



**REGULAR CITY COUNCIL MEETING  
VIRTUAL MEETING HELD VIA WEBEX  
DECEMBER 14, 2021  
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. Individuals who wish to address the Council must have registered prior to the meeting.***

Approve the Minutes of the (1) City Council Work Session of November 23, 2021; (2) City Council Meeting of November 23, 2021; and (3) Special City Council Meeting of November 30, 2021.

**PRESENTATIONS**

1. Sustainability Commission annual presentation given by Amanda Kueper.
2. Civil Service Commission annual presentation given by Mary Stratton.
3. Presentation of the Edwina Garcia Community Builder Award and proclamation to Maureen Scaglia.

**AGENDA APPROVAL**

4. Approval of the Agenda
5. **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 to approve the renewal of the 2022 licenses for On-Sale Intoxicating/Club, Wine and 3.2 Malt Liquor licenses.

**On Sale Intoxicating/Club/Sunday License Holders**

El Tejaban  
Fireside Foundry  
Frenchmans  
Giordano's  
Los Sanchez Taqueria

Lyndale Smokehouse  
Pizza Luce  
V.F.W.

**On Sale Wine, On Sale 3.2 License Holders**

Chipotle  
Davanni's  
Joy's Pattaya  
MN Magicians @ Ice Arena  
My Burger  
Patrick's Cafe  
Red Pepper  
Sandy's Tavern

**On Sale 3.2 License Holder**

Vina

Staff Report No. 177

- B. Consider to approve the renewal of the 2022 licenses for On-Sale 3.2 Percent Malt Liquor, Off-Sale 3.2 Percent Malt Liquor, Secondhand Goods Dealer and taxi companies doing business in Richfield.

**Licenses to Operate in Richfield**

Gold Star Taxi - 1 vehicle

**Secondhand Goods Dealers**

Gamestop  
Wedding Day Jewelers

**Licenses to sell 3.2 Percent Malt Liquor**

La Vaquita Short Stop- Off-Sale  
La Vaquita 2- Off-Sale  
Portland Food Mart - Off-Sale  
Pump & Munch - Off-Sale  
Richfield Minnoco - Off Sale  
Speedway #4186 - Off-Sale  
Speedway #4188 - Off-Sale  
Speedway #4191 - Off-Sale  
Speedway #4615 - Off-Sale  
Target Corporation - Off-Sale  
Vina Restaurant - On-Sale

Staff Report No. 178

- C. Consider approval of a third amendment to the Consent Decree in the State of Minnesota by City of Minneapolis, et al. v. Metropolitan Airports Commission, et al., Hennepin County Case No. 27-CV-0S-S474.

Staff Report No. 179

- D. Consider approval of a second amendment to the agreement with the City of Bloomington for the provision of public health services for the City of Richfield for 2022.

Staff Report No. 180

- E. Consider a resolution to accept \$1,923,436 in funds from the American Rescue Plan Act (ARPA) grant and a second supplemental payment of \$62,987.23 in additional funds.

Staff Report No. 181

- F. Consider the adoption of a resolution authorizing the Richfield Recreation Services Department to accept 2021 Round-up donations.

Staff Report No. 182

- G. Consider the approval of a resolution in support for Public Works' Safe Routes to School grant application to MnDOT for the installation of pedestrian improvements on 71st St near Richfield STEM Elementary and Dual Language Schools.

Staff Report No. 183

- H. Consider the approval of a resolution removing parking restrictions along 70th St from Penn Ave to Lake Shore Dr.

Staff Report No. 184

- I. Consider the approval of a resolution authorizing the "Preparing for Emerald Ash Borer" grant agreement with the Minnesota Department of Natural Resources, Division of Forestry in the amount of \$99,840.00.

Staff Report No. 185

- J. Consider a resolution authorizing condemnation of property for the reconstruction of 65th Street.

Staff Report No. 186

- K. Consider the approval of a work order amendment from Kimley-Horn & Associates, Inc., for additional design engineering services for the 65th Street Improvements Project.

Staff Report No. 187

- L. Consider the approval of a cost share agreement between the City and Hope Presbyterian Church for the construction of public storm sewer across the church's private parking lot and authorize City staff to execute and record the dedication of a drainage and utility easement over the public storm sewer.

Staff Report No. 188

- M. Consider the approval of a revised agreement between the City of Richfield and the Woodlawn Terrace Cooperative for the use of a 4,690 square-foot strip of land along the edge of Lincoln Field.

Staff Report No. 189

- N. Consider approval of a Resolution for the City of Richfield to opt-into the national opioid settlement.

6. Consideration of items, if any, removed from Consent Calendar

### **PROPOSED ORDINANCES**

7. Consider approval of the second reading of an ordinance amending Section 1202.07 of the Richfield City Code relating to license eligibility of intoxicating liquor, wine and beer establishments.

Staff Report No. 190

### **PUBLIC HEARINGS**

8. Public hearing and consider to approve the renewal of 2022 Pawnbroker and Secondhand Goods Dealer licenses for Metro Pawn & Gun, Inc., 7529 Lyndale Avenue South.

Staff Report No. 191

9. Public hearing and consider the approval of a new On Sale Intoxicating and Sunday Liquor licenses for Dagobah, LLC d/b/a Protagonist Kitchen and Bar located at 6601 Penn Avenue South.

Staff Report No. 192

10. Public hearing to approve host designation for the City of Bethel to issue housing bonds to finance an affordable housing development to be constructed by MWF Properties at 7700 Pillsbury Avenue South.

Staff Report No. 193

11. Public hearing to approve host designation for the City of Bethel to issue tax exempt Bonds to finance capital improvements at Partnership Academy.

Staff Report No. 194

### **RESOLUTIONS**

12. Consider resolutions approving the 2021 Revised/2022 Proposed budget and tax levy and related resolutions.

Staff Report No. 195

13. Consider a resolution designating buildings located at 6501-13 Penn Avenue South as structurally substandard within the Richfield Redevelopment Project Area and authorizing their demolition.

Staff Report No. 196

14. Consider the adoption of a resolution authorizing Richfield Public Safety/Police Department to accept donations from the listed agencies, businesses and private individuals for designated uses.

**CITY MANAGER'S REPORT**

15. City Manager's Report

**CLAIMS AND PAYROLLS**

16. Claims and Payroll

**COUNCIL DISCUSSION**

17. Hats Off to Hometown Hits
18. 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 612-861-9738.**





# CITY COUNCIL MEETING MINUTES

Richfield, Minnesota

## City Council Work Session

**November 23, 2021**

### CALL TO ORDER

The meeting was called to order by Mayor Regan Gonzalez at 5:47 p.m. in the Bartholomew Room.

Council Members Present: Mary Supple, Mayor Pro Tempore; Sean Hayford Oleary; and Simon Trautmann (arrived 6:14 p.m.)

Council Members Absent: Maria Regan Gonzalez, Mayor; and Ben Whalen

Staff Present: Katie Rodriguez, City Manager; Mike Petersen, Assistant Utility Superintendent; Kristin Asher, Public Works Director; Joe Powers, City Engineer; Chris Swanson, Management Analyst; Blanca Martinez Gavina, Equity Administrator; Neil Ruhland, Communications and Engagement Manager; and Kari Sinning, City Clerk

#### ITEM #1

**ASSISTANT UTILITY SUPERINTENDENT MIKE PETERSEN WILL PRESENT A HIGH-LEVEL OVERVIEW OF THE CITY'S UTILITY RISK AND RESILIENCY PLANS FOR WATER, SANITARY AND STORMWATER. ALL THREE UTILITIES ARE DISTINCTLY UNIQUE WHEN IT COMES TO IDENTIFYING THE RISKS AND HOW TO APPROACH REINVESTMENT TO ENSURE LONG-TERM RESILIENCY**

Mayor Pro Tempore Supple introduced Public Works Director Asher who gave a brief description of the history of the utility risk and resiliency plan and introduced Assistant Utility Superintendent Petersen. Assistant Utility Superintendent Petersen thanked GIS Coordinator Geizon Santana for his proficiency in data collection for this plan and reminded the Council that we are investing for the future and will continue to develop this plan to maintain the high quality of life in Richfield. He shared maps and data with the council that described the current state of our utilities and water plant, the strategies for solutions, and the future challenges that the City might face.

Council Member Hayford Oleary asked about the lining of water supply pipes and how water main breaks are seen. Assistant Utility Superintendent Petersen stated that the water supply pipes are lined with the same material that sewer pipes are which does not lose any capacity or pressure and water main breaks are seen by usually water bubbling up from the ground of which most leaks are caught during a yearly test. Public Works Director Asher stated that most other cities do not do a yearly test to find the smaller leaks before they are major issues.

Mayor Pro Tempore Supple asked about increasing the size of stormwater pipes in redevelopment areas. Assistant Utility Superintendent Petersen stated that projects like Richfield

Parkway help to drive the replacement of the infrastructure to help prevent against flooding and stormwater runoff issues.

Council Member Hayford Oleary asked about implementing rain gardens. Assistant Utility Superintendent Petersen stated that a couple of factors go into deciding on rain gardens or stormwater runoff sites. One of those factors is that during redevelopment the City asks the developers to keep the stormwater runoff on site as a part of their plan. The other factor is Richfield's wellhead water protection plan (groundwater) could be affected by rain gardens due to the sandy soil of Richfield. Public Works Director Asher gave examples of one area that is used for a stormwater runoff along Knox Ave and Monroe Park.

Council Member Hayford Oleary questioned how the reconstruction of roads is affected by the resiliency plan and how the infrastructure would be replaced if a road is being redone. Assistant Utility Superintendent Petersen stated that the pavement improvement plan is coordinated with the replacement of the infrastructure.

Assistant Utility Superintendent Petersen shared the future challenges that the department faces such as funding to keep up the infrastructure while still keeping water rates affordable for residents, emerging contaminants (such as PFAS) that could pose a problem to our drinking water, and the effects of climate change. Council Member Trautmann appreciated and asked for more detail on how the City is proactive against PFAS. Assistant Utility Superintendent Petersen stated that the City is a part of a program that does regular monitoring of their wells and stated that generally we are not getting any results except for a small trace back in 2019. Assistant Utility Superintendent Petersen also explained that there are preparations for the water plant if something is detected and there is an emergency water replacement plan in the works as required by law. Council Member Trautmann thanked Assistant Utility Superintendent Petersen for their preparedness of this issue.

Mayor Pro Tempore Supple appreciated the department's leading of a risk analysis study and asked about emergency water replacement plan. Assistant Utility Superintendent Petersen explained that we have an emergency plan with the City of Edina which we are planning for longer term interconnectivity and shorter term emergency plans with the Fire Department.

City Manager Rodriguez thanked Assistant Utility Superintendent Petersen for his many years of service for the City of Richfield and explained that he will be leaving the City.

<b>ITEM #2</b>	<b>CITY MISSION, VISION AND CORE VALUES FINALIZATION</b>
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City Manager Rodriguez introduced Communications and Engagement Manager Ruhland who presented the edits and updates that staff created for the vision, mission, and core values.

Communications and Engagement Manager Ruhland presented the changes that were gathered at previous council work sessions and explained the brainstorming process for the updated vision statement.

Communications and Engagement Manager Ruhland read a statement by Council Member Whalen who could not be present for the meeting that stated approval for the values and mission and offered suggestions for the vision statement regarding the word "intentional" that could be replaced with "dedicated" or similar that would describe the commitment of staff and residents to make Richfield the best it can be. He described the reason for the use of the word "intentional" which is derived from intentional inclusion to correlate with our focus on equity. The words "purposeful" or

“deliberate” were suggestions made by staff to replace “intentional”. Council Member Trautmann thanked Communications and Engagement Manager Ruhland for his wordsmithing and added that the vision statement seems to be missing description of prosperity that the City should strive for which could be adding words like “flourish”.

Mayor Pro Tempore Supple asked if the statements are for external or internal use. Communications and Engagement Manager Ruhland explained that externally people like to know these statements but they are primarily focused for internal use as an aspirational creed or code. Mayor Pro Tempore Supple stated that if it is for internal use that “intentional” would work because it expresses the goal of the City. Mayor Pro Tempore Supple also agreed with Council Member Trautmann about the use of the word “flourish”.

Council Member Hayford Oleary expressed support for the changes given and the changes brought up by Council Member Trautmann and Mayor Pro Tempore Supple.

City Manager Rodriguez explained that this will be available to the public on the website and used for recruitment purposes. City Manager Rodriguez offered the word “thrive” to promote prosperity and reminded Council of the word “dedicated” instead of “intentional”. Mayor Pro Tempore Supple supported the word “purposeful” instead of “dedicated” because everyone knows the intent behind that word. Council Member Trautmann and Council Member Hayford Oleary expressed that they would be comfortable with “purposeful”.

Communications and Engagement Manager Ruhland went over the changes for the mission statement and core values. There was approval from the Council Members and Mayor Pro Tempore Supple on the mission statement and core values.

Communications and Engagement Manager Ruhland confirmed the changes to the vision statement were “intentional” to “purposeful” and then changing “... can access opportunities” to “...can thrive”.

Mayor Pro Tempore Supple thanked staff for their work.

<b>ADJOURNMENT</b>
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The work session was adjourned by unanimous consent at 6:40 p.m.

Date Approved: December 14, 2021

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Kari Sinning  
City Clerk

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Maria Regan Gonzalez  
Mayor

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Katie Rodriguez  
City Manager



# CITY COUNCIL MEETING MINUTES

## Richfield, Minnesota

### Regular Council Meeting

**November 23, 2021**

#### 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; Sean Hayford Oleary; and Simon Trautmann

Council Members Absent: Maria Regan Gonzalez, Mayor; and Ben Whalen.

Staff Present: Katie Rodriguez, City Manager; Mary Tietjen, City Attorney; John Stark, Community Development Director; Melissa Poehlman, Assistant Community Development Director; Kristin Asher, Public Works Director; Bob Baltgalvis, Transportation Engineer; Jay Henthorne, Director of Public Safety; Jennifer Anderson, Support Services Supervisor; Neil Ruhland, Communications and Engagement Manager; Kelly Wynn, Administrative Assistant; Chris Swanson, Management Analyst; and Kari Sinning, City Clerk

#### PLEDGE OF ALLEGIANCE

Mayor Pro Tempore Supple led the Pledge of Allegiance

#### OPEN FORUM

Mayor Pro Tempore Supple stated that there was one person for the open forum.

Terry Carlson, 63<sup>rd</sup> and 15<sup>th</sup> Ave S, expressed concern with organized hauling.

Administrative Assistant Wynn reviewed the options to participate and stated that there were no callers.

#### APPROVAL OF MINUTES

M/Hayford Oleary, S/Trautmann to approve the minutes of the: (1) Special City Council Work Session of November 5, 2021; (2) Special City Council Work Session of November 6, 2021; (3) City Council Work Session of November 9, 2021; and (4) City Council Meeting of November 9, 2021.

Motion carried 3-0.

<b>ITEM #1</b>	<b>ARTS COMMISSION ANNUAL PRESENTATION GIVEN BY KARIN WOLVERTON AND LARRY NELSON</b>
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Mayor Pro Tempore Supple introduced Co-Chairs Karin Wolverton and Larry Nelson from the Richfield Arts Commission who gave a brief presentation of their events, projects throughout the past year, and thanked staff liaison, MaryKaye Champa, for her support.

Council Member Trautmann thanked the co-chairs and the arts commission for their opportunities for art throughout the City.

Council Member Hayford Oleary showed appreciation for the Commission's work throughout the year.

Mayor Pro Tempore Supple, as the liaison for the commission, spoke highly of the co-chairs and shared the many activities she was involved in with the commission throughout the year.

<b>ITEM #2</b>	<b>HUMAN RIGHTS COMMISSION ANNUAL PRESENTATION GIVEN BY MARA GLUBKA</b>
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Mayor Pro Tempore Supple introduced Mara Glubka who stated the annual report for the Human Rights Commission that detailed the struggles and successes throughout 2020-2021.

Council Member Trautmann expressed gratefulness for the quality of work that the commission has been able to complete over the past year and thanked Chair Glubka profusely.

Council Member Hayford Oleary thanked Chair Glubka and the Commission for their work and shared his experience of being on the commission.

Mayor Pro Tempore Supple echoed the praises and appreciated the leadership of Chair Glubka to the commission and for the City.

<b>ITEM #3</b>	<b>APPROVAL OF THE AGENDA</b>
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M/Hayford Oleary, S/Trautmann to approve the agenda.

Motion carried 3-0.

<b>ITEM #4</b>	<b>CONSENT CALENDAR</b>
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City Manager Rodriguez presented the consent calendar.

- A. Consider a resolution accepting the transfer of funds from the Housing and Redevelopment Authority's General Fund to the Affordable Housing Trust Fund. (Staff Report No. 163)

**RESOLUTION NO. 11899****RESOLUTION ACCEPTING THE TRANSFER OF HOUSING AND  
REDEVELOPMENT AUTHORITY SALES PROCEEDS TO THE  
AFFORDABLE HOUSING TRUST FUND**

- B. Consider the approval of setting a public hearing to be held on December 14, 2021, to consider the issuance of new On-Sale Intoxicating Liquor and Sunday Sale Liquor licenses for Dagobah LLC, d/b/a Protagonist Kitchen and Bar, located at 6601 Lyndale Avenue S, Suite 130. (Staff Report No. 164)
- C. Consider approval to renew the contract with Chief's Towing, Inc., for Public Safety towing services for December 1, 2021 through November 30, 2023. (Staff Report No. 165)
- D. Consider the approval of setting a public hearing to be held on December 14, 2021, to consider the renewal of the Pawnbroker and Secondhand Goods Dealer license for 2022 for Metro Pawn and Gun, Inc. (Staff Report No. 166)
- E. Consider the approval of an agreement between the Hennepin County Human Services and Public Health Department, and the City of Richfield Police Department for a full time embedded Senior Social Worker. (Staff Report No. 167)
- F. Consider the approval of a license agreement between the City and Qwest Corporation for access to their property located at 300 66th Street West to conduct grading, turf restoration, and driveway restoration related to the 65th Street Reconstruction Project. (Staff Report No. 168)
- G. Consider the approval of the first reading of an ordinance amending Section 1202.07 of the Richfield City Code relating to license eligibility of intoxicating liquor, wine and beer establishments. (Staff Report No. 169)
- H. Consider approval of a contract renewal with Adesa Minneapolis for 2021-2022 for auctioning forfeited vehicles from Public Safety/Police. (Staff Report No. 170)
- I. Consider approval of the purchase of five (5) Ford Hybrid SUV Police Interceptor vehicles for Public Safety from Tenvoorde Ford, Inc., for \$187,331.90 plus tax, title, and license fees. (Staff Report No. 171)

M/Trautmann ,S/Hayford Oleary to approve the consent calendar.

Council Member Trautmann recognized and appreciated Hennepin County Human Services for their continued support with the City regarding the need for social workers.

Mayor Pro Tempore Supple read an email comment from Council Member Whalen who expressed excitement for a full time Senior Social Worker. Mayor Pro Tempore Supple also shared her support for the full time senior social worker.

Motion carried 3-0.

<b>ITEM #5</b>	<b>CONSIDERATION OF ITEMS, IF ANY, REMOVED FROM CONSENT CALENDAR</b>
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None.

<b>ITEM #6</b>	<b>PUBLIC HEARING REGARDING MUNICIPAL CONSENT FOR THE I-494: AIRPORT TO HIGHWAY 169 PROJECT 1 PROPOSED FINAL LAYOUT (STAFF REPORT NO. 172)</b>
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Council Member Trautmann gave a brief description of the public hearing and introduced Public Works Director Asher who then introduced Amber Blanchard from MNDot who presented a summary of the I-494 Project.

Council Member Trautmann opened the public hearing.

Sherry Cyza, 7426 Oakland Ave, expressed concern regarding the amount of traffic that would be routed to Portland Avenue.

Public Works Director Asher explained that there was extensive research on traffic and there will be more traffic and also stated that the projections are for 2040.

Council Member Trautmann verified that there were no more residents for the public hearing.

M/Trautmann, S/Hayford Oleary to close the public hearing.

Motion carried 3-0

Council Member Trautmann thanked Sherry Cyza for her comments and concerns.

Mayor Pro Tempore Supple shared the previous concerns and comments given and reminded residents that it will be voted on in February.

<b>ITEM #7</b>	<b>SECOND READING AND SUMMARY PUBLICATION OF A PROPOSED ORDINANCE AMENDING RULES RELATED TO BICYCLE PARKING (STAFF REPORT NO. 173)</b>
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Council Member Hayford Oleary presented Staff Report 173.

Assistant Community Development Director Poehlman expressed the excitement from staff for the ordinance amendment.

M/Hayford Oleary, S/Trautmann to 1) approve a second reading of the attached ordinance amending rules related to bicycle parking and 2) approve a resolution authorizing summary publication of said ordinance.

**BILL NO. 2021-17**

**AN ORDINANCE AMENDING THE RICHFIELD ZONING CODE  
REGULATIONS FOR BICYCLE PARKING REQUIREMENTS**

**RESOLUTION NO. 11900**

**RESOLUTION APPROVING SUMMARY PUBLICATION OF AN ORDINANCE  
AMENDING THE RICHFIELD ZONING CODE REGULATIONS FOR BICYCLE  
PARKING REQUIREMENTS**

Mayor Pro Tempore Supple read comments expressed by Council Member Whalen who supported of the ordinance updates.

Mayor Pro Tempore Supple thanked staff for their work on this ordinance update.

Motion carried 3-0.

<b>ITEM #8</b>	<b>CONSIDER THE ADOPTION OF THE PROPOSED LEGISLATIVE PRIORITIES FOR 2022 (STAFF REPORT NO. 174)</b>
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Council Member Hayford Oleary presented staff report 174.

Management Analyst Swanson made himself available for questions and explained that the legislative breakfast will be held virtually on December 9.

Council Member Trautmann thanked staff for their work on the legislative priorities.

M/Hayford Oleary, S/Trautmann to adopt the proposed legislative priorities for 2022. By adopting the legislative platform formally, the City Council shows these priorities are in the best interest of the community and provides increased visibility for the issues.

Mayor Pro Tempore thanked staff for the new format.

Motion carried 3-0.

<b>ITEM #9</b>	<b>CITY MANAGER'S REPORT</b>
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City Manager Rodriguez introduced Support Services Supervisor Anderson who gave a covid update. City Manager Rodriguez also stated that the City has started to collect vaccine status of staff and thanked IT for their help on creating a form for collection of the data.

Council Member Trautmann shared his experience with covid and how important it is to get vaccinated.

<b>ITEM #10</b>	<b>CLAIMS AND PAYROLL</b>
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M/Trautmann, S/Hayford Oleary that the following claims and payrolls be approved:

<b>U.S. Bank</b>	<b>11/23/2021</b>
A/P Checks: 301692 - 302128	\$ 1,353,360.33
Payroll: 166210 - 166515	<u>697,470.92</u>
TOTAL	\$ 2,050,831.25

Motion carried 3-0

<b>ITEM #11</b>	<b>HATS OFF TO HOMETOWN HITS</b>
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Council Member Trautmann expressed his appreciation for Sustainability Specialist Rachel Lindholm and shared an anecdote about an organized hauling confusion with a resident.

Council Member Hayford Oleary also shared celebratory thoughts regarding organized hauling.

Mayor Pro Tempore Supple shared that Community Development Director Stark will be the new City Manager for the City of North Saint Paul and wished him the best in his new role. She showed appreciation for the previous work session and promoted risk analysis throughout the city. She also mentioned the liquor store round up program and emphasized the winter VEAP food drive. She also shared information about the Every Meal program at the community center and the winter farmer's market.

<b>ITEM #12</b>	<b>ADJOURNMENT</b>
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The meeting was adjourned by unanimous consent at 8:21 p.m.

Date Approved: December 14, 2021

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Maria Regan Gonzalez  
Mayor

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Kari Sinning  
City Clerk

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Katie Rodriguez  
City Manager



# CITY COUNCIL MEETING MINUTES Richfield, Minnesota

## Special City Council Meeting

**November 30, 2021**

### CALL TO ORDER

The meeting was called to order by Mayor Pro Tempore Supple at 6:18 p.m. in the Council Chambers.

Council Members Present: Mary Supple, Mayor Pro Tempore; Sean Hayford O'leary; Simon Trautmann (arrived 6:32); and Ben Whalen

Council Members Absent: Maria Regan Gonzalez, Mayor

Staff Present: Katie Rodriguez, City Manager; Jane Skov, IT Manager; Kelly Wynn, Administrative Assistant; and Kari Sinning, City Clerk

Others Present: Steven Unowsky, Richfield Public Schools Superintendent.

### PLEDGE OF ALLEGIANCE

Mayor Pro Tempore Supple led the Pledge of Allegiance

Mayor Pro Tempore Supple announced that future meetings will be virtual and information about how to join will be on the City's website.

<b>ITEM #1</b>	<b>PROCLAMATION IN SUPPORT OF INCLUSIVE SCHOOL WEEK</b>
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Mayor Pro Tempore Supple presented a summary of Inclusive School Week and gave a proclamation to Superintendent Unowsky who thanked the City for their support for the schools.

Council Member Whalen added that this work is so important to make this City more equitable for all and appreciated the partnership with the schools.

Mayor Pro Tempore thanked Superintendent Unowsky and staff present for their support.

<b>ITEM #2</b>	<b>CONDUCT A TRUTH IN TAXATION PUBLIC HEARING REGARDING THE 2022 PROPERTY TAX LEVY AND 2021 REVISED/2022 PROPOSED BUDGET AND PROPOSED 2022 UTILITY RATES</b>
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Council Member Whalen presented agenda item number two and introduced City Manager Rodriguez who gave a presentation regarding the 2022 budget and tax levy.

Council Member Whalen opened the public hearing and Administrative Assistant Wynn stated that there were no callers.

Ruane Onesirosan, 2421 West 65<sup>th</sup>, spoke in opposition of using tax dollars to update communication systems and how recordings capture her and the public.

Ron Capone, 6517 14<sup>th</sup> Ave, thanked the City Manager for the presentation for answering a couple of his questions and asked a question regarding the increase of 13.8% that has been added to his taxes. He also asked about how the public can get more involved with the process.

Council Member Whalen verified that there were no other residents that wanted to speak for the public hearing.

M/Whalen, S/Trautmann to close the public hearing.

Motion carried 4-0

M/Whalen, S/Hayford Oleary to schedule final action on the 2022 property tax levy and 2021 Revised/2022 Proposed Budget and proposed 2022 utility rates, for the regular City Council meeting of December 14, 2021.

Mayor Pro Tempore Supple mentioned that due to technical difficulties residents may speak at the December 14, 2021 Council Meeting regarding this item.

Motion carried 4-0

ITEM #3	<b>CONSIDER ACCEPTANCE OF THE PROPOSAL PROVIDED BY TIERNEY FOR AUDIO VISUAL UPGRADES TO THE COUNCIL CHAMBERS AND THE VIDEO CONTROL ROOM, AND ADDITIONAL QUOTE FOR UPGRADES TO CONFERENCE, TRAINING AND BRIEFING ROOMS WITHIN CITY HALL, FIRE DEPARTMENT, PUBLIC WORKS AND PUBLIC SAFETY (STAFF REPORT NO. 176)</b>
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Council Member Hayford Oleary presented Staff Report No. 176.

IT Manager Jane Skov gave a brief summary of the upgrades that would allow for all the conference rooms and council chambers to be more accessible for residents and staff. As tonight's meeting is indicative of need for the upgrades, IT Manager Skov explained that these upgrades would make hybrid meetings easier allowing more accessibility.

Council Member Hayford Oleary asked for clarification on the motion and if it included the police training room quote that was just received. City Manager Rodriguez stated that it should be included in the motion.

Council Member Whalen thanked for staff for their work on getting the outdated software updated and appreciated the opportunity this upgrade brings.

Council Member Trautmann stated how the meeting illustrated the need for the upgrades and reiterated how important that it is to provide clear communication to all residents.

M/Hayford Oleary, S/Whalen to approve acceptance of the proposal provided by Tierney for audio visual upgrades to the council chambers and the video control room, and additional quote for upgrades to conference, training and briefing rooms within City Hall, the Fire Department, Public Works and Public Safety.

Mayor Pro Tempore appreciated the added accessibility that these upgrades would bring.

Motion carried 4-0.

## ADJOURNMENT

The meeting was adjourned by unanimous consent at 6:58 p.m.

Date Approved: December 14, 2021

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Mary B. Supple  
Mayor Pro Tempore

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Kari Sinning  
City Clerk

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Katie Rodriguez  
City Manager



## **Proclamation of the City of Richfield**

**WHEREAS**, Maureen Scaglia has received the second annual Edwina Garcia Community Builder Award for her commitment to the Richfield community; and

**WHEREAS**, Maureen Scaglia begin her volunteer work with Babe Ruth Little League and later expanded her philanthropic presence in the city as a Girl Scout leader; and

**WHEREAS**, Maureen Scaglia has been a member of the Lions Club, Friends of Wood Lake Nature Center and the Richfield Historical Society; and

**WHEREAS**, Maureen Scaglia has worked to ensure Richfield residents in need are fed through her contributions to Meals on Wheels, She's been a driver, coordinator and Board of Director's member; and

**WHEREAS**, Maureen Scaglia, as a member of the Community Services Commission, lead the efforts around the Parks Master Plan, and later served on the Planning Commission; and

**WHEREAS**, Maureen Scaglia is an active member of the Friends of the Richfield Bandshell organization, she worked diligently within the community to secure funding for the project and currently works to coordinate musical events; and

**WHEREAS**, Maureen Scaglia has believed in and supported Richfield's youth over the decades. She's volunteered at Richfield High School as office support, was a member of Band Boosters, acted as a parade chaperon, and helped as a classroom assistant in the Richfield Middle School; and

**WHEREAS**, Maureen Scaglia is an indispensable member of the League of Women Voters. Over the years, she served as a member on the Board of Directors, President, moderator of the "Inside the Issues" TV program, coordinated the organization's candidates forum, bulletin editor, and arranged the League's efforts around organized garbage collection in Richfield ; and

**Now, THEREFORE, I Maria Regan Gonzales, Mayor of the City of Richfield and the Richfield Council Members do hereby award you this Proclamation for your service demonstrating your commitment to the core values of the City of Richfield.**

**PROCLAIMED** this 14<sup>th</sup> day of December, 2021.

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Maria Regan Gonzalez, Mayor



**STAFF REPORT NO. 177**  
**CITY COUNCIL MEETING**  
**12/14/2021**

REPORT PREPARED BY: Jennifer Anderson, Support Services Manager

DEPARTMENT DIRECTOR REVIEW: Jay Henthorne, Director of Public Safety/Chief of Police  
12/8/2021

OTHER DEPARTMENT REVIEW: N/A

CITY MANAGER REVIEW: Katie Rodriguez, City Manager  
12/8/2021

**ITEM FOR COUNCIL CONSIDERATION:**

Consider to approve the renewal of the 2022 licenses for On-Sale Intoxicating/Club, Wine and 3.2 Malt Liquor licenses.

**On Sale Intoxicating/Club/Sunday License Holders**

El Tejaban  
Fireside Foundry  
Frenchmans  
Giordano's  
Los Sanchez Taqueria  
Lyndale Smokehouse  
Pizza Luce  
V.F.W.

**On Sale Wine, On Sale 3.2 License Holders**

Chipotle  
Davanni's  
Joy's Pattaya  
MN Magicians @ Ice Arena  
My Burger  
Patrick's Cafe  
Red Pepper  
Sandy's Tavern

**On Sale 3.2 License Holder**

Vina

**EXECUTIVE SUMMARY:**

Staff completed a staff report for each business at the time they originally applied for and received Council approval to serve On Sale Intoxicating/Club and Sunday, On Sale Wine, On-Sale 3.2 Percent Malt Liquor at their businesses in the City of Richfield. This is simply a request to renew their annual license for 2022. There is not a public hearing requirement for renewals for these types of licenses. The businesses named in

this report are presented for Council's approval.

The Public Safety Director has reviewed the background information and attached documents for said businesses and approves of its contents and sees no basis for denial.

**RECOMMENDED ACTION:**

**By motion:**

**Approve the 2022 renewal of named business licenses for On Sale Intoxicating/Club and Sunday, On Sale Wine and On-Sale 3.2 Percent Malt Liquor establishments doing business in Richfield.**

**BASIS OF RECOMMENDATION:**

**A. HISTORICAL CONTEXT**

- The listed businesses current licenses will expire on December 31, 2021.
- All named businesses have paid the licensing fee(s).
- All named businesses have liquor liability insurance.
- All named businesses real estate taxes are paid and current.
- All named businesses gave an accountant's statement.

The Public Safety background investigation has been completed for all businesses. The results of the investigations are summarized in an attachment to this report. The Public Safety Director has reviewed the information in the background investigation reports. There is no information in the investigation that shows any cause for recommending denial of the requested licenses.

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

- All businesses must annually request renewal of their On Sale Intoxicating/Club and Sunday, On Sale Wine, On-Sale 3.2 Percent Malt Liquor licenses to the City Council.
- Businesses must meet the requirements for renewal of their licenses.

**C. CRITICAL TIMING ISSUES:**

There are no additional critical timing issues.

**D. FINANCIAL IMPACT:**

All license fees must be paid and application forms submitted in order to be considered for license renewal.

**E. LEGAL CONSIDERATION:**

There are no additional legal issues.

**ALTERNATIVE RECOMMENDATION(S):**

Deny the request for the renewal of 2022 licenses for On Sale Intoxicating/Club and Sunday, On Sale Wine, On-Sale 3.2 Percent Malt Liquor establishments doing business in Richfield. This would result in the applicants not being able to conduct business within the City in 2022; however, there have been no issues with any of these listed establishments and the Public Safety Department has found no reason to deny any of the requested licenses.

**PRINCIPAL PARTIES EXPECTED AT MEETING:**

Businesses have been notified of the date of presentation to the City Council but are not required to attend.

**ATTACHMENTS:**

Description	Type
□ Background Summaries for 2022 Alcohol Licenses	Cover Memo

SUMMARY OF BACKGROUND INVESTIGATION REPORT  
FOR EL TEJABAN MEXICAN RESTAURANT, LLC d/b/a EL TEJABAN MEXICAN  
GRILL

Officers:

Miguel Angel Hernandez- Owner  
Rosa Isela Zambrano- Owner

Criminal History:

The following criminal histories reflect the previous and current year.  
Miguel Hernandez has no known criminal record. Rosa Zambrano, who also serves as the General Manager, has no known criminal record.

Premises:

Brixmor Spe 1, LLC is the owner of the property. All payments are current.

Record of Service Calls:

There were 10 Public Safety/Police contacts with El Tejaban Mexican Grill from October 2020 through September 2021. This compares with nine contacts for the previous year. A breakdown of these contacts is attached to this report.

Violations:

There have been no violations for the sale of alcohol to underage youth for El Tejaban Mexican Grill.

Routine Information:

On-Sale Intoxicating and Sunday Liquor licenses require owners of these establishments to comply with Resolution No. 9511, which outlines the discipline they can expect if any ongoing problems occur. A copy of this resolution has been given to the owners of the establishment.

There are no distance requirements to notify neighbors of the issuance or renewal of On-Sale Intoxicating and Sunday Liquor licenses.



## **El Tejaban Mexican Grill**

### **Directors and Officers**

Miguel Hernandez  
Rosa Zambrano

Owner  
Owner

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## **PUBLIC SAFETY CONTACTS**

**October 2020 through September 2021**

### **El Tejaban Mexican Grill**

	<b><u>2020</u></b>	<b><u>2021</u></b>
<b><u>TOTAL CONTACTS</u></b>	<b>9</b>	<b>10</b>
<b><u>CRIMINAL CONTACTS</u></b>	<b>6</b>	<b>2</b>
Incidents (see bottom of page for specifics)	(6)	(2)
Alarm	(0)	(0)
<b><u>MISC. NON-CRIMINAL</u></b>	<b>3</b>	<b>8</b>
Assists	(0)	(7)
Traffic	(2)	(1)
Inspections/Licensing	(1)	(0)
Medical/Fire	(0)	(0)
Miscellaneous	(0)	(0)

The criminal contacts from October 2020 through September 2021 were: one warrant arrest and one theft.

(Numbers in parenthesis are included in total contact figures)

SUMMARY OF BACKGROUND INVESTIGATION REPORT  
FOR THOMPSON'S FIRESIDE PIZZA, INC. d/b/a FIRESIDE FOUNDRY

Officers:

Richard Thompson- Owner

Criminal History:

The following criminal histories reflect the previous and current year. Richard Thompson, who also serves as the General Manager, has no known criminal record.

Premises:

Richard Thompson is the owner of the property. All payments are current.

Record of Service Calls:

There were nine Public Safety/Police contacts with Fireside Foundry from October 2020 through September 2021. This compares with 11 contacts for the previous year. A breakdown of these contacts is attached to this report.

Violations:

Thompson's Fireside Foundry has received no violations for the sale of alcohol to underage youth.

Routine Information:

On-Sale Intoxicating and Sunday Liquor licenses require owners of these establishments to comply with Resolution No. 9511, which outlines the discipline they can expect if any ongoing problems occur. A copy of this resolution has been given to the owners of the establishment.

There are no distance requirements to notify neighbors of the issuance or renewal of On-Sale Intoxicating and Sunday Liquor licenses.

## **Fireside Foundry**

### **Directors and Officers**

Richard Thompson

Owner

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## **PUBLIC SAFETY CONTACTS**

**October 2020 through September 2021**

### **Fireside Foundry**

	<b><u>2020</u></b>	<b><u>2021</u></b>
<b><u>TOTAL CONTACTS</u></b>	<b>11</b>	<b>9</b>
<b><u>CRIMINAL CONTACTS</u></b>	<b>8</b>	<b>5</b>
Incidents (see bottom of page for specifics)	(8)	(1)
Alarm	(0)	(4)
<b><u>MISC. NON-CRIMINAL</u></b>	<b>3</b>	<b>4</b>
Assists	(1)	(4)
Traffic	(2)	(0)
Inspections/Licensing	(0)	(0)
Medical/Fire	(0)	(0)
Miscellaneous	(0)	(0)

The criminal contacts from October 2020 through September 2021 were: one hit and run and four commercial alarms.

(Numbers in parenthesis are included in total contact figures)

SUMMARY OF BACKGROUND INVESTIGATION REPORT  
FOR FRENCHMAN'S PUB, INC. d/b/a FRENCHMAN'S

Officers:

Mary Blake- Owner

Criminal History:

The following criminal histories reflect the previous and current year. Mary Blake, who also serves as the General Manager, has no known criminal record.

Premises:

Mary Christine Blake Trust is the owner of the property. All payments are current.

Record of Service Calls:

There were 20 Public Safety/Police contacts with Frenchman's from October 2020 through September 2021. This compares with 20 contacts for the previous year. A breakdown of these contacts is attached to this report.

Violations:

The most recent violation for the sale of alcohol to underage youth with Frenchman's was June 8, 2004.

Routine Information:

On-Sale Intoxicating and Sunday Liquor licenses require owners of these establishments to comply with Resolution No. 9511, which outlines the discipline they can expect if any ongoing problems occur. A copy of this resolution has been given to the owners of the establishment.

There are no distance requirements to notify neighbors of the issuance or renewal on On-Sale Intoxicating and Sunday Liquor sales.

**Frenchman's**  
**Directors and Officers**

Mary Blake

Owner

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**PUBLIC SAFETY CONTACTS**

**October 2020 through September 2021**

**Frenchman's**

	<b><u>2020</u></b> <b>20</b>	<b><u>2021</u></b> <b>20</b>
<b><u>TOTAL CONTACTS</u></b>		
<b><u>CRIMINAL CONTACTS</u></b>	<b>14</b>	<b>6</b>
Incidents (see bottom of page for specifics)	(14)	(6)
Alarm	(0)	(0)
<b><u>MISC. NON-CRIMINAL</u></b>	<b>6</b>	<b>14</b>
Assists	(1)	(7)
Traffic	(2)	(3)
Inspections/Licensing	(0)	(0)
Medical/Fire	(1)	(2)
Miscellaneous	(2)	(2)

The criminal contacts from October 2020 through September 2021 were: three intoxicated persons, one driving while intoxicated, one fight call, and one auto theft.

(Numbers in parenthesis are included in total contact figures)

SUMMARY OF BACKGROUND INVESTIGATION FOR VPC RICHFIELD PIZZA,  
LLC d/b/a GIORDANO'S OF RICHFIELD

Officers:

Yorgo Koutsogiorgas – President  
Brent Johnson - Secretary

Criminal Histories:

The following criminal histories reflect the previous and current year. Yorgo Koutsogiorgas has no known criminal record. Brent Johnson has no known criminal record. Ehrick Holland, who serves as the General Manager, has no known criminal record.

Premises:

DRFC Southdale Square, LLC is the owner of the property. All payments are current.

Record of Service Calls:

There were 5 Public Safety/Police contacts with Giordano's of Richfield from October 2020 through September 2021. This compares with 4 contacts for the previous year. A breakdown of these contacts is attached to this report.

Violations:

There are no violations for sale of alcohol to underage youth.

Routine Information:

On-Sale Intoxicating and Sunday Liquor licenses require owners of these establishments to comply with Resolution No. 9511, which outlines the discipline they can expect if any ongoing problems occur. A copy of this resolution has been given to the owners of the establishment.

There are no distance requirements to notify neighbors of the issuance or renewal of On-Sale Intoxicating and Sunday Liquor licenses.

## **Giordano's of Richfield**

### **Directors and Officers**

Yorgo Koutsogiorgas  
Brent Johnson

President  
Secretary

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## **PUBLIC SAFETY CONTACTS**

**October 2020 through September 2021**

### **Giordano's of Richfield**

	<b><u>2020</u></b>	<b><u>2021</u></b>
<b>TOTAL CONTACTS</b>	<b>4</b>	<b>5</b>
<b>CRIMINAL CONTACTS</b>	<b>3</b>	<b>1</b>
Incidents (see bottom of page for specifics)	(3)	(1)
Alarm	(0)	(0)
<b><u>MISC. NON-CRIMINAL</u></b>	<b>1</b>	<b>4</b>
Assists	(0)	(2)
Traffic	(0)	(1)
Inspections/Licensing	(0)	(0)
Medical/Fire	(0)	(1)
Miscellaneous	(1)	(0)

The criminal contacts from October 2020 through September 2021 were: one intoxicated person.

(Numbers in parenthesis are included in total contact figures)

## SUMMARY OF BACKGROUND INVESTIGATION FOR LOS SANCHEZ TAQUERIA II, LLC D/B/A LOS SANCHEZ TAQUERIA

### Officers:

Flor Elena Aguilar Palma - Owner  
Santiago Sanchez Ortiz- Owner

### Criminal Histories:

The following criminal histories reflect the previous and current year.  
Flor Aguilar Palma has no known criminal record. Santiago Sanchez Ortiz, who also serves as the General Manager, has no known criminal record.

### Premises:

Brixmor SPE 1, LLC, is the owner of the property. All payments are current.

### Record of Service Calls:

There were 18 Public Safety/Police contacts with Los Sanchez Taqueria II from October 2020 through September 2021. This compares with 23 contacts for the previous year. A breakdown of these contacts is attached to this report.

### Violations:

There are no violations for sale of alcohol to underage youth Los Sanchez Taqueria II.

### Routine Information:

On-Sale Intoxicating and Sunday Liquor licenses require owners of these establishments to comply with Resolution No. 9511, which outlines the discipline they can expect if any ongoing problems occur. A copy of this resolution has been given to the owners of the establishment.

There are no distance requirements to notify neighbors of the issuance or renewal of On-Sale Intoxicating and Sunday Liquor licenses.



## **Los Sanchez Taqueria**

### **Directors and Officers**

Flor Elena Aguilar Palma - Owner  
Santiago Sanchez Ortiz - Owner

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## **PUBLIC SAFETY CONTACTS**

**October 2020 through September 2021**

### **Los Sanchez Taqueria**

	<b><u>2020</u></b>	<b><u>2021</u></b>
<b><u>TOTAL CONTACTS</u></b>	<b>23</b>	<b>18</b>
<b><u>CRIMINAL CONTACTS</u></b>	<b>15</b>	<b>4</b>
Incidents (see bottom of page for specifics)	(14)	(2)
Alarm	(1)	(2)
<b><u>MISC. NON-CRIMINAL</u></b>	<b>8</b>	<b>14</b>
Assists	(0)	(13)
Traffic	(7)	(0)
Inspections/Licensing	(0)	(0)
Medical/Fire	(0)	(0)
Miscellaneous	(1)	(1)

The criminal contacts from October 2020 through September 2021 were: one commercial alarm, one intoxicated person, one shoplifter and one fire alarm.

(Numbers in parenthesis are included in total contact figures)

SUMMARY OF BACKGROUND INVESTIGATION REPORT  
FOR LYNDALDE SMOKEHOUSE, LLC d/b/a LYNDALDE SMOKEHOUSE

Officers:

Harshal Patel- President  
Minesh Patel- Vice President

Criminal History:

The following criminal histories reflect the previous and current year. Harshal Patel has no known criminal record. Minesh Patel has no known criminal record. Anthony Lawler, who serves as the Regional Manager, has no known criminal record.

Premises:

The property is owned by MOA Hospitality Group, LLC. All payments are current.

Record of Service Calls:

There were 230 Public Safety/Police contacts with Lyndale Smokehouse from October 2020 through September 2021. This compares with 109 contacts for the previous year. These public safety contacts also include the Four Points by Sheraton hotel, in which the restaurant is attached. A breakdown of these contacts is attached to this report.

Violations:

There are no violations for the sale of alcohol to underage youth for Lyndale Smokehouse.

Routine Information:

On-Sale Intoxicating and Sunday Liquor licenses require owners of these establishments to comply with Resolution No. 9511, which outlines the discipline they can expect if any ongoing problems occur. A copy of this resolution has been given to the owners of the establishment.

There are no distance requirements to notify neighbors of the issuance or renewal of On-Sale Intoxicating and Sunday Liquor licenses.

## Lyndale Smokehouse

### Directors and Officers

Harshal Patel  
Minesh Patel

President  
Vice President

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## PUBLIC SAFETY CONTACTS

October 2020 through September 2021

### Lyndale Smokehouse

	<u>2020</u>	<u>2021</u>
<b><u>TOTAL CONTACTS</u></b>	<b>109</b>	<b>230</b>
<b><u>CRIMINAL CONTACTS</u></b>	<b>63</b>	<b>41</b>
Incidents (see bottom of page for specifics)	(61)	(39)
Alarm	(2)	(2)
<b><u>MISC. NON-CRIMINAL</u></b>	<b>46</b>	<b>189</b>
Assists	(35)	(157)
Traffic	(4)	(4)
Inspections/Licensing	(0)	(0)
Medical/Fire	(3)	(22)
Miscellaneous	(4)	(6)

The criminal contacts from October 2020 through September 2021 were: 13 disturbances, two alarms, two intoxicated persons, eight theft/auto theft, three trespassing/unwanted guests, four drug related, four warrant arrests, one property damage, two assaults, one hit and run, and one protection order violation.

(Numbers in parenthesis are included in total contact figures)

SUMMARY OF BACKGROUND INVESTIGATION REPORT  
FOR PIZZA LUCE VII, INC. d/b/a PIZZA LUCE

Officers:

Joseph Baier- Owner, President  
Scott Nelson- Owner, Vice President  
Laura Hansen- Vice President, COO  
Julie Haywood- Treasurer/Secretary

Criminal History:

The following criminal histories reflect the previous and current year. Joseph Baier has no known criminal record. Scott Nelson has no known criminal record. Laura Hansen has no known criminal record. Julie Haywood has no known criminal record. Scott Schierman, who serves as the General Manager, has no known criminal record.

Premises:

JBB Properties, LLC is the owner of the property. All payments are current.

Record of Service Calls:

There were 20 Public Safety/Police contacts with Pizza Luce VII, Inc. from October 2020 through September 2021. This compares with 82 contacts for the previous year. A breakdown of these contacts is attached to this report.

Violations:

There are no violations for the sale of alcohol to underage youth for Pizza Luce VII, Inc.

Routine Information:

On-Sale Intoxicating and Sunday Liquor licenses require owners of these establishments to comply with Resolution No. 9511, which outlines the discipline they can expect if any ongoing problems occur. A copy of this resolution has been given to the owners of the establishment.

There are no distance requirements to notify neighbors of the issuance or renewal of On-Sale Intoxicating and Sunday Liquor licenses, with outside seating and the optional 2 a.m. closing.

## Pizza Luce

### Directors and Officers

Joseph Baier  
Scott Nelson  
Laura Hansen  
Julie Haywood

Owner, President  
Owner, Vice President  
Vice President, COO  
Treasurer/Secretary

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## PUBLIC SAFETY CONTACTS

October 2020 through September 2021

### Pizza Luce

	<u>2020</u>	<u>2021</u>
<b><u>TOTAL CONTACTS</u></b>	<b>82</b>	<b>20</b>
<b><u>CRIMINAL CONTACTS</u></b>	<b>47</b>	<b>8</b>
Incidents (see bottom of page for specifics)	(39)	(6)
Alarm	(8)	(2)
<b><u>MISC. NON-CRIMINAL</u></b>	<b>35</b>	<b>12</b>
Assists	(14)	(4)
Traffic	(20)	(1)
Inspections/Licensing	(0)	(0)
Medical/Fire	(0)	(6)
Miscellaneous	(1)	(1)

The criminal contacts from October 2020 through September 2021 were: four disturbances, two commercial alarms, one hit and run and one driving while intoxicated.

(Numbers in parenthesis are included in total contact figures)

SUMMARY OF BACKGROUND INVESTIGATION REPORT  
FOR FRED BABCOCK V.F.W. POST NO. 5555

Officers:

William McGee- Commander  
Richard Storlie – Quarter Master

Criminal History:

The following criminal histories reflect the previous and current year. William McGee has no known criminal record. Richard Storlie has no known criminal record. Patricia Loberg, who serves as the General Manager, has no known criminal record.

Premises:

Gramercy Park Cooperative at Lake Shore Drive is the owner of the property. All payments are current.

Record of Service Calls:

There were 21 Public Safety/Police contacts with Fred Babcock VFW 5555 from October 2020 through September 2021. This compares with 18 contacts for the previous year. A breakdown of these contacts is attached to this report.

Violations:

The most recent violation for the sale of alcohol to underage youth with Fred Babcock VFW 5555 was April 3, 2008.

Routine Information:

Club On-Sale Intoxicating and Sunday Liquor licenses require owners of these establishments to comply with Resolution No. 9511, which outlines the discipline they can expect if any ongoing problems occur. A copy of this resolution has been given to the owners of the establishment.

There are no distance requirements to notify neighbors of the issuance or renewal of Club On-Sale and Sunday Liquor licenses.

## **Fred Babcock VFW 5555**

### **Directors and Officers**

William McGee- Commander  
Richard Storlie – Quarter Master

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## **PUBLIC SAFETY CONTACTS**

**October 2020 through September 2021**

### **Fred Babcock VFW 5555**

	<b><u>2020</u></b>	<b><u>2021</u></b>
<b><u>TOTAL CONTACTS</u></b>	<b>18</b>	<b>21</b>
<b><u>CRIMINAL CONTACTS</u></b>	<b>15</b>	<b>11</b>
Incidents (see bottom of page for specifics)	(12)	(8)
Alarm	(3)	(3)
<b><u>MISC. NON-CRIMINAL</u></b>	<b>3</b>	<b>10</b>
Assists	(2)	(8)
Traffic	(0)	(0)
Inspections/Licensing	(0)	(0)
Medical/Fire	(1)	(2)
Miscellaneous	(0)	(0)

The criminal contacts from October 2020 through September 2021 were: one suspected child abuse, one hit and run, two auto thefts, two unwanted guests, two disturbances and three alarms.

(Numbers in parenthesis are included in total contact figures)

SUMMARY OF BACKGROUND INVESTIGATION REPORT FOR  
CHIPOTLE MEXICAN GRILL OF COLORADO, LLC d/b/a CHIPOTLE MEXICAN GRILL

Officers:

Helen Kaminski- President

Criminal History:

The following criminal histories reflect the previous and current year.

Helen Kaminski has no known criminal record. Nalini Parsram, who serves as the General Manager, has no known criminal record.

Premises:

Kensington Retail Center, LLC is the owner of the property. All payments are current.

Record of Service Calls:

There were 27 Public Safety/Police contacts with Chipotle Mexican Grill from October 2020 through September 2021. This compares with 29 contacts for the previous year. A breakdown of these contacts is attached to this report.

Violations:

There have been no violations for the sale of alcohol to underage youth with Chipotle Mexican Grill.

Routine Information:

On-Sale Wine and 3.2 Percent Malt Liquor licenses require owners of these establishments to comply with Resolution No. 9511, which outlines the discipline they can expect if any ongoing problems occur. A copy of this resolution has been given to the owners of the establishment.

There are no distance requirements to notify neighbors of the issuance or renewal of On-Sale Wine and 3.2 Percent Malt Liquor licenses.



# Chipotle Mexican Grill, LLC

## Directors and Officers

Helen Kaminski

President

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## PUBLIC SAFETY CONTACTS

October 2020 through September 2021

### Chipotle Mexican Grill

	<u>2020</u>	<u>2021</u>
<b><u>TOTAL CONTACTS</u></b>	<b>29</b>	<b>27</b>
<b><u>CRIMINAL CONTACTS</u></b>	<b>19</b>	<b>10</b>
Incidents (see bottom of page for specifics)	(15)	(3)
Alarm	(4)	(7)
<b><u>MISC. NON-CRIMINAL</u></b>	<b>10</b>	<b>17</b>
Assists	(3)	(13)
Traffic	(3)	(3)
Inspections/Licensing	(0)	(0)
Medical/Fire	(1)	(0)
Miscellaneous	(3)	(1)

The criminal contacts from October 2020 through September 2021 were: one fraud, seven commercial alarms, one suspicious vehicle and one theft.

(Numbers in parenthesis are included in total contact figures)

SUMMARY OF BACKGROUND INVESTIGATION FOR DAVANNI'S, INC. d/b/a  
DAVANNI'S PIZZA AND HOT HOAGIES

Officers:

Robert Stupka- Owner/President  
Gladstone Stenson- Owner/CEO  
Kristina Silva- Owner  
Katherine Stenson Elmer- Owner

Criminal History:

The following criminal histories reflect the previous and current year. Robert Stupka has no known criminal record. Gladstone Stenson has no known criminal record. Kristina Silva has no known criminal record. Katherine Stenson Elmer has no known criminal record. Douglas Martin, who serves as the General Manager, has no known criminal record.

Premises:

Rich D, LLC is the owner of the property. All payments are current.

Record of Service Calls:

There were three Public Safety/Police contacts with Davanni's from October 2020 through September 2021. This compares with four for the previous year. A breakdown of these contacts is attached to this report.

Violations:

The most recent violation for the sale of alcohol to underage youth with Davanni's Pizza and Hot Hoagies was August 20, 2019.

Routine Information:

On-Sale Wine and 3.2 Percent Malt Liquor licenses require owners of these establishments to comply with Resolution No. 9511, which outlines the discipline they can expect if any ongoing problems occur. A copy of this resolution has been given to the owner of the establishment.

There are no distance requirements to notify neighbors of the issuance or renewal of On-Sale Wine and 3.2 Percent Malt Liquor licenses.

## **Davanni's Pizza and Hot Hoagies**

### **Directors and Officers**

Robert Stupka	Owner/President
Gladstone Stenson	Owner/CEO
Kristina Silva	Owner
Katherine Stenson	Owner

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## **PUBLIC SAFETY CONTACTS**

**October 2020 through September 2021**

### **Davanni's Pizza and Hot Hoagies**

	<b><u>2020</u></b>	<b><u>2021</u></b>
<b><u>TOTAL CONTACTS</u></b>	<b>4</b>	<b>3</b>
<b><u>CRIMINAL CONTACTS</u></b>	<b>2</b>	<b>0</b>
Incidents (see bottom of page for specifics)	(2)	(0)
Alarm	(0)	(0)
<b><u>MISC. NON-CRIMINAL</u></b>	<b>2</b>	<b>3</b>
Assists	(1)	(2)
Traffic	(1)	(1)
Inspections/Licensing	(0)	(0)
Medical/Fire	(0)	(0)
Miscellaneous	(0)	(0)

There were 0 criminal contacts from October 2020 through September 2021.

(Numbers in parenthesis are included in total contact figures)

SUMMARY OF BACKGROUND INVESTIGATION REPORT  
FOR JOY'S PATTAYA THAI RESTAURANT, LLC d/b/a JOY'S PATTAYA THAI  
RESTAURANT

Officers:

Dale Mueller- Owner  
Joy Mueller- Owner

Criminal History:

The following criminal histories reflect the previous and current year.  
Dale Mueller has no known criminal record. Joy Mueller, who also serves as the General Manager, has one traffic violation.

Premises:

JSB Corporation is the owner of the property. All payments are current.

Record of Service Calls:

There was one Public Safety/Police contact with Joy's Pattaya Thai Restaurant from October 2020 through September 2021. This compares with two contacts for the previous year. A breakdown of these contacts is attached to this report.

Violations:

There have been no violations for the sale of alcohol to underage youth with Joy's Pattaya Thai Restaurant.

Routine Information:

On-Sale Wine and 3.2 Percent Malt Liquor licenses require owners of these establishments to comply with Resolution No. 9511, which outlines the discipline they can expect if any ongoing problems occur. A copy of this resolution has been given to the owners of the establishment.

There are no distance requirements to notify neighbors of the issuance or renewal of On-Sale Wine and 3.2 Percent Malt Liquor licenses.

## Joy's Pattaya Thai Restaurant

### Directors and Officers

Dale Mueller  
Joy Mueller

Owner  
Owner

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## PUBLIC SAFETY CONTACTS

October 2020 through September 2021

### Joy's Pattaya Thai Restaurant

	<u>2020</u>	<u>2021</u>
<b><u>TOTAL CONTACTS</u></b>	<b>2</b>	<b>1</b>
<b><u>CRIMINAL CONTACTS</u></b>	<b>2</b>	<b>0</b>
Incidents (see bottom of page for specifics)	(2)	(0)
Alarm	(0)	(0)
<b><u>MISC. NON-CRIMINAL</u></b>	<b>0</b>	<b>1</b>
Assists	(0)	(1)
Traffic	(0)	(0)
Inspections/Licensing	(0)	(0)
Medical/Fire	(0)	(0)
Miscellaneous	(0)	(0)

There were no criminal contacts from October 2020 through September 2021.

(Numbers in parenthesis are included in total contact figures)

SUMMARY OF BACKGROUND INVESTIGATION REPORT  
FOR MINNESOTA JUNIOR HOCKEY GROUP, LLC d/b/a MINNESOTA MAGICIANS  
RICHFIELD ICE ARENA LOCATION

Officers:

Joe Pankratz – Owner  
Scott Krueger – Owner  
Kevin Ingvalson – Vice President

Criminal History:

The following criminal histories reflect the previous and current year. Joe Pankratz, has no known criminal record. Scott Krueger, has no known criminal record. Kevin Ingvalson, who also serves as the General Manager, has no known criminal record.

Premises:

The City of Richfield is the owner of the property. All payments are current.

Record of Service Calls:

There were 24 Public Safety/Police contacts located at the Richfield Ice Arena from October 2020 through September 2021. This compares with 33 contacts for the previous year. It is difficult to differentiate between Minnesota Magicians and the ice arena in terms of which calls belonged to whom. A breakdown of these contacts is attached to this report.

Violations:

There are no violations for the sale to underage youth for Minnesota Magicians located at the Richfield Ice Arena.

Routine Information:

On Sale Wine and 3.2 Percent Malt Liquor licenses require owners of these establishments to comply with Resolution No. 9511, which outlines the discipline they can expect if any ongoing problems occur. A copy of this resolution has been given to the owners of the establishment.

There are no distance requirements to notify neighbors of the issuance or renewal of On Sale Wine and 3.2 Percent Malt Liquor licenses.

## **MN Magicians**

### **Directors and Officers**

Joe Pankratz  
Scott Krueger  
Kevin Ingvalson

Owner  
Owner  
Vice President

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## **PUBLIC SAFETY CONTACTS**

**October 2020 through September 2021**

### **MN Magicians**

	<b><u>2020</u></b>	<b><u>2021</u></b>
<b><u>TOTAL CONTACTS</u></b>	<b>33</b>	<b>24</b>
<b><u>CRIMINAL CONTACTS</u></b>	<b>11</b>	<b>1</b>
Incidents (see bottom of page for specifics)	(11)	(1)
Alarm	(0)	(0)
<b><u>MISC. NON-CRIMINAL</u></b>	<b>22</b>	<b>23</b>
Assists	(15)	(17)
Traffic	(3)	(4)
Inspections/Licensing	(0)	(0)
Medical/Fire	(0)	(0)
Miscellaneous	(4)	(2)

The criminal contacts from October 2020 through September 2021 were: one disturbance.

(Numbers in parenthesis are included in total contact figures)

## SUMMARY OF BACKGROUND INVESTIGATION FOR MY BURGER OPERATIONS, LLC d/b/a MY BURGER

### Officers:

John Abdo - President  
Paul Abdo - Vice President

### Criminal Histories:

The following criminal histories reflect the previous and current year.  
John Abdo, who also serves as the General Manager, has no known criminal record. Paul Abdo has no known criminal record.

### Premises:

Lyndale Station, LLC is the owner of the property. All payments are current.

### Record of Service Calls:

There were 10 Public Safety/Police contacts with My Burger from October 2020 through September 2021. This compares with 6 contacts for the previous year. A breakdown of these contacts is attached to this report.

### Violations:

There was one violation for sale of alcohol to underage youth in March of 2016.

### Routine Information:

On-Sale Wine and 3.2 Percent Malt Liquor licenses require owners of these establishments to comply with Resolution No. 9511, which outlines the discipline they can expect if any ongoing problems occur. A copy of this resolution has been given to the owners of the establishment.

There are no distance requirements to notify neighbors of the issuance or renewal of On-Sale Wine and 3.2 Percent Malt Liquor licenses.



**My Burger**

**Directors and Officers**

John Lawrence Abdo  
Paul Melvin Abdo

President  
Vice President

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**PUBLIC SAFETY CONTACTS**

**October 2020 through September 2021**

**My Burger**

	<b><u>2020</u></b>	<b><u>2021</u></b>
<b><u>TOTAL CONTACTS</u></b>	<b>6</b>	<b>10</b>
<b><u>CRIMINAL CONTACTS</u></b>	<b>4</b>	<b>5</b>
Incidents (see bottom of page for specifics)	(1)	(2)
Alarm	(3)	(3)
<b><u>MISC. NON-CRIMINAL</u></b>	<b>2</b>	<b>5</b>
Assists	(1)	(3)
Traffic	(0)	(1)
Inspections/Licensing	(0)	(0)
Medical/Fire	(0)	(1)
Miscellaneous	(1)	(0)

The criminal contacts from October 2020 through September 2021 were: three commercial alarms, one disturbance and one driving while intoxicated.

(Numbers in parenthesis are included in total contact figures)

SUMMARY OF BACKGROUND INVESTIGATION REPORT  
FOR PATRICK'S FRENCH BAKERY, INC. d/b/a PATRICK'S BAKERY & CAFE

Officers:

Patrick Bernet- Owner

Criminal History:

The following criminal histories reflect the previous and current year. Patrick Bernet, who also serves as the General Manager, has no known criminal record.

Premises:

DRFC Southdale Square, LLC is the owner of the property. All payments are current.

Record of Service Calls:

There were six Public Safety/Police contacts with Patrick's Bakery & Cafe from October 2020 through September 2021. This compares with four contacts for the previous year. A breakdown of these contacts is attached to this report.

Violations:

The most recent violation for the sale of alcohol to underage youth with Patrick's Bakery & Cafe was in June 2012.

Routine Information:

On-Sale Wine and 3.2 Percent Malt Liquor licenses require owners of these establishments to comply with Resolution No. 9511, which outlines the discipline they can expect if any ongoing problems occur. A copy of this resolution has been given to the owners of the establishment.

There are no distance requirements to notify neighbors of the issuance or renewal of On-Sale Wine and 3.2 Percent Malt Liquor licenses.

## **Patrick's Bakery & Cafe**

### **Directors and Officers**

Patrick Bernet

Owner

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## **PUBLIC SAFETY CONTACTS**

**October 2020 through September 2021**

### **Patrick's Bakery & Cafe**

	<b><u>2020</u></b>	<b><u>2021</u></b>
<b><u>TOTAL CONTACTS</u></b>	<b>4</b>	<b>6</b>
<b><u>CRIMINAL CONTACTS</u></b>	<b>3</b>	<b>1</b>
Incidents (see bottom of page for specifics)	(3)	(1)
Alarm	(0)	(0)
<b><u>MISC. NON-CRIMINAL</u></b>	<b>1</b>	<b>5</b>
Assists	(1)	(5)
Traffic	(0)	(0)
Inspections/Licensing	(0)	(0)
Medical/Fire	(0)	(0)
Miscellaneous	(0)	(0)

The criminal contacts from October 2020 through September 2021 were: one disturbance.

(Numbers in parenthesis are included in total contact figures)

## SUMMARY OF BACKGROUND INVESTIGATION FOR HENRY THOU d/b/a RED PEPPER CHINESE RESTAURANT

### Officers:

Henry Thou- Owner

### Criminal History:

The following criminal histories reflect the previous and current year. Henry Thou, who also serves as the General Manager, has no known criminal record.

### Premises:

DRFC Southdale Square, LLC is the owner of the property. All payments are current.

### Record of Service Calls:

There were four Public Safety/Police contact with Red Pepper Chinese Restaurant from October 2020 through September 2021. This compares with one contact for the previous year. A breakdown of these contacts is attached to this report.

### Violations:

There have been no violations for the sale of alcohol to underage youth with Red Pepper Chinese Restaurant.

### Routine Information:

On-Sale Wine and 3.2 Percent Malt Liquor licenses require owners of these establishments to comply with Resolution No. 9511, which outlines the discipline they can expect if any ongoing problems occur. A copy of this resolution has been given to the owner of the establishment.

There are no distance requirements to notify neighbors of the issuance of new On-Sale Wine and 3.2 Percent Malt Liquor licenses.

## Red Pepper Chinese Restaurant

### Directors and Officers

Henry Thou

Owner

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## PUBLIC SAFETY CONTACTS

October 2020 through September 2021

## Red Pepper Chinese Restaurant

	<u>2020</u>	<u>2021</u>
<b><u>TOTAL CONTACTS</u></b>	<b>1</b>	<b>4</b>
<b><u>CRIMINAL CONTACTS</u></b>	<b>1</b>	<b>2</b>
Incidents (see bottom of page for specifics)	(1)	(2)
Alarm	(0)	(0)
<b><u>MISC. NON-CRIMINAL</u></b>	<b>0</b>	<b>2</b>
Assists	(0)	(2)
Traffic	(0)	(0)
Inspections/Licensing	(0)	(0)
Medical/Fire	(0)	(0)
Miscellaneous	(0)	(0)

The criminal contacts from October 2019 through September 2020 were: one theft and one auto theft.

(Numbers in parenthesis are included in total contact figures)

## SUMMARY OF BACKGROUND INVESTIGATION FOR O'REILLY CUSTOM 6, LLC D/B/A SANDY'S TAVERN

### Officers:

Jahn Brink-- Owner  
Christopher Pejmon - Owner

### Criminal Histories:

The following criminal histories reflect the previous and current year. Jahn Brink has no known criminal record. Christopher Pejmon has no known criminal record.

### Premises:

The applicant has provided a copy of the rental agreement showing Arbor Sandy's Properties, LLC, holding financial interest as lessor of the property.

### Record of Service Calls:

There were five Public Safety/Police contacts with Sandy's Tavern from October 2020 through September 2021. This compares with two contacts for the previous year. A breakdown of these contacts is attached to this report.

### Violations:

Being this is a new business, there are no violations for sale of alcohol to underage youth.

### Routine Information:

On Sale Wine and 3.2 Percent Malt liquor licenses require owners of these establishments to comply with Resolution No. 9511, which outlines the discipline they can expect if any ongoing problems occur. A copy of this resolution has been given to the owners of the establishment.

There are no distance requirements to notify neighbors of the issuance or renewal of On Sale Wine and 3.2 Percent Malt Liquor licenses.

## **Sandy's Tavern**

### **Directors and Officers**

Jahn Brink-- Owner  
Christopher Pejmon - Owner

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## **PUBLIC SAFETY CONTACTS**

**October 2020 through September 2021**

### **Sandy's Tavern**

	<b><u>2020</u></b>	<b><u>2021</u></b>
<b><u>TOTAL CONTACTS</u></b>	<b>2</b>	<b>5</b>
<b><u>CRIMINAL CONTACTS</u></b>	<b>1</b>	<b>1</b>
Incidents (see bottom of page for specifics)	(1)	(1)
Alarm	(0)	(0)
<b><u>MISC. NON-CRIMINAL</u></b>	<b>1</b>	<b>4</b>
Assists	(1)	(4)
Traffic	(0)	(0)
Inspections/Licensing	(0)	(0)
Medical/Fire	(0)	(0)
Miscellaneous	(0)	(0)

The criminal contact from October 2020 through September 2021 was: one burglary.

(Numbers in parenthesis are included in total contact figures)



**STAFF REPORT NO. 178**  
**CITY COUNCIL MEETING**  
**12/14/2021**

REPORT PREPARED BY: Jennifer Anderson, Support Services Manager

DEPARTMENT DIRECTOR REVIEW: Jay Henthorne, Director of Public Safety/Chief of Police  
12/8/2021

OTHER DEPARTMENT REVIEW: N/A

CITY MANAGER REVIEW: Katie Rodriguez, City Manager  
12/8/2021

**ITEM FOR COUNCIL CONSIDERATION:**

Consider to approve the renewal of the 2022 licenses for On-Sale 3.2 Percent Malt Liquor, Off-Sale 3.2 Percent Malt Liquor, Secondhand Goods Dealer and taxi companies doing business in Richfield.

**Licenses to Operate in Richfield**

Gold Star Taxi - 1 vehicle

**Secondhand Goods Dealers**

Gamestop

Wedding Day Jewelers

**Licenses to sell 3.2 Percent Malt Liquor**

La Vaquita Short Stop- Off-Sale

La Vaquita 2- Off-Sale

Portland Food Mart - Off-Sale

Pump & Munch - Off-Sale

Richfield Minnoco - Off Sale

Speedway #4186 - Off-Sale

Speedway #4188 - Off-Sale

Speedway #4191 - Off-Sale

Speedway #4615 - Off-Sale

Target Corporation - Off-Sale

Vina Restaurant - On-Sale

**EXECUTIVE SUMMARY:**

Staff completed a staff report for each business at the time they originally applied for and received Council approval to operate their Taxi business, buy Secondhand Goods, or sell On-Sale 3.2 Percent Malt Liquor and Off-Sale 3.2 Percent Malt Liquor at their business in the City of Richfield. This is simply a request to renew their annual license for 2022. There is not a public hearing requirement for renewals for these types of licenses. The businesses named in this report are presented for Council's approval.

**RECOMMENDED ACTION:**

By motion:

1. Approve the 2022 renewal of named business licenses for On-Sale 3.2 Percent Malt Liquor and Off-Sale 3.2 Percent Malt Liquor establishments doing business in Richfield.
2. Approve the 2022 renewal of named business licenses for taxi companies doing business in



Richfield.

**3. Approve the 2022 renewal of named business licenses for Secondhand Goods Dealer.**

**BASIS OF RECOMMENDATION:**

**A. HISTORICAL CONTEXT**

- The listed businesses current licenses will expire on December 31, 2021.
- The businesses named below with the corresponding licenses are presented for Council's approval on this date.
- Licenses to Operate in Richfield
  - Gold Star Taxi - 1 vehicle
- Licenses to sell 3.2 Percent Malt Liquor
  - La Vaquita Short Stop- Off-Sale
  - La Vaquita 2- Off-Sale
  - Portland Food Mart - Off-Sale
  - Pump & Munch - Off-Sale
  - Richfield Minnoco - Off-Sale
  - Speedway #4186 - Off-Sale
  - Speedway #4188 - Off-Sale
  - Speedway #4191 - Off-Sale
  - Speedway #4615 - Off-Sale
  - Target Corporation - Off-Sale
  - Vina Restaurant - On-Sale
- Licenses to hold a Secondhand Goods Dealer
  - Gamestop
  - Wedding Day Diamonds

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

- All businesses must annually request renewal of their Secondhand Goods Dealer, 3.2 Percent Malt Liquor and Taxi Company licenses to the City Council.
- Businesses must meet the requirements for renewal of their licenses.

**C. CRITICAL TIMING ISSUES:**

There are no additional critical timing issues.

**D. FINANCIAL IMPACT:**

All license fees must be paid and application forms submitted in order to be considered for license renewal.

**E. LEGAL CONSIDERATION:**

There are no additional legal issues.

**ALTERNATIVE RECOMMENDATION(S):**

Deny the request for the renewal of 2022 licenses for Secondhand Good Dealer, On-Sale 3.2 Percent Malt Liquor, Off-Sale 3.2 Percent Malt Liquor and taxi company doing business in Richfield. This would result in the applicants not being able to conduct business within the City in 2022; however, there have been no issues with any of these listed establishments and the Public Safety Department has found no reason to deny any of the requested licenses.

**PRINCIPAL PARTIES EXPECTED AT MEETING:**

Businesses have been notified of the date of presentation to the City Council but are not required to attend.



**STAFF REPORT NO. 179**  
**CITY COUNCIL MEETING**  
**12/14/2021**

REPORT PREPARED BY: Ryan Krzos, Planner

DEPARTMENT DIRECTOR REVIEW: John Stark, Community Development Director  
12/8/2021

OTHER DEPARTMENT REVIEW: Mary Tietjen, City Attorney Sam Ketchum, Assistant City Attorney

CITY MANAGER REVIEW: Katie Rodriguez, City Manager  
12/8/2021

**ITEM FOR COUNCIL CONSIDERATION:**

**Consider approval of a third amendment to the Consent Decree in the State of Minnesota by City of Minneapolis, et al. v. Metropolitan Airports Commission, et al., Hennepin County Case No. 27-CV-0S-S474.**

**EXECUTIVE SUMMARY:**

In 2005, the Cities of Minneapolis, Richfield, and Eagan, and the Minneapolis Public Housing Authority (MPHA), sued the Metropolitan Airports Commission (MAC) for violations of the Minnesota Environmental Rights Act related to alleged inadequacies in the MAC's noise mitigation program at the Minneapolis-St. Paul International Airport (MSP). In 2007, the parties settled the litigation by entering into a Consent Decree. The Consent Decree required the MAC to provide noise mitigation to certain eligible homes in Richfield.

In May 2013, the parties approved a First Amendment to the Consent Decree, which created a refined noise mitigation plan extending to the year 2024. In November 2016, the parties approved a Second Amendment, which phased out the Integrated Noise Modeling (INM) software system and replaced it with the Federal Aviation Administration's (FAA) Aviation Environmental Design Tool (AEDT). The Second Amendment also revised the opt-out eligibility provisions of the MAC's noise mitigation program.

As the refined noise mitigation plan approved in the First Amendment will close on December 31, 2024, the parties negotiated the Third Amendment to extend the core provisions of the noise mitigation program.

The Third Amendment includes the following primary changes to the Consent Decree:

- The extension of the noise mitigation program, which will commence on January 1, 2022 and terminate on December 31, 2032, based on the noise contours the MAC develops using AEDT and MAC's assessment of eligibility for noise mitigation.
- Some single-family and multi-family homes that previously opted out of or did not participate in previously established noise mitigation programs are now eligible to participate in the mitigation program, with specified exceptions.

While the City of Richfield does not currently have any additional homes in the current sound mitigation program, the provisions of this proposed amendment secure possible future benefits for Richfield property owners if the noise environment around MSP changes.

**RECOMMENDED ACTION:**

By motion: Approve the proposed Third Amendment to the Consent Decree.

**BASIS OF RECOMMENDATION:****A. HISTORICAL CONTEXT**

- The Consent Decree was approved in 2007 and a First Amendment and Second Amendment were subsequently approved by all parties in 2013 and 2017, respectively.
- The current refined noise mitigation plan will close on December 31, 2024.
- The MAC will assess eligibility for noise mitigation under the program annually based on noise contours prepared for the previous calendar year.
- A home must be in a noise contour for three consecutive years in order to receive noise mitigation.
- The extended noise mitigation program will commence on January 1, 2022 and terminate on December 31, 2032.

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

The City of Richfield wants to continue to secure the benefits obtained for its residents under the Consent Decree.

**C. CRITICAL TIMING ISSUES:**

- The MAC must produce a Noise Contour Report annually.
- The MAC has asked that all the governing bodies to the Consent Decree consider the Third Amendment for approval by the end of December 2021.
- If the Third Amendment is approved, the extended noise mitigation program will commence on January 1, 2022 and terminate on December 31, 2032.

**D. FINANCIAL IMPACT:**

Approval of the amendment will not result in any additional costs to the City.

**E. LEGAL CONSIDERATION:**

- The City Attorney's Office was involved in the negotiation of the Third Amendment and has reviewed and approved its language.
- The Third Amendment is contingent on approval of the other parties (the MAC, City of Minneapolis, City of Eagan, and the MPHA).
- The amendment is contingent on FAA approval and approval by the Hennepin County District Court.

**ALTERNATIVE RECOMMENDATION(S):**

None.

**PRINCIPAL PARTIES EXPECTED AT MEETING:**

None.

**ATTACHMENTS:**

Description	Type
▣ Third Amendment to Consent Decree and signatures page for the City of Richfield	Contract/Agreement

STATE OF MINNESOTA  
COUNTY OF HENNEPIN

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DISTRICT COURT  
FOURTH JUDICIAL DISTRICT

STATE OF MINNESOTA BY THE  
CITY OF MINNEAPOLIS, et al.,

Plaintiffs,

Case No. 27-CV-OS-S474

v.

METROPOLITAN AIRPORTS COMMISSION,

Defendant, and

NORTHWEST AIRLINES,

Defendant-Intervenor.

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### **THIRD AMENDMENT TO CONSENT DECREE**

WHEREAS, the City of Minneapolis, City of Richfield, City of Eagan, Minneapolis Public Housing Authority (collectively, the “Cities”), and the Metropolitan Airports Commission (the “MAC”), (hereafter, the “Parties”) are parties to a consent decree entered by this Court on October 19, 2007, and amended by this Court on September 25, 2013, and on January 31, 2017 (the “Consent Decree”);

WHEREAS, on September 25, 2013, by agreement of the Parties, this Court adopted the First Amendment to this Consent Decree, which created a refined noise mitigation plan described in the final MSP 2020 Improvements Project Environmental Assessment/Environmental Assessment Worksheet for existing homes that entered into the 60-62 DNL and 63-64 DNL for exterior noise for three consecutive years with the first year beginning before 2020;

WHEREAS, the MAC and the Cities requested this Court adopt the Second Amendment to this Consent Decree (the “Second Amendment”);

WHEREAS, on January 31, 2017, this Court adopted the Second Amendment, which (a) refined the noise mitigation plan outlined in this Consent Decree by providing for the use of the most recently released Federal Aviation Administration (FAA) noise modeling software, and (b) revised the opt-out eligibility provisions of the MAC's noise mitigation program;

WHEREAS, no more homes will become eligible for mitigation pursuant to the First Amendment to the Decree since there were zero qualifying homes per the 2020 contour map as prepared by MAC under section 8.1(d) of the Consent Decree, 2020 was the last year to begin accruing eligibility, and the First Amendment program will close on December 31, 2024;

WHEREAS, the Cities continue to allege that failure to provide noise mitigation to existing homes within the 60 DNL for exterior noise surrounding the Minneapolis-St. Paul International Airport ("MSP"), whether or not the interior noise level in a residence is below 45 DNL, violates the Minnesota Environmental Rights Act (MERA), the Minnesota Environmental Policy Act, and/or a local standard established by the Metropolitan Council;

WHEREAS, MAC continues to deny any legal violation has occurred as a result of its failure to provide noise mitigation;

WHEREAS, the Parties desire to extend the core provisions of the noise mitigation program established in the Consent Decree, as amended, in order to provide noise mitigation for all future eligible homeowners and to avoid, to the extent possible, future claims related to noise at MSP;

WHEREAS, Section 8.1(j) and Section 8.7 of the Consent Decree allow the Cities and the MAC to modify the Consent Decree by mutual agreement and in writing;

WHEREAS, this amendment will be submitted to the FAA Office of Chief Counsel for a legal determination regarding its consistency with federal requirements regarding the use of airport revenue;

NOW THEREFORE, upon (a) receipt of a written determination by the FAA Office of Chief Counsel that use of airport revenue to fund the programs contemplated by this Amendment is permitted, and (b) approval of this Third Amendment (“Amendment”) by the Court, the Consent Decree shall be amended as follows:

1. The Consent Decree is hereby modified to add the following language after Section 9.9:

**X. NOISE MITIGATION PROGRAM COMMENCING JANUARY 1, 2022**

**10.1 Goal of the Program.** The MAC’s goal in adopting the noise mitigation program in Section X of this Consent Decree is to minimize the environmental impacts on residents in communities adjacent to MSP, consistent with the unique noise characteristics associated with air carrier aircraft operations. The Cities’ goal for participating in this program is to ensure that mitigation is provided to impacted homes while continuing to advocate for noise prevention and reduction.

**10.2 Duration of the Program.** The noise mitigation program in Section X of this Consent Decree will commence on the latter of January 1, 2022, or the date this Amendment is approved by both the Court and the FAA.” The program will terminate on December 31, 2032.

**10.3 Noise Contours and Program Eligibility Assessment.** The MAC will determine eligibility for the program based upon noise contours the MAC develops under Section 8.1(d) of this Consent Decree using the FAA’s Aviation Environmental Design Tool (AEDT) or the most recently released version of any subsequent FAA modeling software system the FAA uses in preparing environmental review documents. The MAC will assess eligibility for noise mitigation

under the program annually based upon the Section 8.1(d) contours prepared for the previous calendar year. The first actual noise contour for this Amendment will be the 2021 noise contour prepared by the MAC no later than March 1, 2022. The last noise contour for this Amendment will be the 2030 noise contour prepared by the MAC no later than March 1, 2031.

**10.4 Eligibility Criteria.** The owner of a Single-Family or Multi-Family home, as those terms are defined in Section 4.27 and Section 4.16, respectively, of this Consent Decree, will be considered eligible for mitigation under the noise mitigation program in Section X of this Consent Decree if the following criteria are met: (a) the community in which the home is located—including but not limited to communities located within the City of Minneapolis, City of Richfield, or City of Eagan— has adopted local land use controls and building performance standards applicable to the home for which mitigation is sought that prohibit new residential construction, unless the construction materials and practices are consistent with the local land use controls and heightened building performance standards for homes within the 60 DNL Contour within the community in which the home is located, and (b) the home is located, for a period of three consecutive years, with the first of the three years beginning no later than calendar year 2028, (i) in the actual 60-64 DNL noise contour prepared by the MAC under Section 8.1(d) of this Consent Decree, and (ii) within a higher noise impact mitigation area when compared to the Single-Family home’s status under the noise mitigation programs for Single-Family homes provided in Sections 5.1, 5.2, 5.3, and 9.5 of this Consent Decree or when compared to the Multi-Family home’s status under the noise mitigation programs for Multi-Family homes provided in Section 5.4, and 9.6 of this Consent Decree. The noise contour boundary will continue to be based on the block intersect methodology stated in 4.9, 4.10, and 4.18 in this Consent Decree. There is no requirement that the interior noise level in any Single-

Family or Multi-Family home receiving mitigation under Section X of this Consent Decree be above 45 DNL. The MAC will offer noise mitigation under Section X of this Consent Decree to owners of eligible Single-Family homes and Multi-Family homes in the year following the MAC's determination that a Single-Family or Multi-Family home is eligible for noise mitigation under this Section.

#### **10.5 Single-Family Home Mitigation Package.**

(a) If a Single-Family home is in the 63 or higher DNL annual noise contour prepared by the MAC under Section 8.1(d) of this Consent Decree or its subsequent amendments for three consecutive years, the Single-Family home will be eligible for the Five-Decibel Reduction Package, as that term is defined in Section 4.11 of this Consent Decree.

(b) If a Single-Family home is in the 60-62 DNL annual noise contour prepared by the MAC under Section 8.1(d) of this Consent Decree for three consecutive years, the Single-Family home will be eligible for one of two mitigation options, to be selected by the owner of the home. The two mitigation options are: (1) if no central air conditioning exists in the home as of January 1, 2022, the MAC will install central air conditioning and provide a total not to exceed \$4,000 (in 2007 dollars) of noise mitigation products and services from the Mitigation Menu, as that term is defined in Section 4.14 of this Consent Decree, including reasonable and customary installation costs; or (2) if central air conditioning exists in the home as of January 1, 2022, or if central air conditioning does not exist in the home as of January 1, 2022, but the homeowner chooses not to receive central air conditioning, the MAC will provide a total not to exceed \$14,000 (in 2007 dollars) of noise products and services from the mitigation services from the Mitigation Menu, as that term is defined in Section 4.14 of this Consent Decree, including reasonable and customary installation costs. Any reimbursement or mitigation improvements previously provided by the



MAC under this Consent Decree or under any other noise mitigation program will be deducted from the above-listed options.

**10.6 Multi-Family Home Mitigation Package.** Multi-Family homes in the 60-64 DNL annual noise contours prepared by the MAC under Section 8.1(d) of this Consent Decree that meet the Eligibility Criteria of Section 10.4 will be eligible for the Multi-Family Home Mitigation Package as defined in Section 4.17 of this Consent Decree.

**10.7 Tolling of Three-Year Eligibility Period.** If, as the result of any extraordinary event arising from causes beyond the control of any Party hereto, including but not limited to a pandemic, the total combined number of Airport Operations at MSP, as determined by the FAA, are reduced on a calendar-year basis by thirty (30) percent or more compared to the calendar year immediately preceding the calendar year during which the extraordinary event commenced (the “Pre-Tolling Year”), the running of the three-continuous-year homeowner eligibility periods described in Sections 10.4, 10.5(a) and 10.5(b) shall be tolled during the entirety of any calendar year in which operations are so reduced and shall resume in the calendar next year in which operations are not so reduced; provided, (a) the maximum duration for which any homeowner eligibility period may be tolled under this Section 10.7 is two years, which must be consecutive years, (b) a homeowner shall be limited to one tolling period of up to two years, and (c) this Section 10.7 shall not apply to any home that has not already accrued at least one year of homeowner eligibility under Section 10.4, 10.5(a) or 10.5(b), which must include the Pre-Tolling Year. For purposes of this Section 10.7, “Airport Operations” means the number of arrivals and departures from the MSP Airport.

**10.8 Termination of Eligibility.** Notwithstanding anything to the contrary in this Consent Decree or its Amendments, no Single-Family or Multi-Family home shall be eligible for the

noise mitigation program in Section X of this Consent Decree unless (a) for homes that gain full eligibility on or before March 1, 2030, a homeowner has –executed a signed noise-mitigation work agreement with the MAC prior to September 30, 2031, or (b) for homes that gain full eligibility on March 1, 2031, a homeowner has executed a signed noise-mitigation work agreement with the MAC prior to June 30, 2032; provided, the MAC may, for good cause shown, extend the deadline for homeowners to execute a signed noise-mitigation work agreement with the MAC..

**10.9 Opt-Out Eligibility.** Single-Family and Multi-Family homes that previously opted out of or did not participate in noise mitigation programs previously established under this Consent Decree or the First Amendment are not eligible to participate in the mitigation program provided under this Section. Opting out, for the purposes of this section, does not include failing to participate in the 2005 DNL 60-64 contour partial reimbursement program provided for in Section 5.3 (e), (f) and (g). Further, notwithstanding any previous opt-out, Single-Family homes that previously opted out of the partial mitigation program provided in Section 10.5(b), Section 9.5(b), or Section 5.2 may participate in the mitigation program provided in Section 10.5(a) if the Single-Family home meets all of the requirements for participation set forth in Section 10.5(a).

**10.10 Releases from Homeowners.** The MAC may require owners of Single-Family and Multi-Family homes receiving noise mitigation under Section X of this Consent Decree to sign a release in the form substantially similar to the release used previously by the MAC in its Part 150 noise mitigation program.

**10.11 Release and Waiver.** The Cities and any other communities participating in the noise mitigation program under Section X of this Consent Decree hereby waive any claims relating to aircraft noise from MSP under the Minnesota Environmental Rights Act (MERA) or any other

legal theory, subject to the exceptions stated in Section 8.1 of this Consent Decree. Nothing in this Release and Waiver, or in this Consent Decree and any amendments thereto, diminishes the Parties' right to pursue claims against non-Parties. By adopting the noise mitigation program under Section X of this Consent Decree, the MAC is not conceding that it has created an environmental quality standard, limitation, rule, order, license, stipulation agreement or permit.

[SIGNATURE BLOCKS]

**FOR THE CITY OF RICHFIELD**

By: \_\_\_\_\_  
Maria Regan Gonzalez

Its: Mayor

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Katie Rodriguez

Its: City Manager

Dated: \_\_\_\_\_



**STAFF REPORT NO. 180**  
**CITY COUNCIL MEETING**  
**12/14/2021**

REPORT PREPARED BY: Jennifer Anderson, Support Services Manager

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

OTHER DEPARTMENT REVIEW:

CITY MANAGER REVIEW: Katie Rodriguez, City Manager  
12/8/2021

**ITEM FOR COUNCIL CONSIDERATION:**

**Consider approval of a second amendment to the agreement with the City of Bloomington for the provision of public health services for the City of Richfield for 2022.**

**EXECUTIVE SUMMARY:**

The City of Richfield has had a public health contract with the City of Bloomington to provide public health services on Richfield's behalf for 44 years. The amendment to the public health contract requires City Council approval and reflects a zero percent increase over the 2021 amendment amount.

Due to the influx of federal and state public health funding to combat the Covid-19 pandemic, there was no increase in the shared services agreement with the City of Bloomington.

**RECOMMENDED ACTION:**

**By motion: Approve the second amendment to the agreement with the City of Bloomington for the provision of public health services for the City of Richfield for 2022.**

**BASIS OF RECOMMENDATION:**

**A. HISTORICAL CONTEXT**

- In 1977, the State of Minnesota enacted the Community Health Services Act which transferred the responsibility for the administration of public health programs to local jurisdictions. The State also provided funds for the program and encouraged local jurisdictions to increase the efficiency of their programs by grouping together whenever it made sense to do so. Richfield entered into a contractual agreement with Bloomington at that time and the program has been administered under a contract with them since. The Act was revised in 2003 and is now referred to as the Local Public Health Act.
- The contract amount for providing public health services in 2022 reflects a 0% increase over the 2021 contract amount. The contract amount for 2022 is \$262,000; with the 2021 contract amount having been \$262,000.
- In 2004, changes were made to the Public Health Act at the State level to make reporting, accountability, and record keeping more efficient. Those changes also "regrouped" a large number of funding sources into one, which gives more personalization of the funds for the best specific user of the dollars within the community to be used in conjunction with subsidy guidelines. It is now referred to as the Local Public Health grant.

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

**C. CRITICAL TIMING ISSUES:**

**D. FINANCIAL IMPACT:**

Historically, the cost of the annual contract between Richfield and Bloomington for public health services has been covered by the Local Public Health (LPH) grant and mandatory 75% local match for the Richfield Community Health Board.

2017 is the first year that the cost of the agreement significantly exceeded the LPH grant plus the mandated local match. As grant funding has not increased to match cost of living, insurance, and other costs, it became necessary for Bloomington, Edina and Richfield to address this shortage.

There has never been a specific cost formula for how services were contracted. In the past 5 years, contract increases have ranged from 2-5%, however, the increases to the contracts with Bloomington have not kept up with the increase in costs to Bloomington's Public Health Division.

These increased costs for Bloomington are due to several reasons:

- Flat or reduced grant funding for long-term grants.
- Increased staffing costs related to increased salaries, new part-time, staff benefits and health insurance costs.
- Loss of grants that have supported administrative time and costs.
- Internal charge increases (phones, copier, space and occupancy, mail room, building repairs, computers, and professional liability insurance).

City Managers, along with public health staff of Bloomington, Edina and Richfield met in May 2019 to come to an agreement on how shared services would be allocated to each city. Beginning in 2020, the yearly cost for services will be based on current 2019 contracted fees adjusted for 2018 service levels. For 2022, we would be using the 2021 contracted fees adjusted for 2020 service levels. The cities all agreed to keep this framework in place for 3 years and review and update at that time. Exhibit F in the 2022 Public Health amendment outlines the agreed upon cost allocation strategy.

**E. LEGAL CONSIDERATION:**

The City Attorney has reviewed the amendment and approves of its contents.

**ALTERNATIVE RECOMMENDATION(S):**

The City Council could deny the amendment to the contract and public health services provided by Bloomington Public Health Department would no longer be provided for the City of Richfield.

**PRINCIPAL PARTIES EXPECTED AT MEETING:**

**ATTACHMENTS:**

Description	Type
2022 CHS Amendment to Public Health Agreement	Cover Memo

## SECOND AMENDMENT TO LOCAL PUBLIC HEALTH SERVICES AGREEMENT BETWEEN THE MINNESOTA CITIES OF BLOOMINGTON AND RICHFIELD

THIS SECOND AMENDMENT is made on \_\_\_\_\_ by and between the CITY OF BLOOMINGTON, MINNESOTA, a Minnesota municipal corporation, acting through its Public Health Division, located at 1800 West Old Shakopee Road, Bloomington, Minnesota 55431 (“Bloomington”), and the CITY OF RICHFIELD, MINNESOTA, a Minnesota municipal corporation, located at 6700 Portland Avenue, Richfield, Minnesota 55423 (“Richfield”), each a “Party” and collectively the “Parties.”

WHEREAS, Bloomington and Richfield are parties to an Agreement dated January 1, 2020 (Agreement ID 2019-650), as amended by a First Amendment dated December 29, 2020 (Agreement ID 2020-518), pursuant to which Bloomington is responsible for providing Public Health Services to the residents of Richfield (“Agreement”); and

WHEREAS, the term of the Agreement ends December 31, 2021. The Parties desire to amend the Agreement to extend the term until December 31, 2022; and

WHEREAS, the Parties desire to amend the Agreement to include additional services for the 2022 contract year as set forth in Exhibit E, and updated pricing for the 2022 contract year as set forth in Exhibit F; and

WHEREAS, the Parties desire to amend the Agreement to increase the total amount of work authorized, including reimbursable expenses, by \$262,000 for a total contract not-to-exceed amount of \$783,000; and

NOW, THEREFORE, in consideration of the terms and conditions expressed in this Second Amendment, the Parties agree as follows:

1. Paragraph 1 of the Agreement shall be amended to read: “**Services to be Provided:** Bloomington agrees to provide the residents of Richfield with Public Health Services as set forth in Bloomington’s Scope of Services attached hereto as Exhibit E and any supplemental letter agreements entered into between the Parties (“Services”). The Services referenced in the attached Exhibit E or any supplemental letter agreements shall be incorporated into this Agreement by reference. All Services shall be provided in a manner consistent with the level of care and skill ordinarily exercised by contractors currently providing similar services.”
2. Paragraph 2 of the Agreement shall be amended to read: “**Time for Completion.** This Agreement shall remain in force and effect commencing from Effective Date and continuing until December 31, 2022, unless terminated by either party or amended pursuant to the Agreement.”
3. Paragraph 3 of the Agreement shall be amended to read: “**Consideration:** The consideration, which Richfield shall pay to Bloomington, shall not exceed **\$783,000.00**, pursuant to the terms of payment set forth in Exhibit F and incorporated into this Agreement.”
4. All other terms and conditions of the Agreement not modified by this Second Amendment shall remain in full force and effect.

IN WITNESS WHEREOF, the parties to the Agreement have caused this Second Amendment to be executed the day and year first above written.

**CITY OF BLOOMINGTON, MINNESOTA**

DATED: \_\_\_\_\_ BY: \_\_\_\_\_  
Its: Mayor

DATED: \_\_\_\_\_ BY: \_\_\_\_\_  
Its: City Manager

Reviewed and approved by the City Attorney.

\_\_\_\_\_  
Melissa J. Manderschied

**CITY OF RICHFIELD, MINNESOTA**

DATED: \_\_\_\_\_ BY: \_\_\_\_\_  
Its: Mayor

DATED: \_\_\_\_\_ BY: \_\_\_\_\_  
Its: City Manager

Reviewed and approved by the City Attorney.

\_\_\_\_\_



EXHIBIT E TO LOCAL PUBLIC HEALTH SERVICES AGREEMENT BETWEEN  
THE MINNESOTA CITIES OF BLOOMINGTON AND RICHFIELD

SCOPE OF SERVICES

1. Bloomington agrees to provide residents of Richfield with Public Health Services, which include activities designed to protect and promote the health of the general population within a community health service area by emphasizing the prevention of disease, injury, disability, and preventable death through the promotion of effective coordination and use of community resources (Public Health Services), and by extending Public Health Services into the community.
2. Bloomington agrees to provide Public Health Services to the residents of Richfield in a manner consistent with the level of care and skill ordinarily exercised, and utilizing the same quality and kind of personnel, equipment and facilities, as Public Health Services are provided and rendered to residents of Bloomington.
3. Bloomington shall provide the Public Health Services pursuant hereto on a confidential basis, using capable, trained professionals.
4. Bloomington shall require medical malpractice insurance coverage by its physicians and other licensed professionals with whom Bloomington has a contract for professional services.
5. All Public Health Services to be rendered hereunder by Bloomington shall be rendered pursuant to and subject to public health policies, rules, and procedures now or hereafter, from time to time, adopted by the Bloomington City Council, and in full compliance with all applicable state and federal laws.
6. It shall be Bloomington's sole responsibility to determine the qualifications, functions, training, and performance standards for all personnel rendering Public Health Services under this Agreement.
7. Bloomington will communicate with Richfield relative to Public Health Services to be performed hereunder, in the form of reports, conferences, or consultations, as Richfield shall request. All reports relating to the provision of Public Health Services that are given by Bloomington to the Bloomington City Council or to the Bloomington City Manager during the term of this Agreement shall also be given to Richfield.
8. Bloomington also agrees to send to Richfield an annual report describing the Public Health Services performed pursuant to this Agreement. Said report shall be in such detail and form as Richfield may reasonably request. Also, at Richfield's request, made not more than two (2) times during the term of this Agreement, responsible administrative officers of Bloomington's Division of Public Health shall attend meetings of the Richfield City Council, or appropriate board or commission, to answer questions and give further information relative to the activities performed and Public Health Services rendered under this Agreement.

9. Bloomington will also provide services to Richfield for Title V Maternal Child Health (MCH) and Temporary Assistance to Needy Families (TANF) to qualifying women, infants, children and adolescents. Richfield agrees to assign its rights to Minnesota Department of Health (MDH) funding provided for the MCH and TANF programs for fiscal year 2022 to Bloomington. Bloomington will complete all required services, reports and documentation for these programs and will directly invoice MDH for the MCH and TANF services that Bloomington provides to Richfield residents.

EXHIBIT F TO LOCAL PUBLIC HEALTH SERVICES AGREEMENT BETWEEN  
THE MINNESOTA CITIES OF BLOOMINGTON AND RICHFIELD

TERMS OF PAYMENT

1. The parties agree to allocate the costs of the Services in accordance with each city's share of the total services provided by Bloomington to all three cities (Bloomington, Edina, and Richfield) as identified below.
2. Richfield shall pay Bloomington the total not-to-exceed amount of \$783,000 for Services during the term of this Agreement. This amount is based on the 2021 contracted amount adjusted for the 2020 service levels as noted below.

Allocation method	Description of Service	Share of total cost		
		Bloomington	Edina	Richfield
Agreed-upon percentage of cost  (fixed)	Administration and Planning & Health Promotion infrastructure	65%	17.5%	17.5%
	Internal service charges	80%	10%	10%
	Accreditation	33%	33%	33%
	SHIP	44%	30%	26%
By population (as estimated by the American Community Survey)	DP&C Senior Health Outbreak response	50%	29%	21%
By number of clients in each city  (changes annually)	Maternal Health Clinical Services	Share of total cost will change each year based on # of clients per city, according to the following formula:  $\frac{\text{(Clients served in Richfield)}}{\text{(Clients served in all three cities)}} = \text{share of total cost}$		
Direct expense	All others	cost of service provided		

3. Bloomington will invoice Richfield for the Services according to the following terms:

<b>Invoice Date</b>	<b>Amount</b>
April 15, 2022	\$65,500
July 15, 2022	\$65,500
October 15, 2022	\$65,500
January 15, 2023	\$65,500

4. Richfield shall make payment to Bloomington within fifteen (15) days of receipt after Bloomington's invoice.



**STAFF REPORT NO. 181**  
**CITY COUNCIL MEETING**  
**12/14/2021**

REPORT PREPARED BY: Chris Swanson, Management Analyst

DEPARTMENT DIRECTOR REVIEW:

OTHER DEPARTMENT REVIEW:

CITY MANAGER REVIEW: Katie Rodriguez, City Manager  
12/8/2021

**ITEM FOR COUNCIL CONSIDERATION:**

**Consider a resolution to accept \$1,923,436 in funds from the American Rescue Plan Act (ARPA) grant and a second supplemental payment of \$62,987.23 in additional funds.**

**EXECUTIVE SUMMARY:**

The ARPA grant provided federal funds to the State of Minnesota. The legislature and Governor then distributed these funds to local governments throughout Minnesota to lessen the financial impacts of Covid-19.

The city of Richfield is entitled to \$3,972,846.46 in ARPA grant funding, including a second, supplemental amount of \$125,974.46 in funds left unclaimed with State of Minnesota after eligible local governments received their allocated ARPA funds.

This amount will be paid out in two lump sums. The first installment came in June 2021. The second installment will be paid in June 2022. ARPA funds can be used to cover costs incurred between March 3, 2021 and December 24, 2024. Per guidance from US Treasury, acceptable uses of ARPA funds by the local governments include:

- Supporting public health expenditures
- Address negative economic impacts caused by the public health emergency
- Replace lost public sector revenue
- Provide premium pay for essential workers
- Invest in water, sewer, and broadband infrastructure

The City is in the process of compiling eligible Covid-19 mitigation costs in the city. It is expected that all grant funds will be utilized. Staff is currently compiling a list of programs/expenditures other cities will support with ARPA funds. Staff will review this list and bring funding recommendations to City Council at a future work session. City Council will be able to weigh the merits of each project and make the final decision for the use of the City's ARPA funds.

**RECOMMENDED ACTION:**

**By Motion: Adopt a resolution accepting \$1,986,423.23 of ARPA grant funding,**

including \$62,987.23 in supplemental allocation funds.

**BASIS OF RECOMMENDATION:**

**A. HISTORICAL CONTEXT**

N/A.

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

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 and adopted by two-thirds majority of the City Council.

The Administrative Services Department issued a memo on November 9, 2004, requiring that all grants and donations to departments be received by resolution and passed by more than two-thirds majority of the City Council in accordance with Minnesota Statute 465.03.

**C. CRITICAL TIMING ISSUES:**

None.

**D. FINANCIAL IMPACT:**

The total amount of ARPA grant funding Richfield is scheduled to received is \$3,972,846.46. This will be in two payments of 1,986,423.23, occurring in 2021 and 2022. Richfield has received the 2021 payment.

**E. LEGAL CONSIDERATION:**

None.

**ALTERNATIVE RECOMMENDATION(S):**

None.

**PRINCIPAL PARTIES EXPECTED AT MEETING:**

N/A.

**ATTACHMENTS:**

Description	Type
□ Resolution to Accept American Rescue Plan Act Funds	Resolution Letter

**CITY OF RICHFIELD  
HENNEPIN COUNTY  
STATE OF MINNESOTA**

**RESOLUTION NO.**

**RESOLUTION AUTHORIZING ACCEPTANCE OF THE AMERICAN  
RESCUE PLAN ACT FUNDS**

**WHEREAS**, on March 11, 2021, President Biden signed the American Rescue Plan Act (ARPA) into law, providing \$1.9 trillion in relief to respond to the novel coronavirus (COVID-19), including disbursements to the State of Minnesota to be allocated to local governments to address the impacts of COVID-19; and

**WHEREAS**, the City of Richfield (City) initially expected to receive a total of \$3,846,872.00 (Allocation) pursuant to ARPA, with the City receiving the first distribution of \$1,923,436 on July 28, 2021, and the remaining balance in 2022; and

**WHEREAS**, on November 23, 2021, the City received a second allocation of \$62,987.23 (Additional Allocation) as a result of the State of Minnesota distributing unclaimed ARPA funds to local governments that received ARPA funds; and

**WHEREAS**, the Additional Allocation results in the City receiving \$1,986,423.23 in 2021 and the City anticipates a second disbursement of the same amount in 2022, resulting in the City's estimated total Allocation being increased to \$3,972,846.46; and

**WHEREAS**, the City, in response to the COVID-19 pandemic, has had expenditures and anticipates future expenditures consistent with ARPA and the Department of Treasury adopt guidance regarding the use of ARPA funds.

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

That the City Council of the City of Richfield hereby accepts its share of ARPA funds, and authorizes the City to administer the funds in accordance with the requirements of ARPA and the Department of Treasury's guidance.

That the City Council of the City of Richfield hereby authorizes the Mayor and City attorney to take any actions necessary to receive the City's share of ARPA funds from the State of Minnesota.

Approved by the City Council of the City of Richfield, Minnesota this 14th day of December, 2021.

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Maria Regan Gonzalez, Mayor

ATTEST

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Kari Sinning, City Clerk





**STAFF REPORT NO. 182**  
**CITY COUNCIL MEETING**  
**12/14/2021**

REPORT PREPARED BY: Chris Swanson, Management Analyst

DEPARTMENT DIRECTOR REVIEW:

OTHER DEPARTMENT REVIEW: Amy Markle, Recreation Service Director

CITY MANAGER REVIEW: Katie Rodriguez, City Manager  
12/6/2021

**ITEM FOR COUNCIL CONSIDERATION:**

**Consider the adoption of a resolution authorizing the Richfield Recreation Services Department to accept 2021 Round-up donations.**

**EXECUTIVE SUMMARY:**

The Round-up Program for Richfield Recreation helps raise support for City Recreation projects across the community throughout the calendar year at the Richfield Municipal Liquor Stores. Customers can round their purchase up to the whole dollar and donate each time they make a purchase. The difference between the original purchase price and the final amount is set aside to help fund a specific recreational project in the community.

Past projects funded by Round-up donations include the inclusive playground equipment at Augsburg Park. This equipment is not only used by Richfield residents, but has become a favorite of individuals from surrounding communities. Additional funding for the playground equipment came from other bonding sources.

**Other successful Round-up projects include:**

- Snowshoes and cross country skis for the Wood Lake Nature Center
- All-terrain wheel chairs for the Wood Lake Nature Center
- Roosevelt Park dog park
- Butterfly-pollinator garden (To be constructed spring of 2022)
- Wood Lake Nature Center bus scholarships

This resolution authorizes the acceptance of \$8,863.40 for the Round-up program donations collected through November 30, 2021.

Since the establishment of the Round-up program in 2019, a total of \$41,573.56 has been collected.

Aside from raising financial support, the program has been a great way to raise awareness about the needs and programs in the Recreation Department.

**RECOMMENDED ACTION:**

By motion: Adopt a resolution authorizing the Richfield Recreation Services Department to accept \$8,863.40 in Round-up donations from private individuals for specific recreational project in the community.

**BASIS OF RECOMMENDATION:****A. HISTORICAL CONTEXT**

The Richfield Liquor Stores began a Round-up program in the Spring of 2019.

The Round-up donations fund specific recreational project in the community.

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

- 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 the City Council adopted by a two-thirds majority of its members.
- Richfield's Administrative Services Department issued a memo on November 9, 2004, requiring that all grants and restricted donations to departments be received by resolution and adopted by two thirds majority of the City Council in accordance with Minnesota Statute 465.03.

**C. CRITICAL TIMING ISSUES:**

Donations have been received and applied to the designated fund for the specific recreational project in the community.

**D. FINANCIAL IMPACT:**

The financial donations have been deposited in the designated program funds for the specific recreational project.

**E. LEGAL CONSIDERATION:**

Minnesota Statute 465.03 requires every acceptance of a grant or devise of real or personal property be received by resolution and adopted by two-thirds majority of the City Council.

**ALTERNATIVE RECOMMENDATION(S):**

Council could disapprove the acceptance of the Round-up donations which would have to be returned to the issuing individual. This would be very challenging to administer.

**PRINCIPAL PARTIES EXPECTED AT MEETING:****ATTACHMENTS:**

Description	Type
□ Resolution Authorizing the Richfield Recreation Services Department to Accept 2021 Round-up Donations	Resolution Letter

**CITY OF RICHFIELD**

**RESOLUTION NO.**

**RESOLUTION AUTHORIZING THE RICHFIELD RECREATIONS SERVICES  
DEPARTMENT TO ACCEPT 2021 ROUND-UP DONATIONS**

**WHEREAS**, The Richfield Liquor Stores began a “Round-up” program in 2019; and

**WHEREAS**, The difference between the original purchase price and the final Round-up payment is set aside to help fund a specific recreational project in the community; and

**WHEREAS**, The Richfield Liquor Stores collected \$8,863.40 in Round-up donations through November 30, 2021; and

**WHEREAS**, Minnesota Statute requires every acceptance of a grant or devise of real or personal property on terms prescribed by the donor be made by resolution of two-thirds majority of the City Council; and,

**WHEREAS**, the donated Round-up funds will be used to fund projects undertaken by the Richfield Recreation Services Department; and,

**NOW, THEREFORE, BE IT RESOLVED** the Director of Richfield Recreation Services Department accept the donations and place in the accounts as specified.

Approved by the City Council of the City of Richfield, Minnesota this 14th day of December, 2021.

\_\_\_\_\_  
Maria Regan Gonzalez, Mayor

ATTEST

\_\_\_\_\_  
Kari Sinning, City Clerk



**STAFF REPORT NO. 183**  
**CITY COUNCIL MEETING**  
**12/14/2021**

REPORT PREPARED BY: Ben Manibog, Transportation Engineer

DEPARTMENT DIRECTOR REVIEW: Kristin Asher, Public Works Director  
12/6/2021

OTHER DEPARTMENT REVIEW:

CITY MANAGER REVIEW: Katie Rodriguez, City Manager  
12/8/2021

**ITEM FOR COUNCIL CONSIDERATION:**

**Consider the approval of a resolution in support for Public Works' Safe Routes to School grant application to MnDOT for the installation of pedestrian improvements on 71st St near Richfield STEM Elementary and Dual Language Schools.**

**EXECUTIVE SUMMARY:**

**Grant Application**

Public Works and Richfield Public Schools (RPS) have decided to pursue a Minnesota Department of Transportation (MnDOT) Safe Routes to School (SRTS) grant for pedestrian improvements on 71st St. To submit a grant application, a letter of support from the local agency is required to demonstrate that the project has overall agency support.

**SRTS Grant Background**

MnDOT is seeking applicants for the 2021 solicitation of the SRTS Infrastructure Grant Program. The solicitation provides funds for the development and implementation of projects that enable students to walk and bicycle to and from schools. There is \$7.5 million in funding available to applicants. Funded projects must be between \$50,000 and \$500,000.

**School Area Background**

Today, 60 percent and 75 percent of students are Black, Indigenous, or People of Color at Richfield STEM Elementary and Dual Language Schools respectively. Approximately 35 percent and 28 percent of students live less than one mile from school. By 5th grade, 39 percent and 29 percent of parents would allow their children to walk or bike to school. An estimated 15 percent of students at both schools ask permission to walk or bike to school from their parents. However, over half of RPS families report that unsafe crossings are a major consideration for choosing not to let their children walk to school. A lack of safe connections compels families to drive a short distance to school.

**71st St Improvements**

The SRTS application aims to fill a 900-foot sidewalk gap and move an existing fence along 71st St between Elliot Ave and 12th Ave. The gap is adjacent to Richfield STEM Elementary and Dual Language Schools. In addition, the project would include widening an existing sidewalk on Elliot Ave from four to six feet wide, and constructing a new crosswalk and improved pedestrian ramps at Elliot Ave and 71st St.

**RECOMMENDED ACTION:**

**By Motion:** Approve the resolution of support for Public Works' Safe Routes to School grant application to MnDOT for the installation of pedestrian improvements on 71st St near Richfield STEM Elementary and Dual Language Schools.

**BASIS OF RECOMMENDATION:****A. HISTORICAL CONTEXT**

In 2018, 71st St was identified as a priority pedestrian route to construct in the Pedestrian Master Plan. It was named because it fills a gap in the existing pedestrian network adjacent to a school.

In 2021, the City and RPS collaborated to conduct a SRTS engineering study for the area around the Richfield STEM Elementary and Dual Language Schools. All project elements in the funding application were identified in the engineering study (potential project IDs C3 and S1a).

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

71st St is identified as a priority pedestrian route to construct in the Pedestrian Master Plan.

**C. CRITICAL TIMING ISSUES:**

The overall grant application is due January 7, 2022. To submit a grant application, a letter of support from the local agency is required to demonstrate that the project has overall agency support.

**D. FINANCIAL IMPACT:**

If the application is accepted and selected, MnDOT will award the City \$150,000 for construction costs. Remaining project costs for engineering and construction administration, estimated at \$30,000, would come from the franchise fees fund. Engineering staff has determined that the franchise fees fund has capacity for these costs.

**E. LEGAL CONSIDERATION:**

None

**ALTERNATIVE RECOMMENDATION(S):**

None

**PRINCIPAL PARTIES EXPECTED AT MEETING:**

None

**ATTACHMENTS:**

Description	Type
▣ SRTS Grant Resolution	Resolution Letter
▣ Map	Exhibit

## **RESOLUTION NO.**

### **RESOLUTION OF SUPPORT FOR PUBLIC WORKS' MNDOT SAFE ROUTES TO SCHOOL APPLICATION**

**WHEREAS**, the City of Richfield and Richfield Public Schools have collaborated to apply for Safe Routes to School (SRTS) funding provided by the Minnesota Department of Transportation (MnDOT); and

**WHEREAS**, there is a sidewalk gap on 71st St adjacent to Richfield STEM Elementary and Dual Language Schools; and

**WHEREAS**, the sidewalk gap and related infrastructure were identified as a priority in the 2018 Pedestrian Master Plan and analyzed in the 2021 SRTS Engineering Study; and

**WHEREAS**, 35 percent and 28 percent of students live less than one mile from Richfield STEM Elementary and Dual Language School respectively; and

**WHEREAS**, 60 percent and 75 percent of students are Black, Indigenous, or People of Color at Richfield STEM Elementary and Dual Language School respectively; and

**WHEREAS**, closing the 71st St sidewalk gap, replacing pedestrian ramps, and installing a crosswalk will increase safety and improve the experience of students traveling to and from school; and

**WHEREAS**, the City of Richfield invests in infrastructure to best serve today's and tomorrow's residents, businesses and visitors; and

**WHEREAS**, the City of Richfield ensures that City services are accessible to people of all races, ethnicities, incomes, and abilities.

**NOW, THEREFORE, BE IT RESOLVED**, that the City of Richfield expresses its support for Public Works' grant application to MnDOT for SRTS improvements on 71st St.

Adopted by the City Council of the City of Richfield, Minnesota this 14th day of December, 2021.

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Maria Regan Gonzalez, Mayor

ATTEST:

---

Kari Sinning, City Clerk





★ = Ped Ramps & Crosswalk

↔ = New/Improved Sidewalks



**STAFF REPORT NO. 184**  
**CITY COUNCIL MEETING**  
**12/14/2021**

REPORT PREPARED BY: Ben Manibog, Transportation Engineer

DEPARTMENT DIRECTOR REVIEW: Kristin Asher, Public Works Director  
12/7/2021

OTHER DEPARTMENT REVIEW:

CITY MANAGER REVIEW: Katie Rodriguez, City Manager  
12/8/2021

**ITEM FOR COUNCIL CONSIDERATION:**

**Consider the approval of a resolution removing parking restrictions along 70th St from Penn Ave to Lake Shore Dr.**

**EXECUTIVE SUMMARY:**

In October 2021, the City's Traffic Control Committee (TCC) considered a request to review parking restrictions on 70th St east of Penn Ave. Following discussion, the TCC recommended that parking restrictions be removed on this segment.

The parking restrictions were added as a State Aid requirement in 1975. The street was removed from the State Aid system in the 2010s, meaning the restrictions are no longer required.

70th St is 36 feet wide on this segment, which allows plenty of room for parking on both sides of the road. This segment is not identified as a priority or concern in either the Pedestrian or Bicycle Master Plans.

Removing the parking restrictions requires a council resolution rescinding the previous resolution. The old resolution lists another street segment that can be rescinded as well. 77th 1/2 St between Colfax Ave and Lyndale Ave ceased to exist after the Shops at Lyndale was constructed in the 1990s.

**RECOMMENDED ACTION:**

**By Motion: Approve the resolution removing parking restrictions along 70th St from Penn Ave to Lake Shore Dr.**

**BASIS OF RECOMMENDATION:**

A. **HISTORICAL CONTEXT**

See executive summary.

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

State Aid design standards require parking prohibitions for projects that utilize any agency funding.

C. **CRITICAL TIMING ISSUES:**

None



**D. FINANCIAL IMPACT:**

None

**E. LEGAL CONSIDERATION:**

None

**ALTERNATIVE RECOMMENDATION(S):**

None

**PRINCIPAL PARTIES EXPECTED AT MEETING:**

None

**ATTACHMENTS:**

Description	Type
☐ Resolution 5311 - to be rescinded	Exhibit
☐ Resolution removing parking restrictions	Resolution Letter

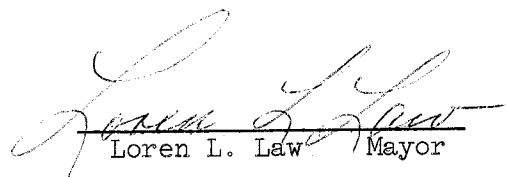
## RESOLUTION NO. 5311

RESOLUTION RELATING TO DESIGN OF CERTAIN STATE AID STREETS -  
70TH STREET FROM HUMBOLDT AVENUE TO PENN AVENUE AND 77½ STREET  
BETWEEN COLFAX AVENUE AND LYNDAL AVENUE

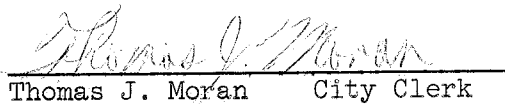
BE IT RESOLVED by the City Council of the City of Richfield as follows:

1. The city council, having explored all alternatives, hereby determines that the benefits of constructing the following designated municipal state aid streets with a 36 foot width outweigh the benefits of a 44 foot traveled roadway width. When such roadways are improved by concrete curbs and gutters and permanent street surfacing, they shall be designed and constructed at a 36 foot roadway width.
2. Upon completion of such improvements on any of such municipal state aid streets or any segment thereof, parking on one side of the improved portion of any such street shall be prohibited and suitable signing to that effect shall be installed.
3. The municipal state aid streets to which this resolution is applicable are the following: 70th Street from Humboldt Avenue to Penn Avenue and 77½ Street between Colfax Avenue and Lyndale Avenue.

Passed by the City Council of the City of Richfield, Minnesota, this 10th day of February, 1975.

  
Loren L. Law Mayor

ATTEST:

  
Thomas J. Moran City Clerk

## **RESOLUTION NO.**

### **RESOLUTION REMOVING PARKING RESTRICTIONS ON 70TH ST**

**WHEREAS**, in October 2021, the Traffic Control Committee (TCC) reviewed parking restrictions on 70th St between Penn Ave and Lake Shore Dr; and

**WHEREAS**, because of the ample space on the road and no conflicts with future plans, the TCC recommended removing parking restrictions on 70th St between Penn Ave and Lake Shore Dr; and

**WHEREAS**, 70th St on this stretch was formerly on the Minnesota State Aid system which required the parking restrictions and was later removed from the system; and

**WHEREAS**, Resolution No. 5311 governed parking restrictions on 70th St and 77th 1/2 St related to a Minnesota State Aid project in 1975; and

**WHEREAS**, 77th 1/2 St from Colfax Ave to Lyndale Ave was removed following the construction of the Shops at Lyndale in the 1990s; and

**WHEREAS**, the City of Richfield invests in infrastructure to best serve today's and tomorrow's residents, businesses and visitors.

**NOW, THEREFORE, BE IT RESOLVED**, by the City Council of the City of Richfield, Minnesota, that Resolution No. 5311 is hereby rescinded and parking restrictions on 70th St between Penn Ave and Lake Shore Dr are hereby removed.

Adopted by the City Council of the City of Richfield, Minnesota this 14th day of December, 2021.

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Maria Regan Gonzalez, Mayor

ATTEST:

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Kari Sinning, City Clerk



**STAFF REPORT NO. 185**  
**CITY COUNCIL MEETING**  
**12/14/2021**

REPORT PREPARED BY: Scott Kulzer, Administrative Aide/Analyst

DEPARTMENT DIRECTOR REVIEW: Kristin Asher, Public Works Director  
12/6/2021

OTHER DEPARTMENT REVIEW:

CITY MANAGER REVIEW: Katie Rodriguez, City Manager  
12/7/2021

**ITEM FOR COUNCIL CONSIDERATION:**

**Consider the approval of a resolution authorizing the "Preparing for Emerald Ash Borer" grant agreement with the Minnesota Department of Natural Resources, Division of Forestry in the amount of \$99,840.00.**

**EXECUTIVE SUMMARY:**

**Grant Background**

The Minnesota Department of Natural Resources solicited applications from local units of government within Minnesota for assistance in managing Ash trees for Emerald Ash Borer (EAB) on public lands. The program made \$1.6 million available to applicants to fund two-year projects. While there was no minimum dollar amount applicants can request, the maximum amount that can be funded is \$100,000.00. In early August, Public Works staff submitted a project proposal requesting \$99,840.00 in grant funds to remove and replace Ash trees in the public right-of-way and in Richfield parks. In early September Public Works staff was made aware that their project proposal was successful and would be funded in the requested amount of \$99,840.00, with a cash match from the City in the amount of \$31,269.00 being required to unlock the funds.

**Impact on Diverse Communities**

The State of Minnesota "Policy on Rating Criteria for Competitive Grant Review" establishes the expectation that grant programs intentionally identify how the grant serves diverse populations, especially populations experiencing inequities, disparities, or both. To that end, staff tailored their project proposal to prioritize Ash removal and replacement in east and southeast Richfield which are more diverse and less wealthy on average than other areas of Richfield or surrounding communities. East and southeast Richfield is also home to some of the City's highest concentrations of Ash trees, which will allow this project to have an outsized impact on these neighborhoods.

**Richfield's Grant Funded Project**

With the grant funds, Public Works will remove and replace 294 Ash trees on City boulevards and in parks. Public Works forestry crews will complete a majority of the removals in winter 2021/2022 using existing resources and we will hire a contractor for the stump removals. Following the removals, we will use grant funds to procure and plant the replacement trees. The tree planting will be done by a qualified contractor and the costs will be paid using grant funds and the indicated City match. The timeline/goal is to complete the project by late spring 2022, however, completion could be delayed if we experience a heavy 2021/2022 snowfall season as forestry crews will be pulled off

the project for winter plowing. Project schedule may also be impacted by the length of the spring planting season.

**RECOMMENDED ACTION:**

**By Motion: Approve the resolution authorizing the "Preparing for Emerald Ash Borer" grant agreement with the Minnesota Department of Natural Resources, Division of Forestry in the amount of \$99,840.00.**

**BASIS OF RECOMMENDATION:**

**A. HISTORICAL CONTEXT**

The City of Richfield values its urban canopy and dense tree cover throughout the City. Since EAB was first discovered in Richfield in 2016, it has continued to spread through the entire City. In 2021 we have seen the number of infected Ash trees increase exponentially, overwhelming our staff and resources. While Richfield has spent the last decade diversifying our boulevard and park tree populations, many mature Ash remain in the City and have been impacted by EAB. In an effort to increase the resiliency of our urban forest, this grant program will allow Richfield to ramp-up our Ash removal and replacement efforts well beyond what we are able to handle with our current staff and resources.

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

- This grant funded project will further the following City Council Goals:
  - Core Services
  - Equity
- Minnesota Statutes, section 465.03 requires every acceptance of a grant or devise of real personal property on terms prescribed by the donor be made by resolution by a two-thirds majority of the City Council.

**C. CRITICAL TIMING ISSUES:**

- The grant agreement must be signed by all parties prior to work on the project starting.
- Public works staff is ready to begin Ash removals and intends to do so as soon as the agreement is in place.
- Since the grant funded project must be completed by June 30, 2023, it is important to start the project as soon as possible.

**D. FINANCIAL IMPACT:**

- The grant agreement requires a cash match or in kind match from the City in order to unlock the grant funds.
- The City's identified cash match totals \$31,269.00 and will come out of the Streets/Forestry Division operating budget.
- The City annually budgets around \$50,000.00 for tree replacement and these funds which will be used for the cash match.

**E. LEGAL CONSIDERATION:**

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

**ALTERNATIVE RECOMMENDATION(S):**

None

**PRINCIPAL PARTIES EXPECTED AT MEETING:**

None

**ATTACHMENTS:**

Description	Type
▣ Grant Agreement	Contract/Agreement
▣ Resolution	Resolution Letter

## STATE OF MINNESOTA GRANT CONTRACT

This grant contract is between the State of Minnesota, acting through its Commissioner of Natural Resources, Division of Forestry, 500 Lafayette Rd., St. Paul, MN 55155 (“State”) and the City of Richfield, 6700 Portland Ave., Richfield, MN 55423 (“Grantee”).

### Recitals

1. Under Minn. Stat. §84.026, §84.085, Subd. 1, and Minnesota Session Law 2021, 1<sup>st</sup> Special Session, Chapter 6, Article 1, Section 3, Subdivision 4(j), the State is empowered to enter into this grant.
2. The State is in need of Urban and Community Forestry Services.
3. The Grantee represents that it is duly qualified and agrees to perform all services described in this grant contract to the satisfaction of the State. Pursuant to [Minn.Stat. §16B.98](#), Subd. 1, the Grantee agrees to minimize administrative costs as a condition of this grant.

### Grant Contract

#### 1 Term of Grant Contract

##### 1.1 *Effective date:*

November 30, 2021, or the date the State obtains all required signatures under [Minn. Stat. §16B.98](#), Subd. 5, whichever is later. Per [Minn.Stat. §16B.98](#) Subd. 7, no payments will be made to the Grantee until this grant contract is fully executed.

##### 1.2 *Expiration date:*

June 30, 2023, or until all obligations have been satisfactorily fulfilled, whichever occurs first.

##### 1.3 *Survival of Terms.*

The following clauses survive the expiration or cancellation of this grant contract: 8. Liability; 9. State Audits; 10. Government Data Practices and Intellectual Property; 12. Publicity and Endorsement; 13. Governing Law, Jurisdiction, and Venue; and 15 Data Disclosure.

#### 2 Grantee’s Duties

The Grantee, who is not a state employee, will:

Comply with required grants management policies and procedures set forth through [Minn.Stat. §16B.97](#), Subd. 4 (a) (1).

Perform the duties specified in Exhibit A, Exhibit B, and Exhibit C, which are incorporated and made a part of this agreement.

#### 3 Time

The Grantee must comply with all the time requirements described in this grant contract. In the performance of this grant contract, time is of the essence.

#### 4 Consideration and Payment

##### 4.1 *Consideration.*

The State will pay for all services performed by the Grantee under this grant contract as follows:

##### *(a) Compensation*

The Grantee will be paid compensation in an amount not to exceed \$99,840.00 on a reimbursement basis for qualifying purchases. The Grantee shall submit payment requests with required expenditure documentation.

According to the breakdown of costs contained in Exhibit B, which is attached and incorporated into this grant contract, the Grantee certifies that a minimum 25% matching requirement for the grant will be met by the City of Richfield. The total project cost is \$131,109.00. Grantee agrees to match at least \$31,269.00 of this project cost.

**(b) Travel Expenses**

Reimbursement for travel and subsistence expenses actually and necessarily incurred by the Grantee as a result of this grant contract will not exceed \$0.00; provided that the Grantee will be reimbursed for travel and subsistence expenses in the same manner and in no greater amount than provided in the current "Commissioner's Plan" promulgated by the Commissioner of Minnesota Management and Budget (MMB). The Grantee will not be reimbursed for travel and subsistence expenses incurred outside Minnesota unless it has received the State's prior written approval for out of state travel. Minnesota will be considered the home state for determining whether travel is out of state.

**(c) Total Obligation.**

The total obligation of the State for all compensation and reimbursements to the Grantee under this grant contract will not exceed \$99,840.00

**4.2 Payment****(a) Invoices**

The State will promptly pay the Grantee after the Grantee presents an itemized invoice for the services actually performed and the State's Authorized Representative accepts the invoiced services. Invoices must be submitted timely and according to the following schedule:

1. 1. June 30, 2022
2. 2. December 30, 2022
3. 3. June 30, 2023

All project work must be completed and the final request for reimbursement (along with final reports) must be submitted by June 30, 2023.

**(b) Unexpended Funds**

The Grantee must promptly return to the State any unexpended funds that have not been accounted for annually in a financial report to the State due at grant closeout.

**4.3 Subcontractors, Contracting, and Bidding Requirements**

The Grantee agrees that if it subcontracts any portion of this project to another entity, the agreement with the subcontractor will contain all applicable provisions of the agreement with the State.

Per [Minnesota Statute 471.345](#), **Municipalities** as defined in Subd.1 must follow that Uniform Municipal Contracting Law if contracting funds from this grant contract agreement for any supplies, materials, equipment, or the rental thereof, or the construction, alteration, repair, or maintenance of real or personal property.

**(a)** Support documentation of the bidding process utilized to contract services must be included in the grantee's financial records, including support documentation justifying a single/sole source bid, if applicable.

**(b)** For projects that include construction work of \$25,000 or more, prevailing wage rules apply per [Minnesota Statute 177.41](#) through [177.44](#). Consequently, the bid request must state the project is subject to prevailing wage. These rules require that the wages of laborers and workers should be comparable to wages paid for similar work in the community as a whole. A prevailing wage form should accompany these bid submittals.

**5 Conditions of Payment**

All services provided by the Grantee under this grant contract must be performed to the State's satisfaction, as determined at the sole discretion of the State's Authorized Representative and in accordance with all applicable federal, state, and local laws, ordinances, rules, and regulations. The Grantee will not receive payment for work found by the State to be unsatisfactory or performed in violation of federal, state, or local law.

## 6 Authorized Representative

The State's Authorized Representative is *Emma Schultz, Community Forest Project Specialist, 500 Lafayette Rd., St. Paul, MN 55155, (651) 259-5274, [emma.schultz@state.mn.us](mailto:emma.schultz@state.mn.us)*, or her successor, and has the responsibility to monitor the Grantee's performance and the authority to accept the services provided under this grant contract. If the services are satisfactory, the State's Authorized Representative will certify acceptance on each invoice submitted for payment.

The Grantee's Authorized Representative is *Chris Link, Operations Superintendent, 1901 E. 66th St., Richfield, MN 55423, [clink@richfieldmn.gov](mailto:clink@richfieldmn.gov), (612) 861-9174*. If the Grantee's Authorized Representative changes at any time during this grant contract, the Grantee must immediately notify the State.

## 7 Assignment Amendments, Waiver, and Grant Contract Complete

### 7.1 Assignment

The Grantee shall neither assign nor transfer any rights or obligations under this grant contract without the prior written consent of the State, approved by the same parties who executed and approved this grant contract, or their successors in office.

### 7.2 Amendments

Any amendments to this grant 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 grant contract, or their successors in office.

### 7.3 Waiver

If the State fails to enforce any provision of this grant contract, that failure does not waive the provision or the State's right to enforce it.

### 7.4 Grant Contract Complete

This grant contract contains all negotiations and agreements between the State and the Grantee. No other understanding regarding this grant contract, whether written or oral, may be used to bind either party.

## 8 Liability

The Grantee must indemnify, save, and hold the State, its agents, and employees harmless from any claims or causes of action, including attorney's fees incurred by the State, arising from the performance of this grant contract by the Grantee or the Grantee's agents or employees. This clause will not be construed to bar any legal remedies the Grantee may have for the State's failure to fulfill its obligations under this grant contract.

## 9 State Audits

Under [Minn. Stat. § 16B.98](#), Subd.8, the Grantee's books, records, documents, and accounting procedures and practices of the Grantee or other party relevant to this grant agreement or transaction are subject to examination by the State and/or the State Auditor or Legislative Auditor, as appropriate, for a minimum of six years from the end of this grant agreement, receipt and approval of all final reports, or the required period of time to satisfy all state and program retention requirements, whichever is later.

## 10 Government Data Practices and Intellectual Property Rights

### 10.1 Government Data Practices

The Grantee 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 grant contract, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Grantee under this grant contract. The civil remedies of [Minn. Stat. §13.08](#) apply to the release of the data referred to in this clause by either the Grantee or the State. If the Grantee receives a request to release the data referred to in this Clause, the Grantee must immediately notify the State. The State will give the Grantee instructions concerning the release of the data to the requesting party before the data is released. The Grantee's response to the request shall comply with applicable laws.

### 10.2 Intellectual Property Rights - Not Applicable



## **11 Workers Compensation**

The Grantee certifies that it is in compliance with [Minn. Stat. §176.181](#), Subd. 2, pertaining to workers' compensation insurance coverage. The Grantee's employees and agents will not be considered State employees. Any claims that may arise under the Minnesota Workers' Compensation Act on behalf of these employees and any claims made by any third party as a consequence of any act or omission on the part of these employees are in no way the State's obligation or responsibility.

## **12 Publicity and Endorsement**

The Grantee will publicly post and promote project information and purpose as pertains to this grant contract.

### **12.1 *Publicity***

Any publicity regarding the subject matter of this grant contract 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 Grantee individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this grant contract. All projects primarily funded by state grant appropriations must publicly credit the State of Minnesota, including on the grantee's website when practicable.

### **12.2 *Endorsement***

The Grantee must not claim that the State endorses its products or services.

## **13 Governing Law, Jurisdiction, and Venue**

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

## **14 Termination**

### **14.1 *Termination by the State***

The State may immediately terminate this grant contract with or without cause, upon 30 days' written notice to the Grantee. Upon termination, the Grantee will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed.

### **14.2 *Termination for Cause***

The State may immediately terminate this grant contract if the State finds that there has been a failure to comply with the provisions of this grant contract, that reasonable progress has not been made or that the purposes for which the funds were granted have not been or will not be fulfilled. The State may take action to protect the interests of the State of Minnesota, including the refusal to disburse additional funds and requiring the return of all or part of the funds already disbursed.

### **14.3 *Termination for Insufficient Funding***

The State may immediately terminate this grant contract if:

(a) It does not obtain funding from the Minnesota Legislature.

(b) Or, if funding cannot be continued at a level sufficient to allow for the payment of the services covered here. Termination must be by written or fax notice to the Grantee. The State is not obligated to pay for any services that are provided after notice and effective date of termination. However, the Grantee 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 contract is terminated because of the decision of the Minnesota Legislature, or other funding source, not to appropriate funds. The State must provide the Grantee notice of the lack of funding within a reasonable time of the State's receiving that notice.

### **14.4 *Additional Alternate Termination Language***

Additional alternate termination language may be negotiated on a case-by-case basis after the state agency has consulted with their legal and finance teams.

## 15 Data Disclosure

Under [Minn. Stat. § 270C.65](#), Subd. 3, and other applicable law, the Grantee consents to disclosure of its social security number, 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 Grantee to file state tax returns and pay delinquent state tax liabilities, if any.

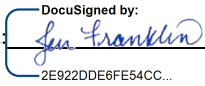
## 16 Non-Discrimination Requirements

No person in the United States must, on the ground of race, color, national origin, handicap, age, religion, or sex, be excluded from participation in, be denied the benefits of, or be subject to discrimination under, any program or activity receiving Federal financial assistance. Including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq.) and DOC implementing regulations published at 15 C.F.R. Part 8 prohibiting discrimination on the grounds of race, color, or national origin under programs or activities receiving Federal financial assistance; Title IX of the Education Amendments of 1972 (20 U.S.C. § 1681 et seq.) prohibiting discrimination on the basis of sex under Federally assisted education programs or activities;
- Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794), and DOC implementing regulations published at 15 C.F.R. Part 8b prohibiting discrimination on the basis of handicap under any program or activity receiving or benefiting from Federal assistance.
- The Age Discrimination Act of 1975, as amended (42 U.S.C. § 6101 et seq.), and DOC implementing regulations published at 15 C.F.R. Part 20 prohibiting discrimination on the basis of age in programs or activities receiving Federal financial assistance;
- Title II of the Americans with Disabilities Act (ADA) of 1990 which prohibits discrimination against qualified individuals with disabilities in services, programs, and activities of public entities.

### 1. STATE ENCUMBRANCE VERIFICATION

*Individual certifies that funds have been encumbered as required by Minn. Stat. §§ 16A.15 and 16C.05*

Signed:  \_\_\_\_\_  
Date: November 24, 2021

SWIFT Contract/PO No(s). 204004 / 3-201031

### 3. STATE AGENCY

By: \_\_\_\_\_  
(with delegated authority)  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

### 2. GRANTEE

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

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

## Exhibit A: Grant Project Deliverables

### 2021 Preparing for EAB Grants

#### City of Richfield Deliverables

Grant Sum Total: \$99,840.00

### Grant Contact Deliverables

- Adopting an EAB management plan through this grant process if the community does not yet have one in place
- Each ash tree removed must be replaced with a newly planted tree
- Grantee must be willing to participate in work by the Minnesota Department of Agriculture and University of Minnesota to evaluate project impacts

*Regardless of requests for reimbursement, a written update must be submitted by each reporting deadline, to ensure project is moving forward and on track to completion. Add written reports below corresponding to each reporting date:*

June 30, 2022 Update:

December 30, 2022 Update:

June 30, 2023 Update:

*As work is completed, thoroughly address all applicable bullet points below. Add in the date of reporting (i.e. 6/30/22) and change the font color of your update to **red**, to show where information has been added. Continually add to this document over the lifetime of your grant, making sure that all bullet points are addressed by the time of the grant's completion.*

*Work with DNR to fully execute and report on the impacts of the work plan by meeting the requirements as submitted in the City of Richfield's application:*

### Project Overview and Need

The City of Richfield values its urban canopy and dense tree cover throughout the City. Since EAB was first discovered in Richfield in 2016, it has methodically spread through the entire City. In 2021 we have seen the number of infected Ash trees increase exponentially, overwhelming our staff and resources. While Richfield has spent the last decade diversifying our boulevard and park tree populations, many mature ash remain in the City and have been impacted by EAB. In an effort to increase the resiliency of our urban forest, this grant program would allow Richfield to ramp-up our Ash removal and replacement efforts well beyond what we are able to handle with our City staff and funding levels. Without these grants fund Richfield will be much slower in removing and replacing dead and dying Ash along blvds and in parks than would otherwise be desired. Leaving these dead and dying blvd and park Ash trees standing poses an imminent safety and property risk to residents and visitors as the trees become ever more brittle and begin to drop limbs or topple completely (imminent public safety risk).

- Direct outcomes of this grant funded removal and replacement project would include a more diverse and resilient urban forest that is safer for everyone living in or passing through the City.

By expediting our Ash removal and replacement with these grant funds, we would free up resources to better manage what healthy Ash population we do have left in the City. Following completion of this project and as the City gets a better handle on its Ash situation, more forestry resources can be dedicated to proactively maintaining trees of all types and planting more trees in the City outside of our current 1:1 removal and replacement program. This project would extend Citywide and be directed by our City Forester and Operations Superintendent. To successfully implement this program, the City would use its resources for tree removal and utilize a contractor(s) for stump grinding and planting with close City supervision.

## Timeline

### 2021

- Notification of grant award: August 30, 2021
- Notice to proceed/agreements executed: November 15, 2021
- City Forester selects & marks trees to be removed and replaced: December 1 - 13, 2021
- Public Works submits species, locations, numbers, size and type to DNR for approval: December 20, 2021

### 2022

- Public Works crews remove marked trees: January 3-March 31, 2022.
- Public Works solicits competitive quotes for provision of trees from nurseries: January 3-21, 2022
- Public Works solicits competitive quotes for planting of trees from contractors/nurseries: January 3-21, 2022
- Public Works solicits competitive quotes for stump grinding from contractors: January 3-21, 2022
- Public Works scores and vets proposals from nurseries and contractors: January 24-February 4, 2022
- Public Works & DNR ensure proposals meet grant requirements: February 7-18, 2022
- Public Works notifies contractors, nursery, and stump grinding contractor of award: February 28, 2022
- Stump Grinding (contractor) and clean up/rehab (public works staff): April 2022 (approx 3-4 weeks)
- Planting of new trees: May 2022 (approx 3-4 weeks)
- Post-planting inspection of new plantings by City Forester or Staff: June 2022
- Required reports/data provided to the DNR, preliminary project close-out: August 2022

### 2023 & Beyond

- 1-year inspection, pruning, and warranty replacement (if necessary): Late May 2023
- Final reports and reimbursement request to DNR/project close-out: June 30, 2023
- 3-year inspection, pruning, trimming, and replacement (if necessary): Late May 2025
- 5-year inspection, pruning, trimming, and replacement (if necessary): Late May 2027

## Project Budget Explanation

We are requesting a grant in the amount of \$99,840, however, we would be willing to scale down our proposed project as appropriate based on how the UCF wants to disburse funds.

- Our proposal is to remove and replace 294 Ash trees on City blvds and in parks. Public Works (PW) forestry crews would complete a majority of the removals in winter 2021/2022 using existing resources.
- We have budgeted for 20 contractor removals for high-risk trees in precarious situations or in power lines, part of our cash match would cover these expenses with the grant funding the others.
- Similarly, our proposal includes stump grinding for 294 units at the rate of \$1.45 per inch based on the assumption the average stump will amount to 30" per our experience. We are able to receive this rate because PW crews work with the contractor by doing site cleanup and restoration/prep work following grinding. Part of our cash match would cover these expenses too.
- As budgeted, we would use grant funds to procure the 1-2" caliper container stock trees (that meet project requirements for diversity) for the replanting. The tree planting would be done by a qualified contractor and the costs would be paid among grant funds and the indicated cash match by the City.

While we have elected to go with a cash match/cost share scenario for purposes of this grant application, we believe it warrants highlighting that the City will be investing significantly more money through personnel costs and equipment in this project than would otherwise be required. We believe that because our PW crews will be removing a large majority of these trees and assisting in grinding cleanup and prep, that a \$100,000 grant from the DNR for this project would go 4-5x further than a wholly contracted project. Without this contribution (beyond the cash match from the City), a \$100,000 grant from the DNR might only serve to remove and replace ~50 trees if completely contracted out. The timeline/goal is to complete the project by late

spring 2022, however, it could stretch to spring 2023 should our forestry crews spend much of the 2021-2022 winter plowing due to a heavy snowfall season.

### **Project Impacts on Priority Landscapes and Populations**

By Minnesota standards, Richfield is an exceptionally diverse community, with over 39% of our population identifying with a race or ethnicity other than White, non Latin-X. Richfield's median household income is \$66,900 and 24.1% of individuals have incomes below the federal poverty level. Richfield is predominantly a single family home residential community, yet only 60.5% of residents own their own home or dwelling. Nearly 42% of renters and 20% of home owners experience housing cost burden, where their housing expenses exceed 30% of their gross income (All stats from U.S. Census Bureau Decennial Census and American Community Survey, via Met Council website). Southeast Richfield is one of the City's most diverse and impoverished areas and as such is classified as one of Minnesota's "ACP-50" areas (Area of Concentrated Poverty w/ greater than 50% people of color). Over half of Richfield's land mass is identified as an area of Environmental concern per the MPCA.

- While EAB is widespread within our borders and is obviously indiscriminate of race, ethnicity, or income, we believe that receipt of this grant will bring an outsized benefit to these diverse communities. Forestry staff have been marking public blvd Ash for removal this summer throughout east and south east Richfield, which is where our largest concentrations of non-white and low income residents reside.
- With grant funding, we would prioritize these removals and replacements which would benefit these communities. Direct benefits would include an obvious safety improvement when the infested trees are removed and an eventual boost in property values and quality of life improvement once the replacement trees begin to mature. Once mature, these trees would provide air quality benefits, stormwater benefits, privacy benefits, and heating and cooling benefits to the adjacent property owners.
- While the public safety benefits would be realized immediately, the secondary benefits that trees bring would take some time to realize, unfortunately. Our communication and outreach strategies would be tailored to these communities and offered in multiple languages to raise EAB awareness and explain the project importance.

### **Communication**

Our current outreach efforts related to EAB have been focused on raising awareness related to EAB as it impacts private trees, in an attempt to compel more property owners to treat their ash trees or have them inspected and removed if necessary. To that end, the City has distributed informational letters city wide alerting the public to EAB, including distributing postcards and informational door hangers.

- Should we receive the grant, the City would distribute a bi-lingual letter reaffirming the concerns for EAB on private property and highlighting the DNR funded grant project to remove and replace boulevard and park Ash trees. This mailer would explain the City's strategy going forward for managing and mitigating the EAB problem, which would allow us to head-off the public outcry that is expected when we begin removing mature blvd Ash in preparation for replacement.
- The City would also use our very active social media channels to communicate with residents about the initiative, and to spotlight the importance of a diverse urban forest throughout the project.
- In collaboration with our Media Coordinator, we would create a series of videos that provide background information on EAB and the grant-funded project, as well as news articles for publication in our local paper (Richfield-Bloomington Sun Current) that spotlight the project and also motivate private property owners to think about what to do with their Ash trees.
- Throughout all of these mediums, we would also take the opportunity to alert the public to our special assessment option that allows the costs associated with a private Ash removal to be spread over 5 years with minimal interest on property taxes.
- Should we succeed in obtaining grant funds, we would also hold a City Council Work Session prior to acceptance of the grant monies that would provide a comprehensive update on the state of EAB in Richfield and a look forward to what the EAB battle holds over the next half decade.

We would approach all of these outreach efforts as a means to both promote the grant project and call property owners to action to begin thinking about how they will treat or remove their private Ash trees to help in this fight.

### Personnel

- Joe Clarke, City Forester - ISA Certified Arborist (#MN-4083A).
- MN Certified Tree Inspectors on staff: Joe Clarke, City Forester; Chris Link, Operations Superintendent; Mark Huiskes, Operations Supervisor; Dan Dalton, Streets/Forestry Public Works Worker; Riley Struckman, Streets/Forestry Public Works Worker; Tyler Howard, Streets/Forestry Public Works Worker; Christian Frost, Streets/Forestry Public Works Worker (currently pursuing).
- Contracted Work: High-Risk Removals, Stump Grinding, tree procurement, tree planting (req.'s attached).
- In-house work: Marking for removal, removal, stump grinding cleanup and planting prep (we remove 150-200 trees annually as part of routine public forestry maintenance and replacement).
- Project Communications: Scott Kulzer, Administrative Aide/Analyst; Neil Ruhland, Communications Coordinator.

### Tree Planting

Grant funds will not fund the purchase of trees that are over-represented in your community. Any genera that comprise 10% or more of the community forest make-up will not be funded. Numbers derived from the Minnesota Department of Natural Resources 2010 Rapid Assessment will be used unless an updated inventory is provided. For Richfield this means grant funds cannot be spent on purchasing:

- *Acer (maple)*: 30.5%
- *Fraxinus (ash)*: 17.9%
- *Picea (spruce)*: 10.6%

All trees planted with grant funds are expected to be maintained based on the City of Richfield's Three Year Tree Maintenance Plan submitted as Exhibit C. Trees that do not survive will need to be replaced prior to grant close-out utilizing the warranty the city has with the nursery that stock was purchased from, or at the expense of the City of Richfield.

### Requesting Reimbursement

Accomplishment reports and maps of completed work will be submitted with all requests for reimbursement.

- Partial payment form along with invoices and proof of payment for grant-funded purchases, Cash Match form along with proof of payment, and In-Kind Match form
- Partial payments may be submitted as needed and must include all up-to-date required documents and accomplishment reports, including a relevant certification and/or declaration
- Accomplishment reports will include grant contract deliverables and their impacts
- Photo documentation of the project's progress at appropriate phases, and illustrations, diagrams, charts, graphs, and maps to show results
- Maps will:
  - Identify the location of ash that have been removed
  - Identify the location of ash stumps that have been ground
  - Identify the location and species of trees that have been planted
- All trees removed, treated, and planted will be mapped and submitted as shapefiles, with the planted trees identified by species, to obtain grant fund reimbursement. If your community does not have access to shapefile-generating software, please notify your DNR Urban and Community Forestry Team Member, and they will work to assist you.

Following the submission of invoices and accomplishment reports, a compliance check will be conducted by Minnesota Department of Natural Resources staff. Staff will do a site evaluation ensuring that tree species submitted on maps are correctly identified and planted in accordance with the standards set in the Minnesota Department of Natural Resources Pocket Guide to Planting Trees.

Staff will also ensure that the project adheres to the 20-10-5 guideline which means that following planting, a community has no more than 20% of their trees within a single family, no more than 10% of their trees within a single genus, and no more than 5% of their trees within a single species. Staff will confirm that planted tree stock is 1-2" caliper bareroot or a container class size #20 or smaller.

### **Acknowledgment**

The Minnesota Department of Natural Resources needs to be acknowledged in publications, audiovisuals, and electronic media developed as a result of this award.

- Including any publications or outreach materials related to this grant or agreement, a statement of affiliation with Minnesota Department of Natural Resources, e.g., "This publication made possible through a grant from the Minnesota Department of Natural Resources." OR "This project was conducted in cooperation with the Minnesota Department of Natural Resources."
- Logo is permitted for use and can be obtained by contacting an Urban and Community Forestry Team Member.

**Exhibit B: Project Budget**  
*2021 Preparing for EAB Grants*  
 City of Richfield

<b>Item</b>	<b>State Grant Funds</b>	<b>Cash Match</b>	<b>In-kind Match</b>	<b>Total</b>
Personnel and Owned Equipment				<b>\$0.00</b>
Eligible Expenses	\$99,840.00	\$31,269.00		<b>\$131,109.00</b>
<b>Totals</b>	<b>\$99,840.00</b>	<b>\$31,269.00</b>	<b>\$0.00</b>	<b>\$131,109.00</b>





### 3-Year Tree Maintenance Plan Template for Newly Planted Trees

**LUG:** City of Richfield

**Year and Season of Planting:** Spring 2022

**Project Coordinator:** Chris Link

**Phone:** 612-861-9174

**Email:** clink@richfieldmn.gov

**# of Trees to be Planted:** 294

**Size (caliper for deciduous, height for conifers):** 1"-2"

**Type of Stock to be Planted (Bare root, etc.):** Container

**Describe how the activities below will be completed.**

#### 1. Tree Maintenance Personnel

- a. Describe who is responsible for maintenance.

The trees to be planted with this grant will be on boulevards in City right-of-way and in the City's 22 parks. The City of Richfield Public Works Street/Forestry Division is responsible for all tree maintenance for trees in these areas (planting, trimming, removal, insecticide treatment, etc.).

- b. Volunteers, homeowners, or inexperienced staff that will provide maintenance should receive basic training and literature on proper maintenance techniques. Is training needed and how will you do it?

Volunteers, homeowners, or inexperienced staff will not provide maintenance. Notification to property owners will follow our current engagement process. A letter will be mailed notifying adjacent property owners of the planting project. A follow-up informational letter will be delivered by staff at time of planting notifying the property owner of their watering responsibilities for the following year and the importance of the first year watering.

- c. How will you inspect tree maintenance work periodically to make sure it is being done correctly?

Planting will be provided by licensed/ISA Certified Arborists following standards set in "Pocket Guide to Planting Trees". As part of contracting out the planting, we will require a one-year warranty on all trees that are planted. All trees and planting practices will be inspected and verified as part of our annual update to our GIS tree inventory which includes recording tree species, size, and date planted. All trees planted as part of this project will be inspected and pruned, if necessary, at 3 years by the City Forester or other forestry staff. All trees will be reinspected and receive a structural trim/prune after 5 years by the City Forester or other forestry staff.

#### 2. Tree Watering Process

Describe in detail how trees will be watered, the time period and frequency of watering. Trees should be watered weekly for the first 3 to 5 years when the ground is thawed, unless it has rained 1 inch in a week.

Trees will be watered at the time of planting and instructions will be given to the property owner/current resident on watering needs of newly planted trees. During abnormally dry times or drought, City Staff will water young trees with the Public Works water trucks. While not purchased as part of this grant funded project, literature making adjacent property owners aware of watering devices like water bags will be included in our outreach at the time of planting.

### **3. Mulching Trees**

Will you mulch your trees and if so, how will you maintain mulch?

Trees will be mulched at the time of planting. After the initial mulching following planting, it will be left up to the property owner to maintain the mulch or plant grass in the disturbed area.

### **4. Staking and Tying Trees**

Explain if staking is necessary due to mowing, vandalism, or wind conditions, and describe plans for inspection and removal.

Stakes will be installed if needed following post-planting inspection. City staff would install and remove the stakes when needed.

### **5. Checking Tree Health**

The grantee will check trees every 6 – 12 months to identify and address problems. Describe inspection process and follow-up.

Inspection of these trees will be done annually by City Staff. Residents will also be encouraged to help the City and their new tree by keeping the City apprised of issues that they notice. Historically, if issues arise City of Richfield residents are very important and resourceful in notifying City Staff. Once an issue is identified a work order will be created and sent to staff to complete (usually in <5 days).

### **6. Tree Protection**

Young trees in busy urban areas may be easily damaged by human activity, animals, and equipment. Describe how planted trees will be protected.

Trees will be planted at a minimum 6' from the curb on boulevards. We have not experienced issues with tree protection in our many years of tree maintenance experience. This is the result of large right-of-way in Richfield, 1/5 acre residential lots, and a lack of sidewalks in most SFH residential areas.

### **7. Pruning**

Newly planted trees should need little pruning, if they were properly cared for in the nursery. In the first year after planting, remove only dead or broken branches. In later years, weakly attached limbs can be removed, and corrective pruning can be done if needed. Describe your pruning maintenance cycle.

All trees will be inspected/pruned/trimmed in the first, third, and fifth years, and as-needed thereafter. Pruning and trimming will be done in compliance with ANSI A300 Pruning Standards or any pruning recommendations yet to be published that would supersede those. Pruning will be done by using clippers/shears and trimming will be completed by using a hand saw.

### **8. Tree Warranty**

Tree planting should include a warranty from the nursery for replacement (due to poor condition or mortality). The grantee should be prepared to fully replace all trees that are in poor condition or die prior to inspection at the end of the project grant agreement, unless loss was due to natural disaster. Describe your tree warranty or how trees will be replaced.

We will require a one year warranty that requires the same type of tree be used as the original for replacement. This is standard practice both on our road reconstruction projects that include plantings and landscaping and our annual tree planting program. Outside of the warranty period the tree would be removed or replaced as part of our annual planting program which includes planting of 175-200 trees per year.



# Minnesota Department of Natural Resources

## Conflict of Interest Disclosure

### **Conflict of Interest:**

A conflict of interest occurs when a person has actual or apparent duty or loyalty to more than one organization and the competing duties or loyalties may result in actions which are adverse to one or both parties. A conflict of interest exists even if no unethical, improper or illegal act results from it.

### **Actual Conflict of Interest:**

An actual conflict of interest occurs when a person's decision or action would compromise a duty to a party without taking immediate appropriate action to eliminate the conflict. Examples include, but are not limited to:

- One party uses his or her position to obtain special advantage, benefit, or access to the other party's time, services, facilities, equipment, supplies, badge, uniform, prestige, or influence.
- One party receives or accepts money (or anything else of value) from another party or has equity or a financial interest in or partial or whole ownership of the other party's organization.
- One party is an employee, board member or family member of the other party.

### **Potential Conflict of Interest:**

A potential conflict of interest may exist if a person has a relationship, affiliation, or other interest that could create an inappropriate influence if the person is called on to make a decision or recommendation that would affect one or more of those relationships, affiliations, or interests.

### **Organizational Conflict of Interest:**

A conflict of interest can also occur with an organization that is a grant applicant in a competitive grant process or grantee of a state agency. Organizational conflicts of interest occur when:

- A grantee's objectivity in carrying out the grant is impaired or compromised due to competing duties or loyalties
- A grantee, potential grantee or grant applicant has an unfair competitive advantage through being furnished unauthorized proprietary information or source selection information that is not available to all competitors

**This section to be completed by Grantee's Authorized Representative (AR):**

I certify that we will maintain an adequate Conflict of Interest Policy, and throughout the term of our agreement, we will monitor and report any actual, potential, individual, or organizational conflicts of interest to the State's Authorized Representative.

I also certify that I have read and understand the description of conflict of interest above and as of this date (check one of the two boxes below):

- ☐ I do not have any conflicts of interest relating to this project.
- ☐ I have an actual, potential, individual, or organizational (*indicate below*) conflict of interest. The nature of the conflict is as follows:

If at any time during the grant project I discover a conflict of interest, I will disclose that conflict immediately to the State's Authorized Representative.

Grantee AR's Printed Name: Chris Link Date: \_\_\_\_\_

Grantee AR's Signature: \_\_\_\_\_

Organization Name: \_\_\_\_\_

Project Name: \_\_\_\_\_

Legal Citation: ML\_\_\_\_\_, Chapter \_\_\_\_\_, Article \_\_\_, Section \_\_\_, Subdivision \_\_\_\_\_

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State AR's Printed Name: \_\_\_\_\_ Date: \_\_\_\_\_

State AR's Signature: \_\_\_\_\_

**RESOLUTION NO.**

**RESOLUTION AUTHORIZING THE CITY OF RICHFIELD  
TO ENTER INTO A GRANT AGREEMENT AND ACCEPT  
GRANT FUNDS FROM MINNESOTA DEPARTMENT OF  
NATURAL RESOURCES DIVISION OF FORESTRY**

**WHEREAS**, the City Council of the City of Richfield is the official governing body of the City of Richfield, Minnesota; and

**WHEREAS**, in August 2021, the Minnesota Department of Natural Resources (MnDNR) Division of Forestry solicited applications in from local units of government within Minnesota for assistance in managing Ash trees for Emerald Ash Borer (EAB) on public lands; and

**WHEREAS**, the grant program made \$1.6 million available to applicants to fund eligible two-year projects; and

**WHEREAS**, Public Works staff submitted a project proposal requesting \$99,840.00 in grant funds to remove and replace Ash trees in the public right-of-way and in Richfield parks; and

**WHEREAS**, in September Public Works staff was made aware that their project proposal was successful and would be funded in the requested amount of \$99,840.00, with a cash match from the City in the amount of \$31,269.00 being required to unlock the funds; and

**WHEREAS**, with the grant funds, Public Works will remove and replace 294 Ash trees on City boulevards and in parks, which will lead to a more resilient urban forest in Richfield; and

**WHEREAS**, Minnesota statute 465.03 requires every acceptance of a grant or devise of real personal property on terms prescribed by the donor be made by resolution by a two-thirds majority of the City Council.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Richfield, Minnesota that the Mayor and City Manager are hereby authorized to enter into the grant agreement with the MnDNR Division of Forestry and to accept the grant funds for and on behalf of the City of Richfield.

Adopted by the City Council of the City of Richfield, Minnesota this 14th day of December, 2021.

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Maria Regan Gonzalez, Mayor

ATTEST:

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Kari Sinning, City Clerk



**STAFF REPORT NO. 186**  
**CITY COUNCIL MEETING**  
**12/14/2021**

REPORT PREPARED BY: Scott Kulzer, Administrative Aide/Analyst

DEPARTMENT DIRECTOR REVIEW: Kristin Asher, Public Works Director  
12/8/2021

OTHER DEPARTMENT REVIEW:

CITY MANAGER REVIEW: Katie Rodriguez, City Manager  
12/8/2021

**ITEM FOR COUNCIL CONSIDERATION:**

**Consider a resolution authorizing condemnation of property for the reconstruction of 65th Street.**

**EXECUTIVE SUMMARY:**

The 65th Street Reconstruction Project requires the purchase of permanent and temporary easements on four parcels. These easements will allow for project construction and for installation of new infrastructure which includes but is not limited to sidewalks, driveways, landscaping, and street lighting.

Two of four parcels are not included in this resolution (900 Rae Drive and 800 65th St W). Easement purchases for these properties are being pursued in order to construct street lights on the private property, allowing for lighting to be moved out of the paved trail. If easements are not obtained, the City will place street lights at the edge of the paved trail.

The two parcels included in this resolution are 6501 Lyndale Avenue S. and 6500 Lyndale Avenue S., or LA Fitness and Wendy's, respectively. These easements are necessary for the project due to the size of the new roundabout that will be constructed at the intersection of 65<sup>th</sup> Street and Lyndale Avenue.

Offers were presented to the included parcel owners (6501 Lyndale Avenue S. and 6500 Lyndale Avenue S.) either in person or by mail on October 14. As of December 6, the needed easements have not been secured voluntarily on these parcels, although staff believes agreements will be reached shortly. In order for the project to stay on schedule, all right-of-way acquisition needs to be completed before construction. This timeline requires that the condemnation process begin as soon as possible should easement agreements not be agreed to voluntarily.

The voluntary easement acquisition process will continue concurrently with the condemnation process in the hope that condemnation can be avoided entirely. In discussions with the property owners, staff strongly believes that voluntary easement agreements can be reached.

**RECOMMENDED ACTION:**

**By Motion: Adopt the resolution authorizing condemnation of property for the reconstruction of 65th Street.**

## **BASIS OF RECOMMENDATION:**

### **A. HISTORICAL CONTEXT**

- The City Council approved the preliminary design layout for the 65th Street Reconstruction Project on July 28, 2020.
- Staff and the engineering consultant are working through final design engineering with the intent to let the project in early 2022.
- The project construction is anticipated to take two years (2022-2023).

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

- The City has the legal authority to acquire private property by eminent domain for a public purpose.
- The subject properties have been identified as requiring permanent and temporary easement purchase for the 65th Street Reconstruction Project.
- Right-of-way acquisition procedures set forth by Minnesota Department of Transportation and the Federal Highway Administration are being followed.

### **C. CRITICAL TIMING ISSUES:**

Condemnation proceedings must begin soon to ensure the right-of-way acquisitions are complete in time for a early 2022 project letting and 2022 construction.

### **D. FINANCIAL IMPACT:**

- Funding for the purchase of the required easements will be paid by the City with project funds.
- Initial offers for the permanent and temporary easements were as follows:
  - 6501 Lyndale Ave S: \$2,800.00
  - 6500 Lyndale Ave S: \$15,900.00

### **E. LEGAL CONSIDERATION:**

The City Attorney has reviewed the resolution and will be present at the meeting to answer questions.

### **ALTERNATIVE RECOMMENDATION(S):**

None.

### **PRINCIPAL PARTIES EXPECTED AT MEETING:**

None

### **ATTACHMENTS:**

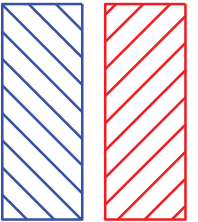
Description	Type
▣ 6500 Lyndale Exhibit	Exhibit
▣ 6501 Lyndale Exhibit	Exhibit
▣ Resolution	Resolution Letter





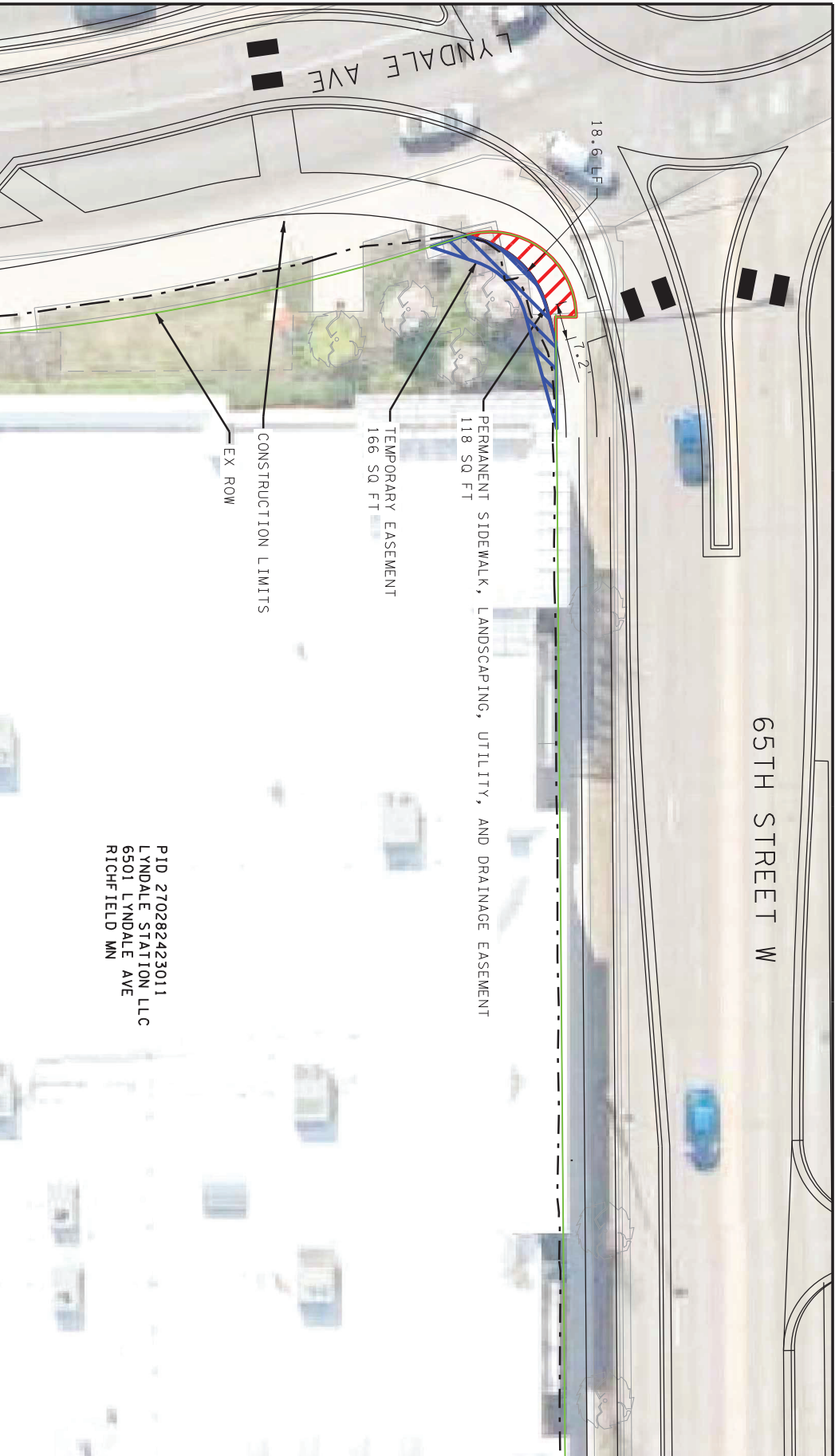


PARCEL 1



PERMANENT SIDEWALK,  
LANDSCAPING, UTILITY, AND 118 SQ FT  
DRAINAGE EASEMENT =

TEMPORARY EASEMENT = 166 SQ FT



SCALE IN FEET

PARCEL 1  
6501 LYNDALE AVE  
RICHFIELD, MN 55423  
270282423011

PARCEL SKETCH  
8/31/2021  
SHEET 01 OF 01



## **RESOLUTION NO.**

### **RESOLUTION AUTHORIZING ACQUISITION BY EMINENT DOMAIN AND APPROVAL OF APPRAISED VALUES OF EASEMENTS FOR 65<sup>TH</sup> STREET IMPROVEMENTS PROJECT**

**WHEREAS**, the City Council has authorized the project titled 65<sup>th</sup> Street Improvements Project (the “Project”); and

**WHEREAS**, the Project area includes a 0.7-mile segment of 65<sup>th</sup> Street and Rae Drive between Nicollet Avenue and 66<sup>th</sup> Street; and

**WHEREAS**, the Project scope includes Improvements and streetscape improvements that will improve pedestrian and bicycle safety and mobility, mitigate localized flooding issues between Nicollet and Lyndale Avenues, and replace infrastructure that has reached the end of its useful life; and

**WHEREAS**, the Project is scheduled to be constructed in 2022 and 2023; and

**WHEREAS**, the City Council finds that it is necessary to acquire certain permanent easements and temporary construction easements (collectively, the “Easements”), legally described in Exhibit A attached hereto, in order to install and maintain the Project; and

**WHEREAS**, the City has engaged a qualified independent consultant to provide an opinion of damages caused by the Easement acquisitions from each impacted property; and

**WHEREAS**, the City has made offers of compensation to the landowners for the Easements consistent with the independent opinions of damages; and

**WHEREAS**, the City’s consultant has been diligently working with the landowners of the impacted properties to reach agreements to voluntarily convey the Easements; and

**WHEREAS**, despite these efforts, conveyance documents for the Easements from owners and/or lenders of the following parcels are still needed to ensure the City’s ability to construct the Project:

- Parcel 1 (6501 Lyndale Avenue South) – Lyndale Station, LLC
- Parcel 2 (6500 Lyndale Avenue South) – 256 Holdings, LLC

**WHEREAS**, the City Council finds it reasonably necessary, proper and convenient, and in the interest of the general welfare that the City acquire by eminent domain title to and possession of the Easements in furtherance of the Project; and

**WHEREAS**, the City Council finds that the construction schedule for the Project makes it necessary to acquire title to and possession of the Easements prior to the filing of the final report of the condemnation commissioners to be appointed by the district court; and

**WHEREAS**, the City Council finds that appraisers opinions of damages caused by the acquisition of the Easements, as indicated below, reflect fair market value:

Parcel 1	\$2,800.00
Parcel 2	\$15,900.00

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Richfield, Minnesota, that:

1. The acquisition of the Easements is necessary and for a public purpose in furtherance of the Project; and
2. The law firm of Kennedy & Graven, Chartered, is authorized and directed to take all steps necessary on behalf of the City to acquire through eminent domain the Easements that are not acquired by voluntary negotiation, including filing an action in eminent domain and using the quick take procedure under Minn. Stat. § 117.042; and
3. The appraised values for the Easements reflect the fair market values thereof and are hereby approved for the purposes of Minn. Stat. § 117.042; and
4. City staff and Kennedy & Graven are authorized to modify the legal descriptions of the Easements for the purpose of accurately describing the necessary property as depicted on the plans for the Project.

The foregoing resolution was moved by Councilmember \_\_\_\_\_ and seconded by Councilmember \_\_\_\_\_.

The following voted in the affirmative:

\_\_\_\_\_

The following voted against:

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Councilmember \_\_\_\_\_ was absent.

Adopted by the City Council of the City of Richfield, Minnesota, this 14th day of December 2021.

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Maria Regan Gonzalez, Mayor

ATTEST:

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Kari Sinning, City Clerk

**EXHIBIT A**

Legal descriptions of easements

[attached]

## **PARCEL 1**

A perpetual easement lying over, under and across all that part of the following described property:

Lot 1, Block 1, LYNDAL STATION, according to the recorded plat thereof Hennepin County, Minnesota.

Said perpetual easement is described as lying northwesterly of the following described line:

Commencing at the west Quarter corner of Section 27, Township 28, Range 24, said Hennepin County; thence on an assumed bearing of North 89 degrees 28 minutes 00 seconds East, along the south line of the Southwest Quarter of the Northwest Quarter of said Section 27, a distance of 475.78 feet; thence North 20 degrees 24 minutes 54 seconds East, a distance of 378.78 feet; thence northeasterly, a distance of 164.88 feet, along a tangential curve, concave to the west, having a radius of 359.40 feet and a central angle of 26 degrees 17 minutes 09 seconds, to the point of beginning; thence North 18 degrees 29 minutes 15 seconds East, not tangent to said curve, a distance of 101.11 feet; thence northeasterly, a distance of 18.60 feet, along a tangential curve, concave to the southeast, having a radius of 19.00 feet and a central angle of 56 degrees 05 minutes 07 seconds; thence North 74 degrees 34 minutes 22 seconds East, a distance of 7.21 feet, to the north line of said Lot 1 and there terminating.

A temporary easement lying over, under and across all that part of the following described property:

Lot 1, Block 1, LYNDAL STATION, according to the recorded plat thereof Hennepin County, Minnesota.

Said temporary easement is described as lying southeasterly of the following described Line A and northwesterly of and a line parallel with and 4.5 feet southeasterly of said Line A and its northeasterly extension:

Line A: Commencing at the west Quarter corner of Section 27, Township 28, Range 24, said Hennepin County; thence on an assumed bearing of North 89 degrees 28 minutes 00 seconds East, along the south line of the Southwest Quarter of the Northwest Quarter of said Section 27, a distance of 475.78 feet; thence North 20 degrees 24 minutes 54 seconds East, a distance of 378.78 feet; thence northeasterly, a distance of 164.88 feet, along a tangential curve, concave to the west, having a radius of 359.40 feet and a central angle of 26 degrees 17 minutes 09 seconds, to the point of beginning; thence North 18 degrees 29 minutes 15 seconds East, not tangent to said curve, a distance of 101.11 feet; thence northeasterly, a distance of 18.60 feet, along a

tangential curve, concave to the southeast, having a radius of 19.00 feet and a central angle of 56 degrees 05 minutes 07 seconds; thence North 74 degrees 34 minutes 22 seconds East, a distance of 7.21 feet, to the north line of said Lot 1 and there terminating.

Said temporary easement to begin April 1, 2022, and expire June 30, 2023.

## **PARCEL 2**

A perpetual easement lying over, under and across all that part of the following described property:

Tract A, Registered Land Survey No. 1318, Hennepin County, Minnesota.

Together with:

That part of Tract B, Registered Land Survey No. 1318 Hennepin County, Minnesota, lying Easterly and Northerly of the following described line: Beginning at the Southwest corner of Tract A, Registered Land Survey No. 1318; thence Southerly along the Southerly extension of the Westerly line of Tract A, at a distance of 8.62 feet; thence Easterly deflecting to the left 82 degrees 13 minutes 28 seconds to the Easterly line of said Tract B and there terminating.

Said perpetual easement is described as lying southeasterly of the northwesterly 30.00 feet of the above described property, lying westerly of the easterly 20.00 feet of the above-described property and lying northeasterly of the following described line:

Commencing at the west Quarter corner of Section 27, Township 28, Range 24, said Hennepin County; thence on an assumed bearing of North 89 degrees 28 minutes 00 seconds East, along the south line of the Southwest Quarter of the Northwest Quarter of said Section 27, a distance of 475.78 feet; thence North 20 degrees 24 minutes 54 seconds East, a distance of 378.78 feet; thence northeasterly, a distance of 231.70 feet, along a tangential curve, concave to the west, having a radius of 359.40 feet and a central angle of 36 degrees 56 minutes 16 seconds; thence South 73 degrees 28 minutes 38 seconds West, not tangent to said curve, a distance of 46.78 feet; thence North 18 degrees 40 minutes 16 seconds West, a distance of 10.00 feet, to the point of beginning; thence northwesterly, a distance of 27.82 feet, along a tangential curve, concave to the southwest, having a radius of 22.50 feet and a central angle of 70 degrees 50 minutes 49 seconds; thence westerly, a distance of 16.10 feet, along a compound curve, concave to the south, having a radius of 62.50 feet and a central angle of 14 degrees 45 minutes 20 seconds to the south line of said northwesterly 30.00 feet and there terminating.

Except that part thereof lying within the westerly 10.00 feet of the easterly 30.00 feet of the southerly 10.00 feet of the northwesterly 40.00 feet of the above-described property.

A perpetual easement lying over, under and across all that part of the following described property:



Tract A, Registered Land Survey No. 1318, Hennepin County, Minnesota.

Together with: That part of Tract B, Registered Land Survey No. 1318 Hennepin County, Minnesota, lying Easterly and Northerly of the following described line: Beginning at the Southwest corner of Tract A, Registered Land Survey No. 1318; thence Southerly along the Southerly extension of the Westerly line of Tract A, at a distance of 8.62 feet; thence Easterly deflecting to the left 82 degrees 13 minutes 28 seconds to the Easterly line of said Tract B and there terminating.

Said perpetual easement is described as lying southeasterly of the northwesterly 30.00 feet of the above described property, lying westerly of the easterly line of the above-described property and lying northeasterly of the following described line:

Commencing at the west Quarter corner of Section 27, Township 28, Range 24, said Hennepin County; thence on an assumed bearing of North 89 degrees 28 minutes 00 seconds East, along the south line of the Southwest Quarter of the Northwest Quarter of said Section 27, a distance of 475.78 feet; thence North 20 degrees 24 minutes 54 seconds East, a distance of 378.78 feet; thence northeasterly, a distance of 244.45 feet, along a tangential curve, concave to the west, having a radius of 359.40 feet and a central angle of 38 degrees 58 minutes 12 seconds; thence South 71 degrees 26 minutes 42 seconds West, not tangent to said curve, a distance of 33.00 feet to said easterly line of the above-described property and the point of beginning; thence 11.89 feet, along a non-tangential curve concave to the southwest, having a radius of 150.00 feet, a central angle of 04 degrees 32 minutes 28 seconds West and a chord bearing North 37 degrees 02 minutes 25 seconds West; thence 24.03 feet along a compound curve, having a radius of 35.00 feet and a central angle of 39 degrees 20 minutes 18 seconds to the south line of said northwesterly 30.00 feet.

A temporary easement lying over, under and across all that part of the following described property:

Tract A, Registered Land Survey No. 1318, Hennepin County, Minnesota.

Said temporary easement is described as lying southeasterly of the northwesterly 30.00 feet of said Tract A, lying westerly of the easterly 20.00 feet said Tract A, lying 2 feet southwesterly of and parallel with the following described Line A:

Line A: Commencing at the west Quarter corner of Section 27, Township 28, Range 24, said Hennepin County; thence on an assumed bearing of North 89 degrees 28 minutes 00 seconds East, along the south line of the Southwest Quarter of the Northwest Quarter of said Section 27, a distance of 475.78 feet; thence North 20 degrees 24 minutes 54 seconds East, a distance of

378.78 feet; thence northeasterly, a distance of 231.70 feet, along a tangential curve, concave to the west, having a radius of 359.40 feet and a central angle of 36 degrees 56 minutes 16 seconds; thence South 73 degrees 28 minutes 38 seconds West, not tangent to said curve, a distance of 46.78 feet; thence North 18 degrees 40 minutes 16 seconds West, a distance of 10.00 feet, to the point of beginning; thence northwesterly, a distance of 27.82 feet, along a tangential curve, concave to the southwest, having a radius of 22.50 feet and a central angle of 70 degrees 50 minutes 49 seconds; thence westerly, a distance of 16.10 feet, along a compound curve, concave to the south, having a radius of 62.50 feet and a central angle of 14 degrees 45 minutes 20 seconds to the south line of said northwesterly 30.00 feet and there terminating.

And

lying northwesterly of the following described line:

Commencing at the intersection the westerly line of said Tract A and the southerly line of said northwesterly 30.00 feet of said Tract A, thence South 07 degrees 34 minutes 18 seconds East, 6.79 feet; to the point of beginning; thence North 77 degrees 22 minutes 23 seconds East, 16.35 feet; thence South 30 degrees 43 minutes 56 seconds East, 14.79 feet; thence North 58 degrees 44 minutes 04 seconds East, 38.99 feet; thence North 29 degrees 43 minutes 20 seconds West, 23.90 feet; thence North 58 degrees 40 minutes 52 seconds East, 85.06 feet to its intersection with a line 2 feet southerly of and parallel with said line A.

Except that part thereof lying within the westerly 10.00 feet of the easterly 30.00 feet of the southerly 10.00 feet of the northwesterly 40.00 feet of the above-described property.

Said temporary easement to begin April 1, 2022, and expire June 30, 2023.

A temporary easement lying over, under and across all that part of the following described property:

Tract A, Registered Land Survey No. 1318, Hennepin County, Minnesota except the easterly 20 feet thereof.

Said temporary easement is described as follows:

Commencing at the Northwest corner of said Tract A, thence South 07 degrees 34 minutes 18 seconds East, assumed bearing along the west line of said Tract A, 57.20 feet; thence North 60 degrees 01 minutes 11 seconds East, 166.26 feet to the westerly line of said easterly 20 feet and the point of beginning; thence South 60 degrees 01 minutes 11 seconds West, 6.85 feet; thence South 29 degrees 58 minutes 49 seconds East, 28.08 feet to the westerly line of said easterly

20.00 feet Tract A thence northerly along said westerly line of said easterly 20 feet to the point of beginning.

Said temporary easement to begin April 1, 2022, and expire June 30, 2023.



**STAFF REPORT NO. 187**  
**CITY COUNCIL MEETING**  
**12/14/2021**

REPORT PREPARED BY: Scott Kulzer, Administrative Aide/Analyst

DEPARTMENT DIRECTOR REVIEW: Kristin Asher, Public Works Director  
12/7/2021

OTHER DEPARTMENT REVIEW:

CITY MANAGER REVIEW: Katie Rodriguez, City Manager  
12/8/2021

**ITEM FOR COUNCIL CONSIDERATION:**

**Consider the approval of a work order amendment from Kimley-Horn & Associates, Inc., for additional design engineering services for the 65th Street Improvements Project.**

**EXECUTIVE SUMMARY:**

The work order amendment up for consideration is for additional design engineering services required to complete the final design of the 65th Street Improvements Project. During the final design of the project, the City of Richfield requested that Kimley-Horn complete work outside of the scope of the original contract.

The primary area of additional scope is related to the design of the large concrete box culvert which will be installed from Richfield Lake to Pillsbury Avenue. The complexity of the culvert design created the need to reconstruct many of the existing City sanitary sewer and watermain utilities adjacent to the culvert, reroute private utilities, and acquire a railroad permit. The original final design contract assumed another consultant was designing the concrete box culvert, however final design of the culvert was transitioned to Kimley Horn to leverage the efficiencies of a single design firm.

In addition, other items arose during design that required additional effort including project limits extending south on Lyndale Avenue to the intersection at 66th Street, the need to redesign the watermain on Nicollet Avenue, and additional geotechnical and survey information required to complete the out-of-scope design work.

**RECOMMENDED ACTION:**

**By Motion: Approve the work order amendment from Kimley-Horn & Associates, Inc., for additional design engineering services for the 65th Street Improvements Project.**

**BASIS OF RECOMMENDATION:**

**A. HISTORICAL CONTEXT**

- The City Council approved the preliminary design layout for the 65th Street Improvements Project and entered into a contract with Kimley-Horn for final design engineering at the July 28, 2020 City Council meeting.
- Staff and the engineering consultant are working through final design engineering with the intent to let the project in early 2022.

- The project construction is anticipated to take two years (2022-2023).

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

When the purchase of materials, merchandise, equipment, services, or construction exceeds \$175,000, authority to purchase shall be submitted to the City Council for consideration.

**C. CRITICAL TIMING ISSUES:**

Approval of the work order amendment at this meeting will allow for project design to progress without any delays.

**D. FINANCIAL IMPACT:**

- The work order amendment increases the final design contract by \$150,766.00.
- The original work order for final design was \$439,804.00, which means that this work order amendment increases the final design contract by 34.3% to \$590,570.00.
- Approximately \$110,000 of additional design costs have been anticipated and were reflected in the project sources and uses presented to Council in October 2021. Approximately \$20,000 is available in unused funds from the original contract with Barr Engineering for the stormwater culvert design. The remaining approximately \$20,000 in design costs will be covered by the existing contingency in the project sources and uses.
- The project sources and uses summary is attached. The summary includes an updated cost estimate and reduces the contingency to 15%, which is typical for a 90% design estimate.

**E. LEGAL CONSIDERATION:**

The City Attorney will be available to answer questions.

**ALTERNATIVE RECOMMENDATION(S):**

None

**PRINCIPAL PARTIES EXPECTED AT MEETING:**

None

**ATTACHMENTS:**

Description	Type
<input type="checkbox"/> Work Order Amendment	Exhibit
<input type="checkbox"/> Detailed Fee Scope	Exhibit
<input type="checkbox"/> 65th St Sources and Uses Tracking	Backup Material



December 7, 2021

Mr. Joe Powers, P.E.  
City Engineer  
City of Richfield  
1901 E 66<sup>th</sup> Street  
Richfield, MN 55423

■  
Suite 100  
767 Eustis Street  
St. Paul, Minnesota  
55114

**Re: W 65<sup>th</sup> Street Improvements – 66<sup>th</sup> Street to Nicollet Avenue  
Final Design Amendment**

Dear Joe,

This proposal is for the additional services required to complete the final design of the 65<sup>th</sup> Street Improvements Project. During the final design of the project, Kimley-Horn was requested by the City of Richfield to complete work outside of the scope of the original contract. Approximately \$2.3 million of additional infrastructure was added to the project, expanding the construction costs by 30 percent. The primary area of additional scope was the design of the large concrete box culvert located from Richfield Lake to Pillsbury Avenue. The addition of this culvert to the scope created the need to reconstruct many of the existing City sanitary sewer and watermain utilities adjacent to the culvert, reroute private utilities, and acquire a railroad permit. The original contract assumed another consultant was designing the concrete box culvert.

In addition, other items arose during design that required additional effort to complete the design including project limits extending south on Lyndale Avenue to the intersection at 66<sup>th</sup> Street, the need to redesign the watermain on Nicollet, and additional geotechnical and survey information required to complete the out-of-scope design work. The out-of-scope work included the following tasks:

Task 2: Data Collection  
Task 5: Preliminary Design  
Task 7: Final Design

Task numbering used matches the initial contract and includes only tasks where additional services are needed.

**Scope of Services**

The following is a summary of our proposed Scope of Services for the amendment. Only tasks and subtasks that contain out of scope work are included in the amendment.

**Task 2 – Data Collection****2.1 Topographic Survey**

Additional topographic survey is needed to complete the design of the culvert, sanitary sewer, watermain, and to extend the project limits south to Lyndale Avenue from the south side of 65<sup>th</sup> Street.

**Task 5 – Preliminary Design****5.2 Preliminary Roadway Design**

Kimley-Horn developed alternatives for Lyndale Avenue to extend construction south in order to replace worn pavement and sidewalk between the 66<sup>th</sup> Street project extents and this project. We also looked at alternatives to connect the cycle-track to the bike lanes/shoulders of Lyndale Avenue north of the roundabout at 66<sup>th</sup> Street/ Lyndale Avenue. Kimley-Horn developed geometric and pavement design alternatives, and a preferred geometric design alternative to include in the final construction plans.

**5.3 Preliminary Public Utility Design****5.3.1 Preliminary Watermain Design**

Watermain on Nicollet was redesigned between 60 and 90 percent plans due to Centurylink installing new fiber lines where our preferred alignment was located. The new information required a new preliminary design process to develop three options and a preferred alternative to construct.

The original contract called for watermain to be relocated on 65<sup>th</sup> Street between Pillsbury Ave. to Nicollet Ave. to get the watermain off the HUB property. Approximately 1500 LF of additional new watermain had to be designed due to the location of the box culvert under 65<sup>th</sup> Street. This work included developing alternatives, coordination with private utility companies and City of Richfield staff to select a preferred option.

**5.3.2 Preliminary Hydraulic Design**

Kimley-Horn developed four different box culvert preliminary design alternatives to cross the railroad and to minimize impacts to sanitary sewer and watermain. Kimley-Horn coordinated with Barr Engineering to have hydraulic models run for each scenario. We also examined stormwater connections to the box culvert to test feasibility of the alignment and developed separate dual-storm sewer pipe options.

### 5.3.3 Preliminary Sanitary Sewer Design

The original contract included only a sanitary casing pipe under the Lyndale Avenue roundabout. The design of the box culvert required the relocation of approximately 2000 LF of sanitary sewer to be relocated due to pipe conflicts with the box culvert. Furthermore, it required the design of a sanitary sewer lift station for a property whose service was cut off from access to the existing gravity line due to the box culvert location. This task includes developing the options and the preferred alternative.

## 5.5 Private Utility Coordination

Kimley-Horn provided additional utility coordination for the project to help private utility companies find locations for their utilities due to the installation of the box culvert and relocation of the watermain and sanitary sewer. This included multiple meetings, phone calls, and emails with each utility company within the project limits.

The design of the box culvert triggered the need to acquire a railroad permit and coordinate the crossing of the railroad with all City utilities. The coordination required four meetings, multiple emails, and phone correspondence. This task includes the coordination of the utility crossings. The permit application effort and associated fees are included in Task 7.

**Deliverables:** Conceptual Alternative Layouts, Public Utility Concepts, Pedestrian Improvements Concepts, Preliminary Public Utility Layout.

## Task 7 – Final Design

### 7.1 Final Plans

The original contract scope did not include final design, construction plans, and specifications for the following items that were added during the design process:

- Sanitary Sewer Plan (2000 LF of pipe)
- Watermain Plan (additional 1500 LF of pipe)
- Box Culvert Plan and Details for 2000 LF of culvert
- Sanitary Sewer Lift Station Plan

### 7.4 Permit Applications

A stormwater analysis will be performed to determine the necessary measures required by MnDOT State Aid. The report will also include hydraulic calculations necessary for State Aid approval. The inclusion of the box culvert into the design required additional hydraulic calculations that was not part of the original scope.

**Deliverables:** Final Plans, Project Manual, Permit Applications



**Estimated Costs/Fee**

KHA will provide the Scope of Services identified above on an hourly labor fee plus expense basis. We have broken down the fee estimate between preliminary and final design tasks per the request of the City. The following is a summary of our estimated fees and expenses.

TASK 2 – DATA COLLECTION	\$11,920
TASK 5 – PRELIMINARY DESIGN	\$26,758
TASK 7 – FINAL DESIGN	\$99,088
EXPENSES	\$13,000
<b>TOTAL</b>	<b>\$150,766</b>

Labor fee will be billed according to our current standard hourly rate schedule. Reimbursable expenses (copy/printing charges, plotting, mileage, delivery charges, etc.) will be charged as an office expense at 6% of the labor fee. An expense of \$5,000 for the railroad permit fee is added into the expenses.

We appreciate the opportunity to submit this proposal and look forward to working with you on this project. Please feel free to contact us if you have any questions.

Sincerely,

KIMLEY-HORN AND ASSOCIATES, INC.

William C. Klingbeil, P.E.  
Senior Project Manager

Copy: Project File

		Project Manager	Task Lead	Graduate Engineer	CAD/Graphics Designer	Admin	Sub-Consultant (Survey/Geotech)	Total Hours	Estimated Fees
TASK 2 DATA COLLECTION									
2.1	Topographic Survey		4		8		87	99	\$10,504
2.2	Geotechnical		4	4	2			10	\$1,416
	Subtotal	0	8	4	10	0	\$8,700	109	\$11,920
TASK 5 PRELIMINARY DESIGN									
5.2	Preliminary Roadway Design	2	4	8	4			18	\$2,602
5.3	Preliminary Public Utility Design								
5.3.1	Preliminary Watermain Design	2	12	20	4			38	\$5,342
5.3.2	Preliminary Hydraulic Design	2	16	24	8			50	\$7,054
5.3.3	Preliminary Sanitary Sewer Design	4	16	24	8			52	\$7,444
5.5	Private Utility Coordination	4	8	16	2			30	\$4,316
	Subtotal	14	56	92	26	0		188	\$26,758
TASK 7 FINAL DESIGN									
7.1	Final Plans (assumes 55 sheets)	40	120	250	200			610	\$87,250
7.2	Project Manual	2	4	8		4		18	\$2,410
7.4	Permit Applications	4	16	24	16	8		68	\$9,428
	Subtotal	46	140	282	216	12		696	\$99,088
REIMBURSABLE EXPENSES									\$ 13,000
TOTAL ESTIMATED PROJECT COST (FEES AND EXPENSES)									\$150,766

**65th St Reconstruction/Lyndale Avenue Pedestrian Improvements**

Richfield Project No.

SAP Nos.

41017

157-104-004

157-105-005

157-363-033

Sources and Uses Tracking - updated 12/6/2021

	Council Action					Council Action			
	2019 CIP	2020 CIP	30% Engineer's Estimate and Project Approval (Updated 7/20/2020)	4/23/21 CIP Estimate	4/23/21 CIP Estimate (updated sources for Council Worksession 7/23/21)	60% Engineer's Estimate (Updated 10/5/2021)	90% Engineer's Estimate (Updated 12/6/2021)	Final Engineer's Estimate and Project Bid	Contract Award
<b>Planned Construction Year:</b>	2020	2020&2021	2022	2022	2022	2022-2023	2022-2023	2022-2023	2022-2023
<b>Estimated Uses:</b>									
Design	\$600,000	\$704,000	\$842,000	\$950,000	\$950,000	\$950,000.00	\$970,000.00		
65th St Reconstruction	\$5,500,000	\$6,100,000	\$3,362,700	\$3,750,000	\$3,750,000	\$3,930,000.00	\$4,240,000.00		
Lyndale Ave Improvements	Included above	Included above	\$52,000	\$670,000	\$670,000	\$280,000.00	\$360,000.00		
Stormwater Improvements			\$2,500,000	\$2,100,000	\$2,100,000	\$3,100,000.00	\$3,200,000.00		
Change Orders									
Right of Way	\$50,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000		
Legal	\$90,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000.00	\$100,000.00		
Construction Admin/Engineering	\$550,000	\$610,000	\$591,470	\$600,000	\$600,000	\$600,000.00	\$600,000.00		
Staff	\$90,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000.00	\$100,000.00		
Contingency	\$1,100,000	\$1,220,000	\$1,182,940	\$1,304,000	\$1,304,000	\$1,462,000.00	\$1,170,000.00		
Bond Issuance Costs						\$200,000.00	\$200,000.00		
	20% Contingency	20% Contingency	20% Contingency	20% Contingency	20% Contingency	20% Contingency	15% Contingency	10% Contingency	2% Contingency
<b>Total Uses</b>	<b>\$7,980,000</b>	<b>\$8,894,000</b>	<b>\$8,791,110</b>	<b>\$9,634,000</b>	<b>\$9,634,000</b>	<b>\$10,782,000</b>	<b>\$11,000,000</b>	<b>TDB</b>	<b>TDB</b>
<b>Sources:</b>									
Street Reconstruction Bonds	\$8,000,000	\$7,800,000	\$7,800,000	\$8,600,000	\$6,100,000	\$6,500,000	\$6,500,000		
Utility Bonds		\$1,200,000	\$1,200,000	\$1,200,000	\$3,700,000	\$4,500,000	\$4,500,000		
Water Utility Fund									
<b>Total Sources</b>	<b>\$8,000,000</b>	<b>\$9,000,000</b>	<b>\$9,000,000</b>	<b>\$9,800,000</b>	<b>\$9,800,000</b>	<b>\$11,000,000</b>	<b>\$11,000,000</b>	<b>TDB</b>	<b>TDB</b>
Difference	\$20,000	\$106,000	\$208,890	\$166,000	\$166,000	\$218,000	\$0	<b>TDB</b>	<b>TDB</b>

**Notes**

Anticipated Debt Issuance (updated 09/2021):

Street Reconstruction Bonds

2022

Utility Bonds

2022

Low Risk

Medium Risk

High Risk



**STAFF REPORT NO. 188**  
**CITY COUNCIL MEETING**  
**12/14/2021**

REPORT PREPARED BY: Joe Powers, City Engineer

DEPARTMENT DIRECTOR REVIEW: Kristin Asher, Public Works Director

OTHER DEPARTMENT REVIEW:

CITY MANAGER REVIEW: Katie Rodriguez, City Manager  
12/8/2021

**ITEM FOR COUNCIL CONSIDERATION:**

**Consider the approval of a cost share agreement between the City and Hope Presbyterian Church for the construction of public storm sewer across the church's private parking lot and authorize City staff to execute and record the dedication of a drainage and utility easement over the public storm sewer.**

**EXECUTIVE SUMMARY:**

As part of the ongoing building expansion project at Hope Presbyterian Church (Church), new public storm sewer is being installed to convey public stormwater runoff from the 5th Avenue right-of-way, through the Church's private parking lot, and to existing storm sewer within the 4th Avenue right-of-way. Currently stormwater runoff from 5th Avenue flows overland across the Church's parking lot. Over many years, this has resulted in degradation of the Church's parking lot surface and will continue to do so unless appropriate storm sewer infrastructure is constructed.

City staff has determined that the construction of public storm sewer through the Church's parking lot is an appropriate solution to rectify the issue and prevent future damage to the Church's property caused by public stormwater runoff. This agreement outlines the shared responsibilities of the Church and the City. The Church will design and construct the new storm sewer and dedicate a drainage and utility easement over the storm sewer in favor of the City. The Church will pay the costs for design, project management, and resurfacing of the parking lot, as well as the storm sewer cost for infrastructure serving solely the Church property. The City will reimburse the Church for the cost of the storm sewer serving public property.

After construction is finalized, the Church will dedicate a drainage and utility easement in favor of the City over the public storm sewer located on the Church's private property.

**RECOMMENDED ACTION:**

**By Motion: Approve the cost share agreement between the City and Hope Presbyterian Church for the construction of public storm sewer across the church's private parking lot and authorize City staff to execute and record the dedication of a drainage and utility easement over the public storm sewer.**

**BASIS OF RECOMMENDATION:**

**A. HISTORICAL CONTEXT**

When the Hope Presbyterian Church property was developed, the site was graded to drain storm sewer

from the public right-of-way on 5th Avenue across private property. As a result, the Church has experienced accelerated deterioration of their parking lot over the past decades due to the public runoff, resulting in the need to resurface the parking lot multiple times at a greater frequency than would typically be expected.

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

None

**C. CRITICAL TIMING ISSUES:**

Approval of this agreement will allow the City to make timely reimbursement of the construction costs to the Church as well as record the drainage and utility easement with Hennepin County.

**D. FINANCIAL IMPACT:**

The estimated cost of construction for the public storm sewer is \$38,091.26 The City will reimburse the Church for the cost of the actual construction, based on certified payment receipts from the Church to the contractor.

**E. LEGAL CONSIDERATION:**

The City Attorney had reviewed the cost share agreement and will be available to answer any questions.

**ALTERNATIVE RECOMMENDATION(S):**

None

**PRINCIPAL PARTIES EXPECTED AT MEETING:**

None

**ATTACHMENTS:**

Description	Type
□ Cost Share Agreement	Contract/Agreement

## **COST-SHARE AGREEMENT**

**THIS COST-SHARE AGREEMENT** (the “**Agreement**”), is entered into on this \_\_\_\_ day of \_\_\_\_\_, 2021 (the “**Effective Date**”), by and between the City of Richfield, a Minnesota municipal corporation (the “**City**”) and Hope Presbyterian Church of Richfield, a Minnesota non-profit corporation (the “**Church**”)(Collectively referred to herein as the “**Parties**” or each a “**Party**”)

### Recitals

**WHEREAS**, the Church is the fee owner of that certain real property located at 7132 Portland Ave S. Richfield, Minnesota and as legally described on the attached **Exhibit A** (the “**Property**”); and

**WHEREAS**, various improvements located on the Property have deteriorated over time due to stormwater runoff from the adjacent Fifth Avenue right-of-way; and

**WHEREAS**, to remedy the issue, the Church desires to construct and install a new stormwater sewer system traveling from the Fifth Avenue right-of-way, under the Property, and connecting into existing public stormwater sewer improvements on the south side of the Property (the “**Project**”);

**WHEREAS**, the City has agreed to contribute to the costs of the Project under the terms and conditions contained herein.

### Terms of the Agreement

**NOW, THEREFORE**, in consideration of the mutual agreements and covenants contained herein, and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Parties, it is mutually agreed and covenanted by and between the Parties to this Agreement as follows:

1. Recitals. The foregoing recitals shall be and are hereby incorporated into and made a part of this Agreement.
2. Plans and Specification Preparation. The Project shall be constructed in

accordance with all applicable city codes and regulations, including the plans and specifications attached hereto as **Exhibit B** (the “**Plans**”). The Church shall design and prepare all plans and specifications for the Project to ensure the improvements constructed are in compliance with city code and meet the City’s standards, including but not limited to, those stormwater improvements listed on the attached **Exhibit C** (the “**Stormwater Improvements**”). The Church will pay the design costs.

3. Responsibility of the Project. The Church will cause the Stormwater Improvements to be constructed and complete the Project all in accordance with the Plans no later than September 30, 2022 (the “**Completion Date**”). All change orders and modifications to the Plans must be approved in writing by the City. The Church will bid and award the contract for the Project and shall supervise and administer the construction of the Project. The Church will hire a professional engineer as part of the Project who will supervise the work of the contractor to ensure all work is performed in accordance with the Plans. However, the Church shall allow the City to observe, review, and inspect the Stormwater Improvements and the Project until it is completed and accepted pursuant to this Agreement. The Church will perform all necessary investigations of site contamination and secure all necessary local, state, or federal permits required for the Project and will not proceed with the Project until any required environmental review and remediation of site contamination is completed or a plan for remediation is approved by appropriate regulatory agencies.

4. Estimated Construction Costs. Construction costs shall include the items specifically listed in the attached **Exhibit D** needed to physically construct all of the improvements within the Project including the Stormwater Improvements (the “**Construction Costs**”). The City shall reimburse the Church for all its actual Construction Costs pursuant to Section 5 herein incurred as part of this Agreement and the Project.

The costs and expenses attributable to the Parties herein are merely estimated costs and a final reconciliation of costs as set forth in Section 5 below shall be completed prior to beginning the Project.

5. Payment and Reimbursement of the Project Costs.

- a. After the Church has awarded the construction contract, the City shall update Exhibit D to conform the Exhibit to the approved items and amounts in the awarded construction contract. The Church shall be solely responsible for timely making all payments to the selected contractor under the terms of the contract executed by the Church for the Project. All work performed by the Church under this Agreement will be performed to the satisfaction of the City, and in accordance with all applicable federal, state, and local laws, codes, and regulations. The City will only reimburse the Church for those items expressly listed and provided for within Exhibit D. The amount of which shall be recalculated at the end of the Project to account for the Church’s actual expenses pursuant to this Section. The Church hereby acknowledges and agrees that any costs and expenses for items not expressly listed on Exhibit D shall be the sole and absolute responsibility of the Church and therefore not

reimbursable by the City as part of this Agreement.

- b. Upon the Completion Date and prior to payment of the Construction Costs to the Church by the City under this Section, the Church shall provide to the City all finalized pay estimates detailing the final costs of items, materials and labor specifically identified in this Agreement under Exhibit D; fully executed lien waivers from the Project contractors certifying that they have been paid for their work on the Project; and the necessary warranty bonds as described in Section 10 herein (collectively referred to herein as the “**Payment Request Documents**”).
- c. Upon receipt of the Payment Request Documents, the City shall review and either approve all or a portion of the expenses included in the Payment Request Documents. The City will approve any such reimbursement by Council resolution. The City will only review, approve, and remit payment to the Church for the Construction Costs upon first receiving all Payment Request Documents satisfactory to the City in its sole and absolute discretion and thereafter approving and accepting the Stormwater Improvements by Council resolution. The City shall not be responsible for reimbursement of the Church’s construction costs until the Project is complete and the Stormwater Improvements have been accepted by the City by formal resolution.

6. Change Orders and Modifications to the Plans. Any modifications or additions to the final project Plans must be given written approval by the City’s designated project manager, and the Church shall be responsible for the cost for such changes. The City’s approval of such modification, addition or change orders may be withheld or denied under its absolute and sole discretion.

7. Ownership of Improvements and Maintenance. Upon completion of the Project, the City will perform its final inspections and if satisfactory to the City, the City will, by Council resolution, approve the reimbursements as governed under Section 5 and accept the improvements. Upon completion of the Project, the City will assume ownership and maintenance responsibility of the Stormwater Improvements which shall be deemed a public stormwater sewer system upon the recording of said acceptance resolution. The Church shall dedicate a Drainage and Utility Easement over the public stormwater sewer system as illustrated in **Exhibit E** (the “**Drainage and Utility Easement**”).

8. Indemnification. The Church agrees to defend, indemnify and hold harmless the City, its officials, officers, agents and employees from any liability, claims, causes of action, judgments, damages, losses, costs, or expenses, including reasonable attorney’s fees, resulting directly or indirectly from any act or omission of the Church, its contractors or subcontractors or anyone directly or indirectly employed by them, or anyone for whose acts or omissions they may be liable in the performance of the activities related to the Project and against all loss by reason of the failure of the Church to perform fully, in any respect, all obligations under this Agreement. The Church will



require that the contractor defend, indemnify, protect and hold harmless the City and the Church, their agents, officers, and employees, from all claims or actions arising from negligent acts, errors or omissions of the contractor.

9. Insurance. The Church agrees to, during the term of this Agreement, and beyond such term when so required, to have in force, and to cause all contractors and subcontractors to do likewise, the following insurance coverages in an amount reasonably acceptable for the Project: commercial general liability, automobile liability; workers' compensation and employer's liability; and, professional liability (errors and omissions), as necessary. The Church will require the contractor to name the City as an additional insured on the commercial general and automobile liability policies and require the City to be given the same notification of cancellation or non-renewal as is given to the Church. Certificates of insurance, or other proof of insurance, acceptable to the City, must be submitted prior to any work being commenced under this Agreement.

10. Warranty Bond. On or before the Completion Date, the Church agrees to require its contractor to provide to the City a warranty bond for the Stormwater Improvements, with the bond to cover defects in labor and materials for a period of two years from the date of their acceptance by the City. During such period, the Church agrees to repair or replace any Stormwater Improvements, or portion or element thereof, which shows signs of failure, normal wear and tear excepted. A decision regarding whether a Stormwater Improvement shows signs of failure shall be made by the City in the reasonable exercise of its judgment. If the Church fails to repair or replace a defective Stormwater Improvement during the warranty period after prior written notice to the Church and opportunity to cure as provided by such notice, the City may repair or replace the defective portion and may submit an invoice to the Church to be fully reimbursed for such expenses. Such reimbursement must be made within thirty (30) days of the date upon which the City notifies the Church of the cost due under this Section. If the Church fails to make required payments to the City, the Church hereby consents to the City levying special assessments for any unreimbursed amount associated with such costs against the Property. The Church, on behalf of itself and its successors and assigns, acknowledges the benefit to the Property of the repair or replacement of the Stormwater Improvements and hereby consents to such assessment and waives the right to a hearing or notice of hearing or any appeal thereon under Minnesota Statutes, Chapter 429.

11. Default. In the event of default by the Church as to completion of the Project prior to the Completion Date, the construction of the Stormwater Improvements to the satisfaction of the City, or any other work or undertaking required by this Agreement, and such default continues for 30 days after the City provides notice to the Church of the nature of the default, or if such default cannot be cured within 30 days, after such time period as may be reasonably required to cure the default provided that the Church is making a good faith effort to cure said default, the City may, at its option, perform the work and the Church shall promptly reimburse the City for any expense incurred by the City. This Agreement is a license for the City to act, and it shall not be necessary for the City to seek an order from any court for permission to enter the Property for such purposes. If the City does any such work, the City may, in addition to its other remedies, levy special assessments against the Property

to recover the costs thereof owed to the City by the Church. For this purpose, the Church for itself and its successors and assigns, expressly waives any and all procedural and substantive objections to the special assessments, including but not limited to, hearing requirements and any claim that the assessments exceed the benefit to the land so assessed. The Church, for itself and its successors and assigns, also waives any appeal rights otherwise available pursuant to Minnesota Statutes, section 429.081.

12. Entire Agreement. This Agreement, including the attached exhibits (all of which are incorporated in and made part of this Agreement), constitute the entire agreement between the Parties regarding the subject matter of this Agreement. Any amendments to this Agreement must be in writing and executed by the Parties.

13. Agreement Runs with the Land. This Agreement shall run with the Property and shall be recorded against the title thereto and shall bind and inure to the benefit of the City and the Church and their successors and assigns. The Church's successors in title may be responsible for certain obligations under this Agreement as required by the City. Upon request by the Church or its successors or assigns, the City will issue a certificate in recordable form which certifies the extent to which the Church is in compliance with the terms of this Agreement, and if the Church has fully complied with and completed all terms of this Agreement, releasing the Church from this Agreement.

14. Assignment. The Church may not assign this Agreement without the prior written permission of the City.

15. Notices. Any notice or correspondence to be given under this Agreement shall be deemed to be given if delivered personally or sent by United States certified or registered mail, postage prepaid, return receipt requested:

as to Church: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

with a copy to: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

as to City: City of Richfield  
Attn: City Engineer  
1901 E. 66th Street  
Richfield, MN 55423

with a copy to: Kennedy & Graven  
Attn: Richfield City Attorney

Fifth Street Towers  
150 South Fifth Street, Suite 700  
Minneapolis, MN 55402

or at such other address as either Party may from time to time notify the other in writing in accordance with this section. The Church shall notify the City if there is any change in its name or address.

16. Severability. In the event that any provision of this Agreement shall be held invalid, illegal or unenforceable by any court of competent jurisdiction, such holding shall pertain only to such section and shall not invalidate or render unenforceable any other section or provision of this Agreement.

17. Non-waiver. Each right, power or remedy conferred upon the City by this Agreement is cumulative and in addition to every other right, power or remedy, express or implied, now or hereafter arising, or available to the City at law or in equity, or under any other agreement. Each and every right, power and remedy herein set forth or otherwise so existing may be exercised from time to time as often and in such order as may be deemed expedient by the City and shall not be a waiver of the right to exercise at any time thereafter any other right, power or remedy. If either Party waives in writing any default or nonperformance by the other Party, such waiver shall be deemed to apply only to such event and shall not waive any other prior or subsequent default.

18. Governing Law. This Agreement shall be governed by Minnesota law.

19. Counterparts. This Agreement may be executed simultaneously in any number of counterparts, each of which shall be an original and shall constitute one and the same Agreement.

*{Remainder of Page Intentionally Left Blank; Signature Pages to Follow}*

# HOPE PRESBYTERIAN CHURCH OF RICHFIELD

Its: \_\_\_\_\_

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2021, by \_\_\_\_\_, the \_\_\_\_\_, of Hope Presbyterian Church of Richfield, a Minnesota non-profit corporation, on behalf of the Church.

7

**CITY OF RICHFIELD**

By: \_\_\_\_\_  
Maria Regan Gonzalez, Mayor

By: \_\_\_\_\_  
Katie Rodriguez, City Manager

STATE OF MINNESOTA    )  
  ) ss.  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2021, by Maria Regan Gonzalez and Katie Rodriguez, the Mayor and City Manager, respectively, of the City of Richfield, a Minnesota municipal corporation, on behalf of the City.

\_\_\_\_\_  
Notary Public

**THIS INSTRUMENT DRAFTED BY:**

Kennedy & Graven, Chartered  
Fifth Street Towers  
150 South Fifth Street  
Minneapolis, MN 55402  
(612) 337-9300

**EXHIBIT A**  
Legal Description of the Property

Parcel 1:

That part of Lot 1, Block 1, Hope Presbyterian Church Addition, lying South of the North line of the South 1/2 of the South 1/2 of the Southeast Quarter of the Northeast Quarter of the Northeast Quarter of Section 34, Township 28, Range 24, Hennepin County, Minnesota.

(Torrens Property - Certificate #732722).

AND

Parcel 2:

That part of Lot 1, Block 1, Hope Presbyterian Church Addition, lying North of the North line of the South 1/2 of the South 1/2 of the Southeast Quarter of the Northeast Quarter of the Northeast Quarter of Section 34, Township 28, Range 24.

(Abstract property)

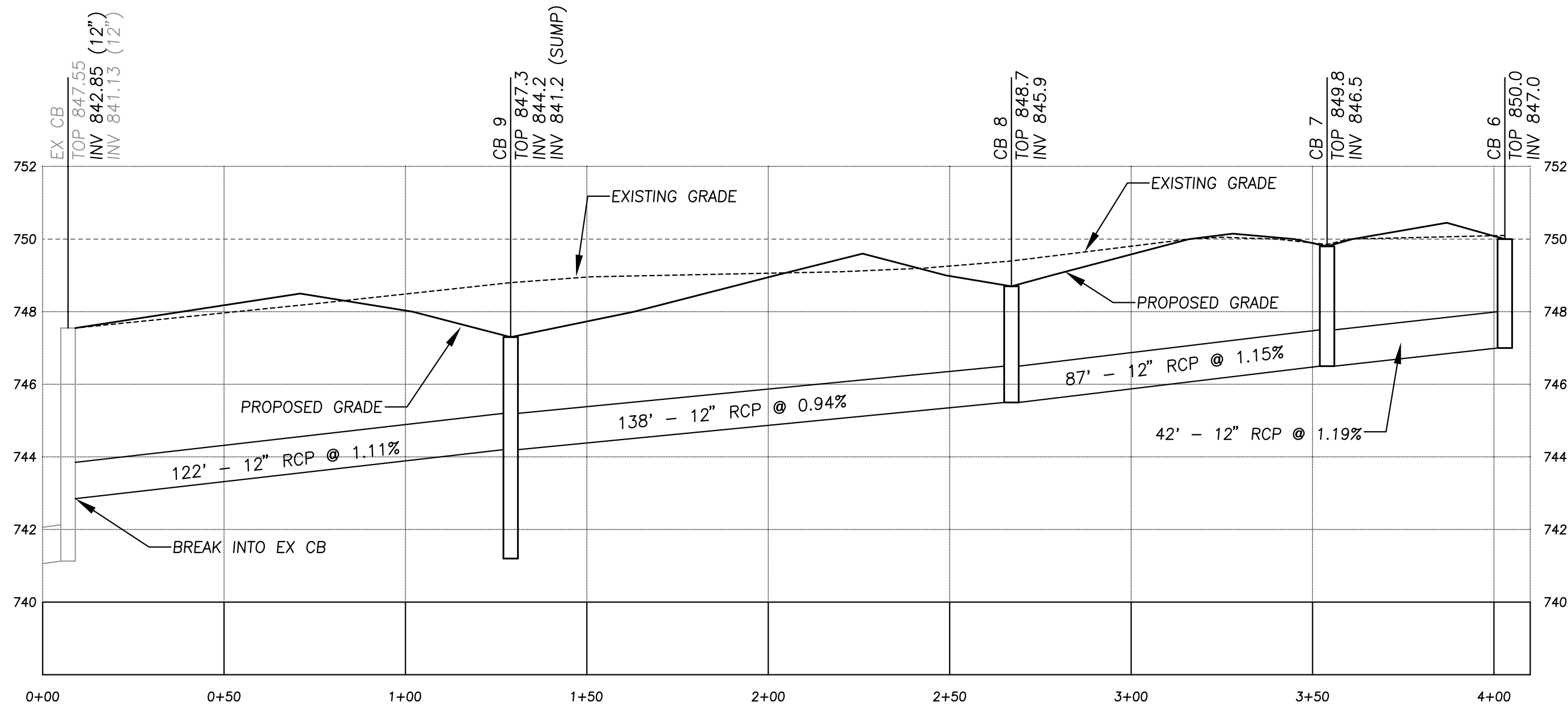
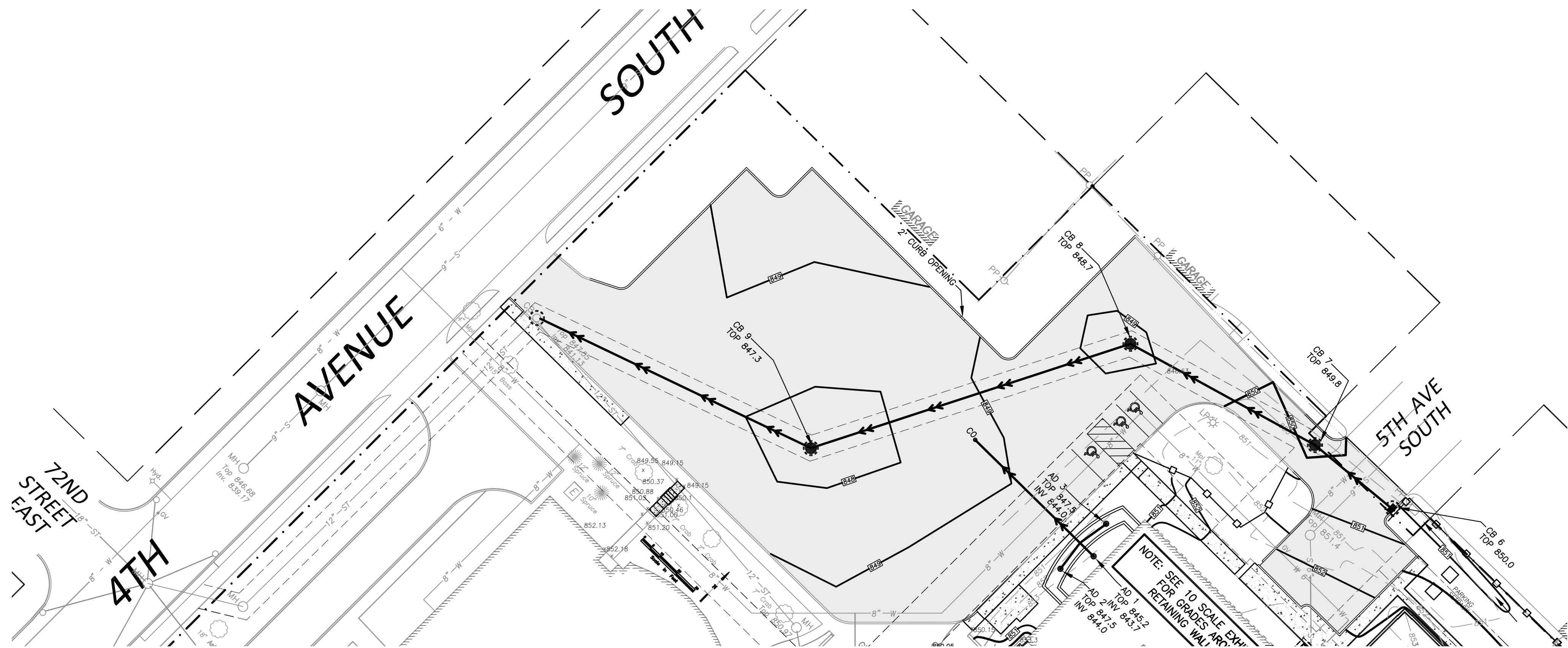
**EXHIBIT B**  
List of the Plans

Plans prepared by Vanman Architects and Builders, including Civil Plans prepared by Rehder & Associates, dated June 18, 2021.

Specifications prepared by Vanman Architects and Builders, dated June 18, 2021.

**EXHIBIT C**  
The Stormwater Improvements

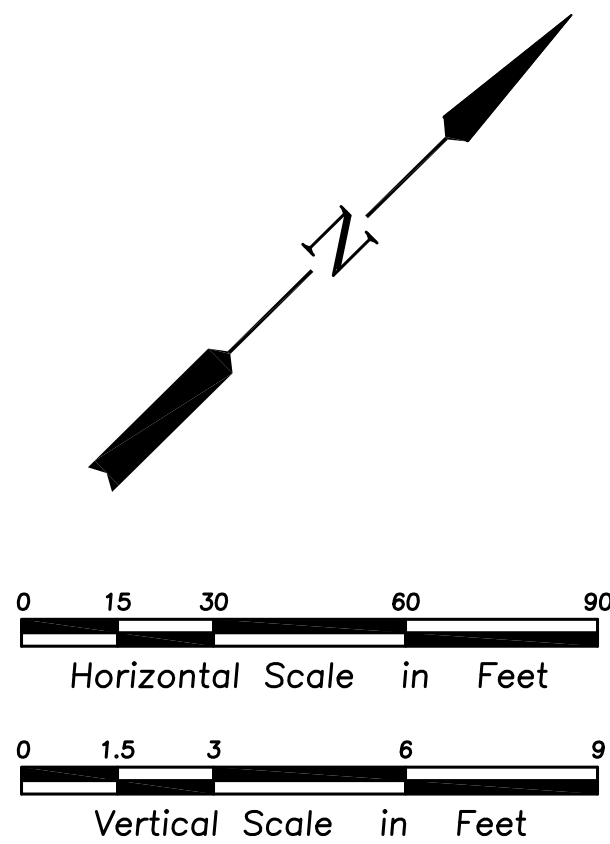




CATCH BASIN/MANHOLE SCHEDULE  
STRUCTURE NO.      BARREL SIZE      NEENAH CASTING NO.

CB 6	24" X 36"	R-3067V
CB 7	48"	R-2573-1C
CB 8	48"	R-2573-1C
CB 9	48"	R-2573-1C

- LEGEND**
- PROPOSED CATCH BASIN
  - ➔ PROPOSED STORM SEWER
  - ▭ PROPOSED CONCRETE
  - ▭ PROPOSED BITUMINOUS
  - PROPOSED CONTOUR
  - SILT FENCE
  - ⊙ INLET PROTECTION DEVICE
  - BOUNDARY/ROW/BLOCK LINE
  - - - EASEMENT
  - - - BUILDING/PARKING SETBACK LINE
  - W — EXISTING WATERMAIN
  - S — EXISTING SANITARY SEWER
  - ST — EXISTING STORM SEWER
  - G — EXISTING BURIED GAS LINE
  - 980 — EXISTING CONTOUR
  - x 995.50 EXISTING ELEVATION



STORM SEWER PLAN  
& PROFILE VIEW  
HOPE CHURCH  
CITY OF RICHFIELD

SHEET NUMBER  
**C3A**

I hereby certify that this plan was prepared by  
myself or under my direct supervision and  
am a duly Licensed Professional Engineer under  
the laws of the State of Minnesota.

Name \_\_\_\_\_ Date \_\_\_\_\_  
Reg. No. \_\_\_\_\_

6-24-20	ISSUED
7-13-20	CITY SUBMITTAL
3-24-21	ADDRESS ARC REPORT COMMENTS
12-9-21	PERMIT SET
	RELOCATE STORM SEWER

**REHDER**  
& ASSOCIATES, INC.  
Civil Engineers & Land Surveyors

3440 Federal Drive, Suite 110  
Richfield, MN 55126  
Telephone 651-452-5051  
www.rehder.com

PROJECT NO.: 201-3170.011 DRAWING FILE: 3170011.DWG

**Exhibit D**  
The Construction Costs

for  
**5th Avenue Storm Sewer**

**STORM SEWER**

	DESCRIPTION	UNIT	QUANTITY	UNIT PRICE	AMOUNT
1	12" R.C.P. Class V	L.F.	391	\$48.66	\$19,026.06
2	Catch Basin - Manholes, 48" with Steps (one w/sump)	Each	3	\$3,537.00	\$10,611.00
3	Catch Basin - 24" x 36" Structure	Each	1	\$2,905.00	\$2,905.00
4	Break into existing Manhole or CB	Each	1	\$1,897.00	\$1,897.00
			<b>TOTAL</b>		<b>\$34,439.06</b>

**BITUMINOUS AND CONCRETE PAVING**

	DESCRIPTION	UNIT	QUANTITY	UNIT PRICE	AMOUNT
5	B612 Curb and Gutter	L.F.	60	\$23.35	\$1,401.00
			<b>TOTAL</b>		<b>\$1,401.00</b>

**DEMOLITION ITEMS & SPECIAL ITEMS**

	DESCRIPTION	UNIT	QUANTITY	UNIT PRICE	AMOUNT
6	Remove Concrete Curb & Gutter	L.F.	60	\$7.52	\$451.20
7	Raise Electrical Conduit	Hr.	2	\$900.00	\$1,800.00
			<b>TOTAL</b>		<b>\$2,251.20</b>

**TOTALS:**

STORM SEWER	\$34,439.06
BITUMINOUS AND CONCRETE PAVING	\$1,401.00
DEMOLITION ITEMS	\$2,251.20

**GRAND TOTAL****\$38,091.26**

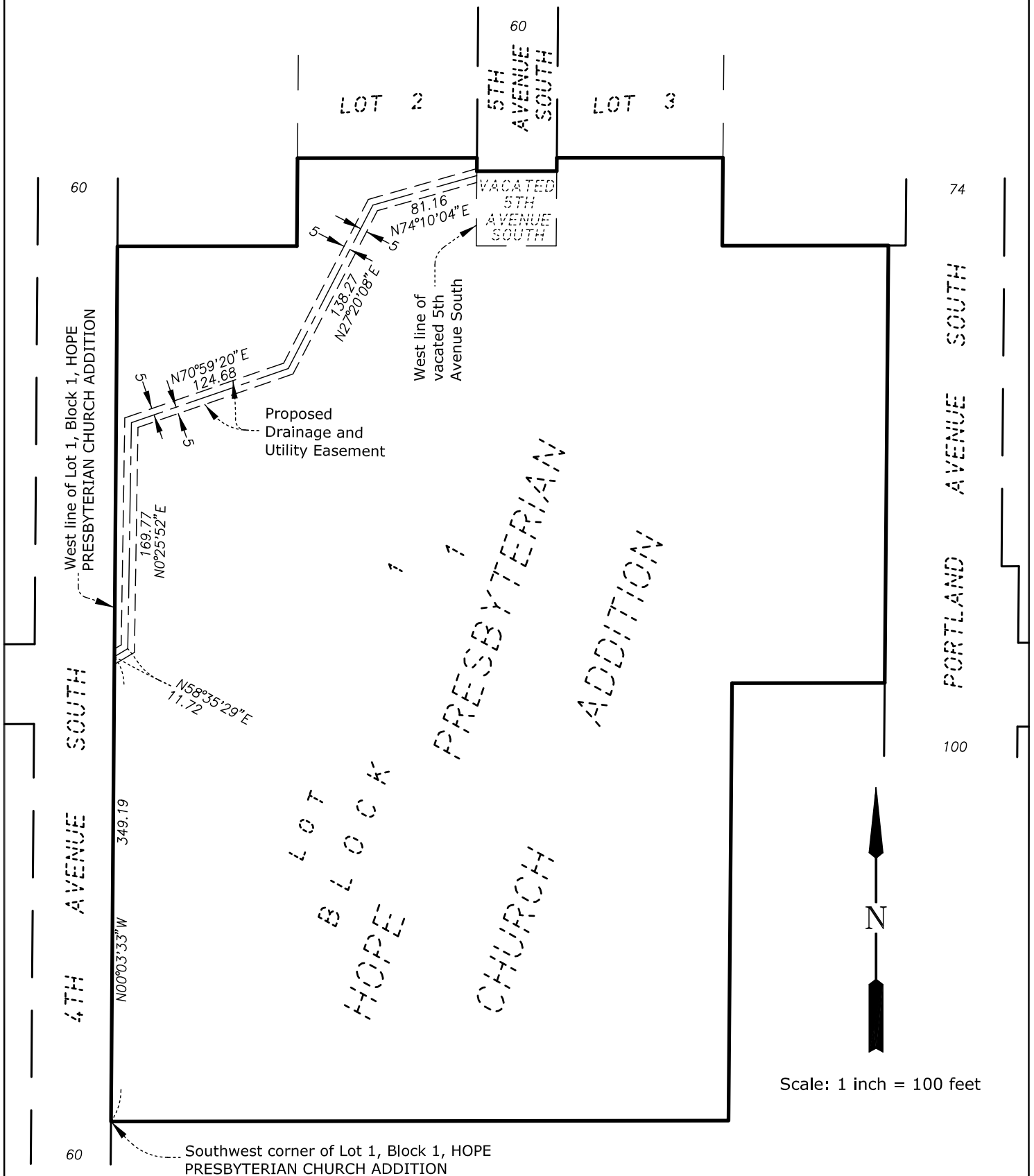
**Exhibit E**  
The Drainage and Utility Easement

## **DRAINAGE AND UTILITY EASEMENT**

A 10 foot easement for drainage and utility purposes over, under and across Lot 1, Block 1, HOPE PRESBYTERIAN CHURCH ADDITION, according to the recorded plat thereof, Hennepin County, Minnesota, the centerline of said easement is described as follows:

Commencing at the southwest corner of said Lot 1; thence North 0 degrees 03 minutes 33 seconds West, along the west line of said Lot 1, a distance of 349.19 feet to the beginning of the centerline to be described; thence North 58 degrees 35 minutes 29 seconds East a distance of 11.72 feet; thence North 0 degrees 25 minutes 52 seconds East a distance of 169.77 feet; thence North 70 degrees 59 minutes 20 seconds East a distance of 124.68 feet; thence North 27 degrees 20 minutes 08 seconds East a distance of 138.27 feet; thence North 74 degrees 10 minutes 04 seconds East a distance of 81.16 feet to an east line of said Lot 1, also being the west line of vacated 5th Avenue South and there said centerline terminates.

# EASEMENT EXHIBIT FOR: HOPE PRESBYTERIAN CHURCH



**Rehder and Associates, Inc.**

CIVIL ENGINEERS AND LAND SURVEYORS

3440 Federal Drive • Suite 110 • Eagan, Minnesota • Phone (651) 452-5051



**STAFF REPORT NO. 189**  
**CITY COUNCIL MEETING**  
**12/14/2021**

REPORT PREPARED BY: Amy Markle, Recreation Services Director

DEPARTMENT DIRECTOR REVIEW: Amy Markle, Recreation Services Director  
12/8/2021

OTHER DEPARTMENT REVIEW:

CITY MANAGER REVIEW: Katie Rodriguez, City Manager  
12/8/2021

**ITEM FOR COUNCIL CONSIDERATION:**

**Consider the approval of a revised agreement between the City of Richfield and the Woodlawn Terrace Cooperative for the use of a 4,690 square-foot strip of land along the edge of Lincoln Field.**

**EXECUTIVE SUMMARY:**

The residents of Woodlawn Terrace, the manufactured home park located at 7421 Lyndale Avenue, have formed a Cooperative and are working to purchase the park from Tom Price, the current owner of the property. Mr. Price has paid the City of Richfield for the use of the northern ten feet of the Lincoln Athletic Complex for many years for purposes of accommodating five larger units. The City arranges for use of the land through a use and indemnification agreement (Agreement) that has been renewed every two years since 1997. Minnesota Housing is preparing to issue a loan to the Cooperative to purchase the property. In the course of the underwriting process, Minnesota Housing has identified some concerns with the current Agreement and is requesting that the Agreement be converted to a Lease.

The terms of the proposed Lease would be similar to the existing Agreement. The one substantive change being requested by Minnesota Housing is that the Lease include a termination for cause provision. Under the current Agreement, the City can terminate the Agreement without cause on 180 days' notice. The proposed change would require the City to show cause for termination in the event that the Cooperative breaches a material provision in the Lease, provide a written notice of any breach, and offer 90 days to cure the breach.

**RECOMMENDED ACTION:**

**By Motion: Approve a ten-year Lease between the City of Richfield and Woodlawn Terrace Cooperative for the rental of a 4,690 square-foot strip of land along the edge of Lincoln Field, with final language subject to the City Attorney's approval.**

**BASIS OF RECOMMENDATION:**

**A. HISTORICAL CONTEXT**

- The City has leased this land to Mr. Price since 1997. The land is of limited use to the Athletic Complex.
- The Cooperative requires a mortgage in order to purchase the property, and the lender requires the current Agreement be converted to a lease with a just cause termination provision.

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

By policy, The City Council reviews, considers, and executes all City contracts including leases.

**C. CRITICAL TIMING ISSUES:**

The cooperative is under a deadline to close on the property in 2021. Resolving this issue to the satisfaction of Minnesota Housing, the lender, will help the closing to proceed.

**D. FINANCIAL IMPACT:**

Mr. Price currently pays the City for the use of the property. The Cooperative will assume those payments following purchase.

**E. LEGAL CONSIDERATION:**

- The Lease was reviewed by the City Attorney.
- The substantial difference between the Agreement and the Lease is the addition of a requirement that the lease can only be terminated for cause with notice and the opportunity to cure. All other terms remain essentially the same.

**ALTERNATIVE RECOMMENDATION(S):**

Do not approve the conversion of the Agreement to a Lease.

**PRINCIPAL PARTIES EXPECTED AT MEETING:**

A representative of the cooperative.

**ATTACHMENTS:**

Description	Type
□ Woodlawn Terrace Cooperative Lease Agreement	Cover Memo



**LEASE AGREEMENT BETWEEN  
THE CITY OF RICHFIELD  
AND WOODLAWN TERRACE COOPERATIVE**

This LEASE AGREEMENT is entered into this 14th day of December, 2021 (the "Effective Date"), between the City of Richfield, a municipal corporation located at 6700 Portland Avenue, Richfield, Minnesota 55423 (the "City") and Woodlawn Terrace Cooperative, a Minnesota non-profit corporation with an address of 7421 Lyndale Avenue South, Richfield, MN 55423 ("Woodlawn").

**RECITALS**

- A. Woodlawn is the owner of a tract of land described as follows:

Property ID No. 34 028 24 32 0015

ADN Unplatted 34 028 24

THE S 5 ACRES OF THE N 10 ACRES OF NW ¼ OF SW ¼ AND THE N 4 FT THAT PART OF THE NW ¼ OF SW ¼ LYING S OF THE N 10 ACRES THEREOF EX R R R&W AND THE ROAD ("Woodlawn Property").

- B. The City is the owner of a tract of land described as follows:

Property ID No. 34 028 2 32 0025

ADN Unplatted 34 028 24

W 468 68/100 FT OF E 493 68/100 FT OF THAT PART OF THE S 20 ACRES OF N 30 ACRES OF NW ¼ OF SW ¼ LYING S OF THE N 4 FEET THEREOF ("City Property").

- C. Woodlawn wishes to lease the northern ten feet of the City Property from the east to west boundaries, approximately 4,690 square feet (the "Leased Premises") pursuant to the terms and conditions of this Lease Agreement.

- D. The City is willing to lease the Leased Premises to Woodlawn pursuant to the terms and conditions of this Lease Agreement.

**AGREEMENT**

1. **Term and Rent.** Subject to the terms and conditions of this Lease Agreement, and in consideration of the covenants contained herein, the City and Woodlawn agree that Woodlawn may lease the Leased Premises commencing on the Effective Date and terminating on July 31, 2031 (the "Term"), with rent and tax to be paid as follows (collectively, the "Rent"). As of the Effective Date, the City acknowledges and agrees that Rent has been paid through July 31, 2022, pursuant to that certain Use and Indemnification Agreement Between the City of Richfield and Thomas Price dated July 23, 2019, as amended July 13, 2021, and assigned to Woodlawn by Thomas Price effective December 14, 2021 (the "Use and Indemnification Agreement").

<u>DATE DUE</u>	<u>USE FEE</u>	<u>TAX</u>	<u>TOTAL DUE</u>
-----------------	----------------	------------	------------------

8/1/2022	\$ 4,916.19	\$ 369.94	\$ 5,286.13
8/1/2023	\$ 5,063.68	\$ 381.04	\$ 5,444.72
8/1/2024	\$ 5,215.59	\$ 392.47	\$ 5,608.06
8/1/2025	\$ 5,372.05	\$ 404.25	\$ 5,776.30
8/1/2026	\$ 5,533.22	\$ 416.37	\$ 5,949.59
8/1/2027	\$ 5,699.21	\$ 428.87	\$ 6,128.08
8/1/2028	\$ 5,870.19	\$ 441.73	\$ 6,311.92
8/1/2029	\$ 6,046.29	\$ 454.98	\$ 6,501.28
8/1/2030	\$ 6,227.68	\$ 468.63	\$ 6,696.32
8/1/2031	\$ 6,414.51	\$ 482.69	\$ 6,897.20

2. **Maintenance and Repair.** In addition to the Rent obligations hereunder, Woodlawn shall, at its own cost and expense, maintain and repair the Leased Premises and shall at all times comply with the regulations of the City. The City shall have no responsibility for the maintenance or repair of the Leased Premises for the duration of the Term and all extensions thereof.

3. **Indemnification and Insurance.**

- a. Woodlawn shall at all times defend, protect, indemnify, and hold harmless the City and its agents, officers, servants, and employees from any and all claims for damages and other remedy, including but not limited to costs and attorney fees, arising from or by reason of the maintenance, use and repair of the Leased Premises. Nothing in this Lease Agreement shall be construed as a waiver by the City of any immunities, defenses, or other limitations on liability to which the City is entitled by law, including but not limited to the maximum monetary limits on liability established by Minnesota Statutes, Chapter 466.
- b. Woodlawn, at its sole cost and expense, shall maintain in full force and effect during the Term of this Lease Agreement and any extensions thereof, general liability insurance in the minimum amounts of \$1,000,000 bodily injury, including death, per person; \$1,000,000 bodily injury, including death, per occurrence; and \$500,000 property damage per occurrence. A certificate of insurance evidencing compliance with this Lease Agreement shall be provided to the City by Woodlawn upon the City's request. The City shall be named as an additional insured on the insurance policy described herein, and such policy shall contain a stipulation that Woodlawn's insurer will provide thirty (30) days prior written notice of cancellation of such insurance to the City. The insurance shall be carried by solvent and responsible insurance companies licensed to do business in the State of Minnesota.

4. **Right of Renewal.** As long as Woodlawn remains in good standing under the terms of this Lease Agreement, Woodlawn shall be entitled to renew this Lease Agreement for up to two (2)

successive five (5) year terms. This Right of Renewal shall be exercisable by written notice delivered to the City by Woodlawn not later than sixty (60) days prior to the expiration of the Term.

5. **Termination.** The City may terminate this Lease Agreement for cause by written notice to Woodlawn if Woodlawn breaches a material provision of the Lease Agreement. In the event of material breach by Woodlawn, the City must give ninety (90) days' written notice to Woodlawn of said material breach and an opportunity to cure, if such material breach is capable of cure. If Woodlawn cures said material breach prior to the end of the 90-day period, the City shall not be entitled to terminate this Lease Agreement.

6. **Termination of Use and Indemnification Agreement.** As of the Effective Date, the Use and Indemnification Agreement is terminated and shall be of no further force and effect.

7. **Miscellaneous.**

- a. Any titles of the several paragraphs of the Lease Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.
- b. Any notice, demand, or other communication under this Lease Agreement by either party to the other shall be sufficiently given or delivered if it is dispatched by registered or certified mail, postage prepaid, return receipt requested, or delivered personally to the addresses indicated below, or at such other address with respect to either such party as that party may, from time to time, designate in writing and forward to the other as provided herein:

Woodlawn: 7421 Lyndale Avenue South  
Richfield, MN 55423  
Attn: President

City: Richfield Community Center  
7000 Nicollet Avenue South  
Richfield, MN 55423  
Attn: Recreation Services Director

- c. This Lease Agreement may be executed in any number of counterparts, each of which shall constitute one and the same instrument.
- d. This Lease Agreement constitutes the entire agreement between Woodlawn and the City with respect to the Leased Premises and supersedes any other written or oral agreements between the parties on that subject. This Lease Agreement can be modified only in a writing signed by the parties.
- e. On or before the expiration date or the effective date of termination of this Lease Agreement, Woodlawn shall remove all structures from the Leased Premises and restore the Leased Premises with fully established sod.

- f. Except as specifically set forth herein, nothing in this Lease Agreement shall be construed to exempt Woodlawn from or waive the application of any federal, state, or local law, rule, or regulations.
- g. Nothing in this Lease Agreement shall be construed as abandonment of any part of the City Property, including the Leased Premises, by the City, or as any relinquishment of any right the City may have with regard to the City Property. Woodlawn specifically acknowledges and agrees that its construction on and maintenance of the Leased Premises is at the sufferance of the City and subject to the City's right to terminate such use in accordance with the provisions in paragraph 5 hereof.
- h. In the event that the use of the Leased Premises under this Lease Agreement renders the City Property taxable, Woodlawn agrees to pay, before penalty attaches, all ad valorem property taxes or other similar taxes levied against the Leased Premises.
- i. This Lease Agreement may be extended by the parties from time-to-time and upon such terms as they shall mutually agree to, subject to Woodlawn's Right of Renewal in paragraph 4 hereof.
- j. No new structure shall be erected on the Leased Premises without the prior written consent of the City; and Woodlawn shall not use the Leased Premises for any purpose other than in connection with the mobile home park without the prior written consent of the City.

IN WITNESS WHEREOF, Woodlawn and the City have entered into this Lease Agreement as of the Effective Date hereof.

CITY OF RICHFIELD:

WOODLAWN TERRACE COOPERATIVE

---

By: Maria Regan Gonzalez  
Its: Mayor

---

By: Beverly L. Adrian  
Its: President

---

By: Katie Rodriguez  
Its: City Manager

---

By: Jacqueline M. Soucek  
Its: Treasurer

**CITY COUNCIL MEETING****12/14/2021**

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

DEPARTMENT DIRECTOR REVIEW: Jay Henthorne, Director of Public Safety/Chief of Police  
12/9/2021

OTHER DEPARTMENT REVIEW:

CITY MANAGER REVIEW: Katie Rodriguez, City Manager  
12/9/2021**ITEM FOR COUNCIL CONSIDERATION:****Consider approval of a Resolution for the City of Richfield to opt-into the national opioid settlement.****EXECUTIVE SUMMARY:**

The City of Richfield has been affected by opioid overdoses since approximately January, 2003. Our City Attorney submitted a claim to the United States Bankruptcy Court on July 30, 2020 in an attempt to recover estimated funds for the following categories: Child Welfare and Adolescent Service, Drug Treatment Programs, Education and Prevention Programs, Health Care, and Law Enforcement and Criminal Justice, and Lost Tax Revenue.

**RECOMMENDED ACTION:**

**By motion: Approve a resolution for the City of Richfield to opt-into the national opioid settlement.**

**BASIS OF RECOMMENDATION:****A. HISTORICAL CONTEXT**

According to the medical examiners office the total number of opioid deaths in Hennepin County are:

2008: 79

2009: 73

2010: 69

2011: 75

2012: 93

2013: 99

2014: 92

2015: 101

2016: 146

2017: 149

Purdue Pharma, the maker of the opioid Oxycontin, was initially one of the defendants in the Opioid Multi-District Litigation. However, on September 15, 2019, Purdue filed for Chapter 11 bankruptcy. As

part of the bankruptcy process, any outstanding claims against Purdue had to be filed with the Bankruptcy Court by July 30, 2020 at 4 PM Central.

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

**C. CRITICAL TIMING ISSUES:**

City Council must approve a resolution opting-into the National Opioid settlement by January 2, 2022.

**D. FINANCIAL IMPACT:**

The potential is for Richfield to receive as much as \$5,777,873, including \$2,402,482 for damages from 2003 - June, 2020 and \$3,375,391 for future damages and abatement costs over the next 20 years. The model bases its estimated claim on costs from: Child Welfare & Adolescent Services, Drug Treatment Programs, Education & Prevention Programs, Health Care, Law Enforcement and Criminal Justice, and Lost Tax Revenue.

**E. LEGAL CONSIDERATION:**

The City Attorney has been involved and has submitted documentation on our behalf of the City of Richfield for damages and abatement costs.

**ALTERNATIVE RECOMMENDATION(S):**

Council could disapprove the City of Richfield to opt-into the national opioid settlement and any funding allocated to the City of Richfield would not be accepted.

**PRINCIPAL PARTIES EXPECTED AT MEETING:**

**ATTACHMENTS:**

Description		Type
□	Resolution	Resolution Letter
□	Minnesota Opioids State-Subdivision Memorandum of Agreement	Backup Material

**RESOLUTION APPROVING THE MEMORANDUM OF AGREEMENT (MOA)  
BETWEEN THE STATE OF MINNESOTA AND LOCAL GOVERNMENTS AND  
AUTHORIZING PARTICIPATION IN NATIONAL OPIOID SETTLEMENTS**

**WHEREAS**, the State of Minnesota, Minnesota counties and cities, and their people, have been harmed by misconduct committed by certain entities that engage in the manufacture, marketing, promotion, distribution, or dispensing of opioids; and

**WHEREAS**, the State of Minnesota and numerous Minnesota cities and counties joined with thousands of local governments across the country to file lawsuits against opioid manufacturer and pharmaceutical distribution companies and hold those companies accountable for their misconduct; and

**WHEREAS**, representatives of local Minnesota governments, the League of Minnesota Cities, the Association of Minnesota Counties, the Coalition of Greater Minnesota Cities, the State of Minnesota, and the Minnesota Attorney General's Office have negotiated and prepared a Memorandum of Agreement (MOA) to provide for the equitable distribution of proceeds to the State of Minnesota and to individual local governments from recent settlements in the national opioid litigation; and

**WHEREAS**, by signing onto the MOA, the state and local governments maximize Minnesota's share of opioid settlement funds, demonstrate solidarity in response to the opioid epidemic, and ensure needed resources reach the most impacted communities; and

**WHEREAS**, it is in the best interests of the State of Minnesota and the residents of the City of Richfield, and the County of Hennepin that the City participate in the national opioid litigation settlements.

**NOW, THEREFORE**, be it resolved by the City Council of the City of Richfield, Minnesota:

1. Participation in the opioid litigation settlements promotes the public health, safety, and welfare of the residents of the City of Richfield.
2. The City of Richfield supports and opts-in to the national opioid litigation settlements with the Distributors McKesson, Cardinal Health, and Amerisource Bergen, and with the Manufacturer Johnson & Johnson.
3. The Memorandum of Agreement (MOA) between the State of Minnesota and Local Governments relating to the distribution of settlement funds is hereby approved by the City of Richfield.
4. City Staff is hereby authorized to take such measures as necessary to sign the MOA and otherwise participate in the national opioid settlements, including executing the Participation Agreement and accompanying Release.

Adopted by the City Council December 14, 2021

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City Manager

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Mayor

Attest:

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City Clerk



## **MINNESOTA OPIOIDS STATE-SUBDIVISION MEMORANDUM OF AGREEMENT**

**WHEREAS**, the State of Minnesota, Minnesota counties and cities, and their people have been harmed by misconduct committed by certain entities that engage in or have engaged in the manufacture, marketing, promotion, distribution, or dispensing of an opioid analgesic;

**WHEREAS**, certain Minnesota counties and cities, through their counsel, and the State, through its Attorney General, are separately engaged in ongoing investigations, litigation, and settlement discussions seeking to hold opioid manufacturers and distributors accountable for the damage caused by their misconduct;

**WHEREAS**, the State and Local Governments share a common desire to abate and alleviate the impacts of the misconduct described above throughout Minnesota;

**WHEREAS**, while the State and Local Governments recognize the sums which may be available from the aforementioned litigation will likely be insufficient to fully abate the public health crisis caused by the opioid epidemic, they share a common interest in dedicating the most resources possible to the abatement effort;

**WHEREAS**, the investigations and litigation with Johnson & Johnson, AmerisourceBergen, Cardinal Health, and McKesson have resulted in National Settlement Agreements with those companies, which the State has already committed to join;

**WHEREAS**, Minnesota's share of settlement funds from the National Settlement Agreements will be maximized only if all Minnesota counties, and cities of a certain size, participate in the settlements;

**WHEREAS**, the National Settlement Agreements will set a default allocation between each state and its political subdivisions unless they enter into a state-specific agreement regarding the distribution and use of settlement amounts;

**WHEREAS**, this Memorandum of Agreement is intended to facilitate compliance by the State and by the Local Governments with the terms of the National Settlement Agreements and is intended to serve as a State-Subdivision Agreement under the National Settlement Agreements;

**WHEREAS**, this Memorandum of Agreement is also intended to serve as a State-Subdivision Agreement under resolutions of claims concerning alleged misconduct in the manufacture, marketing, promotion, distribution, or dispensing of an opioid analgesic entered in bankruptcy court that provide for payments (including payments through a trust) to both the State and Minnesota counties and cities and allow for the allocation between a state and its political subdivisions to be set through a state-specific agreement; and

**WHEREAS**, specifically, this Memorandum of Agreement is intended to serve under the Bankruptcy Resolutions concerning Purdue Pharma and Mallinckrodt as a qualifying Statewide Abatement Agreement.

## **I. Definitions**

As used in this MOA (including the preamble above):

“Approved Uses” shall mean forward-looking strategies, programming, and services to abate the opioid epidemic that fall within the list of uses on **Exhibit A**. Consistent with the terms of the National Settlement Agreements and Bankruptcy Resolutions, “Approved Uses” shall include the reasonable administrative expenses associated with overseeing and administering Opioid Settlement Funds. Reimbursement by the State or Local Governments for past expenses are not Approved Uses.

“Backstop Fund” is defined in Section VI.B below.

“Bankruptcy Defendants” mean Purdue Pharma L.P. and Mallinckrodt plc.

“Bankruptcy Resolution(s)” means resolutions of claims concerning alleged misconduct in manufacture, marketing, promotion, distribution, or dispensing of an opioid analgesic by the Bankruptcy Defendants entered in bankruptcy court that provide for payments (including payments through a trust) to both the State and Minnesota counties and municipalities and allow for the allocation between the state and its political subdivisions to be set through a state-specific agreement.

“Counsel” is defined in Section VI.B below.

“County Area” shall mean a county in the State of Minnesota plus the Local Governments, or portion of any Local Government, within that county.

“Governing Body” means (1) for a county, the county commissioners of the county, and (2) for a municipality, the elected city council or the equivalent legislative body for the municipality.

“Legislative Modification” is defined in Section II.C below.

“Litigating Local Governments” mean a Local Government that filed an opioid lawsuit(s) on or before December 3, 2021, as defined in Section VI.B below.

“Local Abatement Funds” are defined in Section II.B below.

“Local Government” means all counties and cities within the geographic boundaries of the state of Minnesota.

“MDL Matter” means the matter captioned *In re National Prescription Opiate Litigation*, MDL 2804, pending in the United States District Court for the Northern District of Ohio.

“Memorandum of Agreement” or “MOA” mean this agreement, the Minnesota Opioids State-Subdivision Memorandum of Agreement.

“National Settlement Agreements” means the national opioid settlement agreements with the Parties and one or all of the Settling Defendants concerning alleged misconduct in manufacture, marketing, promotion, distribution, or dispensing of an opioid analgesic.

“Opioid Settlement Funds” shall mean all funds allocated by the National Settlement Agreements and any Bankruptcy Resolutions to the State and Local Governments for purposes of opioid remediation activities or restitution, as well as any repayment of those funds and any interest or investment earnings that may accrue as those funds are temporarily held before being expended on opioid remediation strategies.

“Opioid Supply Chain Participants” means entities that engage in or have engaged in the manufacture, marketing, promotion, distribution, or dispensing of an opioid analgesic, including their officers, directors, employees, or agents, acting in their capacity as such.

“Parties” means the State and the Participating Local Governments.

“Participating Local Government” means a county or city within the geographic boundaries of the State of Minnesota that has signed this Memorandum of Agreement and has executed a release of claims with the Settling Defendants by signing on to the National Settlement Agreements. For the avoidance of doubt, a Local Government must sign this MOA to become a “Participating Local Government.”

“Region” is defined in Section II.H below.

“Settling Defendants” means Johnson & Johnson, AmerisourceBergen, Cardinal Health, and McKesson, as well as their subsidiaries, affiliates, officers, and directors named in a National Settlement Agreement.

“State” means the State of Minnesota by and through its Attorney General, Keith Ellison.

“State Abatement Fund” is defined in Section II.B below.

## **II. Allocation of Settlement Proceeds**

- A. Method of distribution. Pursuant to the National Settlement Agreements and any Bankruptcy Resolutions, Opioid Settlement Funds shall be distributed directly to the State and directly to Participating Local Governments in such proportions and for such uses as set forth in this MOA, provided Opioid Settlement Funds shall not be considered funds of the State or any Participating Local Government unless and until such time as each annual distribution is made.
- B. Overall allocation of funds. Opioid Settlement Funds will be initially allocated as follows: (i) 25% directly to the State (“State Abatement Fund”), and (ii) 75% directly to abatement funds established by Participating Local Governments (“Local Abatement Funds”). This initial allocation is subject to modification by Sections II.F, II.G, and II.H, below.

C. Statutory change.

1. The Parties agree to work together in good faith to propose and lobby for legislation in the 2022 Minnesota legislative session to modify the distribution of the State's Opiate Epidemic Response Fund under Minnesota Statutes section 256.043, subd. 3(d), so that "50 percent of the remaining amount" is no longer appropriated to county social services, as related to Opioid Settlement Funds that are ultimately placed into the Minnesota Opiate Epidemic Response Fund ("Legislative Modification").<sup>1</sup> Such efforts include, but are not limited to, providing testimony and letters in support of the Legislative Modification.
2. It is the intent of the Parties that the Legislative Modification would affect only the county share under section 256.043, subd. 3(d), and would not impact the provision of funds to tribal social service agencies. Further, it is the intent of the Parties that the Legislative Modification would relate only to disposition of Opioid Settlement Funds and is not predicated on a change to the distribution of the Board of Pharmacy fee revenue that is deposited into the Opiate Epidemic Response Fund.

D. Bill Drafting Workgroup. The Parties will work together to convene a Bill Drafting Workgroup to recommend draft legislation to achieve this Legislative Modification. The Workgroup will meet as often as practicable in December 2021 and January 2022 until recommended language is completed. Invitations to participate in the group shall be extended to the League of Minnesota Cities, the Association of Minnesota Counties, the Coalition of Greater Minnesota Cities, state agencies, the Governor's Office, the Attorney General's Office, the Opioid Epidemic Response Advisory Council, the Revisor's Office, and Minnesota tribal representatives. The Workgroup will host meetings with Members of the Minnesota House of Representatives and Minnesota Senate who have been involved in this matter to assist in crafting a bill draft.

E. No payments until August 1, 2022. The Parties agree to take all steps necessary to ensure that any Opioid Settlement Funds ready for distribution directly to the State and Participating Local Governments under the National Settlement Agreements or Bankruptcy Resolutions are not actually distributed to the Parties until on or after August 1, 2022, in order to allow the Parties to pursue legislative change that would take effect before the Opioid Settlement Funds are received by the Parties. Such steps may include, but are not limited to, the Attorney General's Office delaying its filing of Consent Judgments in Minnesota state court memorializing the National Settlement Agreements. This provision will cease to apply upon the effective date of the Legislative Modification described above, if that date is prior to August 1, 2022.

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<sup>1</sup> It is the intent of the Parties that counties will continue to fund child protection services for children and families who are affected by addiction, in compliance with the Approved Uses in **Exhibit A**.

- F. Effect of no statutory change by August 1, 2022. If the Legislative Modification described above does not take effect by August 1, 2022, the allocation between the Parties set forth in Section II.B shall be modified as follows: (i) 40% directly to the State Abatement Fund, and (ii) 60% to Local Abatement Funds. The Parties further agree to discuss potential amendment of this MOA if such legislation does not timely go into effect in accordance with this paragraph.
- G. Effect of later statutory change. If the Legislative Modification described above takes effect after August 1, 2022, the allocation between the Parties will be modified as follows: (i) 25% directly to the State Abatement Fund, and (ii) 75% to Local Abatement Funds.
- H. Effect of partial statutory change. If any legislative action otherwise modifies or diminishes the direct allocation of Opioid Settlement Funds to Participating Local Governments so that as a result the Participating Local Governments would receive less than 75 percent of the Opioid Settlement Funds (inclusive of amounts received by counties per statutory appropriation through the Minnesota Opiate Epidemic Response Fund), then the allocation set forth in Section II.B will be modified to ensure Participating Local Governments receive 75% of the Opioid Settlement Funds.
- I. Participating Local Governments receiving payments. The proportions set forth in **Exhibit B** provide for payments directly to: (i) all Minnesota counties; and (ii) all Minnesota cities that (a) have a population of more than 30,000, based on the United States Census Bureau's Vintage 2019 population totals, (b) have funded or otherwise managed an established health care or treatment infrastructure (e.g., health department or similar agency), or (c) have initiated litigation against the Settling Defendants as of December 3, 2021.
- J. Allocation of funds between Participating Local Governments. The Local Abatement Funds shall be allocated to Participating Local Governments in such proportions as set forth in **Exhibit B**, attached hereto and incorporated herein by reference, which is based upon the MDL Matter's Opioid Negotiation Class Model.<sup>2</sup> The proportions shall not change based on population changes during the term of the MOA. However, to the extent required by the terms of the National Settlement Agreements, the proportions set forth in **Exhibit B** must be adjusted: (i) to provide no payment from the National Settlement Agreements to any listed county or municipality that does not participate in the National Settlement Agreements; and (ii) to provide a reduced payment from the National Settlement Agreements to any listed county or city that signs on to the National Settlement Agreements after the Initial Participation Date.
- K. Redistribution in certain situations. In the event a Participating Local Government merges, dissolves, or ceases to exist, the allocation percentage for that Participating Local

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<sup>2</sup> More specifically, the proportions in Exhibit B were created based on Exhibit G to the National Settlement Agreements, which in turn was based on the MDL Matter's allocation criteria. Cities under 30,000 in population that had shares under the Exhibit G default allocation were removed and their shares were proportionally reallocated amongst the remaining subdivisions.

Government shall be redistributed equitably based on the composition of the successor Local Government. In the event an allocation to a Local Government cannot be paid to the Local Government, such unpaid allocations will be allocated to Local Abatement Funds and be distributed in such proportions as set forth in Exhibit B.

- L. City may direct payments to county. Any city allocated a share may elect to have its full share or a portion of its full share of current or future annual distributions of settlement funds instead directed to the county or counties in which it is located, so long as that county or counties are Participating Local Governments[s]. Such an election must be made by January 1 each year to apply to the following fiscal year. If a city is located in more than one county, the city's funds will be directed based on the MDL Matter's Opioid Negotiation Class Model.

### **III. Special Revenue Fund**

- A. Creation of special revenue fund. Every Participating Local Government receiving Opioid Settlement Funds through direct distribution shall create a separate special revenue fund, as described below, that is designated for the receipt and expenditure of Opioid Settlement Funds.
- B. Procedures for special revenue fund. Funds in this special revenue fund shall not be commingled with any other money or funds of the Participating Local Government. The funds in the special revenue fund shall not be used for any loans or pledge of assets, unless the loan or pledge is for an Approved Use. Participating Local Governments may not assign to another entity their rights to receive payments of Opioid Settlement Funds or their responsibilities for funding decisions, except as provided in Section II.L.
- C. Process for drawing from special revenue funds.
  - 1. Opioid Settlement Funds can be used for a purpose when the Governing Body includes in its budget or passes a separate resolution authorizing the expenditure of a stated amount of Opioid Settlement Funds for that purpose or those purposes during a specified period of time.
  - 2. The budget or resolution must (i) indicate that it is an authorization for expenditures of opioid settlement funds; (ii) state the specific strategy or strategies the county or city intends to fund, using the item letter and/or number in **Exhibit A** to identify each funded strategy, if applicable; and (iii) state the amount dedicated to each strategy for a stated period of time.
- D. Local government grantmaking. Participating Local Governments may make contracts with or grants to a nonprofit, charity, or other entity with Opioid Settlement Funds.
- E. Interest earned on special revenue fund. The funds in the special revenue fund may be invested, consistent with the investment limitations for local governments, and may be

placed in an interest-bearing bank account. Any interest earned on the special revenue funds must be used in a way that is consistent with this MOA.

#### **IV. Opioid Remediation Activities**

- A. Limitation on use of funds. This MOA requires that Opioid Settlement Funds be utilized only for future opioid remediation activities, and Parties shall expend Opioid Settlement Funds only for Approved Uses and for expenditures incurred after the effective date of this MOA, unless execution of the National Settlement Agreements requires a later date. Opioid Settlement Funds cannot be used to pay litigation costs, expenses, or attorney fees arising from the enforcement of legal claims related to the opioid epidemic, except for the portion of Opioid Settlement Funds that comprise the Backstop Fund described in Section VI. For the avoidance of doubt, counsel for Litigating Local Governments may recover litigation costs, expenses, or attorney fees from the common benefit, contingency fee, and cost funds established in the National Settlement Agreements, as well as the Backstop Fund described in Section VI.
- B. Public health departments as Chief Strategists. For Participating Local Governments that have public health departments, the public health departments shall serve as the lead agency and Chief Strategist to identify, collaborate, and respond to local issues as Local Governments decide how to leverage and disburse Opioid Settlement Funds. In their role as Chief Strategist, public health departments will convene multi-sector meetings and lead efforts that build upon local efforts like Community Health Assessments and Community Health Improvement Plans, while fostering community focused and collaborative evidence-informed approaches that prevent and address addiction across the areas of public health, human services, and public safety. Chief Strategists should consult with municipalities located within their county in the development of any Community Health Assessment, and are encouraged to collaborate with law enforcement agencies in the county where appropriate.
- C. Administrative expenses. Reasonable administrative costs for the State or Local Government to administer its allocation of the Opioid Settlement Funds shall not exceed actual costs, 10% of the relevant allocation of the Opioid Settlement Funds, or any administrative expense limitation imposed by the National Settlement Agreements or Bankruptcy Resolution, whichever is less.
- D. Regions. Two or more Participating Local Governments may at their discretion form a new group or utilize an existing group (“Region”) to pool their respective shares of settlement funds and make joint spending decisions. Participating Local Governments may choose to create a Region or utilize an existing Region under a joint exercise of powers under Minn. Stat. § 471.59.
- E. Consultation and partnerships.
  - 1. Each county receiving Opioid Settlement Funds must consult annually with the municipalities in the county regarding future use of the settlement funds in the

county, including by holding an annual meeting with all municipalities in the county in order to receive input as to proposed uses of the Opioid Settlement Funds and to encourage collaboration between Local Governments both within and beyond the county. These meetings shall be open to the public.

2. Participating Local Governments within the same County Area have a duty to regularly consult with each other to coordinate spending priorities.
  3. Participating Local Governments can form partnerships at the local level whereby Participating Local Governments dedicate a portion of their Opioid Settlement Funds to support city- or community-based work with local stakeholders and partners within the Approved Uses.
- F. Collaboration. The State and Participating Local Governments must collaborate to promote effective use of Opioid Settlement Funds, including through the sharing of expertise, training, and technical assistance. They will also coordinate with trusted partners, including community stakeholders, to collect and share information about successful regional and other high-impact strategies and opioid treatment programs.

## **V. Reporting and Compliance**

- A. Construction of reporting and compliance provisions. Reporting and compliance requirements will be developed and mutually agreed upon by the Parties, utilizing the recommendations provided by the Advisory Panel to the Attorney General on Distribution and Allocation of Opioid Settlement Funds.
- B. Reporting Workgroup. The Parties will work together to establish a Reporting Workgroup that includes representatives of the Attorney General's Office, state stakeholders, and city and county representatives, who will meet on a regular basis to develop reporting and compliance recommendations. The Reporting Workgroup must produce a set of reporting and compliance measures by June 1, 2022. Such reporting and compliance measures will be effective once approved by representatives of the Attorney General's Office, the Governor's Office, the Association of Minnesota Counties, and the League of Minnesota Cities that are on the Workgroup.

## **VI. Backstop Fund**

- A. National Attorney Fee Fund. The National Settlement Agreements provide for the payment of all or a portion of the attorney fees and costs owed by Litigating Local Governments to private attorneys specifically retained to file suit in the opioid litigation ("National Attorney Fee Fund"). The Parties acknowledge that the National Settlement Agreements may provide for a portion of the attorney fees of Litigating Local Governments.
- B. Backstop Fund and Waiver of Contingency Fee. The Parties agree that the Participating Local Governments will create a supplemental attorney fees fund (the "Backstop Fund") to be used to compensate private attorneys ("Counsel") for Local Governments that filed opioid lawsuits on or before December 3, 2021 ("Litigating Local Governments"). By



order<sup>3</sup> dated August 6, 2021, Judge Polster capped all applicable contingent fee agreements at 15%. Judge Polster's 15% cap does not limit fees from the National Attorney Fee Fund or from any state backstop fund for attorney fees, but private attorneys for local governments must waive their contingent fee agreements to receive payment from the National Attorney Fee Fund. Judge Polster recognized that a state backstop fund can be designed to incentivize private attorneys to waive their right to enforce contingent fee agreements and instead apply to the National Attorney Fee Fund, with the goals of achieving greater subdivision participation and higher ultimate payouts to both states and local governments. Accordingly, in order to seek payment from the Backstop Fund, Counsel must agree to waive their contingency fee agreements relating to these National Settlement Agreements and first apply to the National Attorney Fee Fund.

- C. Backstop Fund Source. The Backstop Fund will be funded by seven percent (7%) of the share of each payment made to the Local Abatement Funds from the National Settlement Agreements (annual or otherwise), based upon the initial allocation of 25% directly to the State Abatement Fund and 75% directly to Local Abatement Funds, and will not include payments resulting from the Purdue or Mallinckrodt Bankruptcies. In the event that the initial allocation is modified pursuant to Section II.F. above, then the Backstop Fund will be funded by 8.75% of the share of each payment made to the Local Abatement Funds from the National Settlement Agreements (annual or otherwise), based upon the modified allocation of 40% directly to the State Abatement Fund and 60% directly to the Local Abatement Funds, and will not include payments resulting from the Purdue or Mallinckrodt Bankruptcies. In the event that the allocation is modified pursuant to Section II.G. or Section II.H. above, back to an allocation of 25% directly to the State Abatement Fund and 75% directly to Local Abatement Funds, then the Backstop Fund will be funded by 7% of the share of each payment made to the Local Abatement Funds from the National Settlement Agreements (annual or otherwise), and will not include payments resulting from the Purdue or Mallinckrodt Bankruptcies.
- D. Backstop Fund Payment Cap. Any attorney fees paid from the Backstop Fund, together with any compensation received from the National Settlement Agreements' Contingency Fee Fund, shall not exceed 15% of the total gross recovery of the Litigating Local Governments' share of funds from the National Settlement Agreements. To avoid doubt, in no instance will Counsel receive more than 15% of the amount paid to their respective Litigating Local Government client(s) when taking into account what private attorneys receive from both the Backstop Fund and any fees received from the National Settlement Agreements' Contingency Fee Fund.
- E. Requirements to Seek Payment from Backstop Fund. A private attorney may seek payment from the Backstop Fund in the event that funds received by Counsel from the National Settlement Agreements' Contingency Fee Fund are insufficient to cover the amount that would be due to Counsel under any contingency fee agreement with a Litigating Local Government based on any recovery Litigating Local Governments receive from the National Settlement Agreements. Before seeking any payment from the Backstop Fund,

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<sup>3</sup> Order, In re: Nat'l Prescription Opiate Litig., Case No. 17-MD-02804, Doc. No. 3814 (N.D. Ohio August 6, 2021).

private attorneys must certify that they first sought fees from the National Settlement Agreements' Contingency Fee Fund, and must certify that they agreed to accept the maximum fees payments awarded to them. Nothing in this Section, or in the terms of this Agreement, shall be construed as a waiver of fees, contractual or otherwise, with respect to fees that may be recovered under a contingency fee agreement or otherwise from other past or future settlements, verdicts, or recoveries related to the opioid litigation.

- F. Special Master. A special master will administer the Backstop Fund, including overseeing any distribution, evaluating the requests of Counsel for payment, and determining the appropriate amount of any payment from the Backstop Fund. The special master will be selected jointly by the Minnesota Attorney General and the Hennepin County Attorney, and will be one of the following individuals: Hon. Jeffrey Keyes, Hon. David Lillehaug; or Hon. Jack Van de North. The special master will be compensated from the Backstop Fund. In the event that a successor special master is needed, the Minnesota Attorney General and the Hennepin County Attorney will jointly select the successor special master from the above-listed individuals. If none of the above-listed individuals is available to serve as the successor special master, then the Minnesota Attorney General and the Hennepin County Attorney will jointly select a successor special master from a list of individuals that is agreed upon between the Minnesota Attorney General, the Hennepin County Attorney, and Counsel.
- G. Special Master Determinations. The special master will determine the amount and timing of any payment to Counsel from the Backstop Fund. The special master shall make one determination regarding payment of attorney fees to Counsel, which will apply through the term of the recovery from the National Settlement Agreements. In making such determinations, the special master shall consider the amounts that have been or will be received by the private attorney's firm from the National Settlement Agreements' Contingency Fee Fund relating to Litigating Local Governments; the contingency fee contracts; the dollar amount of recovery for Counsel's respective clients who are Litigating Local Governments; the Backstop Fund Payment Cap above; the complexity of the legal issues involved in the opioid litigation; work done to directly benefit the Local Governments within the State of Minnesota; and the principles set forth in the Minnesota Rules of Professional Conduct, including the reasonable and contingency fee principles of Rule 1.5. In the interest of transparency, Counsel shall provide information in their initial fee application about the total amount of fees that Counsel have received or will receive from the National Attorney Fee Fund related to the Litigating Local Governments.
- H. Special Master Proceedings. Counsel seeking payment from the Backstop Fund may also provide written submissions to the special master, which may include declarations from counsel, summaries relating to the factors described above, and/or attestation regarding total payments awarded or anticipated from the National Settlement Agreements' Contingency Fee Fund. Private attorneys shall not be required to disclose work product, proprietary or confidential information, including but not limited to detailed billing or lodestar records. To the extent that counsel rely upon written submissions to support their application to the special master, the special master will incorporate said submission or summary into the record. Any proceedings before the special master and documents filed with the special master shall be public, and the special master's determinations regarding

any payment from the Backstop Funds shall be transparent, public, final, and not appealable.

- I. Distribution of Any Excess Funds. To the extent the special master determines that the Backstop Fund exceeds the amount necessary for payment to Counsel, the special master shall distribute any excess amount to Participating Local Governments according to the percentages set forth in **Exhibit B**.
- J. Term. The Backstop Fund will be administered for (a) the length of the National Litigation Settlement payments; or (b) until all Counsel for Litigating Local Governments have either (i) received payments equal to the Backstop Fund Payment Cap above or (ii) received the full amount determined by the special master; whichever occurs first.
- K. No State Funds Toward Attorney Fees. For the avoidance of doubt, no portion of the State Abatement Fund will be used to fund the Backstop Fund or in any other way to fund any Litigating Local Government's attorney fees and expenses. Any funds that the State receives from the National Settlement Agreements as attorney fees and costs or in lieu of attorney fees and costs, including the Additional Restitution Amounts, will be treated as State Abatement Funds.

## **VII. General Terms**

- A. Scope of agreement. This MOA applies to all settlements under the National Settlement Agreements with Settling Defendants and the Bankruptcy Resolutions with Bankruptcy Defendants.<sup>4</sup> The Parties agree to discuss the use, as the Parties may deem appropriate in the future, of the settlement terms set out herein (after any necessary amendments) for resolutions with Opioid Supply Chain Participants not covered by the National Settlement Agreements or a Bankruptcy Resolution. The Parties acknowledge that this MOA does not excuse any requirements placed upon them by the terms of the National Settlement Agreements or any Bankruptcy Resolution, except to the extent those terms allow for a State-Subdivision Agreement to do so.
- B. When MOA takes effect.
  - 1. This MOA shall become effective at the time a sufficient number of Local Governments have joined the MOA to qualify this MOA as a State-Subdivision Agreement under the National Settlement Agreements or as a Statewide Abatement Agreement under any Bankruptcy Resolution. If this MOA does not thereby qualify as a State-Subdivision Agreement or Statewide Abatement Agreement, this MOA will have no effect.
  - 2. The Parties may conditionally agree to sign on to the MOA through a letter of intent, resolution, or similar written statement, declaration, or pronouncement declaring

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<sup>4</sup> For the avoidance of doubt, this includes settlements reached with AmerisourceBergen, Cardinal Health, and McKesson, and Janssen, and Bankruptcy Resolutions involving Purdue Pharma L.P., and Mallinckrodt plc.

their intent to sign on to the MOA if the threshold for Party participation in a specific Settlement is achieved.

C. Dispute resolution.

1. If any Party believes another Party has violated the terms of this MOA, the alleging Party may seek to enforce the terms of this MOA in Ramsey County District Court, provided the alleging Party first provides notice to the alleged offending Party of the alleged violation and a reasonable opportunity to cure the alleged violation.
2. If a Party believes another Party, Region, or individual involved in the receipt, distribution, or administration of Opioid Settlement Funds has violated any applicable ethics codes or rules, a complaint shall be lodged with the appropriate forum for handling such matters.
3. If a Party believes another Party, Region, or individual involved in the receipt, distribution, or administration of Opioid Settlement Funds violated any Minnesota criminal law, such conduct shall be reported to the appropriate criminal authorities.

D. Amendments. The Parties agree to make such amendments as necessary to implement the intent of this MOA.

E. Applicable law and venue. Unless otherwise required by the National Settlement Agreements or a Bankruptcy Resolution, this MOA, including any issues related to interpretation or enforcement, is governed by the laws of the State of Minnesota. Any action related to the provisions of this MOA must be adjudicated by the Ramsey County District Court. If any provision of this MOA is held invalid by any court of competent jurisdiction, this invalidity does not affect any other provision which can be given effect without the invalid provision.

F. Relationship of this MOA to other agreements and resolutions. All Parties acknowledge and agree that the National Settlement Agreements will require a Participating Local Government to release all its claims against the Settling Defendants to receive direct allocation of Opioid Settlement Funds. All Parties further acknowledge and agree that based on the terms of the National Settlement Agreements, a Participating Local Government may receive funds through this MOA only after complying with all requirements set forth in the National Settlement Agreements to release its claims. This MOA is not a promise from any Party that any National Settlement Agreements or Bankruptcy Resolution will be finalized or executed.

G. When MOA is no longer in effect. This MOA is effective until one year after the last date on which any Opioid Settlement Funds are being spent by the Parties pursuant to the National Settlement Agreements and any Bankruptcy Resolution.

H. No waiver for failure to exercise. The failure of a Party to exercise any rights under this MOA will not be deemed to be a waiver of any right or any future rights.

- I. No effect on authority of Parties. Nothing in this MOA should be construed to limit the power or authority of the State of Minnesota, the Attorney General, or the Local Governments, except as expressly set forth herein.
- J. Signing and execution. This MOA may be executed in counterparts, each of which constitutes an original, and all of which constitute one and the same agreement. This MOA may be executed by facsimile or electronic copy in any image format. Each Party represents that all procedures necessary to authorize such Party's execution of this MOA have been performed and that the person signing for such Party has been authorized to execute the MOA in an official capacity that binds the Party.

This **Minnesota Opioids State-Subdivision Memorandum of Agreement** is signed

this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ by:

\_\_\_\_\_

Name and Title: \_\_\_\_\_

On behalf of: \_\_\_\_\_

## **EXHIBIT A**

### **List of Opioid Remediation Uses**

Settlement fund recipients shall choose from among abatement strategies, including but not limited to those listed in this Exhibit. The programs and strategies listed in this Exhibit are not exclusive, and fund recipients shall have flexibility to modify their abatement approach as needed and as new uses are discovered.

<b>PART ONE: TREATMENT</b>
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#### **A. TREAT OPIOID USE DISORDER (OUD)**

Support treatment of Opioid Use Disorder (“*OUD*”) and any co-occurring Substance Use Disorder or Mental Health (“*SUD/MH*”) conditions through evidence-based or evidence-informed programs<sup>5</sup> or strategies that may include, but are not limited to, those that:<sup>6</sup>

1. Expand availability of treatment for OUD and any co-occurring SUD/MH conditions, including all forms of Medication for Opioid Use Disorder (“*MOUD*”) <sup>7</sup> approved by the U.S. Food and Drug Administration.
2. Support and reimburse evidence-based services that adhere to the American Society of Addiction Medicine (“*ASAM*”) continuum of care for OUD and any co-occurring SUD/MH conditions.
3. Expand telehealth to increase access to treatment for OUD and any co-occurring SUD/MH conditions, including *MOUD*, as well as counseling, psychiatric support, and other treatment and recovery support services.
4. Improve oversight of Opioid Treatment Programs (“*OTPs*”) to assure evidence-based or evidence-informed practices such as adequate methadone dosing and low threshold approaches to treatment.

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<sup>5</sup> Use of the terms “evidence-based,” “evidence-informed,” or “best practices” shall not limit the ability of recipients to fund innovative services or those built on culturally specific needs. Rather, recipients are encouraged to support culturally appropriate services and programs for persons with OUD and any co-occurring SUD/MH conditions.

<sup>6</sup> As used in this Exhibit, words like “expand,” “fund,” “provide” or the like shall not indicate a preference for new or existing programs.

<sup>7</sup> Historically, pharmacological treatment for opioid use disorder was referred to as “Medication-Assisted Treatment” (“*MAT*”). It has recently been determined that the better term is “Medication for Opioid Use Disorder” (“*MOUD*”). This Exhibit will use “*MOUD*” going forward. Use of the term *MOUD* is not intended to and shall in no way limit abatement programs or strategies now or into the future as new strategies and terminology evolve.

5. Support mobile intervention, treatment, and recovery services, offered by qualified professionals and service providers, such as peer recovery coaches, for persons with OUD and any co-occurring SUD/MH conditions and for persons who have experienced an opioid overdose.
6. Provide treatment of trauma for individuals with OUD (*e.g.*, violence, sexual assault, human trafficking, or adverse childhood experiences) and family members (*e.g.*, surviving family members after an overdose or overdose fatality), and training of health care personnel to identify and address such trauma.
7. Support detoxification (detox) and withdrawal management services for people with OUD and any co-occurring SUD/MH conditions, including but not limited to medical detox, referral to treatment, or connections to other services or supports.
8. Provide training on MOUD for health care providers, first responders, students, or other supporting professionals, such as peer recovery coaches or recovery outreach specialists, including telementoring to assist community-based providers in rural or underserved areas.
9. Support workforce development for addiction professionals who work with persons with OUD and any co-occurring SUD/MH or mental health conditions.
10. Offer fellowships for addiction medicine specialists for direct patient care, instructors, and clinical research for treatments.
11. Offer scholarships and supports for certified addiction counselors, licensed alcohol and drug counselors, licensed clinical social workers, licensed mental health counselors, and other mental and behavioral health practitioners or workers, including peer recovery coaches, peer recovery supports, and treatment coordinators, involved in addressing OUD and any co-occurring SUD/MH or mental health conditions, including, but not limited to, training, scholarships, fellowships, loan repayment programs, continuing education, licensing fees, or other incentives for providers to work in rural or underserved areas.
12. Provide funding and training for clinicians to obtain a waiver under the federal Drug Addiction Treatment Act of 2000 (“*DATA 2000*”) to prescribe MOUD for OUD, and provide technical assistance and professional support to clinicians who have obtained a DATA 2000 waiver.
13. Dissemination of web-based training curricula, such as the American Academy of Addiction Psychiatry’s Provider Clinical Support Service–Opioids web-based training curriculum and motivational interviewing.
14. Develop and disseminate new curricula, such as the American Academy of Addiction Psychiatry’s Provider Clinical Support Service for Medication–Assisted Treatment.



**B. SUPPORT PEOPLE IN TREATMENT AND RECOVERY**

Support people in recovery from OUD and any co-occurring SUD/MH conditions through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, the programs or strategies that:

1. Provide comprehensive wrap-around services to individuals with OUD and any co-occurring SUD/MH conditions, including housing, transportation, education, job placement, job training, or childcare.
2. Provide the full continuum of care of treatment and recovery services for OUD and any co-occurring SUD/MH conditions, including supportive housing, peer support services and counseling, community navigators, case management, and connections to community-based services.
3. Provide counseling, peer-support, recovery case management and residential treatment with access to medications for those who need it to persons with OUD and any co-occurring SUD/MH conditions.
4. Provide access to housing for people with OUD and any co-occurring SUD/MH conditions, including supportive housing, recovery housing, housing assistance programs, training for housing providers, or recovery housing programs that allow or integrate FDA-approved medication with other support services.
5. Provide community support services, including social and legal services, to assist in deinstitutionalizing persons with OUD and any co-occurring SUD/MH conditions.
6. Support or expand peer-recovery centers, which may include support groups, social events, computer access, or other services for persons with OUD and any co-occurring SUD/MH conditions.
7. Provide or support transportation to treatment or recovery programs or services for persons with OUD and any co-occurring SUD/MH conditions.
8. Provide employment training or educational services for persons in treatment for or recovery from OUD and any co-occurring SUD/MH conditions.
9. Identify successful recovery programs such as physician, pilot, and college recovery programs, and provide support and technical assistance to increase the number and capacity of high-quality programs to help those in recovery.
10. Engage non-profits, faith-based communities, and community coalitions to support people in treatment and recovery and to support family members in their efforts to support the person with OUD in the family.

11. Provide training and development of procedures for government staff to appropriately interact and provide social and other services to individuals with or in recovery from OUD, including reducing stigma.
12. Support stigma reduction efforts regarding treatment and support for persons with OUD, including reducing the stigma on effective treatment.
13. Create or support culturally appropriate services and programs for persons with OUD and any co-occurring SUD/MH conditions, including but not limited to new Americans, African Americans, and American Indians.
14. Create and/or support recovery high schools.
15. Hire or train behavioral health workers to provide or expand any of the services or supports listed above.

**C. CONNECT PEOPLE WHO NEED HELP TO THE HELP THEY NEED  
(CONNECTIONS TO CARE)**

Provide connections to care for people who have—or are at risk of developing—OUD and any co-occurring SUD/MH conditions through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, those that:

1. Ensure that health care providers are screening for OUD and other risk factors and know how to appropriately counsel and treat (or refer if necessary) a patient for OUD treatment.
2. Fund Screening, Brief Intervention and Referral to Treatment (“SBIRT”) programs to reduce the transition from use to disorders, including SBIRT services to pregnant women who are uninsured or not eligible for Medicaid.
3. Provide training and long-term implementation of SBIRT in key systems (health, schools, colleges, criminal justice, and probation), with a focus on youth and young adults when transition from misuse to opioid disorder is common.
4. Purchase automated versions of SBIRT and support ongoing costs of the technology.
5. Expand services such as navigators and on-call teams to begin MOUD in hospital emergency departments.
6. Provide training for emergency room personnel treating opioid overdose patients on post-discharge planning, including community referrals for MOUD, recovery case management or support services.
7. Support hospital programs that transition persons with OUD and any co-occurring SUD/MH conditions, or persons who have experienced an opioid overdose, into clinically appropriate follow-up care through a bridge clinic or similar approach.

8. Support crisis stabilization centers that serve as an alternative to hospital emergency departments for persons with OUD and any co-occurring SUD/MH conditions or persons that have experienced an opioid overdose.
9. Support the work of Emergency Medical Systems, including peer support specialists, to connect individuals to treatment or other appropriate services following an opioid overdose or other opioid-related adverse event.
10. Provide funding for peer support specialists or recovery coaches in emergency departments, detox facilities, recovery centers, recovery housing, or similar settings; offer services, supports, or connections to care to persons with OUD and any co-occurring SUD/MH conditions or to persons who have experienced an opioid overdose.
11. Expand warm hand-off services to transition to recovery services.
12. Create or support school-based contacts that parents can engage with to seek immediate treatment services for their child; and support prevention, intervention, treatment, and recovery programs focused on young people.
13. Develop and support best practices on addressing OUD in the workplace.
14. Support assistance programs for health care providers with OUD.
15. Engage non-profits and the faith community as a system to support outreach for treatment.
16. Support centralized call centers that provide information and connections to appropriate services and supports for persons with OUD and any co-occurring SUD/MH conditions.

**D. ADDRESS THE NEEDS OF CRIMINAL JUSTICE-INVOLVED PERSONS**

Address the needs of persons with OUD and any co-occurring SUD/MH conditions who are involved in, are at risk of becoming involved in, or are transitioning out of the criminal justice system through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, those that:

1. Support pre-arrest or pre-arraignment diversion and deflection strategies for persons with OUD and any co-occurring SUD/MH conditions, including established strategies such as:
  1. Self-referral strategies such as the Angel Programs or the Police Assisted Addiction Recovery Initiative (“*PAARP*”);
  2. Active outreach strategies such as the Drug Abuse Response Team (“*DART*”) model;

3. “Naloxone Plus” strategies, which work to ensure that individuals who have received naloxone to reverse the effects of an overdose are then linked to treatment programs or other appropriate services;
  4. Officer prevention strategies, such as the Law Enforcement Assisted Diversion (“*LEAD*”) model;
  5. Officer intervention strategies such as the Leon County, Florida Adult Civil Citation Network or the Chicago Westside Narcotics Diversion to Treatment Initiative; or
  6. Co-responder and/or alternative responder models to address OUD-related 911 calls with greater SUD expertise.
2. Support pre-trial services that connect individuals with OUD and any co-occurring SUD/MH conditions to evidence-informed treatment, including MOUD, and related services.
  3. Support treatment and recovery courts that provide evidence-based options for persons with OUD and any co-occurring SUD/MH conditions.
  4. Provide evidence-informed treatment, including MOUD, recovery support, harm reduction, or other appropriate services to individuals with OUD and any co-occurring SUD/MH conditions who are incarcerated in jail or prison.
  5. Provide evidence-informed treatment, including MOUD, recovery support, harm reduction, or other appropriate services to individuals with OUD and any co-occurring SUD/MH conditions who are leaving jail or prison or have recently left jail or prison, are on probation or parole, are under community corrections supervision, or are in re-entry programs or facilities.
  6. Support critical time interventions (“*CTP*”), particularly for individuals living with dual-diagnosis OUD/serious mental illness, and services for individuals who face immediate risks and service needs and risks upon release from correctional settings.
  7. Provide training on best practices for addressing the needs of criminal justice-involved persons with OUD and any co-occurring SUD/MH conditions to law enforcement, correctional, or judicial personnel or to providers of treatment, recovery, harm reduction, case management, or other services offered in connection with any of the strategies described in this section.

**E. ADDRESS THE NEEDS OF THE PERINATAL POPULATION, CAREGIVERS, AND FAMILIES, INCLUDING BABIES WITH NEONATAL OPIOID WITHDRAWAL SYNDROME.**

Address the needs of the perinatal population and caregivers with OUD and any co-occurring SUD/MH conditions, and the needs of their families, including babies with

neonatal opioid withdrawal syndrome (“*NOWS*”), through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, those that:

1. Support evidence-based or evidence-informed treatment, including MOUD, recovery services and supports, and prevention services for the perinatal population—or individuals who could become pregnant—who have OUD and any co-occurring SUD/MH conditions, and other measures to educate and provide support to caregivers and families affected by Neonatal Opioid Withdrawal Syndrome.
2. Expand comprehensive evidence-based treatment and recovery services, including MOUD, for uninsured individuals with OUD and any co-occurring SUD/MH conditions for up to 12 months postpartum.
3. Provide training for obstetricians or other healthcare personnel who work with the perinatal population and their families regarding treatment of OUD and any co-occurring SUD/MH conditions.
4. Expand comprehensive evidence-based treatment and recovery support for *NOWS* babies; expand services for better continuum of care with infant-caregiver dyad; and expand long-term treatment and services for medical monitoring of *NOWS* babies and their caregivers and families.
5. Provide training to health care providers who work with the perinatal population and caregivers on best practices for compliance with federal requirements that children born with *NOWS* get referred to appropriate services and receive a plan of safe care.
6. Provide child and family supports for caregivers with OUD and any co-occurring SUD/MH conditions, emphasizing the desire to keep families together.
7. Provide enhanced support for children and family members suffering trauma as a result of addiction in the family; and offer trauma-informed behavioral health treatment for adverse childhood events.
8. Offer home-based wrap-around services to persons with OUD and any co-occurring SUD/MH conditions, including, but not limited to, parent skills training.
9. Provide support for Children’s Services—Fund additional positions and services, including supportive housing and other residential services, relating to children being removed from the home and/or placed in foster care due to custodial opioid use.

PART TWO: PREVENTION
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**F. PREVENT OVER-PRESCRIBING AND ENSURE APPROPRIATE PRESCRIBING AND DISPENSING OF OPIOIDS**

Support efforts to prevent over-prescribing and ensure appropriate prescribing and dispensing of opioids through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, the following:

1. Funding medical provider education and outreach regarding best prescribing practices for opioids consistent with the Guidelines for Prescribing Opioids for Chronic Pain from the U.S. Centers for Disease Control and Prevention, including providers at hospitals (academic detailing).
2. Training for health care providers regarding safe and responsible opioid prescribing, dosing, and tapering patients off opioids.
3. Continuing Medical Education (CME) on appropriate prescribing of opioids.
4. Providing Support for non-opioid pain treatment alternatives, including training providers to offer or refer to multi-modal, evidence-informed treatment of pain.
5. Supporting enhancements or improvements to Prescription Drug Monitoring Programs (“PDMPs”), including, but not limited to, improvements that:
  1. Increase the number of prescribers using PDMPs;
  2. Improve point-of-care decision-making by increasing the quantity, quality, or format of data available to prescribers using PDMPs, by improving the interface that prescribers use to access PDMP data, or both; or
  3. Enable states to use PDMP data in support of surveillance or intervention strategies, including MOUD referrals and follow-up for individuals identified within PDMP data as likely to experience OUD in a manner that complies with all relevant privacy and security laws and rules.
6. Ensuring PDMPs incorporate available overdose/naloxone deployment data, including the United States Department of Transportation’s Emergency Medical Technician overdose database in a manner that complies with all relevant privacy and security laws and rules.
7. Increasing electronic prescribing to prevent diversion or forgery.
8. Educating dispensers on appropriate opioid dispensing.

**G. PREVENT MISUSE OF OPIOIDS**

Support efforts to discourage or prevent misuse of opioids through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, the following:

1. Funding media campaigns to prevent opioid misuse, including but not limited to focusing on risk factors and early interventions.
2. Corrective advertising or affirmative public education campaigns based on evidence.
3. Public education relating to drug disposal.
4. Drug take-back disposal or destruction programs.
5. Funding community anti-drug coalitions that engage in drug prevention efforts.
6. Supporting community coalitions in implementing evidence-informed prevention, such as reduced social access and physical access, stigma reduction—including staffing, educational campaigns, support for people in treatment or recovery, or training of coalitions in evidence-informed implementation, including the Strategic Prevention Framework developed by the U.S. Substance Abuse and Mental Health Services Administration (“*SAMHSA*”).
7. Engaging non-profits and faith-based communities as systems to support prevention.
8. Funding evidence-based prevention programs in schools or evidence-informed school and community education programs and campaigns for students, families, school employees, school athletic programs, parent-teacher and student associations, and others.
9. School-based or youth-focused programs or strategies that have demonstrated effectiveness in preventing drug misuse and seem likely to be effective in preventing the uptake and use of opioids.
10. Create or support community-based education or intervention services for families, youth, and adolescents at risk for OUD and any co-occurring SUD/MH conditions.
11. Support evidence-informed programs or curricula to address mental health needs of young people who may be at risk of misusing opioids or other drugs, including emotional modulation and resilience skills.
12. Support greater access to mental health services and supports for young people, including services and supports provided by school nurses, behavioral health

workers or other school staff, to address mental health needs in young people that (when not properly addressed) increase the risk of opioid or another drug misuse.

## **H. PREVENT OVERDOSE DEATHS AND OTHER HARMS (HARM REDUCTION)**

Support efforts to prevent or reduce overdose deaths or other opioid-related harms through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, the following:

1. Increased availability and distribution of naloxone and other drugs that treat overdoses for first responders, overdose patients, individuals with OUD and their friends and family members, schools, community navigators and outreach workers, persons being released from jail or prison, or other members of the general public.
2. Public health entities providing free naloxone to anyone in the community.
3. Training and education regarding naloxone and other drugs that treat overdoses for first responders, overdose patients, patients taking opioids, families, schools, community support groups, and other members of the general public.
4. Enabling school nurses and other school staff to respond to opioid overdoses, and provide them with naloxone, training, and support.
5. Expanding, improving, or developing data tracking software and applications for overdoses/naloxone revivals.
6. Public education relating to emergency responses to overdoses.
7. Public education relating to immunity and Good Samaritan laws.
8. Educating first responders regarding the existence and operation of immunity and Good Samaritan laws.
9. Syringe service programs and other evidence-informed programs to reduce harms associated with intravenous drug use, including supplies, staffing, space, peer support services, referrals to treatment, fentanyl checking, connections to care, and the full range of harm reduction and treatment services provided by these programs.
10. Expanding access to testing and treatment for infectious diseases such as HIV and Hepatitis C resulting from intravenous opioid use.
11. Supporting mobile units that offer or provide referrals to harm reduction services, treatment, recovery supports, health care, or other appropriate services to persons that use opioids or persons with OUD and any co-occurring SUD/MH conditions.



12. Providing training in harm reduction strategies to health care providers, students, peer recovery coaches, recovery outreach specialists, or other professionals that provide care to persons who use opioids or persons with OUD and any co-occurring SUD/MH conditions.
13. Supporting screening for fentanyl in routine clinical toxicology testing.

<b>PART THREE: OTHER STRATEGIES</b>
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**I. FIRST RESPONDERS**

In addition to items in section C, D and H relating to first responders, support the following:

1. Law enforcement expenditures related to the opioid epidemic.
2. Education of law enforcement or other first responders regarding appropriate practices and precautions when dealing with fentanyl or other drugs.
3. Provision of wellness and support services for first responders and others who experience secondary trauma associated with opioid-related emergency events.

**J. LEADERSHIP, PLANNING AND COORDINATION**

Support efforts to provide leadership, planning, coordination, facilitations, training and technical assistance to abate the opioid epidemic through activities, programs, or strategies that may include, but are not limited to, the following:

1. Statewide, regional, local or community regional planning to identify root causes of addiction and overdose, goals for reducing harms related to the opioid epidemic, and areas and populations with the greatest needs for treatment intervention services, and to support training and technical assistance and other strategies to abate the opioid epidemic described in this opioid abatement strategy list.
2. A dashboard to (a) share reports, recommendations, or plans to spend opioid settlement funds; (b) to show how opioid settlement funds have been spent; (c) to report program or strategy outcomes; or (d) to track, share or visualize key opioid- or health-related indicators and supports as identified through collaborative statewide, regional, local or community processes.
3. Invest in infrastructure or staffing at government or not-for-profit agencies to support collaborative, cross-system coordination with the purpose of preventing overprescribing, opioid misuse, or opioid overdoses, treating those with OUD and any co-occurring SUD/MH conditions, supporting them in treatment or recovery, connecting them to care, or implementing other strategies to abate the opioid epidemic described in this opioid abatement strategy list.

4. Provide resources to staff government oversight and management of opioid abatement programs.
5. Support multidisciplinary collaborative approaches consisting of, but not limited to, public health, public safety, behavioral health, harm reduction, and others at the state, regional, local, nonprofit, and community level to maximize collective impact.

**K. TRAINING**

In addition to the training referred to throughout this document, support training to abate the opioid epidemic through activities, programs, or strategies that may include, but are not limited to, those that:

1. Provide funding for staff training or networking programs and services to improve the capability of government, community, and not-for-profit entities to abate the opioid crisis.
2. Support infrastructure and staffing for collaborative cross-system coordination to prevent opioid misuse, prevent overdoses, and treat those with OUD and any co-occurring SUD/MH conditions, or implement other strategies to abate the opioid epidemic described in this opioid abatement strategy list (*e.g.*, health care, primary care, pharmacies, PDMPs, etc.).

**L. RESEARCH**

Support opioid abatement research that may include, but is not limited to, the following:

1. Monitoring, surveillance, data collection and evaluation of programs and strategies described in this opioid abatement strategy list.
2. Research non-opioid treatment of chronic pain.
3. Research on improved service delivery for modalities such as SBIRT that demonstrate promising but mixed results in populations vulnerable to opioid use disorders.
4. Research on novel harm reduction and prevention efforts such as the provision of fentanyl test strips.
5. Research on innovative supply-side enforcement efforts such as improved detection of mail-based delivery of synthetic opioids.
6. Expanded research on swift/certain/fair models to reduce and deter opioid misuse within criminal justice populations that build upon promising approaches used to address other substances (*e.g.*, Hawaii HOPE and Dakota 24/7).

7. Epidemiological surveillance of OUD-related behaviors in critical populations, including individuals entering the criminal justice system, including, but not limited to approaches modeled on the Arrestee Drug Abuse Monitoring (“*ADAM*”) system.
8. Qualitative and quantitative research regarding public health risks and harm reduction opportunities within illicit drug markets, including surveys of market participants who sell or distribute illicit opioids.
9. Geospatial analysis of access barriers to MOUD and their association with treatment engagement and treatment outcomes.

**M. POST-MORTEM**

1. Toxicology tests for the range of opioids, including synthetic opioids, seen in overdose deaths as well as newly evolving synthetic opioids infiltrating the drug supply.
2. Toxicology method development and method validation for the range of synthetic opioids observed now and in the future, including the cost of installation, maintenance, repairs and training of capital equipment.
3. Autopsies in cases of overdose deaths resulting from opioids and synthetic opioids.
4. Additional storage space/facilities for bodies directly related to opioid or synthetic opioid related deaths.
5. Comprehensive death investigations for individuals where a death is caused by or suspected to have been caused by an opioid or synthetic opioid overdose, whether intentional or accidental (overdose fatality reviews).
6. Indigent burial for unclaimed remains resulting from overdose deaths.
7. Navigation-to-care services for individuals with opioid use disorder who are encountered by the medical examiner’s office as either family and/or social network members of decedents dying of opioid overdose.
8. Epidemiologic data management and reporting to public health and public safety stakeholders regarding opioid overdose fatalities.

## **EXHIBIT B**

### **Local Abatement Funds Allocation**

<b>Subdivision</b>	<b>Allocation Percentage</b>
AITKIN COUNTY	0.5760578506020%
Andover city	0.1364919450741%
ANOKA COUNTY	5.0386504680954%
Apple Valley city	0.2990817344560%
BECKER COUNTY	0.6619330684437%
BELTRAMI COUNTY	0.7640787092763%
BENTON COUNTY	0.6440948102319%
BIG STONE COUNTY	0.1194868774775%
Blaine city	0.4249516912759%
Bloomington city	0.4900195550092%
BLUE EARTH COUNTY	0.6635420704652%
Brooklyn Center city	0.1413853902225%
Brooklyn Park city	0.2804136234778%
BROWN COUNTY	0.3325325415732%
Burnsville city	0.5135361296508%
CARLTON COUNTY	0.9839591749060%
CARVER COUNTY	1.1452829659572%
CASS COUNTY	0.8895681513437%
CHIPPEWA COUNTY	0.2092611794436%
CHISAGO COUNTY	0.9950193750117%
CLAY COUNTY	0.9428475281726%
CLEARWATER COUNTY	0.1858592042741%
COOK COUNTY	0.1074594959729%
Coon Rapids city	0.5772642444915%
Cottage Grove city	0.2810994719143%
COTTONWOOD COUNTY	0.1739065270025%
CROW WING COUNTY	1.1394859174804%
DAKOTA COUNTY	4.4207140602835%
DODGE COUNTY	0.2213963257778%
DOUGLAS COUNTY	0.6021779472345%
Duluth city	1.1502115379896%
Eagan city	0.3657951576014%
Eden Prairie city	0.2552171572659%
Edina city	0.1973054822135%
FARIBAULT COUNTY	0.2169409335358%
FILLMORE COUNTY	0.2329591105316%
FREEBORN COUNTY	0.3507169823793%
GOODHUE COUNTY	0.5616542387089%

<b>Subdivision</b>	<b>Allocation Percentage</b>
GRANT COUNTY	0.0764556498477%
HENNEPIN COUNTY	19.0624622261821%
HOUSTON COUNTY	0.3099019273452%
HUBBARD COUNTY	0.4582368775192%
Inver Grove Heights city	0.2193400520297%
ISANTI COUNTY	0.7712992707537%
ITASCA COUNTY	1.1406408131328%
JACKSON COUNTY	0.1408950443531%
KANABEC COUNTY	0.3078966749987%
KANDIYOHI COUNTY	0.1581167542252%
KITTSOON COUNTY	0.0812834506382%
KOOCHICHING COUNTY	0.2612581865885%
LAC QUI PARLE COUNTY	0.0985665133485%
LAKE COUNTY	0.1827750320696%
LAKE OF THE WOODS COUNTY	0.1123105027592%
Lakeville city	0.2822249627090%
LE SUEUR COUNTY	0.3225703347466%
LINCOLN COUNTY	0.1091919983965%
LYON COUNTY	0.2935118186364%
MAHNOMEN COUNTY	0.1416417687922%
Mankato city	0.3698584320930%
Maple Grove city	0.1814019046900%
Maplewood city	0.1875101678223%
MARSHALL COUNTY	0.1296352091057%
MARTIN COUNTY	0.2543064014046%
MCLEOD COUNTY	0.1247104517575%
MEEKER COUNTY	0.3744031515243%
MILLE LACS COUNTY	0.9301506695846%
Minneapolis city	4.8777618689374%
Minnetonka city	0.1967231070869%
Moorhead city	0.4337377037965%
MORRISON COUNTY	0.7178981419196%
MOWER COUNTY	0.5801769148506%
MURRAY COUNTY	0.1348775389165%
NICOLLET COUNTY	0.1572381052896%
NOBLES COUNTY	0.1562005111775%
NORMAN COUNTY	0.1087596675165%
North St. Paul city	0.0575844069340%
OLMSTED COUNTY	1.9236715094724%
OTTER TAIL COUNTY	0.8336175418789%
PENNINGTON COUNTY	0.3082576394945%
PINE COUNTY	0.5671222706703%

<b>Subdivision</b>	<b>Allocation Percentage</b>
PIPESTONE COUNTY	0.1535154503112%
Plymouth city	0.1762541472591%
POLK COUNTY	0.8654291473909%
POPE COUNTY	0.1870129873102%
Proctor city	0.0214374127881%
RAMSEY COUNTY	7.1081424150498%
RED LAKE COUNTY	0.0532649128178%
REDWOOD COUNTY	0.2809842366614%
RENVILLE COUNTY	0.2706888807449%
RICE COUNTY	0.2674764397830%
Richfield city	0.2534018444052%
Rochester city	0.7363082848763%
ROCK COUNTY	0.2043437335735%
ROSEAU COUNTY	0.2517872793025%
Roseville city	0.1721905548771%
Savage city	0.1883576635033%
SCOTT COUNTY	1.3274301645797%
Shakopee city	0.2879873611373%
SHERBURNE COUNTY	1.2543449471994%
SIBLEY COUNTY	0.2393480708456%
ST LOUIS COUNTY	4.7407767169807%
St. Cloud city	0.7330089009029%
St. Louis Park city	0.1476314588229%
St. Paul city	3.7475206797569%
STEARNS COUNTY	2.4158085321227%
STEELE COUNTY	0.3969975262520%
STEVENS COUNTY	0.1439474275223%
SWIFT COUNTY	0.1344167568499%
TODD COUNTY	0.4180909816781%
TRAVERSE COUNTY	0.0903964133868%
WABASHA COUNTY	0.3103038996965%
WADENA COUNTY	0.2644094336575%
WASECA COUNTY	0.2857912156338%
WASHINGTON COUNTY	3.0852862512586%
WATONWAN COUNTY	0.1475626355615%
WILKIN COUNTY	0.0937962507119%
WINONA COUNTY	0.7755267356126%
Woodbury city	0.4677270171716%
WRIGHT COUNTY	1.6985269385427%
YELLOW MEDICINE COUNTY	0.1742264836427%



**STAFF REPORT NO. 190**  
**CITY COUNCIL MEETING**  
**12/14/2021**

REPORT PREPARED BY: Jennifer Anderson, Support Services Manager

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

OTHER DEPARTMENT REVIEW:

CITY MANAGER REVIEW: Katie Rodriguez, City Manager  
12/8/2021

**ITEM FOR COUNCIL CONSIDERATION:**

**Consider approval of the second reading of an ordinance amending Section 1202.07 of the Richfield City Code relating to license eligibility of intoxicating liquor, wine and beer establishments.**

**EXECUTIVE SUMMARY:**

Chapter 12 (Sale and Consumption of Intoxicating Liquor, Wine and Beer) of the Richfield City Code does not allow a current holder of a liquor license to be issued a second license for a different establishment located in the city. This ordinance amendment would eliminate that prohibition.

The first reading of this ordinance amendment was heard by the City Council on November 23, 2021.

**RECOMMENDED ACTION:**

**By Motion: Approve the second reading of an ordinance amending Section 1202.07 of the Richfield City Code, by eliminating paragraph (g) relating to license eligibility.**

**BASIS OF RECOMMENDATION:**

**A. HISTORICAL CONTEXT**

Business Licensing staff recently received an intoxicating liquor license application for a new establishment. The applicants currently own an existing establishment in the city and hold a liquor license for that establishment. Per current city code, they would not be eligible for a second liquor license for their new concept.

After significant research conducted by the City Clerk and Public Safety staff, it was not clear why this particular clause was included in code. We do know it has been present in the code since the early 2000's.

The restaurant industry has evolved and nowadays its not unusual to have a group of individuals investing in a food/liquor establishment and opening multiple concepts reflecting their food/dining vision. This would be the first time Richfield has experienced this situation in recent history.

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

The Intoxicating Liquor, Wine and Beer ordinance sets requirements for application and licensure as well as certain conditions to be met.

C. **CRITICAL TIMING ISSUES:**

Without amending subsection 1202.07 by eliminating paragraph (g), the applicant mentioned above would be ineligible to receive a second liquor license, and therefore unable to serve liquor in the new establishment.

D. **FINANCIAL IMPACT:**

None

E. **LEGAL CONSIDERATION:**

The City Attorney has reviewed the ordinance and approves of its contents.

**ALTERNATIVE RECOMMENDATION(S):**

The City Council may decide to not approve the amendment and direct staff how to proceed.

**PRINCIPAL PARTIES EXPECTED AT MEETING:**

**ATTACHMENTS:**

Description	Type
☐ Liquor proposed changes	Cover Memo



BILL NO. \_\_\_\_\_

**AN ORDINANCE AMENDING SECTION 1202 OF THE RICHFIELD  
CODE OF ORDINANCES RELATING TO LIQUOR LICENSE  
ELIGIBILITY**

**THE CITY OF RICHFIELD DOES ORDAIN:**

Section 1. Subsection 1202.07 of the Richfield City Code is amended as follows:

**1202.07. – License Eligibility.**

**Subdivision 1.** Ineligible person. No license may be granted to or held by:

- (a) Any person who is ineligible for a license under State law;
- (b) Any person who is under the age of 21 years ~~of age~~;
- (c) Any person who is not of good moral character and repute;
- (d) Any person who has had an intoxicating liquor or 3.2 percent malt liquor license revoked within five (5) years of the license application, or to any person who at the time of the violation owns any interest, whether as a holder of more than five (5) percent of the capital stock of a corporation licensee, as a partner or otherwise, in the premises or in the business conducted thereon, or to a corporation, partnership, association, enterprise, business, or firm in which any such person is in any manner interested;
- (e) Any person who, within five (5) years of the license application, has been convicted of a felony or any willful violation of a Federal or State law or local ordinance, governing the manufacture, sale, distribution, or possession for sale or distribution of an alcoholic beverage, or whose liquor license has been revoked for any willful violation of any such laws or ordinances;
- (f) Any person who has a direct or indirect interest in a manufacturer, brewer or wholesaler;
- ~~(g) Any person who is directly or indirectly interested in any other establishment in the City to which a license has been issued under this chapter; the term "interested" as used in this paragraph means and includes any pecuniary interest in the ownership, operation, management or profits of such an establishment;~~
- ~~(h)-(g)~~ Any person who is the spouse of a person ineligible for a license under this section; and

~~(i)~~ (h) Any person who, in the judgment of the City Council, is not the real party in interest or beneficial owner of the business operated, or to be operated, under the license.

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

Adopted this 14<sup>th</sup> day of December, 2021.

By: \_\_\_\_\_  
Maria Regan Gonzalez, Mayor

ATTEST:

\_\_\_\_\_  
Kari Sinning, City Clerk



**STAFF REPORT NO. 191**  
**CITY COUNCIL MEETING**  
**12/14/2021**

REPORT PREPARED BY: Jennifer Anderson, Support Services Manager

DEPARTMENT DIRECTOR REVIEW: Jay Henthorne, Director of Public Safety/Chief of Police  
12/8/2021

OTHER DEPARTMENT REVIEW: N/A

CITY MANAGER REVIEW: Katie Rodriguez, City Manager  
12/8/2021

**ITEM FOR COUNCIL CONSIDERATION:**

**Public hearing and consider to approve the renewal of 2022 Pawnbroker and Secondhand Goods Dealer licenses for Metro Pawn & Gun, Inc., 7529 Lyndale Avenue South.**

**EXECUTIVE SUMMARY:**

On November 9, 2021, the City received the application materials for the renewal of Pawnbroker and Secondhand Goods Dealer licenses for Metro Pawn & Gun, Inc., 7529 Lyndale Avenue South. All required information and documents have been provided. All licensing fees have been received.

The Public Safety Director has reviewed the background information and attached documents and approves of its contents and sees no basis for denial.

**RECOMMENDED ACTION:**

**Conduct and close the public hearing and by motion: Approve the renewal of 2022 Pawnbroker and Secondhand Goods Dealer licenses for Metro Pawn & Gun, Inc., 7529 Lyndale Avenue South.**

**BASIS OF RECOMMENDATION:**

**A. HISTORICAL CONTEXT**

On November 9, 2021, the City received the application and other required documents for Pawnbroker and Secondhand Goods Dealer licenses for Metro Pawn & Gun, Inc.

The applicant has satisfied the following requirements for issuance of a license:

- The required license fees have been paid.
- Real estate taxes are paid and current.
- The \$5,000 bond has been submitted.
- Environmental Health staff has received no complaints regarding Metro Pawn & Gun in the previous year.

The Public Safety background investigation has been completed. The results of the investigation are summarized in an attachment to this report. The Public Safety Director has reviewed the information in the background investigation report. There is no information in the investigation that shows any cause for

recommending denial of the requested licenses.

The Pawnbroker and Secondhand Goods Dealer licenses will expire on December 31, 2021.

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

Richfield City Code Sections 1186 and 1187 require owners of Pawnbroker and Secondhand Goods Dealer establishments to comply with all of the provisions of both City Code and State Statutes.

**C. CRITICAL TIMING ISSUES:**

There are no additional critical timing issues.

**D. FINANCIAL IMPACT:**

The required licensing fees have been received.

**E. LEGAL CONSIDERATION:**

There are no additional legal issues.

**ALTERNATIVE RECOMMENDATION(S):**

- The Council could decide to deny the requested licenses, which would mean the current applicants would not be able to obtain Pawnbroker and Secondhand Goods Dealer licenses.
- Schedule the hearing for another date; however, this may delay the licensing process.

**PRINCIPAL PARTIES EXPECTED AT MEETING:**

Metro Pawn & Gun, Inc. representative.

**ATTACHMENTS:**

Description	Type
□ Summary of background - Metro Pawn & Gun	Cover Memo

SUMMARY OF BACKGROUND INVESTIGATION REPORT  
FOR METRO PAWN & GUN, INC.

Officers:

Mark Nichols- Owner  
Elizabeth Nichols- Owner

Criminal History:

The following criminal histories reflect the previous and current year. Mark Nichols has no known criminal record. Elizabeth Nichols has no known criminal record. John Kunst, who serves as the General Manager, has no known criminal record.

Premises:

Lynrich Properties, LLC is the owner of the property. All payments are current.

Record of Service Calls:

There were 12 Public Safety/Police contacts with Metro Pawn & Gun, Inc. from October 2020 through September 2021. This compares with 8 contacts for the previous year. A breakdown of these contacts is attached to this report.

Routine Information:

The owner of the business continues to act in a cooperative manner with the Public Safety Department on the recovery of stolen articles.

The Notice of Public Hearing was published in the Richfield Sun Current on December 2, 2021.

## **Metro Pawn & Gun, Inc.**

### **Directors and Officers**

Mark Nichols	Owner
Elizabeth Nichols	Owner

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## **PUBLIC SAFETY CONTACTS**

**October 2020 through September 2021**

### **Metro Pawn & Gun, Inc.**

	<b><u>2020</u></b>	<b><u>2021</u></b>
<b><u>TOTAL CONTACTS</u></b>	<b>8</b>	<b>12</b>
<b><u>CRIMINAL CONTACTS</u></b>	<b>3</b>	<b>5</b>
Incidents (see bottom of page for specifics)	(2)	(3)
Alarm	(1)	(2)
<b><u>MISC. NON-CRIMINAL</u></b>	<b>5</b>	<b>7</b>
Assists	(3)	(7)
Traffic	(1)	(0)
Inspections/Licensing	(0)	(0)
Medical/Fire	(0)	(0)
Miscellaneous	(1)	(0)

The criminal contacts from October 2020 through September 2021 were: one disturbance, one terroristic threat, one theft, and two commercial alarms.

(Numbers in parenthesis are included in total contact figures)



**STAFF REPORT NO. 192**  
**CITY COUNCIL MEETING**  
**12/14/2021**

REPORT PREPARED BY: Jennifer Anderson, Support Services Manager

DEPARTMENT DIRECTOR REVIEW: Jay Henthorne, Director of Public Safety/Chief of Police  
12/8/2021

OTHER DEPARTMENT REVIEW: N/A

CITY MANAGER REVIEW: Katie Rodriguez, City Manager  
12/8/2021

**ITEM FOR COUNCIL CONSIDERATION:**

**Public hearing and consider the approval of a new On Sale Intoxicating and Sunday Liquor licenses for Dagobah, LLC d/b/a Protagonist Kitchen and Bar located at 6601 Penn Avenue South.**

**EXECUTIVE SUMMARY:**

On October 26, 2021, the City received the application materials for a new On Sale Intoxicating and Sunday Liquor licenses for Dagobah, LLC d/b/a Protagonist Kitchen and Bar located at 6601 Penn Avenue South.

All required information and documents have been received. All licensing fees have been paid.

The owners for Protagonist Kitchen and Bar are also the owners of Sandy's Tavern.

The Public Safety background investigation has been completed. A "refresher" was only done due to the owner's having a full background done for Sandy's Tavern in March of 2021. The results of the investigation are summarized in an attachment to this report. The Public Safety Director has reviewed the background investigation report. There is nothing in the report that would cause the Public Safety Director to recommend denial of the requested licenses.

**RECOMMENDED ACTION:**

**Conduct and close the public hearing and by motion: Approve the issuance of new On Sale Intoxicating and Sunday Liquor licenses for Dagobah, LLC d/b/a Protagonist Kitchen and Bar located at 6601 Penn Avenue South.**

**BASIS OF RECOMMENDATION:**

**A. HISTORICAL CONTEXT**

- The applicant has satisfied the following requirements for issuance of licenses:
  - The required license fees have been paid.
  - Real estate taxes are current.
  - Proof of commercial and liquor liability insurance have been received showing Midwest Insurance Company and Society Insurance as affording coverage.
- As a result of this being a new request for On Sale Intoxicating and Sunday Liquor licenses, there is no need for an accountant's statement regarding food/alcohol ratio.

- As stated in the Executive Summary, the Public Safety Director has reviewed the background information and sees no basis for denial.
- On Sale Intoxicating and Sunday Liquor licenses require owners of these establishments to comply with Resolution No. 9511, which outlines the discipline they can expect if any ongoing problems occur. A copy of this resolution has been given to the owners of the establishment.
- There are no distance requirements to notify neighbors of the issuance of On Sale Intoxicating and Sunday Liquor licenses.

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

Richfield City Code Section 1202 requires owners of On Sale Intoxicating and Sunday Liquor licensed establishments to comply with all the provisions of both City Code and State Statutes.

**C. CRITICAL TIMING ISSUES:**

There are no critical timing issues.

**D. FINANCIAL IMPACT:**

Licensing fees have been received.

**E. LEGAL CONSIDERATION:**

- The requirements of Resolution No. 9511 must be met which outlines the discipline they can expect if any on-going problems occur. A copy of this resolution has been given to the owners of the establishment.
- The Notice of Public Hearing was published in the Richfield Sun Current on December 2, 2021.

**ALTERNATIVE RECOMMENDATION(S):**

- The Council could deny the requested licenses, which would mean the current applicants would not be able to serve On Sale Intoxicating liquor; however, Public Safety has found no basis to deny the license.
- Schedule the hearing for another date; however, this will delay the licensing process.

**PRINCIPAL PARTIES EXPECTED AT MEETING:**

Jahn Brink/Pejmon Nadimi - Owner

**ATTACHMENTS:**

Description	Type
□ Background Summary for Protagonist Kitchen and Bar	Cover Memo



## SUMMARY OF BACKGROUND INVESTIGATION FOR DOGOBAH, LLC D/B/A PROTAGONIST KITCHEN AND BAR

### Officers:

Pejmon Nadimi- Owner  
Jahn Brink- Owner

### Criminal Histories:

Criminal history checks were conducted on the applicants. Pejmon Nadimi has one conviction, from 2008, for driving while intoxicated. Jahn Brink has no convictions outside traffic offenses. Both applicants will be serving as the On-Premise Managers.

### Premises:

The applicant has provided a copy of the rental agreement showing Woodlake Centre MOB, LLC as holding financial interest as lessor of the property.

### Record of Service Calls:

Being this is a new business, there are no records of service calls.

### Violations:

Being this is a new business, there are no violations for sale of alcohol to underage youth.

### Routine Information:

On Sale Intoxicating and Sunday Liquor licenses require owners of these establishments to comply with Resolution No. 9511, which outlines the discipline they can expect if any ongoing problems occur. A copy of this resolution has been given to the owners of the establishment.

There are no distance requirements to notify neighbors of the issuance or renewal of On Sale Intoxicating and Sunday Liquor licenses.

The notice of Public Hearing was published in the Richfield Sun Current on December 2, 2021.



**STAFF REPORT NO. 193**  
**CITY COUNCIL MEETING**  
**12/14/2021**

REPORT PREPARED BY: Julie Urban, Housing & Redevelopment Manager

DEPARTMENT DIRECTOR REVIEW: John Stark, Community Development Director  
12/7/2021

OTHER DEPARTMENT REVIEW:

CITY MANAGER REVIEW: Katie Rodriguez, City Manager  
12/8/2021

**ITEM FOR COUNCIL CONSIDERATION:**

**Public hearing to approve host designation for the City of Bethel to issue housing bonds to finance an affordable housing development to be constructed by MWF Properties at 7700 Pillsbury Avenue South.**

**EXECUTIVE SUMMARY:**

MWF Properties (Developer) is proposing to develop 55 units of affordable apartments on property owned by the Housing and Redevelopment Authority (HRA), located at 7700 Pillsbury Avenue South. The proposed project includes a mix of bedroom sizes, two units for people with disabilities and affordable at 30 percent of the Area Median Income (AMI), with the remainder affordable at 60 percent of the AMI. Some of the units may also be made affordable at 50 percent of the AMI with the use of Tax Increment Financing (TIF). The Developer is proposing to finance the project with tax exempt revenue bonds issued through Minnesota Management and Budget (MMB) and paired with four percent tax credits, TIF, and a land write-down.

The Developer is asking that the City of Richfield provide host approval so that the City of Bethel can issue bonds for the MWF project. Given current staffing constraints at the City, the City prefers not to issue bonds for the project at this time. The City of Bethel has agreed to issue the bonds to finance the project. Approval of the attached Cooperative Agreement (Agreement) is necessary to formalize this arrangement.

**RECOMMENDED ACTION:**

**Conduct and close a public hearing and by motion: Approve a resolution providing host approval to and consenting to the issuance, sale, and delivery by the City of Bethel of its revenue bonds and approving and authorizing the execution of a Cooperative Agreement.**

**BASIS OF RECOMMENDATION:**

**A. HISTORICAL CONTEXT**

- In 2019, the Developer submitted an application for nine percent tax credits for the project but was not awarded funding.
- On October 18, 2022, a work session was held with policymakers to review the proposed project.
- Due to the shortage of staff in the City's Finance Division, a host city was sought to issue the bonds.

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

- Section 147(f) of the Internal Revenue Code of 1986, as amended, requires that the City Council must consent to the issuance of the bonds.
- Prior to the issuance of the bonds, the City must conduct a public hearing as required by Minnesota Statutes, Chapter 462C and Section 147(f) of the Internal Revenue Code of 1986, as amended.

**C. CRITICAL TIMING ISSUES:**

- The Developer plans to submit an application for bonds in January 2022. A decision regarding the award is expected in February. If funds are not awarded, the Developer has the option of applying to the Unified Pool in July for any leftover bonds.
- The HRA will consider a Development Agreement with the Developer on December 20, 2021.
- If the Project is awarded bonds and tax credits, land use entitlements and a request to create a TIF district would come before the HRA and City Council in March or April.
- If the Project is awarded housing allocation from Minnesota Management and Budget, the Developer has 180 days to close on the bonds.

**D. FINANCIAL IMPACT:**

- The Developer will be requesting up to \$10,000,000 in taxable or tax-exempt bonds.
- There is no financial impact to the City of Richfield. The principal and interest on the bonds will be paid by the project and does not constitute a debt of either city.
- As the host city, the City of Bethel will receive the fee for hosting the bond issuance.

**E. LEGAL CONSIDERATION:**

- Kennedy & Graven will serve as the bond counsel for the issuance.
- Because the project is located within the Richfield City limits, the City needs to conduct the public hearing on the bond issuance and grant host city approval for another municipality to issue the bonds.

**ALTERNATIVE RECOMMENDATION(S):**

Decide not to consent to the issuance, sale and delivery of revenue bonds by the City of Bethel for the proposed project.

**PRINCIPAL PARTIES EXPECTED AT MEETING:**

Gina Fiorini, Kennedy & Graven, and Ryan Schwickert, MWF Properties

**ATTACHMENTS:**

Description	Type
□ Resolution	Resolution Letter
□ Cooperative Agreement	Contract/Agreement

**CITY OF RICHFIELD, MINNESOTA**

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION PROVIDING HOST APPROVAL TO AND  
CONSENTING TO THE ISSUANCE, SALE, AND DELIVERY BY  
THE CITY OF BETHEL OR ANOTHER MUNICIPALITY OF THE  
STATE OF MINNESOTA OF ITS REVENUE BONDS;  
APPROVING AND AUTHORIZING THE EXECUTION OF A  
COOPERATIVE AGREEMENT; AND TAKING OTHER ACTIONS  
WITH RESPECT THERETO**

**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. Pursuant to the Constitution and laws of the State of Minnesota, particularly Minnesota Statutes, Chapter 462C, as amended, a municipality is authorized to issue revenue bonds to finance multifamily housing developments.

1.02. Minnesota Statutes, Section 471.656, as amended, authorizes a municipality to issue obligations to finance the acquisition or improvement of property located outside of the corporate boundaries of such municipality if the obligations are issued under a joint powers agreement between the municipality issuing the obligations and the municipality in which the property to be acquired or improved is located. Pursuant to Minnesota Statutes, Section 471.59, as amended, by the terms of a joint powers agreement entered into through action of their governing bodies, two or more municipalities may jointly or cooperatively exercise any power common to the contracting parties or any similar powers, including those which are the same except for the territorial limits within which they may be exercised and the joint powers agreement may provide for the exercise of such powers by one or more of the participating governmental units on behalf of the other participating units.

1.03. MWF Properties, LLC, a Minnesota limited liability company, or an affiliate or assign (collectively, the "Borrower"), has proposed that the City approve the issuance by the City of Bethel, Minnesota or another municipality of the State of Minnesota (collectively, the "Issuer") of one or more series of taxable or tax-exempt revenue bonds (the "Bonds") in an estimated principal amount not to exceed \$10,000,000. The Borrower intends to apply the proceeds of the Bonds to acquire, construct, and equip an approximately 55-unit multifamily housing development, including a number of units of housing for people with disabilities, accompanied by supportive services, and facilities functionally related and subordinate thereto located at 7700 Pillsbury Avenue South in the City (the "Project"). The Borrower will own the Project.

1.04. Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), and regulations promulgated thereunder require that, prior to the issuance of the Bonds, the City Council must consent to the issuance of the Bonds by the Issuer after conducting a public hearing thereon preceded by publication of a notice of public hearing (in the form required by

Section 147(f) of the Code and applicable regulations) in a newspaper of general circulation within the City at least seven (7) days prior to the public hearing date.

1.05. A notice of public hearing (the "Public Notice") was published at least seven (7) days before the regularly scheduled meeting of the City Council on the date hereof in the *Sun Current*, the official newspaper of and a newspaper of general circulation in the City, with respect to the required public hearing under Section 147(f) of the Code.

1.06. On the date hereof, the City Council conducted a public hearing at which a reasonable opportunity was provided for interested individuals to express their views, both orally and in writing, on providing consent to the issuance of the Bonds by the Issuer pursuant to the requirements of Section 147(f) of the Code and the regulations promulgated thereunder.

1.07. The City and the Issuer are proposing to enter into a Cooperative Agreement (the "Cooperative Agreement") pursuant to which the City will consent to the issuance of the Bonds by the Issuer to finance the acquisition, construction, and equipping of the Project, and the Issuer will agree to issue the Bonds to finance the acquisition, construction, and equipping of the Project.

1.08. The Borrower has represented to the City that the principal of, premium (if any), and interest on the Bonds: (i) shall be payable solely from the revenue pledged therefor; (ii) shall not constitute a debt of the City or the Issuer within the meaning of any constitutional or statutory limitation; (iii) shall not constitute nor give rise to a pecuniary liability of the City or the Issuer or a charge against its general credit or taxing powers; and (iv) shall not constitute a charge, lien, or encumbrance, legal or equitable, upon any property of the City or the Issuer other than the interest of the Issuer as set forth in one or more loan agreements to be entered into between the Issuer and the Borrower.

## Section 2. Approvals.

2.01. The City Council finds that it is in the best interest of the City to approve the issuance of the Bonds by the Issuer to finance, in part, the acquisition, construction, and equipping of the Project and hereby consents to the issuance of the Bonds by the Issuer for the purposes set forth above.

2.02. The Bonds shall be special, limited obligations of the Issuer payable solely from the revenues and security provided by the Borrower to the Issuer and pledged to the payment of the Bonds.

2.03. The Mayor and the City Manager are hereby authorized and directed to execute and deliver the Cooperative Agreement and any other documents deemed necessary to fulfill the intentions of this resolution. All of the provisions of the Cooperative Agreement, when executed and delivered as authorized herein, shall be deemed to be a part of this resolution as fully and to the same extent as if incorporated verbatim herein and shall be in full force and effect from the date of execution and delivery thereof. The Cooperative Agreement shall be substantially in the form on file with the City which is hereby approved, with such omissions and insertions as do not materially change the substance thereof, or as the Mayor and the City Manager, in their discretion, shall determine, and the execution thereof by the Mayor and the City Manager shall be conclusive evidence of such determination.

2.04. The Mayor and the City Manager and other officers, employees, and agents of the City are hereby authorized and directed to prepare and furnish to bond counsel, the trustee, and the original purchaser of the Bonds certified copies of all proceedings and records of the City relating to the approval of the issuance of the Bonds, including a certification of this resolution.

2.05. The Borrower shall pay to the City any and all costs paid or incurred by the City in connection with this resolution, the Cooperative Agreement, the Bonds or the financing contemplated herein, whether or not the financing is carried to completion, and whether or not the Bonds or operative instruments are executed and delivered.

2.06. The electronic signature of the Mayor, the City Manager, and/or the City Clerk to this resolution, the Cooperative Agreement, and any certificate authorized to be executed hereunder shall be as valid as an original signature of such party and shall be effective to bind the City thereto. For purposes hereof, (i) "electronic signature" means a manually signed original signature that is then transmitted by electronic means; and (ii) "transmitted by electronic means" means sent in the form of a facsimile or sent via the internet as a portable document format ("pdf") or other replicating image attached to an electronic mail or internet message.

Section 3. Effective Date. This resolution shall be in full force and effect from and after its passage.

Adopted by the City Council of the City of Richfield, Minnesota this 14<sup>th</sup> day of December, 2021.

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Maria Regan Gonzalez, Mayor

ATTEST:

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Kari Sinning, City Clerk

## COOPERATIVE AGREEMENT

THIS COOPERATIVE AGREEMENT, dated as of \_\_\_\_\_ 1, 2022 (the “Cooperative Agreement”), is made and entered into between the CITY OF RICHFIELD, MINNESOTA (the “Host City”), and the CITY OF BETHEL, MINNESOTA (the “Issuer”).

### RECITALS

WHEREAS, MWF Properties, LLC, a Minnesota limited liability company, or an affiliate or assign (collectively, the “Borrower”), has proposed to finance the acquisition, construction, and equipping of an approximately 55-unit multifamily housing development, including a number of units of housing for people with disabilities, accompanied by supportive services, and facilities functionally related and subordinate thereto located at 7700 Pillsbury Avenue South in the Host City (the “Project”); and

WHEREAS, the Host City and the Issuer are authorized by the provisions of Minnesota Statutes, Chapter 462C, as amended (the “Act”), to issue revenue obligations to finance multifamily housing developments; and

WHEREAS, pursuant to Minnesota Statutes, Section 471.656, as amended, municipalities may issue obligations to finance the acquisition or improvement of property located outside of the corporate boundaries of such municipality if the obligations are issued under a joint powers agreement in which one or more of the parties to the joint powers agreement issue such obligations and the property is located entirely within the boundaries of one or more of the parties to the joint powers agreement; and

WHEREAS, pursuant to Minnesota Statutes, Section 471.59, as amended, by the terms of a joint powers agreement entered into through action of their governing bodies, two or more municipalities may jointly or cooperatively exercise any power common to the contracting parties or any similar powers, including those which are the same except for the territorial limits within which they may be exercised, and the joint powers agreement may provide for the exercise of such powers by one or more of the participating municipalities on behalf of the other participating municipalities; and

WHEREAS, the revenue obligation proposed to be issued by the Issuer for the benefit of the Borrower will not constitute a general or moral obligation of or a pledge of the full faith and credit or taxing powers of the Host City, the Issuer, the State of Minnesota, or any other agency or political subdivision thereof, but will be payable solely from the revenues pledged and assigned thereto pursuant to a revenue agreement between the Issuer and the Borrower; and

WHEREAS, the City Council of the Host City and the City Council of the Issuer have authorized the execution and delivery of this Cooperative Agreement; and

NOW, THEREFORE, the Host City and the Issuer agree as follows:

1. In order to finance the acquisition, construction, and equipping of the Project, the Issuer shall issue one or more series of taxable or tax-exempt revenue obligations (the “Bonds”) in the estimated principal amount not to exceed \$10,000,000.

2. The Host City and the Issuer have each conducted a public hearing with respect to the issuance of the Bonds and the Project.

3. The Host City and the Issuer have each adopted a resolution approving this Cooperative Agreement and authorizing its execution and delivery.

4. The Host City hereby consents to and approves the issuance of the Bonds by the Issuer for the purposes stated herein.

5. Except to the extent specifically provided herein, the Host City and the Issuer shall not incur any obligations or liabilities to each other as a result of the issuance of the Bonds. The Bonds shall be special, limited obligations of the Issuer payable solely from proceeds, revenues, and other amounts specifically pledged to the payment of the Bonds. The Bonds and the interest thereon shall not constitute or give rise to a pecuniary liability, general or moral obligation, or a pledge of the full faith and credit or taxing powers of the Host City, the Issuer, the State of Minnesota, or any political subdivision of the above, within the meaning of any constitutional or statutory provisions.

6. All costs incurred by the Host City and the Issuer in the authorization, execution, delivery, and performance of this Cooperative Agreement and all related transactions shall be paid by the Borrower.

7. This Cooperative Agreement may not be terminated by any party so long as any of the Bonds are outstanding.

8. This Cooperative Agreement may be amended by the Host City or the Issuer at any time. No amendment may impair the rights of the Borrower or the holders of the Bonds.

9. This Cooperative 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.

10. This Cooperative Agreement shall be governed by the laws of the State of Minnesota.

(The remainder of this page is intentionally left blank.)



IN WITNESS WHEREOF, duly authorized officers of the Host City and the Issuer have executed this Cooperative Agreement as of the date and year first written above.

**CITY OF RICHFIELD, MINNESOTA,**  
as Host City

By \_\_\_\_\_  
Its Mayor

By \_\_\_\_\_  
Its City Manager

Execution page of the Issuer to the Cooperative Agreement, dated as of the date and year first written above.

**CITY OF BETHEL, MINNESOTA,**  
as the Issuer

By \_\_\_\_\_  
Its Mayor

By \_\_\_\_\_  
Its City Clerk



**STAFF REPORT NO. 194**  
**CITY COUNCIL MEETING**  
**12/14/2021**

REPORT PREPARED BY: Julie Urban, Housing & Redevelopment Manager

DEPARTMENT DIRECTOR REVIEW: John Stark, Community Development Director  
 12/8/2021

OTHER DEPARTMENT REVIEW:

CITY MANAGER REVIEW: Katie Rodriguez, City Manager  
 12/8/2021

**ITEM FOR COUNCIL CONSIDERATION:**

**Public hearing to approve host designation for the City of Bethel to issue tax exempt Bonds to finance capital improvements at Partnership Academy.**

**EXECUTIVE SUMMARY:**

In 2018, Partnership Academy requested that the City of Richfield issue Bonds for the charter school located at 6500 Nicollet Avenue South, but the City was unable to assist as the City was planning to issue their own Bonds at the time. Instead, the City of Bethel agreed to issue the Bonds, and we provided host approval, as required by state and federal law.

Partnership Academy is preparing to issue additional debt for its facility and would like the City of Bethel to issue additional conduit charter school lease revenue Bonds in an amount not to exceed \$5,000,000 (the "Bonds") under the documents executed in 2018. The Bonds are for a proposed 7,540 square-foot expansion to its existing building, the details of which would require additional City approvals. The request at this time is to approve host approval only. The City of Richfield is required to hold a public hearing and approve a resolution granting host approval to the City of Bethel to issue the Bonds.

**RECOMMENDED ACTION:**

**Conduct and close a public hearing and by motion: Approve a resolution providing host approval to and consenting to the issuance, sale, and delivery by the City of Bethel of its revenue Bonds.**

**BASIS OF RECOMMENDATION:**

**A. HISTORICAL CONTEXT**

In 2018, Partnership Academy constructed a new school building for its charter school. At that time, the City was unable to issue Bonds for the project so granted host approval to the City of Bethel to issue Bonds on the school's behalf.

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

- Section 147(f) of the Internal Revenue Code of 1986, as amended, requires that the City Council must consent to the issuance of the Bonds.
- Prior to the issuance of the Bonds, the City must conduct a public hearing as required by

Section 147(f) of the Internal Revenue Code of 1986, as amended.

**C. CRITICAL TIMING ISSUES:**

Partnership Academy has requested that the City Council hold a public hearing on December 14 in order to stay on their current timeline to close on the Bonds in early 2022.

**D. FINANCIAL IMPACT:**

- Partnership Academy is seeking up to \$5,000,000 in taxable or tax-exempt charter school lease revenue Bonds.
- There is no financial impact to the City of Richfield. The principal and interest on the Bonds will be paid by the project and does not constitute a debt of either city.
- As the issuer, the City of Bethel will receive the fee for the Bond issuance.
- It is more efficient for the City of Bethel to issue the 2022 Bonds because it was the conduit issuer for the 2018 Bonds and the 2022 Bonds will be issued on a parity basis under the same documents.
- The Bonds are conduit revenue Bonds. They will not constitute a general obligation of the City and will not be subject to any debt limitation imposed on the City and the issuance of the Bonds will not have any adverse impact on the credit rating of the City, even in the event that the borrower or the school encounters financial difficulties with respect to the project.

**E. LEGAL CONSIDERATION:**

- Kennedy & Graven will serve as the Bond counsel for the issuance.
- Because the project is located within the Richfield City limits, the City needs to conduct the public hearing on the Bond issuance and grant host city approval for another municipality to issue the Bonds.

**ALTERNATIVE RECOMMENDATION(S):**

Decide not to consent to the issuance, sale and delivery of revenue Bonds by the City of Bethel for the proposed project.

**PRINCIPAL PARTIES EXPECTED AT MEETING:**

Gina Fiorini, Kennedy & Graven, and representatives from Partnership Academy, Jake Kizewski and Lisa Hendricks

**ATTACHMENTS:**

Description	Type
▣ Resolution	Resolution Letter

**CITY OF RICHFIELD, MINNESOTA**

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION CONSENTING TO AND APPROVING THE  
ISSUANCE BY THE CITY OF BETHEL OF ITS CHARTER  
SCHOOL LEASE REVENUE OBLIGATIONS AND TAKING  
OTHER ACTIONS WITH RESPECT THERETO**

WHEREAS, the City of Richfield, Minnesota (the “City”) is a home rule charter city and political subdivision duly organized and existing under its Charter and the laws of the State of Minnesota; and

WHEREAS, pursuant to Minnesota Statutes, Sections 469.152 through 469.1655, as amended (the “Act”), the City is authorized to carry out the public purposes described in the Act by providing for the issuance of revenue bonds to provide funds to finance revenue producing enterprises, whether or not operated for profit; and

WHEREAS, Minnesota Statutes, Section 471.656, as amended, authorizes a municipality to issue obligations to finance the acquisition or improvement of property located outside of the corporate boundaries of such municipality if the governing body of the city in which the property is located consents by resolution to the issuance of such obligations; and

WHEREAS, Partnership Academy Association, a Minnesota nonprofit corporation and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Company”), has requested that the City of Bethel, Minnesota (the “City of Bethel”) issue its revenue bonds, in one or more series, as taxable or tax-exempt obligations (the “Bonds”), in a principal amount not to exceed \$5,000,000, and loan the proceeds thereof to the Company for the purpose of (i) financing the acquisition, construction, improvement and equipping of a 7,540 square foot expansion to its existing approximately 40,022 square foot public charter school facility (the “Original Facility”) located at 6500 South Nicollet Avenue in the City (the “Project”) for use as a public charter school for students in pre-kindergarten through eighth grade; (ii) financing capitalized interest during the construction of the Project, if necessary; (iii) funding any required reserves; and (iv) paying costs of issuance of the Bonds; and

WHEREAS, the Project will be owned by the Company and leased to and operated by Partnership Academy, Inc., a Minnesota nonprofit corporation and public charter school (the “School”), pursuant to a lease agreement; and

WHEREAS, Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”), and regulations promulgated thereunder require that prior to the issuance of the Bonds, the City Council of the City (the “City Council”) consent to the issuance of the Bonds by the City of Bethel after conducting a public hearing thereon preceded by publication of a notice of public hearing (in the form required by Section 147(f) of the Code and applicable regulations) in a newspaper of general circulation within the City at least seven (7) days prior to the public hearing date; and

WHEREAS, a notice of public hearing was published at least seven (7) days before the regularly scheduled meeting of the City Council on the date hereof in the *Sun Current*, the official newspaper of and a newspaper of general circulation in the City, and a supplemental notice of public hearing was posted on the public notice section of the City’s website at least seven (7) days before the regularly

scheduled meeting of the City Council on the date hereof, with respect to the required public hearing under Section 147(f) of the Code; and

WHEREAS, on the date hereof, the City Council conducted a public hearing at which a reasonable opportunity was provided for interested individuals to express their views, both orally and in writing, on the following: (i) consent to the issuance of the Bonds by the City of Bethel pursuant to the requirements of Section 147(f) of the Code and the regulations promulgated thereunder; and (ii) approval of the issuance of the Bonds by the City of Bethel to finance the Project; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF RICHFIELD, MINNESOTA, AS FOLLOWS:

1. The City Council finds that it is in the best interest of the City to approve the issuance of the Bonds by the City of Bethel to finance the Project and hereby consents to the issuance of the Bonds by the City of Bethel for the purposes set forth above in an amount not to exceed \$5,000,000.

2. The Bonds are to be issued by the City of Bethel pursuant to the Act. The Bonds will constitute special, limited obligations of the City of Bethel secured solely by revenues derived from the operation of the Project and other security provided by the Company and the School, including but not limited to a mortgage on the land and buildings comprising the Project. The Bonds will not constitute a general or moral obligation of the City or the City of Bethel and will not be secured by any taxing powers of the City or the City of Bethel.

3. The Mayor and the City Manager are hereby authorized and directed to execute and deliver any documents deemed necessary to fulfill the intentions of this resolution.

4. The Mayor and City Manager and other officers, employees, and agents of the City are hereby authorized and directed to prepare and furnish to bond counsel and the original purchaser of the Bonds certified copies of all proceedings and records of the City relating to the approval of the issuance of the Bonds, including a certification of this resolution.

5. The Company will, upon demand, reimburse the City for costs paid or incurred by the City in connection with this resolution.

6. This resolution shall be in full force and effect from and after its passage.

Approved by the City Council of the City of Richfield, Minnesota this 14th day of December, 2021.

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Mayor

ATTEST:

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City Clerk



**STAFF REPORT NO. 195**  
**CITY COUNCIL MEETING**  
**12/14/2021**

REPORT PREPARED BY: Jodi Bursheim, Interim Finance Director

DEPARTMENT DIRECTOR REVIEW:

OTHER DEPARTMENT REVIEW:

CITY MANAGER REVIEW: Katie Rodriguez, City Manager  
12/8/2021

**ITEM FOR COUNCIL CONSIDERATION:**

**Consider resolutions approving the 2021 Revised/2022 Proposed budget and tax levy and related resolutions.**

**EXECUTIVE SUMMARY:**

On September 14, 2021, the City Council approved and certified a preliminary tax levy of \$25,127,419 which included a levy for general fund operations of \$20,067,061, a debt service levy of \$3,668,535, an equipment and technology levy of \$835,000, and an Economic Development Agency levy of \$556,823. Accordingly, the 2022 preliminary gross levy represents a 4.98% increase from the 2021 gross levy.

The final tax levy of \$25,127,419 must now be considered and approved by the City Council. Taxpayers have received individual parcel specific tax notices in anticipation of the truth-in-taxation hearing.

The City of Richfield has conducted and closed its 2021 truth-in-taxation hearing on November 30, 2021. During the course of the public hearing, there was an opportunity for testimony from the general public. Information was also presented by staff regarding the proposed levy and budget. No official City Council action to act on the levy was permissible on the day of the public hearing.

Included for your consideration are salary increases for non-represented employee pay plans. The proposed increases are 3.00% increase for the Management and General Services, and the Specialized pay plans. The increases are effective the first full pay period of January 2022.

**RECOMMENDED ACTION:**

**By Motion: Adopt the resolutions approving the 2021 Revised/2022 Proposed budget and tax levy and related resolutions.**

**BASIS OF RECOMMENDATION:**

**A. HISTORICAL CONTEXT**

N/A.

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

A revised 2021 budget and final 2022 budget and tax levy must be adopted on or before December 28,

2021.

Cities have five working days after December 20 or no later than December 28 to prepare all the documentation necessary to certify a final levy to the County Auditor and State Department of Revenue. A proposed 2022 tax levy has been submitted to the City Council for consideration. Several related resolutions included within the total budget document need to be considered. These related resolutions are itemized in the attachment section of this staff report.

**C. CRITICAL TIMING ISSUES:**

N/A.

**D. FINANCIAL IMPACT:**

The proposed gross tax levy for 2022 is \$25,127,419, which includes levies for general fund operations, debt service, the Richfield EDA, equipment and technology and a tax abatement levy.

The gross tax levy for 2022 reflects a 4.98% increase from the previous year's gross levy.

The City's tax capacity rate is anticipated to increase from 54.079% in 2021 to 54.605% in 2022.

3.00% wage increase for Management, General Services, and Specialized pay plan employees effective January 2022.

**E. LEGAL CONSIDERATION:**

A truth-in-taxation public hearing for the 2022 proposed budget and tax levy was conducted on November 30, 2021.

**ALTERNATIVE RECOMMENDATION(S):**

The City Council could adopt a final 2022 budget and tax levy in any amount, which does not exceed the levy of \$25,127,419.

**PRINCIPAL PARTIES EXPECTED AT MEETING:**

**ATTACHMENTS:**

Description	Type
▢ Resolution Adopting 2022 Budget and Tax Levy	Resolution Letter
▢ Resolution Budget Revisions	Resolution Letter
▢ Resolution revision of 2021 Budget of Various Depts	Resolution Letter
▢ Resolution 2022 Mileage Reimbursement Rate	Resolution Letter
▢ Resolution Adopting 2022 CIB	Resolution Letter
▢ Resolution Adopting 2023-2026 CIP	Resolution Letter
▢ Resolution Establishing Utility Rates and Charges for 2022	Resolution Letter
▢ Resolution Public Works On-Call Compensation	Resolution Letter
▢ Resolution Approving Car Allowance Reimbursement Policy	Resolution Letter
▢ Resolution General Services Pay Plan 2022	Resolution Letter
▢ Resolution Management Pay Plan 2022	Resolution Letter
▢ Resolution Specialized Pay Plan 2022	Resolution Letter



**RESOLUTION NO.  
RESOLUTION ADOPTING A BUDGET AND TAX LEVY  
FOR THE YEAR 2022**

**WHEREAS**, the Minnesota Truth in Taxation law provides for a proposed tax levy to be certified to the County Auditor by September 30, 2022 and then recertified before December 28, 2021.

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

1. The budget for the City of Richfield for the year 2022 is hereby approved and adopted with appropriations for each of the departments to be as follows:

General Fund

Legislative/Executive	\$ 1,113,300
Administrative Services	973,080
Finance	769,760
Public Safety	10,926,920
Fire Services	5,130,730
Community Development	1,802,120
Public Works	4,751,100
Recreation Services	2,151,320
Transfers Out	250,000
<b>TOTAL GENERAL FUND</b>	<u><u>\$27,868,330</u></u>

2. The estimated gross revenue of the City of Richfield from all sources, including general ad valorem tax levies as hereinafter set forth for the year 2022 which are more fully detailed in the City Manager's official copy of the 2022 budget, are hereby found and determined to be as follows:

**TOTAL GENERAL FUND**      \$27,868,330

3. There is hereby levied upon all taxable property in the City of Richfield a direct ad valorem tax in the year 2021, payable in 2022 for the following purposes and in the following amounts:

<u>PURPOSE</u>	<u>AMOUNT</u>
General Fund <sup>1</sup>	\$20,067,061
Equipment	835,000
Economic Development Authority	556,823
Debt Service	3,668,535

<sup>1</sup> Provision has been made in the General Fund for the payment of the City's contributory share to Public Employees' Retirement Association.

<sup>2</sup> General Fund Levy includes all fiscal disparities distribution amounts.

4. The debt service tax levy is included as established in the bond documents for each of the bonds.

5. The budget for the Housing and Redevelopment Authority of Richfield for the year 2022 is hereby ratified and approved. There is hereby levied upon all taxable property in the City of Richfield a direct ad valorem tax in the year 2021, payable in 2022 for the following purposes:

<u>PURPOSE</u>	<u>AMOUNT</u>
Housing and Redevelopment Authority	\$649,960

6. A certified copy of this resolution shall be transmitted to the County Auditor.

Adopted by the City Council of the City of Richfield, Minnesota this 14<sup>th</sup> day of December 2021.

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Maria Regan Gonzalez, Mayor

ATTEST:

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Kari Sinning, City Clerk

**RESOLUTION NO.**  
**RESOLUTION AUTHORIZING BUDGET REVISIONS**

**WHEREAS**, the City Charter and Minnesota Statutes provide for a process for adopting an annual budget and tax levy; and

**WHEREAS**, the City Charter provides certain authority for the City Manager and/or City Council to revise the annual budget; and

**WHEREAS**, it would be beneficial to restate such authority with the adoption of the budget.

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

1. The City Manager may increase the budget by City Council action provided that unbudgeted receipts will be available to equal or exceed the increased expenditures.
2. The City Manager may authorize transfers between divisions within a department providing the transfers do not increase or decrease the department or total budget.
3. The City Manager may transfer budgeted amounts between departments only with the approval of the City Council.

Adopted by the City Council of the City of Richfield, Minnesota this 14th day of December, 2021.

\_\_\_\_\_  
Maria Regan Gonzalez, Mayor

ATTEST:

\_\_\_\_\_  
Kari Sinning, City Clerk

## RESOLUTION NO.

### RESOLUTION AUTHORIZING REVISION OF 2021 BUDGET OF VARIOUS DEPARTMENTS

**WHEREAS**, Resolution No. 11685 appropriated funds for personal services, other expenses and capital outlays for each department of the City for the year of 2021; and

**WHEREAS**, The City Charter, Chapter 7, Section 7.09, gives the Council authority to transfer unencumbered appropriation balances from one department to another within the same fund at the request of the City Manager; and

**WHEREAS**, The City Manager has requested a revision of the 2021 budget appropriations in accordance with Charter provisions and as detailed in the Proposed 2022 budget document.

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

1. That the 2021 appropriations for each department of the General Fund be amended to establish the following totals:

<u>General Fund</u>	
Legislative/Executive	\$ 1,008,250
Administrative Services	836,330
Finance	755,000
Public Safety	10,484,860
Fire Services	4,995,320
Community Development	1,800,220
Public Works	4,713,500
Recreation Services	2,069,940
Transfer Out	230,000
TOTAL GENERAL FUND	<u>\$26,893,420</u>
INCREASE	<u>\$ 158,750</u>

2. Estimated 2021 gross revenue of the City of Richfield from all sources, as the same are more fully detailed in the City Manager's official copy of the proposed 2022 budget, are hereby revised as follows:

INCREASE	<u>\$158,750</u>
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3. That the City Manager bring into effect the provisions of this resolution.

Adopted by the City Council of the City of Richfield, Minnesota this 14th day of December 2021.

\_\_\_\_\_  
Maria Regan Gonzalez, Mayor

ATTEST:

\_\_\_\_\_  
Kari Sinning, City Clerk

**RESOLUTION NO.**  
**RESOLUTION AUTHORIZING ADJUSTMENT TO CITY'S MILEAGE**  
**REIMBURSEMENT RATE TO CONFORM TO INTERNAL REVENUE SERVICE**  
**STATUTORY MILEAGE REIMBURSEMENT RATE**

**WHEREAS**, the Internal Revenue Service periodically adjusts the business mileage reimbursement rate; and

**WHEREAS**, the City of Richfield's present mileage reimbursement is in conformance with the Internal Revenue Service business mileage reimbursement rate; and

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

1. That the City Manager of Richfield is hereby authorized and directed to adjust the City's mileage reimbursement rate to be in conformance with Internal Revenue Service guidelines.
2. That the City's mileage reimbursement rate is not to exceed the Internal Revenue Service guidelines.

Approved by the City Council of the City of Richfield, Minnesota this 14th day of December, 2021.

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Maria Regan Gonzalez, Mayor

ATTEST

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Kari Sinning, City Clerk

**RESOLUTION NO.**

**RESOLUTION ADOPTING THE 2022 CAPITAL IMPROVEMENT BUDGET**

**WHEREAS**, a proposed Capital Improvement Budget for 2022 has been prepared and submitted for review by the City Council in accordance with charter requirements; and

**WHEREAS**, the City Council has received the recommendations and benefit of review of these proposed documents by the Planning Commission and has itself reviewed these proposals.

**NOW, THEREFORE, BE IT RESOLVED** that the 2022 Capital Improvement Budget in the sum total of \$26,575,000 is hereby approved as amended and adopted with full recognition of the fact that the cost estimates are approximate and are subject to final cost estimates and that all awards of contracts for these projects are subject to necessary hearings and must be approved by the City Council in accordance with established laws and practices governing such action, and

**BE IT FURTHER RESOLVED** that the City Manager is hereby authorized and directed to initiate the procedures which will lead to more formal and detailed consideration of these projects in accordance with the aforementioned laws and practices.

Adopted by the City Council of the City of Richfield, Minnesota this 14th day of December, 2021.

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Maria Regan Gonzalez, Mayor

ATTEST:

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Kari Sinning, City Clerk

**RESOLUTION NO.**  
**RESOLUTION ADOPTING THE 2023-2026 CAPITAL IMPROVEMENT PROGRAM**

**WHEREAS**, a proposed Capital Improvement Program 2023-2026 has been prepared for review by the Planning Commission in accordance with charter requirements; and

**WHEREAS**, the City Council has received the recommendations and benefit of review of these proposed documents by the Planning Commission and has itself reviewed these proposals.

**NOW, THEREFORE, BE IT RESOLVED** that the 2023-2026 Capital Improvement Program is hereby approved and adopted subject to annual review and revision;

**BE IT FURTHER RESOLVED** that the City Manager is hereby authorized and directed to initiate the procedures which will lead to more formal and detailed consideration of these projects in accordance with the aforementioned laws and practices.

Adopted by the City Council of the City of Richfield, Minnesota this 14th day of December, 2021.

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Maria Regan Gonzalez, Mayor

ATTEST:

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Kari Sinning, City Clerk

## RESOLUTION NO.

### RESOLUTION ESTABLISHING WASTEWATER SERVICE RATES AND CHARGES, WATER RATES AND CHARGES, SPECIAL WATER SERVICE CHARGES, STORM SEWER RATES AND CHARGES, STREET LIGHT RATES AND CHARGES, AND 6.5% PENALTY ON PAST DUE ACCOUNTS

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

#### SANITARY SEWER SERVICE RATES AND CHARGES FOR 2022

1. Pursuant to the provisions of Section 705.0 of the Ordinance Code of the City of Richfield, the rates and charges for use and service of the sanitary sewer system are hereby established to be those set forth in the following paragraphs of this resolution which rescinds Resolution No. 11805
2. Where the rate is not based upon the metered use of water, the following quarterly flat charges are established effective January 1, 2022 for each billing district as defined in paragraph 3 of this resolution.

A)	Residential per unit	<u>2022</u> \$123.46
B)	Commercial -	
	For the equivalent of 10 or less persons	\$123.46
	More than 10, less than 15	\$224.87
	More than 15, less than 20	\$314.99
	More than 20, less than 26	\$420.34
C)	Institutional -	
	For each public or private school the quarterly flat charge shall be charged whether the school is in session or not (rates being charged upon average yearly use); shall be based upon the number of students enrolled at the beginning of the quarterly billing period or the preceding period if school is not then in session; and shall be as follows:	
	For each 100 grade school students or fraction in excess thereof	<u>2022</u> \$129.27
	For each 100 junior high school students or high School students or fraction thereof	\$189.93
D)	In addition to the above flat rates there shall be a customer Charge on each invoice as determined in paragraph 4 of this resolution and a certification charge as determined in Section 705.0 of the City Ordinance Code.	

3. Where the rate for sanitary sewer service is based upon the metered use of water on the premises, such rates shall be as follows:



- A) For all residential premises the rate shall be based on The actual use, or less of water for the preceding winter quarter, per thousand gallons with a minimum of 7,000 gallons, effective January 1, 2022, for each customer billing district and shall be as follows: 2022  
\$ 6.15

For the purpose of this paragraph A), the winter quarter shall be the winter quarter as specified in Subdivision 3 of said section 705.0.

- B) For all commercial, institutional, industrial, and other premises, the rate per thousand gallons of water effective January 1, 2022, shall be as follows: \$ 6.15
- C) A customer charge shall be made for each invoice rendered effective January 1, 2022 as follows: \$ 10.00

If the invoice is for water service, as well as sanitary sewer service, the customer charge, when collected, shall be allocated proportionally between the City's water fund, sewer fund, and its storm sewer fund based on the user fees billed for by each fund.

- D) Where the metered use of water on the premises for the preceding winter quarter was not normal, the rate may be adjusted as provided in Subdivision 3 of said Section 705.0.
4. The foregoing rates and charges are in addition to, and not in lieu of, other rates and charges established by ordinance or resolution.
5. The Metropolitan Airports Commission (MAC) will be charged a sanitary sewer rate based on the Met Council Environmental Services (MCES) rate plus 15% for Inflow/Infiltration and \$1,000.00 per quarter for administration costs.

#### WATER RATES AND CHARGES FOR 2022

1. Pursuant to the provisions of Section 715.0 of the Ordinance Code of the City of Richfield, the rates and charges for City water and water service are hereby established to be those set forth in the following paragraphs of this resolution:

The charges due and payable to the City by each water customer of the City, during any quarter shall be based upon the Conservation Rate Structure.

- |               |  |
|---------------|--|
| Water-Tier 1: | The first tier rate is (\$4.39 per thousand) charged for consumption of the first 15,000 gallons.                            |
| Water-Tier 2: | The second tier rate is (\$5.27 per thousand) charged for consumption of 15,001 gallons but less or equal to 25,000 gallons. |
| Water-Tier 3: | The third tier rate is (\$6.34 per thousand) charged for consumption in excess of 25,001 gallons.                            |

Irrigation accounts: All consumption will be charged at the (\$6.34 per thousand) water-tier 3 rate.

The Conservation Rate Structure applies to multi-unit and residential premises. Commercial, institutional or industrial will only be subject to the Water-tier 1 rates for domestic use, irrigation accounts will be subject to the Water-tier 3 rate.

Water charges shall be payable quarterly, and all bills issued after January 1, 2022 shall be at this rate.

#### SPECIAL WATER SERVICE CHARGES FOR 2022

1. Pursuant to the provisions of Section 715.0 of the Ordinance Code of the City of Richfield, the rates and charges for special customer services are hereby established to be those set forth in the following paragraphs of this resolution:
2. The charge for establishing a new customer account shall be \$15.00 per account.
3. The charge for installation of meters shall be \$50.00 per installation.
4. The charge to flush and maintain fire hydrants located on privately owned property within the City shall be \$50.00 per hydrant per year plus any required parts.
5. The charge to thaw and service water pipes on customer property shall be actual cost to the City plus thirty percent.
6. The charge for any other services not covered by the above shall be based on actual hourly cost to the City plus thirty percent.
7. The MN lab fee will be \$9.72.

#### STORM SEWER RATES AND CHARGES FOR 2022

1. Pursuant to the provisions of Section 720.0 of the Ordinance Code of the City of Richfield, the rates and charges for City storm sewer service are hereby established to be those set forth in the following paragraphs of this resolution:
2. The rates and charges for the use and availability of the system are determined through the use of a "Residential Equivalent Factor" (REF). One REF is defined as the ratio of the average volume of surface runoff coming from one acre of land and subjected to a particular use, to the average volume of runoff coming from one acre of land subjected to typical single-family residential use within the City during a standard one year rainfall event. The REF's for the following land uses within the City and the billing classifications for such land uses are as follows:

<u>LAND USES</u>	<u>REF</u>	<u>CLASSIFICATION</u>
Cemeteries	.25	1
Parks and railroads	.75	2
Two-family residential	1.00	3
Single-family residential	1.00	4
Public and private schools and institutional uses	1.25	5

Multiple-family residential uses and churches	3.00	6
Commercial, industrial, and Warehouse uses	5.00	7

- The basic system quarterly rate for storm sewer service is \$109.00 per acre of land. \$21.80 is the quarterly rate for a single-family residence, which is considered to have an acreage of one-fifth acre. The charge made against each parcel of land is then determined by multiplying the REF for the parcel's land use classification times the parcel's acreage times the basic system rate.

### STREET LIGHT RATES AND CHARGES FOR 2022

- Pursuant to the provisions of Minnesota State Statutes, Section 429.101 and Section 825 of the Ordinance Code of the City of Richfield, the rates and charges for City street light service are hereby established to be those set forth in the following paragraphs of this resolution:
- The street light fee for residential single family property is \$5.77 per quarter.
- Rates for other land uses will be determined by land use types based on the following table:

#### STREET LIGHT LAND USES:

COM	All commercial properties, to include multifamily residents (apartments) and industrial parcels.
RES	All residentially coded parcels.
PUB	Public buildings, i.e. City Hall, City Garage, and Fire Stations
CHURCH	All Churches also to include cemeteries and activity buildings associated with a Church
SCH	All schools, to include private and public schools.
PRK	All parks owned by the City of Richfield, also to include Nature Centers and all "properties" located within city park parcels
DPLX	Addresses that split a residential lot, to include townhomes, 3-plexes, and 4-plexes.

LAND USE CODE	MULTIPLIER	To Bill FACTOR
COM (acres>0.2)	5*	(5 x ACREAGE)
if acres≤0.2	----	1
RES	----	1
PUB (acres>0.2)	5	(5 x ACREAGE)
if acres ≤0.2	----	1
CHURCH (acres>0.2)	1.25**	(1.25 x ACREAGE)
if acres ≤0.8	----	1
if acres ≤0.2	----	1
SCH (acres>0.2)	1.25	(1.25 x ACREAGE)
if acres ≤0.8	----	1
if acres ≤0.2	----	1
PRK	1.25	(1.25 x ACREAGE)
DPLX	----	0.5

4. The multiplier of "5" is based on the definition that a residential lot is 1/5 of an acre; hence multiplying acreage by 5 produces the equivalent number of residential lots.
5. The multiplier of "1.25" is based on the definition that a residential lot is 1/5 of an acre and multiplying acreage by 5 produces the equivalent number of residential lots. However, the total area of each parcel is not proportional to the number of street lights in an equivalent residential area so the factor of 5 is reduced by 75%, producing 1.25.

#### 6.5% PENALTY ON PAST DUE ACCOUNTS

1. Customers will have twenty eight (28) days to pay their water, sanitary sewer, storm sewer, and street light quarterly bills from the date of the mailing by the City. Any unpaid amount will be added to the next quarterly bill along with a 6.5% penalty on the delinquent amount.
2. The penalty charge when billed on past due accounts shall be allocated proportionally between the City's water fund, sewer fund, and storm sewer fund based on the user fees billed for each fund.

Adopted by the City Council of the City of Richfield, Minnesota this 14th day of December, 2021.

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Maria Regan Gonzalez, Mayor

ATTEST:

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Kari Sinning, City Clerk

**RESOLUTION NO.**

**RESOLUTION ESTABLISHING PUBLIC WORKS ON-CALL COMPENSATION  
RATES FOR 2022**

**WHEREAS**, the City Council has determined to provide Public Works Superintendent/Managers/Supervisors compensation for being on-call for possible Public Works emergencies; and

**WHEREAS**, the good judgment of a Public Works Superintendent/Managers/Supervisors is needed to provide quality response to Public Works emergencies such as water main breaks, street light knock downs, and sewer main backups; and

**WHEREAS**, the City Council found it necessary to establish a policy to provide such employees with on-call compensation.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Richfield hereby adopts the following On-call Compensation Rates:

Public Works Superintendents/Managers/Supervisors who remain on-call by carrying the emergency cell phone (or similar device) for a period of one week will be compensated at a rate of \$120 a month in 2022.

Adopted by the City Council of the City of Richfield, Minnesota this 14th day of December, 2021.

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Maria Regan Gonzalez, Mayor

ATTEST:

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Kari Sinning, City Clerk

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION AUTHORIZING A CAR ALLOWANCE REIMBURSEMENT POLICY**

**WHEREAS**, the City Council has determined not to provide certain positions with a City vehicle for the performance of the employee's official City duties; and

**WHEREAS**, said employees are required to use their own personal vehicle in the performance of their official duties; and

**WHEREAS**, such employees are responsible for the fuel, maintenance, insurance and all other expenses required for the upkeep of their personal vehicles; and

**WHEREAS**, the City Council finds it necessary to establish a policy to provide such employees with a car allowance reimbursement; and

**WHEREAS**, the car allowance is an estimated amount intended to reimburse such employees for the reasonable expenses that they will incur in the performance of their official duties; and

**WHEREAS**, the car allowance reimbursement represents the City's full obligation and responsibility regarding the provision of automobile transportation to such employees.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Richfield hereby adopts the following car allowance reimbursement schedule at the amount of \$225 per month:

Public Works Director  
Liquor Operations Director  
Superintendents

Adopted by the City Council of the City of Richfield, Minnesota this 14<sup>th</sup> day of December 2021.

\_\_\_\_\_  
Maria Regan Gonzalez, Mayor

ATTEST:

\_\_\_\_\_  
Kari Sinning, City Clerk

**RESOLUTION NO.**  
**RESOLUTION RELATING TO THE 2022 GENERAL SERVICES**  
**SALARY COMPENSATION PLAN**

**WHEREAS**, the compensation personnel policy of the City of Richfield provides for the adoption of a pay plan for General Services employees from time-to-time, and

**WHEREAS**, the City administration has prepared a 2022 pay plan for position classifications for General Services employees. The City Manager is authorized to add or reclassify positions as necessary. Examples of positions in each pay grade are attached.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council do and hereby does establish for the year 2022 the following pay plan, which is to be effective the first full pay period of January 2022, and subject to all applicable provisions of the personnel policy and City Code:

<b>Effective the first full pay period of January 2022</b>						
<b>STEP</b>		<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>
<b>RANGE</b>						
GS1	YR		46,508.80	49,067.20	52,000.00	53,539.20
	MO		3,875.73	4,088.93	4,333.33	4,461.60
	BW		1,788.80	1,887.20	2,000.00	2,059.20
	HR		22.36	23.59	25.00	25.74
GS2	YR		50,523.20	53,040.00	55,764.80	58,572.80
	MO		4,210.27	4,420.00	4,647.07	4,881.07
	BW		1,943.20	2,040.00	2,144.80	2,252.80
	HR		24.29	25.50	26.81	28.16
GS3	YR	53,643.20	56,534.40	59,321.60	62,337.60	65,894.40
	MO	4,470.27	4,711.20	4,943.47	5,194.80	5,491.20
	BW	2,063.20	2,174.40	2,281.60	2,397.60	2,534.40
	HR	25.79	27.18	28.52	29.97	31.68
GS4	YR	58,572.80	61,568.00	64,688.00	67,870.40	71,448.00
	MO	4,881.07	5,130.67	5,390.67	5,655.87	5,954.00
	BW	2,252.80	2,368.00	2,488.00	2,610.40	2,748.00
	HR	28.16	29.60	31.10	32.63	34.35
GS5	YR	64,688.00	67,870.40	71,448.00	74,984.00	78,769.60
	MO	5,390.67	5,655.87	5,954.00	6,248.67	6,564.13
	BW	2,488.00	2,610.40	2,748.00	2,884.00	3,029.60

	HR	31.10	32.63	34.35	36.05	37.87
GS5E	YR	69,472.00	72,924.80	76,627.20	80,475.20	88,420.80
	MO	5,789.33	6,077.07	6,385.60	6,706.27	7,368.40
	BW	2,672.00	2,804.80	2,947.20	3,095.20	3,400.80
	HR	33.40	35.06	36.84	38.69	42.51
GS6	YR	71,448.00	74,984.00	78,769.60	82,804.80	91,270.40
	MO	5,954.00	6,248.67	6,564.13	6,900.40	7,605.87
	BW	2,748.00	2,884.00	3,029.60	3,184.80	3,510.40
	HR	34.35	36.05	37.87	39.81	43.88
GS6E	YR	76,627.20	80,496.00	84,572.80	88,836.80	98,113.60
	MO	6,385.60	6,708.00	7,047.73	7,403.07	8,176.13
	BW	2,947.20	3,096.00	3,252.80	3,416.80	3,773.60
	HR	36.84	38.70	40.66	42.71	47.17

- a. Step 2 - Start
- b. Step 3 - One year from anniversary date.  
If an employee successfully passes probationary period.
- c. Step 4 - One year since last increase.  
If an employee is rated Below Expectations, the employee may not advance to Step 4 until performance is rated Meets Expectations or higher.
- d. Step 5 - One year since last increase.  
An employee must achieve a Meets Expectations rating or better in all areas of responsibility before advancing to Step 5.
- e. Step 6 - One year since last increase.  
An employee must achieve a Meets Expectations rating or better in all areas of responsibility before advancing to Step 6.

Employees whose competency level and/or performance are rated Below Expectations may not advance to the next step until their performance improves.

Passed by the City Council of the City of Richfield, Minnesota this 14<sup>th</sup> day of December 2021.

\_\_\_\_\_  
Maria Regan Gonzalez

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
Kari Sinning

\_\_\_\_\_  
City Clerk

(Revised 12/2021)



## GENERAL SERVICES POSITION CLASSIFICATION STRUCTURE

GRADE	POSITION TITLES	CLASS
1	Office Assistant	Non-Exempt
	Customer Service Representative	Non-Exempt
2	Community Development Technician	Non-Exempt
	Community Service Officer	Non-Exempt
	Custodian	Non-Exempt
	Liquor Operations Shift Leader	Non-Exempt
	Licensing Clerk- Motor Vehicles/ Business	Non-Exempt
	Police Cadet	Non-Exempt
	Senior Office Assistant	Non-Exempt
3	Accounting Clerk	Non-Exempt
	Assistant Planner	Non-Exempt
	Environmental Health Specialist	Non-Exempt
	Housing Inspections Clerk	Non-Exempt
	Lead Licensing Clerk	Non-Exempt
	Utility Billing Clerk	Non-Exempt
4	Administrative Assistant	Non-Exempt
	Deputy City Clerk	Non-Exempt
	Engineering Assistant	Non-Exempt
	Forester	Non-Exempt
	Project Sustainability Specialist	Non-Exempt
	Records Technician	Non-Exempt
	Water Resources/GIS Specialist	Non-Exempt
5	Code Compliance Officer	Non-Exempt
	Housing Specialist Part-time	Non-Exempt
	Information Technologies Technician/Help Desk	Non-Exempt
	Recreation Specialist	Non-Exempt
	Recreation Supervisor, Part-Time	Non-Exempt
	Communications Specialist, Part-Time	Non-Exempt
	Police Media and Data Specialist	Non-Exempt
	Engineering Technician	Non-Exempt
	Human Resources Specialist	Non-Exempt
5E	Management Analyst	Exempt
	Crime Prevention Specialist	Exempt
	Executive Analyst	Exempt
	Naturalist	Exempt
	Payroll Accountant	Exempt
	Records Supervisor	Exempt
	Recreation Supervisor	Exempt
	Planner	Exempt
	Motor Vehicle Licensing Supervisor	Exempt
6	Civil Engineer	Non-Exempt
	Water Resources Engineer	Non-Exempt
	GIS Coordinator	Non-Exempt
	Information Technologies Technician	Non-Exempt
	Trade/Building Inspector or Trade/Electrical Inspector	Non-Exempt
6E	Accountant	Exempt

(Revised 12/2021)

	Community Development Accountant	Exempt
	Multifamily Housing Program Administrator	Exempt
	Equity Administrator	Exempt
	City Clerk	Exempt
	Senior Building Inspector	Exempt

**RESOLUTION NO.**

**RESOLUTION RELATING TO THE 2022 MANAGEMENT  
SALARY COMPENSATION PLAN**

**WHEREAS**, the compensation personnel policy of the City of Richfield provides for the adoption of a pay plan for Management employees from time-to-time; and

**WHEREAS**, the City administration has prepared a 2022 pay plan for position classifications for Management employees.

**WHEREAS**, the City Council recognizes that adjustments to the pay plan may be necessary at times to address inequities or other issues due to external and internal factors,

**BE IT FURTHER RESOLVED** that the City Council authorizes the City Manager to make adjustments to the pay plan to: add or reclassify positions as necessary; make equity adjustments to individual positions when warranted; and, resolve other issues that may arise to aid in the fair and equitable implementation of the pay plan.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council do and hereby does establish for the year 2022 the following pay plan, which is to be effective the first full pay period of January 2022, and subject to all applicable provisions of the personnel policy and City Code:

MANAGEMENT COMPENSATION PLAN				
PAY GRADE		MINIMUM	MID-RANGE	MAXIMUM
M-L	YR	71,843.20	82,035.20	92,144.00
	MO	5,986.93	6,836.27	7,678.67
	BW	2,763.20	3,155.20	3,544.00
	HR	34.54	39.44	44.30
M-1	YR	82,908.80	94,827.20	106,620.80
	MO	6,909.07	7,902.27	8,885.07
	BW	3,188.80	3,647.20	4,100.80
	HR	39.86	45.59	51.26
M-2	YR	93,475.20	106,849.60	120,203.20
	MO	7,789.60	8,904.13	10,016.93
	BW	3,595.20	4,109.60	4,623.20
	HR	44.94	51.37	57.79
M-3	YR	101,899.20	116,459.20	130,956.80
	MO	8,491.60	9,704.93	10,913.07

	BW	3,919.20	4,479.20	5,036.80
	HR	48.99	55.99	62.96
M-4L	YR	107,494.40	122,865.60	138,153.60
	MO	8,957.87	10,238.80	11,512.80
	BW	4,134.40	4,725.60	5,313.60
	HR	51.68	59.07	66.42
M-4	YR	114,504.00	128,294.40	144,352.00
	MO	9,542.00	10,691.20	12,029.33
	BW	4,404.00	4,934.40	5,552.00
	HR	55.05	61.68	69.40
M-5A	YR	121,326.40	137,883.20	154,960.00
	MO	10,110.53	11,490.27	12,913.33
	BW	4,666.40	5,303.20	5,960.00
	HR	58.33	66.29	74.50
M-5B	YR	125,528.00	143,395.20	161,366.40
	MO	10,460.67	11,949.60	13,447.20
	BW	4,828.00	5,515.20	6,206.40
	HR	60.35	68.94	77.58

## Normal Progression Through Management Compensation Plan

The Range Adjustment shall be applied to Management employees who have achieved at least a *Meets Expectations* performance evaluation during the preceding year. Employees who have received a *Below Expectations* performance evaluation are eligible for ½ of the following year's range adjustment. The Range Adjustment is effective January 1, 2022. Individual Merit adjustments will normally be made effective on an employee's anniversary date and will vary in size, depending on the individual's performance rating and current position in the salary range in line with the following criteria.

PERFORMANCE RATING	POSITION IN SALARY RANGE		
	UNDER 95% MIDPOINT	95-105% OF MIDPOINT	OVER 105% OF MIDPOINT
Outstanding	3.5 to 5%	1.6 to 4%	1 to 2%
Above Average	1.6 to 3.5%	.5 to 1.5%	.5 to 1%
Satisfactory	.5 to 1.5%	No Merit Increase	No Merit Increase
Needs Improvement	No Merit Increase. Requires mandatory 6-month evaluation.		
Not Satisfactory	No future increases until performance improves to at least Satisfactory. Performance and employee status subject to mandatory review every 3 months.		

Passed by the City Council of the City of Richfield, Minnesota this 14<sup>th</sup> day of December 2021.

\_\_\_\_\_  
Maria Regan Gonzalez

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
Kari Sinning

\_\_\_\_\_  
City Clerk

## MANAGEMENT POSITION CLASSIFICATION STRUCTURE

GRADE	POSITION TITLES	CLASS
M-L	Liquor Store Manager	Exempt
M-1	Assistant IT Manager/ Business Analyst	Exempt
	Facility/Program Manager	Exempt
	Operations Supervisor	Exempt
	Project Engineer	Exempt
	Support Services Supervisor	Exempt
	Utilities Supervisor	Exempt
M-2	Assistant City Engineer	Exempt
	Assistant Utilities Superintendent	Exempt
	Chief Building Official	Exempt
	Operations Manager (Parks/Fleet)	Exempt
	Transportation Engineer	Exempt
	Communications Manager	Exempt
	Battalion Chief	Exempt
	Housing Manager	Exempt
M-3	Assistant Fire Chief	Exempt
	Human Resources Manager	Exempt
	Information Technologies Manager	Exempt
	Operations Superintendent	Exempt
	Planning & Redevelopment Manager/Asst. CD Director	Exempt
	Utilities Superintendent	Exempt
	Government Buildings Superintendent	Exempt
	City Engineer	Exempt
M-4L	Liquor Operations Director	Exempt
M-4	Deputy Public Safety Director	Exempt
M-5A	Assistant City Manager	Exempt
	Finance Director	Exempt
	Fire Services Director/Fire Chief	Exempt
	Recreation Services Director	Exempt
M-5B	Community Development Director	Exempt
	Public Safety Director/Police Chief	Exempt
	Public Works Director	Exempt

(Rev. 11/2021)

**RESOLUTION NO.**

**RESOLUTION RELATING TO THE 2022 SPECIALIZED PAY PLAN**

**WHEREAS**, the compensation personnel policy of the City of Richfield provides that the pay grades, the number of steps or range of each pay grade, the compensation rates in each pay grade and the method of normal progression through the pay grade be established by Council resolution; and

**WHEREAS**, the City administration has prepared a 2022 pay plan for the positions for which there are no essentially similar position classification in other regular pay plans. The City Manager is authorized to add or reclassify positions as necessary. Examples of positions in each pay grade are attached.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council do and hereby does establish for the year 2022 the following pay plan which is to be effective the first full pay period of January 2022 and subject to the provisions of the personnel policy and City Code:

**EFFECTIVE THE FIRST FULL PAY PERIOD OF  
JAN 2022 SPECIALIZED PAY PLAN INTERMITTENT AND  
SEASONAL**

Pay Grade		Step 1	Step 2	Step 3	Step 4
SP1-E/NE	HR	LEFT INTENTIONALLY BLANK			
SP2-E/NE	HR	LEFT INTENTIONALLY BLANK			
SP3-E/NE	HR		11.29	11.92	12.47
SP4-E/NE	HR	11.66	12.28	12.85	13.49
SP5-E/NE	HR	12.54	13.24	13.84	14.57
SP6-E/NE	HR	13.60	14.30	14.98	15.76
SP7-E/NE	HR	14.67	15.42	16.17	16.97
SP8-E/NE	HR	15.85	16.66	17.47	18.33
SP9-E/NE	HR	17.12	18.00	18.86	19.81
SP10-E/NE	HR	18.53	19.43	20.44	21.48

SP11- E/NE	HR	19.93	20.99	22.02	23.10
SP12- E/NE	HR	21.61	22.62	23.73	25.01
SP13- E/NE	HR	23.13	24.37	25.61	26.96

Normal Progression Through the Specialized Pay Plan

Individual employees will be eligible to received increases to the next higher-grade step based on individual performance and the following progression:

Step 1 - Start

Step 2 – Minimum 500 hours worked per year from anniversary start date or two years from anniversary date

Step 3 – Minimum 500 hours worked per year from anniversary date or two years from last increase.

Step 4 – Minimum 500 hours worked per year from anniversary date or two years from last increase

Passed by the City Council of the City of Richfield, Minnesota this 14<sup>th</sup> day of December 2021.

\_\_\_\_\_  
Maria Regan Gonzalez Mayor

ATTEST:

\_\_\_\_\_  
Kari Sinning City Clerk



**1**

**2**

**3**    E    Cashier/Concession  
      E    Winter Sports Attendant

**4**    NE    Arena Event Attendant  
      NE    Dance Coordinator  
      NE    Skate Coordinator

**5**    NE    Adaptive Leader/Specialist  
      NE    Inclusion Facilitator  
      NE    Intern  
      E    Lead Concession  
      E    Lifeguard  
      E    Outdoor Skating/Winter Sports  
          Supervisor  
      E    Playground Leader  
      NE    Teen Leader

**6**    NE    Building Attendant  
      NE    Sports Event Attendant  
      NE    Liquor Sales Associate  
      NE    Receptionist

**7**    NE    Accounting Clerk – Int. & Sub.  
      NE    Housing Intern  
      NE    Ice Resurfacers Operator  
      NE    Maintenance Worker  
      NE    Naturalist I  
      NE    Head Lifeguard

**8**    NE    Adaptive Coordinator  
      NE    Farmers Market Coordinator  
      NE    Office Assistant - Int. & Sub.  
      E    Playground Coordinator  
      E    Summer Food Program Coord.  
      NE    Teen Coordinator  
      E    Tennis Coordinator

**9**    NE    Administrative Services Clerk  
      NE    Code Enforcement Tech  
      E    Pool Supervisor  
      NE    Video Production Assistant

- 10 NE Engineering Aide/Intern
- 11 NE Motor Vehicle Licensing Clerk
- 12 E Pool Coordinator
- 13 NE Utility Billing Assistant  
NE Videographer

### **Instructors**

- NE Building Inspector
- NE Figure Skating
- NE Hockey (Arena)
- NE Sports Official
- NE Substitute Naturalist
- NE Dance
- E Cross Country Ski
- E Hockey (outside)
- E Tennis
- E WSI

### **OTHER**

Instructor's Range: \$5.75 - \$50  
 Election Judge \$10.00  
 Election Co-Chair \$12.00  
 Election Chairperson \$13.00

NE=Non-Exempt, may work up to 40 hours per week without overtime pay.

E-Exempt may work up to 48 hours per week without overtime pay.

All Pool positions are exempt from overtime, even Concessions.

All Playground and Outdoor Rink positions are exempt.

All Community Center, Wood Lake Nature Center, Ice Arena and Maintenance positions are non-exempt.

(Revised 11/21)



**STAFF REPORT NO. 196**  
**CITY COUNCIL MEETING**  
**12/14/2021**

REPORT PREPARED BY: Julie Urban, Housing & Redevelopment Manager

DEPARTMENT DIRECTOR REVIEW: John Stark, Community Development Director  
12/7/2021

OTHER DEPARTMENT REVIEW:

CITY MANAGER REVIEW: Katie Rodriguez, City Manager  
12/7/2021

**ITEM FOR COUNCIL CONSIDERATION:**

**Consider a resolution designating buildings located at 6501-13 Penn Avenue South as structurally substandard within the Richfield Redevelopment Project Area and authorizing their demolition.**

**EXECUTIVE SUMMARY:**

The Housing and Redevelopment Authority (HRA) owns the property located at 6501-13 Penn Avenue South. Two buildings are located on the property, and one of the two buildings was recently determined to be unsafe by the City's Building Official.

The HRA has been working with a development team to redevelop the property with multi-family housing. The project is currently waiting to hear if it has been awarded tax credit financing. If the project receives funding, construction could begin at the end of 2022. Ideally, demolition would be undertaken by the developer in conjunction with the beginning of construction; however, given the safety issues at the site and the length of time before construction would begin, demolition should take place now.

The current development proposal will also require local public financing through the form of tax increment. While a Housing Tax Increment Financing (TIF) District is the mostly likely tool for providing financial assistance, a Redevelopment TIF is a possible option. In order for the site to qualify as a Redevelopment TIF District, the property within the proposed District boundaries must be found to be blighted and structurally substandard under the requirements established by Minnesota State Statutes. The architecture firm LHB, Inc. has conducted an extensive evaluation of the site and issued the attached report which concludes that the site and the buildings it contains meet the requirements necessary to qualify as a Redevelopment TIF District.

The attached resolution would make findings accepting the results of the LHB, Inc. report and designating the buildings to be substandard, as defined in Minnesota State Statutes. The resolution would also approve the demolition of the structures within the proposed TIF District boundaries in advance of the creation of the TIF District. The HRA would fund the cost of the demolition.

**RECOMMENDED ACTION:**

**By Motion: Adopt a resolution designating the buildings located at 6501-13 Penn Avenue South as structurally substandard within the Richfield Redevelopment Project Area and authorizing their**

demolition.

## **BASIS OF RECOMMENDATION:**

### **A. HISTORICAL CONTEXT**

- The HRA purchased the property in 2018 and signed a pre-development agreement with Boisclair Corporation and NHH Properties in 2020 to redevelop the site with multi-family housing. If tax credit financing is secured, construction on the property could begin at the end of 2022.
- Maintaining the property has been challenging given the configuration of the buildings and the fact that many entrances and site areas are not visible from the street. The buildings have been broken into multiple times, items have been illegally dumped on the site, and graffiti and other vandalism has occurred.

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

In order to establish a Redevelopment TIF District, the property within the proposed District boundaries must be found to be blighted and structurally substandard under the requirements established by Minnesota State Statutes.

### **C. CRITICAL TIMING ISSUES:**

Adoption of this resolution will allow staff to begin the process of procuring bids for the demolition and conducting the demolition as quickly as possible.

### **D. FINANCIAL IMPACT:**

The HRA will pay for the cost of the demolition. Sufficient funding exists in the HRA's Housing and Redevelopment Fund to cover the costs. If a Redevelopment TIF District is created, the HRA also would have the option of reimbursing itself with future tax increment.

### **E. LEGAL CONSIDERATION:**

The HRA's Attorney has prepared the attached resolution.

## **ALTERNATIVE RECOMMENDATION(S):**

Decide not to authorize demolition at this time.

## **PRINCIPAL PARTIES EXPECTED AT MEETING:**

NA

## **ATTACHMENTS:**

Description	Type
☐ Resolution	Resolution Letter
☐ Substandard Evaluation	Backup Material

**CITY OF RICHFIELD, MINNESOTA**

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION DESIGNATING BUILDINGS AS  
STRUCTURALLY SUBSTANDARD WITHIN THE RICHFIELD  
REDEVELOPMENT PROJECT**

**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. Under Minnesota Statutes, Section 469.174, subdivision 10(d), the City or the Housing and Redevelopment Authority in and for the City of Richfield, Minnesota (the "Authority") is authorized to deem parcels as occupied by structurally substandard buildings before the demolition or removal of the buildings, subject to certain terms and conditions as described in this resolution.

1.02. The City or the Authority intends to cause demolition of the buildings located on the property described in EXHIBIT A attached hereto (the "Designated Property"), and may in the future include the Designated Property in a redevelopment tax increment financing district as defined in Minnesota Statutes, Sections 469.174, subdivision 10, within the Richfield Redevelopment Project.

Section 2. Approvals.

2.01. The City finds that the buildings on the Designated Property are structurally substandard to a degree requiring substantial renovation or clearance, based upon the analysis of such buildings by LHB, Inc., dated November 30, 2018 and on file in City Hall. In addition, the buildings located at 6501 and 6513 Penn Avenue South have been declared unsafe buildings by the City's Chief Building Official pursuant to Minn. Stat. Rule 1300-0180 for unsafe electrical wiring and unsafe fence/guardrail at the upper parking lot. 6513 Penn Avenue is also structurally unsafe because of deteriorated concrete masonry bearing walls and water damage to the precast concrete ceiling..

2.02. After the date of approval of this resolution, the buildings on the Designated Property may be demolished or removed by the Authority, or such demolition or removal may be financed by the Authority, or may be undertaken by a developer under a development agreement with the Authority.

2.03. The Authority intends to include the Designated Property in a redevelopment tax increment financing district, and to file the request for certification of such district with the Taxpayer Services Division Manager of Hennepin County, Minnesota, as the county auditor (the "County Auditor"), within three (3) years after the date of demolition of the buildings on the Designated Property.

2.04. Upon filing the request for certification of the new tax increment financing district, the Authority will notify the County Auditor that the original tax capacity of the Designated Property must be adjusted to reflect the greater of (a) the current net tax capacity of the parcel, or (b) the estimated market value of the parcel for the year in which the buildings were demolished or removed, but applying class rates for the current year, all in accordance with Minnesota Statutes, Section 469.174, subdivision 10(d).

2.05. City staff and consultants are authorized to take any actions necessary to carry out the intent of this resolution.

Adopted by the City Council of the City of Richfield, Minnesota this 14<sup>th</sup> day of December, 2021.

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Maria Regan Gonzalez, Mayor

ATTEST:

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Kari Sinning, City Clerk

## **EXHIBIT A**

### **LEGAL DESCRIPTION OF DESIGNATED PROPERTY**

Par. 1: The West  $\frac{1}{2}$  of the South 109.6 feet of the North 767.2 feet of the North  $\frac{3}{4}$  of the West  $\frac{1}{4}$  of the Southwest Quarter of the Northwest Quarter except the North 30 feet thereof;

Par. 2: The West  $\frac{1}{2}$  of the South 109.6 feet of the North 876.8 feet of the North  $\frac{3}{4}$  of the West  $\frac{1}{4}$  of the Southwest Quarter of the Northwest Quarter;

All in Section 28, Township 28, Range 24, in the Village of Richfield, Hennepin County, Minnesota.

Report of Inspection Procedures and Results for  
Determining Qualifications of a  
Tax Increment Financing District as a Redevelopment District

## **Richfield Penn Avenue Redevelopment TIF District Richfield, Minnesota**



November 30, 2018

Prepared For the

**City of Richfield**

Prepared by:



LHB, Inc.  
701 Washington Avenue North, Suite 200  
Minneapolis, Minnesota 55401

LHB Project No. 180891



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## PART 1 – EXECUTIVE SUMMARY

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### PURPOSE OF EVALUATION

LHB was hired by the City of Richfield to inspect and evaluate the properties within a Tax Increment Financing Redevelopment District (“TIF District”) proposed to be established by the City. The proposed TIF District is located at the southeast corner of West 65<sup>th</sup> Street and Penn Avenue South (Diagram 1). The purpose of LHB’s work is to determine whether the proposed TIF District meets the statutory requirements for coverage, and whether two (2) buildings on one (1) parcel, located within the proposed TIF District, meet the qualifications required for a Redevelopment District.



Diagram 1 – Proposed TIF District

### SCOPE OF WORK

The proposed TIF District consists of one (1) parcel with two (2) buildings. Two (2) buildings were inspected on November 9, 2018. Building Code and Condition Deficiency Reports for the buildings that were inspected are located in Appendix B.

## CONCLUSION

After inspecting and evaluating the properties within the proposed TIF District and applying current statutory criteria for a Redevelopment District under *Minnesota Statutes, Section 469.174, Subdivision 10*, it is our professional opinion that the proposed TIF District qualifies as a Redevelopment District because:

- The proposed TIF District has a coverage calculation of 100 percent which is above the 70 percent requirement.
- 100 percent of the buildings are structurally substandard which is above the 50 percent requirement.
- The substandard buildings are reasonably distributed.

The remainder of this report describes our process and findings in detail.

## PART 2 – MINNESOTA STATUTE 469.174, SUBDIVISION 10 REQUIREMENTS

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The properties were inspected in accordance with the following requirements under *Minnesota Statutes, Section 469.174, Subdivision 10(c)*, which states:

### INTERIOR INSPECTION

“The municipality may not make such determination [that the building is structurally substandard] without an interior inspection of the property...”

### EXTERIOR INSPECTION AND OTHER MEANS

“An interior inspection of the property is not required, if the municipality finds that

- (1) the municipality or authority is unable to gain access to the property after using its best efforts to obtain permission from the party that owns or controls the property; and
- (2) the evidence otherwise supports a reasonable conclusion that the building is structurally substandard.”

### DOCUMENTATION

“Written documentation of the findings and reasons why an interior inspection was not conducted must be made and retained under section 469.175, subdivision 3(1).”

### QUALIFICATION REQUIREMENTS

*Minnesota Statutes, Section 469.174, Subdivision 10 (a) (1)* requires three tests for occupied parcels:

#### A. COVERAGE TEST

...“parcels consisting of 70 percent of the area of the district are occupied by buildings, streets, utilities, or paved or gravel parking lots...”

The coverage required by the parcel to be considered occupied is defined under *Minnesota Statutes, Section 469.174, Subdivision 10(e)*, which states: “For purposes of this subdivision, a parcel is not occupied by buildings, streets, utilities, paved or gravel parking lots, or other similar structures unless 15 percent of the area of the parcel contains buildings, streets, utilities, paved or gravel parking lots, or other similar structures.”

## **B. CONDITION OF BUILDINGS TEST**

*Minnesota Statutes, Section 469.174, Subdivision 10(a)* states, “...and more than 50 percent of the buildings, not including outbuildings, are structurally substandard to a degree requiring substantial renovation or clearance;”

1. Structurally substandard is defined under *Minnesota Statutes, Section 469.174, Subdivision 10(b)*, which states: “For purposes of this subdivision, ‘structurally substandard’ shall mean containing defects in structural elements or a combination of deficiencies in essential utilities and facilities, light and ventilation, fire protection including adequate egress, layout and condition of interior partitions, or similar factors, which defects or deficiencies are of sufficient total significance to justify substantial renovation or clearance.”
  - a. We do not count energy code deficiencies toward the thresholds required by *Minnesota Statutes, Section 469.174, Subdivision 10(b)* defined as “structurally substandard”, due to concerns expressed by the State of Minnesota Court of Appeals in the *Walser Auto Sales, Inc. vs. City of Richfield* case filed November 13, 2001.
2. Buildings are not eligible to be considered structurally substandard unless they meet certain additional criteria, as set forth in Subdivision 10(c) which states:

“A building is not structurally substandard if it is in compliance with the building code applicable to new buildings or could be modified to satisfy the building code at a cost of less than 15 percent of the cost of constructing a new structure of the same square footage and type on the site. The municipality may find that a building is not disqualified as structurally substandard under the preceding sentence on the basis of reasonably available evidence, such as the size, type, and age of the building, the average cost of plumbing, electrical, or structural repairs, or other similar reliable evidence.”

“Items of evidence that support such a conclusion [that the building is not disqualified] include recent fire or police inspections, on-site property tax appraisals or housing inspections, exterior evidence of deterioration, or other similar reliable evidence.”

LHB counts energy code deficiencies toward the 15 percent code threshold required by *Minnesota Statutes, Section 469.174, Subdivision 10(c)* for the following reasons:

- The Minnesota energy code is one of ten building code areas highlighted by the Minnesota Department of Labor and Industry website where minimum construction standards are required by law.
- Chapter 13 of the 2015 *Minnesota Building Code* states, “Buildings shall be designed and constructed in accordance with the *International Energy Conservation Code*.” Furthermore, Minnesota Rules, Chapter 1305.0021 Subpart 9 states, “References

to the *International Energy Conservation Code* in this code mean the *Minnesota Energy Code*...”

- The Senior Building Code Representative for the Construction Codes and Licensing Division of the Minnesota Department of Labor and Industry confirmed that the Minnesota Energy Code is being enforced throughout the State of Minnesota.
- In a January 2002 report to the Minnesota Legislature, the Management Analysis Division of the Minnesota Department of Administration confirmed that the construction cost of new buildings complying with the Minnesota Energy Code is higher than buildings built prior to the enactment of the code.
- Proper TIF analysis requires a comparison between the replacement value of a new building built under current code standards with the repairs that would be necessary to bring the existing building up to current code standards. In order for an equal comparison to be made, all applicable code chapters should be applied to both scenarios. Since current construction estimating software automatically applies the construction cost of complying with the Minnesota Energy Code, energy code deficiencies should also be identified in the existing structures.

### **C. DISTRIBUTION OF SUBSTANDARD BUILDINGS**

*Minnesota Statutes, Section 469.174, Subdivision 10*, defines a Redevelopment District and requires one or more of the following conditions, “reasonably distributed throughout the district.”

- (1) “Parcels consisting of 70 percent of the area of the district are occupied by buildings, streets, utilities, paved or gravel parking lots, or other similar structures and more than 50 percent of the buildings, not including outbuildings, are structurally substandard to a degree requiring substantial renovation or clearance;
- (2) the property consists of vacant, unused, underused, inappropriately used, or infrequently used rail yards, rail storage facilities, or excessive or vacated railroad rights-of-way;
- (3) tank facilities, or property whose immediately previous use was for tank facilities...”

Our interpretation of the distribution requirement is that the substandard buildings must be reasonably distributed throughout the district as compared to the location of all buildings in the district. For example, if all of the buildings in a district are located on one half of the area of the district, with the other half occupied by parking lots (meeting the required 70 percent coverage for the district), we would evaluate the distribution of the substandard buildings compared with only the half of the district where the buildings are located. If all of the buildings in a district are located evenly throughout the entire area of the district, the substandard buildings must be reasonably distributed throughout the entire area of the district. We believe this is consistent with the opinion expressed by the State of Minnesota Court of Appeals in the *Walser Auto Sales, Inc. vs. City of Richfield* case filed November 13, 2001.

## PART 3 – PROCEDURES FOLLOWED

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LHB inspected two (2) of the two (2) buildings during the day of November 9, 2018.

## PART 4 – FINDINGS

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### A. COVERAGE TEST

1. The total square foot area of the parcel in the proposed TIF District was obtained from City records, GIS mapping and site verification.
2. The total square foot area of buildings and site improvements on the parcels in the proposed TIF District was obtained from City records, GIS mapping and site verification.
3. The percentage of coverage for each parcel in the proposed TIF District was computed to determine if the 15 percent minimum requirement was met. The total square footage of parcels meeting the 15 percent requirement was divided into the total square footage of the entire district to determine if the 70 percent requirement was met.

### FINDING:

The proposed TIF District met the coverage test under *Minnesota Statutes, Section 469.174, Subdivision 10(e)*, which resulted in parcels consisting of 100 percent of the area of the proposed TIF District being occupied by buildings, streets, utilities, paved or gravel parking lots, or other similar structures (Diagram 2). This exceeds the 70 percent area coverage requirement for the proposed TIF District under *Minnesota Statutes, Section 469.174, Subdivision (a) (1)*.





**Diagram 2 – Coverage Diagram**

Shaded area depicts a parcel more than 15 percent occupied by buildings, streets, utilities, paved or gravel parking lots or other similar structures

## **B. CONDITION OF BUILDING TEST**

### **1. BUILDING INSPECTION**

The first step in the evaluation process is the building inspection. After an initial walk-thru, the inspector makes a judgment whether or not a building “appears” to have enough defects or deficiencies of sufficient total significance to justify substantial renovation or clearance. If it does, the inspector documents with notes and photographs code and non-code deficiencies in the building.

### **2. REPLACEMENT COST**

The second step in evaluating a building to determine if it is substandard to a degree requiring substantial renovation or clearance is to determine its replacement cost. This is the cost of constructing a new structure of the same square footage and type on site.

Replacement costs were researched using R.S. Means Cost Works square foot models for 2018.

A replacement cost was calculated by first establishing building use (office, retail, residential, etc.), building construction type (wood, concrete, masonry, etc.), and building size to obtain the appropriate median replacement cost, which factors in the costs of construction in Richfield, Minnesota.

Replacement cost includes labor, materials, and the contractor's overhead and profit. Replacement costs do not include architectural fees, legal fees or other "soft" costs not directly related to construction activities. Replacement cost for each building is tabulated in Appendix A.

### **3. CODE DEFICIENCIES**

The next step in evaluating a building is to determine what code deficiencies exist with respect to such building. Code deficiencies are those conditions for a building which are not in compliance with current building codes applicable to new buildings in the State of Minnesota.

*Minnesota Statutes, Section 469.174, Subdivision 10(c)*, specifically provides that a building cannot be considered structurally substandard if its code deficiencies are not at least 15 percent of the replacement cost of the building. As a result, it was necessary to determine the extent of code deficiencies for each building in the proposed TIF District.

The evaluation was made by reviewing all available information with respect to such buildings contained in City Building Inspection records and making interior and exterior inspections of the buildings. LHB utilizes the current Minnesota State Building Code as the official code for our evaluations. The Minnesota State Building Code is actually a series of provisional codes written specifically for Minnesota only requirements, adoption of several international codes, and amendments to the adopted international codes.

After identifying the code deficiencies in each building, we used R.S. Means Cost Works 2018; Unit and Assembly Costs to determine the cost of correcting the identified deficiencies. We were then able to compare the correction costs with the replacement cost of each building to determine if the costs for correcting code deficiencies meet the required 15 percent threshold.

#### **FINDING:**

Two (2) out of two (2) buildings (100 percent) in the proposed TIF District contained code deficiencies exceeding the 15 percent threshold required by *Minnesota Statutes, Section 469.174, Subdivision 10(c)*. Building Code, Condition Deficiency and Context Analysis reports for the buildings in the proposed TIF District can be found in Appendix B of this report.



#### **4. SYSTEM CONDITION DEFICIENCIES**

If a building meets the minimum code deficiency threshold under *Minnesota Statutes, Section 469.174, Subdivision 10(c)*, then in order for such building to be “structurally substandard” under *Minnesota Statutes, Section 469.174, Subdivision 10(b)*, the building’s defects or deficiencies should be of sufficient total significance to justify “substantial renovation or clearance.” Based on this definition, LHB re-evaluated each of the buildings that met the code deficiency threshold under *Minnesota Statutes, Section 469.174, Subdivision 10(c)*, to determine if the total deficiencies warranted “substantial renovation or clearance” based on the criteria we outlined above.

System condition deficiencies are a measurement of defects or substantial deterioration in site elements, structure, exterior envelope, mechanical and electrical components, fire protection and emergency systems, interior partitions, ceilings, floors and doors.

The evaluation of system condition deficiencies was made by reviewing all available information contained in City records, and making interior and exterior inspections of the buildings. LHB only identified system condition deficiencies that were visible upon our inspection of the building or contained in City records. We did not consider the amount of “service life” used up for a particular component unless it was an obvious part of that component’s deficiencies.

After identifying the system condition deficiencies in each building, we used our professional judgment to determine if the list of defects or deficiencies is of sufficient total significance to justify “substantial renovation or clearance.”

##### **FINDING:**

In our professional opinion, two (2) out of two (2) buildings (100 percent) in the proposed TIF District are structurally substandard to a degree requiring substantial renovation or clearance, because of defects in structural elements or a combination of deficiencies in essential utilities and facilities, light and ventilation, fire protection including adequate egress, layout and condition of interior partitions, or similar factors which defects or deficiencies are of sufficient total significance to justify substantial renovation or clearance. This exceeds the 50 percent requirement of Subdivision 10a(1).

#### **C. DISTRIBUTION OF SUBSTANDARD STRUCTURES**

Much of this report has focused on the condition of individual buildings as they relate to requirements identified by *Minnesota Statutes, Section 469.174, Subdivision 10*. It is also important to look at the distribution of substandard buildings throughout the geographic area of the proposed TIF District (Diagram 3).

##### **FINDING:**

The parcels with substandard buildings are reasonably distributed compared to all parcels that contain buildings.



**Diagram 3 – Substandard Buildings**

Shaded green area depicts parcels with buildings.

Shaded orange area depicts substandard buildings.

## PART 5 - TEAM CREDENTIALS

---

### ***Michael A. Fischer, AIA, LEED AP - Project Principal/TIF Analyst***

Michael has 30 years of experience as project principal, project manager, project designer and project architect on planning, urban design, educational, commercial and governmental projects. He has become an expert on Tax Increment Finance District analysis assisting over 100 cities with strategic planning for TIF Districts. He is an Architectural Principal at LHB and currently leads the Minneapolis office.

Michael completed a two-year Bush Fellowship, studying at MIT and Harvard in 1999, earning Masters degrees in City Planning and Real Estate Development from MIT. He has served on more than 50 committees, boards and community task forces, including a term as a City Council President and as Chair of a Metropolitan Planning Organization. Most recently, he served as Chair of the Edina, Minnesota planning commission and is currently a member of the Edina city council. Michael has also managed and designed several award-winning architectural projects, and was one of four architects in the Country to receive the AIA Young Architects Citation in 1997.

### ***Philip Waugh – Project Manager/TIF Analyst***

Philip is a project manager with 13 years of experience in historic preservation, building investigations, material research, and construction methods. He previously worked as a historic preservationist and also served as the preservation specialist at the St. Paul Heritage Preservation Commission. Currently, Phil sits on the Board of Directors for the Preservation Alliance of Minnesota. His current responsibilities include project management of historic preservation projects, performing building condition surveys and analysis, TIF analysis, writing preservation specifications, historic design reviews, writing Historic Preservation Tax Credit applications, preservation planning, and grant writing.

### ***Phil Fisher – Inspector***

For 35 years, Phil Fisher worked in the field of Building Operations in Minnesota including White Bear Lake Area Schools. At the University of Minnesota he earned his Bachelor of Science in Industrial Technology. He is a Certified Playground Safety Inspector, Certified Plant Engineer, and is trained in Minnesota Enterprise Real Properties (MERP) Facility Condition Assessment (FCA). His FCA training was recently applied to the Minnesota Department of Natural Resources Facilities Condition Assessment project involving over 2,000 buildings.

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## APPENDICES

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APPENDIX A	Property Condition Assessment Summary Sheet
APPENDIX B	Building Code and Condition Deficiencies Reports
APPENDIX C	Building Replacement Cost Reports Code Deficiency Cost Reports Photographs

## **APPENDIX A**

Property Condition Assessment Summary Sheet

TIF Map No.	PID #	Property Address / Building Name	Improved or Vacant	Survey Method Used	Site Area (S.F.)	Coverage Area of Improvements (S.F.)	Coverage Percent of Improvements	Coverage Quantity (S.F.)	No. of Buildings	Building Replacement Cost	15% of Replacement Cost	Building Code Deficiencies	No. of Buildings Exceeding 15% Criteria	No. of buildings determined substandard	
A	2802824230023	6501 Penn Avenue	Improved		24,675	24,675	100.0%	24,675	2						
B1	Bumper to Bumper Auto Parts			Interior/Exterior						\$518,502	\$77,775	\$95,902	1	1	
B2		Garage		Interior/Exterior						\$240,320	\$36,048	\$112,002	1	1	
TOTALS					24,675	Total Coverage Percent:			24,675	2	Percent of buildings exceeding 15 percent code deficiency threshold:			2	2
					100.0%				Percent of buildings determined substandard:					100.0%	100.0%

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Percent of buildings determined substandard:

100.0%

## **APPENDIX B**

Building Code, Condition Deficiency and Context Analysis Reports

# Richfield Penn Avenue Redevelopment TIF District

## Building Code, Condition Deficiency and Context Analysis Report

Parcel No. & Building Name: Parcel A Building 1: Bumper to Bumper Auto Parts  
Address: 6501 Penn Ave S Richfield, MN 55423  
Parcel ID: 28-028-24-23-0023  
Inspection Date(s) & Time(s): November 9, 2018 12:30 PM  
Inspection Type: Interior and Exterior  
Summary of Deficiencies: It is our professional opinion that this building is Substandard because:  

- Substantial renovation is required to correct Conditions found.
- Building Code deficiencies total more than 15% of replacement cost, NOT including energy code deficiencies.

Estimated Replacement Cost: \$518,502  
Estimated Cost to Correct Building Code Deficiencies: \$95,902  
Percentage of Replacement Cost for Building Code Deficiencies: 18.5%

### Defects in Structural Elements

1. None observed.

### Combination of Deficiencies

1. Essential Utilities and Facilities
  - a. There is no code-required accessible route into the building.
  - b. There is no code-required accessible restroom in the building.
  - c. There is no code-required drinking fountain in the building.
  - d. Door hardware does not comply with code.
  - e. Thresholds are not code-compliant for maximum height.
2. Light and Ventilation
  - a. HVAC system is not code-compliant.
  - b. Lighting in the basement does not comply with code.
3. Fire Protection/Adequate Egress
  - a. Sidewalks are cracked/damaged creating an impediment for emergency egress, contrary to code.
  - b. Glass doors do not have code-required 10-inch kick plates.
  - c. Vinyl composition floor tile is damaged, creating an impediment for emergency egress, which is contrary to code.
  - d. There is no code-required fire notification system in the building.
  - e. There is no code-required emergency lighting in the building.
  - f. There are no code-required smoke detectors in the building.
  - g. There is no code-required building sprinkler system in the building.
  - h. Basement stairway does not comply with code.
  - i. Exposed wood joists do not have code-required fire proofing material installed.

- j. Electrical circuit panels do not have code-required 36-inch clear space in front of them.
  - k. There is a confined space hazardous material waste trap that is not code-compliant.
4. Layout and Condition of Interior Partitions/Materials
    - a. Interior walls should be repainted.
    - b. Ceiling tiles are water stained from roof leaks and should be replaced.
    - c. The air compressor is not guarded and therefore not code-compliant.
    - d. The ceiling in the repair shop is damaged and should be repaired.
  5. Exterior Construction
    - a. Stucco is missing and should be replaced.
    - b. Stucco had graffiti painted over and the entire exterior stucco should be repainted to match.
    - c. Windows are failing, allowing for water intrusion, contrary to code.
    - d. Wood fascia is rotting and should be replaced.
    - e. Roofing materials are failing, allowing for water intrusion, contrary to code.

### **Description of Code Deficiencies**

1. A code-required accessible route into the building should be created.
2. A code-required accessible restroom should be installed.
3. A code-required drinking fountain should be installed.
4. Code-compliant door hardware should be installed.
5. Thresholds should be modified to comply with code for maximum height.
6. The HVAC system does not comply with code and should be replaced.
7. Basement lighting should be improved to comply with code.
8. Sidewalks should be repaired to comply with code for unimpeded emergency egress.
9. Glass doors should have code-required 10-inch kick plates installed.
10. Vinyl composition floor tile should be repaired replaced to comply with code for unimpeded emergency egress.
11. Code-required smoke detectors should be installed.
12. A code-required emergency notification system should be installed.
13. Code-required emergency lighting should be installed.
14. Code-required building sprinkler system should be installed.
15. Basement stairway should have code-required second handrailing installed.
16. Exposed wood joists should have code-required fire proofing applied.
17. A code-required 36-inch clear space should be created in front of all circuit panels.
18. The confined space hazardous material waste trap should be properly identified and an entry permitting process should be created to comply with code.
19. The air compressor pully system should be guarded per code.
20. Failing windows should be replaced to prevent water intrusion per code.
21. Failed roofing material should be removed and replaced to prevent water intrusion per code.

### **Overview of Deficiencies**

This retail building needs exterior stucco repairs and repainting. The building is not code-compliant for accessibility. The interior should be repainted, and stained ceiling tiles replaced. Damaged floor tiles should be replaced. Code-required emergency systems are not present in the building. Windows and roofing material are failing allowing for water intrusion which is contrary to code. Fire proofing on exposed wood joists should be applied to comply with code. Basement lighting does not comply with code. The HVAC system does not comply with code.



# Richfield Penn Avenue Redevelopment TIF District

## Building Code, Condition Deficiency and Context Analysis Report

Parcel No. & Building Name: Parcel A Building 2 Garage  
Address: 6501 Penn Ave S Richfield, MN 55423  
Parcel ID: 28-028-24-23-0023  
Inspection Date(s) & Time(s): November 9, 2018 12:50 PM  
Inspection Type: Interior and Exterior  
Summary of Deficiencies: It is our professional opinion that this building is Substandard because:  
- Substantial renovation is required to correct Conditions found.  
- Building Code deficiencies total more than 15% of replacement cost, NOT including energy code deficiencies.

Estimated Replacement Cost: \$240,320  
Estimated Cost to Correct Building Code Deficiencies: \$112,002  
Percentage of Replacement Cost for Building Code Deficiencies: 46.61%

### Defects in Structural Elements

1. Steel lintels over glass block windows have failed and should be replaced.
2. Concrete block walls are failing and should be replaced.

### Combination of Deficiencies

1. Essential Utilities and Facilities
  - a. There is no code-required accessible route into the building.
  - b. There is no code-required accessible restroom in the building.
  - c. There is no code-required drinking fountain in the building.
  - d. Door hardware does not comply with code.
  - e. Thresholds are not code-compliant for maximum height.
2. Light and Ventilation
  - a. The HVAC system is not code-compliant.
  - b. Lighting is not code-compliant
3. Fire Protection/Adequate Egress
  - a. There is no code-required fire notification system in the building.
  - b. There is no code-required emergency lighting in the building.
  - c. There are no code-required smoke detectors in the building.
  - d. There is no code-required building sprinkler system in the building.
  - e. Electrical junction boxes are not protected per code.
4. Layout and Condition of Interior Partitions/Materials
  - a. The air compressor is not guarded and therefore not code-compliant.

5. Exterior Construction
  - a. Retaining wall is failing and should be repaired.
  - b. Roof material has failed, allowing for water intrusion, contrary to code.
  - c. Exterior block walls are failing, allowing for water intrusion, contrary to code.
  - d. Exterior walls should be repainted.
  - e. Steel lintels have failed, and are rusting, and should be protected/replaced per code.
  - f. Overhead garage doors are damaged and should be repaired/replaced.
  - g. Glass block windows are damaged, allowing for water intrusion, contrary to code.

### **Description of Code Deficiencies**

1. A code-required accessible route should be created to enter the building.
2. A code-required restroom should be installed.
3. A code-required drinking fountain should be installed.
4. Code-compliant door hardware should be installed.
5. Thresholds should be modified to comply with code for maximum height.
6. A code-compliant HVAC system should be installed.
7. Code-compliant lighting should be installed.
8. Code-required smoke detectors should be installed.
9. A code-required emergency notification system should be installed.
10. Code-required emergency lighting should be installed.
11. Code-required building sprinkler system should be installed.
12. Electrical junction boxes should be properly protected per code.
13. The air compressor pulley system should be guarded per code.
14. Remove/replace failed roofing material to prevent water intrusion per code.
15. Repair block walls to prevent water intrusion per code.
16. Replace failed steel lintels and protect rusting lintels per code.
17. Replace damaged glass block windows to prevent water intrusion per code.

### **Overview of Deficiencies**

This service garage is no longer functional and has not been used for several years. There is no code-compliant accessible route into the building. There is no code-required accessible restroom. There is no code-required drinking fountain. Failed exterior block work should be replaced per code to prevent water intrusion. The exterior and interior walls should be repainted. The roof is leaking, causing water intrusion, contrary to code. There are no code-required life safety systems in the building. Glass block windows have been vandalized and should be replaced to prevent water intrusion, per code.

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## **APPENDIX C**

Building Replacement Cost Reports  
Code Deficiency Cost Reports  
Photographs

# Richfield Penn Avenue Redevelopment TIF District

## Replacement Cost Report

**RSMeans data**  
from **BOSCHIAN**

### Square Foot Cost Estimate Report

Date:

11/9/2018

Estimate Name: **Parcel A Building 1: Bumper to Bumper Auto Parts**  
6501 Penn Ave South , Richfield , Minnesota , 55423

Building Type: **Store, Retail with Stucco / Reinforced Concrete**

Location: **RICHFIELD, MN**

Story Count: **1**

Story Height (L.F.): **14**

Floor Area (S.F.): **1900**

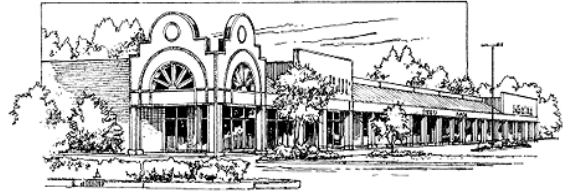
Labor Type: **OPN**

Basement Included: **Yes**

Data Release: **Year 2018 Quarter 2**

Cost Per Square Foot: **\$272.90**

Building Cost: **\$518,502.49**



Costs are derived from a building model with basic components.

Scope differences and market conditions can cause costs to vary significantly.

		% of Total	Cost Per S.F.	Cost
<b>A Substructure</b>		<b>17.18%</b>	<b>42.62</b>	<b>80,995.69</b>
<b>A1010</b>	<b>Standard Foundations</b>		<b>7.65</b>	<b>14,537.94</b>
	Strip footing, concrete, reinforced, load 11.1 KLF, soil bearing capacity 6			
	KSF, 12" deep x 24" wide		4.06	7,718.14
	Spread footings, 3000 PSI concrete, load 100K, soil bearing capacity 6 KSF,			
	4' - 6" square x 15" deep		3.59	6,819.80
<b>A1030</b>	<b>Slab on Grade</b>		<b>5.79</b>	<b>11,005.16</b>
	Slab on grade, 4" thick, non industrial, reinforced		5.79	11,005.16
<b>A2010</b>	<b>Basement Excavation</b>		<b>3.89</b>	<b>7,395.47</b>
	Excavate and fill, 10,000 SF, 8' deep, sand, gravel, or common earth, on site			
	storage		3.89	7,395.47
<b>A2020</b>	<b>Basement Walls</b>		<b>25.29</b>	<b>48,057.12</b>
	Foundation wall, CIP, 12' wall height, pumped, .444 CY/LF, 21.59 PLF, 12"			
	thick		25.29	48,057.12
<b>B Shell</b>		<b>52.34%</b>	<b>129.87</b>	<b>246,734.73</b>
<b>B1010</b>	<b>Floor Construction</b>		<b>81.14</b>	<b>154,158.24</b>
	Cast-in-place concrete column, 12" square, tied, 200K load, 12' story height,			
	142 lbs/LF, 4000PSI		8.15	15,483.25
	Cast-in-place concrete column, 12", square, tied, minimum reinforcing,			
	150K load, 10'-14' story height, 135 lbs/LF, 4000PSI		6.29	11,945.86
	Concrete I beam, precast, 18" x 36", 790 PLF, 25' span, 6.44 KLF			
	superimposed load		35.33	67,132.92
	Flat slab, concrete, with drop panels, 6" slab/2.5" panel, 12" column,			
	15'x15' bay, 75 PSF superimposed load, 153 PSF total load		14.37	27,301.86
	Precast concrete double T beam, 2" topping, 24" deep x 8' wide, 50' span,			
	75 PSF superimposed load, 165 PSF total load		17.00	32,294.34
<b>B2010</b>	<b>Exterior Walls</b>		<b>31.29</b>	<b>59,446.11</b>
	Stucco, 3 coat, self furring metal lath 3.4 Lb/SY, on regular CMU, 12" x 8" x			
	16"		31.29	59,446.11

<b>B2020</b>	<b>Exterior Windows</b>	<b>5.05</b>	<b>9,589.52</b>
	intermediate horizontals	0.38	729.24
	Glazing panel, insulating, 1/2" thick, 2 lites 1/8" float glass, clear	4.66	8,860.28
<b>B2030</b>	<b>Exterior Doors</b>	<b>1.73</b>	<b>3,283.89</b>
	Door, aluminum & glass, without transom, bronze finish, hardware, 3'-0" x 7'-0" opening	1.37	2,593.71
	Door, steel 18 gauge, hollow metal, 1 door with frame, no label, 3'-0" x 7'-0" opening	0.36	690.18
<b>B3010</b>	<b>Roof Coverings</b>	<b>10.03</b>	<b>19,058.22</b>
	Roofing, single ply membrane, EPDM, 60 mils, loosely laid, stone ballast	1.73	3,283.54
	Insulation, rigid, roof deck, extruded polystyrene, 40 PSI compressive strength, 4" thick, R20	4.36	8,282.73
	Roof edges, aluminum, duranodic, .050" thick, 6" face	2.76	5,239.95
	Gravel stop, aluminum, extruded, 4", mill finish, .050" thick	1.19	2,251.99
<b>B3020</b>	<b>Roof Openings</b>	<b>0.63</b>	<b>1,198.75</b>
	Roof hatch, with curb, 1" fiberglass insulation, 2'-6" x 3'-0", galvanized steel, 165 lbs	0.63	1,198.75
<b>C Interiors</b>		<b>7.01%</b>	<b>17.40</b>
<b>C1010</b>	<b>Partitions</b>	<b>2.72</b>	<b>5,161.00</b>
	Metal partition, 5/8" fire rated gypsum board face, no base, 3'-5/8" @ 24" OC framing, same opposite face, no insulation	0.76	1,438.79
	Gypsum board, 1 face only, exterior sheathing, fire resistant, 5/8"	1.19	2,257.70
	Add for the following: taping and finishing	0.77	1,464.51
<b>C1020</b>	<b>Interior Doors</b>	<b>2.09</b>	<b>3,970.62</b>
	Door, single leaf, kd steel frame, hollow metal, commercial quality, flush, 3'-0" x 7'-0" x 1-3/8"	2.09	3,970.62
<b>C1030</b>	<b>Fittings</b>	<b>0.20</b>	<b>379.97</b>
	Toilet partitions, cubicles, ceiling hung, stainless steel	0.20	379.97
<b>C3010</b>	<b>Wall Finishes</b>	<b>1.59</b>	<b>3,012.09</b>
	Painting, interior on plaster and drywall, walls & ceilings, roller work, primer & 2 coats	0.27	516.02
	Painting, interior on plaster and drywall, walls & ceilings, roller work, primer & 2 coats	1.04	1,982.24
	Ceramic tile, thin set, 4-1/4" x 4-1/4"	0.27	513.82
<b>C3020</b>	<b>Floor Finishes</b>	<b>3.12</b>	<b>5,926.77</b>
	Vinyl, composition tile, maximum	3.12	5,926.77
<b>C3030</b>	<b>Ceiling Finishes</b>	<b>7.68</b>	<b>14,583.36</b>
	Acoustic ceilings, 3/4" mineral fiber, 12" x 12" tile, concealed 2" bar & channel grid, suspended support	7.68	14,583.36
<b>D Services</b>		<b>23.46%</b>	<b>58.20</b>
<b>D2010</b>	<b>Plumbing Fixtures</b>	<b>2.67</b>	<b>5,080.57</b>
	Water closet, vitreous china, tank type, 2 piece close coupled	0.37	697.49
	Urinal, vitreous china, wall hung	0.72	1,372.16
	Lavatory w/trim, vanity top, PE on CI, 20" x 18"	0.32	615.27
	Service sink w/trim, PE on CI, wall hung w/rim guard, 24" x 20"	0.95	1,801.02
	Water cooler, electric, wall hung, dual height, 14.3 GPH	0.31	594.64
<b>D2020</b>	<b>Domestic Water Distribution</b>	<b>14.81</b>	<b>28,148.35</b>
	Gas fired water heater, commercial, 100< F rise, 500 MBH input, 480 GPH	14.81	28,148.35

<b>D2040</b>	<b>Rain Water Drainage</b>	<b>1.59</b>	<b>3,024.01</b>
	Roof drain, CI, soil, single hub, 4" diam, 10' high	1.44	2,735.64
	Roof drain, CI, soil, single hub, 4" diam, for each additional foot add	0.15	288.37
<b>D3050</b>	<b>Terminal &amp; Package Units</b>	<b>8.48</b>	<b>16,103.13</b>
	Rooftop, single zone, air conditioner, department stores, 10,000 SF, 29.17 ton	8.48	16,103.13
<b>D4010</b>	<b>Sprinklers</b>	<b>4.62</b>	<b>8,785.03</b>
	Wet pipe sprinkler systems, steel, ordinary hazard, 1 floor, 10,000 SF	4.62	8,785.03
<b>D4020</b>	<b>Standpipes</b>	<b>1.15</b>	<b>2,181.62</b>
	Wet standpipe risers, class III, steel, black, sch 40, 4" diam pipe, 1 floor	1.15	2,181.62
<b>D5010</b>	<b>Electrical Service/Distribution</b>	<b>12.15</b>	<b>23,082.90</b>
	Overhead service installation, includes breakers, metering, 20' conduit & wire, 3 phase, 4 wire, 120/208 V, 400 A	3.11	5,905.68
	Feeder installation 600 V, including RGS conduit and XHHW wire, 400 A	2.53	4,809.13
	Switchgear installation, incl switchboard, panels & circuit breaker, 120/208 V, 3 phase, 400 A	6.51	12,368.10
<b>D5020</b>	<b>Lighting and Branch Wiring</b>	<b>10.95</b>	<b>20,814.02</b>
	Receptacles incl plate, box, conduit, wire, 8 per 1000 SF, .9 watts per SF	2.85	5,410.84
	Miscellaneous power, 1.5 watts	0.40	759.22
	Central air conditioning power, 4 watts	0.81	1,542.34
	Fluorescent fixtures recess mounted in ceiling, 1.6 watt per SF, 40 FC, 10 fixtures @32watt per 1000 SF	6.90	13,101.62
<b>D5030</b>	<b>Communications and Security</b>	<b>1.78</b>	<b>3,382.04</b>
	Communication and alarm systems, fire detection, addressable, 25 detectors, includes outlets, boxes, conduit and wire	0.97	1,849.35
	Fire alarm command center, addressable without voice, excl. wire & conduit	0.81	1,532.69
<b>E Equipment &amp; Furnishings</b>		<b>0%</b>	<b>0</b>
<b>E1090</b>	<b>Other Equipment</b>	<b>0</b>	<b>0</b>
<b>F Special Construction</b>		<b>0%</b>	<b>0</b>
<b>G Building Sitework</b>		<b>0%</b>	<b>0</b>
<b>SubTotal</b>		<b>100%</b>	<b>\$248.09</b>
<b>Contractor Fees (General Conditions, Overhead, Profit)</b>		<b>10.00%</b>	<b>\$24.81</b>
<b>Architectural Fees</b>		<b>0.00%</b>	<b>\$0.00</b>
<b>User Fees</b>		<b>0.00%</b>	<b>\$0.00</b>
<b>Total Building Cost</b>			<b>\$272.90</b>
			<b>\$518,502.49</b>

# Richfield Penn Avenue Redevelopment TIF District

## Code Deficiency Cost Report

**Parcel A - 6501 Penn Ave South Richfield, Minnesota 55423 - PID 28-028-24-23-0023**

Building 1: Bumper to Bumper Auto Parts

Code	Related Cost Items	Unit Cost	Units	Unit Quantity	Total
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### Accessibility Items

Accessible Route					
Create a code required accessible route into building	\$ 3,500.00	Lump	1	\$	3,500.00
Restroom					
Create a code required accessible restroom	\$ 2.36	SF	1900	\$	4,484.00
Drinking Fountain					
Install a code required accessible drinking fountain	\$ 0.31	SF	1900	\$	589.00
Door Hardware					
Install code compliant door hardware	\$ 250.00	EA	7	\$	1,750.00

### Structural Elements

\$ -

### Exiting

Sidewalks					
Repair/replace damaged sidewalks to create a code required unimpeded means of egress	\$ 2,500.00	Lump	1	\$	2,500.00
Glass Doors					
Install code required 10-inch kick plates on glass doors	\$ 100.00	EA	4	\$	400.00
Vinyl Composition Tile					
Repair/replace damaged floor tile to create a code required unimpeded means of egress	\$ 3.12	SF	1900	\$	5,928.00
Basement Stairway					
Install code required second stair railing	\$ 250.00	EA	1	\$	250.00
Thresholds					
Modify thresholds to comply with code for maximum height	\$ 250.00	EA	5	\$	1,250.00

### Fire Protection

Smoke Detectors					
Install code required smoke detectors	\$ 0.97	SF	1900	\$	1,843.00
Emergency Lighting					
Install code required emergency lighting	\$ 1.10	SF	1900	\$	2,090.00
Emergency Notification System					
Install code required emergency notification system	\$ 0.81	SF	1900	\$	1,539.00
Building Sprinkler System					
Install code required building sprinkler system	\$ 5.77	SF	1900	\$	10,963.00
Fire Proofing					
Apply code required fire proofing to exposed wood joists	\$ 2.25	SF	1900	\$	4,275.00

Code	Related Cost Items	Unit Cost	Units	Unit Quantity	Total
	Electrical Circuit Panels				
	Establish code required 36-inch clear space in front of circuit panels	\$ 50.00	Lump	1	\$ 50.00
	Hazardous Waste Trap				
	Inspect, certify, and create code required management plan for confined space hazardous waste trap	\$ 500.00	Lump	1	\$ 500.00
<b>Exterior Construction</b>					
	Windows				
	Install code compliant windows to prevent water intrusion	\$ 5.05	SF	1900	\$ 9,595.00
<b>Roof Construction</b>					
	Roofing Material				
	Remove failed roofing material	\$ 0.75	SF	1900	\$ 1,425.00
	Install new roofing material to prevent water intrusion per code	\$ 10.66	SF	1900	\$ 20,254.00
<b>Mechanical- Electrical</b>					
	Mechanical				
	Install code compliant HVAC system	\$ 8.48	SF	1900	\$ 16,112.00
	Install code required guard around exposed pulley on air compressor	\$ 50.00	Lump	1	\$ 50.00
	Electrical				
	Install code compliant lighting in basement	\$ 6.90	SF	950	\$ 6,555.00
<b>Total Code Improvements</b>					<b>\$ 95,902</b>



## Richfield Penn Avenue Redevelopment TIF District

Photos: Parcel A Building 1 - 6501 Penn Avenue South - Bumper to Bumper Auto Parts



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## Richfield Penn Avenue Redevelopment TIF District

Photos: Parcel A Building 1 - 6501 Penn Avenue South - Bumper to Bumper Auto Parts



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## Richfield Penn Avenue Redevelopment TIF District

Photos: Parcel A Building 1 - 6501 Penn Avenue South - Bumper to Bumper Auto Parts



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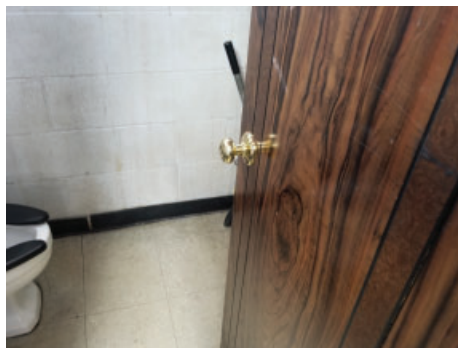
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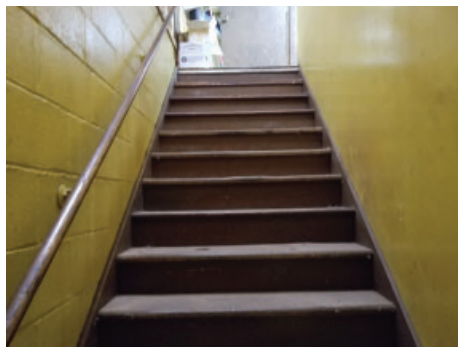
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## Richfield Penn Avenue Redevelopment TIF District

Photos: Parcel A Building 1 - 6501 Penn Avenue South - Bumper to Bumper Auto Parts



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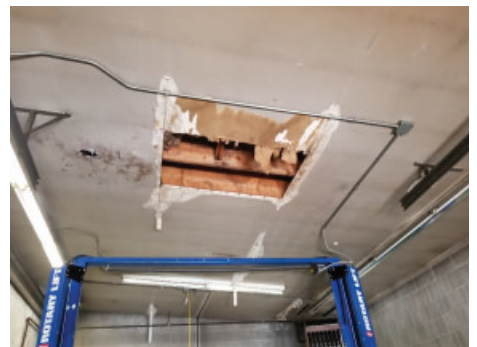
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## Richfield Penn Avenue Redevelopment TIF District

Photos: Parcel A Building 1 - 6501 Penn Avenue South - Bumper to Bumper Auto Parts



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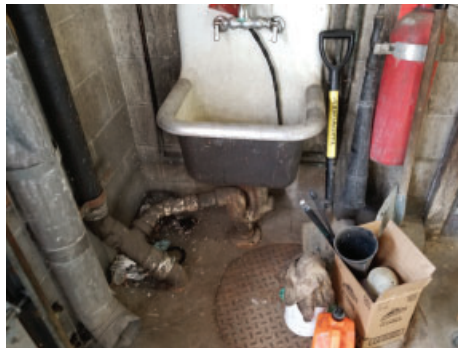
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# Richfield Penn Avenue Redevelopment TIF District

## Replacement Cost Report

RSMeans data  
from BORDIAN

### Square Foot Cost Estimate Report

Date: 11/9/2018

Estimate Name:	Parcel A Building 2, Garage	 <p>Costs are derived from a building model with basic components. Scope differences and market conditions can cause costs to vary significantly.</p>
	City of Richfield 6501 Penn Ave South , Richfield , Minnesota , 55423	
Building Type:	Garage, Repair with Concrete Block / Steel Joists	
Location:	RICHFIELD, MN	
Story Count:	1	
Story Height (L.F.):	10	
Floor Area (S.F.):	2100	
Labor Type:	OPN	
Basement Included:	No	
Data Release:	Year 2018 Quarter 2	
Cost Per Square Foot:	\$114.43	
Building Cost:	\$240,320.67	

		% of Total	Cost Per S.F.	Cost
<b>A Substructure</b>		<b>20.65%</b>	<b>21.57</b>	<b>45,301.15</b>
<b>A1010</b>	<b>Standard Foundations</b>		<b>13.03</b>	<b>27,365.85</b>
	Foundation wall, CIP, 4' wall height, direct chute, .148 CY/LF, 7.2 PLF, 12" thick		8.42	17,676.23
	Strip footing, concrete, reinforced, load 11.1 KLF, soil bearing capacity 6 KSF, 12" deep x 24" wide		4.61	9,689.62
<b>A1030</b>	<b>Slab on Grade</b>		<b>8.22</b>	<b>17,256.16</b>
	Slab on grade, 6" thick, light industrial, reinforced		8.22	17,256.16
<b>A2010</b>	<b>Basement Excavation</b>		<b>0.32</b>	<b>679.14</b>
	Excavate and fill, 10,000 SF, 4' deep, sand, gravel, or common earth, on site storage		0.32	679.14
<b>B Shell</b>		<b>30.82%</b>	<b>32.19</b>	<b>67,595.84</b>
<b>B2010</b>	<b>Exterior Walls</b>		<b>11.54</b>	<b>24,232.91</b>
	Concrete block (CMU) wall, regular weight, 75% solid, 8 x 8 x 16, 4500 PSI, reinforced, vertical #5@32", grouted		11.54	24,232.91
<b>B2030</b>	<b>Exterior Doors</b>		<b>3.54</b>	<b>7,431.93</b>
	Door, steel 18 gauge, hollow metal, 1 door with frame, no label, 3'-0" x 7'-0" opening		0.87	1,830.78
	Door, steel 24 gauge, overhead, sectional, manual operation, 12'-0" x 12'-0" opening		2.67	5,601.15
<b>B3010</b>	<b>Roof Coverings</b>		<b>17.11</b>	<b>35,931.00</b>
	Precast concrete plank, 2" topping, 12" total thickness, 35' span, 40 PSF superimposed load, 135 PSF total load		17.11	35,931.00
<b>C Interiors</b>		<b>11.55%</b>	<b>12.07</b>	<b>25,338.78</b>
<b>C1010</b>	<b>Partitions</b>		<b>4.96</b>	<b>10,418.70</b>
	Lightweight block 4" thick		1.76	3,698.18
	Concrete block (CMU) partition, light weight, hollow, 8" thick, no finish		3.20	6,720.52

<b>C1020</b>	<b>Interior Doors</b>	<b>0.42</b>	<b>877.72</b>
	Door, single leaf, kd steel frame, hollow metal, commercial quality, flush, 3'-0" x 7'-0" x 1-3/8"	0.42	877.72
<b>C1030</b>	<b>Fittings</b>	<b>0.76</b>	<b>1,599.88</b>
	Toilet partitions, cubicles, ceiling hung, stainless steel	0.76	1,599.88
<b>C3010</b>	<b>Wall Finishes</b>	<b>4.20</b>	<b>8,813.20</b>
	2 coats paint on masonry with block filler	2.80	5,875.46
	Painting, masonry or concrete, latex, brushwork, primer & 2 coats	0.79	1,655.98
	Painting, masonry or concrete, latex, brushwork, addition for block filler	0.61	1,281.76
<b>C3020</b>	<b>Floor Finishes</b>	<b>1.29</b>	<b>2,699.67</b>
	Concrete topping, hardeners, metallic additive, minimum	1.04	2,177.19
	Vinyl, composition tile, minimum	0.25	522.48
<b>C3030</b>	<b>Ceiling Finishes</b>	<b>0.44</b>	<b>929.61</b>
	Acoustic ceilings, 5/8" fiberglass board, 24" x 48" tile, tee grid, suspended support	0.44	929.61
<b>D Services</b>		<b>36.98%</b>	<b>38.20</b>
			<b>80,237.57</b>
<b>D2010</b>	<b>Plumbing Fixtures</b>	<b>2.93</b>	<b>6,179.03</b>
	Water closet, vitreous china, bowl only with flush valve, wall hung	1.14	2,397.83
	Urinal, vitreous china, wall hung	0.23	489.86
	Lavatory w/trim, wall hung, PE on CI, 19" x 17"	0.59	1,242.16
	Service sink w/trim, PE on CI, wall hung w/rim guard, 24" x 20"	0.64	1,353.61
	Water cooler, electric, wall hung, wheelchair type, 7.5 GPH	0.33	695.57
<b>D2020</b>	<b>Domestic Water Distribution</b>	<b>0.69</b>	<b>1,449.72</b>
	Gas fired water heater, residential, 100< F rise, 30 gal tank, 32 GPH	0.69	1,449.72
<b>D2040</b>	<b>Rain Water Drainage</b>	<b>4.59</b>	<b>9,635.51</b>
	Roof drain, steel galv sch 40 threaded, 4" diam piping, 10' high	1.71	3,596.45
	Roof drain, steel galv sch 40 threaded, 4" diam piping, for each additional foot add	2.88	6,039.06
<b>D3050</b>	<b>Terminal &amp; Package Units</b>	<b>9.68</b>	<b>20,318.84</b>
	Rooftop, single zone, air conditioner, factories, 10,000 SF, 33.33 ton	9.68	20,318.84
<b>D4010</b>	<b>Sprinklers</b>	<b>4.62</b>	<b>9,709.77</b>
	Wet pipe sprinkler systems, steel, ordinary hazard, 1 floor, 10,000 SF	4.62	9,709.77
<b>D4020</b>	<b>Standpipes</b>	<b>1.00</b>	<b>2,104.18</b>
	Wet standpipe risers, class III, steel, black, sch 40, 4" diam pipe, 1 floor	0.92	1,929.01
	Wet standpipe risers, class III, steel, black, sch 40, 4" diam pipe, additional floors	0.08	175.17
<b>D5010</b>	<b>Electrical Service/Distribution</b>	<b>2.25</b>	<b>4,728.08</b>
	Overhead service installation, includes breakers, metering, 20' conduit & wire, 3 phase, 4 wire, 120/208 V, 200 A	1.41	2,967.40
	Feeder installation 600 V, including RGS conduit and XHHW wire, 200 A	0.69	1,451.48
	Switchgear installation, incl switchboard, panels & circuit breaker, 120/208 V, 3 phase, 400 A	0.15	309.20
<b>D5020</b>	<b>Lighting and Branch Wiring</b>	<b>8.62</b>	<b>18,104.13</b>
	Receptacles incl plate, box, conduit, wire, 4 per 1000 SF, .5 watts per SF	2.21	4,631.78
	Miscellaneous power, 1 watt	0.30	623.24
	Central air conditioning power, 3 watts	0.60	1,264.52
	Fluorescent fixtures recess mounted in ceiling, 1.6 watt per SF, 40 FC, 10 fixtures @32watt per 1000 SF	5.52	11,584.59

<b>D5030</b>	<b>Communications and Security</b>		<b>3.72</b>	<b>7,802.49</b>
	Communication and alarm systems, fire detection, addressable, 25 detectors, includes outlets, boxes, conduit and wire		2.16	4,542.27
	Fire alarm command center, addressable with voice, excl. wire & conduit		1.30	2,735.36
	Internet wiring, 4 data/voice outlets per 1000 S.F.		0.25	524.86
<b>D5090</b>	<b>Other Electrical Systems</b>		<b>0.10</b>	<b>205.82</b>
	Generator sets, w/battery, charger, muffler and transfer switch, gas/gasoline operated, 3 phase, 4 wire, 277/480 V, 15 kW		0.10	205.82
<b>E Equipment &amp; Furnishings</b>		<b>0%</b>	<b>0</b>	<b>0</b>
<b>E1090</b>	<b>Other Equipment</b>		<b>0</b>	<b>0</b>
<b>F Special Construction</b>		<b>0%</b>	<b>0</b>	<b>0</b>
<b>G Building Sitework</b>		<b>0%</b>	<b>0</b>	<b>0</b>

<b>SubTotal</b>	<b>100%</b>	<b>\$104.03</b>	<b>\$218,473.34</b>
<b>Contractor Fees (General Conditions,Overhead,Profit)</b>	<b>10.00%</b>	<b>\$10.40</b>	<b>\$21,847.33</b>
<b>Architectural Fees</b>	<b>0.00%</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>User Fees</b>	<b>0.00%</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>Total Building Cost</b>		<b>\$114.43</b>	<b>\$240,320.67</b>



# Richfield Penn Avenue Redevelopment TIF District

## Code Deficiency Cost Report

Parcel A - 6501 Penn Ave South Richfield, Minnesota 55423 - PID 28-028-24-23-0023

Building 2: Garage

Code	Related Cost Items	Unit Cost	Units	Unit Quantity	Total
<b>Accessibility Items</b>					
	Accessible Route				
	A code required accessible route into the building should be created	\$ 1,500.00	Lump	1	\$ 1,500.00
	Restroom				
	A code required accessible restroom should be installed	\$ 2.60	SF	2100	\$ 5,460.00
	Drinking Fountain				
	A code required drinking fountain should be installed	\$ 0.33	SF	2100	\$ 693.00
	Door Hardware				
	Code compliant door hardware should be installed	\$ 250.00	EA	5	\$ 1,250.00
<b>Structural Elements</b>					
	Block Walls				
	Repair/replace damaged block walls to prevent water intrusion per code	\$ 5.00	SF	2100	\$ 10,500.00
	Steel Lintels				
	Replace/Protect failed steel lintel per code	\$ 750.00	EA	1	\$ 750.00
	Protect rusting steel lintels per code	\$ 100.00	EA	3	\$ 300.00
<b>Exiting</b>					
	Thresholds				
	Thresholds should be modified to comply with code for maximum height	\$ 250.00	EA	3	\$ 750.00
<b>Fire Protection</b>					
	Smoke Detectors				
	Install code required smoke detectors	\$ 2.16	SF	2100	\$ 4,536.00
	Emergency Notification System				
	Install code required emergency notification system	\$ 1.30	SF	2100	\$ 2,730.00
	Emergency Lighting				
	Install code required emergency lighting system	\$ 0.81	SF	2100	\$ 1,701.00
	Building Sprinkler System				
	Install code required building sprinkler system	\$ 5.62	SF	2100	\$ 11,802.00
<b>Exterior Construction</b>					
	Glass Block Windows				
	Replace vandalized glass block windows to prevent water intrusion per code	\$ 1,500.00	Lump	1	\$ 1,500.00

Code	Related Cost Items	Unit Cost	Units	Unit Quantity	Total
<b>Roof Construction</b>					
	Roofing Material				
	Remove failed roofing material	\$ 3.00	SF	2100	\$ 6,300.00
	Install new roofing material to prevent water intrusion per code	\$ 17.11	SF	2100	\$ 35,931.00
<b>Mechanical- Electrical</b>					
	Mechanical				
	The HVAC system should be replaced to comply with code	\$ 9.68	SF	2100	\$ 20,328.00
	The air compressor should have a code required guard around the pulley	\$ 50.00	EA	1	\$ 50.00
	Electrical				
	Code compliant lighting should be installed	\$ 2.76	SF	2100	\$ 5,796.00
	Electrical junction boxes should be protected per code	\$ 125.00	EA	1	\$ 125.00
<b>Total Code Improvements</b>					<b>\$ 112,002</b>

## Richfield Penn Avenue Redevelopment TIF District

Photos: Parcel A Building 2 - 6501 Penn Avenue South - Garage



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## Richfield Penn Avenue Redevelopment TIF District

Photos: Parcel A Building 2 - 6501 Penn Avenue South - Garage



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# Richfield Penn Avenue Redevelopment TIF District

Photos: Parcel A Building 2 - 6501 Penn Avenue South - Garage



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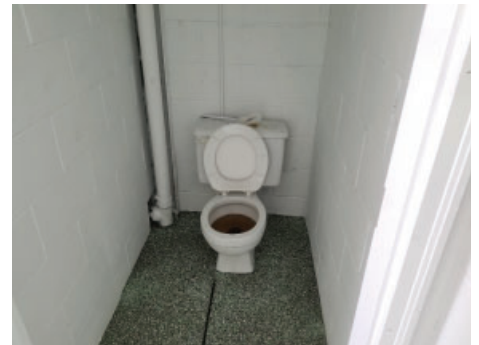
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## Richfield Penn Avenue Redevelopment TIF District

Photos: Parcel A Building 2 - 6501 Penn Avenue South - Garage



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**STAFF REPORT NO. 197**  
**CITY COUNCIL MEETING**  
**12/14/2021**

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

DEPARTMENT DIRECTOR REVIEW: Jay Henthorne, Director of Public Safety/Chief of Police  
12/8/2021

OTHER DEPARTMENT REVIEW: N/A

CITY MANAGER REVIEW: Katie Rodriguez, City Manager  
12/8/2021

**ITEM FOR COUNCIL CONSIDERATION:**

**Consider the adoption of a resolution authorizing Richfield Public Safety/Police Department to accept donations from the listed agencies, businesses and private individuals for designated uses.**

**EXECUTIVE SUMMARY:**

Throughout the year, donations are received from various agencies, businesses and private individuals to be used for special events or programs sponsored by the Police Department. The donations are for community engagement events and are solicited by the Department. This resolution authorizes the acceptance of \$10,639.00 in donations.

**RECOMMENDED ACTION:**

**By motion: Adopt a resolution authorizing Richfield Public Safety/Police Department to accept donations from the listed agencies, businesses and private individuals for designated uses.**

**BASIS OF RECOMMENDATION:**

**A. HISTORICAL CONTEXT**

The Department of Public Safety/Police holds several annual events that require outside funding to occur. Staff members solicit donations from business and/or individuals to support these programs.

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

- 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 the City Council adopted by a two-thirds majority of its members.
- 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 adopted by two-thirds majority of the City Council in accordance with Minnesota Statute 465.03.

**C. CRITICAL TIMING ISSUES:**

Donations have been received and applied to the designated areas as indicated by the donors.

**D. FINANCIAL IMPACT:**

- Financial donations have been deposited in the funds supporting the designated programs.
- All of the donations listed below were given without obligation to provide any additional matching

funds:

**Community Engagement:**

DONOR	AMOUNT
Richfield Pump and Munch Lyndale (2020)	\$500.00
John and Nancy Schuneman	\$50.00
David and Theresa Carroll	\$350.00
Joseph and Susan Menning	\$834.00
Family of Bill Williams	\$100.00
American Legion Post #435	\$100.00
Target Corporate	\$1,000.00
Target Richfield Store	\$105.00

**Unity in the Community:**

DONOR	AMOUNT
Richfield Tourism Promotion Board Inc.	\$2,500.00
Lynne and Scott Clarke	\$100.00

**K9 Program:**

DONOR	AMOUNT
Minnco Credit Union	\$5,000.00

**E. LEGAL CONSIDERATION:**

Minnesota Statute 465.03 requires every acceptance of a grant or devise of real or personal property be received by resolution and adopted by two-thirds majority of the City Council.

**ALTERNATIVE RECOMMENDATION(S):**

Council could disapprove the acceptance of the donations for the events and the monetary donations would have to be returned to the issuing agency/business/individual.

**PRINCIPAL PARTIES EXPECTED AT MEETING:**

None

**ATTACHMENTS:**

Description	Type
<input type="checkbox"/> Resolution	Resolution Letter



## RESOLUTION NO.

### RESOLUTION AUTHORIZING RICHFIELD PUBLIC SAFETY/POLICE DEPARTMENT TO ACCEPT DONATIONS FROM THE LISTED AGENCIES, BUSINESSES AND PRIVATE INDIVIDUALS FOR DESIGNATED USES

**WHEREAS**, the Department of Public Safety/Police Division, through its Director, received checks from the following for Community Engagement

#### **Community Engagement:**

<b>DONOR</b>	<b>AMOUNT</b>
Richfield Pump and Munch Lyndale (2020)	\$500.00
John and Nancy Schuneman	\$50.00
David and Theresa Carroll	\$350.00
Joseph and Susan Menning	\$834.00
Family of Bill Williams	\$100.00
American Legion Post #435	\$100.00
Target Corporate	\$1,000.00
Target Richfield Store	\$105.00

#### **Unity in the Community:**

<b>DONOR</b>	<b>AMOUNT</b>
Richfield Tourism Promotion Board Inc.	\$2,500.00
Lynne and Scott Clarke	\$100.00

#### **K9 Program:**

<b>DONOR</b>	<b>AMOUNT</b>
Minnco Credit Union	\$5,000.00

**WHEREAS**, Minnesota Statute requires 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; and,

**WHEREAS**, the donated funds will be used towards the designated events sponsored by Richfield Police.

**NOW, THEREFORE, BE IT RESOLVED** that the Director of Public Safety/Chief of Police will accept the donations to be placed in the accounts as specified.

Adopted by the City Council of the City of Richfield, Minnesota this 14th day of December, 2021.

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Maria Regan Gonzalez, Mayor

ATTEST:

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Kari Sinning, City Clerk