



**SPECIAL HOUSING AND REDEVELOPMENT AUTHORITY MEETING  
RICHFIELD MUNICIPAL CENTER, COUNCIL CHAMBERS  
AUGUST 3, 2017  
8:00 AM**

Call to order

1. Special Meeting Items

Consideration of the approval of an agreement allowing Ames Construction to temporarily store materials related to 66th Street construction on HRA properties located at 1405 and 1407 66th Street East.

Staff Report No. 27

2. 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.**



**STAFF REPORT NO. 27**  
**CITY COUNCIL MEETING**  
**8/3/2017**

REPORT PREPARED BY: Melissa Poehlman, City Planner

DEPARTMENT DIRECTOR REVIEW: John Stark, Community Development Director  
7/31/2017

OTHER DEPARTMENT REVIEW: N/A

CITY MANAGER REVIEW: Steven L. Devich, City Manager  
8/1/2017

**ITEM FOR COUNCIL CONSIDERATION:**

**Consideration of the approval of an agreement allowing Ames Construction to temporarily store materials related to 66th Street construction on HRA properties located at 1405 and 1407 66th Street East.**

**EXECUTIVE SUMMARY:**

Ames Construction ("Ames") has been hired to complete work on 66th Street as part of the ongoing street-improvement project. As the project moves to the east side of the city, right-of-way area becomes narrower and material storage more difficult. The HRA currently owns vacant land located at 1405 and 1407 66th Street East. Ames has requested that the HRA permit them to store materials and equipment related to the road project upon these properties.

The agreement allows temporary storage of materials and equipment on the HRA property. Access to the property is limited to the hours of 7:00 a.m. to 8:00 p.m. on weekdays, and between 8:00 a.m. and 8:00 p.m. on Saturdays. This agreement allows for storage until November 30, 2017 and requires Ames to restore the property to its original state. Ames will also be responsible for maintenance/mowing during the contract period. Finally, the attached agreement indemnifies the HRA against claims related to Ames' use of the property.

**RECOMMENDED ACTION:**

**By motion: Approve an agreement allowing Ames Construction to temporarily store materials and equipment related to the 66th Street project at 1405 and 1407 66th Street East.**

**BASIS OF RECOMMENDATION:**

**A. HISTORICAL CONTEXT**

- The HRA purchased 1405 and 1407 66th Street East for future redevelopment purposes in 2010.

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

- None

**C. CRITICAL TIMING ISSUES:**

- Material and equipment storage space is an immediate need.

**D. FINANCIAL IMPACT:**

- No financial compensation is being requested for use of the property.

**E. LEGAL CONSIDERATION:**

- The agreement was drafted by HRA legal counsel.

**ALTERNATIVE RECOMMENDATION(S):**

- Deny a request for temporary storage of materials and equipment at 1405 and 1407 66th Street East.

**PRINCIPAL PARTIES EXPECTED AT MEETING:**

None

**ATTACHMENTS:**

Description	Type
□ Agreement	Contract/Agreement

## STORAGE AGREEMENT

THIS STORAGE AGREEMENT ("Agreement") is made this \_\_\_\_ day of \_\_\_\_\_, 2017 by and among the Richfield Housing and Redevelopment Authority, a public body, corporate and politic, under the laws of the state of Minnesota (the "HRA") and Ames Construction, Inc., a corporation formed under the laws of the state of Minnesota (the "Contractor").

### RECITALS

- A. The HRA currently owns vacant land located at 1405 and 1407 66<sup>th</sup> Street East in the city of Richfield (the "Property"); and
- B. The Contractor has been hired to complete work on 66<sup>th</sup> Street as part of an ongoing street-improvement project (the "Project"); and
- C. The Contractor has requested that the HRA permit it to store materials and equipment related to the Project upon the Property (the "Equipment"); and
- D. The HRA approves of the temporary storage of the Equipment upon the Property pursuant to the terms of this Agreement.

### AGREEMENT

**NOW THEREFORE**, in consideration of the mutual covenants and promises contained herein, the parties hereto agree and stipulate as follows:

- 1. Grant of License.** The HRA hereby grants the Contractor a license to store its Equipment on the Property pursuant to the terms of this Agreement. The Contractor may only store project-related materials and equipment upon the Property. The Contractor shall store only the permitted Equipment on the Property and shall at no time use or occupy or permit the use or occupancy of the Property for any other purpose. Under no circumstances shall the Contractor deposit any toxic, dangerous, or hazardous substances, pollutants, wastes, or contaminants onto the Property. The Contractor must use the Property in compliance with the terms and conditions of this Agreement, and all federal, state, and local laws, ordinances, rules, and regulations.
- 2. Access.** The Contractor and its invitees shall be permitted to access the Property beginning on the effective date of this Agreement between the hours of 7:00 a.m. and 8:00 p.m. on weekdays, and between the hours of 8:00 a.m. and 7:00 p.m. on Saturdays, in order to access, use, and remove the Equipment. The Contractor shall not be permitted to access the Property at any other time during the term of this Agreement except as arranged 24 hours in advance with the Executive Director of the HRA or their designee. Access shall be limited to the days and hours listed herein, except as otherwise agreed to, in writing, by the Executive Director of the HRA or his designee.
- 3. Use.** The Contractor and its invitees shall use care in storing and removing the Equipment from the Property so that it does not damage the Property. The Contractor shall be responsible for repairing any damage to the Property caused by the storage or removal of the Equipment.

4. **Term.** The Contractor shall remove all of the Equipment no later than November 30, 2017, at 5:00 p.m. The Contractor may request and the HRA may agree to extend the term of this Agreement in its sole discretion. Said extension shall be in writing and executed by both parties to this Agreement.

5. **Restoration of Premises.** The Contractor hereby agrees that, upon termination or expiration of this Agreement, the Contractor will remove its Equipment from the Property and restore the Property to its original state. Such restoration shall be done to the reasonable satisfaction of the HRA. The Contractor shall specifically be responsible for repairing any damage done to the Property under the terms of this Agreement.

6. **Risk of Loss.** During the time that the Equipment is on the Property, the HRA shall not be liable for any loss or damage to the Equipment or any personal property of Contractor or its employees, agents, or invitees. The Contractor acknowledges that the Equipment and any personal property stored on the Property are not covered by the HRA's insurance and all risks relating to the presence of the Equipment and the Contractor's personal property on the Property shall be borne exclusively by the Contractor.

7. **Insurance and Indemnification.** Upon execution of this Agreement, the Contractor must provide a certificate of insurance showing that there is property insurance coverage for the Equipment and liability coverage in an amount not less than \$1,500,000 each accident for bodily injury and property damage. The Contractor hereby releases and agrees to defend, indemnify, and hold harmless the HRA, its officials, agents, employees, representatives, and contractors from liability for claims for bodily injury and property damage occurring on the Property, arising out of or related to the Contractor's use of the Property in connection with this Agreement.

8. **Abandonment of Equipment/Personal Property.** If the Contractor does not remove the Equipment or its personal property from the Property upon termination of this Agreement, the Equipment and personal property shall be considered abandoned and the HRA has the right to sell or dispose of it as provided by law, in addition to any other remedies provided for herein. The HRA has the right to charge the Contractor reasonable fees for removal, storage, handling, sales, legal, and other costs applicable to the abandonment of such Equipment.

9. **Waiver.** Nothing in this Agreement shall constitute a waiver or limitation of any immunity or limitation on liability to which the HRA is entitled under Minnesota Statutes or otherwise.

10. **Termination.** The HRA may terminate this Agreement at any time upon 10 days written notice to the Contractor, or immediately upon written notice to the Contractor if the activities undertaken under this Agreement by the Contractor on the Property are deemed by the HRA, in its sole discretion, to have an adverse impact on the public health, safety, or welfare.

11. **Notices.** A notice, demand, or other communication under this 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; and

a. To the HRA:

Richfield Housing and Redevelopment Authority  
6700 Portland Avenue South  
Richfield, MN 55423

Attn: Executive Director

b. To Ames Construction, Inc.: Ames Construction, Inc.

2000 AMES DR  
BURNSVILLE, MN 55306  
Attn: ROB GUNIKSON

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 in this Section 11.

**12. Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall constitute one and the same instrument and may not be amended or modified except by a writing signed by the parties hereto.

**13. Governing Law; Forum.** This Agreement shall be governed by and construed in accordance with the laws of the state of Minnesota. Any disputes, controversies, or claims arising out of this Agreement shall be heard in the state or federal courts of Minnesota, and all parties to this Agreement waive any objection to the jurisdiction of these courts, whether based on convenience or otherwise.

**14. Entire Agreement.** This Agreement is intended by the parties as the final and binding expression of their agreement and as the complete and exclusive statement of its terms. This Agreement supersedes all prior negotiations, representations, and agreements between the parties, whether oral or written, relating to the subject matter of this Agreement.

**15. Relationship of Parties.** Nothing in this Agreement shall be interpreted or construed as a partnership or joint venture between the HRA and the Contractor concerning the Contractor's use of the Property. This Agreement shall not be interpreted to be any type of lease or easement affecting the Property and does not convey an interest in the Property to the Contractor.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date written above.

**RICHFIELD HOUSING AND  
REDEVELOPMENT AUTHORITY**

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

Its: \_\_\_\_\_

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

Its: \_\_\_\_\_

**AMES CONSTRUCTION, INC.**

By: Robert A. Gullikson  
ROBERT A. GULLIKSON

Its: PROJECT MANAGER