

MEMORANDUM

TO: Jim Hartshorn – Community Development Director
 FROM: Stacie Kvilvang & Keith Dahl - Ehlers
 DATE: August 31, 2020
 SUBJECT: Town Center 1 TIF District Establishment

Roers is proposing to construct a 192-unit market rate apartment with 1,700 sq/ft of ground floor retail on the following parcels:

Parcel number	Use
42-17800-01-070	Batteries Plus (parking)
42-17800-01-071	Batteries Plus
42-17800-01-063	Aamco
42-24200-01-070	Car-X (EDA)
42-17800-01-072	Maaco (EDA)
42-17800-01-076	Maaco (EDA)
42-17800-01-042	Blockbuster (EDA)
42-17800-01-032	Blockbuster (EDA)
42-17800-01-052	Granny's Doughnuts

Note: The parcels will be replatted into one parcel.

A redevelopment TIF district has a 26-year term and requires that more than 50% of the structures in the district are considered to be substandard and that 70% of the area in the TIF district is covered by a building, parking lot, sidewalk, utilities, etc. The City retained LHB to complete the analysis for the district and determined that the area met the qualifications (see copy of blight study in Appendix D of TIF Plan).

The TIF budget is a maximum budget for the District and does not correlate to the amount or term of assistance being provided to Roers which is approved under a separate action by the EDA. The Budget for TIF plan purposes is as follows:

USES	
Land/Building Acquisition	\$ 3,650,000
Site Improvements/Preparation	1,000,000
Utilities	500,000
Other Qualifying Improvements	2,541,574
Administrative Costs (up to 10%)	1,275,078
PROJECT COSTS TOTAL	\$ 8,966,652
Interest	5,059,210
PROJECT AND INTEREST COSTS TOTAL	\$ 14,025,862



Roers will be provided assistance in the form of pay-as-you-go TIF note over an 18-year term. The EDA will retain 10% of the annual TIF generated (approximately \$34,000) for administrative costs or for redevelopment projects and the remaining 90% will go to Roers for payment on the TIF notes. When the TIF Note is paid in year 18, the District will need to be decertified pursuant to State Law.

In addition to approval of the TIF District, the City and EDA are approving an interfund loan for the TIF budget amount. This is an “up to” amount will only be utilized to cover the City/EDA for any expenditures they make for consultants and/or capital expenditures PRIOR to any TIF being available to cover the costs 100%. The interest rate is set at the statutory maximum of 5% (fluctuates annually).

Please contact either of us at 651-697-8500 with any questions.



**MODIFICATION TO THE DEVELOPMENT
PROGRAM**
South Robert Street Redevelopment Project Area

- AND -

TAX INCREMENT FINANCING PLAN
Establishment of Town Center 1
(a redevelopment district)

West St. Paul Economic Development Authority
City of West St. Paul, Dakota County, Minnesota

Public Hearing: August 31, 2020

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Modification to the Development Program for South Robert Street Redevelopment Project Area

Foreword

The following text represents a Modification to the Development Program for South Robert Street Redevelopment Project Area. This modification represents a continuation of the goals and objectives set forth in the Development Program for South Robert Street Redevelopment Project Area. Generally, the substantive changes include the establishment of the Town Center 1 TIF District.

For further information, a review of the Development Program for South Robert Street Redevelopment Project Area, is recommended. It is available from the Community Development Director at the City of West St. Paul. Other relevant information is contained in the Tax Increment Financing Plans for the Tax Increment Financing Districts located within South Robert Street Redevelopment Project Area.

Tax Increment Financing Plan for Town Center 1

Foreword

The West St. Paul Economic Development Authority (the "EDA"), the City of West St. Paul (the "City"), staff and consultants have prepared the following information to expedite the Establishment of Town Center 1 (the "District"), a redevelopment tax increment financing district, located in South Robert Street Redevelopment Project Area.

Statutory Authority

Within the City, there exist areas where public involvement is necessary to cause development or redevelopment to occur. To this end, the EDA and City have certain statutory powers pursuant to *Minnesota Statutes ("M.S.")*, Sections 469.090 - 469.1082, inclusive, as amended, and *M.S.*, Sections 469.174 to 469.1794, inclusive, as amended (the "Tax Increment Financing Act" or "TIF Act"), to assist in financing public costs related to this project.

This section contains the Tax Increment Financing Plan (the "TIF Plan") for the District. Other relevant information is contained in the Modification to the Development Program for South Robert Street Redevelopment Project Area.

Statement of Objectives

The District currently consists of nine parcels of land and adjacent and internal roads and rights-of-way. The District is being created to facilitate the construction of approximately 192 market rate apartments with approximately 1,700 sq/ft of ground floor commercial in the City. The EDA anticipates entering into an agreement with Roers and development is likely to occur in 2020. This TIF Plan is expected to achieve many of the objectives outlined in the Development Program for South Robert Street Redevelopment Project Area.

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

Development Program Overview

Pursuant to the Development Program and authorizing state statutes, the EDA or City is authorized to undertake the following activities in the District:

1. Property to be Acquired - The EDA currently owns 5 parcels of property within the District. The remaining property located within the District may be acquired by the EDA or City and is further described in this TIF Plan. The City does not intend to exercise the power of eminent domain to acquire property in the District.
2. Relocation - Relocation services, to the extent required by law, are available pursuant to *M.S., Chapter 117* and other relevant state and federal laws.

3. Upon approval of a developer's plan relating to the project and completion of the necessary legal requirements, the EDA or City may sell to a developer selected properties that it may acquire within the District or may lease land or facilities to a developer.
4. The EDA or City may perform or provide for some or all necessary acquisition, construction, relocation, demolition, and required utilities and public street work within the District.

Description of Property in the District and Property to be Acquired

The District encompasses all property and adjacent rights-of-way and abutting roadways identified by the parcels listed below.

Parcel number	Address	Owner
42-17800-01-070	No Address	Batteries Plus (parking)
42-17800-01-071	1565 Robert St	Batteries Plus
42-17800-01-063	1571 Robert St	Aamco
42-24200-01-070	1589 Robert St	Car-X (EDA)
42-17800-01-072	81 Wentworth Ave	Maaco (EDA)
42-17800-01-076	No Address	Maaco (EDA)
42-17800-01-042	No Address	Blockbuster (EDA)
42-17800-01-032	No Address	Blockbuster (EDA)
42-17800-01-052	1555 Robert St	Granny's Doughnuts

Please also see the map in Appendix A for further information on the location of the District. The developer intends to replat the parcels into one parcel prior to development, but will likely occur after the public hearing on the TIF District.

The EDA or City may acquire any parcel within the District including interior and adjacent street rights of way. Any properties identified for acquisition will be acquired by the EDA or City only in order to accomplish one or more of the following: storm sewer improvements; provide land for needed public streets, utilities and facilities; carry out land acquisition, site improvements, clearance and/or development to accomplish the uses and objectives set forth in this plan. The EDA or City may acquire property by gift, dedication, condemnation or direct purchase from willing sellers in order to achieve the objectives of this TIF Plan. Such acquisitions will be undertaken only when there is assurance of funding to finance the acquisition and related costs.

The EDA or City currently owns 5 parcels of the property to be included in the District.

Classification of the District

The EDA and City, in determining the need to create a tax increment financing district in accordance with *M.S., Sections 469.174 to 469.1794*, as amended, inclusive, find that the District, to be established, is a redevelopment district pursuant to *M.S., Section 469.174, Subd. 10(a)(1)*.

- The District is a redevelopment district currently consisting of nine parcels (The developer intends to replat the parcels into one parcel prior to development, but will likely occur after the public hearing on the TIF District).
- An inventory shows that more than 15% of the area of the parcels in the District is occupied by buildings, streets, utilities, paved or gravel parking lots or other similar structures and therefore parcels consisting of more than 70 percent of the area in the District are so occupied.
- An inspection of the buildings located within the District finds that three of the four buildings in the District are structurally substandard as defined in the TIF Act and therefore, more than 50 percent of the buildings are structurally substandard as defined in the TIF Act. (See Appendix D).

Pursuant to *M.S., Section 469.176, Subd. 7*, the District does not contain any parcel or part of a parcel that qualified under the provisions of *M.S., Sections 273.111, 273.112, or 273.114* or *Chapter 473H* for taxes payable in any of the five calendar years before the filing of the request for certification of the District.

Duration and First Year of Tax Increment of the District

Pursuant to *M.S., Section 469.175, Subd. 1, and Section 469.176, Subd. 1*, the duration and first year of tax increment of the District must be indicated within the TIF Plan. Pursuant to *M.S., Section 469.176, Subd. 1b.*, the duration of the District will be 25 years after receipt of the first increment by the EDA or City (a total of 26 years of tax increment). The EDA or City elects to receive the first tax increment in 2022, which is no later than four years following the year of approval of the District.

Thus, it is estimated that the District, including any modifications of the TIF Plan for subsequent phases or other changes, would terminate after 2047, or when the TIF Plan is satisfied. The EDA or City reserves the right to decertify the District prior to the legally required date.

Original Tax Capacity, Tax Rate and Estimated Captured Net Tax Capacity Value/Increment and Notification of Prior Planned Improvements

Pursuant to *M.S., Section 469.174, Subd. 7 and M.S., Section 469.177, Subd. 1*, the Original Net Tax Capacity (ONTC) as certified for the District will be based on the market values placed on the property by the assessor in 2020 for taxes payable 2021.

Pursuant to *M.S., Section 469.177, Subds. 1 and 2*, the County Auditor shall certify in each year (beginning in the payment year 2022) the amount by which the original value has increased or decreased as a result of:

1. Change in tax exempt status of property;
2. Reduction or enlargement of the geographic boundaries of the district;
3. Change due to adjustments, negotiated or court-ordered abatements;
4. Change in the use of the property and classification;
5. Change in state law governing class rates; or
6. Change in previously issued building permits.

In any year in which the current Net Tax Capacity (NTC) value of the District declines below the ONTC, no value will be captured, and no tax increment will be payable to the EDA or City.

The original local tax rate for the District will be the local tax rate for taxes payable 2021, assuming the request for certification is made before June 30, 2021. The ONTC and the Original Local Tax Rate for the District appear in the table below.

Pursuant to *M.S., Section 469.174 Subd. 4 and M.S., Section 469.177, Subd. 1, 2, and 4*, the estimated Captured Net Tax Capacity (CTC) of the District, within South Robert Street Redevelopment Project Area, upon completion of the projects within the District, will annually approximate tax increment revenues as shown in the table below. The EDA and City request 100 percent of the available increase in tax capacity for repayment of its obligations and current expenditures, beginning in the tax year payable 2022. The Project Tax Capacity (PTC) listed is an estimate of values when the projects within the District are completed.

Project Tax Capacity	
Project estimated Tax Capacity upon completion	\$641,855
Original estimated Net Tax Capacity	\$36,064
Fiscal Disparities	<u>\$10,165</u>
Estimated Captured Tax Capacity	\$595,626
Original Local Tax Rate	<u>121.1950%</u> Pay 2020
Estimated Annual Tax Increment	\$721,869
Percent Retained by the City	100%

Note: Tax capacity includes a 3.0% inflation factor for the duration of the District. The tax capacity included in this chart is the estimated tax capacity of the District in year 25. The tax capacity of the District in year one is estimated to be \$157,875.

Pursuant to *M.S., Section 469.177, Subd. 4*, the EDA shall, after a due and diligent search, accompany its request for certification to the County Auditor or its notice of the District enlargement pursuant to *M.S., Section 469.175, Subd. 4*, with a listing of all properties within the District or area of enlargement for which building permits have been issued during the eighteen (18) months immediately preceding approval of the TIF Plan by the municipality pursuant to *M.S., Section 469.175, Subd. 3*. The County Auditor shall increase the original net tax capacity of the District by the net tax capacity of improvements for which a building permit was issued.

The City is reviewing the area to be included in the District to determine if any building permits have been issued during the 18 months immediately preceding approval of the TIF Plan by the City.

Sources of Revenue/Bonds to be Issued

The total estimated tax increment revenues for the District are shown in the table below:

SOURCES	
Tax Increment	\$ 12,750,784
Interest	1,275,078
TOTAL	\$ 14,025,862

The costs outlined in the Uses of Funds will be financed primarily through the annual collection of tax increments. The EDA or City reserves the right to incur bonds or other indebtedness as a result of the TIF Plan. As presently proposed, the projects within the District will be financed by pay-as-you-go notes and interfund loans. Any refunding amounts will be deemed a budgeted cost without a formal TIF Plan Modification. This provision does not obligate the EDA or City to incur debt. The EDA or City will issue bonds or incur other debt only upon the determination that such action is in the best interest of the City.

The EDA or City may issue bonds (as defined in the TIF Act) secured in whole or in part with tax increments from the District in a maximum principal amount of \$8,966,652. Such bonds may be in the form of pay-as-you-go notes, revenue bonds or notes, general obligation bonds, or interfund loans. This estimate of total bonded indebtedness is a cumulative statement of authority under this TIF Plan as of the date of approval.

Uses of Funds

Currently under consideration for the District is a proposal to facilitate the construction of approximately 192 market rate apartments with approximately 1,700 sq/ft of ground floor commercial. The EDA and City have determined that it will be necessary to provide assistance to the project(s) for certain District costs, as described.

The EDA has studied the feasibility of the development or redevelopment of property in and around the District. To facilitate the establishment and development or redevelopment of the District, this TIF Plan authorizes the use of tax increment financing to pay for the cost of certain eligible expenses. The estimate of public costs and uses of funds associated with the District is outlined in the following table.

USES	
Land/Building Acquisition	\$ 3,650,000
Site Improvements/Preparation	1,000,000
Utilities	500,000
Other Qualifying Improvements	2,541,574
Administrative Costs (up to 10%)	1,275,078
PROJECT COSTS TOTAL	\$ 8,966,652
Interest	5,059,210
PROJECT AND INTEREST COSTS TOTAL	\$ 14,025,862

The total project cost, including financing costs (interest) listed in the table above does not exceed the total projected tax increments for the District as shown in the Sources of Revenue section.

Estimated costs associated with the District are subject to change among categories without a modification to this TIF Plan. The cost of all activities to be considered for tax increment financing will not exceed, without formal modification, the budget above pursuant to the applicable statutory requirements. Pursuant to *M.S., Section 469.1763, Subd. 2*, no more than 25 percent of the tax increment paid by property within the District will be spent on activities related to development or redevelopment outside of the District but within the boundaries of South Robert Street Redevelopment Project Area, (including administrative costs, which are considered to be spent outside of the District) subject to the limitations as described in this TIF Plan.

Fiscal Disparities Election

Pursuant to *M.S., Section 469.177, Subd. 3*, the EDA or City may elect one of two methods to calculate fiscal disparities.

The EDA will choose to calculate fiscal disparities by clause b (inside).

Estimated Impact on Other Taxing Jurisdictions

The estimated impact on other taxing jurisdictions assumes that the redevelopment contemplated by the TIF Plan would occur without the creation of the District. However, the EDA or City has determined that such development or redevelopment would not occur "but for" tax increment financing and that, therefore, the fiscal impact on other taxing jurisdictions is \$0. The estimated fiscal impact of the District would be as follows if the "but for" test was not met:

The estimates listed above display the captured tax capacity when all construction is completed. The tax rate used for calculations is the Pay 2020 rate. The total net capacity for the entities listed above are based on Pay 2020 figures. The District will be certified under the Pay 2021 rates, which were unavailable at the time this TIF Plan was prepared.

Impact on Tax Base			
Entity	2019/Pay 2020 Total Net Tax Capacity	Estimated Captured Tax Capacity (CTC) upon completion	Percent of CTC to Entity Total
Dakota County	532,219,151	595,626	0.1119%
City of West St. Paul	19,523,994	595,626	3.0507%
ISD 197 (WSP -Mendota Heights-Eagan)	74,618,677	595,626	0.7982%

Impact on Tax Rates				
Entity	Pay 2020 Extension Rate	Percent of Total	CTC	Potential Taxes
Dakota County	24.1330%	19.91%	595,626	\$ 143,742
City of West St. Paul	70.1060%	57.85%	595,626	417,570
ISD 197 (WSP - Mendota Heights-Eagan)	22.1250%	18.26%	595,626	131,782
Other	4.8310%	3.99%	595,626	28,775
	121.1950%	100.00%		\$ 721,869

Pursuant to M.S. Section 469.175 Subd. 2(b):

- (1) Estimate of total tax increment. It is estimated that the total amount of tax increment that will be generated over the life of the District is \$12,750,784;
- (2) Probable impact of the District on city provided services and ability to issue debt. An impact of the District on police protection is expected. With any addition of new residents or businesses, police calls for service will be increased. New developments add an increase in traffic, and additional overall demands to the call load. The City does not expect that the proposed development, in and of itself, will necessitate new capital investment in vehicles or facilities.

The probable impact of the District on fire protection is not expected to be significant. Typically, new buildings generate few calls, if any, and are of superior construction. The City does not expect that the proposed development, in and of itself, will necessitate new capital investment in vehicles or facilities.

The impact of the District on public infrastructure is expected to be minimal. The current infrastructure for sanitary sewer, storm sewer and water will be able to handle the additional volume generated from the proposed development. Based on the development plans, there are no additional costs associated with street maintenance, sweeping, plowing, lighting and sidewalks.

The probable impact of any District general obligation tax increment bonds on the ability to issue debt for general fund purposes is expected to be minimal. It is not anticipated that there will be any general obligation debt issued in relation to this project, therefore there will be no impact on the City's ability to issue future debt or on the City's debt limit.

- (3) Estimated amount of tax increment attributable to school district levies. It is estimated that the amount of tax increments over the life of the District that would be attributable to school district levies, assuming the school district's share of the total local tax rate for all taxing jurisdictions remained the same, is \$2,327,745;
- (4) Estimated amount of tax increment attributable to county levies. It is estimated that the amount of tax increments over the life of the District that would be attributable to county levies, assuming the county's share of the total local tax rate for all taxing jurisdictions remained the same, is \$2,539,005;

- (5) Additional information requested by the county or school district. The City is not aware of any standard questions in a county or school district written policy regarding tax increment districts and impact on county or school district services. The county or school district must request additional information pursuant to *M.S. Section 469.175 Subd. 2(b)* within 15 days after receipt of the tax increment financing plan.

No requests for additional information from the county or school district regarding the proposed development for the District have been received.

Supporting Documentation

Pursuant to *M.S. Section 469.175, Subd. 1 (a), clause 7* the TIF Plan must contain identification and description of studies and analyses used to make the determination set forth in *M.S. Section 469.175, Subd. 3, clause (b)(2)* and the findings are required in the resolution approving the District.

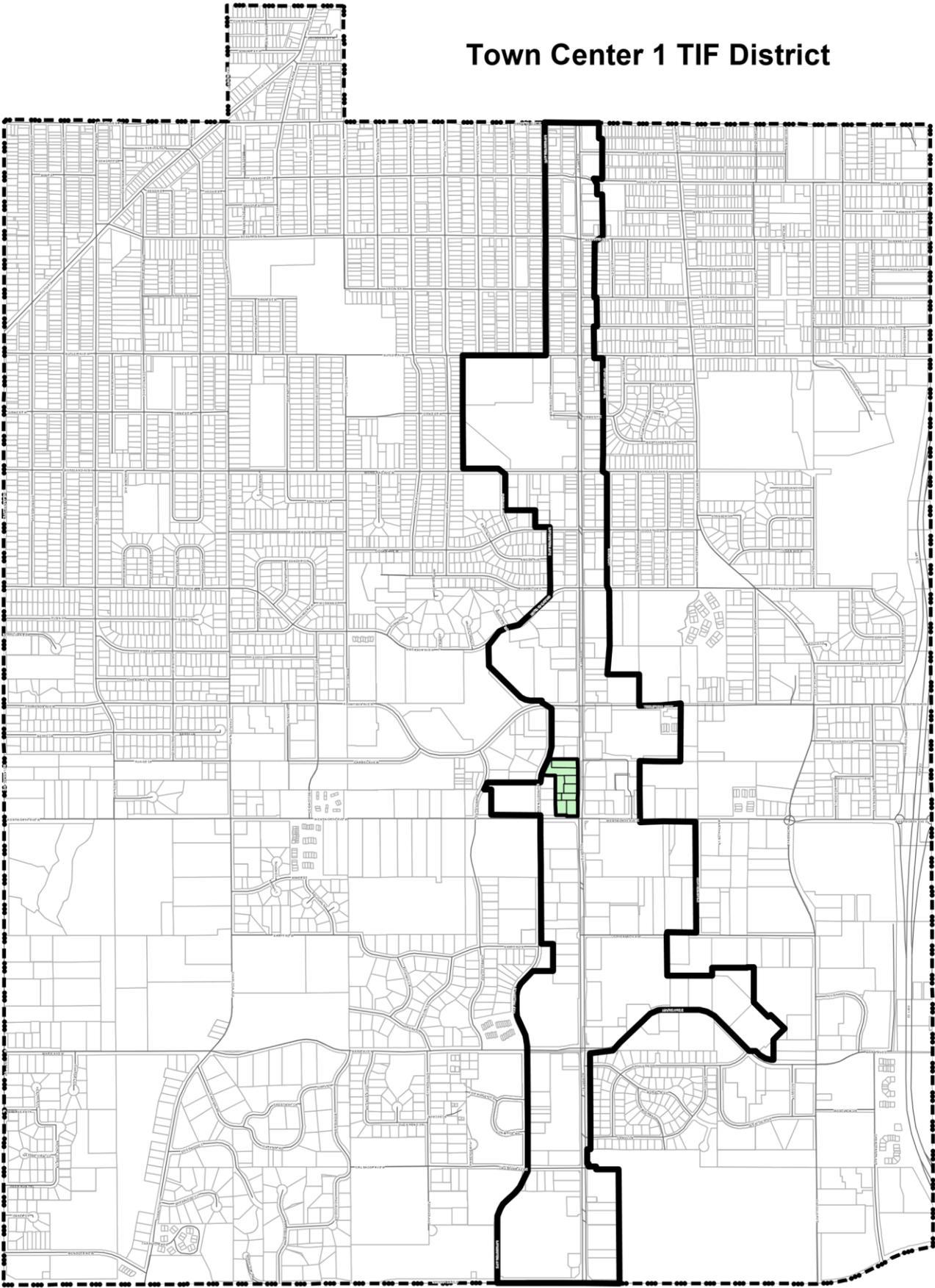
- (i) In making said determination, reliance has been placed upon (1) written representation made by the developer to such effects, (2) review of the developer's proforma; and (3) City staff awareness of the feasibility of developing the project site within the District, which is further outlined in the City Council resolution approving the establishment of the TIF District and Appendix C.
- (ii) A comparative analysis of estimated market value both with and without establishment of the TIF District and the use of tax increments has been performed. Such analysis is included with the cashflow in Appendix B and indicates that the increase in estimated market value of the proposed development (less the indicated subtractions) exceeds the estimated market value of the site absent the establishment of the TIF District and the use of tax increments.

Administration of the District

Administration of the District will be handled by the Community Development Director.

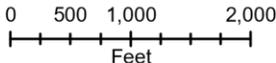
Appendix A: Map of South Robert Street Redevelopment Project Area and the TIF District

Town Center 1 TIF District



Prepared for the
West St. Paul Community
Development Department by
the Dakota County Office of GIS

This drawing is neither a legally recorded map nor a survey and is not intended to be used as one. This drawing is a compilation of records, information and data from various city, county and state offices and other sources. This document should be used for reference only. No representation is made that features presented accurately reflect true location. Neither Dakota County nor any other entity from which data was obtained assumes no liability for any errors or omissions herein. If discrepancies are found, please contact the Dakota County Office of GIS.



Legend

-  South Robert St Redevelopment Project
-  TIF District



Appendix B: Estimated Cash Flow for the District



Town Center 1 Redevelopment - Roers

City of West St. Paul, MN

184 Market Rate Apartments and 5,000 Sq. Ft. Retail

ASSUMPTIONS AND RATES

DistrictType:	Redevelopment
District Name/Number:	
County District #:	
First Year Construction or Inflation on Value	2020
Existing District - Specify No. Years Remaining	
Inflation Rate - Every Year:	3.00%
Interest Rate:	4.00%
Present Value Date:	1-Aug-21
First Period Ending	1-Feb-22
Tax Year District was Certified:	Pay 2020
Cashflow Assumes First Tax Increment For Development:	2022
Years of Tax Increment	26
Assumes Last Year of Tax Increment	2047
Fiscal Disparities Election [Outside (A), Inside (B), or NA]	Inside(B)
Incremental or Total Fiscal Disparities	Incremental
Fiscal Disparities Contribution Ratio	34.1647% Pay 2020
Fiscal Disparities Metro-Wide Tax Rate	142.4540% Pay 2020
Maximum/Frozen Local Tax Rate:	121.195% Pay 2020
Current Local Tax Rate: (Use lesser of Current or Max.)	121.195% Pay 2020
State-wide Tax Rate (Comm./Ind. only used for total taxes)	38.8460% Pay 2020
Market Value Tax Rate (Used for total taxes)	0.15911% Pay 2020

Tax Rates	
Exempt Class Rate (Exempt)	0.00%
Commercial Industrial Preferred Class Rate (C/I Pref.)	
First \$150,000	1.50%
Over \$150,000	2.00%
Commercial Industrial Class Rate (C/I)	2.00%
Rental Housing Class Rate (Rental)	1.25%
Affordable Rental Housing Class Rate (Aff. Rental)	
First \$162,000	0.75%
Over \$162,000	0.25%
Non-Homestead Residential (Non-H Res. 1 Unit)	
First \$500,000	1.00%
Over \$500,000	1.25%
Homestead Residential Class Rate (Hmstd. Res.)	
First \$500,000	1.00%
Over \$500,000	1.25%
Agricultural Non-Homestead	1.00%

BASE VALUE INFORMATION (Original Tax Capacity)

Map ID	PID	Owner	Address	Land Market Value	Building Market Value	Total Market Value	Percentage Of Value Used for District	Original Market Value	Tax Year Original Market Value	Property Tax Class	Current Original Tax Capacity	Class After Conversion	After Conversion Orig. Tax Cap.	Area/Phase
1	42-17800-01-070	Batteries Plus (parking)	No Address	164,100	0	164,100	100%	164,100	Pay 2020	C/I	3,282	Rental	2,051	1
2	42-17800-01-071	Batteries Plus	1565 Robert St	201,900	173,500	375,400	100%	375,400	Pay 2020	C/I Pref.	6,758	Rental	4,693	1
3	42-17800-01-063	Aamco	1571 Robert St	198,000	234,400	432,400	100%	432,400	Pay 2020	C/I Pref.	7,898	Rental	5,405	1
4	42-24200-01-070	Car-X (EDA)	1589 Robert St	346,000	0	346,000	100%	346,000	Pay 2020	Exempt	-	Rental	4,325	1
5	42-17800-01-072	Maaco (EDA)	81 Wentworth Ave	271,100	420,100	691,200	100%	691,200	Pay 2020	Exempt	-	Rental	8,640	1
6	42-17800-01-076	Maaco (EDA)	No Address	33,800	3,900	37,700	100%	37,700	Pay 2020	Exempt	-	Rental	471	1
7	42-17800-01-042	Blockbuster (EDA)	No Address	389,100	0	389,100	100%	389,100	Pay 2020	Exempt	-	Rental	4,864	1
8	42-17800-01-032	Blockbuster (EDA)	No Address	105,500	0	105,500	100%	105,500	Pay 2020	Exempt	-	Rental	1,319	1
9	42-17800-01-052	Granny's Doughnuts	1555 Robert St	198,800	53,500	252,300	100%	252,300	Pay 2020	C/I Pref.	4,296	C/I Pref.	4,296	1
				1,908,300	885,400	2,793,700		2,793,700			22,234		36,064	

Note:

1. Base values are for pay 2021 based upon review of County website on 7-15-20.
2. Located in SD #197 and Lower Mississippi River WS



Town Center 1 Redevelopment - Roers
 City of West St. Paul, MN
 184 Market Rate Apartments and 5,000 Sq. Ft. Retail

PROJECT INFORMATION (Project Tax Capacity)													
Area/Phase	New Use	Estimated Market Value Per Sq. Ft./Unit	Taxable Market Value Per Sq. Ft./Unit	Total Sq. Ft./Units	Total Taxable Market Value	Property Tax Class	Project Tax Capacity	Project Tax Capacity/Unit	Percentage Completed 2020	Percentage Completed 2021	Percentage Completed 2022	Percentage Completed 2023	First Year Full Taxes Payable
1	Apts	130,000	130,000	184	23,920,000	Rental	299,000	1,625	50%	100%	100%	100%	2023
	Retail	175	175	5,000	875,000	C/I Pref.	16,750	3	50%	100%	100%	100%	2023
TOTAL					24,795,000		315,750						
Subtotal Residential				184	23,920,000		299,000						
Subtotal Commercial/Ind.				5,000	875,000		16,750						

Note:

1. Market values are based upon estimates.

TAX CALCULATIONS									
New Use	Total Tax Capacity	Fiscal Disparities Tax Capacity	Local Tax Capacity	Local Property Taxes	Fiscal Disparities Taxes	State-wide Property Taxes	Market Value Taxes	Total Taxes	Taxes Per Sq. Ft./Unit
Apts	299,000	0	299,000	362,373	0	0	38,059	400,432	2,176.26
Retail	16,750	5,723	11,027	13,365	8,152	5,924	1,392	28,833	5.77
TOTAL	315,750	5,723	310,027	375,738	8,152	5,924	39,451	429,265	

Note:

1. Taxes and tax increment will vary significantly from year to year depending upon values, rates, state law, fiscal disparities and other factors which cannot be predicted.

WHAT IS EXCLUDED FROM TIF?	
Total Property Taxes	429,265
less State-wide Taxes	(5,924)
less Fiscal Disp. Adj.	(8,152)
less Market Value Taxes	(39,451)
less Base Value Taxes	(41,928)
Annual Gross TIF	333,809

MARKET VALUE BUT / FOR ANALYSIS	
Current Market Value - Est.	2,793,700
New Market Value - Est.	24,795,000
Difference	22,001,300
Present Value of Tax Increment	7,155,198
Difference	14,846,102
Value likely to occur without Tax Increment is less than:	14,846,102



Town Center 1 Redevelopment - Roers

City of West St. Paul, MN

184 Market Rate Apartments and 5,000 Sq. Ft. Retail

TAX INCREMENT CASH FLOW														
% of OTC	Project Tax Capacity	Original Tax Capacity	Fiscal Disparities Incremental	Captured Tax Capacity	Local Tax Rate	Annual Gross Tax Increment	Semi-Annual Gross Tax Increment	State Auditor 0.36%	Admin. at 10%	Semi-Annual Net Tax Increment	Semi-Annual Present Value	PERIOD ENDING Yrs.	Tax Year	Payment Date
100%	157,875	(36,064)	(1,394)	120,418	121.195%	145,941	72,970	(263)	(7,271)	65,437	62,896	0.5	2022	02/01/22
							72,970	(263)	(7,271)	65,437	124,558	1	2022	02/01/23
100%	315,750	(36,064)	(4,255)	275,432	121.195%	333,809	166,905	(601)	(16,630)	149,673	262,833	1.5	2023	08/01/23
							166,905	(601)	(16,630)	149,673	398,397	2	2023	02/01/24
100%	325,223	(36,064)	(4,427)	284,732	121.195%	345,081	172,541	(621)	(17,192)	154,728	535,791	2.5	2024	08/01/24
							172,541	(621)	(17,192)	154,728	670,491	3	2024	02/01/25
100%	334,979	(36,064)	(4,603)	294,312	121.195%	356,692	178,346	(642)	(17,770)	159,933	806,992	3.5	2025	08/01/25
							178,346	(642)	(17,770)	159,933	940,818	4	2025	02/01/26
100%	345,029	(36,064)	(4,786)	304,180	121.195%	368,650	184,325	(664)	(18,366)	165,295	1,076,417	4.5	2026	08/01/26
							184,325	(664)	(18,366)	165,295	1,209,359	5	2026	02/01/27
100%	355,379	(36,064)	(4,973)	314,343	121.195%	380,968	190,484	(686)	(18,980)	170,818	1,344,048	5.5	2027	08/01/27
							190,484	(686)	(18,980)	170,818	1,476,096	6	2027	02/01/28
100%	366,041	(36,064)	(5,166)	324,811	121.195%	393,655	196,827	(709)	(19,612)	176,507	1,609,866	6.5	2028	08/01/28
							196,827	(709)	(19,612)	176,507	1,741,013	7	2028	02/01/29
100%	377,022	(36,064)	(5,365)	335,593	121.195%	406,722	203,361	(732)	(20,263)	182,366	1,873,857	7.5	2029	08/01/29
							203,361	(732)	(20,263)	182,366	2,004,096	8	2029	02/01/30
100%	388,333	(36,064)	(5,570)	346,699	121.195%	420,182	210,091	(756)	(20,933)	188,401	2,136,007	8.5	2030	08/01/30
							210,091	(756)	(20,933)	188,401	2,265,331	9	2030	02/01/31
100%	399,983	(36,064)	(5,781)	358,138	121.195%	434,045	217,022	(781)	(21,624)	194,617	2,396,303	9.5	2031	08/01/31
							217,022	(781)	(21,624)	194,617	2,524,706	10	2031	02/01/32
100%	411,982	(36,064)	(5,999)	369,920	121.195%	448,324	224,162	(807)	(22,336)	201,020	2,654,734	10.5	2032	08/01/32
							224,162	(807)	(22,336)	201,020	2,782,211	11	2032	02/01/33
100%	424,342	(36,064)	(6,223)	382,055	121.195%	463,032	231,516	(833)	(23,068)	207,614	2,911,290	11.5	2033	08/01/33
							231,516	(833)	(23,068)	207,614	3,037,837	12	2033	02/01/34
100%	437,072	(36,064)	(6,454)	394,555	121.195%	478,181	239,090	(861)	(23,823)	214,407	3,165,962	12.5	2034	08/01/34
							239,090	(861)	(23,823)	214,407	3,291,574	13	2034	02/01/35
100%	450,184	(36,064)	(6,691)	407,429	121.195%	493,784	246,892	(889)	(24,600)	221,403	3,418,742	13.5	2035	08/01/35
							246,892	(889)	(24,600)	221,403	3,543,417	14	2035	02/01/36
100%	463,690	(36,064)	(6,936)	420,690	121.195%	509,855	254,928	(918)	(25,401)	228,609	3,669,625	14.5	2036	08/01/36
							254,928	(918)	(25,401)	228,609	3,793,359	15	2036	02/01/37
100%	477,600	(36,064)	(7,188)	434,348	121.195%	526,409	263,204	(948)	(26,226)	236,031	3,918,605	15.5	2037	08/01/37
							263,204	(948)	(26,226)	236,031	4,041,395	16	2037	02/01/38
100%	491,928	(36,064)	(7,448)	448,417	121.195%	543,459	271,729	(978)	(27,075)	243,676	4,165,677	16.5	2038	08/01/38
							271,729	(978)	(27,075)	243,676	4,287,522	17	2038	02/01/39
100%	506,686	(36,064)	(7,715)	462,907	121.195%	561,020	280,510	(1,010)	(27,950)	251,550	4,410,837	17.5	2039	08/01/39
							280,510	(1,010)	(27,950)	251,550	4,531,735	18	2039	02/01/40
100%	521,887	(36,064)	(7,991)	477,832	121.195%	579,109	289,554	(1,042)	(28,851)	259,661	4,654,084	18.5	2040	08/01/40
							289,554	(1,042)	(28,851)	259,661	4,774,034	19	2040	02/01/41
100%	537,543	(36,064)	(8,275)	493,205	121.195%	597,740	298,870	(1,076)	(29,779)	268,015	4,895,415	19.5	2041	08/01/41
							298,870	(1,076)	(29,779)	268,015	5,014,416	20	2041	02/01/42
100%	553,670	(36,064)	(8,567)	509,039	121.195%	616,930	308,465	(1,110)	(30,735)	276,619	5,134,830	20.5	2042	08/01/42
							308,465	(1,110)	(30,735)	276,619	5,252,882	21	2042	02/01/43
100%	570,280	(36,064)	(8,868)	525,348	121.195%	636,696	318,348	(1,146)	(31,720)	285,482	5,372,328	21.5	2043	08/01/43
							318,348	(1,146)	(31,720)	285,482	5,489,432	22	2043	02/01/44
100%	587,388	(36,064)	(9,178)	542,147	121.195%	657,054	328,527	(1,183)	(32,734)	294,610	5,607,910	22.5	2044	08/01/44
							328,527	(1,183)	(32,734)	294,610	5,724,066	23	2044	02/01/45
100%	605,010	(36,064)	(9,497)	559,449	121.195%	678,024	339,012	(1,220)	(33,779)	304,012	5,841,578	23.5	2045	08/01/45
							339,012	(1,220)	(33,779)	304,012	5,956,786	24	2045	02/01/46
100%	623,160	(36,064)	(9,826)	577,270	121.195%	699,623	349,811	(1,259)	(34,855)	313,697	6,073,333	24.5	2046	08/01/46
							349,811	(1,259)	(34,855)	313,697	6,187,595	25	2046	02/01/47
100%	641,855	(36,064)	(10,165)	595,626	121.195%	721,869	360,935	(1,299)	(35,964)	323,672	6,303,178	25.5	2047	08/01/47
							360,935	(1,299)	(35,964)	323,672	6,416,495	26	2047	02/01/48
Total							12,796,852	(46,069)	(1,275,078)	11,475,705				
Present Value From 08/01/2021			Present Value Rate	4.00%			7,155,198	(25,759)	(712,944)	6,416,495				

Appendix C: Findings Including But/For Qualifications

The reasons and facts supporting the findings for the adoption of the Tax Increment Financing Plan (TIF Plan) for Town Center 1 (the “District”), as required pursuant to Minnesota Statutes, Section 469.175, Subdivision 3 are as follows:

1. *Finding that Town Center 1 is a redevelopment district as defined in M.S., Section 469.174, Subd. 10.*

The District consists of 9 parcels and adjacent right-of-way, with plans to redevelop the area for the construction of approximately 192 market rate apartments with approximately 1,700 sq/ft of ground floor commercial. 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 in the District, not including outbuildings, are structurally substandard to a degree requiring substantial renovation or clearance. (See Appendix D of the TIF Plan.)

2. *Finding that the proposed development, in the opinion of the City Council, would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future and that the increased market value of the site that could reasonably be expected to occur without the use of tax increment financing would be less than the increase in the market value estimated to result from the proposed development after subtracting the present value of the projected tax increments for the maximum duration of Town Center 1 permitted by the TIF Plan.*

The proposed development, in the opinion of the City, would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future: This finding is supported by the fact that the redevelopment proposed in the TIF Plan meets the City's objectives for redevelopment. Due to the high cost of acquiring parcels for the redevelopment that are currently occupied by substandard buildings, and the cost of financing the proposed improvements, this project is feasible only through assistance, in part, from tax increment financing. The EDA has marketed the parcels it owns and surrounding parcels for development over the past 5+ years and no developer has been interested until now. The developer was asked for and provided a letter and a pro forma as justification that the developer would not have gone forward without tax increment assistance.

The increased market value of the site that could reasonably be expected to occur without the use of tax increment financing would be less than the increase in market value estimated to result from the proposed development after subtracting the present value of the projected tax increments for the maximum duration of the District permitted by the TIF Plan: This finding is justified on the grounds that the cost of land assembly, site and public improvements and utilities add to the total redevelopment cost. Historically, land assemble and construction costs in this area have made redevelopment infeasible without tax increment assistance. The City reasonably determines that no other redevelopment of similar scope is anticipated on this site without substantially similar assistance being provided to the development.

Therefore, the City concludes as follows:

- a. The City's estimate of the amount by which the market value of the entire District will increase without the use of tax increment financing is \$0.

- b. If the proposed development occurs, the total increase in market value will be \$22,001,300.
 - c. The present value of tax increments from the District for the maximum duration of the district permitted by the TIF Plan is estimated to be \$7,155,198.
 - d. Even if some development other than the proposed development were to occur, the Council finds that no alternative would occur that would produce a market value increase greater than \$14,846,102 (the amount in clause b less the amount in clause c) without tax increment assistance.
3. *Finding that the TIF Plan for the District conforms to the general plan for the development or redevelopment of the municipality as a whole.*

The City Council reviewed the TIF Plan and found that the TIF Plan conforms to the general development plan of the City.

4. *Finding that the TIF Plan for Town Center 1 will afford maximum opportunity, consistent with the sound needs of the City as a whole, for the development or redevelopment of South Robert Street Redevelopment Project Area by private enterprise.*

The project to be assisted by the District will result in the availability of safe and decent life-cycle housing in the City, the removal of substandard properties, increased tax base of the State and add a high-quality development to the City.

Appendix D: Redevelopment Qualifications for the District

Report of Inspection Procedures and Results for
Determining Qualifications of a
Tax Increment Financing District as a Redevelopment District

**West Saint Paul Town Center 1
Redevelopment TIF District
West Saint Paul, Minnesota**



August 14, 2020

Prepared For the

City of West Saint Paul

Prepared by:



LHB, Inc.
701 Washington Avenue North, Suite 200
Minneapolis, Minnesota 55401

LHB Project No. 170745

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PART 1 – EXECUTIVE SUMMARY

PURPOSE OF EVALUATION

LHB was hired by the City of West Saint Paul 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 near the northwest corner of Wentworth Avenue East and Robert Street 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 four (4) buildings on nine (9) parcels, 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 nine (9) parcels with four (4) buildings. Three (3) buildings were inspected on March 19, 2018. One (1) building was not inspected due to lack of access to the interior of the properties. Building Code and Condition Deficiency reports for the buildings that were inspected, and found to be substandard, 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 94.5 percent which is above the 70 percent requirement.
- 75 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

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

LHB inspected three (3) of the four (4) buildings during the day of March 19, 2018. The inspector was unable to gain access to one (1) building. We have verified that the buildings are in the same, or worse condition than at the time of inspection in 2018.

The current nine parcels are planned to be re-platted into one parcel for future development purposes. While this report focused on the nine existing parcels, our analysis shows that the proposed District will meet all TIF Statute requirements as a single parcel District.

PART 4 – FINDINGS

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 94.5 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 West Saint Paul, 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:

Three (3) out of four (4) buildings (75 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, three (3) out of four (4) buildings (75 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 32 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

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

West Saint Paul Town Center 1 TIF Analysis

Property Condition Assessment Summary Sheet

TIF Map No.	PID #	Property Address	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
1	421780001032	1539 ROBERT ST S	Improved	Exterior	8,789	268	3.0%	0	0					
2	421780001042	1539 ROBERT ST S	Improved	Exterior	36,029	12,296	34.1%	36,029	0					
3	421780001052	1555 ROBERT ST S	Improved	Exterior	15,000	13,654	91.0%	15,000	1	Note 1				
4	421780001071	1565 ROBERT ST S	Improved	Interior/Exterior	16,824	14,480	86.1%	16,824	1	\$290,741	\$43,611	\$48,438	1	1
5	421780001070	N/A	Improved	Exterior	19,997	18,729	93.7%	19,997	0					
6	421780001063	1571 ROBERT ST S	Improved	Interior/Exterior	14,905	14,633	98.2%	14,905	1	\$426,881	\$64,032	\$143,154	1	1
7	422420001070	N/A	Improved	Exterior	22,621	22,014	97.3%	22,621	0					
8	421780001072	81 WENTWORTH AVE E	Improved	Interior/Exterior	20,854	20,854	100.0%	20,854	1	\$720,617	\$108,093	\$239,546	1	1
9	421780001076	N/A	Improved	Exterior	5,206	5,206	100.0%	5,206	0					
TOTALS					160,225			151,436	4				3	3

Total Coverage Percent:

94.5%

Note 1: The inspector was not able to gain interior access to this building.

Percent of buildings exceeding 15 percent code deficiency threshold:

75.0%

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Percent of buildings determined substandard:

75.0%

APPENDIX B

Building Code, Condition Deficiency and Context Analysis Reports

West Saint Paul Town Center 1 TIF Analysis

Building Code, Condition Deficiency and Context Analysis Report

Parcel No. & Building Name: 4 Retail – Batteries Plus
Address: 1565 Robert Street S, West St Paul, MN 55118
Parcel ID: 421780001071
Inspection Date(s) & Time(s): March 19, 2018 8:35 am
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: \$290,741
Estimated Cost to Correct Building Code Deficiencies: \$48,438
Percentage of Replacement Cost for Building Code Deficiencies: 16.66%

Defects in Structural Elements

1. Foundation block walls are cracked due to differential settlement, allowing for water intrusion, contrary to code.

Combination of Deficiencies

1. Essential Utilities and Facilities
 - a. Door hardware is not ADA code compliant.
 - b. Restroom is not fully ADA code compliant.
 - c. Thresholds should be modified to comply with code for proper height.
2. Light and Ventilation
 - a. None observed.
3. Fire Protection/Adequate Egress
 - a. Code required 10-inch kick plates should be installed on glass doors.
 - b. Sidewalks are cracked, creating an impediment to emergency egress, contrary to code.
 - c. The building does not have code required smoke detectors.
 - d. The building does not have a code required emergency notification system.
 - e. The building does not have code compliant emergency lighting.
 - f. The building does not have a code required sprinkler system.

4. Layout and Condition of Interior Partitions/Materials
 - a. Ceiling tile is damaged.
 - b. Interior walls should be repaired and repainted.

5. Exterior Construction
 - a. Masonry control joint caulking is damaged, allowing for water intrusion, contrary to code.
 - b. Roofing material should be replaced to prevent water intrusion, per code.

Description of Code Deficiencies

1. Foundation walls should be repaired to prevent water intrusion, per code.
2. ADA code compliant door hardware should be installed.
3. Restroom should be modified to fully comply with ADA code.
4. Thresholds should be modified to comply with code for maximum height.
5. Code required 10-inch kick plates should be installed on glass doors.
6. Damaged sidewalks should be repaired to create a code required unimpeded means for emergency egress.
7. Code required smoke detectors should be installed.
8. Code compliant emergency lighting system should be installed.
9. A code required emergency notification system should be installed.
10. A code required building sprinkler system should be installed.
11. Masonry control joint caulking should be replaced to prevent water intrusion per code.
12. Roofing material should be replaced to prevent water intrusion, per code.

Overview of Deficiencies

This small retail store does not have any code compliant emergency services. The interior wall should be repaired and repainted. The restroom should be modified to comply with ADA code. The exterior masonry control joints should be replaced to prevent water intrusion, per code. Staff reports that the roof has leaked in the past and should be replaced.

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West Saint Paul Town Center 1 TIF Analysis

Building Code, Condition Deficiency and Context Analysis Report

Map No. & Building Name: 6 Commercial - AAMCO
Address: 1571 Robert St S, West St Paul, MN 55118
Parcel ID: 421780001063
Inspection Date(s) & Time(s): March 19, 2018 9:00 am
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: \$426,881
Estimated Cost to Correct Building Code Deficiencies: \$143,154
Percentage of Replacement Cost for Building Code Deficiencies: 33.53%

Defects in Structural Elements

1. None observed.

Combination of Deficiencies

1. Essential Utilities and Facilities
 - a. The restrooms are not fully ADA code compliant.
 - b. Exterior door thresholds do not comply with code for maximum height.
 - c. There are two interior doors that do not comply with code for proper landing size of 44 inches.
 - d. Door hardware is not ADA code compliant.
 - e. The reception desk is not ADA code compliant.
 - f. The stairway to the elevated storage area does not comply with code for proper rise and run.
 - g. The stairway to the elevated storage area does not comply with code for proper handrails.
2. Light and Ventilation
 - a. HVAC system does not comply with mechanical/building code.
 - b. Electrical control panels do not have the code required 36-inch clear space in front of them.

3. Fire Protection/Adequate Egress
 - a. Glass door should have code required 10-inch kick plates installed.
 - b. There are no code required smoke detectors in the building.
 - c. The emergency lighting does not comply with code.
 - d. There is no code required emergency notification system in the building.
 - e. The building does not have a code required building sprinkler system installed.
 - f. There is a confined space that is not properly identified per code.
4. Layout and Condition of Interior Partitions/Materials
 - a. Interior walls are damaged and should be repaired/repainted.
 - b. Carpeting is buckling creating an impediment for code required emergency egress.
 - c. Vinyl composition tile is worn and should be replaced.
 - d. Carpeting is worn and dirty.
 - e. The elevated storage area does not have a code required 4-inch toe board.
5. Exterior Construction
 - a. Exterior walls should be repainted.
 - b. Exterior concrete block walls are cracked and damaged, allowing for water intrusion, contrary to code.
 - c. Windows have failed, allowing for water intrusion, contrary to code.
 - d. Control joint caulking has failed, allowing for water intrusion, contrary to code.
 - e. Steel lintels should be protected from rusting, per code.
 - f. Garage doors are rusting and should be repaired/repainted.
 - g. Metal downspouts are damaged.
 - h. The roofing material has failed, allowing for water intrusion, contrary to code.

Description of Code Deficiencies

1. Restroom should be modified to comply with ADA code.
2. Thresholds should be modified to comply with code for maximum height.
3. Two interior doors should have landings modified to comply with code.
4. Door hardware should be replaced to comply with ADA code.
5. The reception desk should be modified to comply with ADA code.
6. Modify stairway to elevated storage to comply with code for proper rise and run of treads.
7. Install code compliant handrails on stairway to elevated storage.
8. HVAC system should be replaced to comply with code.
9. Electrical control panels are required by code to have a 36-inch clear space in front of them.
10. Glass doors should have code required 10-inch kick plates installed.
11. Code required smoke detectors should be installed.
12. Code compliant emergency lighting should be installed.
13. A code required emergency notification system should be installed.
14. A code required building sprinkler system should be installed.
15. The confined space area should be properly identified, per code.
16. Damaged carpeting should be replaced to comply with code for emergency egress.
17. A code required 4-inch toe board should be installed in the elevated storage area.
18. Exterior block walls should be repaired/repointed to prevent water intrusion, per code.
19. Windows should be replaced to prevent water intrusion, per code.
20. Exterior masonry control joint caulking should be removed/replaced to prevent water intrusion, per code.
21. Steel lintels should be protected from rusting per code.
22. Roofing material should be replaced to prevent water intrusion per code.

Overview of Deficiencies

This building is currently being used for vehicle repair. There are no code required emergency systems in the building. The exterior concrete block walls need repair and repainting. Interior walls should be repaired and repainted. Flooring material should be replaced. Accessibility to all areas needs to be addressed per code.

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West Saint Paul Town Center 1 TIF Analysis

Building Code, Condition Deficiency and Context Analysis Report

Parcel No. & Building Name: 8 Commercial – MAACO Auto
Address: 81 Wentworth Ave E, West St Paul, MN 55118
Parcel ID: 421780001072
Inspection Date(s) & Time(s): March 19, 2018 11:00 am
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: \$720,617
Estimated Cost to Correct Building Code Deficiencies: \$239,546
Percentage of Replacement Cost for Building Code Deficiencies: 33.24%

Defects in Structural Elements

1. None observed.

Combination of Deficiencies

1. Essential Utilities and Facilities
 - a. Door hardware does not comply with ADA code.
 - b. Thresholds do not comply with code for maximum height.
 - c. The reception desk is not ADA compliant.
 - d. Restrooms are not fully ADA code compliant.
 - e. Glass doors do not have code required 10-inch kick plates.
2. Light and Ventilation
 - a. HVAC system does not comply with mechanical/building code.
 - b. Electrical outlet does not have code required cover plate.
3. Fire Protection/Adequate Egress
 - a. Emergency exit doors have hardware that is not code compliant.
 - b. Confined spaces are not properly identified by code.
 - c. There are no code compliant smoke detectors in the building.
 - d. There is no code required emergency notification system in the building.
 - e. There is no code required building sprinkler system.

4. Layout and Condition of Interior Partitions/Materials
 - a. Interior walls should be repainted.
 - b. Vinyl floor tile is damaged and should be repaired.
 - c. Carpeting is stained and should be replaced.
 - d. Ceilings are water stained, indicative of a failed roofing system.
 - e. Pull down ceiling ladder is damaged and should be replaced.

5. Exterior Construction
 - a. Glass doors are damaged, allowing for water intrusion, contrary to code.
 - b. Steel lintels over the garage doors should be protected from rusting, per code.
 - c. Concrete window sills are damaged, allowing for water intrusion, contrary to code.
 - d. Caulking in masonry control joints is damaged/missing, allowing for water intrusion, contrary to code.
 - e. Concrete block walls and mortar joints are damaged, allowing for water intrusion, contrary to code.
 - f. Exterior door hardware is damaged.
 - g. Exterior masonry surfaces should be repainted.
 - h. Roofing material is compromised, allowing for water intrusion, contrary to code.

Description of Code Deficiencies

1. Door hardware should be replaced to comply with ADA code.
2. Thresholds should be modified to comply with code for maximum height.
3. The reception desk does not comply with ADA code.
4. Restrooms should be modified to comply with ADA code.
5. Glass doors should have code required 10-inch kick plates installed.
6. HVAC system should be replaced to comply with mechanical/building code.
7. Electrical outlet should have code required cover plate installed.
8. Emergency exit doors should have code compliant hardware installed.
9. Confined space should be properly identified per code.
10. Code compliant smoke detectors should be installed.
11. Code required emergency notification system should be installed.
12. Code required building sprinkler system should be installed.
13. Damaged exterior glass door should be repaired to prevent water intrusion, per code.
14. Rusting steel lintels should be protected, per code.
15. Concrete window sills should be repaired to prevent water intrusion, per code.
16. Damaged caulking joints should be replaced to prevent water intrusion, per code.
17. Exterior concrete block walls are damaged, allowing for water intrusion, contrary to code.
18. Roofing material is compromised, allowing for water intrusion, contrary to code.

Overview of Deficiencies

This building was originally constructed as an auto body shop and has recently been abandoned. The exterior concrete block walls need major repair in several areas. The interior does not have code compliant life safety systems. The roof is leaking and should be replaced per code. The HVAC system does not comply with current mechanical code. The building lacks code compliant ADA services.

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APPENDIX C

Building Replacement Cost Reports
Code Deficiency Cost Reports
Photographs

West Saint Paul Town Center 1 TIF Analysis

Replacement Cost Report

RSMMeans data
from **BORIAN**

Square Foot Cost Estimate Report

Date:

4/4/2018

Estimate Name:	1565 Robert Street S City of West St Paul 1565 Robert Street South , West St Paul , Minnesota , 55118
Building Type:	Retail with Decorative Concrete Block / Bearing Walls
Location:	WEST SAINT PAUL, MN
Story Count:	1
Story Height (L.F.):	12
Floor Area (S.F.):	2000
Labor Type:	OPN
Basement Included:	No
Data Release:	Year 2018 Quarter 1
Cost Per Square Foot:	\$145.38
Building Cost:	\$290,741.96



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
A Substructure		13.33%	17.62	35,236.43
A1010	Standard Foundations Foundation wall, CIP, 4' wall height, direct chute, .148 CY/LF, 7.2 PLF, 12" thick		12.27	24,539.91
	Strip footing, concrete, reinforced, load 11.1 KLF, soil bearing capacity 6 KSF, 12" deep x 24" wide		7.65	15,301.65
	Spread footings, 3000 PSI concrete, load 50K, soil bearing capacity 6 KSF, 3' - 0" square x 12" deep		4.19	8,380.09
			0.43	858.17
A1030	Slab on Grade Slab on grade, 4" thick, non industrial, non reinforced		5.04	10,074.92
			5.04	10,074.92
A2010	Basement Excavation Excavate and fill, 10,000 SF, 4' deep, sand, gravel, or common earth, on site storage		0.31	621.60
			0.31	621.60
B Shell		37.04%	48.95	97,908.84
B1020	Roof Construction Roof, steel joists, beams, 1.5" 22 ga metal deck, on columns and bearing wall, 20'x20' bay, 18" deep, 40 PSF superimposed load, 60 PSF total load		7.18	14,365.04
	Roof, steel joists, beams, 1.5" 22 ga metal deck, on columns and bearing wall, 20'x20' bay, 18" deep, 40 PSF superimposed load, 60 PSF total load, add for		6.42	12,833.12
			0.77	1,531.92
B2010	Exterior Walls Concrete block (CMU) wall, split rib, 8 ribs, hollow, regular weight, 8x8x16, reinforced, vertical #4@48", grouted		16.04	32,073.51
			16.04	32,073.51
B2020	Exterior Windows Aluminum flush tube frame, for 1/4" glass, 1-3/4"x4", 5'x6' opening, 1 intermediate horizontal		9.50	19,006.72
	Glazing panel, plate glass, 1/4" thick, clear		5.97	11,947.43
			3.53	7,059.29
B2030	Exterior Doors Door, aluminum & glass, without transom, full vision, double door, hardware, 6'-0" x 7'-0" opening		6.60	13,202.70
			0.77	1,536.54

	Door, steel 18 gauge, hollow metal, 1 door with frame, "A" label, 3'-0" x 7'-0" opening	5.83	11,666.16
B3010	Roof Coverings	9.63	19,260.87
	Roofing, asphalt flood coat, gravel, base sheet, 3 plies 15# asphalt felt, mopped	3.30	6,603.64
	Insulation, rigid, roof deck, polyisocyanurate, 2#/CF, 3" thick	2.00	3,992.22
	Roof edges, aluminum, duranodic, .050" thick, 6" face	2.67	5,337.75
	Flashing, aluminum, no backing sides, .019"	0.52	1,032.72
	Gravel stop, aluminum, extruded, 4", mill finish, .050" thick	1.15	2,294.54
C Interiors		15.77%	20.84
C1010	Partitions	2.92	5,833.15
	Metal partition, 5/8" fire rated gypsum board face, no base, 3 -5/8" @ 24" OC framing, same opposite face, no insulation	2.92	5,833.15
C1020	Interior Doors	3.20	6,407.81
	Door, single leaf, kd steel frame, hollow metal, commercial quality, flush, 3'-0" x 7'-0" x 1-3/8"	3.20	6,407.81
C3010	Wall Finishes	4.91	9,822.16
	2 coats paint on masonry with block filler	3.27	6,531.60
	Painting, interior on plaster and drywall, brushwork, primer & 2 coats	1.65	3,290.56
C3020	Floor Finishes	3.63	7,259.92
	Vinyl, composition tile, maximum	2.84	5,687.42
	Tile, quarry tile, mud set, minimum	0.79	1,572.50
C3030	Ceiling Finishes	6.18	12,352.60
	Acoustic ceilings, 3/4" fiberglass board, 24" x 48" tile, tee grid, suspended support	6.18	12,352.60
D Services		33.86%	44.75
D2010	Plumbing Fixtures	11.29	22,576.44
	Water closet, vitreous china, bowl only with flush valve, wall hung	7.46	14,913.52
	Lavatory w/trim, vanity top, PE on CI, 19" x 16" oval	2.43	4,862.31
	Service sink w/trim, PE on CI, corner floor, 28" x 28", w/rim guard	0.54	1,089.90
	Water cooler, electric, wall hung, dual height, 14.3 GPH	0.86	1,710.71
D2020	Domestic Water Distribution	0.40	794.97
	Electric water heater, residential, 100< F rise, 20 gallon tank, 7 GPH	0.40	794.97
D2040	Rain Water Drainage	3.19	6,376.92
	Roof drain, DWV PVC, 4" diam, diam, 10' high	3.03	6,051.92
	Roof drain, DWV PVC, 4" diam, for each additional foot add	0.16	325.00
D3050	Terminal & Package Units	7.13	14,265.75
	A/C, rooftop, DX cooling, gas heat, curb, economizer, filters, 5 ton	7.13	14,265.75
D4010	Sprinklers	3.57	7,136.82
	Wet pipe sprinkler systems, steel, light hazard, 1 floor, 10,000 SF	3.57	7,136.82
D4020	Standpipes	0.92	1,849.25
	Wet standpipe risers, class III, steel, black, sch 40, 4" diam pipe, 1 floor	0.92	1,849.25
D5010	Electrical Service/Distribution	5.74	11,473.94
	Overhead service installation, includes breakers, metering, 20' conduit & wire, 3 phase, 4 wire, 120/208 V, 200 A	1.46	2,923.43
	Feeder installation 600 V, including RGS conduit and XHHW wire, 200 A	1.19	2,388.98
	Switchgear installation, incl switchboard, panels & circuit breaker, 120/208 V, 3 phase, 400 A	3.08	6,161.53

D5020	Lighting and Branch Wiring		8.33	16,656.52
	Receptacles incl plate, box, conduit, wire, 2.5 per 1000 SF, .3 watts per SF		1.86	3,711.44
	Wall switches, 1.0 per 1000 SF		0.29	582.14
	Miscellaneous power, to .5 watts		0.16	313.06
	Central air conditioning power, 4 watts		0.61	1,224.40
	Fluorescent fixtures recess mounted in ceiling, 1.6 watt per SF, 40 FC, 10 fixtures @32watt per 1000 SF		5.41	10,825.48
D5030	Communications and Security		4.18	8,359.35
	Communication and alarm systems, fire detection, addressable, 25 detectors, includes outlets, boxes, conduit and wire		0.96	1,919.02
	Fire alarm command center, addressable without voice, excl. wire & conduit		3.22	6,440.33
E Equipment & Furnishings		0%	0	0
E1090	Other Equipment		0	0
F Special Construction		0%	0	0
G Building Sitework		0%	0	0
SubTotal		100%	\$132.16	\$264,310.87
Contractor Fees (General Conditions,Overhead,Profit)		10.00%	\$13.22	\$26,431.09
Architectural Fees		0.00%	\$0.00	\$0.00
User Fees		0.00%	\$0.00	\$0.00
Total Building Cost			\$145.38	\$290,741.96

West Saint Paul Town Center 1 TIF Analysis

Code Deficiency Cost Report

Parcel 4 - 1565 Roberts St S, West St Paul, MN 55118 - PID 42-17800-01-071

Code	Related Cost Items	Unit Cost	Units	Unit Quantity	Total
Accessibility Items					
	Door Hardware				
	Install ADA code compliant door hardware	\$ 250.00	EA	2	\$ 500.00
	Restroom				
	Modify restroom to comply ADA code	\$ 2.43	SF	2000	\$ 4,860.00
	Thresholds				
	Modify thresholds to comply with code	\$ 100.00	EA	2	\$ 200.00
Structural Elements					
	Foundation Walls				
	Foundation walls should be repaired to prevent water intrusion per code.	\$ 0.75	SF	2000	\$ 1,500.00
Exiting					
	Glass Doors				
	Install 10-inch kick plate per code	\$ 100.00	EA	4	\$ 400.00
	Sidewalks				
	Repair sidewalks to create unimpeded means of emergency egress per code	\$ 9.00	SF	100	\$ 900.00
Fire Protection					
	Smoke Detectors				
	Code required smoke detectors should be installed	\$ 0.96	SF	2000	\$ 1,920.00
	Emergency Lights				
	Code compliant emergency lighting should be installed	\$ 0.65	SF	2000	\$ 1,300.00
	Emergency Notification System				
	Code required emergency notification system should be installed	\$ 3.22	SF	2000	\$ 6,440.00
	Sprinkler System				
	Code required building sprinkler system should be installed	\$ 4.49	SF	2000	\$ 8,980.00
Exterior Construction					
	Masonry Control Joints				
	Replace damaged caulking in masonry control joints to prevent water intrusion per code	\$ 8.90	LF	20	\$ 178.00
Roof Construction					
	Roofing Material				
	Remove compromised roofing material	\$ 1.00	SF	2000	\$ 2,000.00
	Replace roofing material to prevent water intrusion per code	\$ 9.63	SF	2000	\$ 19,260.00

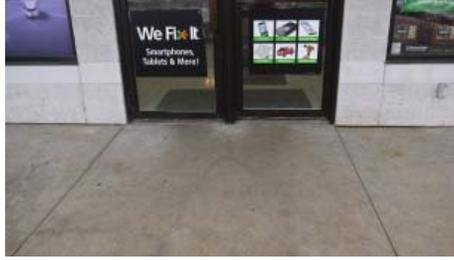
Code	Related Cost Items	Unit Cost	Units	Unit Quantity	Total
Mechanical- Electrical					
				\$	-
				Total Code Improvements	\$ 48,438

West Saint Paul Town Center 1 TIF Analysis

Photos: Parcel 4, 1565 ROBERT ST S, Batteries Plus



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West Saint Paul Town Center 1 TIF Analysis

Photos: Parcel 4, 1565 ROBERT ST S, Batteries Plus



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West Saint Paul Town Center 1 TIF Analysis

Replacement Cost Report

RSMeans data
from **BORGIAN**

Square Foot Cost Estimate Report

Date:

4/5/2018

Estimate Name: **1571 Robert St S**
City of West St Paul
1571 Robert St S , West St Paul , Minnesota ,
55118

Building Type: **Garage, Repair with Concrete Block / Steel Joists**

Location: **WEST SAINT PAUL, MN**

Story Count: **1**

Story Height (L.F.): **14**

Floor Area (S.F.): **4000**

Labor Type: **OPN**

Basement Included: **No**

Data Release: **Year 2018 Quarter 1**

Cost Per Square Foot: **\$106.73**

Building Cost: **\$426,881.68**



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
A Substructure		17.53%	17.01	68,029.88
A1010	Standard Foundations Foundation wall, CIP, 4' wall height, direct chute, .148 CY/LF, 7.2 PLF, 12" thick		8.85	35,397.96
	Strip footing, concrete, reinforced, load 11.1 KLF, soil bearing capacity 6 KSF, 12" deep x 24" wide		5.72	22,871.94
			3.13	12,526.02
A1030	Slab on Grade Slab on grade, 6" thick, light industrial, reinforced		7.85	31,388.72
			7.85	31,388.72
A2010	Basement Excavation Excavate and fill, 10,000 SF, 4' deep, sand, gravel, or common earth, on site storage		0.31	1,243.20
			0.31	1,243.20
B Shell		31.53%	30.59	122,367.71
B1020	Roof Construction Roof, steel joists, 1.5" 22 ga metal deck, on bearing walls, 40' bay, 25.5" deep, 40 PSF superimposed load, 61 PSF total load		6.23	24,904.84
			6.23	24,904.84
B2010	Exterior Walls Concrete block (CMU) wall, regular weight, 75% solid, 8 x 8 x 16, 4500 PSI, reinforced, vertical #5@32", grouted		11.07	44,277.85
			11.07	44,277.85
B2020	Exterior Windows Windows, aluminum, sliding, standard glass, 5' x 3'		1.72	6,888.16
			1.72	6,888.16
B2030	Exterior Doors Door, steel 18 gauge, hollow metal, 1 door with frame, no label, 3'-0" x 7'-0" opening Door, steel 24 gauge, overhead, sectional, manual operation, 12'-0" x 12'-0" opening		3.39	13,570.48
			0.84	3,354.96
			2.55	10,215.52
B3010	Roof Coverings Roofing, asphalt flood coat, gravel, base sheet, 3 plies 15# asphalt felt, mopped		8.18	32,726.38
			3.14	12,578.36

	Insulation, rigid, roof deck, composite with 2" EPS, 1" perlite	2.18	8,739.76
	Roof edges, aluminum, duranodic, .050" thick, 6" face	1.99	7,978.53
	Gravel stop, aluminum, extruded, 4", mill finish, .050" thick	0.86	3,429.73
C Interiors		11.59%	11.25
			44,990.88
C1010	Partitions	4.77	19,099.64
	Lightweight block 4" thick	1.70	6,783.34
	Concrete block (CMU) partition, light weight, hollow, 8" thick, no finish	3.08	12,316.30
C1020	Interior Doors	0.40	1,601.95
	Door, single leaf, kd steel frame, hollow metal, commercial quality, flush, 3'-0" x 7'-0" x 1-3/8"	0.40	1,601.95
C1030	Fittings	0.38	1,533.00
	Toilet partitions, cubicles, ceiling hung, stainless steel	0.38	1,533.00
C3010	Wall Finishes	4.03	16,112.64
	2 coats paint on masonry with block filler	2.68	10,720.19
	Painting, masonry or concrete, latex, brushwork, primer & 2 coats	0.76	3,038.66
	Painting, masonry or concrete, latex, brushwork, addition for block filler	0.59	2,353.79
C3020	Floor Finishes	1.24	4,943.51
	Concrete topping, hardeners, metallic additive, minimum	1.00	3,987.72
	Vinyl, composition tile, minimum	0.24	955.79
C3030	Ceiling Finishes	0.43	1,700.14
	Acoustic ceilings, 5/8" fiberglass board, 24" x 48" tile, tee grid, suspended support	0.43	1,700.14
D Services		39.34%	38.18
			152,685.78
D2010	Plumbing Fixtures	2.96	11,842.14
	Water closet, vitreous china, bowl only with flush valve, wall hung	1.15	4,588.78
	Urinal, vitreous china, wall hung	0.24	942.45
	Lavatory w/trim, wall hung, PE on CI, 19" x 17"	0.60	2,385.03
	Service sink w/trim, PE on CI, wall hung w/rim guard, 24" x 20"	0.65	2,593.30
	Water cooler, electric, wall hung, wheelchair type, 7.5 GPH	0.33	1,332.58
D2020	Domestic Water Distribution	0.69	2,778.68
	Gas fired water heater, residential, 100< F rise, 30 gal tank, 32 GPH	0.69	2,778.68
D2040	Rain Water Drainage	3.25	12,997.05
	Roof drain, steel galv sch 40 threaded, 4" diam piping, 10' high	1.72	6,899.08
	Roof drain, steel galv sch 40 threaded, 4" diam piping, for each additional foot add	1.52	6,097.97
D3050	Terminal & Package Units	9.76	39,027.72
	Rooftop, single zone, air conditioner, factories, 10,000 SF, 33.33 ton	9.76	39,027.72
D3090	Other HVAC Systems/Equip	2.44	9,764.81
	Garage, single exhaust, 3" outlet, cars & light trucks, 1 bay	1.61	6,423.98
	Garage, single exhaust, 3" outlet, additional bays up to seven bays	0.84	3,340.83
D4010	Sprinklers	4.67	18,667.68
	Wet pipe sprinkler systems, steel, ordinary hazard, 1 floor, 10,000 SF	4.67	18,667.68
D4020	Standpipes	1.01	4,034.61
	Wet standpipe risers, class III, steel, black, sch 40, 4" diam pipe, 1 floor	0.92	3,698.49
	Wet standpipe risers, class III, steel, black, sch 40, 4" diam pipe, additional floors	0.08	336.12

D5010	Electrical Service/Distribution		1.17	4,664.90
	Overhead service installation, includes breakers, metering, 20' conduit & wire, 3 phase, 4 wire, 120/208 V, 200 A		0.73	2,923.43
	Feeder installation 600 V, including RGS conduit and XHHW wire, 200 A		0.36	1,433.39
	Switchgear installation, incl switchboard, panels & circuit breaker, 120/208 V, 3 phase, 400 A		0.08	308.08
D5020	Lighting and Branch Wiring		8.45	33,803.32
	Receptacles incl plate, box, conduit, wire, 4 per 1000 SF, .5 watts per SF		2.16	8,629.84
	Miscellaneous power, 1 watt		0.29	1,161.68
	Central air conditioning power, 3 watts fixtures @32watt per 1000 SF		0.59	2,360.84
			5.41	21,650.96
D5030	Communications and Security		3.68	14,713.23
	Communication and alarm systems, fire detection, addressable, 25 detectors, includes outlets, boxes, conduit and wire		2.13	8,528.98
	Fire alarm command center, addressable with voice, excl. wire & conduit		1.30	5,205.88
	Internet wiring, 4 data/voice outlets per 1000 S.F.		0.24	978.37
D5090	Other Electrical Systems		0.10	391.64
	operated, 3 phase, 4 wire, 277/480 V, 15 kW		0.10	391.64
E Equipment & Furnishings		0%	0	0
E1090	Other Equipment		0	0
F Special Construction		0%	0	0
G Building Sitework		0%	0	0
SubTotal		100%	\$97.03	\$388,074.25
Contractor Fees (General Conditions,Overhead,Profit)		10.00%	\$9.70	\$38,807.43
Architectural Fees		0.00%	\$0.00	\$0.00
User Fees		0.00%	\$0.00	\$0.00
Total Building Cost			\$106.73	\$426,881.68

West Saint Paul Town Center 1 TIF Analysis

Code Deficiency Cost Report

Parcel 6 - 1571 Robert St S, West St Paul, MN 55118 - PID 421780001063

Code	Related Cost Items	Unit Cost	Units	Unit Quantity	Total
Accessibility Items					
	Restrooms				
	Restrooms should be modified to comply with ADA code	\$ 500.00	EA	2	\$ 1,000.00
	Thresholds				
	Exterior door thresholds should be modified to comply with code for maximum height	\$ 250.00	EA	2	\$ 500.00
	Interior Door Landings				
	Modify interior door landings to comply with code for proper size	\$ 500.00	EA	2	\$ 1,000.00
	Door Hardware				
	Install ADA code compliant door hardware	\$ 250.00	EA	4	\$ 1,000.00
	Reception Desk				
	Modify reception desk to comply with ADA code	\$ 500.00	Lump	1	\$ 500.00
	Elevated Storage Stairway				
	Install code compliant handrails	\$ 100.00	Lump	1	\$ 100.00
	Modify rise and run of treads to comply with code	\$ 1,000.00	Lump	1	\$ 1,000.00
					\$ -
Structural Elements					
Exiting					
	Glass Door				
	Install code required 10-inch kick plates on glass door	\$ 100.00	EA	2	\$ 200.00
	Carpeting				
	Replace damaged carpeting to create a code compliant unimpeded means for emergency egress	\$ 6.00	SF	400	\$ 2,400.00
	Confined Space				
	Identify confined space per code and create code compliant procedures for entry	\$ 500.00	Lump	1	\$ 500.00
	Elevated Storage Area				
	Install code required 4-inch toe board	\$ 250.00	Lump	1	\$ 250.00
Fire Protection					
	Smoke Detectors				
	Install code required smoke detectors	\$ 2.13	SF	4000	\$ 8,520.00
	Emergency Lighting				
	Install code compliant emergency lighting	\$ 0.75	SF	4000	\$ 3,000.00
	Emergency Notification System				
	Install code required emergency notification system	\$ 1.30	SF	4000	\$ 5,200.00

Code	Related Cost Items	Unit Cost	Units	Unit Quantity	Total
	Building Sprinkler System				
	Install code required building sprinkler system	\$ 5.68	SF	4000	\$ 22,720.00
Exterior Construction					
	Exterior Concrete Block Walls				
	Repair/repoint damaged exterior concrete block walls to prevent water intrusion per code	\$ 2.12	SF	4000	\$ 8,480.00
	Exterior Masonry Control Joints				
	Remove/replace damaged caulking to prevent water intrusion per code	\$ 5.12	LF	280	\$ 1,433.60
	Windows				
	Replace windows to prevent water intrusion per code	\$ 1.72	SF	4000	\$ 6,880.00
	Steel Lintels				
	Protect steel lintels from rusting per code	\$ 500.00	Lump	1	\$ 500.00
Roof Construction					
	Roofing Material				
	Remove failed roofing material	\$ 0.95	SF	4000	\$ 3,800.00
	Replace roofing material to prevent water intrusion per code	\$ 8.18	SF	4000	\$ 32,720.00
Mechanical- Electrical					
	Mechanical				
	Install code compliant HVAC system	\$ 9.76	SF	4000	\$ 39,040.00
	Electrical				
	Increase electrical service for new HVAC system	\$ 0.59	SF	4000	\$ 2,360.00
	Create code required 36-inch clear space in front of electrical control panels	\$ 50.00	Lump	1	\$ 50.00
Total Code Improvements					\$ 143,154

West Saint Paul Town Center 1 TIF Analysis

Photos: Parcel 6, 1571 ROBERT ST S, AAMCO



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West Saint Paul Town Center 1 TIF Analysis

Photos: Parcel 6, 1571 ROBERT ST S, AAMCO



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West Saint Paul Town Center 1 TIF Analysis

Photos: Parcel 6, 1571 ROBERT ST S, AAMCO



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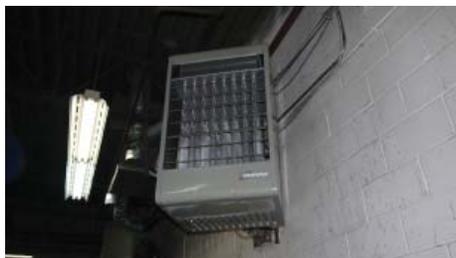
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West Saint Paul Town Center 1 TIF Analysis

Photos: Parcel 6, 1571 ROBERT ST S, AAMCO



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West Saint Paul Town Center 1 TIF Analysis

Replacement Cost Report

RSMeans data
from **BORIAN**

Square Foot Cost Estimate Report

Date:

4/3/2018

Estimate Name: **81 Wentworth Ave E**
City of West St Paul
81 Wentworth Ave E , West St Paul , Minnesota ,
55118

Building Type: **Garage, Repair with Concrete Block / Steel Joists**

Location: **WEST ST PAUL, MN**

Story Count: **1**

Story Height (L.F.): **14**

Floor Area (S.F.): **7400**

Labor Type: **OPN**

Basement Included: **No**

Data Release: **Year 2018 Quarter 1**

Cost Per Square Foot: **\$97.41**

Building Cost: **\$720,617.24**



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
A Substructure		17.03%	15.07	111,535.38
A1010	Standard Foundations		6.71	49,669.16
	Foundation wall, CIP, 4' wall height, direct chute, .148 CY/LF, 7.2 PLF, 12" thick		4.34	32,110.69
	Strip footing, concrete, reinforced, load 11.1 KLF, soil bearing capacity 6 KSF, 12" deep x 24" wide		2.37	17,558.47
A1030	Slab on Grade		8.04	59,485.49
	Slab on grade, 6" thick, light industrial, reinforced		8.04	59,485.49
A2010	Basement Excavation		0.32	2,380.73
	Excavate and fill, 10,000 SF, 4' deep, sand, gravel, or common earth, on site storage		0.32	2,380.73
B Shell		29.95%	26.52	196,181.31
B1020	Roof Construction		6.27	46,366.62
	Roof, steel joists, 1.5" 22 ga metal deck, on bearing walls, 40' bay, 25.5" deep, 40 PSF superimposed load, 61 PSF total load		6.27	46,366.62
B2010	Exterior Walls		8.43	62,414.55
	Concrete block (CMU) wall, regular weight, 75% solid, 8 x 8 x 16, 4500 PSI, reinforced, vertical #5@32", grouted		8.43	62,414.55
B2020	Exterior Windows		1.31	9,701.95
	Windows, aluminum, sliding, standard glass, 5' x 3'		1.31	9,701.95
B2030	Exterior Doors		2.81	20,785.96
	Door, steel 18 gauge, hollow metal, 1 door with frame, no label, 3'-0" x 7'-0" opening		0.86	6,396.25
	Door, steel 24 gauge, overhead, sectional, manual operation, 12'-0" x 12'-0" opening		1.94	14,389.71
B3010	Roof Coverings		7.66	56,651.96
	Roofing, asphalt flood coat, gravel, base sheet, 3 plies 15# asphalt felt, mopped		3.24	23,971.86

	Insulation, rigid, roof deck, composite with 2" EPS, 1" perlite	2.25	16,638.16
	Roof edges, aluminum, duranodic, .050" thick, 6" face	1.52	11,219.25
	Gravel stop, aluminum, extruded, 4", mill finish, .050" thick	0.65	4,822.69
B3020	Roof Openings	0.04	260.27
	Skylight, plastic domes, insulated curbs, 10 SF to 20 SF, single glazing	0.04	260.27
C Interiors		12.14%	10.76
C1010	Partitions	4.95	36,623.74
	Lightweight block 4" thick	1.76	13,003.81
	Concrete block (CMU) partition, light weight, hollow, 8" thick, no finish	3.19	23,619.93
C1020	Interior Doors	0.42	3,077.91
	Door, single leaf, kd steel frame, hollow metal, commercial quality, flush, 3'-0" x 7'-0" x 1-3/8"	0.42	3,077.91
C1030	Fittings	0.22	1,592.13
	Toilet partitions, cubicles, ceiling hung, stainless steel	0.22	1,592.13
C3010	Wall Finishes	3.45	25,505.47
	2 coats paint on masonry with block filler	2.05	15,171.45
	Painting, masonry or concrete, latex, brushwork, primer & 2 coats	0.79	5,824.13
	Painting, masonry or concrete, latex, brushwork, addition for block filler	0.61	4,509.89
C3020	Floor Finishes	1.28	9,484.04
	Concrete topping, hardeners, metallic additive, minimum	1.03	7,649.54
	Vinyl, composition tile, minimum	0.25	1,834.50
C3030	Ceiling Finishes	0.44	3,263.53
	Acoustic ceilings, 5/8" fiberglass board, 24" x 48" tile, tee grid, suspended support	0.44	3,263.53
D Services		40.89%	36.20
D2010	Plumbing Fixtures	3.36	24,830.95
	Water closet, vitreous china, bowl only with flush valve, wall hung	1.14	8,447.72
	Urinal, vitreous china, wall hung	0.23	1,725.30
	Lavatory w/trim, wall hung, PE on CI, 19" x 17"	0.59	4,375.43
	Service sink w/trim, PE on CI, wall hung w/rim guard, 24" x 20"	0.64	4,768.58
	Shower, stall, baked enamel, molded stone receptor, 30" square	0.41	3,063.52
	Water cooler, electric, wall hung, wheelchair type, 7.5 GPH	0.33	2,450.40
D2020	Domestic Water Distribution	0.69	5,107.04
	Gas fired water heater, residential, 100< F rise, 30 gal tank, 32 GPH	0.69	5,107.04
D2040	Rain Water Drainage	2.53	18,704.96
	Roof drain, steel galv sch 40 threaded, 4" diam piping, 10' high	1.71	12,668.85
	Roof drain, steel galv sch 40 threaded, 4" diam piping, for each additional foot add	0.82	6,036.11
D3050	Terminal & Package Units	9.67	71,570.06
	Rooftop, single zone, air conditioner, factories, 10,000 SF, 33.33 ton	9.67	71,570.06
D3090	Other HVAC Systems/Equip	1.31	9,710.26
	Garage, single exhaust, 3" outlet, cars & light trucks, 1 bay	0.86	6,387.98
	Garage, single exhaust, 3" outlet, additional bays up to seven bays	0.45	3,322.28
D4010	Sprinklers	4.62	34,199.40
	Wet pipe sprinkler systems, steel, ordinary hazard, 1 floor, 10,000 SF	4.62	34,199.40
D4020	Standpipes	1.00	7,412.40
	Wet standpipe risers, class III, steel, black, sch 40, 4" diam pipe, 1 floor	0.92	6,795.35
	floors	0.08	617.05

D5010	Electrical Service/Distribution		0.64	4,701.12
	Overhead service installation, includes breakers, metering, 20' conduit & wire, 3 phase, 4 wire, 120/208 V, 200 A		0.40	2,952.13
	Feeder installation 600 V, including RGS conduit and XHHW wire, 200 A		0.19	1,442.70
	Switchgear installation, incl switchboard, panels & circuit breaker, 120/208 V, 3 phase, 400 A		0.04	306.29
D5020	Lighting and Branch Wiring		8.59	63,586.72
	Receptacles incl plate, box, conduit, wire, 4 per 1000 SF, .5 watts per SF		2.20	16,281.11
	Miscellaneous power, 1 watt		0.30	2,190.40
	Central air conditioning power, 3 watts		0.60	4,441.48
	Fluorescent fixtures recess mounted in ceiling, 1.6 watt per SF, 40 FC, 10 fixtures @32watt per 1000 SF		5.50	40,673.73
D5030	Communications and Security		3.69	27,302.45
	Communication and alarm systems, fire detection, addressable, 25 detectors, includes outlets, boxes, conduit and wire		2.15	15,919.99
	Fire alarm command center, addressable with voice, excl. wire & conduit		1.29	9,537.86
	Internet wiring, 4 data/voice outlets per 1000 S.F.		0.25	1,844.60
D5090	Other Electrical Systems		0.10	717.71
	Generator sets, w/battery, charger, muffler and transfer switch, gas/gasoline operated, 3 phase, 4 wire, 277/480 V, 15 kW		0.10	717.71
E Equipment & Furnishings		0%	0	0
E1090	Other Equipment		0	0
F Special Construction		0%	0	0
G Building Sitework		0%	0	0
SubTotal		100%	\$88.55	\$655,106.58
Contractor Fees (General Conditions,Overhead,Profit)		10.00%	\$8.86	\$65,510.66
Architectural Fees		0.00%	\$0.00	\$0.00
User Fees		0.00%	\$0.00	\$0.00
Total Building Cost			\$97.41	\$720,617.24

West Saint Paul Town Center 1 TIF Analysis

Code Deficiency Cost Report

Parcel 8 - 81 Wentworth Ave E, West St Paul, MN 55118 - PID 421780001072

Code	Related Cost Items	Unit Cost	Units	Unit Quantity	Total
Accessibility Items					
	Door Hardware				
	Install ADA code compliant door hardware	\$ 250.00	EA	10	\$ 2,500.00
	Thresholds				
	Modify thresholds to comply with code for maximum height	\$ 250.00	EA	5	\$ 1,250.00
	Reception Desk				
	Modify reception desk to comply with ADA code	\$ 500.00	Lump	1	\$ 500.00
	Restrooms				
	Modify restrooms to comply with ADA code	\$ 0.25	SF	7400	\$ 1,850.00
Structural Elements					
					\$ -
Exiting					
	Door Hardware				
	Replace exiting door hardware to become code compliant	\$ 500.00	EA	1	\$ 500.00
	Glass Doors				
	Install code required 10-inch kick plates on glass doors	\$ 100.00	EA	4	\$ 400.00
	Confined Space				
	Identify confined space per code and create code compliant procedures for entry	\$ 500.00	EA	1	\$ 500.00
Fire Protection					
	Smoke Detectors				
	Code required smoke detectors should be installed	\$ 2.14	SF	7400	\$ 15,836.00
	Emergency Notification System				
	Code required emergency notification system should be installed	\$ 1.29	SF	7400	\$ 9,546.00
	Sprinkler System				
	Code required building sprinkler system should be installed	\$ 5.62	SF	7400	\$ 41,588.00
Exterior Construction					
	Glass Door				
	Repair glass door to prevent water intrusion per code	\$ 450.00	EA	1	\$ 450.00
	Steel Lintels				
	Protect steel lintels from rusting per code	\$ 600.00	Lump	1	\$ 600.00
	Concrete Window Sills				
	Repair concrete window sills to prevent water intrusion per code	\$ 500.00	Lump	1	\$ 500.00

Code	Related Cost Items	Unit Cost	Units	Unit Quantity	Total
	Caulking Joints				
	Replace damaged caulking to prevent water intrusion per code	\$ 4.25	LF	360	\$ 1,530.00
	Concrete Block Walls				
	Repair/replace damaged concrete block walls and mortar joints to prevent water intrusion per code	\$ 2.50	SF	7400	\$ 18,500.00
	Roof Construction				
	Roofing Material				
	Remove damaged roofing material	\$ 0.75	SF	7400	\$ 5,550.00
	Replace roofing material	\$ 7.66	SF	7400	\$ 56,684.00
	Mechanical- Electrical				
	Mechanical				
	Install code compliant HVAC system	\$ 10.98	SF	7400	\$ 81,252.00
	Electrical				
	Install code required cover plate on electrical outlet	\$ 10.00	EA	1	\$ 10.00
Total Code Improvements					\$ 239,546

West Saint Paul Town Center 1 TIF Analysis

Photos: Parcel 8, 81 WENTWORTH AVE E, MAACO Auto



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West Saint Paul Town Center 1 TIF Analysis

Photos: Parcel 8, 81 WENTWORTH AVE E, MAACO Auto



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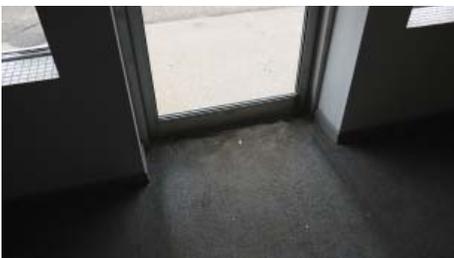
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West Saint Paul Town Center 1 TIF Analysis

Photos: Parcel 8, 81 WENTWORTH AVE E, MAACO Auto



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West Saint Paul Town Center 1 TIF Analysis

Photos: Parcel 8, 81 WENTWORTH AVE E, MAACO Auto



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West Saint Paul Town Center 1 TIF Analysis

Photos: Parcel 8, 81 WENTWORTH AVE E, MAACO Auto



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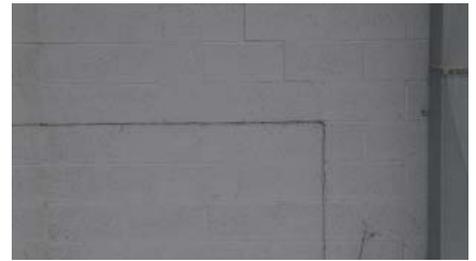
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West Saint Paul Town Center 1 TIF Analysis

Photos: Parcel 8, 81 WENTWORTH AVE E, MAACO Auto



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CONTRACT FOR PRIVATE REDEVELOPMENT

THIS AGREEMENT, made on or as of the _____ day of _____, 2020, by and among the West St. Paul Economic Development Authority, a Minnesota public body corporate and politic, having its principal office at 1616 Humboldt Ave., West St. Paul, Minnesota 55118, the City of West St. Paul, a Minnesota municipal corporation, having its principal office at 1616 Humboldt Ave., West St. Paul, Minnesota 55118 and Roers West St. Paul Apartments Owner LLC, a Delaware limited liability company, having its principal office at 110 Cheshire Lane, Suite 120, Minnetonka, MN 55305.

WITNESSETH:

WHEREAS, the Developer has entered into Purchase Agreements for the purchase of a portion of Development Property within the City that is necessary for Developer's Minimum Improvements, subject to any the approval by the City of all rezoning, conditional use permits and variances necessary for Developer's redevelopment of the Development Property for the Minimum Improvements; and

WHEREAS, the EDA proposes to sell a portion of the Development Property it owns to the Developer for the construction of the Minimum Improvements and held a public hearing on the sale on August 31, 2020, at which the public had an opportunity to be heard; and

WHEREAS, in order to make redevelopment of the Development Property financially feasible, the EDA has determined to provide certain financial assistance to the Developer; and

WHEREAS, the EDA and the City believe that the development of the Development Property pursuant to and in general fulfillment of this Agreement is in the vital and best interests of the City, will promote the health, safety, morals, and welfare of its residents, and will be in accord with the public purposes and provisions of the applicable State and local laws and requirements.

NOW, THEREFORE, in consideration of the promises and the mutual obligations of the parties hereto, each of them does hereby covenant and agree with the other as follows:

ARTICLE I
Definitions

Section 1.1. Definitions. In this Agreement, unless a different meaning clearly appears from the context:

“Agreement” means this Agreement, as the same may be modified, amended, or supplemented, in writing, by mutual agreement of both parties.

“Certificate of Completion” means the certificate, in the form contained in Exhibit D attached hereto, which will be provided to the Developer pursuant to Article IV of this Agreement.

“City” means the City of West St. Paul, Minnesota.

“City Development Districts Act” means Minnesota Statutes sections 469.124 through 469.134 as amended.

“Closing” or “Closing Date” means on or before November 30, 2020, unless otherwise agreed to by the parties.

“Condemnation Award” means the amount remaining from an award to the Developer for the acquisition of title to and possession of the Minimum Improvements or any material part thereof, after deducting all expenses (including fees and disbursements of counsel) incurred in the collection of such award.

“Construction Plans” means the final plans for construction of the Minimum Improvements to be submitted by the Developer and approved by the EDA.

“Contingency Date” means October 31, 2020.

“County” means Dakota County.

“Developer” means Roers West St. Paul Apartments Owner LLC, a Delaware limited liability company, or its successors and assigns.

“Development District” means South Robert Street Redevelopment Project No. 1 established pursuant to Minnesota Statutes, sections 469.124 to 469.134 and now operated by the EDA.

“Development Property” or “Property” means the real property described in Exhibit B of this Agreement.

“Earnest Money” means the earnest money deposit of Twenty Thousand Dollars and 00/100s (\$20,000.00) to be deposited with the EDA upon execution of this Agreement by Developer.

“EDA” means the West St. Paul Economic Development Authority, a public body corporate and politic organized under the laws of the State of Minnesota, or its successor or assign.

“EDA Act” or “Economic Development Authority Act” means Minnesota Statutes sections 469.090 through 469.1082 as amended.

“EDA Property” means approximately 2.15 acres of real property legally described and identified on Exhibit A as EDA Property.

“EDA Property Deed” means the warranty deed in the form attached hereto as Exhibit E, by which the EDA will convey the EDA Property to the Developer.

“Effective Date” means August 31, 2020.

“Event of Default” means an action by the Developer or the EDA listed in Article VIII of this Agreement.

“HRA Act” means Minnesota Statutes sections 469.001 through 469.047 as amended.

“Maturity Date” means the date when the Developer has satisfied its obligations under the Agreement and the EDA has issued the Certificate of Completion, which shall be no later than December 31, 2022, unless otherwise agreed to by the parties in writing.

“Minimum Improvements” means the acquisition of land and construction of approximately 192 units of market rate housing, approximately 1,700 square feet of retail/restaurant, and dependent upon market demand, up to an additional approximately 10,600 square feet of retail. The Minimum Improvements are more fully described in Exhibit C, which is attached hereto and incorporated herein.

“Net Proceeds” means any proceeds paid by an insurer to the Developer or the EDA under a policy or policies of insurance required to be provided and maintained by the Developer pursuant to Article VI of this Agreement and remaining after deducting all expenses incurred in the collection of such proceeds.

“Permitted Encumbrance” means any matter shown on such Title Commitment and not objected to by the Developer (other than such consensual liens).

“Preliminary Plans” means, collectively, the plans, drawings and specifications for the construction of the Minimum Improvements which are listed on Exhibit C and attached hereto.

“Program” means the Program for Development District No. 1 which lists the goals and objectives of development and redevelopment within the Development District.

“Project” or “Redevelopment Project” means the Minimum Improvements.

“Purchase Price” means One Million Two Hundred Thousand Dollars (\$1,200,000), all of which is allocated to the purchase of Parcel 1 on Exhibit A.

“Sale” means any sale, conveyance, lease, exchange, forfeiture other transfer of the Developer’s interest in the Minimum Improvements or the Development Property, whether voluntary or involuntary.

“State” means the state of Minnesota.

“Title Company” means Commercial Partners Title LLC.

“Unavoidable Delays” means delays beyond the reasonable control of the party seeking to be excused, including, but not limited to, delays which are the direct result of strikes, other labor troubles, weather, fire, or other casualty to the Minimum Improvements or Site Improvements, litigation commenced by third parties which, by injunction or other similar judicial action, results in delays, or acts of any federal, state or local governmental unit (other than the EDA in exercising its rights under this Agreement) that result in delays.

Section 1.2. Exhibits. The following exhibits are attached to and by reference made a part of this Agreement:

- Exhibit A. Legal Description of EDA Property
- Exhibit B. Legal Description of Development Property
- Exhibit C. Preliminary Plans
- Exhibit D. Form of Certificate of Completion
- Exhibit E. Form of EDA Property Deed
- Exhibit F. Developer Fees

Section 1.3. Rules of Interpretation.

- (a) This Agreement shall be interpreted in accordance with and governed by the laws of Minnesota.
- (b) The words “herein” and “hereof” and words of similar import, without reference to any particular section or subdivision, refer to this Agreement as a whole rather than any particular section or subdivision hereof.
- (c) References herein to any particular section or subdivision hereof are to the section or subdivision of this Agreement as originally executed.
- (d) Any titles of the several parts, articles and sections of this Agreement are inserted for convenience and reference only and shall be disregarded in construing or interpreting any of its provisions.

ARTICLE II
Representations and Warranties

Section 2.1. Representations by the EDA. The EDA makes the following representations:

- (a) The EDA is a public body corporate and politic under the laws of Minnesota. Under the provisions of the EDA Act, the EDA has the power to enter into this Agreement and carry out its obligations hereunder. The persons executing this Agreement and related agreements and documents on behalf of the EDA have the authority to do so and to bind the EDA by their actions.
- (b) The execution, delivery and performance by EDA of this Agreement will not violate any provision of any law, statute, rule or regulation or any order, writ, judgment, injunction, decree, determination or award of any court, governmental agency or arbitrator presently in effect having applicability to EDA, or result in a breach of or constitute a default under any indenture, loan or credit agreement or any other agreement, lease or instrument to which EDA is a party or by which it or any of its properties may be bound.
- (c) To EDA's knowledge, there are no actions, suits or proceedings pending or threatened against or affecting EDA or any of its properties, before any court or arbitrator, or any governmental department, board, agency or other instrumentality which in any of the foregoing challenges the legality, validity or enforceability of this Agreement, or if determined adversely to EDA, would have a material adverse effect on the ability of EDA to perform its obligations under this Agreement.
- (d) EDA has not received written notice, and has no knowledge, of (i) any pending or contemplated annexation or condemnation proceedings, or purchase in lieu of the same, affecting or which may affect all or any part of the Property, (ii) any proposed or pending proceeding to change or redefine the zoning classification of all or any part of the Property, (iii) any proposed changes in any road patterns or grades which would adversely and materially affect access to the roads providing a means of ingress or egress to or from all or any part of the Property, or (iv) any uncured violation of any legal requirement, restriction, condition, covenant or agreement affecting all or any part of the Property or the use, operation, maintenance or management of all or any part of the Property.
- (e) To EDA's knowledge, there are no wells or sewage treatment systems located on any portion of the Property. To EDA's knowledge, there has been no methamphetamine production on or about any portion of the Property. To EDA's knowledge, the sewage generated by the Property, if any, goes to a facility permitted by the Minnesota Pollution Control Agency and there is no "individual sewage treatment system" (as defined in Minnesota Statutes § 115.55, subd. 1(g)) located on the Property.

- (f) The EDA is not a “foreign person,” “foreign corporation,” “foreign trust,” “foreign estate” or “disregarded entity” as those terms are defined in Section 1445 of the Internal Revenue Code and the regulations promulgated thereunder.
- (g) The EDA has received no notice or communication from any local, State or federal official that the activities of the Developer or the EDA in the EDA Property may be or will be in violation of any environmental law or regulation. The EDA is aware of no facts the existence of which would cause it to be in violation of any local, State or federal environmental law, regulation or review procedure.
- (h) There are no leases or tenancies with respect to the Property. There are no unrecorded agreements or other contracts of any nature or type relating to, affecting or serving the Property.
- (i) There will be no indebtedness attributable to the Property which will remain unpaid after the Closing Date.
- (j) The activities of the EDA are undertaken for the purpose of removing, preventing, or reducing blight, blighting factors, or the causes of blight, and for the purposes of increasing the tax base and housing opportunities within the City.

The representations, warranties and other provisions of this Section 2.1 shall survive Closing; provided, however, EDA shall have no liability with respect to any breach of a particular representation or warranty if Developer shall fail to notify EDA in writing of such breach within two (2) years after the Closing Date, and provided further that EDA shall have no liability with respect to a breach of the representations and warranties set forth in this Agreement if Developer has actual knowledge of EDA’s breach thereof prior to Closing and Developer consummates the acquisition of the Property as provided herein.

Developer acknowledges and agrees that, except as expressly specified in this Article II of this Agreement, EDA has not made, and EDA hereby specifically disclaims, any representation, warranty or covenant of any kind, oral or written, expressed or implied, or arising by operation of law, with respect to the Property, including but not limited to, any warranties or representations as to the habitability, merchantability, fitness for a particular purpose, title, zoning, tax consequences, physical or environmental condition, utilities, valuation, governmental approvals, the compliance of the Property with governmental laws, the truth, accuracy or completeness of any information provided by or on behalf of EDA to Developer, or any other matter or item regarding the Property. Developer agrees to accept the Property and acknowledges that the sale of the Property as provided for herein is made by EDA on an “AS IS,” “WHERE IS,” and “WITH ALL FAULTS” basis. Developer is an experienced purchaser of property such as the Property and Developer has made or will make its own independent investigation of the Property. The limitations set forth in this paragraph shall survive the Closing and shall not merge in the EDA Property Deed.

Section 2.2. Representations and Warranties by the City. The City hereby warrants and represents as follows:

- (a) Organization. The City is a municipal corporation duly incorporated and validly existing in good standing the laws of the State of Minnesota.
- (b) Authority. The City has the right, power, legal capacity and authority to enter into and perform its obligations under this Agreement.

The representations and warranties of this Section 2.2 shall survive Closing.

Section 2.3. Representations and Warranties by the Developer. The Developer represents and warrants that:

- (a) The Developer is a Delaware limited liability company, duly organized and in good standing under the laws of Delaware and is not in violation of any provisions of its company documents or its operating agreement. The Developer has the power to enter into this Agreement and carry out its obligations hereunder. The persons executing this Agreement and related agreements and documents on behalf of the Developer have the authority to do so and to bind the Developer by their actions.
- (b) The execution, delivery and performance by Developer of this Agreement will not (i) violate any provision of any law, statute, rule or regulation or any order, writ, judgment, injunction, decree, determination or award of any court, governmental agency or arbitrator presently in effect having applicability to Developer, (ii) violate or contravene any provision of the articles of incorporation or bylaws of Developer, or (iii) result in a breach of or constitute a default under any indenture, loan or credit agreement or any other agreement, lease or instrument to which Developer is a party or by which it or any of its properties may be bound.
- (c) Developer will deposit the Earnest Money with the Title Company upon execution of this Agreement by Developer.
- (d) The Developer has received no notice or communication from any local, state or federal official that the activities of the Developer or the EDA on the EDA Property may be or will be in violation of any environmental law or regulation. The Developer is aware of no facts, the existence of which would cause it to be in violation of any local, state, or federal environmental law, regulation or review procedure or which give any person a valid claim under any of the foregoing.
- (e) The Developer will complete the Minimum Improvements in accordance with all local, state, federal laws or regulations.
- (f) The Developer will obtain, in a timely manner, all required permits, licenses, insurance, and approvals, and will meet, in a timely manner, all requirements of all applicable local, state, and federal laws and regulations which must be obtained or met before the Minimum Improvements may be lawfully constructed or acquired.

- (g) Upon Closing, the Developer shall have closed on all financing and will have the financial capacity needed to meet the obligations specified in this Agreement and is prepared to commence construction of the Minimum Improvements by the date specified in Section 4.6 of this Agreement.
- (h) The Developer will have satisfied the terms and conditions contained in this Agreement prior to the Maturity Date or posted surety bonds for future fulfillment of all requirements contained in the Agreement.
- (i) The Developer agrees to take all necessary action to remove or remediate any Hazardous Substances located on the Development Property to the extent required by and in accordance with all applicable local, state and federal environmental laws and regulations.

The representations, warranties and other provisions of this Section 2.3 shall survive Closing.

Section 2.4. Environmental Conditions

(a) As Is. Except as otherwise provided pursuant to Section 2.1, as of the Closing Date, Developer shall take the Property in an “as is” condition and shall assume the risk of any and all adverse environmental conditions. The EDA represents and warrants that during its ownership, to its knowledge, it has taken no actions that would negatively impact the environmental condition of the EDA Property. The EDA makes no warranties or representations regarding, nor does it indemnify the Developer with respect to, the existence or nonexistence on or in the vicinity of the Development Property of any toxic or hazardous substances or wastes, pollutants or contaminants (including, without limitation, asbestos, urea formaldehyde, the group of organic compounds known as polychlorinated biphenyls, petroleum products including gasoline, fuel oil, crude oil and various constituents of such products, or any hazardous substance as defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (“CERCLA”), 42 U.S.C. §§ 961-9657, as amended) (collectively, the “Hazardous Substances”).

(b) Copies of Information. Upon the execution of this Agreement, the EDA shall provide Developer with true and correct copies of all studies, correspondence and other data in the EDA’s possession with respect to the environmental condition of the EDA Property.

(c) Right of Entry and Hold Harmless. Developer may enter and inspect the EDA Property and agrees to indemnify and hold the EDA harmless from any costs, expenses and/or claims associated with, occasioned by or arising out of Developer’s entry and testing of the EDA Property.

ARTICLE III

Conveyance of Property

Section 3.1. Sale of EDA Property. Subject to compliance with the terms of this Agreement, the EDA agrees to sell to Developer, and Developer agrees to buy from the EDA, the EDA Property, subject only to Permitted Encumbrances.

Section 3.2. Purchase Price. The Purchase Price for the EDA Property is less than fair market value. But for the purchase price reduction, Developer represents that they do not have the funds to undertake the Project. The Earnest Money shall be applied at Closing against the Purchase Price.

Section 3.3. Available Surveys, Tests, and Reports. Within ten (10) days of the Effective Date, EDA shall cause to be delivered to Developer, (a) copies of any surveys, soil tests and environmental reports previously conducted on the Property and (b) copies of existing title work for the Property (“Due Diligence Materials”) which may be in the possession of the EDA.

Section 3.4. Developer’s Investigations. From the Effective Date through the Closing Date, EDA shall allow Developer and Developer’s agents access to the Property without charge and at all times for the purpose of Developer’s investigation and testing of the Property, including, without limitation, surveying, testing of soil and groundwater, and obtaining a current Phase I Environmental Site Assessment (“Phase I”) of the EDA Property (“Developer’s Investigations”); provided, however, Developer shall not perform any invasive testing unless (a) EDA gives its prior approval of Developer’s consultant that will perform the testing, which approval shall not be unreasonably withheld, conditioned or delayed, and (b) Developer gives EDA reasonable prior notice of such testing. EDA shall have the right to accompany Developer during any of Developer’s Investigations of the Property. Developer shall provide to EDA, following EDA’s request, copies of all third-party, non-confidential written test results and reports conducted as part of Developer’s Investigations. Developer agrees to pay all of the costs and expenses associated with Developer’s Investigations, to cause to be released any lien on the Property arising as a result of Developer’s Investigations and to repair and restore, at Developer’s expense, any damage to the Property caused by Developer’s Investigations. Developer shall indemnify and hold EDA harmless from all costs and liabilities, including, but not limited to, reasonable attorneys’ fees, arising from Developer’s Investigations. The indemnification obligations provided herein shall survive the termination or cancellation of this Agreement.

Section 3.5. Developer’s Contingencies. Developer’s obligation to proceed to Closing shall be subject to the satisfaction, on or prior to the Closing Date (or such earlier date as is noted in any individual contingency below), of each of the following conditions:

- (a) **Inspection.** On or before the Contingency Date, Developer shall have determined, in its sole discretion, that it is satisfied with (a) the results of and matters disclosed by Developer’s Investigations, surveys, soil tests, engineering inspections, hazardous substance and environmental reviews of the Property and all other inspections and due diligence regarding the Property, including any Due Diligence

Materials.

- (b) Intended Use. On or before the Contingency Date, Developer shall have determined the acceptability of the Property for its intended use and incidental uses thereto (collectively, the “Proposed Use”). All costs and expenses related to applying for and obtaining any governmental permits and approvals for the Property for the Proposed Use shall be the responsibility of the Developer.
- (c) Governmental Approvals. On or before the Closing Date, Developer shall have obtained all appropriate approvals and permits necessary for the Proposed Use on the Property, which approvals may include, without limitation, platting or replatting, zoning approvals and/or rezoning of the Property, conditional use permits, access permits, signage permits, building permits, required licenses, site plan approvals and architectural approvals. All costs and expenses related to the preparation of any documentation necessary to create any plans, specifications or the like shall be the responsibility of the Developer. In the event that, despite Developer’s exercise of good faith and commercially reasonable efforts to obtain all appropriate government approvals for the Proposed Use by the Closing Date, the City is not prepared to issue a building permit for the Project on or before the Closing Date, then the Developer shall have the option, exercisable upon written notice to the EDA, to extend the Closing Date to the day that is 5 business days after the City is prepared to issue its building permit.
- (d) Access. On or before the Contingency Date, Developer shall have satisfied itself, in Developer’s sole discretion, that access to and from roads and the Property is adequate for Developer’s Proposed Use of the property.
- (e) Utilities. On or before the Contingency Date, Developer shall have satisfied itself, in Developer’s sole discretion, that water and gas mains, electric power lines, sanitary and storm sewers, and other utilities are available to the Property.
- (f) Title Insurance. On or before the Closing Date, Developer shall have received from Title an irrevocable commitment to issue a title insurance policy for the Property in a form and substance satisfactory to Developer in Developer’s sole discretion, not disclosing any encumbrance not acceptable to Developer in Developer’s sole discretion.
- (g) Financing. On or before the Closing Date, Developer shall have secured such commitments for financing construction of the Minimum Improvements as are deemed necessary by Developer.
- (h) Acquisition of Property. Developer’s acquisition of all of the Development Property not owned by the EDA.
- (i) TIF. Developer’s receipt of Tax Increment Financing from the City.

The foregoing contingencies are for Developer's sole and exclusive benefit and one or more may be waived in writing by Developer in its sole discretion. EDA shall reasonably cooperate with Developer's efforts to satisfy such contingencies, at no out of pocket cost to EDA or assumption of any obligation or liability by Developer. Developer shall bear all cost and expense of satisfying Developer's contingencies. If any of the foregoing contingencies have not been satisfied on or before the applicable date, then this Agreement may be terminated, at Developer's option, by written notice from Developer to EDA. Such written notice must be given on or before the applicable date, or Developer's right to terminate this Agreement pursuant to this Section shall be waived. If Developer terminates this Agreement pursuant to this Section, then any amount previously paid by Developer to EDA, including the Earnest Money, shall immediately be refunded to Developer. Upon termination, neither party shall have any further rights nor obligations against the other regarding this Agreement or the Property, except for such obligations as survive termination of this Agreement.

If Developer elects not to exercise any of the contingencies set out herein, such election may not be construed as limiting any representations or obligations of EDA set out in this Agreement, including without limitation any indemnity or representations with respect to environmental matters.

Section 3.6. EDA's Contingencies. EDA's obligation to proceed to Closing shall be subject to the satisfaction, on or prior to the Closing Date, of each of the following conditions:

- (a) Approval of Sale. The EDA approving the sale of the EDA Property for the Purchase Price at a public hearing.
- (b) Closed on Remaining Development Property. Developer having closed on the purchase of all Development Property not owned by the EDA.
- (c) Developer Performance. Developer shall have performed and satisfied all agreements, covenants and conditions required pursuant to this Agreement to be performed and satisfied by or prior to the Closing Date.
- (d) Developer's Representations. All representations and warranties of Developer contained in this Agreement shall be accurate as of the Closing Date.
- (e) No Default. There shall be no uncured default by Developer of any of its obligations under this Agreement as of the Closing Date, unless waived by EDA.
- (f) Fees. Developer pays the fees identified in Exhibit F prior to the issuance of a Building Permit.
- (g) Stormwater Maintenance Agreement. Developer agrees to execute a Stormwater Maintenance Agreement with the City.

If any contingency contained in this Section 3.6 has not been satisfied on or before the date described therein, and if no date is specified, then the Closing Date, then this Agreement may be

terminated by written notice from EDA to Developer and neither party shall have any further rights or obligations with respect to this Agreement or the Property. If termination occurs, EDA shall return the Earnest Money to Developer. All the contingencies in this Section 3.6 are for the benefit of EDA, and EDA shall have the right to waive any contingency in this Section 3.6 by written notice to Developer.

Section 3.7. Closing. The closing of the purchase and sale contemplated by this Agreement (the “Closing”) shall occur on or before the Closing Date. The EDA agrees to deliver legal and actual possession of the EDA Property to Developer on the Closing Date. Closing shall occur at Title Company.

- (a) EDA’s Closing Documents and Deliveries. On the Closing Date, EDA shall execute and/or deliver, as applicable, to Developer the following:
1. Deed. A warranty deed conveying title to the EDA Property to Developer, free and clear of all encumbrances, except the Permitted Encumbrances. Such EDA Property Deed shall include as a covenant running with the land the conditions of Minnesota Statutes, Sections 469.090 to 469.108 relating to the use of the land. If the covenant is violated the authority may declare a breach of the covenant and seek a judicial decree from the district court declaring a forfeiture and a cancellation of the deed.
 2. Title Policy. A Proforma Title Policy or a suitably marked up Commitment for Title Insurance initialed by Title Company, in the form required by this Agreement, including usual and customary endorsements required by Developer.
 3. FIRPTA Affidavit. A non-foreign affidavit as required by applicable law.
 4. EDA’s Affidavit. A standard owner’s affidavit (ALTA form) from EDA which may be reasonably required by Title to issue an owner’s policy of title insurance with respect to the Property with the so called “standard exceptions” deleted.
 5. Settlement Statement. A settlement statement with respect to this transaction.
 6. Bring Down Certificate. A certificate dated as of the Closing Date, signed by an authorized officer of EDA, certifying that the representations and warranties of EDA contained in this Agreement are true as of the Closing Date.
 7. General Deliveries. All other documents reasonably determined by Title Company to be necessary to evidence that Developer has duly authorized the transactions contemplated hereby and evidence the authority of Developer to enter into and perform this Agreement and the documents and

instruments required to be executed and delivered by Developer pursuant to this Agreement, or may be required of Developer under applicable law.

(b) Developer Closing Documents and Deliveries. On the Closing Date, Developer shall execute and/or deliver, as applicable, to EDA the following:

1. Payment of Purchase Price. The Purchase Price, less Earnest Money, shall be payable on the Closing Date, subject to those adjustments, pro-rations and credits described in this Agreement, in certified funds or by wire transfer pursuant to instructions from EDA.
2. Settlement Statement. A settlement statement with respect to this transaction.
3. FIRPTA Affidavit. An affidavit of Developer certifying that Developer is not a “foreign person,” “foreign partnership,” “foreign trust,” “foreign estate” or “disregarded entity” as those terms are defined in Section 1445 of the Internal Revenue Code of 1986, as amended.
4. Developer’s Affidavit. A standard owner’s affidavit (ALTA form) from Developer which may be reasonably required by Title to issue an owner’s policy of title insurance with respect to the Property with the so-called “standard exceptions” deleted.
5. Bring Down Certificate. A certificate dated as of the Closing Date, signed by an authorized officer of Developer, certifying that the representations and warranties of Developer contained in this Agreement are true as of the Closing Date.
6. General Deliveries. All other documents reasonably determined by Title to be necessary to evidence that Developer has duly authorized the transactions contemplated hereby and evidence the authority of Developer to enter into and perform this Agreement and the documents and instruments required to be executed and delivered by Developer pursuant to this Agreement, or may be required of Developer under applicable law, including any Developer’s affidavits or revenue or tax certificates or statements.

(c) Costs and Prorations. EDA and Developer agree to the following prorations and allocation of costs regarding this Agreement:

1. General real estate taxes applicable to any of the Property due and payable in the year of Closing shall be prorated between Developer and EDA on a daily basis as of 12:00 a.m. CT on the Closing Date based upon a calendar fiscal year, with EDA paying those allocable to the period prior to the Closing Date and Developer being responsible for those allocable to the

Closing Date and subsequent thereto. EDA shall pay in full all special assessments (and charges in the nature of or in lieu of such assessments) levied, pending, postponed or deferred with respect to any of the Property as of the Closing Date. Developer shall be responsible for any special assessments that are levied or become pending against the Property after the Closing Date, including, without limitation, those related to Developer's development of the Property.

2. The Developer may obtain and pay for an ALTA Survey ("ALTA Survey").
3. The EDA shall pay all title charges for the issuance of the Title Commitment.
4. Developer shall pay all premiums for any title insurance policy it desires with respect to the EDA Property.
5. Developer shall pay all costs of recording the EDA Property Deed and this Agreement.
6. The EDA shall pay for the cost of recording any other documents necessary to convey the EDA Property as required by this Agreement.
7. EDA shall pay all state deed tax regarding the EDA Property Deed.
8. Developer and EDA shall each pay one half (1/2) of any reasonable closing fee or charge imposed by Title Company.
9. There are no brokerage or real estate fees or commissions due and payable by the EDA as part of this transaction.
10. EDA and Developer shall each pay their own attorneys' fees incurred in connection with this transaction.
11. The obligations set forth in this Section 3.7(c) shall survive the Closing.

Section 3.8. Title Examination. Developer shall obtain a commitment for an owner's title insurance policy (ALTA Form 2006) issued by Title for the EDA Property (together with the ALTA Survey, the "Title Evidence").

- (a) **Developer Objections.** Prior to the Contingency Date, Developer may make written objections ("Objections") to the form or content of the Title Evidence. The Objections may include without limitation, any easements, restrictions or other matters which may interfere with the proposed use of the Property or matters which may be revealed by any survey. Any matters reflected on the Title Evidence which are not objected to by Developer within such time period or waived by Developer in accordance with Section 3.8(b)(2) shall be deemed to be permitted encumbrances ("Permitted Encumbrances"), except that monetary encumbrances such as

mortgages or mechanic's liens shall be deemed an Objection by Developer and shall be satisfied by EDA by Closing. Notwithstanding the foregoing, the following items shall be deemed Permitted Encumbrances:

1. Covenants, conditions, restrictions (without effective forfeiture provisions) and declarations of record, if any;
2. Reservation of minerals or mineral rights by the State of Minnesota, if any;
3. Utility and drainage easements which do not interfere with the Proposed Use; and
4. Applicable laws, ordinances, and regulations.

Developer shall have the renewed right to object to the Title Evidence as the same may be revised or endorsed from time to time.

- (b) EDA's Cure. EDA shall be allowed twenty (20) days after the receipt of Developer's Objections to cure the same but shall have no obligation to do so, except for any monetary encumbrances such as mortgages or mechanic's liens. If such cure is not completed within said period, or if EDA elects not to cure such Objections, Developer shall have the options to do any of the following:

1. Terminate this Agreement with respect to all of the Property.
2. Waive one or more of its objections and proceed to Closing.

Section 3.9. If Developer so terminates this Agreement, neither EDA nor Developer shall be liable to the other for any further obligations under this Agreement, except for such obligations as survive termination of this Agreement, and any amount previously paid by Developer to EDA, including the Earnest Money, shall be refunded to Developer.

ARTICLE IV

Construction of Minimum Improvements

Section 4.1. Construction of Developer and Minimum Improvements.

- (a) Within 120 days after execution of this Agreement, the Developer shall submit Construction Plans to the City. The Construction Plans shall provide for the construction of Minimum Improvements and shall be in substantial conformity with the Preliminary Plans listed on Exhibit C, attached hereto. All Minimum Improvements constructed on the Development Property shall be constructed, operated and maintained in accordance with the terms of the Construction Plans, this Agreement, the Comprehensive Plan, and all local, Minnesota and federal laws and regulations (including, but not limited to, Environmental Controls and Land

Use Regulations). Developer will use commercially reasonable efforts to obtain, or cause to be obtained, in a timely manner, all required permits, licenses and approvals, and will use commercially reasonable efforts to meet, in a timely manner, the requirements of applicable Environmental Controls and Land Use Regulations which must be met before Developer's Minimum Improvements may be lawfully constructed.

- (b) No changes shall be made to the Construction Plans for the Project without the EDA's prior written approval, unless the aggregate of such changes does not increase or decrease the total development costs by more than 10%. No changes which materially alter (a) the Project's Site Plan, (b) exterior appearance, (c) construction quality, or (d) exterior materials included in the final design drawings and Construction Plans shall be made without the EDA's prior written consent. The approval of the EDA will not be unreasonably withheld, conditioned or delayed. If an amendment or prior written approval from the EDA is necessary with respect to a change in the Construction Plans, if the EDA has not rejected such amendment in writing within 60 calendar days of submission of such amendment, the amendment to Construction Plans shall automatically be deemed approved by the EDA for purposes of this Agreement but only if such amendment provided to the EDA is complete and final and meets all requirements necessary for the Developer to obtain a building permit from the City.

Section 4.2. Grading/Drainage Plan and Easements. Developer shall construct drainage facilities adequate to serve the Minimum Improvements in accordance with the Construction Plans. Developer agrees to grant to the City all necessary easements for the preservation of the drainage system, for drainage basins, and for utility service as required by the City pursuant to terms mutually agreeable to Developer and the City. The grading and drainage plan shall include any measures necessary to conform to the overall City storm sewer plan, including but not limited to such considerations as lot and building elevations, drainage swales, storm sewer, catch basins, erosion control structures and ponding areas. The grading of the site shall be completed in conformance with the Construction Plans. All storm sewer facilities, sanitary sewer and water lines shall be private unless located within the City's right of way, in which case, that portion of the facilities shall be public.

Section 4.3. Street Maintenance, Access, and Repair. The Developer shall clear, on a daily basis, any soil, earth or debris from the existing streets within or adjacent to this Minimum Improvements resulting from the grading or building on the land within the Minimum Improvements by the Developer or its agents, and shall restore to the City's specifications any gravel base contaminated by mixing construction or excavation debris or earth in it, and repair to the City's specifications any damage to bituminous surfacing resulting from the use of construction equipment.

Section 4.4. Erosion Control. The Developer shall provide and follow a plan for erosion control and pond maintenance in accord with the Best Management Practices (BMP) as delineated by the Minnesota Pollution Control Agency. Such plan shall be detailed on the Construction Plans and shall be subject to approval of the City. The Developer shall install and maintain such erosion control structures as appear necessary under the Construction Plans or become necessary

subsequent thereto. The Developer shall be responsible for all damage caused as the result of grading and excavation within the Minimum Improvements including, but not limited to, restoration of existing control structures and clean-up of public right-of-way. As a portion of the erosion control plan, the Developer shall re-seed or sod any disturbed areas in accordance with the Construction Plans. The City reserves the right to perform any necessary erosion control or restoration as required, if these requirements are not complied with after Formal Notice by the City. The Developer shall be financially responsible for payment for this extra work.

Section 4.5. Zoning; Other Approvals. The EDA agrees to exercise its reasonable efforts to grant or obtain such land use planning review and approvals as may be required in connection with the development of the Minimum Improvements by applicable Land Use Regulations. The parties agree that the development of the Minimum Improvements is in the public interest, will provide significant and important benefits to the City and its residents, and is a desirable and appropriate use of the EDA Property. Developer acknowledges and agrees that the EDA cannot and does not undertake in this Development Agreement to bind itself to grant or obtain any approvals, permits, variances, zoning or rezoning applications or other matters within the legislative or quasi-judicial discretion of the EDA or the governing body of any other political subdivision or public agency. The EDA nevertheless agrees that upon request of Developer, it will cooperate with Developer to seek and secure approvals, permits, variances, and other matters as may be required prior to the acquisition by Developer of all portions of the EDA Property affected thereby, to cause such matters to be timely considered by the EDA, City and Planning Commission or the governing body of other political subdivisions or public agencies with jurisdiction, and to otherwise cooperate with Developer to facilitate implementation of the Minimum Improvements.

Section 4.6. Commencement and Completion of Construction. Subject to Unavoidable Delays, the Developer shall commence construction of the Minimum Improvements no later than thirty (30) days after the Closing Date. Subject to Unavoidable Delays, the Developer shall have substantially completed the construction of the Minimum Improvements no later than twenty-four (24) months after the required construction commencement date. All work with respect to the Minimum Improvements to be constructed or provided by the Developer on the Development Property shall be in substantial conformity with the Construction Plans and Developer will not modify the size or exterior appearance of the Minimum Improvements without the consent of the EDA and the City, which consent shall not be unreasonably withheld. The Developer shall make such reports to the EDA regarding construction of the Minimum Improvements as the EDA deems necessary or helpful in order to monitor progress on construction of the Minimum Improvements.

Section 4.7. Certificate of Completion.

- (a) After substantial completion of the Minimum Improvements in accordance with the Construction Plans and all terms of this Agreement, the EDA will furnish the Developer with a Certificate of Completion in the form of Exhibit D hereto. Such certification by the EDA shall be a conclusive determination of satisfaction and termination of the agreements and covenants in this Agreement and in the EDA Property Deed with respect to the obligations of the Developer to construct the Minimum Improvements and the dates for the beginning and completion thereof. The Certificate of Completion shall only be issued after issuance of a certificate of

occupancy by the City.

- (b) The Certificate of Completion provided for in this Section 4.7 shall be in such form as will enable it to be recorded in the proper County office for the recordation of deeds and other instruments pertaining to the EDA Property. The filing of a Certificate of Completion in such County office shall be deemed to constitute the complete release of this Agreement and to permanently discharge this Agreement from the real property records, such that no terms of this Agreement shall be binding on the Developer or any successors in title to the EDA Property. If the EDA shall refuse or fail to provide such certification in accordance with the provisions of this Section 4.7, the EDA shall, within thirty (30) days after written request by the Developer, provide the Developer with a written statement, indicating in adequate detail in what respects the Developer has failed to complete the Minimum Improvements in accordance with the provisions of the Agreement, or is otherwise in default of a material term of this Agreement, and what measures or acts will be necessary, in the opinion of the EDA, for the Developer to take or perform in order to obtain such certification.

Section 4.8. Reconstruction of Minimum Improvements. If the Minimum Improvements are damaged or destroyed before completion thereof and issuance of a Certificate of Completion, the Developer agrees, for itself and its successors and assigns, to reconstruct the Minimum Improvements within one year of the date of the damage or destruction, subject to Unavoidable Delays. The Minimum Improvements shall be reconstructed in accordance with the approved Construction Plans, or such modifications thereto as may be requested by the Developer and approved by the EDA in accordance with Section 4.1 of this Agreement, which approval will not be unreasonably withheld. The Developer's obligation to reconstruct the Minimum Improvements pursuant to this Section 4.8 shall end when the Certificate of Completion is issued.

ARTICLE V

Other Obligations of Developer

Section 5.1. Building Permit Fees. Developer acknowledges that building permit fees will be payable by Developer or its successors for Minimum Improvements.

Section 5.2. Administrative Costs. The EDA has incurred and will continue to incur administrative costs in reviewing, analyzing, negotiating and studying the Minimum Improvements and this Development Agreement. In consideration of the time, effort and expenses to be incurred in pursuing the undertakings set forth herein, on or before execution of this Agreement, Developer agrees to pay a \$5,000 deposit for the costs of certain consulting fees, including planning, financial, attorneys, engineering, testing and any special meetings. If the obligations of Developer under this Agreement result in a reduction of the \$5,000 cash deposit to a level of \$1,000 or less, then at such point, Developer shall make an additional cash deposit with the EDA to raise the total cash on deposit with the EDA to \$5,000. This process of redeposit shall be continued until all of the monetary obligations of Developer pursuant to this Section are paid in full. The obligations set forth in this shall remain in full force and effect and shall survive any

termination until all monetary obligations of Developer are paid in full. If, after completion of the tasks contemplated by this Agreement and if, after appropriate payment to the EDA, there remains on deposit any sum, then such sum shall be paid over to Developer by the EDA within 30 days after such completion and payment. If Developer terminates this Agreement because of the EDA's default, Developer shall be entitled to payment of any remaining balance. If the EDA terminates this Agreement because of Developer's default, the deposit shall be retained by the EDA.

Section 5.3. Miscellaneous Requirements. Any additional requirements as specified by the EDA are incorporated herein.

Section 5.4. Site Access Requirements. Developer and City acknowledge that access to the Development Property and required roadway improvements will need to be determined through site plan and other planning application approvals. Developer hereby agrees to comply with all conditions and requirements related to site access approved by the City Council and will enter into any documents regarding such roadway or access maintenance, roadway access easements or other documents necessary to effectuate the conditions and requirements related thereto.

Section 5.5. Developer Fees. On or before issuance by the City of a building permit to Developer, Developer shall pay all development fees and provide a landscaping letter of credit in the amount of 125% of the value of the landscaping improvements. Upon completion of the landscaping improvements and approval by the City, the letter of credit shall be reduced to 50% of the initial value and retained for a one-year warranty period. Upon completion of the one-year warranty period the City will reinspect the landscaping improvements, at which time the letter of credit can be released upon final approval by the City. The fees are detailed in Exhibit F.

Section 5.6. Rental Licensing Requirements. The Developer shall comply with the West St. Paul Rental License Ordinance, City Code Section 150.035-150.046 and obtain a rental license prior to the occupancy of any unit. The Developer shall at all times engage a property management company with substantial experience in operating multifamily housing developments, subject to approval by the EDA, which approval will not be unreasonably withheld. The Developer will submit evidence of such management upon request by the EDA. After a Certificate of Occupancy is issued, if a combination of the number of validated calls for service or code violations, as defined in City Code Section 150.040, exceed .25 calls per unit over a four month period, the City shall suspend the rental license for the licensee until the licensee submits a remediation plan that is acceptable to the Police Chief.

Section 5.7. Livingston Median. Developer is aware that due to the Project, Dakota County is requiring the installation of a median on Livingston Avenue from Wentworth to the driveway entrance of the Project on Livingston ("Livingston Median"). The Livingston Median is scheduled for construction in 2021, therefore, the actual costs of construction are unknown at the time of this Agreement. As a County road, the Livingston Median will be constructed by the County but as with all County projects, requires a cost-share from the City of 45% of the costs. Developer understands and acknowledges that Developer shall pay the City's portion of the construction costs for the Livingston Median as invoiced by Dakota County, and shall pay the City such costs within 30 days of receipt of the notice from the City that such costs are due.

ARTICLE VI
Insurance and Condemnation

Section 6.1. Insurance.

- (a) The Developer shall provide and maintain insurance in the following types and amounts at all times during the process of construction the Minimum Improvements, and shall provide to the EDA upon it request proof of payment of the requisite premiums and proof of current insured status:
1. Builder's risk insurance, written on the so-called "Builder's Risk – Completed Value Basis" in an amount equal to one hundred percent (100%) of the insurable value of the Minimum Improvements at the date of completion, and with coverage available in non-reporting form on the so-called "all risk" form of policy. The interest of the EDA shall be protected in accordance with a clause in form and content satisfactory to the EDA;
 2. Comprehensive general liability insurance (including operations, contingent liability, operations of subcontractors, completed operations and contractual liability insurance) together with an Owner's Contractor's Policy with limits against bodily injury and property damage of not less than \$1,000,000.00 for each occurrence (to accomplish the above-required limits, an umbrella excess liability policy may be used); and
 3. Workers' compensation insurance, with statutory coverage.

The policies of insurance required pursuant to clauses (1) and (2) above shall be in a form and content satisfactory to the EDA and shall be placed with financially sound and reputable insurers licensed to transact business in the State. The policy of insurance delivered pursuant to clause (1) above shall contain an agreement of the insurer to give not less than thirty (30) days advance written notice to the EDA in the event of cancellation of such policy or change affecting the coverage thereunder.

- (b) Upon completion of construction of the Minimum Improvements and prior to the Maturity Date, the Developer shall maintain or cause to be maintained, at their sole cost and expense, and from time to time at the request of the EDA shall furnish proof of the payment of premiums on, insurance as follows:
1. Insurance against loss and/or damage to the Minimum Improvements under a policy or policies covering such risks as are ordinarily insured against by similar businesses, including (without limiting the generality of the foregoing) fire, extended coverage, vandalism and malicious mischief, boiler explosion, water damage, demolition cost, debris removal and

collapse in an amount not less than the full insurable replacement value of the Minimum Improvements.

2. Comprehensive general public liability insurance, including personal injury liability (with employee exclusion deleted), and automobile insurance, including owned, non-owned and hired automobiles, against liability for injuries to persons and/or property in the minimum amount for each occurrence and for each year of One Million Five Hundred Thousand Dollars (\$1,500,000.00), which shall be endorsed to show the EDA as additional insured.
 3. Such other insurance, including workers' compensation insurance respecting all employees of the Developer, in such amount as is customarily carried by like organizations engaged in like activities of comparable size and liability exposure; provided that the Developer may be self-insured with respect to all or any part of his liability for worker's compensation.
- (c) All insurance required in Article VI of this Agreement shall be taken out and maintained with responsible insurance companies selected by the Developer which are authorized under the laws of the State to assume the risks covered thereby. The Developer shall deposit annually with the EDA policies evidencing all such insurance coverages, or a certificate or certificates or binders of the respective insurers stating that such insurance is in full force and effect. Unless otherwise provided in Article VI of this Agreement, each policy shall contain a provision that the insurer shall not cancel nor modify it without giving written notice to the Developer and the EDA at least thirty (30) days before the cancellation or modification becomes effective. Not less than fifteen (15) days prior to the expiration of any policy, the Developer shall furnish the EDA evidence satisfactory to the EDA that the policy has been renewed or replaced by another policy conforming to the terms of this Agreement. In lieu of separate policies, the Developer shall deposit with the EDA a certificate or certificates of the respective insurers as to the amount of coverage in force.
- (d) The Developer agrees to notify the EDA immediately in the case of damage exceeding \$50,000 in amount to, or destruction of, the Minimum Improvements or any portion thereof resulting from fire or other casualty. Net Proceeds of any insurance settlement or payment relating to such damage shall be paid directly to the Developer.

In the event the Minimum Improvements or any portion thereof are destroyed in fire or other casualty and the damage or destruction is estimated to equal or exceed \$50,000, then the Developer shall, unless otherwise mutually agreed, within one hundred and eighty (180) days after such damage or destruction, use their best efforts to proceed to repair, reconstruct and restore the damaged Minimum Improvements to substantially the same condition or utility value as existed prior to the event causing such damage or destruction and, to the extent necessary to

accomplish such repair, reconstruction and restoration, the Developer shall apply the Net Proceeds of any insurance settlement or payment relating to such damage or destruction received by the Developer from the EDA to the payment or reimbursement of the costs thereof. Any Net Proceeds remaining after completion of construction may be used at the Developer's discretion.

The Developer shall complete the repair, reconstruction and restoration of the Minimum Improvements, whether or not the Net Proceeds of insurance settlement or payment received by the Developer for such purposes are sufficient to pay for the same.

Section 6.2. Condemnation. In the event that title to and possession of the Minimum Improvements or any material part thereof shall be taken in condemnation or by the exercise of eminent domain authority by any governmental body or other person (except the EDA) prior to the Maturity Date, the Developer shall, with reasonable promptness after such taking, notify the EDA as to the nature and extent of such taking. Upon receipt of any Condemnation Award and subject to the rights of the first Mortgagee, the Developer shall use such portion of the Condemnation Award as is needed to reconstruct the Minimum Improvements (or, in the event only a part of the Minimum Improvements have been taken, then to reconstruct such part) within the Project.

ARTICLE VII

Prohibitions Against Assignment and Transfer; Indemnification

Section 7.1. Representation as to Redevelopment. The Developer represents and agrees that its purchase of the Development Property, and other undertakings pursuant to this Agreement, are, and will be used, for the purpose of redevelopment of the Development Property and not for speculation. The Developer further recognizes that, in view of (a) the importance of the redevelopment of the Development Property to the general welfare of the community; and (b) the substantial financing and other public aids that have been made available by the EDA for the purpose of making such redevelopment possible, the identity of the Developer is of particular concern to the community and the EDA. The Developer further recognizes that it is because of Developer's qualifications and identity that the EDA is entering into this Agreement with the Developer, and in so doing, is further willing to accept and rely on the obligations of the Developer for the faithful performance of all undertakings and covenants hereby to be performed.

Section 7.2. Prohibition Against Transfer of Property and Assignment of Agreement. For the foregoing reasons the Developer represents and agrees that until the Maturity Date the Developer has not made or created, and that it will not make or create, or suffer to be made or created, any total or partial sale, assignment, conveyance or any trust or power, or transfer in any other mode or form of or with respect to the Agreement or the Development Property or any part thereof or any interest therein, or any contract or agreement to do any of the same. Notwithstanding the foregoing, the Developer shall be permitted to grant a mortgage interest in the Development Property and may collaterally assign the Developer's interest in this Agreement to any lender providing construction or permanent financing for the Project.

Section 7.3. Release and Indemnification Covenants.

- (a) The Developer covenants and agrees that the EDA, the City and the City Council, and its officers, agents, servants and employees are not liable for and agrees to release, indemnify and, hold harmless the EDA, the City and the City Council, officers, agents, servants and employees against any loss or damage to property or any injury to or death of any person occurring at or about or resulting from any defect in the Minimum Improvements, except for loss or damage resulting in willful misconduct or willful negligence of the EDA, the City or the City Council, officers, agents, servants or employees.
- (b) Except for any willful misrepresentations or any willful or wanton misconduct or negligence of the following named parties, the Developer agrees to protect and defend the EDA, the City and the City Council, and its officers, agents, servants and employees, now and forever, and further agrees to hold the EDA harmless from any claim, demand, suit, action or other proceeding whatsoever by any person or entity whatsoever arising or purportedly arising from this Agreement, or the transactions contemplated hereby or the acquisition, construction, installation, ownership, and operation of the Minimum Improvements.
- (c) Except as otherwise specifically provided in this Agreement, the EDA, the City and the City Council, officers, agents, servants and employees shall not be liable for any damage or injury to the persons or property of Developer, their officers, agents, servants or employees or any other person who may be about the Development Property or Minimum Improvements due to any act of negligence of any person other than the EDA, the City or the City Council members, officers, agents, servants or employees.
- (d) All covenants, stipulations, promises, agreements and obligations of the EDA contained herein shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the EDA and not of any City Council member, officer, agent, servant or employee of the City or the EDA in his or her individual capacity.
- (e) Developer shall indemnify, release, and hold harmless the EDA, its officers, agents, servants and employees, as well as the City, the City Council, and its officers, agents, servants and employees, against all costs, damages or expenses the EDA may incur in enforcing any obligation, agreement or covenant that runs with the Development Property, including attorneys' fees.

ARTICLE VIII
Events of Default

Section 8.1. Events of Default Defined. The term “Event of Default” shall mean any one or more of the following events:

- (a) Failure by the Developer or the EDA to pay within 10 days of when due any payments required to be paid under this Agreement.
- (b) Failure by the EDA or the Developer to proceed to Closing on the Development Property after compliance with or the occurrence of all conditions precedent to Closing.
- (c) Failure by the Developer to commence and complete construction of the Minimum Improvements pursuant to the terms, conditions and limitations of Article IV of this Agreement, including the timing thereof, unless such failure is caused by an Unavoidable Delay.
- (d) Failure by the Developer to pay real estate taxes or special assessments on the Development Property and Minimum Improvements as they become due.
- (e) Failure by the EDA or the Developer to observe or perform any other covenant, condition, obligation or agreement on his part to be observed or performed hereunder, following 30 days’ written notice and failure to cure by the defaulting party.
- (f) If the Developer:
 - 1. Files any petition in bankruptcy or for any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under the United States Bankruptcy Act or under any similar federal or state law; or
 - 2. Makes an assignment for the benefit of its creditors; or
 - 3. Admits in writing its inability to pay its debts generally as they become due; or
 - 4. Is in default under any mortgage and fails to cure such default within thirty (30) days of a written demand from the EDA to do so; or
 - 5. Is adjudicated bankrupt or insolvent, or if a petition or answer proposing the adjudication of the Developer, as a bankrupt or its reorganization under any present or future federal bankruptcy act or any similar federal or state law shall be filed in any court and such petition or answer shall not be

discharged or denied within ninety (90) days after the filing thereof; or a receiver, trustee or liquidator of the Developer and shall not be discharged without ninety (90) days after such appointment, or if the Developer shall consent to or acquiesce in such appointment.

Section 8.2. Remedies on Default. Whenever any Event of Default referred to in Section 8.1 of this Agreement occurs, the EDA may exercise its right under Section 8.2(a) below and may take any one or more of the actions described in Section 8.2(b)-(f) after providing thirty (30) days written notice, but only if the Event of Default has not been cured within said thirty (30) days or, if the Event of Default cannot be cured within thirty (30) days, the Developer does not provide assurance to the EDA reasonably satisfactory to the EDA that the Event of Default will be cured as soon as reasonably possible:

- (a) The EDA may suspend its performance under the Agreement until it receives assurances from the Developer, deemed adequate by the EDA, that the Developer will cure their default and continue their performance under the Agreement.
- (b) The EDA may cancel and rescind or terminate this Agreement.
- (c) The EDA may withhold the Certificate of Completion.
- (d) The EDA may require the Developer to re-convey all remaining undeveloped properties and properties with incomplete projects within the EDA Property to the EDA, free and clear of all liens and encumbrances, pursuant to a judicial decree issued by the district court.
- (e) The EDA may take whatever action, including legal, equitable or administrative action, which may appear necessary or desirable to the EDA to collect any payments due under this Agreement, or to enforce performance and observance of any obligation, agreement, or covenant of the Developer under this Agreement. Developer shall indemnify the EDA, EDA's officers, employees and agents against all costs, damages or expenses the EDA may incur in enforcing any obligation, agreement or covenant, including attorneys' fees.
- (f) In the event that this Agreement is terminated by the EDA or by the Developer as a result of an Event of Default on the part of the other party, the defaulting party agrees that they will, within ten (10) days of written demand by the non-defaulting party, reimburse such party for all of its reasonable costs and expenses, including reasonable fees for attorneys and consultants, incurred in connection with the negotiation, preparation and implementation of this Agreement.
- (g) Whenever any Event of Default occurs and the non-defaulting party employs attorneys or incurs other expenses for the collection of payments due or to become due or for the enforcement of performance or observance of any obligation or agreement on the part of the defaulting party under this Agreement, the defaulting party agrees that it shall, within ten (10) days of written demand by the non-

defaulting party, pay to the non-defaulting party the reasonable fees for attorneys and other expenses so incurred by the non-defaulting party.

Section 8.3. No Remedy Exclusive. No remedy conferred upon or reserved to the EDA is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative.

Section 8.4. No Additional Waiver Implied by One Waiver. In the event any condition contained in this Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other concurrent, previous or subsequent breach hereunder.

ARTICLE IX

Additional Provisions

Section 9.1. Conflict of Interests; EDA Representatives Not Individually Liable. No member, official, or employee of the EDA shall have any personal interest, direct or indirect in this Agreement, nor shall any such member, official, or employee participate in any decision relating to the Agreement which affects personal interests or the interests of any corporation, partnership or association in which the person is directly or indirectly interested. No member, official, or employee of the EDA shall be personally liable to the Developer, or any successor in interest, in the event of any default or breach by the EDA or for any amount which may become due to the Developer or successor or on any obligations under the terms of the Agreement.

Section 9.2. Equal Employment Opportunity. The Developer, for itself and its successors and assigns, agrees that during the construction of the Minimum Improvements provided for in this Agreement, it will comply with all applicable equal employment and nondiscrimination laws and regulations.

Section 9.3. Non-Discrimination. The Developer shall not discriminate on the basis of race, color, creed, national origin, age or sex in the sale, lease, rental or in the use or occupancy of the Property or any improvements erected or to be erected thereon, or any part thereof.

Section 9.4. Restriction on Use. The Developer, for itself and its successors and assigns, agrees to devote the Property and Minimum Improvements only to such land use or uses as may be permissible under the City's land use regulations.

Section 9.5. Provisions Not Merged With EDA Property Deed. None of the provisions of this Agreement is intended to or shall be merged by reason of delivery of the EDA Property Deed and the EDA Property Deed shall not be deemed to affect or impair the provisions and covenants of this Agreement.

Section 9.6. Titles of Articles and Sections. Any titles of the several parts, Articles and Sections of the Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

Section 9.7. Notices and Demands. Except as otherwise provided in this Agreement, 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 to:

- (a) Developer: Roers West St. Paul Apartments Owner LLC
Attn: Brian Roers and Shane LaFave
110 Cheshire Lane, Suite 120
Minnetonka, MN 55305
- (b) EDA: West St. Paul Economic Development Authority
Attn: Jim Hartshorn
1616 Humboldt Ave.
West St. Paul, MN 55118
- (c) City: City of West St. Paul
Attention: City Manager
1616 Humboldt Ave.
West St. Paul, Minnesota 55118

Section 9.8. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall constitute one and the same instrument.

Section 9.9. Disclaimer of Relationships. The Developer acknowledges that nothing contained in this Agreement nor any act by the EDA or the Developer shall be deemed or construed by the Developer or by any third person to create any relationship of third-party beneficiary, principal and agent, limited or general partner, or joint venture between the EDA and the Developer.

Section 9.10. Approvals. Approvals by the EDA shall not be unreasonably withheld, conditioned or delayed.

Section 9.11. Survival of Provisions. The provisions of this Agreement and the representations, warranties and indemnities contained herein shall survive the execution and delivery of the EDA Property Deed and the conveyance thereunder, shall not be merged therein, and shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

Section 9.12. Recording. The parties agree that this document shall be recorded against all properties in Development Property at the Dakota County Recorder's Office.

Section 9.13. Subordination. Each of the EDA and the City expressly agree that their respective interests in the EDA Property shall be subordinate to the lien of mortgage held by any lender providing construction or permanent financing for the Project. The EDA and City agree to execute a subordination agreement, in a form that is appropriate for recording in the County office

for the filing of deeds, reasonably requested by Developer's lenders evidencing such subordination.

Section 9.14. Prevailing Wages. Pursuant to City Code Section 33.03, the Developer shall require the contractor and any subcontractor, agent and other person doing or contracting to do all or a part of the work on the project to pay at least the prevailing wage rate to all laborers and mechanics employed directly on the project work site and the Developer shall comply with all other requirements of the ordinance.

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EXHIBIT A

LEGAL DESCRIPTION OF EDA PROPERTY

Parcel 1

PID: 42-17800-01-072; Abstract Property (Maaco):

The East 125 feet of the South 166.84 feet of Lot Seven (7), Block One (1), City Center Addition according to the plat thereof on file and of record in the office of the Dakota County Recorder.

PID: 42-17800-01-076; Abstract Property (Maaco):

Lot 7, Block 1, City Center Addition, Dakota County, Minnesota, as platted and of record in the office of the County Recorder, except the East 125.00 feet of the South 166.84 feet, and except the West 40.08 feet of said Lot 7, and except the North 40.00 feet of said Lot 7, and except that part of said Lot 7, described as follows:

Beginning at the point of intersection with the East line of said Lot 7, and the South line of Lot 6, Block 1, City Center Addition; thence Westerly along the Westerly extension of the South line of said Lot 6, a distance of 60.07 feet; thence Northerly parallel with the East line of said Lot 7 to the intersection with the Westerly extension of the North line of said Lot 6; thence Easterly along the Westerly extension of the North line of said Lot 6 to the East line of said Lot 7; thence Southerly along the East line of Lot 7 to the point of beginning.

Parcel 2

PID: 42-24200-01-070; Abstract Property (Car X):

Lots 4, 5, 6 and 7, Block 1, Erchingers Addition to South St. Paul, Dakota County, Minnesota

Parcel 3

42-17800-01-042 and 42-17800-01-032; Abstract and Torrens Property; Certificate of Title 159113 (Blockbuster):

Lots 3 and 4, Block 1, City Center Addition, Dakota County, Minnesota

EXHIBIT B

EXISTING LEGAL DESCRIPTION OF DEVELOPMENT PROPERTY

PID: 42-17800-01-072; Abstract Property:

The East 125 feet of the South 166.84 feet of Lot Seven (7), Block One (1), City Center Addition according to the plat thereof on file and of record in the office of the Dakota County Recorder.

PID: 42-17800-01-076; Abstract Property:

Lot 7, Block 1, City Center Addition, Dakota County, Minnesota, as platted and of record in the office of the County Recorder, except the East 125.00 feet of the South 166.84 feet, and except the West 40.08 feet of said Lot 7, and except the North 40.00 feet of said Lot 7, and except that part of said Lot 7, described as follows:

Beginning at the point of intersection with the East line of said Lot 7, and the South line of Lot 6, Block 1, City Center Addition; thence Westerly along the Westerly extension of the South line of said Lot 6, a distance of 60.07 feet; thence Northerly parallel with the East line of said Lot 7 to the intersection with the Westerly extension of the North line of said Lot 6; thence Easterly along the Westerly extension of the North line of said Lot 6 to the East line of said Lot 7; thence Southerly along the East line of Lot 7 to the point of beginning.

PID: 42-24200-01-070; Abstract Property:

Lots 4, 5, 6 and 7, Block 1, Erchingers Addition to South St. Paul, Dakota County, Minnesota

42-17800-01-042 and 42-17800-01-032; Abstract and Torrens Property; Certificate of Title 178556:

Lots 3 and 4, Block 1, City Center Addition, Dakota County, Minnesota

42-17800-01-071 and 42-17800-01-070; Abstract Property:

That part of Lots 5 and 7, Block 1, City Center Addition, according to the United States Government Survey thereof and situate in Dakota County, Minnesota, described as follows:

Commencing at the Northeast corner of said Lot 5; thence South 0 degrees 30 minutes 42 seconds East along the Easterly line of said Lot 5 a distance of 100.00 feet to a line 100.00 feet Southerly of, as measured at right angles to the North line of said Lot 5 and to the point of beginning of the land to be described; thence South 89 degrees 55 minutes 38 seconds West, parallel with the North line of said Lot 5, a distance of 160.00 feet; thence South 0 degrees 30 minutes 42 seconds East a distance of 104.80 feet to the Westerly extension of the Northerly line of Lot 6, said Block 1; thence North 90 degrees 00 minutes 00 seconds East along said Westerly extension and along said Northerly line of Lot 6 a distance of 160.00 feet to said Easterly line of Lot 5; thence North 0

degrees 30 minutes 42 seconds West along said Easterly line of Lot 5 a distance of 105.00 feet to the point of beginning, Dakota County, Minnesota.

AND

That part of Lots 5 and 7, Block 1, City Center Addition, according to the United States Government Survey thereof and situate in Dakota County, Minnesota, described as follows:

Commencing at the Northeast corner of said Lot 5; thence South 0 degrees 30 minutes 42 seconds East along the Easterly line of said Lot 5 a distance of 100.00 feet to a line distant 100.00 Southerly of, as measured at right angles to the Northerly line of said Lot 5; thence South 89 degrees 55 minutes 38 seconds West, parallel with the North line of said Lot 5, a distance of 160.00 feet to the point of beginning of the land to be described; thence South 0 degrees 30 minutes 42 seconds East a distance of 104.80 feet to the Westerly extension of the Northerly line of Lot 6, said Block 1; thence South 90 degrees 00 minutes 00 seconds West along said Westerly extension of Lot 6 a distance of 93.02 feet to a line distant 253.01 Westerly of, as measured at right angles to the Easterly line of said Lot 5; thence North 0 degrees 30 minutes 42 seconds West, parallel with said Easterly line of Lot 5 a distance of 204.68 feet to the Northerly line of said Lot 5; thence North 89 degrees 55 minutes 38 seconds East along the Northerly line of said Lot 5 a distance of 103.01 feet to a line distant 150.00 feet Westerly of, as measured at right angles to said Easterly line of Lot 5; thence South 0 degrees 30 minutes 42 seconds East a distance of 100.00 feet to a line distant 100.00 Southerly of, as measured at right angles to the Northerly line of said Lot 5, thence South 89 degrees, 55 minutes 38 seconds West, parallel with said Northerly line of Lot 5, a distance of 10.00 feet to the point of beginning.

42-17800-01-063; Abstract Property:

Lot #6, Block 1, City Center Addition, West St. Paul, Dakota County, Minnesota, and that part of lot 7, beginning at a point on the east line of said lot 7, at the point of intersection with the south line of lot 6; thence westerly along the south line of said lot 6, extended a distance of 60.07 ft; thence northerly and parallel with the east line of lot 7 to the north line of lot 6 extended; thence easterly along the north line of lot 6 extended to the east line of lot 7; thence southerly along the east line of lot 7 to the point of beginning, situated in block 1, City Center Addition, West St. Paul, Dakota County, Minnesota.

NEW LEGAL DESCRIPTION OF DEVELOPMENT PROPERTY

(After Plat is recorded)

Lot 1, Block 1, Robert & Wentworth Redevelopment, Dakota County, Minnesota

EXHIBIT C

DESCRIPTION OF MINIMUM IMPROVEMENTS



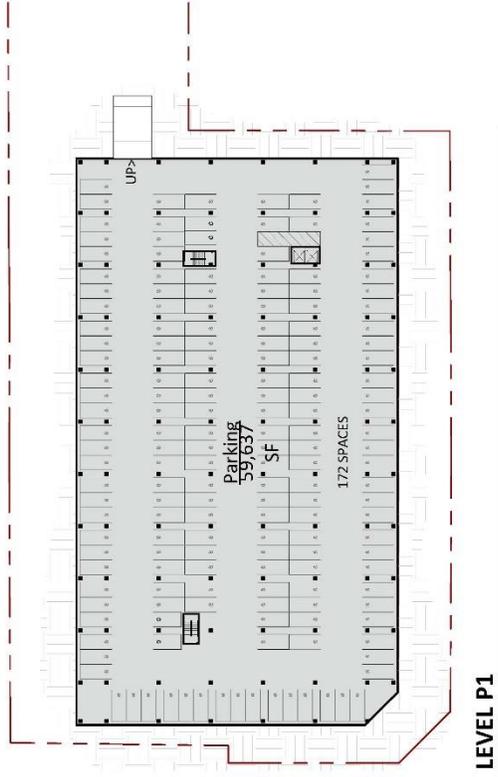
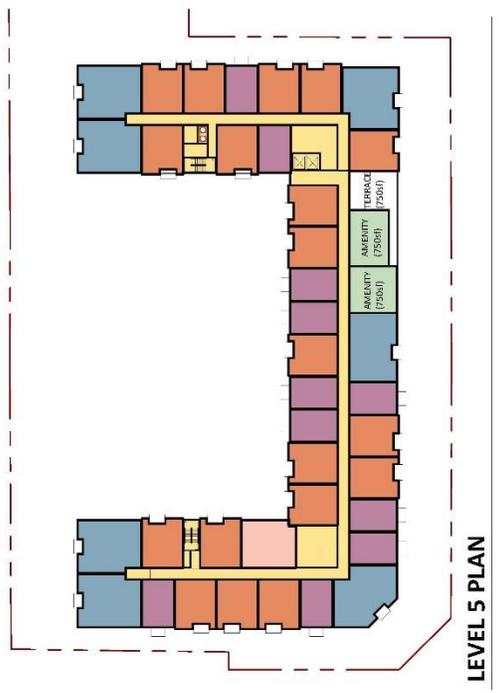
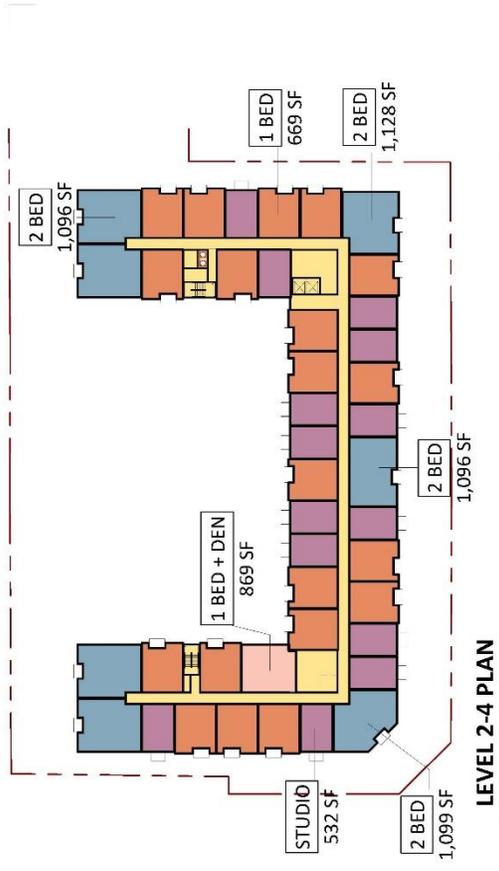
STREET LEVEL PLAN

STREET LEVEL PLAN

S Robert & Wentworth
West Saint Paul, MN

4/3/2020





4/3/2020



S Robert & Wentworth
West Saint Paul, MN

FLOOR PLANS



SITE PLAN

4/3/2020



S Robert & Wentworth
West Saint Paul, MN

SITE PLAN



View Looking North on S Robert Street

4/3/2020



S Robert & Wentworth
West Saint Paul, MN

CONCEPT RENDERINGS



View Looking South on S Robert Street

4/3/2020



S Robert & Wentworth
West Saint Paul, MN

CONCEPT RENDERINGS



View Looking East on Wentworth Avenue E

4/3/2020



S Robert & Wentworth
West Saint Paul, MN

CONCEPT RENDERINGS

EXHIBIT D
FORM OF
CERTIFICATE OF COMPLETION

WHEREAS, the West St. Paul Economic Development Authority (the “Grantor”), by a deed recorded in the office of the County Recorder in Dakota County, Minnesota, as Document No. _____, has conveyed to Roers West St. Paul Apartments Owner LLC, a Delaware limited liability company (the “Grantee”), the following described land in County of Dakota and State of Minnesota, to-wit:

(to be completed prior to execution)

and

WHEREAS, said deed was executed pursuant to that certain Contract for Private Redevelopment by and between the Grantor and the Grantee dated the ____ day of _____, 2020 and recorded in the office of the County Recorder in Dakota County, Minnesota, as Document No. _____, which Contract for Private Redevelopment contained certain covenants and restrictions regarding completion of the Minimum Improvements; and

WHEREAS, said Grantee has performed said covenants and conditions in a manner deemed sufficient by the Grantor to permit the execution and recording of this certification.

NOW, THEREFORE, this is to certify that all construction of the Minimum Improvements specified to be done and made by the Grantee has been completed and the covenants and conditions in the Contract for Private Redevelopment have been performed by the Grantee therein, and the County Recorder in Dakota County, Minnesota, is hereby authorized to accept for recording and to record the filing of this instrument, to be a conclusive determination of the satisfactory termination of the covenants and conditions relating to completion of the Minimum Improvements.

Dated: _____, ____.

WEST ST. PAUL ECONOMIC
DEVELOPMENT AUTHORITY

By _____
David J. Napier
Its President

By _____
James Hartshorn
Its Executive Director

STATE OF MINNESOTA)
) ss.
COUNTY OF DAKOTA)

The foregoing instrument as acknowledged before me this _____ day of _____, _____, by David J. Napier and James Hartshorn, the president and executive director, respectively, of the West St. Paul Economic Development Authority, a public body corporate and politic organized and existing under the Constitution and laws of Minnesota, on behalf of the EDA.

Notary Public

EXHIBIT E
FORM OF
EDA PROPERTY DEED

THIS INDENTURE, between the West St. Paul Economic Development Authority, a public body corporate and politic organized and existing under the constitution and laws of Minnesota (the “Grantor”), and Roers West St. Paul Apartments Owner LLC, a Delaware limited liability company (the “Grantee”).

WITNESSETH, that Grantor, in consideration of the sum of \$ _____ and other good and valuable consideration, the receipt whereof is hereby acknowledged, does hereby grant, bargain, quit claim and convey to the Grantee, their heirs and assigns forever, all the tract or parcel of land lying and being in the County of Dakota and State of Minnesota described as follows, to-wit (such tract or parcel of land is hereinafter referred to as the “Property”):

To have and to hold the same, together with all the hereditaments and appurtenances thereunto belonging in now or hereafter pertaining, to the said Grantee, their heirs and assigns, forever,

Provided:

SECTION 1

It is understood and agreed that this Deed is subject to the covenants, conditions, restrictions and provisions of an agreement entered into between the Grantor and Grantee on the _____ day of _____, 2020 identified as “Contract for Private Redevelopment” (hereinafter referred to as the “Agreement”) and that the Grantee shall not convey the Property, or any part thereof, without the consent of the Grantor, until a Certificate of Completion of this Agreement as to the Property or such part thereof then to be conveyed, has been placed of record with Dakota County. This provision, however, shall in no way prevent the Grantee from mortgaging this Property in order to obtain funds for the purchase of Property hereby conveyed and from erecting improvements in conformity with the Agreement, any applicable redevelopment plan and applicable provisions of the Zoning Ordinance of the City of West St. Paul, Minnesota.

It is specifically agreed that the Grantee shall promptly begin and diligently prosecute to completion the redevelopment of the Property through the construction of the Minimum Improvements thereon, as provided in the Agreement.

Promptly after completion of the improvements in accordance with the provisions of the Agreement, the Grantor will furnish the Grantee with an appropriate instrument so certifying. Such certification by the Grantor shall be (and it shall be so provided in the certification itself) a conclusive determination of the satisfaction and termination of the agreements and covenants of the Agreement and of this Deed with respect to the obligation of the Grantee, and their heirs and assigns, to construct the improvements and the dates for the beginning and completion thereof.

Such certification and such determination shall not constitute evidence of compliance with or satisfaction of any obligation of the Grantee to any holder of a mortgage, or any insurer of a mortgage, securing money loaned to finance the purchase of the Property hereby conveyed or the improvements, or any part thereof.

All certifications provided for herein shall be in such form as will enable them to be recorded with the County Recorder, or Registrar of Titles, Dakota County, Minnesota. If the Grantor shall refuse or fail to provide any such certification in accordance with the provisions of the Agreement and this Deed, the Grantor shall, within thirty (30) days after written request by the Grantee, provide the Grantee with a written statement indicating in adequate detail in what respects the Grantee has failed to complete with the improvements in accordance with the provisions of the Agreement or is otherwise in default, and what measures or acts will be necessary, in the opinion of the Grantor, for the Grantee to take or perform in order to obtain such certification.

SECTION 2

In the event the Grantee herein shall, prior to the recording of the certificate of completion referred to above:

(a) Fail to begin construction of the improvements provided for in this Deed and the Agreement in conformity with the Agreement and such failure is not due to Unavoidable Delays and is not cured within thirty (30) days after written notice to do so; or

(b) Default in or violate its obligations with respect to the construction of the improvements provided for in this Deed and the Agreement, or shall abandon or substantially suspend construction work, and such default, violation or failure is not due to Unavoidable Delays and any default or violation, abandonment or suspension is not cured, ended or remedied within thirty (30) days after written demand by the Grantor to do so; or

(c) Fail to pay real estate taxes or assessments on the Property or any part thereof when due, or shall place thereon any encumbrance or lien unauthorized by the Agreement with the Grantor, or shall suffer any levy or attachment to be made, or any mechanic's liens, or any other unauthorized encumbrances or liens to attach, and such taxes or assessments shall not have been paid or the encumbrance or lien removed or discharged, or provisions satisfactory to the Grantor made for such payments, removal or discharge, within 30 days after written demand by the Grantor to do so; provided, that if the Grantee shall first notify the Grantor of his intention to do so, it may in good faith contest any mechanic's or other lien filed or established and in such event the Grantor shall permit such mechanic's or other lien to remain undischarged and unsatisfied during the period of such contest and any appeal, but only if the Grantee provides the Grantor with a bank letter of credit or other security in the amount of the lien, in a form satisfactory to the Grantor pursuant to which the bank will pay to the Grantor the amount of any lien in the event that the lien is finally determined to be valid and during the course of such contest the Grantee shall keep the EDA informed respecting the status of such defense; or

(d) Cause, in violation of the Agreement or of this Deed, any transfer of the Property or any part thereof, and such violation shall be not cured within sixty (60) days after written demand by the Grantor to the Grantee; or

(e) Fail to comply with any of its other covenants under the Agreement and fail to cure any such noncompliance within thirty (30) days after written demand to do so; or

(f) Default under the terms of a mortgage loan authorized by the Agreement and the holder of the mortgage exercises any remedy provided by the mortgage documents or exercises any remedy provided by law or equity in the event of a default in any of the terms or conditions of the mortgage;

then the Grantor shall have the right to re-enter and take possession of the Property and to terminate and revert in the Grantor the estate conveyed by this Deed to the Grantee, their heirs or successors in interest, pursuant to a judicial decree described in Section 3. Such right to re-enter and take possession of the Property shall only occur if the events stated in Section 2(a-f) have not been cured within the time periods provided above, or if the events cannot be cured within such time periods, and the Grantee does not provide assurances to the EDA, reasonably satisfactory to the EDA, that the events will be cured as soon as reasonably possible.

The Grantor certifies that the Grantor does not know of any wells on the described real property.

SECTION 3

The Grantee agrees for themselves and their heirs and assigns to or of the Property or any part thereof, hereinbefore described, that the Grantee and such heirs and assigns shall, within one year of the date of purchase, devote the Property to, and only to and in accordance with, the uses specified in any applicable redevelopment plan as amended and extended.

Pursuant to Minnesota Statutes, Section 169.105 subd. 6, it is intended and agreed that the above and foregoing agreements and covenants, including those contained in the Agreement, shall be covenants running with the land, and that they shall, in any event, and without regard to technical classification or designation, legal or otherwise, and except only as otherwise specifically provided in this Deed, be binding, to the fullest extent permitted by law and equity for the benefit and in favor of, and enforceable by, the Grantor against the Grantee, their heirs and assigns, and every successor in interest to the Property, or any part thereof or any interest therein, and any party in possession or occupancy of the Property or any part thereof. If a covenant is violated and not cured to the satisfaction of Grantor, Grantor may declare a breach of the covenant and seek a judicial decree from Dakota County District Court declaring a forfeiture and a cancellation of the deed. Grantor shall be entitled to recover the costs for such enforcement, including attorneys' fees.

In amplification, and not in restriction of, the provisions of the preceding section, it is intended and agreed that the Grantor shall be deemed beneficiary of the agreements and covenants provided herein. Such agreements and covenants shall run in favor of the Grantor without regard to whether the Grantor has at any time been, remains, or is an owner of any land or interest therein to, or in favor of, which such agreements and covenants relate. The Grantor shall have the right,

in the event of any breach of any such agreement or covenant to exercise all the rights and remedies, and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breach of agreement or covenant, to which it or any other beneficiaries of such agreement or covenant may be entitled.

SECTION 4

This Deed is also given subject to:

- (a) Provision of the ordinances, building and zoning laws of the City of West St. Paul, state and federal laws and regulations in so far as they affect this real estate.
- (b) Taxes payable subsequent to the date of this conveyance.

[Remainder of page intentionally blank]

EXHIBIT F

DEVELOPER FEES

CASH REQUIREMENTS

City Fees	Qty	Unit Cost	Total
Connection Charge Fee (Residential)	192 units	\$ 250.00	\$ 48,000.00
Connection Charge Fee (Commercial)	5 (based on 5,000 sq. ft)	\$250.00/1,000 sq. ft.	\$ 1,250.00
Sewer Permit Fee	1	\$ 630.00	\$ 630.00
Right-Of-Way Permit Fee	1	\$ 150.00	\$ 150.00
Park Dedication Fees	1	\$ 111,536.00	\$ 111,536.00
Environmental Review and Inspection Fee	3.43 acres	\$ 800.00	\$ 2,744.00
Total Fees			\$ 164,310.00

CASH ESCROW

Cash Escrow	Cost/Acre	Acres	Total
Erosion Control Escrow	\$ 3,000.00	3.43	\$ 10,290.00
Stormwater Review Escrow			\$ 10,000.00
Total Cash Escrow:			\$ 20,290.00

SITE IMPROVEMENTS

LOC ESCROW

Site Improvement LOC	Estimated Construction Cost
Public Dog Park	\$ 30,000.00
Subtotal:	\$ 30,000.00
x 125%	
Total Site Improvement LOC:	\$ 37,500.00