

**LAUDERDALE CITY COUNCIL MEETING AGENDA**  
**7:30 P.M. TUESDAY, MARCH 10, 2020**  
**LAUDERDALE CITY HALL, 1891 WALNUT STREET**

The City Council is meeting as a legislative body to conduct the business of the City according to Robert's Rules of Order and the Standing Rules of Order and Business of the City Council. Unless so ordered by the Mayor, citizen participation is limited to the times indicated and always within the prescribed rules of conduct for public input at meetings.

1. **CALL TO ORDER THE LAUDERDALE CITY COUNCIL MEETING**
2. **ROLL CALL**
3. **APPROVALS**
  - a. Agenda
  - b. Minutes of the February 25, 2020 City Council Meeting
  - c. Claims Totaling \$94,089.89
4. **CONSENT**
  - a. Street Sweeping Service Agreement with Mike McPhillips, Inc.
  - b. Cooperative Purchasing Connection Participation Agreement
5. **SPECIAL ORDER OF BUSINESS/RECOGNITIONS/PROCLAMATIONS**
6. **INFORMATIONAL PRESENTATIONS / REPORTS**
  - a. City Council Updates
7. **PUBLIC HEARINGS**

Public hearings are conducted so that the public affected by a proposal may have input into the decision. During hearings all affected residents will be given an opportunity to speak pursuant to the Robert's Rules of Order and the standing rules of order and business of the City Council.
8. **DISCUSSION / ACTION ITEM**
  - a. CDBG Grant Agreement for Improvements at Skyview Park
  - b. Update by Real Estate Equities Regarding their Intent to Purchase 1795 Eustis Street
9. **ITEMS REMOVED FROM THE CONSENT AGENDA**
10. **ADDITIONAL ITEMS**
11. **SET AGENDA FOR NEXT MEETING**
  - a. Update by Master Properties (Development of Luther Seminary Land)
  - b. Ramsey County Census Presentation
  - c. Audit Presentation by Abdo, Eick, and Meyers
  - d. Annual Update by Police Chief Jon Mangseth – April 14
  - e. Director Ramsey County Workforce Solutions, Ling Becker – April 28
  - f. National League of Cities Homeserve Program – May 12

g. Katie Engman of Association for Nonsmokers-MN – May 26

**12. WORK SESSION**

a. Opportunity for the Public to Address the City Council

Any member of the public may speak at this time on any item not on the agenda. In consideration for the public attending the meeting, this portion of the meeting will be limited to fifteen (15) minutes. Individuals are requested to limit their comments to four (4) minutes or less. If the majority of the Council determines that additional time on a specific issue is warranted, then discussion on that issue shall be continued at the end of the agenda. Before addressing the City Council, members of the public are asked to step up to the microphone, give their name, address, and state the subject to be discussed. All remarks shall be addressed to the Council as a whole and not to any member thereof. No person other than members of the Council and the person having the floor shall be permitted to enter any discussion without permission of the presiding officer.

Your participation, as prescribed by the Robert's Rules of Order and the standing rules of order and business of the City Council, is welcomed and your cooperation is greatly appreciated.

b. Community Development Update

**13. ADJOURNMENT**

LAUDERDALE CITY COUNCIL  
MEETING MINUTES  
Lauderdale City Hall  
1891 Walnut Street  
Lauderdale, MN 55113

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**Call to Order**

Mayor Gaasch called the Regular City Council meeting to order at 5:38 p.m.

**Roll Call**

Councilors present: Andi Moffatt, Jeff Dains, Kelly Dolphin, and Mayor Mary Gaasch.

Councilor absent: Roxanne Grove.

Staff present: Heather Butkowski, City Administrator; and Jim Bownik, Assistant to the City Administrator.

**Approvals**

Mayor Gaasch asked if there were any additions to the meeting agenda. There being none, Councilor Dains moved and seconded by Councilor Moffatt to approve the agenda. Motion carried unanimously.

Mayor Gaasch asked if there were any corrections to the minutes of the February 11, 2020 city council meeting. There being none, Councilor Dolphin moved and seconded by Councilor Dains to approve the minutes of the February 11, 2020 city council meeting. Motion carried unanimously.

Mayor Gaasch asked if there were any questions on the claims. There being none, Councilor Dains moved and seconded by Councilor Dolphin to approve the claims totaling \$47,291.86. Motion carried unanimously.

**Consent**

Councilor Moffatt moved and seconded by Councilor Dains to approve the Consent Agenda thereby acknowledging the January Financial Report.

**Informational Presentations/Reports**

A. City Council Updates

Councilor Moffatt stated that she met with State Senator John Marty to discuss the bonding bill which supports cities' infrastructure; they also discussed finding a permanent solution to financing transportation aid for cities under 5,000 population. Mayor Gaasch shared that she met with the new Metropolitan Council Chair, Charlie Zelle, at a Metro Cities meeting.

**Discussion/Action Items**

A. Front Yard Fence Regulations

Butkowski said the City Council held its first discussion regarding front yard fence ordinance revisions on January 28. The City Council discussed the requirements of neighboring cities (Roseville, Falcon Heights, St. Anthony, Minneapolis, and St. Paul) as all allow for front yard

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fences. The Council discussed the importance of creating standards to avoid inconsistent or arbitrary decision-making which would leave the City vulnerable to legal challenges.

After the discussion, the Council directed staff to work with the city attorney on preparing the revised text for review at a future meeting.

**B. Future of Shared IT Services with the City of Roseville**

Butkowski explained that Lauderdale was the second city to enter into an IT services agreement with the City of Roseville and now about 35-40 organizations have done the same. This large group continues to operate via one-to-one agreements with the City of Roseville. The goal for many years has been to approve a joint powers agreement that would create a structure for the management of the organization.

With the retirement of the Roseville employee that created this cooperative arrangement, it forced the need to reconsider the best method to structure and manage the organization. Cities have been asked to discuss the matter with their elective boards to see if they want to remain part of Metro-Inet.

The Council determined that they would like to remain a member of the group as it provides cost-effective, high-value services to the City and our partner public safety agencies.

**C. Dark Fiber Lease Agreement with Comcast Business Communications, LLC**

During the most recent franchise agreement with Comcast, the City lost the use of fiber connection to City Hall for internet/data transmission to Roseville IT (although it is still used to transmit broadcasts to CTV). To maintain adequate internet access, the City entered into a "Managed Services" agreement with Comcast at a cost of \$487.61 per month. Roseville IT has been in discussions with Comcast to go back to the fiber connection as it is better for transmitting our data to them. Roseville and Comcast worked out a new agreement for the use of the existing dark fiber that would save the City money. By adopting the Dark Fiber Lease Agreement that follows, the price per month would be \$413.00. The contract lasts for five years.

Councilor Dolphin made a motion to enter into the Dark Fiber Lease Agreement with Comcast Business Communications, LLC as presented. This was seconded by Councilor Dains and carried unanimously.

**Set Agenda for Next Meeting**

Administrator Butkowski stated that the March 10 council meeting may include a Ramsey County census update and a presentation from Real Estate Equities.

**Work Session**

A. Opportunity for the Public to Address the City Council

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Mayor Gaasch opened the floor to anyone in attendance that wanted to address the Council. There being no interested parties to speak, Mayor Gaasch closed the floor.

**B. Community Development Updates**

Butkowski mentioned that Real Estate Equities was scheduled to update the City Council at the next meeting on their financial plans that would allow them to move forward with the purchase of 1795 Eustis Street. Master Properties was scheduled to attend the March 24 council meeting to update the Council on their aspirations for the land they are purchasing from Luther Seminary. Councilor Dains and Butkowski met with the Roseville fire chief and assistant chief to get an update on their progress towards reorganizing the Falcon Heights Fire Department. A meeting with community members to design Skyview Park's improvements will be March 12 at 6:30 p.m. at City Hall.

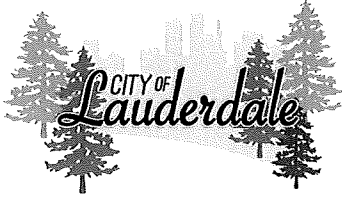
**Adjournment**

Councilor Moffatt moved and seconded by Councilor Dolphin to adjourn the meeting at 6:25 p.m. Motion carried unanimously.

Respectfully submitted,



Heather Butkowski  
City Administrator



CITY OF LAUDERDALE  
LAUDERDALE CITY HALL  
1891 WALNUT STREET  
LAUDERDALE, MN 55113  
651-792-7650  
651-631-2066 FAX

### **Request for Council Action**

**To:** Mayor and City Council  
**From:** City Administrator  
**Meeting Date:** March 10, 2020  
**Subject:** List of Claims

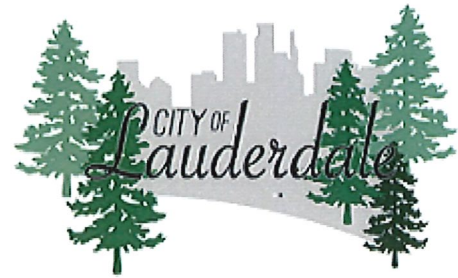
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The claims totaling \$94,089.89 are provided for City Council review and approval that includes check numbers 26814 to 26828.

# Accounts Payable

## Checks by Date - Detail by Check Date

User: MILES.CLINE  
 Printed: 3/6/2020 11:41 AM



Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
ACH	43	Public Employees Retirement Association PR Batch 50500.03.2020 PERA Coordinated PR Batch 50500.03.2020 PERA Coordinated	03/06/2020 PR Batch 50500.03.2020 PER PR Batch 50500.03.2020 PER	1,170.76 1,014.66
Total for this ACH Check for Vendor 43:				2,185.42
ACH	44	Minnesota Department of Revenue PR Batch 50500.03.2020 State Income Tax	03/06/2020 PR Batch 50500.03.2020 Statu	648.76
Total for this ACH Check for Vendor 44:				648.76
ACH	45	ICMA Retirement Corporation PR Batch 50500.03.2020 Deferred Comp PR Batch 50500.03.2020 Deferred Comp	03/06/2020 PR Batch 50500.03.2020 Defi PR Batch 50500.03.2020 Defi	1,073.71 1,658.68
Total for this ACH Check for Vendor 45:				2,732.39
ACH	46	Internal Revenue Service PR Batch 50500.03.2020 FICA Employee Portio PR Batch 50500.03.2020 FICA Employer Portio PR Batch 50500.03.2020 Medicare Employer Po PR Batch 50500.03.2020 Medicare Employee Pc PR Batch 50500.03.2020 Federal Income Tax	03/06/2020 PR Batch 50500.03.2020 FIC. PR Batch 50500.03.2020 FIC. PR Batch 50500.03.2020 Meç PR Batch 50500.03.2020 Meç PR Batch 50500.03.2020 Fed	1,051.47 1,051.47 245.91 245.91 1,680.45
Total for this ACH Check for Vendor 46:				4,275.21
Total for 3/6/2020:				9,841.78
26814	13 7607	8th Day Landscaping LLC February 2020 Snow Removal	03/10/2020	645.00
Total for Check Number 26814:				645.00
26815	15 60274	Be There Pest Control LLC August FM Yellowjacket Control	03/10/2020	125.00
Total for Check Number 26815:				125.00
26816	184 022020 022020	Cintas February Uniforms February Uniforms	03/10/2020	22.58 22.58
Total for Check Number 26816:				45.16
26817	33 022020	City of Falcon Heights January Fire Calls	03/10/2020	457.70
Total for Check Number 26817:				457.70
26818	36	City of Roseville	03/10/2020	

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
	0228582	March IT Services		1,488.00
			Total for Check Number 26818:	1,488.00
26819	29 3917	City of St Anthony March Police Services	03/10/2020	62,255.91
			Total for Check Number 26819:	62,255.91
26820	2 IN39880	City of St Paul Bi-Annual Street Lighting Electricity	03/10/2020	14.58
			Total for Check Number 26820:	14.58
26821	61 0020527	Gopher State One Call February 2020 Locates	03/10/2020	10.80
			Total for Check Number 26821:	10.80
26822	31 153331	Kennedy & Graven Chartered January Legal Services	03/10/2020	2,732.50
			Total for Check Number 26822:	2,732.50
26823	24 0001107593	Metropolitan Council April Waste Water	03/10/2020	13,140.88
			Total for Check Number 26823:	13,140.88
26824	84 032020 032020 032020 032020 032020 032020	North Star Bank Cardmember Services Paper Towels Pioneer Press Online Subscription MG - 2020 Powering Inclusion Summit Surface Cleaner HB - 2020 MGFOA Membership Renewal Tape	03/10/2020	71.27 0.99 140.00 8.61 70.00 23.75
			Total for Check Number 26824:	314.62
26825	12 2020-006	North Suburban Access Corporation January Webstreaming & Archiving	03/10/2020	278.83
			Total for Check Number 26825:	278.83
26826	47	Public Employees Insurance Program PR Batch 50500.03.2020 Dental PR Batch 50500.03.2020 Health Insurance	03/10/2020 PR Batch 50500.03.2020 Den PR Batch 50500.03.2020 Hea	116.10 2,212.80
			Total for Check Number 26826:	2,328.90
26827	3 408214088	US National Equipment Finance Inc Copier Contract	03/10/2020	176.00
			Total for Check Number 26827:	176.00
26828	7 8487120-0500-0	Waste Management Inc City Hall Refuse	03/10/2020	234.23
			Total for Check Number 26828:	234.23
			Total for 3/10/2020:	84,248.11



Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
Report Total (19 checks):				94,089.89

## LAUDERDALE COUNCIL ACTION FORM

### Action Requested

Consent                      X    
Public Hearing                     
Discussion                         
Action                               
Resolution                        
Work Session                   

Meeting Date             March 10, 2020

ITEM NUMBER            Street Sweeping Quotes

STAFF INITIAL              HB  

APPROVED BY ADMINISTRATOR

### DESCRIPTION OF ISSUE AND PAST COUNCIL ACTION:

Staff received a quote from Mike McPhillips, Inc. Similar to last year, staff did not solicit additional quotes as Mike McPhillips has been the only company that consistently meets the City's expectations in terms of quality of sweep and attention to detail. Staff will solicit additional quotes if the Council would like.

### OPTIONS:

Approval of Mike McPhillips, Inc. completing the annual street sweepings or direct staff to get additional quotes.

### STAFF RECOMMENDATION:

By approving the Consent Agenda, the Council approves contracting with Mike McPhillips, Inc. to perform the 2020 spring and fall street sweeping per the terms of the service agreement.

### COUNCIL ACTION:

# City of Lauderdale

1891 Walnut Street • Lauderdale • Minnesota 55113

Phone: 651.792.7650 Fax: 651.631.2066

The City of Lauderdale is requesting a quote for sweeping in spring and fall in 2020 based upon the included map. Timing of the sweeps will be coordinated by the Public Works Coordinator. The fall sweeping is expected to occur after the vast majority of the leaves have fallen.

## PROCEDURE

1. First day of sweeping must be a Tuesday, Wednesday, or Thursday. No street sweeping shall be done on Mondays (city-wide garbage and recycling collection day).
2. Day 1: sweep streets curb to curb and all paved surfaces of the alleys/parking lots.
3. Day 2: clean up remaining areas not swept.
4. All sweepings must be hauled away at contractor's expense.

## CITY TO PROVIDE

1. Posting of "no parking" street signs.
2. Street map of Lauderdale.
3. Daily supervision of areas to be swept.
4. Space to park sweeper overnight at city garage.

## CONTRACTOR TO PROVIDE

1. Hydrants for water are available. Contractor must make arrangement with St. Paul Regional Water to purchase the water (they own the local water utility).
2. Affidavit of insurance – prior to start date.
3. Agree to the terms of the City's Service Agreement.
4. Estimate of yards of material hauled away.

**Please return the quote by Thursday, March 5, 2020. The City reserves the right to accept or reject quotes for any reason.**

Company Name Mike McPhillips, Inc. Company Contact Mike Edge

Address 825 Concord Street North

City South St. Paul State MN Zip 55025

Phone 651-451-4030 Fax 651-451-4015 Email Mike@mcphillipsinc.com

Type of Sweeper and Dump Trucks

Used Elgin Pelican, Peterbilt

Total not to exceed (including labor): \$ 8,400.00

Cost per additional sweeping, if requested by the City (Hourly rate): \$ 95.00

Signature: Mike Edge Date: 3/2/2020

CONTACT: David Hinrichs, Public Works Coordinator: 7:00 a.m. - 3:00 p.m., Monday - Friday.

## Contract between the City of Lauderdale and Mike McPhillips, Inc.

This contract (the "Agreement") is made and entered into this 10<sup>th</sup> day of March, 2020, between the City of Lauderdale, Minnesota (the "City"), and Mike McPhillips, Inc., (the "Contractor"), (collectively, the "Parties").

1. Scope of Services. The Contractor agrees to perform the following services:
  - Sweep streets, alleys, and parking lots per the attached plan.
  - This is approximately 5.5 miles of streets.
  - The timing of the sweepings will be coordinated with the City's Public Works Coordinator. The fall sweeping is expected to occur after the vast majority of the leaves have fallen.
  - All sweepings must be hauled away by the contractor at contractor's expense.
  - The first day of work must be a Tuesday, Wednesday, or Thursday. No street sweeping may be done on Monday.
  
2. Compensation. The City agrees to pay the Contractor an amount not to exceed the quoted price of \$8,400.00. The City shall not withhold monies for the payment of any federal or state income taxes, social security benefits, or other taxes.
  
3. Term. This agreement is applicable for spring and fall street sweepings in 2020.
  
4. Independent Contractor Relationship. It is expressly understood that the Contractor is an "independent contractor" and not an employee of the City. The Contractor shall have control over the manner in which the services are performed under this Agreement. The Contractor shall supply, at its own expense, all materials, supplies, equipment and tools required to accomplish the work contemplated by this Agreement. The Contractor shall not be entitled to any benefits from the City, including, without limitation, insurance benefits, sick and vacation leave, workers' compensation benefits, unemployment compensation, disability, severance pay, or retirement benefits.
  
5. Insurance Requirements.
  - A. Liability. The Contractor agrees to maintain commercial general liability insurance in a minimum amount of \$1,000,000 per occurrence. The policy shall cover liability arising from premises, operations, products-completed operations, personal injury, advertising injury, and contractually assumed liability. The City shall be named as an additional insured.
  - B. Automobile Liability. If the Contractor operates a motor vehicle in performing the services under this Agreement, the Contractor shall maintain automobile liability insurance, including owned, hired, and non-owned automobiles, with a minimum liability limit of \$1,000,000 combined single limit. The City shall be named as an additional insured.
  - C. Workers' Compensation. The Contractor agrees to comply with all applicable workers' compensation laws in Minnesota.

D. Certificate of Insurance. The Contractor shall, prior to commencing services, deliver to the City a Certificate of Insurance as evidence that the above coverages are in full force and effect.

6. Indemnification. The Contractor agrees to defend and indemnify the City, and its employees, officials, volunteers and agents from and against all claims, actions, damages, losses and expenses arising out of the Contractor's performance or failure to perform its duties under this Agreement.

7. General Provisions.

A. Entire Agreement. This Agreement supersedes any prior or contemporaneous representations or agreements, whether written or oral, between the Parties and contains the entire agreement.

B. Assignment. The Contractor may not assign this Agreement to any other person unless written consent is obtained from the City.

C. Amendments. Any modification or amendment to this Agreement shall require a written agreement signed by both Parties.

D. Governing Law. This Agreement shall be governed by and interpreted in accordance with the laws of the State of Minnesota.

E. Savings Clause. If any court finds any portion of this Agreement to be contrary to law or invalid, the remainder of the Agreement will remain in full force and effect.

F. Waivers. The waiver by either party of any breach or failure to comply with any provision of this Agreement by the other party shall not be construed as, or constitute a continuing waiver of such provision or a waiver of any other breach of or failure to comply with any other provision of this Agreement.

G. No Waiver by City. By entering into this agreement, the City does not waive its entitlement to any immunity under statute or common law.

H. Termination. Either party may terminate this agreement at any time for any reason. If the contract is terminated early, the City will pay a pro rated fee for services performed to date.

IN WITNESS WHEREOF, the Parties, have caused this Agreement to be approved on the date above.

**City of Lauderdale, Minnesota**

By: \_\_\_\_\_  
Mary Gaasch, Mayor

\_\_\_\_\_  
Michael Edge, Mike McPhillips, Inc.  
**Contractor**

And: \_\_\_\_\_  
Heather Butkowski,  
City Administrator

## LAUDERDALE COUNCIL ACTION FORM

### Action Requested

Consent                      X    
Public Hearing                     
Discussion                         
Action                               
Resolution                         
Work Session                   

Meeting Date            March 10, 2020  
ITEM NUMBER          Cooperative Purchasing Conn  
STAFF INITIAL            HB    
APPROVED BY ADMINISTRATOR

### DESCRIPTION OF ISSUE AND PAST COUNCIL ACTION:

Staff evaluated three playground equipment vendors and chose one to continue working with the community on a design. The vendor selected is Midway Playscapes. The City can use the Cooperative Purchasing Connection (CPC) to buy equipment through them at a discount. Even though the project is not costly enough to require competitive bidding, purchasing through a cooperative is recognized as similar to having gone through a competitive bid process. Following is information about the Cooperative and how it meets the legal bidding requirements. To purchase through CPC, the City must first become a member; there is no cost to become one.

### OPTIONS:

### STAFF RECOMMENDATION:

By approving the Consent Agenda, the Council approves the Cooperative Purchasing Connection Participation Agreement as presented.

### COUNCIL ACTION:



## Cooperative Purchasing Connection Participation Agreement

The Cooperative Purchasing Connection (CPC) is a joint program of eight Minnesota Service Cooperatives. The Service Cooperatives are public entities, created under Minnesota Statute 123A.21, whose purpose is to conduct joint activities that will result in cost savings and enhanced services for schools, governmental units, and nonprofit entities. The CPC program is established and operates under MN Statute 123A.21, and MN Statute 471.59, Joint Exercise of Powers. We have established a category of participation for eligible organizations interested in utilizing the CPC contracts for goods and services established under MN Statute 471.345, Uniform Municipal Contracting Law. This CPC participation agreement does not require a membership fee to the service cooperatives.

This participation agreement is made effective by and between the Service Cooperative's CPC Program and the eligible organization signing this agreement.

1. CPC will offer its contracts for goods and services for purchases of supplies, equipment, and services for use within the Participant's organization.
2. The Participant will adhere to the original terms and conditions of the CPC contracts.
3. The Participant agrees to be responsible for all aspects of the procurement process when purchasing from a CPC contracted vendor. Any dispute which may arise between the Participant and the CPC contracted vendor will be resolved between the Participant and the CPC contracted vendor.
4. This Agreement will become effective on the date listed below and will remain in effect until canceled by either party with written notice to the other party.

Participant:

Cooperative Purchasing Connection

By:

Authorized Signature

Authorized Signature

Mayor

Title

Title

March 10, 2020

Date

Date

Name of Organization		City of Lauderdale	
Name of Contact		Heather Butkowski	
Address		1891 Walnut Street	
City/State/Zip		Lauderdale, MN 55113	
Email	admin@lauderdalemn.org		
Phone	651-792-7650	Fax	651-631-2066
<b>Please include a copy of your sales tax exemption certificate/ST3.</b>			

Questions? Call our friendly staff at 888-739-3289.

Please return to: Cooperative Purchasing Connection, 1001 E. Mount Faith Ave., Fergus Falls, MN 56537

Fax: Attn: Lori Mittelstadt, 218-739-0326; Email: [info@purchasingconnection.org](mailto:info@purchasingconnection.org)





## CONVENIENT | COMPETITIVE | COOPERATIVE

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## Legal Authority

Service Cooperatives are public, nonprofit membership-based organizations dedicated to providing services that help make our members successful.

Minnesota Statute §123A.21 is the enabling legislation of the service cooperatives. It defines that the service cooperative role is to provide programs and services that meet the needs of members. Cooperative purchasing is one of those programs. Membership is open to schools, cities, counties, governmental agencies, nonprofit organizations and other partnership agencies.

Minnesota Statute §471.345 Subdivision 15 defines how our members can purchase from the contracted vendors while staying in compliance with the competitive bidding requirements. This statute states:



“A Municipality may contract for the purchase of supplies, materials, or equipment without regard to the competitive bidding requirements of this section if the purchase is through a national municipal association’s purchasing alliance or cooperative created by a joint powers agreement that purchases items from more than one source on the basis of competitive bids or competitive quotation.”

The combination of these two statutes gives service cooperative members the ability to purchase from CPC’s contracted vendors while staying in compliance with the competitive bidding requirements.

**CPCwebsite**

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## Our Story

The Cooperative Purchasing Connection (CPC) provides the smallest schools, cities, counties, nonprofits and other governmental agencies with the same purchasing power of their much larger counterparts.

### CPC Participating Agencies

Our competitively solicited contracts meet state guidelines and eliminate the need for time-consuming bids and multiple price quotes.

In 1976, following legislation in Minnesota, eight service cooperatives in the state created the CPC to provide a solution for our members navigating the public procurement process.

We have expanded and grown stronger in the subsequent years and CPC now includes North Dakota and South Dakota.



Regional CPC representatives communicate regularly with their membership to provide updates on new products, services and vendors. We take pride in knowing our members on a first name basis!

### **Competitive**

More than 50 vendors provide great customer service and significant discounts on quality products.

### **Compliant**

CPC's contracts meet the competitive solicitation requirements so members can purchase without needing to bid on their own.

Statutes:

Minnesota statute §123A.21 and 471.345 subdivision 15

North Dakota statute §54-40.3 of the North Dakota Century Code

South Dakota statute §5-18A-37

### **Convenient**

Our participating agencies know and trust the cooperative purchasing program.

**LAUDERDALE COUNCIL  
ACTION FORM**

**Action Requested**

Consent \_\_\_\_\_  
Public Hearing \_\_\_\_\_  
Discussion \_\_\_\_\_ X \_\_\_\_\_  
Action \_\_\_\_\_ X \_\_\_\_\_  
Resolution \_\_\_\_\_  
Work Session \_\_\_\_\_

Meeting Date March 10, 2020

ITEM NUMBER CDBG Grant for Playground

STAFF INITIAL HB

APPROVED BY ADMINISTRATOR

**DESCRIPTION OF ISSUE AND PAST COUNCIL ACTION:**

Following is the Community Development Block Grant Program Agreement prepared by Ramsey County. The city attorney is reviewing it. If he has any recommended changes, staff will pass them along before the meeting. The agreement provides \$115,00 for the purchase of playground equipment and to make ADA improvements. As we have discussed, this is possible due to Lauderdale's census tract data that identifies us as "low to moderate income." The goal of this project is to make community driven playground improvements at Skyview Park. The plan is to make improvements on the southern half of the park to leave room for open space or future improvements. The community planning event is scheduled for March 12 at 6:30 p.m. After that the playground vendor will prepare a couple of renderings that we can distribute for additional comment.

**OPTIONS:**

**STAFF RECOMMENDATION:**

Motion to approve the Community Development Block Grant Program Agreement between the Ramsey County Housing and Redevelopment Authority, a Political Subdivision of the State of Minnesota, and the City of Lauderdale, a Minnesota Municipal Corporation.

**COUNCIL ACTION:**

**COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM**

**AGREEMENT**

**between**

**THE RAMSEY COUNTY HOUSING and REDEVELOPMENT AUTHORITY  
A POLITICAL SUBDIVISION OF THE STATE OF MINNESOTA**

**AND**

**CITY OF LAUDERDALE,  
A MINNESOTA MUNICIPAL CORPORATION**

This agreement entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2020, between the **RAMSEY COUNTY HOUSING AND REDEVELOPMENT AUTHORITY**, a political subdivision of the State of Minnesota (hereinafter referred to as the "AUTHORITY"), and **CITY OF LAUDERDALE**, a Minnesota municipal corporation (hereinafter referred to as the "GRANTEE").

**RECITALS**

- A. The AUTHORITY is an urban county applicant for block grant funds under the Housing and Community Development Act, 42 U.S.C. §§ 5301-5321 (Act), and will receive block grant funds for the purpose of carrying out eligible community development and housing activities under the Act and under regulations promulgated by the Department of Housing and Urban Development (H.U.D.) at 24 C.F.R., pt. 570;
- B. An Urban County Consortium has been established by a Joint Cooperation Agreement between the AUTHORITY and municipal corporations within Ramsey County, the terms of which specify allocation of block grant funds to those participating jurisdictions for use in accordance with the County Housing Assistance and Community Development Plans accepted by participating jurisdictions and reviewed by H.U.D.;
- C. The AUTHORITY desires to have certain work or services performed by the GRANTEE as described within this agreement, and as authorized by Resolutions of the Ramsey County Housing and Redevelopment Authority Board for the purpose of implementing eligible activities under the Act and H.U.D. regulations;

- D. It is appropriate and mutually desirable that the GRANTEE be designated by the AUTHORITY to undertake the aforementioned eligible activities, so long as the requirements of the Act, H.U.D. regulations, state law, and local law are adhered to, as provided for herein;
- E. The purpose of this Agreement is to provide for cooperation between the AUTHORITY and the GRANTEE, as the parties in this agreement, in implementing such eligible activities in the manner described above;
- F. The parties are authorized and empowered to enter into this Agreement by the Laws of the State of Minnesota;
- G. The attached exhibits as listed below are hereby incorporated in this agreement and made a part hereof: **1)** the Application dated February 6, 2020, **2)** an Assurance and Certification of Compliance for Federal Awards, and **3)** Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – Lower Tier Covered Transactions.
- H. In consideration of payments, covenants, and agreements hereinafter mentioned, to be made and performed by the parties hereto, the parties mutually covenant and agree as provided for in this agreement.

## **PART 1. GENERAL CONDITIONS**

### **1. SCOPE OF AGREEMENT**

The Agreement between the parties shall consist of: the signature page; the general conditions; the federal, state, and local program requirements; the evaluation and record keeping requirements; Attachment A; each and every project exhibit incorporated into the Agreement; all matters and laws incorporated by reference herein; and any written amendments made according to the general conditions. This Agreement supersedes any and all former agreements applicable to projects attached as exhibits to this Agreement.

### **2. SCOPE OF WORK OR SERVICES**

The Grantee shall perform and carry out in a satisfactory and proper manner the work or services set forth in the exhibit(s) attached hereto. In the case of multiple projects, each project shall correspond to a separate exhibit. This Agreement may be amended from time to time, in accordance with the general conditions, for the purpose of adding new projects, amending the scope of work, or for any other lawful purpose.

3. **COMMENCEMENT AND TERMINATION OF PROJECTS**

Upon release of project related funds by H.U.D. pursuant to federal regulations, the AUTHORITY shall furnish the GRANTEE with written notice to proceed. No work on the project shall occur prior to the notice to proceed without written approval from the AUTHORITY. Termination dates for individual projects shall be specified in the appropriate exhibits. The termination date may be changed through amendment of this Agreement. In general, a project is expected to be completed within 24 months from the date which the Agreement is executed. Projects which do not show substantial progress within the timespan specified in the application may be terminated at the sole discretion of the AUTHORITY upon 30 days written notice to the GRANTEE.

4. **ADMINISTRATION**

- A. The GRANTEE shall appoint a liaison person who shall be responsible for the overall administration of block grant funded project(s) and coordination with the AUTHORITY. The GRANTEE shall also designate one or more representatives who shall be authorized to sign the monthly Voucher and Reporting Form. The names of the liaison persons and representatives shall be specified in the exhibits.
- B. For all agencies which are presently parties to Joint Cooperation Agreements with the AUTHORITY covering planning, distribution of funds, and program execution under the Act, the GRANTEE remains subject to the provisions of such agreement.

5. **COMPENSATION AND METHOD OF PAYMENT**

- A. The AUTHORITY shall pay the GRANTEE for the work or services specified in the exhibits in an amount not to exceed \$115,000.00 (the "GRANT FUNDS"). The GRANT FUNDS shall be paid as follows:
  - a) A \$86,250 lump sum payment for mobilization shall be paid to GRANTEE upon execution of this Agreement. Before receiving additional GRANT FUNDS, GRANTEE must provide AUTHORITY with copies of invoices for the work or services paid for with this lump sum amount.
  - b) Up to \$28,750 shall be paid to GRANTEE on a reimbursement basis upon the submission of a Community Development Voucher and Reporting Form with supporting documents and signed by the GRANTEE's authorized representative. The AUTHORITY will make payment to the GRANTEE not more than twenty-one (21) working days after said invoice is received and approved by the AUTHORITY. The AUTHORITY will issue a statement of correction voucher in the event that the voucher request is erroneous. Payment does not constitute absolute approval.
- B. In the event that all or any portion of the subject property identified in the exhibit(s) is sold or transferred or otherwise conveyed, without the approval of AUTHORITY, or ceases to be used as a public park serving a community the low-income independent

senior living facility, or other eligible use approved by AUTHORITY, within 5 years from the date of execution of this agreement, the full amount of the grant shall be due.

**6. OPERATING BUDGET**

The GRANTEE shall apply the funds received from the AUTHORITY under this Agreement in accordance with the requirements of the exhibit(s) attached hereto.

**7. FUNDING ALTERNATIVES AND FUTURE SUPPORT**

- A. The GRANTEE shall report all Program Income generated under this Agreement or generated through the project(s) funded under this Agreement. In the event the GRANTEE receives any Program Income it shall, in the sole discretion of, and at the direction of at the AUTHORITY, either utilize it solely for the purposes set forth in this Agreement or return it to the AUTHORITY. At the end of the program year the AUTHORITY may require remittance of all or part of any program income balances (including investments thereof) held by the GRANTEE (except those needed for immediate cash needs, cash balances of a revolving loan fund, cash balances from a lump sum drawdown, or cash or investments held for Section 108 security needs).
- B. The AUTHORITY makes no commitment to future support and assumes no obligation for future support of the activities contracted for herein, except as expressly set forth in this Agreement.
- C. Should anticipated sources of revenue not become available to the AUTHORITY for use in the Community Development Block Program, the AUTHORITY shall immediately notify the GRANTEE in writing and the AUTHORITY will be released from all contracted liability for that portion of the Agreement covered by funds not received by the AUTHORITY.

**8. AMENDMENTS**

Either party may request modifications in the scope of work or services, terms, or conditions of this Agreement. Proposed modifications which are mutually agreed upon shall be incorporated by written amendment to this Agreement. A written amendment may affect a project or projects authorized by this Agreement or may be of general application.

**9. ASSIGNMENT AND SUBCONTRACTING**

- A. The GRANTEE shall not assign any portion of this Agreement without the written consent of the AUTHORITY, and it is further agreed that said consent must be sought by the GRANTEE not less than fifteen (15) days prior to the date of any proposed assignment.
- B. Any work or services assigned or subcontracted hereunder shall be subject to each provision of this Agreement and proper bidding procedures contained therein. The



GRANTEE agrees that it is as fully responsible to the AUTHORITY for the acts and omissions of its subcontractors and of their employees as agents, as it is for the acts and omissions of its own employees and agents.

**10. HOLD HARMLESS AND INDEMNIFICATION**

- A. The GRANTEE further agrees that it is financially responsible (liable) for any audit exception which occurs due to its negligence or failure to comply with the terms of the Agreement.
- B. The GRANTEE and AUTHORITY mutually agree to hold harmless and defend each other, their officials, officers, employees, agents, representatives, customers, or invitees against any and all claims, lawsuits, damages, or lawsuits for damages arising from or allegedly arising from or related to the PROJECT, including but not limited to the GRANTEE's or the AUTHORITY's acts, failure to act, or failure to perform its obligations hereunder. The GRANTEE and AUTHORITY further agree to pay the costs of and/or reimburse each other, their officials, officers, employees, agents, representatives, customers, or invitees for any and all liability, costs, and expenses (including without limitation reasonable attorney's fees) incurred in connection therewith. Each party shall promptly notify the other of any claim made for any such damage or loss and afford that party and its counsel the opportunity to contest, compromise, or settle such claim.
- C. Nothing in this Agreement shall constitute a waiver by the GRANTEE or AUTHORITY of any statutory limits or exceptions on liability.

**11. INSURANCE**

- A. GRANTEE shall purchase and maintain such insurance as will protect it from claims which may arise out of, or result from, its operations related to this AGREEMENT, whether such operations be by the GRANTEE or by any subcontractor, or by anyone directly employed by them, or by anyone for whose acts any one of them may be liable.
- B. GRANTEE shall secure the following coverages and comply with all provisions noted. Certificates of Insurance shall be issued evidencing such coverage to the AUTHORITY throughout the term of this AGREEMENT.

1. Commercial General Liability Insurance

- \$ 500,000 per claim
- \$1,500,000 per occurrence
- \$2,000,000 general aggregate
- \$2,000,000 products/completed operations total limit
- \$1,500,000 personal injury and advertising liability

This policy shall be written on an occurrence basis using ISO form CG 00 01 or its equivalent. Coverage shall include contractual liability and XCU. GRANTEE will be required to provide proof of completed operations coverage for 3 years after substantial completion.

GRANTEE is required to add the AUTHORITY, Ramsey County, their officials, employees, volunteers and agents as Additional Insured to the GRANTEE's Commercial General Liability and Umbrella policies with respect to liabilities caused in whole or part by GRANTEE's acts or omissions, or the acts or omissions of those acting on GRANTEE's behalf in the performance of the ongoing operations, services and completed operations of the GRANTEE under this AGREEMENT. The coverage provided shall be primary and non-contributory.

2. Automobile Insurance

Coverage shall be provided for hired, non-owned and owned auto.  
Minimum limits of \$1,000,000 combined single limit

3. Workers' Compensation and Employers' Liability

Workers' Compensation as required by Minnesota Statutes  
Employers' Liability Limits:  
\$500,000/\$500,000/\$500,000

4. Professional Liability/Errors and Omissions Coverage  
(if applicable)

Per Claim Limit: \$ 500,000  
Per Occurrence Limit: \$1,500,000  
Aggregate Limit: \$2,000,000

This policy is to be written as acceptable to the AUTHORITY.

Certificates of Insurance must indicate if the policy is issued on a claims-made or occurrence basis. If coverage is carried on a claims-made basis, then: 1) the retroactive date shall be noted on the Certificate and shall be prior to or the day of the inception of the AGREEMENT; and 2) evidence of coverage shall be provided for three years beyond expiration of the AGREEMENT.

5. Property Insurance. GRANTEE shall secure property insurance on a replacement cost, all risk basis for both real and personal property. The policy shall include business interruption and extra expense coverages. The AUTHORITY shall be added to the policy as lender as their interest may appear.

- C. GRANTEE shall provide AUTHORITY with prior notice of any lapse in the insurance required under this AGREEMENT including cancellation, and/or non-renewal or material change in coverage. GRANTEE who is

providing services on behalf of the AUTHORITY shall notify its insurer that the AUTHORITY is requiring third party notice of mid-term cancellation per Minn. Stat. § 60A.36, Subd. 2a.

- D. The above sub-paragraphs establish minimum insurance requirements, and it is the sole responsibility of GRANTEE to purchase and maintain additional coverages as it may deem necessary in connection with this AGREEMENT.
- E. Certificate of Insurance must indicate if the policy is issued pursuant to these requirements. GRANTEE shall not commence work until the GRANTEE has obtained the required insurance and filed an acceptable Certificate of Insurance with AUTHORITY. Copies of insurance policies shall be submitted to the AUTHORITY upon request.
- F. Nothing in this AGREEMENT shall constitute a waiver by the AUTHORITY or Ramsey County of any statutory or common law immunities, limits, or exceptions on liability.
- G. Certificates shall specifically indicate if the policy is written with an admitted or non-admitted carrier. Best's Rating for the insurer shall be noted on the Certificate, and shall not be less than an A-.

## 12. CONFLICT OF INTEREST

- A. **Interest of Officers, Employees or Agents.** No officer, employee, or agent of the GRANTEE who exercises any functions or responsibilities in connection with the planning and carrying out of the Block Grant Program, or any other person who exercises any functions or responsibilities in connection with the Program, shall have any personal financial interest, direct or indirect, in this Agreement, and the GRANTEE shall take appropriate steps to assure compliance.
- B. **Interest of Subcontractor and Their Employees.** The GRANTEE agrees that it will incorporate into every subcontract required to be in writing and made pursuant to this Agreement the following provisions:

The contractor covenants that no person who presently exercises any functions or responsibilities in connection with the Block Grant Program, has any financial interest, direct or indirect, in this contract. The contractor further covenants that he presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of his work or services hereunder. The contractor further covenants that in the performance of this contract no person having any conflicting interest shall be employed. Any interest on the part of

the contractor or his employees must be disclosed to the GRANTEE and the AUTHORITY.

13. **TERMINATION**

- A. This Agreement is subject to termination upon thirty (30) days written notice by the AUTHORITY should:
  - 1) The GRANTEE mismanage or make improper or unlawful use of Agreement funds;
  - 2) The GRANTEE fail to comply with the terms and conditions expressed herein or the applicable federal, state, or county regulations and directives;
  - 3) The GRANTEE fail to provide work or services expressed by this Agreement; or
  - 4) The GRANTEE fail to submit reports or submit incomplete or inaccurate reports in any material respect.
- B. This Agreement may be terminated by the AUTHORITY immediately upon the receipt by the AUTHORITY of notice of the loss of federal funding for the Community Development Block Grant Program or any project of the GRANTEE.
- C. This Agreement is subject to termination upon thirty (30) days written notice by the GRANTEE should:
  - 1) The AUTHORITY fail in its commitment under this Agreement to provide funding for work or services rendered, as herein provided; or
  - 2) Block Grant Funds become no longer available from the federal government or through the AUTHORITY.
- D. This agreement may be terminated by the parties, in whole or in part, under such terms and conditions as they may agree, subject to the provisions of paragraphs A, B, and C herein.
- E. Otherwise, this Agreement shall terminate on the latest termination date specified on the exhibit(s) attached hereto and shall be subject to extension only by mutual agreement and amendment in accordance with the General Conditions of this Agreement.
- F. Upon termination of this Agreement, any unexpended balance of Agreement funds shall remain in the Block Grant Fund.

- G. In the event that termination occurs under paragraph A(1) of this section, the GRANTEE shall return to the AUTHORITY all funds which were expended in violation of the terms of this Agreement.

## **PART II. FEDERAL AND LOCAL PROGRAM REQUIREMENTS**

### **1. PROGRAM ADMINISTRATION**

The GRANTEE shall comply with the applicable uniform administrative requirements set forth at 24 C.F.R. § 570.502.

### **2. PROCUREMENT STANDARDS**

**A. General.** In awarding contracts pursuant to this Agreement, the GRANTEE shall comply with all applicable requirements of local and state law for awarding contracts, including, but not limited to, procedures for competitive bidding, contractor's bonds, and retained percentages. In addition, the GRANTEE shall comply with the requirements of the U.S. Office of Management and Budget Circular A-102, relating to bonding, insurance, and procurement standards, and with Executive Order 11246, as amended by Executive Order 11375, and as supplemented in Department of Labor regulations, 41 C.F.R., Ch. 60, regarding nondiscrimination bid conditions for projects over Ten Thousand and no/100 (\$10,000.00) Dollars. Where federal standards differ from local or state standards, the stricter standards shall apply. The federal standard of Ten Thousand and no/100 (\$10,000.00) Dollars for competitive bidding shall apply only if the applicable state or local standard for competitive bidding is less strict than Ten Thousand and no/100 (\$10,000.00) Dollars.

**B. Construction.** All contracts and subgrants for construction or repair shall include a provision for compliance with the Copeland "Anti-Kickback" Act, 18 U.S.C. § 874, as amended, and as supplemented in Department of Labor regulations, 29 C.F.R., pt. 3.

### **3. ENVIRONMENTAL REVIEW**

**A. National Environmental Policy Act.** The AUTHORITY retains environmental review responsibility for purposes of fulfilling requirements of the National Environmental Policy Act as implemented by H.U.D. Environmental Review Procedures, 29 C.F.R., pt. 58. The AUTHORITY may require the GRANTEE to furnish data, information, and assistance for the AUTHORITY's review and assessment in determining whether an Environmental Impact Statement must be prepared.

**B. State Environmental Policy Act.** Agencies which are branches of government under Minnesota law retain responsibility for fulfilling the requirements of the state

law regarding environmental policy and conservation, and regulations and ordinances adopted thereunder. If the GRANTEE is not a branch of government under Minnesota law, the AUTHORITY may require the GRANTEE to furnish data, information, and assistance as necessary to enable the AUTHORITY to comply with the State Environmental Policy Act.

- C. **Satisfaction of Environmental Requirements.** Project execution under this Agreement by either the AUTHORITY or the GRANTEE shall not proceed until all applicable requirements of the National and State Environmental Policy Acts have been satisfied. The AUTHORITY will not issue a written notice to proceed until all such requirements are met.

#### 4. **NON-DISCRIMINATION**

- A. **General.** The GRANTEE shall comply with all federal, state, and local laws prohibiting discrimination on the basis of age, sex, marital status, race, creed, color, national origin or the presence of any sensory, mental or physical handicap, or any other basis.
- B. **Program Benefit.** The GRANTEE shall not discriminate against any resident of the project service area by denying benefit from or participation in any block grant funded activity on the basis of race, color, sex, or national origin.
- C. **Fair Housing.** The GRANTEE shall take necessary and appropriate actions to prevent discrimination in federal assisted housing and lending practices related to loans insured or guaranteed by the federal government.
- D. **Employment.**
  - 1) In all solicitations under this Agreement, the GRANTEE shall state that all qualified applicants will be considered for employment. The words "equal opportunity employer" in advertisements shall constitute compliance with this section.
  - 2) The GRANTEE shall not discriminate against an employee or applicant for employment in connection with this Agreement because of age, marital status, race, creed, color, national origin, or the presence of any sensory, mental or physical handicap, except when there is a bona fide occupational limitation. Such action shall include, but not be limited to, the following: Employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training.
  - 3) The GRANTEE shall provide training and employment opportunities for lower income residents within the area served by block grant assisted projects as required by the Housing and Urban Development Act, § 3, 12 U.S.C. § 1701u

and in accordance with the requirements of the Ramsey County Section 3 Plan. As appropriate, the Section 3 Clause, a copy of which is attached hereto as Attachment A and made a part hereof, shall be included in contracts between the GRANTEE and contractors and subcontractors.

**E. Contractors and Suppliers**

- 1) No contractor, subcontractor, union or vendor engaged in any activity under this Agreement shall discriminate in the sale of materials, equipment or labor on the basis of age, sex, marital status, race, creed, color, national origin, or the presence of any sensory, mental or physical handicap. Such practices include upgrading, demotion, recruiting, transfer, layoff, termination, pay rate, and advertisement for employment.
- 2) All firms and organizations described above shall be required to submit to the GRANTEE certificates of compliance demonstrating that they have, in fact, complied with the foregoing provisions; provided, that certificates of compliance shall not be required from firms and organizations on contracts and/or yearly sales of less than \$10,000.
- 3) To the greatest extent feasible, the GRANTEE shall purchase supplies and services for activities under this Agreement from vendors and contractors whose businesses are located in the area served by block grant funded activities or owned in substantial part by project area residents.

**F. Notice**

- 1) The GRANTEE shall include the provisions of the appropriate subsections A, B, C, D, and E of this section in every contract or purchase order for goods and services under this Agreement and shall send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding a notice advising the said labor union or worker's representative of the commitments made in these subsections.
- 2) In advertising for employees, goods, or services for activities under this Agreement, the GRANTEE shall utilize minority publications in addition to publications of general circulation.

**5. LABOR STANDARDS**

GRANTEE shall comply with all federal, state and local laws that apply to the construction or rehabilitation of the PROPERTY, specifically the Ramsey County Prevailing Wage Ordinance No. 2013-329.

GRANTEE shall require that project construction contractors and subcontractors pay their laborers and mechanics at wage rates in accordance with the Davis-Bacon Act, 40 U.S.C.

§§ 3141-44 and §§ 3146-3147; provided that this section shall not apply to rehabilitation of residential property designed for residential use by fewer than eight families.

A copy of the current Davis-Bacon wage rate must be included in all construction bid specifications and contracts over Two Thousand and no/100 (\$2,000.00) Dollars.

**6. PROPERTY MANAGEMENT**

- A. The GRANTEE agrees that any nonexpendable personal property, purchased wholly or in part with agreement funds at a cost of Three Hundred and no/100 (\$300.00) Dollars or more per item, is, upon its purchase or receipt, the property of the AUTHORITY and/or federal government. Final ownership and disposition of such property shall be determined under the provisions of U.S. Office of Management and Budget Circular No. A-102.
- B. The GRANTEE shall be responsible for all such property, including its care and maintenance.
- C. The GRANTEE shall admit the AUTHORITY's property management officer to the GRANTEE's premises for the purpose of marking such property, as appropriate, with AUTHORITY property tags.
- D. The GRANTEE shall meet the following procedural requirements for all such property:
  - 1) Property records shall be maintained accurately and provide for: a description of the property; manufacturer's serial number or other identification number; acquisition date and cost; source of the property; percentage of block grant funds used in the purchase of property; and location, use and condition of the property.
  - 2) A physical inventory of property shall be taken and the results reconciled with the property records at least once every two (2) years to verify the existence, current utilization, and continued need for the property.
  - 3) A control system shall be in effect to insure adequate safeguards to prevent loss, damage, or theft to the property. Any loss, damage, or theft of the property shall be investigated and fully documented.
  - 4) Adequate maintenance procedures shall be implemented to keep the property in good condition.

**7. ACQUISITION AND RELOCATION**

- A. Any acquisition of real property for any activity assisted under this Agreement which occurs on or after the date of the AUTHORITY's submission of its Block Grant



application to H.U.D. shall comply with Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act, Title III, 42 U.S.C. §§ 4601-4655 (Uniform Act) and the Regulations at 49 C.F.R., pt. 24.

- B. Any displacement of persons, business, non-profit organizations or farms occurring on or after the date of the AUTHORITY's submission of its Block Grant application as the result of acquisition of real property assisted under this Agreement shall comply with Title II of the Uniform Act and the Regulations at 49 C.F.R., pt. 24. The GRANTEE shall comply with the regulations pertaining to costs of relocation and written policies, as specified by 24 C.F.R. § 570.606.

**8. HISTORIC PRESERVATION**

The GRANTEE shall meet the historic preservation requirements of the National Historic Preservation Act, 16 U.S.C. §§ 470-470x-6 and the Archaeological and Historic Preservation Act, 16 U.S.C. §§ 469-469c-1 and Executive Order 11593, including the procedures prescribed by the Advisory Council on Historic Preservation at 36 C.F.R., pt. 800.

**9. ARCHITECTURAL BARRIERS**

Any facility constructed pursuant to this Agreement shall comply with design requirements of the Architectural Barriers Act, 42 U.S.C. §§ 4151-4157 and the Americans with Disabilities Act, 42 U.S.C. §§ 12101-12213.

**10. ACTIVITIES FOR WHICH OTHER FEDERAL FUNDS MUST BE SOUGHT**

The GRANTEE may use Community Development Block Grant funds for the provision of public services as described by 24 C.F.R. § 570.201(e) provided that the GRANTEE meets the requirements of and follows the procedures outlined in 24 C.F.R. § 570.607.

**11. NON-PARTICIPATION IN POLITICAL ACTIVITIES**

The GRANTEE shall comply with the provisions of the Hatch Act, 5 U.S.C. §§ 7321-7326.

**12. CONDITIONS FOR RELIGIOUS ORGANIZATIONS**

Where applicable, the conditions prescribed by H.U.D. for the use of CDBG funds by religious organizations shall be followed, and, if applicable, included in agreements between the GRANTEE and contractors or sub-contractors.

**13. NATIONAL FLOOD INSURANCE**

The GRANTEE may not receive Community Development Block Grant funding for acquisition or construction in any area that has been identified as having special flood

hazards and is not participating in the National Flood Insurance Program, Flood Disaster Protection Act, § 3(a), 42 U.S.C. §§ 4001-4003, and the Regulations thereunder. The GRANTEE shall comply with the Regulations at 24 C.F.R. § 570.605.

**14. AIR AND WATER POLLUTION**

The GRANTEE shall comply with the provisions of the Clean Air Act, 42 U.S.C. §§ 7401-7642, and the Federal Water Pollution Act, 33 U.S.C. §§ 1251-1274, and the regulations issued thereunder.

**15. LEAD-BASED PAINT POISONING**

The GRANTEE shall comply with the regulations at 24 C.F.R., pt. 35, issued pursuant to the Lead-Based Poisoning Prevention Act, 42 U.S.C. § 4831, relating to the use of lead-based paint.

**16. NON-SUBSTITUTION FOR LOCAL FUNDING**

The Block Grant funding made available under this Agreement shall not be utilized by the GRANTEE to reduce substantially the amount of local financial support for community development activities below the level of such support prior to the availability of funds under this Agreement.

**17. PUBLIC OWNERSHIP**

For agencies which are not municipal corporations organized under the laws of the State of Minnesota, it may become necessary to grant the AUTHORITY a property interest where the subject project calls for the acquisition, construction, reconstruction, rehabilitation, or installation of publicly owned facilities and improvements. The GRANTEE shall comply with current AUTHORITY policy regarding transfer of a property interest sufficient to meet the public ownership requirement.

**18. PUBLIC INFORMATION**

If requested by the AUTHORITY, the GRANTEE shall comply with the following:

- A. In all news releases and other public notices related to projects funded under this Agreement, the GRANTEE shall include information identifying the source of funds as the Ramsey County Housing and Redevelopment Authority Community Development Block Grant Program.
- B. For all construction projects, the GRANTEE shall erect a sign to AUTHORITY specifications at the construction site, identifying the source of funds.

**19. REVERSION OF ASSETS**

The GRANTEE shall transfer to the AUTHORITY any CDBG funds, including but not limited to project income, on hand at the time of expiration of this Agreement, or received thereafter, and any accounts receivable attributable to the use of CDBG funds. Any real property under the GRANTEE's control that was acquired or improved in whole or in part with CDBG funds in excess of \$25,000 is either:

- (i) Used to meet one of the national objectives in 24 C.F.R., pt. 570, until five years after expiration of the agreement, or such longer period of time as determined appropriate by the AUTHORITY; or
- (ii) Is disposed of in a manner which results in the AUTHORITY being reimbursed in the amount of the current fair market value of the property less any portion thereof attributable to expenditures of non-CDBG funds for acquisition of, or improvement to, the property. Such reimbursement is not required after the period of time specified in accordance with (i) above.

**20. PROHIBITED USE OF EXCESSIVE FORCE**

The GRANTEE, if a unit of government, certifies by the execution of this Agreement that it has adopted and is enforcing a policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in nonviolent civil rights demonstrations. 24 C.F.R. § 91.225(b)(5).

**21. LOBBYING PROHIBITION**

The GRANTEE certifies by the execution of this Agreement that it has adopted and is enforcing the following as required by 24 C.F.R., pt. 87:

- 1) No federal appropriated funds have been paid or will be paid by, or on behalf of, the undersigned to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
- 2) If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the GRANTEE shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions.

- 3) The GRANTEE shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

## **PART III. EVALUATION AND RECORD KEEPING**

### **1. EVALUATION**

The GRANTEE agrees to participate with the AUTHORITY in any evaluation project or performance report, as designed by the AUTHORITY or the appropriate federal agency, and to make available all information required by any such evaluation process.

### **2. AUDITS AND INSPECTIONS**

The records and documents with respect to all matters covered by this contract shall be subject at all times to inspection, review or audit by the AUTHORITY, federal or state officials so authorized by law during the performance of this contract during the period of retention specified in this Part III.

The GRANTEE, regardless of the amount of funds received from the AUTHORITY, shall obtain at its own expense an annual certified financial and compliance audit.

All audits shall be submitted to the AUTHORITY within six months of the close of the GRANTEE's fiscal year and shall be prepared by an independent auditor who meets the independence standards specified in the General Accounting Office's yellow book, "Government Auditing Standards".

The GRANTEE shall submit a copy of the annual financial audited statements with the management compliance letter and the recipient's response to the management letter, to the Director of Community Development within six months of the end of the GRANTEE's fiscal year.

### **3. RECORDS**

As required by H.U.D. Regulations, 24 C.F.R., pt. 570, the GRANTEE shall compile and maintain the following records:

- A. **Financial Management**. Such records shall identify adequately the source and application of funds for activities within this Agreement, in accordance with the provisions of the U.S. Office of Management and Budget Circular A-102. These records shall contain information pertaining to grant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays, and income.

- B. **Citizen Participation**. Narrative and other documentation describing the process used to inform citizens concerning the amount of funds available, the ranges of project activities undertaken, and opportunities to participate in funded block grant projects.
- C. **Relocation**. Indication of the overall status of the relocation workload and a separate relocation record for each person, business, organization, and farm operation displaced or in the relocation workload.
- D. **Property Acquisition**. GRANTEE files must contain **(a)** invitation to owner to accompany appraiser during inspection, **(b)** at least one property appraisal, **(c)** statement of basis for determination of just compensation, **(d)** written offer of just compensation, **(e)** all documents involving conveyance, **(f)** settlement cost reporting statement, and **(g)** notice to surrender possession premises.
- E. **Equal Opportunity**. The GRANTEE shall maintain racial, ethnic, and gender data showing the extent to which these categories of persons have participated in, or benefited from, the activities carried out under this Agreement. The GRANTEE shall also maintain data which records its affirmative action in equal opportunity employment, and its good faith efforts to identify, train, and/or hire lower income residents of the project area and to utilize business concerns which are located in or owned in substantial part by persons residing in the area of the project.
- F. **Labor Standards**. Records shall be maintained regarding compliance of all contractors performing construction work under this Agreement with the labor standards made applicable by the Davis-Bacon Act, as amended (40 U.S.C. Sections 3141-3148).
- G. Such other records as may be required by the AUTHORITY and/or H.U.D.

#### 4. **RETENTION OF RECORDS**

Required records shall be retained for a period of six (6) years after termination of this Agreement, except as follows:

- (1) Records that are the subject of audit findings shall be retained for six (6) years after such findings have been resolved.
- (2) Records for nonexpendable property shall be retained for six (6) years after its final disposition.

#### 5. **REPORTS**

The GRANTEE shall submit reports as required by the AUTHORITY on a monthly and annual basis and also prior to project execution.

**6. DATA PRIVACY**

All data collected, created, received, maintained or disseminated for any purpose in the course of the GRANTEE's performance of this Agreement is governed by the Minnesota Government Data Practices Act, Minn. Stat. Ch. 13, or any other applicable state statutes, any state rules adopted to implement the Act and statutes, as well as federal statutes and regulations on data privacy.

**AUTHORITY:**

**GRANTEE:**

**RAMSEY COUNTY HOUSING AND REDEVELOPMENT AUTHORITY**

**CITY OF LAUDERDALE**

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

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

Dushani Dye

Its: Director of Finance and authorized signatory for Ryan T. O'Connor, Ramsey County Manager

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

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

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

**APPROVAL RECOMMENDED:**

**APPROVED AS TO FORM:**

\_\_\_\_\_

\_\_\_\_\_

Community and Economic Development

Amy Schmidt

Assistant Ramsey County Attorney

### SECTION 3 CLAUSE

- A. The work to be performed under this contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.
- B. The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implement section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.
- C. The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each, and the name and location of the person(s) taking applications for each of the positions, and the anticipated date the work shall begin.
- D. The contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135.
- E. The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 135.
- F. Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

- G. With respect to work performed in connection with section 3 covered Indian housing assistance, section 7 (b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of section 3 and section 7(b) agree to comply with section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).

## **ATTACHMENT A**



## **ASSURANCE AND CERTIFICATION OF COMPLIANCE FOR FEDERAL AID**

In connection with our responsibilities to manage the Community Development Block Grant (CDBG) funds that have been provided to our organization, we certify and assure that we are in compliance with the financial standards set forth in the Federal Office of Management and Budget (OMB) Circular A-110, the Single Audit Act, OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Grant Guidance). Our organization will respond to audit findings, questioned costs or other compliance measures issues which may include taking requisite corrective action, executing necessary documents and other requirements.

Specifically, our organization's financial management system provides for the following:

1. Accurate, current, and complete disclosure of the financial results of each federally sponsored project or program in accordance with the reporting requirements set forth in OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Grant Guidance).
2. Records that identify adequately the source and application of funds for federally sponsored activities. These records contain information pertaining to federal awards, authorizations, obligations, unobligated balances, assets, outlays, and income.
3. Effective control over the accountability for all funds, property, and other assets. These assets are adequately safeguarded and are used solely for authorized purposes.
4. Comparison of actual outlays with budget amounts for each grant or other agreement and, whenever appropriate or required, comparisons of financial information with performance and unit cost data.
5. Written procedures to minimize the elapsed time between the transfer of funds from the Ramsey County Housing and Redevelopment Authority to our organization and the disbursement of funds by our organization.
6. Written procedures for determining the reasonableness, allowability, and allocability of costs in accordance with the provisions of the applicable federal cost principles and the terms of the grant or other agreement.
7. Accounting records including cost accounting records that are supported by source documentation.
8. Annual audits by a firm of independent Certified Public Accountants to ascertain the effectiveness of the financial management systems and internal procedures that we have established to meet the terms and conditions of the federal grants and other agreements. The audits are conducted on an organization-wide basis and include an appropriate sampling of federal agreements.
9. A systematic method to assure timely and appropriate resolution of audit findings and recommendations.

10. Organizations (subrecipients) that receive CDBG funds from us are required to comply with the financial management standards set forth in this certification.

This assurance and certification is given in connection with any and all CDBG funds received from the Ramsey County Housing and Redevelopment Authority after the date this form is signed. This includes payments after such date for financial assistance approved before such date. The undersigned recognizes and agrees that any such assistance will be extended in reliance on the representations and agreements made in this assurance. This assurance and certification is binding on this organization, its subrecipients, and on the authorized official whose signature appears below.

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

**CITY OF LAUDERDALE**

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

**CERTIFICATION REGARDING DEBARMENT, SUSPENSION,  
INELIGIBILITY AND VOLUNTARY EXCLUSION -  
LOWER TIER COVERED TRANSACTIONS**

As required by the Ramsey County Contract Compliance and Debarment Ordinance, City of Lauderdale, a Minnesota municipal corporation (“BORROWER”), hereby certifies that neither it, nor its principals, is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded, by any Federal department or agency, or the State of Minnesota or Ramsey County, from participation in the transaction made by the Agreement dated evenly herewith (“AGREEMENT”) between the Ramsey County Housing and Redevelopment Authority (“AUTHORITY”) and BORROWER.

As a lower tier participant, BORROWER agrees that by submitting this certification, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by AUTHORITY.

BORROWER agrees to provide a list of its contractors hired for the PROJECT to AUTHORITY prior to any disbursement of funds under the AGREEMENT and update when needed throughout the PROJECT.

The terms of the AGREEMENT are incorporated into this certification and all capitalized terms in this certification which are defined in the AGREEMENT shall have the meanings set forth in the AGREEMENT.

**CITY OF LAUDERDALE,**  
a Minnesota municipal corporation

Dated: \_\_\_\_\_, 2020.

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

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

**LAUDERDALE COUNCIL  
ACTION FORM**

**Action Requested**

Consent \_\_\_\_\_  
Public Hearing \_\_\_\_\_  
Discussion   X   \_\_\_\_\_  
Action \_\_\_\_\_  
Resolution \_\_\_\_\_  
Work Session \_\_\_\_\_

Meeting Date March 10, 2020  
ITEM NUMBER Real Estate Equities Update  
STAFF INITIAL   HB    
APPROVED BY ADMINISTRATOR \_\_\_\_\_

**DESCRIPTION OF ISSUE AND PAST COUNCIL ACTION:**

Patrick Ostrom from Real Estate Equities (REE) will be at the meeting. REE prepared the one page summary which highlights their desire to change the project from a 100% affordable to a 20% affordable / 80% market rate senior facility. The change was prompted by how they faired in the tax credit lottery in January. To refresh memories, the July 2019 resolution approving the development state PUD application is attached. That resolution lists the conditions that would need to be met before final approval was granted. Finally, staff attached their original PUD application narrative. This will need to be amended to reflect changes to the financing structure.

The purpose of the meeting is to touch base on the changes they propose, identify any questions or concerns, and determine next steps for their application process. Jennifer Haskamp, the City's consulting planner, will be at the meeting.

**OPTIONS:**

**STAFF RECOMMENDATION:**

**COUNCIL ACTION:**

## **Project Name: Lauderdale Senior Apartments**

### **Original Proposed Development**

The original proposed structure for the Lauderdale Senior Apartment project located at 1795 Eustis Street was based on utilizing tax exempt bonds, 4% Low Income Housing Tax Credits as well as Tax Increment Financing. In addition, the City of Lauderdale would contribute a \$105,000 land write down and Ramsey County would issue \$350,000 in HOME Funds. Under this structure, Real Estate Equities was committing to place a 20 Year LURA on the property that would have committed 100% of the units at or below 60% of the area median income. In order to accomplish this, Real Estate Equities applied for tax exempt bonds on January 2<sup>nd</sup>, 2020 and unfortunately due to considerable competition was not awarded the bonds for the project. A requirement of the tax credit program is that 50% or more of the project financing be financed with a new allocation of tax exempt bonds in order to make the project financially feasible. This process resulted in Real Estate Equities needing to restructure the overall project to make a senior project on site financially feasible.

### **New Proposed Development**

The new proposed structure for the Lauderdale Senior Apartment project located at 1795 Eustis Street will be utilizing non-rated bonds, private equity, as well as Tax Increment Financing. In addition, we are still proposing the City of Lauderdale contribute a \$105,000 land write down as well as Ramsey County issuing the project \$350,000 in HOME Funds. Under this structure as well as the affordable requirements to qualify for Tax Increment Financing, we will be restricting 20% of the units at 50% of the area median income. The remaining units at the property will be market rate unrestricted units. In addition, we intend to restrict the age of residents at the property to 62+ whereas the previous project had intended to restrict units at 55+. The project design, layout and unit mix has remained unchanged from what had previously been proposed. We are confident that the high quality market rate standard that we build to will perform well and be a project that the City of Lauderdale can be proud of.

### **Project Highlights/Amenities (remains unchanged):**

**Unit Finishes/Amenities:** In Unit washer/dryer, solid surface countertops, 9 ft ceilings, full stainless-steel appliance package, low-flow fixtures/LED lighting, High Efficiency HVAC.

**Building Amenities:** Full on-site management team, secure entrance with Luxor package storage system, community room, rooftop patio, fitness center, office/conference room, underground parking.

**Exterior Materials:** Masonry, Energy Star Windows, Concrete Fiber Board, Wood Look CFB, Metal Panel Accents.

Council Member Moffatt introduced the following resolution and moved its adoption:

RESOLUTION NO. 070919B

CITY OF LAUDERDALE  
COUNTY OF RAMSEY  
STATE OF MINNESOTA

A RESOLUTION APPROVING THE DEVELOPMENT STAGE PLANNED UNIT DEVELOPMENT  
(PUD) AT 1795 EUSTIS STREET TO CONSTRUCT AND OPERATE A  
SENIOR MULTI-FAMILY HOUSING PROJECT

- A. WHEREAS, the City of Lauderdale is the owner of the property located at 1795 Eustis Street, Lauderdale, Minnesota; and
- B. WHEREAS, the City Council solicited informal proposals from parties interested in redeveloping the subject site with senior housing to meet the goals and objectives of the City's 2040 Comprehensive Plan; and
- C. WHEREAS, Real Estate Equities ("Applicant") prepared and presented a Concept Plan to redevelop the subject site with a 114-unit Senior Housing building on February 26, 2019; and
- D. WHEREAS, on March 19, 2019 the Applicant held an Open House to solicit feedback from the community before submitting their formal Development Stage PUD application; and
- E. WHEREAS, the City Council considered feedback from the Open House and provided comments that were subsequently incorporated into the Development Stage PUD application; and
- F. WHEREAS, on April 24, 2019 the Applicant submitted a complete Development Stage PUD application seeking conditional approval to rezone the subject property to PUD and to preliminarily approve the proposed Senior Housing project; and
- G. WHEREAS, on May 14, 2019 the City Council held a duly noticed public hearing for the subject Project; and
- H. WHEREAS, on May 28, 2019, June 11, 2019 and July 9, 2019 the City Council considered the public testimony and the Development Stage Planned Unit Development;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Lauderdale, Minnesota, that it does hereby approve the request of Real Estate Equities for Development Stage Planned Unit Development provided that the following conditions are met:

- 1. The Plans submitted by the Applicant on April 24, 2019 are conditionally approved with the changes and updates as noted herein.
- 2. The proposed Project, as detailed and described within the Narrative submitted by the Applicant on April 24, 2019 requesting that Subject Property be rezoned to Planned Unit Development (PUD), is conditionally approved with the conditions as noted herein.
- 3. The Applicant shall submit an application to vacate that portion of the alley running east-to-west along the southern property line and connecting to Malvern Street with the Final PUD application.

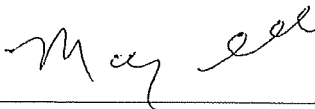
4. Approval of the Final PUD and Rezoning shall be conditioned on the approval of vacating that portion of the alley as described in Condition #3.
5. A Conditional Use Permit (CUP) may be drafted to support the rezoning to PUD and such CUP shall be recorded against the subject property. The CUP may incorporate operational conditions and site conditions that will continue beyond the construction period, which may be noted within the Development Agreement, and such conditions shall be consistent.
6. In conjunction with the requirements of the Development Agreement, the CUP may be drafted to permit the PUD for a Senior Housing use and no other use shall be permitted without an application to amend the CUP.
7. Prior to Final PUD plan approval and rezoning, the Applicant shall provide additional details regarding trash removal. All waste and recycling receptacles are required to be fully enclosed on site, and it is unclear how long the trash and recycling bins are proposed to be un-enclosed on the denoted concrete pad near the parking bay. Details must be provided and documented within an Operations Management Plan which must be reviewed by City Staff to ensure compliance with the City's ordinances.
8. The Development Agreement, and Operations Management Plan, shall provide details regarding snow removal on site. This language shall be reviewed and approved by the City Staff prior to execution of the Development Agreement.
9. The Applicant shall prepare a Parking Plan that shall be incorporated into the CUP and the Development Agreement. The Parking Plan shall describe a process to address the management of resident parking and usage of onsite parking. The Parking Plan shall address how management will respond if the majority of residents are consistently parking on City Streets and not paying for use of the underground parking stalls. The Parking Plan, as well as process to amend it, shall be provided to the City's staff, including City Attorney, who shall review and approve the Parking Plan prior to execution of the Development Agreement.
10. The Applicant shall provide additional detail regarding the monument/entrance sign including proposed lighting. This information shall be submitted with Final PUD application materials.
11. The Applicant shall submit and provide all proposed wall signage, entry signage, or any other proposed naming as part of the Final PUD submittal.
12. The Applicant shall submit and provide a sample board that shows proposed colors and exterior building materials with the Final PUD application materials.
13. The Applicant shall work cooperatively with the City to determine appropriate compensation to the property owner at 1801 Eustis Street. The compensation shall provide monetary relief for the reduction in solar productivity at the winter solstice as a result of the proposed Project. Such agreement and analysis shall be completed and incorporated into the Development Agreement.
14. The Applicant shall update the Landscape Plan to include additional boulevard trees along the north frontage (Spring Street) and the west frontage (Malvern Street). Spacing between trees shall be consistent with the spacing as denoted along Eustis Street that is approximately 45-feet on center. Tree species as denoted including Boulevard Linden and Skyline Honeylocust are acceptable, and based on sheet L1-1 result in approximately 8-10 additional trees added to the landscape plan. Sheet L1-1 shall be updated and submitted with the Final PUD application for review and approval.
15. The Applicant shall update the Landscape Plan to incorporate deciduous trees along the south-west edge which is adjacent to an existing residential property. A minimum of three deciduous trees, Maple or Lindens shall be incorporated. Sheet L1-1 shall be updated and submitted with the Final PUD application for review and approval.

16. The proposed privacy fence along the south edge of the property which provides screening to adjacent single-family uses, shall be revised to a 6-foot cedar privacy fence (board on board) to achieve 100% opacity and screening between uses. The Applicant shall work with City Staff to identify the location of the fence which shall screen, to the extent possible, the adjacent neighbors. The fence shall be maintained as detailed in the CUP and Development Agreement.
17. The Applicant shall provide a 2-year landscape guarantee for all plants identified on sheet L1-1, and such guarantee shall be included as a condition within the executed Development Agreement.
18. The landscaping and fence along the southern property edge shall be maintained in perpetuity as it provides screening to adjacent single-family uses. If vegetation along the southern edges dies, replacement with the same, or substantially similar vegetative properties shall be planted as soon as possible based on appropriate planting conditions and season.
19. The Applicant shall provide a \$2,000.00 landscape escrow to the City which shall be used solely for off-site plantings or fencing along the frontage at 1778 Eustis Street. The property owners shall select planting or fencing materials to mitigate potential glare/impacts from traffic exiting the proposed Project site.
20. Details regarding hardscape materials including all retaining walls shall be submitted for review and approval during the Final PUD application process.
21. The Applicant shall be required to pay all Park Dedication fees due, which shall be calculated and agreed to through the Final PUD process, prior to release of the building permit.
22. The Operations Management Plan, or any other tool which details the onsite management of the Senior Building including waste management, landscape management, and snow removal, shall be provided to the City for review and approval by City Staff prior to Final PUD plan approval and rezoning.
23. The Applicant shall obtain all necessary permits and approvals from the Rice Creek Watershed District. Such approvals and permits shall include, but not be limited to, the stormwater management plan. The Applicant shall provide a copy of the approved permit prior to commencing any site work.
24. The Applicant shall prepare final construction plans acceptable to the City Engineer prior to commencing any site work.
25. The Applicant shall address and meet all conditions as stated within the City Engineer's memo dated May 10, 2019.
26. The Applicant shall obtain appropriate demolition permits from the City, Ramsey County and the Minnesota Pollution Control Agency (MPCA), and shall follow all rules, procedures and conditions of such permits. Copies of all approved permits shall be provided to the City prior to any site work commencing on site.
27. The Applicant shall obtain a Building Permit prior to the commencement of any site work.
28. The Applicant shall prepare a Construction Management Plan that includes haul routes, site security/fencing, and parking locations which shall be incorporated into the Development Agreement. Such plan shall be developed in coordination with City Staff and shall be approved by the City Engineer prior to obtaining a Building Permit.
29. The Construction Management Plan shall also detail steps to inventory existing conditions, and to ensure adjacent foundations and structures are not adversely impacted by construction activities.



30. The Applicant shall be required to enter into a Development Agreement which shall be drafted by the City, and its terms generally agreed to by both parties, prior to Final PUD or Rezoning to PUD approval.
31. The Development Agreement shall be required to be executed as a condition of Rezoning to PUD.
32. Rezoning of the subject property to PUD shall be conditioned on the Applicant fulfilling the conditions as noted herein, and upon the approval of the Final PUD and any other instruments including, but not limited to, the TIF agreement.
33. That the Applicant shall replenish and pay all escrow fees and permit fees prior to Final PUD and Rezoning approval.

Dated: July 9, 2019



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Mary Gaasch, Mayor

ATTEST:



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Heather Butkowski, City Administrator-Clerk

The motion for the adoption of the forgoing resolution was duly seconded by Member Dains and upon vote being taken the following voted in favor thereof: Dains, Grove, Moffatt, and Mayor Gaasch

And the following voted against same: none

Whereupon said resolution was declared duly passed.



# REAL ESTATE EQUITIES

## **Planned Unit Development Application**

**Lauderdale, MN**

### **Description of Partnership**

Real Estate Equities is a full-service real estate firm based in the Twin Cities with a primary focus on multifamily real estate investments. The company was founded by Terry Troy and Bob Bisanz in 1972 with a vision of providing quality rental housing and ownership opportunities that improve communities and provide strong economic returns for their investors. We have been the developer and managing partner in more than 70 projects in excess of 10,000 housing units with projects spanning from Minnesota, Wisconsin, Ohio, Missouri, South Dakota as well as Indiana.

Today, our real estate portfolio consists of approximately 3,600 housing units that range from artist lofts, luxury apartments, traditional apartments, affordable apartments, senior (affordable) apartments, as well as our luxury home portfolio that spans globally. Currently we have a regional portfolio with properties located in Minnesota, Wisconsin and Indiana. Real Estate Equities funds their investments with their own equity as well as numerous relationships with institutional and individual investors.

Real Estate Equities Management, LLC has experience in all facets of property management including: Marketing and Lease-up of new and renovated product; Financial Reporting and Controls including exceptional Compliance Administration and Reporting; Resident Relations and Communication programs; Plant Operations including maintenance, housekeeping and repairs; Safety, Security and Emergency Planning; Management of Major Capital Improvement Projects and Restoration of property after fire/water/wind damage; and, management of small scale Commercial Space.

## Narrative of Project

The site in Lauderdale is located at 1795 Eustis Street. The parcel is a 1.69 acre site that is well positioned for multifamily with its visibility to downtown Minneapolis, as well as, easy access to two major arteries in the state of Minnesota, such as Highway 94 & Highway 280. The proposed project will consist of 114 senior affordable housing units consisting of both one and two-bedroom units. Within the City of Lauderdale, Dougherty Mortgage projects a demand of 1,414 affordable housing units needed in the area by 2019. With this pent-up demand and a vacancy rate of 4.8% Dougherty Mortgage reports that the City of Lauderdale and surrounding Saint Paul areas have notable shortfalls of affordable senior housing units. The proposed use of the project is senior housing, in which the target market will be hard working senior citizens residing within and outside of the city of Lauderdale. Escalating rent levels throughout the Twin Cities continues to force hard working Minnesotan seniors into less desirable and lower quality housing options which in turn pushes the demand for this housing need in the City of Lauderdale.

The proposed project will offer housing units at 50-60% of the area median income which will provide a 20-30% savings to tenants in comparison to other new market rate properties in the Lauderdale area. Additionally, the tenants will have access to several high-quality amenities that include a community room with outdoor patio, fire pit, fitness center, and underground parking. With these savings, amenities, and new landscaping providing connections to the surrounding community this housing project is a \$25,000,000 investment that the City of Lauderdale and its residents can be proud of.

These apartments will be affordable to persons at or below 60% of the area median income (AMI), through income averaging (i.e. some affordable at 50% of AMI and below, majority at 60% of AMI and below and some at 70% of AMI and below). In addition, the rent that can be charged for the units is restricted as well. Below are the 2018 income and rent limits (2019 data not yet available):

Income Limit By Household Size			Rent Limit by Unit Size		
Income/Rent Limit	1 Person	2 Person	Studio Rent	1Bdrm Rent	2Bdrm Rent
50% AMI	\$33,050	\$37,750	\$826	\$885	\$1,061
60% AMI	\$39,660	\$45,300	\$991	\$1,062	\$1,273
70% AMI	\$46,270	\$52,850	\$1,156	\$1,239	\$1,485

## Application Overview

Real Estate Equities is submitting the Planned Unit Development (PUD) or Planned Unit Development Conservation application to apply for the rezoning of the property 1795 Eustis Street, Lauderdale, MN. In the later parts of this process Real Estate Equities will apply for CUP, the vacation of the alley exiting to Malvern Street, and final PUD approval. City staff will provide residents with the appropriate schedule for public hearings that will be held for both the consideration of the vacation of the alley ROW, as well as, the consideration of the PUD Development Stage Application.

**Rent Structure:**

<b>Unit Type</b>	<b>Set Aside</b>	<b>SF</b>	<b>Gross Rent</b>	<b>Utility Allowance</b>	<b>Net Rent</b>
1 Bed/1 Bath	70%	779	\$1,239	\$78	\$1,161
1 Bed/1 Bath	50%	779	\$885	\$78	\$807
1 Bed/1 Bath	60%	779	\$1,062	\$78	\$984
2 Bed/2 Bath	50%	900	\$1,061	\$95	\$966
2 Bed/2 Bath	70%	1,238	\$1,485	\$95	\$1,390

- Residents can also pay \$75 for parking stalls as well as an additional \$15 for storage.

**Project Summary:**

- Completed survey/title review. Continued meetings with staff to identify overall project timelines.
- Updated project design/renderings
- Discussing terms with lenders and investors and ready to execute with them once we get approval on TIF to move forward with term sheets.
- Have met with City Engineer to discuss road construction and timeline.
- Traffic Study completed; shows no traffic or parking issues with development.

**Project Highlights/Amenities:**

**Unit Finishes/Amenities:** In Unit washer/dryer, solid surface countertops, 9 ft ceilings, full stainless-steel appliance package, low-flow fixtures/LED lighting, High Efficiency HVAC.

**Building Amenities:** Full on-site management team, secure entrance with Luxor package storage system, community room, rooftop patio, fitness center, office/conference room, underground parking.

**Exterior Materials:** Masonry, Energy Star Windows, Concrete Fiber Board, Wood Look CFB, Metal Panel Accents.

**Project Demand:**

- Marquette Advisors Report projects 1,414 additional affordable housing units needed by 2020 in Minneapolis/St. Paul submarket.
- Vacancy rate in Lauderdale is 4.8%.
- Market research indicates that Lauderdale and surrounding Saint Paul areas have notable production shortfalls of affordable senior housing units.

**Parking Data:**

- West Saint Paul Development (The Winslow)
  - Price: \$65.00
- Dominion Senior Property (The Legends at Silver Lake)
  - Price: \$80.00
- Dominion Senior Property (The Legends of Columbia Heights)
  - Price: \$75.00

**Project Investment:**

- TIF Request \$1,480,870
- First Mortgage: \$12,868,985
- Tax Credit Equity \$8,882,866
- Total Development Cost \$25,640,249

## Development Team

### Officers/Shareholders/Partners

- 1) William Bisanz
- 2) Terry Troy
- 3) Bob Bisanz
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## Development Plan

The table below identifies the key milestones dates and duration associated with each key stage of the development plan.

<b>Real Estate Equities - Lauderdale Senior Housing Timeline</b>		
<b><u>Milestone</u></b>		<b><u>Date Complete</u></b>
City Council Worksession		11/27/2018
Submit TIF Application		12/18/2018
Review Set to City Planner		1/9/2019
Ehlers / REE Underwrite TIF		1/10/2019
Neighborhood Meeting		3/19/2019
Entitlement Submittal		4/12/2019
Preliminary Bond Inducement Resolution Approval		4/23/2019
PUD Development Stage Review		5/14/2019
Public Hearing in Consideration of PUD Development Stage Application		5/14/2019
Design Development Completed		7/16/2019
PUD Final Approval		8/13/2019
Public Hearing to consider Alley ROW Vacation		8/13/2019
Approval of Rezoning		8/13/2019
Approval of Development Agreement		8/13/2019
TIF & Purchase Agreement Approval		8/13/2019
Construction Documents Completed		8/30/2019
Building Permit Application		9/15/2019
Finalize Underwriting		10/29/2019
Close		11/13/2019
Construction Start		12/1/2019

### Comparable Senior Properties

Property	Type	Rate	Parking Occupancy	Stalls	Surface	Units	Ratio	# of 1BR	# of 2BR
The Legends at Silver Lake	Underground	\$ 80.00	88%	110	85	169	1.15	111	58
The Legends of Columbia Heights	Underground	\$ 75.00	90%	136	85	192	1.15		
The Cavanagh	Underground	\$ 80.00	82%	90	80	130	1.31	85	40
Cambric	Underground	\$ 75.00	92%	82	45	113	1.12	80	33
The Legends of Champlin	Underground	\$ 75.00	N/A	130	100	184	1.25		
The Legends of Cottage Grove	Underground	\$ 75.00	88%	129	83	185	1.15	70	78
The Legends of Spring Lake Park	Underground	\$ 80.00	27%	125		194	0.64		