



ECONOMIC DEVELOPMENT AUTHORITY
Public Safety Building—Training Room, 825 41st Ave
NE
Tuesday, September 07, 2021
6:00 PM

AGENDA

ATTENDANCE INFORMATION FOR THE PUBLIC

Members of the public who wish to attend may do so in-person, by calling 1-312-626-6799 and entering meeting ID 843 8098 0103 or by Zoom at <https://us02web.zoom.us/j/84380980103>. For questions please call the Community Development Department at 763-706-3670.

CALL TO ORDER/ROLL CALL

PLEDGE OF ALLEGIANCE

CONSENT AGENDA

- 1. APPROVE REGULAR MEETING MINUTES OF AUGUST 2, 2021**
- 2. APPROVE FINANCIAL REPORTS AND PAYMENT OF BILLS OF JULY 2021**

MOTION: Move to approve the Consent Agenda as presented.

BUSINESS ITEMS

- 3. ADOPTION OF THE 2022 BUDGET AND AUTHORIZATION OF THE EDA AND HRA LEVIES**

MOTION: Move to waive the reading of Resolution 2021-14, there being ample copies available to the public.

MOTION: Move to adopt Resolution 2021-14, a resolution of the Columbia Heights Economic Development Authority, adopting a budget for the fiscal year of 2022 and setting the 2021 tax levy, payable in 2022.

MOTION: Move to waive the reading of Resolution 2021-15, there being ample copies available to the public.

MOTION: Move to adopt Resolution 2021-15, a resolution of the Columbia Heights Economic Development Authority, adopting a budget for the fiscal year of 2022 and authorizing a special benefit tax levy, payable in 2022.

- 4. FAÇADE IMPROVEMENT GRANT FOR DAIRY QUEEN, 3959 CENTRAL AVENUE NE**

MOTION: Move to waive the reading of Resolution 2021-16, there being ample copies

available to the public.

MOTION: Move to adopt Resolution 2021-16, a resolution approving the form and substance of the façade improvement grant agreement, and approving authority staff and officials to take all actions necessary to enter the authority into a façade improvement grant agreement with Tom Letness.

5. FAÇADE IMPROVEMENT GRANT FOR HAIRATAGE, 530 40TH AVENUE NE

MOTION: Move to waive the reading of Resolution 2021-17, there being ample copies available to the public.

MOTION: Move to adopt Resolution 2021-17, a resolution approving the form and substance of the façade improvement grant agreement, and approving authority staff and officials to take all actions necessary to enter the authority into a façade improvement grant agreement with Donna Mahlmann.

PUBLIC HEARINGS

OTHER BUSINESS

6. EXPAND GEOGRAPHIC BOUNDARIES OF THE FAÇADE IMPROVEMENT GRANT PROGRAM

MOTION: Move to expand the geographic boundaries of the Façade Improvement Grant Program to designate commercial properties located along University Avenue NE, 37th Avenue NE, and 37th Place NE as eligible to participate in the program.

7. DISCUSS POTENTIAL REDEVELOPMENT OF 2201 37TH AVENUE NE

ADJOURNMENT

Auxiliary aids or other accommodations for individuals with disabilities are available upon request when the request is made at least 72 hours in advance. Please contact Administration at 763-706-3610 to make arrangements.

**MINUTES
CITY OF COLUMBIA HEIGHTS
ECONOMIC DEVELOPMENT AUTHORITY (EDA) MEETING
AUGUST 2, 2021**

The meeting was called to order at 6:00 pm by Chair Szurek.

Members present: Connie Buesgens, Kt Jacobs, Nick Novitsky, Amada Márquez-Simula, Marlaine Szurek

Members absent: Gerry Herringer, John Murzyn Jr.

Staff Present: Aaron Chirpich, Community Development Director; Kelli Bourgeois, City Manager; Joe Kloiber, Finance Director; Ben Sandell, Communications Coordinator; and Alicia Apanah, Administrative Assistant

PLEDGE OF ALLEGIANCE

CONSENT AGENDA

1. Approve the minutes of the regular EDA Meeting of June 7, 2021
2. Approve financial reports and payment of bills for May and June 2021 – Resolution No. 2021-07

Motion by Jacobs, seconded by Novitsky, to approve the Consent Agenda as presented. All ayes of present. MOTION PASSED.

RESOLUTION NO. 2021-12

A RESOLUTION OF THE ECONOMIC DEVELOPMENT AUTHORITY OF COLUMBIA HEIGHTS, MINNESOTA, APPROVING THE FINANCIAL STATEMENTS FOR THE MONTHS OF MAY AND JUNE 2021, AND THE PAYMENT OF THE BILLS FOR THE MONTHS OF MAY AND JUNE, 2021.

WHEREAS, the Columbia Heights Economic Development Authority (the “EDA”) is required by Minnesota Statutes Section 469.096, Subd. 9, to prepare a detailed financial statement which shows all receipts and disbursements, their nature, the money on hand, the purposes to which the money on hand is to be applied, the EDA's credits and assets and its outstanding liabilities; and

WHEREAS, said Statute also requires the EDA to examine the statement and treasurer's vouchers or bills and if correct, to approve them by resolution and enter the resolution in its records; and

WHEREAS, the financial statements for the months of May and June 2021 have been reviewed by the EDA Commission; and

WHEREAS, the EDA has examined the financial statements and finds them to be acceptable as to both form and accuracy; and **WHEREAS**, the EDA Commission has other means to verify the intent of Section 469.096, Subd. 9, including but not limited to Comprehensive Annual Financial Reports, Annual City approved Budgets, Audits and similar documentation; and

WHEREAS, financials statements are held by the City's Finance Department in a method outlined by the State of Minnesota's Records Retention Schedule,

NOW, THEREFORE BE IT RESOLVED by the Board of Commissioners of the Columbia Heights Economic Development Authority that it has examined the referenced financial statements including the check history, and they are found to be correct, as to form and content; and

BE IT FURTHER RESOLVED the financial statements are acknowledged and received and the check history as presented in writing is approved for payment out of proper funds; and

BE IT FURTHER RESOLVED this resolution is made a part of the permanent records of the Columbia Heights Economic Development Authority.

ORDER OF ECONOMIC DEVELOPMENT AUTHORITY

Passed this 2nd day of August, 2021

Offered by:

Seconded by:

Roll Call:

President

Attest:

Assistant Secretary

BUSINESS ITEMS

3. Discuss 2022 Levy Limit and Budget for the EDA Commercial Revitalization Fund

Chirpich stated that evening's discussion of the 2022 levy limit and budget for the EDA Commercial Revitalization Fund would be considered more of a work session, rather than asking for any EDA action, and weight in on certain items to prepare for a budget and also get some feedback on potential redevelopment sites.

The first item is preparation for the upcoming budget season for the expected final approval in September, and then discusses the Commercial Revitalization Fund, most commonly referred to as Fund 408, a working capital fund designed to provide the resources necessary for the EDA to implement approved development activities for the benefit of the community. Two long-running activities covered within the fund are the Commercial Revitalization Project and the Façade Improvement Grant Program. The Commercial Revitalization Project aims to acquire legally non-conforming single-family homes that are zoned commercially along Central and University Avenues. Chirpich said there is no perfect rhythm; they are acquired as they become available on the market, and the unofficial goal is one per year, with \$200,000 having been aside annually over the last three years. \$50,000 has been set aside annual for the Façade Improvement Grant Program, which also includes surveillance cameras. In May of 2021, the allocated, as part of a pilot program, \$45,000 of fund balance from Fund 408 to create a pilot fire suppression assistance grant program that aims to help small businesses cover the cost of upgrading older buildings with modern fire

suppression systems.

Chirpich stated that with the addition of the fire suppression emphasis, the fact that many of the family acquisitions in the Revitalization Program cost more than \$200,000, and the levy has not been increased for three years, staff believes that the EDA should consider increasing the amount of the HRA levy for the 2022 budget. The EDA could increase the HRA Levy to the current maximum of \$310,000, or any amount in between \$250,000 and the maximum, though no formal action is requested of the EDA at this time. The levy is tied to the applicable market value tax base of the City, and 0.158% of that contributes to what the City can levy in total.

Kloiber added that the EDA levy is used for EDA operating purposes and the HRA levy is used for project purposes, and they are different from other levies as there is a statutory levy limit that applies to them every year. Unlike the City's general levy, the EDA does not have the complete flexible control in any one year.

Questions/Comments from Members:

Buesgens asked whether the money used recently for the house that was demolished on 40th and University fall within this fund, and Chirpich confirmed so. She said it would be money that could be used to clear out properties for redevelopment, façades and sprinkler systems and would support the proposed increase of \$310,000, adding that she would like to see landscaping included for some small businesses.

Márquez-Simula agreed with Buesgens and said she loved the idea of landscaping and improving the business district.

Novitsky agreed with both Buesgens and Márquez-Simula and asked whether the fund would cover home energy as well. Chirpich said resources were allocated to that, he believed, for a five-year period and may very well have come out of Fund 408 and will need to verify that. He said the City is still participating in the home energy audit reimbursement, and Novitsky said he was glad the City is still doing so. Novitsky asked if the Façade grant is available on University as well, and Chirpich said 40th and Central for sure but the program hasn't been expanded to University. If expanded, Novitsky said he would like University included and then, after including those businesses, look into moving forward with the landscaping part of it.

Jacobs said she is in favor of the increase but believes it is premature to tag on landscaping at this point. It's her understanding the businesses would have a "bucket" to do their façades, money that they didn't have to spend, but thinks there should be some investment on their part.

Chirpich asked whether the Commission wished to consider filling the "bigger basket" to feed the smaller programs and then come back and consider changes to the parameters of the façade program or the Commercial Revitalization program. Chirpich added that the EDA doesn't have to maximize the available levy limit; it can consider a number that isn't the full \$310,000. Buesgens asked if unused money carries over, and Kloiber confirmed so. Jacobs asked if it has any effect on what the maximum cap is for the following year, and Kloiber said no.

Chirpich asked for comment on the full \$310,000, and it was Commission consensus that it is not a big jump and members would support it. Szurek said, with the amount of money that owners are asking for homes that may be totally run down, a lower amount may not be enough money to procure that property and thinks raising the amount is an excellent idea.

It was determined then that staff will make the amendment for the Commission's full budget review in September, which will be in greater detail.

4. Discuss Redevelopment Concept for 2201 37th Avenue NE

Chirpich explained that staff has been contacted by a developer (business name to be determined) who is interested in constructing a market rate/workforce apartment community in Columbia Heights. Staff discussed the City's priority areas for redevelopment, and the developer expressed interest in the former Unique Thrift Store site at 2201 37th Avenue NE. He displayed the area map and said the property is currently cited as General Business. From a redevelopment perspective, staff believes the site has the potential to support a vertical mixed-use project that includes small-scale commercial/retail spaces with high-density residential. The Comprehensive Plan supports high-density residential and commercial redevelopment in this area and identifies the site as an area of opportunity, stressing the importance of creating an attractive and welcoming site design because the property serves as an entry point into Columbia Heights.

The developer is currently interested in a housing only redevelopment concept and has submitted a preliminary site plan that is consistent with the development standards found in the City's R-4 residential zoning guidelines. The site plan includes 112 market rate units of varying sizes with a mix of underground parking, surface parking, and above ground garages to accommodate the parking requirements of the City. Staff has encouraged the developer to consider a mixed-use concept for the site. However, the developer has requested that the City consider a housing only redevelopment concept and provide feedback before moving forward with changes to the plan and potential acquisition of the property.

Questions/Comments from Members:

Jacobs asked what the difference is in unit numbers between the two options. Chirpich said it has yet to be determined. The developer ran a fit plan, like a site plan, that used the R-4 standard, which is 122 units. The Comprehensive Plan would need to be amended if it went straight residential, as it's calling for mixed-use, and he said this property is three acres and another development is building 266 units on 2-1/2 acres on Central.

Buesgens asked why the lot would require a TIF, and Chirpich said it is going to be significantly above what a project with raw land is going to support, and would require demolition and other site preparation costs. She didn't think it would require a TIF because there are no water issues and didn't have all of the other problem issues involved with other projects. He said staff doesn't know whether or not there are soil or sewer issues but there will likely be TIF-eligible costs. Chirpich said he would like to frame it as being what type of project the Commission would want to invest in from a TIF perspective – is it a mixed-use, or a straight multifamily, and what does and

doesn't the Commission like about what is being proposed.

Buesgens asked how many buildings the developer has built, and Chirpich responded "zero." She said she would be nervous about this project being his first. Hark said staff understand that concern, don't want the City to be the "test," but also realize this is a non-active site that should be redeveloped.

Jacobs is in favor of the project and it being high-density. With its geographic location, she thinks having some type of mixed use makes sense but would want a very limited length of TIF. Chirpich said staff always shoots for that but said it is sometimes out of their control, being a balance for what the City is giving for what it is getting. Jacobs is very concerned about the developer coming forward without a confirmed business name. Chirpich said credentials are going to be important to the EDA.

Márquez-Simula said it seems to be more of a conversation of what possibilities there might be for this specific property, instead of it being a concrete proposal. Chirpich said the developer knows the challenge in front of him and was comfortable getting some feedback from the Commission on what they would support for a project. Staff said it would be fair to go back to developer and share the Commission's concern about the project, working with someone who doesn't have a track record and then see how he responds. He could partner up with someone to convince the Commission that it's worthwhile to move ahead.

Szurek's concern is that the developer didn't want to talk about doing commercial and apartments above. Chirpich said he wasn't totally opposed to it. She added that he is calling the proposed development "luxury workforce apartments," and she thinks the two names do not go together and hopes the Alatus project is not workforce and will be higher-end apartments that the City is due. She also said Dominion described to the EDA that Grand Central Flats was going to be a beautiful workforce housing development but has turned out to be low-income Section 8 instead; if Dominion approaches the EDA again, she will be frank with them because they did not follow through with what they said.

Szurek believes Minneapolis putting a huge pressure on the Columbia Heights to build more low-income housing and doesn't like the proposed project, describing it as being too "cookie-cutter." Chirpich said the area is a gateway to the City and is important to have something attractive and well done; and this is an opportunity to put a spotlight on it. Staff will accept more inquiries on the site and want to be better armed before more conversations. Szurek commented that this inquiry has at least started a conversation about the site.

Novitsky thinks the site should be at least mixed-use and could not support a project even if it was done by the most reputable apartment builder because there need to be more businesses.

Buesgens said the strip mall nearby is not worthwhile. Chirpich said it needs help but there are some "neat" businesses there that are struggling, but there is a better chance that it could be elevated if the proposed site was developed. She said she doesn't know what the market is right now with businesses trying to outlast the pandemic but suggested maybe a small gym or coffee

shop would be viable. Buesgens would hate to lose the two apartment buildings nearby but is unsure how best to plan for the area.

Novitsky suggested, for future discussion, trying to get the strip mall included in the Façade program, if it's not already, and may help spur some constructive planning. Chirpich likes the idea of expanding the Façade program.

Chirpich added that he spoke with another company about this site, and so something can be done.

Buesgens asked about mixed-use zoning. Chirpich said it would go PUD and not be rezoned mixed-use, as it's similar to PUD in concept.

Buesgens said a PUD would be good for that corner but added that the current apartments aren't going anywhere. Chirpich said, from a Met Council and planning principle perspective, there would need to be some other mixed-use element to bring more density into the site other than the R-4. Whether or not the market will say it absolutely cannot be done, that can't be determined until City staff speak with other individuals.

Buesgens agreed with Jacobs, with it being a good site for high-density as there is not much residential around it and traffic would be fine.

Márquez-Simula said it would be great to redevelop the area and bring in a lot more people to create a neighborhood, where people can feel like they belong, and businesses in the strip mall have been there for a while – such as the Mexican restaurant and dry cleaner. She said it would also be a good idea to build an apartment building near the City-owned liquor store.

Concerning mixed use, Jacobs asked if it would be retail businesses or accommodate some type of offices. Chirpich, as an example, said it could be an insurance broker, etc. Other suggestions were a brewery, salon or spa, dance studio.

Márquez-Simula said businesses would also need space for online food sales, coffee sales or jewelry sales.

There were further discussions about TIF and its time limits as well as the current church within the strip mall. Bourgeois said there are a number of factors that go into allowing a church into that building.

Márquez-Simula asked whether a new style of apartment buildings could be considered, rather than the current Lego-box style, and be more creative when speaking with developers. Szurek agreed, and Jacobs said that is her issue with 42nd Avenue. Chirpich said their preference would be a subjective lens, but it would be addressed through the City's design guidelines, which are due for a revamp. Szurek asked whether the district would have to be expanded so that there is more say as to what a design would be. Novitsky said there would be more design flexibility for higher-end projects and buildings capped at rent would have limitations.

Chirpich asked if the Commission likes the aesthetics at 40th and Central, and they said it is a start.

Jacobs liked the different heights of the residential project at the Rainbow site. Chirpich said it is all a balancing act and very subjective.

Márquez-Simula thinks the Grand Central Flats work well with the buildings that were already there and the building's color coordinates with them.

Jacobs wants the City to "be first" and push building designs.

Buesgens asked whether residents who are artists could be part of a design committee for 43rd and Central, and Chirpich said a consulting group would likely be brought in to lead the group. He anticipates that Alatus will purchase the property from Hy-Vee this week but closing has not yet been scheduled.

On another topic, Márquez-Simula asked whether the gas station site at 47th and Central is part of it and whether there are plans for it. Chirpich said Hy-Vee told Alatus early on that they won't be serious about selling that until the sale of the main site is completed, adding that there is a second parcel near the property that would be a sizable plot (about two acres in total) for construction.

ADJOURNMENT

Motion by Buesgens, seconded by Jacobs, to adjourn the meeting at 6.54 pm. All ayes. MOTION PASSED.

Respectfully submitted,



Alicia Apanah, Recording Secretary

A RESOLUTION OF THE ECONOMIC DEVELOPMENT AUTHORITY OF COLUMBIA HEIGHTS, MINNESOTA, APPROVING THE FINANCIAL STATEMENTS FOR THE MONTH OF JULY 2021, AND THE PAYMENT OF THE BILLS FOR THE MONTH OF JULY 2021.

WHEREAS, the Columbia Heights Economic Development Authority (the “EDA”) is required by Minnesota Statutes Section 469.096, Subd. 9, to prepare a detailed financial statement which shows all receipts and disbursements, their nature, the money on hand, the purposes to which the money on hand is to be applied, the EDA's credits and assets and its outstanding liabilities; and

WHEREAS, said Statute also requires the EDA to examine the statement and treasurer's vouchers or bills and if correct, to approve them by resolution and enter the resolution in its records; and

WHEREAS, the financial statements for the month of July 2021 have been reviewed by the EDA Commission; and

WHEREAS, the EDA has examined the financial statements and finds them to be acceptable as to both form and accuracy; and

WHEREAS, the EDA Commission has other means to verify the intent of Section 469.096, Subd. 9, including but not limited to Comprehensive Annual Financial Reports, Annual City approved Budgets, Audits and similar documentation; and

WHEREAS, financials statements are held by the City's Finance Department in a method outlined by the State of Minnesota's Records Retention Schedule,

NOW, THEREFORE BE IT RESOLVED by the Board of Commissioners of the Columbia Heights Economic Development Authority that it has examined the referenced financial statements including the check history, and they are found to be correct, as to form and content; and

BE IT FURTHER RESOLVED the financial statements are acknowledged and received and the check history as presented in writing is approved for payment out of proper funds; and

BE IT FURTHER RESOLVED this resolution is made a part of the permanent records of the Columbia Heights Economic Development Authority.

ORDER OF ECONOMIC DEVELOPMENT AUTHORITY

Passed this 7th day of September, 2021

Offered by:

Seconded by:

Roll Call:

President

Attest:

Assistant Secretary

CHECK#	DATE	VENDOR NAME	AMOUNT	FUND	DESCRIPTION
186473	70821	COMCAST	12.33	201	MONTHLY SERVICE
186473	70821	COMCAST	9.77	201	MONTHLY SERVICE
186480	70821	ECM PUBLISHERS INC	78.75	201	PHN ORD #1666 062521
186480	70821	ECM PUBLISHERS INC	50.63	201	PHN ORD #1667 062521
186480	70821	ECM PUBLISHERS INC	50.63	201	PHN PLAN COMM 062521
186480	70821	ECM PUBLISHERS INC	76.25	201	AD 3927 HAYES CUP 0625
186488	70821	INNOVATIVE OFFICE SOLUTN	13.38	201	DUCT TAPE
186816	72921	MAJESTIC CUSTOM CONSTRUC	10.00	201	REFUND DIFFERENCE
186820	72921	METRO COUNCIL ENVIROMENT	2,485.00	201	SAC JUNE 2021
186820	72921	METRO COUNCIL ENVIROMENT	-24.85	201	LESS RETENTION
186831	72921	NORTHWEST ASSOC CONSULTN	3,525.60	201	PLANNING CONSULTANT SE
186838	72921	PREMIUM WATERS INC	3.00	201	063021 COOLER
186731	72221	REDPATH AND COMPANY LTD	747.00	201	FINAL BILL 2020 AUDIT
186618	71521	SMITH/RYAN	80.00	201	CELL PHONE 112820-0127
186618	71521	SMITH/RYAN	200.00	201	CELL PHONE 012821-0627
186473	70821	COMCAST	16.44	204	MONTHLY SERVICE
186473	70821	COMCAST	13.03	204	MONTHLY SERVICE
186789	72921	EHLERS & ASSOCIATES INC	300.00	204	ALATUS 4300 CENTRAL TI
186789	72921	EHLERS & ASSOCIATES INC	6,250.00	204	ALATUS 4300 CENTRAL TI
186789	72921	EHLERS & ASSOCIATES INC	6,250.00	204	ALATUS 4300 CENTRAL TI
186789	72921	EHLERS & ASSOCIATES INC	3,750.00	204	ALATUS 4300 CENTRAL TI
186789	72921	EHLERS & ASSOCIATES INC	500.00	204	ALATUS 4300 CENTRAL TI
186789	72921	EHLERS & ASSOCIATES INC	4,275.00	204	REUTER WALTON TIF
186789	72921	EHLERS & ASSOCIATES INC	300.00	204	REUTER WALTON TIF
186810	72921	KENNEDY & GRAVEN	1,253.75	204	REUTER WALTON TIF
186810	72921	KENNEDY & GRAVEN	4,535.20	204	ALATUS 4300 CENTRAL TI
186587	71521	KNOWBE4 INC	114.15	204	PHISH TRNG 072221-0721
186516	70821	POPP.COM INC	62.36	204	MONTHLY SERVICE
186837	72921	POPP.COM INC	6.53	204	MONTHLY SERVICE
186731	72221	REDPATH AND COMPANY LTD	1,245.00	204	FINAL BILL 2020 AUDIT
186536	71421	REUTER WALTON DEVELOPMEN	197,736.00	204	REFUND PROJECT DEPOSIT
186625	71521	TIMESAVER OFF SITE SECRE	266.50	204	060721 EDA MINUTES
186455	70821	BAILEY NURSERIES INC	7,128.50	226	TREES
186384	70121	CURBSIDE PRODUCTIONS LLC	1,500.00	226	MOVIE IN THE PARK PYMT
186476	70821	CURBSIDE PRODUCTIONS LLC	343.75	226	MUSIC IN THE PARK 0707
186560	71521	CURBSIDE PRODUCTIONS LLC	343.75	226	MUSIC IN THE PARK 0712
186478	70821	DEGENNARO, DAVID	300.00	226	MUSIC IN THE PARK-0707
186387	70121	ECM PUBLISHERS INC	500.00	226	100 YEAR INSERT 061821
186676	72221	EHLERS & ASSOCIATES INC	484.50	372	TIF REPORTING T6
186676	72221	EHLERS & ASSOCIATES INC	484.50	374	TIF REPORTING Z2
186676	72221	EHLERS & ASSOCIATES INC	484.50	375	TIF REPORTING Z6
186676	72221	EHLERS & ASSOCIATES INC	484.50	389	TIF REPORTING R8
186676	72221	EHLERS & ASSOCIATES INC	484.50	391	TIF REPORTING W3,W4
186777	72921	CENTER POINT ENERGY	27.86	408	MONTHLY SERVICE
186803	72921	HUMMINGBIRD ENVIRONMENTA	4,080.00	408	1002 40TH REMEDIATION
186810	72921	KENNEDY & GRAVEN	42.00	408	NE BUSINESS CENTER
186713	72221	NORTHERN TECHNOLOGIES LL	1,840.00	408	CEO EXPLORE,ENG REVIEW
186530	70821	WARE/ JON C	10.00	408	GRANT PRO.LICENSE FEE
186756	72221	XCEL ENERGY (N S P)	11.84	408	MONTHLY SERVICE

ACS FINANCIAL SYSTEM
8/10/2021 11:16:41
LEVEL OF DETAIL 1.0 THRU 3.0

Revenue Guideline
FOR THE PERIOD(S) JAN 01, 2021 THROUGH JUL 31, 2021

CITY OF COLUMBIA HEIGHTS
GL520R-V08.15 PAGE 4

	ADOPTED BUDGET	REVISED BUDGET	ANNUAL ACT MTD POSTED ACT YTD POSTED AND IN PROCESS AND IN PROCESS	REMAINING BALANCE	PCT
201 PLANNING & INSPECTIONS					
00 REVENUE					
LICENSES AND PERMITS					
32110 LIQUOR, WINE & BEER LICENSE	14,785.00	14,785.00	0.00	0.00	14,785.00 0
32122 FOOD SVC VEHICLES	300.00	300.00	20.00	390.00	90.00- 130 -----!!!
32125 MULTIPLE DWELLINGS	6,500.00	6,500.00	1,312.50	4,992.50	1,507.50 76 -----
32161 CONTRACTOR	17,500.00	17,500.00	960.00	5,680.00	11,820.00 32 ---
32168 OTHER PROFESSIONAL & OCCUP	2,400.00	2,400.00	0.00	350.00	2,050.00 14 -
32178 OTHER AMUSEMENT LICENSES	950.00	950.00	0.00	430.43	519.57 45 ----
32181 PLANNING AND ZONING FEES	5,000.00	5,000.00	75.00	8,281.86	3,281.86- 165 -----!!!!
32188 OTHER BUSINESS LICENSES	3,500.00	3,500.00	200.00	330.00	3,170.00 9
32191 SPRINKLER PERMIT FEES	4,000.00	4,000.00	232.00	459.00	3,541.00 11 -
32192 BUILDING & MOVING PERMITS	221,435.00	221,435.00	28,868.12	456,888.16	235,453.16- 206 -----!!!!
32194 HEATING PERMITS	20,000.00	20,000.00	4,736.09	22,080.65	2,080.65- 110 -----!
32195 PLUMBING PERMITS	13,000.00	13,000.00	2,062.87	32,138.05	19,138.05- 247 -----!!!!
TOTAL: LICENSES AND PERMITS	309,370.00	309,370.00	38,466.58	532,020.65	222,650.65- 171 -----!!!!
MISCELLANEOUS					
36260 SURCHARGE RETENTION	2,000.00	2,000.00	0.00	173.13	1,826.87 8
36290 OTHER MISC. REVENUE	0.00	0.00	0.00	4.75	4.75- 9999 -----!!!!
36293 SAC/WAC CHARGES COLLECTED	0.00	0.00	24.85	6,436.15	6,436.15- 9999 -----!!!!
TOTAL: MISCELLANEOUS	2,000.00	2,000.00	24.85	6,614.03	4,614.03- 330 -----!!!!
TRANSFERS & NONREV RECEIPTS					
39203 TRANSFER IN FROM GENERAL FND	135,000.00	135,000.00	11,250.00	78,750.00	56,250.00 58 -----
TOTAL: TRANSFERS & NONREV RECEIPTS	135,000.00	135,000.00	11,250.00	78,750.00	56,250.00 58 -----
TOTAL: REVENUE	446,370.00	446,370.00	49,741.43	617,384.68	171,014.68- 138 -----!!!
TOTAL: PLANNING & INSPECTIONS	446,370.00	446,370.00	49,741.43	617,384.68	171,014.68- 138 -----!!!

ACS FINANCIAL SYSTEM
8/10/2021 11:16:41
LEVEL OF DETAIL 1.0 THRU 3.0

Revenue Guideline
FOR THE PERIOD(S) JAN 01, 2021 THROUGH JUL 31, 2021

CITY OF COLUMBIA HEIGHTS
GL520R-V08.15 PAGE 5

	ADOPTED BUDGET	REVISED BUDGET	ANNUAL ACT MTD POSTED ACT YTD POSTED AND IN PROCESS AND IN PROCESS	REMAINING BALANCE	PCT
204 EDA ADMINISTRATION					
00 REVENUE					
TAXES					
31011 EDA CURRENT AD VALOREM	179,000.00	179,000.00	100,753.38	100,753.38	78,246.62 56 -----
31014 AREA WIDE TAX	76,500.00	76,500.00	31,151.68	31,151.68	45,348.32 40 ----
31020 DELINQ. AD VALOREM	0.00	0.00	2,121.25	2,121.25	2,121.25- 9999 -----!!!!
TOTAL: TAXES	255,500.00	255,500.00	134,026.31	134,026.31	121,473.69 52 -----
CHARGES FOR SERVICES					
34112 ADMINISTRATIVE FEES	0.00	0.00	0.00	30.00	30.00- 9999 -----!!!!
34113 DEVELOPER FEES	0.00	0.00	0.00	2,000.00	2,000.00- 9999 -----!!!!
TOTAL: CHARGES FOR SERVICES	0.00	0.00	0.00	2,030.00	2,030.00- 9999 -----!!!!
TOTAL: REVENUE	255,500.00	255,500.00	134,026.31	136,056.31	119,443.69 53 -----
TOTAL: EDA ADMINISTRATION	255,500.00	255,500.00	134,026.31	136,056.31	119,443.69 53 -----

ACS FINANCIAL SYSTEM
8/10/2021 11:16:41
LEVEL OF DETAIL 1.0 THRU 3.0

Revenue Guideline
FOR THE PERIOD(S) JAN 01, 2021 THROUGH JUL 31, 2021

CITY OF COLUMBIA HEIGHTS
GL520R-V08.15 PAGE 9

	ADOPTED BUDGET	REVISED BUDGET	ANNUAL ACT MTD POSTED ACT YTD POSTED AND IN PROCESS AND IN PROCESS	REMAINING BALANCE	PCT
228 DOWNTOWN PARKING					
00 REVENUE					
36225 NONDWELLING RENTS	31,200.00	31,200.00	2,600.00	18,200.00	13,000.00 58 -----
39247 TRANSFER IN-SPECIAL PROJ REV	25,000.00	25,000.00	2,083.33	14,583.31	10,416.69 58 -----
TOTAL: REVENUE	56,200.00	56,200.00	4,683.33	32,783.31	23,416.69 58 -----
TOTAL: DOWNTOWN PARKING	56,200.00	56,200.00	4,683.33	32,783.31	23,416.69 58 -----

ACS FINANCIAL SYSTEM
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Revenue Guideline
FOR THE PERIOD(S) JAN 01, 2021 THROUGH JUL 31, 2021

CITY OF COLUMBIA HEIGHTS
GL520R-V08.15 PAGE 18

	ADOPTED BUDGET	REVISED BUDGET	ANNUAL ACT MTD POSTED ACT YTD POSTED AND IN PROCESS AND IN PROCESS	REMAINING BALANCE	PCT	
372 HUSET PARK AREA TIF (T6)						
00 REVENUE						
31010 CURRENT AD VALOREM	192,300.00	192,300.00	374,051.46	374,051.46	181,751.46-	194 -----!!!!
31020 DELINQ. AD VALOREM	0.00	0.00	1,387.61	1,387.61	1,387.61-	9999 -----!!!!
36210 INTEREST ON INVESTMENTS	1,000.00	1,000.00	0.00	0.00	1,000.00	0 -----!!!!
TOTAL: REVENUE	193,300.00	193,300.00	375,439.07	375,439.07	182,139.07-	194 -----!!!!
TOTAL: HUSET PARK AREA TIF (T6)	193,300.00	193,300.00	375,439.07	375,439.07	182,139.07-	194 -----!!!!

ACS FINANCIAL SYSTEM
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LEVEL OF DETAIL 1.0 THRU 3.0

Revenue Guideline
FOR THE PERIOD(S) JAN 01, 2021 THROUGH JUL 31, 2021

		ADOPTED BUDGET	REVISED BUDGET	ANNUAL ACT BUDGET AND IN PROCESS	MTD POSTED AND IN PROCESS	ACT YTD POSTED AND IN PROCESS	REMAINING BALANCE	PCT
-----		-----	-----	-----	-----	-----	-----	---
375	TIF Z6: 47TH & GRAND							
00	REVENUE							
31010	CURRENT AD VALOREM	0.00	0.00	128,477.73	128,477.73	128,477.73	9999	-----!!!!
TOTAL:	REVENUE	0.00	0.00	128,477.73	128,477.73	128,477.73	9999	-----!!!!
TOTAL:	TIF Z6: 47TH & GRAND	0.00	0.00	128,477.73	128,477.73	128,477.73	9999	-----!!!!

ACS FINANCIAL SYSTEM
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 LEVEL OF DETAIL 1.0 THRU 3.0

Revenue Guideline
 FOR THE PERIOD(S) JAN 01, 2021 THROUGH JUL 31, 2021

CITY OF COLUMBIA HEIGHTS
 GL520R-V08.15 PAGE 20

	ADOPTED BUDGET	REVISED BUDGET	ANNUAL ACT MTD POSTED ACT YTD POSTED	REMAINING BALANCE	PCT
389 TIF R8 CRESTV/TRANSITION BLK					
00 REVENUE					
TAXES					
31010 CURRENT AD VALOREM	0.00	0.00	31,556.59	31,556.59	31,556.59- 9999 -----!!!!
TOTAL: TAXES	0.00	0.00	31,556.59	31,556.59	31,556.59- 9999 -----!!!!
TOTAL: REVENUE	0.00	0.00	31,556.59	31,556.59	31,556.59- 9999 -----!!!!
TOTAL: TIF R8 CRESTV/TRANSITION BLK	0.00	0.00	31,556.59	31,556.59	31,556.59- 9999 -----!!!!

ACS FINANCIAL SYSTEM
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 LEVEL OF DETAIL 1.0 THRU 3.0

Revenue Guideline
 FOR THE PERIOD(S) JAN 01, 2021 THROUGH JUL 31, 2021

CITY OF COLUMBIA HEIGHTS
 GL520R-V08.15 PAGE 21

	ADOPTED BUDGET	REVISED BUDGET	ANNUAL ACT MTD POSTED AND IN PROCESS	ACT YTD POSTED AND IN PROCESS	REMAINING BALANCE	PCT
391 SCATTERED SITE TIF W3/W4						
00 REVENUE						
31010 CURRENT AD VALOREM	0.00	0.00	21,883.98	21,883.98	21,883.98-	9999 -----!!!!
TOTAL: REVENUE	0.00	0.00	21,883.98	21,883.98	21,883.98-	9999 -----!!!!
TOTAL: SCATTERED SITE TIF W3/W4	0.00	0.00	21,883.98	21,883.98	21,883.98-	9999 -----!!!!

ACS FINANCIAL SYSTEM
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LEVEL OF DETAIL 1.0 THRU 3.0

Revenue Guideline
FOR THE PERIOD(S) JAN 01, 2021 THROUGH JUL 31, 2021

CITY OF COLUMBIA HEIGHTS
GL520R-V08.15 PAGE 22

		ADOPTED BUDGET	REVISED BUDGET	ANNUAL ACT MTD POSTED ACT YTD POSTED	REMAINING	PCT
				BUDGET AND IN PROCESS AND IN PROCESS	BALANCE	

392						
00						
39310	BOND PROCEEDS	0.00	0.00	5,935,000.00 5,935,000.00	5,935,000.00-	9999 -----!!!!

ACS FINANCIAL SYSTEM
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LEVEL OF DETAIL 1.0 THRU 3.0

Revenue Guideline
FOR THE PERIOD(S) JAN 01, 2021 THROUGH JUL 31, 2021

CITY OF COLUMBIA HEIGHTS
GL520R-V08.15 PAGE 24

	ADOPTED BUDGET	REVISED BUDGET	ANNUAL ACT MTD POSTED ACT YTD POSTED AND IN PROCESS AND IN PROCESS	REMAINING BALANCE	PCT	
408 EDA REDEVELOPMENT PROJECT FD						
00 REVENUE						
31012 HRA CURRENT AD VALOREM	175,000.00	175,000.00	96,226.80	96,226.80	78,773.20	54 -----
31014 AREA WIDE TAX	75,000.00	75,000.00	31,287.11	31,287.11	43,712.89	41 -----
31020 DELINQ. AD VALOREM	0.00	0.00	1,913.24	1,913.24	1,913.24-	9999 -----!!!!
36290 OTHER MISC. REVENUE	0.00	0.00	918.29	1,243.29	1,243.29-	9999 -----!!!!
TOTAL: REVENUE	250,000.00	250,000.00	130,345.44	130,670.44	119,329.56	52 -----
TOTAL: EDA REDEVELOPMENT PROJECT FD	250,000.00	250,000.00	130,345.44	130,670.44	119,329.56	52 -----

ACS FINANCIAL SYSTEM
8/10/2021 11:16:41
LEVEL OF DETAIL 1.0 THRU 3.0

Revenue Guideline
FOR THE PERIOD(S) JAN 01, 2021 THROUGH JUL 31, 2021

		ADOPTED BUDGET	REVISED BUDGET	ANNUAL ACT MTD POSTED ACT YTD POSTED	REMAINING	PCT
				AND IN PROCESS AND IN PROCESS	BALANCE	

420	CAP IMPROVEMENT DEVELOPMENT					
00	REVENUE					
36216	LOAN INTEREST	0.00	0.00	323.71	323.71	323.71- 9999 -----!!!!
TOTAL:	REVENUE	0.00	0.00	323.71	323.71	323.71- 9999 -----!!!!
TOTAL:	CAP IMPROVEMENT DEVELOPMENT	0.00	0.00	323.71	323.71	323.71- 9999 -----!!!!

AGENDA SECTION	BUSINESS ITEMS
MEETING DATE	SEPTEMBER 7, 2021

ITEM:	Adoption of the 2022 Budget and Authorization of the EDA and HRA Levies		
DEPARTMENT:	Community Development	BY/DATE:	Aaron Chirpich – 9/01/2021

BACKGROUND:

In late August, the proposed budget for the 2022 fiscal year was distributed to the City Council. Before the City Council completes their final review of the proposed budget later this fall, the Columbia Heights Economic Development Authority (the “EDA”) and the Housing and Redevelopment Authority in and for the City of Columbia Heights (the “HRA”) are required to adopt fund budgets for Fund 204: EDA Administration and Fund 408: EDA Redevelopment Projects; and to authorize their respective 2021 tax levies, payable in 2022.

The EDA effectively has two separate tax levies after the City Council granted the EDA certain HRA powers in 1996. One tax levy is administered by the City under Minnesota Statutes, Section 469.107 on behalf of the EDA (the “EDA Levy”) and the other is a special benefit tax levy administered by the EDA under Minnesota Statutes, Section 469.033 on behalf of the HRA (the “HRA Levy”). The proposed fund budgets reflect total levy amounts that are within the statutory limits. For 2022, the EDA Levy would capture \$255,500 from the City’s estimated market land value; whereas the HRA Levy would net \$310,000. When combined, both levies result in total net revenue of \$565,500.

The proposed 2022 fund budgets are dedicated to maintaining existing projects and initiatives, as well as allocating funds for programs that reflect the priorities of the EDA, such as the Commercial Revitalization Project and the Façade Improvement Grant Program. It is worth noting that the proposed 2022 budget for Fund 408 includes a 24% levy increase, which represents an increase of \$60,000 from 2021. This increase was discussed with the EDA at the August 2nd, 2021 meeting, and supported by all members present. The Fund 408 budget does not reflect a direct allocation of the additional \$60,000. At the August 2nd meeting, the EDA board directed staff to pursue the levy increase for the 2022 budget and were comfortable leaving decisions on how to allocate the additional funding later in the year. The table below reflects an overview of both fund budgets. For more detail, please refer to the attached summary budgets.

Fund	Revenue	Expense
204 – EDA Administration	\$255,500	\$250,028
408 – Redevelopment Projects	\$310,000	\$250,000
Increase (Decrease) to Fund Balance		\$65,472
Total Including Interfund Transfers	\$565,500	\$565,500

RECOMMENDED MOTION(S):

MOTION: Move to waive the reading of Resolution 2021-14, there being ample copies available to the public.

MOTION: Move to adopt Resolution 2021-14, a resolution of the Columbia Heights Economic Development Authority, adopting a budget for the fiscal year of 2022 and setting the 2021 tax levy, payable in 2022.

MOTION: Move to waive the reading of Resolution 2021-15, there being ample copies available to the public.

MOTION: Move to adopt Resolution 2021-15, a resolution of the Columbia Heights Economic Development Authority, adopting a budget for the fiscal year of 2022 and authorizing a special benefit tax levy, payable in 2022.

ATTACHMENT(S):

- Resolution 2021-14
- Resolution 2021-15
- Fund 204: EDA Administration Budget Summary
- Fund 408: EDA Redevelopment Project Budget Summary

A RESOLUTION OF THE COLUMBIA HEIGHTS ECONOMIC DEVELOPMENT AUTHORITY, ADOPTING A BUDGET FOR THE FISCAL YEAR OF 2022 AND SETTING THE 2021 TAX LEVY, PAYABLE IN 2022.

BE IT RESOLVED, by the Columbia Heights Economic Development Authority (the “EDA”) as follows:

WHEREAS, the City of Columbia Heights (the “City”) established the EDA by an enabling resolution adopted on January 8, 1996, pursuant to Minnesota Statutes 469.090 to 469.1081 (the “EDA Act”); and

WHEREAS, the City Council of the City has given to the EDA the responsibility for all development and redevelopment projects and programs; and

WHEREAS, under Section 469.107 of the EDA Act, the City is authorized to levy a tax for the benefit of the EDA on its area of operation for the purposes authorized under the EDA Act, subject to the approval of the City Council;

NOW, THEREFORE BE IT RESOLVED, by the Board of Commissioners of the Columbia Heights Economic Development Authority, that the EDA adopts and requests the City Council’s approval of its budget in the amount of \$565,500 for 2022; and

BE IT FURTHER RESOLVED, that the EDA adopts and requests the City Council’s approval of an EDA tax levy under Section 469.107 of the EDA Act, in the amount of \$250,028 for taxes payable in 2022; and

BE IT FURTHER RESOLVED, that the Executive Director is instructed to transmit a copy of this resolution to the City Manager, Finance Director, and City Clerk of the City of Columbia Heights, Minnesota.

ORDER OF ECONOMIC DEVELOPMENT AUTHORITY

Passed this 7th day of September, 2021

Offered by:

Seconded by:

Roll Call:

President

Attest:

Secretary

A RESOLUTION OF THE COLUMBIA HEIGHTS ECONOMIC DEVELOPMENT AUTHORITY, ADOPTING A BUDGET FOR THE FISCAL YEAR OF 2022 AND AUTHORIZING A SPECIAL BENEFIT TAX LEVY, PAYABLE IN 2022.

BE IT RESOLVED, by the Columbia Heights Economic Development Authority (the “EDA”) as follows:

WHEREAS, the City of Columbia Heights (the “City”) established the EDA by an enabling resolution adopted on January 8, 1996, pursuant to Minnesota Statutes 469.090 to 469.1081 (the “EDA Act”); and

WHEREAS, the City Council granted the EDA all powers and duties of a housing and redevelopment authority by an enabling resolution and ordinance adopted on October 22, 2001, pursuant to Minnesota Statutes 469.001 to 469.047 (the “HRA Act”), except certain powers that are allocated to the Housing and Redevelopment Authority in and for the City of Columbia Heights (the “HRA”); and

WHEREAS, under Section 469.033 of the HRA Act, the EDA is authorized to levy a special benefit tax, in an amount not to exceed .0185 percent of the City’s estimated market value (the “HRA Levy”); and

WHEREAS, by separate resolution, the EDA has before it for consideration a copy of the EDA budget for the fiscal year of 2022, and the proposed amount of the HRA Levy, payable in 2022, is based on said budget;

NOW, THEREFORE BE IT RESOLVED, by the Board of Commissioners of the Columbia Heights Economic Development Authority, that the EDA hereby adopts an HRA Levy payable in 2022 of \$310,000 under Section 469.033 of the HRA Act; and

BE IT FURTHER RESOLVED, that the Board of Commissioners of the Columbia Heights Economic Development Authority hereby directs staff to take such actions necessary to file with the City and certify with the County of Anoka County, the HRA Levy in the amount of \$310,000 for taxes payable in 2022 under Section 469.033 of the HRA Act.

ORDER OF ECONOMIC DEVELOPMENT AUTHORITY

Passed this 7th day of September, 2021

Offered by:

Seconded by:

Roll Call:

President

Attest:

Secretary

City of Columbia Heights, Minnesota

BUDGET 2022

Community Development

	Planning & Inspections	EDA	Downtown Parking	EDA Redevelopment Project
	201	204	228	408
Revenue				
30999 Taxes	-	255,500	-	310,000
31999 Licenses & Permits	317,500	-	-	-
32999 Intergovernmental	-	-	-	-
33999 Charge for Services	-	-	-	-
34999 Fines & Forfeits	-	-	-	-
35999 Miscellaneous	2,500	-	31,200	-
36999 Sales and Related Charges	-	-	-	-
39199 Transfers & Non Rev Receipts	140,000	-	10,000	-
Total Revenue	460,000	255,500	41,200	310,000
Expenses				
0999 Personal Services	378,796	208,128	-	-
1999 Supplies	7,425	2,900	-	-
2999 Other Services and Charges	32,550	17,100	41,200	50,000
4999 Capital Outlay	-	-	-	200,000
6999 Contingencies & Transfers	21,900	21,900	-	-
Total Expenses	440,671	250,028	41,200	250,000
Summary				
Change to Fund Balance	19,329	5,472	-	60,000

DEPARTMENT: ECONOMIC DEVELOPMENT AUTHORITY							
204 46314	COMMUNITY DEVELOPMENT ECONOMIC DEVELOPMENT AUTH.	Actual Expense 2019	Actual Expense 2020	Adopted Budget 2021	Department Proposed 2022	City Manager Proposed 2022	Council Adopted 2022
Line Item	Description						
0999	Personal Services	110,610	147,639	209,600	208,128	208,128	-
1999	Supplies	350	1,922	3,200	2,900	2,900	-
2999	Other Services & Charges	33,937	18,773	21,800	17,100	17,100	-
4999	Capital Outlay	-	-	-	-	-	-
6999	Contingencies & Transfers	16,000	19,500	20,025	21,900	21,900	-
TOTALS: ECONOMIC DEVELOPMENT		160,897	187,833	254,625	250,028	250,028	-

Activity Description

The Economic Development Authority coordinates several activities that both directly and indirectly act as a catalyst for improving the community's overall quality of life, business vitality, and economic performance. The main activities of Economic Development Authority staff include providing support to the Columbia Heights Economic Development Authority and the Housing & Redevelopment Authority in and for the City of Columbia Heights; leveraging public and private partnerships to increase the amount of reinvestment within the City; serving as project managers for development and redevelopment projects; writing and maintaining grants from governmental agencies and corporate institutions; preparing and maintaining Tax Increment Financing, Tax Abatement, and Private Activity Bond records; developing and implementing a Business Retention & Expansion programs; managing housing programs; and facilitating the acquisition and conveyance of City owned properties.

Objectives

City Goal - ECONOMIC STRENGTH & EXCELLENT HOUSING AND NEIGHBORHOODS

- Implement goals and objectives of the Economic Development Authority.
- Drive redevelopment projects in priority areas of the City through strategic partnerships.
- Monitor and implement housing programs to ensure neighborhood reinvestment is occurring.
- Develop and implement programs that work to increase assessed property values.
- Enhance business opportunities with the City.
- Develop and implement a Business Retention & Expansion program.
- Increase the City's tax base.

City Goal - AFFORDABILITY

- Work to ensure that high-quality, affordable housing options are available for all residents.

Budget Comments on Proposed Budget

The Economic Development Authority Fund budget for 2022 will decrease by \$4,597.

PERSONAL SERVICES:

Personal Services will decrease by \$1,472 and will accommodate planned COLA increases for the CD Director and CD Coordinator.

EDA Fund 204 will also transfer out \$12,170 to the Administrative department to contribute to the funding of the Communications and Events Specialist position. Funding for this position has increased by \$702 for 2022.

SUPPLIES:

Supplies will decrease by \$300 to be more reflective of historic trends related to general office supply costs.

OTHER SERVICES AND CHARGES:

Other Services and Charges will decrease by \$4,700 due to decreases in Expert and Professional Services, Property and Liability Insurance, and Telephone costs. Expert and Professional Services contracts are more appropriately assigned to specific development projects that are typically funded through Fund 408 or other development funds managed by the City.

CITY OF COLUMBIA HEIGHTS, MINNESOTA
BUDGET 2022

Item 3.

DEPARTMENT: COMMERCIAL REVITALIZATION							
408	EDA REDEVELOPMENT PROJECT	Actual	Actual	Adopted	Department	City Manager	Council
46414	COMMERCIAL REVITALIZATION	Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item	Description	2019	2020	2021	2022	2022	2022
0999	Personal Services	1,133	3,141	-	-	-	-
1999	Supplies	7,083	-7,083	-	-	-	-
2999	Other Services & Charges	49,210	12,168	50,000	50,000	50,000	-
4999	Capital Outlay	-	140,001	200,000	200,000	200,000	-
6999	Contingencies & Transfers	-	-	-	-	-	-
TOTALS: COMMERCIAL REVITALIZA1		57,426	148,227	250,000	250,000	250,000	-

Activity Description

The Redevelopment Project Fund is a working capital fund designed to provide the resources necessary for the Columbia Heights Economic Development Authority to implement approved activities for the benefit of the community. The two approved activities covered within this fund are the Commercial Revitalization Project and the Facade Improvement Grant Program.

Objectives

City Goal - ECONOMIC STRENGTH & EXCELLENT HOUSING AND NEIGHBORHOODS
 - Implement the Commercial Revitalization Project and the Facade Improvement Grant Program.
 - Drive redevelopment projects in priority areas of the City.

City Goal - DIVERSE, WELCOMING SMALL-TOWN FEEL
 - Implement the Facade Improvement Grant Program to invest in small local businesses.

Budget Comments on Proposed Budget

The Redevelopment Project Fund will remain unchanged for 2022 at \$250,000. This fund is supported by the HRA Levy and is recognized in Fund 408. Fund 408 will continue to support redevelopment projects and program expenditures of the Columbia Heights Economic Development Authority, including the Facade improvement grant program, and strategic property acquisitions.

CITY OF COLUMBIA HEIGHTS, MINNESOTA
BUDGET 2022

Item 3.

FUND NUMBER
408-46414

COMMERCIAL REVITALIZATION

SUMMARY OF COST FACTORS FOR THE COMING YEAR

			Explanation of Personnel					
			2021 Adopted			2022 Proposed		
			Total	Total	Total	Total	Total	Total
			Salaries	Fringe	Comp & Fringe	Salaries	Fringe	Comp & Fringe
Position Title	2021	2022						
Subtotal	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-

NONPERSONNEL COSTS

Existing average annual property acquisitions in commercial corridor 200,000

Existing façade improvement program, including:

Façade grants to businesses

Security video installed at businesses

subtotal 50,000

Expenditure budget total 250,000

Note: The 2022 proposed revenue budget will provide an additional \$60,000 beyond the existing expenditures above. The EDA has recently discussed expanding the existing façade improvement program to include fire suppression systems, landscaping, and other private improvements within the commercial corridor. The EDA has also discussed expanding property acquisition in the commercial corridor to more than \$200,000 in the short-term. The additional \$60,000 would be available for such purposes, once the EDA has reached final decisions in this area.

AGENDA SECTION	BUSINESS ITEMS
MEETING DATE	SEPTEMBER 7, 2021

ITEM:	Façade Improvement Grant for Dairy Queen, 3959 Central Avenue NE
DEPARTMENT: Community Development	BY/DATE: Aaron Chirpich – 9-01-2021

BACKGROUND:

The EDA has received a Façade Improvement Grant application from Tom Letness for the Dairy Queen building located at 3959 Central Avenue NE. Mr. Letness is requesting a \$1,750 grant to support his proposed \$3,500 painting project. The project scope includes a full repainting of the entire exterior of the building to bring the facility up to the current color specifications set by the Dairy Queen Corporation. All sides of the building are visible from a public street. Therefore, per the grant program guidelines, repainting of the entire building is a grant eligible activity. Mr. Letness has submitted a complete application for eligible improvements, and staff recommends approval of the request.

RECOMMENDED MOTION(S):

MOTION: Move to waive the reading of Resolution 2021-16, there being ample copies available to the public.

MOTION: Move to adopt Resolution 2021-16, a resolution approving the form and substance of the façade improvement grant agreement, and approving authority staff and officials to take all actions necessary to enter the authority into a façade improvement grant agreement with Tom Letness.

ATTACHMENT(S):

- Resolution 2021-16
- Application and Narrative
- Estimates
- Current Conditions Photo
- Proposed Improvements Photo
- Sample Grant Agreement

A RESOLUTION OF THE ECONOMIC DEVELOPMENT AUTHORITY OF COLUMBIA HEIGHTS, MINNESOTA, APPROVING THE FORM AND SUBSTANCE OF THE FAÇADE IMPROVEMENT GRANT AGREEMENT, AND APPROVING AUTHORITY STAFF AND OFFICIALS TO TAKE ALL ACTIONS NECESSARY TO ENTER THE AUTHORITY INTO A FAÇADE IMPROVEMENT GRANT AGREEMENT WITH TOM LETNESS.

BE IT RESOLVED BY the Board of Commissioners ("Board") of the Columbia Heights Economic Development Authority (the "Authority") as follows:

WHEREAS, the City of Columbia Heights (the "City") and the Authority have collaborated to create a certain Façade Improvement Grant Program (the "Program"); and

WHEREAS, pursuant to guidelines established for the Program, the Authority is to award and administer a series of grants to eligible commercial property owners and/or tenants for the purposes of revitalizing existing store fronts, increasing business vitality and economic performance, and decreasing criminal activity along the City's commercial corridors, pursuant to a Façade Improvement Grant Agreement with Tom Letness (the "Grant Agreement"); and

WHEREAS, the Authority has reviewed copies of the proposed form of the Grant Agreement.

NOW, THEREFORE BE IT RESOLVED that the Authority hereby approves the form and substance of the Grant Agreement, and approves the Authority entering into the Grant Agreement with Tom Letness, as recommended by the Community Development Department of the City, in accordance with the Program guidelines.

BE IT FURTHER RESOLVED, that Kelli Bourgeois, as the Executive Director of the Authority, is hereby authorized, empowered and directed for and on behalf of the Authority to enter into the Grant Agreement.

BE IT FURTHER RESOLVED, that Kelli Bourgeois, as the Executive Director of the Authority, is hereby authorized and directed to execute and take such action as he/she deems necessary and appropriate to carry out the purpose of the foregoing resolution.

BE IT FURTHER RESOLVED, that these actions shall be effective as of September 7th, 2021

ORDER OF ECONOMIC DEVELOPMENT AUTHORITY

Passed this 7th day of September, 2021

Offered by:

Seconded by:

Roll Call:

Marlaine Szurek, President

Attest:

Secretary

FACADE IMPROVEMENT GRANT PROGRAM

FOR OFFICE USE ONLY:

DATE RECEIVED:	AMOUNT REQUESTED:
DATE REVIEWED:	TAX ID NUMBER:

PROPERTY OWNER INFORMATION

☐ Check if Applicant

Name: TOM LETNESS Year Purchased: 2000
 Address: 3955 CENTRAL AV NE COLUMBIA HEIGHTS, 55421
 Telephone: 763-458-2969 Email Address: tomtpaw@gmail.com

BUSINESS INFORMATION

☐ Check if Applicant

Business Name: COLUMBIA HEIGHTS DAIRY QUEEN
 Primary Contact: TOM LETNESS
 Address: 3959 CENTRAL AV NE COLUMBIA HEIGHTS, 55421
 Telephone: 763-458-2969 Email Address: tomtpaw@gmail.com
 Type of Business: FAST FOOD ICE CREAM SHOP

Check the appropriate type of ownership:

☒ The business owns the property

☐ The business leases the property

PROPOSED IMPROVEMENTS

Describe the Storefront Façade Improvements:

RE PAINT THE ENTIRE EXTERIOR OF THE BUILDING TO
CURRENT DQ COLOR SPECS

Describe any other improvements, if applicable:

Estimated Cost of Improvements: 3500.00

Have you engaged the services of a Contractor, Designer, or Architect:

☒ Yes ☐ No

Would you be able to complete the improvements this year:

☒ Yes ☐ No

Would you allow the placement of surveillance cameras on your property or business:

☒ Yes ☐ No

APPLICATION PROCESSApplications open Friday, March 1, 2019 and close Friday, May 31, 2019**1. The following documents must accompany a completed application:**

- a. Proof of property ownership or lease.
- b. Written consent from the property owner giving permission to conduct the façade improvements.
- c. Color photographs of existing storefront façade conditions.
- d. One or more competitive proposals from contractors.
- e. Other supporting documentation deemed necessary by the Columbia Heights Economic Development Authority (the "EDA"), the Columbia Heights Police Department (the "CHPD"), or the Applicant.

2. Process after application submission:

- a. A meeting will take place to go over the submitted improvement proposal to discuss grant expectations and to address grant concerns.
- b. The grant recipient or its contractor must commence the improvements sixty (60) days after an approved Grant Agreement.
- c. After façade improvements are complete, the grant funds will be disbursed for reimbursement to the applicant after all of the following pieces of information have been submitted: Proof of Final Inspection by the Building Official or his or her designee, A copy of the Final Invoice Received from Contractor, Photographs of improvements, Proof of Payment to the Contractor (i.e. receipt, invoice, etc.)

APPLICANT ACKNOWLEDGEMENTS

1. The Applicant shall hold the EDA, its officers, consultants, attorneys, and agents harmless from any and all claims arising from or in connection with the Grant Program or its Application, including but not limited to, any legal or actual violations of any State or Federal laws.
2. The Applicant recognizes and agrees that the EDA retains absolute authority and discretion to decide whether or not to accept or deny any particular Grant Application, and that all expenditures, obligations, costs, fees, or liabilities incurred by the Applicant in connection with the Grant Application are incurred by the Applicant at its sole risk and expense.
3. The Applicant acknowledges that they have read the Façade Improvement Grant Program and Design Guidelines, and understands that if the proposal is approved, they will make the above referenced improvements to the property within the specific time allowed. Additionally, if identified by the CHPD that an Applicant qualifies for the installation of surveillance cameras, the Applicant shall be required to allow the City to place surveillance cameras on the exterior façade of certain buildings.

The undersigned, a duly authorized representative of the Applicant, hereby certifies that the foregoing information is true, correct, and complete as of the date hereof and agrees that the Applicant shall be bound by the terms and provisions herein.


 APPLICANT'S SIGNATURE


 DATE


 PROPERTY OWNER'S SIGNATURE


 DATE

PROGRAM OVERVIEW

In a collaborative effort with the Columbia Heights Police Department (the “CHPD”), the Columbia Heights Economic Development Authority (the “EDA”) offers a Façade Improvement Grant Program (the “Grant Program”). The purpose of the Grant Program is to encourage businesses and commercial property owners within the Central Business District to revitalize, rehabilitate, and restore exterior store fronts, but also for the CHPD to provide monitored surveillance along Central Avenue NE to reduce the incident rate of criminal activity, as well as increase business vitality and economic performance. The Grant Program reimburses businesses or commercial property owners for eligible improvements up to fifty percent (50%) of the total project cost; for a maximum reimbursement of \$5,000. Moreover, if determined by the CHPD that an exterior surveillance system is warranted, the EDA will install surveillance equipment to monitor adjacent businesses and properties, as well as parks and open spaces.

ELIGIBLE APPLICANTS

Applicants must be an owner of a commercial property, a commercial tenant with approval from the property owner(s), or a 501(c)(3) organization in the City of Columbia Heights (the “City”) located along Central Avenue NE between 37th and 47th Avenue NE, or along 39th or 40th Avenue NE. Applicants must be in good standing with the City, including but not limited to, legally operating with proper licensure; and current on property taxes, utility bills, and special assessments.

ELIGIBLE FAÇADE IMPROVEMENTS

Façade improvements must be visible from a public street, completed by a licensed contractor, and comply with one or more of the following eligible façade improvements:

- Architectural Improvements
- Canopy or Awning Installation or Repair
- Exterior lighting
- Exterior Painting, Re-siding, or Professional Cleaning
- Green Façade Improvement (i.e. Living Wall, ecofriendly [non-VOC] paint, reclaimed wood, etc.)
- Installation of New or Renovated Attached Signage (Excluding LED)
- Masonry Repairs or Tuckpointing
- Replacement of Windows and Doors
- Restoration of Exterior Finishes and Materials
- Any other exterior façade improvement physically attached to the primary structure approved by the EDA

Please note: Labor costs of a contractor, including necessary design work are eligible costs for reimbursement through the Grant Program. Ineligible costs include, but are not limited to, new construction, interior renovations, repair or replacement of a roof, improvements to an alley façade, improvements started prior to receiving a signed grant agreement from the EDA, and any other improvements not listed above.

EXTERIOR SURVEILLANCE SYSTEM IMPROVEMENTS

The CHPD shall review all Grant Program applications submitted to determine if the installation of an exterior surveillance system is warranted. If it is determined that an exterior surveillance system is warranted, the applicant will then be required to enter into a Lease Agreement with the EDA. The Lease Agreement will allow the EDA to (1) install security cameras on the exterior of the primary structure; (2) install recording equipment inside of the primary structure in a locked and secured location to prevent destruction or tampering; and (3) allow for annual maintenance inspections for a period of ten (10) years. All surveillance system equipment shall be installed by a consultant selected by the EDA, and reviewed by the CHPD. Since specifications of the

surveillance system equipment may vary based on desired coverage, configuration, and size of the commercial property, the following are minimum specifications to be installed:

Cameras:

- IP - Enabled
- Ability to operate in all resolutions up to HDTV 720p/ 1MP
- Ability to record thirty (30) frames per second
- Capable of recording optimal images in all lighting conditions
- Vandal-resistant
- Weather-proof in extreme temperatures from -40° to 131 °F

Network Video Recorder:

- Sufficient memory to retain data from all cameras for a period of fifteen (15) days
- Capacity to deliver thirty (30) frames per second, per camera
- Ability to produce a DVD-R copy of desired data

APPLICATION PROCESS

1. ~~Applications will be open on Friday, March 1, 2019~~
2. ~~Applications will be accepted from Friday, March 1, 2019 and close Friday, May 31, 2019~~
3. ~~Grants will be awarded, and applicants will be notified by Wednesday, July 10, 2019 via email correspondence. A Grant Agreement and if necessary a Lease Agreement for the exterior surveillance system must be approved and signed before commencement of any improvements. Please be sure to obtain all necessary Building Permits.~~
4. Upon being awarded, a meeting will be established to go over the submitted improvement plan to discuss grant expectations and to address grant concerns.
5. The grant recipient or its contractor must commence the improvements sixty (60) days after an approved Grant Agreement. The façade improvements must be completed within six (6) months after the issuance of the necessary Building Permits.
6. After façade improvements are complete, the grant funds will be disbursed for reimbursement to the applicant after all of the following pieces of information have been submitted:
 - a. Proof of Final Inspection by the Building Official
 - b. A Copy of the Final Invoice Received from the Contractor
 - c. Before and After Photographs
 - d. Proof of Payment to the Contractor (i.e. receipt, invoice, etc.)

ADDITIONAL INFORMATION

Required Application Materials:

- A complete application sent to the attention of the Columbia Heights Economic Development Authority at following location: **590 40th Ave NE, Columbia Heights, MN 55421**
- Clear and colored BEFORE photographs of exterior building
- A detailed improvement plan of new exterior façade improvements including design (sketches), color scheme, materials, project execution timeline, and overall budget for plan
- Proof of good standing with the City
- Submit at least 1 proposal from a licensed and bonded contractor. These proposals should give detailed information about the work to be done, the costs, and the project completion schedule. Any contractor that has submitted a competitive detailed estimate may be used. Contractors cannot be changed unless new proposals have been submitted and approved by the EDA.

DESIGN GUIDELINES

This Design Guidelines outline the standards, which must be followed when renovating buildings using a façade grant. These design guidelines take into consideration a building's historic significance in determining what would be appropriate treatment and the overall vision for the City. Architectural styles are diverse, from historic commercial or Mediterranean Revival to 20th century modern. The vision for the district is a commercial area that highlights the historical nature of Columbia Heights that stays in touch with dynamic changes of the City and is always pedestrian-friendly.

FAÇADE IMPROVEMENTS ENCOURAGED

Windows & Doors:

- Window and door openings shall comprise at least 30% of the area of the ground floor of the primary street façade
- No tinted windows, only clear glass
- Windows and doors free of clutter and obstructions, allowing clear views between the business and the street

Historical Preservation:

- Historic building repair or replacement should match current design of building
- Stay traditional to the character of the building
- Maintain similar color scheme

Structure & Materials:

- Use durable materials such as brick, stone, stucco, etc.
- The base (ground floor) should appear visually distinct from the upper stories of the building

Painting & Lighting:

- Unpainted brick stay unpainted, previously painted masonry may be painted
- Use of non-VOC paint encouraged
- No more than two principal colors (neutral or muted colors like browns, grays, dark blue) may be used on a façade or individual storefront
- Bright or primary colors should be used only as accents
- Spot or flood lighting to highlight the architectural detailing of a building should be inconspicuous and blend with the wall on which it is mounted
- Lighting recessed doorways is encouraged
- Energy saving light bulbs encouraged
- Light fixtures that complement the entire façade

Awnings/Signage:

- Attach awnings to the building at or below the lower edge of the sign band
- Awnings made of canvas and waterproof cloth designed to resist fading and tearing
- Colors that coordinate with the building and area
- Awning that's proportional to the building
- Awnings with thin profiles that do not obscure the building and storefront

Signs:

- Projecting/hanging signs: are double-sided and project from a building over the sidewalk
- Wall signs: are attached to the primary façade and best viewed looking straight at the building from across the street
- Are encouraged to be rectangular shaped
- Type fonts and colors that legible from a distance

FAÇADE IMPROVEMENTS PROHIBITED

- Covering, obscuring, or removing cornices, trim, or other architectural details
- Alterations that have no historical basis for historical buildings
- Covering brick or stone with vinyl, aluminum, or wood siding
- Sandblasting brick, which removes a protective exterior
- Reducing existing window size to accept standard residential window sizes
- Replacing windows with wall surface, wood, metal, or other materials
- Rigid materials like aluminum, vinyl, fiberglass, asphalt, or plastics that are sensitive to weather conditions
- No lights should move, flash or make noise
- Signs that are: blocking storefront windows, too large, small font making it difficult to read, using banners as permanent signage



Anoka County
Property Records and Taxation
2100 3rd Avenue
Anoka, MN 55303-2281
www.anokacounty.us
(763) 323-5400

Taxpayer(s):

65092*111**G50**0.382**1/2*****AUTO5-DIGIT 55421
LETNESS, THOMAS
3959 CENTRAL AVE NE
COLUMBIA HEIGHTS MN 55421-3932



Property I.D.: 36-30-24-32-0101

Property Description: THAT PRT OF BLK 4 WALTONS REARR
OF LOTS 33 AND 34 BLK 6 RESERVOIR HILLS COL HGTS
DESC AS FOL; BEG AT THE NW COR OF SD BLK 4 TH S ALG
THE W LINE OF SD BLK 4 39.65 FT THE E

3959 CENTRAL AVE NE , COLUMBIA HEIGHTS MN 55421-0000
TCA: 140131

Owner(s): LETNESS, THOMAS

PROPOSED TAXES 2021

Item 4.

- THIS IS NOT A BILL - DO NOT PAY -

	VALUES AND CLASSIFICATION		
	Taxes Payable Year	2020	2021
Step 1	Estimated Market Value	127,300	127,900
	Homestead Exclusion	0	0
	Taxable Market Value	127,300	127,900
	Class:	COMMERCIAL	COMMERCIAL
Step 2	PROPOSED TAX		
	Property Taxes before credits:	\$2,900.44	
	School building bond credit:	\$0.00	
	Agricultural market value credit:	\$0.00	
	Agricultural preserve credit:	\$0.00	
Step 3	Property Taxes after credits:	\$2,900.44	<i>See Details Below.</i>
	PROPERTY TAX STATEMENT		
	Coming in March 2021		

**The time to provide feedback on
PROPOSED LEVIES is NOW!**
It is too late to appeal your value without going to Tax Court.

10-13-20_v1

Proposed Property Taxes and Meetings by Jurisdiction for Your Property

Contact Information	Meeting Information	Actual 2020	Proposed 2021
STATE GENERAL TAX	NO PUBLIC MEETING	\$159.28	\$150.84
COUNTY OF ANOKA 2100 3RD AVE ANOKA MN 55303 763-323-5400	GOVERNMENT CENTER ATRIUM VIRTUAL MEETING DECEMBER 3, 2020 - 6:00PM (DISCUSS COUNTY PORTION)		
GENERAL COUNTY LEVY		\$411.58	\$384.42
REGIONAL RAIL AUTHORITY		\$6.54	\$6.30
COUNTY/MUNICIPAL PUBLIC SAFETY SYSTEM		\$5.36	\$5.02
CITY OF COLUMBIA HEIGHTS 590 40TH AVE NE COLUMBIA HEIGHTS MN 55421 763-706-3600	CITY HALL COUNCIL CHAMBERS DECEMBER 14, 2020 - 7:00PM (DISCUSS CITY PORTION) VIRTUAL MEETING OPTION	\$850.14	\$898.18
COLUMBIA HEIGHTS SCHOOL DISTRICT #13 1440 49TH AVE NE COLUMBIA HEIGHTS MN 55421 763-528-4500	FAMILY CENTER - COMMUNITY ROOM DECEMBER 15, 2020 - 7:00PM (DISCUSS SD PORTION) VIRTUAL MEETING OPTION		
VOTER APPROVED LEVIES		\$242.24	\$256.56
OTHER LEVIES		\$238.48	\$279.40
METROPOLITAN SPECIAL TAXING DISTRICTS 390 ROBERT ST N SAINT PAUL MN 55101 651-602-1738	COUNCIL CHAMBERS - 390 ROBERT ST N ST. PAUL, MN 55101 DECEMBER 9, 2020 - 6:00PM (DISCUSS METRO PORTION)	\$25.86	\$24.84
OTHER SPECIAL TAXING DISTRICTS	NO PUBLIC MEETING	\$56.18	\$57.86
TAX INCREMENT	NO PUBLIC MEETING	\$0.00	\$0.00
FISCAL DISPARITY	NO PUBLIC MEETING	\$837.64	\$837.02
TOTAL excluding special assessments		\$2,833.30	\$2,900.44

1/1 65092



B & D Pro Painting
 6633 Gettysburg Ave North
 Brooklyn Park, MN 55428
 (763)670-6692 (Cell)

Page No. _____ of _____

Proposal

PROPOSAL SUBMITTED TO Tom Letness		TODAY'S DATE 7/01/21	DATE OF PLANS/PAGE #'S
PHONE NUMBER	FAX NUMBER	JOB NAME	
ADDRESS, CITY, STATE, ZIP 3959 Central Lane		JOB LOCATION Dairy Queen	

We propose hereby to furnish material and labor necessary for the completion of:

Power wash, scrape, and paint with two coats of Sherwin Williams Paint

Total \$3500

We propose hereby to furnish material and labor – complete in accordance with above specifications for the sum of:
Three Thousand Five Hundred _____ dollars (\$ _____)

Payment as follows: _____

All material is guaranteed to be as specified. All work to be completed in a substantial workmanlike manner according to specifications submitted, per standard practices. Any alteration or deviation from above specifications involving extra costs will be executed only upon written orders, and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or delays beyond our control. Owner to carry fire, tornado and other necessary insurance. Our workers are fully covered by Workmen's Compensation Insurance. If either party commences legal action to enforce its rights pursuant to this agreement, the prevailing party in said legal action shall be entitled to recover its reasonable attorney's fees and costs of litigation relating to said legal action, as determined by a court of competent jurisdiction.

**Authorized
Signature** _____

Note: this proposal may be withdrawn by us
if not accepted within _____ days.

ACCEPTANCE OF PROPOSAL The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above.

Signature _____

Signature _____

Date of Acceptance _____

5214 Irving Ave. N. • Minneapolis, MN 55430. • 612.386.1490. • Rglexteriors@yahoo.com

ESTIMATE

Date: **08/11/21**

Customer:

Tom Letness
Dairy Queen
3959 Central Ave. NE
Columbia Heights MN, 55421
Inv. # –

Description:

Cost:

Valid Until:

Power wash exterior, scrape and paint with two coats of Sherwin paint.

\$3,500

10/11/21





FAÇADE IMPROVEMENT GRANT AGREEMENT

THIS FAÇADE IMPROVEMENT GRANT AGREEMENT (“**Agreement**”), dated this _____ day of September, 2021 (the “**Effective Date**”), is entered into by and between Tom Letness, Dairy Queen (the “**Grantee**”), and the Columbia Heights Economic Development Authority (the “**EDA**”).

RECITALS

WHEREAS, Grantee is the owner at certain Property located at 3959 Central Ave NE in the City of Columbia Heights (the “**City**”), Anoka County, Minnesota, and legally described in Exhibit A hereto (the “**Property**”);

WHEREAS, the EDA, in cooperation with the City and its police department, has instituted a Façade Improvement Grant Program (the “**Program**”) for the purpose of revitalizing existing store fronts, increasing business vitality and economic performance, and decreasing criminal activity;

WHEREAS, as part of the Program, the EDA has proposed to make grants of money in the maximum amount of \$5,000.00 per parcel of real property, to property owners, tenants, or nonprofit organizations, in order to revitalize, rehabilitate, and restore exterior store fronts within the City, increase business vitality and economic performance in the City, and in certain instances, to provide monitored surveillance within the City; and

WHEREAS, Grantee desires to participate in the Program, on the terms and conditions set forth below.

NOW, THEREFORE, in consideration of the premises and of the agreements hereinafter contained, the parties agree as follows:

1. Property Improvements: Grantee agrees to complete the improvements at the Property that are identified on Exhibit B attached hereto (the “**Improvements**”), subject to the following terms and conditions:
 - a. If requested by the EDA, Grantee shall provide plans and specifications to the EDA, detailing the Improvements to be constructed (the “**Plans**”). If Grantee wishes to revise the Plans, Grantee must submit the revised Plans to the EDA at the address provided herein. The EDA shall give written notice of its approval or disapproval of the revisions to the Plans, and if the EDA does not give such written approval or disapproval within ten (10) business days after receipt of Grantee’s revised Plans, the EDA shall be deemed to have approved the revisions to the Plans.
 - b. The Improvement shall be constructed consistently with the Plans, as the same may be revised pursuant to Section 1(a) herein. The cost to complete construction of the Improvements shall be defined as the “**Improvement**”

Costs.” The Improvements shall be completed in a first-class manner, consistent with the Plans, if any, and in compliance with all applicable laws, rules, and regulations. Grantee shall obtain all required permits and approvals from the City and any other governing authority with jurisdiction over the Property related to the construction of the Improvements. The out-of-pocket costs for such permitting and approvals shall be the responsibility of Grantee, provided the same shall be included in the definition of “Improvement Costs,” and subject to the provisions of Section 2 of this Agreement.

- c. Grantee agrees to commence the Improvements within sixty (60) days following the Effective Date, and to complete the Improvements within six (6) months following the issuance of all necessary building permits, but in no event later than eight (8) months following the Effective Date.
2. Payment of Grant Funds: Grantee shall be responsible for making initial payment to all contractors involved in the construction of the Improvements. Upon final completion of the Improvements, Grantee shall make a written request to the EDA for reimbursement of one-half (1/2) of the actual Improvement Costs incurred by Grantee, but in no event shall the reimbursement exceed Five Thousand Dollars (\$5,000.00). The written request shall include:
- a. Proof of final inspection of the Improvements by the City building inspector;
 - b. Before and after photographs of the Property, reflecting the Improvements made (as well as follow-up transmission of electronic files of such photographs), and reflecting that the Improvements were completed consistently with any approved Plans;
 - c. A copy of the final invoice(s) received from the contractor(s) who completed the Improvements; and
 - d. Proof of payment of invoice(s) that comprised the Improvement Costs.

Following Grantee’s written request for reimbursement, Grantee shall cooperate with the EDA in delivering to the EDA such follow-up information as is reasonably requested by the EDA in order to review the Improvements and Improvement Costs reimbursement request. Within twenty-one (21) days following receipt of Grantee’s written request for reimbursement of Improvement Costs, the EDA shall: (i) make payment of the reimbursement, (ii) send Grantee written explanation of such other items of information as are needed by the EDA to evaluate the reimbursement request, or (iii) send Grantee written explanation of the EDA’s reasons for denial of repayment of any of Grantee’s requested reimbursement.

3. Liability for Improvements: Neither the City nor the EDA shall in any event be liable to the Grantee, nor to any of its agents, employees, guests or invitees at the Property for, and the Grantee shall indemnify, save, defend, and hold harmless the City and the EDA from, any claims or causes of action, including attorney’s fees incurred by the City or the EDA, arising from defect or claimed defect of any of the Improvements,

or arising from any action of the City or the EDA under this Agreement. This section shall survive the termination or expiration of this Agreement.

4. Written Notice: Wherever any notice is required or permitted hereunder, such notice shall be in writing. Any notice or document required or permitted to be delivered hereunder shall be deemed to be delivered when actually received by the designated addressee or regardless of whether actually received or not, when deposited in the United States Mail, postage prepaid, certified mail, return receipt requested, addressed to the parties hereto at their respective addresses, as set forth below, or at such other address as they may subsequently specify by written notice.

<u>If to the EDA:</u>	<u>If to Grantee:</u>
Columbia Heights EDA Community Development Department 590 40 th Avenue N.E. Columbia Heights, MN 55421	Dairy Queen Attn: Tom Letness 3955 Central Ave NE Columbia Heights, MN 55421

5. Captions; Choice of Law; Etc. The paragraph headings or captions appearing in this Agreement are for convenience only, are not a part of this Agreement, and are not to be considered in interpreting this Agreement. This Agreement constitutes the complete agreement between the parties and supersedes any prior oral or written agreements between the parties regarding the subject matter contained herein. There are no verbal agreements that change this Agreement. This Agreement binds and benefits the parties hereto and their successors and assigns. This Agreement has been made under the laws of the State of Minnesota, and such laws will control its interpretation.

[Signatures to Appear on Following Page]

IN WITNESS WHEREOF, Grantee and the EDA have signed this Agreement as of the day and year first above written.

GRANTEE:

Tom Letness
Dairy Queen

By: _____

Name: Tom Letness

Its: Authorized Representative

Date: _____

EDA:

COLUMBIA HEIGHTS ECONOMIC
DEVELOPMENT AUTHORITY

By: _____

Name: Kelli Bourgeois

Its: Executive Director

Date: _____

EXHIBIT A**LEGAL DESCRIPTION OF PROPERTY**

THAT PRT OF BLK 4 WALTONS REARR OF LOTS 33 AND 34 BLK 6 RESERVOIR HILLS COL HGTS DESC AS
FOL; BEG AT THE NW COR OF SD BLK 4 TH S ALG THE W LINE OF SD BLK 4 39.65 FT THE E PRLL/W
THE N LINE OF SD BLK 4 128 FT TH N PRLL/W THE W LINE OF SD BLK 4 39.65 FT TO THE N LINE OF
SD BLK 4 TH W ALG SD N LINE TO THE POB; SUBJ TO EASE OF REC

EXHIBIT B**PROPERTY IMPROVEMENTS SUBJECT TO 50% REIMBURSEMENT**

This attachment contains a summary of the project identified in the application for the Façade Improvement Grant Program. The Summary reflects the Grantee's proposed project as approved by the EDA on September 7th, 2021 and may reflect minor changes to the total cost and minor changes in the proposed project that occurred subsequent to application submission. The application is incorporated into this grant agreement by reference and is made a part of this grant agreement as follows. If the application or any provision in this application conflicts with or is inconsistent with other provisions of this agreement or the project summary contained in this Attachment B, the terms and descriptions contained in this grant agreement and the Project summary shall prevail.

Project Summary: Repainting of the entire exterior of the building totaling an amount equal to \$3,500.

AGENDA SECTION	BUSINESS ITEMS
MEETING DATE	SEPTEMBER 7, 2021

ITEM:	Façade Improvement Grant for Hairatage, 530 40th Avenue NE
DEPARTMENT: Community Development	BY/DATE: Aaron Chirpich – 9-02-2021

BACKGROUND:

The EDA has received a Façade Improvement Grant application from Donna Mahlmann for the Hairatage building located at 528 40th Avenue NE. Mrs. Mahlmann is requesting a \$3,100 grant to support her proposed \$6,200 stucco repair and painting project. The project scope includes fixing several damaged stucco areas on the South and West sides of the building and a full repainting of the repaired areas. The building is situated on a corner lot at the intersection of 40th Avenue NE and Summit Street NE. Therefore, all sides of the building are visible from a public street.

It is important to note that this property did receive a \$4,684 Façade Improvement Grant from the EDA in 2019 for stucco repair, repainting, and new awnings on the main façade (North side). At that time, the building was not owned by Mrs. Mahlmann, as she was leasing the space and received the grant as a tenant. The program guidelines do not prohibit multiple grant awards for the same property. However, the EDA's grant agreement contracts do state the following: "the EDA has proposed to make grants of money in the maximum amount of \$5,000 per parcel of real property, to property owners, tenants, or nonprofit organizations." It is staff's opinion that offering a second grant to the same property in this case is open to interpretation by the EDA. Given the fact that since the last grant award, the building has been purchased by the applicant, staff is supportive of the request, as Mrs. Mahlmann has shown a commitment to investing long-term in the community.

RECOMMENDED MOTION(S):

MOTION: Move to waive the reading of Resolution 2021-17, there being ample copies available to the public.

MOTION: Move to adopt Resolution 2021-17, a resolution approving the form and substance of the façade improvement grant agreement, and approving authority staff and officials to take all actions necessary to enter the authority into a façade improvement grant agreement with Donna Mahlmann.

ATTACHMENT(S):

- Resolution 2021-17
- Application and Narrative
- Estimates
- Project Photos
- Sample Grant Agreement

FACADE IMPROVEMENT GRANT PROGRAM

FOR OFFICE USE ONLY:

DATE RECEIVED:	AMOUNT REQUESTED:
DATE REVIEWED:	TAX ID NUMBER:

PROPERTY OWNER INFORMATION

☐ Check if Applicant

Name: DONNA MAWMANN Year Purchased: 2021
 Address: 1308 GRAND ST NE, MPLS MN 55413
 Telephone: (612) 229-4959 Email Address: SMAHL13@MSN.COM

BUSINESS INFORMATION

☐ Check if Applicant

Business Name: HAIRATAGE
 Primary Contact: DONNA MAWMANN
 Address: 530 40TH AVE NE COL HTS, MN 55421
 Telephone: _____ Email Address: HAIRATAGE@LIVE.COM
 Type of Business: HAIR SALON

Check the appropriate type of ownership:

- ☒ The business owns the property ☒ The business leases the property

PROPOSED IMPROVEMENTS

Describe the Storefront Façade Improvements:

Fix & REPAIR CRACKS & RE STUCCO OTHER PART NOT DONE
PRESSURE WASH & REPAINT BUILDING TO MATCH
RESEAL AROUND WINDOWS

Describe any other improvements, if applicable:

Estimated Cost of Improvements: 6200

Have you engaged the services of a Contractor, Designer, or Architect: ☒ Yes ☐ No

Would you be able to complete the improvements this year: ☒ Yes ☐ No

Would you allow the placement of surveillance cameras on your property or business: ☒ Yes ☐ No

APPLICATION PROCESS

1. The following documents must accompany a completed application:

- a. Proof of property ownership or lease.
- b. Written consent from the property owner giving permission to conduct the façade improvements.
- c. Color photographs of existing storefront façade conditions.
- d. Two or more competitive proposals from contractors.
- e. Other supporting documentation deemed necessary by the Columbia Heights Economic Development Authority (the "EDA"), the Columbia Heights Police Department, or the Applicant.

2. Process after application submission:

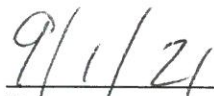
- a. A meeting will take place to go over the submitted improvement proposal to discuss grant expectations and to address grant concerns.
- b. The grant recipient or its contractor must commence the improvements sixty (60) days after an approved Grant Agreement.
- c. After façade improvements are complete, the grant funds will be disbursed for reimbursement to the applicant after all of the following pieces of information have been submitted: Proof of Final Inspection by the Building Official or his or her designee, A copy of the Final Invoice Received from Contractor, Photographs of improvements, Proof of Payment to the Contractor (i.e. receipt, invoice, etc.)

APPLICANT ACKNOWLEDGEMENTS

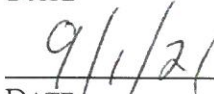
1. The Applicant shall hold the EDA, its officers, consultants, attorneys, and agents harmless from any and all claims arising from or in connection with the Grant Program or its Application, including but not limited to, any legal or actual violations of any State or Federal laws.
2. The Applicant recognizes and agrees that the EDA retains absolute authority and discretion to decide whether or not to accept or deny any particular Grant Application, and that all expenditures, obligations, costs, fees, or liabilities incurred by the Applicant in connection with the Grant Application are incurred by the Applicant at its sole risk and expense.
3. The Applicant acknowledges that they have read the Façade Improvement Grant Program and Design Guidelines, and understands that if the proposal is approved, they will make the above referenced improvements to the property within the specific time allowed. Additionally, if identified by the Police Department that an Applicant qualifies for the installation of surveillance cameras, the Applicant shall be required to allow the City to place surveillance cameras on the front façade of certain buildings.

The undersigned, a duly authorized representative of the Applicant, hereby certifies that the foregoing information is true, correct, and complete as of the date hereof and agrees that the Applicant shall be bound by the terms and provisions herein.


 APPLICANT'S SIGNATURE


 DATE


 PROPERTY OWNER'S SIGNATURE


 DATE

PROGRAM OVERVIEW

In a collaborative effort with the Columbia Heights Police Department (the “CHPD”), the Columbia Heights Economic Development Authority (the “EDA”) offers a Façade Improvement Grant Program (the “Grant Program”). The purpose of the Grant Program is to encourage businesses and commercial property owners within the Central Business District to revitalize, rehabilitate, and restore exterior store fronts, but also for the CHPD to provide monitored surveillance along Central Avenue NE to reduce the incident rate of criminal activity, as well as increase business vitality and economic performance. The Grant Program reimburses businesses or commercial property owners for eligible improvements up to fifty percent (50%) of the total project cost; for a maximum reimbursement of \$5,000. Moreover, if determined by the CHPD that an exterior surveillance system is warranted, the EDA will install surveillance equipment to monitor adjacent businesses and properties, as well as parks and open spaces.

ELIGIBLE APPLICANTS

Applicants must be an owner of a commercial property, a commercial tenant with approval from the property owner(s), or a 501(c)(3) organization in the City of Columbia Heights (the “City”) located along Central Avenue NE between 37th and 47th Avenue NE. and along 40th avenue between Central and University Avenues. Applicants must be in good standing with the City, including but not limited to, legally operating with proper licensure; and current on property taxes, utility bills, and special assessments.

ELIGIBLE FAÇADE IMPROVEMENTS

Façade improvements must be visible from a public street, completed by a licensed contractor, and comply with one or more of the following eligible façade improvements:

- Architectural Improvements
- Canopy or Awning Installation or Repair
- Exterior lighting
- Exterior Painting, Re-siding, or Professional Cleaning
- Green Façade Improvement (i.e. Living Wall, ecofriendly [non-VOC] paint, reclaimed wood, etc.)
- Installation of New or Renovated Attached Signage (Excluding LED)
- Masonry Repairs or Tuckpointing
- Replacement of Windows and Doors
- Restoration of Exterior Finishes and Materials
- Any other exterior façade improvement physically attached to the primary structure approved by the EDA

Please note: Labor costs of a contractor, including necessary design work are eligible costs for reimbursement through the Grant Program. Ineligible costs include, but are not limited to, new construction, interior renovations, repair or replacement of a roof, improvements to an alley façade, improvements started prior to receiving a signed grant agreement from the EDA, and any other improvements not listed above.

EXTERIOR SURVEILLANCE SYSTEM IMPROVEMENTS

The CHPD shall review all Grant Program applications submitted to determine if the installation of an exterior surveillance system is warranted. If it is determined that an exterior surveillance system is warranted, the applicant will then be required to enter into a Lease Agreement with the EDA. The Lease Agreement will allow the EDA to (1) install security cameras on the exterior of the primary structure; (2) install recording equipment inside of the primary structure in a locked and secured location to prevent destruction or tampering; and (3) allow for annual maintenance inspections for a period of five (5) years. All surveillance system equipment shall be installed by a consultant selected by the EDA, and reviewed by the CHPD. Since specifications of the

surveillance system equipment may vary based on desired coverage, configuration, and size of the commercial property, the following are minimum specifications to be installed:

Cameras:

- IP - Enabled
- Ability to operate in all resolutions up to HDTV 720p/ 1MP
- Ability to record thirty (30) frames per second
- Capable of recording optimal images in all lighting conditions
- Vandal-resistant
- Weather-proof in extreme temperatures from -40° to 131 °F

Network Video Recorder:

- Sufficient memory to retain data from all cameras for a period of fifteen (15) days
- Capacity to deliver thirty (30) frames per second, per camera
- Ability to produce a DVD-R copy of desired data

APPLICATION PROCESS

1. Applications will be open and accepted throughout the year 2021.
2. Grants will be awarded, and applicants will be notified via email correspondence. A Grant Agreement and if necessary a Lease Agreement for the exterior surveillance system must be approved and signed before commencement of any improvements. Please be sure to obtain all necessary Building Permits.
3. Upon being awarded, a meeting will be established to go over the submitted improvement plan to discuss grant expectations and to address grant concerns.
4. The grant recipient or its contractor must commence the improvements sixty (60) days after an approved Grant Agreement. The façade improvements must be completed within six (6) months after the issuance of the necessary Building Permits.
5. After façade improvements are complete, the grant funds will be disbursed for reimbursement to the applicant after all of the following pieces of information have been submitted:
 - a. Proof of Final Inspection by the Building Official
 - b. A Copy of the Final Invoice Received from the Contractor
 - c. Before and After Photographs
 - d. Proof of Payment to the Contractor (i.e. receipt, invoice, etc.)

ADDITIONAL INFORMATION

Required Application Materials:

- A complete application sent to the attention of the Columbia Heights Economic Development Authority at following location: **590 40th Ave NE, Columbia Heights, MN 55421**
- Clear and colored BEFORE photographs of exterior building
- A detailed improvement plan of new exterior façade improvements including design (sketches), color scheme, materials, project execution timeline, and overall budget for plan
- Proof of good standing with the City
- Submit 2 or more competitive proposal from licensed and bonded contractors. These proposals should give detailed information about the work to be done, the costs, and the project completion schedule. Any contractor that has submitted a competitive detailed estimate may be used. Contractors cannot be changed unless new proposals have been submitted and approved by the EDA.

DESIGN GUIDELINES

This Design Guidelines outline the standards, which must be followed when renovating buildings using a façade grant. These design guidelines take into consideration a building's historic significance in determining what would be appropriate treatment and the overall vision for the City. Architectural styles are diverse, from historic commercial or Mediterranean Revival to 20th century modern. The vision for the district is a commercial area that highlights the historical nature of Columbia Heights that stays in touch with dynamic changes of the City and is always pedestrian-friendly.

FAÇADE IMPROVEMENTS ENCOURAGED

Windows & Doors:

- Window and door openings shall comprise at least 30% of the area of the ground floor of the primary street façade
- No tinted windows, only clear glass
- Windows and doors free of clutter and obstructions, allowing clear views between the business and the street

Historical Preservation:

- Historic building repair or replacement should match current design of building
- Stay traditional to the character of the building
- Maintain similar color scheme

Structure & Materials:

- Use durable materials such as brick, stone, stucco, etc.
- The base (ground floor) should appear visually distinct from the upper stories of the building

Painting & Lighting:

- Unpainted brick stay unpainted, previously painted masonry may be painted
- Use of non-VOC paint encouraged
- No more than two principal colors (neutral or muted colors like browns, grays, dark blue) may be used on a façade or individual storefront
- Bright or primary colors should be used only as accents
- Spot or flood lighting to highlight the architectural detailing of a building should be inconspicuous and blend with the wall on which it is mounted
- Lighting recessed doorways is encouraged
- Energy saving light bulbs encouraged
- Light fixtures that complement the entire façade

Awnings/Signage:

- Attach awnings to the building at or below the lower edge of the sign band
- Awnings made of canvas and waterproof cloth designed to resist fading and tearing
- Colors that coordinate with the building and area
- Awning that's proportional to the building
- Awnings with thin profiles that do not obscure the building and storefront

Signs:

- Projecting/hanging signs: are double-sided and project from a building over the sidewalk
- Wall signs: are attached to the primary façade and best viewed looking straight at the building from across the street
- Are encouraged to be rectangular shaped
- Type fonts and colors that legible from a distance

FAÇADE IMPROVEMENTS PROHIBITED

- Covering, obscuring, or removing cornices, trim, or other architectural details
- Alterations that have no historical basis for historical buildings
- Covering brick or stone with vinyl, aluminum, or wood siding
- Sandblasting brick, which removes a protective exterior
- Reducing existing window size to accept standard residential window sizes
- Replacing windows with wall surface, wood, metal, or other materials
- Rigid materials like aluminum, vinyl, fiberglass, asphalt, or plastics that are sensitive to weather conditions
- No lights should move, flash or make noise
- Signs that are: blocking storefront windows, too large, small font making it difficult to read, using banners as permanent signage

From: **andrew holloway** aconcreteandstucco@gmail.com
Subject: Estimate for stucco work
Date: August 31, 2021 at 1:41 PM
To: smahl13@msn.com

Proposal for stucco repair/Painting at:
530 40th Ave NE
Columbia Heights MN 55421

- remove all loose and/or deteriorated material from exterior stucco cracks and chips.
- grind out cracks as needed
- patch all stucco cracks and chips with Portland based stucco base coat and finish coat material.
- patches are to match texture of existing exterior stucco as close as possible.
- pressure wash all exterior stucco.
- paint exterior stucco.

All labor, material, clean up, and disposal included.

Total: \$6200.00
Payments are to be made as follows:
50% at start 50% upon completion.

Andrew Holloway

Andy's Concrete and Stucco
42 154th Ave NW
Andover MN 55304



June 18, 2021

Donna Mahlmann
Hairatage
528 40th Ave NE
Col Hts, MN 55421

ph 612-229-4959
hairatage@live.com

Re: Hairatage stucco repairs w/ options

Hi Donna,

Emailed to you today for your use is our scope of work and price w/ options for stucco related work on your building~

Option A: Green on photos, remove existing damaged sealant, patch/repair stucco

- Chip back existing stucco to tie in papers and lath @ minor cracking
- Apply 2 layers grade "D" paper and 3.4 SF galv metal lath
- Apply nylon reinforced stucco basecoat with texture to match existing as close as possible
- Paint to match color as close as possible

Note: Color and texture variation will be visible when complete

Option A: \$5,420.00

Option B: Red on photos, include all Option A plus the following:


- Cut back stucco and install 2 new kickout flashings at rear entrance rooflines
- Cut out stucco at vertical joint visible on front elevation, install new papers and lath, nylon reinforced basecoat with texture to match existing as close as possible
- Sandblast all exterior stucco
- Apply new 2 coat restucco finish to all exterior stucco

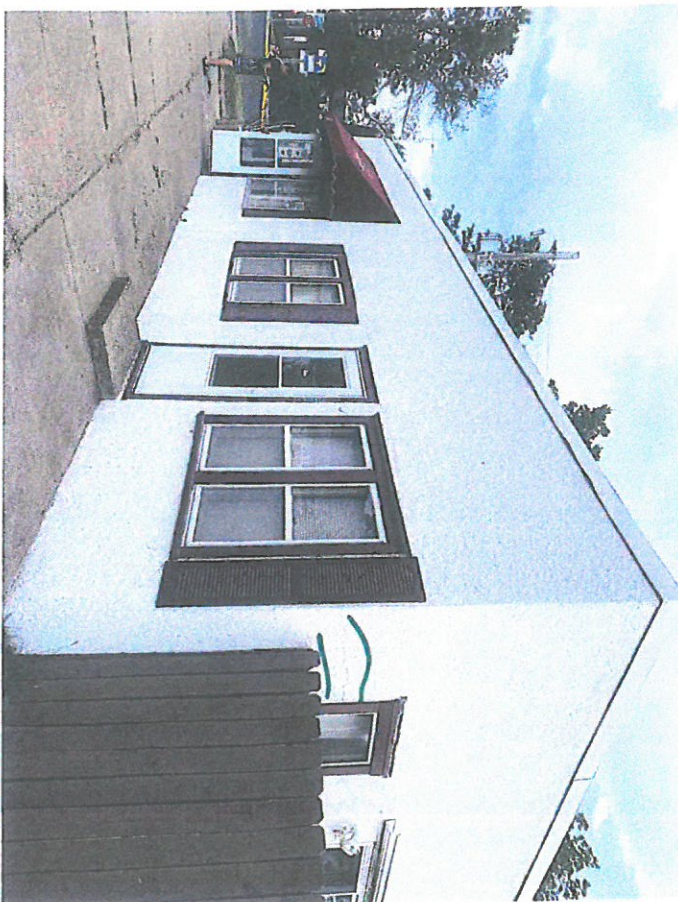
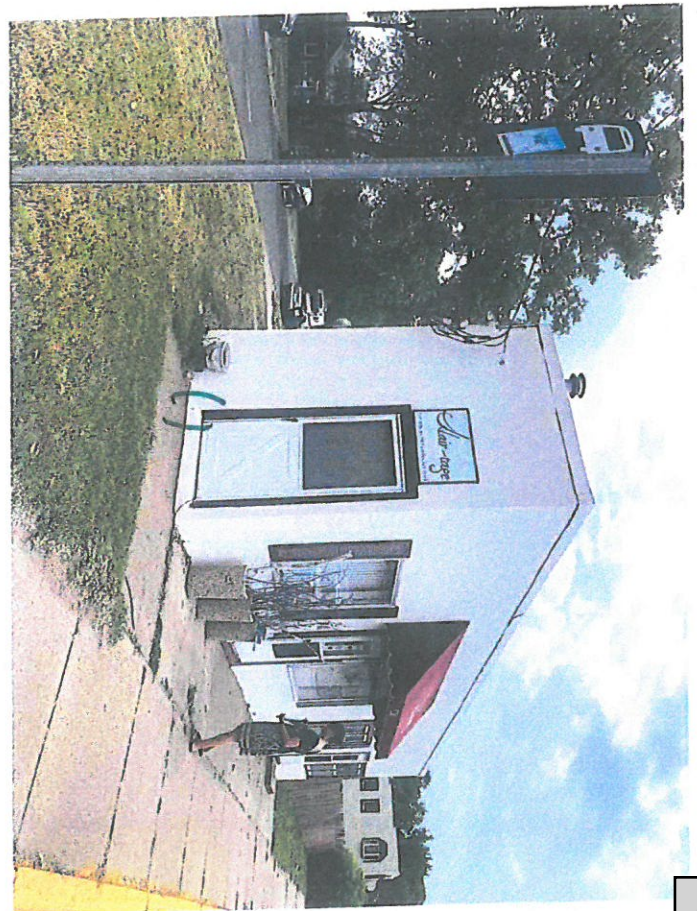
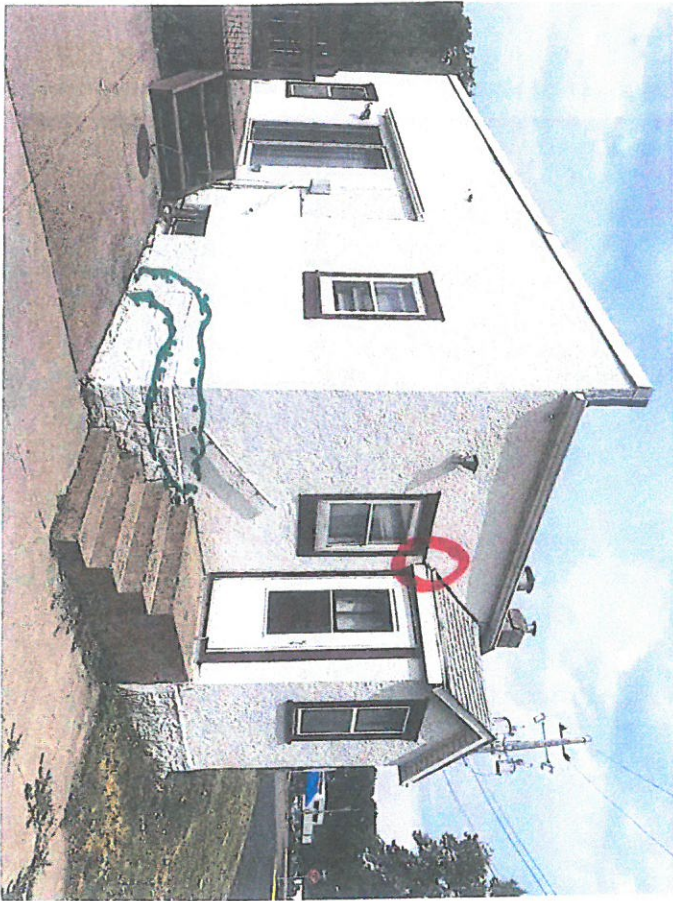
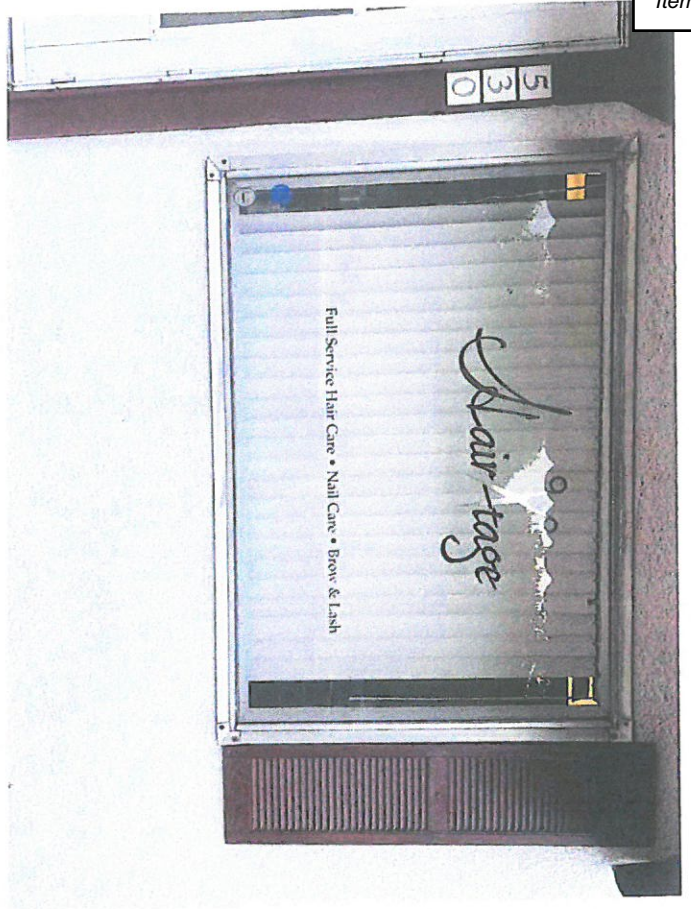
Option B: \$29,600.00 (includes Option A)

New color to be _____

Note: does not include detached garage
Please call me at 952.884.1848 if you have any questions.

Respectfully submitted,


Stephen P Donnelly
Stephen P Donnelly Company Inc
AWCI CEP# 1203417



A RESOLUTION OF THE ECONOMIC DEVELOPMENT AUTHORITY OF COLUMBIA HEIGHTS, MINNESOTA, APPROVING THE FORM AND SUBSTANCE OF THE FAÇADE IMPROVEMENT GRANT AGREEMENT, AND APPROVING AUTHORITY STAFF AND OFFICIALS TO TAKE ALL ACTIONS NECESSARY TO ENTER THE AUTHORITY INTO A FAÇADE IMPROVEMENT GRANT AGREEMENT WITH DONNA MAHLMANN.

BE IT RESOLVED BY the Board of Commissioners ("Board") of the Columbia Heights Economic Development Authority (the "Authority") as follows:

WHEREAS, the City of Columbia Heights (the "City") and the Authority have collaborated to create a certain Façade Improvement Grant Program (the "Program"); and

WHEREAS, pursuant to guidelines established for the Program, the Authority is to award and administer a series of grants to eligible commercial property owners and/or tenants for the purposes of revitalizing existing store fronts, increasing business vitality and economic performance, and decreasing criminal activity along the City's commercial corridors, pursuant to a Façade Improvement Grant Agreement with Donna Mahlmann (the "Grant Agreement"); and

WHEREAS, the Authority has reviewed copies of the proposed form of the Grant Agreement.

NOW, THEREFORE BE IT RESOLVED that the Authority hereby approves the form and substance of the Grant Agreement, and approves the Authority entering into the Grant Agreement with Donna Mahlmann, as recommended by the Community Development Department of the City, in accordance with the Program guidelines.

BE IT FURTHER RESOLVED, that Kelli Bourgeois, as the Executive Director of the Authority, is hereby authorized, empowered and directed for and on behalf of the Authority to enter into the Grant Agreement.

BE IT FURTHER RESOLVED, that Kelli Bourgeois, as the Executive Director of the Authority, is hereby authorized and directed to execute and take such action as he/she deems necessary and appropriate to carry out the purpose of the foregoing resolution.

BE IT FURTHER RESOLVED, that these actions shall be effective as of September 7th, 2021

ORDER OF ECONOMIC DEVELOPMENT AUTHORITY

Passed this 7th day of September, 2021

Offered by:

Seconded by:

Roll Call:

Marlaine Szurek, President

Attest:

Secretary

FAÇADE IMPROVEMENT GRANT AGREEMENT

THIS FAÇADE IMPROVEMENT GRANT AGREEMENT (“**Agreement**”), dated this _____ day of September, 2021 (the “**Effective Date**”), is entered into by and between Donna Mahlmann, Hairatage (the “**Grantee**”), and the Columbia Heights Economic Development Authority (the “**EDA**”).

RECITALS

WHEREAS, Grantee is the owner at certain Property located at 528 40th Ave NE in the City of Columbia Heights (the “**City**”), Anoka County, Minnesota, and legally described in Exhibit A hereto (the “**Property**”);

WHEREAS, the EDA, in cooperation with the City and its police department, has instituted a Façade Improvement Grant Program (the “**Program**”) for the purpose of revitalizing existing store fronts, increasing business vitality and economic performance, and decreasing criminal activity;

WHEREAS, as part of the Program, the EDA has proposed to make grants of money in the maximum amount of \$5,000.00 per parcel of real property, to property owners, tenants, or nonprofit organizations, in order to revitalize, rehabilitate, and restore exterior store fronts within the City, increase business vitality and economic performance in the City, and in certain instances, to provide monitored surveillance within the City; and

WHEREAS, Grantee desires to participate in the Program, on the terms and conditions set forth below.

NOW, THEREFORE, in consideration of the premises and of the agreements hereinafter contained, the parties agree as follows:

1. Property Improvements: Grantee agrees to complete the improvements at the Property that are identified on Exhibit B attached hereto (the “**Improvements**”), subject to the following terms and conditions:
 - a. If requested by the EDA, Grantee shall provide plans and specifications to the EDA, detailing the Improvements to be constructed (the “**Plans**”). If Grantee wishes to revise the Plans, Grantee must submit the revised Plans to the EDA at the address provided herein. The EDA shall give written notice of its approval or disapproval of the revisions to the Plans, and if the EDA does not give such written approval or disapproval within ten (10) business days after receipt of Grantee’s revised Plans, the EDA shall be deemed to have approved the revisions to the Plans.
 - b. The Improvement shall be constructed consistently with the Plans, as the same may be revised pursuant to Section 1(a) herein. The cost to complete construction of the Improvements shall be defined as the “**Improvement**”

Costs.” The Improvements shall be completed in a first-class manner, consistent with the Plans, if any, and in compliance with all applicable laws, rules, and regulations. Grantee shall obtain all required permits and approvals from the City and any other governing authority with jurisdiction over the Property related to the construction of the Improvements. The out-of-pocket costs for such permitting and approvals shall be the responsibility of Grantee, provided the same shall be included in the definition of “Improvement Costs,” and subject to the provisions of Section 2 of this Agreement.

- c. Grantee agrees to commence the Improvements within sixty (60) days following the Effective Date, and to complete the Improvements within six (6) months following the issuance of all necessary building permits, but in no event later than eight (8) months following the Effective Date.
2. Payment of Grant Funds: Grantee shall be responsible for making initial payment to all contractors involved in the construction of the Improvements. Upon final completion of the Improvements, Grantee shall make a written request to the EDA for reimbursement of one-half (1/2) of the actual Improvement Costs incurred by Grantee, but in no event shall the reimbursement exceed Five Thousand Dollars (\$5,000.00). The written request shall include:
- a. Proof of final inspection of the Improvements by the City building inspector;
 - b. Before and after photographs of the Property, reflecting the Improvements made (as well as follow-up transmission of electronic files of such photographs), and reflecting that the Improvements were completed consistently with any approved Plans;
 - c. A copy of the final invoice(s) received from the contractor(s) who completed the Improvements; and
 - d. Proof of payment of invoice(s) that comprised the Improvement Costs.

Following Grantee’s written request for reimbursement, Grantee shall cooperate with the EDA in delivering to the EDA such follow-up information as is reasonably requested by the EDA in order to review the Improvements and Improvement Costs reimbursement request. Within twenty-one (21) days following receipt of Grantee’s written request for reimbursement of Improvement Costs, the EDA shall: (i) make payment of the reimbursement, (ii) send Grantee written explanation of such other items of information as are needed by the EDA to evaluate the reimbursement request, or (iii) send Grantee written explanation of the EDA’s reasons for denial of repayment of any of Grantee’s requested reimbursement.

3. Liability for Improvements: Neither the City nor the EDA shall in any event be liable to the Grantee, nor to any of its agents, employees, guests or invitees at the Property for, and the Grantee shall indemnify, save, defend, and hold harmless the City and the EDA from, any claims or causes of action, including attorney’s fees incurred by the City or the EDA, arising from defect or claimed defect of any of the Improvements,

or arising from any action of the City or the EDA under this Agreement. This section shall survive the termination or expiration of this Agreement.

4. Written Notice: Wherever any notice is required or permitted hereunder, such notice shall be in writing. Any notice or document required or permitted to be delivered hereunder shall be deemed to be delivered when actually received by the designated addressee or regardless of whether actually received or not, when deposited in the United States Mail, postage prepaid, certified mail, return receipt requested, addressed to the parties hereto at their respective addresses, as set forth below, or at such other address as they may subsequently specify by written notice.

<u>If to the EDA:</u>	<u>If to Grantee:</u>
Columbia Heights EDA Community Development Department 590 40 th Avenue N.E. Columbia Heights, MN 55421	Hairatage Attn: Donna Mahlmann 528 40th Ave NE Columbia Heights, MN 55421

5. Captions; Choice of Law; Etc. The paragraph headings or captions appearing in this Agreement are for convenience only, are not a part of this Agreement, and are not to be considered in interpreting this Agreement. This Agreement constitutes the complete agreement between the parties and supersedes any prior oral or written agreements between the parties regarding the subject matter contained herein. There are no verbal agreements that change this Agreement. This Agreement binds and benefits the parties hereto and their successors and assigns. This Agreement has been made under the laws of the State of Minnesota, and such laws will control its interpretation.

[Signatures to Appear on Following Page]

IN WITNESS WHEREOF, Grantee and the EDA have signed this Agreement as of the day and year first above written.

GRANTEE:

Donna Mahlmann
Hairatage

By: _____

Name: Donna Mahlmann

Its: Authorized Representative

Date: _____

EDA:

COLUMBIA HEIGHTS ECONOMIC
DEVELOPMENT AUTHORITY

By: _____

Name: Kelli Bourgeois

Its: Executive Director

Date: _____

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

LOT 1 AUDITORS SUBDIVISION NO 24

EXHIBIT B**PROPERTY IMPROVEMENTS SUBJECT TO 50% REIMBURSEMENT**

This attachment contains a summary of the project identified in the application for the Façade Improvement Grant Program. The Summary reflects the Grantee's proposed project as approved by the EDA on September 7th, 2021 and may reflect minor changes to the total cost and minor changes in the proposed project that occurred subsequent to application submission. The application is incorporated into this grant agreement by reference and is made a part of this grant agreement as follows. If the application or any provision in this application conflicts with or is inconsistent with other provisions of this agreement or the project summary contained in this Attachment B, the terms and descriptions contained in this grant agreement and the Project summary shall prevail.

Project Summary: Repair stucco and repaint repaired areas of building totaling an amount equal to \$6,200.



AGENDA SECTION	OTHER BUSINESS
MEETING DATE	SEPTEMBER 7, 2021

ITEM:	Expand Geographic Boundaries of the Façade Improvement Grant Program
DEPARTMENT: Community Development	BY/DATE: Aaron Chirpich – 9-2-2021

BACKGROUND:

At the August 2nd EDA meeting, the EDA board discussed expanding the geographic boundaries of the Façade Improvement Grant Program. The program currently covers commercial properties located along Central Avenue NE between 37th and 47th Avenue NE, and commercial properties along 40th Avenue NE. At the August meeting, commissioners expressed a desire to expand the program to include commercial properties along University Avenue NE, 37th Avenue NE, and 37th Place NE. Staff recommend approval of expanding the program to these new locations.

RECOMMENDED MOTION(S):

MOTION: Move to expand the geographic boundaries of the Facade Improvement Grant Program to designate commercial properties located along University Avenue NE, 37th Avenue NE, and 37th Place NE as eligible to participate in the program.

AGENDA SECTION	OTHER BUSINESS
MEETING DATE	SEPTEMBER 7, 2021

ITEM:	Discuss Potential Redevelopment of 2201 37th Avenue NE
DEPARTMENT: Community Development	BY/DATE: Aaron Chirpich – 9-2-2021

BACKGROUND:

At the August 2nd, EDA meeting, staff presented a redevelopment concept plan for the former Unique Thrift Store site at 2201 37th Avenue NE. The project presented included a full redevelopment of the site into a multifamily apartment community with no commercial or retail space. The board was generally receptive to redevelopment of the property with high-density residential housing, but wanted to see a commercial component integrated into the plans to create a mixed-use project. The board was also concerned with the lack of development credentials for the developer proposing the plan.

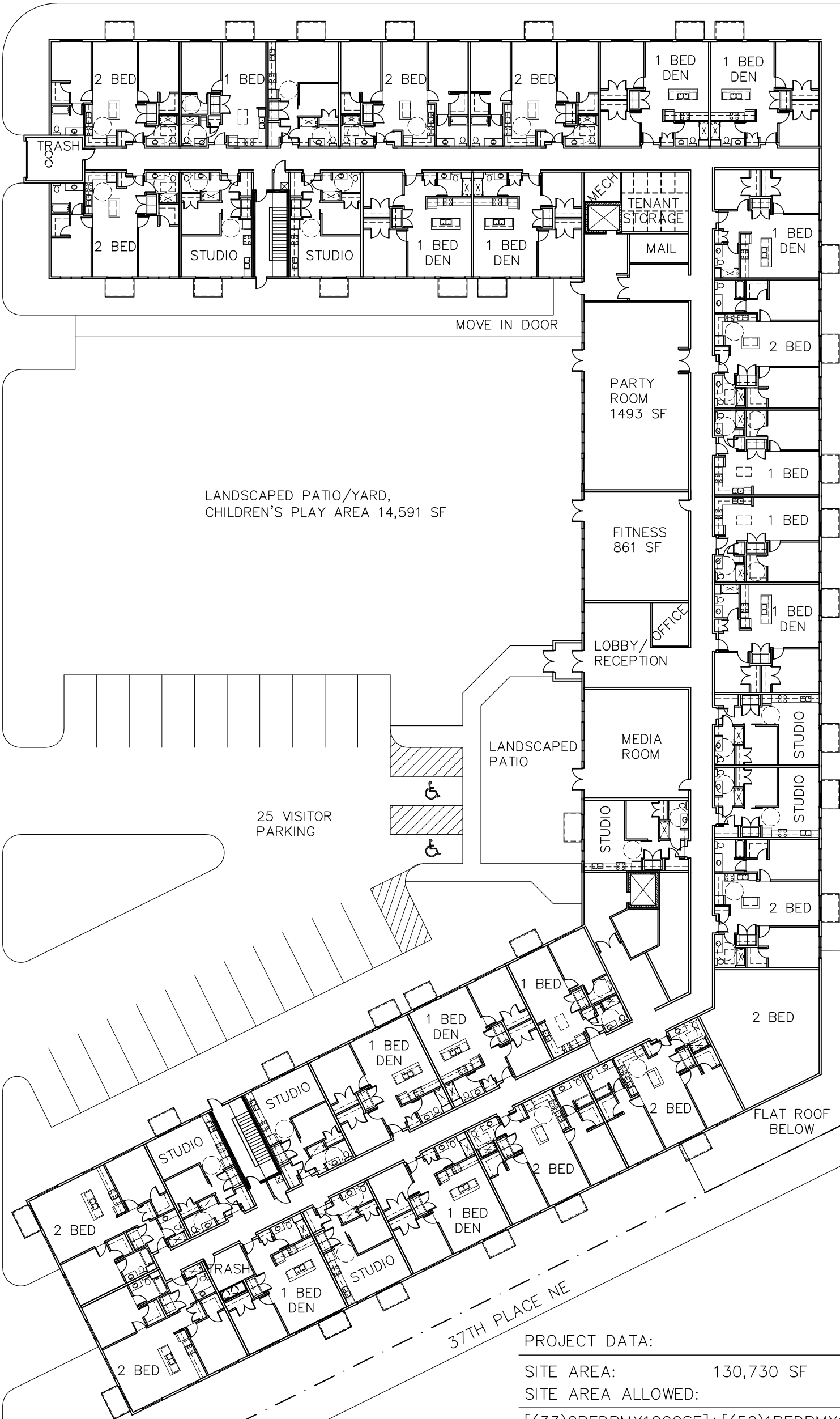
Since the August meeting, the developer has revised their plans to include a 2,400 square foot commercial tenant space on the first floor that would be intended for a coffee shop/bistro use. The developer has not partnered with an experienced development firm at this time. Rather, the developer is requesting that staff present the revised plans to gauge interest from the EDA. If the EDA is interested in taking the concept further, the developer is prepared to seek out project partners for the project.

ATTACHMENT(S):

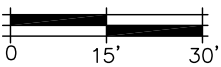
- Revised Site Plan



45 COVERED GARAGES



COLUMBIA HEIGHTS
LUXURY APARTMENTS



GORI & ASSOCIATES
architects
4633 1st Avenue South, Minneapolis, MN 55419
Tel: (612) 232-9539 Fax: (651) 305-6884
email: viren@gori-associates.com
www.gori-associates.com

FIRST FLOOR: 39,914 SF

PROJECT DATA:

SITE AREA: 130,730 SF
SITE AREA ALLOWED:

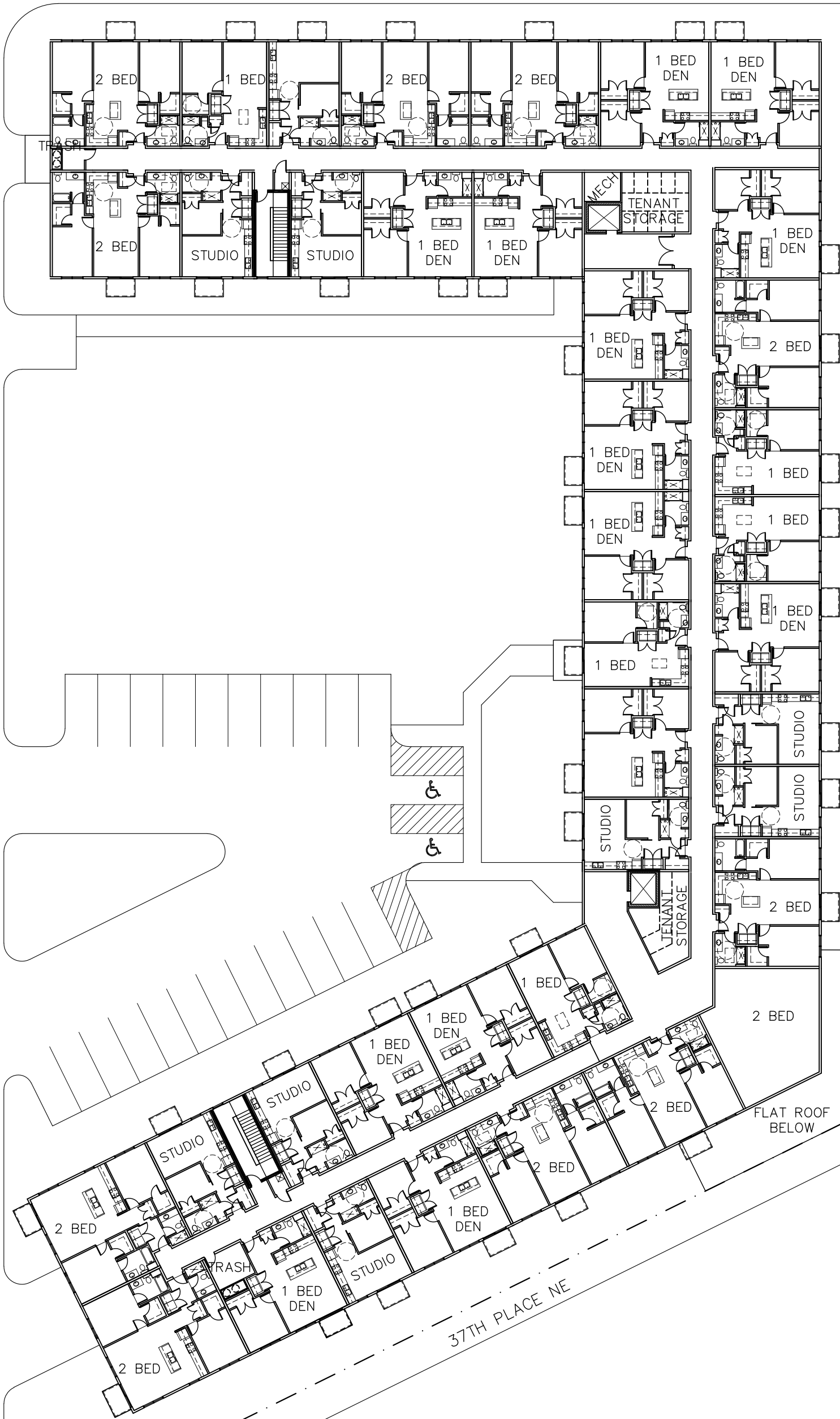
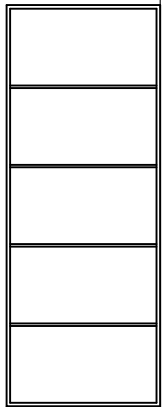
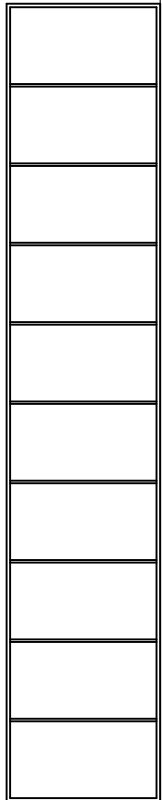
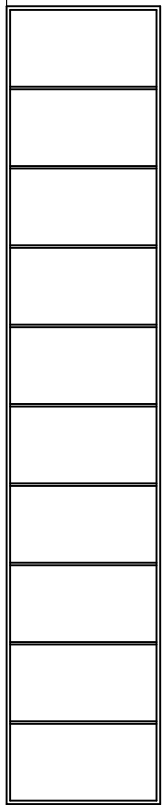
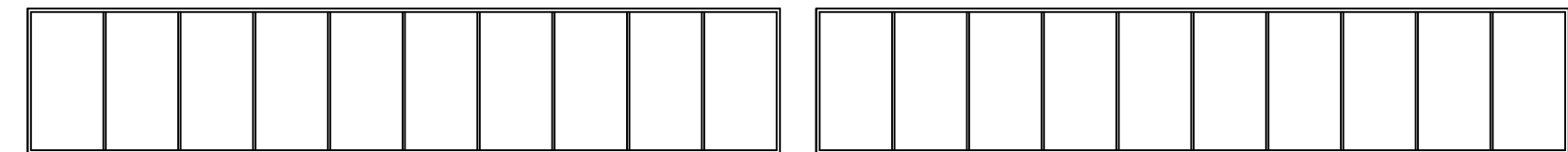
$[(33)2\text{BEDRM} \times 1200\text{SF}] + [(52)1\text{BEDRM} \times 1000\text{SF}] + [(27)\text{STUDIO} \times 800\text{SF}] = 113,200 \text{ SF}$

BUILDING HT: 35' (3 STORIES)

PARKING REQUIRED:
 $[2 \times 33(2\text{BEDRM})] + [1 \times 79(1\text{BEDRM}/\text{STUDIO})] = 145$

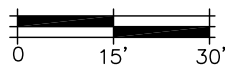
PARKING PROPOSED:
100 LOWER LEVEL STALLS
45 DETACHED GARAGES
25 VISITOR PARKING

TOTAL UNITS: 112
27 STUDIO
52 1BEDRM
33 2BEDRM



McKINLEY STREET NE

COLUMBIA HEIGHTS LUXURY APARTMENTS



GORI & ASSOCIATES
architects
4633 1st Avenue South, Minneapolis, MN 55419
Tel: (612) 232-9539 Fax: (651) 305-6884
email: vireo@gori-associates.com
www.gori-associates.com

2ND/3RD FLOOR: 39,824 SF / FLOOR