

**A G E N D A**  
**CITY COUNCIL MEETING**  
**MONDAY, OCTOBER 17, 2022**  
**5:30 P.M.**  
**COUNCIL CHAMBERS**

Call to Order.

Pledge of Allegiance.

Roll Call.

(mot) 1. Adoption of Agenda.

(mot) 2. Approving minutes from October 3, 2022 and October 10, 2022

3. Recognitions and Awards.

(mot) 4. \*Consent Agenda

Licenses:

Exempt Gambling (raffle): United Catholic Schools on November 2, 2022

Exempt Gambling (raffle): Whitetails Unlimited Southern MN Chapter on January 7, 2023

Food: Scooters Coffee, 1400 14<sup>th</sup> Street NW

Claims:

a. Pre-list of bills

b. Investment Report.

**PUBLIC HEARINGS:**

5. Public hearing on sanitary sewer assessments.

(res) a. Declaring the cost of the assessment.

(res) b. Adopting the assessment roll.

6. Public hearing on assessment for tree removal.

(res) a. Adopting the assessment roll.

7. Reviewing a tax abatement application from New Horizon Homes, LLC.

(res) a. Approval or denial of abatement.

**BID AWARDS:**

8. Receiving bids for building demolition at 408 4<sup>th</sup> Avenue NW.

(res) a. Awarding bid.

9. Receiving bids for Library construction.

(res) a. Awarding bid.

10. Receiving bids for LED street lighting.

(res) a. Awarding bid.

**PETITIONS AND REQUESTS:**

- (res) 11. Setting a public hearing on November 7, 2022 for the assessment of sanitary sewer.
- (res) 12. Approving a contract with LOGIS.
- (mot) 13. Approving a stop sign at 27<sup>th</sup> Avenue and 11<sup>th</sup> Street NW.
- (res) 14. Approving a contract with WHKS for design engineering services on the Institute lift station project.
- (res) 15. Adopting the Operations, Maintenance, Repair, Replacements & Rehabilitation Manual for the Turtle Creek Flood Control Project.
- (mot) 16. Approving \$40,000 from 2022 contingency for the addition of an emergency siren.
- (res) 17. Approving budget adjustment number 5.
- (res) 18. Approving trail use for the Spamtown Sno-Drifters.
- (res) 19. Approving TIF redevelopment agreement for the Mill on Main, LLC.
- (res) 20. Approving hard liquor on-sale and Sunday hard liquor on-sale licenses for the Windrift, LLC.
- 21. Granting the Planning and Zoning Department the power to contract for the removal of junk and/or illegally stored vehicles at the following locations:
  - (mot) a. 803 8<sup>th</sup> Avenue SW, Fuentes Property.
  - (mot) b. 1203 9<sup>th</sup> Street NE, New Remodeling Property.
  - (mot) c. 1819 1<sup>st</sup> Avenue NE, Hanson Property.
  - (mot) d. 503 8<sup>th</sup> Avenue SE, Wakefield Property.

**CITIZENS ADDRESSING THE COUNCIL**

**HONORARY COUNCIL MEMBER COMMENTS**

**REPORTS AND RECOMMENDATIONS:**

City Administrator  
City Council

- (mot) Adjourn to **Monday, November 7, 2022** at 5:30 pm in the Council Chambers.

\*All items listed with an asterisk (\*) are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a council member or citizen so requests in which event the item will be removed from the general order of business and considered in its normal sequence on the agenda.



M I N U T E S  
CITY COUNCIL MEETING  
October 3, 2022  
5:30 PM  
Council Chambers

MEMBERS PRESENT: Mayor King. Council Members Paul Fischer, Rebecca Waller, Jason Baskin, Michael Postma, Joyce Poshusta, Geoff Baker and Council Member-at-Large Jeff Austin

MEMBERS ABSENT:

STAFF PRESENT: City Administrator Craig Clark, Director of Administrative Services Tom Dankert, Police Chief David McKichan, Human Resources Director Trish Wiechmann, Public Works Director Steven Lang, Fire Chief Jim McCoy, Planning and Zoning Administrator Holly Wallace, City Attorney Craig Byram, Administrative Clerk Brianne Wolf

APPEARING IN PERSON: Austin Daily Herald, KAUS Radio, Tobias Wilking, Robert Padilla, Julie Skinness

Mayor King called the meeting to order at 5:30 p.m.

Added to the agenda:

(res) 22. Approving a Towards Zero Deaths agreement.

Moved by Council Member Baskin, seconded by Council Member Fischer, approving the agenda. Carried.

Moved by Council Member Postma, seconded by Council Member Poshusta, approving Council minutes from September 19, 2022. Carried.

CONSENT AGENDA

Moved by Council Member Fischer, seconded by Council Member Waller, approving the consent agenda as follows:

Licenses:

Right of Way: Concrete Cowboy, Brownsdale  
Sidewalk Café: Gravity Storm Brewery, 309 North Main Street  
Sign Installer: 3 Rivers Sign, LLC, Onalaska, Wisconsin

Claims:

a. Pre-list of bills

b. Financial and Credit Card Reports.

Events:

Click or Treat on October 29, 2022

Hometown Christmas on November 25, 2022

Carried.

PUBLIC HEARINGS:

Public hearings were held for the fall assessments on the agenda. For each type of assessment, the individual property owners were mailed a notice of hearing and a public notice was also published in the Austin Daily Herald.

A public hearing was held for the assessment of sanitary sewer assessments.

There were no public comments.

Moved by Council Member Fischer, seconded by Council Member Waller, adopting a resolution declaring the cost of improvement for sanitary sewer assessments. Carried 7-0.

Moved by Council Member-at-Large Austin, seconded by Council Member Postma, adopting the assessment roll for sanitary sewer assessments. Carried 7-0.

A public hearing was held for assessments for miscellaneous sidewalk and driveway projects.

There were no public comments.

Moved by Council Member Fischer, seconded by Council Member Postma, adopting a resolution declaring the cost of improvement for miscellaneous sidewalk and driveway projects. Carried 7-0.

Moved by Council Member Postma, seconded by Council Member Fischer, adopting the assessment roll for miscellaneous sidewalk and driveway projects. Carried 7-0.

A public hearing was held for the assessment of 2022 snow removal.

There were no public comments.

Moved by Council Member Fischer, seconded by Council Member Waller, adopting a resolution for assessments for 2022 snow removal. Carried 7-0.

A public hearing was held on assessments for 2022 junk and garbage removal.

Tobias Wilking, 1208 5th Street NW, stated he received a zoning citation and believes he is being harassed by his neighbor.

Planning and Zoning Administrator Holly Wallace stated the citation was for a repeat offense and if the zoning department makes multiple contacts, then there will be a fine assessed.

City Attorney Craig Bryam stated Mr. Wilking's complaint is actually for a different public hearing on the agenda and that there is an appeal process for the administrative citation when it is sent out. The time period to file the appeal has expired.

There were no additional public comments.

Moved by Council Member Fischer, seconded by Council Member Waller, adopting a resolution for assessments for 2022 junk and garbage removal. Carried 7-0.

A public hearing was held for the assessments for 2022 grass and weed removal.

There were no public comments.

Moved by Council Member Poshusta, seconded by Council Member Postma, adopting a resolution for assessments for 2022 grass and weed removal. Carried 7-0.

A public hearing was held for assessments for administrative citations.

Roberto Padilla, 804 1<sup>st</sup> Avenue NW, stated he received a letter for a zoning citation and stated he did not received previous letters. He stated accumulates garbage and junk as part of his job from cleaning out houses and there was a period of time when the landfill is closed.

Planning and Zoning Administrator Holly Wallace stated the certified letters were not claimed.

Mayor King suggested they keep the garbage in a different location and they need to abide by the City ordinance.

Ms. Wallace stated a second citation was voided because they came in immediately and spoke to City staff.

Parks and Recreation Director Dave Merrill stated he had been speaking with Jessica Alfaro Hernandez about three administrative citations she received. He requested the Council waive the late fees of \$50 for her. She never picked up the certified letters that were sent to her.

Mayor King stated Ms. Hernandez should have shown up to the Council meeting.

Moved by Council Member Postma, seconded by Council Member Waller, to accept the fine for Jessica Alfaro Hernandez as presented. Carried.

There were no additional public comments.

Moved by Council Member Fischer, seconded by Council Member Waller, adopting a resolution for the assessment of Park and Recreation administrative citations. Carried 7-0.

Moved by Council Member Poshusta, seconded by Council Member Waller, adopting a resolution for the assessment of zoning administrative citations. Carried 7-0.

Moved by Council Member Waller, seconded by Council Member Fischer, adopting a resolution for the assessment of rental housing administrative citations. Carried 7-0.

Moved by Council Member Fischer, seconded by Council Member Postma, adopting a resolution for the assessment of sump pump administrative citations. Carried 7-0.

Moved by Council Member Fischer, seconded by Council Member Poshusta, adopting a resolution for the assessment of building department administrative citations. Carried 7-0.

A public hearing was held for the assessment of unpaid vacant property fees.

There were no public comments.

Moved by Council Member Fischer, seconded by Council Member Waller, adopting a resolution for the assessment of unpaid vacant property fees. Carried 7-0.

A public hearing was held for the assessment of tree removal bills.

Lori Clark, 904 8<sup>th</sup> Avenue NE, questioned why a tree was removed from her property.

There were no additional public comments.

Moved by Council Member Postma, seconded by Council Member Poshusta, adopting a resolution for the assessment of tree removal bills with the removal of the Jack Clark parcel and continuing that at the October 17, 2022 Council meeting. Carried 7-0.

A public hearing was held for the assessment of hazardous housing abatements.

There were no public comments.

Moved by Council Member Fischer, seconded by Council Member Postma, adopting a resolution for the assessment of hazardous housing abatements. Carried 7-0.

A public hearing was held for the assessment of forfeited property reassessments.

There were no public comments.

Moved by Council Member Postma, seconded by Council Member Waller, adopting a resolution for the assessment of forfeited property reassessments. Carried 7-0.

A public hearing was held for the assessment on unpaid street repair assessments.

There were no public comments.

Moved by Council Member Fischer, seconded by Council Member Postma, adopting an assessment for unpaid street repair assessments. Carried 7-0.

## PETITIONS AND REQUESTS

City Administrator Craig Clark requested the Council renew the tax abatement program for another five years, through December 31, 2025. He stated the program was originally established in 2016 and there have been 65 abatements approved.

Moved by Council Member Baskin, seconded by Council Member Waller, adopting a resolution approving the renewal of the tax abatement program through December 31, 2025. Carried 7-0.

Director of Administrative Services Tom Dankert requested the Council pass the yearly motion stating that the City does not waive the statutory tort threshold limits for claim liability.

Moved by Council Member Baskin, seconded by Council Member-at-Large Austin, authorizing the City Recorder to sign a waiver stating the City does not waive statutory tort limits. Carried 7-0.

Public Works Director Steven Lang requested the Council approve a noise study in Pasture Heights Addition. The residents of that area requested a noise study as part of the I-90 bridge project but the level of noise did not meet State requirements. The Council discussed the matter at their September 19, 2022 work session and recommended funding the study. Mr. Lang stated the City received a proposal from SRF Consulting Group in the amount of \$11,350 and recommended approval of the contract. He stated the proposal includes on-site noise testing.

Moved by Council Member Baskin, seconded by Council Member Waller, adopting a resolution approving a noise study with SRF Consulting Group. Carried 7-0.

Moved by Council Member Postma, seconded by Council Member Fischer, adopting a resolution setting a public hearing on October 17, 2022 for the assessment of a sanitary sewer property. Carried 7-0.

Moved by Council Member Fischer, seconded by Council Member Waller, adopting a resolution declaring the property at 1017 10<sup>th</sup> Avenue SW a hazardous structure. Carried 7-0.

Moved by Council Member Fischer, seconded by Council Member Waller, adopting a resolution declaring the property at 1203 11<sup>th</sup> Avenue NW a hazardous structure. Carried 7-0.

Police Chief David McKichan requested the Council approve a TZD grant agreement with the State of Minnesota.

Moved by Council Member Baskin, seconded by Council Member Postma, adopting a resolution approving a Toward Zero Deaths grant agreement. Carried 7-0.

## REPORTS

City Administrator Craig Clark stated the City received a reply from the legislature stating they are supportive of the special session.

## CITIZENS ADDRESSING THE COUNCIL

Julie Skinness, 814 29<sup>th</sup> Avenue SE, stated her grandson was attacked at a City park recently and she had concerns about the safety in the parks.

Police Chief McKichan stated he is aware of the incidents in the parks. He reviewed the data of calls from previous years in the parks.

Ms. Skinness would like people to be held accountable for their actions in the parks.

## COUNCIL REPORTS

Council Member Baskin stated public safety is very important. He also stated Hunt for a Cure is on Saturday, October 8<sup>th</sup>.

Council Member Postma thanked everyone who donated to the flower program.

Council Member Poshusta expressed her concerns about safety in the parks.

Moved by Council Member-at-Large Austin, seconded by Council Member Postma, adjourning the meeting to October 17, 2022. Carried.

Adjourned: 6:28 p.m.

Approved: October 17, 2022

Mayor: \_\_\_\_\_

City Recorder: \_\_\_\_\_

M I N U T E S  
CITY COUNCIL CLOSED MEETING  
October 10, 2022  
4:00 PM  
Conference Room Bonnie Besse Rietz

MEMBERS PRESENT: Mayor Steve King. Council Members Paul Fischer, Jason Baskin, Michael Postma, Joyce Poshusta, Geoff Baker and Council Member-at-Large Jeff Austin

MEMBERS ABSENT: Council Member Rebecca Waller

STAFF PRESENT: City Administrator Craig Clark, Director of Administrative Services Tom Dankert, Human Resources Director Trish Wiechmann

APPEARING IN PERSON: Jenny Wiederholt-Pine from Kraus-Anderson Insurance

Mayor King called the meeting to order at 4:00 p.m.

Moved by Council Member Baskin, seconded by Council Member-at-Large Austin to close the meeting at 4:00 p.m. pursuant to Minn. Stat. Section 13D.03 subd. 1 (b). Carried.

See DVD of closed meeting.

Moved by Council Member Baker, seconded by Council Member Fischer, to open the meeting at 5:12 p.m. Carried.

Moved by Council Member Postma, seconded by Council Member Baker, adjourning the meeting to October 17, 2022. Carried.

Adjourned: 5:13 p.m.

Approved: October 17, 2022

Mayor: \_\_\_\_\_

City Recorder: \_\_\_\_\_

City of Austin  
Ann M. Kasel, City Clerk



500 Fourth Avenue N.E.  
Austin, Minnesota 55912-3773  
Phone: 507-437-9943  
[www.ci.austin.mn.us](http://www.ci.austin.mn.us)

## MEMORANDUM

**To:** Mayor and City Council  
**From:** Ann M. Kasel  
**Re:** Assessment Hearings  
**Date:** October 5, 2022

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Attached are the assessment rolls for the final assessment hearings for two assessments.

The first is for a final assessment hearing for a sewer hook up. The property owner signed a waiver agreement for the sewer access charge thereby choosing to place it on their taxes instead of having payment due immediately.

The second is for a tree assessment that was continued from the October 3, 2022 meetings. The property owner was sent notice of the dead/diseased tree but did not pick up the certified letter. Park and Recreation Director Dave Merrill has been in contact with the owner.

Each property owner was also mailed notice of the hearing and a notice was published in the Austin Daily Herald in accordance with State of Minnesota statutes.

Please let me know if you have any questions.



**RESOLUTION NO.**

**RESOLUTION DECLARING COST TO BE ASSESSED  
AND ORDERING PREPARATION OF PROPOSED ASSESSMENT**

**WHEREAS**, the City Council has approved the project for sanitary sewer improvements.

**NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF AUSTIN,  
MINNESOTA:**

1. The portion of the cost to be assessed against the benefited property owners is declared to be \$16,700.
2. Assessments shall be payable in equal annual principal installments extending over a period of ten (10) years, the first of the installments to be payable on or before the first Monday in January, 2023, and shall bear interest at the rate of 3.5% per annum from November 1, 2022.
3. The City Clerk, with the assistance of the City Engineer, shall forthwith calculate the proper amount to be specially assessed for such improvement against every assessable lot, piece or parcel of land within the district affected, without regard to cash valuation, as provided by law, and shall file a copy of such proposed assessment in the City Clerk's Office for public inspection.
4. The City Recorder shall upon completion of such proposed assessment, notify the Council thereof.

Passed by the Austin City Council this 17th day of October, 2022.

YEAS

NAYS

ATTEST:

APPROVED:

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City Recorder

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Mayor

## RESOLUTION NO.

**WHEREAS**, pursuant to proper notice duly given as required by law, the Council has met and heard and passed on all objections to the proposed assessment for the following local improvement:

Sanitary Sewer Improvements

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN, MINNESOTA:**

1. Such proposed assessment, a copy which is attached hereto and made a part hereof, is hereby accepted and shall constitute the special assessment against the lands named therein, and each tract of land therein included is hereby found to be benefited by the proposed improvement and the amount of the assessment levied against it.
2. Such assessment shall be payable in equal annual principal installments extending over ten (10) years, the first of the installments to be payable on the first Monday in January 2023 and shall bear interest at the rate of 3.5 percent per annum. The first installment shall be added interest on the entire assessment from November 1, 2022 until December 31, 2023. To each subsequent installment when due shall be added interest one (1) year on all unpaid installments.
3. The owner of any property so assessed may, at any time prior to certification of the assessment to the County Auditor, pay the whole of the assessment on such property, except that no interest shall be charged if the entire assessment is paid by October 31 of the assessing year. The remaining principal balance may be paid at any time to the City Clerk with interest accrued to December 31<sup>st</sup> of the payment year.
4. The City Clerk shall forthwith transmit a certified duplicate of this assessment to the County Auditor to be extended on the property tax list of the County and such assessment shall be collected and paid over the same manner as other municipal taxes.

Passed by the Austin City Council this 17th day of October, 2022.

YEAS

NAYS

ATTEST:

APPROVED:

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City Recorder

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Mayor

61 extra days  
Fund -49480.4204

Resolution No.

Sanitary Sewer Project  
Interest at 3.5% starting November 1, 2022  
10 years

<u>Property Owner</u>	<u>Legal Description</u>	<u>Block</u>	<u>Addition</u>	<u>Total Amount</u>
James and Vickie Davis 34.920.0180	Lots 4, 5, 6 and .21 ac on South	2	Royal Manor	16,700.00

Total Assessment: \$16,700

**RESOLUTION NO.****RESOLUTION ADOPTING ASSESSMENT FOR TREE REMOVAL**

WHEREAS, pursuant to proper notice duly given as required by law, the Council has met and heard and passed upon all objections to the proposed assessments for tree removal.

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

1. Such proposed assessments, a copy which is attached hereto and made a part hereof, is hereby accepted and shall constitute the special assessments made to defray the expenses of tree and brush removal and that the amount of such expense shall constitute and be a lien in favor of the City of Austin and against the land involved hereby considered and passed.
2. Such assessments shall be payable in one installment to be payable on the first Monday in January 2023, and shall bear interest at the rate of 3.75 percent per annum. This installment shall be added interest on the entire assessment from November 1, 2022 through December 31, 2023.
3. The owner of any property so assessed may, at any time prior to certification of the assessment to the County Auditor, pay the whole of the assessment on such property, except that no interest shall be charged if the entire assessment is paid by October 31, 2022.
4. The City Clerk shall forthwith transmit a certified duplicate of this assessment to the County Auditor to be extended on the property tax list of the County and such assessment shall be collected and paid over the same manner as other municipal taxes.

Passed by a vote of yeas and nays this 17th of October, 2022.

YEAS

NAYS

ATTEST:

APPROVED:

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City Recorder

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Mayor

92 Extra Days  
Fund 11  
Code – 43260-4202

Resolution No.

Tree Removal Assessment  
Interest at 3.75% starting November 1, 2022  
1 year

Page 1

<u>Property Owner</u>	<u>Legal Description</u>	<u>Block</u>	<u>Addition/Section</u>	<u>Total</u>
Jack L. Clark 34.600.0070	N ½ Lot 3	3	Railroad	\$715.00

Total Assessment

# HOUSING TAX ABATEMENT APPLICATION

(Application Period 8-1-16 through 12-31-2022)

Property Owner / Applicant: New Horizon Homes LLC – Jon Blaine

Current Address: 25388 670<sup>th</sup> St. Kasson Mn, 55944

Telephone: 507-250-3069

E-Mail: Newhorizonhomes.jon@gmail.com

Has applicant ever defaulted on property taxes? ☐ Yes ☒ No *If Yes, provide details on separate page(s).*

Are property taxes current? ☒ Yes ☐ No

Proposed Project: ☒ New Construction ☐ Replacement of housing unit

Project Type: ☒ Single Family ☐ Duplex ☐ Multi-family

Project Address: 2107 14<sup>th</sup> Ave NE – Austin

Project Legal Description: Lot 5 Block 1 - Nature Ridge Second

Parcel Number: 34.467.0050

Estimated Project Valuation: \$ 495,000.00

Applicant Statement:

(Please provide a statement as to why you are requesting an abatement of property taxes.)

Buyers would like to take advantage of the tax abatement program for new construction.

Attach building plans, site map, parcel information and parcel number. (Include letter of consent from property owner if subject to purchase agreement or include a copy of the purchase agreement.)

I / We as applicant(s) for the Housing Tax Abatement certify that **no construction** has begun or will begin **prior to the taxing authority's decision** on my/our application. For the purposes of this provision, construction shall include the installation of footings, slab, foundation, posts, walls or other portions of a building. Site preparation, land clearing or the installation of utilities shall not constitute construction.

Jon Blaine

09-30-22

Construction  
Certification

Signature of Applicant(s)

Date

I / We as applicant(s) for the Housing Tax Abatement submit this application having read the policy and understand the provisions as outlined including, but not limited to, the potential of a partial abatement in year one, construction must commence within one year of the approval, assessors cannot be refused access to the property for assessment purposes and the abatement is awarded following full payment of real estate taxes due annually.

Jon Blaine

09-30-22

Signature of Applicant(s)

Date

FOR OFFICE USE ONLY: **ELIGIBLE / APPLICABLE APPROVALS**

Mower County

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

☐ City or ☐ Township of \_\_\_\_\_

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

School District of \_\_\_\_\_

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

**Disclaimer:** Each taxing entity makes its own decision on approval or denial of application for tax abatement. Applications must comply with all requirements of the policy/program as outlined in the policy/program guidelines and build within allotted timeframe or tax abatement offer will be automatically terminated. Building cannot start until such time as all taxing entities have approved and written authorization is provided.

Please submit completed application with attachments to:

Mower County Administration  
201 1<sup>st</sup> Street NE, Suite 9, Austin MN 55912  
507-437-9549  
Office Hours: M-F 8 a.m. – 4:30 p.m.  
deniseb@co.mower.mn.us



**2107 14<sup>TH</sup> AVE NE – LOT 5 BLOCK 1 – NATURE RIDGE SECOND**









<b>DESIGN PHASE</b>	
PRELIMINARY PLAN	1/18/73
REV. BY PLAN	2/15/73
FINAL PLAN	
APPROVED BY:	
DESIGNED BY:	
CHECKED BY:	

40 ARROW COURT  
 BRIDGE PLAZA ST. LOUIS  
 MO. 63102

NEW HORIZON HOMES  
TEVAY

various levels. Clinton says all major elections will be "based on coverage on TV and newspapers, on radio and on the Internet." But he says, "I don't think we're going to have a situation where the media is so powerful that it can control the outcome of an election." Clinton says he will be "very careful" about the media's role in the election. He says he will be "very careful" about the media's role in the election. He says he will be "very careful" about the media's role in the election.

**A2**

**CITY OF AUSTIN  
COUNTY OF MOWER  
STATE OF MINNESOTA**

**NOTICE OF PUBLIC HEARING  
ON TAX ABATEMENT REQUEST**

NOTICE IS HEREBY GIVEN that the City Council (the "Council") of the City of Austin, Mower County, Minnesota, will hold a public hearing on Monday, October 17, 2022, at 5:30 p.m. to consider a tax abatement request from New Horizon Homes, LLC, pursuant to Minnesota Statutes 469.1813 and 116J.993 through 116J.995. The request is to abate 100% of the City's portion of real estate taxes related to the new residential improvements on the subject property for a period of 5 years. The estimated amount of the abatement is \$12,895. The subject property is located at 2107 14<sup>th</sup> Avenue NE, Austin, Minnesota and is legally described as:

Lot 5, Block 1, Nature Ridge Second Addition, City of Austin, County of Mower

The public hearing will be held in the City Council Chambers, at City Hall, 500 4<sup>th</sup> Avenue NE, Austin, Minnesota. All interested persons are invited to attend and be heard. Those unable to attend are invited to send written comments, prior to the hearing, to: City Administrator, City of Austin, 500 4<sup>th</sup> Avenue NE, Austin, Minnesota 55912.

Publish: October 5, 2022

## **RESOLUTION NO.**

### **RESOLUTION APPROVING TAX ABATEMENT FOR CERTAIN PROPERTY PURSUANT TO MINN. STAT. 469.1813**

**WHEREAS**, the Austin Home Initiative's purpose is to provide incentives to encourage the construction of new owner occupied and residential housing units within the City of Austin for the public benefit including, but not limited to, capturing future taxes from units that would not have otherwise been constructed and increasing housing inventory to support local business growth.

**WHEREAS**, Minnesota Statute 469.1813 gives authority to the City of Austin to grant an abatement of taxes imposed by the City if certain criteria are met; and

**WHEREAS**, in addition to the statutory requirements, the City of Austin has adopted the Austin Home Initiative guidelines which must be met before an abatement of taxes will be granted for residential development; and

**WHEREAS**, New Horizon Homes, LLC is the owner of certain property within the City of Austin legally described as follows:

Lot 5, Block 1, Nature Ridge Addition to the City of Austin, Mower County.

**WHEREAS**, New Horizon Homes, LLC has made application to the City of Austin for the abatement of taxes as to the above-described parcel; and

**WHEREAS**, New Horizon Homes, LLC has met the statutory requirements outlined under Minnesota Statute 469.1813 Subdivision (1) and Subdivision 2(i) as well as the Austin Home Initiative guidelines for abatement;

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

The City of Austin does hereby grant an abatement of the City of Austin's share of real estate taxes upon the above-described parcel for the construction of a single family dwelling on the subject property.

The tax abatement will commence with the receipt of the Certificate of Occupancy, or not more than one year following approval of the taxing authority's resolution, whichever is first, and shall continue for five years.

The City shall provide the awarded abatement payments following the payment of due real estate taxes annually. Payments shall be made to the owner of record at the time of the payment.

The tax abatement shall be limited to the increase in property taxes resulting from the improvement of the property. Land values are not eligible and will not be abated.

The abatement shall be null and void if construction is not commenced within one year of the approval of this resolution or if the real estate taxes are not paid on or before the respective payment deadlines annually.

Passed by a vote of yeas and nays this 17th day of October, 2022.

Yeas

Nays

ATTEST:

APPROVED

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City Recorder

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Mayor

City of Austin  
500 Fourth Avenue N.E.  
Austin, Minnesota 55912-3773



Steven J. Lang, P.E.  
City Engr./Public Works Dir.  
507-437-9949  
Fax 507-437-7101  
slang@ci.austin.mn.us

## Memorandum

**To:** Mayor & Council  
**From:** Steven Lang  
**Date:** October 10, 2022  
**Subject:** Bid Award – Building Demolition  
408 4<sup>th</sup> Avenue NW, former Mayo Office

The City of Austin solicited quotes for the demolition of the commercial building located at 408 4<sup>th</sup> Avenue NW. The project will include the demolition of the existing building and hard surfacing, backfill of the basement, grading of the site and seeding restoration. The existing garage structure will be relocated to Kaufman Park to be used as a warming house and storage area. The bid results are summarized below.

<u>Contractor</u>	<u>Total Bid</u>
Hansen Hauling & Exc.	\$ 18,560
Jim's Excavation, LLC	\$ 30,250
Jensen Excavating & Trucking	No Bid

We recommend that the City Council award the project to Hansen Hauling & Excavating Funding to come from the dollars set aside in the Building Funding, in the amount of \$200,000, for this project. If you have any questions, please contact me.

<b><u>Project Budget:</u></b>	<b><u>\$200,000 (41964.6530)</u></b>
Acquisition	\$150,000
Asbestos Abatement	\$ 7,975
Demolition	<u>\$ 18,560</u>
Total	\$176,535

**RESOLUTION NO.**

**AWARDING BID – RESIDENTIAL BUILDING DEMOLITION**

**WHEREAS**, pursuant to an advertisement for bids for the following:

Building demolition at 408 4<sup>th</sup> Avenue NW

Bids were received, opened and tabulated according to law and the following bids were received complying with the advertisement:

<b><u>Contractor</u></b>	<b><u>Amount</u></b>
Hansen Hauling & Excavating, Inc.	\$18,560.00
Jim’s Excavating, LLC	\$30,250.00
Jensen Excavating & Trucking	No Bid

**AND, WHEREAS**, it appears Hansen Hauling & Excavating, Inc. is the lowest responsible bidder.

**NOW, THEREFORE, BE IT RESOLVED**, by the City Council of the City of Austin, Minnesota that the bid of Hansen Hauling & Excavating, Inc. is hereby accepted and the Mayor and City Recorder are hereby authorized and directed to enter into the standard city contract with Hansen Hauling & Excavating, Inc. in the name of the City of Austin for the following:

Building demolition at 408 4<sup>th</sup> Avenue NW

Passed by a vote of yeas and nays this 17th day of October, 2022.

YEAS

NAYS

ATTEST:

APPROVED:

\_\_\_\_\_  
City Recorder

\_\_\_\_\_  
Mayor



# AUSTIN PUBLIC LIBRARY

323 4TH AVENUE NORTHEAST | AUSTIN MINNESOTA

TO: Mayor and City Council

FROM: Julie Clinefelter, Library Director  
Tom Dankert, Director of Administrative Services

DATE: October 10, 2022

RE: Library Construction project

The City Council unanimously approved the additional funding for the Austin Public Library renovation at the October 3, 2022 work session. Bids were as follows (it was decided to remove the canopy from the project to fit within funding sources):

BIDDER	TOTAL BID	LESS: CANOPY	NET BID
The Joseph Company	\$1,716,000	\$165,000	\$1,551,000
APX Construction	\$1,619,770	\$55,965	\$1,563,805
Met-Con Construction	\$1,934,100	\$161,600	\$1,772,500
Project One Construction, Inc.	\$2,012,500	\$175,000	\$1,837,500

**We would request Council approve the low net bid to The Joseph Company for \$1,551,000.**

Funding for the project is as follows:

## **SOURCES:**

	<u>Amount</u>
Mn Department of Education grant	\$ 319,800
City General Fund (original restroom, 2021 CIP)	\$ 40,000
City Building Fund (original)	\$ 250,000
City General Fund transfer (approved 10/03/22)	\$ 700,000
Other Library donations	\$ 69,800
Wienke Estate interest	\$ 80,000
Library fund balance (Fund 25000)	\$ 200,000
<b>Total Sources</b>	<b>\$1,659,600</b>



**USES:**

	<u>Amount</u>
The Joseph Company, less canopy	\$1,551,000
Armen Design costs (already paid)	\$ 68,000
Armon Construction Administration of contract	\$ 21,500
Additional costs for fire panel replacement	\$ 5,000
Library fund balance (Fund 25000)	<u>\$ 14,100</u>
<b>Total Sources</b>	<b>\$ 1,659,600</b>

**\*\*NOTE:** The construction bids did not include the amphitheater that was in the original MN Department of Education Grant. The amphitheater will not be a part of the project. The funds that were allocated to the amphitheater in the MN Department of Education Grant will be used to update the restrooms.

The Austin Public Library will be raising funds to pay back \$100,000 of the advanced funding for the project, plus all other contingencies (unless they bring large change orders back to Council for further review).

Included on the October 17, 2022 council agenda is a resolution approving fund transfers to amend the budget for the project.

Once again, a huge THANK YOU from the Austin Public Library for your continued support of our project!

City of Austin Library Addition & Remodel (#8285421)

Owner: City of Austin  
Solicitor: Austin MN, City of  
09/26/2022 02:00 PM CDT

Section Title	Line Item	Item Code	Item Description	Engineer Estimate Stipulated Sum	The Joseph Company, Inc. Stipulated Sum	APX Construction Group Stipulated Sum	Met-Con Construction, Inc. Stipulated Sum	Project One Construction, Inc. Stipulated Sum
Base Bid - West Side Addition	Base Bid	Base Bid	The Base Bid will be an addition on the west side of the library, a 1,708 sq.ft. Project Room for various craft and educational projects, also an office and storage room	\$0.00	\$1,061,000.00	\$1,114,910.00	\$1,255,900.00	\$1,292,000.00
Service Desk	Add Item	1	Remove existing service desk at entry & replace with new desk. New wall behind service desk, new ceiling & lighting	\$0.00	\$150,000.00	\$142,125.00	\$164,500.00	\$160,000.00
Study Rooms	Add Item	2	Three new rooms will be added in the existing porch area to be used for quiet study	\$0.00	\$105,000.00	\$110,250.00	\$115,600.00	\$129,000.00
Remodel of Restrooms	Add Item	3	All existing restrooms will be completely remodeled with new fixtures and finishes. Existing walls remain.	\$0.00	\$114,000.00	\$100,600.00	\$109,400.00	\$130,000.00
"Porch" Ceiling & Lighting Upgrades	Add Item	4	Remove existing glue on ceiling tile & wood accents. Add new gyp.bd. bulkhead & acoustical ceiling tile & grid. Add new light fixtures	\$0.00	\$82,000.00	\$62,450.00	\$89,200.00	\$75,000.00
Book Drop Off Canopy	Add Item	5	Extend existing canopy on east side of entry to cover the existing book drop off box	\$0.00	\$165,000.00	\$55,965.00	\$161,600.00	\$175,000.00
Storage Closet	Add Item	6	New room added in existing back room to be used for secure storage	\$0.00	\$15,000.00	\$11,555.00	\$17,200.00	\$16,000.00
Staff Entry Awning	Add Item	7	New metal awning to be added over existing staff entry on east side of building.	\$0.00	\$22,000.00	\$19,215.00	\$19,700.00	\$17,500.00
Alarm System Upgrades	Add Item	8	Upgrade of existing alarm systems	\$0.00	\$2,000.00	\$2,700.00	\$1,000.00	\$18,000.00
Alternate Bid	S-1	1-D	Bar joist will be substituted for the Steel Roof structural members. Enter Dollar Amt (+or-)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	1-T	1-T	Bar joist will be substituted for the Steel Roof structural members. Enter Time in Days (+or-)		\$0.00	\$0.00	\$0.00	\$0.00
Total with Add Items:				\$0.00	\$1,716,000.00	\$1,619,770.00	\$1,934,100.00	\$2,012,500.00

# Our opinion: City's support of Library expansion paramount to healthy community

Published 5:21 pm Friday, October 7, 2022

By **Daily Herald** (<https://www.austindailyherald.com/author/dailyherald/>).



A sign marks out the boundary of what will be the Austin Public Library's new Project Room, to be added in 2022-23. The photo was taken during the 25th anniversary of the library last summer. Herald file photo

There were a couple of surprises during Monday night's City Council work session.

The first, was when it was revealed that Austin Public Library remodel was \$1 million over initial estimates and while city and library officials knew it probably would be, that much over brought some sticker shock along with it.

The second, and much more optimistic and positive surprise was the City Council agreeing unanimously to push \$700,000 toward closing the gap between what the library had on hand, around \$892,000, and baseline estimate of \$1.6 million.

Granted, the library will have to pay back \$100,000 of the money to the library, likely resulting in more fundraising or dipping into some funds from a donor gifted to the library in 1996.

Either way, it's far better than going back to the drawing board and reducing the scope of the project. More than that though, any restart would likely lead to an even higher price tag as the nation continues to cope with the effects of inflation.

This confidence in the project strengthens the library's role as a community center, where its resources are open to the public.

Over and over again, the Austin Public Library has been an avenue for people to work, to be entertained by its programs or simply find a good book to read. More importantly, it's a place for the community to come together in one place. To meet people, to interact with people and be part of a broader world. These renovations will improve this capability of the library to offer services and fellowship by simply walking in the door and experiencing what the library has to offer.

**RESOLUTION NO.**

**AWARDING BID FOR THE  
LIBRARY CONSTRUCTION PROJECT**

**WHEREAS**, the City received proposals for the Library Construction Project; and

**WHEREAS**, the following proposals were received:

BIDDER	TOTAL BID	LESS: CANOPY	NET BID
The Joseph Company	\$1,716,000	\$165,000	\$1,551,000
APX Construction	\$1,619,770	\$55,965	\$1,563,805
Met-Con Construction	\$1,934,100	\$161,600	\$1,772,500
Project One Construction, Inc.	\$2,012,500	\$175,000	\$1,837,500

**WHEREAS**, City staff recommends awarding the contract to the Joseph Company in the amount of \$1,551,000.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Austin, Minnesota that the Mayor and City Recorder are hereby authorized and directed to enter into a contract with the Joseph Company for the Library Construction Project.

Passed by a vote of yeas and nays this 17<sup>th</sup> day of October, 2022

Yeas

Nays

ATTEST:

APPROVED

\_\_\_\_\_  
City Recorder

\_\_\_\_\_  
Mayor

City of Austin  
500 Fourth Avenue N.E.  
Austin, Minnesota 55912-3773



Steven J. Lang, P.E.  
City Engr./Public Works Dir.  
507-437-9949  
Fax 507-437-7101  
slang@ci.austin.mn.us

## Memorandum

**To:** Mayor & Council  
**From:** Mitch Wenum, PE  
**Date:** October 12, 2022  
**Subject:** Bid Award – Street Light LED Upgrades

The City of Austin owns 2,073 street lights of various styles and vintages throughout the city. In 2014, we began the process of converting all of these street lights from high pressure sodium (HPS) to LED fixtures.

- The city saves an average of \$33.54/per year in utility costs for each street light that is converted to LED.
- As of today, only 263 (13%) street light remain to be converted from HPS to LED.
- Austin Utilities plans to convert 138 street lights located on wooden utility poles within the next 6 months, per our maintenance agreement.
- There are 34 street lights that will remain HPS for now. These lights are scheduled for replacement on street reconstruction projects in the next few years and will be upgraded to LED at that time.

We requested bids from contractors to convert 91 street lights located on steel street light poles. The bid results are summarized below.

Contractor	Bid Amount
Austin Electric	\$34,786.00
Fox Electric	\$38,795.00
Egan	\$39,930.00
Engineer's Estimate	\$36,400.00

We recommend that the City Council award the project Austin Electric. The project will be funded using dollars set aside in the CIP Revolving Fund. If you have any questions, please contact me.

Project Budget	\$200,000
City Hall Security & Lighting	\$40,000
Decorative Street Lights	\$27,000
<b>LED Street Lights</b>	<b>\$35,000</b>
LED Lift Station Lighting	TBD
Decorative Street Lights	TBD
<b>Total to Date</b>	<b>\$102,000</b>

**RESOLUTION NO.**

**AWARDING CONTRACT LED LIGHTING PROJECT**

**WHEREAS**, the City of Austin solicited proposals for LED Street Light upgrades.

**WHEREAS**, the following proposals were received:

<b><u>Contractor</u></b>	<b><u>Bid</u></b>
Austin Electric	\$34,786.00
Fox Electric	\$38,795.00
Egan	\$39,930.00

**AND, WHEREAS**, it appears Austin Electric has submitted the lowest proposal for the project.

**NOW, THEREFORE, BE IT RESOLVED**, by the City Council of the City of Austin, Minnesota that the proposal of Austin Electric is hereby accepted.

Passed by a vote of yeas and nays this 17th day of October, 2022

YEAS

NAYS

ATTEST:

APPROVED:

\_\_\_\_\_  
City Recorder

\_\_\_\_\_  
Mayor

**RESOLUTION NO.**

**RESOLUTION SETTING HEARING ON PROPOSED ASSESSMENTS**

**WHEREAS**, by resolution passed by the Council, the City Clerk is directed to prepare proposed assessments on the cost of the following projects:

Sanitary Sewer

**AND, WHEREAS**, the City Clerk has notified the Council that such proposed assessments have been completed and filed in the office for public inspection.

**NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF AUSTIN, MINNESOTA:**

1. A hearing shall be held on the 7th day of November, 2022 in the City Hall Council Chambers at 5:30 pm to pass upon such proposed assessments, and at such time and place all persons owning property affected by such improvements will be given an opportunity to be heard with reference to such assessments.
2. The City Clerk is hereby directed to cause a notice of hearing on proposed assessments to be published once in the official newspaper at least two weeks prior to the hearing, and shall state in the notice the total cost of the improvement. The City Clerk shall cause mail notice to be given to the owner of each parcel described in the assessment roll not less than two weeks prior to the hearing.
3. The owner of any property so assessed may pay his or her assessment at any time prior to certification of the assessment on such property with interest accrued to the date of payment to the City, except that no interest shall be charged if the entire assessment is paid within 30 days from the adoption of the assessments. He or she may at any time thereafter pay to the City the entire amount of the assessment remaining unpaid with interest accrued to December 31 of the year in which such payment is made.

Passed by a vote of yeas and nays this 17th day of October, 2022.

YEAS

NAYS

ATTEST:

APPROVED:

---

City Recorder

---

Mayor



City of Austin  
500 Fourth Avenue N.E.  
Austin, Minnesota 55912-3773



Phone: 507-437-9940

www.ci.austin.mn.us

## MEMO

TO: Mayor and City Council

FROM: Tom Dankert <sup>TD</sup>

DATE: October 3, 2022

SUBJECT: City accounting and HR software  
U:\Word\2022\Miscellaneous\LOGIS software memo.doc

The City of Austin went “live” with LOGIS on January 1, 2010 as our new software provider for our accounting and payroll needs. This followed many years of custom software developed specifically for Austin. LOGIS has been a wonderful partner of ours as a software provider and resource for the last 12+ years. We have never looked back on that decision. LOGIS is a Minnesota governmental consortium made up of over 50 governmental units, 24 of which use this accounting software.

However, LOGIS has been in transformation over the years, gaining some new members while losing others. The main reason for the loss of a few members is the limited functionality of the current software. LOGIS has been on this software since 2000. Additionally, while there is currently no scheduled end of life for the current software, LOGIS is getting hints that the time is coming up in the next 10 years whereby support will no longer exist. That has forced LOGIS to take a look and RFP out for a new software system. This process has taken several months, and negotiations have finally concluded with Oracle being the choice for the consortium to move forward.

This choice to go with Oracle has a cost, and a commitment required to get the negotiated bulk discount rate. While there is no guarantee that all 24 will go with the LOGIS proposal, the quoted estimate is based on the final negotiations with Oracle. We might pick up some new members to help share in the cost, or conversely, we might lose some members that might increase the cost or require further negotiations with Oracle.

The City of Austin, and all others in the consortium, have been requested to sign a 10-year commitment with LOGIS in order to get the discounted pricing from Oracle. There are two phases to the cost. The first phase is the implementation, for which Austin’s estimated cost is **\$252,555**. This pays for the licenses and actual implementation with Oracle. Once implemented, our annual cost of licenses and LOGIS support is estimated to be at **\$141,692** for the first year. Oracle has agreed to lock in the same annual license fee for 2023-2027, followed by 2% annual increases from 2028-2032. The LOGIS cost (to cover their staff time) historically increases 3-5% annually. This license and LOGIS cost is approximately \$58,000 more annually than we currently pay. Remember, these

rates could change (favorable or unfavorable, depending on the number of commitments LOGIS receives). We will need to access approximately \$150,000-\$200,000 of General Fund fund balance in order to help pay for the implementation.

The above costs do not kick in until we start the implementation process. The last implementation we did, took nine months to get things set up before we went live on January 1, 2010. I would envision that it will take LOGIS three plus years to get everybody implemented. My preference is a "go live" on the first day of a year, so looking at January 1, 2024 or more than likely January 1, 2025. This avoids us having to run on two different systems. However, that means implementation costs hit us in 2023 (if we go live January 1, 2024) or 2024 (if we go live January 1, 2025). Additional staff time will also be needed during this implementation process.

I have checked around with other municipalities that have switched software recently. My review of implementation costs and annual licenses creates a mixed bag of results. In 2012 one of our neighboring communities converted and spent just over \$182,000 on implementation (that was 10 years ago). Their annual license fee also is less than LOGIS has proposed, but their Finance Director has noted that the software is not great, but they make it work.

Another entity made the switch a few years ago, spending over \$280,000 on implementation, with annual subscription and licensing fees that exceed what even our proposal with LOGIS will cost.

Some of our staff were involved in the evaluation of the different software that was proposed, and they unanimously approved the Oracle software compared to the others.

**With all of this now being said, LOGIS is currently looking for commitments from entities to sign on with the new software from Oracle, licensed through LOGIS and their support team. I have attached a proposed resolution for your approval. If Council is not willing to make this 10-year commitment then the City will be required to go out on its own with an RFP and an aggressive implementation schedule with another software provider. If LOGIS does not get enough commitment, then we shall have to wait and see what the direction is from the LOGIS standpoint, including just keeping the current software they use.**

If you have any questions, please do not hesitate to give me a call at 437-9959.

RESOLUTION NO. \_\_\_\_\_

**APPROVING A 10-YEAR COMMITMENT FOR THE LOGIS ERP SOFTWARE APPLICATION**

**WHEREAS**, the City of Austin is a member of the Local Government Information System (LOGIS) association; and

**WHEREAS**, the City of Austin desires to remain in the LOGIS-supported ERP software application system; and

**WHEREAS**, LOGIS has negotiated a new long-term contract with Oracle Corporation to serve the ERP needs of its membership; and

**WHEREAS**, in recognition of the substantial investment and operational impact of implementing a new software system, the City of Austin acknowledges the benefits of ensuring long-term financial certainty; and

**WHEREAS**, the City of Austin's estimated implementation cost is \$252,555 and the annual operational cost is estimated at \$141,692; and

**WHEREAS**, each member participant is asked to adopt a 10-year commitment to secure its ERP software pricing and support through LOGIS.

**NOW, THEREFORE, BE IT RESOLVED**, by the City of Austin, that this resolution affirms our general support for a long-term commitment to the LOGIS ERP software application and associated software support effective January 1, 2023 through December 31, 2032. This general support is granted based on the estimated prices above and may be rescinded if final costs materially change.

Passed by a vote of Yeas and Nays this 17th day of October, 2022.

YEAS

NAYS

ATTEST:

APPROVED:

\_\_\_\_\_  
City Recorder

\_\_\_\_\_  
Mayor



- Development fund usage?
- When implementation is to be sent?
- We save we going through w/ this?
- Staff time costs in implementation?

August 17, 2022

Dear LOGIS Members,

Over the past 18 months LOGIS has been working with its membership to research, evaluate, and select a new ERP and Utility Billing software solution to meet your needs. This featured a member-driven process involving 27 agencies who collectively established software functional requirements and participated in software demonstrations. It also included an 8-member ERP Selection Team to guide and oversee the entire process.

We also partnered with the Government Finance Officers Association's Research and Consulting Center to refine the requirements, create the RFP, guide the selection process, and assist on pricing negotiations. We received proposals from the following providers:

- |                            |               |
|----------------------------|---------------|
| ▪ Advanced Utility Systems | ▪ Sprypoint   |
| ▪ Central Square           | ▪ Tyler MUNIS |
| ▪ Oracle Fusion            | ▪ Workday     |

After two months of proposal reviews, four weeks of software demonstrations, and several months of follow-up discussions; the **Oracle Cloud ERP** and **Sprypoint Cloud Utility Billing** software solutions have been elevated by the ERP Selection Team as the preferred choice – a culmination of over 1,500 collective hours from the membership and LOGIS staff.

We recognize that moving to the new systems will require a significant financial and operational investment. To help guide you in this decision, we've compiled a list of advantages and value-added outcomes that accompany these changes. This list is presented in *Appendix A*. Proposed member costs are included in *Appendices B (annual) & C (one-time implementation)*.

We understand that this is a major decision that requires careful consideration. However, to secure your pricing, each member organization will need to provide a formal 10-year commitment by November 15, 2022. Please let us know if you have any questions or concerns regarding the selection process, proposed costs, or formal commitment. We look forward to serving your ERP and utility billing needs moving forward.

Sincerely,

*Christopher K. Miller*

Christopher K. Miller  
LOGIS Executive Director

*Tonya L. Kusmirek*

Tonya L. Kusmirek  
LOGIS Director of Finance & Administration

## Appendix A: Advantages & Value-Added Outcomes

### Member Advantages

#### General

- Top-tier software solution with advanced features and capabilities
- Cloud-based solutions with on-going enhancements and functionality that will meet member needs as they evolve
- Direct software support from highly-trained LOGIS staff
- Guaranteed pricing for the next 10 years
- More competitive price entry points for prospective member participants

#### Oracle

- Enhanced user experience for financial & human resources staff and workflow and employee self-service capabilities for all employees
- Improved/added HR functionality over JDE
- Potential replacement for third-party HR applications such as NEOGOV, Benefits Connect, etc.
- Fully-integrated HR/payroll/general ledger systems (no more double-entry)
- Built-in workflow module including accounts payable
- Built-in budgeting and financial reporting modules/dashboards
- Separate data and configuration environment for each member

#### Sprypoint

- Fully-integrated with Oracle general ledger
- Fully-integrated meter management function
- Built-in mobile field service: Sprypoint
- Built-in customer portal/payment solution: Sprypoint
- Built-in utility billing workflow module
- Potential replacement for third-party electronic payment solutions
- State-of-the-art interface/web service capability
- Embedded business intelligence reporting platform
- Separate data and configuration environment for each member

### Member Value-Added Outcomes

- Volume discount pricing on software solutions
- Vendor and LOGIS staff implementation services
- Relationship with vendors managed by LOGIS staff
- Software evaluation & selection process that featured a collective knowledge-base from 27 member-organizations
- Free on-site or remote training for system enhancements and staff on-boarding
- Locally-held user group meetings with over two dozen participating local governments



## Appendix B: Member Annual Costs

### Oracle Fusion Cloud ERP

Member	Current	NEW ERP Cost (estimated)			\$ Change
	Fin/HR/Pay Cost	Oracle Cost	LOGIS Cost	Total Cost	
NW Community TV	\$ 16,255	\$ 50,886	\$ 11,858	\$ 62,745	\$ 46,490
DCC	18,190	50,886	13,270	64,156	45,966
SW TRANSIT	18,555	50,886	13,536	64,423	45,868
MN VALLEY TRANSIT	27,410	50,886	19,996	70,882	43,472
WACONIA	36,860	50,886	26,890	77,776	40,916
RAMSEY	66,855	50,886	48,772	99,658	32,803
NEW HOPE	74,665	50,886	54,470	105,356	30,691
S. ST PAUL	77,655	50,886	56,651	107,537	29,882
AUSTIN	83,350	80,886	60,806	141,692	58,342
CRYSTAL	86,470	80,886	63,082	143,968	57,498
FARMINGTON	88,210	80,886	64,351	145,237	57,027
WHITE BEAR	95,750	80,886	69,852	150,738	54,988
GOLDEN VALLEY	104,680	80,886	76,366	157,253	52,573
SHAKOPEE	129,835	80,886	94,717	175,604	45,769
RICHFIELD	141,695	80,886	103,370	184,256	42,561
EDEN PRAIRIE	138,795	114,636	101,254	215,890	77,095
BROOKLYN CENTER	149,690	114,636	109,202	223,838	74,148
LAKEVILLE	152,785	114,636	111,460	226,096	73,311
APPLE VALLEY	155,120	114,636	113,163	227,800	72,680
COON RAPIDS	167,655	114,636	122,308	236,944	69,289
MINNETONKA	184,490	114,636	134,589	249,226	64,736
ST LOUIS PARK	201,210	114,636	146,787	261,423	60,213
EAGAN	216,965	114,636	158,281	272,917	55,952
MAPLE GROVE	251,770	114,636	183,672	298,308	46,538
	\$2,684,915	\$2,005,020	\$1,958,704	\$3,963,724	\$1,278,809

#### Notes:

- Current financial, HR, & payroll costs are based on members' 2023 budget amounts.
- Oracle costs includes annual licensing, software enhancements & upgrades, and data hosting. Oracle costs will remain fixed for 2023-2027, followed by a 2% annual increase from 2028-2032.
- LOGIS costs include all software support and training. Inflationary-type increases are projected in 2024-2032.
- '\$ change' column represents the difference between the new ERP system cost and your current cost with JDE + add-ons.
- Oracle Fusion ERP system modules are tightly integrated and cannot be priced separately. Oracle pricing includes all system components including financial, HR, payroll, workflow tools, and advanced reporting tools.

## Appendix B: Member Annual Costs

### Sprypoint Cloud Utility Billing

Member	Current	NEW Utility Billing Cost (estimated)			\$ Change
	Utility Billing Cost	Sprypoint Cost	LOGIS Cost	Total Cost	
NEW HOPE	\$ 69,640	\$ 27,824	\$ 36,689	\$ 64,513	\$ (5,127)
S. ST PAUL	69,710	33,372	36,726	70,098	388
FARMINGTON	51,620	33,580	27,195	60,775	9,155
GOLDEN VALLEY	69,760	35,620	36,752	72,372	2,612
CRYSTAL	69,905	36,888	36,828	73,716	3,811
WHITE BEAR	69,725	37,900	36,734	74,634	4,909
BROOKLYN CENTER	92,049	41,160	48,494	89,654	(2,395)
RICHFIELD	84,830	48,480	44,691	93,171	8,341
ST LOUIS PARK	103,505	60,852	54,530	115,382	11,877
APPLE VALLEY	116,240	71,096	61,239	132,335	16,095
MINNETONKA	116,320	74,572	61,281	135,853	19,533
EDEN PRAIRIE	134,395	88,032	70,804	158,836	24,441
EAGAN	132,130	88,312	69,611	157,923	25,793
COON RAPIDS	132,130	90,500	69,611	160,111	27,981
LAKEVILLE	116,320	98,996	61,281	160,277	43,957
MAPLE GROVE	132,130	103,744	69,611	173,355	41,225
WOODBURY	132,130	107,092	69,611	176,703	44,573
	\$1,692,539	\$1,078,020	\$ 891,687	\$1,969,707	\$ 277,168

#### Notes:

- Current utility billing costs are based on members' 2023 budget amounts.
- Sprypoint costs includes annual licensing, software enhancements & upgrades, and data hosting. Sprypoint costs will increase 5% annually from 2024-2032.
- LOGIS costs include all software support and training. Inflationary-type increases are projected in 2024-2032.
- LOGIS costs include all software support and training.
- '\$ change' column represents the difference between the new utility billing system cost and your current cost with CIS Infinity (Advanced).
- Pricing includes all system components including billing & payments, meter management, and mobile field service.

## Appendix C: Member Implementation Costs

### Oracle Fusion Cloud ERP

<u>Member</u>	<u>Impl. Cost (est.)</u>
NW Community TV	\$ 158,885
DCC	158,885
SW TRANSIT	158,885
MN VALLEY TRANSIT	158,885
WACONIA	158,885
RAMSEY	158,885
NEW HOPE	158,885
S. ST PAUL	158,885
AUSTIN	252,555
CRYSTAL	252,555
FARMINGTON	252,555
WHITE BEAR	252,555
GOLDEN VALLEY	252,555
SHAKOPEE	252,555
RICHFIELD	252,555
EDEN PRAIRIE	357,935
BROOKLYN CENTER	357,935
LAKEVILLE	357,935
APPLE VALLEY	357,935
COON RAPIDS	357,935
MINNETONKA	357,935
ST LOUIS PARK	357,935
EAGAN	357,935
MAPLE GROVE	357,935
	<u>\$ 6,260,380</u>



#### Notes:

- Software implementation involves one-time costs that will be pro-rated and paid at various milestones throughout the process.
- Implementation services will be conducted jointly by the software provider and LOGIS.



## Appendix C: Member Implementation Costs

### Sprypoint Cloud Utility Billing

<u>Member</u>	<u>Impl. Cost (est.)</u>
NEW HOPE	\$ 109,081
S. ST PAUL	109,081
FARMINGTON	109,081
GOLDEN VALLEY	109,081
CRYSTAL	109,081
WHITE BEAR	109,081
BROOKLYN CENTER	109,081
RICHFIELD	109,081
ST LOUIS PARK	109,081
APPLE VALLEY	156,184
MINNETONKA	156,184
EDEN PRAIRIE	156,184
EAGAN	156,184
COON RAPIDS	156,184
LAKEVILLE	156,184
MAPLE GROVE	156,184
WOODBURY	156,184
	<u>\$ 2,231,200</u>

#### Notes:

- Software implementation involves one-time costs that will be pro-rated and paid at various milestones throughout the process.
- Implementation services will be conducted jointly by the software provider and LOGIS.

City of Austin  
500 Fourth Avenue N.E.  
Austin, Minnesota 55912-3773



Steven J. Lang, P.E.  
City Engr./Public Works Dir.  
507-437-9949  
Fax 507-437-7101  
slang@ci.austin.mn.us

## Memorandum

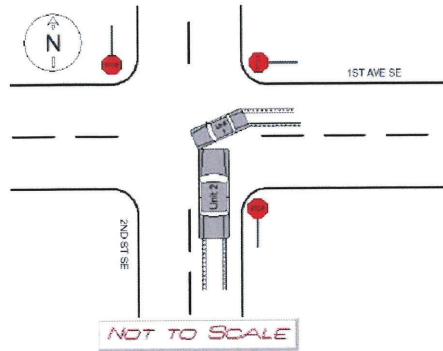
**To:** Mayor & Council  
**From:** Steven J. Lang, P.E.  
**Date:** September 29, 2022  
**Subject:** Stop Sign Request, 27<sup>th</sup> Ave. & 11<sup>th</sup> St. NW (Creekside Business Park)

---

With the addition of Nu-Tek to the Creekside Business Park and the planned extension of 27<sup>th</sup> Avenue NW, additional intersection signage is required. I would like to request a stop sign to be installed for northbound traffic on 11<sup>th</sup> Street NW at 27<sup>th</sup> Avenue.

If you have any questions, please let me know.

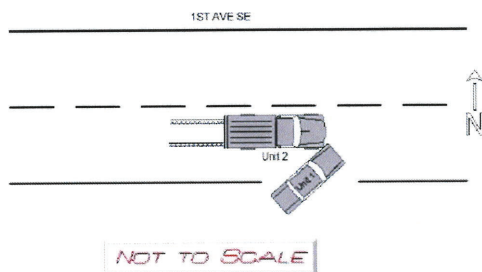
## OFFICER SKETCH



## NARRATIVE

DR#1 STATED SHE WAS W/B ON 1ST AVE SE, STOPPED FOR THE STOP SIGN AT 2ND ST, DIDN'T SEE TRAFFIC AND STARTED A LEFT TURN HITTING VEH#2. DR#2 STATED HE WAS N/B ON 2ND ST SE, STOPPED FOR THE STOP SIGN AT 1ST AVE SE THEN STARTED ACROSS BUT NOTICED DR#1 DID NOT SEE HIM SO HE STOPPED AND WAS STRUCK BY VEH#1.

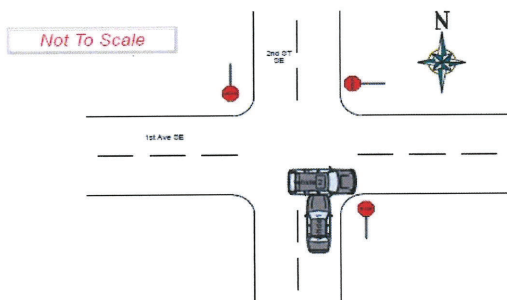
## OFFICER SKETCH



## NARRATIVE

DR#2 STATED HE WAS E/B ON 1ST AVE SE NEAR 2ND ST WHEN VEH#1 PULLED OUT IN FRONT OF HIM AND HE WAS UNABLE TO STOP. DR#1 STATED HE WAS EXITING THE POST OFFICE PARKING LOT AND DIDN'T SEE VEH#2 GOING E/B.

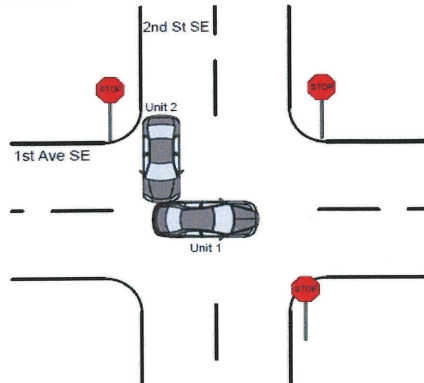
## OFFICER SKETCH



## NARRATIVE

VEHICLE 1 WAS TRAVELING NORTH ON 2ND ST SE AND CAME TO A STOP AT THE STOP SIGN. VEHICLE 1 PROCEEDED THROUGH THE INTERSECTION AND CRASHED INTO VEHICLE 2 WHICH HAD THE RIGHT OF WAY. VEHICLE 2 WAS TRAVELING EAST ON 1ST AVE SE WHEN VEHICLE 1 DID NOT YIELD THE RIGHT OF WAY AND CRASHED INTO VEHICLE 2. NO INJURIES AND NO CITATIONS.

## OFFICER SKETCH



## NARRATIVE

UNIT 1 WAS STOPPED AT A STOP SIGN FACING SOUTH ON 2ND ST SE. UNIT 2 WAS TRAVELING EAST BOUND ON 1ST AVE SE WHICH HAD NO STOP SIGN. THE INTERSECTION HAS STOP SIGNS FOR TRAFFIC CONTROL. NORTH BOUND, WEST BOUND, AND SOUTH BOUND HAVE STOP SIGNS TO CONTROL TRAFFIC, EAST BOUND HAS NO STOP SIGN. UNIT 1 STRUCK UNIT 2 T-BONING UNIT 2. UNIT ONE SUSTAINED DAMAGE IN THE FRONT OF THE VEHICLE LOSING ITS BUMPER. UNIT 2 SUSTAIN DAMAGE IN THE REAR DRIVER SIDE WHEEL BASE CAUSING THE VEHICLE TO BE NON-OPERATIONAL. UNIT 2 WAS TOWED BY CAR-NU TOWING COMPANY AND PLACED IN THERE SHOP. UNIT WAS ABLE TO BE DRIVEN BY THE OWNER BACK HOME.

City of Austin  
500 Fourth Avenue N.E.  
Austin, Minnesota 55912-3773



Steven J. Lang, P.E.  
City Engr./Public Works Dir.  
507-437-9949  
Fax 507-437-7101  
slang@ci.austin.mn.us

## Memorandum

**To:** Mayor & Council  
**From:** Mitch Wenum, PE  
**Date:** September 28, 2022  
**Subject:** Institute Lift Station Project – Design Services

We are in the planning stages of a large sanitary sewer collection system project. The project is scheduled to begin in the summer 2023, and involves the following work:

- Removal of 3 sanitary sewer lift stations
- Construction of 1 new sanitary sewer lift station
- Construction of approximately 5,200 LF of gravity sanitary sewer main
- Construction of approximately 2,000 LF of sanitary force main
- Construction of approximately 25 sanitary sewer manholes
- Reconstruction of 10 blocks of streets
- Estimated cost \$4,300,000

We are planning to complete the project in 3 phases.

- **Phase 1 (2023)**
  - Removal of Weyerhaeuser Lift Station
  - Construct gravity sanitary sewer main on 8<sup>th</sup> St NE (15<sup>th</sup> Ave to 18<sup>th</sup> Ave)
  - Construct the Institute Lift Station at 8<sup>th</sup> St & 16<sup>th</sup> Ave NE
  - Construct sanitary force main from Institute Lift Station to 8<sup>th</sup> St & 10<sup>th</sup> Ave NE
  - Reconstruct 8<sup>th</sup> St NE from 15<sup>th</sup> Ave to 18<sup>th</sup> Ave NE
  - Estimated cost \$2,400,000
    - Street – \$1,200,000
    - Sanitary Sewer – \$1,200,000
- **Phase 2 (2024)**
  - Removal of Hartson-Schleustner Lift Station
  - Construct gravity sanitary sewer main from 3<sup>rd</sup> St & 16<sup>th</sup> Ave NE to the Institute Lift Station
  - Estimated cost \$300,000
    - Street – \$0
    - Sanitary Sewer – \$300,000

- **Phase 3 (2027)**

- Removal of Crane Lift Station
- Construct gravity sanitary sewer main from 8<sup>th</sup> St & 12<sup>th</sup> Ave NE to the Institute Lift Station
- Reconstruct 8<sup>th</sup> St NE from 10<sup>th</sup> Ave to 14<sup>th</sup> Ave NE
- Estimated cost \$1,600,000
  - Street – \$1,200,000
  - Sanitary Sewer – \$400,000

Due to the complexity of the project, we have asked WHKS for a proposal to assist with some of the key sanitary sewer design components. Their design services would include:

- Develop service area for the proposed lift station
- Calculate existing and future sanitary sewer flows at the proposed lift station
- Calculate size and depth of the new lift station
- Recommend pump sizes
- Calculate pipe sizing for gravity and force mains
- Review final plans

The engineering department would then take the calculated design information from WHKS to develop a detailed plan set for bidding and construction.

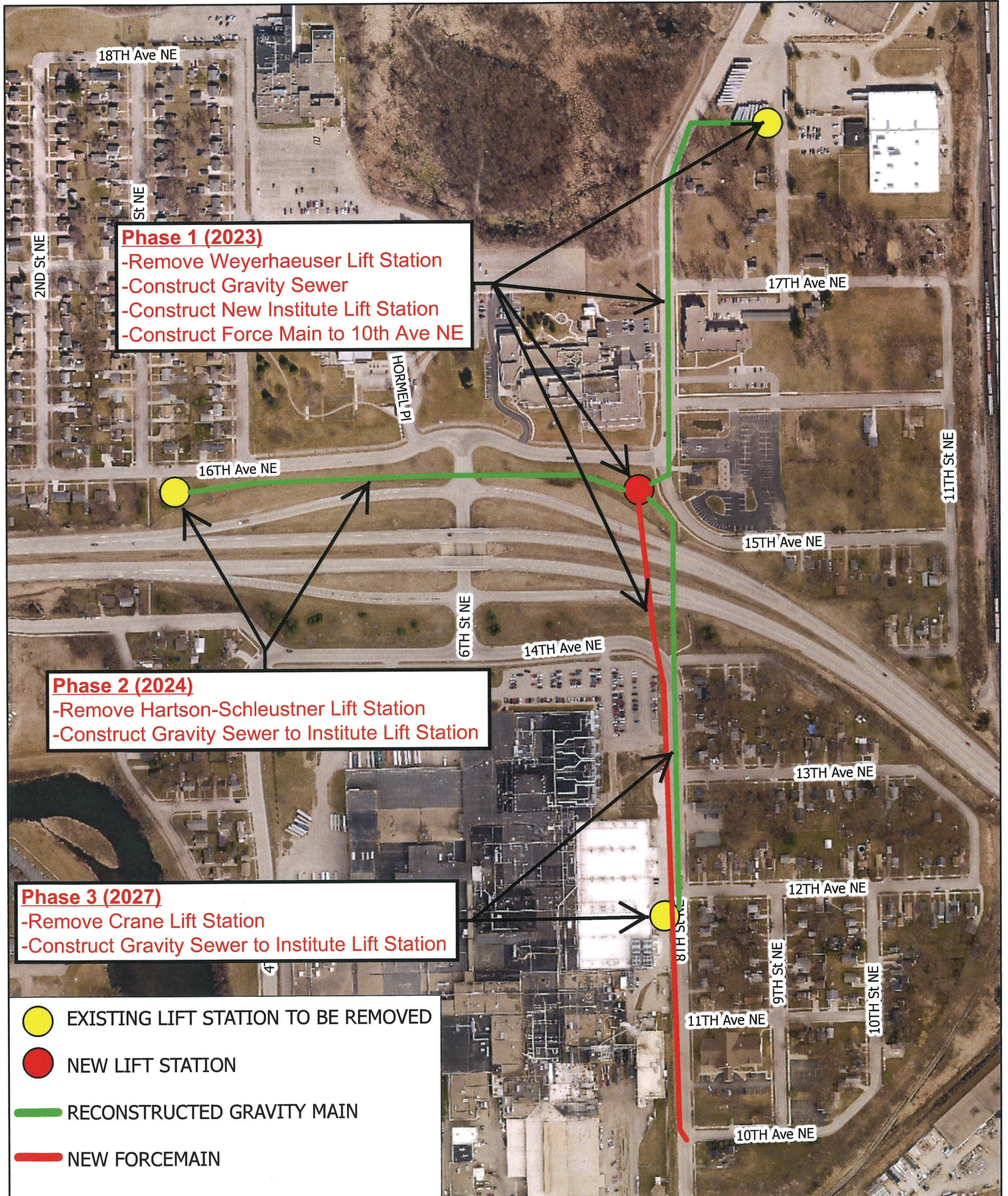
The cost for WHKS design services is \$12,500. We would recommend awarding the design services for this project to WHKS. Funding for these services would come from Fund 61 – WWTP Fund.

If you have any questions, please contact me.





# PROPOSED LIFT STATION





RESOLUTION NO.

**APPROVING ENGINEERING CONSULTING SERVICES  
FOR THE INSTITUTE LIFT STATION PROJECT DESIGN**

WHEREAS, on August 1, 2022 the City of Austin has a large sanitary sewer collection system reconstruction project planned; and

WHEREAS, the project is scheduled to begin in the summer of 2023 and will be completed in three phases through 2027 at a cost of \$4,300,000;

WHEREAS, the City has received a proposal from WHKS in the amount of \$12,500 for construction services for the project; and

WHEREAS, the City recommends awarding the contract to WHKS.

NOW THEREFORE, BE IT RESOLVED, that the City Council approves the contract in the amount of \$12,500 from WHKS for the engineering design services for the Institute Lift Station Project.

Passed by a vote of yeas and nays this 17th day of October, 2022.

YEAS

NAYS

ATTEST:

APPROVED:

\_\_\_\_\_  
City Recorder

\_\_\_\_\_  
Mayor

City of Austin  
500 Fourth Avenue N.E.  
Austin, Minnesota 55912-3773



Steven J. Lang, P.E.  
City Engr./Public Works Dir.  
507-437-9949  
Fax 507-437-7101  
slang@ci.austin.mn.us

## Memorandum

**To:** Mayor & Council  
**From:** Steven J. Lang, P.E.  
**Date:** October 10, 2022  
**Subject:** Turtle Creek Flood Control Project, (OMEPP)  
Operations, Maintenance, and Emergency Preparedness Plan

---

The Turtle Creek Flood Control project was constructed in 2020 and is made up of 3 neighborhood project areas. The total cost of the project was \$5 million with funding from the Local Option Sales Tax and MnDNR Flood Mitigation Grant. The work included the following:

- **21<sup>st</sup> Street SW Levee (6<sup>th</sup> Ave. to 8<sup>th</sup> Ave.);** approximately 1300 feet of earthen levee, stormwater pumping station, stormwater pond, drainage structures and storm sewer piping.
- **18<sup>th</sup> Street SW & 10<sup>th</sup> Place SW Levee;** approximately 1350 feet of earthen levee, modular block retaining walls, sheet piling, stormwater pumping station, drainage structures and storm sewer piping.
- **Sacred Heart Levee;** approximately 300 feet of earthen levee, with one drainage structure.

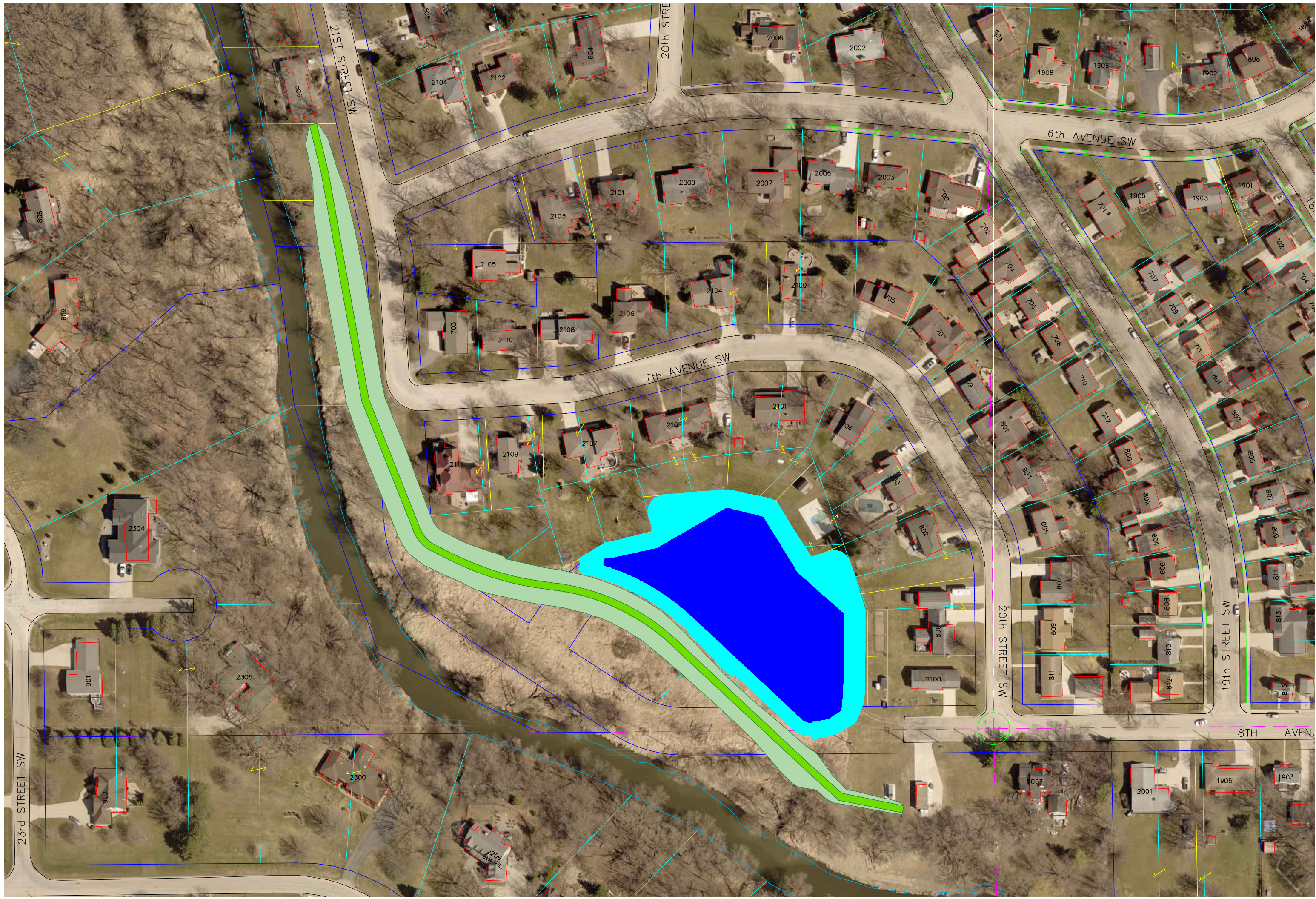
The flood control project was constructed to provide protection against over bank flooding of the Turtle Creek and associated impact to residential properties. This project will protect against a flood having a 1% chance of occurring in any given year (design flood frequency = 100 year).

The Operations, Maintenance, and Emergency Preparedness Plan complying with the requirements of the National Flood Insurance Program (NFIP) is included as a separate downloadable document. Key parts of the manual include:

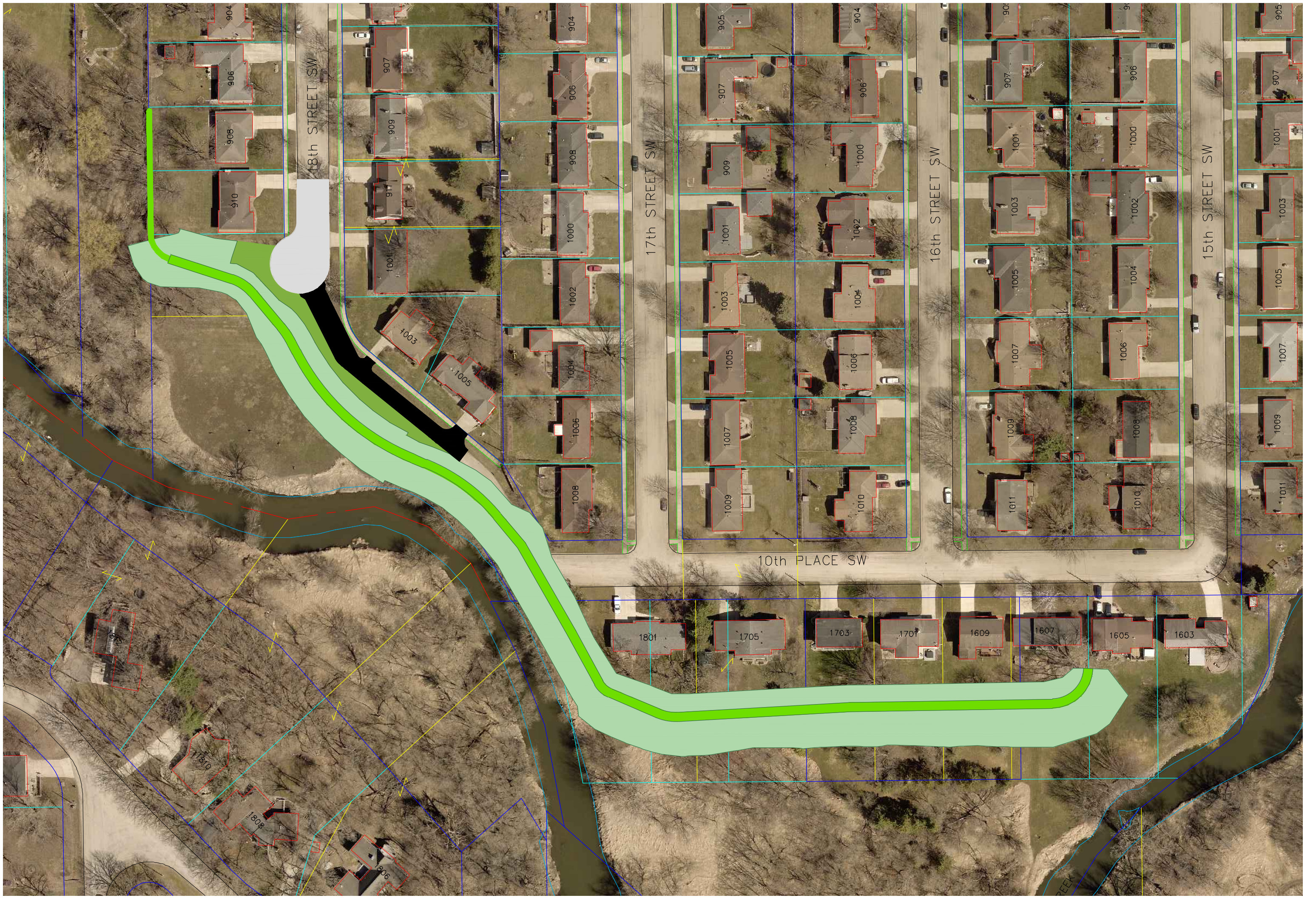
- Inspection Schedule and Maintenance Activities
- Emergency Preparedness and Action Procedures
- Repair, replacement, and rehabilitation guidelines
- As-built construction plans

Formal adoption of the OMEPP is necessary to meet FEMA requirements. I would recommend that Council adopt this plan for operation, maintenance, and emergency preparedness of the Turtle Creek Flood Control system. If you have any questions, please feel free to contact me.









18th STREET SW

17th STREET SW

16th STREET SW

15th STREET SW

10th PLACE SW

908

906

910

904

907

909

1001

1003

1005

904

906

908

1000

1002

1004

1006

1008

905

907

909

1001

1003

1005

1007

1009

904

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1007

1009

1011

1810

1808

1806

1801

1705

1703

1701

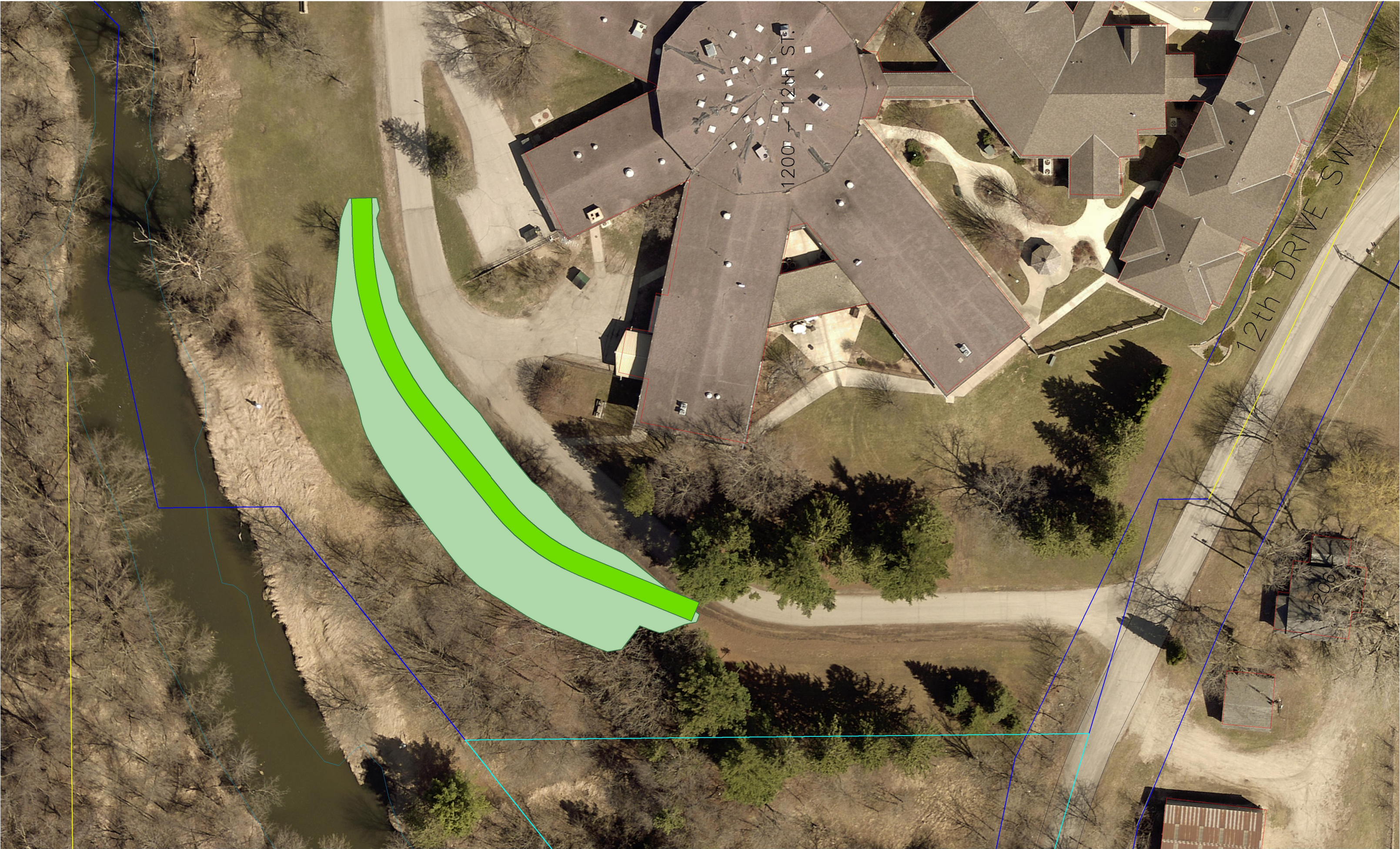
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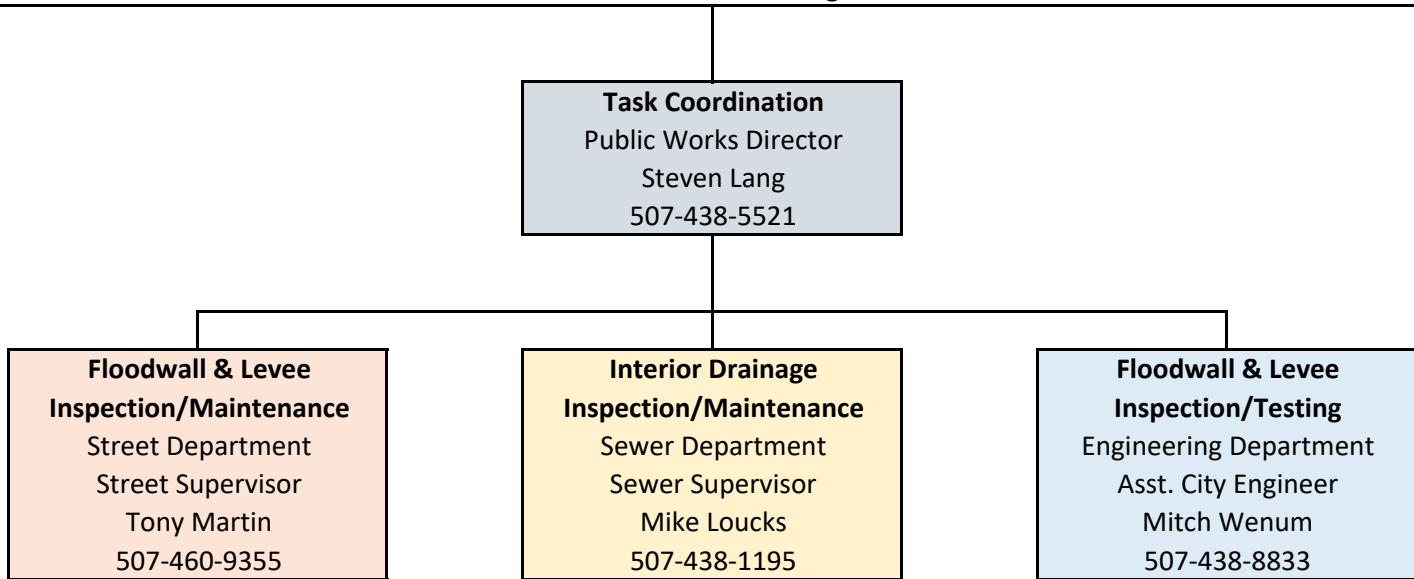
1603







## Routine and Post-Flood Maintenance Organizational Structure



Items completed yearly:

- 1) Stoplog installation
- 2) Review of material inventory
- 3) Mowing
- 4) General inspection

Items completed 1-2 times yearly:

- 1) Flood pump servicing
- 2) Sluice gate servicing
- 3) General inspection

Items completed yearly:

- 1) Earthen levee inspection
- 2) Concrete floodwall inspection
- 3) Coordinate repairs as needed

# Flood Event Organizational Structure

## Event Coordination

Austin Police Chief  
David McKichan  
507-437-9400

## Public Outreach

City Mayor  
Steve King  
507-437-9940

## Task Coordination

Public Works Director  
Steven Lang  
507-438-5521

Office Staff, 507-437-9950

April Grabau & Lauren Bakken

## Essential Inventory

Material Locations  
Rental Lists  
Equipment Lists  
Sand Delivery Locations  
Sewer Pumping Locations  
Valve Closure Locations

## Special Projects

Asst. Engineer  
Mitch Wenum  
507-438-8833

Temporary berm  
construction in critical  
locations. (Hansen  
Hauling & Ulland  
Bros.)

Sand Bag Delivery  
Traffic Control

## Equipment Coordination

Street Supervisor  
Tony Martin  
507-460-9355

Rental Pumps  
Rental Trucks  
Rental Dozers  
Additional Sand Bags  
Material Locations

## Sand Bagging

Asst. Street Supervisor  
Paul Kirtz  
507-438-1215

Barricade Delivery  
Sand Delivery  
Bag Delivery

## Sanitary Pumping

Sewer Supervisor  
Mike Loucks  
507-438-1195

Sewer Pumping  
Valve Closures

## WWTP

WWTP Superintendent  
Chad Heard  
507-440-2886  
Clint Purkapile  
507-320-2167

Dom/Ind Plant  
Hope Street Lift Station  
SW Lift Station

## Planning and Zoning

P&Z Administrator  
Holly Wallace  
507-437-9952

Sanitation supplies  
Household delivery

City of Austin  
500 Fourth Avenue N.E.  
Austin, Minnesota 55912-3773



Steven J. Lang, P.E.  
City Engr./Public Works Dir.  
507-437-9949  
Fax 507-437-7101  
slang@ci.austin.mn.us

## **Turtle Creek – Community Outreach and Response Plan**

Turtle Creek is located in SW Austin and the neighborhood residential areas are protected by three (3) levees and two (2) pumping stations.

### **1) Pre-flood plan**

- The Police Chief serves as the city's Emergency Response Coordinator. The Chief, along with the Mayor, will conduct daily or as needed press conferences for flood updates.
- Public Works department will monitor river levels, closure structures and pumping stations.

### **2) Flood event**

- The Police Chief serves as the city's Emergency Response Coordinator. The Chief, along with the Mayor, will conduct daily or as needed press conferences for flood updates.
- Public Works department will monitor river levels, closure structures and pumping stations.
  - Street department will deliver sand, sand bags and barricades to impacted areas
  - Sewer department will close stormwater outfall sluice gates and monitor stormwater pumping stations.
  - Engineering will field telephone calls, monitor levee conditions and coordinate any emergency levee construction.

### **3) Flood cleanup**

- The Police Chief serves as the city's Emergency Response Coordinator. The Chief, along with the Mayor, will conduct daily or as needed press conferences for flood updates.
- Public Works department will monitor river levels, closure structures and pumping stations.
  - Street department will clean streets, pick up sand, sand bags and barricades. Once water has retreated, down trees and debris will be cleaned up and any washouts will be addressed.
  - Sewer department will restore the stormwater system to normal operations and inspect the collection system for any damage.
  - Engineering will field telephone calls on cleanup operations and inspect levee for any damage.
  - Planning & Zoning department will work to distribute cleaning supplies and sanitation procedures to impacted neighborhoods.
  - Building department will work with homeowners on any necessary structural repairs.

**City of Austin**  
**500 Fourth Avenue N.E.**  
**Austin, Minnesota 55912-3773**



**Steven J. Lang, P.E.**  
**City Engr./Public Works Dir.**  
**507-437-9949**  
**Fax 507-437-7101**  
**slang@ci.austin.mn.us**

## **Turtle Creek – Evacuation Plan**

Turtle Creek is located in SW Austin and the neighborhood residential areas are protected by three (3) levees:

### **1) 21<sup>st</sup> Street & 7<sup>th</sup> Avenue Levee**

The 21<sup>st</sup> Street & 7<sup>th</sup> Avenue levee protects residential homes within the following geographic area generally west of the fairgrounds:

- 500 block, 21<sup>st</sup> Street SW
- 800 block, 20<sup>th</sup> Street SW
- 2100 block, 6<sup>th</sup> Avenue SW
- 2100 block, 7<sup>th</sup> Avenue SW
- 2100 block, 8<sup>th</sup> Avenue SW

Flood of Record: 14.77 ft on 09/16/2004 at the NWS Gauge, Turtle Creek Near Austin. This corresponds approximately with elevation 1191 for this neighborhood. The levees are built to 3 ft greater than the flood over record or approximately 1194.

### **2) 18<sup>th</sup> Street & 10<sup>th</sup> Place Levee**

The 18<sup>th</sup> Street & 10<sup>th</sup> Place levee protects residential homes within the following geographic area generally southwest of the fairgrounds:

- 1000 block, 18<sup>th</sup> Street SW
- 1000 block, 17<sup>th</sup> Street SW
- 1000 block, 16<sup>th</sup> Street SW
- 1600 & 1700 block, 10<sup>th</sup> Place SW

Flood of Record: 14.77 ft on 09/16/2004 at the NWS Gauge, Turtle Creek Near Austin. This corresponds approximately with elevation 1190 for this neighborhood. The levees are built to 3 ft greater than the flood over record or approximately 1193.

### **3) Sacred Heart Levee**

The Sacred Heart levee protects the lower-level equipment room of Sacred Heart Care Center located at 1200 12<sup>th</sup> Street SW.

Flood of Record: 14.77 ft on 09/16/2004 at the NWS Gauge, Turtle Creek Near Austin. This corresponds approximately with elevation 1189.7 for this area. The levees are built to 3 ft greater than the flood over record or approximately 1193.4.

- 4) Flooding impacts as a result of a breach would impact the following:**
- lower level of structures
  - roadways
  - sanitary sewer, storm sewer and water infrastructure
- 5) Evacuation procedures would begin when any of the following occurs:**
- NWS projects a crest of 15 ft or greater
  - Water surface level is at 15 ft and rising
  - A breach occurs in the levee or storm sewer system
  - When it is in the best interests of the homeowners as determined by the Emergency Management Team.
- 6) Evacuation notification procedures would occur as follows:**
- Austin Police vehicle patrolling the neighborhood would broadcast the evacuation notice
  - Homeowners would relocate to higher ground with the following options:
    - Family or friend
    - Salvation Army
    - Community Church Group
  - Sacred Heart would implement procedures for backup power, heating and cooling systems, depending upon what is damaged in the lower level.
  - Homeowners would be notified by the Austin Police when it is safe to return.



# Flood Procedure- Turtle

When Any of the following Foot Marks reach the mark, a FLOOD ALERT, WATCH or WARNING must be declared:

<i>Visual Guages read by the officer in charge:</i>			<b>Flood Alert</b>	<b>Flood Watch</b>	<b>Flood Warning</b>	
<b>River</b>	<b>#</b>	<b>Location</b>	<b>Foot Mark</b>	<b>Foot Mark</b>	<b>Foot Mark</b>	
Cedar River	1	North Main at Pizza Hut	1.5			
	2	Sewage Treatment Plant	8	11	12	
	3	Ramsey Gauge	4	6	9	
	4	Lansing		8		
Dobbins Creek	5	Dobbins Creek Gauge	Bottom of gauge	1.5	2	
Turtle Creek	6	Turtle Creek	2.5	5	6	
	7	Moscow		3.5		
<i>LaCrosse Weather Gauges:</i>			<b>Flood Action</b>		<b>Flood Warning</b>	
<b>River</b>						
Cedar River at Lansing			14	18	20	
Turtle Creek Near Austin			7	10.5	12	
Dobbins Creek Near Austin			9	11.5	14	
Cedar River at Austin			12	15	18	

## **Flood Alert (If any of the following readings are at the Flood Alert Mark, Procede with the following)**

Turtle Creek

- ☐ Begin hourly visual checks of guage #6 and #7.
- ☐ Begin hourly tracking of LaCrosse Weather Gauges for Turtle Creek

## **Flood Watch (If any of the following readings are at the Flood Watch Mark, Procede with the following)**

Turtle Creek

- ☐ Active 911 PIO Contact or Make Direct Contact (Amy 507-438-3093 or Dave Pike 507 438-1070 or Sheriff 507 473-3767)
- ☐ Con't hourly visual checks of guage #6 and #7.
- ☐ Con't hourly tracking of LaCrosse Weather Gauges - Record

Date	Time	Initials

## **Flood Warning (If any of the following readings are at the Flood Warning Mark, Procede with the following)**

Turtle Creek

- ☐ Con't hourly visual checks of guage #6 and #7.
- ☐ Con't hourly tracking of LaCrosse Weather Gauges - Record
- ☐ Increase patrol to observe water at Creek:

Date	Time	Initials/ Officer

15th to 18th St SW - Issue warning as necessary

Warn the following with HI-Lo Siren:		Date	Time	Initials/ Officer
<i>"This area is in danger of flooding Take appropriate action to protect</i>	1600 block of 10th PI SW			
	1700 block of 10th PI SW			
	1800 Block of 10th PI SW			

**RESOLUTION NO.**

**RESOLUTION ADOPTING THE TURTLE CREEK FLOOD CONTROL PROJECT  
OPERATIONS, MAINTENANCE, REPAIR, REPLACEMENT AND REHABILITATION MANUAL**

WHEREAS, the Turtle Creek Flood Control project consists of 3 phases and was constructed at a cost of \$5 million dollars; and

WHEREAS, FEMA requires the City to adopt the Operations, Maintenance, Repair, Replacement & Rehabilitation Manual to comply with the National Flood Insurance Program.

WHEREAS, a full copy of the manual is on file in the office of the Public Works Director.

NOW THEREFORE, the City Council adopts the Operations, Maintenance, Repair, Replacement & Rehabilitation Manual for the North Main Street Flood Control Project.

Passed by the Austin City Council this 17<sup>th</sup> day of October, 2022.

YEAS

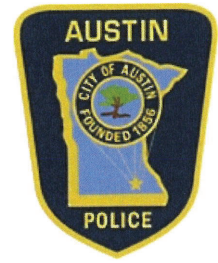
NAYS

ATTEST:

APPROVED:

\_\_\_\_\_  
City Recorder

\_\_\_\_\_  
Mayor



# AUSTIN POLICE DEPARTMENT

## LAW ENFORCEMENT CENTER

201 1<sup>ST</sup> STREET NE STE 2 AUSTIN MN 55912 (507) 437-9400 FAX: (507) 437-9546

9-28-22

Mayor and Council,

The City of Austin maintains nine emergency weather sirens. I have attached a map showing the locations they were placed at in 2002, along with their coverage areas. We have shifted some slightly due to changes in the city but those have minimally affected the coverage zones. These are what you might hear tested monthly through the Dispatch processes or activated in the event of a weather emergency.

In 2022, we did have them all inspected and minor repairs have been made. These potential repairs are a yearly budget line item for us as some components, such as the back-up battery system have a certain life span to them. We also are in the process of replacing our computerized monitoring system for these sirens as it did age out after 20 years. This will be done by shifting some funds with-in our overall 2022 budget to cover the cost. You have additionally approved some additional funds in 2023 budget to the siren repair/replacement budget to cover a yearly service contract for inspection or these units.

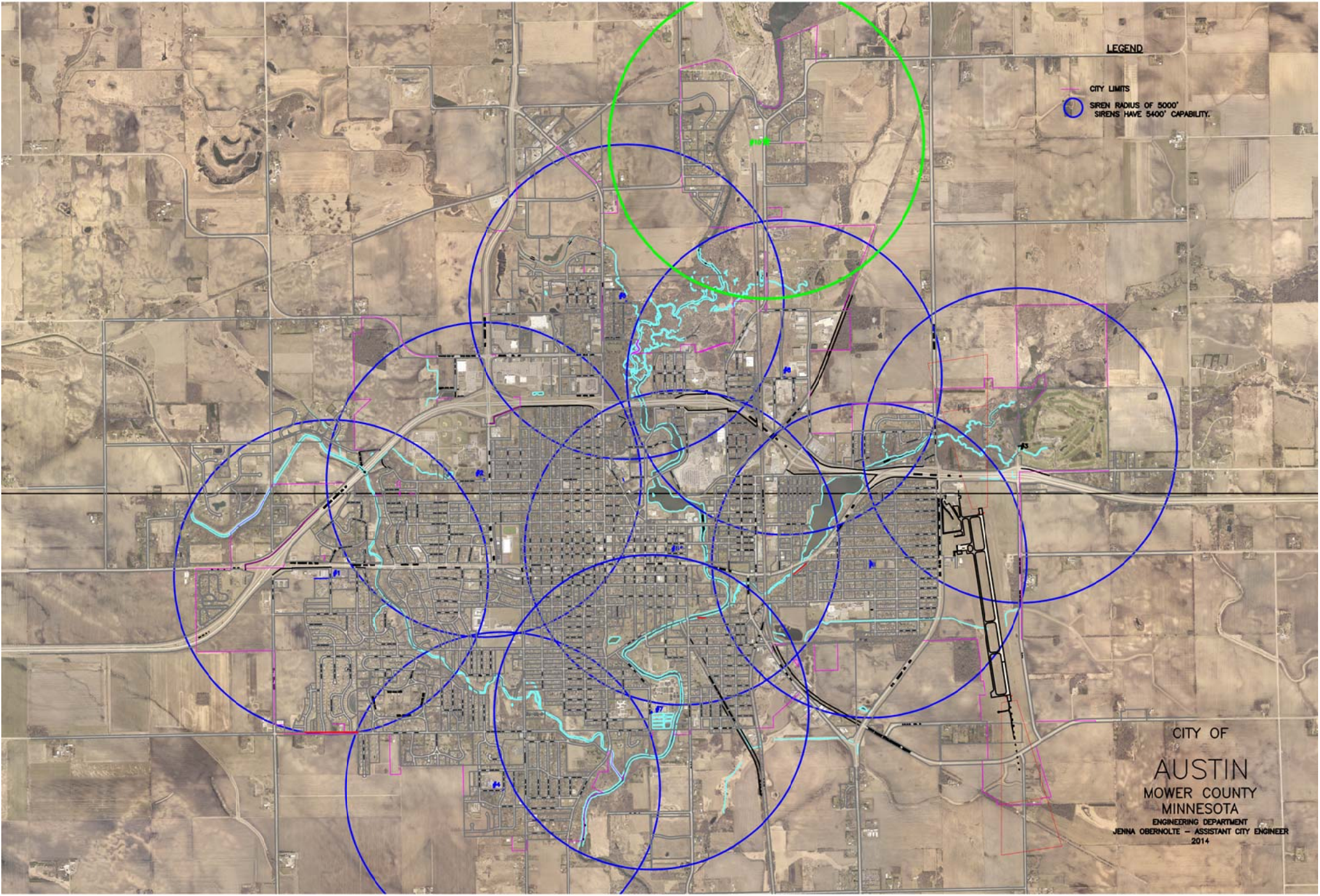
In the context of going over those above items this summer and fall, we did notice that the coverage map does not cover some of the areas annexed into the north side of Austin since 2002. These are properties on both sides of the Cedar River to the west and north of the old Utility plant property. We would like to rectify this issue by installing a tenth siren in that area.

The estimated cost for this project will be approx. \$35,000 to \$40,000. The quote from ANCOM is attached. We are working with Austin Utilities to see if we can lower some cost on the installation side. We are awaiting a rough estimate of the electrical hook up costs. A final electrical bid process would occur if the project moves forward and when the final site is selected.

Respectfully,

Chief David McKichan





LEGEND

- CITY LIMITS
- SIREN RADIUS OF 5000'
- SIRENS HAVE 5400' CAPABILITY.

CITY OF  
**AUSTIN**  
MOWER COUNTY  
MINNESOTA  
ENGINEERING DEPARTMENT  
JENNA OBERVOLTE - ASSISTANT CITY ENGINEER  
2014



**ANCOM**DELIVERS  
SOLUTIONS**ANCOM Communications**4871 19th Street Suite 120  
Rochester MN 55901  
(507) 281-1917 Fax: (507) 281-3341**QUOTATION**

QUOTE NO.: 46914 - 00 EC

DATE: 8/26/22

TERMS: NET 30

DELIVERY:

BILL TO: 3945  
Austin, City of  
Attn: David McKichan  
500 Fourth Ave NE  
Austin, MN 55912SHIP TO:  
Austin, City of  
Attn: David McKichan  
500 Fourth Ave NE  
Austin, MN 55912Please reference Quote No. on  
Correspondence & purchase orders.  
Quote expires: 10/25/2022

WE ARE PLEASED TO QUOTE YOU THE FOLLOWING:

SEQ	QTY	DESCRIPTION	UNIT PRICE	DISC%	TOTAL
1	1	130 db rotating mechanical siren	10,143.00		10,143.00
2	1	2-Way Dig DC Cabinet	9,198.75		9,198.75
3	1	Transformer/Rectifier for AC?DC Operation	3,240.00		3,240.00
4	1	Installation Parts	525.00		525.00
5		Antenna, bracket, cable connectors			
6	1	Installation	700.00		700.00
7		Ancom tech on site after installation to power up and test operation.			
7A					
8	1	Installation	7,875.00		7,875.00
		Continued on following page			

ORDERS SUBJECT TO SHIPPING &amp; HANDLING AND SALES TAX IF APPLICABLE

TERMS SUBJECT TO CREDIT REVIEW

BY Gary Anderson

10

THIS QUOTATION DOES NOT CONSTITUTE A SALES ORDER UNLESS SIGNED BY YOU, OUR CLIENT. SEE TERMS AND CONDITIONS OF SALE ATTACHED.

Accepted

by

P.O. No

LEGAL NAME OF PURCHASER

Date

AUTHORIZED SIGNATURE

**MOTOROLA**

Authorized Two-Way Radio Dealer

SEQ	QTY	DESCRIPTION	UNIT PRICE	DISC%	TOTAL
9		installation of 50' class 2			
9A		wood pole with 4 deep cycle			
9B		batteries.			
9C		Customer responsible for			
9D		bringing power to siren site			
9E		and final power hook-ups.			
9F		Local electrician to work			
		with install crew on-site			
		while siren is being			
		built/installed. Any required			
		permits and/or licenses			
		responsibilities of others			
		Item summary			31,681.75
		Subtotal			31,681.75
		Inbound Frt			1,250.00
		Sales Tax			.00
		GRAND TOTAL:			32,931.75

**City of Austin**  
**500 Fourth Avenue N.E.**  
**Austin, Minnesota 55912-3773**



**Thomas Dankert**  
**Director of**  
**Administrative Services**  
**507-437-9959**  
**Fax 507-433-1693**  
**tdankert@ci.austin.mn.us**

TO: Mayor King and City Council Members

FROM: Tom Dankert

DATE: October 17, 2022

RE: **Budget Adjustment #5 – Miscellaneous**  
U:\Word\2022\Miscellaneous\2022 Budget Adjustment #5.doc

The City Council has taken some action in the last two months that will utilize fund balance for some projects. With this being said, I offer the following budget amendments to move cash around to cover such costs:

**September 19, 2022** – Approved fund balance usage for swimming pool repairs, **\$47,600**.

General Fund 11000:

	<u>Debit</u>	<u>Credit</u>
49011.6540 Capital Outlay	\$ 47,600	
41110.5490 Use of Fund Balance		\$ 47,600
Total	\$ 47,600	\$ 47,600

**October 17, 2022** – Will approve an additional \$700,000 for the construction project at the Austin Public Library. The entire project is being financed by a state grant, donations, Building Fund, and now some fund balance out of the General Fund. Additionally, the \$40,000 in the current capital outlay for restroom renovation will be moved to the Building Fund for this project. Additionally, \$200,000 of Library Fund fund balance is going to be used. Total of **\$940,000** additional money, with \$100,000 to be paid back in future years with donations and interest earnings.

General Fund 11000:

	<u>Debit</u>	<u>Credit</u>
11000.1310.16 Due from Fund 81	\$ 100,000	
11000.1010.01 Cash		\$ 100,000
49911.7748 Transfer to Building Fund	\$ 640,000	
11000.1010.01 Cash/Use of Fund Balance		\$ 640,000
Total	\$ 740,000	\$ 740,000

Library Fund (25000):

	<u>Debit</u>	<u>Credit</u>
45500.7748 Transfer to Building Fund	\$ 200,000	
25000.1010.01 Cash/Use of Fund Balance		\$ 200,000
Total	\$ 200,000	\$ 200,000

Building Fund (48000):

	<u>Debit</u>	<u>Credit</u>
48000.1010.01 Cash/Source of Fund Balance	\$ 840,000	
48000.5401 Transfers from General Fund		\$ 640,000
48000.5420 Transfers from Other Funds		\$ 200,000
Total	\$ 840,000	\$ 840,000

Expendable Memorial and Gifts Fund (81000):

	<u>Debit</u>	<u>Credit</u>
81000.1010.01 Cash	\$ 100,000	
81000.2070.11 Due to General Fund 11		\$ 100,000
Total	\$ 100,000	\$ 100,000

This amount will be paid back to the General Fund in future years with donations and interest earnings. This \$100,000, coupled with other received

**May 2, 2022** – We passed Budget Amendment #4 using **\$1,421,250** fund balance in the General Fund for a portion of the EDA match requirement for infrastructure in the Creekside Business Park. I would like to move these funds to a more appropriate location (Fund 49000 Capital Improvements Revolving) where all of our non-MSA street projects are completed now that the grant has been approved.

General Fund (11000):

	<u>Debit</u>	<u>Credit</u>
41110.5490 Use of Fund Balance	\$ 1,421,250	
49011.6530 Improve. Other Than Bldg.		\$ 1,421,250
49911.7749 Transfers to CIP Revolving	\$ 1,421,250	
11000.1010.01 Cash/Use of Fund Balance		\$ 1,421,250
Total	\$ 2,942,500	\$ 2,942,500

Capital Improvements Revolving Fund (49000):

	<u>Debit</u>	<u>Credit</u>
49000.1010.01 Cash/Capital Outlay	\$ 1,421,250	
49000.5401 Transfers from General Fund		\$ 1,421,250
Total	\$ 1,421,250	\$ 1,421,250



This amount, plus \$546,250 committed by the Austin Port Authority and \$220,000-\$250,000 committed by the Austin Utilities will complete our match requirements for the EDA grant of \$2,212,848.

**Finally**, since we are at it, I would like to do a budget adjustment to recognize the **\$1,378,759** of tranche #2 for the ARPA funds, as follows:

General Fund (11000):

	<u>Debit</u>	<u>Credit</u>
41110.4514 Federal/State Grants	\$ 1,378,759	
41110.5490 Use of Fund Balance (Source)		\$ 1,378,759
Total	\$ 1,378,759	\$ 1,378,759

Once these transfers are approved, the budget will then be officially amended and funds transferred to their respective funds.

Please do not hesitate to give me a call if you have any questions.

## **RESOLUTION NO.**

### **BUDGET ADJUSTMENT #5**

#### **RESOLUTION AMENDING THE 2022 OPERATING BUDGET OF FUND 11 - GENERAL FUND, FUND 25 – LIBRARY FUND, FUND 48 – BUILDING FUND, FUND 81 - EXPENDABLE MEMORIAL AND GIFTS FUND AND FUND 49 -CAPITAL IMPROVEMENT REVOLVING FUND**

**WHEREAS**, the City Council of the City of Austin adopted Resolution No. 16432 on December 20, 2021 approving the 2022 operating budgets for the various city operations; and

**WHEREAS**, the following items have been approved for funding and require an amendment to the 2022 budget:

##### General Fund 11000:

	<u>Debit</u>	<u>Credit</u>
49011.6540 Capital Outlay	\$ 47,600	
41110.5490 Use of Fund Balance		\$ 47,600
Total	\$ 47,600	\$ 47,600

##### General Fund 11000:

	<u>Debit</u>	<u>Credit</u>
11000.1310.16 Due from Fund 81	\$ 100,000	
11000.1010.01 Cash		\$ 100,000
49911.7748 Transfer to Building Fund	\$ 640,000	
11000.1010.01 Cash/Use of Fund Balance		\$ 640,000
Total	\$ 740,000	\$ 740,000

##### Library Fund (25000):

	<u>Debit</u>	<u>Credit</u>
45500.7748 Transfer to Building Fund	\$ 200,000	
25000.1010.01 Cash/Use of Fund Balance		\$ 200,000
Total	\$ 200,000	\$ 200,000

##### Building Fund (48000):

	<u>Debit</u>	<u>Credit</u>
48000.1010.01 Cash/Source of Fund Balance	\$ 840,000	
48000.5401 Transfers from General Fund		\$ 640,000
48000.5420 Transfers from Other Funds		\$ 200,000
Total	\$ 840,000	\$ 840,000

Expendable Memorial and Gifts Fund (81000):

	<u>Debit</u>	<u>Credit</u>
81000.1010.01 Cash	\$ 100,000	
81000.2070.11 Due to General Fund 11		\$ 100,000
Total	\$ 100,000	\$ 100,000

General Fund (11000):

	<u>Debit</u>	<u>Credit</u>
41110.5490 Use of Fund Balance	\$ 1,421,250	
49011.6530 Improve. Other Than Bldg.		\$ 1,421,250
49911.7749 Transfers to CIP Revolving	\$ 1,421,250	
11000.1010.01 Cash/Use of Fund Balance		\$ 1,421,250
Total	\$ 2,942,500	\$ 2,942,500

Capital Improvements Revolving Fund (49000):

	<u>Debit</u>	<u>Credit</u>
49000.1010.01 Cash/Capital Outlay	\$ 1,421,250	
49000.5401 Transfers from General Fund		\$ 1,421,250
Total	\$ 1,421,250	\$ 1,421,250

General Fund (11000):

	<u>Debit</u>	<u>Credit</u>
41110.4514 Federal/State Grants	\$ 1,378,759	
41110.5490 Use of Fund Balance (Source)		\$ 1,378,759
Total	\$ 1,378,759	\$ 1,378,759

**WHEREAS**, generally accepted accounting principles and reporting practices call for the amendment of the adopted budget to properly reflect these authorizations.

**NOW THEREFORE, BE IT RESOLVED** that the City Recorder shall record these authorized budget amendments upon the City's 2022 financial records.

Passed by a vote of yeas and nays this 17th day of October, 2022.

YEAS

NAYS

ATTEST:

APPROVED:

\_\_\_\_\_  
City Recorder

\_\_\_\_\_  
Mayor



# PARKS, RECREATION, FORESTRY DEPARTMENT & ARENAS

500 4<sup>TH</sup> Avenue NE Austin, Minnesota 55912

507-433-1881

Dave Merrill, Director

[www.ci.austin.mn.us](http://www.ci.austin.mn.us)

## MEMORANDUM

TO: Austin City Council

FROM: Dave Merrill

DATE: 10/11/2022

RE: REQUEST FOR SPECIAL RESOLUTION

The Park, Recreation and Forestry Department is asking for the acceptance of a special resolution for the City of Austin to enter into a one-year usage agreement with the Spamtown Sno-Drifters Snowmobile Club. This agreement would allow public snowmobile access to the trail portion marked (A) in the attached packet. The agreement would allow for safe connection between two sections of established snowmobile trail. Please see the highlighted portion of the map marked (B). Due to physical changes in the area this portion of the trail is no longer accessible. Under this agreement the Spamtown Sno-Drifters Snowmobile Club will assume responsibility for additional trail signage, snow-fencing access barriers, trail grooming, trail use communications and assistance with trail policy enforcement and monitoring. This agreement will be effective on the date of the resolution.

Public Works supports this agreement as a one-year trial to evaluate any physical impact on trail & intersection surfaces.

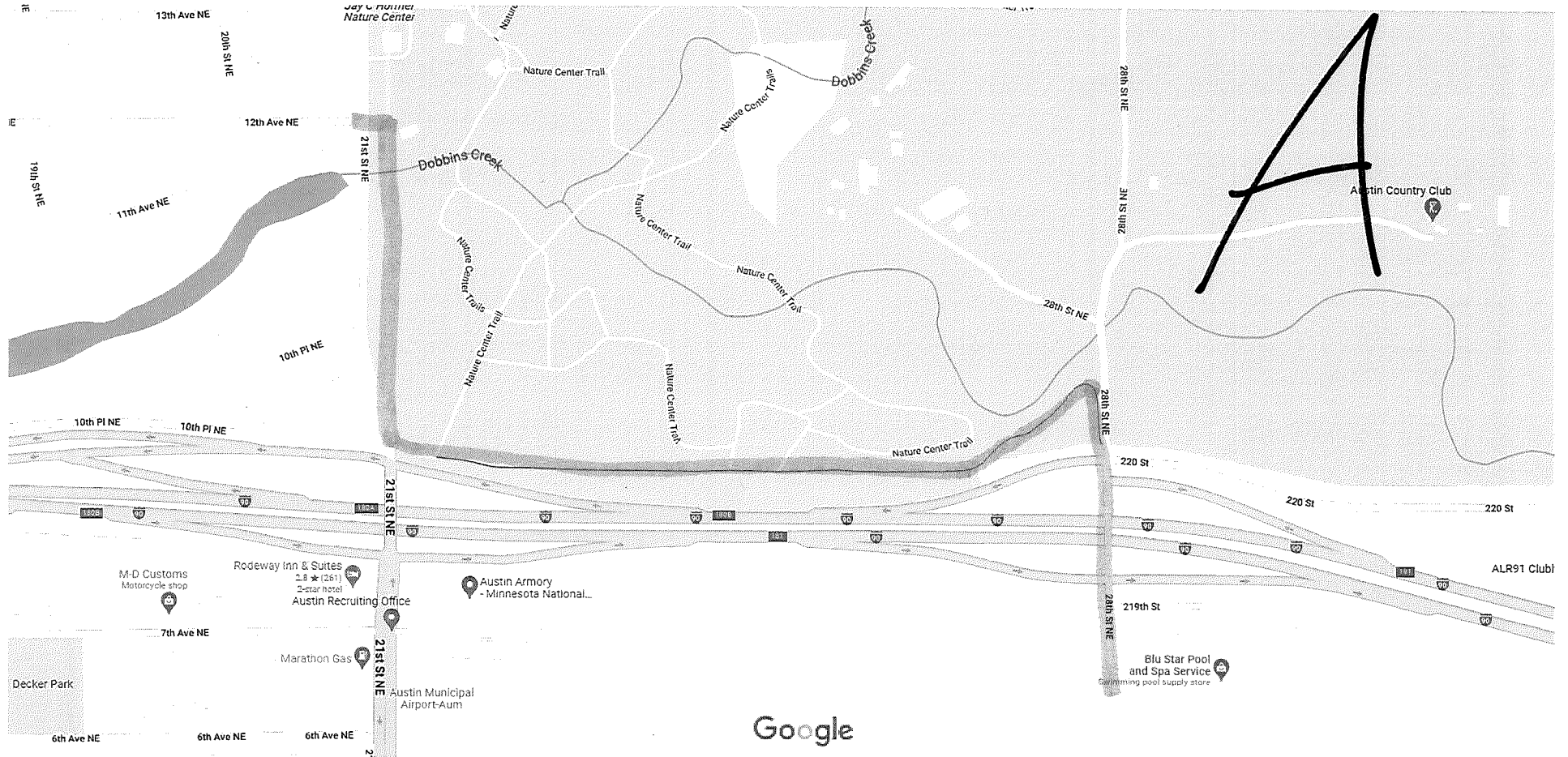
On September 7, 2022 the Park & Recreation Board approved this request.

“Moved by Mr. Johnsen, seconded by Ms. Grev to approve moving this request forward to Council from the Spamtown Sno-Drifters Snowmobile Club to groom and use the bike trail at the Jay C. Hormel NC Center for the 2022-2023 season making the belt line around Austin more accessible. Carried.”

### § 8.20 SNOWMOBILES.

B. *Operation in parks and other public grounds.* It is unlawful for any person to operate a snowmobile in any public park or in other public grounds owned by the city within the territorial limits of the city. The Council or the Board having direct supervision and control over any public park or public grounds may, by written resolution duly adopted, authorize the operation of snowmobiles in a specified area or areas of any public park or public grounds in accordance with rules and regulations set forth in the written resolution. No authorization to operate snowmobiles in any public park or public grounds shall be effective until posted in the area authorized for the operation. It is unlawful for any person to operate a snowmobile in any public park or in any other public grounds owned by the city or under the control of its Boards between the hours of 10:00 p.m. and 8:00 a.m., except in Todd Park where the Board may designate longer hours of operation.

Google Maps

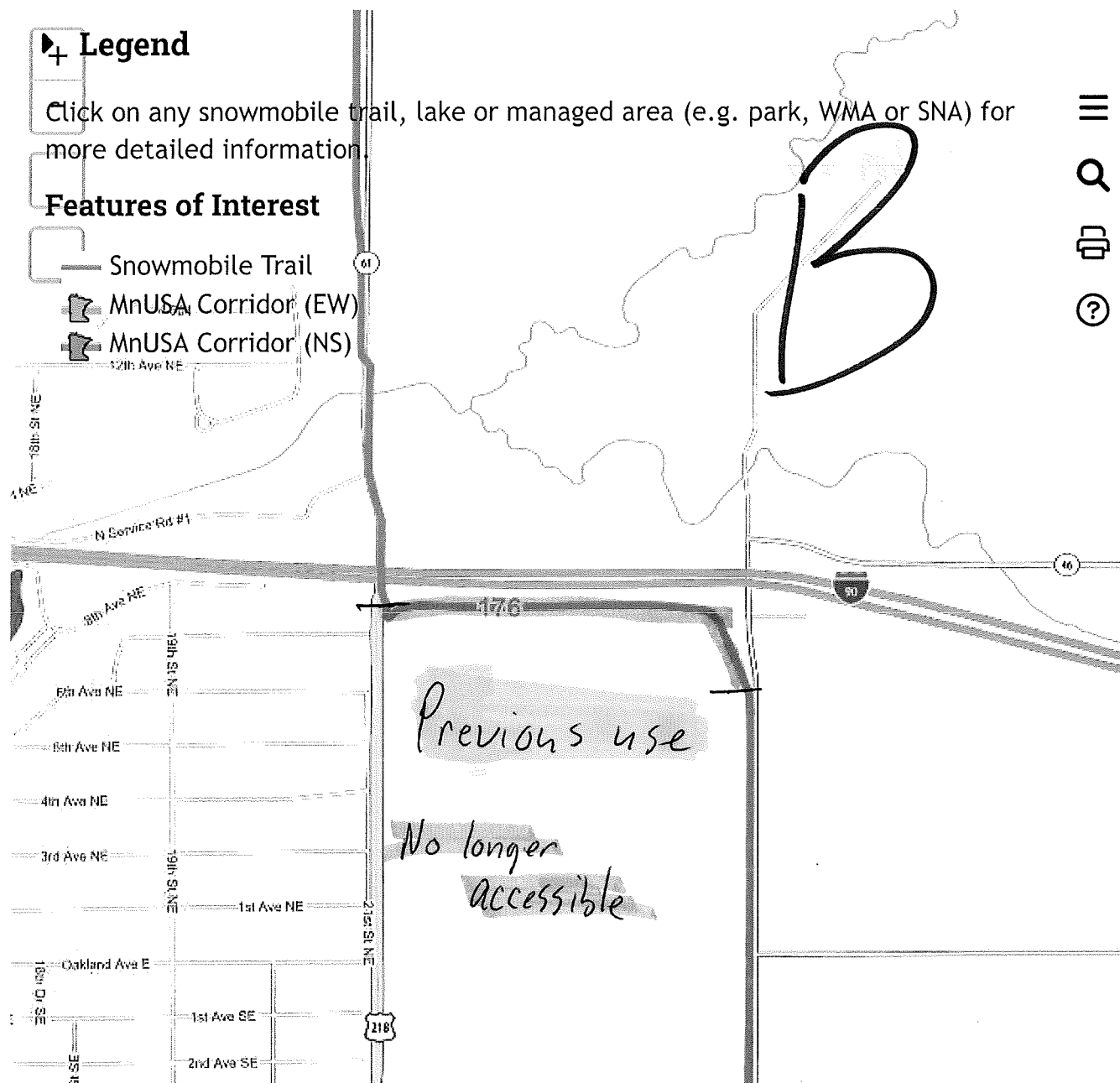


Map data ©2022 200 ft

Proposed Snowmobile use

## Interactive Snowmobile Trails

- This page is updated regularly from September through May. Between 5/15 and 9/1 no updates are made. During this time, this page reflects data from the previous season and is not necessarily accurate for the upcoming season.
- [Check stud restrictions \(/snowmobiling/pavedtrails.html\)](/snowmobiling/pavedtrails.html).



download map graphic

download kml ([https://maps1.dnr.state.mn.us/pat/snowmobile/mndnr\\_snowmobile\\_trails.kml](https://maps1.dnr.state.mn.us/pat/snowmobile/mndnr_snowmobile_trails.kml))

**RESOLUTION NO**  
**AUTHORIZING THE USE OF A TRAIL**  
**BY THE SPAMTOWN SNO-DRIFTERS SNOWMOBILE CLUB**

**WHEREAS**, the City of Austin desires to allow the public snowmobile access along and across that part of the trail running along the north side of Interstate 90 from 21<sup>st</sup> Street NE to 28<sup>th</sup> Street NE; and

**WHEREAS**, the reason for this access is due to the inaccessibility of the previous snowmobile trail along the south side of Interstate 90 from 21<sup>st</sup> Street NE to 28<sup>th</sup> Street NE, and

**WHEREAS**, the Spamtown Sno-Drifters Snowmobile Club will assume responsibility for additional trail signage, snow fencing barriers, trail grooming, trail use communications and assistance with trail policy enforcements and monitoring; and

**WHEREAS**, the Public Works Departments is supportive of a one-year trial for the access to evaluate any physical impact on trail and intersection surfaces; and

**WHEREAS**, the Park and Recreation Board supported the request at their September 7, 2022 meeting.

**NOW THEREFORE, BE IT RESOLVED**, that the City Council hereby adopts this resolution authorizing the public snowmobile access along and across that part of the trail running along the north side of Interstate 90 from 21<sup>st</sup> Street NE to 28<sup>th</sup> Street NE for a period of one year from the date of this resolution.

Passed by a vote of yeas and nays this 17th day of October, 2022.

YEAS

NAYS

ATTEST:

APPROVED:

\_\_\_\_\_  
City Recorder

\_\_\_\_\_  
Mayor



REDEVELOPMENT AGREEMENT  
IN  
MUNICIPAL DEVELOPMENT DISTRICT NO. 1  
AND  
TAX INCREMENT FINANCING (REDEVELOPMENT) DISTRICT NO. 16  
CITY OF AUSTIN,  
MOWER COUNTY, MINNESOTA  
Between  
CITY OF AUSTIN, MINNESOTA  
And  
MILL ON MAIN, LLC  
for the  
MILL ON MAIN APARTMENT PROJECT

\_\_\_\_\_  
Dated as of [Dated Date], 2022  
\_\_\_\_\_

---

This Document Was Drafted By:

DORSEY & WHITNEY LLP (GIT)  
Suite 1500  
50 South Sixth Street  
Minneapolis, Minnesota 55402

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## REDEVELOPMENT AGREEMENT

THIS Redevelopment Agreement (this “Agreement”), made and entered into as of this [ ]<sup>th</sup> day of [ ] 2022, by and between the CITY OF AUSTIN, a municipal corporation and political subdivision of the State of Minnesota (the “City”), and MILL ON MAIN, LLC, a Minnesota limited liability company, together with its successors and assigns (the “Developer”).

WITNESSETH:

WHEREAS, the City has designated a Development District in the City denominated the Municipal Development District No. 1 (the “Development District”) and adopted a Development Program (the “Development Program”) therefor, pursuant to and in accordance with Minnesota Statutes (“M.S.”), Sections 469.124 to 469.133, as amended; and

WHEREAS, the City adopted a resolution establishing Tax Increment Financing (Redevelopment) District No. 16, an “redevelopment district” (the “TIF District”) pursuant to M.S., Section 469.174, Subdivision 10, and approved a Tax Increment Financing Plan therefor (the “TIF Plan”); and

WHEREAS, in order to achieve the objectives of the Development Program and the TIF Plan, the City intends to provide assistance to the Developer through tax increment financing, as described in M.S., Sections 469.174 through 469.1794 (the “TIF Act”), to finance construction of an apartment complex consisting of ninety-one (91) market-rate units (the “Project”);

WHEREAS, the City has determined that, in order to accomplish the purposes specified in and to carry out the Development Program and the TIF Plan, it is necessary and desirable for the City to reimburse the Developer for certain costs to be incurred and paid by the Developer in connection with the Project; and

WHEREAS, the City will apply tax increment revenues generated from the TIF District to (i) pay or reimburse the City for administrative expenses relating to the TIF District to the extent permitted by the TIF Act (ii) pay or reimburse the City for other City purposes; and (iii) reimburse the Developer, with interest, for certain costs incurred in connection with the construction of the Minimum Improvements (defined below) associated with the Project; and

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

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

ARTICLE 1  
Definitions

1.01. Definitions.

In this Agreement, unless a different meaning clearly appears from the context:

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

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

“Assessment Agreement” means the Assessment Agreement between the City and the Developer in the form set forth as Exhibit F hereto.

“Available Tax Increment” has the definition given it in Section 5.02(e).

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

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

“City” means the City of Austin, Minnesota.

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

“Construction Plans” means the plans, specifications, drawings and related documents for the construction work to be performed by the Developer on the Development Property.

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

“Default Notice” means written notice from the City to the Developer setting forth the Event of Default and the action required to remedy the same.

“Developer” means Mill on Main, LLC, a limited liability company organized under the laws of the State of Minnesota.

“Development Property” or “Property” means the real property described in Exhibit A attached hereto.

“Event of Default” means as any of the events set forth in Section 7.01 hereof.

“Legal and Administrative Expenses” means the fees and expenses incurred by the City in connection with review and analysis of the development proposed under this Agreement with the adoption and administration of the TIF Plan and establishment of the TIF District, the preparation of this Agreement and the issuance of the TIF Note including, but not limited to, attorney and municipal advisor fees and expenses;

“Minimum Improvements” means the minimum improvements to be undertaken by the Developer as a part of the Project on the Development Property all as further described in Exhibit C attached hereto.

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

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

“M.S.” means Minnesota Statutes.

“Project” means the construction of an apartment complex consisting of ninety-one (91) market-rate units.

“Public Assistance” means the Available Tax Increment to be paid under Article 5 hereof.

“Qualified Costs” means costs incurred by Developer in connection with construction of the Minimum Improvements that are reimbursable from tax increment pursuant to Sections 469.174, Subd. 12 and 469.1761 of the TIF Act, which are shown on Exhibit C to this Agreement. The total principal amount of any and all tax increment notes issued to reimburse the Developer for Qualified Costs of the Project will not exceed \$1,600,000.

“Development District” means Municipal Development District No. 1, designated pursuant to the Act.

“Development Program” means the Development Program developed for Municipal Development District No. 1.

“Restrictions” means the easements, covenants, conditions and restrictions set forth in Exhibit B attached hereto.

“Section” means a Section of this Agreement, unless used in reference to M.S..

“State” means the State of Minnesota.

“Termination Date” means the earlier of (i) February 1, 2050, (ii) the date the TIF Note is paid in full, (iii) the date on which the Tax Increment District expires or is otherwise terminated, or (iv) the date this Agreement is terminated or rescinded in accordance with its terms;

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

“TIF District” means Tax Increment Financing (Redevelopment) District No. 16, a redevelopment district, established by the City Council on August 16, 2021.

“TIF Note” means the Tax Increment Revenue Note (Mill on Main Apartment Project) to be executed by the City and delivered to the Developer pursuant to Article 5 hereof, the form of which is attached hereto as Exhibit E.



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

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

## ARTICLE 2 Representations and Warranties

### 2.01. City Representations.

The City makes the following representations to the Developer:

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

(b) The City has designated the Development District and has adopted the Development Program in accordance with the provisions of the Act and has created the TIF District and adopted the TIF Plan in accordance with the provisions of the TIF Act.

(c) With each TIF Note payment, the City will provide Developer with a statement showing the Available Tax Increment along with a statement of the remaining amounts of unpaid interest, if any, and principal.

### 2.02. Developer Representations.

The Developer represents and warrants that:

(a) The Developer is a Minnesota limited liability company and has power to enter into this Agreement and has duly authorized, by all necessary corporate action, the execution and delivery of this Agreement.

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

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

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

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

(f) The Developer will use commercially reasonable efforts to obtain, in a timely manner, all required permits, licenses and approvals, and will meet, in a timely manner, all requirements of all local, state and federal laws and regulations which must be obtained or met in connection with the Minimum Improvements. Without limitation to the foregoing, the Developer will request and seek to obtain from the City all necessary variances, conditional use permits and zoning changes related to the Minimum Improvements.

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

(h) Apart from the assistance to be provided under this Agreement, the Developer shall pay all standard charges and fees due with respect to real estate developments and allocable to the Development Property under City ordinances and the City code, including but not limited to special assessments for local improvements, sewer and water use charges, building permit fees, plat fees, inspection fees, storm water fees and the like used against the Development Property.

(i) The financial assistance received by the Developer will be used to create housing.

2.03. Use, Ownership of Development Property; Restrictions; Use of Development Property. The Developer's use of the Development Property shall be subject to and in compliance with all of the conditions, covenants, restrictions and limitations imposed by this Agreement, the Restrictions, and all applicable laws, ordinances and regulations.

2.04. Ownership of Development Property. The Developer hereby represents and warrants that it is the owner in fee simple of the Development Property and that there are no liens,

defects or other encumbrances upon title to the Development Property that would hinder the development of the Development Property by the Developer as contemplated by this Agreement.

2.05. Declaration of Restrictive Covenants. The Developer shall prepare, execute, and record on the title to the Development Property a Declaration of Restrictive Covenants, in form approved by the City, which includes the Restrictions set forth in Exhibit B. If the Developer determines that operation of the Development Property and the Minimum Improvements would endanger the financial viability thereof, the Developer may request the City Council to consent to the amendment, modification or termination of any of the restrictions in any respect. The City is under no obligation to amend, modify or terminate any of the restrictions and may, in its sole and absolute discretion, refuse to do so.

2.06. Damage or Destruction. Subject to any mortgage requirements, upon any damage or destruction of the Project, or any portion thereof, by fire or other casualty, the Developer shall within one hundred twenty (120) days after such damage or destruction, commence the process required to repair, reconstruct and restore the damaged or destroyed Project, or portion thereof, to substantially the same condition or utility value as existed prior to the event causing such damage or destruction and shall diligently pursue such repair, reconstruction and restoration.

2.07. Relocation Costs. The Developer shall pay all relocation costs or expenses required under federal or state law to be paid to any owner or occupant of the Development Property as a result of the Project, and shall indemnify and hold harmless the City, its governing body members, officers, and agents including the independent contractors, consultants, and legal counsel, servants and employees thereof from any such relocation costs and expenses in accordance with the provisions of Section 4.01.

2.08. Assessment Agreement. The Assessment Agreement shall be executed by the Developer and the City as of the date hereof, and the Developer shall cause the Assessment Agreement and an executed Assessor's Certificate attached as Exhibit C thereto to be recorded on the title to the Development Property.

### ARTICLE 3 Construction of Project

3.01. Construction Plans. Prior to commencing construction of the Minimum Improvements for the Project, the Developer shall make available to the City for review Construction Plans for the Project. The Construction Plans shall provide for construction of the Project in conformity with the Development Program, the TIF Plan, this Agreement, and all applicable state and local laws and regulations. The City shall approve the Construction Plans in writing if, in the reasonable discretion of the City, the Construction Plans: (a) conform to the Development Program, the TIF Plan, this Agreement, and to any subsequent amendments thereto approved by the City; (b) conform to all applicable federal, state and local laws, ordinances, rules and regulations; (c) are adequate to provide for construction of the Minimum Improvements; and (d) no Event of Default has occurred.

No approval by the City shall relieve the Developer of the obligation to comply with the terms of this Agreement, applicable federal, state and local laws, ordinances, rules and regulations,

or to properly construct the Project. No approval by the City shall constitute a waiver of an Event of Default. Any disapproval of the Construction Plans shall set forth the reasons therefore and shall be made within thirty (30) days after the date of their receipt by the City. If the City rejects the Construction Plans, in whole or in part, the Developer shall submit new or corrected Construction Plans within thirty (30) days after written notification to the Developer of the rejection. The provisions of this Section relating to approval, rejection and resubmission of corrected Construction Plans shall continue to apply until the Construction Plans have been approved by the City. Issuance of a building permit by the City for the Minimum Improvements shall constitute approval by the City of the Construction Plans and their conformance to the Development Program and TIF Plan.

3.02. Undertaking of Minimum Improvements.

(a) Subject to Unavoidable Delay, Developer shall commence the Project by December 2, 2021, and cause the Project to be substantially completed in accordance with the Section 3.03(a) and other terms of this Agreement by April 1, 2023.

(b) All work with respect to the Minimum Improvements shall be in substantial conformity with the Construction Plans approved by the City.

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

3.03. Certificate of Occupancy; Certificate of Completion.

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

(b) If the City shall refuse or fail to provide a Certificate of Completion following the Developer's request, the City shall, within ten (10) days after the Developer's request, provide the Developer with a written statement specifying in what respects the Developer has failed to complete the Project in accordance with this Agreement, or is otherwise in default, and what measures or acts will be necessary, in the reasonable opinion of the City, for the Developer to obtain the Certificate of Completion.

3.04. Progress Reports. Until the Certificate of Completion is issued for the Project, the Developer shall make, in such detail as may reasonably be required by the City, and forward to the City, upon demand by the City (provided such demand shall not be made more frequently than quarterly in the absence of an Event of Default hereunder), a written report as to the actual progress of construction.

3.05. Access to Development Property. The Developer agrees to permit the City and any of its officers, employees or agents access to the Development Property at all reasonable times for the purpose of inspection of all work being performed in connection with the Project; provided, however, that the City shall not have an obligation to inspect such work.

3.06. Modification; Subordination. The City agrees to subordinate its rights under this Agreement to the holder of any Mortgage securing construction or permanent financing, in accordance with the terms of a subordination agreement in a form reasonably acceptable to the City.

#### ARTICLE 4 Defense of Claims; Insurance

##### 4.01. Defense of Claims.

(a) The Developer shall indemnify and hold harmless the City, its governing body members, officers, and agents including the independent contractors, consultants, and legal counsel, servants and employees thereof (hereinafter, for the purposes of this Section, collectively the “Indemnified Parties”) for any expenses (including reasonable attorneys’ fees), loss (excluding consequential, special or punitive damages except to the extent payable to third parties by any Indemnified Parties), damage to property, or death of any person occurring at or about, or resulting from any defect in, the Project; provided, however, the Developer shall not be required to indemnify any Indemnified Party for any claims or proceedings arising from any negligent, intentional misconduct, or unlawful acts or omissions of such Indemnified Party, or from expenses, damages or losses that are eligible to be reimbursed by insurance. Promptly after receipt by the City of notice of the commencement of any action in respect of which indemnity may be sought against the Developer under this Section 4.01, such person will notify the Developer in writing of the commencement thereof, and, subject to the provisions hereinafter stated, the Developer shall assume the defense of such action (including the employment of counsel, who shall be counsel reasonably satisfactory to the City) and the payment of expenses insofar as such action shall relate to any alleged liability in respect of which indemnity may be sought against the Developer. The City shall have the right to employ separate counsel in any such action and to participate in the defense thereof, but the fees and expenses of such counsel shall not be at the expense of the Developer unless the employment of such counsel has been specifically authorized by the Developer. Notwithstanding the foregoing, if the City has been advised by independent counsel that there may be one or more legal defenses available to it which are different from or in addition to those available to the Developer, the Developer shall not be entitled to assume the defense of such action on behalf of the City, but the Developer shall be responsible for the reasonable fees, costs and expenses (including the employment of counsel) of the City in conducting their defense. The

Developer shall not be liable to indemnify any person for any settlement of any such action effected without the Developer's consent. The omission to notify the Developer as herein provided will not relieve the Developer from any liability which they may have to any Indemnified Party pursuant hereto, otherwise than under this Section.

(b) The Developer agrees to protect and defend the Indemnified Parties, and further agrees to hold the aforesaid harmless, from any claim, demand, suit, action or other proceeding whatsoever by any person or entity arising or purportedly arising from the actions or inactions of the Developer (or other persons acting on its behalf or under its direction or control) under this Agreement, or the transactions contemplated hereby or the acquisition, construction, installation, ownership, and operation of the Project; provided that this indemnification shall not apply to the warranties made or obligations undertaken by the City in this Agreement or to any actions undertaken by the City which are not contemplated by this Agreement but shall, in any event, apply to any pecuniary loss (excluding consequential, special or punitive damages except to the extent payable to third parties by any of the Indemnified Parties) or penalty (including interest thereon from the date the loss is incurred or penalty is paid by the City at a rate equal to the prime rate) as a result of the Project, as constructed and operated by the Developer, causing the TIF District to cease to qualify as a "redevelopment district" under the TIF Act or to violate limitations as to the use of the revenues therefrom as set forth in the TIF Act.

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

#### 4.02. Insurance.

(a) Subject to the terms of any Mortgage relating to the Development Property, the Developer shall keep and maintain the Development Property and Minimum Improvements at all times insured against such risks and in such amounts, with such deductible provisions, as are customary in connection with facilities of the type and size comparable to the Minimum Improvements, and the Developer shall carry and maintain, or cause to be carried and maintained, and pay or cause to be paid timely the premiums for direct damage insurance covering all risks of loss, including, but not limited to, the following:

1. fire
2. extended coverage perils
3. vandalism and malicious mischief
4. boiler explosion (but only if steam boilers are present)
5. collapse

on a replacement cost basis in an amount equivalent to the full insurable value thereof. ("Full insurable value" shall include the actual replacement cost of the Minimum Improvements, exclusive of foundations and footings, without deduction for architectural, engineering, legal or administrative fees or for depreciation.) Insurance in effect with



respect to any portion of the Minimum Improvements to be constructed, rehabilitated, or renovated as a part of the Project prior to the issuance by the City of a Certificate of Completion under Section 3.03 hereof with respect thereto shall be maintained on an “all-risk” builder’s risk basis during the course of construction. The policies required by this Section 4.02 shall be subject to a no coinsurance clause or contain an agreed amount clause, and may contain a deductibility provision not exceeding \$25,000.

(b) Subject to the terms of any Mortgage relating to the Development Property, policies of insurance required by this Section 4.02 shall insure and be payable to the Developer, and shall provide for release of insurance proceeds to the Developer for restoration of loss. The City shall be furnished certificates showing the existence of such insurance. In case of loss, the Developer is hereby authorized to adjust the loss and execute proof thereof in the name of all parties in interest. On an annual basis and from time to time at the City’s request, the Developer shall file with the City, as applicable, a certificate of insurance for each of the policies required under this Section.

## ARTICLE 5 Public Assistance

5.01. Development Costs. The Developer has agreed to and shall be responsible to pay all of its respective costs of the Project, as herein provided. However, the City, in order to encourage the Developer to proceed with the construction of the Minimum Improvements, and to assist the Developer in paying the costs thereof, is willing to provide the Public Assistance and thereby reimburse the Developer for Qualified Costs, as permitted by the TIF Act and in accordance with the TIF Plan, that will be incurred by the Developer to construct the Minimum Improvements.

### 5.02. Reimbursement for Qualified Costs.

The City agrees to reimburse the Developer, using Available Tax Increment on a pay-as-you-go basis, for Qualified Costs of the Project. The City shall, upon completion of the Minimum Improvements of the Project and the issuance of a the Certificate of Completion therefor, make reimbursement payments pursuant to a limited revenue tax increment note for the Project, the form of which is attached hereto as Exhibit E, with said payments of principal and interest to be made on the dates (the “Payment Dates”) specified in the TIF Note, subject to the following terms and conditions:

(a) The total principal amount of any and all TIF notes issued for the Project will not exceed one million six hundred thousand dollars (\$1,600,000).

(b) The unpaid principal of the TIF Note shall bear simple non-compounding interest from the date of issuance of the TIF Notes, at four percent (4.00%) per annum. Interest shall be computed on the basis of a 360 day year consisting of twelve (12) 30-day months.

(c) No payments shall be made by the City to the Developer unless and until the Developer has provided written evidence reasonably satisfactory to the City that  
(i) Qualified Costs in the amount to be reimbursed from the Available Tax Increment have

been incurred for the Project and paid by the Developer and (ii) the Certificate of Completion has been issued as contemplated in Section 3.03 hereof.

(d) The City shall be obligated to make the payments to the Developer required pursuant to this Section 5.02 *only from and to the extent of* the Available Tax Increment actually received from the TIF District for any tax year, and such payments shall never be considered to be a general obligation or indebtedness of the City.

(e) The City will retain 10% of the Tax Increment generated for administrative costs and apply the retained Tax Increment first to pay any administrative expenses relating to the Development Property to the extent permitted by the Tax Increment Act and to the extent that such expenses have not been paid or reimbursed to the City by the Developer. In addition to the 10% retained by the City for administrative expenses, the City shall also retain 11% of the Tax Increment generated for other City purposes. Any of the Tax Increment remaining after the payment of any administrative expenses then due and owing and retained for other City purposes (the "Available Tax Increment"), which percentage shall be approximately 79% of the Tax Increment generated, shall be paid to the Developer for reimbursement of the Qualified Costs plus interest on the Payment Dates.

(f) Upon thirty (30) days' written notice to the Developer, the City may prepay all or a portion of the outstanding principal balance due to the Developer pursuant to this Section 5.02 without penalty, on any date at a prepayment price equal to the outstanding principal balance to be prepaid plus accrued interest to the prepayment date.

(g) The City shall not be obligated to make any payments hereunder subsequent to the termination of this Agreement as provided in Section 8.06 hereof, and any amounts remaining unpaid as of such date (other than by reason of failure of the City to comply with the terms of this Agreement) shall be considered forgiven by the Developer and shall cease to be owing.

(h) The Developer may assign its rights under this Agreement (including the payments to be made to the Developer hereunder) to secure financing incurred by the Developer to pay costs of the Project, including but not limited to any Mortgagee, or, after Certificate of Completion has been issued by the City, to third parties.

### 5.03. Conditions Precedent to Provision of Public Assistance.

Upon payment by the Developer of Qualified Costs for the Project, the Developer will deliver to the City an instrument executed by the Developer (i) specifying the amount and nature of the Qualified Costs of the Minimum Improvements for the Project to be reimbursed and (ii) certifying that such costs have been paid to third parties unrelated to the Developer, or if any costs have been paid to third parties related to the Developer, that such costs do not exceed the reasonable and customary costs of services, labor or materials of comparable quality, dependability, availability and other pertinent criteria and that such costs have not previously been contained in an instrument furnished to the City pursuant to this Section 5.03. Together with such instrument, the Developer shall deliver to the City evidence reasonably satisfactory to the City of the payment by the Developer of such costs to be reimbursed. Thereafter, the City will provide to

the Developer reimbursement for the Project, constituting a portion of the Public Assistance described in this Article 5, paid up to the maximum amount then due and payable, in accordance with Section 5.02.

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

- (a) the conditions precedent in this Section 5.04 hereof have been satisfied;
- (b) the Developer shall have cured any material title defects with respect to the Development Property;
- (c) the Developer shall not be in default under the terms of this Agreement beyond any applicable cure period;
- (d) the Developer shall have executed and recorded on the title to the Development Property, the Declaration of Restrictive Covenants, required by Section 2.05 hereof, as set forth in Exhibit B;
- (e) the Developer shall have closed on or received commitments in financing or shall provide equity sufficient to pay all costs to be incurred in connection with the Project;
- (f) the job creation conditions described in Section 2.08 have been satisfied;  
and
- (g) the Developer shall have executed the Assessment Agreement described in Section 2.09.

In the event that all of the above conditions required to be satisfied as provided in this Section 5.04 have not been satisfied by December 31, 2024, either the City or the Developer may terminate this Agreement if such conditions are not satisfied within thirty (30) days following notice to the non-terminating party by the terminating party. Upon such termination, the provisions of this Agreement relating to the Minimum Improvements shall terminate and, except as provided in Article 8, neither the Developer nor the City shall have any further liability or obligation to the other hereunder.

5.05. Notice of Default. Whenever the City shall deliver any notice or demand to the Developer with respect to any breach or default by the Developer in its obligations or covenants under this Agreement, the City shall at the same time forward a copy of such notice or demand to each investor, lender, or holder of any permitted mortgage, lien or other similar encumbrance at the last address of such holder shown in the records of the City. Each such investor, lender, or holder shall have the right, at its option, to cure or remedy such breach or default and to add the cost thereof to the mortgage debt and the lien of its mortgage; provided that if the breach or default is with respect to construction of the Project, nothing contained in this Agreement shall be deemed to permit or authorize such holder, either before or after foreclosure or action in lieu thereof, to undertake or continue the construction or completion of the Project without first having expressly

assumed the obligation to the City, by written agreement satisfactory to the City, to complete the construction the Project in accordance with the plans and specifications therefor and this Agreement. Any such holder who shall properly complete the construction of the Project shall be entitled, upon written request made to the City, to a certification by the City to such effect in the manner provided in Section 3.03.

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

The Developer agrees that prior to the Termination Date:

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

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

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

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



5.08 Legal and Administrative Expenses. The Developer shall pay all Legal and Administrative Expenses that are incurred in connection with the negotiating, approval and documentation of this Agreement. Thereafter, Administrative Expenses shall be reimbursed in accordance with 5.02(e) of this Agreement or any amendment to this Agreement requested by the Developer.

## ARTICLE 6

### Prohibitions Against Assignment and Transfer

6.01. Transfer of Property and Assignment. Other than leases made in the ordinary course of business, the Developer has not made and will not make, or suffer to be made, any total or partial sale, assignment, conveyance, lease, or other transfer, with respect to this Agreement, the Project or Property or any part thereof or any interest therein (other than any Mortgage or Mortgages securing financing for the Project or other than any assignment of the payments to be made to the Developer under Section 5.02 hereof that is permitted under Section 5.02 hereof), or any contract or agreement to do any of the same, without the prior written approval of the City, which shall not be unreasonably withheld or delayed. The City shall be entitled to require as conditions to any such approval that: (i) the proposed transferee have the qualifications and financial responsibility, as reasonably determined by the City, necessary and adequate to fulfill the obligations undertaken in this Agreement by the Developer; (ii) the proposed transferee, by recordable instrument satisfactory to the City shall, for itself and its successors and assigns, assume all of the obligations of the Developer under this Agreement. No transfer of, or change with respect to, ownership in the Project or Property or any part thereof, or any interest therein, however consummated or occurring and whether voluntary or involuntary, shall operate, legally or practically, to deprive or limit the City of or with respect to any rights or remedies or controls provided in or resulting from this Agreement with respect to the Project or Property and the completion of the Project that the City would have had, had there been no such transfer or change. There shall be submitted to the City for review all legal documents relating to the transfer.

Notwithstanding the foregoing, this Section 6.01 shall not apply to any transfer or assignment: (i) to any entity controlling, controlled by or under common control with the Developer; (ii) to any entity in which the majority equity interest is owned by the parties that have a majority equity interest in the Developer; or (iii) that after giving effect to such transfer or assignment does not result in a change in control of the Developer.

Provided that no Event of Default exists hereunder, any such transfer or assignment shall release the Developer from its obligations hereunder upon execution and delivery to the City by the transferee or assignee of an instrument in form and substance satisfactory to the City by which the transferee or assignee assumes the obligations of the Developer hereunder.

Except as set forth in the immediately preceding paragraph, in the absence of specific written agreement by the City to the contrary, no approval of any assignment or transfer by the City thereof with respect to any transfer or assignment shall be deemed to relieve the Developer, or any other party bound in any way by this Agreement or otherwise with respect to the completion of the Project, from any of their obligations with respect thereto.

6.02. Termination of Limitations on Transfer. The provisions of Section 6.01 shall terminate at such time as the Certificate of Completion has been issued by the City under Section 3.03 of this Agreement with respect to the Project; provided, however, that any assignment of the payments to be made to the Developer under Section 5.02 may only be assigned as permitted under Section 5.02 hereof.

## ARTICLE 7

### Event of Default; Fees

7.01. Events of Default. Subject to Unavoidable Delay, the following shall be “Events of Default” under this Agreement and the term “Event of Default” shall mean, whenever it is used in this Agreement (unless the context otherwise provides), any one or more of the following events which occurs and continues for more than thirty (30) days after written notice by the defaulting party of such default (and the term “default” shall mean any event which would with the passage of time or giving of notice, or both, be an “Event of Default” hereunder):

(a) Failure of the Developer to construct or reconstruct the Minimum Improvements as required hereunder.

(b) Failure of the Developer to furnish the Construction Plans as required hereunder.

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

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

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

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

7.02. Remedies on Default. In the event the City desires to exercise any of its rights or remedies as provided herein or otherwise available to the City at law or in equity, the City shall first provide written notice to Developer setting forth with specific particularity the Event of Default and the action required to cure or remedy the same (the “Default Notice”). Developer or any transferee or assignee under Section 6.01 hereof, shall have thirty (30) days from receipt of a Default Notice to cure or remedy the Event of Default specified in the Default Notice, or such longer period as may be reasonably required to complete the cure as soon as reasonably possible under the circumstances. If, following Developer’s receipt of a Default Notice, Developer does not cure or remedy the Event of Default therein specified within the time provided above, the City

may take any one or more of the following actions at any time prior to Developer's curing or remedying the Event of Default:

(a) Suspend its performance under this Agreement until it receives assurances from Developer, deemed reasonably adequate by the City, that Developer will cure its default and continue its performance under this Agreement.

(b) In the case of a material default that is not cured within a reasonable period of time, terminate all rights of Developer under this Agreement.

(c) Withhold the Certificate of Completion.

(d) Take whatever action at law or in equity may appear necessary or desirable to the City to enforce performance and observance of any obligation, agreement, or covenant of Developer under this Agreement.

In the event the City should fail to observe or perform any covenant, agreement or obligation of the City on their part to be observed and performed under this Agreement, Developer may take any one or more of the following actions:

(a) Suspend its performance under this Agreement until it receives assurances from the City deemed adequate by Developer, that the City will cure its default and continue its performance under this Agreement.

(b) In the case of a material default that is not cured within a reasonable period of time, terminate all rights of the City under this Agreement.

(c) Take whatever action at law or in equity may appear necessary or desirable to Developer to enforce performance and observance of any obligation, agreement, or covenant of the City under this Agreement.

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

7.04. Waivers. All waivers by any party to this Agreement shall be in writing. If any provision of this Agreement is breached by any party and thereafter waived by another party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other concurrent, previous or subsequent breach hereunder.

7.05. Agreement to Pay Attorneys' Fees. Whenever any Event of Default occurs and the City shall employ attorneys or incur other expenses for the collection of payments due or to become

due or for the enforcement or performance or observance of any obligation or agreement on the part of the Developer herein contained, the Developer agrees that it shall, on demand therefor, pay to the City the reasonable fees of such attorneys and such other expenses so incurred by the City.

## ARTICLE 8 General Provisions

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

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

8.03. Restrictions on Use. Developer agrees for itself, and its successors and assigns, and every successor in interest to the Development Property, or any part thereof, that Developer, and such successors and assigns, shall devote the Development Property to, and only to and in accordance with, the uses specified in the Development Program, this Agreement and other agreements entered into between the Developer and the City, and shall not discriminate upon the basis of race, color, creed, religion, national origin, sex, marital status, disability, status with regard to public assistance, sexual orientation, and familial status in the sale, lease, or rental or in the use or occupancy of the Development Property or any improvements erected or to be erected thereon, or any part thereof.

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

8.05. Business Subsidies Act. Based on the representations of the Developer contained in Section 2.02(i) of this Agreement, the assistance being provided by the City to the Developer under this Agreement is not a business subsidy under the Business Subsidies Act and subsidy agreement as described in Minnesota Statutes, Section 116J.994, Subd. 3 and Subd. 4 is not being entered by the City and Developer.

8.06. Term of Agreement. This Agreement shall terminate upon the earlier to occur of (i) February 1, 2050, (ii) the date the TIF Note is paid in full, (iii) the date on which the Tax



Increment District expires or is otherwise terminated, or (iv) the date this Agreement is terminated or rescinded in accordance with its terms; it being expressly agreed and understood that the provisions of this Agreement are intended to survive the expiration and satisfaction of any security instruments placed of record contemporaneously with this Agreement, if such expiration and satisfaction occurs prior to the expiration of the term of this Agreement, as stated in this Section 8.06.

8.07. Provisions Surviving Termination. Sections 4.01 and 7.05 hereof shall survive any termination, rescission, or expiration of this Agreement with respect to or arising out of any event, occurrence, or circumstance existing prior to the date thereof.

## ARTICLE 9 Administrative Provisions

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

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

Mill on Main, LLC  
PO Box 89624  
6245 South Pinnacle Place  
Sioux Falls, SD 57109  
Attention: Manager

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

City of Austin  
500 4th Avenue NE  
Austin, MN 55912  
Attention: City Recorder

The City and the Developer, by notice given hereunder, may designate different addresses to which subsequent notices, certificates or other communications should be sent.

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

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

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

9.05. Amendments, Changes and Modifications. This Agreement may be amended or any of its terms modified only by written amendment authorized and executed by the City and the Developer. The Mayor and City Recorder are authorized to execute and deliver amendments and any documents related to this Agreement on behalf of the City.

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

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

9.08. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Minnesota without giving effect to the conflicts-of-laws principles thereof.

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

CITY OF AUSTIN, MINNESOTA

By \_\_\_\_\_  
Mayor

And \_\_\_\_\_  
City Recorder

STATE OF MINNESOTA    )  
  ) ss.  
COUNTY OF MOWER     )

The foregoing instrument was acknowledged before me on this \_\_\_\_ day of \_\_\_\_\_, 2022, by \_\_\_\_\_, the Mayor, and \_\_\_\_\_, the City Recorder, of the City of Austin, a Minnesota municipal corporation, on behalf of the corporation.

IN WITNESS WHEREOF, I have set my hand and my official seal this \_\_\_\_ day of \_\_\_\_\_, 2022.

\_\_\_\_\_  
Notary Public

MILL ON MAIN, LLC, a Minnesota limited liability company

By: \_\_\_\_\_  
Nathan Stencil, Chief Executive Officer

STATE OF \_\_\_\_\_ )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me on this \_\_\_\_ day of \_\_\_\_\_, 2022, by Nathan Stencil, the Chief Executive Officer Mill on Main, LLC, a Minnesota limited liability company, on behalf of the company.

IN WITNESS WHEREOF, I have set my hand and my official seal this \_\_\_\_ day of \_\_\_\_\_, 2022.

\_\_\_\_\_  
Notary Public



**EXHIBIT A**  
**DEVELOPMENT PROPERTY**

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

**Parcel 1:**

All that part of the following-described property which is included in the land described in Certificate of Title No. 3030 in the office of the Registrar of Titles in and for Mower County, Minnesota, which land is described as follows: Commencing at the northwest corner of Lot 25, Block 33, Original Village in Austin, Minnesota; thence westerly in a continuation of the north line of said Lot 25, a distance of 33 ft. to the east line of the northwest quarter of the northeast quarter of Section 3, Township 102 North, Range 18 West. This point shall be referred to as Point "A". Thence northerly from Point "A" on said east line of the northwest quarter of the northeast quarter, a distance of 847.62 ft.; thence westerly at a deflection angle to the left of 90° 00', a distance of 43.08 ft.; thence southwesterly at a deflection angle to the left of 28° 21', a distance of 176.83 ft, to the point of beginning of said tract; thence northerly at a deflection angle to the right of 115° 42', a distance of 185 ft.; thence southwesterly at a deflection angle to the left of 115° 42', a distance of 415 ft. to the west line of Block 14, Morgan's Addition; thence southeasterly along this west line of Block 14 at a deflection angle to the left of 90° 00' a distance of 165 ft. to the southwest corner of Lot 6, Block 14, Morgan's Addition; thence northeasterly at a deflection angle to the left of 90° 00', a distance of 335 ft. along the south line of said Lot 6 extended to the point of beginning.

EXCEPT The following described land lying in the Northwest Quarter of the Northeast Quarter of Section 3, Township 102 North, Range 18 West, described as follows:

Starting at the southwest corner of Lot 6, Block 14, Morgan's Addition to the City of Austin, Minnesota, as the same is platted and recorded in the office of the County Recorder of Mower County, Minnesota; thence northwesterly 165 feet on the westerly line of said Block 14, to a point on the southerly right-of-way line of Seventh Place Northwest; thence northeasterly 415 feet on said southerly right-of-way line, at a right angle; thence southerly 57.10 feet, at a deflection angle of 115° 42' right, to the point of beginning; thence southerly 18.21 feet, on a southerly extension of the last described line; thence northeasterly 22.43 feet, at a deflection angle of 154° 18' right; thence southeasterly 9.93 feet, to the point of beginning.

Torrens  
Certificate 4141

**Parcel 2:**

The following described land lying in the Northwest Quarter of the Northeast Quarter of Section 3, Township 102 North, Range 18 West, described as follows:

Starting at the southwest corner of Lot 6, Block 14, Morgan's Addition to the City of Austin, Minnesota, as the same is platted and recorded in the office of the County Recorder of Mower County, Minnesota; thence northwesterly 165 feet on the westerly line of said Block 14, to a point on the southerly right-of-way line of Seventh Place Northwest; thence northeasterly 415 feet, on said southerly right-of-way line, at a right angle; thence southerly 107.80 feet, at a deflection angle of 115° 42', to a point which is hereinafter called the point of beginning; thence southerly 75.31 feet, on a southerly extension of the last described line, to a point on a northeasterly extension of the south line of said Lot 6, Block 14, Morgan's Addition; thence northeasterly 32.66 feet, at a deflection angle of 115° 42' left, on said northeasterly extension of the south line of Lot 6; thence northwesterly 67.86 feet, at a right angle to the point of beginning.

Torrens  
Certificate 4142

**Parcel 3:**

Starting at the southwest corner of Lot 6, Block 14, Morgan's Addition to the City of Austin, Minnesota, as the same is platted and recorded in the office of the County Recorder of Mower County, Minnesota; thence northwesterly 165 feet on the westerly line of said Block 14, to a point on the southerly right-of-way line of Seventh Place Northwest; thence northeasterly 415 feet on said southerly right-of-way line at a right angle; thence southerly 57.10 feet at a deflection angle of 115° 42' right, to the point of beginning; thence southerly 18.21 feet on a southerly extension of the last described line; thence northeasterly 22.43 feet at a deflection angle of 154° 18' right; thence southeasterly 9.93 feet to the point of beginning.

Torrens  
Certificate 4713

**Parcel 4:**

Beginning at point K marked by Judicial Land Mark numbered 5, as described on Certificate No. 2128 in the office of the Registrar of Titles in and for Mower County, Minnesota, thence 132 feet Southwesterly along the extended Northerly line of Lot 6, Block 14, Morgan's Addition to the City of Austin, Minnesota, to the most Northerly corner of said Lot 6, which point is called point L and is marked by a Judicial Land Mark numbered 6; thence Southeasterly 66 feet at a deflection angle of 90° 00' left along the Easterly line of said Lot 6 to the Southeasterly corner of said Lot 6; thence in a Northeasterly direction along the extended South line of said Lot 6 a distance of 203 feet; thence along a line at a deflection angle to the left of 64° 18' to its point of intersection of a line drawn between said points L and K extended Northeasterly; thence Southwesterly along said extended line between said points L and K to the point of beginning.

Together with a driveway easement for perpetual ingress and egress to the above described tract from Main Street north which easement is described as follows:

Commencing at the northwest corner of Lot 25, Block 33, Original Village in Austin, Minnesota; thence westerly in a continuation of the north line of said Lot 25, a distance of 33 ft. to the east line of the northwest quarter of the northeast quarter of Section 3, Township 102 north, Range 18 west. This point shall be referred to as Point "A". Thence northerly from Point "A" on said east line of the northwest quarter of the northeast quarter, a distance of 847.62 ft.; thence westerly at a deflection angle to the left of 90° 00', a distance of 43.08 ft. to the point of beginning of said easement; thence southwesterly at a deflection angle to the left of 28° 21', a distance of 176.83 ft.; thence northerly at a deflection angle to the right of 115° 42', a distance of 16.65 ft.; thence northeasterly at a deflection angle to the right of 64° 18', a distance of 177.67 ft.; thence southerly at a deflection angle to the right of 118° 15', a distance of 17.03 ft. to the point of beginning of said easement. Said easement is subject to a sewer easement across the easterly 22.70 feet thereof granted to the City of Austin, Minnesota.

Torrens  
Certificate 3061

**Parcel 5:**

All that property described in Certificate of Title No. 3064 in the Office of the Registrar of Titles in and for Mower County, Minnesota, which lies Northwesterly of a line drawn between points F and K as said points are described on Certificate of Title No. 3030 in the office of the Registrar of Titles in and for Mower County, Minnesota.

Torrens  
Certificate 4051

**Parcel 6:**

All that part of the property described in Certificate No. 3064 in the office of the Registrar of Titles in and for Mower County, Minnesota, which lies Southeasterly of a line drawn between points F and K as said points are described on Certificate of Title No. 3030 in the office of the Registrar of Titles in and for Mower County, Minnesota. All that part of the property described on Certificate of Title No. 2128 in the office of the Registrar of Titles, lying North of the South line of Lot 6, Block 14, Morgan's Addition to the City of Austin, Minnesota, extended Easterly to its point of intersection with a line drawn between points D and E as said points are described on said Certificate of Title No. 2128; excepting therefrom the following described tract:

Beginning at point K marked by Judicial Land Mark numbered 5, as described on Certificate of Title No. 2128 in the office of the Registrar of Titles in and for Mower County, Minnesota, thence 132 feet Southwesterly along the extended Northerly line of Lot 6, Block 14, Morgan's Addition to the City of Austin, Minnesota, to the most Northerly corner of said Lot 6, which point is called point L and is marked by a Judicial Land Mark numbered 6; thence Southeasterly 66 feet at a deflection angle of 90° 00' left along the Easterly line of said Lot 6 to the Southeasterly corner of said Lot 6; thence in a Northeasterly direction along the extended South line of said Lot 6 a distance of 203 feet; thence along a line at a deflection angle to the left of 64° 18' to its point of intersection of a line drawn between said points L and K extended Northeasterly; thence Southwesterly along said extended line between said points L and K to the point of beginning.

EXCEPT, the following described land lying in the Northwest Quarter of the Northeast Quarter of Section 3, Township 102 North, Range 18 West, described as follows:

Starting at the southwest corner of Lot 6, Block 14, Morgan's Addition to the City of Austin, Minnesota, as the same is platted and recorded in the office of the County Recorder of Mower County, Minnesota; thence northwesterly 165 feet on the westerly line of said Block 14, to a point on the southerly right-of-way line of Seventh Place Northwest; thence northeasterly 415 feet, on said southerly right-of-way line, at a right angle; thence southerly 107.80 feet, at a deflection angle of 115° 42', to a point which is hereinafter called the point of beginning; thence southerly 75.31 feet, on a southerly extension of the last described line, to a point on a northeasterly extension of the south line of said Lot 6, Block 14,

Morgan's Addition; thence northeasterly 32.66 feet, at a deflection angle of 115° 42' left, on said northeasterly extension of the south line of Lot 6; thence northwesterly 67.86 feet, at a right angle to the point of beginning.

Torrens  
Certificate 4714

**Parcel 7:**

A parcel of land in Mower County, Minnesota described as follows:

Commencing at the Northwest corner of Lot 25, Block 33, original Village in Austin, Minnesota, thence Westerly in a continuation of the North lot line of said Lot 25, a distance of 33 feet to the East line of the Northwest Quarter of the Northeast Quarter of Section 3, Township 102 North, Range 18 West. This point shall be referred to as a point A. Thence Northerly of a point A on said East line of the Northwest Quarter of the Northeast Quarter, a distance of 847.62 feet; thence Westerly at a deflection angle to the left 90°, a distance of 43.08 feet to the point of beginning of said tract; thence Northerly at a deflection angle to the right of 89°54', a distance of 140.43 feet; thence Westerly at a deflection angle to the left of 91°31', a distance of 93.43 feet; thence Southwesterly at a deflection angle to the left of 26°44', a distance of 80.18 feet; thence Southerly at a deflection angle to the left of 64°18', a distance of 185 feet, thence Northeasterly at a deflection angle to the left of 115°42', a distance of 176.83 feet to the said point of beginning.

**LESS AND EXCEPT:**

Starting at the southwest corner of Lot 6, Block 14, Morgan's Addition to the City of Austin, Minnesota, as the same is platted and recorded in the office of the County Recorder of Mower County, Minnesota; thence northwesterly 165 feet on the westerly line of said Block 14, to a point on the southerly right-of-way line of Seventh Place Northwest; thence northeasterly 415 feet on said southerly right-of-way line at a right angle; thence southerly 57.10 feet at a deflection angle of 115° 42' right, to the point of beginning; thence southerly 18.21 feet on a southerly extension of the last described line; thence northeasterly 22.43 feet at a deflection angle of 154° 18' right; thence southeasterly 9.93 feet to the point of beginning.

Abstract

**Parcel 8:**

Lots 1, 2, 3 and 5, Block 1, of Pickett Place, a Plat of part of the Northwest Quarter of the Northeast Quarter of Section 3, Township 102 North, Range 18 West, and Replat of Lots 11, 12 and 13, and part of Lot 14, Block 14 of Morgan's Addition to the City of Austin, Mower County, Minnesota less the following:

All that part of Lots 1, 5 and 6, Block One of the plat of Pickett Place in the Northwest Quarter of the Northeast Quarter of Section 3, Township 102 North, Range 18 West, Austin, Minnesota, which lies northeasterly of the following described line:

Beginning at a point on the North line of 7th Place Northwest, which point is 101.28 feet West of the West line of Main Street North; thence Northwesterly 346.86 feet, to a point on the south line of 8th Avenue Northwest, which point is 267.16 feet West of the West line of said Main Street North, and there terminating.

Subject to utility easements as shown on the plat of Pickett Place and utility easements recorded in favor of the City of Austin and Austin Utilities recorded in Book 348 of Deeds, page 37, 251 of Deeds, page 412.

**LESS AND EXCEPT:**

That portion of the foregoing described in the Certificate of Title No. 4051.

Abstract

**Parcels 1 to 7 above also described as follows:**

Lots 6, 7 and 8, Block 14, MORGAN'S ADDITION, Mower County, Minnesota except the northwesterly 33.00 feet of said Lot 8.

Together with that part of the Northwest Quarter of the Northeast Quarter of Section 3, Township 102, Range 18, Mower County, Minnesota, described as follows:

Commencing at the southwest corner of said Lot 6; thence on an assumed bearing North 27 degrees 55 minutes 59 seconds West along the southwesterly line of said Block 14, a distance of 165.00 feet to the southeasterly line of said northwesterly 33.00 feet of Lot 8; thence North 62 degrees 04 minutes 01 second East, along said southeasterly line, 132.00 feet to the northeasterly line of said Block 14 and the point of beginning;

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thence continue North 62 degrees 04 minutes 01 second East, along the northeasterly extension said southeasterly line, 362.20 feet; thence North 88 degrees 04 minutes 40 seconds East 92.28 feet; thence South 00 degrees 24 minutes 20 seconds East 140.43 feet to the northeasterly extension of the southeasterly line of said Lot 6; thence South 62 degrees 04 minutes 01 second West, along said northeasterly extension, 380.22 feet to the southeast corner of said Lot 6; thence North 27 degrees 55 minutes 59 seconds West along the northeasterly line of said Block 14, a distance of 165.00 feet to the point of beginning.

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## **EXHIBIT B**

### **COVENANTS AND RESTRICTIONS**

During the term of that certain Redevelopment Agreement between the City of Austin (the “City”), and Mill on Main, LLC together with its successors and permitted assigns (the “Developer”), dated [Dated Date], 2022, and recorded in the Office of the Mower County Registrar as Document No. [\_\_\_\_\_] on [\_\_\_\_\_] 20[\_\_\_], the Property shall be subject to the following covenants and restrictions:

1. The Property shall not be exempt from real estate taxes notwithstanding the ownership or use of the land.

2. The Property shall not be sold, transferred, conveyed or leased to any of the following parties:

- (a) An institution of purely public charity;
- (b) A church or ancillary tax-exempt housing;
- (c) A public hospital;
- (d) A public school district;
- (e) An organization exempt from federal income taxes pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, if as a result of such sale, transfer, conveyance or lease the Property would become exempt from real estate taxes; or
- (f) A Minnesota cooperative association organized under Minnesota Statutes, Section 308.05 and 308.18 for the purpose of complying with the provisions of Minnesota Statutes, Section 273.133, subdivision 3, or any other party that would cause the Property to be valued and assessed for real estate tax purposes at a lower percentage of its market value than the Property is then being valued and assessed for real estate tax purposes or would result in the Property becoming exempt from real estate taxes.

3. The Property shall not be used for any of the following purposes:

- (a) The operation of a public charity;
- (b) A church or house of worship;
- (c) The operation of a public hospital;
- (d) The operation of a public schoolhouse, academy, college, university or seminary of learning; or



- (e) Any other use which would cause the Property to be valued and assessed for real estate tax purposes at a lower percentage of its market value than the Property is then being valued and assessed for real estate tax purposes or would result in the Property becoming exempt from real estate taxes.

4. The Property shall be devoted to uses consistent with a “redevelopment district” under Minnesota Statutes, Sections 469.174 through 469.1794.

5. The Property owner shall:

- (a) not discriminate upon the basis of race, color, creed, religion, national origin, sex, marital status, disability, status with regard to public assistance, sexual orientation, and familial status in the sale, lease, or rental or in the use or occupancy of the Development Property, the Minimum Improvements or any part thereof;
- (b) develop the Development Property in an orderly manner consistent with the City’s zoning ordinances and comprehensive plan.

6. The covenants and restrictions herein contained shall run with the title to the Property and shall be binding upon all present and future owners and occupants of the Property; provided, however, that the covenants and restrictions herein contained shall inure only to the benefit of the City and may be released or waived in whole or in part at any time, and from time to time, by the sole act of the City, and variances may be granted to the covenants and restrictions herein contained by the sole act of the City. These covenants and restrictions shall be enforceable only by the City, and only the City shall have the right to sue for and obtain an injunction, prohibitive or mandatory, to prevent the breach of the covenants and restrictions herein contained, or to enforce the performance or observance thereof.

7. Notwithstanding Section 6 hereof, the covenants and restrictions herein contained shall remain in effect until the earlier of (i) February 1, 2050, (ii) the date the City terminates the TIF District or the TIF District expires, or (iii) as otherwise set forth in the Redevelopment Agreement.

## **EXHIBIT C**

### **PROJECT DESCRIPTION; QUALIFIED COSTS**

#### **Project Description**

The Project involves the construction of an apartment complex consisting of ninety-one (91) market-rate units, including the following mix of units:

- (19) Studio 501 SF
- (38) One Bed 702 SF
- (34) Two bed 1050 SF

#### **Qualified Costs**

The estimated public costs of the TIF District are listed in the attached. Such costs (“Qualified Costs”) are eligible for reimbursement from tax increments of the TIF District. The categories below identify the categories of expenses that the parties agree may be reimbursed through tax increment financing. The amounts assigned to each category are estimates only and not independent limitations of Developer’s Qualified Costs.

(See attached)

\*Developer's Qualified Cost. The total principal amount of any and all tax increment notes issued to reimburse the Developer for Qualified Costs of the Project will not exceed \$1,600,000.

A	B	C	D	E	F	G	H	I	J	K
ITEM	DESCRIPTION OF WORK	SCHEDULED			WORK COMPLETED		MATERIALS PRESENTLY	TOTAL COMPLETED AND	BALANCE TO FINISH (C	RETAINAGE (IF
NO.		VALUE	Change Orders	Revised Costs	TIF Qualified amount	THIS PERIOD	STORED (NOT IN D OR E)	STORED TO DATE (D+E+F)	G)	VARIABLE RATE)
0	Land (Building Removal)	\$ 300,000.00		\$ 300,000.00	\$300,000.00			\$300,000.00	100.00%	\$15,000.00
0	Interest / Financing Fees	\$ 935,000.00		\$ 935,000.00				\$0.00		\$935,000.00
0	Syndication / Organization Costs	\$ 65,000.00		\$ 65,000.00				\$0.00		\$65,000.00
0	Marketing / Leasing Reserves / FFE	\$ 291,133.83	\$ 75,000.00	\$ 366,133.83				\$0.00		\$366,133.83
0	Architecture / Engineering	\$ 250,000.00		\$ 250,000.00	\$100,000.00			\$100,000.00	40.00%	\$150,000.00
0	Developer Fee	\$ 750,000.00		\$ 750,000.00				\$0.00		\$750,000.00
1	General Conditions	\$ 675,000.00		\$ 675,000.00	\$135,000.00			\$135,000.00	20.00%	\$540,000.00
2	Site Services/Profit	\$ 775,000.00		\$ 775,000.00	\$155,000.00			\$155,000.00	20.00%	\$620,000.00
3	Permits	\$ 160,000.00	\$ (30,000.00)	\$ 130,000.00	\$130,000.00			\$130,000.00	100.00%	
4	Surveying	\$ 18,750.00		\$ 18,750.00				\$0.00		\$18,750.00
5	Street Cleaning/Snow Removal	\$ 10,000.00		\$ 10,000.00				\$0.00		\$10,000.00
6	Winter Conditions	\$ 100,000.00		\$ 100,000.00				\$0.00		\$100,000.00
7	Rental Equipment	\$ 95,000.00		\$ 95,000.00				\$0.00		\$95,000.00
8	Special Inspections	\$ 20,000.00		\$ 20,000.00	\$20,000.00			\$20,000.00	100.00%	
9	Site Work & Utilities (BP1)	\$ 400,000.00	\$ 106,529.64	\$ 506,529.64	\$506,529.64			\$506,529.64	100.00%	\$25,326.46
10	Building Concrete (BP2)	\$ 405,000.00	\$ 241,791.00	\$ 646,791.00	\$646,791.00			\$646,791.00	100.00%	\$32,339.55
11	Precast Beams, Columns, Hollowcore Plank	\$ 571,000.00	\$ 30,507.00	\$ 601,507.00	\$601,507.00			\$601,507.00	100.00%	\$30,075.35
12	Waterproofing & Foundation Insulation (BP4)	\$ 25,000.00	\$ 5,690.00	\$ 30,690.00				\$0.00		\$30,690.00
13	Framing--Labor ONLY (BP5)	\$ 625,000.00	\$ (15,000.00)	\$ 610,000.00				\$0.00		\$610,000.00
14	Lumber & Truss Package	\$ 1,500,000.00	\$ 450,000.00	\$ 1,950,000.00				\$0.00		\$1,950,000.00
15	Masonry	\$ 575,000.00	\$ (40,000.00)	\$ 535,000.00	\$200,000.00			\$200,000.00	37.38%	\$10,000.00
16	Hardie Siding / Metal Panel	\$ 300,000.00	\$ 174,000.00	\$ 474,000.00				\$0.00		\$474,000.00
17	Roofing & Pavers (BP7)	\$ 350,000.00	\$ (60,000.00)	\$ 290,000.00				\$0.00		\$290,000.00
18	Gypcrete (BP8)	\$ 120,000.00	\$ 13,000.00	\$ 133,000.00	\$33,250.00			\$33,250.00	25.00%	\$99,750.00
19	Fire Suppression (BP9)	\$ 190,000.00	\$ (20,000.00)	\$ 170,000.00				\$0.00		\$170,000.00
20	HVAC & Plumbing (BP10)	\$ 1,750,000.00	\$ 58,000.00	\$ 1,808,000.00	\$400,000.00			\$400,000.00	22.12%	\$1,408,000.00
21	Electrical, Communication & Security (BP11)	\$ 1,125,000.00	\$ (25,000.00)	\$ 1,100,000.00	\$300,000.00			\$300,000.00	27.27%	\$800,000.00
22	Drywall (BP12)	\$ 640,000.00	\$ 85,000.00	\$ 725,000.00				\$0.00		\$725,000.00
23	Decks (BP13)	\$ 357,000.00	\$ (64,000.00)	\$ 293,000.00				\$0.00		\$293,000.00
24	Railings (BP12)	\$ 12,750.00		\$ 12,750.00				\$0.00		\$12,750.00
25	Windows	\$ 215,000.00	\$ 35,000.00	\$ 250,000.00				\$0.00		\$250,000.00
26	Aluminum Entrances (BP15)	\$ 26,600.00	\$ 13,300.00	\$ 39,900.00				\$0.00		\$39,900.00
27	Elevator	\$ 110,000.00	\$ 7,500.00	\$ 117,500.00				\$0.00		\$117,500.00
28	Asphalt & Site Concrete (BP17)	\$ 75,000.00		\$ 75,000.00	\$75,000.00			\$75,000.00	100.00%	\$3,750.00
29	Misc. Steel (BP18)	\$ 15,000.00	\$ 30,000.00	\$ 45,000.00				\$0.00		\$45,000.00
30	Insulation (BP19)	\$ 190,000.00	\$ 43,000.00	\$ 233,000.00				\$0.00		\$233,000.00
31	Caulk & Sealants	\$ 15,000.00		\$ 15,000.00				\$0.00		\$15,000.00
32	Finish Carpentry (BP20)	\$ 160,000.00	\$ 30,000.00	\$ 190,000.00				\$0.00		\$190,000.00
33	Millwork, Doors & Frames, Hardware	\$ 345,000.00	\$ 40,000.00	\$ 385,000.00				\$0.00		\$385,000.00
34	Cabinetry	\$ 165,000.00	\$ 98,000.00	\$ 263,000.00				\$0.00		\$263,000.00
35	Countertops & Sinks	\$ 105,157.00	\$ 8,000.00	\$ 113,157.00				\$0.00		\$113,157.00
36	Specialties (Electronic Deadbolts, mailboxes, Fire extinguishers)	\$ 70,000.00		\$ 70,000.00				\$0.00		\$70,000.00
37	Mirrors	\$ 12,000.00		\$ 12,000.00				\$0.00		\$12,000.00
38	Overhead Doors (BP23)	\$ 15,000.00		\$ 15,000.00				\$0.00		\$15,000.00
39	Floor Coverings & Tile (BP24)	\$ 310,000.00	\$ 56,000.00	\$ 366,000.00				\$0.00		\$366,000.00
40	Paint & Wall Coverings (BP25)	\$ 130,000.00	\$ 30,000.00	\$ 160,000.00				\$0.00		\$160,000.00
41	Appliances (BP27)	\$ 260,000.00		\$ 260,000.00				\$0.00		\$260,000.00
42	Landscaping & Retaining Walls (BP28)	\$ 130,000.00	\$ (40,000.00)	\$ 90,000.00	\$90,000.00			\$90,000.00	100.00%	
43	Signage (BP29)	\$ 25,000.00		\$ 25,000.00				\$0.00		\$25,000.00
44	Shelving (BP31)	\$ 19,500.00		\$ 19,500.00				\$0.00		\$19,500.00
45	Window Treatments (BP32)	\$ 30,000.00	\$ 15,000.00	\$ 45,000.00				\$0.00		\$45,000.00
46	Acoustical Ceilings (BP35)	\$ 25,000.00		\$ 25,000.00				\$0.00		\$25,000.00
47	Fencing (BP36)	\$ 10,000.00	\$ 14,709.01	\$ 24,709.01				\$0.00		\$24,709.01
48	Final Cleaning	\$ 35,000.00		\$ 35,000.00				\$0.00		\$35,000.00
49	Umbrella Liability Insurance / Builders Risk	\$ 201,243.00		\$ 201,243.00				\$0.00		\$201,243.00
50	Abatement	\$ 50,000.00	\$ 3,120.00	\$ 53,120.00	\$53,120.00			\$53,120.00	100.00%	\$2,656.00
51	Contingency	\$ 356,000.00	\$ (160,280.48)	\$ 195,719.52	\$71,200.00			\$71,200.00	36.38%	\$124,519.52
	GRAND TOTALS	\$ 16,491,133.83	\$ 1,208,868.17	\$ 17,700,002.00	\$3,817,397.84	\$0.00	\$0.00	\$3,817,397.84	21.57%	\$13,882,604.16

Users may obtain validation of this document by requesting of the License a completed AIA Document D401 - Certification of Document's Authenticity

**EXHIBIT D**

**CERTIFICATE OF COMPLETION**

WHEREAS, Mill on Main, LLC, a Minnesota limited liability company (“the Developer”), is the owner and the Developer of the property in the County of Mower and State of Minnesota described on Exhibit A hereto and made a part hereof (the “Development Property”); and

WHEREAS, the Development Property is subject to the provisions of a certain Redevelopment Agreement (the “Agreement”) in the Municipal Development District No. 1 and Tax Increment Financing (Redevelopment) District No. 16, dated as of [Dated Date], 2022, between the Developer and the City of Austin, Minnesota; and

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

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

Dated this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

CITY OF AUSTIN, MINNESOTA

By \_\_\_\_\_  
Mayor

And \_\_\_\_\_  
City Recorder

## Exhibit A

### Development Property

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

#### Parcel 1:

All that part of the following-described property which is included in the land described in Certificate of Title No. 3030 in the office of the Registrar of Titles in and for Mower County, Minnesota, which land is described as follows: Commencing at the northwest corner of Lot 25, Block 33, Original Village in Austin, Minnesota; thence westerly in a continuation of the north line of said Lot 25, a distance of 33 ft. to the east line of the northwest quarter of the northeast quarter of Section 3, Township 102 North, Range 18 West. This point shall be referred to as Point "A". Thence northerly from Point "A" on said east line of the northwest quarter of the northeast quarter, a distance of 847.62 ft.; thence westerly at a deflection angle to the left of 90° 00', a distance of 43.08 ft.; thence southwesterly at a deflection angle to the left of 28° 21', a distance of 176.83 ft. to the point of beginning of said tract; thence northerly at a deflection angle to the right of 115° 42', a distance of 185 ft.; thence southwesterly at a deflection angle to the left of 115° 42', a distance of 415 ft. to the west line of Block 14, Morgan's Addition; thence southeasterly along this west line of Block 14 at a deflection angle to the left of 90° 00' a distance of 165 ft. to the southwest corner of Lot 6, Block 14, Morgan's Addition; thence northeasterly at a deflection angle to the left of 90° 00', a distance of 335 ft. along the south line of said Lot 6 extended to the point of beginning.

EXCEPT The following described land lying in the Northwest Quarter of the Northeast Quarter of Section 3, Township 102 North, Range 18 West, described as follows:

Starting at the southwest corner of Lot 6, Block 14, Morgan's Addition to the City of Austin, Minnesota, as the same is platted and recorded in the office of the County Recorder of Mower County, Minnesota; thence northwesterly 165 feet on the westerly line of said Block 14, to a point on the southerly right-of-way line of Seventh Place Northwest; thence northeasterly 415 feet on said southerly right-of-way line, at a right angle; thence southerly 57.10 feet, at a deflection angle of 115° 42' right, to the point of beginning; thence southerly 18.21 feet, on a southerly extension of the last described line; thence northeasterly 22.43 feet, at a deflection angle of 154° 18' right; thence southeasterly 9.93 feet, to the point of beginning.

Torrens  
Certificate 4141

#### Parcel 2:

The following described land lying in the Northwest Quarter of the Northeast Quarter of Section 3, Township 102 North, Range 18 West, described as follows:

Starting at the southwest corner of Lot 6, Block 14, Morgan's Addition to the City of Austin, Minnesota, as the same is platted and recorded in the office of the County Recorder of Mower County, Minnesota; thence northwesterly 165 feet on the westerly line of said Block 14, to a point on the southerly right-of-way line of Seventh Place Northwest; thence northeasterly 415 feet, on said southerly right-of-way line, at a right angle; thence southerly 107.80 feet, at a deflection angle of 115° 42', to a point which is hereinafter called the point of beginning; thence southerly 75.31 feet, on a southerly extension of the last described line, to a point on a northeasterly extension of the south line of said Lot 6, Block 14, Morgan's Addition; thence northeasterly 32.66 feet, at a deflection angle of 115° 42' left, on said northeasterly extension of the south line of Lot 6; thence northwesterly 67.86 feet, at a right angle to the point of beginning.

Torrens  
Certificate 4142

#### Parcel 3:

Starting at the southwest corner of Lot 6, Block 14, Morgan's Addition to the City of Austin, Minnesota, as the same is platted and recorded in the office of the County Recorder of Mower County, Minnesota; thence northwesterly 165 feet on the westerly line of said Block 14, to a point on the southerly right-of-way line of Seventh Place Northwest; thence northeasterly 415 feet on said southerly right-of-way line at a right angle; thence southerly 57.10 feet at a deflection angle of 115° 42' right, to the point of beginning; thence southerly 18.21 feet on a southerly extension of the last described line; thence northeasterly 22.43 feet at a deflection angle of 154° 18' right; thence southeasterly 9.93 feet to the point of beginning.

Torrens  
Certificate 4713



**Parcel 4:**

Beginning at point K marked by Judicial Land Mark numbered 5, as described on Certificate No. 2128 in the office of the Registrar of Titles in and for Mower County, Minnesota, thence 132 feet Southwesterly along the extended Northerly line of Lot 6, Block 14, Morgan's Addition to the City of Austin, Minnesota, to the most Northerly corner of said Lot 6, which point is called point L and is marked by a Judicial Land Mark numbered 6; thence Southeasterly 66 feet at a deflection angle of 90° 00' left along the Easterly line of said Lot 6 to the Southeasterly corner of said Lot 6; thence in a Northeasterly direction along the extended South line of said Lot 6 a distance of 203 feet; thence along a line at a deflection angle to the left of 64° 18' to its point of intersection of a line drawn between said points L and K extended Northeasterly; thence Southwesterly along said extended line between said points L and K to the point of beginning.

Together with a driveway easement for perpetual ingress and egress to the above described tract from Main Street north which easement is described as follows:

Commencing at the northwest corner of Lot 25, Block 33, Original Village in Austin, Minnesota; thence westerly in a continuation of the north line of said Lot 25, a distance of 33 ft. to the east line of the northwest quarter of the northeast quarter of Section 3, Township 102 north, Range 18 west. This point shall be referred to as Point "A". Thence northerly from Point "A" on said east line of the northwest quarter of the northeast quarter, a distance of 847.62 ft.; thence westerly at a deflection angle to the left of 90° 00', a distance of 43.08 ft. to the point of beginning of said easement; thence southwesterly at a deflection angle to the left of 28° 21', a distance of 176.83 ft.; thence northerly at a deflection angle to the right of 115° 42', a distance of 16.65 ft.; thence northeasterly at a deflection angle to the right of 64° 18', a distance of 177.67 ft.; thence southerly at a deflection angle to the right of 118° 15', a distance of 17.03 ft. to the point of beginning of said easement. Said easement is subject to a sewer easement across the easterly 22.70 feet thereof granted to the City of Austin, Minnesota.

Torrens  
Certificate 3061

**Parcel 5:**

All that property described in Certificate of Title No. 3064 in the Office of the Registrar of Titles in and for Mower County, Minnesota, which lies Northwesterly of a line drawn between points F and K as said points are described on Certificate of Title No. 3030 in the office of the Registrar of Titles in and for Mower County, Minnesota.

Torrens  
Certificate 4051

**Parcel 6:**

All that part of the property described in Certificate No. 3064 in the office of the Registrar of Titles in and for Mower County, Minnesota, which lies Southeasterly of a line drawn between points F and K as said points are described on Certificate of Title No. 3030 in the office of the Registrar of Titles in and for Mower County, Minnesota. All that part of the property described on Certificate of Title No. 2128 in the office of the Registrar of Titles, lying North of the South line of Lot 6, Block 14, Morgan's Addition to the City of Austin, Minnesota, extended Easterly to its point of intersection with a line drawn between points D and E as said points are described on said Certificate of Title No. 2128; excepting therefrom the following described tract:

Beginning at point K marked by Judicial Land Mark numbered 5, as described on Certificate of Title No. 2128 in the office of the Registrar of Titles in and for Mower County, Minnesota, thence 132 feet Southwesterly along the extended Northerly line of Lot 6, Block 14, Morgan's Addition to the City of Austin, Minnesota, to the most Northerly corner of said Lot 6, which point is called point L and is marked by a Judicial Land Mark numbered 6; thence Southeasterly 66 feet at a deflection angle of 90° 00' left along the Easterly line of said Lot 6 to the Southeasterly corner of said Lot 6; thence in a Northeasterly direction along the extended South line of said Lot 6 a distance of 203 feet; thence along a line at a deflection angle to the left of 64° 18' to its point of intersection of a line drawn between said points L and K extended Northeasterly; thence Southwesterly along said extended line between said points L and K to the point of beginning.

EXCEPT, the following described land lying in the Northwest Quarter of the Northeast Quarter of Section 3, Township 102 North, Range 18 West, described as follows:

Starting at the southwest corner of Lot 6, Block 14, Morgan's Addition to the City of Austin, Minnesota, as the same is platted and recorded in the office of the County Recorder of Mower County, Minnesota; thence northwesterly 165 feet on the westerly line of said Block 14, to a point on the southerly right-of-way line of Seventh Place Northwest; thence northeasterly 415 feet, on said southerly right-of-way line, at a right angle; thence southerly 107.80 feet, at a deflection angle of 115° 42', to a point which is hereinafter called the point of beginning; thence southerly 75.31 feet, on a southerly extension of the last described line, to a point on a northeasterly extension of the south line of said Lot 6, Block 14,

Morgan's Addition; thence northeasterly 32.66 feet, at a deflection angle of 115° 42' left, on said northeasterly extension of the south line of Lot 6; thence northwesterly 67.86 feet, at a right angle to the point of beginning.

Torrens  
Certificate 4714

**Parcel 7:**

A parcel of land in Mower County, Minnesota described as follows:

Commencing at the Northwest corner of Lot 25, Block 33, original Village in Austin, Minnesota, thence Westerly in a continuation of the North lot line of said Lot 25, a distance of 33 feet to the East line of the Northwest Quarter of the Northeast Quarter of Section 3, Township 102 North, Range 18 West. This point shall be referred to as a point A. Thence Northerly of a point A on said East line of the Northwest Quarter of the Northeast Quarter, a distance of 847.62 feet; thence Westerly at a deflection angle to the left 90°, a distance of 43.08 feet to the point of beginning of said tract; thence Northerly at a deflection angle to the right of 89° 54', a distance of 140.43 feet; thence Westerly at a deflection angle to the left of 91° 31', a distance of 93.43 feet; thence Southwesterly at a deflection angle to the left of 26° 44', a distance of 80.18 feet; thence Southerly at a deflection angle to the left of 64° 18', a distance of 185 feet, thence Northeasterly at a deflection angle to the left of 115° 42', a distance of 176.83 feet to the said point of beginning.

**LESS AND EXCEPT:**

Starting at the southwest corner of Lot 6, Block 14, Morgan's Addition to the City of Austin, Minnesota, as the same is platted and recorded in the office of the County Recorder of Mower County, Minnesota; thence northwesterly 165 feet on the westerly line of said Block 14, to a point on the southerly right-of-way line of Seventh Place Northwest; thence northeasterly 415 feet on said southerly right-of-way line at a right angle; thence southerly 57.10 feet at a deflection angle of 115° 42' right, to the point of beginning; thence southerly 18.21 feet on a southerly extension of the last described line; thence northeasterly 22.43 feet at a deflection angle of 154° 18' right; thence southeasterly 9.93 feet to the point of beginning.

Abstract

**Parcel 8:**

Lots 1, 2, 3 and 5, Block 1, of Pickett Place, a Plat of part of the Northwest Quarter of the Northeast Quarter of Section 3, Township 102 North, Range 18 West, and Replat of Lots 11, 12 and 13, and part of Lot 14, Block 14 of Morgan's Addition to the City of Austin, Mower County, Minnesota less the following:

All that part of Lots 1, 5 and 6, Block One of the plat of Pickett Place in the Northwest Quarter of the Northeast Quarter of Section 3, Township 102 North, Range 18 West, Austin, Minnesota, which lies northeasterly of the following described line:

Beginning at a point on the North line of 7th Place Northwest, which point is 101.28 feet West of the West line of Main Street North; thence Northwesterly 346.86 feet, to a point on the south line of 8th Avenue Northwest, which point is 267.16 feet West of the West line of said Main Street North, and there terminating.

Subject to utility easements as shown on the plat of Pickett Place and utility easements recorded in favor of the City of Austin and Austin Utilities recorded in Book 348 of Deeds, page 37, 251 of Deeds, page 412.

**LESS AND EXCEPT:**

That portion of the foregoing described in the Certificate of Title No. 4051.

Abstract

**Parcels 1 to 7 above also described as follows:**

Lots 6, 7 and 8, Block 14, MORGAN'S ADDITION, Mower County, Minnesota except the northwesterly 33.00 feet of said Lot 8.

Together with that part of the Northwest Quarter of the Northeast Quarter of Section 3, Township 102, Range 18, Mower County, Minnesota, described as follows:

Commencing at the southwest corner of said Lot 6; thence on an assumed bearing North 27 degrees 55 minutes 59 seconds West along the southwesterly line of said Block 14, a distance of 165.00 feet to the southeasterly line of said northwesterly 33.00 feet of Lot 8; thence North 62 degrees 04 minutes 01 second East, along said southeasterly line, 132.00 feet to the northeasterly line of said Block 14 and the point of beginning;

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thence continue North 62 degrees 04 minutes 01 second East, along the northeasterly extension said southeasterly line, 362.20 feet; thence North 88 degrees 04 minutes 40 seconds East 92.28 feet; thence South 00 degrees 24 minutes 20 seconds East 140.43 feet to the northeasterly extension of the southeasterly line of said Lot 6; thence South 62 degrees 04 minutes 01 second West, along said northeasterly extension, 380.22 feet to the southeast corner of said Lot 6; thence North 27 degrees 55 minutes 59 seconds West along the northeasterly line of said Block 14, a distance of 165.00 feet to the point of beginning.

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**EXHIBIT E**  
**FORM OF LIMITED TAX INCREMENT REVENUE NOTE**

No. R-\_\_\_\_\_

\$[\_\_\_\_\_]

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

**LIMITED REVENUE TAXABLE TAX INCREMENT NOTE  
(MILL ON MAIN APARTMENT PROJECT)**

**PRINCIPAL AMOUNT: \$**

**INTEREST RATE: 4.0%**

The City of Austin, Minnesota (the “City”) for value received, promises to pay, but solely from the source, to the extent and in the manner hereinafter provided, to Mill on Main, LLC, or its registered assigns (the “Owner”), the principal sum of one million six hundred thousand dollars (\$1,600,000), in semi-annual installments payable beginning August 1, 2024, and on each February 1 and August 1 thereafter up to and including February 1, 2050 (each being a “Scheduled Payment Date”), together with interest on the outstanding and unpaid principal balance of this Limited Tax Increment Revenue Note (Mill on Main Apartment Project) (this “Note”) at the rate of 4.0% per annum. Installment payments shall be applied first to interest and then to a reduction of outstanding principal. Interest on the outstanding balance of this Note shall accrue from the date hereof and shall be added to the principal amount on each February 1 and August 1 installment payment date unless paid on such date. Each payment on this Note is payable in any coin or currency of the United States of America which on the date of such payment is legal tender for public and private debts and shall be made by check or draft made payable to the Owner and mailed to the Owner at the postal address within the United States designated from time to time by the Owner.

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

This Note is a special and limited obligation and not a general obligation of the City, which has been issued by the City in aid of financing a project pursuant to and in full conformity with the Constitution and laws of the State of Minnesota, including M.S., Sections 469.174 through 469.1794. This Note is issued pursuant to the provisions of that certain Redevelopment Agreement, dated as of [Dated Date], 2022, as the same may be amended from time to time (the “Redevelopment Agreement”), between the City and the Owner.

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

The Note Payment Amounts due hereon shall be payable solely from a portion of the tax increments, less the City's administrative fee of ten percent (10%), less the percentage retained by the City for other City purposes (11%) from the Development Property within the City's Tax Increment Financing (Redevelopment) District No. 16 (the "Tax Increment District") within its Municipal Development District No. 1, which are paid to the City and which the City is entitled to retain pursuant to the provisions of M.S., Sections 469.174 through 469.1794, as the same may be amended or supplemented from time to time (the "Available Tax Increment"). The City makes no representation or covenant, express or implied, that the Available Tax Increments will be sufficient to pay, in whole or in part, the amounts which are or may become due and payable hereunder.

The City shall pay to the Owner on each Scheduled Payment Date all Available Tax Increment on that date to the extent necessary to pay principal and interest then due and any past due installment. To the extent that the City is unable to pay the total principal and interest due on this Note at or prior to the February 1, 2050, maturity date hereof as a result of its having received as of such date insufficient Available Tax Increment, such failure shall not constitute a default under this Note and the City shall have no further obligation hereon.

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

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

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

**IN WITNESS WHEREOF**, the City of Austin has caused this Note to be executed by the manual signatures of the Mayor and the City Recorder and has caused this Note to be dated as of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
City Recorder



**EXHIBIT F**  
**FORM OF ASSESSMENT AGREEMENT**

THIS AGREEMENT is dated as of [\_\_\_\_\_], 2022, and is between the City of Austin, Minnesota, a municipal corporation and political subdivision of the State of Minnesota (the “City”) and Mill on Main, LLC, a Minnesota limited liability company together with its successors and permitted assigns (the “Developer”).

IN CONSIDERATION OF the mutual covenants and benefits herein described, the City and the Developer recite and agree as follows:

Section 1. Recitals.

1.01. Development District; Development Program. The City has heretofore undertaken certain development activities, which is a “project” as defined in Minnesota Statutes, Section 469.174, subdivision 8, known as Municipal Development District No. 1 (the “Project Area”) pursuant to a Project Plan for Municipal Development District No. 1 (the “Project Plan”).

1.02. Tax Increment Financing District; Project. Pursuant to the Minnesota Tax Increment Financing Act, Minnesota Statutes, Sections 469.174 to 469.1794, as amended (the “TIF Act”), the City has approved a tax increment financing plan (the “Financing Plan”), which is the proposed method for financing the development activities currently proposed to be undertaken pursuant to the Project Plan and established a portion of the Project Area as a tax increment financing district (“Tax Increment District”). The Financing Plan proposes to finance the cost of construction of an apartment complex consisting of ninety-one (91) market-rate units (the “Project”).

1.03. Implementation. The City has authorized and directed its officers to take all actions necessary to implement and carry out the Project Plan and the Financing Plan. The Project Plan and the Financing Plan propose that the City finance certain costs of or related to the Project, payable from tax increment (as defined in the TIF Act) derived from the District (“Tax Increment”).

1.04. Development Agreement. The City and the Developer have entered into a Redevelopment Agreement, dated as of [Dated Date], 2022 (the “Redevelopment Agreement”), which provides that the Developer, or its permitted assignee, will improve the real property described in Exhibit A hereto (the “Land”) by the construction of the portion of the Project located thereon. The Redevelopment Agreement provides that upon the execution and delivery of the Redevelopment Agreement, the City and Developer are to enter into this Assessment Agreement.

Section 2. Minimum Market Value.

2.01. Agreed Upon Minimum. The Developer agrees that the minimum market value of the Land and the portion of the Project located thereon for ad valorem tax purposes, (i) for the assessment made as of January 1, 2023 for taxes payable 2024, shall be not less than \$5,828,100.00, and shall not be reduced by any action taken by the Developer (other than a deed

in lieu of, or under threat of, condemnation by the City, Mower County or other condemning authority), to less than the said amount, and that during the term of this Assessment Agreement no reduction of the market value therefor below said minimum market value shall be sought by the Developer or granted by any public official or court except in accordance with Minnesota Statutes, Section 469.177, subdivision 8. This minimum market value shall apply only to the Land, the portion of the Project located thereon and any other facilities situated on the Land. In the event of involuntary conversion of the Land and the portion of the Project located thereon for any reason (other than condemnation by a public entity), the minimum market value shall not be reduced to an amount less than said minimum market value.

The Developer acknowledges and agrees that the Land and the portion of the Project located thereon are subject to ad valorem property taxation and that such property taxes constitute taxes on “real property” (as provided in Section 469.174 of the TIF Act) and, to the extent reflecting net tax capacity rates of taxing jurisdictions levied against the captured net tax capacity of the District, tax increment.

2.02. Higher Market Value. Nothing in this Assessment Agreement shall limit the discretion of the assessor of the City or any other public official or body having the duty to determine the market value of the Land, the portion of the Project located thereon and other facilities on the Land for ad valorem tax purposes, to assign to the Land, the portion of the Project located thereon or to any other improvements constructed on the Land, on a nondiscriminatory basis and treated fairly and equally with all other property so classified in the respective counties, a market value in excess of the minimum market value specified in Section 2.01. The Developer shall have the normal remedies available under the law to contest any estimated assessor’s estimated value in excess of said minimum market values, but only to the extent of the excess.

2.03. Substantial Completion. For purposes of this Assessment Agreement and the determination of the market value of the Land and the portion of the Project located thereon for ad valorem tax purposes, the Developer agrees that the portion of the Project located thereon shall be deemed to be completed in accordance with the Redevelopment Agreement as of December 31, 2022 (the required date of completion), whether in fact completed or not.

### Section 3. Filing and Certification.

3.01. Assessor Certification. The City shall present this Assessment Agreement to the assessor of the City and request such assessor to execute the certification attached hereto as Exhibit C. The Developer shall provide to the assessor all information relating to the Land and the portion of the Project located thereon requested by the assessor for the purposes of discharging the assessor’s duties with respect to the certification.

3.02. Filing. Prior to the recording of any mortgage, security agreement or other instrument creating a lien on the Land, the Developer shall cause this Assessment Agreement and a copy of Minnesota Statutes, Section 469.177, subdivision 8, attached hereto as Exhibit B, to be recorded in the office of the County Recorder or Registrar of Titles of Mower County, and shall pay all costs of such recording.

Section 4. Relation to Redevelopment Agreement. The covenants and agreements made by the Developer in this Assessment Agreement are separate from and in addition to the

covenants and agreements made by the Developer in the Redevelopment Agreement and nothing contained herein shall in any way alter, diminish or supersede the duties and obligations of the Developer under the Redevelopment Agreement.

Section 5. Miscellaneous Provisions.

5.01. Binding Effect. This Assessment Agreement shall inure to the benefit of and shall be binding upon the City and the Developer and their respective successors and assigns, and upon all subsequent owners of the Land and the portion of the Project located thereon.

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

5.03. Amendments, Changes and Modifications. Except as provided in Section 5.04, this Assessment Agreement may be amended or any of its terms modified only by written amendment authorized and executed by the City and the Developer and otherwise in compliance with Section 469.177, subdivision 8, of the Act.

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

5.05. Execution Counterparts. This Assessment Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

5.06. Applicable Law. This Assessment Agreement shall be governed by and construed in accordance with the internal laws of the State of Minnesota.

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

5.08. Effective Date. This Assessment Agreement shall be effective as of [\_\_\_\_], 2022.

5.09. Termination Date. This Assessment Agreement shall terminate upon the termination of the District in accordance with Minnesota Statutes, Section 469.176, subdivision 1.

5.10. Definitions. Terms used with initial capital letters but not defined herein shall have the meanings given such terms in the Development Agreement, unless the context hereof clearly requires otherwise.

[Signature Pages Follow]

IN WITNESS WHEREOF, the City has caused this Assessment Agreement to be executed in its name by its duly authorized officers and the Developer has caused this Assessment Agreement to be executed in its corporate name.

CITY OF AUSTIN, MINNESOTA

By \_\_\_\_\_  
Mayor

And \_\_\_\_\_  
City Recorder

STATE OF MINNESOTA    )  
                                      ) ss.  
COUNTY OF MOWER     )

The foregoing instrument was acknowledged before me on this \_\_\_\_ day of \_\_\_\_\_, 2022, by \_\_\_\_\_, the Mayor, and \_\_\_\_\_, the City Recorder, of the City of Austin, a Minnesota municipal corporation, on behalf of the corporation.

IN WITNESS WHEREOF, I have set my hand and my official seal this \_\_\_\_ day of \_\_\_\_\_, 2022.

\_\_\_\_\_  
Notary Public



MILL ON MAIN, LLC, a Minnesota limited liability company

By: \_\_\_\_\_  
Nathan Stencil, Chief Executive Officer

STATE OF \_\_\_\_\_ )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me on this \_\_\_\_ day of \_\_\_\_\_, 2022, by Nathan Stencil, the Chief Executive Officer of Mill on Main, LLC, a Minnesota limited liability company, on behalf of the company.

IN WITNESS WHEREOF, I have set my hand and my official seal this \_\_\_\_ day of \_\_\_\_\_, 2022.

\_\_\_\_\_  
Notary Public

**EXHIBIT A**  
**DESCRIPTION OF LAND**

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

**Parcel 1:**

All that part of the following-described property which is included in the land described in Certificate of Title No. 3030 in the office of the Registrar of Titles in and for Mower County, Minnesota, which land is described as follows: Commencing at the northwest corner of Lot 25, Block 33, Original Village in Austin, Minnesota; thence westerly in a continuation of the north line of said Lot 25, a distance of 33 ft. to the east line of the northwest quarter of the northeast quarter of Section 3, Township 102 North, Range 18 West. This point shall be referred to as Point "A". Thence northerly from Point "A" on said east line of the northwest quarter of the northeast quarter, a distance of 847.62 ft.; thence westerly at a deflection angle to the left of 90° 00', a distance of 43.08 ft.; thence southwesterly at a deflection angle to the left of 28° 21', a distance of 176.83 ft. to the point of beginning of said tract; thence northerly at a deflection angle to the right of 115° 42', a distance of 185 ft.; thence southwesterly at a deflection angle to the left of 115° 42', a distance of 415 ft. to the west line of Block 14, Morgan's Addition; thence southeasterly along this west line of Block 14 at a deflection angle to the left of 90° 00' a distance of 165 ft. to the southwest corner of Lot 6, Block 14, Morgan's Addition; thence northeasterly at a deflection angle to the left of 90° 00', a distance of 335 ft. along the south line of said Lot 6 extended to the point of beginning.

EXCEPT The following described land lying in the Northwest Quarter of the Northeast Quarter of Section 3, Township 102 North, Range 18 West, described as follows:

Starting at the southwest corner of Lot 6, Block 14, Morgan's Addition to the City of Austin, Minnesota, as the same is platted and recorded in the office of the County Recorder of Mower County, Minnesota; thence northwesterly 165 feet on the westerly line of said Block 14, to a point on the southerly right-of-way line of Seventh Place Northwest; thence northeasterly 415 feet on said southerly right-of-way line, at a right angle; thence southerly 57.10 feet, at a deflection angle of 115° 42' right, to the point of beginning; thence southerly 18.21 feet, on a southerly extension of the last described line; thence northeasterly 22.43 feet, at a deflection angle of 154° 18' right; thence southeasterly 9.93 feet, to the point of beginning.

Torrens  
Certificate 4141

**Parcel 2:**

The following described land lying in the Northwest Quarter of the Northeast Quarter of Section 3, Township 102 North, Range 18 West, described as follows:

Starting at the southwest corner of Lot 6, Block 14, Morgan's Addition to the City of Austin, Minnesota, as the same is platted and recorded in the office of the County Recorder of Mower County, Minnesota; thence northwesterly 165 feet on the westerly line of said Block 14, to a point on the southerly right-of-way line of Seventh Place Northwest; thence northeasterly 415 feet, on said southerly right-of-way line, at a right angle; thence southerly 107.80 feet, at a deflection angle of 115° 42', to a point which is hereinafter called the point of beginning; thence southerly 75.31 feet, on a southerly extension of the last described line, to a point on a northeasterly extension of the south line of said Lot 6, Block 14, Morgan's Addition; thence northeasterly 32.66 feet, at a deflection angle of 115° 42' left, on said northeasterly extension of the south line of Lot 6; thence northwesterly 67.86 feet, at a right angle to the point of beginning.

Torrens  
Certificate 4142

**Parcel 3:**

Starting at the southwest corner of Lot 6, Block 14, Morgan's Addition to the City of Austin, Minnesota, as the same is platted and recorded in the office of the County Recorder of Mower County, Minnesota; thence northwesterly 165 feet on the westerly line of said Block 14, to a point on the southerly right-of-way line of Seventh Place Northwest; thence northeasterly 415 feet on said southerly right-of-way line at a right angle; thence southerly 57.10 feet at a deflection angle of 115° 42' right, to the point of beginning; thence southerly 18.21 feet on a southerly extension of the last described line; thence northeasterly 22.43 feet at a deflection angle of 154° 18' right; thence southeasterly 9.93 feet to the point of beginning.

Torrens  
Certificate 4713

**Parcel 4:**

Beginning at point K marked by Judicial Land Mark numbered 5, as described on Certificate No. 2128 in the office of the Registrar of Titles in and for Mower County, Minnesota, thence 132 feet Southwesterly along the extended Northerly line of Lot 6, Block 14, Morgan's Addition to the City of Austin, Minnesota, to the most Northerly corner of said Lot 6, which point is called point L and is marked by a Judicial Land Mark numbered 6; thence Southeasterly 66 feet at a deflection angle of  $90^{\circ} 00'$  left along the Easterly line of said Lot 6 to the Southeasterly corner of said Lot 6; thence in a Northeasterly direction along the extended South line of said Lot 6 a distance of 203 feet; thence along a line at a deflection angle to the left of  $64^{\circ} 18'$  to its point of intersection of a line drawn between said points L and K extended Northeasterly; thence Southwesterly along said extended line between said points L and K to the point of beginning.

Together with a driveway easement for perpetual ingress and egress to the above described tract from Main Street north which easement is described as follows:

Commencing at the northwest corner of Lot 25, Block 33, Original Village in Austin, Minnesota; thence westerly in a continuation of the north line of said Lot 25, a distance of 33 ft. to the east line of the northwest quarter of the northeast quarter of Section 3, Township 102 north, Range 18 west. This point shall be referred to as Point "A". Thence northerly from Point "A" on said east line of the northwest quarter of the northeast quarter, a distance of 847.62 ft.; thence westerly at a deflection angle to the left of  $90^{\circ} 00'$ , a distance of 43.08 ft. to the point of beginning of said easement; thence southwesterly at a deflection angle to the left of  $28^{\circ} 21'$ , a distance of 176.83 ft.; thence northerly at a deflection angle to the right of  $115^{\circ} 42'$ , a distance of 16.65 ft.; thence northeasterly at a deflection angle to the right of  $64^{\circ} 18'$ , a distance of 177.67 ft.; thence southerly at a deflection angle to the right of  $118^{\circ} 15'$ , a distance of 17.03 ft. to the point of beginning of said easement. Said easement is subject to a sewer easement across the easterly 22.70 feet thereof granted to the City of Austin, Minnesota.

Torrens  
Certificate 3061

**Parcel 5:**

All that property described in Certificate of Title No. 3064 in the Office of the Registrar of Titles in and for Mower County, Minnesota, which lies Northwesterly of a line drawn between points F and K as said points are described on Certificate of Title No. 3030 in the office of the Registrar of Titles in and for Mower County, Minnesota.

Torrens  
Certificate 4051

**Parcel 6:**

All that part of the property described in Certificate No. 3064 in the office of the Registrar of Titles in and for Mower County, Minnesota, which lies Southeasterly of a line drawn between points F and K as said points are described on Certificate of Title No. 3030 in the office of the Registrar of Titles in and for Mower County, Minnesota. All that part of the property described on Certificate of Title No. 2128 in the office of the Registrar of Titles, lying North of the South line of Lot 6, Block 14, Morgan's Addition to the City of Austin, Minnesota, extended Easterly to its point of intersection with a line drawn between points D and E as said points are described on said Certificate of Title No. 2128; excepting therefrom the following described tract:

Beginning at point K marked by Judicial Land Mark numbered 5, as described on Certificate of Title No. 2128 in the office of the Registrar of Titles in and for Mower County, Minnesota, thence 132 feet Southwesterly along the extended Northerly line of Lot 6, Block 14, Morgan's Addition to the City of Austin, Minnesota, to the most Northerly corner of said Lot 6, which point is called point L and is marked by a Judicial Land Mark numbered 6; thence Southeasterly 66 feet at a deflection angle of  $90^{\circ} 00'$  left along the Easterly line of said Lot 6 to the Southeasterly corner of said Lot 6; thence in a Northeasterly direction along the extended South line of said Lot 6 a distance of 203 feet; thence along a line at a deflection angle to the left of  $64^{\circ} 18'$  to its point of intersection of a line drawn between said points L and K extended Northeasterly; thence Southwesterly along said extended line between said points L and K to the point of beginning.

EXCEPT, the following described land lying in the Northwest Quarter of the Northeast Quarter of Section 3, Township 102 North, Range 18 West, described as follows:

Starting at the southwest corner of Lot 6, Block 14, Morgan's Addition to the City of Austin, Minnesota, as the same is platted and recorded in the office of the County Recorder of Mower County, Minnesota; thence northwesterly 165 feet on the westerly line of said Block 14, to a point on the southerly right-of-way line of Seventh Place Northwest; thence northeasterly 415 feet, on said southerly right-of-way line, at a right angle; thence southerly 107.80 feet, at a deflection angle of  $115^{\circ} 42'$ , to a point which is hereinafter called the point of beginning; thence southerly 75.31 feet, on a southerly extension of the last described line, to a point on a northeasterly extension of the south line of said Lot 6, Block 14,

Morgan's Addition; thence northeasterly 32.66 feet, at a deflection angle of 115° 42' left, on said northeasterly extension of the south line of Lot 6; thence northwesterly 67.86 feet, at a right angle to the point of beginning.

Torrens  
Certificate 4714

**Parcel 7:**

A parcel of land in Mower County, Minnesota described as follows:

Commencing at the Northwest corner of Lot 25, Block 33, original Village in Austin, Minnesota, thence Westerly in a continuation of the North lot line of said Lot 25, a distance of 33 feet to the East line of the Northwest Quarter of the Northeast Quarter of Section 3, Township 102 North, Range 18 West. This point shall be referred to as a point A. Thence Northerly of a point A on said East line of the Northwest Quarter of the Northeast Quarter, a distance of 847.62 feet; thence Westerly at a deflection angle to the left 90°, a distance of 43.08 feet to the point of beginning of said tract; thence Northerly at a deflection angle to the right of 89° 54', a distance of 140.43 feet; thence Westerly at a deflection angle to the left of 91° 31', a distance of 93.43 feet; thence Southwesterly at a deflection angle to the left of 26° 44', a distance of 80.18 feet; thence Southerly at a deflection angle to the left of 64° 18', a distance of 185 feet, thence Northeasterly at a deflection angle to the left of 115° 42', a distance of 176.83 feet to the said point of beginning.

**LESS AND EXCEPT:**

Starting at the southwest corner of Lot 6, Block 14, Morgan's Addition to the City of Austin, Minnesota, as the same is platted and recorded in the office of the County Recorder of Mower County, Minnesota; thence northwesterly 165 feet on the westerly line of said Block 14, to a point on the southerly right-of-way line of Seventh Place Northwest; thence northeasterly 415 feet on said southerly right-of-way line at a right angle; thence southerly 57.10 feet at a deflection angle of 115° 42' right, to the point of beginning; thence southerly 18.21 feet on a southerly extension of the last described line; thence northeasterly 22.43 feet at a deflection angle of 154° 18' right; thence southeasterly 9.93 feet to the point of beginning.

Abstract

**Parcel 8:**

Lots 1, 2, 3 and 5, Block 1, of Pickett Place, a Plat of part of the Northwest Quarter of the Northeast Quarter of Section 3, Township 102 North, Range 18 West, and Replat of Lots 11, 12 and 13, and part of Lot 14, Block 14 of Morgan's Addition to the City of Austin, Mower County, Minnesota less the following:

All that part of Lots 1, 5 and 6, Block One of the plat of Pickett Place in the Northwest Quarter of the Northeast Quarter of Section 3, Township 102 North, Range 18 West, Austin, Minnesota, which lies northeasterly of the following described line:

Beginning at a point on the North line of 7th Place Northwest, which point is 101.28 feet West of the West line of Main Street North; thence Northwesterly 346.86 feet, to a point on the south line of 8th Avenue Northwest, which point is 267.16 feet West of the West line of said Main Street North, and there terminating.

Subject to utility easements as shown on the plat of Pickett Place and utility easements recorded in favor of the City of Austin and Austin Utilities recorded in Book 348 of Deeds, page 37, 251 of Deeds, page 412.

**LESS AND EXCEPT:**

That portion of the foregoing described in the Certificate of Title No. 4051.

Abstract

**Parcels 1 to 7 above also described as follows:**

Lots 6, 7 and 8, Block 14, MORGAN'S ADDITION, Mower County, Minnesota except the northwesterly 33.00 feet of said Lot 8.

Together with that part of the Northwest Quarter of the Northeast Quarter of Section 3, Township 102, Range 18, Mower County, Minnesota, described as follows:

Commencing at the southwest corner of said Lot 6; thence on an assumed bearing North 27 degrees 55 minutes 59 seconds West along the southwesterly line of said Block 14, a distance of 165.00 feet to the southeasterly line of said northwesterly 33.00 feet of Lot 8; thence North 62 degrees 04 minutes 01 second East, along said southeasterly line, 132.00 feet to the northeasterly line of said Block 14 and the point of beginning;

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thence continue North 62 degrees 04 minutes 01 second East, along the northeasterly extension said southeasterly line, 362.20 feet; thence North 88 degrees 04 minutes 40 seconds East 92.28 feet; thence South 00 degrees 24 minutes 20 seconds East 140.43 feet to the northeasterly extension of the southeasterly line of said Lot 6; thence South 62 degrees 04 minutes 01 second West, along said northeasterly extension, 380.22 feet to the southeast corner of said Lot 6; thence North 27 degrees 55 minutes 59 seconds West along the northeasterly line of said Block 14, a distance of 165.00 feet to the point of beginning.

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## EXHIBIT B

### COPY OF MINNESOTA STATUTES, SECTION 469.177, SUBDIVISION 8

Assessment agreements. An authority may enter into a written assessment agreement with any person establishing a minimum market value of land, existing improvements, or improvements to be constructed in a district, if the property is owned or will be owned by the person. The minimum market value established by an assessment agreement may be fixed, or increase or decrease in later years from the initial minimum market value. If an agreement is fully executed before July 1 of an assessment year, the market value as provided under the agreement must be used by the county or local assessor as the taxable market value of the property for that assessment. Agreements executed on or after July 1 of an assessment year become effective for assessment purposes in the following assessment year. An assessment agreement terminates on the earliest of the date on which conditions in the assessment agreement for termination are satisfied, the termination date specified in the agreement, or the date when tax increment is no longer paid to the authority under section 469.176, subdivision 1. The assessment agreement shall be presented to the county assessor, or city assessor having the powers of the county assessor, of the jurisdiction in which the tax increment financing district and the property that is the subject of the agreement is located. The assessor shall review the plans and specifications for the improvements to be constructed, review the market value previously assigned to the land upon which the improvements are to be constructed and, so long as the minimum market value contained in the assessment agreement appears, in the judgment of the assessor, to be a reasonable estimate, shall execute the following certification upon the agreement:

The undersigned assessor, being legally responsible for the assessment of the above described property, certifies that the market values assigned to the land and improvements are reasonable

The assessment agreement shall be filed for record and recorded in the office of the county recorder or the registrar of titles of each county where the real estate or any part thereof is situated. After the agreement becomes effective for assessment purposes, the assessor shall value the property under section 273.11, except that the market value assigned shall not be less than the minimum market value established by the assessment agreement. The assessor may assign a market value to the property in excess of the minimum market value established by the assessment agreement. The owner of the property may seek, through the exercise of administrative and legal remedies, a reduction in market value for property tax purposes, but no city assessor, county assessor, county auditor, board of review, board of equalization, commissioner of revenue, or court of this state shall grant a reduction of the market value below the minimum market value established by the assessment agreement during the term of the agreement filed of record regardless of actual market values which may result from incomplete construction of improvements, destruction, or diminution by any cause, insured or uninsured, except in the case of acquisition or reacquisition of the property by a public entity. Recording an assessment agreement constitutes notice of the agreement to anyone who acquires any interest in the land or improvements that is subject to the assessment agreement, and the agreement is binding upon them.

An assessment agreement may be modified or terminated by mutual consent of the current parties to the agreement. Modification or termination of an assessment agreement must be approved by



the governing body of the municipality. If the estimated market value for the property for the most recently available assessment is less than the minimum market value established by the assessment agreement for that or any later year and if bond counsel does not conclude that termination of the agreement is necessary to preserve the tax exempt status of outstanding bonds or refunding bonds to be issued, the modification or termination of the assessment agreement also must be approved by the governing bodies of the county and the school district. A document modifying or terminating an agreement, including records of the municipality, county, and school district approval, must be filed for record. The assessor's review and certification is not required if the document terminates an agreement. A change to an agreement not fully executed before July 1 of an assessment year is not effective for assessment purposes for that assessment year. If an assessment agreement has been modified or prematurely terminated, a person may seek a reduction in market value or tax through the exercise of any administrative or legal remedy. The remedy may not provide for reduction of the market value below the minimum provided under a modified assessment agreement that remains in effect. In no event may a reduction be sought for a year other than the current taxes payable year.

## **EXHIBIT C**

### **ASSESSOR'S CERTIFICATE**

The undersigned, being the duly qualified and acting assessor of the City of Austin, Minnesota, hereby certifies that.

1. I am the assessor responsible for the assessment of the Land described in the foregoing Exhibit A;

2. I have read the foregoing Assessment Agreement dated as of [\_\_\_\_\_], 2022;

3. I have received and read a duplicate original of the Redevelopment Agreement referred to in the Assessment Agreement;

4. I have received and reviewed the architectural and engineering plans and specifications for the portion of the Project agreed to be constructed on the Land pursuant to the Redevelopment Agreement;

5. I have received and reviewed an estimate prepared by the Developer of the cost of the Land and the portion of the Project to be constructed thereon;

6. I have reviewed the market value previously assigned to the Land on which the applicable portion of the Project is to be constructed, and the minimum market value to be assigned to the Land and the portion of the Project located thereon by the Assessment Agreement is a reasonable estimate; and

7. I hereby certify that the market value assigned to the Land and the portion of the Project located thereon described on the foregoing Exhibit A by the Assessment Agreement is reasonable and the market value assigned to the Land and the portion of the Project located thereon, for the assessment made as of January 1, 2023 for taxes payable 2024, and continuing throughout the term of this Assessment Agreement, shall be not less than \$5,828,100.00.

Dated: \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
City Assessor, City of Austin, Minnesota

**CITY OF AUSTIN  
MOWER COUNTY  
STATE OF MINNESOTA**

Council member \_\_\_\_\_ introduced the following resolution and moved its adoption:

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION AUTHORIZING THE EXECUTION OF A TAX INCREMENT  
FINANCING REDEVELOPMENT AGREEMENT**

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

Section 1.     Recitals.

1.01. The City has heretofore established Municipal Development District No. 1 and adopted the Development Program therefor and established Tax Increment Financing (Redevelopment) District No. 16 (the "District") therein and adopted a Tax Increment Financing Plan (the "TIF Plan"); all pursuant to and in conformity with applicable law, including Minnesota Statutes, Sections 469.124 to 469.133 and Sections 469.174 to 469.1794, all inclusive, as amended, (the "Act") all as reflected in the Plan.

Section 2.     Approval of Redevelopment Agreement.

2.01. There has been prepared and presented to the Council for its consideration a certain Redevelopment Agreement (the "Agreement") between the City and Mill on Main, LLC (the "Developer"), stating the Developer's responsibilities and the terms and conditions of the City's assistance with the financing of certain costs related to an apartment complex consisting of 91 market-rate units within the District.

2.02. The Council hereby approves the Agreement, together with any related documents necessary in connection therewith (collectively, the "Development Documents") substantially in the form presented to the Council and hereby authorizes Mayor and City Recorder, in their discretion and at such time, if any, as they may deem appropriate, to execute the same on behalf of the City, and to carry out, on behalf of the City, the City's obligations thereunder.

2.03. The approval hereby given to the Development Documents includes approval of such additional details therein as may be necessary and appropriate and such modifications thereof, deletions therefrom and additions thereto as may be necessary and appropriate and approved by legal counsel to the City and by the officers authorized herein to execute said documents prior to their execution; and said officers are hereby authorized to approve said changes on behalf of the City. The execution of any instrument by the appropriate officers of the City herein authorized shall be conclusive evidence of the approval of such document in accordance with the terms hereof. In the event of absence or disability of the officers, any of the documents authorized by this Resolution to be executed may be executed without

further act or authorization of the Council by any duly designated acting official, or by such other officer or officers of the Council as, in the opinion of the City Attorney, may act in their behalf.

2.04. Upon execution and delivery of the Development Documents, the officers and employees of the City are hereby authorized and directed to take or cause to be taken such actions as may be necessary on behalf of the City to implement the Development Documents.

2.05. The Council hereby determines that the execution and performance of the Development Documents will help realize the public purposes of the Act.

The motion for the adoption of the foregoing resolution was duly seconded by Council member \_\_\_\_\_, and upon a vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

Dated: October 17, 2022

ATTEST:

\_\_\_\_\_  
Steve King, Mayor

\_\_\_\_\_  
Tom Dankert, City Recorder

(Seal)

City of Austin  
Ann M. Kasel, City Clerk



500 Fourth Avenue N.E.  
Austin, Minnesota 55912-3773  
Phone: 507-437-9943  
Fax: 507-434-7197  
[www.ci.austin.mn.us](http://www.ci.austin.mn.us)

**MEMORANDUM**

To: Mayor & Council

From: Ann M. Kasel, City Clerk

Re: Approval of licenses for the Windrift Lounge

Date: October 12, 2022

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The City recently annexed property west of Todd Park, which included the land that the Windrift Lounge is located on. Since the property is now located in the City of Austin, we will take over the licensing for the business. They have current liquor licenses with the Mower County and the Council will need to pass a resolution granting them a City license.

Please contact me if you have any questions.

**RESOLUTION NO.**

**GRANTING HARD LIQUOR ON-SALE & SUNDAY ON-SALE LICENSE**

**WHEREAS**, the establishment hereinafter named has applied to the City Council at Austin, Minnesota, for license to sell hard liquor on-sale and Sunday on-sale at the respective address listed below; and

**WHEREAS**, after due investigation, it appears said establishment for said license for sale of hard liquor on-sale and Sunday on-sale has complied with all the provisions of the law relative thereto and is entitled to have a license issued to them for the address listed below their name.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Austin, Minnesota does hereby grant license for the sale of hard liquor on-sale and Sunday on-sale to the following named licensee at the following location in Austin, Minnesota, which license shall expire December 31, 2022.

Windrift, LLC dba Windrift Lounge  
2511 11<sup>th</sup> Street NE  
Austin, MN 55912

Passed by a vote of yeas and nays this 17<sup>th</sup> day of October, 2022.

YEAS

NAYS

ATTEST:

APPROVED:

\_\_\_\_\_  
City Recorder

\_\_\_\_\_  
Mayor



City of Austin  
Zoning Department



500 Fourth Avenue N.E.  
Austin, Minnesota 55912-3773  
Phone: 507-437-9950  
Fax: 507-437-7101  
[www.ci.austin.mn.us](http://www.ci.austin.mn.us)

## Memorandum

**To:** Mayor and City Council

**Cc:** Pedro Mazano Fuentes  
803 8<sup>th</sup> Ave SW, Austin, MN 55912

**From:** Holly Wallace, Planning & Zoning Administrator

**Re:** Accumulation of Refuse and Junk  
At 803 8<sup>th</sup> Ave SW, Fuentes Property

**Date:** October 14, 2022

---

May I ask the City Council to approve granting the Planning & Zoning Department the power to contract for the removal of refuse and junk at 803 8<sup>th</sup> Ave SW. The property owner has been notified of this violation to the City Code Sections 10.14 Subd.1(B), 10.14 Subd.4-6 but has failed to resolve this issue. (See Attached)

Therefore, I am requesting the Mayor and City Council to approve empowering the Planning & Zoning Department to act on the removal of this junk. Such action is permitted by the City Code Section 10.14.

Thank You

**City of Austin  
Zoning Department**



**500 Fourth Avenue N.E.  
Austin, Minnesota 55912-3773  
Phone: 507-437-9950  
Fax: 507-437-7101  
www.ci.austin.mn.us**

September 13<sup>th</sup>, 2022

Pedro Mazano Fuentes  
803 8<sup>th</sup> Ave SW  
Austin, MN 55912

RE: Zoning Violations at 803 8<sup>th</sup> Ave SW Austin, MN 55912

Dear Pedro:

The City of Austin Planning and Zoning Department has observed a violation of City Code on your property. An investigation of this complaint was conducted on September 12<sup>th</sup>, 2022 at this site and the following issues need to be resolved:

**Remove all junk from property**

The violation of Austin City Code Sections 10.14 Subd.1(B) 4 and 10.14 Subd.4-6 were found. These City Code sections read as follows:

**City Code Section 10.14, Subd. 1(B):**

**JUNK.** All scrap metal, rags, batteries, paper, trash, rubber tires, debris, waste, wood, and/or construction materials not used in connection with a building or which is carried as inventory in an on-going construction business at a lawful place of business, dismantled vehicles, machinery and appliances or parts thereof and parts of vehicles, glass, tinware, plastic, aluminum and/or steel cans, old or discarded household goods, household furnishings or furniture, hardware or appliances. Neatly stacked firewood located so as to comply with the setback requirements as set forth in Chapter 11 and in accordance with side yard or rear yard setback requirements shall not be considered junk.

**City Code Section 10.14, Subd. 4. *Notice and abatement.***

**B. *Public nuisances affecting health***

**5.** Accumulations of manure, refuse, junk or other debris;

**D. *Public nuisances affecting peace and safety.***

**16.** Accumulations in the open of discarded or disused machinery, household appliances, automobile bodies or other material in a manner conducive to the harboring of rats, mice, snakes or vermin, or the rank growth of vegetation among the items so accumulated, or in a manner creating fire, health or safety hazards from accumulation;

**City Code Section 10.14, Subd. 4(E-G)**

**NOTICE AND ABATEMENT.**

**E.** Whenever a public officer or other person charged with enforcement determines that a public nuisance is being maintained or exists on premises in the City, the City enforcement officer shall notify in writing the owner or occupant of the premises of such fact and order that such nuisance be terminated and abated.

**F.** The notice shall be served in person or by certified or registered mail. If the premises are not occupied and the owner is unknown, the notice may be served by posting it on the

premises. The notice shall specify the steps to be taken to abate the nuisance and the time, not exceeding ten (10) days, within which the nuisance is to be abated.

G. If an emergency exists that presents an immediate danger to citizens affecting their safety, the officer shall require immediate abatement of such nuisance. If the notice is not complied with within the time specified, the enforcing officer shall report that fact forthwith to the Council and may take such other appropriate action as may be necessary. The Council may, after notice to the owner or occupant, provide for the abating of the nuisance by the City.

**City Code Section 10.14, Subd. 5:**

**RECOVERY OF COST.** The owner of the premises on which a nuisance has been abated by the City shall be personally liable for the cost to the City of the abatement, including administrative costs. As soon as the work has been completed and the cost determined, the City Recorder shall prepare a bill for the cost and mail it to the owner. There upon, the amount shall be immediately due and payable at the Office of the City Recorder. Ownership shall be presumed to be the owner as shown on the records of the County Treasurer unless the City Recorder has reason to know that such information is not accurate, in which event, notice shall be given to such other person as the City Recorder has reason to believe is, in fact, the true owner of said premises.

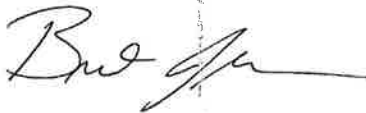
**City Code Section 10.14, Subd. 6:**

**ASSESSMENT.** If the cost of abating said nuisance is not paid in full to the City Recorder before September 1, next, then on or before September 1, next, following the abatement of the nuisance, the City Recorder shall list the total unpaid charges along with other such charges, as well as other charges for current services to be assessed under Minnesota Statutes 429.101 against each separate lot or parcel to which charges are attributable. The Council may then spread the charges against such property under that statute and other pertinent statutes for certification to the County Auditor and collection along with current taxes the following year or in annual installments, not exceeding ten (10), as the Council may determine in each case.

Please resolve the City Code violations within 10 days of the date of this letter, or the matter will be referred to the Austin City Council for corrective action. Council generally meets the first and third Mondays of every month. You will be fined a minimum of \$100, the amount varies depending on the type of violations.

Your cooperation with this matter will be greatly appreciated, and if you have any questions, please call me at my office at (507)437-9950.

Sincerely,



Brent Johnson  
Zoning Inspector

TIME STAMP 

October 12, 2022  
10:25 AM

803 8th  
Ave. SW





City of Austin  
Zoning Department



500 Fourth Avenue N.E.  
Austin, Minnesota 55912-3773  
Phone: 507-437-9950  
Fax: 507-437-7101  
[www.ci.austin.mn.us](http://www.ci.austin.mn.us)

## Memorandum

**To:** Mayor and City Council

**Cc:** New Remodeling Inc  
109 ½ Lewis St, Apt.1, Shakopee, MN 55379

**From:** Holly Wallace, Planning & Zoning Administrator

**Re:** Accumulation of Refuse and Junk  
At 1202 9<sup>th</sup> St NE, New Remodeling Property

**Date:** October 14, 2022

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May I ask the City Council to approve granting the Planning & Zoning Department the power to contract for the removal of refuse and junk at 1202 9<sup>th</sup> St NE. The property owner has been notified of this violation to the City Code Sections 10.14 Subd.1(B), 10.14 Subd.4-6 but has failed to resolve this issue. (See Attached)

Therefore, I am requesting the Mayor and City Council to approve empowering the Planning & Zoning Department to act on the removal of this junk. Such action is permitted by the City Code Section 10.14.

Thank You

**City of Austin  
Zoning Department**



**500 Fourth Avenue N.E.  
Austin, Minnesota 55912-3773  
Phone: 507-437-9950  
Fax: 507-437-7101  
www.ci.austin.mn.us**

September 23<sup>rd</sup> 2022

New Remodeling Inc  
109 ½ Lewis St Apt 1  
Shakopee MN 55379

RE: Zoning Violations at 1202 9<sup>th</sup> St NE, Austin, MN 55912

Dear Sir/Madam:

The City of Austin Planning and Zoning Department has observed a violation of City Code on your property. An investigation of this complaint was conducted on September 23<sup>rd</sup> 2022 at this site and the following issues need to be resolved:

1. **Remove all junk/garbage from property**
2. **Each container shall be watertight and contain all refuse which may accumulate between collections or other disposal**
3. **Garbage shall be collected or otherwise lawfully disposed of, at least once each week during the year**

The violation of Austin City Code Sections 10.01 Subd 2,3 & 4, 10.14 Subd.1(B) 4 and 10.14 Subd.4-6 were found. These City Code sections read as follows:

**City Code Section 10.01 Subd. 2. Disposal required.** Every person shall, in a sanitary manner, store and dispose of refuse that may accumulate upon property owned or occupied by him or her in accordance with the terms of this section. Garbage shall be collected or otherwise lawfully disposed of, at least once each week during the year.

**City Code Section 10.01 Subd 3. Deposit of garbage or refuse. It is unlawful:**

D. For any person to deposit anywhere within the city any refuse in a manner that it may be carried or deposited by the elements upon any public place or any other premises within the city;

**City Code Section 10.01 Subd 4. Containers**

- A. **General requirement.** Every householder, occupant or owner of any residence and any restaurant, industrial establishment or commercial establishment shall provide on the premises one or more containers to receive and contain all refuse which may accumulate between collections or other disposal. All normal accumulations of refuse shall be deposited in such containers, except that leaves, trimmings from shrubs, grass clippings, shavings, excelsior and other rubbish of similar volume and weight may be stored in closed containers not meeting the requirements of Subpar.
- B. Tree limbs under four inches in diameter in five-foot lengths and tied in bundles not to exceed 60 pounds, bundles of newspapers, cardboard or magazines tied securely not to exceed 60 pounds. Furniture, rugs and carpeting will be accepted by a licensed hauler if notified 24 hours in advance of regular pickup time. The following



articles will not be accepted as refuse and must be deposited at a designated demolition site: stone, sod, earth, concrete, building materials unless placed in covered garbage cans, automobile parts, except tune-up parts, inflammable liquids, tree trunk sections over four inches in diameter. Tires and white goods need not be accepted as refuse by licensed garbage haulers, but shall be disposed of at the depository as designated by the County Board.

**B. Container requirements.** Each container shall be watertight, shall be impervious to insects and rodents and shall not exceed 32 gallons in capacity, garbage containers when full shall not exceed 60 pounds in weight, when waste is collected by licensed haulers by mechanical lifting devices, the use of the container shall not exceed 90 gallons or limited, as defined by the hauler. Containers shall be maintained in good and sanitary condition. Any container not conforming to the requirements of this section or having ragged or sharp edges or any other defect likely to hamper or injure the person collecting the contents shall be promptly replaced after notice by the city. Notwithstanding the foregoing, grass clippings and leaves may be temporarily stored in bags provided by licensed garbage haulers for pick up by licensed garbage haulers or in plastic bags provided by the owner for ultimate disposal at a site designated by the Council.

**C. Placement.**

1. Garbage containers shall be placed in a driveway or open area outside of the garage or where public alley - garbage shall be placed adjacent to the alley, easily accessible for pickup to be made. Other refuse - properly bagged or bundled such as leaves, clippings or brush shall be placed by the curb of the street or by the alley for collection. Containers must be placed properly for pickup prior to 5:30 a.m. on the day of collection to insure service.

2. At the request of the garbage hauler, garbage containers may be placed on boulevard, curbside or other convenience place in front yard for collection, but the containers shall not be permitted to remain on curbside or in front yard for more than 24 consecutive hours.

**City Code Section 10.14, Subd. 1(B):**

**JUNK.** All scrap metal, rags, batteries, paper, trash, rubber tires, debris, waste, wood, and/or construction materials not used in connection with a building or which is carried as inventory in an on-going construction business at a lawful place of business, dismantled vehicles, machinery and appliances or parts thereof and parts of vehicles, glass, tinware, plastic, aluminum and/or steel cans, old or discarded household goods, household furnishings or furniture, hardware or appliances. Neatly stacked firewood located so as to comply with the setback requirements as set forth in Chapter 11 and in accordance with side yard or rear yard setback requirements shall not be considered junk.

**City Code Section 10.14, Subd. 4. Notice and abatement.**

**B. Public nuisances affecting health**

5. Accumulations of manure, refuse junk or other debris;

**D. Public nuisances affecting peace and safety.**

16. Accumulations in the open of discarded or disused machinery, household appliances, automobile bodies or other material in a manner conducive to the harboring of rats, mice, snakes or vermin; or the rank growth of vegetation among the items so accumulated, or in a manner creating fire, health or safety hazards from accumulation;

**City Code Section 10.14, Subd. 4(E-G)**  
**NOTICE AND ABATEMENT.**

E. Whenever a public officer or other person charged with enforcement determines that a public nuisance is being maintained or exists on premises in the City, the City enforcement officer shall notify in writing the owner or occupant of the premises of such fact and order that such nuisance be terminated and abated.

F. The notice shall be served in person or by certified or registered mail. If the premises are not occupied and the owner is unknown, the notice may be served by posting it on the premises. The notice shall specify the steps to be taken to abate the nuisance and the time, not exceeding ten (10) days, within which the nuisance is to be abated.

G. If an emergency exists that presents an immediate danger to citizens affecting their safety, the officer shall require immediate abatement of such nuisance. If the notice is not complied with within the time specified, the enforcing officer shall report that fact forthwith to the Council and may take such other appropriate action as may be necessary. The Council may, after notice to the owner or occupant, provide for the abating of the nuisance by the City.

**City Code Section 10.14, Subd. 5:**

**RECOVERY OF COST.** The owner of the premises on which a nuisance has been abated by the City shall be personally liable for the cost to the City of the abatement, including administrative costs. As soon as the work has been completed and the cost determined, the City Recorder shall prepare a bill for the cost and mail it to the owner. There upon, the amount shall be immediately due and payable at the Office of the City Recorder. Ownership shall be presumed to be the owner as shown on the records of the County Treasurer unless the City Recorder has reason to know that such information is not accurate, in which event, notice shall be given to such other person as the City Recorder has reason to believe is, in fact, the true owner of said premises.

**City Code Section 10.14, Subd. 6:**

**ASSESSMENT.** If the cost of abating said nuisance is not paid in full to the City Recorder before September 1, next, then on or before September 1, next, following the abatement of the nuisance, the City Recorder shall list the total unpaid charges along with other such charges, as well as other charges for current services to be assessed under Minnesota Statutes 429.101 against each separate lot or parcel to which charges are attributable. The Council may then spread the charges against such property under that statute and other pertinent statutes for certification to the County Auditor and collection along with current taxes the following year or in annual installments, not exceeding ten (10), as the Council may determine in each case.

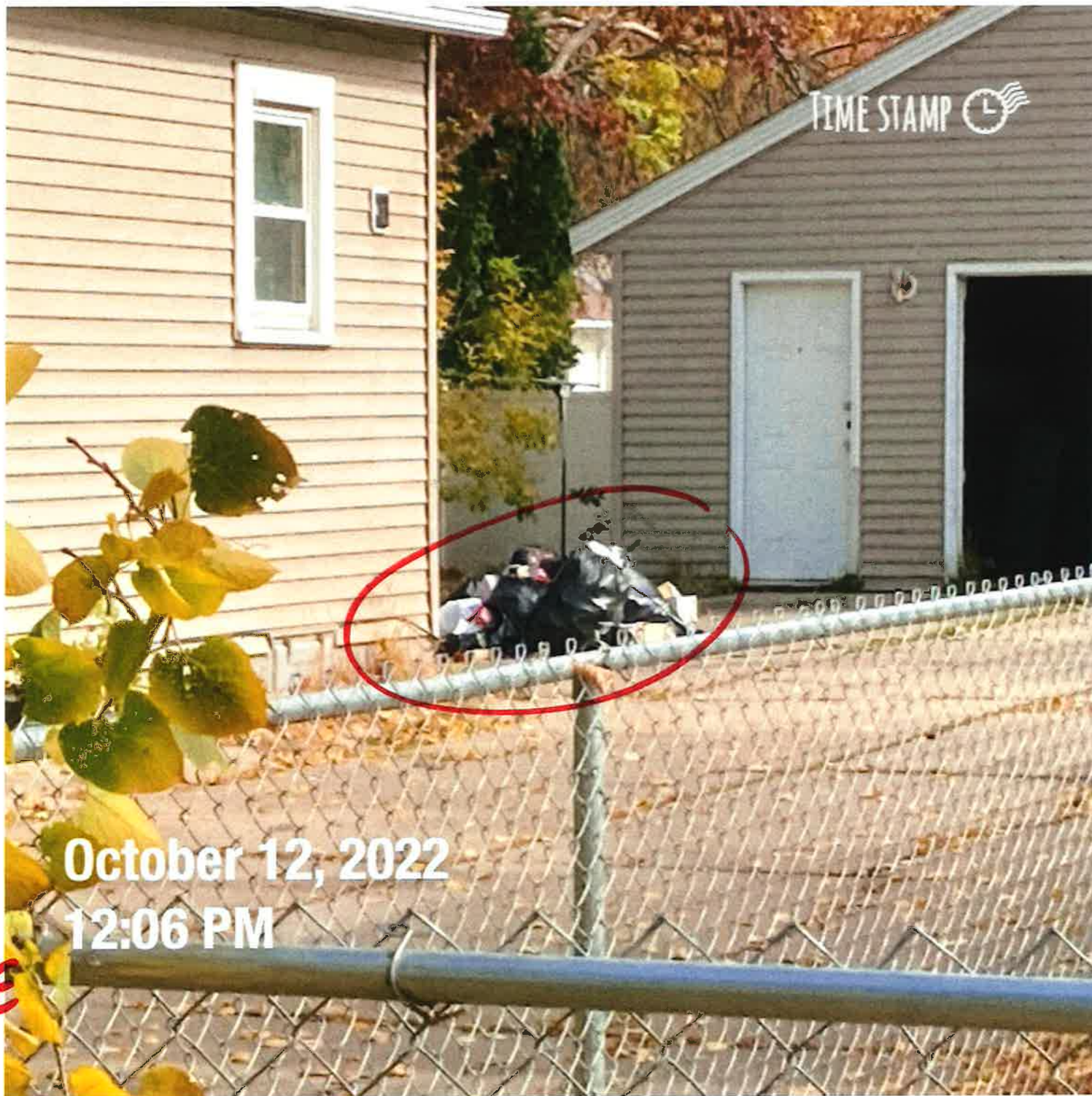
Please resolve the City Code violations within 10 days of the date of this letter, or the matter will be referred to the Austin City Council for corrective action. Council generally meets the first and third Mondays of every month. You will be fined a minimum of \$100, the amount varies depending on the type of violations.

Your cooperation with this matter will be greatly appreciated, and if you have any questions, please call me at my office at (507)437-9950.

Sincerely,



Brent Johnson  
Zoning Inspector



TIME STAMP 

October 12, 2022  
12:06 PM

1202  
9th St NE

City of Austin  
Zoning Department



500 Fourth Avenue N.E.  
Austin, Minnesota 55912-3773  
Phone: 507-437-9950  
Fax: 507-437-7101  
[www.ci.austin.mn.us](http://www.ci.austin.mn.us)

## Memorandum

**To:** Mayor and City Council

**Cc:** Zachary Hanson  
1819 1<sup>st</sup> Ave NE, Austin, MN 55912

**From:** Holly Wallace, Planning & Zoning Administrator

**Re:** Accumulation of Refuse and Junk  
At 1819 1<sup>st</sup> Ave NE, Hanson Property

**Date:** October 14, 2022

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May I ask the City Council to approve granting the Planning & Zoning Department the power to contract for the removal of refuse and junk at 1819 1<sup>st</sup> Ave NE. The property owner has been notified of this violation to the City Code Sections 10.14 Subd.1(B), 10.14 Subd.4-6 but has failed to resolve this issue. (See Attached)

Therefore, I am requesting the Mayor and City Council to approve empowering the Planning & Zoning Department to act on the removal of this junk. Such action is permitted by the City Code Section 10.14.

Thank You

City of Austin  
Zoning Department



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Austin, Minnesota 55912-3773  
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[www.ci.austin.mn.us](http://www.ci.austin.mn.us)

August 16<sup>th</sup>, 2022

Zachary Hanson  
1819 1<sup>st</sup> Ave NE  
Austin, MN 55912

RE: Zoning Violations at 1819 1<sup>st</sup> Ave NE Austin, MN 55912

Dear Zachary:

The City of Austin Planning and Zoning Department has observed a violation of City Code on your property. An investigation of this complaint was conducted on August 16<sup>th</sup>, 2022 at this site and the following issues need to be resolved:

**Remove all junk from property**

The violation of Austin City Code Sections 10.14 Subd.1(B) 4 and 10.14 Subd.4-6 were found.. These City Code sections read as follows:

**City Code Section 10.14, Subd. 1(B):**

**JUNK.** All scrap metal, rags, batteries, paper, trash, rubber tires, debris, waste, wood, and/or construction materials not used in connection with a building or which is carried as inventory in an on-going construction business at a lawful place of business, dismantled vehicles, machinery and appliances or parts thereof and parts of vehicles, glass, tinware, plastic, aluminum and/or steel cans, old or discarded household goods, household furnishings or furniture, hardware or appliances. Neatly stacked firewood located so as to comply with the setback requirements as set forth in Chapter 11 and in accordance with side yard or rear yard setback requirements shall not be considered junk.

**City Code Section 10.14, Subd. 4. Notice and abatement.**

**B. Public nuisances affecting health**

5. Accumulations of manure, refuse, junk or other debris;

**D. Public nuisances affecting peace and safety.**

16. Accumulations in the open of discarded or disused machinery, household appliances, automobile bodies or other material in a manner conducive to the harboring of rats, mice, snakes or vermin; or the rank growth of vegetation among the items so accumulated, or in a manner creating fire, health or safety hazards from accumulation;

**City Code Section 10.14, Subd. 4(E-G)**

**NOTICE AND ABATEMENT.**

E. Whenever a public officer or other person charged with enforcement determines that a public nuisance is being maintained or exists on premises in the City, the City enforcement officer shall notify in writing the owner or occupant of the premises of such fact and order that such nuisance be terminated and abated.

F. The notice shall be served in person or by certified or registered mail. If the premises are not occupied and the owner is unknown, the notice may be served by posting it on the



premises. The notice shall specify the steps to be taken to abate the nuisance and the time, not exceeding ten (10) days, within which the nuisance is to be abated.

G. If an emergency exists that presents an immediate danger to citizens affecting their safety, the officer shall require immediate abatement of such nuisance. If the notice is not complied with within the time specified, the enforcing officer shall report that fact forthwith to the Council and may take such other appropriate action as may be necessary. The Council may, after notice to the owner or occupant, provide for the abating of the nuisance by the City.

**City Code Section 10.14, Subd. 5:**

**RECOVERY OF COST.** The owner of the premises on which a nuisance has been abated by the City shall be personally liable for the cost to the City of the abatement, including administrative costs. As soon as the work has been completed and the cost determined, the City Recorder shall prepare a bill for the cost and mail it to the owner. There upon, the amount shall be immediately due and payable at the Office of the City Recorder. Ownership shall be presumed to be the owner as shown on the records of the County Treasurer unless the City Recorder has reason to know that such information is not accurate, in which event, notice shall be given to such other person as the City Recorder has reason to believe is, in fact, the true owner of said premises.

**City Code Section 10.14, Subd. 6:**

**ASSESSMENT.** If the cost of abating said nuisance is not paid in full to the City Recorder before September 1, next, then on or before September 1, next, following the abatement of the nuisance, the City Recorder shall list the total unpaid charges along with other such charges, as well as other charges for current services to be assessed under Minnesota Statutes 429.101 against each separate lot or parcel to which charges are attributable. The Council may then spread the charges against such property under that statute and other pertinent statutes for certification to the County Auditor and collection along with current taxes the following year or in annual installments, not exceeding ten (10), as the Council may determine in each case.

Please resolve the City Code violations within **10 days** of the date of this letter, or the matter will be referred to the Austin City Council for corrective action. Council generally meets the first and third Mondays of every month. You will be fined a minimum of \$100, the amount varies depending on the type of violations.

Your cooperation with this matter will be greatly appreciated, and if you have any questions, please call me at my office at (507)437-9950.

Sincerely,



Brent Johnson  
Zoning Inspector





TIME STAMP

October 12, 2022  
10:51 AM

1819 1st  
Ave NE

City of Austin  
Zoning Department



ITEM 21D

500 Fourth Avenue N.E.  
Austin, Minnesota 55912-3773  
Phone: 507-437-9950  
Fax: 507-437-7101  
www.ci.austin.mn.us

October 14, 2022

William & Deborah Wakefield  
503 8<sup>th</sup> Ave SE  
Austin, MN 55912

RE: Zoning Violations at 503 8<sup>th</sup> Ave SE, Austin, MN

Dear Sir or Madam:

The City of Austin Planning and Zoning Department has observed a violation of City Code on your property. An investigation of this complaint was conducted on October 12, 2022 at this site and the following issues need to be resolved:

**1. Remove all junk from property**

*This is a repeat offense and the matter has been referred to the Austin City Council for corrective action. You are being fined under the following City Code:*

**1.98 CIVIL PENALTIES.**

Subd. 1. Purpose.

- A. The City Council seeks to offer an alternative method of enforcement for city code violations rather than relying on the criminal court system. The formal criminal prosecution process does not provide an environment to adequately address the unique and sensitive issues that are involved in city code violations, including, but not limited to, neighborhood concerns, livability issues, economic impact, physical limitations of the offenders and the stigma and unintended consequences of being charged with or convicted of a misdemeanor offense. In addition, the court system is a slow, overburdened and methodical process that is not conducive to dealing with the violations in a prompt and timely manner. Finally, the penalties afforded the criminal court system are restricted to fines or physical confinement, which are not always effective solutions to address city code violations.

Subd. 4. Compliance letter.

- C. Exceptions to issuance of a compliance letter. For violations of any of the following sections, the city shall not be required to issue a compliance letter and may proceed directly to issuance of an administrative citation as provided in division (E) below.
1. Repeat offender. If the same offender commits a subsequent violation within 24 months after a compliance letter has been issued for a same or similar offense.

Subd. 5. Administrative citation

A. Generally:

1. Upon the failure to correct the violation specified in the compliance letter within the time frame established in the compliance letter or any extension thereof granted by the city, or for any offense for which a compliance letter is not required, an administrative citation may be issued.

If you have any questions, please call me at my office at (507)437-9951.

Sincerely,

A handwritten signature in black ink, appearing to read "Brent Johnson", is written over a horizontal line.

Brent Johnson  
Zoning Inspector





October 12, 2022  
3:07 PM

503  
8<sup>th</sup> Ave  
SE