



**REGULAR CITY COUNCIL MEETING
RICHFIELD MUNICIPAL CENTER, COUNCIL CHAMBERS
MAY 24, 2022
7:00 PM**

INTRODUCTORY PROCEEDINGS

Call to order

Pledge of Allegiance

Open forum

Each speaker is to keep their comment period to three minutes to allow sufficient time for others. Comments are to be an opportunity to address the Council. Please refer to the City Council web page for additional ways to submit comments. You may also call 612-861-9711 or email kwynn@richfieldmn.gov with questions. Call into the open forum by dialing 1-415-655-0001 Use webinar access code: 2464 289 8547 and password: 1234.

Approve the Minutes of the: (1) Joint City Council, Planning Commission and HRA Work Session of May 10, 2022; and (2) Regular City Council Meeting of May 10, 2022.

PRESENTATIONS

1. Proclamation of the City of Richfield for Kelli Jo Etten-Beyer
2. Proclamation of the City of Richfield for Ruth Evangelista

AGENDA APPROVAL

3. Approval of the Agenda
4. **Consent Calendar contains several separate items, which are acted upon by the City Council in one motion. Once the Consent Calendar has been approved, the individual items and recommended actions have also been approved. No further Council action on these items is necessary. However, any Council Member may request that an item be removed from the Consent Calendar and placed on the regular agenda for Council discussion and action. All items listed on the Consent Calendar are recommended for approval.**
 - A. Consider the approval of an agreement allowing Richfield Department of Public Safety to accept grant monies from the U.S. Department of Justice, Office of Justice Programs, the Edward Byrne Memorial Justice Assistance Grant (JAG) Program.

Staff Report No. 80
 - B. Consider approval of a Temporary On Sale Intoxicating Liquor license for the Steel Domain Wrestling event scheduled to take place June 25, 2022, at Fred Babcock VFW #5555, located at 6715 Lakeshore Dr.

Staff Report No. 81
 - C. Consider the adoption of a resolution authorizing Master Partnership Contract No. 1050202 between the City of Richfield and Minnesota Department of Transportation (MnDOT).

Staff Report No. 82

- D. Consider the acceptance of the quotation from Northland Recreation for \$180,000 for the replacement of play equipment at Monroe and Sheridan Parks and authorize the Recreation Services Director to proceed with the project.

Staff Report No. 83

- E. Consider approval of a Construction Cooperative Agreement with Hennepin County for the County State Aid Highway No. 52/Nicollet Ave Safety Improvement Project.

Staff Report No. 84

- 5. Consideration of items, if any, removed from Consent Calendar

PROPOSED ORDINANCES

- 6. Consider the second reading of an ordinance amending City Code Section 721 to add new Subsection 721.24 related to facility requirements for bulk deicer storage and approval of a resolution authorizing summary publication.

Staff Report No. 85

RESOLUTIONS

- 7. Consider resolutions approving a modification to the Tax Increment Redevelopment Plans for the Lyndale Gateway/Interchange West, Urban Village and City Bella Tax Increment Financing districts, allowing 10 percent of increment to be pooled for affordable housing purposes.

Staff Report No. 86

OTHER BUSINESS

- 8. Consider the approval of an agreement for Prosecution Services with the City of Richfield and H/J Law.

Staff Report No. 87

CITY MANAGER'S REPORT

- 9. City Manager's Report

CLAIMS AND PAYROLLS

- 10. Claims and Payroll

COUNCIL DISCUSSION

- 11. Hats Off to Hometown Hits
- 12. Adjournment

Auxiliary aids for individuals with disabilities are available upon request. Requests must be made at least 96 hours in advance to the City Clerk at 612-861-9739.



CITY COUNCIL MEETING MINUTES

Richfield, Minnesota

Joint City Council, Planning Commission, and HRA Work Session

May 10, 2022

CALL TO ORDER

The work session was called to order by Mayor Pro Tempore Supple at 5:45 p.m. in the Bartholomew Room.

Council Members Present: Mary Supple, Mayor Pro Tempore; Simon Trautmann (5:47 p.m.); Sean Hayford Oleary; and Ben Whalen

Council Members Absent: Maria Regan Gonzalez, Mayor

Planning Commission Members Present: James Rudolph, Chair; Brett Stursa; Brendan Kennealy; and Ben Surma

Planning Commission Members Absent: Kathryn Quam and Eddie Holmvig-Johnson

HRA Members Present: Mary Supple, Chair; Lee Ohnesorge; and Gordon Hanson

HRA Members Absent: Maria Regan Gonzalez; Erin Vrieze Daniels

Staff Present: Katie Rodriguez, City Manager; Melissa Poehlman, Community Development Director; Chris Swanson, Management Analyst; and Kari Sinning, City Clerk

Others Present: Lance Bernard and Bryan Harjes, Representatives of HKGi and Tim Pabst, Representative of Olin 1 LLC

ITEM #1

EXPLORE REDEVELOPMENT GOALS AND DESIGN GUIDELINES FOR PUBLIC AND PRIVATE PROPERTY AT 1600, 1620, AND 1710 - 78TH STREET EAST

Mayor Pro Tempore Supple explained that Mayor Regan Gonzalez is out of town and introduced the topic and Community Development Director Poehlman. Director Poehlman gave a brief overview of the staff report and introduced Lance Bernard and Bryan Harjes from HKGi.

Lance Bernard presented an overview of the site, the ideas that are being explored, the potential site opportunities and challenges, and some prospective examples such as hotels, entertainment developments, and medical/office spaces.

Council Member Hayford O'Leary asked about the ownership of the frontage road right-of-way that is dead ended. Lance Bernard stated that he was unsure but it would be great to utilize that space if it was moved further towards the tunnel. Director Poehlman guessed that it is owned by MnDOT but would follow up. Council Member Hayford O'Leary also asked if they have been in contact or thought about the needs of the Jaguar dealership. Bryan Harjes shared that it was a topic of discussion which could help the dealership and the property in question. Council Member Hayford O'Leary also asked where the retaining walls start to lower towards the tunnel and Director Poehlman showed the locations on the map. Council Member Hayford O'Leary stated that this will hopefully be a gateway to Richfield and it would be great to incorporate those into the area much like Lake Street and Hiawatha Ave.

Council Member Whalen asked about the zoning and use of the site to the northeast that is vacant. Director Poehlman stated that the site is not available for redevelopment and City Manager Rodriguez stated that it must be used for a public use.

Mayor Pro Tempore asked about pedestrian access. Lance Bernard stated that dependent upon the chosen use of the site but they still want to make sure that this is a walkable environment. Director Poehlman explained that there will be pedestrian walkways from Richfield Parkway.

Council Member Trautmann thanked them for the explanation of the site to the northeast and expressed urges to utilize the northeast site to complement the redevelopment. Lance Bernard appreciated the comment as it helps them and potential developers to understand the goals and aspirations of the area.

Lance Bernard shared example ideas and asked the attendees for input that would be in line with their goals of the area. Example ideas included entertainment spaces (bowling, pickleball courts, mini golf, iFly), restaurants with rooftop access to watch the planes, hotels with banquet halls, and medical office uses.

Commissioner Hanson asked about the capacity for a hybrid model (hotel and entertainment). Lance Bernard stated that it might be difficult to incorporate that model into the 3.7 acre site; however, a smaller entertainment like Pinstripes or iFly might work with a hotel. Lance Bernard stated that the specific design is dependent upon the developer and the goal of the work session is to gauge the goals of area.

Commissioner Kennealy was drawn more towards indoor entertainment uses that could be used year round. Lance stated that they were also drawn more towards entertainment uses as it has a regional draw and local asset.

Planning Commission Chair Rudolph expressed interest in entertainment purposes that would be able to be used all year round and promoted a Pinstripes-like atmosphere that could even include curling. Lance Bernard asked the collective group regarding the year round use and Bryan Harjes stated that indoor uses might be more appealing due to travelers from the airport during spring break or the holidays.

Council Member Whalen stated that this site should be a destination to travelers but most importantly be accessible and affordable to the neighborhood. He stated support for indoor entertainment due to the noise of the airport. He strongly encouraged incorporation of neighboring community use; perhaps a new home for Benefactor Brewing of which Director Poehlman has already been in contact with Benefactor about the site.

Council Member Hayford O'Leary shared that this site might be a little out of the way for active social activities as it is kind of boxed in with the dealerships and the residential area but he would be okay with it if the visibility to the freeway brings value to the area.

Council Member Trautmann shared concerns to placing an entertainment site that could be vacant for years with the downturn of the economy and promoted the thought of having a medical office due to the proximity to the airport as a surgical destination. He also promoted the idea of a mid-sized athletic facility that could double as meeting spaces.

Commissioner Stursa expressed consideration of the local neighborhood specifically activities for older kids.

Bryan Harjes asked about the identity of the neighborhood and how Washington Park to the north, the vacant lot to the northeast and this development could collaborate. Director Poehlman shared that the recreation department would like more parking due to the well-attended events at the pickleball courts and soccer fields. Council Member Whalen added that indoor pickleball would be a hit because people are already used to going to the area for that and also strongly urged against a strip mall on this site.

Mayor Pro Tempore Supple shared her aversion to a hotel that could create minimum wage jobs and would like to see opportunities to provide jobs that pay more than minimum wage such as a medical office. She echoed the comment of Commissioner Stursa to provide activities for teens and would support a mixed use. She also shared an idea of a global farmer's market since the area is a food desert.

Commissioner Kennealy shared a brainstorming idea of a concert venue.

Commissioner Ohneosorge stressed the importance of green spaces and shared an idea of a long-term care facility.

Council Member Whalen liked Mayor Pro Tempore Supple's idea of a global market and wondered about indoor playgrounds. Bryan Harjes mentioned something like the Brookview Backyard Indoor Playground in Golden Valley that also has meeting spaces.

Council Member Trautmann also agreed with a cultural or global market that could be a regional draw.

Commissioner Surma mentioned that with the underpass, transit opportunities would be more accessible.

The presenters summarized the prior discussion stating that this site should be integrated into the neighborhood and provide some sort of entertainment value to the community. Bryan Harjes asked for thoughts on how to balance intensity of use and density due to the major interstates and the visibility and the neighborhood aspect.

Council Member Hayford O'Leary shared thoughts that the site should have a minimum height that is as close to the maximum height possible for more visibility from the interstate and as little surface parking as possible.

Commissioner Hanson echoed the comment of Council Member Hayford O'Leary that the site should be used for high intensive use.

Council Member Trautmann asked if parking could be a use of the non-developed parcel to the northeast. City Manager Rodriguez said that it would be.

Commissioner Kennealy asked for clarification of access from the interstate. Director Poehlman stated that if someone was on I-494, they would need to exit at 24th Ave or Portland Ave and reiterated that this should be a destination that would attract people to want to go there purposefully.

Council Member Whalen echoed the comment of high intensive use and possibly stepping it down as it gets closer to the park.

Chair Rudolph asked if the limited access to the site could restrict the type developments. Bryan Harjes stated that with the underpass and the connection to the Mall of America there shouldn't be a problem with that and the site will continue to be a high visibility area; the main difficulty will be how to balance the connection to the neighborhood.

Director Poehlman asked Tim Pabst if there was anything he wanted to add. Tim Pabst stated that they would like to continue to be involved with the project if they are able. Director Poehlman stated that there will be a memorial honor to the Mathwig family that donated the site.

Director Poehlman summarized the work session and the next steps. HGKi gathered feedback from the work session and will meet with the City again for more concrete ideas. She stated that if developers that wonder about the property that the general community would want to see something that provides benefits to the community, provides higher paying jobs, and provides visibility that draws people into Richfield.

Mayor Pro Tempore Supple thanked Tim Pabst for the donation and HGKi for coming to share their ideas.

ADJOURNMENT

The work session was adjourned by unanimous consent at 6:49 p.m.

Date Approved: May 24, 2022

Mary B. Supple
Mayor Pro Tempore

Kari Sinning
City Clerk

Katie Rodriguez
City Manager



CITY COUNCIL MEETING MINUTES

Richfield, Minnesota

Regular Council Meeting

May 10, 2022

CALL TO ORDER

The meeting was called to order by Mayor Pro Tempore Supple at 7:00 p.m. in the Council Chambers.

Council Members Present: Mary Supple, Mayor Pro Tempore; Simon Trautmann; Sean Hayford Oleary; and Ben Whalen

Council Members Absent: Maria Regan Gonzalez, Mayor

Staff Present: Katie Rodriguez, City Manager; Mary Tietjen, City Attorney; Melissa Poehlman, Community Development Director; Kristin Asher, Public Works Director; Chris Swanson, Management Analyst; Jane Skov, IT Manager; and Kari Sinning, City Clerk

Others Present: Ryan Schwickert, MWF Properties LLC;

PLEDGE OF ALLEGIANCE

Mayor Pro Tempore Supple led the Pledge of Allegiance.

OPEN FORUM

Mayor Pro Tempore Supple reviewed the options to participate:

- Participate live by calling 1-415-655-0001 during the open forum portion
- Call prior to meeting 612-861-9711
- Email prior to meeting kwynn@richfieldmn.gov

Octavio Chung Bustamante, 4958 142nd Circle North – Hugo, a LiUna representative, stated concerns with a company that does business with MWF Properties and that responsible contractors should be used to protect the workers from wage theft.

Greg Lemaire, 6345 Washburn Ave, suggested stronger enforcement of the noise ordinance as multiple neighbors have complained about a neighboring house's outdoor music.

APPROVAL OF MINUTES

M/Whalen, S/Hayford Oleary to approve the minutes of the: (1) Joint City Council, Planning Commission and HRA Work Session of April 26, 2022; and (2) Regular City Council Meeting of April 26, 2022.

Motion carried 4-0.

ITEM #1	PROCLAMATION CELEBRATING ASIAN AND PACIFIC AMERICAN HERITAGE MONTH
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Mayor Pro Tempore Supple read aloud the proclamation and was happy to honor this valuable part of the community.

ITEM #2	APPROVAL OF THE AGENDA
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M/Trautmann, S/Hayford Oleary to approve the agenda.

Motion carried 4-0.

ITEM #3	CONSIDER THE FIRST READING OF AN ORDINANCE AMENDING CITY CODE SECTION 721 TO ADD NEW SUBSECTION 721.24 RELATED TO FACILITY REQUIREMENTS FOR BULK DEICER STORAGE AND SCHEDULE A SECOND READING FOR MAY 24, 2022. (STAFF REPORT NO. 75)
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Council Member Whalen presented Staff Report 75.

M/Whalen, S/Hayford Oleary to approve the first reading of an ordinance amending City Code Subsection 721 to add new Section 721.24 related to facility requirements for bulk deicer storage and schedule a second reading for May 24, 2022.

Motion carried 4-0.

ITEM #4	CONSIDER A REQUEST FOR A COMPREHENSIVE PLAN AMENDMENT, REZONING FROM MIXED USE - NEIGHBORHOOD TO PLANNED MIXED USE, PLANNED UNIT DEVELOPMENT, FINAL DEVELOPMENT PLAN AND CONDITIONAL USE PERMIT FOR A MULTI-FAMILY DEVELOPMENT AT 7700 PILLSBURY AVENUE SOUTH. (STAFF REPORT NO. 76)
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Council Member Hayford Oleary presented Staff Report 76.

Community Development Director Poehlman added that there was a discussion at the Planning Commission regarding the EV charging stations that 50 percent are required to be installed and capable and that the proposal from the developer does meet the requirements from the Planning Commission.

Council Member Hayford Oleary asked about the additional parking stalls and bicycle rack requirements. Director Poehlman stated that the parking stalls would be a grassy area that could potentially be parking and that the bicycle racks must be available without moving a vehicle of which if there were racks in front of vehicle parking that they would not count towards the requirement for bicycle racks.

Mayor Pro Tempore Supple asked about the final development plan having a clause to protect worker's wages that was sparked by the open forum comment. Director Poehlman stated that the motion tonight is only a land use permit and that is standard language that does go into our contracts which the HRA will take into consideration as the project moves forward.

Council Member Trautmann expressed that wage theft and worker's rights are a strong priority in the City of Richfield.

Council Member Whalen appreciated the work that Richfield has done to protect worker's rights and encouraged developers to hold themselves up to a higher standard to know that wage theft is being prevented.

Council Member Hayford Oleary expressed concerns for the EV charging requirements and proposed a discussion regarding a change to require 100 percent of the EV charging station requirements instead of 50 percent and stated the reasons which included future changes in electric vehicle ownership, the low range that these vehicles might have, and setting a precedent for future environmental goals.

Council Member Whalen agreed with the proposed change and the reasons for the change. He stated a curiosity for the reasons why they would not do 100 percent and what kind of added expenses there would be. Ryan Schwickert stated that MWF Properties would work to add the requested amount of EV charging station requirements; however, costs can pose an issue as this is an affordable housing project. He also stated that they are flexible on the options for bicycle storage. He mentioned that it should be eight parking stalls exceeding the maximum requirement given the unit mix and other projects that they have completed in the Twin Cities. He also offered to speak with the open forum commenter after the meeting to discuss wage rights.

Mayor Pro Tempore Supple asked Director Poehlman for clarification on the parking. Director Poehlman stated that the handicap stalls were not included in the count and the resolution would state that the additional parking would need further approval if they need. The parking would be based upon the bedroom count and that normally staff would not recommend the maximum to be exceeded but with this project there are more family units planned.

Director Poehlman stated that this project is a fully affordable, tax credit project and shared staff's perspective on how the EV chargers would affect the project of which 50 percent of the requirements would be possible but more than that could cause strain on the financials.

Council Member Whalen asked about the calculation of the parking per bedroom and also the estimated costs of EV chargers if it was 100 percent. He expressed excitement for the project overall and understood the importance of meeting both financial and environmental goals. Director Poehlman stated .7 parking stalls per bedroom.

Council Member Trautmann asked about the process timeline of this development. Director Poehlman stated that the City has a preliminary development agreement with the developer and property has not been sold but the City is not entertaining more offers for the property. She stated that the development team will be applying for tax credits in July.

Council Member Hayford Oleary expressed that EV charging should be a priority as the Council has made it a priority much like other requirements that ensure the future of Richfield.

Mayor Pro Tempore Supple supported the need for extra parking due to the amount of three bedroom units and asked what the difference would be for total amount of 50 percent versus 100 percent of EV chargers. Director Poehlman stated that the proposed 50 percent would be 25 total (20 capable and 5 installed) EV charging stations and 100 percent would be 48 total (41 capable and 7 installed) EV charging stations. Council Member Hayford Oleary asked for clarification of capable and Director Poehlman stated that it would be fully wired and ready to install a charger if needed.

Council Member Whalen was not concerned with the bicycle storage or the excess parking but was torn about the amount EV charging stations.

Council Member Trautmann shared that he was also torn regarding the amount of EV charging stations.

Council Member Hayford Oleary proposed a compromise of having 7 installed chargers and not increase the EV capable stalls. Mayor Pro Tempore Supple expressed support of that compromise. Director Poehlman clarified that it would be 7 installed and 18 capable EV charging stations. Council Member Trautmann supported the compromise as well.

Council Member Hayford Oleary supported the Planning Commission's recommendation and stated that there is value in our parking maximum and this allows them to add more if there is a problem with parking.

M/Hayford Oleary, S/Whalen to approve the attached resolution amending the Comprehensive Plan designation for the subject property from Medium Density Residential to High Density Residential.

RESOLUTION NO. 11973

**RESOLUTION AMENDING THE CITY'S
COMPREHENSIVE PLAN CHANGING THE
DESIGNATION OF 7700 PILLSBURY AVENUE
SOUTH TO "HIGH DENSITY RESIDENTIAL"**

Motion carried 4-0.

M/Hayford Oleary, S/Whalen to approve the ordinance rezoning the subject property from Mixed Use Neighborhood (MU-N) to Planned Mixed Use (PMU).

BILL NO. 2022-8

**AN ORDINANCE RELATING TO ZONING;
AMENDING APPENDIX I TO THE RICHFIELD CITY
CODE BY REZONING 7700 PILLSBURY AVENUE
SOUTH FROM MIXED USE - NEIGHBORHOOD
(MU-N) TO PLANNED MIXED USE (PMU)**

Motion carried 4-0.

M/Hayford Oleary, S/Trautmann to approve the attached resolution granting a Planned Unit Development, Conditional Use Permit, and Final Development Plan for a multi-family residential development at 7700 Pillsbury Avenue South with the resolution modified to require 7 installed EV capable charging stations but retain the overall 50 percent minimum of EV capable stations.

Council Member Whalen asked if it would be better to state a definite number of charging stalls versus a percentage if anything were to change with the numbers of the building. Director Poehlman stated the number of parking stalls is unlikely to change significantly and clarified that the discussion earlier was to increase the amount of installed chargers to 7 and decrease the amount of capable to 18 while still having 25 stalls total. With that clarification, Council Member Hayford Oleary withdrew the motion and made a new motion.

M/Hayford Oleary, S/Trautmann to approve the attached resolution granting a Planned Unit Development, Conditional Use Permit, and Final Development Plan for a multi-family residential development at 7700 Pillsbury Avenue South with a modification to the electric vehicle charging to require seven installed chargers and 18 EV capable parking stalls.

RESOLUTION NO. 11974

**RESOLUTION APPROVING A FINAL
DEVELOPMENT PLAN AND CONDITIONAL USE
PERMIT FOR A PLANNED UNIT DEVELOPMENT
AT 7700 PILLSBURY AVENUE SOUTH**

Council Member Hayford Oleary expressed excitement about this development and that this will be in-line with the broader vision for I-494.

Council Member Whalen agreed with Council Member Hayford Oleary and thanked the developer for working through the details and wished them success in securing the tax credits needed to fund the project.

Council Member Trautmann thanked Director Poehlman for clarifying where they are at in the process and that he understood that when properties are purchased from the city that there is an obligation for prevailing wage to be provided for the workers. He also expressed appreciation to the developer to find a solution to utilizing this underdeveloped area. Director Poehlman clarified that there prevailing wage requirements on city projects but not for private developments; however, there are prevailing wage requirements in the development contract that allow the City to withhold tax increment financing if there are labor violations.

Mayor Pro Tempore Supple expressed gratitude for the quantity of two and three bedrooms for families.

Motion carried 4-0.

ITEM #5	CONSIDER A RESOLUTION PROVIDING FOR THE SALE OF \$10,000,000 GENERAL OBLIGATION BONDS, SERIES 2022A. (STAFF REPORT NO. 77)
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Council Member Trautmann presented Staff Report 77.

City Manager Rodriguez stated this does save \$900,000 over the life of the bond plus lowers the debt service by \$100,000 per year and lowers the levy rate by half a percent each year. She also stated that the budget for the year will be challenging due to increased costs of goods and services.

Council Member Hayford Oleary asked for clarification on the total numbers. Public Works Director Asher stated that a full break down was included in the next council item. Council Member Hayford Oleary appreciated the explanation from City Manager Rodriguez and commented on the use of the money to save interest on bonds for known projects and supported the staff recommendation.

Council Member Trautmann thanked staff for stating how this would impact the community directly so that they can understand.

M/Trautmann, S/Hayford Oleary to approve the attached resolution providing for the sale of \$10,000,000 General Obligation Bonds, Series 2022A.

RESOLUTION NO. 11975

**RESOLUTION PROVIDING FOR THE SALE OF
\$10,000,000 GENERAL OBLIGATIONS BONDS,
SERIES 2022A**

Mayor Pro Tempore Supple read a comment from Mayor Regan Gonzalez that supported the resolution to use the ARPA funding to benefit the future of the City.

Council Member Whalen was not opposing the motion on the table but stated that the savings might be better suited to fund city services rather than a minute tax savings to the residents that own homes. He expressed disinterest in the use of ARPA funds for road projects. He also wondered if other council members thought the same.

Council Member Trautmann stated that the use of this money can preserve the city's borrowing power and stability while providing much needed development along 65th Street. He also stated that is appropriate to look for other priorities for the remaining ARPA funds.

Council Member Hayford Oleary stated that this a worthy project, particularly with HUB redevelopment, although he wished that we had a special assessment policy so the HUB could be contributing to the project. He saw the savings in the staff report as an illustration but not how we would use it because we don't know if we will save or not. He agreed with Council Member Whalen's spirit of using the ARPA funds for other projects but was uncomfortable with committing to the uses at the moment.

Mayor Pro Tempore Supple stated that it was fiscally prudent to use ARPA funds on one time investments and this fits the criteria. She expressed support to invest APRA funds in expenses that are directly tied to covid, have no other funding sources, and that increase the efficiency and equity in the city.

Council Member Whalen commented on the use of special assessments or TIF to help fund the project. City Manager Rodriguez stated that the timeline does not match up since the TIF would be set up at a later time. Director Asher stated that there will be stormwater and water line movement challenges with the HUB redevelopment.

Motion carried 4-0.

ITEM #6	<p>CONSIDER:</p> <ol style="list-style-type: none">1. APPROVING THE BID TABULATION FOR THE 65TH STREET RECONSTRUCTION PROJECT;2. AUTHORIZING THE MAYOR AND CITY MANAGER TO AWARD AND EXECUTE A CONTRACT FOR CONSTRUCTION BETWEEN THE CITY AND EUREKA CONSTRUCTION, INC., FOR THE 65TH STREET RECONSTRUCTION PROJECT IN THE AMOUNT OF \$10,169,400.00; AND3. AUTHORIZING THE CITY MANAGER TO APPROVE CONTRACT CHANGES UP TO \$175,000 WITHOUT FURTHER CITY COUNCIL CONSIDERATION. (STAFF REPORT NO. 74)
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Council Member Hayford Oleary presented Staff Report 74.

M/Hayford Oleary, S/Whalen to: 1) Approve the bid tabulation for the 65th Street Reconstruction Project; 2) Authorize the Mayor Pro Tempore and City Manager to award and execute the contract for construction between the City and Eureka Construction, Inc., for the 65th Street Reconstruction Project in the amount of \$10,169,400.00; and 3) Authorize the City Manager to approve contract changes up to \$175,000 without further City Council consideration.

Council Member Hayford Oleary asked staff to clarify the timeline of construction. Director Asher stated that the contractors were unable to procure a box culvert so construction would start on the outsides, near the HUB and Speedway Gas Station, and work towards the center, Lyndale Ave intersection, instead of the other way around. Mayor Pro Tempore Supple asked if this was a supply chain issue and Director Asher nodded in the affirmative.

Council Member Whalen expressed excitement for this project which is an essential investment in infrastructure that would address accessibility and stormwater issues for the neighborhood.

Council Member Hayford Oleary mentioned that this would be one of the last undivided four lane roads and this project will continue to improve Richfield's safe streets.

Motion carried 4-0.

ITEM #7	CONSIDER THE APPOINTMENT OF COLE HOOEY TO THE PLANNING COMMISSION WITH A TERM EXPIRING JANUARY 31, 2023. (STAFF REPORT NO. 78)
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Council Member Whalen presented Staff Report 78.

M/Whalen, S/Hayford Oleary to appoint Cole Hooey to the Planning Commission with a term expiring January 31, 2023 as it is a mid term appointment.

Council Member Hayford Oleary expressed excitement for the appointment and welcomed Cole to the Planning Commission.

Council Member Whalen stated that Cole has walked all the streets of Richfield and expressed excitement to have Cole on the Planning Commission.

Motion carried 4-0.

ITEM #8	CITY MANAGER'S REPORT
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City Manager Rodriguez had nothing to report.

ITEM #8	CLAIMS AND PAYROLL
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M/Trautmann, S/Whalen that the following claims and payrolls be approved:

U.S. Bank	5/10/2022
A/P Checks: 305823 – 306188	\$ 975,173.18
Payroll: 169873 – 170180, 43466	\$ <u>779,745.05</u>
TOTAL	\$1,754,918.23

Motion carried 4-0

ITEM #9	HATS OFF TO HOMETOWN HITS
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Council Member Whalen mentioned visiting a bike park in Woodbury with Recreation Services Director Markle and Operations Superintendent Chris Link that will be brought to a work session. He appreciated the idea and the care that staff put into researching what works best with the community.

Council Member Hayford O'Leary mentioned the Richfield Foundation Fundraiser event on May 12 and wished a happy 100th birthday to his grandma. Mayor Pro Tempore Supple wished his grandma a happy birthday from the Council as well.

Council Member Trautmann met with a group of realtors who were interested in learning more about Richfield and reflected on all the great work that all staff has done to make Richfield affordable and accessible.

Mayor Pro Tempore Supple mentioned the phenomenal art displayed at the Community Center by the Richfield High School seniors and that, at the All-Conference Art Show, Richfield took three out of the four Best of Show entries. She also thanked those that went to Richfield Lake on Saturday to clean up and mentioned that if there are more community groups that wish to clean up other parks to contact John Evans for supplies. She also did a 'hats off' to Christina Gonzalez, Director of Student Services at Richfield Public Schools, who received the Park Nicollet Foundation 2022 Community Service Award for her work to improve health in the community and she helped to launch and oversee the Park Nicollet Health Center that is attached to the high school.

ITEM #10	ADJOURNMENT
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The meeting was adjourned by unanimous consent at 8:59 p.m.

Date Approved: May 24, 2022

Mary B. Supple
Mayor Pro Tempore

Kari Sinning
City Clerk

Katie Rodriguez
City Manager



Proclamation of the City of Richfield

WHEREAS, In 2007 when Kelli Jo Etten-Beyer was a single mother who voluntarily stepped in and stepped up to come along-side the residents of Life Rebuilders; and

WHEREAS, Kelli helped countless men, women and their families transition into a better life after addiction treatment, and supported numerous families in reconciliation after incarceration; and

WHEREAS, Kelli never backed down or accepted things as they were for the men and women of Life Rebuilders because she believed in their dignity and worked to make the world better for them; and

WHEREAS, Kelli planned and attended residents' life event celebrations and parties; and

WHEREAS, Kelli worked on special events, websites and vendor relations for Life Rebuilders; and

WHEREAS, upon the passing of Kelli, the residents of Life Rebuilders will remember a champion, supporter and sister who always had their back; and

WHEREAS, Life Rebuilders will dedicate its Women's Program house in Richfield, MN in loving memory and honor of Kelli; and

WHEREAS, the Richfield community celebrates Kelli Jo Etten-Beyer's commitment and dedication to the lost and hurting.

NOW, THEREFORE, I, MARIA REGAN GONZALEZ, Mayor of the City of Richfield, do proclaim that the City of Richfield, Minnesota and its citizens that Kelli Jo Etten-Beyer is hereby extended our support and thanks for her service and accomplishments.

PROCLAIMED this 24th day of May, 2022.

Maria Regan Gonzalez, Mayor



Proclamation of the City of Richfield

WHEREAS, Ruth Evangelista knows the data: the benefits of early childhood education last into adulthood; and

WHEREAS, Ruth knows the importance of access to quality early childhood care and education for communities who traditionally have not receive support; and

WHEREAS, Ruth founded La Red Latina de Educación Temprana (The Latino Early Child Care Provider Network) in 2013, with a simple vision for “Happy and educated children”; and

WHEREAS, Ruth recognized parents seeking care for their children often turn to their extended families and informal trusted networks due to the cost of childcare and a desire for care to be rooted in the cultures of the families; and

WHEREAS, La Red provides support and education for Family, Friend, and Neighbor (FFN) caregivers, including nutrition best practices, resources for children’s mental health needs, cultural and linguistic trainings, and guidance for dealing with government policies; and

WHEREAS, Ruth has been a tireless advocate for community FFN caregivers; believing that anyone, with the right support, can be capable of providing quality child care, regardless of formal training; and

WHEREAS, Ruth saw the impact COVID-19 was having on the mental health of not only the children, but parents, and providers. She responded by creating resources for adults to better handle the anxiety they were experiencing; and

WHEREAS, Ruth’s advocacy doesn’t focus on just children: Ruth helped stop the mass displacement of over 1,000 primarily low-income, immigrant and BIPOC renters in Richfield during the COVID -19 pandemic; and

WHEREAS, Ruth has also been a powerful organizer for affordable housing policies generally; and

WHEREAS, because of her amazing work with and in the community, Ruth has received the Virginia McKnight Binger Unsung Hero Award; and

WHEREAS, Ruth sees all her work as part of the same body, she does this work on behalf of La Red and for her community; and

WHEREAS, the Richfield community celebrates Ruth as she has not only brought pride to our city and community, but love and support to families in the Twin Cities and across Minnesota.

NOW, THEREFORE, I, MARIA REGAN GONZALEZ, Mayor of the City of Richfield, do proclaim that the City of Richfield, Minnesota and its citizens that Ruth Evangelista is hereby extended our support for her accomplishments and endless commitment to the community.

PROCLAIMED this 24th day of May, 2022.

Maria Regan Gonzalez, Mayor



STAFF REPORT NO. 80
CITY COUNCIL MEETING
5/24/2022

REPORT PREPARED BY: Jay Henthorne, Director of Public Safety/Chief of Police

DEPARTMENT DIRECTOR REVIEW: Jay Henthorne, Director of Public Safety/Chief of Police
5/2/2022

OTHER DEPARTMENT REVIEW: N/A

CITY MANAGER REVIEW: Katie Rodriguez, City Manager
5/18/2022

ITEM FOR COUNCIL CONSIDERATION:

Consider the approval of an agreement allowing Richfield Department of Public Safety to accept grant monies from the U.S. Department of Justice, Office of Justice Programs, the Edward Byrne Memorial Justice Assistance Grant (JAG) Program.

EXECUTIVE SUMMARY:

The Richfield Police Department is eligible to receive the Edward Byrne Memorial Justice Assistance Grants (JAG) from the Department of Justice and has been awarded a grant for \$9,899.95. The grant money will be used by Public Safety for a disparity study. Grant funding is based on a threshold of reported Group A crimes which are in comparison to the population of the respective community.

Several Hennepin County municipalities receive these grants including the cities of Bloomington, Brooklyn Center, Brooklyn Park, and Minneapolis. The JAG Grants are administered through Hennepin County's Office of Administration.

RECOMMENDED ACTION:

By motion: Approve a resolution allowing Richfield Department of Public Safety to accept grant monies from the U.S. Department of Justice, Office of Justice Programs, the Justice Assistance Grant (JAG) Program.

BASIS OF RECOMMENDATION:

A. HISTORICAL CONTEXT

- The grant money will be used by Public Safety for a disparity study.
- The Public Safety Department has been informed that additional funds will be made available to the department as part of the Edward Byrne Memorial Justice Assistance Grant (JAG). The grant allows states, tribes and local governments to support a broad range of activities to prevent and control crime based on their own local needs and conditions.
- Notification was received that the City of Richfield was approved to receive \$9,889.95 from the JAG Grant for 2021.

B. POLICIES (resolutions, ordinances, regulations, statutes, etc):

- Public Safety does not accept financial support unless it is designated for a specific program that will affect the department as a whole.

- The grant money will be used by Public Safety for a disparity study.
- Minnesota Statute 465.03 requires that every acceptance of a grant or devise of real or personal property on terms prescribed by the donor be made by resolution of more than two-thirds majority of the City Council.
- The Administrative Services Department issued a memo on November 9, 2004 requiring that all grants and restricted donations to departments be received by resolution and by more than two-thirds majority of the City Council in accordance with Minnesota Statute 465.03.

C. CRITICAL TIMING ISSUES:

The grant money will be used by Public Safety for a disparity study.

D. FINANCIAL IMPACT:

Five percent (5%) or \$495.00 of the total \$10,394.95 has been removed as approved by the administrator of the grant for administrative costs. Richfield Public Safety will receive \$9,899.95.

E. LEGAL CONSIDERATION:

N/A

ALTERNATIVE RECOMMENDATION(S):

Council could disapprove of the acceptance of the grant monies and the funds would have to be returned.

PRINCIPAL PARTIES EXPECTED AT MEETING:

None

ATTACHMENTS:

Description	Type
□ Resolution	Resolution Letter
□ Agreement	Contract/Agreement

RESOLUTION NO.

**RESOLUTION AUTHORIZING THE DEPARTMENT OF PUBLIC SAFETY/POLICE TO
ACCEPT THE EDWARDS BYRNE MEMORIAL GRANT (JAG) FOR \$9,899.95 FROM
THE OFFICE OF JUSTICE PROGRAMS TO BE USED FOR A DISPARITY STUDY**

WHEREAS, Richfield Police has been approved by U.S. Department of Justice to participate in funds available to several Hennepin County departments through the Edwards Byrne Memorial Grant (JAG); and

WHEREAS, Richfield is scheduled to be awarded \$to be used as designated by grant agreement which mandates that the funds be used for law enforcement related programs and or equipment; and,

WHEREAS, Richfield has agreed that Hennepin County will serve as the fiscal agent on behalf of the Cities of Bloomington, Brooklyn Center, Brooklyn Park, Minneapolis, and Richfield; and,

WHEREAS, in accordance with the agreement, five percent (5%) (\$495.00) of the total amount (\$10.394.95) has been set aside for the costs associated with administering the JAG funds.

NOW, THEREFORE, BE IT RESOLVED that the City of Richfield, Public Safety Department will accept funds designated for police programs and equipment in accordance to and as listed above.

Adopted by the City Council of the City of Richfield, Minnesota this 24th day of May, 2022.

Maria Regan Gonzalez, Mayor

ATTEST:

Kari Sinning, City Clerk

City of Bloomington	PR00004177
City of Brooklyn Center	PR00004176
City of Brooklyn Park	PR00004175
City of Minneapolis	PR00004174
City of Richfield	PR00004173

AGREEMENT

This Agreement is between the COUNTY OF HENNEPIN, STATE OF MINNESOTA, (the "COUNTY"), the City of Bloomington, the City of Brooklyn Center, the City of Brooklyn Park, the City of Minneapolis, and the City of Richfield ("CITIES") (COUNTY and/or CITIES may be individually called a "PARTY" and collectively called "PARTIES").

WHEREAS, the PARTIES, authorize the COUNTY to submit a grant application to the United States Department of Justice for the FY21 Edward Byrne Memorial Justice Assistance Grant (the "GRANT") (The Catalog of Federal Domestic Assistance -- CFDA number for this grant is 16.738.) on behalf of the PARTIES and to serve as fiscal agent for the PARTIES; and

WHEREAS, the PARTIES recognize the need to set forth the duties and obligations of the PARTIES with respect to the administration of the Grant;

NOW, THEREFORE, in consideration of mutual undertakings and agreements hereafter set forth, the PARTIES hereby agree as follows:

1. TERM

This Agreement shall become effective upon approval by all PARTIES on October 1, 2020 and shall continue through September 30, 2024, or the completion of the services provided hereunder, whichever is earlier, unless terminated earlier in accordance with the provisions herein.

Any Party may cancel this Agreement immediately if the Party reasonably believes there has been a failure to comply with the provisions of this Agreement, or failure to comply with the terms of the Grant award, rules, or guidelines or failure to comply with applicable law.

2. SERVICES TO BE PROVIDED

Hennepin County will submit the FY21 Edward Byrne Memorial Justice Assistance Grant application 15PBJA-21-GG-01601-JAGX ("Grant").

In the event all Grant funds are received, each local unit of government will receive grant funds in the following amounts:

BLOOMINGTON	\$ 20,360.40
BROOKLYN CENTER	\$ 14,027.70
BROOKLYN PARK	\$ 35,351.40
MINNEAPOLIS	\$ 274,447.36
RICHFIELD	\$ 9,899.95
HENNEPIN COUNTY DEPARTMENTS	\$ 207,039.24
HENNEPIN COUNTY FOR ADMINISTRATION	\$ 29,532.95
Total	\$ 590,659.00

If the Grant funds are less than \$590,659.00, the parties shall distribute the actual funds received in proportion to the table above less the costs of administration set forth herein.

If any Grant funds are received, Hennepin County shall serve as the fiscal agent on behalf of the above named local units of government. The COUNTY shall provide financial administrative services necessary for the administration of the grant, including but not limited to the following:

- Satisfy financial and administrative grant requirements.
- Submit financial, programmatic and similar reports required under the grant.
- Work with the Department of Justice to resolve administrative issues.
- Comply with grant conditions regarding financial administration of the grant including but not limited to reporting, data collection and evaluation requirements prescribed by the grant.
- Coordinate compliance with the organization audit requirements attached to the grant.
- Manage grant funds.
- Pursuant to applicable accounting standards and procedures, maintain financial and accounting books and records as shall be necessary, appropriate and convenient for the proper administration of the grant.

For serving as fiscal agent hereunder, COUNTY shall be paid an administrative fee equal to five percent (5%) of the Grant Funds, to be paid upon receipt of the Grant Funds.

3. DUTIES OF THE PARTIES

The PARTIES, individual and collectively, acknowledge that COUNTY will be administering the Grant on their behalf and agree to cooperate fully with COUNTY in all matter with respect to such grant administration so as to allow COUNTY to satisfy the grant requirements, including but not limited to the following acts:

- Comply with the provisions of the Grant award, rules, and guidelines and comply with applicable law including, as applicable, but not limited to the Single Audit Act Amendments of 1996 as amended and Office of Management and Budget Circular A-133.
- Maintain books and records relating to the receipt and expenditure of grant funds for six (6) years after expiration of this Agreement.
- Report on performance measurement goals to the other PARTIES on a quarterly basis.
- Upon request, report the receipt and expenditures to the other PARTIES on a quarterly basis, then report a final accounting, pursuant to applicable accounting standards, upon expiration of this Agreement.
- Supply full and complete information, as requested by COUNTY, so as to allow COUNTY to satisfy the grant conditions and requirements.
- Work together with COUNTY to ensure that all grant conditions and requirements are met.
- Provide COUNTY with data and information sufficient for COUNTY to meet its reporting, data collection and evaluation requirements as prescribed by the grant.
- Eligible expenditures under this grant contract must be incurred by the grantee by the expiration date of the grant agreement.
- Abide by the provisions of the Minnesota Government Data Practices Act, Minnesota Statutes, Chapter 13 (MGDPA), the Health Insurance Portability and Accountability Act and implementing regulations, if applicable, and all other applicable state and federal laws, rules, regulations and orders relating to data privacy or confidentiality.

4. LIABILITY AND INDEMNIFICATION

Each PARTY agrees that it will be responsible for its own errors, acts and omissions and the results thereof to the extent authorized by law and shall not be responsible for the errors, acts and omissions of any other PARTY and the results thereof. CITIES agree to defend, indemnify and hold harmless COUNTY from all liabilities, claims, demands, losses, costs, expenses and causes of action of any kind or character, including the cost of defense thereof, resulting from or related to COUNTY'S role as fiscal agent hereunder.

The PARTIES liability is governed by the provisions of Minnesota Statutes, Chapter 466. Under no circumstances shall a PARTY be required to pay on behalf of itself and other PARTIES any amounts in excess of the limits on liability established in Minnesota Statutes Chapter 466 applicable to any one

PARTY. The statutory limits of liability for some or all of the PARTIES may not be added together or stacked to increase the maximum amount of liability for any party.

5. COUNTERPARTS

This agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same Agreement.

THIS PORTION OF PAGE INTENTIONALLY

COUNTY BOARD AUTHORIZATION

Reviewed for COUNTY by
the County Attorney's Office:

COUNTY OF HENNEPIN
STATE OF MINNESOTA
By:

Mike Bernard

Mike Bernard

E-signed 2022-04-01 04:51PM CDT
Michael.Bernard@hennepin.us
Hennepin County
Assistant Hennepin County Attorney



Reviewed for COUNTY by:

ATTEST:

Board Resolution No:

By:

Document Assembled by:

Carole Kroening

Carole Kroening

E-signed 2022-03-15 09:11AM CDT
Carole.Kroening@hennepin.us
Hennepin County
Administrative Assistant



CONTRACTOR

CONTRACTOR warrants that the person who executed this Agreement is authorized to do so on behalf of CONTRACTOR as required by applicable articles, bylaws, resolutions or ordinances.*

By:

Katie Roay

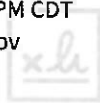
Katie Rodriguez

E-signed 2022-03-18 05:01PM CDT

krodriguez@richfieldmn.gov

City of Richfield

City Manager



By:

Maria Regan Gonzalez

Maria Regan Gonzalez (Mar 30, 2022 13:46 CDT)

Maria Regan Gonzalez

E-signed 2022-03-30 01:46PM CDT

mregan@richfieldmn.gov

Mayor of Richfield



*CONTRACTOR represents and warrants that it has submitted to COUNTY all applicable documentation (articles, bylaws, resolutions or ordinances) that confirms the signatory's delegation of authority. Documentation is not required for a sole proprietorship.



STAFF REPORT NO. 81
CITY COUNCIL MEETING
5/24/2022

REPORT PREPARED BY: Jennifer Anderson, Support Services Manager

DEPARTMENT DIRECTOR REVIEW: Jay Henthorne, Director of Public Safety/Chief of Police
5/16/2022

OTHER DEPARTMENT REVIEW: N/A

CITY MANAGER REVIEW: Katie Rodriguez, City Manager
5/18/2022

ITEM FOR COUNCIL CONSIDERATION:

Consider approval of a Temporary On Sale Intoxicating Liquor license for the Steel Domain Wrestling event scheduled to take place June 25, 2022, at Fred Babcock VFW #5555, located at 6715 Lakeshore Dr.

EXECUTIVE SUMMARY:

On April 22, 2022, the City received application materials for a Temporary On Sale Intoxicating Liquor license for Fred Babcock VFW #5555.

This is for the Steel Domain Wrestling event. The VFW plans to have a ring set up in the parking lot. Food and refreshments, including alcohol, will be sold at the event. Their request is to serve alcohol from 11:00 a.m. to 9:00 p.m.

The Director of Public Safety has reviewed and approved the license application and sees no reason it should be denied.

All required information has been provided and all licensing fees have been received.

RECOMMENDED ACTION:

By motion: Approve the issuance of a Temporary On Sale Intoxicating Liquor license for Fred Babcock VFW #5555 located at 6715 Lakeshore Dr., for the Steel Domain Wrestling event scheduled to take place June 25, 2022.

BASIS OF RECOMMENDATION:

A. HISTORICAL CONTEXT

- The applicant has satisfied the following requirements for the issuance of this license:
 - The required licensing fee has been paid.
 - Proof of liquor liability insurance has been submitted showing Integrity Mutual Insurance Company affording coverage (parking lot included).
 - The applicant has contacted sanitarians from the City of Bloomington to ensure proper food handling practices are followed.
 - Employees of the VFW will be providing security and will patrol the area for this event.

B. POLICIES (resolutions, ordinances, regulations, statutes, etc):

Richfield City Code Section 1202.05 requires all applicants to comply with all of the provisions of this code, as well as the provisions of Minnesota Statue Chapter 340A.

C. CRITICAL TIMING ISSUES:

The sale of intoxicating liquor in the parking lot must cease no later than 9:00 p.m. on June 25, 2022.

D. FINANCIAL IMPACT:

The required licensing fees have been received.

E. LEGAL CONSIDERATION:

There are no legal considerations.

ALTERNATIVE RECOMMENDATION(S):

The Council could deny the requested license; however, that would mean the applicant would not be able to serve alcohol outside to the public during the Steel Domain Wrestling event.

PRINCIPAL PARTIES EXPECTED AT MEETING:

Representative of VFW.



STAFF REPORT NO. 82
CITY COUNCIL MEETING
5/24/2022

REPORT PREPARED BY: Scott Kulzer, Administrative Aide/Analyst

DEPARTMENT DIRECTOR REVIEW: Kristin Asher, Public Works Director
5/17/2022

OTHER DEPARTMENT REVIEW: N/A

CITY MANAGER REVIEW: Katie Rodriguez, City Manager
5/18/2022

ITEM FOR COUNCIL CONSIDERATION:

Consider the adoption of a resolution authorizing Master Partnership Contract No. 1050202 between the City of Richfield and Minnesota Department of Transportation (MnDOT).

EXECUTIVE SUMMARY:

Occasionally the City of Richfield and MnDOT perform minor transportation-related services for each other when constructing, maintaining and improving the transportation system. The proposed Master Partnership Contract allows for those services to occur efficiently through the use of work orders, rather than formal agreements.

The current Master Partnership Contract will expire on June 30, 2022. Without a new contract, MnDOT would be unable to provide certain professional and technical services for the City of Richfield. Services typically include, but are not limited to:

- Traffic signal maintenance
- Engineering services
- Right-of-way assistance
- Roadway maintenance
- Construction administration
- Emergency services

RECOMMENDED ACTION:

By motion: Adopt a resolution authorizing Master Partnership Contract No. 1050202 between the City of Richfield and Minnesota Department of Transportation (MnDOT).

BASIS OF RECOMMENDATION:

A. HISTORICAL CONTEXT

- The current Master Partnership Contract, approved in 2018, will expire on June 30, 2022
- The City regularly uses MnDOT for minor transportation-related services including but not limited to signal maintenance, materials testing and construction administration.

B. POLICIES (resolutions, ordinances, regulations, statutes, etc):

- Minnesota Statutes authorize the Commissioner of Transportation to enter into agreements with

other governmental entities for research and experimentation; for sharing facilities, equipment, staff, data, or other means of providing transportation-related services; or for other cooperative programs that promote efficiencies in providing governmental services for the benefit of the citizens of Minnesota.

- The City wishes to cooperate with other governmental agencies to coordinate the delivery of transportation services and maximize the efficient delivery of such services at all levels of government.

C. CRITICAL TIMING ISSUES:

- The current Master Partnership Contract will expire on June 30, 2022
- Without a new contract, MnDOT would be unable to provide certain professional and technical services for the City of Richfield.

D. FINANCIAL IMPACT:

- None

E. LEGAL CONSIDERATION:

- The City attorney has reviewed the agreement and will be available to answer questions.

ALTERNATIVE RECOMMENDATION(S):

- None

PRINCIPAL PARTIES EXPECTED AT MEETING:

None

ATTACHMENTS:

Description		Type
□	Resolution	Resolution Letter
□	Master Partnership Contract	Contract/Agreement

RESOLUTION NO.

RESOLUTION AUTHORIZING THE CITY OF RICHFIELD TO ENTER INTO MASTER PARTNERSHIP CONTRACT NO. 1050202 WITH THE MINNESOTA DEPARTMENT OF TRANSPORTATION

WHEREAS, The Minnesota Department of Transportation (MnDOT) wishes to cooperate closely with local units of government to coordinate the delivery of transportation services and maximize the efficient delivery of such services at all levels of government; and

WHEREAS, MnDOT and local governments are authorized by Minnesota Statutes sections 471.59, 174.02, and 161.20, to undertake collaborative efforts for the design, construction, maintenance and operation of state and local roads; and

WHEREAS, the parties wish to be able to respond quickly and efficiently to such opportunities for collaboration, and have determined that having the ability to write “work orders” against a master contract would provide the greatest speed and flexibility in responding to identified needs.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Richfield, Minnesota, as follows:

1. That the City of Richfield enter into Master Partnership Contract No. 1050202 with the Minnesota Department of Transportation, a copy of which was before the City Council.
2. That the Mayor and City Manager are authorized to execute such contract and any amendments thereto.
3. That the City Engineer is authorized to negotiate work order contracts pursuant to the Master Contract, which work order contracts may provide for payment to or from MnDOT, and that the City Engineer may execute such work orders on behalf of the City without further approval by this Council, to the extent permitted by state law or charter.

Adopted by the City Council of the City of Richfield, Minnesota this 24th day of May, 2022.

Maria Regan Gonzalez, Mayor

ATTEST:

Kari Sinning, City Clerk

**STATE OF MINNESOTA
MASTER PARTNERSHIP CONTRACT**

This master contract is between the State of Minnesota, acting through its Commissioner of Transportation in this contract referred to as the “State” and the Richfield City, acting through its City Council, in this contract referred to as the “Other Party.”

Recitals

1. The parties are authorized to enter into this contract pursuant to Minnesota Statutes, §§15.061, 471.59 and 174.02.
2. Minn. Stat. § 161.20, subd. 2, authorizes the Commissioner of Transportation to make arrangements with and cooperate with any governmental authority for the purposes of constructing, maintaining and improving the trunk highway system.
3. Each party to this contract is a “road authority” as defined by Minn. Stat. §160.02, subd. 25.
4. Minn. Stat. § 161.39, subd. 1, authorizes a road authority to perform work for another road authority. Such work may include providing technical and engineering advice, assistance and supervision, surveying, preparing plans for the construction or reconstruction of roadways, and performing roadway maintenance.
5. Minn. Stat. §174.02, subd. 6, authorizes the Commissioner of Transportation to enter into contracts with other governmental entities for research and experimentation; for sharing facilities, equipment, staff, data, or other means of providing transportation-related services; or for other cooperative programs that promote efficiencies in providing governmental services, or that further development of innovation in transportation for the benefit of the citizens of Minnesota.
6. Each party wishes to occasionally purchase services from the other party, which the parties agree will enhance the efficiency of delivering governmental services at all levels. This Master Partnership Contract (MPC) provides a framework for the efficient handling of such requests. This MPC contains terms generally governing the relationship between the parties. When specific services are requested, the parties will (unless otherwise specified) enter into a “Work Order” contracts.
7. After the execution of this MPC, the parties may (but are not required to) enter into “Work Order” contracts. These Work Orders will specify the work to be done, timelines for completion, and compensation to be paid for the specific work.
8. The parties are entering into this MPC to establish terms that will govern all of the Work Orders subsequently issued under the authority of this Contract.

Contract

1. Term of Master Partnership Contract; Use of Work Order Contracts; Survival of Terms

- 1.1. **Effective Date:** This contract will be effective on July 1st, 2022, or upon the date last signed by all State officials as required under Minn. Stat. § 16C.05, subd. 2, whichever occurs last. The Other Party must not begin work under this Contract until ALL required signatures have been obtained and the Other Party has been notified in writing to begin such work by the State’s Authorized Representative.
- 1.2. **Expiration Date.** This Contract will expire on June 30, 2027.
- 1.3. **Exhibits.** Exhibit A is attached and incorporated into this agreement.
- 1.4. **Work Order Contracts.** A work order contract must be negotiated and executed (by both the State and the Other Party) for each particular engagement, except for Technical Services provided by the State to the Other Party as specified in Article 2. The work order contract must specify the detailed scope of work and deliverables for that project. A party must not begin work under a work order until the work order is fully

executed. The terms of this MPC will apply to all work orders contracts issued, unless specifically varied in the work order. The Other Party understands that this MPC is not a guarantee of any payments or work order assignments, and that payments will only be issued for work actually performed under fully-executed work orders.

- 1.5. **Survival of Terms.** The following clauses survive the expiration or cancellation of this master contract and all work order contracts: 12. Liability; 13. State Audits; 14. Government Data Practices and Intellectual Property; 17. Publicity; 18. Governing Law, Jurisdiction, and Venue; and 22. Data Disclosure. All terms of this MPC will survive with respect to any work order contract issued prior to the expiration date of the MPC.
- 1.6. **Sample Work Order.** A sample work order contract is available upon request from the State.
- 1.7. **Definition of “Providing Party” and “Requesting Party”.** For the purpose of assigning certain duties and obligations in the MPC to work order contracts, the following definitions will apply throughout the MPC. “Requesting Party” is defined as the party requesting the other party to perform work under a work order contract. “Providing Party” is defined as the party performing the scope of work under a work order contract.

2. Technical Services

- 2.1. Technical Services include repetitive low-cost services routinely performed by the State for the Other Party. If requested and authorized by the Other Party, these services may be performed by the State for the Other Party without the execution of a work order, as these services are provided in accordance with standardized practices and processes and do not require a detailed scope of work. Exhibit A – Table of Technical Services is attached.
 - 2.1.1. Every other service not falling under the services listed in Exhibit A will require a work order contract (If you have questions regarding whether a service is covered under 2.1.1, please contact Contract Management).
- 2.2. The Other Party may request the State to perform Technical Services in an informal manner, such as by the use of email, a purchase order, or by delivering materials to a State lab and requesting testing. A request may be made via telephone, but will not be considered accepted unless acknowledged in writing by the State.
- 2.3. The State will promptly inform the Other Party if the State will be unable to perform the requested Technical Services. Otherwise, the State will perform the Technical Services in accordance with the State’s normal processes and practices, including scheduling practices taking into account the availability of State staff and equipment.
- 2.4. **Payment Basis.** Unless otherwise agreed to by the parties prior to performance of the services, the State will charge the Other Party the State’s then-current rate for performing the Technical Services. The then-current rate may include the State’s normal and customary additives. The State will invoice the Other Party upon completion of the services, or at regular intervals not more than once monthly as agreed upon by the parties. The invoice will provide a summary of the Technical Services provided by the State during the invoice period.

3. Services Requiring a Work Order Contract

- 3.1. **Work Order Contracts:** A party may request the other party to perform any of the following services under individual work order contracts.
- 3.2. **Professional and Technical Services.** A party may provide professional and technical services upon the request of the other party. As defined by Minn. Stat. §16C.08, subd. 1, professional/technical services “means services that are intellectual in character, including consultation, analysis, evaluation, prediction, planning, programming, or recommendation; and result in the production of a report or completion of a task.” Professional and technical services do not include providing supplies or materials except as incidental to performing such services. Professional and technical services include (by way of example and without limitation) cultural resources, engineering services, surveying, foundation recommendations and reports, environmental documentation, right-of-way assistance (such as performing appraisals or providing

relocation assistance, but excluding the exercise of the power of eminent domain), geometric layouts, final construction plans, graphic presentations, public relations, and facilitating open houses. A party will normally provide such services with its own personnel; however, a party's professional/technical services may also include hiring and managing outside consultants to perform work provided that a party itself provides active project management for the use of such outside consultants.

- 3.3. **Roadway Maintenance.** A party may provide roadway maintenance upon the request of the other party. Roadway maintenance does not include roadway reconstruction. This work may include but is not limited to snow removal, ditch spraying, roadside mowing, bituminous mill and overlay (only small projects), seal coat, bridge hits, major retaining wall failures, major drainage failures, and message painting. All services must be performed by an employee with sufficient skills, training, expertise or certification to perform such work, and work must be supervised by a qualified employee of the party performing the work.
- 3.4. **Construction Administration.** A party may administer roadway construction projects upon the request of the other party. Roadway construction includes (by way of example and without limitation) the construction, reconstruction, or rehabilitation of mainline, shoulder, median, pedestrian or bicycle pathway, lighting and signal systems, pavement mill and overlays, seal coating, guardrail installation, and channelization. These services may be performed by the Providing Party's own forces, or the Providing Party may administer outside contracts for such work. Construction administration may include letting and awarding construction contracts for such work (including state projects to be completed in conjunction with local projects). All contract administration services must be performed by an employee with sufficient skills, training, expertise or certification to perform such work.
- 3.5. **Emergency Services.** A party may provide aid upon request of the other party in the event of a man-made disaster, natural disaster or other act of God. Emergency services includes all those services as the parties mutually agree are necessary to plan for, prepare for, deal with, and recover from emergency situations. These services include, without limitation, planning, engineering, construction, maintenance, and removal and disposal services related to things such as road closures, traffic control, debris removal, flood protection and mitigation, sign repair, sandbag activities and general cleanup. Work will be performed by an employee with sufficient skills, training, expertise or certification to perform such work, and work must be supervised by a qualified employee of the party performing the work. If it is not feasible to have an executed work order prior to performance of the work, the parties will promptly confer to determine whether work may be commenced without a fully-executed work order in place. If work commences without a fully-executed work order, the parties will follow up with execution of a work order as soon as feasible.
- 3.6. When a need is identified, the State and the Other Party will discuss the proposed work and the resources needed to perform the work. If a party desires to perform such work, the parties will negotiate the specific and detailed work tasks and cost. The State will then prepare a work order contract. Generally, a work order contract will be limited to one specific project/engagement, although "on call" work orders may be prepared for certain types of services, especially for "Technical Services" items as identified section 2.1.. The work order will also identify specific deliverables required, and timeframes for completing work. A work order must be fully executed by the parties prior to work being commenced. The Other Party will not be paid for work performed prior to execution of a work order contract and authorization by the State.

4. Responsibilities of the Providing Party

- 4.1. **Terms Applicable to ALL Work Order Contracts.** The terms in this section 4.1 will apply to ALL work order contracts.
 - 4.1.1. Each work order will identify an Authorized Representative for each party. Each party's authorized representative is responsible for administering the work order, and has the authority to make any decisions regarding the work, and to give and receive any notices required or permitted under this MPC or the work order.
 - 4.1.2. The Providing Party will furnish and assign a publicly employed licensed engineer (Project Engineer), to be in responsible charge of the project(s) and to supervise and direct the work to be performed under each work order contract. For services not requiring an engineer, the Providing Party will

furnish and assign another responsible employee to be in charge of the project. The services of the Providing Party under a work order contract may not be otherwise assigned, sublet, or transferred unless approved in writing by the Requesting Party's authorized representative. This written consent will in no way relieve the Providing Party from its primary responsibility for the work.

- 4.1.3. If the Other Party is the Providing Party, the Project Engineer may request in writing specific engineering and/or technical services from the State, pursuant to Minn. Stat. Section 161.39. The work order Contract will require the Other Party to deposit payment in advance. The costs and expenses will include the current State additives and overhead rates, subject to adjustment based on actual direct costs that have been verified by audit.
- 4.1.4. Only the receipt of a fully executed work order contract authorizes the Providing Party to begin work on a project. Any and all effort, expenses, or actions taken by the Providing Party before the work order contract is fully executed are considered unauthorized and undertaken at the risk of non-payment.
- 4.1.5. In connection with the performance of this contract and any work orders issued, the Providing Agency will comply with all applicable Federal and State laws and regulations. When the Providing Party is authorized or permitted to award contracts in connection with any work order, the Providing Party will require and cause its contractors and subcontractors to comply with all Federal and State laws and regulations.
- 4.2. **Additional Terms for Roadway Maintenance.** The terms of section 4.1 and this section 4.2 will apply to all work orders for Roadway Maintenance.
 - 4.2.1. Unless otherwise provided for by contract or work order, the Providing Party must obtain all permits and sanctions that may be required for the proper and lawful performance of the work.
 - 4.2.2. The Providing Party must perform maintenance in accordance with MnDOT maintenance manuals, policies and operations.
 - 4.2.3. The Providing Party must use State-approved materials, including (by way of example and without limitation), sign posts, sign sheeting, and de-icing and anti-icing chemicals.
- 4.3. **Additional Terms for Construction Administration.** The terms of section 4.1 and this section 4.3 will apply to all work order contracts for construction administration.
 - 4.3.1. Contract(s) must be awarded to the lowest responsible bidder or best value proposer in accordance with state law.
 - 4.3.2. Contractor(s) must be required to post payment and performance bonds in an amount equal to the contract amount. The Providing Party will take all necessary action to make claims against such bonds in the event of any default by the contractor.
 - 4.3.3. Contractor(s) must be required to perform work in accordance with the latest edition of the Minnesota Department of Transportation Standard Specifications for Construction.
 - 4.3.4. For work performed on State right-of-way, contractor(s) must be required to indemnify and hold the State harmless against any loss incurred with respect to the performance of the contracted work, and must be required to provide evidence of insurance coverage commensurate with project risk.
 - 4.3.5. Contractor(s) must pay prevailing wages pursuant to applicable state and federal law.
 - 4.3.6. Contractor(s) must comply with all applicable Federal, and State laws, ordinances and regulations, including but not limited to applicable human rights/anti-discrimination laws and laws concerning the participation of Disadvantaged Business Enterprises in federally-assisted contracts.
 - 4.3.7. Unless otherwise agreed in a work order contract, each party will be responsible for providing rights of way, easement, and construction permits for its portion of the improvements. Each party will, upon the other's request, furnish copies of right of way certificates, easements, and construction permits.

- 4.3.8. The Providing Party may approve minor changes to the Requesting Party's portion of the project work if such changes do not increase the Requesting Party's cost obligation under the applicable work order contract.
- 4.3.9. The Providing Party will not approve any contractor claims for additional compensation without the Requesting Party's written approval, and the execution of a proper amendment to the applicable work order contract when necessary. The Other Party will tender the processing and defense of any such claims to the State upon the State's request.
- 4.3.10. The Other Party must coordinate all trunk highway work affecting any utilities with the State's Utilities Office.
- 4.3.11. The Providing Party must coordinate all necessary detours with the Requesting Party.
- 4.3.12. If the Other Party is the Providing Party, and there is work performed on the trunk highway right-of-way, the following will apply:
 - a. The Other Party will have a permit to perform the work on the trunk highway. The State may revoke this permit if the work is not being performed in a safe, proper and skillful manner, or if the contractor is violating the terms of any law, regulation, or permit applicable to the work. The State will have no liability to the Other Party, or its contractor, if work is suspended or stopped due to any such condition or concern.
 - b. The Other Party will require its contractor to conduct all traffic control in accordance with the Minnesota Manual on Uniform Traffic Control Devices.
 - c. The Other Party will require its contractor to comply with the terms of all permits issued for the project including, but not limited to, National Pollutant Discharge Elimination System (NPDES) and other environmental permits.
 - d. All improvements constructed on the State's right-of-way will become the property of the State.

5. Responsibilities of the Requesting Party

- 5.1. After authorizing the Providing Party to begin work, the Requesting Party will furnish any data or material in its possession relating to the project that may be of use to the Providing Party in performing the work.
- 5.2. All such data furnished to the Providing Party will remain the property of the Requesting Party and will be promptly returned upon the Requesting Party's request or upon the expiration or termination of this contract (subject to data retention requirements of the Minnesota Government Data Practices Act and other applicable law).
- 5.3. The Providing Party will analyze all such data furnished by the Requesting Party. If the Providing Party finds any such data to be incorrect or incomplete, the Providing Party will bring the facts to the attention of the Requesting Party before proceeding with the part of the project affected. The Providing Party will investigate the matter, and if it finds that such data is incorrect or incomplete, it will promptly determine a method for furnishing corrected data. Delay in furnishing data will not be considered justification for an adjustment in compensation.
- 5.4. The State will provide to the Other Party copies of any Trunk Highway fund clauses to be included in the bid solicitation and will provide any required Trunk Highway fund provisions to be included in the Proposal for Highway Construction, that are different from those required for State Aid construction.
- 5.5. The Requesting Party will perform final reviews and inspections of its portion of the project work. If the work is found to have been completed in accordance with the work order contract, the Requesting Party will promptly release any remaining funds due the Providing Party for the Project(s).
- 5.6. The work order contracts may include additional responsibilities to be completed by the Requesting Party.

6. Time

- 6.1. In the performance of project work under a work order contract, time is of the essence.

7. Consideration and Payment

- 7.1. **Consideration.** The Requesting Party will pay the Providing Party as specified in the work order. The State's normal and customary additives will apply to work performed by the State, unless otherwise specified in the work order. The State's normal and customary additives will not apply if the parties agree to a "lump sum" or "unit rate" payment.
- 7.2. **State's Maximum Obligation.** The total compensation to be paid by the State to the Other Party under all work order contracts issued pursuant to this MPC will not exceed \$500,000.00.
- 7.3. **Travel Expenses.** It is anticipated that all travel expenses will be included in the base cost of the Providing Party's services, and unless otherwise specifically set forth in an applicable work order contract, the Providing Party will not be separately reimbursed for travel and subsistence expenses incurred by the Providing Party in performing any work order contract. In those cases where the State agrees to reimburse travel expenses, such expenses will be reimbursed in the same manner and in no greater amount than provided in the current "MnDOT Travel Regulations" a copy of which is on file with and available from the MnDOT District Office. The Other Party will not be reimbursed for travel and subsistence expenses incurred outside of Minnesota unless it has received the State's prior written approval for such travel.

7.4. Payment

- 7.4.1. **Generally.** The Requesting Party will pay the Providing Party as specified in the applicable work order, and will make prompt payment in accordance with Minnesota law.
- 7.4.2. **Payment by the Other Party.**
 - a. The Other Party will make payment to the order of the Commissioner of Transportation.
 - b. IMPORTANT NOTE: PAYMENT MUST REFERENCE THE "MNDOT CONTRACT NUMBER" SHOWN ON THE FACE PAGE OF THIS CONTRACT AND THE "INVOICE NUMBER" ON THE INVOICE RECEIVED FROM MNDOT.
 - c. Remit payment to the address below:
MnDOT
Attn: Cash Accounting
RE: MnDOT Contract Number 1050202W[XX] and Invoice Number: 00000[#####]
(see note above)
Mail Stop 215
395 John Ireland Blvd
St. Paul, MN 55155
- 7.4.3. **Payment by the State.**
 - a. Generally. The State will promptly pay the Other Party after the Other Party presents an itemized invoice for the services actually performed and the State's Authorized Representative accepts the invoiced services. Invoices must be submitted as specified in the applicable work order, but no more frequently than monthly.
 - b. Retainage for Professional and Technical Services. For work orders for professional and technical services, as required by Minn. Stat. § 16C.08, subd. 2(10), no more than 90 percent of the amount due under any work order contract may be paid until the final product of the work order contract has been reviewed by the State's authorized representative. The balance due will be paid when the State's authorized representative determines that the Other Party has satisfactorily fulfilled all the terms of the work order contract.

8. Conditions of Payment

- 8.1. All work performed by the Providing Party under a work order contract must be performed to the Requesting Party's satisfaction, as determined at the sole and reasonable discretion of the Requesting Party's Authorized Representative and in accordance with all applicable federal and state laws, rules, and

regulations. The Providing Party will not receive payment for work found by the Requesting Party to be unsatisfactory or performed in violation of federal or state law.

9. State's Authorized Representative and Project Manager

- 9.1. The State's Authorized Representative for this master contract is the District State Aid Engineer, who has the responsibility to monitor the State's performance.
- 9.2. The State's Project Manager will be identified in each work order contract.

10. Other Party's Authorized Representative and Project Manager

- 10.1. The Other Party's Authorized Representative for administering this master contract is the Other Party's Engineer, and the Engineer has the responsibility to monitor the Other Party's performance. The Other Party's Authorized Representative is also authorized to execute work order contracts on behalf of the Other Party without approval of each proposed work order contract by its governing body.
- 10.2. The Other Party's Project Manager will be identified in each work order contract.

11. Assignment, Amendments, Waiver, and Contract Complete

- 11.1. **Assignment.** Neither party may assign or transfer any rights or obligations under this MPC or any work order contract without the prior consent of the other and a fully executed Assignment Contract, executed and approved by the same parties who executed and approved this MPC, or their successors in office.
- 11.2. **Amendments.** Any amendment to this master contract or any work order contract must be in writing and will not be effective until it has been executed and approved by the same parties who executed and approved the original contract, or their successors in office.
- 11.3. **Waiver.** If a party fails to enforce any provision of this master contract or any work order contract, that failure does not waive the provision or the party's right to subsequently enforce it.
- 11.4. **Contract Complete.** This master contract and any work order contract contain all negotiations and contracts between the State and the Other Party. No other understanding regarding this master contract or any work order contract issued hereunder, whether written or oral may be used to bind either party.

12. Liability

- 12.1. Each party will be responsible for its own acts and omissions to the extent provided by law. The Other Party's liability is governed by Minn. Stat. chapter 466 and other applicable law. The State's liability is governed by Minn. Stat. section 3.736 and other applicable law. This clause will not be construed to bar any legal remedies a party may have for the other party's failure to fulfill its obligations under this master contract or any work order contract. Neither party agrees to assume any environmental liability on behalf of the other party. A Providing Party under any work order is acting only as a "Contractor" to the Requesting Party, as the term "Contractor" is defined in Minn. Stat. §115B.03 (subd. 10), and is entitled to the protections afforded to a "Contractor" by the Minnesota Environmental Response and Liability Act. The parties specifically intend that Minn. Stat. §471.59 subd. 1a will apply to any work undertaken under this MPC and any work order issued hereunder.

13. State Audits

- 13.1. Under Minn. Stat. § 16C.05, subd. 5, the party's books, records, documents, and accounting procedures and practices relevant to any work order contract are subject to examination by the parties and by the State Auditor or Legislative Auditor, as appropriate, for a minimum of six years from the end of this MPC.

14. Government Data Practices and Intellectual Property

- 14.1. **Government Data Practices.** The Other Party and State must comply with the Minnesota Government Data Practices Act, Minn. Stat. Ch. 13, as it applies to all data provided by the State under this MPC and any work order contract, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Other Party under this MPC and any work order contract. The civil remedies of Minn. Stat. § 13.08 apply to the release of the data referred to in this clause by either the Other Party or the State.
- 14.2. **Intellectual Property Rights**

14.2.1. Intellectual Property Rights. The Requesting Party will own all rights, title, and interest in all of the intellectual property rights, including copyrights, patents, trade secrets, trademarks, and service marks in the Works and Documents created and paid for under work order contracts. Works means all inventions, improvements, discoveries (whether or not patentable), databases, computer programs, reports, notes, studies, photographs, negatives, designs, drawings, specifications, materials, tapes, and disks conceived, reduced to practice, created or originated by the Providing Party, its employees, agents, and subcontractors, either individually or jointly with others in the performance of this master contract or any work order contract. Works includes "Documents." Documents are the originals of any databases, computer programs, reports, notes, studies, photographs, negatives, designs, drawings, specifications, materials, tapes, disks, or other materials, whether in tangible or electronic forms, prepared by the Providing Party, its employees, agents, or contractors, in the performance of a work order contract. The Documents will be the exclusive property of the Requesting Party and all such Documents must be immediately returned to the Requesting Party by the Providing Party upon completion or cancellation of the work order contract. To the extent possible, those Works eligible for copyright protection under the United States Copyright Act will be deemed to be "works made for hire." The Providing Party Government assigns all right, title, and interest it may have in the Works and the Documents to the Requesting Party. The Providing Party must, at the request of the Requesting Party, execute all papers and perform all other acts necessary to transfer or record the Requesting Party's ownership interest in the Works and Documents. Notwithstanding the foregoing, the Requesting Party grants the Providing Party an irrevocable and royalty-free license to use such intellectual property for its own non-commercial purposes, including dissemination to political subdivisions of the state of Minnesota and to transportation-related agencies such as the American Association of State Highway and Transportation Officials.

14.2.2. Obligations with Respect to Intellectual Property.

- a. **Notification.** Whenever any invention, improvement, or discovery (whether or not patentable) is made or conceived for the first time or actually or constructively reduced to practice by the Providing Party, including its employees and subcontractors, in the performance of the work order contract, the Providing Party will immediately give the Requesting Party's Authorized Representative written notice thereof, and must promptly furnish the Authorized Representative with complete information and/or disclosure thereon.
- b. **Representation.** The Providing Party must perform all acts, and take all steps necessary to ensure that all intellectual property rights in the Works and Documents are the sole property of the Requesting Party, and that neither Providing Party nor its employees, agents or contractors retain any interest in and to the Works and Documents.

15. Affirmative Action

- 15.1. The State intends to carry out its responsibility for requiring affirmative action by its Contractors, pursuant to Minn. Stat. §363A.36. Pursuant to that Statute, the Other Party is encouraged to prepare and implement an affirmative action plan for the employment of minority persons, women, and the qualified disabled, and submit such plan to the Commissioner of the Minnesota Department of Human Rights. In addition, when the Other Party lets a contract for the performance of work under a work order issued pursuant to this MPC, it must include the following in the bid or proposal solicitation and any contracts awarded as a result thereof:
- 15.2. **Covered Contracts and Contractors.** If the Contract exceeds \$100,000 and the Contractor employed more than 40 full-time employees on a single working day during the previous 12 months in Minnesota or in the state where it has its principle place of business, then the Contractor must comply with the requirements of Minn. Stat. § 363A.36 and Minn. R. Parts 5000.3400-5000.3600. A Contractor covered by Minn. Stat. § 363A.36 because it employed more than 40 full-time employees in another state and does not have a certificate of compliance, must certify that it is in compliance with federal affirmative action requirements.

- 15.3. **Minn. Stat. § 363A.36.** Minn. Stat. § 363A.36 requires the Contractor to have an affirmative action plan for the employment of minority persons, women, and qualified disabled individuals approved by the Minnesota Commissioner of Human Rights ("Commissioner") as indicated by a certificate of compliance. The law addresses suspension or revocation of a certificate of compliance and contract consequences in that event. A contract awarded without a certificate of compliance may be voided.
- 15.4. **Minn. R. Parts 5000.3400-5000.3600.**
- 15.4.1. **General.** Minn. R. Parts 5000.3400-5000.3600 implement Minn. Stat. § 363A.36. These rules include, but are not limited to, criteria for contents, approval, and implementation of affirmative action plans; procedures for issuing certificates of compliance and criteria for determining a contractor's compliance status; procedures for addressing deficiencies, sanctions, and notice and hearing; annual compliance reports; procedures for compliance review; and contract consequences for non-compliance. The specific criteria for approval or rejection of an affirmative action plan are contained in various provisions of Minn. R. Parts 5000.3400-5000.3600 including, but not limited to, parts 5000.3420-5000.3500 and 5000.3552-5000.3559.
- 15.4.2. **Disabled Workers.** The Contractor must comply with the following affirmative action requirements for disabled workers:
- The Contractor must not discriminate against any employee or applicant for employment because of physical or mental disability in regard to any position for which the employee or applicant for employment is qualified. The Contractor agrees to take affirmative action to employ, advance in employment, and otherwise treat qualified disabled persons without discrimination based upon their physical or mental disability in all employment practices such as the following: employment, upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.
 - The Contractor agrees to comply with the rules and relevant orders of the Minnesota Department of Human Rights issued pursuant to the Minnesota Human Rights Act.
 - In the event of the Contractor's noncompliance with the requirements of this clause, actions for noncompliance may be taken in accordance with Minn. Stat. Section 363A.36, and the rules and relevant orders of the Minnesota Department of Human Rights issued pursuant to the Minnesota Human Rights Act.
 - The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the commissioner of the Minnesota Department of Human Rights. Such notices must state the Contractor's obligation under the law to take affirmative action to employ and advance in employment qualified disabled employees and applicants for employment, and the rights of applicants and employees.
 - The Contractor must notify each labor union or representative of workers with which it has a collective bargaining agreement or other contract understanding, that the Contractor is bound by the terms of Minn. Stat. Section 363A.36, of the Minnesota Human Rights Act and is committed to take affirmative action to employ and advance in employment physically and mentally disabled persons.
- 15.4.3. **Consequences.** The consequences for the Contractor's failure to implement its affirmative action plan or make a good faith effort to do so include, but are not limited to, suspension or revocation of a certificate of compliance by the Commissioner, refusal by the Commissioner to approve subsequent plans, and termination of all or part of this contract by the Commissioner or the State.
- 15.4.4. **Certification.** The Contractor hereby certifies that it is in compliance with the requirements of Minn. Stat. § 363A.36 and Minn. R. Parts 5000.3400-5000.3600 and is aware of the consequences for noncompliance.

16. Workers' Compensation

- 16.1. Each party will be responsible for its own employees for any workers compensation claims. This MPC, and any work order contracts issued hereunder, are not intended to constitute an interchange of government employees under Minn. Stat. §15.53. To the extent that this MPC, or any work order issued hereunder, is determined to be subject to Minn. Stat. §15.53, such statute will control to the extent of any conflict between the contract and the statute.

17. Publicity

- 17.1. **Publicity.** Any publicity regarding the subject matter of a work order contract where the State is the Requesting Party must identify the State as the sponsoring agency and must not be released without prior written approval from the State's Authorized Representative. For purposes of this provision, publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Other Party individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from a work order contract.
- 17.2. **Data Practices Act.** Section 17.1 is not intended to override the Other Party's responsibilities under the Minnesota Government Data Practices Act.

18. Governing Law, Jurisdiction, and Venue

- 18.1. Minnesota law, without regard to its choice-of-law provisions, governs this master contract and all work order contracts. Venue for all legal proceedings out of this master contract or any work order contracts, or the breach of any such contracts, must be in the appropriate state or federal court with competent jurisdiction in Ramsey County, Minnesota.

19. Prompt Payment; Payment to Subcontractors

- 19.1. The parties must make prompt payment of their obligations in accordance with applicable law. As required by Minn. Stat. § 16A.1245, when the Other Party lets a contract for work pursuant to any work order, the Other Party must require its contractor to pay all subcontractors, less any retainage, within 10 calendar days of the prime contractor's receipt of payment from the Other Party for undisputed services provided by the subcontractor(s) and must pay interest at the rate of one and one-half percent per month or any part of a month to the subcontractor(s) on any undisputed amount not paid on time to the subcontractor(s).

20. Minn. Stat. § 181.59.

- 20.1. The Other Party will comply with the provisions of Minn. Stat. § 181.59 which requires: Every contract for or on behalf of the state of Minnesota, or any county, city, town, township, school, school district, or any other district in the state, for materials, supplies, or construction shall contain provisions by which the Contractor agrees: (1) That, in the hiring of common or skilled labor for the performance of any work under any contract, or any subcontract, no contractor, material supplier, or vendor, shall, by reason of race, creed, or color, discriminate against the person or persons who are citizens of the United States or resident aliens who are qualified and available to perform the work to which the employment relates; (2) That no contractor, material supplier, or vendor, shall, in any manner, discriminate against, or intimidate, or prevent the employment of any person or persons identified in clause (1) of this section, or on being hired, prevent, or conspire to prevent, the person or persons from the performance of work under any contract on account of race, creed, or color; (3) That a violation of this section is a misdemeanor; and (4) That this contract may be canceled or terminated by the state, county, city, town, school board, or any other person authorized to grant the contracts for employment, and all money due, or to become due under the contract, may be forfeited for a second or any subsequent violation of the terms or conditions of this contract.

21. Termination; Suspension

- 21.1. **Termination by the State for Convenience.** The State or commissioner of Administration may cancel this MPC and any work order contracts at any time, with or without cause, upon 30 days written notice to the Other Party. Upon termination, the Other Party and the State will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed.
- 21.2. **Termination by the Other Party for Convenience.** The Other Party may cancel this MPC and any work order contracts at any time, with or without cause, upon 30 days written notice to the State. Upon termination,

the Other Party and the State will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed.

- 21.3. **Termination for Insufficient Funding.** The State may immediately terminate or suspend this MPC and any work order contract if it does not obtain funding from the Minnesota legislature or other funding source; or if funding cannot be continued at a level sufficient to allow for the payment of the services covered here. Termination or suspension must be by written or fax notice to the Other Party. The State is not obligated to pay for any services that are provided after notice and effective date of termination or suspension. However, the Other Party will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed to the extent that funds are available. The State will not be assessed any penalty if the master contract or work order is terminated because of the decision of the Minnesota legislature or other funding source, not to appropriate funds. The State must provide the Other Party notice of the lack of funding within a reasonable time of the State's receiving that notice.

22. Data Disclosure

- 22.1. Under Minn. Stat. §270C.65, subd. 3, and other applicable law, the Other Party consents to disclosure of its federal employer tax identification number, and/or Minnesota tax identification number, already provided to the State, to federal and state tax agencies and state personnel involved in the payment of state obligations. These identification numbers may be used in the enforcement of federal and state tax laws which could result in action requiring the Other Party to file state tax returns and pay delinquent state tax liabilities, if any.

23. Defense of Claims and Lawsuits

- 23.1. If any lawsuit or claim is filed by a third party (including but not limited to the Other Party's contractors and subcontractors), arising out of trunk highway work performed pursuant to a valid work order issued under this MPC, the Other Party will, at the discretion of and upon the request of the State, tender the defense of such claims to the State or allow the State to participate in the defense of such claims. The Other Party will, however, be solely responsible for defending any lawsuit or claim, or any portion thereof, when the claim or cause of action asserted is based on its own acts or omissions in performing or supervising the work. The Other Party will not purport to represent the State in any litigation, settlement, or alternative dispute resolution process. The State will not be responsible for any judgment entered against the Other Party, and will not be bound by the terms of any settlement entered into by the Other Party except with the written approval of the Attorney General and the Commissioner of Transportation and pursuant to applicable law.

24. Additional Provisions

- 24.1. NONE

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OTHER PARTY

The Other Party certifies that the appropriate person(s) have executed the contract on behalf of the Other Party as required by applicable articles, bylaws, resolutions or ordinances.

By: _____

Title: _____

Date: _____

By: _____

Title: _____

Date: _____

COMMISSIONER OF TRANSPORTATION

By: _____

Date: _____

Title: _____

COMMISSIONER OF ADMINISTRATION

By: _____

Date: _____

Exhibit A – Table of Technical Services
Master Partnership Contract Program FY 2023-2027

Date: 3/28/2022

Source Code	Title	Description
1735	Bituminous Plant Inspection	Performing QA/QC physical testing at the plant; sampling and transporting of materials from the plant to the lab for lab testing, plant reviews, and operations; investigating plant discrepancies; and other technical services in the plant or office associated with bituminous plant inspection.
2830	Bridge Bearing Assemblies	All tasks related to the repair and maintenance of fixed or expansion-bearing assemblies on bridges. Includes related traffic
2819	Bridge Curb, Walk And Railing	Repairing and maintaining bridge curb, walk, rail, coping, and fencing connected to the rail. Includes glare screen and median barriers on bridges. Includes related traffic control.
2820	Bridge Deck	Work associated with bridge deck and slab repair regardless of removal depth or type of material used for patching. Includes deck or slab overlays and replacements and underside deck delamination. Includes related traffic control.
2838	Bridge Deck Crack Sealing	All tasks related to deck crack sealing. Includes related traffic control.
2827	Bridge Expansion, Relief Joints	All maintenance tasks associated with bridge expansion joints, except joint reestablishment. Includes tightening expansion device bolts and replacing seal glands. Includes related traffic control.
2855	Bridge Inspection Direct Support	Activities that support bridge inspection, but are not direct production (i.e., leadership, technical, administrative assistance.
2828	Bridge Inspection-Federal Fund	All bridge inspection tasks for non-MnDOT bridges funded by the federal Fracture-Critical Bridge Program (Project Code will begin with TSL and with the local bridge number). Includes related inspection reports. For MnDOT Trunk Highway bridges (Project Code begins with TSO followed by the bridge number) and local and Department of Natural Resources (DNR) (bridge number begins with 9A follow by bridge number) bridge inspections to be billed to the local government or Department of Natural Resources (DNR) use Source Code 2824.
2824	Bridge Inspection-Non-Federal	All tasks related to inventory, inspection, and load capacity rating work done on trunk highway bridges to meet the requirements of the National Bridge Inspection System and/or Minnesota Bridge Safety Inspection Program or for billing to local governments. Includes related inspection reports and deck condition surveys.
1421	Bridge Management System Operation/Administration/Data	Use for tasks related to the Bridge Management System, including operations, administration, or data entry.
2847	Bridge Poured/ Relief Joint Seal	All tasks associated with resealing bridge construction joints. Includes related traffic control. Related source type codes: Activities that support bridge inspection, but are not direct production (i.e., leadership, technical, administrative assistance).
2829	Bridge Superstructure	All tasks to repair any bridge component above the bridge seat that is not included in other source codes. Includes repairs to all types of bridge superstructure elements such as girders, beams, floor beams, trusses, stringers, t-beams, precast channels, and box girders. Includes related traffic control.
2316	Brush & Tree Removal	Maintaining, watering, trimming, and removing highway right of way tree and brush. Includes chipping of tree limbs and stump removal/grinding. Includes related traffic control.
0032	Business Unit Management	All expenses of business/office managers for general management and administration of support functions. includes administering central facilities maintenance and facilities capital budgets.
3000	Class Of Frequency Coordination	Use for frequency coordination done with APCO, AASHTO or FCCA.

Source		
Code	Title	Description
1733	Concrete Plant Inspections	Performing QA/QC physical testing at the plant; sampling and transporting of materials from the plant to the lab for lab testing, plant reviews, and operations; investigating plant discrepancies; and other technical services in the plant or office associated with stationary concrete plants or mobile concrete paving plant inspection.
1734	Construction Materials Inspections	Performing construction phase material inspection and engineering, for structural steel, precast and pre-stressed concrete, reinforcement steel, and electrical products and related technical services in the field and office for materials to be used in multiple projects. Includes travel time, sampling, and sample delivery. Includes tasks related to reviewing shop drawings furnished by suppliers or fabricators and contractor working drawings or calculations, and for tasks related to structural metals inspection (materials surveys, physical and chemical laboratory testing, material inspection and engineering, and technical services in the field and offices).
1802	Construction Surveying	Use for surveys to provide staking for the contractor's operations and for any other construction phase surveying
2106	Crack Sealing	All surface crack sealing, crack filling, or rout and seal operations. Includes related materials, hauling, stockpiling, and traffic control.
3023	Elec Comm Eq Rep - Miles	
0400	Equipment Calibration-Mat Insp	Use when performing periodic equipment calibration for equipment used in the materials lab or on construction projects.
1800	Field Inspection	All construction project field inspection (not cyclical inspection of assets), including preparatory plans & spec review, measurement, and verification other than environmental monitoring. Includes field inspection of materials such as gradations, densities/DCP, proctors, compaction, slump tests, and field air tests. Witnessing claims, determination and computation of pay quantities, materials control and certification for progress vouchers, but not for final payments. Includes collecting and transporting samples for lab tests, but not the actual laboratory verifications. Includes all construction phase project related activities for project and resident engineers such as problem resolution, guidance and direction to field technicians. Includes all miscellaneous field engineering expenses used by district offices such as space rental, utilities, or other costs charged to the construction project Includes all work associated with evaluation of implementation of intelligent compaction devices to determine if construction contract terms have been met.
1040	Final Design Surveys	All district field and office tasks needed to respond to supplemental "Requests for Survey Data" and add the data to the surveys base map or DTM.
0601	Gen Training Preparation - Delivery	Use for time, materials, and travel expenses when developing or delivering training. includes course preparation, designing materials, and managing training records.
2210	Guardrail-Install/Repair/Maintenance	Install, repair, or maintain low tension cable, plate beams, and end treatments; cable tension adjustments; and reflector replacement. includes related traffic control.
2624	Indirect Expense	Indirect shop expenses and shop equipment. Allocate to mobile equipment.
1871	Lighting Maintenance & Utilities	All work related to installing, maintaining, restoring, or removing highway lighting systems and fixtures. Includes repairing, maintaining, or replacing supports necessary for roadway lighting luminaries. Includes patrol highway lighting, inspect lighting structures, electrical service for highway lighting, re-lamping, pump stations, anti-icing systems, truck roll-over warning systems and electrical repairs. Includes traffic control in support of roadway lighting activities. Use for tasks related to public inquiries/complaints, review utility billings, provide data, and conduct field reviews.

Source Code	Title	Description
1875	Locate One Call	Finding and marking locations of buried conduit, cables, hand holes, loops, etc. in order to maintain or repair the traffic management system, signal systems, or roadway lighting systems.
1732	Material Testing & Inspection	Performing construction phase and research physical and chemical laboratory testing, and related technical services in the districts and central labs, and for performing research and construction phase non-destructive testing materials surveys, and related technical services in the field and offices. Includes detour surveys. Non-destructive tests include, skid resistance and falling weight deflectometer (FWD) testing.
2660	Misc Revenue	Used only by Office of Financial Management for billing and deposit transactions and to record payments to the department for gravel sold to contractors and others.
2822	Miscellaneous Bridge Maintenance	Miscellaneous maintenance tasks performed on a specific bridge or structure not covered by other source codes. Includes work on items such as stairways, drains, fencing, light bases, transient guards, and access doors. Includes transient removal, ordering materials, and picking up equipment. Includes related traffic control.
3049	On Call Electronic Communications Infrastructure Maintenance	To be used by Statewide Radio Communications personnel to record on-call time.
2142	Overhead Sign Panel Maintenance	Work related to the repair and replacement of overhead sign panels, extruded sign panels mounted on I-beams, and overhead sign structures. Includes related cable locates and traffic control. Does not include structural work.
2102	Patching	Related source type codes: 2103-Heavy patching, 2104-Bituminous paving, 2105-Blow patching
1520	Pavement Management System	For tasks related to the operation of the pavement management system, including development and maintenance/technical support. Includes tasks to meet needs external to MnDOT.
2406	Plowing & Material Application	Shoulder to shoulder snow removal operation, winging back, snow blowing drifts, and the application of de-icing chemicals using mobile equipment. Includes changing cutting edges during event and related traffic control.
3005	Radio - Mobile Equipment	Use for the repair and preventative maintenance of all equipment associated with wireless two-way radio communications systems (includes mobile radios, portable radios, base stations, console workstations, recorders, etc.). Non-MnDOT equipment - Must use Project number assigned to requesting agency (State Patrol, DNR, BCA, Fire Marshall). See OSRC Project Code list.
3027	Radio Programming	Creating or modifying radio frequency programs and programming mobile and portable radios. Does not include mobile radios used as fixed base radios as part of the Inter-OP System (Use 3009).
3002	Radio/Electronic Infrastructure	Use for the repair and preventative maintenance of all equipment associated with wireless two-way radio communications systems (includes mobile radios, portable radios, base stations, console workstations, recorders, etc.). Non-MnDOT equipment - Must use Project number assigned to requesting agency; Department of Public Safety (DPS) includes State Patrol (SP) Bureau of Criminal Apprehension (BCA), Fire Marshall); does not include Department of Natural Resources (DNR). See OSRC Project
3007	Radio/Electronic System Engineering	Use for design of microwave, radio and miscellaneous electronic systems.
3009	Radio/Electronic System Upgrade & Installation	Use for the installation and other services needed to provide major system upgrades or improvements to wireless or electronic systems. Use for all work performed to correct or repair deficiencies found in a new installation.
1716	Record Sampling	Used by Materials and Research Section and district materials staff to verify inspector" sampling and testing procedures and checking inspectors' equipment during project construction as required by FHWA. Use when performing field tests on split sample.

Source Code	Title	Description
2222	Sign/Delineation/Marker Repair	Replacing, repairing, and washing signs (including temporary stop signs). Includes re-sequencing intersection signing and repair/replace overhead and extrude signs mounted on I-beams. Includes related cable locates and traffic control.
1182	Soils/Foundation Field/Laboratory Tests	All laboratory testing necessary to provide geotechnical information to complete roadway soils recommendations and approvals for use in the development of Final Design Plans and Special Provisions. Lab work includes R-value, resilient modulus, soil classification, gradation, proctor testing, unconfined compression, consolidation, direct simple shear, direct shear, permeability and triaxial tests.
1879	State Furnished Materials	Use to record labor hours, equipment usage, and material costs to supply state furnished materials to a state road construction project with federal participation.
1738	State Project - Specific Materials Inspection	Performing material inspection and engineering for materials designated for a specific construction project (SP). Generally applies to inspection of such things as structural steel, prestressed concrete items, and most precast concrete items and related technical services in the field and offices when related to a particular SP. Use for SP specific tasks related to performing the review of shop drawings furnished by suppliers or fabricators and contractor working drawings or calculations, and for tasks related to structural metals inspection (materials surveys, physical and chemical laboratory testing, material inspection and engineering and technical services in the field and offices).
1434	Structural Metals Inspection-Non DOT	Reviewing shop drawings furnished by suppliers, fabricators, and contractors (working drawing or calculations), and for tasks related to structural metals inspection (materials surveys, physical and chemical laboratory testing, material inspection and engineering, and technical services in the field and offices) for local agency projects.
2629	Supplies & Small Tools	Shop tools, small equipment, and supplies that cannot be directly charged to a mobile equipment unit.
0152	Support Services	Work that supports general office management, system management such as entering data into SWIFT, PPMS, PUMA and other MnDOT systems, attending staff meetings and other indirect support activities.
1312	Tech Assist-Outside MnDOT	Use when providing technical assistance to an organization external to MnDOT.
3025	Tower/Building Maintenance	Use for all tasks related to the maintenance of a tower building or site. Includes towers, buildings, generators, LP system, fencing, landscaping, grounding, ice bridge, cable management, climbing ladders, card key systems, and HVAC.
1876	Traffic Counting	Use to record labor, equipment usage, and material costs for activities related to traffic counts made for statewide traffic monitoring or traffic operations. Includes all activities related to traffic counting, such as taking requests, assigning priorities, collecting field data, processing data, and developing new techniques for collection.
1501	Traffic Management System (TMS)	Used by traffic operations staff for all tasks that support the RTMC's operations center (or TOCC) providing traveler information, managing incidents and monitoring the FMS. Includes dynamic message sign maintenance, ramp meter maintenance, camera maintenance, and loop detection activities. Includes maintenance activities related to any ITS or TMS device such as RTMC cables, monitor wall, switchers, routers, or modems. Use to record all costs for maintenance activities related to traffic management fiber optics. Use for tasks related to maintaining traffic operations software including minor software enhancements and fixes. Use when providing traffic operations technical assistance external to MnDOT. Use with

Source Code	Title	Description
1513	Traffic Management System (TMS) Integration	For tasks associated with the incorporation of new and existing TMS devices (cameras, loops, DMS, and other ITS devices) into existing infrastructure to ensure proper operation. Use with the Construction/Program Delivery Appropriation.
1500	Traffic Mgt System Maintenance	Used by staff to maintain various Intelligent Transportation System (ITS) devices such as dynamic message signs, ramp meters, cameras, detection, cables, RICWS, video wall monitors, switches, routers or modems. Used to record all costs for maintenance activities related to traffic management fiber optics. Not to be used for Lighting or Traffic Signal maintenance.
1721	Traffic Sign Work Orders	Use for work involved in preparing work orders for traffic signs. Use only with Maintenance Operations appropriation (T790081).
2863	Traffic Signal Inspection	Work related to cyclical structural and electrical inspection and preventive maintenance checks of traffic signal systems/structures. Includes labor, equipment, materials, and traffic control.
1870	Traffic Signal Maintenance	Work related to the structural repair and replacement of traffic signal system structures and all electrical maintenance for traffic signal systems including electrical power, labor, equipment materials, GSOC locates, traffic control and responses to public inquiries.
2834	Waterway Maintenance	All tasks related to waterway maintenance for deck bridges. Includes debris removal, waterway cleanup, channel repair, and channel protection repair that is not part of slope protection. Includes related traffic control.



STAFF REPORT NO. 83
CITY COUNCIL MEETING
5/24/2022

REPORT PREPARED BY: John Evans, Executive Analyst

DEPARTMENT DIRECTOR REVIEW: Amy Markle, Recreation Services Director
5/18/2022

OTHER DEPARTMENT REVIEW: None

CITY MANAGER REVIEW: Katie Rodriguez, City Manager
5/18/2022

ITEM FOR COUNCIL CONSIDERATION:

Consider the acceptance of the quotation from Northland Recreation for \$180,000 for the replacement of play equipment at Monroe and Sheridan Parks and authorize the Recreation Services Director to proceed with the project.

EXECUTIVE SUMMARY:

On April 15, a request for proposal was released to solicit proposals for the replacement of the outdated play equipment at Monroe and Sheridan Parks. The project is part of the approved 2022 Capital Improvement Budget and allocates \$90,000 per park for the project.

Open houses and surveys were conducted to solicit input from residents living near each of these parks. In the survey, residents were asked to indicate which types of play features, color schemes, themes, and play activities they preferred for their neighborhood park; these preferences informed many of the specifications within the request for proposal. The deadline for play equipment vendors to submit their proposals was Friday, April 29.

Northland Recreation was the only vendor to submit a proposal. If multiple proposals had been submitted, a subcommittee of City staff and Community Services Commission members would have scored the proposals based on the preferences expressed by the neighborhood residents, as well as other criteria based on safety, variety of experiences, and accessibility. Since one proposal was submitted, staff reviewed it for all required materials-insurance, construction bonds, specifications-as well as the inclusion of neighborhood preferences.

Based on this review, staff recommends an award of contract to Northland Recreation for the project. Their proposal meets all requirements and they are a trusted vendor/installer with whom the City has worked in the past (on the Augsburg Adventure Park, and currently on the Christian and Fremont Park projects).

RECOMMENDED ACTION:

By Motion: Accept the quotation from Northland Recreation for \$180,000 to replace play equipment at Monroe and Sheridan Parks and authorize the Recreation Services Director to proceed with the project.

BASIS OF RECOMMENDATION:

A. HISTORICAL CONTEXT

The City of Richfield Capital Improvement Plan includes replacement of the play equipment that is oldest or most in need of replacement each year, taking into consideration any updates in safety, design, and play experiences since the existing equipment was installed. The life span of play equipment is typically about 25 years.

The Community Services Commission reviewed the quote at their May 17 regular meeting and voted to recommend Council approval of the quote.

B. POLICIES (resolutions, ordinances, regulations, statutes, etc):

For projects over \$75,000, cities must require contractors to provide a performance bond and a payment bond. In addition, Minnesota Statute 471.425 requires that each contract between the government entity and a prime contractor to require the prime contractor to pay subcontractors within 10 days of receipt of payment from the government entity. This provision is included in the attachment to the proposal. Both of the requirements were included in the RFP.

For projects ranging between \$25,000 and \$100,000, municipalities may award a contract for construction, alteration, repair, or maintenance work to the vendor or contractor offering the best value under a request for proposals as described above, and in state statutes section 16C.28, subdivision 1, paragraph (a), clause (2), and paragraph (c).

C. CRITICAL TIMING ISSUES:

Removal of the old equipment and installation of the new equipment would begin after Labor Day, to minimize disruption by waiting until school resumes. This timeline is pending any unforeseen delays (most recently, supply chain issues delayed the Christian and Fremont Park project from Fall 2021 to Spring 2022).

D. FINANCIAL IMPACT:

Funding for the new play equipment is included in the approved 2022 Capital Improvement Budget in the amount of \$180,000.

The proposed project budget is \$180,000 and includes all of the following:

- Removal of old equipment.
- Installation of new play equipment, wood carpet, and wear pads.
- Excavation & grading within the container (existing container border can be used. Any new concrete curbing must also be included in the proposal).
- Drain tile, initial grading, backfill, sod & seed, export unwanted fill.

E. LEGAL CONSIDERATION:

There are no legal considerations for this item.

ALTERNATIVE RECOMMENDATION(S):

Reject the quotation and delay the replacement of the play equipment. Direct the Community Services Commission to re-write the RFP and consider new proposals for next year.

PRINCIPAL PARTIES EXPECTED AT MEETING:

None

ATTACHMENTS:

Description	Type
▣ Play Equipment RFP	Backup Material
▣ Quote from Northland Recreation	Backup Material

CITY OF RICHFIELD, MN 55423
RECREATION SERVICES DEPARTMENT
REQUEST FOR PROPOSAL

FOR
**DESIGN, SUPPLY & INSTALLATION
OF PLAYGROUND EQUIPMENT**

MONROE AND SHERIDAN PARKS

RFP Release: Friday, April 15, 2022

Deadline for submittal: Friday, April 29, 2022, 10:00 am

I. GENERAL GUIDELINES.

A. Requests For Competitive Proposals.

The City of Richfield is seeking competitive proposals from interested and qualified companies for the design, supply and installation of playground equipment at Monroe Park (6710 Irving Avenue), and Sheridan Park (6500 Upton Ave), Richfield, MN 55423.

B. Owner and Submission Information.

Interested companies should submit **FOUR COPIES** of their competitive proposals to:
RICHFIELD COMMUNITY CENTER
7000 NICOLLET AVE, RICHFIELD, MN 55423
RE: MONROE/SHERIDAN PARK EQUIPMENT PROPOSAL

Competitive proposals shall include all of the items set forth in Section II below. Any questions regarding this Request for Proposals should be directed to Recreation Services Director Amy Markle at 612-861-9394 or amarkle@richfieldmn.gov

All proposals must be sealed and submitted to the Richfield Community Center at the above address by 10:00 a.m. on Friday, April 29, 2022. Late submissions will not be considered. All proposals must be accompanied by a certified check, cash deposit, or proposal bond equal to at least 5% of the amount of the total bid, made payable to the City of Richfield, Minnesota.

II. PROJECT DESCRIPTION AND SCOPE.

A. General Project Scope.

The City of Richfield Recreation Services Department is seeking competitive proposals for the design, supply and installation of playground equipment for one existing play equipment replacement at Monroe and Sheridan Parks as defined in Section II B and C. The proposer would also be responsible for removal and disposal of the existing play equipment at both parks.

B. Budget

Design, supply and installation of new play equipment, concrete border with compacted base aggregate, wood fiber, fabric, drain tile (in container and to storm sewer), sand base, excavation & grading, finish sod, export unwanted sand & fill, freight, delivery and applicable sales tax shall not exceed the budget of \$180,000 for both parks combined.

C. Design and Cost Proposals

The Proposer shall provide a play equipment design suitable for the existing play container in each park. If Proposer deems modifications are necessary to the proposed container, these modifications should be clearly indicated on proposer's plans and the total cost of the modifications including items set forth in Section B shall not exceed the budget of \$180,000 for both parks.

Proposers must only submit one design for each park.

The Proposer should provide materials and installation of new play equipment, concrete border with compacted base aggregate, wood fiber, fabric, drain tile (in container and to storm sewer), excavation & grading, finish sod, export unwanted sand & fill, sand base (can use existing sand in container), as part of one base bid. Resilient surface shall be wood fiber to conform to all CPSC and ASTM guidelines. The City will dispose of excess concrete, sand, or woodchips.

Equipment must meet the following guidelines:

1. Proposer must visit the site and take measurements of existing container to ensure CPSC distance guidelines;
2. Conform to all CPSC and ASTM guidelines for the equipment itself;
3. Conform to all proposed ADA requirements and IPEMA Certified.
4. Support posts must be powder-coated aluminum or steel, no metal slide surfaces or enclosed tunnels will be accepted, plastic components must be graffiti-resistant and have UV protection, other component features will be judged based on the design submitted;
5. Design for each park should include the following items:

MONROE PARK

The main structure for Monroe Park (5–12 year-olds) should include:

- **Spiral, wavy, and/or double slides**
- **Arched bridge**
- **Wobbly/motion bridge**
- **Rock climbing experience**
- **Netting climber**
- **Deck roofs**
- **Roller slide and wavy or spiral slides**
- **Multi-person seated spinner**
- **Balance features**
- **Climbing bars (monkey bars)**
- **Musical and/or sound panels and features**
- **2-3 benches in the container**
- **Do not include the following: roller slides, enclosed slides/tubes**

The secondary structure for Monroe Park (2-5 year-old) should include:

- **Spring riders**
- **See saws**
- **Spring riders in an animal theme**
- **Multi-person and/or standing spinners**
- **Musical panels or features**

Swing Structure to include:

- **At least two standard swings**
- **Multi-person swing**
- **Tire swing**
- **Seat swing (ADA)**
- **Include wear pads for each swing.**

SHERIDAN PARK

The main structure for Sheridan Park (5–12 year olds) should include:

- **Deck roofs**
- **Spiral, wavy, and/or double slides**
- **Pod jumpers**
- **Arched bridge**
- **Wobbly/motion bridges**
- **Rock wall climbing experience.**
- **Overhead bars (monkey bars)**
- **Multi-person spinner**
- **2-3 benches in the container**

Do not include the following: roller slides, wavy slides, enclosed slides/tubes, net climbers

The secondary structure for Sheridan Park (2-5 year olds) should include:

- **See saw**
- **Spring riders (animal theme)**
- **Low-reaching overhead bars.**
- **Game/Musical Panels**

Swing Structure to include:

- **At least two standard swings**
- **Multi-person swing**
- **Tire swing**
- **Seat swing (ADA)**
- **Include wear pads for each swing.**

6. Colors: Monroe and Sheridan Parks – Natural (greens and browns)

7. The shape and size of the existing areas will dictate the usability of some components. Visit each site and take your own measurements.

8. The vendor is responsible for the receipt of delivery of the equipment including with unloading and storage until installation. Storage on-site is permissible.

9. The successful Proposer must provide a performance bond and payment bond in an amount equal to the full amount of the contract.

10. Each competitive proposal submitted should reflect, by line item, the cost for the design, purchase and installation of play equipment components, including all applicable sales taxes, freight, and other costs associated with each piece of equipment. Costs should be broken down into logical categories to aid the City in evaluation and include:

- All soft costs; including design, overhead, insurance, as well as all applicable sales taxes.
- All hard costs; including all work and materials related to the installation of play equipment, drain tile, concrete curb and resilient surfacing. Please itemize installation costs.

Each Proposer must submit the following with bid:

- Written assurance that the safety surfacing and play area components meet all applicable U.S. Consumer Product Safety Commission Guidelines, ASTM standards, proposed ADA requirements, IPEMA Certification and other applicable state and federal requirements will be required from each Proposer prior to contract initiation.
- Plan layout of design and catalogue(s) with proposed equipment and safety surfacing identified for review by staff.
- Current warranty, insurance, and product specification information on all products and materials included in your proposal.

- Written estimate of delivery and installation time frame.
- Link to videos that show kids playing on components the vendor would like to highlight.

A. **Site Review**

Each Proposer must visit the site to become familiar with the play container.

B. **References**

Each Proposer shall provide a list of five municipal references. Each reference must include the name and address of the jurisdiction where the Proposer has installed equipment similar to the equipment proposed for this request, and the name and daytime telephone number of an individual, who still works for the jurisdiction, that the City can contact. Municipalities should be within the metropolitan area and the installation should not be more than five years old.

C. **Specifications**

Each proposal submitted shall clearly reflect post diameters and other specifications describing the type of materials provide in the proposal.

III. **EVALUATION AND SELECTION.**

A. **Design Considerations**

The design proposed will be a key factor in the selection process. The City encourages innovative, interesting and exciting designs that will distinguish Richfield parks. Available color selections will be made following the manufacturer's standard color chart.

B. **Evaluation Criteria.**

The Selection Committee will evaluate and rank each proposal using the following criteria:

1. Overall Design
2. Appeal to All Ages
3. Fitness Value
4. Price
5. Degree of Inclusiveness
6. Delivery (including written verification of unloading/storage responsibility) and installation timeframe.
7. Warranty Provisions
8. Review/Inspection of previous installations and/or references.

C. **Contract and Insurance Requirements.**

The selected vendor will be required to enter into a contract with the City, provide the City with a performance bond and payment bond in an amount equal to the full amount of the contract to assure the timely performance and payment for the work proposed, and assure their availability to have the Project completed within September 6, 2022 and October 28, 2022. The City will not be responsible to store or secure play equipment materials prior to and including installation.

Minnesota Statute 471.425 requires that each contract between the government entity and a prime contractor to require the prime contractor to pay subcontractors within 10 days of receipt of payment from the government entity.

Insurance requirements include:

1. **Worker's Compensation Insurance:** The Contractor shall take out and maintain, during the life of the contract, Worker's Compensation Insurance with a company that is lawfully authorized to do business in the State of Minnesota. Such insurance shall protect the Contractor, or Subcontractor or anyone directly or indirectly employed by any of them from claims under worker's compensation, disability benefit and other similar employee benefit acts.
2. **Commercial/Comprehensive General Liability Insurance:** The Contractor shall take out and

maintain during the life of this contract Public Liability Insurance, Property Damage Liability, and Personal Injury Insurance with a company that is lawfully authorized to do business in the State of Minnesota. Such insurance shall protect the Contractor, Subcontractor, or anyone directly or indirectly employed by the Contractor or Subcontractor performing work covered by this contract from claims arising out of public liability, property damage, or personal injury including death, as well as claims for property damage which may arise out of work. The Contractor's policy shall list the City as an additional insured on a primary or non-contributory basis. The recommended minimum limits of insurance per project are:

- General Aggregate \$500,000
- Product-Completed Operations Aggregate \$500,000
- Personal and Advertising Injury \$500,000
- Per Occurrence (Bodily Injury & Property Damage) \$500,000

3. Fire Insurance: The Contractor is responsible for insuring for fire, and extended coverage including vandalism and malicious coverage on the work included in the contract from the beginning of the work until final acceptance of the completed project. The policies shall cover all work incorporated in the project and all material in place or stored at the site for installation against loss by fire and wind. This provision does not exclude material partially paid for by the Owner. This insurance shall be for the full insurable value of the material and shall be kept in full force until final acceptance of the work by the Owner.

4. Automobile Insurance: The Contractor shall take out and maintain during the life of the contract Automobile Insurance with a company that is lawfully authorized to do business in the State of Minnesota. The recommended minimum limits of insurance are \$1,000,000 combined single limit (B1 & PD).

All insurance referenced in paragraphs 1 through 4 shall be placed with companies acceptable to and approved by the City prior to the commencement of the work. The Contractor shall submit copies of the certificate with the City prior to commencement of the work. Certificates of insurance will not be canceled or allowed to expire until at least 30 days prior written notice has been given to the City. The City shall be shown on the General Liability coverage as an "additional insured."

Any proposals received with limits lower than those referenced above may still be considered for this project.

D. Reservations and Other Considerations.

1. The City of Richfield reserves the right to reject any or all proposals for reasons of safety, quality, quantity, design or other issues deemed important to the successful completion of the project. Any proposals exceeding the maximum funding or footprint on the site will be excluded. Proposal amounts will need to be effective for 45 days after the above deadline.
2. The City reserves the right to accept proposals based upon the evaluation criteria.
3. The City will not be responsible for any costs incurred by those submitting or preparing competitive proposals. At the request of the Proposer, proposals will be returned after the selection process has been completed and a vendor selected.
4. The City reserves the right to revise the scope of the project based on budget limitations and other relevant considerations.
5. Each Proposer must meet the City of Richfield contract requirements. The City reserves the right to reject proposals that cannot meet contract requirements.

###



Monroe Park





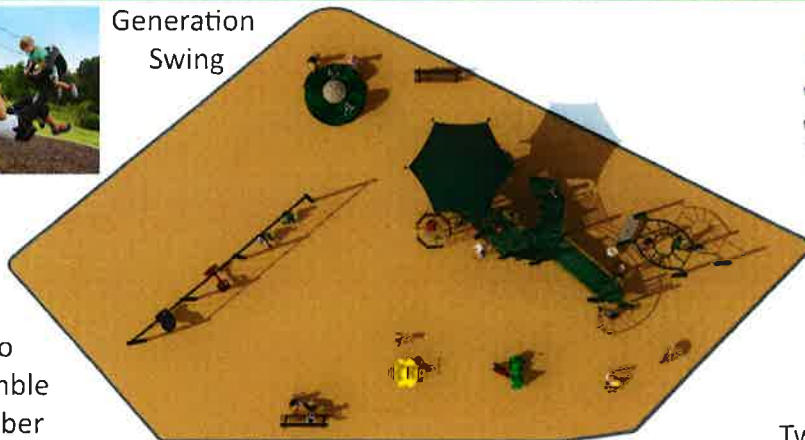
Generation Swing



Musical Play



Silo Scramble Climber



Two Child Spring Rider

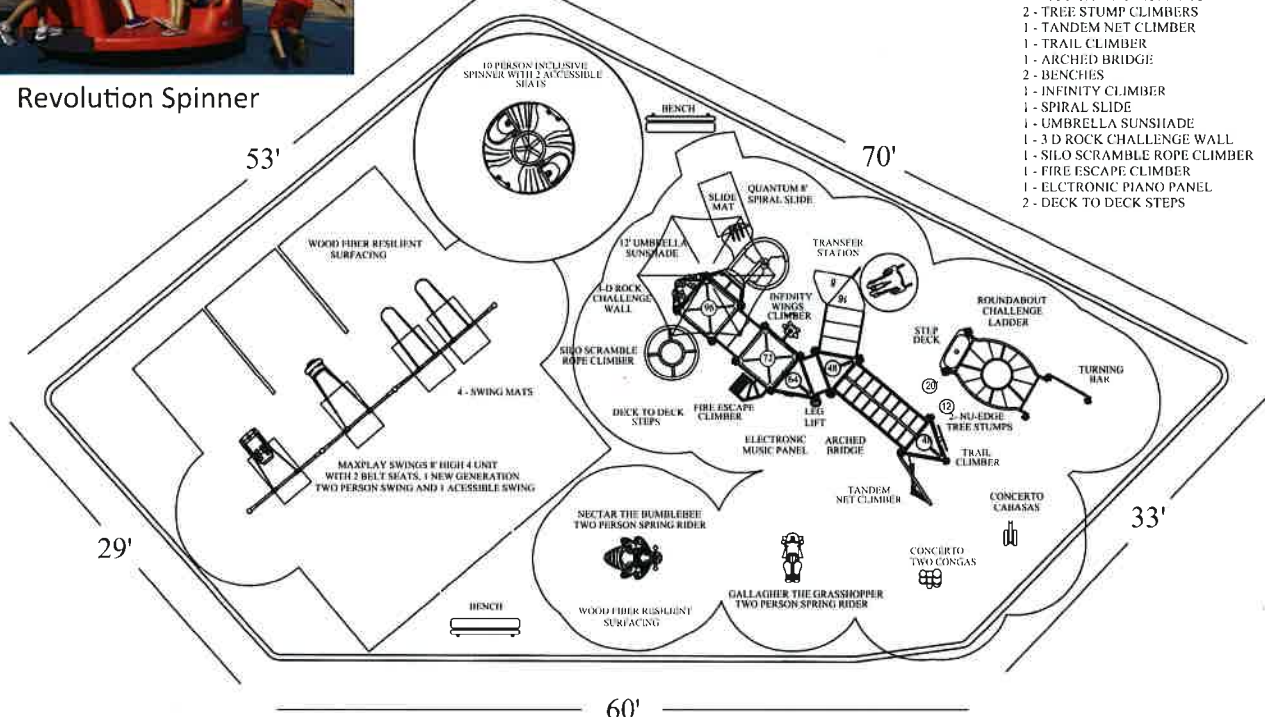


Revolution Spinner

MONROE PARK CITY OF RICHFIELD

TOTAL PLAY COMPONENTS 20

- 4 - SWINGS
- 1 - ACCESSIBLE SPINNER
- 2 - SPRING RIDERS
- 2 - MUSICAL INSTRUMENTS
- 2 - TREE STUMP CLIMBERS
- 1 - TANDEM NET CLIMBER
- 1 - TRAIL CLIMBER
- 1 - ARCHED BRIDGE
- 2 - BENCHES
- 1 - INFINITY CLIMBER
- 1 - SPIRAL SLIDE
- 1 - UMBRELLA SUNSHADE
- 1 - 3 D ROCK CHALLENGE WALL
- 1 - SILO SCRAMBLE ROPE CLIMBER
- 1 - FIRE ESCAPE CLIMBER
- 1 - ELECTRONIC PIANO PANEL
- 2 - DECK TO DECK STEPS





PlayPower LT Farmington, Inc.
878 E. US Hwy 60
Monett, MO 65708
1-800-325-8828

Northland Recreation LLC
10085 Bridgewater Bay
Woodbury, MN 55129
(651) 815-4097 (phone)
(414) 395-8538 (fax)

Bill To: City of Richfield
7100 Nicollet Ave
Richfield, MN 55423
Contact Name: Amy Markle
Contact Phone: 612-861-9394
E-mail AMarkle@Richfieldmn.gov

Project Name & Location:
Monroe Park
6710 Irving Ave
Richfield, MN 55423

Ship To Address:
Same

Quote Date: 4-28-22
Valid For: 30 Days

Part Number	Description	Qty	Unit Price	Total
1	Little Tikes Custom Kid Builder Play Structure. (See Plan for Layout and Components) Includes: Swings and Independent play events.			\$49,521.55
175 Cu Yds	Woodfiber Resilient Surfacing Ground Cover.			\$8,015.95
5	Pierceton 3' x 5' Rubber Swing and Slide Mats			\$1,337.50
1	Site Work. Includes: Removal of old equipment, removal of existing woodfiber, concrete pads and rubber surfacing.			\$10,125.00
1	Installation of above play equipment.			\$21,000.00

Totals:

Equipment List: \$49,521.55
Products Subtotal: \$9,553.45
Products by Other:
Installation: \$31,125.00
Estimated Sales Tax*: 0
Freight: Included
Grand Total: \$90,000.00

Make Purchase Orders Out To:

PlayPower LT Farmington, Inc.

Remit Purchase Orders To:

PlayPower LT Farmington, Inc.
Attention: Sales Administration
878 E US Hwy 60
Monett, Missouri, USA 65708
1-800-325-8828

Make Checks Payable To:

PlayPower LT Farmington, Inc.

Remit Checks To:

PlayPower LT Farmington, Inc.
P.O. 734155
Dallas, TX 75373-4155

NOTE:

* Applicable sales taxes will be confirmed once order and any tax certificates are received

† Denotes drop ship item.

Unloading, storage, installation, surfacing and site work are not included unless specifically noted on quotation.

Not responsible for filter cloth, irrigation rerouting, grass damage, or checking for underground utilities.

If installation is quoted, it is assumed that the site has been prepared and that any grade slope in any direction does not exceed 2%. In the event that unexpected soil conditions, such as subsurface rock, are encountered during installation, additional costs to the customer will be applicable.

The acceptance signature below serves as authorization to order the items quoted and indicates acceptance of the prices listed. All terms are subject to credit approval.

COMMENTS:

This playground contains 96.69% recycled content

This playground qualifies for 2 LEED point(s)

This Quote shall not become a binding contract until signed and delivered by both Customer and PlayPower LT Farmington Inc ("PPLT"). Sales Representative is not authorized to sign this Quote on behalf of PPLT or Customer, and signed Quotes cannot be accepted from Sales Representative. To submit this offer, please sign below and forward a complete signed copy of this Quote directly to "PPLT Sales Administration" via fax (417)354-2273 or email outdoordes@LTCPS.com. Upon acceptance, PPLT will return a fully-signed copy of the Quote to Customer (with copy to Sales Representative) via fax or e mail.

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CUSTOMER HEREBY SUBMITS ITS OFFER TO PURCHASE THE EQUIPMENT ACCORDING TO THE TERMS STATED IN THIS QUOTE AND SUBJECT TO FINAL APPROVAL BY PPLT.

Submitted By

Printed Name and Title

Date

THE FOREGOING QUOTE AND OFFER ARE HEREBY APPROVED AND ACCEPTED BY PLAYPOWER LT FARMINGTON INC.

By: _____

Date: _____

ADDITIONAL TERMS & CONDITIONS OF SALE

1. Use & Maintenance. Customer agrees to regularly inspect and maintain the Equipment, and to provide, inspect and maintain appropriate safety surfacing under and around the Equipment, in accordance with PPLT's product literature and the most current Consumer Product Safety Commission Handbook for Public Playground Safety.

2. Default, Remedies & Delinquency Charges. Customer's failure to pay any invoice when due, or its failure to otherwise comply with the terms of this Quote, shall constitute a default under all unsatisfied invoices ("Event of Default"). Upon an Event of Default, PPLT shall have all remedies available to it at law or equity, including, without limitation, all remedies afforded a secured creditor under the Uniform Commercial Code. Customer agrees to assist and cooperate with PPLT to accomplish its filing and enforcement of mechanic's or other liens with respect to the Equipment or its location or its repossession of the Equipment, and Customer expressly waives all rights to possess the Equipment after an Event of Default. All remedies are cumulative and not alternative, and no exercise by PPLT of a remedy will prohibit or waive the exercise of any other remedy. Customer shall pay all reasonable attorneys' fees plus any costs of collection incurred by PPLT in enforcing its rights hereunder. Subject to any limitations under law, Customer shall pay to PPLT as liquidated damages, and not as a penalty, an amount equal to 1.5% per month of any payment that is delinquent in such month and is not received by PPLT within ten (10) days after the date on which due.

3. Limitation of Warranty/ Indemnity. PPLT MAKES NO EQUIPMENT WARRANTIES EXCEPT FOR THOSE STANDARD WARRANTIES ISSUED WITH THE EQUIPMENT, WHICH ARE INCORPORATED HEREIN BY THIS REFERENCE. PPLT SPECIFICALLY DISCLAIMS ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE AND ANY LIABILITY FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES. CUSTOMER AGREES TO DEFEND, INDEMNIFY AND SAVE PPLT HARMLESS FROM ALL CLAIMS OF ANY KIND FOR DAMAGES OF ANY KIND ARISING OUT OF CUSTOMER'S ALTERATION OF THE EQUIPMENT, ITS FAILURE TO MAINTAIN THE EQUIPMENT, ITS FAILURE TO PROPERLY SUPERVISE EQUIPMENT USE, OR ITS FAILURE TO PROVIDE AND MAINTAIN APPROPRIATE TYPES AND DEPTHS OF SAFETY SURFACING BENEATH AND AROUND THE EQUIPMENT IN ACCORDANCE WITH PPLT'S INSTALLATION AND OWNER'S MANUALS AND THE MOST CURRENT CONSUMER PRODUCT SAFETY COMMISSION HANDBOOK FOR PUBLIC PLAYGROUND SAFETY.

4. Restrictions. Until all amounts due hereunder are paid in full, Customer shall not: (i) permit the Equipment to be levied upon or attached under any legal process; (ii) transfer title to the Equipment or any of Customer's rights therein; or (iii) remove or permit the removal of the Equipment to any location not specified in this Quote.

5. Purchase Money Security Interest. Customer hereby grants, pledges and assigns to PPLT, and PPLT hereby reserves a purchase money security interest in, the Equipment in order to secure the payment and performance in full of all of Customer's obligations hereunder. Customer agrees that PPLT may file one or more financing statements, in order to allow it to perfect, acquire and maintain a superior security interest in the Equipment.

6. Choice of Law and Jurisdiction. All agreements between Customer and PPLT shall be interpreted, and the parties' obligations shall be governed, by the laws of the State of Missouri without reference to its choice of law provisions. Customer hereby consents to the personal jurisdiction of the state and federal courts located in the city and county of St. Louis, Missouri.

7. Title; Risk of Loss; Insurance. PPLT Retains full title to all Equipment until full payment is received by PPLT. Customer assumes all risk of loss or destruction of or damage to the Equipment by reason of theft, fire, water, or any other cause, and the occurrence of any such casualty shall not relieve the Customer from its obligations hereunder and under any invoices. Until all amounts due hereunder are paid in full, Customer shall insure the Equipment against all such losses and casualties.

8. Waiver; Invalidity. PPLT may waive a default hereunder, or under any invoice or other agreement between Customer and PPLT, or cure such a default at Customer's expense, but shall have no obligation to do either. No waiver shall be deemed to have taken place unless it is in writing, signed by PPLT. Any one waiver shall not constitute a waiver of other defaults or the same kind of default at another time, or a forfeiture of any rights provided to PPLT hereunder or under any invoice. The invalidity of any portion of this Quote shall not affect the force and effect of the remaining valid portions hereof.

9. Entire Agreement; Amendment; Binding Nature. This fully-executed Quote, as supplemented by Change Orders and invoices containing exact amounts of estimates provided herein, constitutes the complete and exclusive agreement between the parties. A Change Order is a written instrument signed by the Customer and PPLT stating their agreement as to any amendment in the terms of this Quote. Customer acknowledges that Change Orders may result in delays and additional costs. The parties agree that all Change Orders shall include appropriate adjustments in price and time frames relating to any requested amendments. Upon full execution, this Quote shall be binding upon and inure to the benefit of the parties and their successors and assigns.

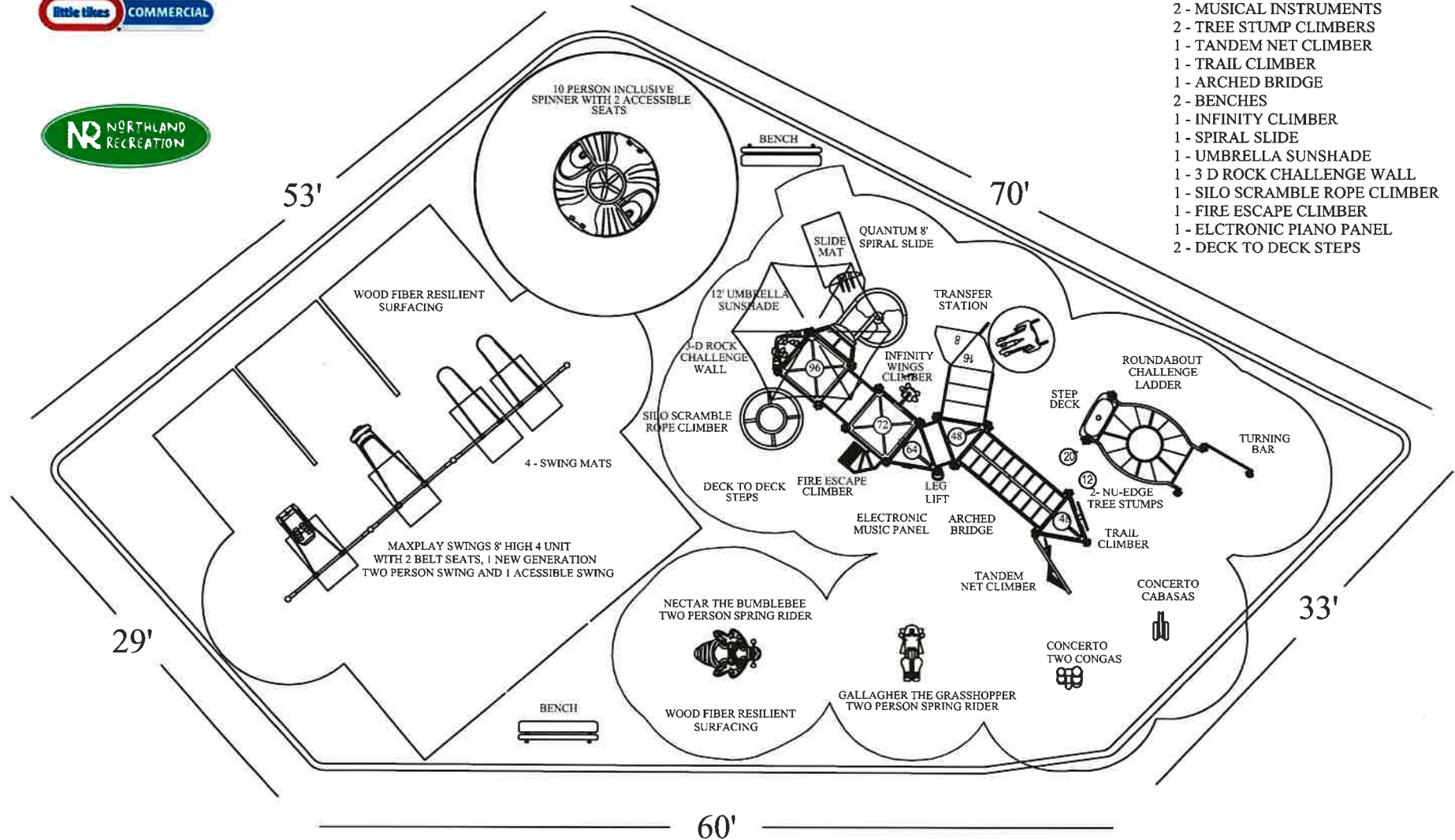
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MONROE PARK

CITY OF RICHFIELD

TOTAL PLAY COMPONENTS
20

- 4 - SWINGS
- 1 - ACCESSIBLE SPINNER
- 2 - SPRING RIDERS
- 2 - MUSICAL INSTRUMENTS
- 2 - TREE STUMP CLIMBERS
- 1 - TANDEM NET CLIMBER
- 1 - TRAIL CLIMBER
- 1 - ARCHED BRIDGE
- 2 - BENCHES
- 1 - INFINITY CLIMBER
- 1 - SPIRAL SLIDE
- 1 - UMBRELLA SUNSHADE
- 1 - 3 D ROCK CHALLENGE WALL
- 1 - SILO SCRAMBLE ROPE CLIMBER
- 1 - FIRE ESCAPE CLIMBER
- 1 - ELECTRONIC PIANO PANEL
- 2 - DECK TO DECK STEPS





Sheridan Park





Revolution Spinner



Musical Play



Bee - Two Child Spring Rider

SHERIDAN PARK CITY OF RICHFIELD

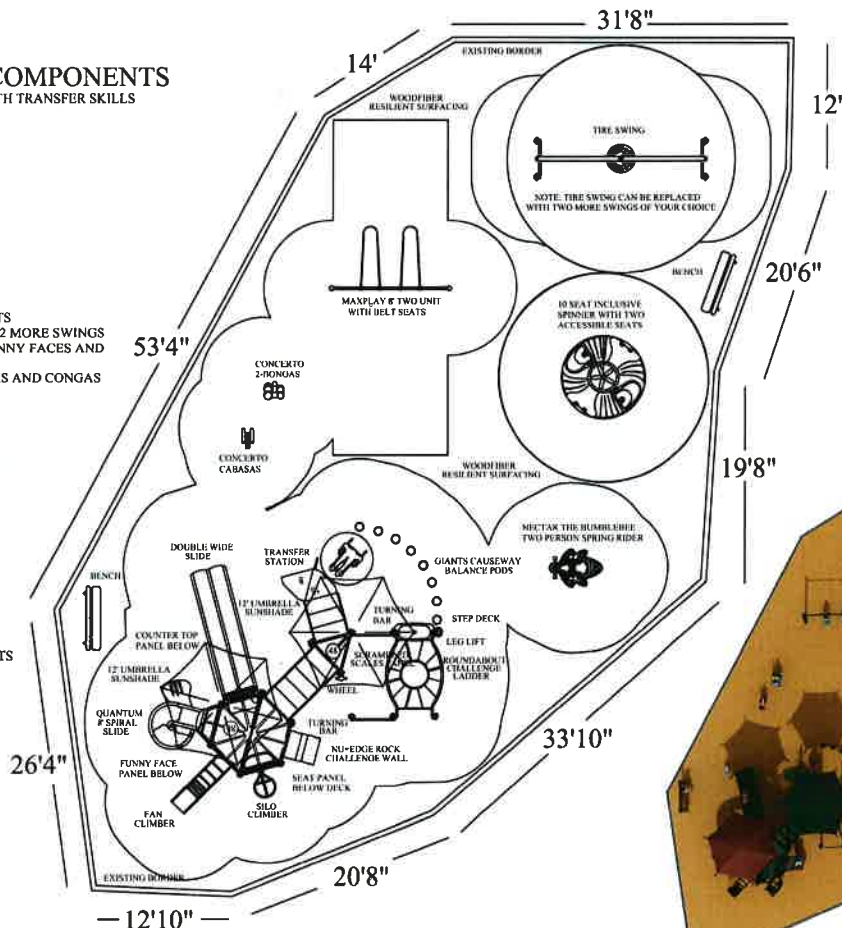
16 PLAY STRUCTURE COMPONENTS ALL COMPONENTS ACCESSIBLE WITH TRANSFER SKILLS

- 2 - 12' UMBRELLA SUNSHADES
- 1 - SPIRAL SLIDE
- 1 - DOUBLE WIDE SLIDE
- 8 - BALANCE PODS
- 1 - ROCK CHALLENGE WALL
- 1 - ROUNDABOUT OVERHEAD BARS
- 1 - 10 PERSON ACCESSIBLE SPINNER
- 2 - BENCHES
- 1 - BUMBLEBEE SPRING RIDER
- 2 - LOW REACHING TURNING BARS
- 1 - STEERING WHEEL
- 1 - LEG LIFT
- 1 - TWO UNIT SWING WITH BELT SEATS
- 1 - TIRE SWING - CAN REPLACE WITH 2 MORE SWINGS
- 4 - PANELS - SEAT, COUNTER TOP, FUNNY FACES AND SCRAMBLE SCALES MUSIC PANEL
- 2 - MUSICAL INSTRUMENTS - CABASAS AND CONGAS



14 ACCESSIBLE GROUND LEVEL COMPONENTS

- 2 - MUSICAL INSTRUMENTS
- 1 - BUMBLEBEE SPRING RIDER
- 1 - 10 PERSON SPINNER
- 1 - TIRE SWING
- 1 - 8' HIGH SWING WITH BELT SEATS
- 3 - PLAY PANELS
- 1 - LEG LIFT
- 1 - WHEEL
- 2 - TURNING BARS
- 1 - OVERHEAD LADDER



Top
View





PlayPower LT Farmington, Inc.
878 E. US Hwy 60
Monett, MO 65708
1-800-325-8828

Northland Recreation LLC
10085 Bridgewater Bay
Woodbury, MN 55129
(651) 815-4097 (phone)
(414) 395-8538 (fax)

Bill To: City of Richfield

7100 Nicollet Ave.
Richfield, MN 55423
Contact Name: Amy Markle
Contact Phone: 612-861-9394
E-Mail AMarkle@Richfieldmn.gov

Project Name & Location:

Sheridan Park
6500 Upton Ave
Richfield, MN 55423

Ship To Address:

same

Quote Date: 4-28-22
Valid For: 30 Days

Part Number	Description	Qty	Unit Price	Total
1	Little Tikes Custom Kid Builder Play Structure (See Plan for Layout and Components) Includes, Swings and Independent play events.			\$46,680.40
175 Cu Yds	Woodfiber Resilient Surfacing Ground Cover.			\$7,088.35
5	Pierceton 3' x 5' Rubber Swing and Slide Mats			\$1,231.45
1	Site Work. Includes: Removal of old equipment, removal of existing woodfiber, concrete pads and rubber surfacing.			\$14,700.00
1	Installation of above play equipment.			\$20,300.00

Totals:

Equipment List: \$46,680.40
Products Subtotal:
Products by Other: \$8,319.80
Installation: \$35,000.00
Estimated Sales Tax*: 0
Freight: Included
Grand Total: \$90,000.00

Make Purchase Orders Out To:

PlayPower LT Farmington, Inc.

Remit Purchase Orders To:

PlayPower LT Farmington, Inc.
Attention: Sales Administration
878 E US Hwy 60
Monett, Missouri, USA 65708
1-800-325-8828

Make Checks Payable To:

PlayPower LT Farmington, Inc.

Remit Checks To:

PlayPower LT Farmington, Inc.
P.O. 734155
Dallas, TX 75373-4155

NOTE:

* Applicable sales taxes will be confirmed once order and any tax certificates are received

† Denotes drop ship item.

Unloading, storage, installation, surfacing and site work are not included unless specifically noted on quotation.

Not responsible for filter cloth, irrigation rerouting, grass damage, or checking for underground utilities.

If installation is quoted, it is assumed that the site has been prepared and that any grade slope in any direction does not exceed 2%. In the event that unexpected soil conditions, such as subsurface rock, are encountered during installation, additional costs to the customer will be applicable.

The acceptance signature below serves as authorization to order the items quoted and indicates acceptance of the prices listed. All terms are subject to credit approval.

COMMENTS:

This playground contains 96.69% recycled content

This playground qualifies for 2 LEED point(s)

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SHERIDAN PARK

CITY OF RICHFIELD

16

PLAY STRUCTURE COMPONENTS

ALL COMPONENTS ACCESSIBLE WITH TRANSFER SKILLS

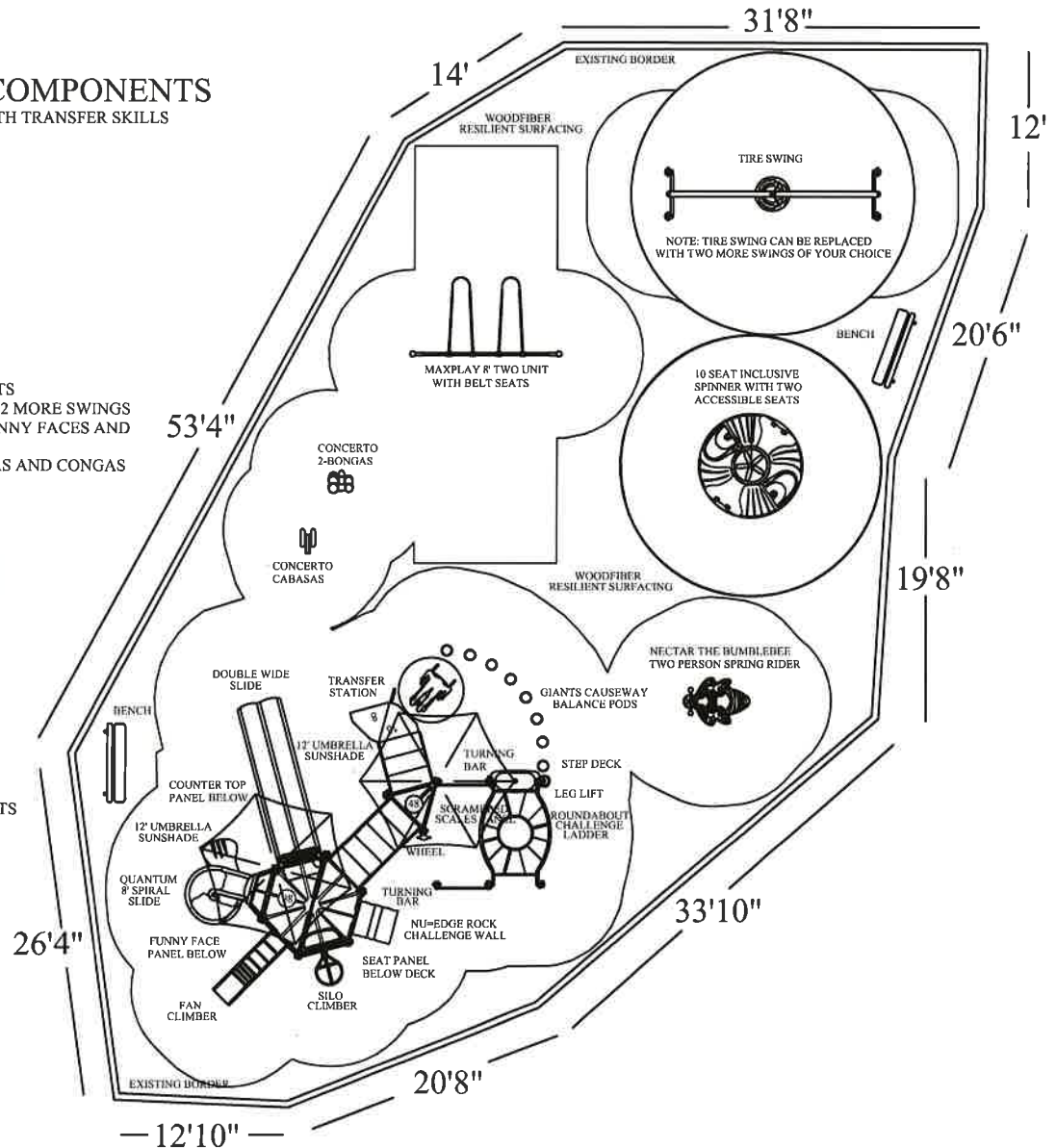
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14

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- 1 - WHEEL
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- 1 - OVERHEAD LADDER





STAFF REPORT NO. 84
CITY COUNCIL MEETING
5/24/2022

REPORT PREPARED BY: Joe Powers, City Engineer

DEPARTMENT DIRECTOR REVIEW: Kristin Asher, Public Works Director
5/17/2022

OTHER DEPARTMENT REVIEW: N/A

CITY MANAGER REVIEW: Katie Rodriguez, City Manager
5/18/2022

ITEM FOR COUNCIL CONSIDERATION:

Consider approval of a Construction Cooperative Agreement with Hennepin County for the County State Aid Highway No. 52/Nicollet Ave Safety Improvement Project.

EXECUTIVE SUMMARY:

In advance of the upcoming Safety Improvement Project described below, City and County staff have negotiated the attached Construction Cooperative Agreement.

The portions of the project in Richfield will include transportation infrastructure upgrades at the intersections of 70th St/Nicollet Ave and 76th St/Nicollet Ave. The upgrades will include rehabilitation and/or replacement of traffic signals (including pedestrian signal upgrades), reconstruction of pedestrian sidewalk ramps and crosswalks, miscellaneous curb and gutter replacements, and minor utility adjustments.

The County has requested that the agreement be signed digitally. Signature requests will be sent via email directly to the Mayor and City Manager after Council approval.

RECOMMENDED ACTION:

By Motion: Approve the Construction Cooperative Agreement with Hennepin County for the County State Aid Highway No. 52/Nicollet Ave Safety Improvement Project.

BASIS OF RECOMMENDATION:

A. HISTORICAL CONTEXT

The County is leading a safety improvement project along County State Aid Highway (CSAH) 52 (Nicollet Avenue) at 70th and 76th streets within the City, which includes upgrading pedestrian ramps to current Americans with Disabilities Act (ADA) standards, including installation of Accessible Pedestrian Signals (APS) and traffic signal systems at the intersections.

The City has reviewed the project plans and has the opportunity to include some minor improvements to adjacent City infrastructure in the project scope.

B. POLICIES (resolutions, ordinances, regulations, statutes, etc):

The County State Aid Highway No. 52/Nicollet Ave Safety Improvement Project is consistent with the following approved plans:

- Comprehensive Plan (Chapter 7 - Transportation)
- Pedestrian Master Plan
- Bicycle Master Plan
- Complete Streets Policy

C. CRITICAL TIMING ISSUES:

The Construction Cooperative Agreement needs to be approved in order for Hennepin County to move forward with bidding and constructing the project.

D. FINANCIAL IMPACT:

According to the proposed agreement and per Hennepin County Cost Participation policies, the City of Richfield will participate in the costs of the contracted construction work for the project as set forth in the Division of Cost Summary in Exhibit A.

The total estimated City of Richfield costs for the project is approximately \$162,745.98. Over half of the City's construction costs will be covered by federal funds as noted below, however, the City is responsible for paying its full share of design and construction engineering costs. This amount includes the City cost share for the following notable project items:

- Construction: \$89,494.15
 - The total cost of construction for City items is \$185,344.68, however, \$95,850.53 of these costs will be covered by Federal Highway Safety Improvement Program (HSIP) funds obtained by Hennepin County.
- Design: \$22,241.36
- Construction Engineering: \$18,534.47
- Traffic Signal Components: \$27,500.00
- Right of Way: \$4,976.00

The total project cost will be paid with cash reserved for miscellaneous transportation infrastructure needs, which will be reimbursed with Municipal State Aid funding when the City's Municipal State Aid account balance has available funds (2025 estimated).

A sources and uses summary has not been prepared as this project is not a City-led project and is not in the City's Capital Improvement Plan.

E. LEGAL CONSIDERATION:

The City Attorney has reviewed the agreement and will be available to answer questions.

ALTERNATIVE RECOMMENDATION(S):

None.

PRINCIPAL PARTIES EXPECTED AT MEETING:

None

ATTACHMENTS:

Description	Type
☐ Cooperative Construction Agreement	Contract/Agreement
☐ Exhibit A - Cost Summary	Exhibit

CONSTRUCTION COOPERATIVE AGREEMENT

This Agreement is made between the **County of Hennepin**, a body politic and corporate under the laws of the State of Minnesota, (hereinafter referred to as the “County”), and the **City of Richfield**, a Minnesota home-rule charter city, under the laws of the State of Minnesota, hereinafter referred to as the “City.” The County and the City collectively are referred to as the “Parties.”

Recitals

The following Recitals are incorporated into this Agreement.

1. The County is leading a safety improvement project along County State Aid Highway (CSAH) 52 (Nicollet Avenue) at 70th and 76th streets within the corporate limits of the City (“Intersections”), which includes upgrading pedestrian ramps to current Americans with Disabilities Act (ADA) standards, including installation of Accessible Pedestrian Signals (APS) and traffic signal systems at the Intersections as shown in County Project (CP) 2191600, and which shall hereinafter be referred to as the “Project”.
2. The Parties have agreed to enter into this Agreement to memorialize the partnership and to outline each party’s ownership and financial responsibilities, maintenance responsibilities, and associated costs for the Project.
3. The County shall be the lead agency in Project designs, engineering, and construction administration, and be responsible for acquiring all necessary right of way and/or other governmental agencies-required permits needed for the Project.
4. The County Engineer has prepared an Engineer’s Estimate of quantities and unit prices for the above described Project, and a copy of the Engineer’s Estimate and an estimated Division of Cost Summary, marked Exhibit A, is attached hereto.
5. The Project will be carried out by the Parties under the provisions of Minnesota Statutes, Section 162.17, Subdivision 1, and Section 471.59.

Agreement

NOW, THEREFORE, the Parties agree as follows:

1. Term of Agreement, Survival of Terms, and Exhibits.

- 1.1. Effective Date.** This Agreement is effective as of the date of the final signature.
- 1.2. Expiration Date.** This Agreement will expire after the date in which all obligations have been satisfactorily fulfilled.
- 1.3. Survival of Terms.** The following provisions of this Agreement will survive the term, cancellation or termination of this Agreement: Maintenance Responsibilities, Records/Audits, Indemnification, Insurance, Worker Compensation Claims, Cancellation, Termination, and Minnesota Laws Govern.
- 1.4. Exhibits.** All exhibits are attached and incorporated into this Agreement.
 - 1.4.1. Exhibit A (Division of Cost Summary)**

2. Project Construction.

- 2.1. Contract Award and Administration.** The County or its agents shall prepare the necessary plans, specifications, and proposal; obtain approval of the plans and specifications from the Minnesota Department of Transportation (MnDOT) and the City; advertise for bids for the work and construction; receive and open bids pursuant to the advertisement; enter into a contract with the successful bidder at the unit prices specified in the bid of such bidder; administer the contract; and perform the required engineering and inspection; all in accordance with the plans and specifications set forth below.
- 2.2. Plans and Specifications.**
 - 2.2.1. Design Work.** All design work performed by the County and its agents that is to be incorporated into the bidding documents for the Project shall be prepared and certified by a Professional Engineer licensed in the State of Minnesota. All designs which affect County facilities shall conform to MnDOT Design Standards applicable to County State Aid Highways and to the requirements of the Americans with Disabilities Act (ADA), and be approved by the County Engineer.
 - 2.2.2. Plan Numbers (S.A.P.#/S.P.#).** The plans and specifications are referenced and identified as S.P. 027-652-041, S.P. 157-020-033 and shall be approved by MnDOT before Project construction.

2.2.3. Request for Copies of Plans. At the request of the City, the County or its agents shall furnish the City with any working copies of any plans, designs or reports at any time during the Project design process.

2.3. Construction Supervision and Inspection. The County or its agents will administer the construction contract, and perform all necessary engineering, inspection and testing of all the contract work. All work for the Project shall be completed in compliance with the MnDOT and City approved plans and specifications. The City Engineer or a designated representative shall have the right, as the work progresses, to enter upon the job site to make any inspections deemed necessary and shall cooperate with the County Engineer and staff at their request to the extent necessary, but will have no responsibility for the supervision of the work.

2.4. Plan Changes and Additional Construction.

2.4.1. Plan Changes. The City agrees that the County may make changes in the plans or in the character of the contract construction that are reasonably necessary to cause the construction to be in all things performed and completed in a satisfactory manner. It is further agreed by the City that the County may enter into any change orders or supplemental agreements with the County's contractor for the performance of any additional construction or construction occasioned by any necessary, advantageous or desirable changes in plans, within the original scope of the Project.

2.4.2. Review Proposed Changes. The City shall have the right to review any proposed changes to the plans and specifications as they relate to the City's cost participation prior to the work being performed, except in emergencies, and in those instances where the proposed changes necessitate a re-engineering of the design and/or specifications, the County shall submit the re-engineered design and/or specifications to the City. The City Engineer or designated representative shall respond to the County's request for approval to authorize the issuance of any negotiated change orders or supplemental agreements prepared by the County that affect the City's share of the construction cost within a reasonable time frame.

2.5. Right of Way/Permit

2.5.1. Right of Way Acquisition. The County or its agents shall acquire all additional right of way, permits and/or easements required for the construction of the Project.

2.5.2. Access Rights and Permits. The City shall cooperate with the conveyance of any access rights over the City right of way/property that may be required by the County for the Project. The Parties understand that any such access rights shall be subject to the City council approval and will be granted at no cost to the County. Any and all permits required by the City for the Project shall be granted at no cost or expense to the County or its contractors. The County shall also obtain, and comply with, any and all permits and approvals required from other governmental or regulatory agencies to accomplish the Project.

2.5.3. Right of Way Cost. The City shall participate in the right of way cost for the Project as provided herein. The City's estimated share of the Project right of way cost is \$4,976 which shall be paid to the County as a part of the City's total cost participation in the Project.

2.6. Traffic Signal.

2.6.1. Power. The City, at no cost to the County, shall: (1) install, cause the installation of, or perpetuate the existence of an adequate three wire, 120/240 volt, single phase, alternating current electrical power connection to the permanent traffic control signal systems and integral streetlights included in the Project; and (2) shall provide the electrical energy for the operation of all permanent and temporary traffic control signal systems and integral streetlights installed as a part of the Project.

2.6.2. Traffic Signal System Adjustment. The City shall not revise by addition or deletion, nor alter or adjust any component, part, sequence, or timing of the traffic control signal, however, nothing herein shall prohibit prompt, prudent action by properly constituted authorities in situations where a part of such traffic control signals may be directly involved in an emergency.

2.6.3. Emergency Vehicle Preemption (EVP). The EVP Systems provided for herein shall be installed, operated, maintained or removed in accordance with the following conditions and requirements:

2.6.3.1. Emitter units may be installed and used only on vehicles responding to an emergency as defined in Minnesota Statutes Chapter 169.01, Subdivision 5 and 169.03.

2.6.3.2. The City shall report malfunctions of EVP systems to the County immediately after discovery of the malfunction.

2.6.3.3. In the event the EVP Systems or components are, in the opinion of the County, being misused or the conditions set forth herein are violated, and such misuse or violation continues after receipt by the City of written notice thereof from the County, the County shall remove the EVP Systems.

2.6.3.4. All timing of the EVP Systems shall be determined by the County.

2.6.4. Accessible Pedestrian Signal (APS). The County will install APS push buttons and associated components, and integrate the components to the existing traffic signal system at the intersections as described in the construction plans.

2.7. Street Lighting. The City, at no cost to the County, shall provide the electrical energy for the operation of all streetlights installed as part of the Project.

2.8. Asbestos. The Project may include the removal of asbestos containing electrical conduit. Only firms licensed to conduct asbestos abatement shall be used for the safe removal of asbestos containing electrical conduit with proper shipping manifest

prepared and submitted to appropriate agency. The lead agency in the Project construction shall be responsible for the oversight of the removal of asbestos containing electrical conduit and compliance with the abovementioned specifications.

- 3. Cost Participation.** In addition to the City's cost participation for the Project as stated in Subsection 2.5.3, the City shall cost participate in the Project contract construction, design engineering, and construction administration as provided herein ("City's Cost Participation").

3.1. Contract Construction Costs and Exhibit A Unit Prices. The City shall participate in the costs of the contract construction for the Project as set forth in the estimated Division of Cost Summary shown in Exhibit A. The respective proportionate shares of the pro-rata pay items included in Exhibit A shall remain unchanged throughout the life of this Agreement. The Parties each understand and agree that the amount as shown in Exhibit A is an estimate of the costs for the contract construction on the Project and the unit prices set forth in the contract with the successful bidder and the final quantities as measured by the County Engineer's designated representatives shall govern in computing and apportioning the Parties' total final contract construction cost for the Project. The final quantities as measured by the County Engineer's designated representatives for contract pay items in which the City is participating shall be subject to the review and approval by the City Engineer.

3.2. Design Engineering and Construction Administration Cost Shares. The City also agrees to reimburse the County for the City's proportionate share of design and construction administration engineering costs for the Project. The City's share of design engineering costs shall be equal to twelve percent (12%) of the total final amount of the City's share of contract construction costs for the Project as outlined in Exhibit A. The City's share of construction engineering costs shall be equal to ten percent (10%) of the total final amount of the City's share of contract construction costs for the Project as outlined in Exhibit A. The Parties understand and agree that the City's shares of design and construction engineering costs as listed in Exhibit A are estimated, and the City's actual shares of design and construction administration engineering fees will be computed using the total final amount of the City's share of the contract construction costs for the Project.

4. Payment.

4.1. Amount Due. The City agrees to pay the City's Cost Participation amount as described herein.

4.2. When to Invoice. After an award by the County to the successful bidder on the Project, the County shall invoice the City for ninety five percent (95%) of the City's Cost Participation for the Project. The City's Cost Participation shall be based on actual contract unit prices applied to the estimated quantities shown in the plans.

4.3. Pay to the Order of. Payments shall be made to the County, in the name of the Hennepin County Treasurer, by the City for the full amount due stated on the invoices within forty five (45) days of the invoice date.

- 4.4. Where to Send Payment.** The payment should include the date, the name of the County's project manager (Mr. Stan Lim, P.E.), project name and county project number (C.P. 2191600). Payment and supporting documentation should be mailed to the following address:

OBF/APEX A-12 GC
Mail Code 129
300 South 6th St
Minneapolis, MN 55487

- 4.5. Supplemental Agreement or Change Order.** In the event the County Engineer or the County's staff determines the need to amend the construction contract with a supplemental agreement or change order which results in an increase in the contract amount for the Project, the City hereby agrees to remit within forty five (45) days of notification by the County of the change an amount equal to ninety five percent (95%) of the estimated City's shares as documented in the supplemental agreement or change order.
- 4.6. Final Amount Due.** The remainder of the City's shares in the engineering and contract construction costs of the Project, including additional costs resulting from supplemental agreements and change orders, will be due the County upon acceptance by the County's construction engineer of all the construction work performed by the County's construction contractor and submittal of the County Engineer's final estimate for the Project to the City.
- 4.7. Remaining Balance.** Upon final payment to the Project contractor by the County, any amount remaining as a balance in the deposit account will be returned to the City, within 45 days, on a proportionate basis based on the City's initial deposit amount and the City's final proportionate share of the Project costs. Likewise, any amount due the County from the City upon final payment by the County shall be paid by the City as its final payment for the construction and engineering costs of the Project within forty five (45) days of receipt of an invoice from the County.

5. No Parking.

- 5.1. No Parking and Its Enforcement.** As part of the Project, "No-Parking" signs shall be installed as represented in the plans. In addition to the City's cost participation as provided elsewhere in this Agreement, the City, at its expense and according to its practices, shall provide the enforcement for the prohibition of on-street parking on those portions of county road constructed under this Project recognizing the concurrent jurisdiction of the Sheriff of Hennepin County.
- 5.2. Parking Restriction Modification.** No modification of the above parking restrictions shall be made without first obtaining an approval from the County Highway Engineer permitting the modification and in accordance with the funding requirements of the Project. In addition to the City's cost participation as provided elsewhere in this Agreement, the City shall, at its own expense, remove and replace city-owned signs that are within the construction limits of the Project if requested by the County's

Project Engineer.

6. The City's Maintenance Responsibilities. Upon completion of the Project, the City shall provide year-round maintenance at its sole cost as outlined below.

- 6.1. Roadways.** Maintenance of a segment of 70th and 76th streets reconstructed under the Project. Maintenance includes, but is not limited to sweeping, debris removal, resurfacing and seal coating, and any other maintenance activities according to accepted City maintenance practices.
- 6.2. Traffic Signal Components.** The City shall be responsible for providing power to the signal systems as stated in Subsection 2.6.1 and replacing the lamp on the luminaire extension, the fuse and the wire from the lamp to the load side of the meter socket of traffic signal systems. In the event that the City fails to perform or request for the County's assistance in performing these maintenance responsibilities, the County with its forces, at its sole discretion and subject to the limitations imposed by availability of manpower, equipment and replacement parts, and the condition of the County Road System, will endeavor to perform these maintenance items and invoice the City for the services rendered, and the City shall pay such invoices.
- 6.3. Street Lighting.** The City shall assume maintenance according to City practices of streetlights installed as part of the Project at no cost to the County.
- 6.4. Sidewalks, Pedestrian Refuges, and Pedestrian Ramps.** The City shall assume maintenance of sidewalks, pedestrian refuges, and pedestrian ramps constructed as part of the Project. Maintenance includes, but is not limited to, winter maintenance, debris removal, patching, crack repair, and any other maintenance activities as per accepted City maintenance practices.
- 6.5. Multi-use Trail/Bicycle Facility.** The City shall assume maintenance of the newly constructed multi-use trail/bicycle facilities constructed as part of the Project. Maintenance includes, but is not limited to, trail surfacing, sweeping, winter maintenance, and any other maintenance activities according to City practices.
- 6.6. City Road Pavement Striping and Crosswalk Markings.** The City shall thereafter maintain and repair, according to City practices, all pavement striping on 70th and 76th streets and crosswalk markings for roadway users installed as a part of the Project at the expense of the City.

7. The County's Maintenance Responsibilities. Upon completion of the Project, the County shall provide year-round maintenance at its sole cost as outlined below.

- 7.1. Roadways.** Maintenance of CSAH 52 reconstructed under the Project. Maintenance includes, but is not limited to, sweeping, debris removal, resurfacing and seal coating, and any other maintenance activities according to accepted County maintenance practices.
- 7.2. Traffic Signal Components.** The County shall thereafter retain ownership of and

maintain and repair the traffic control signal systems and their components at the expense of the County except for those items identified as the City's responsibilities above.

- 7.3. County Road Pavement Striping.** The County shall thereafter maintain and repair all pavement striping for CSAH 52 installed as a part of the Project at the expense of the County.

- 8. Authorized Representatives.** In order to coordinate the services of the County with the activities of the City and vice versa so as to accomplish the purposes of this Agreement, the Hennepin and the City Engineers or their designated representatives shall manage this Agreement on behalf of the County and the City.

County of Hennepin:

Carla Stueve
County Highway Engineer
Hennepin County Public Works
1600 Prairie Drive, Medina, MN 55340
Office: 612-596-0356
Carla.Stueve@hennepin.us

City of Richfield:

Joe Powers
City Engineer
1901 E. 66th Street, Richfield, MN 55423
Office: 612.861.9791
jpowers@richfieldmn.gov

- 9. Assignment, Amendments, Default, Waiver, Agreement Complete, Cancellation or Termination.**

- 9.1. Assignment.** The City shall not assign, subcontract, transfer or pledge this Agreement and/or the services to be performed hereunder, whether in whole or in part, without the prior written consent of the County.
- 9.2. Amendments.** Any alterations, variations, modifications or waivers of provisions of this Agreement shall only be valid when they have been reduced to writing as an amendment to this Agreement and signed by the Parties hereto.
- 9.3. Default.** If the City fails to perform any of the provisions of this Agreement or so fails to administer the work as to endanger the performance of the Agreement, this shall constitute a default. Unless the City's default is excused by the County, the County may upon written notice immediately cancel this Agreement in its entirety.
- 9.4. Waiver.** The County's failure to insist upon strict performance of any provision or to exercise any right under this Agreement shall not be deemed a relinquishment or waiver of the same, unless consented to in writing. Such consent shall not constitute a general waiver or relinquishment throughout the entire term of the Agreement.

9.5. Agreement Complete. The entire Agreement between the Parties is contained herein and that this Agreement supersedes all oral agreements and negotiations between the Parties relating to the subject matter hereof. All items referred to in this Agreement are incorporated or attached and are deemed to be part of this Agreement.

9.6. Cancellation or Termination. This Agreement may be terminated or cancelled by the Parties by mutual written agreement or with or without cause by either party upon thirty (30) days' written notice to the other. This Agreement may be terminated or cancelled by any party upon a material breach by the other party. In the event of a termination or cancellation, the Parties will remain responsible for cost participation as provided in this Agreement for obligations incurred up through the effective date of the termination or cancellation, subject to any equitable adjustment that may be required to account for the effects of a breach.

10. Indemnification.

10.1. The City Indemnifies the County. The City agrees to defend, indemnify and hold harmless the County, its officials, officers, agents, volunteers, and employees from any liability, claims, causes of action, judgments, damages, losses, costs or expenses, including reasonable attorneys' fees, resulting directly or indirectly from any act or omission of the City or the City's consultant or sub consultant, anyone directly or indirectly employed by them, and/or anyone for whose acts and/or omissions they may be liable in the performance of the services required by this contract, and against all loss by reason of the failure of the City to perform fully, in any respect, all obligations under this contract. The City's liability shall be governed by the provisions of Minnesota Statutes, Chapter 466 or other applicable law.

10.2. The County Indemnifies the City. The County agrees to defend, indemnify and hold harmless the City, its officials, officers, agents, volunteers, and employees from any liability, claims, causes of action, judgments, damages, losses, costs or expenses, including reasonable attorneys' fees, resulting directly or indirectly from any act or omission of the County or the County's consultant or sub consultant, anyone directly or indirectly employed by them, and/or anyone for whose acts and/or omissions they may be liable in the performance of the services required by this contract, and against all loss by reason of the failure of the County to perform fully, in any respect, all obligations under this contract. The County's liability shall be governed by the provisions of Minnesota Statutes, Chapter 466 or other applicable law.

11. Insurance. The County and the City agree that any future contract let by the Parties for the performance of any of the work included hereunder shall include clauses that will: 1) Require the contractor to indemnify and hold the County and the City, their commissioners, officers, agents and employees harmless from any liability, claim, demand, judgments, expenses, action or cause of action of any kind or character arising out of any act or omission of the contractor, their officers, employees, agents or subcontractors; 2) Require the contractor to be an independent contractor for the purposes of completing the work provided for in this Agreement; and 3) Require the contractor to provide and maintain enough insurance so as to assure the performance of its indemnification and hold harmless obligation:

Limits

- (1) Commercial General Liability on an occurrence basis with contractual liability coverage:

General Aggregate	\$2,000,000
Products - Completed Operations Aggregate	\$2,000,000
Personal and Advertising Injury	\$1,500,000
Each Occurrence - Combined Bodily Injury and Property Damage	\$1,500,000

Hennepin County shall be named as an additional insured for the Commercial General Liability coverage with respect to operations covered under this Agreement.

- (2) Automobile Liability:

Combined Single limit each occurrence coverage or the equivalent covering owned, non-owned, and hired automobiles:	\$1,500,000
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- (3) Workers' Compensation and employer's Liability:

Workers' Compensation:	Statutory
If the contractor is based outside the State of Minnesota, coverage must apply to Minnesota laws.	

Employer's Liability. Bodily injury by:	
Accident – Each Accident	\$500,000
Disease – Policy Limit	\$500,000
Disease - Each Employee	\$500,000

- (4) Professional Liability – Per Claim and Aggregate: \$2,000,000

The above listed Professional Liability insurance will not be required in any construction contract let by the City if the City's contractors are not required to perform design engineering as part of the construction contract.

An umbrella or excess policy over primary liability coverages is an acceptable method to provide the required insurance limits.

The above subparagraphs establish minimum insurance requirements. It is the sole responsibility of the City's contractors to determine the need for and to procure additional insurance which may be needed in connection with the Project.

All insurance policies shall be open to inspection by the County and copies of policies shall be submitted to the County upon written request.

12. Worker Compensation Claims.

12.1. City's Employees. Any and all employees of the City and all other persons engaged by the City in the performance of any work or services required or provided for herein to be performed by the City shall not be considered employees of the County, and any and all claims that may or might arise under the Workers' Compensation Act or the Unemployment Compensation Act of the State of Minnesota on behalf of the employees while so engaged and any and all claims made by any third parties as a consequence of any act or omission on the part of the employees while so engaged on any of the work or services provided to be rendered herein shall in no way be the obligation or responsibility of the County.

12.2. County's Employees. Any and all employees of the County and all other persons engaged by the County in the performance of any work or services required or provided for herein to be performed by the County shall not be considered employees of the City, and any and all claims that may or might arise under the Workers' Compensation Act or the Unemployment Compensation Act of the State of Minnesota on behalf of the employees while so engaged and any and all claims made by any third parties as a consequence of any act or omission on the part of the employees while so engaged on any of the work or services provided to be rendered herein shall in no way be the obligation or responsibility of the City.

13. Records/Audits. The City 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, etc., which are pertinent to the Project and the accounting practices and procedures of the City which involve transactions relating to this Agreement.

14. Nondiscrimination. The provisions of Minnesota Statute Section 181.59 and of any applicable local ordinance relating to civil rights and discrimination and the Affirmative Action Policy statement of Hennepin County shall be considered a part of this Agreement as though fully set forth herein.

15. Counterparts/Electronic Signatures. This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original copy of this Agreement and all of which, when taken together, will be deemed to constitute one and the same agreement. The facsimile, email or other electronically delivered signatures of the Parties shall be deemed to constitute original signatures, and facsimile or electronic copies hereof shall be deemed to constitute duplicate originals.

16. Minnesota Laws Govern. The laws of the State of Minnesota shall govern all questions and interpretations concerning the validity and construction of this Agreement and the legal relations between the Parties and their performance. The appropriate venue and jurisdiction for any litigation will be those courts located within the County of Hennepin, State of Minnesota. Litigation, however, in the federal courts involving the Parties will be in the appropriate federal court within the State of Minnesota.

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DRAFT

IN TESTIMONY WHEREOF, the Parties hereto have caused this Agreement to be executed by their respective duly authorized officers and agree to be bound by the provisions herein set forth.

CITY OF RICHFIELD

(Seal)

By: _____
Mayor

Date: _____

And: _____
City Manager

Date: _____

COUNTY OF HENNEPIN

ATTEST:

By: _____
Deputy/Clerk of the County Board
Date: _____

By: _____
Chair of its County Board
Date: _____

And: _____
County Administrator
Date: _____

**REVIEWED BY
THE COUNTY ATTORNEY'S OFFICE:**

By: _____
Assistant County Attorney
Date: _____

And: _____
Assistant County Administrator,
Public Works
Date: _____

RECOMMENDED FOR APPROVAL

By: _____
County Highway Engineer
Date: _____

RECOMMENDED FOR APPROVAL

By: _____
Department Director, Transportation
Operations
Date: _____

EXHIBIT A
Engineer's Estimate and Division of Cost Summary

HENNEPIN COUNTY
MINNESOTA

FINAL ENGINEERS ESTIMATE OF PROBABLE CONSTRUCTION COST
CSAH: 35 HENNEPIN COUNTY PROJ. NO.: 2191600 - (SP 027-635-038, SP 027-652-041,)
EXHIBIT "A"- SUMMARY

		TOTAL	Federal Funding	Hennepin County SP 027-635-038 SP 027-652-041	City of Richfield SP 157-020-033	City of Blommington SP 107-129-027 SP 107-130-047	\$	-
A) Construction Cost	\$	1,635,897.07		\$ 1,211,247.86	\$ 185,344.68	\$ 239,304.53		
B) Adjusted Costs	(1) \$	1,635,897.07	\$ 846,000.00	\$ 584,854.12	\$ 89,494.15	\$ 115,548.80	\$	-
C) Design Engineering	(2) \$	47,187.51	\$ -	\$ -	\$ 22,241.36	\$ 24,946.14	\$	-
D) Construction Engineering	(3) \$	42,464.92	\$ -	\$ -	\$ 18,534.47	\$ 23,930.45	\$	-
E) County Supplied Traffic Signal Controller and Video Detetction	(4) \$	115,000.00	\$ -	\$ 72,500.00	\$ 27,500.00	\$ 15,000.00	\$	-
F) Right of Way	\$	24,296.00		\$ 12,148.00	\$ 4,976.00	\$ 7,172.00	\$	-
PROJECT TOTAL	\$	1,864,845.50	\$ 846,000.00	\$ 669,502.12	\$ 162,745.98	\$ 186,597.40	\$	-

NOTES:

- (1) Agency shares with federal funds applied. Federal funding split is based on each agency's share of line item A)
- (2) 12% Design Engineering applied to line items A) for each city.

NOTE: For City of Bloomington, the City Designed Hydrant work (Estimated Cost of \$31,420) is not included in the Design Engineering Cost Calculation.
CITY DESIGNED HYDRANT WORK PAY ITEMS INCLUDE: REMOVE HYDRANT, REMOVE WATERMAIN, HYDRANT, 6" GATE VALVE AND BOX,
6" WATERMAIN DUCTILE IRON CL 52, WATERMAIN ENCASEMENT, DUCTILE IRON FITTINGS

- (3) 10% Construction Administration applied to items A) for each city.
- (4) County supplied signal controllers for: CSAH 52/70th, CSAH 35/86th, CSAH 35/98th. County supplied video detection for CSAH 52/70th. Design engineering and construction engineering already included in these costs.



STAFF REPORT NO. 85
CITY COUNCIL MEETING
5/24/2022

REPORT PREPARED BY: Jordan Vennes, Water Resources Engineer

DEPARTMENT DIRECTOR REVIEW: Kristin Asher, Public Works Director
5/17/2022

OTHER DEPARTMENT REVIEW: N/A

CITY MANAGER REVIEW: Katie Rodriguez, City Manager
5/18/2022

ITEM FOR COUNCIL CONSIDERATION:

Consider the second reading of an ordinance amending City Code Section 721 to add new Subsection 721.24 related to facility requirements for bulk deicer storage and approval of a resolution authorizing summary publication.

EXECUTIVE SUMMARY:

Background

- The MPCA issued a new Small Municipal Separate Storm Sewer Systems (MS4) General Permit on November 16, 2020. The City of Richfield was issued coverage under this permit on October 1, 2021 and must be compliant with new permit requirements of this permit within 12 months of issuance (by October 1, 2022).
- Section 18.6 of the 2020 General Permit requires cities to develop, implement, and enforce a regulatory mechanism which requires proper salt storage at commercial, institutional, and non-NPDES permitted industrial facilities. At minimum, this regulatory mechanism must require the following:
 - (a.) designated salt storage areas must be covered or indoors;
 - (b.) designated salt storage areas must be located on an impervious surface; and
 - (c.) implementation of practices to reduce exposure when transferring material in designated salt storage areas (e.g. sweeping, diversions, and/or containment).
- The 2019 Statewide Chloride Management Plan states that winter maintenance activities are a primary source of chloride discharges into lakes, streams, wetlands and groundwater.
- Salt/deicers can enter the environment during storage, transport and application. It only takes one teaspoon of salt to permanently pollute five gallons of water. Once contaminated with chloride, water becomes prohibitively difficult and expensive to treat for chloride removal.

Ordinance

- This ordinance amendment will apply to all commercial, institutional, and non-NPDES permitted industrial facilities that temporarily or permanently maintain indoor or outdoor bulk deicer storage facilities (greater than two tons in solid form or 400 gallons in liquid form).
- This ordinance will:
 - (a.) require indoor storage whenever possible;
 - (b.) require covered storage;
 - (c.) require storage on impervious surface;
 - (d.) require best practices during material transfer, including sweeping, diversions, and containment;

and

(e.) require solid and liquid deicer materials to be stored separately from one another.

RECOMMENDED ACTION:

By Motion: Approve the second reading of an ordinance amending City Code Subsection 721 to add new Section 721.24 related to facility requirements for bulk deicer storage and approve the resolution authorizing summary publication.

BASIS OF RECOMMENDATION:

A. HISTORICAL CONTEXT

- The City of Richfield has long prioritized reducing its salt/deicer application to protect our local and regional waterways while maintaining safe and navigable streets.
- This ordinance amendment is one additional step the City can take to further that goal of reducing salt/deicer discharge into the stormwater system.

B. POLICIES (resolutions, ordinances, regulations, statutes, etc):

- The City Charter requires a first and second reading of ordinances.
- A public hearing is not required unless a separate statute, charter provision or ordinance requires it.

C. CRITICAL TIMING ISSUES:

Approval of the second reading of this ordinance and summary publication at this meeting will ensure that it is effective within the timeframe required by the MS4 General Permit.

D. FINANCIAL IMPACT:

The intent of this ordinance amendment is to give staff a mechanism for enforcement of proper salt/deicer storage and is not intended to generate revenue.

E. LEGAL CONSIDERATION:

The City Attorney has reviewed the proposed ordinance and will be available to answer questions.

ALTERNATIVE RECOMMENDATION(S):

None

PRINCIPAL PARTIES EXPECTED AT MEETING:

None

ATTACHMENTS:

Description	Type
□ Ordinance	Ordinance
□ Summary Publication Resolution	Resolution Letter

BILL NO. _____
AN ORDINANCE AMENDING CHAPTER VII OF THE
RICHFIELD CODE OF ORDINANCES REGARDING
BULK DEICER STORAGE FACILITIES

THE CITY OF RICHFIELD DOES ORDAIN:

Section 1. Chapter VII, Section 721 of the Richfield Code of Ordinances is amended to add the following new sub-section 721.24:

721.24. – BULK DEICER STORAGE FACILITY REQUIREMENTS

Subdivision 1. Applicability. This sub-section applies to all commercial, institutional, and non-NPDES permitted industrial facilities that maintain indoor and outdoor bulk deicer storage facilities, whether temporary or permanent.

Subd. 2. Definitions.

- a. “Bulk deicer storage” means the storage of any deicing material that is measured at more than two tons in solid form or 400 gallons in liquid form, including but not limited to salt piles, sand piles, salt bag storage, and other storage of deicing materials.
- b. “Deicing material” means any solid or liquid material used for deicing and/or traction during winter conditions, including but not limited to salt, sand, and chloride-based deicers, such as sodium chloride (NaCl), magnesium chloride (MgCl₂), and calcium chloride (CaCl₂).

Subd. 3. Requirements.

- a. Indoor Storage. All bulk deicer storage facilities must provide indoor storage for deicing materials wherever possible in order to protect such materials against precipitation and surface water runoff.
- b. Outdoor Storage.
 - (i) When not using indoor storage, bulk deicer storage facilities must maintain any deicing materials in outdoor storage with a roof or cover, including a permanent roof wherever possible.
 - (ii) When not using a permanent roof, bulk deicer storage facilities must place a waterproof impermeable, flexible cover over all deicing materials in order to protect against precipitation and surface water runoff. The cover must be secured to prevent removal by wind or other storm events. Any salt, sand, or other deicing material piles must be formed in a conical shape and covered in a manner to prevent leaching.

(iii) Bulk deicer storage facilities must temporarily repair any leaks, tears, or other damage to roofs or covers immediately in order to protect against precipitation and surface water runoff. Any permanent repairs must be completed prior to the next winter season.

- c. Impervious Surface Storage. All bulk deicer storage must be located on an impervious surface.
- d. Transfer of Deicing Materials. Bulk deicer storage facilities must implement best practices in order to reduce exposure to precipitation and surface water runoff when transferring deicing material, including but not limited to sweeping, diversions, and containment.
- e. Separate Storage of Solid and Liquid Deicing Materials. Bulk deicer storage facilities must store liquid deicing materials separately from any solid deicing materials.

Section 2. This ordinance will be effective in accordance with Section 3.09 of the City Charter.

Adopted by the City of Richfield this 24th day of May, 2022.

Maria Regan Gonzalez, Mayor

ATTEST:

Kari Sinning, City Clerk

RESOLUTION NO.

**RESOLUTION APPROVING SUMMARY PUBLICATION OF AN ORDINANCE
IMPOSING CERTAIN REQUIREMENTS FOR FACILITIES WITH BULK DEICER
STORAGE**

WHEREAS, the City of Richfield has adopted the above referenced ordinance; and

WHEREAS, the verbatim text of the ordinance is cumbersome, and the expense of publication of the complete text is not justified.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Richfield that the following summary is hereby approved for official publication:

**SUMMARY PUBLICATION
TRANSITORY ORDINANCE NO.**

**AN ORDINANCE IMPOSING CERTAIN REQUIREMENTS FOR FACILITIES WITH BULK
DEICER STORAGE**

This summary of the ordinance is published pursuant to Section 3.12 of the Richfield City Charter.

The purpose of this ordinance is to impose certain requirements for facilities with bulk deicer storage to prevent chloride pollution of surface water and groundwater. These requirements apply to facilities who store more than two tons of any deicing material in solid form or 400 gallons of any deicing material in liquid form. These facilities are required to store deicing material indoors whenever possible, but at minimum, must store deicing material on an impervious surface and keep material covered. Facilities must also use best practices when transferring deicing material, including but not limited to sweeping, diversions, and containment.

Copies of the ordinance are available for public inspection in the City Clerk's office during normal business hours or upon request by calling the Public Works Department at (612) 861-9170.

Adopted by the City Council of the City of Richfield, Minnesota this 24th day of May, 2022.

Maria Regan Gonzalez, Mayor

ATTEST:

Kari Sinning, City Clerk



STAFF REPORT NO. 86
CITY COUNCIL MEETING
5/24/2022

REPORT PREPARED BY: Julie Urban, Asst Community Development Director

DEPARTMENT DIRECTOR REVIEW: Melissa Poehlman, Community Development Director
5/18/2022

OTHER DEPARTMENT REVIEW:

CITY MANAGER REVIEW: Katie Rodriguez, City Manager
5/18/2022

ITEM FOR COUNCIL CONSIDERATION:

Consider resolutions approving a modification to the Tax Increment Redevelopment Plans for the Lyndale Gateway/Interchange West, Urban Village and City Bella Tax Increment Financing districts, allowing 10 percent of increment to be pooled for affordable housing purposes.

EXECUTIVE SUMMARY:

The City and the Housing and Redevelopment Authority (HRA) have approved several Tax Increment Financing (TIF) districts over the years to facilitate housing and redevelopment activities in the City. State law allows the City and its HRA to pool up to 15 percent of the funds collected within a TIF district for eligible activities outside of the district boundaries. The HRA's Housing and Redevelopment Fund (HRF) utilizes these pooled funds for a variety of activities to alleviate blighted and substandard conditions.

Several TIF districts contribute pooled funds to the HRF; however, there are three districts that are the primary contributors: Lyndale Gateway/Interchange West, Urban Village and City Bella. A review of the City's TIF districts indicates that there is an opportunity to maximize the amount of tax increment that can be pooled and used outside of the district boundaries on redevelopment activities and also affordable housing. State law allows HRAs to pool 10 percent of increment to be used toward affordable housing activities, and the HRA's financial consultants are recommending that the Tax Increment Redevelopment Plan (Plan) be modified to enable the HRA to pool this 10 percent in three TIF districts.

Under the TIF law, the use of the 10 percent is limited to tax-credit eligible projects; however, the State Legislature passed a special law during the 2021 special session authorizing the City and its HRA to transfer tax increment accumulated for housing purposes to the Affordable Housing Trust Fund (Trust Fund), which is administered by the HRA. Under the special legislation, the funds collected under the 10 percent allowance can be used for the development, rehabilitation and financing of affordable housing, both rental and homeownership. Transfers are allowed until December 31, 2026. By approving the Plan modification for each of the three districts and utilizing this special legislation, the HRA would be able to transfer the pooled TIF collected under the 10 percent modification to the City's Trust Fund.

The modification authorizes the HRA to collect the 10 percent. The actual amount of funds transferred will be

considered by the HRA as eligible projects and activities are identified and as increment is collected. Revenue and expenditures for the Housing Trust Fund are approved annually by the City and HRA.

RECOMMENDED ACTION:

By motion: Adopt resolutions approving a modification to the Tax Increment Redevelopment Plans for the Lyndale Gateway/Interchange West, Urban Village and City Bella Tax Increment Financing districts to allow pooling of 10 percent for affordable housing.

BASIS OF RECOMMENDATION:

A. HISTORICAL CONTEXT

- In 2021, the State Legislature approved special legislation that allows Richfield to transfer funds collected for housing purposes to its Trust Fund until December 31, 2026, for the development, rehabilitation or financing of affordable housing.
- On May 16, 2022, the HRA approved the modification authorizing the collection of 10 percent of increment in the three TIF districts for affordable housing purposes.

B. POLICIES (resolutions, ordinances, regulations, statutes, etc):

- Minnesota Statutes Section 469.1763, subd. 2(d) allows an increase in pooling by 10 percent for affordable housing outside any type of TIF district.
- The State Legislature passed special legislation, chapter 14, Article 9, Section 5, that enables the City and its HRA to transfer pooled tax increment to its Trust Fund.
- The City's Trust Fund provides funding for housing that serves very low, low, and moderate income households.

C. CRITICAL TIMING ISSUES:

- The three districts are nearing the end of their terms, and approval of the modification will allow the HRA to maximize the use of generated increment before the districts expire.
- The special legislation allows for transfers to the Trust Fund until December 31, 2026. There isn't a time limit on expenditures.
- Enabling the HRA to pool 10 percent for affordable housing may provide additional local resources for affordable housing developments. Several affordable housing projects are in the planning stages and are seeking outside funding sources that have deadlines this summer and require local financial commitments.

D. FINANCIAL IMPACT:

- Given approval of the modification, a projected \$1.5 million may be collected annually from the three districts under the 10 percent rule, through 2025. The exact amount will be confirmed with each annual audit.
- A fund balance is projected for the end of each of the three districts. Approval of the modification will allow the HRA maximum use of the generated funds.

E. LEGAL CONSIDERATION:

- Funds transferred under the special legislation can be spent on eligible activities, which include grants, loans, and loan guarantees for the development, rehabilitation, or financing of housing or to match other funds from federal, state, or private sources for housing projects. The funds can be used for renter as well as owner-occupied housing.
- The special legislation does not allow the transferred pooled TIF to be used toward rent assistance or down payment assistance, as would be allowed with other funds in a housing trust fund.

ALTERNATIVE RECOMMENDATION(S):

Decide not to approve the Modification to the Plans.

PRINCIPAL PARTIES EXPECTED AT MEETING:

N/A

ATTACHMENTS:

Description	Type
▢ Resolution Interchange West Lyndale Gateway	Resolution Letter
▢ Resolution Urban Village	Resolution Letter
▢ Resolution City Bella	Resolution Letter
▢ TIF Plan Mod Interchange West Lyndale Gateway	Backup Material
▢ TIF Plan Mod Urban Village	Backup Material
▢ TIF Plan Mod City Bella	Backup Material
▢ Affordable Housing Trust Fund	Backup Material

CITY OF RICHFIELD, MINNESOTA

RESOLUTION NO. _____

**RESOLUTION APPROVING A MODIFICATION TO THE TAX
INCREMENT FINANCING PLAN FOR THE INTERCHANGE
WEST AND LYNDALE GATEWAY TAX INCREMENT
FINANCING DISTRICT**

BE IT RESOLVED by the City Council (the "City Council") of the City of Richfield, Minnesota (the "City"), as follows:

Section 1. Recitals.

1.01. The City and the Housing and Redevelopment Authority in and for the City of Richfield, Minnesota (the "Authority") previously established, and the Authority administers, the Interchange West and Lyndale Gateway Tax Increment Financing District (the "TIF District") within the Richfield Redevelopment Project in the City. The City and the Authority approved a tax increment financing plan (the "TIF Plan") for the TIF District pursuant to the provisions of Minnesota Statutes, Section 469.174 through 469.1794, as amended (the "TIF Act").

1.02. Pursuant to Section 469.1763, subdivision 2(d) of the TIF Act, the Authority may elect to increase by up to ten percent (10%) the permitted amounts of expenditures for activities located outside of the geographic area of the TIF District if such expenditures (a) are used exclusively to assist housing that meets the requirement for a qualified low-income building, as that term is used in Section 42 of the Internal Revenue Code of 1986, as amended (the "Code"); (b) do not exceed the qualified basis of the housing, as defined under Section 42(c) of the Code, less the amount of any credit allowed under Section 42 of the Code; and (c) are used to (i) acquire and prepare the site of the housing; (ii) acquire, construct, or rehabilitate the housing; or (iii) make public improvements directly related to the housing.

1.03. Pursuant to Laws of Minnesota 2021, First Special Session, Chapter 14, Article 9, Section 5 (the "Special Law"), in particular subdivision 1(b), the City and the Authority are authorized to transfer tax increment accumulated for housing and development purposes under Minnesota Statutes, Section 469.1763, subdivision 2(b) or (d), to the Affordable Housing Trust Fund established by the City.

1.04. The City and the Authority have determined to amend the budget (the "Budget") set forth in the TIF Plan to use up to ten percent (10%) of the tax increment from the TIF District, less any amount utilized for administrative expenses, and transfer such amount to the City's Affordable Housing Trust Fund for housing development purposes authorized by the Special Law.

1.05. Pursuant to Section 469.175, subdivision 4(b) of the TIF Act, a tax increment financing plan may be modified without public hearing or the findings required to be made for the original tax increment financing plan if the modification does not include (i) any reduction or enlargement of the geographic area of the project or tax increment financing district; (ii) an increase in the amount of bonded indebtedness to be incurred; (iii) a determination to capitalize interest on debt if that determination was not a part of the original plan; (iv) an increase in the portion of the captured net tax capacity to be retained by the authority; (v) an increase in the

estimated cost of the project, including administrative expenses, to be paid or financed with tax increment from the district; or (vi) the designation of additional property to be acquired by the authority.

1.06. There has been presented before the City Council a proposed form of amendment to the TIF Plan (the "Amendment"). The proposed Amendment to the Budget in the TIF Plan does not increase the total estimated tax increment expenditures, amount of bonded indebtedness, or capitalized interest and does not make any other changes that require a new public hearing pursuant to Section 469.175, subdivision 4 of the TIF Act.

1.07. On May 16, 2022, the Board of Commissioners of the Authority approved the Amendment to the TIF Plan and transmitted the Amendment to the City Council for consideration.

Section 2. Amendment to TIF Plan.

2.01. The Budget shall be amended as set forth in the Amendment to the TIF Plan, and such Amendment is hereby approved.

2.02. The Executive Director of the Authority is hereby authorized and directed to transmit a certified copy of this resolution to the Taxpayer Services Division Manager, acting as the county auditor of Hennepin County, Minnesota, the Commissioner of Revenue of the State of Minnesota, and the State Auditor, as required by Section 469.175, subdivision 4 of the TIF Act.

2.03. City staff, the City's advisors, and legal counsel are authorized and directed to proceed with the implementation of the Amendment to the TIF Plan.

Adopted by the City Council of the City of Richfield, Minnesota this 24th day of May, 2022.

Maria Regan Gonzalez, Mayor

ATTEST:

Kari Sinning, City Clerk

RC125-1 (JAE)
795910v1

CITY OF RICHFIELD, MINNESOTA

RESOLUTION NO. _____

**RESOLUTION APPROVING A MODIFICATION TO THE TAX
INCREMENT FINANCING PLAN FOR THE URBAN VILLAGE
TAX INCREMENT FINANCING DISTRICT**

BE IT RESOLVED by the City Council (the "City Council") of the City of Richfield, Minnesota (the "City"), as follows:

Section 1. Recitals.

1.01. The City and the Housing and Redevelopment Authority in and for the City of Richfield, Minnesota (the "Authority") previously established, and the Authority administers, the Urban Village Tax Increment Financing District (the "TIF District") within the Richfield Redevelopment Project in the City. The City and the Authority approved a tax increment financing plan (the "TIF Plan") for the TIF District pursuant to the provisions of Minnesota Statutes, Section 469.174 through 469.1794, as amended (the "TIF Act").

1.02. Pursuant to Section 469.1763, subdivision 2(d) of the TIF Act, the Authority may elect to increase by up to ten percent (10%) the permitted amounts of expenditures for activities located outside of the geographic area of the TIF District if such expenditures (a) are used exclusively to assist housing that meets the requirement for a qualified low-income building, as that term is used in Section 42 of the Internal Revenue Code of 1986, as amended (the "Code"); (b) do not exceed the qualified basis of the housing, as defined under Section 42(c) of the Code, less the amount of any credit allowed under Section 42 of the Code; and (c) are used to (i) acquire and prepare the site of the housing; (ii) acquire, construct, or rehabilitate the housing; or (iii) make public improvements directly related to the housing.

1.03. Pursuant to Laws of Minnesota 2021, First Special Session, Chapter 14, Article 9, Section 5 (the "Special Law"), in particular subdivision 1(b), the City and the Authority are authorized to transfer tax increment accumulated for housing and development purposes under Minnesota Statutes, Section 469.1763, subdivision 2(b) or (d), to the Affordable Housing Trust Fund established by the City.

1.04. The City and the Authority have determined to amend the budget (the "Budget") set forth in the TIF Plan to use up to ten percent (10%) of the tax increment from the TIF District, less any amount utilized for administrative expenses, and transfer such amount to the City's Affordable Housing Trust Fund for housing development purposes authorized by the Special Law.

1.05. Pursuant to Section 469.175, subdivision 4(b) of the TIF Act, a tax increment financing plan may be modified without public hearing or the findings required to be made for the original tax increment financing plan if the modification does not include (i) any reduction or enlargement of the geographic area of the project or tax increment financing district; (ii) an increase in the amount of bonded indebtedness to be incurred; (iii) a determination to capitalize interest on debt if that determination was not a part of the original plan; (iv) an increase in the portion of the captured net tax capacity to be retained by the authority; (v) an increase in the estimated cost of the project, including administrative expenses, to be paid or financed with tax

increment from the district; or (vi) the designation of additional property to be acquired by the authority.

1.06. There has been presented before the City Council a proposed form of amendment to the TIF Plan (the "Amendment"). The proposed Amendment to the Budget in the TIF Plan does not increase the total estimated tax increment expenditures, amount of bonded indebtedness, or capitalized interest and does not make any other changes that require a new public hearing pursuant to Section 469.175, subdivision 4 of the TIF Act.

1.07. On May 16, 2022, the Board of Commissioners of the Authority approved the Amendment to the TIF Plan and transmitted the Amendment to the City Council for consideration.

Section 2. Amendment to TIF Plan.

2.01. The Budget shall be amended as set forth in the Amendment to the TIF Plan, and such Amendment is hereby approved.

2.02. The Executive Director of the Authority is hereby authorized and directed to transmit a certified copy of this resolution to the Taxpayer Services Division Manager, acting as the county auditor of Hennepin County, Minnesota, the Commissioner of Revenue of the State of Minnesota, and the State Auditor, as required by Section 469.175, subdivision 4 of the TIF Act.

2.03. City staff, the City's advisors, and legal counsel are authorized and directed to proceed with the implementation of the Amendment to the TIF Plan.

Adopted by the City Council of the City of Richfield, Minnesota this 24th day of May, 2022.

Maria Regan Gonzalez, Mayor

ATTEST:

Kari Sinning, City Clerk

RC125-1 (JAE)
795958v1

CITY OF RICHFIELD, MINNESOTA

RESOLUTION NO. _____

**RESOLUTION APPROVING A MODIFICATION TO THE TAX
INCREMENT FINANCING PLAN FOR THE CITY BELLA TAX
INCREMENT FINANCING DISTRICT**

BE IT RESOLVED by the City Council (the "City Council") of the City of Richfield, Minnesota (the "City"), as follows:

Section 1. Recitals.

1.01. The City and the Housing and Redevelopment Authority in and for the City of Richfield, Minnesota (the "Authority") previously established, and the Authority administers, the City Bella Tax Increment Financing District (the "TIF District") within the Richfield Redevelopment Project in the City. The City and the Authority approved a tax increment financing plan (the "TIF Plan") for the TIF District pursuant to the provisions of Minnesota Statutes, Section 469.174 through 469.1794, as amended (the "TIF Act").

1.02. Pursuant to Section 469.1763, subdivision 2(d) of the TIF Act, the Authority may elect to increase by up to ten percent (10%) the permitted amounts of expenditures for activities located outside of the geographic area of the TIF District if such expenditures (a) are used exclusively to assist housing that meets the requirement for a qualified low-income building, as that term is used in Section 42 of the Internal Revenue Code of 1986, as amended (the "Code"); (b) do not exceed the qualified basis of the housing, as defined under Section 42(c) of the Code, less the amount of any credit allowed under Section 42 of the Code; and (c) are used to (i) acquire and prepare the site of the housing; (ii) acquire, construct, or rehabilitate the housing; or (iii) make public improvements directly related to the housing.

1.03. Pursuant to Laws of Minnesota 2021, First Special Session, Chapter 14, Article 9, Section 5 (the "Special Law"), in particular subdivision 1(b), the City and the Authority are authorized to transfer tax increment accumulated for housing and development purposes under Minnesota Statutes, Section 469.1763, subdivision 2(b) or (d), to the Affordable Housing Trust Fund established by the City.

1.04. The City and the Authority have determined to amend the budget (the "Budget") set forth in the TIF Plan to use up to ten percent (10%) of the tax increment from the TIF District, less any amount utilized for administrative expenses, and transfer such amount to the City's Affordable Housing Trust Fund for housing development purposes authorized by the Special Law.

1.05. Pursuant to Section 469.175, subdivision 4(b) of the TIF Act, a tax increment financing plan may be modified without public hearing or the findings required to be made for the original tax increment financing plan if the modification does not include (i) any reduction or enlargement of the geographic area of the project or tax increment financing district; (ii) an increase in the amount of bonded indebtedness to be incurred; (iii) a determination to capitalize interest on debt if that determination was not a part of the original plan; (iv) an increase in the portion of the captured net tax capacity to be retained by the authority; (v) an increase in the estimated cost of the project, including administrative expenses, to be paid or financed with tax

increment from the district; or (vi) the designation of additional property to be acquired by the authority.

1.06. There has been presented before the City Council a proposed form of amendment to the TIF Plan (the "Amendment"). The proposed Amendment to the Budget in the TIF Plan does not increase the total estimated tax increment expenditures, amount of bonded indebtedness, or capitalized interest and does not make any other changes that require a new public hearing pursuant to Section 469.175, subdivision 4 of the TIF Act.

1.07. On May 16, 2022, the Board of Commissioners of the Authority approved the Amendment to the TIF Plan and transmitted the Amendment to the City Council for consideration.

Section 2. Amendment to TIF Plan.

2.01. The Budget shall be amended as set forth in the Amendment to the TIF Plan, and such Amendment is hereby approved.

2.02. The Executive Director of the Authority is hereby authorized and directed to transmit a certified copy of this resolution to the Taxpayer Services Division Manager, acting as the county auditor of Hennepin County, Minnesota, the Commissioner of Revenue of the State of Minnesota, and the State Auditor, as required by Section 469.175, subdivision 4 of the TIF Act.

2.03. City staff, the City's advisors, and legal counsel are authorized and directed to proceed with the implementation of the Amendment to the TIF Plan.

Adopted by the City Council of the City of Richfield, Minnesota this 24th day of May, 2022.

Maria Regan Gonzalez, Mayor

ATTEST:

Kari Sinning, City Clerk

RC125-1 (JAE)
795965v1

Adoption Date: June 14, 1999
Modification #1: January 22, 2001
Modification #2: December 10, 2002
Modification #3: May 13, 2003
Modification #4: December 13, 2005
Modification #5: November 13, 2007

Modification #5 HRA Consideration: May 16, 2022

Housing and Redevelopment Authority in and for the City of Richfield Hennepin County, Minnesota

MODIFICATION to the Tax Increment Financing (TIF) Plan Interchange West and Lyndale Gateway Tax Increment Financing District (a scattered site redevelopment district)

Located in Richfield Redevelopment Project Area



Prepared by:

Ehlers
3060 Centre Pointe Drive
Roseville, Minnesota 55113

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Modification to the Tax Increment Financing Plan for Interchange West and Lyndale Gateway TIF District

FOREWORD

The Housing and Redevelopment Authority in and for the City of Richfield (the "HRA"), the City of Richfield (the "City"), staff and consultants have prepared the following information to expedite the Modification of Interchange West and Lyndale Gateway TIF District (the "District"), a scattered site redevelopment tax increment financing district, located in Richfield Redevelopment Project Area.

STATUTORY AUTHORITY

Within the City, there exist areas where public involvement is necessary to cause development or redevelopment to occur. To this end, the HRA and City have certain statutory powers pursuant to *Minnesota Statutes ("M.S."), Sections 469.001 - 469.047*, inclusive, as amended, and *M.S., Sections 469.174 to 469.1794*, inclusive, as amended (the "Tax Increment Financing Act" or "TIF Act"), to assist in financing public costs related to this project.

This section contains the Modification to the Tax Increment Financing Plan (the "Modification") for the District. Other relevant information is contained in the Richfield Redevelopment Project Area.

STATEMENT OF OBJECTIVES

The Interchange West component is comprised of the Best Buy Corporate Headquarters located on the intersection of I-494 and Penn Ave. The first year of full increment was 2004. Tax increments are pledged to the Best Buy project to assist with site assembly activities.

The Lyndale Gateway component is comprised of the Richfield Senior Housing project (Main Street Village) and the Minnstar Builders, Inc. project (Casteel Place Townhouses). The first year of full increment was 2002. Tax increment revenue is pledged to the project to assist with site assembly expenses.

The HRA is modifying the TIF Plan to allow the HRA to pool an additional 10% of tax increment to the Housing Trust Fund under Minnesota Statutes 469.1763, Subdivision 2, Paragraph (b) and (d) and Minnesota Session Laws – 2021, 1st Special Session, Chapter 14 – HF No. 9, Article 9, Section 1 through Section 5.

The activities contemplated in the Redevelopment Program and the TIF Plan do not preclude the undertaking of other qualified development or redevelopment activities. These activities are anticipated to occur over the life of Richfield Redevelopment Project Area and the District.

ESTIMATED PUBLIC COSTS

As modified May 16, 2022

Section 2-10 of the Tax Increment Financing Plan for Interchange West and Lyndale Gateway TIF District shall be amended as follows:

The May 16, 2022 Amendment contains the cumulative estimated project costs, including the previously identified costs from the original and previous amendments. The total project cost, including financing costs (interest) listed in the table on the following page does not exceed the total projected tax increments for the District as shown in the Sources of Revenue section.

ESTIMATED PROJECT COSTS

The budget is being modified to allow the HRA to pool an additional 10% of tax increment to the Housing Trust Fund under Minnesota Statutes 469.1763, Subdivision 2, Paragraph (b) and (d) and Minnesota Session Laws – 2021, 1st Special Session, Chapter 14 – HF No. 9, Article 9, Section 1 through Section 5. The total budget amount is not being modified.

USES	June 14, 1999	November 13, 2007	May 16, 2022
Land/Building Acquisition	\$ 59,000,000	\$ 76,556,071	\$ 60,618,041
Site Improvements/Preparation	-	30,000	300,000
Affordable Housing	-	-	-
Utilities	-	-	-
Other Qualifying Improvements	-	12,000,000	18,565,047
Bond Principal	-	544,450	-
Transfers Out	-	891,320	-
Administrative Costs (up to 10%)	12,761,700	13,101,081	11,819,917
Administrative Costs (Add'l 10% for Housing)	-	-	11,819,917
PROJECT COSTS TOTAL	\$ 71,761,700	\$ 103,122,922	\$ 103,122,922
Interest	55,855,300	38,716,078	38,716,078
PROJECT AND INTEREST COSTS TOTAL	\$ 127,617,000	\$ 141,839,000	\$ 141,839,000

Estimated costs associated with the District are subject to change among categories without a modification to this TIF Plan. The cost of all activities to be considered for tax increment financing will not exceed, without formal modification, the budget above pursuant to the applicable statutory requirements. The City may expend funds for qualified housing activities outside of the District boundaries.

Section 2-11 of the Tax Increment Financing Plan for Interchange West and Lyndale Gateway TIF District shall be amended as follows:

ESTIMATED SOURCES OF REVENUE

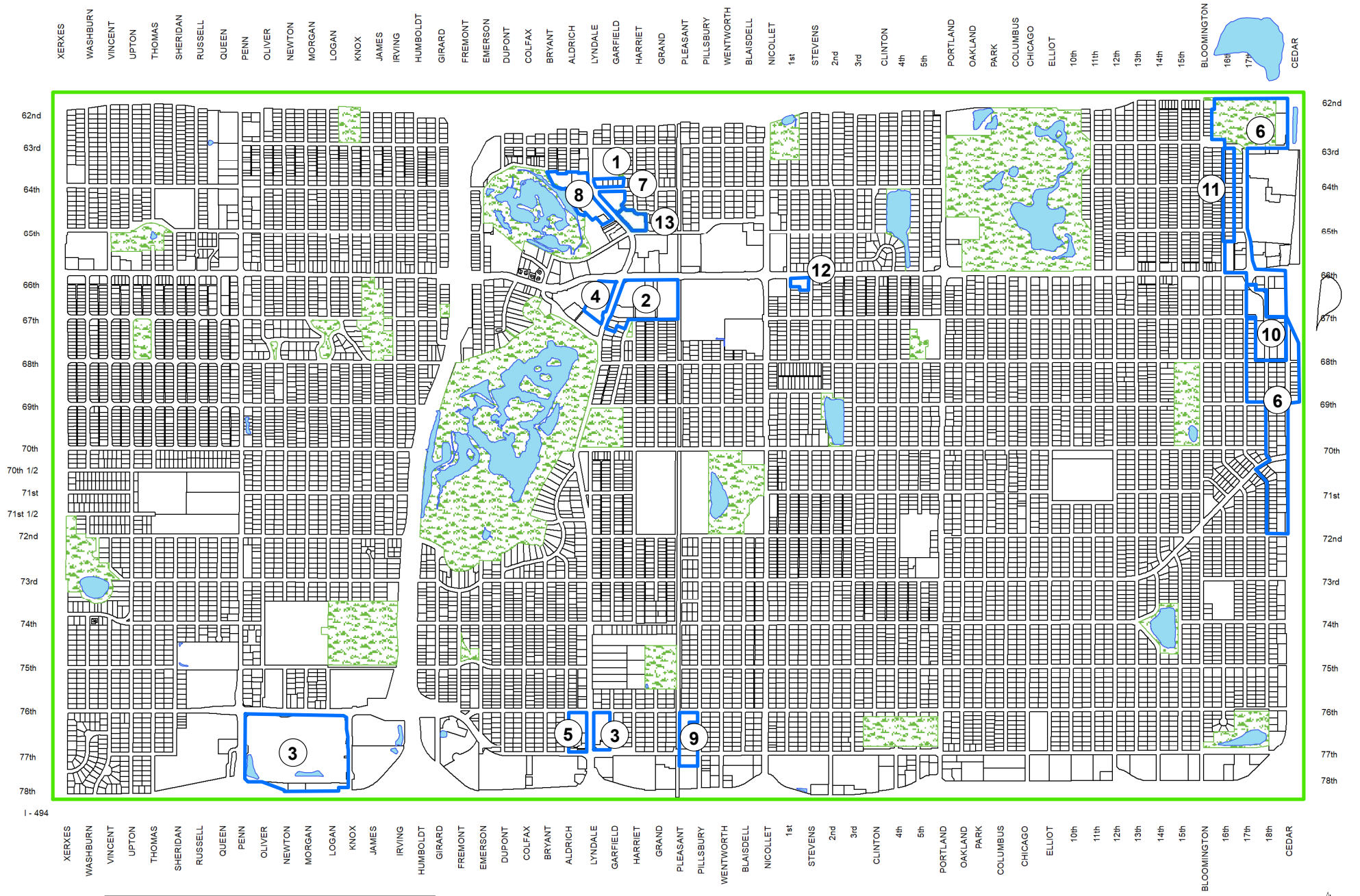
SOURCES	June 14, 1999	November 13, 2007	May 16, 2022
Tax Increment	\$ 121,540,000	\$ 130,545,307	\$ 130,545,307
Interest	-	325,000	11,293,693
Bond Proceeds	-	8,350,000	-
Other / Local Contribution	6,077,000	24,860	-
Transfers In	-	2,593,833	-
TOTAL	\$ 127,617,000	\$ 141,839,000	\$ 141,839,000

The costs outlined in the Uses of Funds will be financed primarily through the annual collection of tax increments. The HRA reserves the right to incur bonds or other indebtedness as a result of the TIF Plan. Any refunding amounts will be deemed a budgeted cost without a formal TIF Plan Modification. This provision does not obligate the HRA to incur debt. The HRA will issue bonds or incur other debt only upon the determination that such action is in the best interest of the HRA.

The City or HRA may issue bonds (as defined in the TIF Act) secured in whole or in part with tax increments from the District in a maximum principal amount of \$141,839,000. Such bonds may be in the form of pay-as-you-go notes, revenue bonds or notes, general obligation bonds, or interfund loans. This estimate of total bonded indebtedness is a cumulative statement of authority under this TIF Plan as of the date of approval.

Appendix A: Map of Richfield Redevelopment Project Area and the TIF District

RICHFIELD REDEVELOPMENT PROJECT AREA BOUNDARY



Legend

- Richfield Redevelopment Project Area Boundary
- TIF Districts

TIF DISTRICTS:

- 1 - 2020-1 Henley II
- 2 - Urban Village
- 3 - Interchange West/Lyndale Gateway
- 4 - City Bella
- 5 - Lyndale Gateway West
- 6 - Cedar Corridor

- 7 - Housing District 2010-1 (Lyndale Plaza)
- 8 - Lyndale Garden
- 9 - 2014-1 (former City Garage/Mortuary)
- 10 - 2017-1 Chamberlain
- 11 - 2018-1 NHH Properties LLC
- 12 - 2020-2 Emi
- 13 - 2020-3 LYNK65



October 2020

Appendix B: Legislation

Section 1. Minnesota Statutes 2020, section 469.176, is amended by adding a subdivision to read:

Subd. 4n. Temporary use of increment authorized.

(a) Notwithstanding any other provision of this section or any other law to the contrary, except the requirements to pay bonds to which increments are pledged, the authority may elect, by resolution, to transfer unobligated increment for one or more of the following purposes:

(1) to provide improvements, loans, interest rate subsidies, or assistance in any form to private development consisting of the construction or substantial rehabilitation of buildings and ancillary facilities, if doing so will create or retain jobs in the state, including construction jobs, and the construction commences before December 31, 2025, and would not have commenced before that date without the assistance; or

(2) to make an equity or similar investment in a corporation, partnership, or limited liability company that the authority determines is necessary to make construction of a development that meets the requirement of clause (1) financially feasible.

(b) For each calendar year for which transfers are permitted under this subdivision, the maximum transfer equals the excess of the district's unobligated increment which includes any increment not required for payments of obligations due during six months following the transfer on outstanding bonds, binding contracts, and other outstanding financial obligations of the district to which the district's increment is pledged.

(c) The authority may transfer increments permitted under this subdivision after creating a written spending plan that authorizes the authority to take the action described in paragraph (a) and details the use of transferred increment. Additionally, the municipality must approve the authority's spending plan after holding a public hearing. The municipality must publish notice of the hearing in a newspaper of general circulation in the municipality and on the municipality's public website at least ten days, but not more than 30 days, prior to the date of the hearing.

(d) Increment that is improperly retained, received, spent, or transferred is not eligible for transfer under this subdivision.

(e) An authority making a transfer under this subdivision must provide to the Office of the State Auditor a copy of the spending plan approved and signed by the municipality.

(f) The authority to transfer increments under this subdivision expires on December 31, 2022. All transferred increments must be spent by December 31, 2025. Increment not spent by December 31, 2025, must be returned to the district. If the district has already been decertified, the increment shall be treated as excess increment and distributed as provided in subdivision 2, paragraph (c), clause (4).

EFFECTIVE DATE.

This section is effective the day following final enactment and applies to increments from any district that are unobligated as of the date of final enactment regardless of when the request for certification was made.

Sec. 2. Minnesota Statutes 2020, section 469.1763, subdivision 2, is amended to read:

Subd. 2. Expenditures outside district.

(a) For each tax increment financing district, an amount equal to at least 75 percent of the total revenue derived from tax increments paid by properties in the district must be expended on activities in the district or to pay bonds, to the extent that the proceeds of the bonds were used to finance activities in the district or to pay, or secure payment of, debt service on credit enhanced bonds. For districts, other than redevelopment districts for which the request for certification was made after June 30, 1995, the in-district percentage for purposes of the preceding sentence is 80 percent. Not more than 25 percent of the total revenue derived from tax increments paid by properties in the district may be expended, through a development fund or otherwise, on activities outside of the district but within the defined geographic area of the project except to pay, or secure payment of, debt service on credit enhanced bonds. For districts, other than redevelopment districts for which the request for certification was made after June 30, 1995, the pooling percentage for purposes of the preceding sentence is 20 percent. The revenues derived from tax increments paid by properties in the district that are expended on costs under section 469.176, subdivision 4h, paragraph (b), may be deducted first before calculating the percentages that must be expended within and without the district.

(b) In the case of a housing district, a housing project, as defined in section 469.174, subdivision 11, is an activity in the district.

(c) All administrative expenses are for activities outside of the district, except that if the only expenses for activities outside of the district under this subdivision are for the purposes described in paragraph (d), administrative expenses will be considered as expenditures for activities in the district.

(d) The authority may elect, in the Previous tax Next Previous increment Next financing plan for the district, to increase by up to ten percentage points the permitted amount of expenditures for activities located outside the geographic area of the district under paragraph (a). As permitted by section 469.176, subdivision 4k, the expenditures, including the permitted expenditures under paragraph (a), need not be made within the geographic area of the project. Expenditures that meet the requirements of this paragraph are legally permitted expenditures of the district, notwithstanding section 469.176, subdivisions 4b, 4c, and 4j. To qualify for the increase under this paragraph, the expenditures must:

(1) be used exclusively to assist housing that meets the requirement for a qualified low-income building, as that term is used in section 42 of the Internal Revenue Code; and

(2) not exceed the qualified basis of the housing, as defined under section 42(c) of the Internal Revenue Code, less the amount of any credit allowed under section 42 of the Internal Revenue Code; and

(3) be used to:

(i) acquire and prepare the site of the housing;

(ii) acquire, construct, or rehabilitate the housing; or

(iii) make public improvements directly related to the housing; or

(4) be used to develop housing:

(i) if the market value of the housing does not exceed the lesser of:

(A) 150 percent of the average market value of single-family homes in that municipality; or

(B) \$200,000 for municipalities located in the metropolitan area, as defined in section 473.121, or \$125,000 for all other municipalities; and

(ii) if the expenditures are used to pay the cost of site acquisition, relocation, demolition of existing structures, site preparation, and pollution abatement on one or more parcels, if the parcel contains a residence containing one to four family dwelling units that has been vacant for six or more months and is in foreclosure as defined in section 325N.10, subdivision 7, but without regard to whether the residence is the owner's principal residence, and only after the redemption period has expired; or

(5) to assist owner-occupied housing that meets the requirements of section 469.1761, subdivision 2.

(e) The authority under paragraph (d), clause (4), expires on December 31, 2016. Increments may continue to be expended under this authority after that date, if they are used to pay bonds or binding contracts that would qualify under subdivision 3, paragraph (a), if December 31, 2016, is considered to be the last date of the five-year period after certification under that provision.

EFFECTIVE DATE.

This section is effective the day following final enactment.

Sec. 3. Minnesota Statutes 2020, section 469.1763, subdivision 3, is amended to read:

Subd. 3. Five-year rule.

(a) Revenues derived from Previous tax Next increments paid by properties in the district are considered to have been expended on an activity within the district under subdivision 2 only if one of the following occurs:

(1) before or within five years after certification of the district, the revenues are actually paid to a third party with respect to the activity;

(2) bonds, the proceeds of which must be used to finance the activity, are issued and sold to a third party before or within five years after certification, the revenues are spent to repay the

bonds, and the proceeds of the bonds either are, on the date of issuance, reasonably expected to be spent before the end of the later of (i) the five-year period, or (ii) a reasonable temporary period within the meaning of the use of that term under section 148(c)(1) of the Internal Revenue Code, or are deposited in a reasonably required reserve or replacement fund;

(3) binding contracts with a third party are entered into for performance of the activity before or within five years after certification of the district and the revenues are spent under the contractual obligation;

(4) costs with respect to the activity are paid before or within five years after certification of the district and the revenues are spent to reimburse a party for payment of the costs, including interest on unreimbursed costs; or

(5) expenditures are made for housing purposes as permitted by subdivision 2, paragraphs (b) and (d), or for public infrastructure purposes within a zone as permitted by subdivision 2, paragraph (e).

(b) For purposes of this subdivision, bonds include subsequent refunding bonds if the original refunded bonds meet the requirements of paragraph (a), clause (2).

(c) For a redevelopment district or a renewal and renovation district certified after June 30, 2003, and before April 20, 2009, the five-year periods described in paragraph (a) are extended to ten years after certification of the district. For a redevelopment district certified after April 20, 2009, and before June 30, 2012, the five-year periods described in paragraph (a) are extended to eight years after certification of the district. This extension is provided primarily to accommodate delays in development activities due to unanticipated economic circumstances.

(d) For a redevelopment district that was certified after December 31, 2017, and before June 30, 2020, the five-year periods described in paragraph (a) are extended to eight years after certification of the district.

EFFECTIVE DATE.

This section is effective for districts for which the request for certification was made after December 31, 2017.

Sec. 4. Minnesota Statutes 2020, section 469.1763, subdivision 4, is amended to read:

Subd. 4. Use of revenues for decertification.

(a) In each year beginning with the sixth year following certification of the district, or beginning with the ninth year following certification of the district for districts whose five-year rule is extended to eight years under subdivision 3, paragraph (d), if the applicable in-district percent of the revenues derived from tax increments paid by properties in the district exceeds the amount of expenditures that have been made for costs permitted under subdivision 3, an amount equal to the difference between the in-district percent of the revenues derived from tax increments paid by properties in the district and the amount of expenditures that have been made for costs permitted under subdivision 3 must be used and only used to pay or defease the following or be set aside to pay the following:

(1) outstanding bonds, as defined in subdivision 3, paragraphs (a), clause (2), and (b);

(2) contracts, as defined in subdivision 3, paragraph (a), clauses (3) and (4);

(3) credit enhanced bonds to which the revenues derived from tax increments are pledged, but only to the extent that revenues of the district for which the credit enhanced bonds were issued are insufficient to pay the bonds and to the extent that the increments from the applicable pooling percent share for the district are insufficient; or

(4) the amount provided by the tax increment financing plan to be paid under subdivision 2, paragraphs (b), (d), and (e).

(b) The district must be decertified and the pledge of tax increment discharged when the outstanding bonds have been defeased and when sufficient money has been set aside to pay, based on the increment to be collected through the end of the calendar year, the following amounts:

(1) contractual obligations as defined in subdivision 3, paragraph (a), clauses (3) and (4);

(2) the amount specified in the tax increment financing plan for activities qualifying under subdivision 2, paragraph (b), that have not been funded with the proceeds of bonds qualifying under paragraph (a), clause (1); and

(3) the additional expenditures permitted by the tax increment financing plan for housing activities under an election under subdivision 2, paragraph (d), that have not been funded with the proceeds of bonds qualifying under paragraph (a), clause (1).

EFFECTIVE DATE.

This section is effective the day following final enactment.

Minnesota Laws 2021, 1st Special Session, Chapter 14, Article 9

Sec. 5. CITIES OF MINNETONKA, RICHFIELD, AND ST. LOUIS PARK; TEMPORARY TRANSFER OF INCREMENT AUTHORIZED.

Subdivision 1. Transfer of increment.

- (a) The city of Minnetonka, or its economic development authority, may transfer tax increment accumulated for housing development purposes under Minnesota Statutes, section 469.1763, subdivision 2, paragraph (b) or (d), to the housing trust fund established by the city of Minnetonka under Minnesota Statutes, section 462C.16. Increment transferred under this paragraph must be used as provided in subdivision 2.
- (b) (b) The city of Richfield, or its housing and redevelopment authority, may transfer tax increment accumulated for housing development purposes under Minnesota Statutes, section 469.1763, subdivision 2, paragraph (b) or (d), to the housing trust fund established by the city of Richfield under Minnesota Statutes, section 462C.16. Increment transferred under this paragraph must be used as provided in subdivision 2.

- (c) The city of St. Louis Park, or its economic development authority, may transfer tax increment accumulated for housing development purposes under Minnesota Statutes, section 469.1763, subdivision 2, paragraph (b) or (d), to the housing trust fund established by the city of St. Louis Park under Minnesota Statutes, section 462C.16. Increment transferred under this paragraph must be used as provided in subdivision 2.

Subd. 2. Allowable use. Tax increment transferred under subdivision 1 must be used only to:

- (1) make grants, loans, and loan guarantees for the development, rehabilitation, or financing of housing; or
- (2) match other funds from federal, state, or private resources for housing projects.

Subd. 3. Annual financial reporting.

Tax increment transferred under this section is subject to the annual reporting requirements under Minnesota Statutes, section 469.175, subdivision 6.

Subd. 4. Legislative report.

By February 1, 2024, and February 1, 2026, each city must issue a report to the chairs and ranking minority members of the legislative committees with jurisdiction over taxes and property taxes. The report must include detailed information relating to each housing project financed with increment transferred under this section, including, when applicable, the percentage of area median income relative to each housing project, the total cost per housing project, the number of units per housing project, and income and rent limitations required under federal, state, or local law for each housing project.

Subd. 5. Expiration. The authority to make transfers under subdivision 1 expires December 31, 2026.

EFFECTIVE DATE.

- (a) Subdivision 1, paragraph (a), is effective the day after the governing body of the city of Minnetonka and its chief clerical officer comply with the requirements of Minnesota Statutes, section 645.021, subdivisions 2 and 3.
- (b) Subdivision 1, paragraph (b), is effective the day after the governing body of the city of Richfield and its chief clerical officer comply with the requirements of Minnesota Statutes, section 645.021, subdivisions 2 and 3.
- (c) Subdivision 1, paragraph (c), is effective the day after the governing body of the city of St. Louis Park and its chief clerical officer comply with the requirements of Minnesota Statutes, section 645.021, subdivisions 2 and 3.

Adoption Date: November 23, 1998
Modification #1: October 11, 1999
Modification #2: January 22, 2001
Modification #3: December 13, 2005
Modification #4: November 13, 2007

Modification #5 HRA Consideration: May 16, 2022

Housing and Redevelopment Authority in and for the City of Richfield Hennepin County, Minnesota

MODIFICATION to the Tax Increment Financing (TIF) Plan Urban Village Tax Increment Financing District (a redevelopment district)

Located in Richfield Redevelopment Project Area



Prepared by:

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BUILDING COMMUNITIES. IT'S WHAT WE DO.

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Modification to the Tax Increment Financing Plan for Urban Village TIF District

FOREWORD

The Housing and Redevelopment Authority in and for the City of Richfield (the "HRA"), the City of Richfield (the "City"), staff and consultants have prepared the following information to expedite the Modification of Urban Village TIF District (the "District"), a redevelopment tax increment financing district, located in Richfield Redevelopment Project Area.

STATUTORY AUTHORITY

Within the City, there exist areas where public involvement is necessary to cause development or redevelopment to occur. To this end, the HRA and City have certain statutory powers pursuant to *Minnesota Statutes ("M.S.")*, Sections 469.001 - 469.047, inclusive, as amended, and *M.S.*, Sections 469.174 to 469.1794, inclusive, as amended (the "Tax Increment Financing Act" or "TIF Act"), to assist in financing public costs related to this project.

This section contains the Modification to the Tax Increment Financing Plan (the "Modification") for the District. Other relevant information is contained in the Richfield Redevelopment Project Area.

STATEMENT OF OBJECTIVES

The Urban Village TIF District is a mixed-use redevelopment project located on the **southeast corner of Lyndale and 66th Street**. Development includes **Houlihan's, the Oaks on Pleasant apartments, and BMO Bank**. Tax increment revenue is pledged to assist with property acquisition and excess site development expenses.

The HRA is modifying the TIF Plan to allow the HRA to pool an additional 10% of tax increment to the Housing Trust Fund under Minnesota Statutes 469.1763, Subdivision 2, Paragraph (b) and (d) and Minnesota Session Laws - 2021, 1st Special Session, Chapter 14 - HF No. 9, Article 9, Section 1 through Section 5.

The activities contemplated in the Redevelopment Program and the TIF Plan do not preclude the undertaking of other qualified development or redevelopment activities. These activities are anticipated to occur over the life of Richfield Redevelopment Project Area and the District.

ESTIMATED PUBLIC COSTS

As modified May 16, 2022

Uses of Funds Section of the Tax Increment Financing Plan for Urban Village TIF District shall be amended as follows:

The May 16, 2022 Amendment contains the cumulative estimated project costs, including the previously identified costs from the original and previous amendments. The total project cost, including financing costs (interest) listed in the table on the following page does not exceed the total projected tax increments for the District as shown in the Sources of Revenue section.

ESTIMATED PROJECT COSTS

The budget is being modified to allow the HRA to pool an additional 10% of tax increment to the Housing Trust Fund under Minnesota Statutes 469.1763, Subdivision 2, Paragraph (b) and (d) and Minnesota Session Laws – 2021, 1st Special Session, Chapter 14 – HF No. 9, Article 9, Section 1 through Section 5. The total budget amount is not being modified.

USES	November 23, 1998	November 13, 2007	May 16, 2022
Land/Building Acquisition	\$ 4,000,000	\$ 8,310,042	\$ 4,310,042
Site Improvements/Preparation	2,000,000	2,280,000	2,280,000
Affordable Housing	-	-	-
Utilities	2,000,000	2,000,000	-
Other Qualifying Improvements	7,000,000	4,665,279	8,265,472
Bond Principal Payments	-	18,042	-
Transfers out	-	239,259	-
Administrative Costs (up to 10%)	2,500,000	2,993,361	2,825,234
Administrative Costs (Add'l 10% Housing)	-	-	2,825,235
PROJECT COSTS TOTAL	\$ 17,500,000	\$ 20,505,983	\$ 20,505,983
Interest	8,750,000	10,571,597	10,571,597
PROJECT AND INTEREST COSTS TOTAL	\$ 26,250,000	\$ 31,077,580	\$ 31,077,580

Estimated costs associated with the District are subject to change among categories without a modification to this TIF Plan. The cost of all activities to be considered for tax increment financing will not exceed, without formal modification, the budget above pursuant to the applicable statutory requirements. The City may expend funds for qualified housing activities outside of the District boundaries.

Sources of Revenue/Bonded Indebtedness Section of the Tax Increment Financing Plan for Urban Village TIF District shall be amended as follows:

ESTIMATED SOURCES OF REVENUE

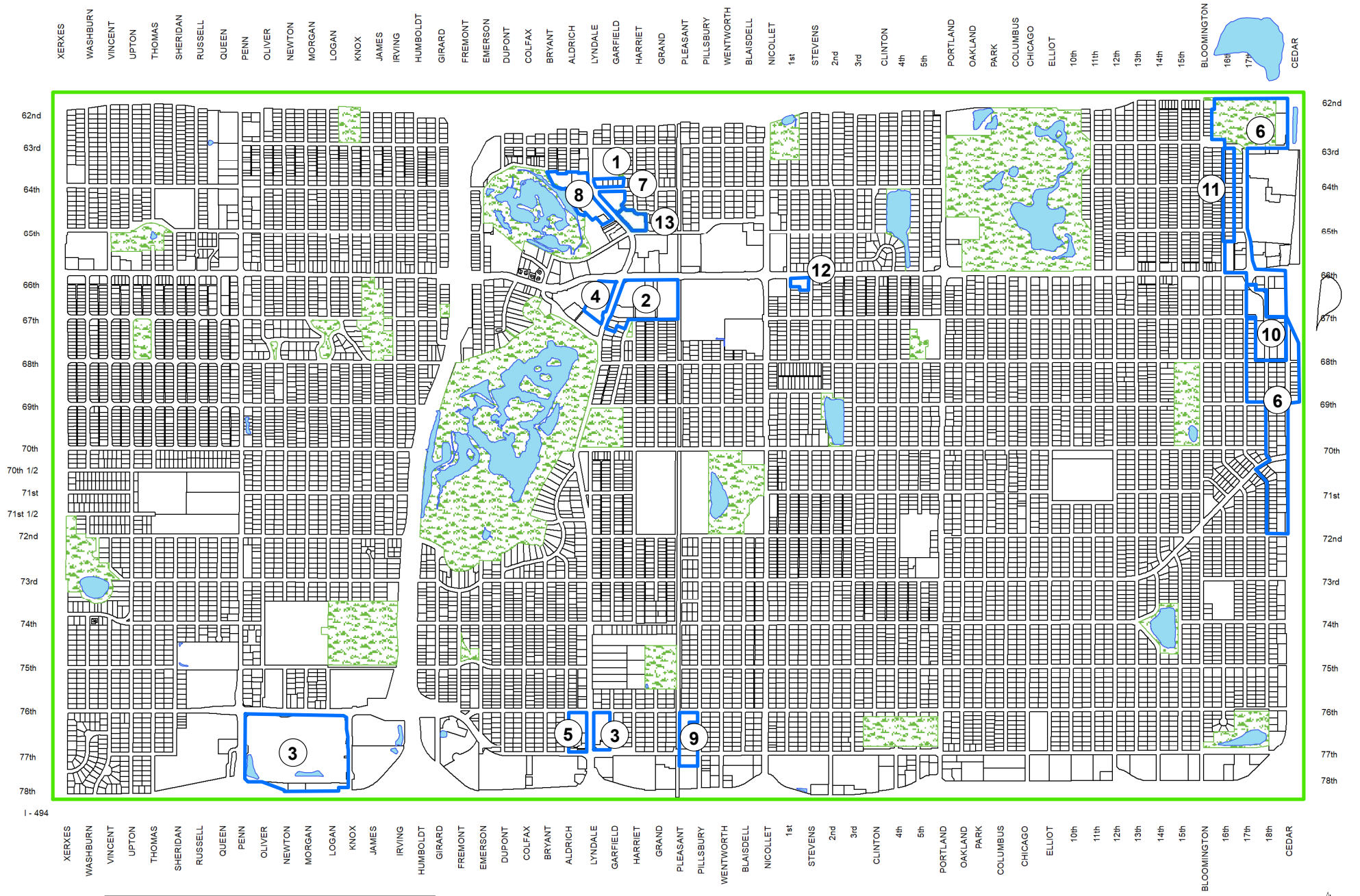
SOURCES	November 23, 1998	November 13, 2007	May 16, 2022
Tax Increment	\$ 25,000,000	\$ 29,935,611	\$ 29,935,611
Interest	-	25,000	301,969
Sales / Lease Proceeds	-	840,000	840,000
Transfers in	-	276,969	-
Local contribution	1,250,000	-	-
TOTAL	\$ 26,250,000	\$ 31,077,580	\$ 31,077,580

The costs outlined in the Uses of Funds will be financed primarily through the annual collection of tax increments. The HRA reserves the right to incur bonds or other indebtedness as a result of the TIF Plan. Any refunding amounts will be deemed a budgeted cost without a formal TIF Plan Modification. This provision does not obligate the HRA to incur debt. The HRA will issue bonds or incur other debt only upon the determination that such action is in the best interest of the HRA.

The City or HRA may issue bonds (as defined in the TIF Act) secured in whole or in part with tax increments from the District in a maximum principal amount of \$31,077,580. Such bonds may be in the form of pay-as-you-go notes, revenue bonds or notes, general obligation bonds, or interfund loans. This estimate of total bonded indebtedness is a cumulative statement of authority under this TIF Plan as of the date of approval.

Appendix A: Map of Richfield Redevelopment Project Area and the TIF District

RICHFIELD REDEVELOPMENT PROJECT AREA BOUNDARY



Legend

- Richfield Redevelopment Project Area Boundary
- TIF Districts

TIF DISTRICTS:

- 1 - 2020-1 Henley II
- 2 - Urban Village
- 3 - Interchange West/Lyndale Gateway
- 4 - City Bella
- 5 - Lyndale Gateway West
- 6 - Cedar Corridor
- 7 - Housing District 2010-1 (Lyndale Plaza)
- 8 - Lyndale Garden
- 9 - 2014-1 (former City Garage/Mortuary)
- 10 - 2017-1 Chamberlain
- 11 - 2018-1 NHH Properties LLC
- 12 - 2020-2 Emi
- 13 - 2020-3 LYNK65



October 2020

Appendix B: Legislation

Section 1. Minnesota Statutes 2020, section 469.176, is amended by adding a subdivision to read:

Subd. 4n. Temporary use of increment authorized.

(a) Notwithstanding any other provision of this section or any other law to the contrary, except the requirements to pay bonds to which increments are pledged, the authority may elect, by resolution, to transfer unobligated increment for one or more of the following purposes:

(1) to provide improvements, loans, interest rate subsidies, or assistance in any form to private development consisting of the construction or substantial rehabilitation of buildings and ancillary facilities, if doing so will create or retain jobs in the state, including construction jobs, and the construction commences before December 31, 2025, and would not have commenced before that date without the assistance; or

(2) to make an equity or similar investment in a corporation, partnership, or limited liability company that the authority determines is necessary to make construction of a development that meets the requirement of clause (1) financially feasible.

(b) For each calendar year for which transfers are permitted under this subdivision, the maximum transfer equals the excess of the district's unobligated increment which includes any increment not required for payments of obligations due during six months following the transfer on outstanding bonds, binding contracts, and other outstanding financial obligations of the district to which the district's increment is pledged.

(c) The authority may transfer increments permitted under this subdivision after creating a written spending plan that authorizes the authority to take the action described in paragraph (a) and details the use of transferred increment. Additionally, the municipality must approve the authority's spending plan after holding a public hearing. The municipality must publish notice of the hearing in a newspaper of general circulation in the municipality and on the municipality's public website at least ten days, but not more than 30 days, prior to the date of the hearing.

(d) Increment that is improperly retained, received, spent, or transferred is not eligible for transfer under this subdivision.

(e) An authority making a transfer under this subdivision must provide to the Office of the State Auditor a copy of the spending plan approved and signed by the municipality.

(f) The authority to transfer increments under this subdivision expires on December 31, 2022. All transferred increments must be spent by December 31, 2025. Increment not spent by December 31, 2025, must be returned to the district. If the district has already been decertified, the increment shall be treated as excess increment and distributed as provided in subdivision 2, paragraph (c), clause (4).

EFFECTIVE DATE.

This section is effective the day following final enactment and applies to increments from any district that are unobligated as of the date of final enactment regardless of when the request for certification was made.

Sec. 2. Minnesota Statutes 2020, section 469.1763, subdivision 2, is amended to read:

Subd. 2. Expenditures outside district.

(a) For each tax increment financing district, an amount equal to at least 75 percent of the total revenue derived from tax increments paid by properties in the district must be expended on activities in the district or to pay bonds, to the extent that the proceeds of the bonds were used to finance activities in the district or to pay, or secure payment of, debt service on credit enhanced bonds. For districts, other than redevelopment districts for which the request for certification was made after June 30, 1995, the in-district percentage for purposes of the preceding sentence is 80 percent. Not more than 25 percent of the total revenue derived from tax increments paid by properties in the district may be expended, through a development fund or otherwise, on activities outside of the district but within the defined geographic area of the project except to pay, or secure payment of, debt service on credit enhanced bonds. For districts, other than redevelopment districts for which the request for certification was made after June 30, 1995, the pooling percentage for purposes of the preceding sentence is 20 percent. The revenues derived from tax increments paid by properties in the district that are expended on costs under section 469.176, subdivision 4h, paragraph (b), may be deducted first before calculating the percentages that must be expended within and without the district.

(b) In the case of a housing district, a housing project, as defined in section 469.174, subdivision 11, is an activity in the district.

(c) All administrative expenses are for activities outside of the district, except that if the only expenses for activities outside of the district under this subdivision are for the purposes described in paragraph (d), administrative expenses will be considered as expenditures for activities in the district.

(d) The authority may elect, in the Previous tax Next Previous increment Next financing plan for the district, to increase by up to ten percentage points the permitted amount of expenditures for activities located outside the geographic area of the district under paragraph (a). As permitted by section 469.176, subdivision 4k, the expenditures, including the permitted expenditures under paragraph (a), need not be made within the geographic area of the project. Expenditures that meet the requirements of this paragraph are legally permitted expenditures of the district, notwithstanding section 469.176, subdivisions 4b, 4c, and 4j. To qualify for the increase under this paragraph, the expenditures must:

(1) be used exclusively to assist housing that meets the requirement for a qualified low-income building, as that term is used in section 42 of the Internal Revenue Code; and

(2) not exceed the qualified basis of the housing, as defined under section 42(c) of the Internal Revenue Code, less the amount of any credit allowed under section 42 of the Internal Revenue Code; and

(3) be used to:

(i) acquire and prepare the site of the housing;

(ii) acquire, construct, or rehabilitate the housing; or

(iii) make public improvements directly related to the housing; or

(4) be used to develop housing:

(i) if the market value of the housing does not exceed the lesser of:

(A) 150 percent of the average market value of single-family homes in that municipality; or

(B) \$200,000 for municipalities located in the metropolitan area, as defined in section 473.121, or \$125,000 for all other municipalities; and

(ii) if the expenditures are used to pay the cost of site acquisition, relocation, demolition of existing structures, site preparation, and pollution abatement on one or more parcels, if the parcel contains a residence containing one to four family dwelling units that has been vacant for six or more months and is in foreclosure as defined in section 325N.10, subdivision 7, but without regard to whether the residence is the owner's principal residence, and only after the redemption period has expired; or

(5) to assist owner-occupied housing that meets the requirements of section 469.1761, subdivision 2.

(e) The authority under paragraph (d), clause (4), expires on December 31, 2016. Increments may continue to be expended under this authority after that date, if they are used to pay bonds or binding contracts that would qualify under subdivision 3, paragraph (a), if December 31, 2016, is considered to be the last date of the five-year period after certification under that provision.

EFFECTIVE DATE.

This section is effective the day following final enactment.

Sec. 3. Minnesota Statutes 2020, section 469.1763, subdivision 3, is amended to read:

Subd. 3. Five-year rule.

(a) Revenues derived from Previous tax Next increments paid by properties in the district are considered to have been expended on an activity within the district under subdivision 2 only if one of the following occurs:

(1) before or within five years after certification of the district, the revenues are actually paid to a third party with respect to the activity;

(2) bonds, the proceeds of which must be used to finance the activity, are issued and sold to a third party before or within five years after certification, the revenues are spent to repay the

bonds, and the proceeds of the bonds either are, on the date of issuance, reasonably expected to be spent before the end of the later of (i) the five-year period, or (ii) a reasonable temporary period within the meaning of the use of that term under section 148(c)(1) of the Internal Revenue Code, or are deposited in a reasonably required reserve or replacement fund;

(3) binding contracts with a third party are entered into for performance of the activity before or within five years after certification of the district and the revenues are spent under the contractual obligation;

(4) costs with respect to the activity are paid before or within five years after certification of the district and the revenues are spent to reimburse a party for payment of the costs, including interest on unreimbursed costs; or

(5) expenditures are made for housing purposes as permitted by subdivision 2, paragraphs (b) and (d), or for public infrastructure purposes within a zone as permitted by subdivision 2, paragraph (e).

(b) For purposes of this subdivision, bonds include subsequent refunding bonds if the original refunded bonds meet the requirements of paragraph (a), clause (2).

(c) For a redevelopment district or a renewal and renovation district certified after June 30, 2003, and before April 20, 2009, the five-year periods described in paragraph (a) are extended to ten years after certification of the district. For a redevelopment district certified after April 20, 2009, and before June 30, 2012, the five-year periods described in paragraph (a) are extended to eight years after certification of the district. This extension is provided primarily to accommodate delays in development activities due to unanticipated economic circumstances.

(d) For a redevelopment district that was certified after December 31, 2017, and before June 30, 2020, the five-year periods described in paragraph (a) are extended to eight years after certification of the district.

EFFECTIVE DATE.

This section is effective for districts for which the request for certification was made after December 31, 2017.

Sec. 4. Minnesota Statutes 2020, section 469.1763, subdivision 4, is amended to read:

Subd. 4. Use of revenues for decertification.

(a) In each year beginning with the sixth year following certification of the district, or beginning with the ninth year following certification of the district for districts whose five-year rule is extended to eight years under subdivision 3, paragraph (d), if the applicable in-district percent of the revenues derived from tax increments paid by properties in the district exceeds the amount of expenditures that have been made for costs permitted under subdivision 3, an amount equal to the difference between the in-district percent of the revenues derived from tax increments paid by properties in the district and the amount of expenditures that have been made for costs permitted under subdivision 3 must be used and only used to pay or defease the following or be set aside to pay the following:

(1) outstanding bonds, as defined in subdivision 3, paragraphs (a), clause (2), and (b);

(2) contracts, as defined in subdivision 3, paragraph (a), clauses (3) and (4);

(3) credit enhanced bonds to which the revenues derived from tax increments are pledged, but only to the extent that revenues of the district for which the credit enhanced bonds were issued are insufficient to pay the bonds and to the extent that the increments from the applicable pooling percent share for the district are insufficient; or

(4) the amount provided by the tax increment financing plan to be paid under subdivision 2, paragraphs (b), (d), and (e).

(b) The district must be decertified and the pledge of tax increment discharged when the outstanding bonds have been defeased and when sufficient money has been set aside to pay, based on the increment to be collected through the end of the calendar year, the following amounts:

(1) contractual obligations as defined in subdivision 3, paragraph (a), clauses (3) and (4);

(2) the amount specified in the tax increment financing plan for activities qualifying under subdivision 2, paragraph (b), that have not been funded with the proceeds of bonds qualifying under paragraph (a), clause (1); and

(3) the additional expenditures permitted by the tax increment financing plan for housing activities under an election under subdivision 2, paragraph (d), that have not been funded with the proceeds of bonds qualifying under paragraph (a), clause (1).

EFFECTIVE DATE.

This section is effective the day following final enactment.

Minnesota Session Laws - 2021, 1st Special Session Chapter 14, Article 9

Sec. 5. CITIES OF MINNETONKA, RICHFIELD, AND ST. LOUIS PARK; TEMPORARY TRANSFER OF INCREMENT AUTHORIZED.

Subdivision 1. Transfer of increment.

- (a) The city of Minnetonka, or its economic development authority, may transfer tax increment accumulated for housing development purposes under Minnesota Statutes, section 469.1763, subdivision 2, paragraph (b) or (d), to the housing trust fund established by the city of Minnetonka under Minnesota Statutes, section 462C.16. Increment transferred under this paragraph must be used as provided in subdivision 2.
- (b) (b) The city of Richfield, or its housing and redevelopment authority, may transfer tax increment accumulated for housing development purposes under Minnesota Statutes, section 469.1763, subdivision 2, paragraph (b) or (d), to the housing trust fund established by the city of Richfield under Minnesota Statutes, section 462C.16. Increment transferred under this paragraph must be used as provided in subdivision 2.

- (c) The city of St. Louis Park, or its economic development authority, may transfer tax increment accumulated for housing development purposes under Minnesota Statutes, section 469.1763, subdivision 2, paragraph (b) or (d), to the housing trust fund established by the city of St. Louis Park under Minnesota Statutes, section 462C.16. Increment transferred under this paragraph must be used as provided in subdivision 2.

Subd. 2. Allowable use. Tax increment transferred under subdivision 1 must be used only to:

- (1) make grants, loans, and loan guarantees for the development, rehabilitation, or financing of housing; or
- (2) match other funds from federal, state, or private resources for housing projects.

Subd. 3. Annual financial reporting.

Tax increment transferred under this section is subject to the annual reporting requirements under Minnesota Statutes, section 469.175, subdivision 6.

Subd. 4. Legislative report.

By February 1, 2024, and February 1, 2026, each city must issue a report to the chairs and ranking minority members of the legislative committees with jurisdiction over taxes and property taxes. The report must include detailed information relating to each housing project financed with increment transferred under this section, including, when applicable, the percentage of area median income relative to each housing project, the total cost per housing project, the number of units per housing project, and income and rent limitations required under federal, state, or local law for each housing project.

Subd. 5. Expiration. The authority to make transfers under subdivision 1 expires December 31, 2026.

EFFECTIVE DATE.

- (a) Subdivision 1, paragraph (a), is effective the day after the governing body of the city of Minnetonka and its chief clerical officer comply with the requirements of Minnesota Statutes, section 645.021, subdivisions 2 and 3.
- (b) Subdivision 1, paragraph (b), is effective the day after the governing body of the city of Richfield and its chief clerical officer comply with the requirements of Minnesota Statutes, section 645.021, subdivisions 2 and 3.
- (c) Subdivision 1, paragraph (c), is effective the day after the governing body of the city of St. Louis Park and its chief clerical officer comply with the requirements of Minnesota Statutes, section 645.021, subdivisions 2 and 3.

Adoption Date: June 11, 2002
Modification HRA Consideration: May 16, 2022

Housing and Redevelopment Authority in and for the City of Richfield Hennepin County, Minnesota

MODIFICATION to the Tax Increment Financing (TIF) Plan City Bella Tax Increment Financing District (a redevelopment district)

Located in Richfield Redevelopment Project Area



Prepared by:

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Modification to the Tax Increment Financing Plan for City Bella TIF District

FOREWORD

The Housing and Redevelopment Authority in and for the City of Richfield (the "HRA"), the City of Richfield (the "City"), staff and consultants have prepared the following information to expedite the Modification of City Bella TIF District (the "District"), a redevelopment tax increment financing district, located in Richfield Redevelopment Project Area.

STATUTORY AUTHORITY

Within the City, there exist areas where public involvement is necessary to cause development or redevelopment to occur. To this end, the HRA and City have certain statutory powers pursuant to *Minnesota Statutes ("M.S.")*, Sections 469.001 - 469.047, inclusive, as amended, and *M.S.*, Sections 469.174 to 469.1794, inclusive, as amended (the "Tax Increment Financing Act" or "TIF Act"), to assist in financing public costs related to this project.

This section contains the Modification to the Tax Increment Financing Plan (the "Modification") for the District. Other relevant information is contained in the Richfield Redevelopment Project Area.

STATEMENT OF OBJECTIVES

The City Bella project is a redevelopment district consisting of a housing project with a retail component located on Lyndale Avenue and 66th Street. Tax increment revenue is pledged to the project to assist with property acquisition and site improvement expenses.

The HRA is modifying the TIF Plan to allow the HRA to pool an additional 10% of tax increment to the Housing Trust Fund under Minnesota Statutes 469.1763, Subdivision 2, Paragraph (b) and (d) and Minnesota Session Laws – 2021, 1st Special Session, Chapter 14 – HF No. 9, Article 9, Section 1 through Section 5.

The activities contemplated in the Redevelopment Program and the TIF Plan do not preclude the undertaking of other qualified development or redevelopment activities. These activities are anticipated to occur over the life of Richfield Redevelopment Project Area and the District.

ESTIMATED PUBLIC COSTS

As modified May 16, 2022

Section 2-10 of the Tax Increment Financing Plan for City Bella TIF District shall be amended as follows:

The May 16, 2022 Amendment contains the cumulative estimated project costs, including the previously identified costs from the original and previous amendments. The total project cost, including financing costs (interest) listed in the table on the following page does not exceed the total projected tax increments for the District as shown in the Sources of Revenue section.

ESTIMATED PROJECT COSTS

The budget is being modified to allow the HRA to pool an additional 10% of tax increment to the Housing Trust Fund under Minnesota Statutes 469.1763, Subdivision 2, Paragraph (b) and (d) and Minnesota Session Laws – 2021, 1st Special Session, Chapter 14 – HF No. 9, Article 9, Section 1 through Section 5. The total budget amount is not being modified.

USES	June 11, 2002	November 13, 2007	May 16, 2022
Land/Building Acquisition	\$ 5,500,000	\$ 5,500,000	\$ 1,000,000
Site Improvements/Preparation	-	-	1,000,000
Affordable Housing	-	-	-
Utilities	-	-	-
Other Qualifying Improvements	8,500,000	8,500,000	10,217,855
Administrative Costs (up to 10%)	2,650,000	2,634,522	2,208,334
Administrative Costs (Add'l 10% for Housing)	-	-	2,208,334
PROJECT COSTS TOTAL	\$ 16,650,000	\$ 16,634,522	\$ 16,634,522
Interest	9,850,000	9,865,478	9,865,478
PROJECT AND INTEREST COSTS TOTAL	\$ 26,500,000	\$ 26,500,000	\$ 26,500,000

Estimated costs associated with the District are subject to change among categories without a modification to this TIF Plan. The cost of all activities to be considered for tax increment financing will not exceed, without formal modification, the budget above pursuant to the applicable statutory requirements. The City may expend funds for qualified housing activities outside of the District boundaries.

Section 2-9 of the Tax Increment Financing Plan for City Bella TIF District shall be amended as follows:

ESTIMATED SOURCES OF REVENUE

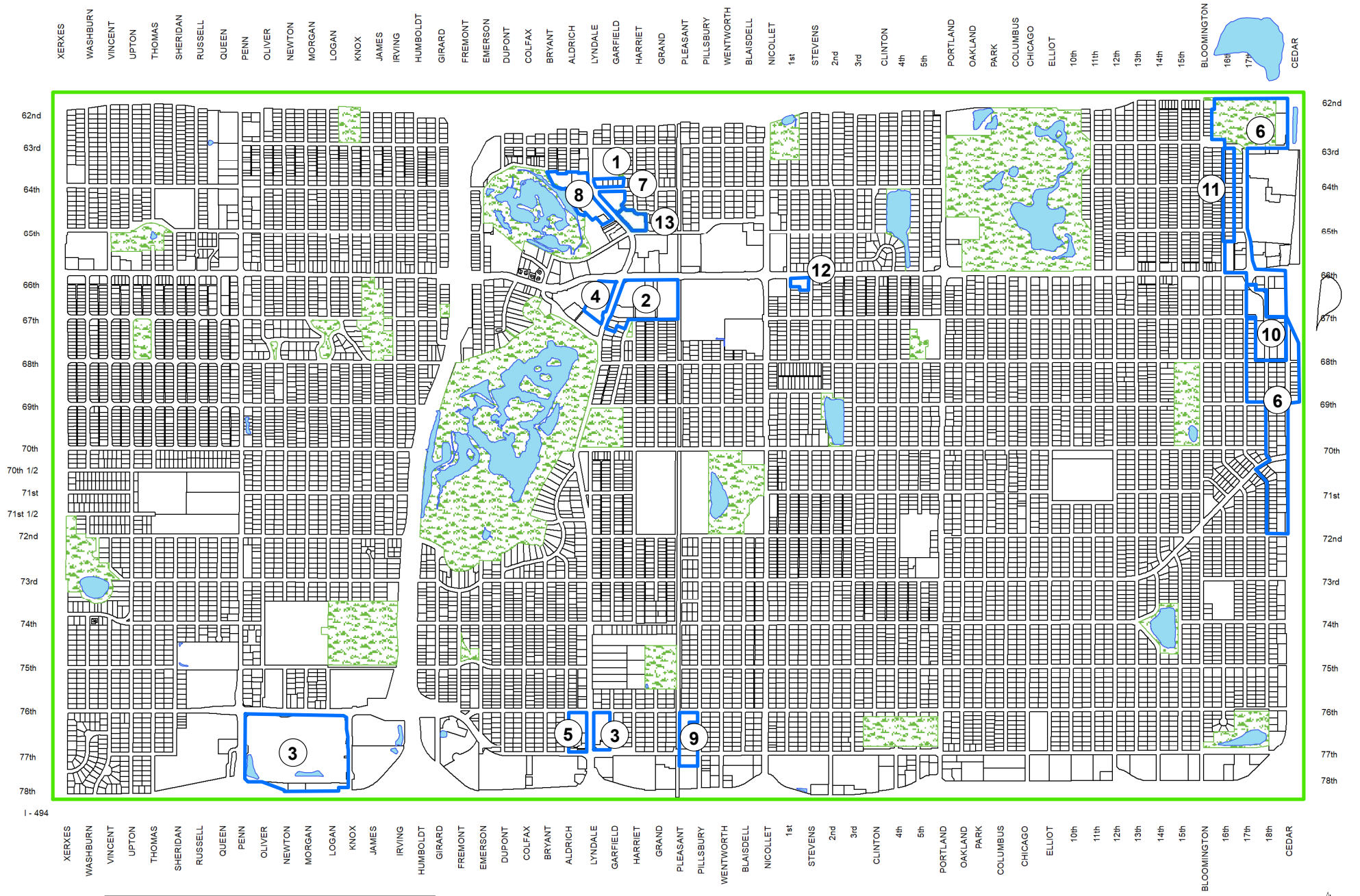
SOURCES	June 11, 2002	November 13, 2007	May 16, 2022
Tax Increment	\$ 26,500,000	\$ 26,360,716	\$ 26,360,716
Interest	-	25,000	139,284
Grants	-	76,975	-
Transfers In	-	37,309	-
TOTAL	\$ 26,500,000	\$ 26,500,000	\$ 26,500,000

The costs outlined in the Uses of Funds will be financed primarily through the annual collection of tax increments. The HRA reserves the right to incur bonds or other indebtedness as a result of the TIF Plan. Any refunding amounts will be deemed a budgeted cost without a formal TIF Plan Modification. This provision does not obligate the HRA to incur debt. The HRA will issue bonds or incur other debt only upon the determination that such action is in the best interest of the HRA.

The City or HRA may issue bonds (as defined in the TIF Act) secured in whole or in part with tax increments from the District in a maximum principal amount of \$26,500,000. Such bonds may be in the form of pay-as-you-go notes, revenue bonds or notes, general obligation bonds, or interfund loans. This estimate of total bonded indebtedness is a cumulative statement of authority under this TIF Plan as of the date of approval.

Appendix A: Map of Richfield Redevelopment Project Area and the TIF District

RICHFIELD REDEVELOPMENT PROJECT AREA BOUNDARY



Legend

- Richfield Redevelopment Project Area Boundary
- TIF Districts

TIF DISTRICTS:

- 1 - 2020-1 Henley II
- 2 - Urban Village
- 3 - Interchange West/Lyndale Gateway
- 4 - City Bella
- 5 - Lyndale Gateway West
- 6 - Cedar Corridor
- 7 - Housing District 2010-1 (Lyndale Plaza)
- 8 - Lyndale Garden
- 9 - 2014-1 (former City Garage/Mortuary)
- 10 - 2017-1 Chamberlain
- 11 - 2018-1 NHH Properties LLC
- 12 - 2020-2 Emi
- 13 - 2020-3 LYNK65



October 2020

Appendix B: Legislation

Section 1. Minnesota Statutes 2020, section 469.176, is amended by adding a subdivision to read:

Subd. 4n. Temporary use of increment authorized.

(a) Notwithstanding any other provision of this section or any other law to the contrary, except the requirements to pay bonds to which increments are pledged, the authority may elect, by resolution, to transfer unobligated increment for one or more of the following purposes:

(1) to provide improvements, loans, interest rate subsidies, or assistance in any form to private development consisting of the construction or substantial rehabilitation of buildings and ancillary facilities, if doing so will create or retain jobs in the state, including construction jobs, and the construction commences before December 31, 2025, and would not have commenced before that date without the assistance; or

(2) to make an equity or similar investment in a corporation, partnership, or limited liability company that the authority determines is necessary to make construction of a development that meets the requirement of clause (1) financially feasible.

(b) For each calendar year for which transfers are permitted under this subdivision, the maximum transfer equals the excess of the district's unobligated increment which includes any increment not required for payments of obligations due during six months following the transfer on outstanding bonds, binding contracts, and other outstanding financial obligations of the district to which the district's increment is pledged.

(c) The authority may transfer increments permitted under this subdivision after creating a written spending plan that authorizes the authority to take the action described in paragraph (a) and details the use of transferred increment. Additionally, the municipality must approve the authority's spending plan after holding a public hearing. The municipality must publish notice of the hearing in a newspaper of general circulation in the municipality and on the municipality's public website at least ten days, but not more than 30 days, prior to the date of the hearing.

(d) Increment that is improperly retained, received, spent, or transferred is not eligible for transfer under this subdivision.

(e) An authority making a transfer under this subdivision must provide to the Office of the State Auditor a copy of the spending plan approved and signed by the municipality.

(f) The authority to transfer increments under this subdivision expires on December 31, 2022. All transferred increments must be spent by December 31, 2025. Increment not spent by December 31, 2025, must be returned to the district. If the district has already been decertified, the increment shall be treated as excess increment and distributed as provided in subdivision 2, paragraph (c), clause (4).

EFFECTIVE DATE.

This section is effective the day following final enactment and applies to increments from any district that are unobligated as of the date of final enactment regardless of when the request for certification was made.

Sec. 2. Minnesota Statutes 2020, section 469.1763, subdivision 2, is amended to read:

Subd. 2. Expenditures outside district.

(a) For each tax increment financing district, an amount equal to at least 75 percent of the total revenue derived from tax increments paid by properties in the district must be expended on activities in the district or to pay bonds, to the extent that the proceeds of the bonds were used to finance activities in the district or to pay, or secure payment of, debt service on credit enhanced bonds. For districts, other than redevelopment districts for which the request for certification was made after June 30, 1995, the in-district percentage for purposes of the preceding sentence is 80 percent. Not more than 25 percent of the total revenue derived from tax increments paid by properties in the district may be expended, through a development fund or otherwise, on activities outside of the district but within the defined geographic area of the project except to pay, or secure payment of, debt service on credit enhanced bonds. For districts, other than redevelopment districts for which the request for certification was made after June 30, 1995, the pooling percentage for purposes of the preceding sentence is 20 percent. The revenues derived from tax increments paid by properties in the district that are expended on costs under section 469.176, subdivision 4h, paragraph (b), may be deducted first before calculating the percentages that must be expended within and without the district.

(b) In the case of a housing district, a housing project, as defined in section 469.174, subdivision 11, is an activity in the district.

(c) All administrative expenses are for activities outside of the district, except that if the only expenses for activities outside of the district under this subdivision are for the purposes described in paragraph (d), administrative expenses will be considered as expenditures for activities in the district.

(d) The authority may elect, in the Previous tax Next Previous increment Next financing plan for the district, to increase by up to ten percentage points the permitted amount of expenditures for activities located outside the geographic area of the district under paragraph (a). As permitted by section 469.176, subdivision 4k, the expenditures, including the permitted expenditures under paragraph (a), need not be made within the geographic area of the project. Expenditures that meet the requirements of this paragraph are legally permitted expenditures of the district, notwithstanding section 469.176, subdivisions 4b, 4c, and 4j. To qualify for the increase under this paragraph, the expenditures must:

(1) be used exclusively to assist housing that meets the requirement for a qualified low-income building, as that term is used in section 42 of the Internal Revenue Code; and

(2) not exceed the qualified basis of the housing, as defined under section 42(c) of the Internal Revenue Code, less the amount of any credit allowed under section 42 of the Internal Revenue Code; and

(3) be used to:

(i) acquire and prepare the site of the housing;

(ii) acquire, construct, or rehabilitate the housing; or

(iii) make public improvements directly related to the housing; or

(4) be used to develop housing:

(i) if the market value of the housing does not exceed the lesser of:

(A) 150 percent of the average market value of single-family homes in that municipality; or

(B) \$200,000 for municipalities located in the metropolitan area, as defined in section 473.121, or \$125,000 for all other municipalities; and

(ii) if the expenditures are used to pay the cost of site acquisition, relocation, demolition of existing structures, site preparation, and pollution abatement on one or more parcels, if the parcel contains a residence containing one to four family dwelling units that has been vacant for six or more months and is in foreclosure as defined in section 325N.10, subdivision 7, but without regard to whether the residence is the owner's principal residence, and only after the redemption period has expired; or

(5) to assist owner-occupied housing that meets the requirements of section 469.1761, subdivision 2.

(e) The authority under paragraph (d), clause (4), expires on December 31, 2016. Increments may continue to be expended under this authority after that date, if they are used to pay bonds or binding contracts that would qualify under subdivision 3, paragraph (a), if December 31, 2016, is considered to be the last date of the five-year period after certification under that provision.

EFFECTIVE DATE.

This section is effective the day following final enactment.

Sec. 3. Minnesota Statutes 2020, section 469.1763, subdivision 3, is amended to read:

Subd. 3. Five-year rule.

(a) Revenues derived from Previous tax Next increments paid by properties in the district are considered to have been expended on an activity within the district under subdivision 2 only if one of the following occurs:

(1) before or within five years after certification of the district, the revenues are actually paid to a third party with respect to the activity;

(2) bonds, the proceeds of which must be used to finance the activity, are issued and sold to a third party before or within five years after certification, the revenues are spent to repay the

bonds, and the proceeds of the bonds either are, on the date of issuance, reasonably expected to be spent before the end of the later of (i) the five-year period, or (ii) a reasonable temporary period within the meaning of the use of that term under section 148(c)(1) of the Internal Revenue Code, or are deposited in a reasonably required reserve or replacement fund;

(3) binding contracts with a third party are entered into for performance of the activity before or within five years after certification of the district and the revenues are spent under the contractual obligation;

(4) costs with respect to the activity are paid before or within five years after certification of the district and the revenues are spent to reimburse a party for payment of the costs, including interest on unreimbursed costs; or

(5) expenditures are made for housing purposes as permitted by subdivision 2, paragraphs (b) and (d), or for public infrastructure purposes within a zone as permitted by subdivision 2, paragraph (e).

(b) For purposes of this subdivision, bonds include subsequent refunding bonds if the original refunded bonds meet the requirements of paragraph (a), clause (2).

(c) For a redevelopment district or a renewal and renovation district certified after June 30, 2003, and before April 20, 2009, the five-year periods described in paragraph (a) are extended to ten years after certification of the district. For a redevelopment district certified after April 20, 2009, and before June 30, 2012, the five-year periods described in paragraph (a) are extended to eight years after certification of the district. This extension is provided primarily to accommodate delays in development activities due to unanticipated economic circumstances.

(d) For a redevelopment district that was certified after December 31, 2017, and before June 30, 2020, the five-year periods described in paragraph (a) are extended to eight years after certification of the district.

EFFECTIVE DATE.

This section is effective for districts for which the request for certification was made after December 31, 2017.

Sec. 4. Minnesota Statutes 2020, section 469.1763, subdivision 4, is amended to read:

Subd. 4. Use of revenues for decertification.

(a) In each year beginning with the sixth year following certification of the district, or beginning with the ninth year following certification of the district for districts whose five-year rule is extended to eight years under subdivision 3, paragraph (d), if the applicable in-district percent of the revenues derived from tax increments paid by properties in the district exceeds the amount of expenditures that have been made for costs permitted under subdivision 3, an amount equal to the difference between the in-district percent of the revenues derived from tax increments paid by properties in the district and the amount of expenditures that have been made for costs permitted under subdivision 3 must be used and only used to pay or defease the following or be set aside to pay the following:

(1) outstanding bonds, as defined in subdivision 3, paragraphs (a), clause (2), and (b);

(2) contracts, as defined in subdivision 3, paragraph (a), clauses (3) and (4);

(3) credit enhanced bonds to which the revenues derived from tax increments are pledged, but only to the extent that revenues of the district for which the credit enhanced bonds were issued are insufficient to pay the bonds and to the extent that the increments from the applicable pooling percent share for the district are insufficient; or

(4) the amount provided by the tax increment financing plan to be paid under subdivision 2, paragraphs (b), (d), and (e).

(b) The district must be decertified and the pledge of tax increment discharged when the outstanding bonds have been defeased and when sufficient money has been set aside to pay, based on the increment to be collected through the end of the calendar year, the following amounts:

(1) contractual obligations as defined in subdivision 3, paragraph (a), clauses (3) and (4);

(2) the amount specified in the tax increment financing plan for activities qualifying under subdivision 2, paragraph (b), that have not been funded with the proceeds of bonds qualifying under paragraph (a), clause (1); and

(3) the additional expenditures permitted by the tax increment financing plan for housing activities under an election under subdivision 2, paragraph (d), that have not been funded with the proceeds of bonds qualifying under paragraph (a), clause (1).

EFFECTIVE DATE.

This section is effective the day following final enactment.

Minnesota Laws 2021, 1st Special Session, Chapter 14, Article 9

Sec. 5. CITIES OF MINNETONKA, RICHFIELD, AND ST. LOUIS PARK; TEMPORARY TRANSFER OF INCREMENT AUTHORIZED.

Subdivision 1. Transfer of increment.

- (a) The city of Minnetonka, or its economic development authority, may transfer tax increment accumulated for housing development purposes under Minnesota Statutes, section 469.1763, subdivision 2, paragraph (b) or (d), to the housing trust fund established by the city of Minnetonka under Minnesota Statutes, section 462C.16. Increment transferred under this paragraph must be used as provided in subdivision 2.
- (b) (b) The city of Richfield, or its housing and redevelopment authority, may transfer tax increment accumulated for housing development purposes under Minnesota Statutes, section 469.1763, subdivision 2, paragraph (b) or (d), to the housing trust fund established by the city of Richfield under Minnesota Statutes, section 462C.16. Increment transferred under this paragraph must be used as provided in subdivision 2.

- (c) The city of St. Louis Park, or its economic development authority, may transfer tax increment accumulated for housing development purposes under Minnesota Statutes, section 469.1763, subdivision 2, paragraph (b) or (d), to the housing trust fund established by the city of St. Louis Park under Minnesota Statutes, section 462C.16. Increment transferred under this paragraph must be used as provided in subdivision 2.

Subd. 2. Allowable use. Tax increment transferred under subdivision 1 must be used only to:

- (1) make grants, loans, and loan guarantees for the development, rehabilitation, or financing of housing; or
- (2) match other funds from federal, state, or private resources for housing projects.

Subd. 3. Annual financial reporting.

Tax increment transferred under this section is subject to the annual reporting requirements under Minnesota Statutes, section 469.175, subdivision 6.

Subd. 4. Legislative report.

By February 1, 2024, and February 1, 2026, each city must issue a report to the chairs and ranking minority members of the legislative committees with jurisdiction over taxes and property taxes. The report must include detailed information relating to each housing project financed with increment transferred under this section, including, when applicable, the percentage of area median income relative to each housing project, the total cost per housing project, the number of units per housing project, and income and rent limitations required under federal, state, or local law for each housing project.

Subd. 5. Expiration. The authority to make transfers under subdivision 1 expires December 31, 2026.

EFFECTIVE DATE.

- (a) Subdivision 1, paragraph (a), is effective the day after the governing body of the city of Minnetonka and its chief clerical officer comply with the requirements of Minnesota Statutes, section 645.021, subdivisions 2 and 3.
- (b) Subdivision 1, paragraph (b), is effective the day after the governing body of the city of Richfield and its chief clerical officer comply with the requirements of Minnesota Statutes, section 645.021, subdivisions 2 and 3.
- (c) Subdivision 1, paragraph (c), is effective the day after the governing body of the city of St. Louis Park and its chief clerical officer comply with the requirements of Minnesota Statutes, section 645.021, subdivisions 2 and 3.

BILL NO. _____

AN ORDINANCE ESTABLISHING AN AFFORDABLE HOUSING TRUST FUND

THE CITY OF RICHFIELD DOES ORDAIN:

Section 1. Preamble.

1.01. In order to provide the City of Richfield (the "City") with additional tools to support the rehabilitation and preservation of existing affordable housing within the City, promote the development of additional affordable housing within the City, and assist individuals with rental and down payment assistance, the City has determined to create an Affordable Housing Trust Fund.

Section 2. Definitions.

2.01. *Persons of very low income* means families and individuals whose incomes do not exceed 50 percent of area median income, as median income was most recently determined by the United States Department of Housing and Urban development for the Minneapolis-St. Paul- Bloomington, Minnesota Metropolitan Statistical Area, as adjusted for smaller and larger families.

2.02. *Persons of low income* means families and individuals whose incomes do not exceed 80 percent of the area median income, as median income was most recently determined by the United States Department of Housing and Urban development for the Minneapolis-St. Paul- Bloomington, Minnesota Metropolitan Statistical Area, as adjusted for smaller and larger families.

2.03. *Persons of moderate income* means families and individuals whose incomes exceed 80 percent, but do not exceed 120 percent, of area median income, as median income was most recently determined by the United States Department of Housing and Urban development for the Minneapolis-St. Paul-Bloomington, Minnesota Metropolitan Statistical Area, as adjusted for smaller and larger families.

Section 3. Establishing Affordable Housing Trust Fund.

3.01. Pursuant to the authority granted to the City under Minnesota Statutes Section 462C.16, an affordable housing trust fund is established for the following purposes: provide loans and grants to for-profit and non-profit housing developers for the acquisition and capital and soft costs necessary for the creation of new affordable rental and owner-occupied housing, for the rehabilitation and preservation of existing multi-family residential rental housing including naturally occurring affordable housing and rental assistance and homeownership assistance to persons of very low, low, and moderate income.

Section 4. Funding Sources.

4.01. The Affordable Housing Trust Fund shall be funded by an annual budgeted allocation of funds from the Housing and Redevelopment Authority in and for the City of Richfield (HRA) levy and funds from the Richfield Economic Development Authority (EDA) levy, as approved by the City Council. Other sources of funding may include, but are not limited to:

- (a) Private cash donations from individuals and corporations designated for the Affordable Housing Trust Fund.
- (b) Payments in lieu of participation in current or future affordable housing programs.
- (c) Matching funds from a federal or state affordable housing trust fund; or a state program designated to fund an affordable housing trust fund.
- (d) Principal and interest from Affordable Housing Trust Fund loan repayments and all other income from Affordable Housing Trust Fund activities.
- (e) The sale of real and personal property.
- (f) Local government appropriations, development fees and other funds as designated from time to time by the City Council.
- (g) Tax Increment Finance (TIF) pooled funds.

Section 5. Purpose of Affordable Housing Trust Fund.

5.01. The City may use money from the Affordable Housing Trust Fund to assist proposed projects or programs to develop or preserve affordable housing for persons of very low, low, and moderate income to include:

- (a) Making loans at interest rates below or at market rates in order to strengthen the financial feasibility of proposed projects;
- (b) Guaranteeing of loans;
- (c) Providing gap financing for affordable housing developments;
- (d) Financing the acquisition, demolition, and disposition of property for affordable housing projects;
- (e) Financing construction of public improvements and utilities to aid proposed affordable residential developments;

- (f) Financing the rehabilitation, remodeling, or new construction of affordable housing;
- (g) Tenant and project based rental assistance;
- (h) Funding for acquisition and rehabilitation in conjunction with or related to affordable housing projects;
- (i) Funding to facilitate affordable homeownership opportunities including down payment assistance, second mortgages, closing costs, etc.;
- (j) Administrative costs associated with affordable housing programs that do not exceed ten percent of the balance fund;
- (k) Interim financing of public costs for affordable housing projects in anticipation of a permanent financing source (i.e. construction financing, bond sale, etc.); and
- (l) Other uses as permitted by law and approved by the City Council.

Section 6. Administration of Affordable Housing Trust Fund.

6.01. The Housing and Redevelopment Authority in and for the City of Richfield, Minnesota (the "Authority") shall administer the Affordable Housing Trust Fund on behalf of the City.

6.02 The Authority shall determine the terms and conditions of repayment of loans and grants from the Affordable Housing Trust Fund including the appropriate security and interest, if any, should repayment be required. Interest on loans and grants shall be as established by the Authority from time to time or at the time of approval of a specific project or program.

6.03. The Authority shall report annually to the City on the use of the funds in the Affordable Housing Trust Fund, including the number of loans and grants made, the number and types of residential units assisted, and the number of households for which rental assistance or down payment assistance were provided. The City shall post the annual report on its Website.

6.04. The expenditures of funds from the Affordable Housing Trust Fund to provide assistance for persons of moderate income must be approved by a supermajority of the City Council.

Section 7. Council Action.

7.01. The City Council of the City of Richfield hereby ordains the implementation of the Affordable Housing Trust Fund.

7.02. This Ordinance shall be effective on the 30th day following the publication of a summary of this ordinance approved by the City Council of the City of Richfield in the official newspaper of the City of Richfield.

7.03. The summary of this Ordinance was reviewed and approved by the City Council of the City of Richfield and the City Council finds that the summary of this Ordinance clearly informs the public of the intent and effect of this Ordinance.

Section 8. This Ordinance will be effective in accordance with Section 3.09 of the City Charter.

Adopted by the City Council of the City of Richfield, Minnesota on _____, 2020.

Maria Regan Gonzalez, Mayor

Attest:

Beth Vanhooose, City Clerk

Action on this ordinance:

Date of introduction: May12, 2020

Date of adoption: _____, 2020

Motion for adoption:

Seconded by:

Voted in favor of:

Voted against:

Abstained:

Absent:

Ordinance adopted.

Date of publication:

I hereby certify that the foregoing is a true and correct copy of an ordinance adopted by the City Council of the City of Richfield, Minnesota, at a meeting held on May 26, 2020.

Beth Vanhoose, City Clerk

650776v2(JAE)
RC125-377



STAFF REPORT NO. 87
CITY COUNCIL MEETING
5/24/2022

REPORT PREPARED BY: Jay Henthorne, Director of Public Safety/Chief of Police

DEPARTMENT DIRECTOR REVIEW: Jay Henthorne, Director of Public Safety/Chief of Police
5/17/2022

OTHER DEPARTMENT REVIEW:

CITY MANAGER REVIEW: Katie Rodriguez, City Manager
5/18/2022

ITEM FOR COUNCIL CONSIDERATION:

Consider the approval of an agreement for Prosecution Services with the City of Richfield and H/J Law.

EXECUTIVE SUMMARY:

The City of Richfield Department of Public Safety is required to have a licensed attorney to practice law in Minnesota, to advise and represent the City in municipal prosecutions relating to criminal and civil statutes and ordinances.

RECOMMENDED ACTION:

By motion: Approve the contract agreement for Prosecution Services with H/J Law for the City of Richfield Department of Public Safety.

BASIS OF RECOMMENDATION:

A. HISTORICAL CONTEXT

- For the last 33 years City Prosecutor Martin Costello has been our prosecuting attorney for the City of Richfield Department of Public Safety.
- Prosecuting Attorney Martin Costello advised the Director of Public Safety and City Manager that he was going to retire in July of 2022.
- Over an eight month period several firms were contacted and asked to submit a proposals on prosecutorial services.
 - Over this time frame two firms submitted proposals and the Department met with them on several occasions along with City Prosecutor Costello on a needed basis.
 - This was a comprehensive process that required appropriate vetting of the firms to make sure they fit the needs of the community and the Richfield Department of Public Safety.
 - The Director of Public Safety in collaboration with public safety staff propose that H/J Law represent the City of Richfield Department of Public Safety for municipal prosecution.

B. POLICIES (resolutions, ordinances, regulations, statutes, etc):

The City of Richfield Department of Public Safety is required by law to have a municipal prosecutor to handle state statute, and local ordinance violations; along with expungements, and diversions.

C. CRITICAL TIMING ISSUES:

With the retirement of Prosecuting Attorney Martin Costello the City of Richfield Department of Public Safety is required to have a prosecuting attorney upon his retirement on July 1, 2022.

D. FINANCIAL IMPACT:

For all prosecution services, the City of Richfield shall pay a monthly retainer fee of \$15,000.00, with an annual limit of \$180,000.00, plus out of pocket expenses.

E. LEGAL CONSIDERATION:

The contract agreement for a municipal prosecutor is to process those violations that are within the scope of city ordinance and non felony level under state statute. The prosecutor also guides and educates city staff on appropriate action and helps the city manage risk in those situations which are legal in nature.

ALTERNATIVE RECOMMENDATION(S):

The City Council could decide to not approve the agreement, however the Department of Public Safety would then need to find another law firm capable and reputable to handle the department's municipal prosecutions.

PRINCIPAL PARTIES EXPECTED AT MEETING:

Attorney Katrina Joseph and Attorney Greg Holly

ATTACHMENTS:

Description	Type
□ Agreement	Contract/Agreement

AGREEMENT FOR PROSECUTION SERVICES
BETWEEN
CITY OF RICHFIELD
AND
H|J LAW

This Agreement for Prosecution Services (Agreement) is effective as of July 1, 2022, by and between the City of Richfield, 6700 Portland Avenue South, Richfield, Minnesota 55423 (City), and H|J Law, 900 American Boulevard East, Suite 124, Bloomington, MN. 55420 (Prosecutor).

WHEREAS, the City desires (or requires) attorneys licensed to practice law in Minnesota to advise and represent the City in municipal prosecutions; and

WHEREAS, the attorneys working with the Prosecutor are licensed to practice law in Minnesota and are experienced in and familiar with all phases of municipal prosecution and desire to provide the prosecution services required by the City; and

WHEREAS, the parties hereto want to enter into a written agreement to set forth the terms, conditions, compensation, duties, responsibilities and other matters relating to the Prosecutor providing said services to the City.

NOW, THEREFORE, it is agreed by and between the City and the Prosecutor that the City does hereby retain and designate the Prosecutor as the Richfield City Prosecutor, effective July 1, 2022, and the Prosecutor does hereby accept the position of Richfield City Prosecutor and agrees to perform the requirements of that position, all on the terms and conditions hereinafter set forth.

A. Services.

1. The Prosecutor hereby agrees to perform and furnish these legal services to the City:
 - a. Appearing at all required court hearings, including arraignments, pretrial and omnibus hearings, court trials, jury trials, sentencing hearings, probation violation hearings, and other appearances for non-felony cases;
 - b. Assembling all required case files and providing timely discovery to criminal defense attorneys and/or defendants;
 - c. Charging non-felony cases;
 - d. Prosecuting forfeitures related to non-felony cases;
 - e. Prosecuting all City ordinance violations;
 - f. Working collaboratively with the City's domestic abuse victim advocates;

- g. Advising the City Council and staff on ordinance drafting, code enforcement, and related matters;
- h. Providing police training on a mutually-agreed upon basis with the Department of Public Safety, but at least annually;
- i. Consulting with and advising the Department of Public Safety command staff, investigators, patrol officers, and administrative staff on all matters relating to non-felony prosecutions. This includes being available by telephone to consult with officers after business hours and on the weekends, as needed;
- j. Attending all necessary meetings with City and Department of Public Safety staff;
- k. Making reports, as requested, to the City Council regarding non-felony prosecutions;
- l. Speaking at City-related functions on criminal law-related topics;
- m. Maintaining an office presence at the Police Department, to include at least 3 half-days per week at the Department of Public Safety; and
- n. Completing any other duties and responsibilities necessary to effectively prosecute the City's criminal, traffic, and ordinance violations.

B. Fees and Costs.

- 1. For all prosecution services, the City shall pay the Prosecutor a monthly retainer fee of \$15,000.00, with an annual limit of \$180,000.00, plus out-of-pocket expenses.
- 2. Monthly bills will be for the above monthly retainer fee, plus identify and itemize any and all out-of-pocket expenses, e.g., certified documents or witness subpoena fees.
- 3. Additional costs of \$250 per hour when representing the City in appeals arising from non-felony prosecutions;

C. Conflicts of Interest.

- 1. The Prosecutor will not represent any clients in legal actions involving Richfield or with interests adverse to those of Richfield, including any units of government having jurisdiction within or contiguous to Richfield. The Prosecutor shall use best efforts to meet all professional obligations to avoid conflicts of interest and appearances of impropriety.
- 2. In the event that a conflict of interest arises in any cases, the Prosecutor, with the consent of the City, agrees to refer those matters to outside counsel for prosecution at the City's expense.

D. Insurance.

1. The Prosecutor will maintain malpractice insurance coverage for all attorneys providing prosecution services to the City.

E. Term of Contract - Termination.

1. The term of this Agreement shall be one year unless amended in writing by the mutual agreement of the parties hereto or terminated in accordance with the conditions hereinafter contained. The last day of the one-year term is June 30, 2023.
2. This Agreement may be terminated by the City at any time or by the Prosecutor upon sixty (60) days' written notice to the City. In either event, on the termination of this Agreement, all finished and unfinished documents and work papers prepared by the Prosecutor pursuant to this Agreement shall become the property of the City and the Prosecutor will be paid for services satisfactorily performed up to the date of termination.

F. Miscellaneous.

1. All services provided by the Prosecutor pursuant to this Agreement are provided by the Prosecutor as an independent contractor and not as an employee of the City for any purpose, including but not limited to: income tax withholding, workers' compensation, unemployment compensation, FICA taxes, liability for torts and eligibility for employee benefits.
2. Except as provided in Section C(2) of this Agreement relating to conflicts of interest, the rights and obligations created by this Agreement may not be assigned by either party.
3. Data provided to the Prosecutor under this Agreement shall be administered in accordance with the Minnesota Government Data Practices Act, Minnesota Statutes, Chapter 13.
4. Nothing in this Agreement shall preclude the City from retaining legal counsel other than the Prosecutor in any legal matters including, but not limited to, litigation and other specialized areas of law.
5. The Prosecutor agrees not to discriminate in providing services under this Agreement on the basis of race, color, sex, creed, national origin, disability, age, sexual orientation, status with regard to public assistance, or religion.
6. This Agreement shall be governed by and construed in accordance with the laws of the State of Minnesota. Any disputes, controversies, or claims arising out of this Agreement shall be heard in the state or federal courts of Minnesota, and all

parties to this Agreement waive any objection to the jurisdiction of these courts, whether based on convenience or otherwise.

7. In the event that any provision of this Agreement shall be illegal or otherwise unenforceable, such provision shall be severed, and the balance of the Agreement shall continue in full force and effect.
8. This Agreement, including any addenda or amendments subsequently signed by both parties, shall constitute the entire agreement between the City and the Prosecutor, and supersedes any other written or oral agreements between the City and the Prosecutor. This Agreement can only be modified in writing signed by both the City and the Prosecutor.

Executed this _____ day of May, 2022.

H|J LAW

CITY OF RICHFIELD

Gregory P. Holly
Attorney at Law

Maria Regan Gonzalez
Mayor

Katrina E. Joseph
Attorney at Law

Katie Rodriguez
City Manager