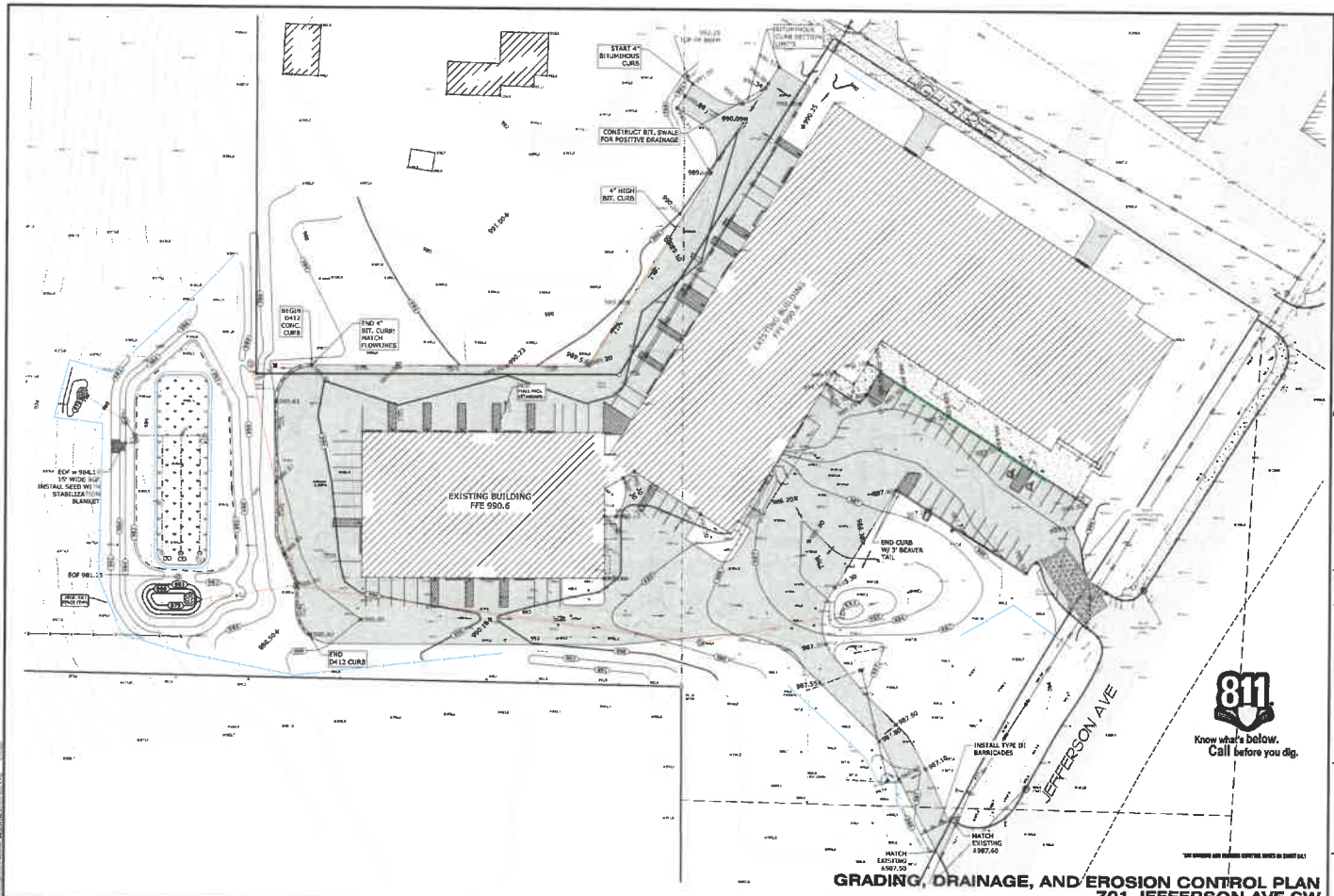
VERIFY ALL EXISTING CONSTRUCTION CONDITIONS, BEARING AND FOUNDATIONS BEFORE EXISTING ANY CONCRETE WORK. VERIFY ALL DOOR/FRAMES WITH THE ARCHITECT. ASSET FIRM CONSTRUCTION AS REQ. BY.

WATERTOWN WAREHOUSES RENOVATION

701.209 Jefferson Ave.
Watertown, NY 13528

E.A.P. Project Number: 020-20
EAST BUILDING FLOOR PLAN

A203



GRADING, DRAINAGE, AND EROSION CONTROL PLAN
701 JEFFERSON AVE SW

DRAWN BY: U.S.A. CHECKED BY: M.G.A. ORIGINAL DATE: APRIL 18, 2022	DESIGNED BY: C.W.P. PREPARED BY: T.S.P. DATE: APRIL 18, 2022
PROJECT: 701 JEFFERSON AVE SW, SW CORNER OF 701 JEFFERSON AVE SW AND 701 JEFFERSON AVE SW, WASHINGTON, DC 20004	
PREPARED FOR: PARKER SMITH	
CONTRACTOR: WATERWORKS WAREHOUSE WATERWORKS WAREHOUSE GRADING, DRAINAGE, AND EROSION CONTROL PLAN	
SITE PLANNING & ENGINEERING PLOWE ENGINEERS, INC. 4215 LAKE DRIVE SUITE 100 WASHINGTON, DC 20004 PHONE: (301) 861-1100 FAX: (301) 861-1101	
NORTH 	
1" = 20' SCALE 	
C2	



Know what's below.
 Call before you dig.

SEE PLAN FOR DIMENSIONS AND NOTES ON SHEET 811

LANDSCAPING NOTES

START AND/ON MARK ALL PLANTING LOCATIONS PRIOR TO INSTALLATION. OWNER TO APPROVE ALL LOCATIONS PRIOR TO INSTALLATION.

ALL PLANTS MUST BE HEALTHY, VIGOROUS MATERIAL, FREE OF PESTS AND DISEASE AND BE CONTAINER GROWN OR BALLED AND BURLAPPED AS INDICATED IN THE LANDSCAPE LEGEND.

ALL TREES MUST BE STRAIGHT TRUNKED AND FULL HEADED AND MEET ALL REQUIREMENTS SPECIFIED.

ALL PLANT MATERIAL QUANTITIES, SHAPES OF BEDS AND LOCATIONS SHOWN ARE APPROXIMATE. CONTRACTOR SHALL BE RESPONSIBLE FOR COMPLETE COVERAGE OF ALL PLANTING BEDS AT SPACING SHOWN AND ADJUSTED TO CONFORM TO THE EXACT CONDITIONS OF THE SITE.

ALL TREES MUST BE PLANTED, MULCHED, AND STAKED AS SHOWN IN THE DETAILS.

MULCH: SHRUBBED HARDWOOD MULCH, CLEAN AND FREE OF NOXIOUS WEEDS OR OTHER OR TERRIFIC MATERIAL, IN ALL PLANTING BEDS AND FOR TREES UNLESS INDICATED AS ROCK MULCH ON DRAWINGS. USE 4" FOR TREES, SHRUB BEDS, AND 3" FOR PERENNIAL/GROUND COVER BEDS, UNLESS OTHERWISE SPECIFIED.

PLANTING SOIL: SHALL HAVE A pH RANGE OF 5.80 TO 6.80. SOIL SHALL BE DECONTAMINATED AND FREE OF STONES, AND OTHER DEBRIS. SOIL SHALL CONTAIN NO LESS THAN 5% ORGANIC MATTER AND 25% SAND. FOR PLANTING OF SHRUBS, PERENNIALS, AND ORNAMENTAL GRASSES, A MINIMUM OF 4" OF TOPSOIL SHALL BE PLACED ON THE AFFECTED AREAS BEFORE INSTALLATION. FOR ESTABLISHMENT OF TREES, A MINIMUM OF 12" OF TOPSOIL SHALL BE PLACED ON THE AFFECTED AREAS BEFORE INSTALLATION OF 5000 OR SEED.

THE CONTRACTOR SHALL BE RESPONSIBLE FOR COMPLYING WITH ALL APPLICABLE CODES, REGULATIONS, AND PERMITS GOVERNING THE WORK.

PLANTING SOIL FOR TREES, SHRUBS AND GROUND COVERS: FERTILE PRIMA LOAM CONTAINING A LIBERAL AMOUNT OF MANURE AND CAPABLE OF SUSTAINING VIGOROUS PLANT GROWTH. IT SHALL COMPLY WITH HUNTS SPECIFICATION 3877 TYPE B SELECT TOPSOIL. MIXTURE SHALL BE FREE FROM HARMFUL SUBSOL, STONES, CHEMICALS, NOXIOUS WEEDS, ETC. SOIL MIXTURE SHALL HAVE A PH BETWEEN 6.1 AND 7.2 AND 12-16 POUNDS FERTILIZER AT THE RATE OF 3 POUNDS PER CUBIC YARD. IN PLANTING BEDS INCORPORATE THIS MIXTURE THROUGHOUT THE ENTIRE BED BY ROTOTILLING IT INTO THE TOP 12" OF SOIL.

MAINTENANCE SHALL BEGIN IMMEDIATELY AFTER EACH PORTION OF THE WORK IS IN PLACE. PLANT MATERIAL SHALL BE PROTECTED AND MAINTAINED UNTIL THE INSTALLATION OF THE PLANTS IS COMPLETE. INSPECTION HAS BEEN MADE, AND PLANTING IS ACCEPTED EXCLUSIVE OF THE GUARANTEE. MAINTENANCE SHALL INCLUDE WATERING, CULTIVATING, MULCHING, REMOVAL OF DEAD MATERIALS, RESISTING PLANTS TO PROPER GRADE AND KEEPING PLANTS IN A PLUMB POSITION. AFTER ACCEPTANCE, THE OWNER SHALL ASSUME MAINTENANCE RESPONSIBILITIES. HOWEVER, THE CONTRACTOR SHALL CONTINUE TO BE RESPONSIBLE FOR KEEPING THE TREES PLUMB THROUGHOUT THE GUARANTEE PERIOD.

WATERING: MAINTAIN A WATERING SCHEDULE WHICH WILL THOROUGHLY WATER ALL PLANTS ONCE A WEEK. IN EXTREMELY HOT, DRY WEATHER, WATER MORE OFTEN AS REQUIRED BY INDICATIONS OF HEAT STRESS SUCH AS WILTING LEAVES. CHECK MOISTURE UNDER MULCH PRIOR TO WATERING TO DETERMINE NEED. CONTRACTOR SHALL MAKE THE NECESSARY ARRANGEMENTS FOR WATER.

WHERE IRRIGATION SYSTEMS ARE INSTALLED, SAID SYSTEMS SHALL HAVE WATER SENSOR DEVICES TO AVOID OVERWATERING AND TERRING DEVICES TO ENSURE IRRIGATION IS CONDUCTED DURING THE HOURS PERMITTED BY THE CITY WATER RESTRICTION REQUIREMENTS.

ALL DISTURBED AREAS TO BE TURF SEEDING, ARE TO RECEIVE 4" TOP SOIL, SEED, MULCH, AND WATER UNTIL A HEALTHY STAGE OF GRASS IS OBTAINED.

ALL WORK TO BE GUARANTEED FOR A PERIOD OF ONE YEAR BEGINNING AT TIME OF ACCEPTANCE BY OWNER. CONTRACTOR TO MAKE ALL REPLACEMENTS IN A TIMELY MANNER.

ALL MATERIALS SHALL COMPLY WITH THE LATEST EDITION OF THE AMERICAN STANDARD FOR HURSBERRY STOCK, AMERICAN ASSOCIATION OF NURSERYMEN.

WHEN STARTING OR CUTTING OF TREES IS REQUIRED, IT SHALL OCCUR SO AS NOT TO CREATE ANY HAZARDS OR UNSIGHTLY OBSTACLES. ALL WRES SHALL BE ENCASED IN HOES TO PREVENT TREE DAMAGE.

THE CONTRACTOR SHALL PROVIDE ALL SOIL, SEED, MULCH AND FERTILIZER WHICH SHALL CONFORM WITH THE FOLLOWING UNIFORM SPECIFICATIONS AS REFERRED TO BELOW:

ITEM	UNIFORM SPECIFICATIONS/NOTES
SOIL	3673
SEED	3674
TURF (LAW ESTABLISHMENT)	3675
COMMERCIAL TURF	3676
RESIDENTIAL TURF	3677
PAVING SAND	3678
SPRINGING SAND	3679
ROCKING SAND	3680
10 GRADE SAND	3681
2.5 GRADE SAND	3682
PERMITS	3683
PERMITS	3684
PERMITS	3685

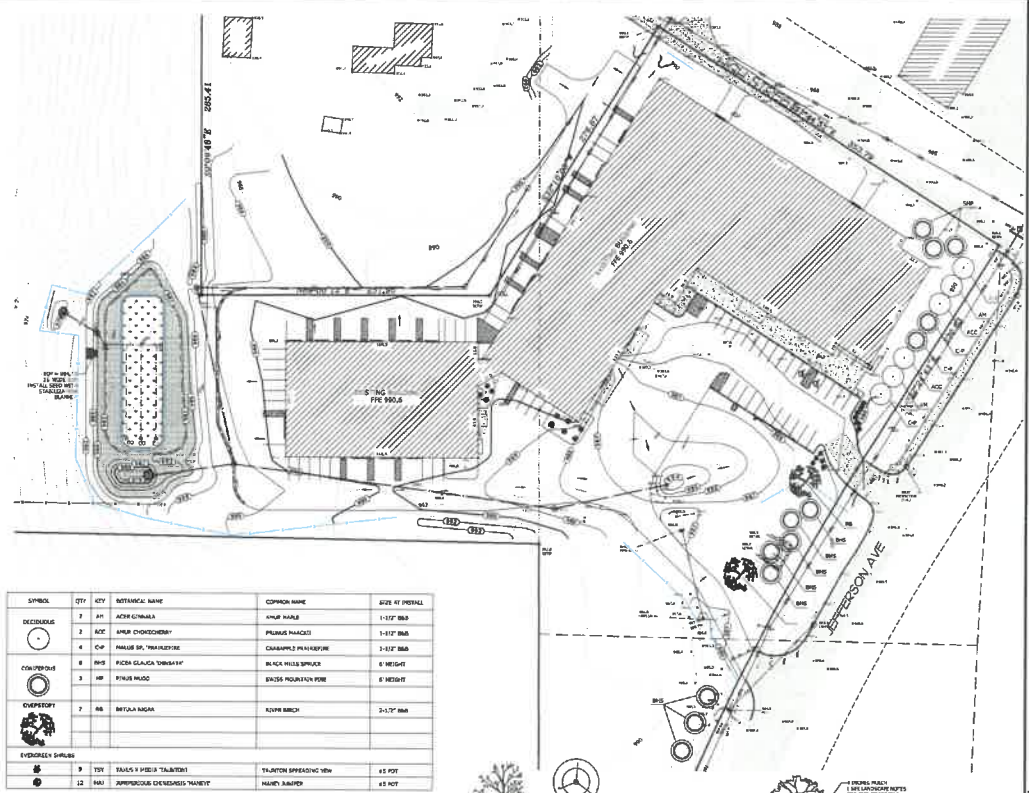
* FOR A MINIMUM OF ONE YEAR 3 WEEKS
 ** SEEDS WHICH SHALL BE EITHER MULCHED OR COVERED BY FIBROUS BLANKETS TO PREVENT WIND AND LIGHT DAMAGE.

PLANTING SUGGESTIONS

SIDE SLOPES

MAINTAIN PLANTING BEDS AND MULCHING TO BE FREE OF WEEDS, GRASSES AND OTHER ORGANIC MATERIALS.
 PLANTING SUGGESTIONS:
 1. 1/2" MULCH
 2. 1/2" MULCH
 3. 1/2" MULCH
 4. 1/2" MULCH
 5. 1/2" MULCH
 6. 1/2" MULCH
 7. 1/2" MULCH
 8. 1/2" MULCH
 9. 1/2" MULCH
 10. 1/2" MULCH
 11. 1/2" MULCH
 12. 1/2" MULCH

NOTE: (SEE DRAWING) ALL PLANTING BEDS SHALL BE FREE OF WEEDS, GRASSES AND OTHER ORGANIC MATERIALS.
 DECIDUOUS TREE PLANTING DETAIL
 NOT TO SCALE



SYMBOL	QTY	KEY	BOTANICAL NAME	COMMON NAME	SIZE @ PERMANENT
DECIDUOUS	7	1	JEFFERSON	AMUR HAZEL	1-1/2" DBH
	2	2	AMUR HAZEL	AMUR HAZEL	1-1/2" DBH
	4	3	AMUR HAZEL	AMUR HAZEL	1-1/2" DBH
	8	4	AMUR HAZEL	AMUR HAZEL	1-1/2" DBH
CONIFEROUS	3	5	AMUR HAZEL	AMUR HAZEL	1-1/2" DBH
CONIFEROUS	2	6	AMUR HAZEL	AMUR HAZEL	1-1/2" DBH
EVERGREEN SHRUBS	9	7	AMUR HAZEL	AMUR HAZEL	1-1/2" DBH
	12	8	AMUR HAZEL	AMUR HAZEL	1-1/2" DBH



SHRUB & CONTAINER PLANTING DETAIL

NOT TO SCALE

LANDSCAPE PLAN 701 JEFFERSON AVE SW

DESIGNED BY: [Firm Name]
 DRAWN BY: [Firm Name]
 CHECKED BY: [Firm Name]
 DATE: APRIL 18, 2022

NO.	REVISION

DATE: 04.13.2022

WILSON ENGINEERING & ARCHITECTURE
 LANDSCAPE ARCHITECTS

PREPARED FOR:
 PARKER SMITH

6028 1/2 ST SW
 SUITE 100
 PHOENIX, AZ 85044
 PHONE: 602-951-1800
 FAX: 602-951-1801

NORTH
 1/8" = 1'-0"

C6

Community Growth Partnership Initiative Community Development Grant Application

Project name:

Applicant:

Contact name:

Contact email and phone:

Authorized official for contract execution (name and title):

Project Summary

In 2018 the City of Chanhassen completed a downtown visioning plan to help shape the future direction of the downtown chanhassen area. An outcome of that visioning process was a desire and necessity to update the design guidelines which govern development within the Central Business District (CBD) zoning district. The City is aware of several properties within the downtown area that could redevelop in the near term. Updating the zoning codes and its design guidelines now will ensure that the private market has a full understanding of what design expectations consist of when preparing various redevelopment proposals.

1. Request Details

1a. Request Amount:

1b. Proposed activities/use of CGPI funds (check all applicable boxes)

- | | | |
|--|---|--|
| <input type="checkbox"/> Acquisition | <input type="checkbox"/> Utilities | <input type="checkbox"/> Sidewalks/Trails |
| <input type="checkbox"/> Lighting | <input type="checkbox"/> Site Work | <input type="checkbox"/> Demolition |
| <input type="checkbox"/> Landscaping | <input type="checkbox"/> Roadways | <input type="checkbox"/> Stormwater |
| <input type="checkbox"/> Streetscaping | <input type="checkbox"/> Soil Remediation | <input type="checkbox"/> Environmental cleanup |
| <input type="checkbox"/> Parking | <input type="checkbox"/> Relocation | |
| <input checked="" type="checkbox"/> Other (list) <input type="text" value="Zoning Study"/> | | |

2. Readiness Details

Milestone	Commitment date or anticipated date	Amount
<i>Construction Timeline</i>		
Market/feasibility study	N/A	Not Applicable
Land use approvals (including any zoning, comprehensive plan amendments, variances, etc.)	N/A	Not Applicable
Environmental approvals	N/A	Not Applicable
Construction bids	N/A	Not Applicable
Permits	N/A	Not Applicable
Site control	N/A	Not Applicable
Financial closing	N/A	Not Applicable
Clean up/demolition	N/A	Not Applicable
Begin construction	N/A	Not Applicable
Project completion	N/A	Not Applicable
<i>Project Funding Sources</i>		
First mortgage	N/A	N/A
General partner cash/other equity	N/A	N/A
Syndication proceeds	N/A	N/A
Deferred loans	N/A	N/A
TIF	N/A	N/A
Sales tax/energy rebates	N/A	N/A
Deferred developer fee	N/A	N/A
Met Council TOD/LCDA/TBRA	N/A	N/A
DEED Redevelopment/Cleanup	N/A	N/A
DEED MIF/JCF	N/A	N/A
Carver County CDA CGPI	6/15/2023	\$7,500
Other: City Funds	5/22/2023	\$52,250
Other: N/A		
Other: N/A		

2a. Total development cost: **\$59,750** Percentage of funds committed: **100%**

2b. List other sources of funds requested or considered but not obtained for the project and explain why.

City Staff considered applying for Metropolitan Council LCDA Pre-Development grant funds however the timing of review as well as the scoring metrics resulted in Staff not pursuing those funds as the potential to receive funding was very low and the timing was problematic to the desired timing of the study to be conducted.

3. Project Details

3a. Site address(es)

3b. Site size

3c. Number of parcels

3d. Parcel ID(s):

Housing

3e. Are there any existing housing units on the site: Yes No
 If so, how many?
 Are any of the units vacant? Yes No N/A
 3f. Are any of the existing units affordable? Yes No

3g. Housing Units *(Indicate the number of housing units planned in the project)*

	Total Units	New Units	Retained Units	Owner-Occupied	Rental Units	Market Rate	Affordable Units	Affordability Level (% AMI)
Single Family	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Townhome	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Apartments/Condos	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Duplexes	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Other (Specify)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

3h. Is there a mechanism to ensure long term affordability? Yes No

3i. If yes, please describe the type and length of affordability.

3j. Who is the target population for these units (seniors, families, etc.)?

3k. If the project is a rental project, is the owner willing to accept Tenant Based Rental Assistance (Housing Choice Voucher and other tenant based rental assistance)?

Yes No

Commercial

3l. Are there existing commercial buildings on the site: Yes No If so, how many?
 Are any of the units vacant? Yes No N/A

3m. Commercial square footage (Indicate the square footage and jobs planned for the project)

	Total square footage	New square footage	Retained square footage	New FTEs	Retained FTEs	Jobs with wages ≥\$15/hour
Retail/commercial	N/A	N/A	N/A	N/A	N/A	N/A
Industrial	N/A	N/A	N/A	N/A	N/A	N/A
Office	N/A	N/A	N/A	N/A	N/A	N/A
Other (Specify)	N/A	N/A	N/A	N/A	N/A	N/A

3n. List and describe any businesses that will be located on the site. Identify any that are Small Business Enterprises (SBE), Women Business Enterprises (WBE), Minority Business Enterprises (MBE) or Veteran owned.

N/A

4. Project Costs

4a. Current taxable market value of the site:

4b. Anticipated taxable market value after redevelopment:

4c. Development costs
 Acquisition cost Total development cost

4d. Proposed cost of activities/use of CGPI funds

Activity	Total Cost	CGPI Request
Acquisition	N/A	N/A
Utilities	N/A	N/A
Sidewalks/Trails	N/A	N/A
Lighting	N/A	N/A
Site Work	N/A	N/A
Demolition	N/A	N/A
Landscaping	N/A	N/A
Roadways	N/A	N/A
Stormwater	N/A	N/A
Streetscaping	N/A	N/A
Soil Remediation	N/A	N/A
Environmental cleanup	N/A	N/A
Parking	N/A	N/A
Other Zoning Study	\$59,750.00	\$7,500.00
Other	N/A	N/A

5. Narrative

5a. Describe how this project fits into the Redevelopment Plan, including the city's goals, public purpose, extraordinary costs, and the community's need for the project. Describe any other projects completed or underway as part of the Redevelopment Plan or in the area, and describe how this project may catalyze additional (re)development.

The updating of the downtown design guidelines will govern redevelopment within the Central Business District (CBD) zoning district. This effort is crucial to ensure that future redevelopment by the private market is done so in a way in which the community desires to ensure the long term viability and excitement for downtown Chanhassen.

5b. Provide a brief history of the site including previous uses, slum or blight, activities, contamination and other attempts at redevelopment.

Downtown Chanhassen has gone through some redevelopment, most recently with the addition of "The Venue" a market rate mixed use building that includes apartment units as well as an 18,000sf Aldi's grocery store. The Chanhassen Cinema recently closed and that building is blighted and likely to redevelop. These design guidelines will ensure that the redevelopment of that blight is done so in a way that is supported by the community.

5c. How does your project create a more livable community? Include information about the mix of uses, proximity to transit, reduced/shared parking, walkable neighborhoods, green space, increased density, benefits to businesses/organizations, and community building elements.

The downtown design guidelines will ensure that with redevelopment projects that the downtown area of Chanhassen becomes more walkable and better leverages the SW Transit parking ramp and its transit opportunities while also reducing the number of surface parking lots and promotion of shared parking wherever possible. Redevelopment will allow for other downtown businesses to benefit from the elimination of blight and uniform building elements.

5d. Describe any contamination on the project site or in the redevelopment plan area. Was a Response Action Plan developed? Will the project be cleaning up any contaminated soils, hazardous waste or other elements? If so, describe the type of clean up.

No known contaminants within the CBD district.

5e. Describe how the project is maximizing the potential of the site.

The planning study to update the design guidelines within the city's CBD zoning district will ensure that future redevelopment maximizes sites positioned for redevelopment by updating architectural standards, parking minimum/maximums, improved pedestrian connectivity and the opportunity for promotion of all modes of transportation.

5f. Will any existing tenants or businesses be temporarily or permanently relocated as a part of this project? If so, please describe how relocation will occur.

No businesses will be temporarily or permanently relocated as part of the planning/zoning project.

5g. Describe the biggest challenges or extraordinary costs facing your project and explain why the project is not feasible without CGPI funds. Please include any challenges not previously described such as status of site control, financing, rents and returns, tenants/leasing and other items pertinent to a successful project.

The largest challenge to completing this work is funding. The City Council is supportive of the work but with strong indication the need to offset direct City costs through the use of grant funding. Due to the lack of fit with the LCDA pre-development grant funding, the CGPI grant funding is the best opportunity for the City to be approved for grant funds to help ensure this important planning work is completed in a timely fashion.

Attachments

- 1. City Resolution (sample is attached and must contain all provisions listed)
- 2. Location map
- 3. Site plan and elevations (if available)
- 4. Existing conditions photos
- 5. Redevelopment plan (if it is a redevelopment project)
- 6. Relocation plan (if applicable)
- 7. Copies of any funding commitments
- 8. Evidence of site control
- 9. Development pro forma that includes such things as sources and uses, financing assumptions of any debt, debt service coverage ratio, loan to value, loan to cost, percent equity and cash on cash return.

**CITY OF CHANHASSEN
CARVER AND HENNEPIN COUNTIES, MINNESOTA**

DATE: May 22, 2023 **RESOLUTION NO:** 2023-49

MOTION BY: von Oven **SECONDED BY:** Kimber

**A RESOLUTION APPROVING A SIGNATURE OF APPLICATION TO THE
CARVER COUNTY COMMUNITY DEVELOPMENT AGENCY (CDA) FOR GRANT
FUNDING THROUGH THEIR COMMUNITY GROWTH PARTNERSHIP INITIATIVE**

WHEREAS, the City of Chanhassen has identified a proposed project within the city that meets the Carver County Community Development Agency (CDA) Community Growth Partnership Initiative Grant Program’s purpose and criteria; and

WHEREAS, the City has established a Redevelopment Plan of which the proposed project is a component; and

WHEREAS, the City has the capacity and capability to ensure the proposed project will be completed and administered within the Community Growth Partnership Initiative predevelopment program guidelines; and

WHEREAS, the City has the legal authority to apply for financial assistance; and

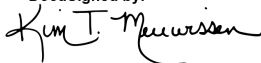
WHEREAS, the City is supportive of affordable housing and of the CDA’s mission to improve the lives of Carver County residents through affordable housing and community development.

NOW, THEREFORE, BE IT RESOLVED that the City of Chanhassen approves the application for funding from the Carver County CDA Community Growth Partnership Initiative Grant program.

BE IT FURTHER RESOLVED that if the application is approved by the Carver County CDA, Eric Maass, the City of Chanhassen Planning Director, is hereby authorized to execute such agreements as are necessary to receive and use the funding for the proposed project.

PASSED AND ADOPTED by the Chanhassen City Council this 22nd day of May 2023.

ATTEST:

DocuSigned by:

27A7BEAB6267418...
Kim Meuwissen, City Clerk

DocuSigned by:

D0665DC57B5043C...
Elise Ryan, Mayor

YES

NO

ABSENT

Ryan
Schubert
von Oven
Kimber

McDonald

Community Growth Partnership Initiative 2023 Community Development Grant Application

Project name: Laketown Township Sewer Feasibility Study

Applicant: Laketown Township

Contact name: Catherine Nielsen

Contact email and phone: cath.nielsen@gmail.com 612-382-5323

Authorized official for contract execution (name and title): Mike Klingelutz, Chairman

Project Summary To fund a comprehensive feasibility study to evaluate and plan for rehabilitation or replacement of the existing 201 wastewater sewer system which was installed 45 years ago with a life expectancy of 20 years. The system is in dire need of repairs and replacement of vital portions. We need to have a plan to make an informed decision of how to proceed with our 201 system. We have received an estimate for this engineering study from Bolton & Menk for \$86,000 (see attached) We have successfully gotten this project listed on the MPCA Project Priority List (PPL) so when the engineering study is complete and we have a decisive direction, we are ready to apply for project / construction funding. We also hope to be included in the 2024 bonding bill (this study was included in the 2022 bill, however the bonding bill did not pass.) The study looks at a significant rehabilitation of the system, replacement of the system, or possible annexation into the 3 cities if these options are not financially feasible. Part of the scope of work of the study is to have the 3 cities involved in wastewater system goals, design recommendations, and connection options.

This application seems more tailored to the Community Development / Redevelopment so many sections do not apply, but here is our budget, please let me know what questions / more information you may want.

Funding Sources:

Budget - \$86,000

2022 CDA Grant	\$ 7500
2022 CDA Grant - Chaska	\$ 7500
2023 CDA Grant	\$ 7500
2023 MPCA Grant	\$ 32000
Laketown CDA Match	\$ 22500

1. Request Details

1a. Request Amount: \$ 7500

1b. Proposed activities/use of CGPI funds (check all applicable boxes)

- | | | |
|--|---|--|
| <input type="checkbox"/> Acquisition | <input checked="" type="checkbox"/> Utilities | <input type="checkbox"/> Sidewalks/Trails |
| <input type="checkbox"/> Lighting | <input type="checkbox"/> Site Work | <input type="checkbox"/> Demolition |
| <input type="checkbox"/> Landscaping | <input type="checkbox"/> Roadways | <input type="checkbox"/> Stormwater |
| <input type="checkbox"/> Streetscaping | <input type="checkbox"/> Soil Remediation | <input type="checkbox"/> Environmental cleanup |
| <input type="checkbox"/> Parking | <input type="checkbox"/> Relocation | |
| <input type="checkbox"/> Other (list) | | |

2. Readiness Details N/A

Milestone	Commitment date or anticipated date	Amount
<i>Construction Timeline</i>		
Market/feasibility study		Not Applicable
Land use approvals (including any zoning, comprehensive plan amendments, variances, etc.)		Not Applicable
Environmental approvals		Not Applicable
Construction bids		Not Applicable
Permits		Not Applicable
Site control		Not Applicable
Financial closing		Not Applicable
Clean up/demolition		Not Applicable
Begin construction		Not Applicable
Project completion		Not Applicable
<i>Project Funding Sources</i>		
First mortgage		
General partner cash/other equity		
Syndication proceeds		
Deferred loans		
TIF		
Sales tax/energy rebates		
Deferred developer fee		
Met Council TOD/LCDA/TBRA		
DEED Redevelopment/Cleanup		
DEED MIF/JCF		
Carver County CDA CGPI		
City		
Other:		
Other:		

2a. Total development cost:

Percentage of funds committed:

2b. List other sources of funds requested or considered but not obtained for the project and explain why.

3. Project Details *N/A*

3a. Site address(es)

3b. Site size

3c. Number of parcels

3d. Parcel ID(s):

Housing *N/A*

3e. Are there any existing housing units on the site: Yes No

 If so, how many?

 Are any of the units vacant? Yes No *N/A*

3f. Are any of the existing units affordable? Yes No

3g. Housing Units (*Indicate the number of housing units planned in the project*)

	Total Units	New Units	Retained Units	Owner-Occupied	Rental Units	Market Rate	Affordable Units	Affordability Level (% AMI)
Single Family								
Townhome								
Apartments/ Condos								
Duplexes								
Other (Specify)								

3h. Is there a mechanism to ensure long term affordability? Yes No

3i. If yes, please describe the type and length of affordability.

3j. Who is the target population for these units (seniors, families, etc.)?

3k. If the project is a rental project, is the owner willing to accept Tenant Based Rental Assistance (Housing Choice Voucher or other tenant based rental assistance)?

 Yes

 No

5. Narrative N/A

5a. Describe how this project fits into the city's goals and the Redevelopment Plan, its public purpose, any extraordinary costs, and the community's need for the project. Describe other projects completed/underway as part of the Redevelopment Plan or in the area and how this project may catalyze additional (re)development.

5b. Provide a brief history of the site including previous uses, slum or blight, activities, contamination and other attempts at redevelopment.

5c. How does your project create a more livable community? Include information about the mix of uses, proximity to transit, reduced/shared parking, resiliency, walkable neighborhoods, green space, increased density, benefits to businesses/organizations, and community building elements.

5d. Describe any contamination on the project site or in the redevelopment plan area. Was a Response Action Plan developed? Will the project be cleaning up any contaminated soil, hazardous waste or other elements? If so, describe the type of clean up.

5e. Describe how the project is maximizing the potential of the site.

5f. Will any existing residents, tenants or businesses be temporarily or permanently relocated as a part of this project? If so, please describe how relocation will occur.

5g. Describe the biggest challenges or extraordinary costs facing your project and explain why the project is not feasible without CGPI funds. Please include any challenges not previously described such as status of site control, financing, rents and returns, tenants/leasing and other items pertinent to a successful project.

Attachments

1. City Resolution (sample is attached and must contain all provisions listed)
2. Location map
3. Site plan and elevations (if available)
4. Existing conditions photos
5. Redevelopment plan (if it is a redevelopment project)
6. Relocation plan (if applicable)
7. Copies of any funding commitments
8. Evidence of site control
9. Development pro forma that includes such things as sources and uses, financing assumptions of any debt, debt service coverage ratio, loan to value, loan to cost, percent equity and cash on cash return.

RESOLUTION 2023-05
LAKETOWN TOWNSHIP, CARVER COUNTY
A RESOLUTION AUTHORIZING SUBMITTAL OF AN APPLICATION FOR A CARVER
COUNTY COMMUNITY DEVELOPMENT AGENCY (CDA) COMMUNITY GROWTH
PARTNERSHIP INCENTIVE GRANT

WHEREAS, the Township of **Laketown** has identified a proposed project within the Township that meets the Carver County Community Development Agency (CDA) Community Growth Partnership Incentive Grant program's purposes and criteria; and

WHEREAS, The Township has established a Redevelopment Plan of which the proposed project is a component; and

WHEREAS, the Township has capability and capacity to ensure the proposed project be completed and administered within the Redevelopment Incentive Grant program guidelines; and

WHEREAS, the Township has the legal authority to apply for financial assistance; and

WHEREAS, the Township is supportive of affordable housing and of the CDA's mission, to improve the lives of Carver County residents through affordable housing and community development.

NOW THEREFORE BE IT RESOLVED that the town board of Laketown Township, Carver County, Minnesota approves the application for funding from the Carver County CDA Community Growth Partnership Incentive Grant Program.

Be it further resolved, that upon approval of its application by the Carver County CDA, that Pete Parris, the Town Board Chairman, is hereby authorized to execute such agreements as are necessary to receive and use the funding for the proposed project.

By the Laketown Town Board Attested to by

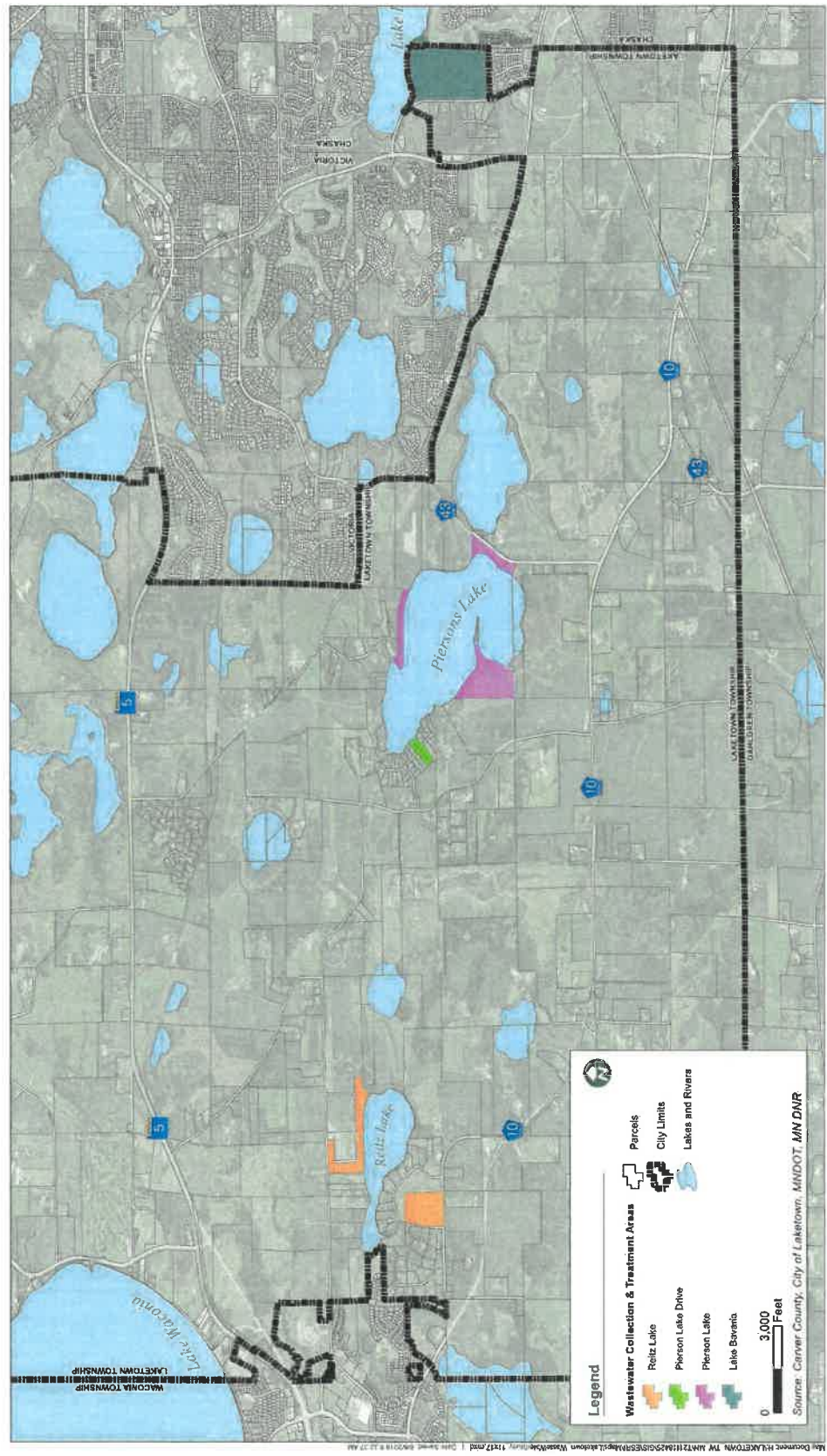

Chairman

2/27/2023
Date

Attest: 
Clerk

02-27-2023
Date

Figure 1 – Wastewater System Study





Real People. Real Solutions.

2638 Shadow Lane
Suite 200
Chaska, MN 55318-1172

Ph: (952) 448-8838
Fax: (952) 448-8805
Bolton-Menk.com

January 28, 2022

Melissa Lano, Clerk/Treasurer
Laketown Township
9530 Laketown Road
Chaska, MN 55318

RE: Wastewater System Preliminary Engineering Report
Laketown Township

Dear Ms. Lano,

Bolton & Menk, Inc. is pleased to present this proposal for professional engineering services related to the Wastewater System Preliminary Engineering Report for Laketown Township. This proposal will define our scope of work and provide you with the fees for these services. Our experience with and knowledge of the Township's existing wastewater system along with similar systems and communities will allow us to provide the Township with a cost-effective preliminary engineering report to meet your system goals. Below is the project description/understanding, scope of work, budget, and schedule for the proposed Wastewater System Preliminary Engineering Report.

PROJECT DESCRIPTION, UNDERSTANDING, AND PURPOSE

Laketown Township operates a singular wastewater system that has six (6) separate wastewater collection and treatment areas and these systems are aging and in need of maintenance and repairs. In 2019, Bolton & Menk, Inc. completed an overall scoping study of the Township's entire wastewater system. This study was the first step in determining the needs and next steps for addressing issues within the existing wastewater system and set the ground work to help the Township make intelligent and long term informed decisions going forward.

This proposal is to provide engineering services to prepare and present a Wastewater System Preliminary Engineering Report which will define the scope of work which will ultimately move into final design and construction. The report will specifically focus on Pierson Lake systems 6D2, 6D3, and 6D4, the Lake Bavaria system 6E, and the Rietz Lake systems 6B and 6F. These areas are depicted on the attached project overview figure. It will not review Pierson Lake Drive system 6D1, which is a small mound system which services two homes.

This work will study these areas in greater detail building off the work already completed as part of the scoping study, identify the preliminary design and cost for the system improvements, and recommend financing and funding mechanisms and next steps for the improvements. This will help the Township understand specific needs for each sewershed, provide a preliminary plan for addressing those needs, and understand the capital costs required to rehabilitate these systems.

This report will be organized as one single document, however each of the three individual sewersheds will be reviewed and discussed separately as standalone projects. This will allow us to maximize the

report preparation efficiency while giving the Township the flexibility to move one, two or all three wastewater collection areas into final design and construction.

Funding Opportunities: Our team proactively positions clients to receive funding. We have successfully obtained more than \$500 million in low interest loans and grant dollars for our clients' projects. We understand the available programs, requirements and timelines, and position our clients to take advantage of these funding sources. Bolton & Menk has staff dedicated to funding programs and we will work to position the Township to go after these various funding sources. We have included time in our proposal to assist the City with applying for various funding programs, specifically the Public Facilities Authority Clean Water Program.

Experience and Expertise: Bolton & Menk will provide the Township with our unmatched level of experience and expertise. Bolton & Menk specializes in providing infrastructure services for municipalities. In almost 70 years, we've grown from two men and a garage, to a firm of nearly 500 employees. We offer the expertise of a national firm, but we are just down the road. In addition to basic services such as infrastructure maintenance, reconstruction, and expansion, we offer specialized expertise in water/wastewater treatment and pumping systems, environmental services, water resources, traffic and transportation engineering, landscape architecture, surveying and mapping, and city planning. This range of municipal services enables our firm to easily accommodate the diverse needs of our clients. This diverse knowledge base will enable our project team to evaluate and determine the most appropriate, cost-effective improvements for the Township. We understand that this study is one of many steps in this process, but we know how important it is to have a sound well laid out preliminary design to determine the scope of work moving into final design and construction.

SCOPE OF WORK – WASTEWATER SYSTEM STUDY

The below summarizes the proposed scope of services associated with this project. This work will be summarized in a single document which will contain separate evaluations of each individual sewershed. Analysis and recommendations for each individual sewershed will be standalone allowing flexibility to move forward with projects on separate timelines.

1. City Coordination & Communications

The project will require detailed coordination with the Cities of Chaska, Victoria, and Waconia to evaluate key components of connecting to existing city infrastructure. Major components of this task include the following:

- 1.1 Administer a kickoff meeting with each City and the Township to discuss the Township's wastewater system goals and review connection options with the city and associated downstream impacts.
- 1.2 Administer a review meeting with each City and the Township to review the draft preliminary design recommendations.
- 1.3 Coordinate with each City throughout the preliminary design process.
- 1.4 Work with Township and City staff to determine key components of a joint powers agreement (JPA) terms including; future operations and maintenance methodology and preliminary fee

schedule and user rates. This does not include review of an actual JPA which would occur during the final design process.

2. Preliminary Design

Our team will prepare a preliminary system design specifically focusing on Pierson Lake systems 6D2, 6D3, and 6D4, the Lake Bavaria system 6E, and the Rietz Lake systems 6B and 6F. Review of the existing Pierson Lake Drive system 6D1, which is a small mound system serving two homes, is not included within the scope of this work. It will also not consider connecting other homes and neighborhoods within the Township that are in close proximity to these existing systems but are currently on individual private septic systems. Major components of this task include the following:

- 2.1 Kickoff meeting with Township Staff to review study goals and develop critical success criteria.
- 2.2 Review historical flow data/pumping records and existing plans / specifications for each system.
- 2.3 Evaluate each of the existing systems and identify deficiencies.
- 2.4 Develop plans for connection to each municipal system
- 2.5 Develop preliminary design plans for pipe alignments, profiles, lift stations and forcemains.
- 2.6 Geotechnical borings and analysis report.
- 2.7 Develop decommissioning plan for each existing system.
- 2.8 Preliminary easement needs identification.
- 2.9 Topographic survey is not included in the preliminary design. Lidar contours will be utilized for the preliminary design.

3. Cost Estimate & Preliminary Engineering Report

Our team will develop a preliminary cost estimate for the preliminary design. A final preliminary engineering report will be compiled for each system. Major components of this task include the following:

- 3.1 Complete opinion of probable costs based on the preliminary design configuration.
- 3.2 Review possible financing and funding strategies to complete the improvements.
- 3.3 Compile the preliminary design information into a final engineering report package.
- 3.4 Bolton & Menk will attend a meeting with the Township to review the draft report to discuss recommendations.
- 3.5 Bolton & Menk will attend a Township board meeting for presentation of the report.

CONSULTANT FEE

We propose to complete the scope of services as noted above for all three project areas for a not to exceed total fee of \$86,000 for the preliminary engineering report. Fees will be billed on an hourly basis and will not exceed the amount stated. Alternatively, if the Township would only like to move forward

with preliminary design for one or two of the wastewater collection areas the fee breakdown for each of the areas is as follows:

- Reitz Lake Area.....\$31,000
- Pierson Lake Area.....\$32,000
- Lake Bavaria Area.....\$23,000

The project fee includes labor, general business, and other normal and customary expenses associated with operating a professional business. These fees also include vehicle and personal expenses, mileage and routine expendable supplies; no separate charge will be made for these activities and materials. Fees for work asked to be performed outside the scope of services outlined in this document will be billed on an hourly basis and invoiced as a separate task.

PROJECT SCHEDULE

We understand that the goal of the Township is to receive funds from the State of Minnesota 2022 Bonding Bill to complete this study. We can begin working on the report once authorized by the Township. We expect that the entire scope of work will require approximately 3 to 4 months to complete.

We look forward to working with you on this very important project for the Township for developing sustainable engineering solutions for your wastewater systems. Please feel free to contact me at (612) 803-5223 if you have any questions or if you require any additional information.

Respectfully submitted,

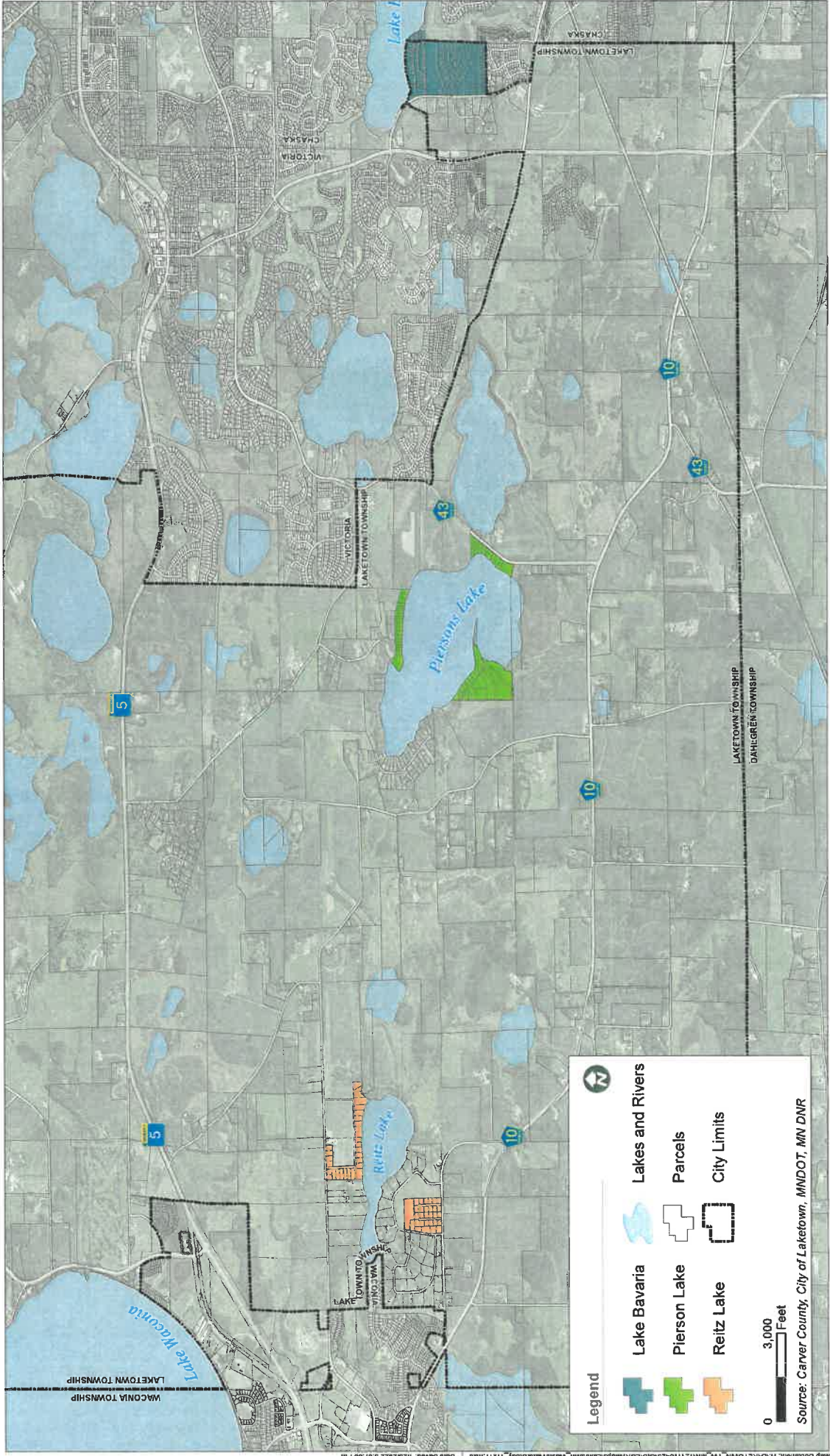
Bolton & Menk, Inc.



Seth A. Peterson, P.E.
Principal Environmental Engineer

CC: Josh Eckstein, P.E., Principal Engineer

Enclosure



Legend

- Lake Bavaria
- Pierson Lake
- Reitz Lake
- Lakes and Rivers
- Parcels
- City Limits

0 3,000 Feet

Source: Carver County, City of Laketown, MNDOT, MN DNR



CITY OF CHASKA
CARVER COUNTY, MINNESOTA

RESOLUTION

DATE 5/16/2022 RESOLUTION NO. 2022-54

MOTION BY COUNCILMEMBER HATFIELD SECOND BY COUNCILMEMBER HUBBARD

**A Resolution to Support the Laketown Township State Bonding Request for the
"201" System Feasibility Study**

WHEREAS, in 1983, a "201 Grant" from the Federal Government Clean Water Act was received to install a sewer system utilizing a series of mounds, sand filters and grey water sewage collector systems to improve and protect the water quality of Lake Bavaria, Pierson Lake and Reitz Lake; and

WHEREAS, the life of the systems was expected to be about 20-years;

WHEREAS, it was anticipated that these Township properties would have been annexed into cities and sewer systems would have been upgraded through development and growth;

WHEREAS, the 201 greywater treatment system is not a feasible long term solution to providing wastewater treatment to these future urban properties and to protecting the adjacent lakes,

WHEREAS, these 201 sewer systems are now outdated and Laketown Township is seeking a collaborative effort to provide sanitary sewer to the 201 areas;

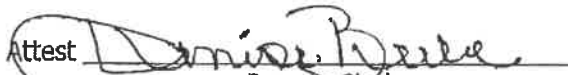
WHEREAS, Laketown Township obtained a quote for a wastewater system study to determine how best to replace the 201 Systems with sanitary sewer; and

WHEREAS, Laketown Township is requesting funds be appropriated for the study in the upcoming State bonding bill.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Chaska, Minnesota to support Laketown Townships state bonding request for the "201" system sewer system feasibility study.

Passed and adopted by the City Council of the City of Chaska, Minnesota, this 16th day of May 2022.


Mark Windschitt, Mayor

Attest 
Deputy Clerk

7

BOARD OF COUNTY COMMISSIONERS CARVER COUNTY, MINNESOTA

DATE February 15, 2022
MOTION BY COMMISSIONER Fahey

RESOLUTION NO. 14-22
SECONDED BY COMMISSIONER Lynch

Resolution to Support the Laketown Township State Bonding Request for the "201" System Feasibility Study

Whereas, in 1983, a "201 Grant" from the Federal Government Clean Water Act was received to install a sewer system utilizing a series of mounds, sand filters and grey water sewage collector systems to improve and protect the water quality of Lake Bavaria, Pierson Lake and Reitz Lake; and

Whereas, the life of the systems was expected to be about 20-years;

Whereas, it was anticipated that these Township properties would have been annexed into cities and the sewer systems would have been upgraded through development and growth;

Whereas, the 201 greywater treatment system is not a feasible long term solution to providing wastewater treatment to these future urban properties and to protecting the adjacent lakes,

Whereas, these 201 sewer systems are now outdated and Laketown Township is seeking a collaborative effort to provide sanitary sewer to the 201 areas;

Whereas, Laketown Township obtained a quote for a wastewater system study to determine how best to replace the 201 systems with sanitary sewer; and

Whereas, Laketown Township is requesting funds be appropriated for the study in the upcoming State bonding bill.

Now, Therefore, Be It Resolved, the Carver County Board of Commissioners supports Laketown Townships state bonding request for the "201" system sewer system feasibility study.

	Yes	No	Absent
Degler			
Fahey			
Lynch			
Udermann			
Workman			

STATE OF MINNESOTA COUNTY OF CARVER

I, David Hemze, duly appointed and qualified County Administrator of the County of Carver, State of Minnesota, do hereby certify that I have compared the foregoing copy of this resolution with the original minutes of the proceedings of the Board of County Commissioners, Carver County, Minnesota, at its session held on the 15th day of February, now on file in the Administration office, and have found the same to be a true and correct copy thereof.

Dated this 15th day of February, 2022.

David Hemze
Dave Hemze (Feb 15, 2022 13:46 CST)
David Hemze
County Administrator

**CITY OF WACONIA
RESOLUTION NO. 2022-96**

**Resolution of Support for State Bonding Request by Laketown Township for the "201"
System Feasibility Study**

WHEREAS, Laketown Township owns and operates a sanitary sewer system utilizing a series of mounds, sand filters, and grey water sewage collector systems to improve and protect the water quality of Reitz Lake; and

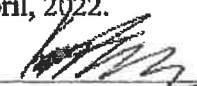
WHEREAS, the properties that these systems serve is identified as future growth area of the City of Waconia and is memorialized by an orderly annexation agreement between the township and the city; and

WHEREAS, Laketown Township would like to better understand and determine how to best replace these systems with sanitary sewer; and

WHEREAS, Laketown Township is requesting funds to be appropriated for the study in the upcoming State bonding bill;

NOW, THEREFORE BE IT RESOLVED that the City Council of the City of Waconia, hereby supports the state bonding request by Laketown Township to complete the "201" feasibility study.

Adopted by the Waconia City Council this 4th day of April, 2022.



Kent Bloudek, Mayor

ATTEST: 

Shanie Pierson, City Administrator

M/	Leo	Bloudek	Aye
		Pierson	Aye
S/	Pierson	Leo	Aye
		Sorensen	Aye
		Waldron	Aye



Resolution No. 2022-19

*Moved by Gunderson
Seconded by Roberts*

A RESOLUTION SUPPORTING THE LAKETOWN TOWNSHIP REQUEST FOR STATE BONDING FOR THE "201 SYSTEM" FEASIBILITY STUDY

WHEREAS, in 1983, a "201 Grant" from the federal government Clean Water Act was received to install a sewer system utilizing a series of mounds, sand filters, and grey water sewage collector systems to improve and protect the water quality of Lake Bavaria, Pierson Lake and Reitz Lake; and

WHEREAS, the life of the systems was expected to be about 20 years; and

WHEREAS, it was anticipated that these Township properties would have been annexed into cities and the sewer system would have been upgraded through development and growth; and

WHEREAS, the "201" greywater treatment system is not a feasible long-term solution to provide wastewater treatment to these future urban properties and to protecting the adjacent lakes; and

WHEREAS, the "201" sewer systems are outdated and Laketown Township is seeking to provide sanitary sewer to the "210" areas; and

WHEREAS, Laketown Township received a quote for a wastewater system study to determine how best to replace the "201" systems with sanitary sewer; and

WHEREAS, Laketown Township is requesting funds be appropriated for the study in the upcoming State bonding bill;

NOW, THEREFORE, BE IT RESOLVED, the City of Victoria City Council supports Laketown Township's request for state bonding to conduct a feasibility study for the "201" system sewer system.

This Resolution is adopted by the City of Victoria and approved by the Mayor this 28 day of March 2022

Debra McMillan, Mayor

ATTEST:

Cindy Patnode, City Clerk


2022-19 - Laketown Township State Bonding Request for the 201 System Feasibility Study - Adopted


Final Audit Report


2022-03-30


Created:	2022-03-29
By:	Cindy Patnode (cpatnode@ci.victoria.mn.us)
Status:	Signed
Transaction ID:	CBJCHBCAABAANOV3bcT1n0g8V8Dw73z38pHamuFTZRZB


"2022-19 - Laketown Township State Bonding Request for the 201 System Feasibility Study - Adopted" History


-  Document created by Cindy Patnode (cpatnode@ci.victoria.mn.us)
2022-03-29 - 7:59:19 PM GMT- IP address: 162.210.219.55


-  Document emailed to Debra McMillan (dmcmillan@ci.victoria.mn.us) for signature
2022-03-29 - 7:59:57 PM GMT


-  Email viewed by Debra McMillan (dmcmillan@ci.victoria.mn.us)
2022-03-30 - 4:24:12 PM GMT- IP address: 67.4.10.223

-  Document e-signed by Debra McMillan (dmcmillan@ci.victoria.mn.us)
Signature Date: 2022-03-30 - 5:58:43 PM GMT - Time Source: server- IP address: 67.4.10.223

-  Document emailed to Cindy Patnode (cpatnode@ci.victoria.mn.us) for signature
2022-03-30 - 5:58:45 PM GMT

-  Email viewed by Cindy Patnode (cpatnode@ci.victoria.mn.us)
2022-03-30 - 6:45:11 PM GMT- IP address: 72.105.106.67

-  Document e-signed by Cindy Patnode (cpatnode@ci.victoria.mn.us)
Signature Date: 2022-03-30 - 6:45:30 PM GMT - Time Source: server- IP address: 72.105.106.67

-  Agreement completed.
2022-03-30 - 6:45:30 PM GMT

Community Growth Partnership Initiative 2023 Community Development Grant Application

Project name: Black Forest & Trophy Lakes Developements

Applicant: City of New Germany

Contact name: Twyla Menth, City Clerk

Contact email and phone: ngcityhall@gmail.com 952.353.2488

Authorized official for contract execution (name and title): Twyla Menth, City Clerk

Project Summary

The City of New Germany needs to expand the wastewater treatment capacity to allow new homes and businesses to be constructed. This funding is being sought for pre-development work including soil testing, a topographic survey, and an archeological survey, which would advance the project towards being shovel ready. The recently completed Wastewater Facility Plan identifies cost effective, viable options that will allow the City of New Germany to expand the sanitary sewer treatment system to accommodate the addition of new homes and businesses, increasing the City's tax base. The Facility Plan has been completed and approved by MPCA.

The ultimate goal for the City is to add much-needed housing to our community. The project will allow construction of the Black Forest and Trophy Lakes developments, which includes more than 140 acres of land available for new housing.

1. Request Details

1a. Request Amount: \$7,500

1b. Proposed activities/use of CGPI funds (check all applicable boxes)

- | | | |
|--|---|--|
| <input type="checkbox"/> Acquisition | <input type="checkbox"/> Utilities | <input type="checkbox"/> Sidewalks/Trails |
| <input type="checkbox"/> Lighting | <input type="checkbox"/> Site Work | <input type="checkbox"/> Demolition |
| <input type="checkbox"/> Landscaping | <input type="checkbox"/> Roadways | <input type="checkbox"/> Stormwater |
| <input type="checkbox"/> Streetscaping | <input type="checkbox"/> Soil Remediation | <input type="checkbox"/> Environmental cleanup |
| <input type="checkbox"/> Parking | <input type="checkbox"/> Relocation | |
- ✓ Other (list) – pre-development, including soil borings, a topographic survey, and an archeological survey

2. Readiness Details

Milestone	Commitment date or anticipated date	Amount
<i>Construction Timeline</i>		
Market/feasibility study		Not Applicable
Land use approvals (including any zoning, comprehensive plan amendments, variances, etc.)		Not Applicable
Environmental approvals	March 2024	Not Applicable
Construction bids	August 2024	Not Applicable
Permits		Not Applicable
Site control		Not Applicable
Financial closing		Not Applicable
Clean up/demolition		Not Applicable
Begin construction	Fall 2024	Not Applicable
Project completion	Spring 2026	Not Applicable
<i>Project Funding Sources</i>		
First mortgage		
General partner cash/other equity		
Syndication proceeds		
Deferred loans		
TIF		
Sales tax/energy rebates		
Deferred developer fee		
Met Council TOD/LCDA/TBRA		
DEED Redevelopment/Cleanup		
DEED MIF/JCF		
Carver County CDA CGPI	July 2023	\$7,500
City	June 2023	\$48,400
Other: Congressionally Directed Spending	August 2023	\$5,000,000
Other: Minnesota Bond Funds	May 2024	\$3,900,000

2a. Total development cost: \$8,900,000

Percentage of funds committed: All currently pending.

2b. List other sources of funds requested or considered but not obtained for the project and explain why.

The City of New Germany has sought funding through multiple programs for this project, but several barriers exist. The City does not have any additional debt capacity to take on this project, so cannot utilized a loan through the United States Department of Agriculture or the Public Facilities Authority. Bond funds were sought during the 2022 and 2023 legislative sessions, but funds were not approved.

Construction funding has been requested through Congressionally Directed Spending in an amount of \$5,000,000 and was selected by Senator Klobuchar, Senator Smith, and Congressman Emmer to advance to the next step of the process. It is currently anticipated that information on awards will be made in late summer of 2023. The City is in the process of applying for the 2024 Minnesota Bonding bill.

3. Project Details

3a. Site address(es) Black Forest Road, New Germany and 62nd Street West, New Germany, MN 55367

3b. Site size Black Forest 39.45 / Trophy Lakes 102 acres

3c. Number of parcels: Black Forest has approximately 100 lots, with infrastructure in place

3d. Parcel ID(s): Black Forest 39.45 acres is 55.0860410 / Trophy Lakes has 34 lake lots, 11 non lake lots all with different PID #.

Housing

3e. Are there any existing housing units on the site: Yes No

If so, how many?

Are any of the units vacant? Yes No N/A

3f. Are any of the existing units affordable? Yes No N/A

3g. Housing Units (*Indicate the number of housing units planned in the project*)

	Total Units	New Units	Retained Units	Owner-Occupied	Rental Units	Market Rate	Affordable Units	Affordability Level (% AMI)
Single Family	150	150	N/A	150	N/A			
Townhome								
Apartments/ Condos								
Duplexes								
Other (Specify)								

3h. Is there a mechanism to ensure long term affordability? Yes No

Homes prices in New Germany are more affordable than homes in the eastern portion of Carver County and it is not anticipated that will change in the future.

3i. If yes, please describe the type and length of affordability. Affordable homes for first time home buyers.

3j. Who is the target population for these units (seniors, families, etc.)? Families, or could be seniors with patio homes (slab on grade). We currently have a 3 in Black Forest with retired seniors.

3k. If the project is a rental project, is the owner willing to accept Tenant Based Rental Assistance (Housing Choice Voucher or other tenant based rental assistance)? Not applicable.

Yes

No

Commercial

3l. Are there existing commercial buildings on the site: Yes No If so, how many?
 Are any of the units vacant? Yes No N/A

3m. Commercial square footage (*Indicate the square footage and jobs planned for the project*)

	Total square footage	New square footage	Retained square footage	New FTEs	Retained FTEs	Jobs with wages \geq \$17/hour
Retail/commercial						
Industrial						
Office						
Other (Specify)						

3n. List and describe any businesses that will be located on the site. Identify any that are Small Business Enterprises (SBE), Women Business Enterprises (WBE), Minority Business Enterprises (MBE) or Veteran owned.

4. Project Costs

4a. Current taxable market value of the site: Black Forest \$312,000.00 Property tax estimate market value. Trophy Lakes is estimated at property tax market value of \$35,000 per lot x 34 lake lots is \$1,190,000.00, non-lake lots are estimated at \$1,000.00 each x 11 = \$11,000.00. Total value of Trophy Lakes \$1,201,000.00

4b. Anticipated taxable market value after redevelopment: Trophy Lakes would most likely double or triple and the same with Black Forest.

4c. Development costs

Acquisition cost: N/A

Total development cost: \$8,900,000 for WWTP project

4d. Proposed cost of activities/use of CGPI funds

Activity	Total Cost	CGPI Request
Acquisition		
Utilities		
Sidewalks/Trails		
Lighting		
Site Work		
Demolition		
Landscaping		
Roadways		
Stormwater		
Streetscaping		
Soil Remediation		
Environmental cleanup		
Parking		
Other – Surveys and soil borings	\$55,900	\$7,500
Other		

5. Narrative

5a. Describe how this project fits into the city's goals and the Redevelopment Plan, its public purpose, any extraordinary costs, and the community's need for the project. Describe other projects completed/underway as part of the Redevelopment Plan or in the area and how this project may catalyze additional (re)development.

The City's goal is to add much-needed housing and allow for business growth and expansion. The current wastewater treatment plant is at capacity and needs updates and expansion to allow any sewer extension permits to be issued for new construction of homes or businesses. The City has completed the Wastewater Facility Plan and it was approved by the MPCA. The cost to undertake this project is substantial for a community the size of New Germany. The City is still paying on loans for a large infrastructure project completed in 2014 and has no additional debt capacity to take on more loans. Many communities in the metro area are connected to Met Council's regional wastewater system, but Met Council has determined that is not a viable option in the near or mid-term, so the City has worked to move forward with the needed improvements. Completion of the project will allow development of more than 100 acres of land for new housing and will accommodate future business growth opportunities.

5b. Provide a brief history of the site including previous uses, slum or blight, activities, contamination and other attempts at redevelopment.

Knowledge of previous uses at the site is limited. These pre-development grant funds are being sought for soil borings and an archeological survey, both of which will provide more information on past uses. While this isn't a redevelopment project, it will address a high priority need within the community and allow for new homes to be constructed.

5c. How does your project create a more livable community? Include information about the mix of uses, proximity to transit, reduced/shared parking, resiliency, walkable neighborhoods, green space, increased density, benefits to businesses/organizations, and community building elements.

The project will result in positive environmental impacts at the wastewater treatment plant and will make the community more livable by adding housing units and options to the community. Housing in New Germany is substantially more affordable than in many other areas of the County and this project will add more than 150 new units to the housing stock. It will also help to make living in New Germany more affordable. New Germany has the lowest median household income in Carver County and unfortunately has the highest household utility bills in Carver County by far. The project will help to stabilize utility rates for current and future residents.

5d. Describe any contamination on the project site or in the redevelopment plan area. Was a Response Action Plan developed? Will the project be cleaning up any contaminated soil, hazardous waste or other elements? If so, describe the type of clean up.

Contamination at the site is not anticipated. Funding is being sought to complete soil borings and surveys at the wastewater treatment facility.

5e. Describe how the project is maximizing the potential of the site.

The project will allow more than 150 new units of housing to be constructed, which is needed in New Germany and Carver County. The Black Forest Phase 2 developer is considering small lot sizes to maximize the site.

5f. Will any existing residents, tenants or businesses be temporarily or permanently relocated as a part of this project? If so, please describe how relocation will occur.

No, there are no existing residents, tenants, or businesses on the project site.

5g. Describe the biggest challenges or extraordinary costs facing your project and explain why the project is not feasible without CGPI funds. Please include any challenges not previously described such as status of site control, financing, rents and returns, tenants/leasing and other items pertinent to a successful project.

Funding for the wastewater treatment project has been the biggest barrier for the City to be able to add housing units. The MPCA will not allow any new sewer extension permits to be issued until the wastewater treatment improvements are completed, but the City does not have any debt capacity (due to prior infrastructure projects) to take on a new loan and grant resources are limited. CGPI funds would help the City to complete the next pre-development activities that would advance the project.

Attachments

1. City Resolution (sample is attached and must contain all provisions listed)
2. Location map
3. Site plan and elevations (if available)
4. Existing conditions photos
5. Redevelopment plan (if it is a redevelopment project)
6. Relocation plan (if applicable)
7. Copies of any funding commitments
8. Evidence of site control
9. Development pro forma that includes such things as sources and uses, financing assumptions of any debt, debt service coverage ratio, loan to value, loan to cost, percent equity and cash on cash return.



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Lincoln Ave N

Washington Ave N

Adams Ave N

Jefferson Ave N

Hilda Ave N

62nd St

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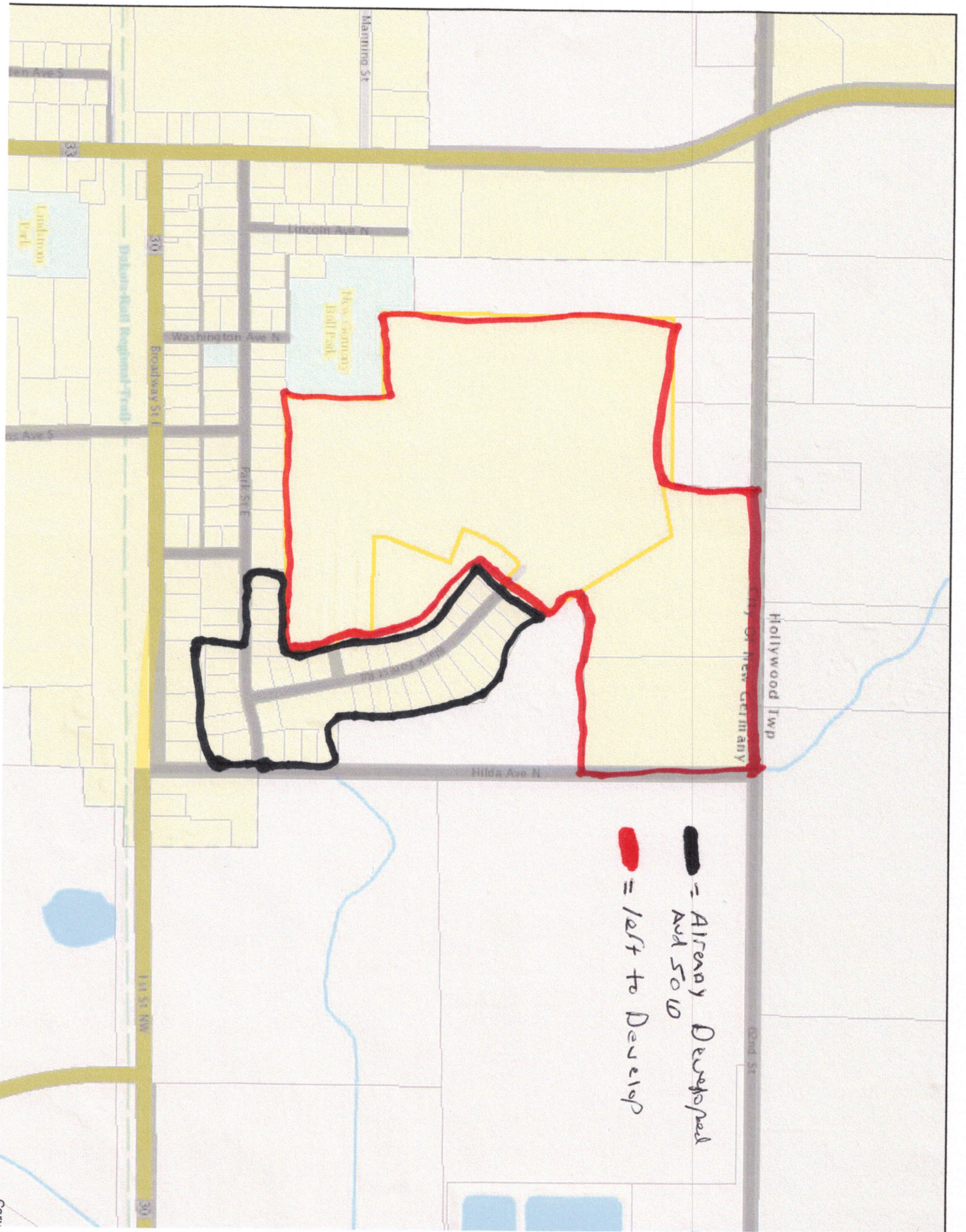
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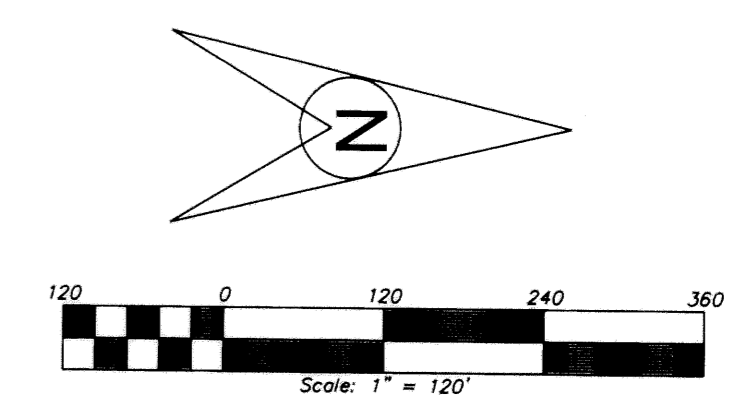
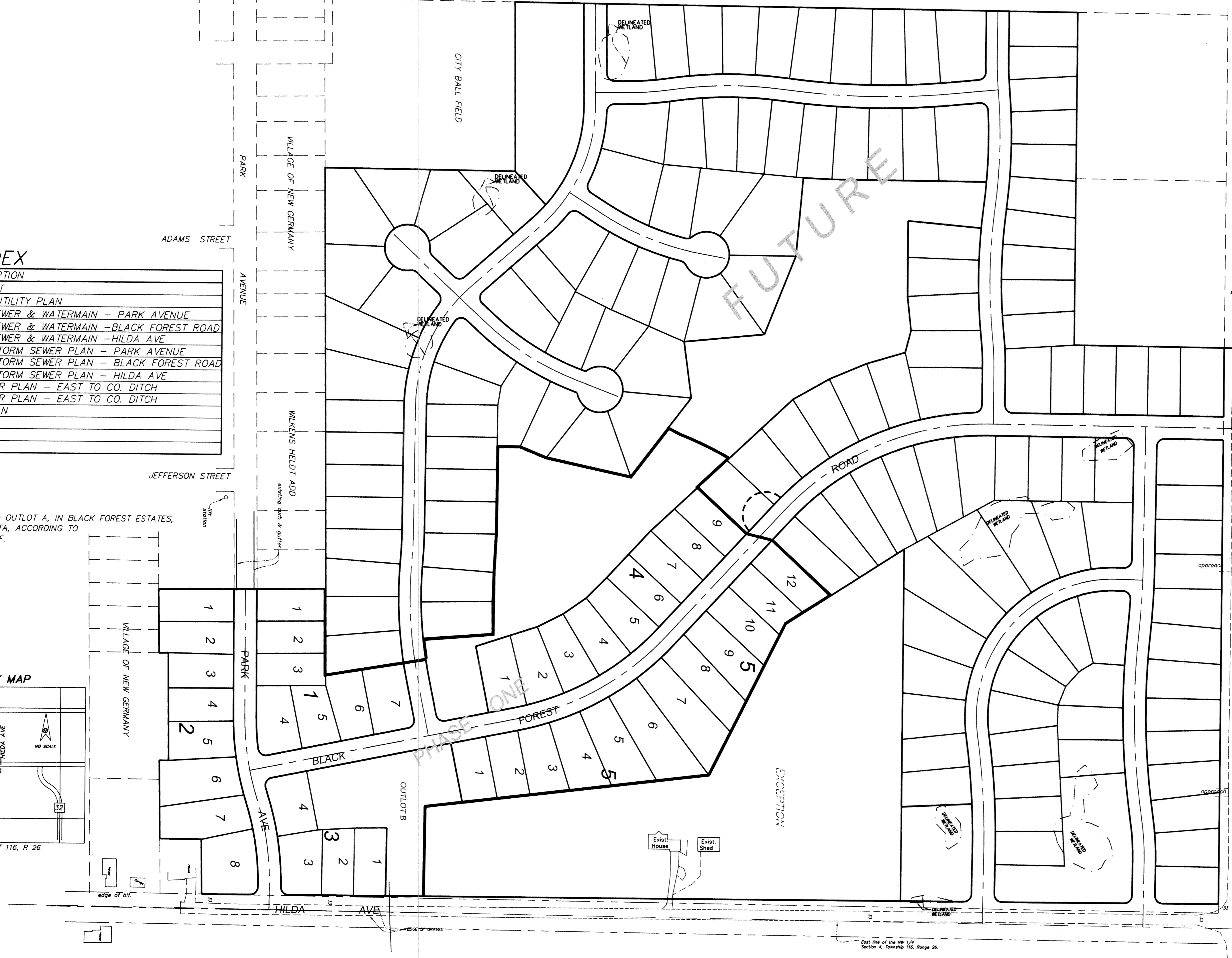
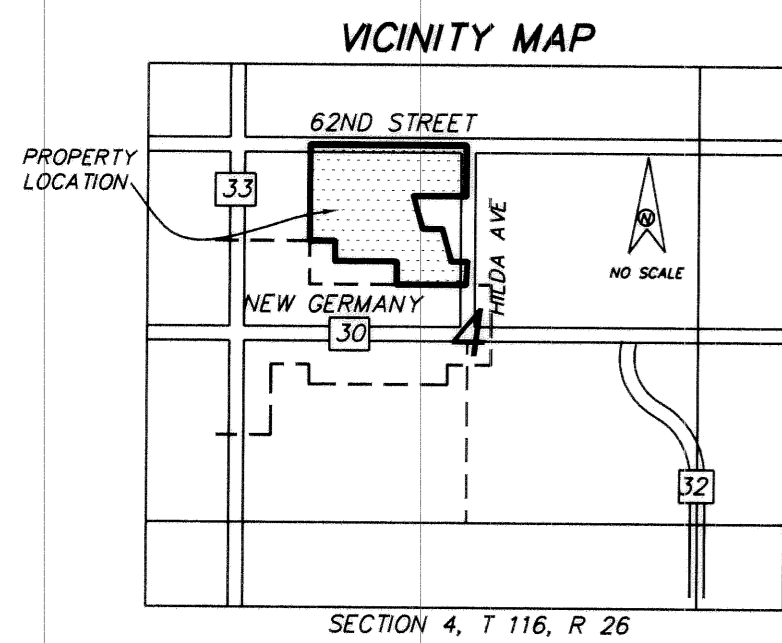
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INDEX

SHEET NO.	DESCRIPTION
1	COVER SHEET
2	COMPOSITE UTILITY PLAN
3	SANITARY SEWER & WATERMAIN - PARK AVENUE
4	SANITARY SEWER & WATERMAIN - BLACK FOREST ROAD
5	SANITARY SEWER & WATERMAIN - HILDA AVE
6	STREET & STORM SEWER PLAN - PARK AVENUE
7	STREET & STORM SEWER PLAN - BLACK FOREST ROAD
8	STREET & STORM SEWER PLAN - HILDA AVE
9	STORM SEWER PLAN - EAST TO CO. DITCH
10	STORM SEWER PLAN - EAST TO CO. DITCH
11	GRADING PLAN
12	SWPPP
13	DETAILS
14	DETAILS

PROPERTY DESCRIPTION:
 LOTS 1 AND 2, BLOCK 1 & OUTLOT A, IN BLACK FOREST ESTATES,
 CARVER COUNTY, MINNESOTA, ACCORDING TO
 THE RECORD PLAT THEREOF.



DEVELOPER:
 SAM MONTGOMERY
 4295 SHOREWOOD TRAIL
 MEDINA, MN 55340
 763-478-5165

PRIOR TO ANY EXCAVATION THE CONTRACTOR SHALL VERIFY
 THE LOCATION OF ALL UNDERGROUND UTILITIES.
 CALL 48 HOURS BEFORE DIGGING:
 GOPHER STATE ONE CALL 651-454-0002
 TWIN CITY AREA 651-454-0002
 MN TOLL FREE 1-800-252-1166

- GOVERNING SPECIFICATIONS:
- THE 2000 EDITION OF MINNESOTA DEPARTMENT OF TRANSPORTATION "STANDARD SPECIFICATIONS FOR CONSTRUCTION" AND LATER SUPPLEMENTS.
 - CITY ENGINEERS ASSOCIATION OF MINNESOTA (CEAM) STANDARD UTILITIES SPECIFICATIONS. (LATEST EDITION)
 - ALL APPLICABLE FEDERAL, STATE AND LOCAL LAWS AND ORDINANCE WILL BE COMPLIED WITH IN THE CONSTRUCTION OF THIS PROJECT.

RECORD PLAN
 10/06/05

Contractors:
 Grading - Nyen Excavating
 Utility - Machtemes Construction

NO.	DATE	BY	DESCRIPTION
REVISIONS			

DESIGNED DRAWN C.S.O. K.D.K.
 CHECKED C.S.O.
 I HEREBY CERTIFY THAT THIS PLAN, SPECIFICATION, OR REPORT WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND THAT I AM A DULY LICENSED PROFESSIONAL ENGINEER UNDER THE LAWS OF THE STATE OF MINNESOTA.
 Cara M. Schwahn Otto
 DATE: 6/23/04 LICENSE # 40433

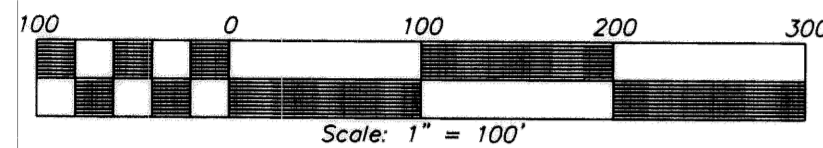
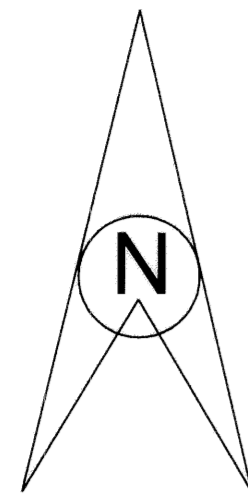
OTTO
 ASSOCIATES
 Engineers and Land Surveyors, Inc.

Web Site: www.ottoassociates.com
 9 West Division St.
 Buffalo, MN 55313
 Ph: (763)682-4727
 Fax: (763)682-3522

BLACK FOREST ESTATES SECOND ADDITION
 SAM MONTGOMERY
 NEW GERMANY, MN

COVER SHEET
 SHEET NO. 1 OF 14 SHEETS

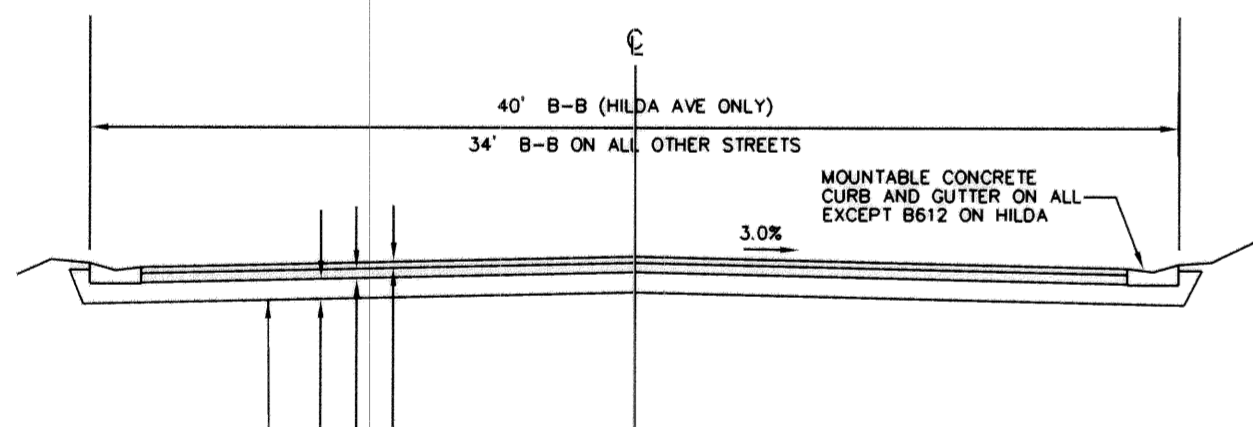
PROJECT NO:
 2-02-0206
 DATE:
 06/23/04



DEVELOPER:
SAM MONTGOMERY
4295 SHOREWOOD TRAIL
MEDINA, MN 55340
763-478-5165

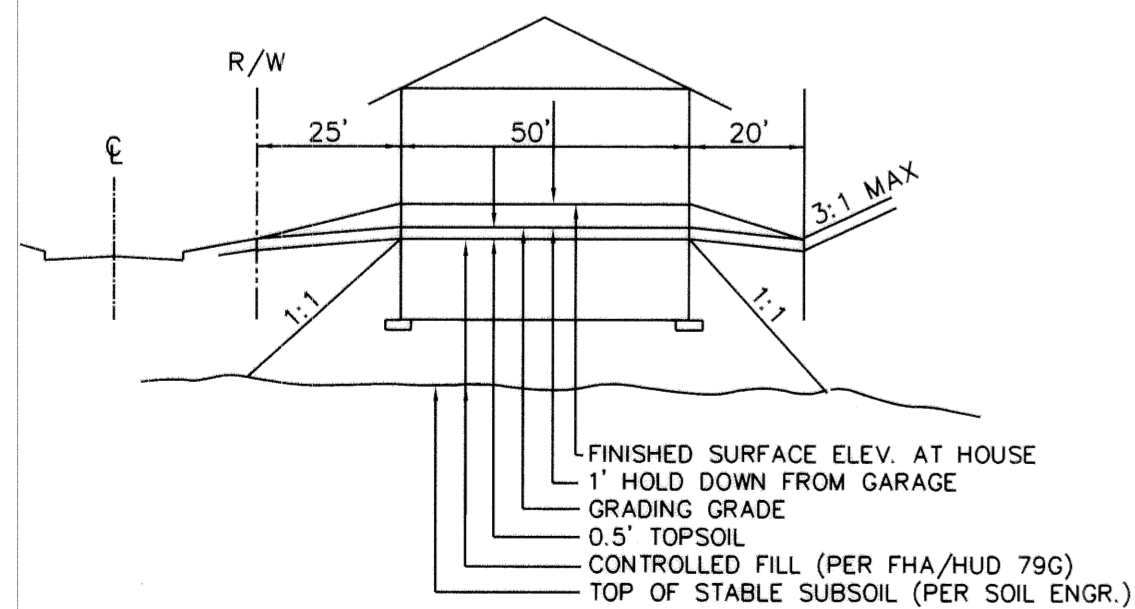
GRADING NOTES

1. WETLANDS DELINEATED BY KJOLHAUG ENVIRONMENTAL SERVICES COMPANY.
2. BUILDING PADS SHALL BE CONSTRUCTED FULL WIDTH OF LOT.
3. THE LOCATIONS OF EXISTING UNDERGROUND UTILITIES ARE SHOWN IN AN APPROXIMATE WAY ONLY. THE CONTRACTOR SHALL DETERMINE THE EXACT LOCATION OF ALL EXISTING UTILITIES BEFORE COMMENCING WORK. HE AGREES TO BE FULLY RESPONSIBLE FOR ANY AND ALL DAMAGES WHICH MIGHT BE OCCASIONED BY HIS FAILURE TO EXACTLY LOCATE AND PRESERVE ANY AND ALL UNDERGROUND UTILITIES.

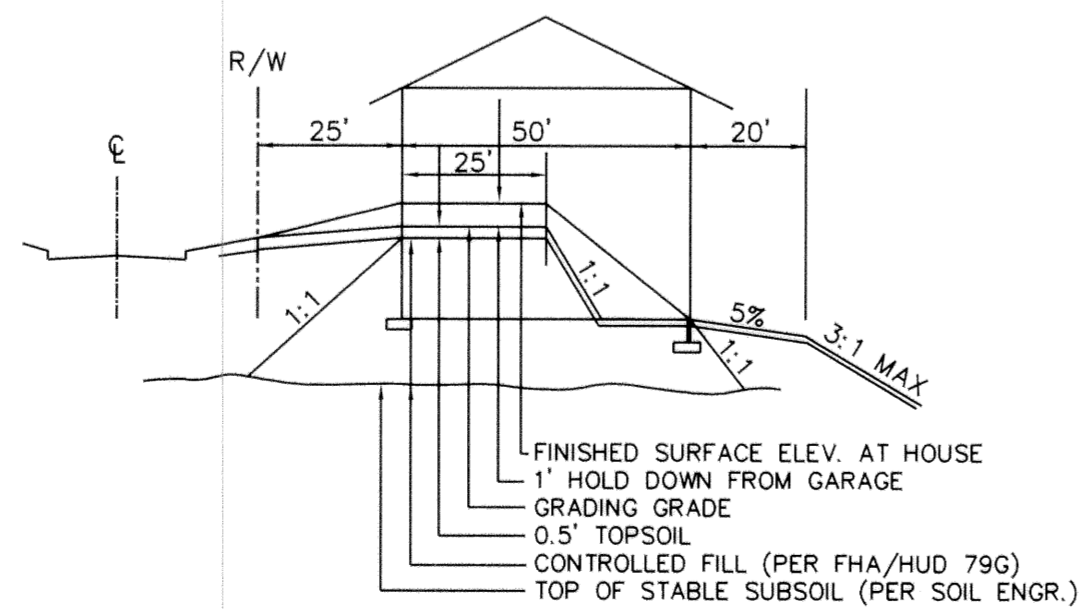


- 1 1/2" BITUMINOUS WEAR COURSE (MNDOT 2331 TYPE 41)
- 3" BITUMINOUS BASE COURSE (MNDOT 2331 TYPE 31)
- 9" CLASS 5 AGGREGATE BASE, 100% CRUSHED QUARRY STONE (MNDOT 2211)
- GEOTEXTILE FABRIC (MIRAFI 600X OR EQUAL)

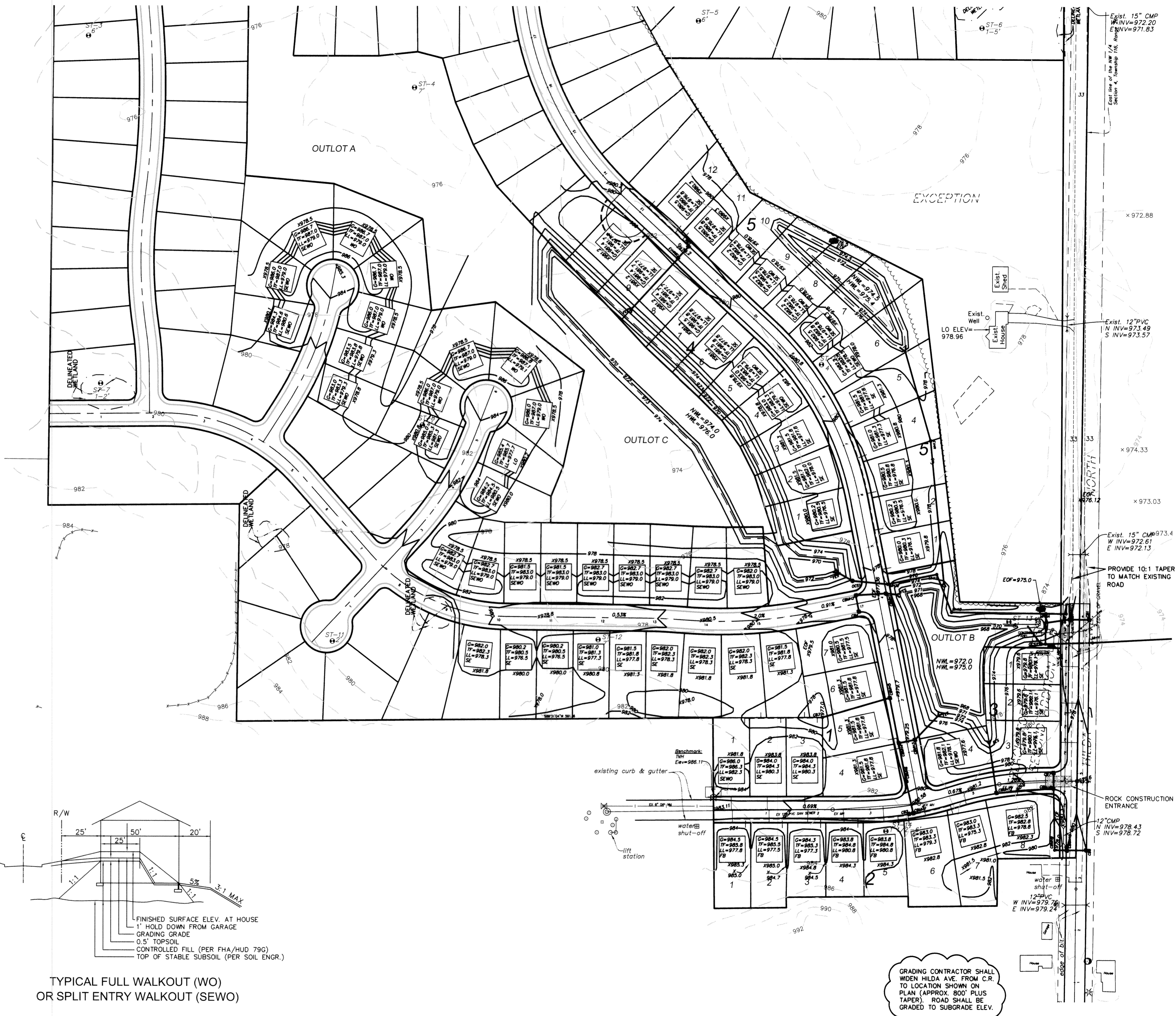
TYPICAL STREET SECTION



OR SPLIT ENTRY (SE)
TYPICAL RAMBLER/FULL BASEMENT (FB)



TYPICAL FULL WALKOUT (WO)
OR SPLIT ENTRY WALKOUT (SEWO)



NO.	DATE	BY	DESCRIPTION

DESIGNED	DRAWN
C.S.O.	K.D.K.
CHECKED	C.S.O.

HEREBY CERTIFY THAT THIS PLAN, SPECIFICATION, OR REPORT WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND THAT I AM A DULY LICENSED PROFESSIONAL ENGINEER UNDER THE LAWS OF THE STATE OF MINNESOTA.

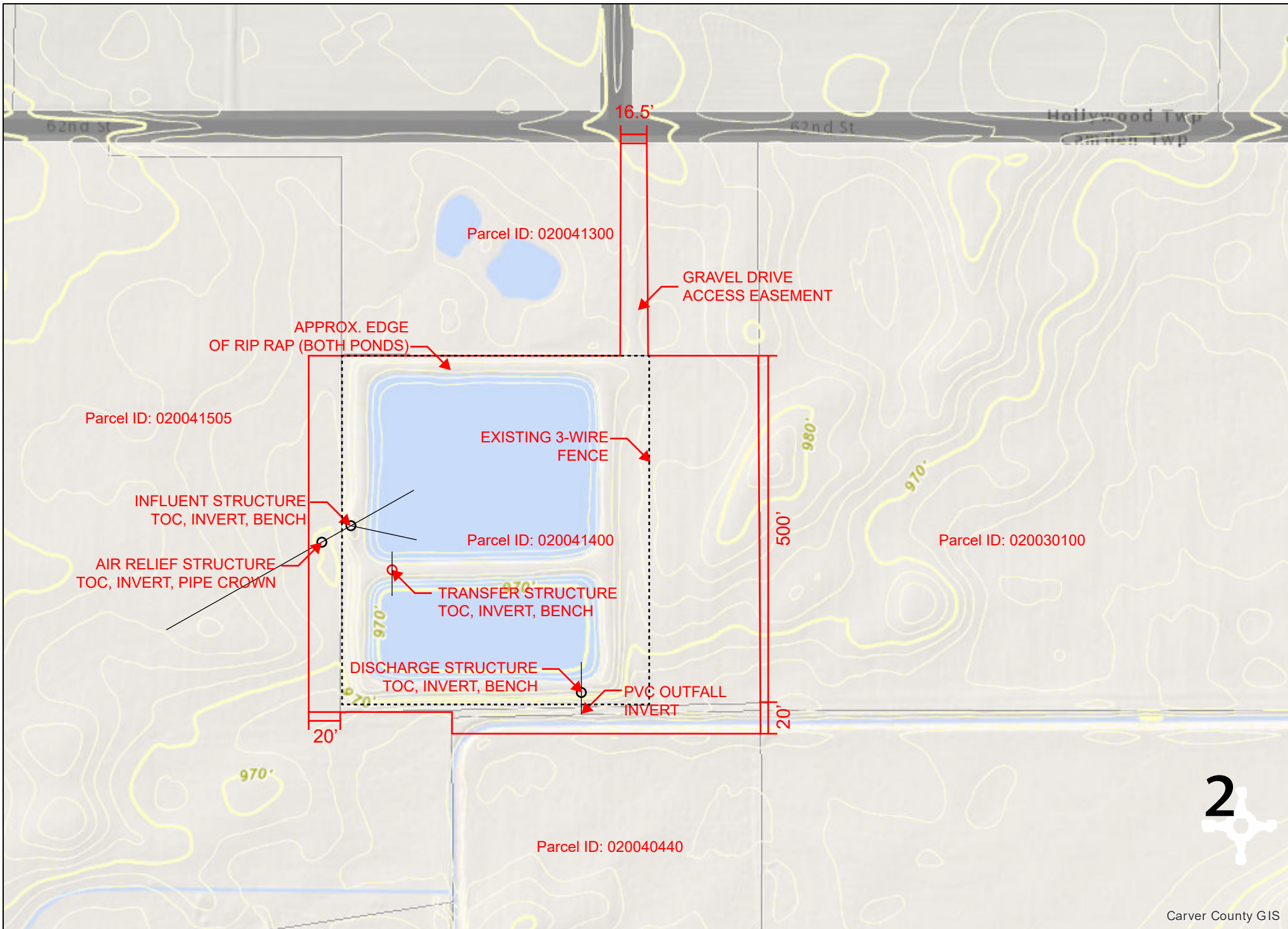
Cara M. Schwahn Otto
DATE: 6/23/06 LICENSE # 40433

OTTO ASSOCIATES
Engineers and Land Surveyors, Inc.

Web Site: www.ottoassociates.com
9 West Division St.
Buffalo, MN 55313
Ph: (763)682-4727
Fax: (763)682-3522

BLACK FOREST ESTATES SECOND ADDITION
SAM MONTGOMERY
NEW GERMANY, MN

PROJECT NO:	2-02-0206
SHEET NO. 11 OF 14 SHEETS	DATE: 06/23/04



This map was created using Carver County's Geographic Information Systems (GIS), it is a compilation of information and data from various City, County, State, and Federal offices. This map is not a surveyed or legally recorded map and is intended to be used as a reference. Carver County is not responsible for any inaccuracies contained herein.

NEW GERMANY STABILIZATION POND SYSTEM

Existing Ponds Built in 1971

Primary Pond
(Existing)

Secondary Pond
(Existing)

Proposed Future
Aerated Pond

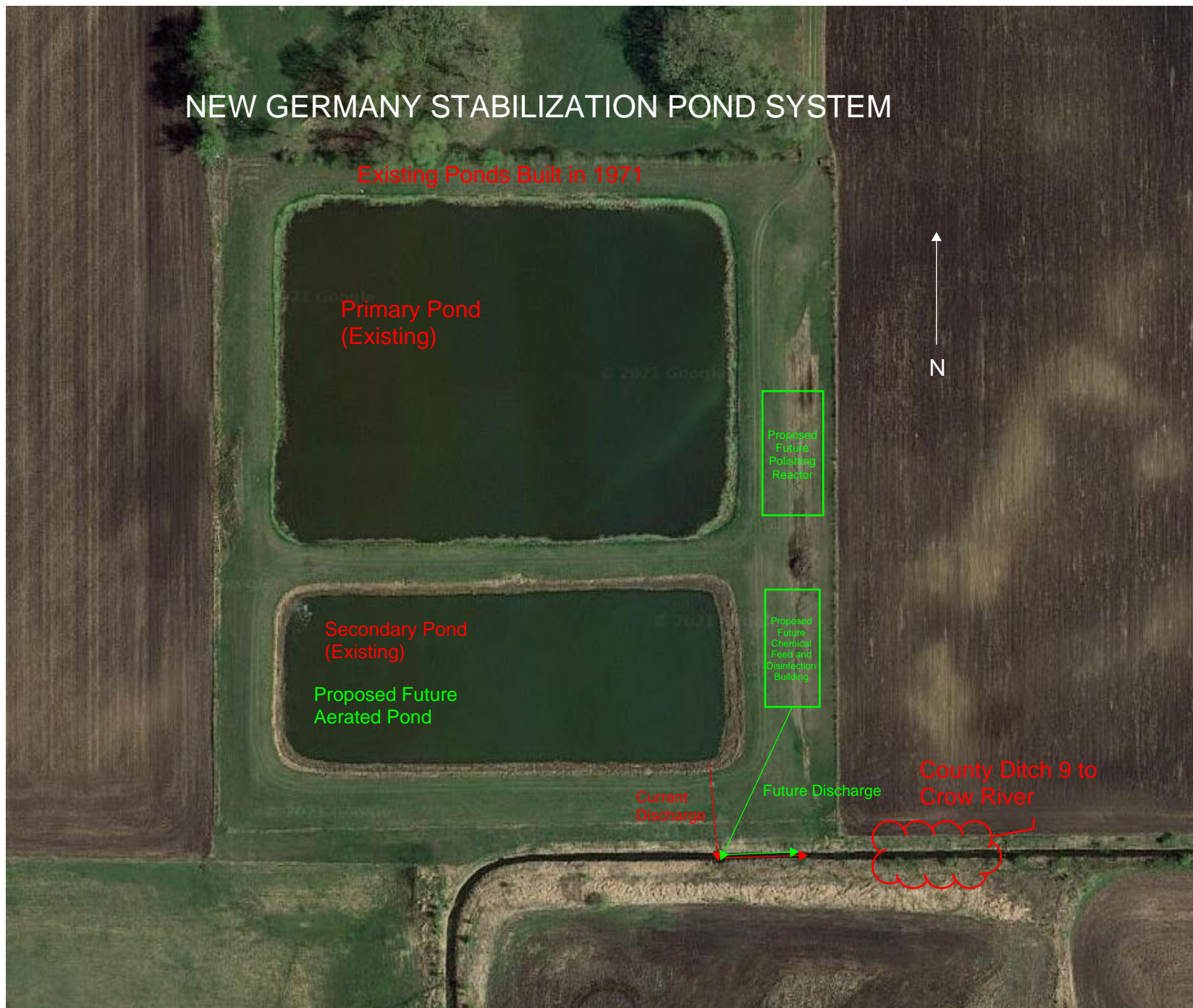
Proposed Future
Polluting
Reactor

Proposed Future
Cleaning
Facility and
Sedimentation
Building

Current
Discharge

Future Discharge

County Ditch 9 to
Crow River



Community Growth Partnership Initiative 2023 Community Pre-Development Grant Application

Project name: *Norwood Young America Comprehensive Housing Study*

Applicant: *City of Norwood Young America*

Contact name: *Karen Hallquist, Community & Economic Development Director*

Contact email and phone: economicdev@cityofnya.com 952-467-1810

Authorized official for contract execution (name and title): *Andrea Aukrust, City Administrator*

Project Summary

The last housing study completed for Norwood Young America was in 2017 by Community Partners Research. It was funded by Carver County CDA to assess the affordable housing options within Carver County. It is recommended cities have a housing study done every five years.

Given the potential for major growth in and around Norwood Young America in the upcoming years (Hwy 212 expansion, Central Public Schools \$37m renovation project), the NYA City Council and Economic Development Commission is wishing to pursue a Comprehensive Housing Needs Study. The study will project housing demand and will provide developers recommendations on the amount and type of housing that could be developed in NYA to satisfy demand from current and future residents. At present time, there is limited affordable and market rate housing. This updated information will be able to provide the framework to assist the City to address housing needs within the community as it continues to grow and the population demographics change.

1. Request Details

1a. Request Amount: **\$7,500**

1b. Proposed activities/use of CGPI funds (check all applicable boxes)

- | | | |
|---|---|--|
| <input type="checkbox"/> Acquisition | <input type="checkbox"/> Utilities | <input type="checkbox"/> Sidewalks/Trails |
| <input type="checkbox"/> Lighting | <input type="checkbox"/> Site Work | <input type="checkbox"/> Demolition |
| <input type="checkbox"/> Landscaping | <input type="checkbox"/> Roadways | <input type="checkbox"/> Stormwater |
| <input type="checkbox"/> Streetscaping | <input type="checkbox"/> Soil Remediation | <input type="checkbox"/> Environmental cleanup |
| <input type="checkbox"/> Parking | <input type="checkbox"/> Relocation | |
| <input checked="" type="checkbox"/> Other (list) – <i>Comprehensive Housing Study</i> | | |

2. Readiness Details

Milestone	Commitment date or anticipated date	Amount
<i>Construction Timeline</i>		
Market/feasibility study	May 3, 2023	
Land use approvals (including any zoning, comprehensive plan amendments, variances, etc.)		Not Applicable
Environmental approvals		Not Applicable
Construction bids		Not Applicable
Permits		Not Applicable
Site control		Not Applicable
Financial closing		Not Applicable
Clean up/demolition		Not Applicable
Begin construction		Not Applicable
Project completion	August 2023	\$15,000
<i>Project Funding Sources</i>		
First mortgage		
General partner cash/other equity		
Syndication proceeds		
Deferred loans		
TIF		
Sales tax/energy rebates		
Deferred developer fee		
Met Council TOD/LCDA/TBRA		
DEED Redevelopment/Cleanup		
DEED MIF/JCF		
Carver County CDA CGPI		
City - Economic Development Commission		\$7,500
Other:		
Other:		

2a. Total development cost: NA

Percentage of funds committed: 50%

2b. List other sources of funds requested or considered but not obtained for the project and explain why.

3. Project Details

3a. Site address(es) *City of Norwood Young America and surrounding areas*

3b. Site size

3c. Number of parcels

3d. Parcel ID(s):

Housing

3e. Are there any existing housing units on the site: Yes No

If so, how many?

Are any of the units vacant? Yes No N/A

3f. Are any of the existing units affordable? Yes No

3g. Housing Units *(Indicate the number of housing units planned in the project)*

	Total Units	New Units	Retained Units	Owner-Occupied	Rental Units	Market Rate	Affordable Units	Affordability Level (% AMI)
Single Family								
Townhome								
Apartments/Condos								
Duplexes								
Other (Specify)								

3h. Is there a mechanism to ensure long term affordability? Yes No

3i. If yes, please describe the type and length of affordability.

3j. Who is the target population for these units (seniors, families, etc.)?

3k. If the project is a rental project, is the owner willing to accept Tenant Based Rental Assistance (Housing Choice Voucher or other tenant based rental assistance)?

Yes No

5. Narrative

5a. Describe how this project fits into the city's goals and the Redevelopment Plan, its public purpose, any extraordinary costs, and the community's need for the project. Describe other projects completed/underway as part of the Redevelopment Plan or in the area and how this project may catalyze additional (re)development.

There is a significant need for an updated housing study for Norwood Young America. Currently, there are fewer than a dozen available buildable lots for single family homes and a low number of rental facilities – both affordable and market rate. With Carver County being the fastest growing county in MN, Highway 212 expanding to four-lanes within the next two years, Central Public Schools renovating their facilities to accommodate an additional 500 students, plus the expansion of the Tacoma West Industrial Park and the need for workforce housing, Norwood Young America is expected to see significant growth. According to the 2040 Comprehensive Plan, Norwood Young America is projected to reach 3,900 households with a 181 percent increase. The study will identify descriptions of housing, density, and affordability NYA can offer and support for housing opportunities.

5b. Provide a brief history of the site including previous uses, slum or blight, activities, contamination and other attempts at redevelopment. NA

5c. How does your project create a more livable community? Include information about the mix of uses, proximity to transit, reduced/shared parking, resiliency, walkable neighborhoods, green space, increased density, benefits to businesses/organizations, and community building elements. NA

5d. Describe any contamination on the project site or in the redevelopment plan area. Was a Response Action Plan developed? Will the project be cleaning up any contaminated soil, hazardous waste or other elements? If so, describe the type of clean up. NA

5e. Describe how the project is maximizing the potential of the site. NA

5f. Will any existing residents, tenants or businesses be temporarily or permanently relocated as a part of this project? If so, please describe how relocation will occur. NA

5g. Describe the biggest challenges or extraordinary costs facing your project and explain why the project is not feasible without CGPI funds. Please include any challenges not previously described such as status of site control, financing, rents and returns, tenants/leasing and other items pertinent to a successful project.

The City of Norwood Young America is very grateful for the financial support from the County for any and all purposes – especially related to the topic of housing.

Attachments

1. City Resolution - attached
2. Location map – attached
3. WSB Comprehensive Housing Study Contract

RESOLUTION NO. 2023-16
CITY OF NORWOOD YOUNG AMERICA



A Resolution Approving Community Growth Partnership Initiative
Predevelopment Grant Application

WHEREAS, the City of Norwood Young America has identified a proposed project within the city that meets the Carver County Community Development Agency (CDA) Community Growth Partnership Initiative Grant Program's purpose and criteria; and

WHEREAS, the City has found a call for an updated Comprehensive Housing Study to identify current and future housing needs with findings to provide the framework to assist local decision-makers to address the City's life-cycle housing needs as the community continues to grow; and

WHEREAS, the City has the capacity and capability to ensure the proposed project will be completed and administered within the Community Growth Partnership Initiative Predevelopment Program guidelines; and

WHEREAS, the City has the legal authority to apply for financial assistance; and

WHEREAS, the City is supportive of affordable housing and of the CDA's mission to improve the lives of Carver County residents through affordable housing and community development.

NOW THEREFORE BE IT RESOLVED that the City of Norwood Young America approves the application for funding from the Carver County CDA Community Growth Partnership Initiative Grant program.

Adopted by the Norwood Young America City Council members this 24th day of April 2023.

Carol Lagergren

Carol Lagergren, Mayor

4-24-23

Date

Angela Brumbaugh

Angela Brumbaugh, City Clerk/Finance Director

4-24-2023

Date



May 3, 2023

Ms. Andrea Aukrust
City Administrator
City of Norwood Young America
PO Box 59
Norwood Young America, MN 55358

RE: Scope of Work and Fee Proposal for Housing Study

Dear Ms. Aukrust:

Thank you for the opportunity to complete the comprehensive housing study for the City of Norwood Young America. Based upon the currently existing contract for General Planning Services and reducing the paperwork generated for both organizations, we are proposing an extension of the existing contract to include the Comprehensive Housing Study. This would still have separate invoicing to allow for the tracking of the project and keeping costs within the approved budget.

The proposed scope of work would be as listed in the attached proposal for the Comprehensive Housing Study for the City of Norwood Young America for a fee not to exceed \$15,000 as shown in the proposal.

I hereby authorize WSB to proceed with the above-referenced work under the terms and conditions of the Professional Services Agreement General Planning Services Only, entered into between the City of Norwood Young America and WSB on March 4, 2022.

By: Andrea Aukrust
Name: Andrea Aukrust
Title: City Administrator
Date: May 3, 2023

If you have questions or require additional information, please contact me at (612) 400-3569

Sincerely,

WSB

James Gromberg, EDFP
Economic Development Coordinator

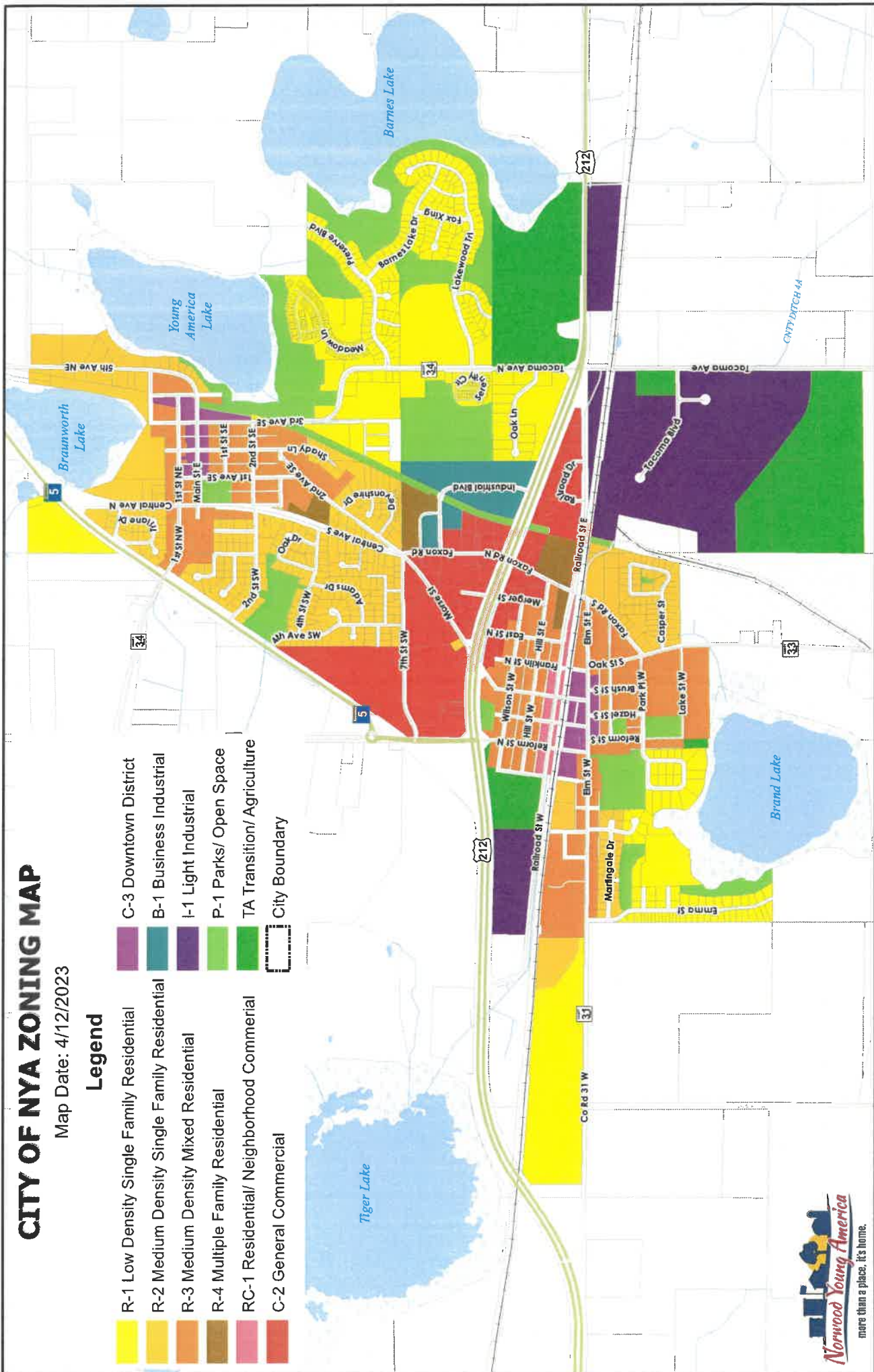
701 XENIA AVENUE S | SUITE 300 | MINNEAPOLIS MN 55416 | 763 541 4800 | WSBENG.COM

CITY OF NYA ZONING MAP

Map Date: 4/12/2023

Legend

- R-1 Low Density Single Family Residential
- R-2 Medium Density Single Family Residential
- R-3 Medium Density Mixed Residential
- R-4 Multiple Family Residential
- RC-1 Residential/ Neighborhood Commercial
- C-2 General Commercial
- C-3 Downtown District
- B-1 Business Industrial
- I-1 Light Industrial
- P-1 Parks/ Open Space
- TA Transition/ Agriculture
- City Boundary





Board of Commissioners

Request for Board Action

Meeting date: July 20, 2023

Agenda number: 5D

DEPARTMENT: Community & Economic Development

FILE TYPE: Regular Agenda

TITLE: 2023 CGPI Pre-Development application for the City of Waconia Waterford Evolution Townhouses project

PURPOSE/ ACTION REQUESTED: Approval of CGPI Pre-Development Application

SUMMARY: The Community Growth Partnership Initiative Grant Program (CGPI) started in January 2016 with the goals to increase the tax base and improve the quality of life in Carver County through Affordable Housing, Community Development, and Predevelopment strategies. As part of the 2023 CDA budget \$400,000 was allocated to the CGPI program. 10% (\$40,000) is reserved for Predevelopment grants leaving \$360,000 for Community Development & Housing grants.

We received one (1) additional application for Pre-development funds

Waconia	\$7,500	Waterford Evolution Townhomes project
---------	---------	---------------------------------------

RECOMMENDATION: CDA staff recommends the CDA Board fund the following project.

Pre-Development: Fund the City of Waconia Pre-Development grant application in the amount of \$7,500.

EXPLANATION OF FISCAL/ FTE IMPACTS:

None Current budget Other Amendment requested New FTE(s) requested

continued on next page

RESOLUTION:

WHEREAS, the Carver County Community Development Agency (CDA) established a Community Growth Partnership Initiative program (Initiative) in 2016 to assist Carver County cities with redevelopment goals and promote the development of affordable housing; and

WHEREAS, the Initiative program has an approved budget of available grant funds of \$400,000 for the fiscal year ending December 31, 2023; and

WHEREAS, Carver County cities and townships can apply up to \$100,000 per community development project (through one or a combination of projects per local government) and up to \$7,500 per pre-development grant (one per local government);

WHEREAS, the CDA received one pre-development grant application for the month of June 2023; and

WHEREAS, the CDA staff reviewed the application based upon the threshold and grant guidelines;

WHEREAS, the CDA staff recommends approving one pre-development grant application; and

NOW, THEREFORE, BE IT RESOLVED by the Carver County Community Development Agency Board of Commissioners as follows:

That the following projects be awarded upon the grantees meeting program guidelines, and entering into grant agreements with the CDA, in form and content acceptable to the Executive Director of the CDA; and

APPLICANT	PROJECT	GRANT SOURCE	FUNDING AMOUNT
City of Waconia	Waterford Evolution Townhomes	Pre-Development	\$7,500

PREVIOUS BOARD ACTION

NA

ATTACHMENTS

2023 CGPI Waconia Waterford Evolution Townhomes

BOARD GOALS

- Focused Housing Programs Collaboration Development/Redevelopment
- Financial Sustainability Operational Effectiveness

PUBLIC ENGAGEMENT LEVEL

- Inform and Listen Discuss Involve N/A

CONTACT

Department Head: Chuck Swanson, Director of Community and Economic Development
Author: Chuck Swanson, Director of Community and Economic Development

Community Growth Partnership Initiative 2023 Community Development Grant Application

Project name: Waterford Evolution Townhomes

Applicant: City of Waconia

Contact name: Lane Braaten, Community Development Director

Contact email and phone: lbraaten@waconia.org (952) 442-3106

Authorized official for contract execution (name and title): Shane Fineran, City Administrator

Project Summary

The City is working with the homeowners located in the Waterford 2nd Addition/ Waterford Evolution CIC neighborhood. The Waterford Evolution CIC Plat was originally approved and recorded in 2006. The majority of the townhomes were constructed, but due to the economic downturn a number of the properties were re-platted single-family residential. The remaining three townhome lots were constructed in 2016 and instead of being combined with the master association, the properties were developed under two additional CIC plats and their own homeowners associations. The platted properties are included in the WATERFORD EVOLUTION II CIC NUMBER 150 (4 units) and WATERFORD EVOLUTION III CIC NUMBER 151 (9 units). Evolution II is a Community Land Trust building, which the City contributed to as a continued support for affordable housing within our community.

The homeowners of the two latest CIC plats have found that the viability of their individual homeowners associations are troubling and/or not viable. So, they are working with the master association to combine all three associations into one.

The City is requesting \$7,500 in funding as part of the CDA's predevelopment grant. The affordable housing aspect of this project requires additional contribution to allow for the necessary surveyor and legal fees associated with the project.

1. Request Details

1a. Request Amount: \$7,500

1b. Proposed activities/use of CGPI funds (check all applicable boxes)

- | | | |
|---|---|--|
| <input type="checkbox"/> Acquisition | <input type="checkbox"/> Utilities | <input type="checkbox"/> Sidewalks/Trails |
| <input type="checkbox"/> Lighting | <input type="checkbox"/> Site Work | <input type="checkbox"/> Demolition |
| <input type="checkbox"/> Landscaping | <input type="checkbox"/> Roadways | <input type="checkbox"/> Stormwater |
| <input type="checkbox"/> Streetscaping | <input type="checkbox"/> Soil Remediation | <input type="checkbox"/> Environmental cleanup |
| <input type="checkbox"/> Parking | <input type="checkbox"/> Relocation | |
| <input checked="" type="checkbox"/> Other (list) Surveyor and legal fees associated with affordable housing | | |

2. Readiness Details

Milestone	Commitment date or anticipated date	Amount
<i>Construction Timeline</i>		
Market/feasibility study		Not Applicable
Land use approvals (including any zoning, comprehensive plan amendments, variances, etc.)		Not Applicable
Environmental approvals		Not Applicable
Construction bids		Not Applicable
Permits		Not Applicable
Site control		Not Applicable
Financial closing		Not Applicable
Clean up/demolition		Not Applicable
Begin construction		Not Applicable
Project completion		Not Applicable
<i>Project Funding Sources</i>		
First mortgage		
General partner cash/other equity		
Syndication proceeds		
Deferred loans		
TIF		
Sales tax/energy rebates		
Deferred developer fee		
Met Council TOD/LCDA/TBRA		
DEED Redevelopment/Cleanup		
DEED MIF/JCF		
Carver County CDA CGPI	\$7,500	
City		
Other: CDA	\$5,400	
Other:		

Commercial

3l. Are there existing commercial buildings on the site: No

Are any of the units vacant? N/A

3m. Commercial square footage *(Indicate the square footage and jobs planned for the project)*

	Total square footage	New square footage	Retained square footage	New FTEs	Retained FTEs	Jobs with wages \geq \$17/hour
Retail/commercial						
Industrial						
Office						
Other (Specify)						

3n. List and describe any businesses that will be located on the site. Identify any that are Small Business Enterprises (SBE), Women Business Enterprises (WBE), Minority Business Enterprises (MBE) or Veteran owned.

4. Project Costs

4a. Current taxable market value of the site: 2023 Value = \$3,514,600.00

4b. Anticipated taxable market value after redevelopment: Retain value of property with the help of the funds.

4c. Development costs

Acquisition cost: Total development cost:

4d. Proposed cost of activities/use of CGPI funds

Activity	Total Cost	CGPI Request
Acquisition		
Utilities		
Sidewalks/Trails		
Lighting		
Site Work		
Demolition		
Landscaping		
Roadways		
Stormwater		
Streetscaping		
Soil Remediation		
Environmental cleanup		
Parking		
Other - Legal & Surveyor Plat Fees	\$20,000	\$7,500
Other		

5. Narrative

5a. Describe how this project fits into the city's goals and the Redevelopment Plan, its public purpose, any extraordinary costs, and the community's need for the project. Describe other projects completed/underway as part of the Redevelopment Plan or in the area and how this project may catalyze additional (re)development.

The City's goals include additional housing affordability, housing for the elderly and housing diversity. The replatting of the Waterford Evolution townhome association properties will allow for us to continue our work for additional affordable housing by maintaining the existing affordable townhomes. The townhomes currently house some elderly and are also a key component in the diversity of our housing supply in the City.

5b. Provide a brief history of the site including previous uses, slum or blight, activities, contamination and other attempts at redevelopment.

The initial development was approved in 2005/2006. Due to the economic downturn it was not completed by the original developer. As such, the final three properties, 13 townhomes, were developed at a later date as part of their own associations, which is now limiting the viability of the associations.

5c. How does your project create a more livable community? Include information about the mix of uses, proximity to transit, reduced/shared parking, resiliency, walkable neighborhoods, green space, increased density, benefits to businesses/organizations, and community building elements.

By resolving this issue we will go a long way in making a walkable neighborhood much more resilient and stable for its existing population. The combination of the three associations will be a benefit to all members by assuring that all structures and green spaces are maintained to a certain standard and insulating each of the property owners with more association members providing funds to resolve any future issues that may arise.

5d. Describe any contamination on the project site or in the redevelopment plan area. Was a Response Action Plan developed? Will the project be cleaning up any contaminated soil, hazardous waste or other elements? If so, describe the type of clean up.

N/A

5e. Describe how the project is maximizing the potential of the site.

The clustering of the townhomes within the residential development was a way to maximize the site potential.

5f. Will any existing residents, tenants or businesses be temporarily or permanently relocated as a part of this project? If so, please describe how relocation will occur.

No.

5g. Describe the biggest challenges or extraordinary costs facing your project and explain why the project is not feasible without CGPI funds. Please include any challenges not previously described such as status of site control, financing, rents and returns, tenants/leasing and other items pertinent to a successful project.

A number of the properties were developed with an affordability component, so the underlying property owners are limited in what they can afford to pay to resolve the issue, which was created by the previous developer. Without CGPI funds, two of the three associations may not be viable moving forward. If the homeowners associations were ultimately dissolved it may cause unintentional affects on the remaining master association.

Attachments

1. City Resolution (sample is attached and must contain all provisions listed)
2. Location map
3. Site plan and elevations (if available)
4. Existing conditions photos
5. Redevelopment plan (if it is a redevelopment project)
6. Relocation plan (if applicable)
7. Copies of any funding commitments
8. Evidence of site control
9. Development pro forma that includes such things as sources and uses, financing assumptions of any debt, debt service coverage ratio, loan to value, loan to cost, percent equity and cash on cash return.

**CITY OF WACONIA
RESOLUTION NO. 2023-131**

**RESOLUTION APPROVING CARVER COUNTY CDA COMMUNITY GROWTH
PARTNERSHIP INITIATIVE GRANT APPLICATION**

WHEREAS, the City of Waconia has identified a proposed project within the city that meets the Carver County Community Development Agency (CDA) Community Growth Partnership Initiative Grant Program's purpose and criteria; and

WHEREAS, the City has established a Redevelopment Plan of which the proposed project is a component; and

WHEREAS, the City has the capacity and capability to ensure the proposed project will be completed and administered within the Community Growth Partnership Initiative predevelopment program guidelines; and

WHEREAS, the City has the legal authority to apply for financial assistance; and

WHEREAS, the City is supportive of affordable housing and of the CDA's mission to improve the lives of Carver County residents through affordable housing and community development.

NOW THEREFORE BE IT RESOLVED that the City of Waconia approves the application for funding from the Carver County CDA Community Growth Partnership Initiative Grant program.

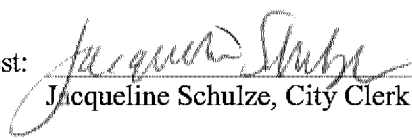
BE IT FURTHER RESOLVED that if the application is approved by the Carver County CDA, the City Administrator is hereby authorized to execute such agreements as are necessary to receive and use the funding for the proposed project.

Adopted by the City Council of the City of Waconia on this 5th day of June, 2023.



Nicole Waldron, Mayor

Attest:



Jacqueline Schulze, City Clerk

LOCATION MAP—WATERFORD EVOLUTION









IX. ADJOURNMENT