



CITY COUNCIL MEETING
City Hall—Council Chambers, 3989 Central Ave NE
Monday, December 11, 2023
6:00 PM

Mayor
Amada Márquez Simula
Councilmembers
Connie Buesgens
Kt Jacobs
Rachel James
Justice Spriggs
Interim City Manager
Kevin Hansen

AMENDED AGENDA
AGENDA AMENDED ON 12/11/2023 TO UPDATE FEE
SCHEDULE DOCUMENT FOR ITEM 10

ATTENDANCE INFORMATION FOR THE PUBLIC

Members of the public who wish to attend may do so in-person, or by using Microsoft **Teams Meeting ID 286 466 516 904, Passcode cjnZoS**. For questions please call the Administration Department at 763-706-3610. 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.

WELCOME/CALL TO ORDER/ROLL CALL

MISSION STATEMENT

Columbia Heights is a vibrant, healthy and connected City. We are here to actively support the community, deliver equitable services, build and strengthen connections, improve upon our past, and uphold our successes. We strive to be better and ensure Columbia Heights is a great place for everyone, today and in the future.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance to the Flag: "I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one Nation under God, indivisible, with liberty and justice for all,"

APPROVAL OF AGENDA

(The Council, upon majority vote of its members, may make additions and deletions to the agenda. These may be items submitted after the agenda preparation deadline.)

PROCLAMATIONS, PRESENTATIONS, RECOGNITION, ANNOUNCEMENTS, GUESTS

CONSENT AGENDA

These items are considered to be routine by the City Council and will be enacted as part of the consent agenda by one motion. Items removed from the Consent Agenda approval will be taken up as the next order of business. (The City Council will make a motion to approve the Consent Agenda following the statement of all items.)

1. Approve the November 27, 2023 City Council Meeting Minutes.

MOTION: Move to approve the November 27, 2023 City Council Meeting minutes.

- 2. Approve the November 27, 2023 City Council Work Session Meeting Minutes.**
MOTION: Move to approve the November 27, 2023 City Council Work Session Meeting minutes.
- 3. Approve the December 4, 2023 City Council Work Session Meeting Minutes.**
MOTION: Move to approve the December 4, 2023 City Council Work Session Meeting minutes.
- 4. Approve the November 16, 2023 Joint City Council and Planning Commission Workshop Minutes.**
MOTION: Move to approve the November 16, 2023 Joint City Council and Planning Commission Meeting minutes.
- 5. Accept October 10, 2023 Sustainability Commission Minutes**
MOTION: Move to accept the October 10, 2023 Sustainability Commission minutes.
- 6. Accept May-November 2023 Library Board Minutes.**
MOTION: Move to Accept the Library Board minutes from May-November 2023.
- 7. Accept October 11, 2023 Youth Commission Minutes.**
MOTION: Move to accept the October 11, 2023 Youth Commission minutes.
- 8. Consideration of Resolution 2023-81, Updating Income Limit for Senior Citizen Utility Rates.**
MOTION: Move to waive the reading of Resolution 2023-81 there being ample copies available to the public.
MOTION: Move to adopt Resolution 2023-81, being a resolution updating the income limit for senior citizen utility rates.
- 9. Adopt Resolution 2023-082 Establishing Senior Citizens or Retired and Disabled Persons Hardship Special Assessment Deferral.**
MOTION: Move to waive the reading of Resolution No. 2023-082 there being ample copies available to the public.
MOTION: Move to adopt Resolution No. 2023-082 being a resolution establishing a new maximum income of \$47,700 for Senior or Retired and Disabled Persons to be eligible for special assessment deferral.
- 10. Adopt Resolution 2023-084 Establishing the City of Columbia Heights Fee Schedule for 2024.**
MOTION: Move to waive the reading of Resolution No. 2023-084, there being ample copies available to the public.
MOTION: Motion to adopt Resolution No. 2023-084, approving the 2023 City Wide Fee Schedule.
- 11. Consideration of Resolution 2023-86, Amending 2023 Budget to Use Certain Additional Revenue.**

MOTION: Move to waive the reading of Resolution 2023-86 there being ample copies available to the public.

MOTION: Move to adopt Resolution 2023-86, being a resolution amending the 2023 budget to Use Certain Additional Revenue.

12. Approval Resolution 2023-88, Closing of Transfer Agreement for City Hall Condo Unit.

MOTION: Move to waive the reading of Resolution 2023-88, there being ample copies available to the public.

MOTION: Move to approve Resolution 2023-88, a resolution approving closing of transfer agreement which recites terms for conveyance to City of City Hall component and providing authority to sign necessary and customary closing documentation.

13. Replacement of Portable Welder.

MOTION: Move to authorize purchase of a Miller Trailblazer 302 Air Pak from Central McGowan in the amount of \$20,082.19 with funding from 701.9950.45180.

14. Approval of Contract with Baker Tilly to Conduct a Search for City Manager.

MOTION: Move to approve contract with Baker Tilly to conduct a search for City Manager.

15. Approval of Granicus Contract Renewal for City Council and Planning Commission Meeting Production.

MOTION: Move to approve a three (3) year contract renewal with Granicus for City Council meeting production services; and authorize the Mayor and City Manager to enter into an agreement for the same.

16. Contract for Yard Waste Collection and Hauling Services.

MOTION: Move to approve a five (5) year contract with Shoreview Hunks LLC (a franchise of College H.U.N.K.S. Hauling Junk & Moving) for yard waste collection services; and authorize the Mayor and City Manager to enter into an agreement for the same.

17. Authorize the Fire Service, Emergency Medical Services and Rental Licensing program contract with the City of Hilltop.

MOTION: Move to authorize the Mayor and City Manager to enter into a three-year agreement for Fire suppression and EMS services contract with the city of Hilltop starting January 1, 2024, and ending December 31, 2026

MOTION: Move the authorize the Mayor and City Manager to enter into a three-year agreement for rental property licensing with the city of Hilltop starting January 1, 2024, and ending December 31, 2026

18. Final Compensating Change Order and Payment for 2022 Miscellaneous Concrete, Project No. 2200.

MOTION: Move to approve the final compensating change order and accept the work for 2022 Miscellaneous Concrete Repairs and Installations, City Project No. 2200, and authorize final payment of \$24,265.73 to Standard Sidewalk, Inc. of Blaine, Minnesota.

19. Cancel the December 27, 2023 City Council Meeting.

MOTION: Move to cancel the December 27, 2023 Regular City Council Meeting.

20. License Agenda

MOTION: Move to approve the items as listed on the business license agenda for December 11, 2023, as presented.

21. Rental Occupancy Licenses for Approval.

MOTION: Move to approve the items listed for rental housing license applications for December 11, 2023, in that they have met the requirements of the Property Maintenance Code.

22. Review of Bills.

MOTION: Move that in accordance with Minnesota Statute 412.271, subd. 8 the City Council has reviewed the enclosed list to claims paid by check and by electronic funds transfer in the amount of \$893,459.24.

PUBLIC HEARINGS

This is the public's opportunity to speak regarding this matter. Speakers that are in-person are asked to complete a Speaker Form and submit it to the City Clerk. Speakers attending virtually should send a request to speak with this information to the moderator using the chat function and wait to be called on to speak. When speaking, virtual attendees should turn their camera on. Any comments made after the public hearing is closed will not be considered by the City Council and will not be included as part of the formal record for this matter as the item will have been voted on and the item formally closed by the Council.

23. Resolution 2023-083, Adopting a Budget for the Year 2024, Setting the City Levy, Approving the HRA Levy, and Approving a Tax Rate Increase.

MOTION: Move to waive the reading of Resolution 2023-083, there being ample copies available to the public.

MOTION: Move to close the public hearing and adopt Resolution 2023-083, being a resolution adopting a budget for the year 2024, setting the city levy, approving the HRA levy, and approving a tax rate increase.

ITEMS FOR CONSIDERATION

24. Approval of Second Amended Loan Agreement and Related Documents for the 4300 Central Avenue NE Redevelopment Site.

MOTION: Move to waive the reading of Resolution 2023-87, there being ample copies available to the public.

MOTION: Move to approve Resolution 2023-87, a resolution approving modification of certain terms of a loan from the City to Alatus Columbia Heights II LLC and approving forms of second amended and restated loan documents.

Ordinances and Resolutions

Bid Considerations

New Business and Reports

CITY COUNCIL AND ADMINISTRATIVE REPORTS

Report of the City Council

Report of the City Manager

COMMUNITY FORUM

The Community Forum is the public's opportunity to address the Council regarding any matter that has not had a public hearing earlier in the meeting.

Speakers that are in-person are asked to complete a Speaker Form and submit it to the City Clerk.

Once called to the podium, the speaker should state their name and connection to Columbia Heights.

Speakers attending virtually should send a request to speak as well as their address and connection to Columbia Heights to the moderator using the chat function and wait to be called on to speak.

When speaking, virtual attendees should turn their camera on.

All speakers should limit their comments to five (5) minutes.

Personal attacks, threats, the use of profanity, and other disrespectful comments are prohibited.

The City Council will listen to the public comments, ask clarifying questions, and if needed, request staff to follow up or direct the matter to be added to an upcoming agenda. Generally, the City Council will not take official action on items raised at the Community Forum at the meeting on which they are raised.

ADJOURNMENT

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Kevin Hansen

MINUTES

The following are the minutes for the Meeting of the City Council held at 6:00 pm on Monday, November 27, 2023, in the City Council Chambers, City Hall, 3989 Central Avenue NE, Columbia Heights, Minnesota

WELCOME/CALL TO ORDER/ROLL CALL

Mayor Márquez Simula called the meeting to order at 6:00 pm

Present: Mayor Márquez Simula; Councilmember Buesgens; Councilmember Jacobs; Councilmember Spriggs; Councilmember James

Also Present: Lenny Austin, Chief of Police; Aaron Chirpich, Community Development Director/Assistant City Manager; Jim Hoeft, City Attorney; Sara Ion, City Clerk; Joe Kloiber, Finance Director; Dan O'Brien, Assistant Fire Chief; Jason Aarsvold, Elhers Senior Municipal Advisor; Edyta Dudek, President of PACIM

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APPROVAL OF AGENDA

Mayor Márquez Simula asked that item 18 be moved to C under Proclamations, Presentations, Recognition, Announcements, Guests.

Motion by Mayor Márquez Simula, seconded by Councilmember James, to approve the Agenda as revised. All Ayes, Motion Carried 5-0.

PROCLAMATIONS, PRESENTATIONS, RECOGNITION, ANNOUNCEMENTS, GUESTS

A. Immaculate Conception Day Proclamation, December 8, 2023.

Mayor Márquez Simula proclaimed December 8, 2023 as Immaculate Conception Day and read the City's proclamation. Father Matthew Quail accepted the proclamation.

B. Update from School Board Liaison.

Michelle Pettway thanked the Council and community members of the Columbia Heights School District for reelecting her on the School Board and for passing the referendum and capital projects levy renewal. She noted that the School Board is working on the strategic plan and moving forward with efforts to provide the most equitable academic environment for all students. They will be reassessing the needs of staff, students, and community members in order to create the best strategic plan through various surveys, and focus groups.

Ms. Pettway noted that she is a part of a subcommittee for community engagement for the school board. They are working on implementing City and community events in order to be more accessible to everyone and to be more present at events. She noted that they desire to communicate more effectively and would take suggestions.

Ms. Pettway explained that there were a number of events coming up. On Thursday, there would be a community resource fair at the district family center from 5-8 pm and there is more information on the district website. The high school will be performing Cinderella this winter. Show times will vary from Thursday, December 7, through Saturday, December 9, 2023 at 7 pm with one show on Sunday, December 10, 2023 at 2 pm. Tickets are \$6 for adults and \$4 for students. Students and staff of the district are free. There will be a high school band concert on December 13 at 7 pm and a middle school band concert on December 14 at 7 pm. Winter break will be Monday, December 25, 2023 through Tuesday, January 2, 2024. School Board meetings are held on the second and fourth Tuesday of the month at 7 pm and work sessions are on the third Tuesday of the month at 5:30 pm. All are welcomed to attend.

NEW BUSINESS AND REPORTS

18. Public Art at Huset Park.

Interim City Manager Hansen stated that Columbia Heights has been a Sister City with Łomianki Poland since 1991. City officials and members have traveled back and forth to both cities to establish relationships. 2023 was the last time a group went to Łomianki Poland. A monument was placed in Łomianki Poland in 2022. There has been discussion whether Columbia Heights should put in a monument to represent and honor service members that were lost in World War 2. It has been established to put up a similar monument in the City in 2024. There would be no cost for the City for the monument and would be paid through by other organizations. The idea is to put the monument in Huset Park. The monument would be able to be relocated in the future.

President of PACIM Edyta Dudek displayed an insert from the *POLAM* magazine explaining the 1944 Warsaw US Airlift Memorial. She noted that there were eight people on the plane and that six of them died. She noted that Mayor Márquez Simula has a picture with the Łomianki mayor and the Speaker of the House in Poland. When the Polish council was in Chicago in November 11, 2023 they encouraged PACIM to apply for funds from the Polish government to build the monument. PACIM is also raising funds to pay for some of the costs of the monument.

Councilmember Buesgens thanked Ms. Dudek and noted that it would strengthen the relationship between the Sister Cities.

Ms. Dudek explained that she grew up in Warsaw and did not grow up hearing about the history. During communism, it was not allowed to discuss that the Americans were helping.

Councilmember Jacobs asked if there would be the ability to light the monument. Interim City Manager Hansen replied that there was, as the park is wired to support this.

Mayor Márquez Simula stated that having more art is something that the City is looking forward to having. She noted that the City does not have a marker to talk about the tragedy that happened and that it would be remarkable if they did. PACIM has discussed where they would want a monument in Minnesota and they agreed that Columbia Heights would be a good option. She thanked the donors involved, noting the hope is to have the unveiling in August.

Ms. Dudek stated there is a possibility that it could be install in April 2024. August 1, 2024 will be the 80th anniversary of the Warsaw uprising. The goal is to open the monument on August 1, 2024 and invite the mayor of Łomianki.

Motion by Councilmember Jacobs, seconded by Councilmember Buesgens, to accept the monument from PACIM and Sister Cities Columbia Heights as a sister monument to Łomianki Poland, and authorize staff to prepare a site in Huset Park West. All Ayes, Motion Carried 5-0.

CONSENT AGENDA

Councilmember James requested Item 3, “Adopt Resolution 2023-72, Appointing Economic Development Authority Commission Members” be removed from the Consent Agenda for further discussion.

Councilmember Spriggs requested Item 7, “Approve Joint Powers Agreement with Anoka County Sheriff’s Office for Columbia Heights participation in Special Weapons and Tactics Team” be removed from the Consent Agenda for further discussion.

Motion by Councilmember James, seconded by Councilmember Jacobs, to approve the Consent Agenda as presented with items 3 and 7 removed for further discussion. All Ayes, Motion Carried 5-0.

1. **Approve the November 13, 2023 City Council Meeting Minutes.**
MOTION: Move to approve the November 13, 2023 City Council Meeting minutes.
2. **Approve the November 13, 2023 City Council Work Session Meeting Minutes.**
MOTION: Move to approve the November 13, 2023 City Council Work Session Meeting minutes.
3. Pulled from the Consent Agenda for further discussion “Adopt Resolution 2023-72, Appointing Economic Development Authority Commission Members.”
4. **Second Reading of Ordinance No. 1690, an Ordinance Amending Chapter 9.111 of the City Code of 2005 to Establish Limited Retail Sales as a Permitted Use in the City’s Light**

Industrial (I-1) and General Industrial (I-2) Districts.

MOTION: Move to waive the reading of Ordinance No. 1690, there being ample copies available to the public.

MOTION: Move to approve Ordinance Amendment No. 1690, an Ordinance amending chapter 9.111 of the City Code of 2005 to establish limited retail sales as a permitted use in the City's I-1 Light Industrial and I-2 General Industrial districts, and direct staff to send a copy of the ordinance as presented for publication in the legal newspaper.

5. Second Reading of Ordinance 1691, being an Ordinance to Update Regulations Regarding Animal Control.

MOTION: Move to waive the reading of Ordinance 1691, an ordinance to update regulations regarding animal control, there being ample copies available to the public.

MOTION: Move to approve Ordinance No. 1691, updating regulations regarding animal control. Additionally direct staff to send the summary ordinance for publication in the legal newspaper.

6. Authorize Mayor and Interim City Manager to enter into Contract for Police Service with the City of Hilltop.

MOTION: Move to authorize the Mayor and the Interim City Manager to enter into a Police Service Contract with the City of Hilltop for the years 2024 to 2026 at the rates specified in the contract.

7. Pulled from the Consent Agenda for further discussion "Approve Joint Powers Agreement with Anoka County Sheriff's Office for Columbia Heights participation in Special Weapons and Tactics Team."

8. Authorizing Change to Police Vehicle Purchase.

MOTION: Move to authorize the purchase of two (2) 2023 Dodge Chargers for patrol use from Guardian Fleet Safety as a sole source **purchase for \$81,755**, and that the Mayor and City Manager are authorized to enter into a contract for same.

*Purchase price corrected from \$77,039.50 to reflect cost of \$4,958.50 per vehicle.

9. Approval Resolution 2023-73 Transfer Funds to the Fire Department 2023 Budget.

MOTION: Move to waive the reading of Resolution No. 2023-73 there being ample copies to the public.

MOTION: Move to adopt Resolution 2023-73, being a resolution amending the 2023 Fire Department budget

10. Rental Occupancy Licenses for Approval.

MOTION: Move to approve the items listed for rental housing license applications for November 27, 2023, in that they have met the requirements of the Property Maintenance Code.

11. License Agenda.

MOTION: Move to approve the items as listed on the business license agenda for November 27, 2023, as presented.

12. Review of Bills.

MOTION: Move that in accordance with Minnesota Statute 412.271, subd. 8 the City Council has reviewed the enclosed list to claims paid by check and by electronic funds transfer in the amount of \$1,740,458.84.

ITEMS PULLED FROM THE CONSENT AGENDA

3. Adopt Resolution 2023-72, Appointing Economic Development Authority Commission Members.

Councilmember James stated that the Council had the opportunity to conduct interviews for the Economic Development Authority Commission and noted that there were great applicants and selected Lamin Dibba and Marlaine Szurek. She congratulated both members and thanked those who applied.

Mayor Márquez Simula agreed and welcomed the new members. She noted that the EDA is where development projects are discussed and typically takes place on the first Monday of the month.

Motion by Councilmember James, seconded by Councilmember Spriggs, to waive the reading of Resolution 2023-72, there being ample copies available to the public. All Ayes, Motion Carried 5-0.

Motion by Councilmember James, seconded by Councilmember Spriggs, to adopt Resolution 2023-72, being a Resolution of the City Council of the City of Columbia Heights appointing Lamin Dibba and Marlaine Szurek as City of Columbia Heights Economic Development Authority Commission Members. All Ayes, Motion Carried 5-0.

7. Approve Joint Powers Agreement with Anoka County Sheriff's Office for Columbia Heights participation in Special Weapons and Tactics Team.

Councilmember Spriggs asked the Police Chief to explain the background of the agreement and why it is being proposed. Police Chief Austin stated that the Sheriff's office has been wanting to do this agreement for some time due to the population growth in Anoka County and for staffing issues. The Anoka County Sheriff's office also would like the ability to expand which could open the opportunity for grants to fund the team. He noted that this would not be a full-time assignment but it would be part time with monthly trainings. He explained another reason that the County Sheriff's office desires to expand is due to the increased need for negotiators on their team.

Councilmember Spriggs asked which cities were joining the Joint Powers Agreement (JPA). Police Chief Austin replied that cities having been coming on board in the recent weeks. The only city that has been approved so far is Blaine. There were final touches to the JPA which is why there is only one city that has been approved so far.

Councilmember Spriggs asked if the portion of the JPA that states "the requesting party" is referring to the mayor of each city. Police Chief Austin replied that it is generally referring to the police chief or in the case of Columbia Heights, the captains would begin the process with the

final approval of the police chief. He added that just because a request is placed, does not mean there will be a response.

Motion by Councilmember Jacobs, seconded by Councilmember Buesgens, to Authorize the Mayor, Interim City Manager and Police Chief to enter into a Joint Powers Agreement with the Anoka County Sheriff's Office to participate in its Special Weapons and Tactics Team. All Ayes, Motion Carried 5-0.

PUBLIC HEARINGS

13. Consideration of Resolution 2023-74, Revocation of the License to Operate Rental Units Within the City of Columbia Heights Against the Rental Property at 4100 Monroe Street NE for Failure to Meet the Requirements of the Residential Maintenance Codes.

Assistant Fire Chief O'Brien stated the revocation is in regards to failure in correcting violations on the property. The outstanding violations were originally one of nine violations written up on August 30, 2023 as part of the properties exterior license renewal inspection and a complaint inspection combined. The inspectors performed two additional inspections on October 2, 2023 and October 30, 2023 and found that the responsible party had made some progress repairing seven of the nine violations. The two remaining violations were replacement repair of a water damaged floor cabinet and investigation and mitigation of the water leak that caused the damage and then repair replacement of a laboratory drain plumbing works in the basement.

Assistant Fire Chief O'Brien noted that the inspectors failed the two violations because they found standing water in the cabinet on the final re-inspection untreated and incomplete. The PVC piping on the laboratory drain did not have primer and a plumbing permit had not been pulled for the repair. If revoked, it would be the only revocation that the owner has had in the past five years. Since it is a single-family residence, a check of the rental cap density map shows that the block is below the density cap which would make the property eligible to require the rental license prior to the property becoming unlawful to occupy.

Councilmember Jacobs asked if Mr. Richardson was in California or local. Assistant Fire Chief O'Brien replied that he did not know. Councilmember Jacobs explained that the house is in her neighborhood and she had reached out to Mr. Richardson with concerns about the exterior. She added that he did not seem enthused about coming to the property to look at it. Assistant Fire Chief O'Brien stated that after checking the address, Mr. Richardson is local in St. Paul.

Mayor Márquez Simula opened the public hearing. There were no comments.

Councilmember James noted she was in favor of the revocation due to the standing water and failure to fix the issues. She reminded the property owner that they would be able to reapply and go through the process to make sure that the house is safe for the people living in it.

Motion by Councilmember Buesgens, seconded by Councilmember Jacobs, to close the public hearing and waive the reading of Resolution 2023-74, there being ample copies available to the public. All Ayes, Motion Carried 5-0.

Motion by Councilmember Buesgens, seconded by Councilmember Jacobs, to adopt Resolution 2023-74, being a Resolution of the City Council of the City of Columbia Heights approving revocation, pursuant to City Code, of the rental license listed. All Ayes, Motion Carried 5-0.

14. Consideration of Resolution 2023-76, Revocation of the License to Operate Rental Units Within the City of Columbia Heights Against the Rental Property at 4144 Quincy Street NE for Failure to Meet the Requirements of the Residential Maintenance Codes.

Assistant Fire Chief O'Brien explained that this was the first of two rental license revocation hearings for the duplex property. The two hearings for the revocation of the same license is a procedural matter. The need for two public hearings arises from distinct and separate issues prompting the consideration of revocation in each case. The intent is to address each issue through separate hearings to ensure a comprehensive evaluation of the matters under consideration. It does not count as two separate instances of license revocation against the licensee. The licensee had not had a revocation in the last five years and would be eligible to re-acquire a license.

Assistant Fire Chief O'Brien noted that the first consideration is due to failure to correct violations on the property. The initial licensing inspection was performed on July 26, 2023. The inspectors noticed the construction of an illegal third unit in the basement of the property. A violation notice was sent to the owner on record on August 8, 2023 and an amended violation notice was sent containing further details on the illegal third unit and two timelines for compliance. The first timeline was a complete interior and exterior inspection of the entire property which needed to be scheduled by September 1, 2023 and the second timeline was the removal of the illegal third unit by October 1, 2023.

Assistant Fire Chief O'Brien mentioned that inspectors performed an interior inspection on all the units on September 12, 2023 and found 15 violations. On November 20, 2023 there was a pre-Council inspection and the violations listed remained uncorrected. Staff have been able to verify that with the building official that some of the violations listed have since been corrected. Items E and G listed in the Agenda Packet have been corrected. He listed the remaining items that have not been corrected and what needed to be corrected:

- a) Shall have all electrical wiring inspected by the state electrical inspector and provide proof that the wiring is properly installed/approved. Shall remove any non-code compliant and unapproved wiring.
- b) Shall install a hard-wired smoke alarm in the basement. Smoke alarm shall be installed by a licensed low-voltage contractor.
- c) This property is licensed as a duplex rental property. Inspectors have noted that a third unit has been added and multiple families are occupying the property. Shall remove the illegal third unit, as the property cannot legally be converted to a triplex.

- d) Remove remaining un-permitted plumbing in basement “bathroom” area.
- ~~e) Shall properly cap all copper water pipes in the basement “kitchen” area under the floor that are capped with galvanized steel caps. Dissimilar metals are not allowed.~~
- f) Shall remove all drywall and framing installed without permits in the basement. The basement had previously been an open floor plan.
- ~~g) Shall seal or properly cap, repair or replace the open sewer pipe in the basement “kitchen” area.~~

Mayor Márquez Simula opened the public hearing.

Landlord Oladimeji Sule expressed his appreciation for the effort the City puts in to make sure proper housing is provided for residents. He added that they are working to remedy the issues and have repaired all of the items listed. He noted that they have torn down the basement unit. Regarding item 4a, they have had the electrical wiring inspected by the State inspector and had electricians out to fix any issues that were there. An additional inspection is scheduled for tomorrow to make sure everything is completed. Regarding 4b, a hard wire smoke alarm has been installed and mentioned that he has a photo of it as well as an invoice from the electrician. Regarding item 4c, everything has been torn down in the basement and no one is living there. For item 4d, roto-rooter has done all of the plumbing work and gas lines. The City inspector passed the inspection on November 20, 2023.

Mayor Márquez Simula asked if the Building Inspector approved item c but that it was not communicated to the Fire Department when it was completed. Mr. Sule replied that the plumbing work was inspected by the State. Mayor Márquez Simula noted that the plumbing inspection would be through the City. Mr. Sule stated that he had a photo of the signed inspection.

Mr. Sule mentioned item 4e has been completed and passed an inspection. The drywall has been removed for item 4f and noted that he has video and photos of it. Item 4g has been completed by the same plumber and received a passed inspection.

Mayor Márquez Simula asked if there was anything on the list that has not been completed. Mr. Sule replied there is not. He noted that there was an additional panel that was found when the third unit was taken down and they have an electrician and inspector coming to make sure that it is fixed but added that was not a part of the list of violations.

Mayor Márquez Simula asked if a permit was needed to remove the drywall and framing from the basement. Assistant Fire Chief O’Brien replied that he would have had to obtain a demolition permit. The property owner obtained a demolition permit but it had not been satisfied since there were still items in the room that had not been completely removed.

Councilmember Jacobs asked what the last inspection to remedy the violations was. Assistant Fire Chief O’Brien replied November 20, 2023. Councilmember Jacobs asked why the work was not completed in the 2½ months. Mr. Sule replied that there was a misunderstanding of the work that needed to be done and scheduling of the contractors to come in and review the items. There were two floods that delayed the work.

Councilmember Jacobs asked what caused the flood. Mr. Sule replied that sewage backed up twice and may be due to tree roots. Councilmember Jacobs asked if those problems had ever happened in the unit before. Mr. Sule replied that it had happened at least one time before.

Councilmember Jacobs expressed her concern of adding a unit that was not licensed and that there were 2½ months to reconcile the issues but did not do so. She asked if Mr. Sule was the owner or the management team. Mr. Sule replied that he was the owner. Councilmember Jacobs stated that it was his responsibility to know what the responsibilities are as the business owner.

Councilmember James stated that she would like to see the paperwork that Mr. Sule could provide. She asked what permits had been pulled so far. Mr. Sule replied two electrical, a plumbing, and a demolition permit had been pulled.

Councilmember James asked what contractors Mr. Sule has worked with. Mr. Sule replied Roto-Rooter and Early Bird.

Mayor Márquez Simula asked Assistant Fire Chief O'Brien to confirm that the photos Mr. Sule provided were the correct rooms. Assistant Fire Chief O'Brien confirmed that it was the correct room.

Mr. Sule explained that the goal is to fix everything and has been working on doing so. He explained that when he realized the consequences, he felt bad and is concerned about his tenants.

Resident of the property Qenya Smith mentioned that Mr. Sule is trying to get everything done and to cooperate with everything. She noted that it will cause a major hardship for her family since she has been in the area for six years and all of her children go to school in the area and she does not have a mode of transportation. She added that she does not have help with moving since her father recently passed away.

Councilmember Jacobs expressed her condolences for Ms. Smith's loss.

Councilmember James asked if Ms. Smith had been in the apartment for the last six years. Ms. Smith replied that she had and mentioned that the previous property manager did not do a good job but Mr. Sule had stepped in and changed property managers.

Councilmember James asked Ms. Smith if she appreciated the work that was being done. Ms. Smith replied that she did and could vouch for Mr. Sule. She added that Mr. Sule has been communicating with the tenants regarding when workers will be coming in.

Councilmember Spriggs asked what the reason was for adding the third unit in the basement. Mayor Márquez Simula asked if there was a bathroom and unit in the basement when Mr. Sule had purchased the property. Mr. Sule replied that there were closets and the toilet hole was there. He added that since they were fixing so many items on the first

two floors, he figured it would be good to clean up the basement. He mentioned that he did not know that the third unit was illegal and would not have done so if he had known that.

Mayor Márquez Simula asked when the first inspection was. Assistant Fire Chief O'Brien replied that it was July 26, 2023. Mayor Márquez Simula asked if the violations were mailed to the property owner on July 26, 2023 or on September 12, 2023. Assistant Fire Chief O'Brien stated that a mailer was sent on July 26, 2023 instructing to take down the third unit and an additional letter was sent in August with updated information. Mayor Márquez Simula asked if the owner has been cooperative. Assistant Fire Chief O'Brien replied that the property owner has been.

Councilmember James commented that since the work has been ongoing and not had a chance to be reviewed by the building inspector, she would be interested in tabling the item. Mayor Márquez Simula agreed.

Motion by Councilmember Jacobs, seconded by Councilmember Spriggs, to close the public hearing and waive the reading of Resolution 2023-76, there being ample copies available to the public. All Ayes, Motion Carried 5-0.

Councilmember Buesgens stated it is great that a lot of the work has been done and is hoping in the future to go to the City if changes are going to be made to the property. She added that she would like to see Staff inspect the property and verify that everything has been completed.

Substitute motion by Councilmember Buesgens, seconded by Councilmember Jacobs, to table item 14 "Consideration of Resolution 2023-76, Revocation of the License to Operate Rental Units Within the City of Columbia Heights Against the Rental Property at 4144 Quincy Street NE for Failure to Meet the Requirements of the Residential Maintenance Codes" to the next City Council meeting.

Mayor Márquez Simula mentioned that with the holidays coming up, and would like to amend the motion to table the item until the first City Council meeting in January. Councilmember Buesgens agreed.

Substitute motion by Councilmember Buesgens, seconded by Councilmember James, to table item 14 "Consideration of Resolution 2023-76, Revocation of the License to Operate Rental Units Within the City of Columbia Heights Against the Rental Property at 4144 Quincy Street NE for Failure to Meet the Requirements of the Residential Maintenance Codes" to the January 8, 2024 City Council Meeting. 4 Ayes, 1 Nay, Motion Carried 4-1. Ayes: Márquez Simula, Buesgens, Spriggs, James. Nay: Jacobs.

15. Consideration of Resolution 2023-77, Revocation of the License to Operate Rental Units Within the City of Columbia Heights Against the Rental Property at 4144 Quincy Street NE for Failure to Meet the Requirements of the Residential Maintenance Codes.

Assistant Fire Chief O'Brien noted that this is the second license presentation for the same

property. The violation is for the repair and removal of an exhaust fan which failed the final pre-Council inspection on November 20, 2023 because the fan had been removed and left exposed electrical wiring. No information was provided to the City on if the work was performed by a licensed electrician.

Mr. Sule stated that an electrician came out to do the safety check in the basement as well as the fan and thought that it had been fixed. After he discovered that it was not properly fixed, he had Early Bird come out to fix it. He added that he does not know how the scheduling works and would like to have inspectors come in soon so he can resolve any issues that are found. Assistant Fire Chief O'Brien explained that Mr. Sule can call the City now and schedule it.

Motion by Councilmember Spriggs, seconded by Councilmember James, to close the public hearing and waive the reading of Resolution 2023-77, there being ample copies available to the public. All Ayes, Motion Carried 5-0.

Motion by Councilmember James, seconded by Councilmember Spriggs, to table item 15 "Consideration of Resolution 2023-77, Revocation of the License to Operate Rental Units Within the City of Columbia Heights Against the Rental Property at 4144 Quincy Street NE for Failure to Meet the Requirements of the Residential Maintenance Codes" until the January 8, 2024 City Council meeting. 4 Ayes, 1 Nay, Motion Carried 4-1. Ayes: Márquez Simula, Buesgens, Spriggs, James. Nay: Jacobs.

Councilmember Jacobs clarified that she is voting against the motion due to the length of the tabling of the item, but not voting against tabling the item.

16. Consideration of Resolution 2023-78, Revocation of the License to Operate Rental Units Within the City of Columbia Heights Against the Rental Property at 4510 Taylor Street NE for Failure to Meet the Requirements of the Residential Maintenance Codes.

Assistant Fire Chief O'Brien stated the license is considered for revocation due to failure to correct violations. The outstanding violation is for the 2022 exterior rental license inspection on August 10, 2022. The violation was to repair/replace two rotting, deteriorated window frames casing sills on the north side of the structure. There were several inspections performed by Staff and a seasonal extension was granted until spring 2023. The matter was scheduled to come before Council in May but it was postponed because the notice had in the incorrect address for City Hall and the property management company had contacted the City for additional details on the window violations. The inspectors failed the inspection because the work was incomplete and unworkmanlike manner. The final pre-Council inspection was on October 27, 2023 and the violations remain uncorrected. The single-family rental cap in the area permits two licenses including this property and they may require the rental licenses by completing the process before any subsequent applications to the single-family rental license within the block. If revoked, it would be the only revocation the owner has had in the past five years.

Mayor Márquez Simula opened the public hearing. There were no public comments.

Motion by Councilmember Buesgens, seconded by Councilmember Jacobs, to close the public hearing and waive the reading of Resolution 2023-78, there being ample copies available to the public. All Ayes, Motion Carried 5-0.

Motion by Councilmember Buesgens, seconded by Councilmember Jacobs, to adopt Resolution 2023-78, being a Resolution of the City Council of the City of Columbia Heights approving revocation, pursuant to City Code, of the rental license listed. All Ayes, Motion Carried 5-0.

ITEMS FOR CONSIDERATION

17. Resolution 2023-79 and 2023-80 Sale of Bond Series 2023A and 2023B.

Finance Director Kloiber stated during the October 23, 2023 City Council meeting, a resolution was passed to set today as the day to issue two series of municipal bonds for two different activities. One of the actions is a three year temporary bond to refinance the existing project at 43rd Avenue and Central Avenue. The second activity is ten-year improvement bond to finance the City to give property owners ten years to pay their special assessments.

Finance Director Kloiber explained that the City's municipal advisor, Elhers, went to the market and conducted the bond sale today. He noted that there was an update for the results of the sale and an update to the bond resolution with the final amounts. He introduced the Elhers representative, Jason Aarsvold.

Mr. Aarsvold noted that there were two bond sales held today. The 2023 A bonds are taxable tax increment bonds. Since the October City Council meeting, they had bond issues rated by Standard & Poor's which is a standard practice for Columbia Heights and all bond issues. They were able to uphold the City's double-A rating with a stable outlook. Standard & Poor's highlighted the strong growth in the City's tax base, the strong financial management of the City, and the strong debt profile.

Mr. Aarsvold explained that there were four bidders for the 2023 A bonds with the lowest bidder being Baird stationed in Milwaukee, Wisconsin. The true interest rate cost was 5.4915 which is about 0.5% lower than what was anticipated. The size of the issue was reduced to \$6,615,000.

Mr. Aarsvold mentioned that the process for B bonds is similar to the A bonds. The B bonds were rated for the special assessment projects. They are ten year bonds and are tax exempt bonds. There were seven bidders for this issue. The low true interest costs on these bonds was 3.3165 which is lower than anticipated. There was a premium on the bonds meaning that they paid more than the face value of the bonds. Adjustments were made including lowering the par amount of the bonds. This one was lowered to \$2,635,000 and will still net the same proceeds for the projects that are being financed.

Councilmember Buesgens commented that it is nice to hear that the City is maintaining good credit and that the rates are lower than expected.

Motion by Councilmember Spriggs, seconded by Councilmember James, to waive the reading of Resolution 2023-79, there being ample copies available to the public. All Ayes, Motion Carried 5-0.

*Motion by Councilmember Spriggs, seconded by Councilmember James, to adopt Resolution 2023-79, being a Resolution of the City Council of the City of Columbia Heights awarding the sale of taxable general obligation temporary tax increment refunding bonds, series 2023A, in the original aggregate principal amount of **\$6,615,000**; fixing their form and specifications; directing their execution and delivery; providing for their payment; and authorizing the execution of documents in connection therewith. All Ayes, Motion Carried 5-0.*

Motion by Councilmember James, seconded by Councilmember Buesgens, to waive the reading of Resolution 2023-80, there being ample copies available to the public. All Ayes, Motion Carried 5-0.

*Motion by Councilmember James, seconded by Councilmember Jacobs, to adopt Resolution 2023-80, being a Resolution of the City Council of the City of Columbia Heights awarding the sale of general obligation improvement bonds, series 2023B, in the original aggregate principal amount of **\$2,635,000**; fixing their form and specifications; directing their execution and delivery; providing for their payment; and authorizing the execution of documents in connection therewith. All Ayes, Motion Carried 5-0.*

Ordinances and Resolutions

Bid Considerations

New Business and Reports

18. Public Art at Huset Park.

This item was considered prior to the Consent Agenda.

CITY COUNCIL AND ADMINISTRATIVE REPORTS

Report of the City Council

Councilmember Buesgens mentioned that she attended the Mississippi Water Management Organization (MWMO) board meeting. She noted that City Staff did a presentation before the Minnesota Bond Committee asking for \$12 million to help pay for the replacement of the old public works building. Four of the Councilmembers were able to attend along with six other cities that had presented. The Council and Planning Commission met to create a vision for the Medtronic site. She did a ride along in a street sweeper with Jackie from the Public Works Department.

Councilmember James agreed with Councilmember Buesgens that it was wonderful to see Staff present to the legislative committee and thanked the Mayor, Interim City Manager, and Community Development Director for presenting. She added that Representative Fiest and Representative Koegel were in attendance on the City's behalf. She stated that she attended the joint meeting with the

Planning Commission and the Council. She thanked the Library for their ongoing programming. She noted that she spoke with the Public Works team about where to drop off plastic bags for recycling and who are hoping to develop a drop box for those who are busy on Saturdays. She mentioned that she signed a letter of local City officials to the Office of Management and Budget. There is currently a federal rule that prevents local targeted hiring requirements in federally funded programs. Local programs and organizations are asking a rule change that there could be local control over who is hired. She added that she has been meeting with HOME Line which is a nonprofit Minnesota tenant advocacy organization in order to learn about their process and advocacy for renters.

Councilmember Jacobs explained that she attended the Capital Bonding Investment Committee and thanked the Staff for their attendance and presentation. She was unable to attend the joint Planning Commission and Council meeting due to having surgery and will be meeting with Staff tomorrow to go over the information. She added that she attended the second of four lectures on substance misuse prevention outcomes for municipal programs and facilitated two resident reach outs.

Councilmember Spriggs noted that he has been looking for opportunities on the League of Minnesota Cities about different webinars and teachings and is trying to do a couple more every month. He was not able to attend the joint meeting about the Medtronic site but met with the Community Development Staff regarding it.

Mayor Márquez Simula stated that she attended the planning meeting about the Medtronic site, the Fridley/Columbia Heights Rotary meeting, the Rotary Charter dinner, and did a ride along with the street sweeper. She added that she did a Rotary dictionary drive and attended the Alexandra House Development Committee meeting, Metro Cities Policy meeting, a Sister City meeting, and on Thursday will be attending the Community Resource Fair at the school. She attended a webinar for the MPCA about composting and was a part of a group of elected officials and City officials giving input on how the composting grants should work. She attended the Capital Bonding Investment Committee meeting and thanked the Staff for their work and for speaking on behalf of the City.

Report of the City Manager

Interim City Manager Hansen reviewed the events coming up in the City. The holiday train is coming back on December 11, 2023 and will be at Lion's Park at 8 pm. There will be musical performances from 8:15-8:45 pm. The City is participating in a holiday light map. Residents will be able to go to the City's Facebook page and submit their address if their house is lit up and get on a route for people to go see lights. An aerial map of the City will be displayed in the Shared Vision room at City Hall.

Interim City Manager Hansen mentioned that Truth in Taxation notices went out last week and properties will see increases not just from Columbia Heights but across the board. He reminded residents that when property taxes increase, it is a good time to go the State website and look for property tax refunds. He thanked the Council for attending the State bond tour and for the support for the new Public Works building.

COMMUNITY FORUM

ADJOURNMENT

Motion by Councilmember Jacobs, seconded by Councilmember Buesgens, to adjourn. All Ayes, Motion Carried 5-0.

Meeting adjourned at 7:48 pm.

Respectfully Submitted,

Sara Ion, City Clerk/Council Secretary



CITY COUNCIL WORK SESSION
City Hall—Shared Vision Room, 3989 Central Ave NE
Monday, November 27, 2023
5:00 PM

Mayor
Amada Márquez Simula
Councilmembers
Connie Buesgens
Kt Jacobs
Rachel James
Justice Spriggs
Interim City Manager
Kevin Hansen

MINUTES

CALL TO ORDER/ROLL CALL

The meeting was called to order at 5:02pm.

Present: Mayor Márquez Simula; Councilmember Buesgens; Councilmember Jacobs; Councilmember James, Councilmember Spriggs

Also Present: Lenny Austin, Chief of Police; Kevin Hansen, Interim City Manager; Sara Ion, City Clerk; Erik Johnston, Police Captain; Scott Mueller, BCA Deputy Superintendent; Jake May, BCA.

WORK SESSION ITEMS

1. Presentation by BCA Deputy Superintendent of Investigations Scott Mueller regarding BCA's Violent Crime Reduction Unit.

Chief Austin introduced Deputy Superintendent Mueller, and Superintendent Mueller gave an overall presentation of the history of and the impact of the BCA's Violent Crime Reduction Unit. Superintendent Mueller also gave information on the specific impacts that the program has made and how it would be beneficial to have a Columbia Heights Officer assigned to the program.

ADJOURNMENT

Meeting adjourned at 5:40pm.

Respectfully Submitted,

Sara Ion, City Clerk/Council Secretary



CITY COUNCIL WORK SESSION
City Hall—Shared Vision Room, 3989 Central Ave NE
Monday, December 4, 2023
5:00 PM

Mayor
Amada Márquez Simula
Councilmembers
Connie Buesgens
Kt Jacobs
Rachel James
Justice Spriggs
Interim City Manager
Kevin Hansen

MINUTES

CALL TO ORDER/ROLL CALL

The meeting was called to order at 5:02pm.

Present: Mayor Márquez Simula; Councilmember Buesgens; Councilmember Jacobs; Councilmember James

Absent: Councilmember Spriggs

Also Present: Sara Ion, City Clerk; Kelli Wick, HR Director; Charlie Thompson, Fire Chief; Patty Heminover, Director Baker Tilly ; Heidi Vorhees, President GovHR (via Teams)

WORK SESSION ITEM

Presentation by Baker Tilly and GovHR regarding Requests for Proposals for Search Firms to Conduct City Manager Search.

Director Heminover gave a presentation to the Council regarding the Executive Recruitment Services Baker Tilly was able to provide to support the Council in their search to appoint a City Manager. At the conclusion of the presentation the Council asked questions of Director Heminover:

Councilmember Jacobs inquired about setting the salary range for the position. Director Heminover gave background information regarding the salary range, benefit package, and other things that the city can offer to recruit candidates.

Councilmember Buesgens inquired about how Baker Tilly would convey the current working environment / climate of the City.

Director Heminover stated that gaining information from the Staff leadership is crucial as they are with the City Manager 8 to 10 hours a day. Working with Staff and then the Council is very important to developing the information presented.

Councilmember James asked about the target number of applicants for a position. How many finalists are recommended?

Director Heminover stated that the target is 50 overall applications, and then there are 20 applicants who get the candidate questionnaire. Once it is narrowed down, a pool of approximately five become finalists and the candidates' names become public. She stated that the preference is to not drop below three final candidates in case someone backs out.

Mayor Márquez Simula inquired if the number of applicants expected are for a local or national search.

Director Heminover stated that normally they do a national search unless the Council asks not to.

Councilmember Buesgens inquired about how internal vs. external candidates are focused during the recruitment process on to promote from within an organization.

Director Heminover stated that they are doing something similar for another City that has a strong internal candidate for their City Manager position, that has worked for the City for over 20 years. She recommended doing a survey of the Staff leadership, related to the person they are vetting. Then there would be a community survey and/or public forum. If issues arise during the process and they do not hire the internal candidate, then the information has been compiled in used to conduct the employment search onto the external market.

Director Heminover stated that external candidates do inquire about internal candidates and if they find out there is an internal candidate they will often drop out. If there is an internal candidate and everyone agrees they are a good fit, then they would take a different approach to the process. Sometimes a City just needs vetting of an internal candidate to highlight their impressive credentials.

Councilmember Jacobs inquired about the cost difference between vetting an internal candidate vs. immediately going to an external search.

Director Heminover stated that the cost is per hour for vetting a candidate. They usually do not move to external candidates if there is a qualified internal candidate. The costliest things in the search process are vetting and advertising. The savings for only vetting an internal candidate would be the time to put the brochure together.

Councilmember James stated that Councilmember Spriggs requested she ask a question for him. He wanted to know why there is a guarantee, and how often the issue occurs when a candidate does not stay in the position.

Director Heminover mentioned one situation that occurred with City Manager search where the candidate went back to be with their family. The candidate had been on the job for six months, so they polled the council to see if there were any finalists that they wanted to contact or if they would be re-opening the search.

Councilmember Buesgens inquired about how many clients Director Heminover currently has.

Heminover stated that she is working with Crookston, Redwing and just concluding three other searches. Baker Tilly also works with the City of Minneapolis, but who takes on the searches is who has the capacity to do so.

Mayor Márquez Simula inquired about the all-inclusive search pricing and if there are costs for overages related to wanting to have a second meeting.

Director Heminover stated that If there is an expedited process then it is more intensive and can cost more.

Councilmember Buesgens inquired about the cost of relocation packages that are offered to out of state / town candidates.

Director Heminover stated that it can range up to \$20,000, and what they tell the city is to get multiple bids for the relocation. The City should write the amount allotted for relocation in the contract, and stipulate that if the candidate resigns in a year or two, they will need to repay the costs.

Councilmember Buesgens inquired about the difficulty in finding quality candidates.

Director Heminover stated that City Managers and City Administrators make a lot of tough decisions in a politically charged climate. Usually, the Council people who hire them are not the people who fire them. City Managers are going to stay with a Council that they feel supports them.

Director Heminover thanked the Council for their time.

Mayor Márquez Simula recessed the meeting for a break at 6:03pm and reconvened at 6:16pm.

At the return of the recess, President Heidi Voorhees led a presentation to the Council regarding the Executive Recruitment Services GovHR was able to provide to support the Council in their search to appoint a City Manager. She stated that she was a last-minute fill-in for the other Consultant that had a family emergency. At the conclusion of the presentation the Council asked questions of President Voorhees:

Councilmember Jacobs inquired how many of their recruitments are of public sector vs. private.

President Voorhees stated that 99% are within the public sector.

Councilmember Buesgens inquired about how an internal candidate is handled in the process.

President Voorhees stated that they treat internal candidates the same as external candidates. She elaborated that it is rare that an internal candidate does not deserve an interview. They also know that this is a stressful time for the internal candidate, and they want them to feel comfortable.

Councilmember James inquired about what Cities found most successful if the candidate hired does not choose to stay.

President Voorhees stated that there have been situations where they have gone back to the pool and pulled candidates, but most often they're advertise the position and work up a whole new set of candidates.

Councilmember Jacobs asked about the availability of GovHr to the City and Candidates.

President Voorhees stated that they are available any time that they are needed.

Councilmember Buesgens inquired / clarified that the Council will be meeting with GovHR three times.

President Voorhees clarified that the team from GovHR would be onsite for several days to start the process. They would return to bring in preliminary candidates, and then again to coordinate the final interviews.

Councilmember James asked for more information related to the vetting process.

President Voorhees stated that they start with making sure the expected compensation is in line, then they ask questions related to their background, asking for concerning issues in the past.

Councilmember Jacobs asked how they would go about accessing the pay scale for the position.

President Voorhees stated that there is a compensation section of their business, and they can provide recommendations in respect to compensation. Sometimes there is a need for internal equity in the conversation. They do not include benefit packages in the compensation conversations, most are very similar.

Councilmember Buesgens inquired if they have a program for facilitating a conversation for the Council to decide if they should do an internal or external recruitment process.

President Voorhees stated that GovHR has done this recently, and they advised a large county on some suggestions and ideas on how to navigate if an external process was needed.

Councilmember James inquired about the optional one-way interviews and personality assessments.

President Voorhees stated that the one-way interviews can be a good option when there is a lot of out-of-town candidates. Utilization of personality assessments are reviewed with the Council and what the cost would be per candidate. This is another tool to validate what you think you see in a candidate.

Councilmember Jacobs inquired about the general pool of candidates, and what GovHR expects to compile.

President Voorhees stated that they start with about twenty candidates, but there is no magic number. Sometimes the candidates are presented in tiers. Usually, the pool is then narrowed to 10 to 12 and usually 5 or 6 candidates are selected.

Councilmember Buesgens asked how the current climate / working conditions are conveyed to potential candidates.

President Voorhees commented on the organizational culture that City Manager Bourgeois had established prior to her departure. She highlighted the strong staff development and how progressive things are in relation to financial planning and economic development.

Councilmember Buesgens inquired as to who pays the travel fees for interviews and relocation fees for out of city/state candidates.

President Voorhees stated that the City pays for these items. Usually, the travel cost is \$1,000 per candidate for interviews.

Councilmember Buesgens inquired about what the biggest changes are in the hiring market.

President Voorhees stated that it is a tight market, and additionally a candidate's market. There are a lot of retirements occurring, and there are not as many available candidates. There is still a lot of migration to the southeast and southwest, not to the upper Midwest. She also clarified that there is a lot of divisive politics are occurring and the lack of civility scares off candidates more than anything.

Councilmember Buesgens inquired as to why should the Council hire your company over others.

President Voorhees stated that GovHR has a national presence and local focus. They have recruiters from Coast to Coast, and they want to work with the City.

Councilmember Buesgens inquired as to how many clients Charlene is currently working with at this time.

President Voorhees believes that there are 5/6 clients, and they are currently assisting in different stages of the hiring process and that they work very hard to balance workloads. She does not believe there is a time where a client felt neglected.

President Voorhees thanked the Council for their time.

Mayor Márquez Simula recessed the meeting for a break at 7:00pm and reconvened at 7:09pm.

Mayor Márquez Simula stated that she wants to make sure that Councilmember Spriggs is included in the conversations and could review the presentations.

Councilmember Buesgens was most impressed with Baker Tilly, and the ability to connect in person with candidates. She felt that they were more organized. She does not like that there was an additional charge for things with GovHR. She felt more comfortable with working with Patty and did not like that GovHR had no backup locally to complete the in-person presentation.

Councilmember James stated that she likes both companies, and they have similar credentials. She appreciated the information that Patty was able to provide. She feels that the DiSC assessment is pop culture psychology.

Councilmember Jacobs was overall hoping for a more tailored presentation to the City. She is leaning towards Baker Tilly. She liked the fact that both firms consider internal candidates more extensively. She has concerns about the candidate pool.

Mayor Márquez Simula stated that she agrees with what has been said. She has spoken to other mayors and the firms are very comparable.

Councilmember James stated that she spoke to Councilmembers from communities that have used both companies and there are no issues with either.

Councilmember Buesgens liked that Patty was flexible and wanted to discuss the process of exclusively interviewing an internal candidate.

Councilmember Jacobs stated that she would like to see an internal search.

The Council members in attendance gave direction to HR Director Wick to proceed with Baker Tilly once the choice was confirmed with Councilmember Spriggs via email.

ADJOURNMENT

Meeting adjourned at 7:25pm.

Respectfully Submitted,

Sara Ion, City Clerk/Council Secretary

Meeting Notes

November 16, 2023

COLUMBIA HEIGHTS MEDTRONIC SITE

CITY COUNCIL AND PLANNING COMMISSION MEETING

MEETING DATE: 11/16/2023 | TIME: 6 PM

LOCATION: COLUMBIA HEIGHTS CITY HALL

- Consider lower density housing near Sullivan Lake and higher density housing as you move away from the lake (townhomes → high density residential)
- Apartment buildings – 6 stories max. 6 is probably the magic number with parking structure.
- Discussion on the pedestrian crossings on northern side of the site. Is it hostile for pedestrians? New roundabout construction places two designated crossings on the far east and far west of the roundabout.
- Comment about combining the bottom part of concept #4 with concept #2
- Comment about adding a restaurant on the south side by the lowest stormwater feature in concept #4.
- Public access to the lake edge is a goal. There is a desire to invite as much activity to the water feature/lake.
- Having stormwater incorporated into the street does a good job at integrating public and private.
- Concept #2 and concept #4 were well received.
- Desire to have a view to the woods from rental apartments (4 stories) that could be placed in the northwest corner of concept #3.
- Comment about having a curve-less street. Possibility of introducing a woonerf. A shared street could take place in concept #3, in the stormwater street area.
- Positive comment about the ability for the public to enjoy the water feature. Let it be interactive, as active as possible – Concept #2 does this the best.
- The idea of having a public gathering amenity like an amphitheater or a space for performances has potential, although in St. Anthony Village, the amphitheater does not get used – CC and PC do not want to see this happening here.
- What is the right program for this park? Sometimes it feels like spaces like this are owned by the apartment buildings and are not welcoming to the public.
- How can soundproofing or noise reduction be achieved?
- Comment about having more walking and biking access through the site – this is a desire CC and PC want to accomplish.
- Does the increase in dwelling units require more park support? How are we accommodating the public spaces for all the new people that will live here?
- Desire to have more meditative spaces for people to relax and gather.

800 Washington Avenue North, Suite 103
Minneapolis, MN 55401



11/16/2023

Columbia Heights Medtronic Site
City Council & Planning Commission Work Session

- Desire to add an art component to the park.
- Potential for little nodes along the trail to incorporate active components.
- Comment about liking more housing than more retail as in concept #1.
- Concept #3 seems very intense from a fire access perspective.
- The patio restaurant idea was well received. Has potential to become a destination.
- Comment from the City staff about expensive costs for renting retail space. \$5/SF vs. \$22/SF (vacant coffee shop next to City Hall).
- Are food halls a possibility on the site? Not really feasible since it needs to serve a much larger area. Conflict with delivery component, access to and from site.
- Can the site have a public tenant like at Sea Salt? A park version of a popup
- When thinking about opening up the street system, the city has gone with these being private not public. Having them being public will require further conversations.
- Comment about having vertical lit elements to draw people's attention to the site – a beacon.
- Comment about Concept #2 feeling already like a second iteration which takes some of the ideas from Concept #4.
- Water interaction is what makes the lake attractive – Consensus on making the lake accessible.
- Desire to improve the environmental condition of Sullivan Lake – this should be a must. Using stormwater treatments for this purpose.
- Comment about all concepts bringing importance to Sullivan Lake, while they also turn their back on Central. They belong to the lake and the community – lake-focused, which CC and PC really liked.
- Comment about connecting bike access from Central – very tricky, switch backs?
- Comment about the eastern access to the trail in the easement area – trail ends at a retaining wall. This needs to be looked at.
- Consensus on the restaurant idea – a sticking point. Let's not forget about the delivery component and what that entails from an access perspective. The type of restaurant is key for this to be successful.
- What is the backup plan if it is not a restaurant? It needs to be an “outside attraction”, something that brings people in and does not feel private.
- Is Sullivan Lake Park a community destination or a neighborhood destination? Parking lot is always half full.
- Desire for more picnicking and shade areas. Be mindful of parking needs. Park users will need designated parking spaces. Incorporate more parking to the park component.
- Desire to have a northern access point to Sullivan Lake Park from 53rd.
- How can the site look good when under drought periods? This is particularly for those stormwater treatment areas. Think of ways to interact with the stormwater features when in periods of drought, like Central Park in Maple Grove?
- Consider snow storage!
- For next iteration of concepts, include southern portions of the park to better depict extent of park.



- Comment about having a grocery store option on the site. People will have the option to jump on the F line and go to Cub Foods and other.
- Mayor does not really see an amphitheater idea here, but rather an open space for people to program themselves
- Concern with open lawn and chemicals.
- General comments on concepts:
 - o Concept 1 – too much on north side.
 - o Concept 2 – good balance.
 - o Concept 3 – too much, intense.
 - o Concept 4 – reconsider NW corner, too many street rows, push density of apartment building.
- Consider uses for different generations – childcare, senior living, etc.
- Consider a clinic, a hardware store... an anchor store!
- The townhomes give more of a community feel.
- Comment about moving the townhomes from concept #4 to concept #3.
- 400 units min for apartment buildings – this will be a benchmark.
- Comment about converting the SE corner to apartment building in concept #4 – an L-shaped building coming from the north.
- Tax base – retail/commercial vs. housing.
- Look for liner residential precedents to better depict the scale of buildings and their variability.
- Desire to move away from the “Lego aesthetic” for buildings.
- Desire for a residential feeling along corridors.
- Look for streetscape precedents to better depict stormwater treatments and feel of space.
- For next round of concepts, pinpoint precedents to specific areas on plans.
- Comment about asbestos presence in green lot north of the site (Fridley property).



**JOINT CITY COUNCIL AND PLANNING
COMMISSION WORKSHOP**
City Hall—Council Chambers, 3989 Central Ave NE
Thursday, November 16, 2023
6:00 PM

Mayor
Amada Márquez Simula
Councilmembers
Connie Buesgens
Kt Jacobs
Rachel James
Justice Spriggs
Interim City Manager
Kevin Hansen

MINUTES

The following are the minutes for the Joint City Council and Planning Commission Workshop Meeting held at 6:00 pm on Monday, November 16, 2023, in the Shared Vision Room, City Hall, 3989 Central Avenue NE, Columbia Heights, Minnesota.

CALL TO ORDER/ROLL CALL

Councilmembers Present: Mayor Márquez Simula, Councilmember Buesgens; Councilmember Jacobs; Councilmember Spriggs; Councilmember James

Planning Commissioners Present: Laurel Deneen, John Gianoulis, Tom Kaiser; Eric Sahnaw; Mike Novitsky, Mark Vargas, Clara Wolfe

Not Present: Councilmember Jacobs; Councilmember Spriggs; Commissioner Vargas.

Also Present: Aaron Chirpich, Community Development Director/ Assistant City Manager; Andrew Boucher, City Planner; Mitchel Forney, Community Development Coordinator; Kevin Hansen, Interim City Manager; Sara Ion, City Clerk; Jack Israelson, Resident; Bryan Harjes and Leilen Farias with HKGi.

Assistant City Manager / Community Development Director Aaron Chirpich called the meeting to order at 6pm and introduced the team from HKGi for the presentation regarding the Medtronic Site.

WORK SESSION ITEMS

1. **Medtronic Site Planning Presentation.**

Four general concepts were presented to the Council and Planning Commissioners. There was conversation related to storm water infrastructure, housing density on the site as well as mixed use options.

Assistant City Manager Chirpich requested that the Council and Commission not just pick their favorite concept, but to look at all the options presented and discuss what the key features from all the concepts that they want to pull together for the Comprehensive Plan Amendment that needs to occur before a developer can purchase the property.

The most important items for the Council and Commission were public access and welcoming environment for the lake front / water access is a priority (overall making the lake and water feature the highlight). Additionally, making the biking trail and walking path more accessible was also important to the group, with designated parking as needed.

There was also a focus on art, and a meditative space / small spaces that appeal to families. Additionally a private, full-service restaurant was also a key item that they want to keep as an option as well. Overall the sentiment of the group was that the space should be welcoming a welcoming street scape, that invites pedestrian activity.

ADJOURNMENT

Assistant City Manager Chirpich adjourned the meeting at 7:47pm

Respectfully Submitted,

Sara Ion, City Clerk/Council Secretary

**CITY COUNCIL MEETING**

AGENDA SECTION	CONSENT
MEETING DATE	DECEMBER 11, 2023

ITEM:	Accept October 10, 2023 Sustainability Commission Minutes	
DEPARTMENT: Public Works		BY/DATE: Interim City Engineer / November 30, 2023
CORE CITY STRATEGIES: <i>(please indicate areas that apply by adding an "X" in front of the selected text below)</i>		
X_ Healthy and Safe Community		_ Thriving and Vibrant Destination Community
_ Equitable, Diverse, Inclusive, and Friendly		_ Strong Infrastructure and Public Services
_ Trusted and Engaged Leadership		X_ Sustainable

BACKGROUND: The October 10, 2023 Sustainability Commission minutes were approved by the Sustainability Commission at the November 14, 2023 meeting.

RECOMMENDED MOTION(S):
MOTION: Move to accept the October 10, 2023 Sustainability Commission minutes.

ATTACHMENT: October 10, 2023 Sustainability Commission Minutes



SUSTAINABILITY COMMISSION

City Hall—Shared Vision Room, 3989 Central Ave NE
Tuesday, October 10, 2023
6:00 PM

APPROVED MINUTES

CALL TO ORDER/ROLL CALL

The meeting was called to order by Chairperson Ahmadvand at 6:01 p.m.

Members present: Commissioners Ahmadvand, Evenson, Finkelson, Groseth, Jensen Christen, Johnson, Kurek, LaPlante, Leoni-Helbacka

Staff present: Sulmaan Khan, Interim City Engineer
Andrew Boucher, City Planner
Liam Genter, Urban Forestry Specialist
Sue Chapman, Administrative Assistant

Council Liaison: Connie Buesgens

APPROVAL OF MINUTES

Motion by LaPlante, seconded by Johnson to approve the minutes of September 12, 2023 as presented. Motion passed unanimously.

OLD BUSINESS

1. GreenStep Cities Profile Follow Up

Evenson went through the 2024 assessments and highlighted the action items she felt were the most relevant/easiest to accomplish, along with items that may have been already accomplished.

Boucher favors the Sustainable Purchasing Policy. Some of the items listed can be incorporated into this policy, such as WaterSense, outdoor lighting, LED lighting, etc. Some may have already been done or are currently in process so just need to be put in writing. Councilmember Buesgens advised the City will be replacing all residential water meters in 2024/2025. The monitor usage will be extremely accurate and residents will be able to keep track of their water use, so this might fit into action 2.5. LaPlante asked about action 2.1, could we provide educational/awareness information in regard to the water meter program. Boucher stated we can; he would like to put this information on the utility bill. Groseth suggested adding the information to the emailed receipts customers receive. She also suggested partnering with the MWMO regarding a rain barrel workshop.

Commissioners discussed involving local businesses per action 2.4. Boucher advised in his experience businesses don't like doing things that require them to invest more time and money. Energy Star Portfolio Manager or similar energy tracking software are free tools. It could be worthwhile to pursue a workshop or some engagement activities showing the business owners how to use tracking software to get their utility data uploaded. Then they basically just need to check it every six months to make sure their data is still reporting. Possibly reaching out to landlords was also discussed.

Ahmadvand brought up adopting standards in action 3.5. Boucher felt action 3.5 would be good as there are new developments coming up in the future and a lot of these buildings would have a common interest such as green space; rainwater harvesting could be built-in, landscaping preferences, etc. Councilmember Buesgens is definitely in favor of establishing some type of framework developers need to follow for building construction.

LaPlante wants a more sustainable community but without creating so many hurdles that it only benefits the large land developers. Kurek suggested looking at the Minneapolis 2040 Comprehensive Plan.

Best Practice 24: Benchmarks and Community Engagement was reviewed and discussed as well as tree data and a dashboard or GIS data for the public.

Commissioners decided to discuss Best Practice 11: Living & Complete Streets.

Motion by Evenson, seconded by LaPlante to table the GreenStep Cities Profile discussion.

2. Follow up On Shared Email for Commission

Khan checked with the IT Department and was told that to create a Columbia Heights email you must be a Columbia Heights staff person. Since the commission members are not staffed, we cannot create an email for the group to use, but there are some other options. Commissioners can create their own group email through Google, or they can have their email posted on the website if they want items to come directly to them. Otherwise, Khan can share emails he receives with the group. Commissioners can also email him. If there are items that the commission wants to share with the public they can send these to Khan and he will get it out on social media or in the newsletter.

3. Adopt a Tree Update

Genter stated they received a huge number of volunteers for the Adopt a Tree program and thanked commissioners for their part.

NEW BUSINESS

4. Review of Complete Streets Proposal

The Commission discussed the Complete Streets Proposal and ordinance and how it relates to Best Practice 11. Commissioners questioned if the projects on 37th Avenue and 53rd Avenue could/should be included in this best practice as they are both shared projects with another city. Another street project coming up is 40th Avenue which will fall under the Complete Streets policy. An open house is scheduled for November 2 at City Hall.

Boucher explained the metrics and what we need to track to get to Steps 4 and 5. Commissioners then reviewed the proposed ordinance. Boucher strongly encouraged the commission to ensure this ordinance is workable and does not just exist on paper. In regard to transportation and priority groups, he tried to tie as much as he could back to the Comp Plan. Finkelson feels there are two major points that are deficient. One being there is no mention of equity in the original draft. The other is securing streets during construction projects. As an example, when the Ratio building was being constructed the sidewalk was taken out. The sidewalk detour was to walk up to Reservoir Boulevard, which is basically the biggest hill in town, and then go across and come back down on Gould Avenue. So, there was approximately a year and a half of pedestrians walking in the street on Central Avenue. For the 37th

Avenue project he contacted Sulmaan and Minneapolis and they put up cones, barrels and ramps where there was nothing before. He would not go forward unless there are accommodations for pedestrians during construction. The score sheet also mentions stating who is responsible for approving exceptions, which he feels is important. When the City redid his street they did not do it in a safe streets fashion. Boucher advised that this ordinance would provide accountability. Under Best Practice 24 the equity side can be built in as commissioners develop the policy. Once commissioners are familiar with Best Practice 24, they can start to pull from Best Practice 11. Construction on the Rainbow site is supposed to start next year, so this policy might be a good priority. Boucher recommended commissioners become familiar with Best Practices 24 and 11 which should help with the community equity portion of the ordinance.

ADJOURNMENT

Motion by Evenson, seconded by Ahmadvand to adjourn the meeting at 7:36 p.m. Motion passed unanimously.

Respectfully submitted,

Sue Chapman
Administrative Assistant



COLUMBIA HEIGHTS PUBLIC LIBRARY

3939 Central Ave NE, Columbia Heights, MN 55421

BOARD OF TRUSTEES: MEETING MINUTES

Wednesday, May 3rd, 2023

Approved Item 6.
6/7/2023

ATTENDANCE INFORMATION FOR THE PUBLIC

Members of the public who wished to attend could do so in-person, by calling 1-312-626-6799 and entering **meeting ID 862 5221 5747** and **passcode 039390**, or by Zoom at <https://us02web.zoom.us/j/86252215747> at the scheduled meeting time. For questions, please call the library at 763-706-3690.

The meeting was called to order in the Library Community Room by Rachelle Waldon at 5:34pm.

Members physically present: Gerri Moeller; Carrie Mesrobian; Chris Polley; Rachelle Waldon; Melanie Magidow; Justice Spriggs (Council Liaison). **Members remotely present:** N/A. **Members absent:** N/A. **Also present:** Renee Dougherty (Library Director); Nick Olberding (Board Secretary). **Public present:** N/A.

1. No **Agenda** changes: it was **moved and unanimously approved**.
2. The **Minutes** of the **April 5, 2023**, Board Meeting were **moved and unanimously approved**.
3. **Review 2023 Operating Budget:** 33% of the year and 29% of the budget encumbered; no concerns raised.

Community Forum: Opportunity for public input. No correspondence, or members of the public in attendance.

Old Business:

4. **Update on Council Action on Meeting Room Usage Policy:** The City Council approved the motions on **removing the rental fee for the room** and **prohibiting food**. Justice informed the Board that the Council will continue discussing available hours at the next Council Work Session.
5. **Staffing Update:** The Library has hired and trained two new Library Pages in the last month, Millie and Brent; we are now fully staffed for Page positions. Unfortunately, recently one of our part-time Library Supervisors resigned to take a position at Stillwater Public Library (more hours, more pay, and a shorter commute). We are not yet sure about posting for the position, as the remaining two Supervisors will be offered more working hours to cover the absence first; if they are willing to cover the hours then we will hold off on rehiring for now.
6. **Book Sale during Citywide Garage Sale:** The Library has decided to go ahead with a small-scale book sale during the Citywide Garage Sale. Due to limited storage space, withdrawn/donated books are taking up more room than the current Book Sale Cart can alleviate. A bag sale, \$3 per bag, will be offered during the Citywide Garage Sale.
7. **Possible Program with Artist, Jeffrey Berger?:** Cortni (Adult Services Librarian) has been in contact with Artist, Jeffrey Berger, and is discussing the possibility of hosting a reception or community discussion around the art exhibition (*La Bestia*) currently on display in the Library's Community Room.

New Business:

8. **New Format for the Library Collection:** The Board was introduced to Read-Along Books. Produced by Vox and WonderBooks, these books have built-in speakers, headphone jacks, and navigation buttons that allow the book to read itself aloud. This new format will replace Mixed Media Picture Books (Book/CD sets) since circulation of them has declined as fewer people use CD players. Anoka County Library already has 125+ of these titles in their collection, and Columbia Heights has purchased 50+ to get our collection started—to be available soon.
9. **New Public Multifunction Printer/Copier:** The City is currently assessing copiers/printers and potential replacements in anticipation of moving into the new City Hall. With the heavy use of the public MFP at the Library it is time for a more capable replacement—one that can print faster and provide more functionality. The staff copier will remain in place for the foreseeable future until it can no longer be maintained—at that point staff may also use the public copier for printing. The replacement public MFP would be a capital expense, so it would not encumber the annual operating budget.

- 10. 21st Century Community Learning Centers (Cohort 9) Grant Application:** Parks & Recreation and the Library serving as community partners to Columbia Heights Public Schools on a grant application which would provide funding for STEAM programming during school recesses. In a previously awarded grant, the Library received ~\$10,000/year (3-year cycle) for such programs.
- 11. 2024 Budget:** It is time to plan for next year's budget; budget guidance and prep materials have been received from the City. Renee asked the Board to think about what they would like to see the Library budget for in 2024 (and beyond); in turn the Board asked that Renee and the Library Staff compile a wish list of materials, supplies, services, etc. that they would support if money, staffing, and resources were unlimited so practical options could be ranked, prioritized and potentially planned and budgeted for.
- One question brought up in the meeting is should we extend hours? We are still not open as many hours as before the pandemic; is now the time to increase hours? The Board asked that we compile a chart of comparable libraries' open hours to see how we measure up and see what hours would make sense for Columbia Heights.
 - Do we have enough staff for current or increased hours? Should any positions be expanded to full-time to increase coverage for illness/vacation? Do we need more of certain positions?

Director's Update:

12. March Board Report: Provided as an FYI; not much discussion.

13. From the Floor:

- Renee was invited to attend the May 22 **Anoka County Library Board Meeting** to present the history and mission of the Columbia Heights Public Library; Carrie will attend the meeting with Renee.
- Should the Library have Narcan (**Naloxone--Opioid overdose treatment**) on-hand in case of an overdose at the library? Justice will ask the City. City Police/Fire are only minutes away, but in these situations every second can count. Narcan is a simple nasal spray that immediately reverses an opioid-related overdose and does not have any adverse side-effects.
- The Board asked about whether the City's **social workers** have much of a presence at the Library? City social workers are tied to the Police Department. However, Guild Services has social workers available for partial days on Tuesdays and Wednesdays at the Library. They interact with those who may need support and take appointments. Their focus is homeless outreach.

There being no further business, a motion to adjourn was made and seconded at 6:35 pm; the **meeting was adjourned**.

Respectfully submitted,



Nicholas P. Olberding
Recording Secretary, CHPL Board of Trustees



COLUMBIA HEIGHTS PUBLIC LIBRARY

3939 Central Ave NE, Columbia Heights, MN 55421

BOARD OF TRUSTEES: MEETING MINUTES

Wednesday, June 7th, 2023

Approved Item 6.
8/2/2023

ATTENDANCE INFORMATION FOR THE PUBLIC

Members of the public who wished to attend could do so in-person, by calling 1-312-626-6799 and entering **meeting ID 862 5221 5747** and **passcode 039390**, or by Zoom at <https://us02web.zoom.us/j/86252215747> at the scheduled meeting time. For questions, please call the library at 763-706-3690.

The meeting was called to order in the Library Community Room by Gerri Moeller at 5:31pm.

Members physically present: Gerri Moeller; Chris Polley; Rachelle Waldon; Melanie Magidow; Justice Spriggs (Council Liaison). **Members remotely present:** N/A. **Members absent:** Carrie Mesrobian. **Also present:** Renee Dougherty (Library Director); Nick Olberding (Board Secretary). **Public present:** N/A.

1. Amended **Agenda** to include ALA 2023 Conference discussion: it was **moved and unanimously approved**.
2. The **Minutes** of the **May 3, 2023**, Board Meeting were **moved and unanimously approved**.
3. **Review 2023 Operating Budget:** 41% of the year and 36% of the budget encumbered; no concerns raised.
 - a. FYI: We likely need a boiler repair or replacement this year, but it will be financed through the capital equipment replacement fund rather than the library's operating budget.

Community Forum: Opportunity for public input. No correspondence or members of the public in attendance.

Old Business:

4. **Staffing Update:** In the past month, a part-time Library Supervisor resigned to accept a job with Stillwater Public Library and Library Associate Kelly Olson retired after 31 years of dedicated service. Both positions were posted and closed on June 4. The supervisor position garnered 12 applicants; the associate position received 89 applications. City Human Resources is reviewing applications; hoping to onboard new staff quickly as the Library enters the busy season.
5. **Reception & Conversation with the Artist Jeffrey Berger on July 12th @ 5:30pm.**

New Business:

6. **Preliminary Draft of 2024 Budget:** A draft budget is due in early June with presentation to the City Manager in July. The proposed budget will include a 5% overall increase to \$1,262,000. Due to increases proposed from the compensation and pay equity study, personnel costs will increase 4.6%. The budget also includes a 4% increase to Supplies; and an 8.6% increase to Other Services (utilities, insurance, maintenance, and IT.) It will also set aside \$5,000 for furniture repair/replacement. In 2023, \$10,000 was set aside and \$2,500 has been encumbered so far.
7. **Approve Request to Close the Library for the Juneteenth Holiday:** As it is now an official state holiday, the City will be observing Juneteenth starting this year. Most city buildings and departments will be closed on Monday, June 19th in observance, except for Parks & Recreation, Police, Fire, and Liquor operations. The Board was in favor of this decision but noted that when workers have the day off, they may want to visit their library. **A MOTION was made to close the Library for Juneteenth (June 19th 2023); it was seconded, and unanimously approved.**
8. **Update on City's Response to providing Narcan in City Buildings:** City Administration and the Council have researched and discussed the opioid epidemic and the availability of lifesaving, overdose-reversing drugs. Administration and Council have determined that emergency responders will be responsible for carrying, dispensing, and disposing of expired Narcan. Response time is generally less than 3 minutes. Library staff know that they can call 911 without hesitation for any situation that requires it, and not all staff would be comfortable administering Narcan. Emergency responders will try to bring a social worker and encourage ongoing treatment after an overdose event. They are also trained to handle potential aggressive/violent behavior after an abrupt

reversal of opioid effects.

9. **Discussion of Wellness Center at the Rochester Public Library:** The Board watched the attached video link from Justice Spriggs regarding the re-launched Wellness Corner at RPL, and discussed their opinion of similar offerings here. The City of Rochester hired a dedicated Social Worker to hold office hours to address mental health, physical health, substance abuse and other concerns of residents. The Columbia Heights Library hosts Guild Services to provide outreach to people experiencing homelessness each Tuesday and Wednesday; Hope4Youth who provide outreach to homeless teens. MN CareerForce Corner and the Anoka County Job Training Center provide employment resources. The Anoka County Law Librarian visits once per month to share legal resources and information. Justice mentioned that the Police Department's social workers started with grant funding and maybe the library could do the same. Justice will reach out to Rochester for more information on their program.
10. **Discussion of Service Hours:** Renee provided two charts of service hours for comparably sized libraries around the state, including rural areas. CHPL fits near the upper middle level of service hours compared to the list of hours from libraries with similar populations areas. Anoka County Library is amid strategic planning, which will include a look at service hours; this information will be valuable to us as we discuss service and hours of our own. The Board agreed that we should bring up this issue again closer to the end of the year, after we have more data.

Director's Update:

11. **April Board Report:** Provided as an FYI; no discussion.
12. **From the Floor:**
 - a. **ALA:** Gerri Moeller will be attending the ALA 2023 Conference & Exhibition in Chicago this June (22-27), and asked whether there were any specific vendors we'd like her to speak with or get information from. There was nothing we needed at the moment, but we can e-mail her with any requests if we think of some.

There being no further business, a motion to adjourn was made and seconded at 6:37 pm; the **meeting was adjourned.**

Respectfully submitted,



Nicholas P. Olberding
Recording Secretary, CHPL Board of Trustees



COLUMBIA HEIGHTS PUBLIC LIBRARY

3939 Central Ave NE, Columbia Heights, MN 55421

BOARD OF TRUSTEES: MEETING MINUTES

Wednesday, August 2nd, 2023

Approved Item 6.
9/6/2023

ATTENDANCE INFORMATION FOR THE PUBLIC

Members of the public who wished to attend could do so in-person, by calling 1-312-626-6799 and entering **meeting ID 862 5221 5747** and **passcode 039390**, or by Zoom at <https://us02web.zoom.us/j/86252215747> at the scheduled meeting time. For questions, please call the library at 763-706-3690.

The meeting was called to order in the Library Community Room by Gerri Moeller at 5:30pm.

Members physically present: Gerri Moeller; Carrie Mesrobian; Chris Polley; Rachelle Waldon; Melanie Magidow; Justice Spriggs (Council Liaison). **Members remotely present:** N/A. **Members absent:** N/A. **Also present:** Renee Dougherty (Library Director); Nick Olberding (Board Secretary). **Public present:** N/A.

1. Amended **Agenda** to include a discussion of the Rochester Library Wellness Corner (#7): it was **moved and approved**.
2. The **Minutes** of the **June 7, 2023**, Board Meeting were **moved and approved**.
3. **Review 2023 Operating Budget:** 58% of the year and 53.7% of the budget encumbered; no concerns raised.
 - a. **41050:** The retirement of Kelly Olsen necessitated payouts for accrued vacation and sick leave.
 - b. **42183:** E-book expenses through Anoka County Library were higher than anticipated; Columbia Heights accounted for ~4.3% of their 756,338 e-checkouts.
 - c. **44020:** Boiler replacement costs will be covered through the capital equipment replacement fund, so the purchase order for repair currently encumbering this line will be removed/

Community Forum: Opportunity for public input. No correspondence or members of the public in attendance.

Old Business:

4. **Staffing Update (Library Supervisor):** This position was previously posted; after the interviews, offers were made. Each candidate either declined or didn't respond. Renee will discuss the situation with HR soon to determine what to do.
5. **Staffing Update (Library Associate):** Kelly Olsen retired June 2. 89 people applied, 70 responded to a supplemental screening survey. Of the 39 qualified applicants, 5 were interviewed. An offer was made and accepted. We congratulate Farrah Brist on her appointment as new Library Associate, anticipating an August 14th start date!
6. **2022 State Annual Report Inquiry:** expenditures exceeded revenues in 2022 so Renee submitted an explanatory note.

New Business:

7. **Rochester Wellness Center:** Rochester Public Library had a Public Health Wellness Corner program which they are currently relaunching with a more focused mission; is this something CHPL should attempt? After discussion, the Board was concerned that a center would be outside the scope of the Library's mission and require too much staff time and training. If community organizations were to offer these services at the Library, it may be feasible in the future. The library currently distributes free food when grant programs allow, hosts homeless outreach social workers twice each week, and hosts the Anoka County Law Librarian for walk-in appointments once a month. The Board felt like we already offer a lot of services that are underutilized, and it may be a promotional problem (that people are generally unaware of them.) One main point was that the CHPL could use a dedicated website, rather than being buried within the City's website or a footnote on the Anoka County Library website.
8. **Council Action (HVAC Repair and 2023 Budget Amendment):** On July 10, 2023, the City Council adopted

Resolution 2023-42, being a resolution amending the budget and authorizing replacement of the heat exchanger and payment to Modern Heating and Air in the amount of \$17,800 from Fund 411.45500.4020 for the repair of the boiler #2 located at the library.

9. **Proposed 2024 Budget:** Included in the meeting packet, this document is still a working document and subject to change. The Board would really like us to consider adding more staff/staffing hours in the next budget year.
10. **Outreach Event (Pride Fest):** Due to the current understaffing situation, the Library cannot cover the building and an off-site table at this event, but would like to participate. Members of the Board (Chris, Gerri, and maybe Rochelle) said they would be interested in representing the Library at Pride Fest at Kordiak Park (Sat, September 23, 10am-4pm). We will send follow-up information.
11. **21st Century Community Learning Centers Grant:** The 3-year grant period has ended. The Columbia Heights Recreation Department, Library and School District re-applied for the next grant cycle, but were not chosen. Renee suggested requesting funding from the Library Foundation so we can continue hosting similar STEAM-related youth programming. We would discontinue Saturday youth programs (due to poor registration and attendance), and maintain a regular Tuesday program, and programs on school recess days.
12. **Sora E-Book Access for the Columbia Heights School District:** Columbia Heights School District signed on to access the MELSA: Twin Cities Metro eLibrary via Public Library Connect (PLC). PLC allows students to borrow age-appropriate eBooks and eAudiobooks from local public library digital collections via the Sora app (the school version of Libby) on their school devices! This is a free program from OverDrive for schools and puts control of digital content in the schools' hands. The Library Board was very supportive and excited to hear about this progress; hoping we can eventually extend to all students in the district.

Director's Update:

13. **May & June Board Report:** Provided as an FYI; visitors and services are feeling more pre-pandemic again.
14. **From the Floor:**
 - a. **Volunteer Recognition:** Honoring of volunteers will occur at a Council Meeting later this month.
 - b. **Next Meeting:** Continued discussion and ideas on Board Outreach to local community groups; Library Promotion (communications, services, materials); Future opportunities for collaboration/special events (i.e. more book sales, puzzle contests).

There being no further business, a motion to adjourn was made and seconded at 6:30 pm; the **meeting was adjourned.**

Respectfully submitted,

N

Nicholas P. Olberding
Recording Secretary, CHPL Board of Trustees



COLUMBIA HEIGHTS PUBLIC LIBRARY

3939 Central Ave NE, Columbia Heights, MN 55421

BOARD OF TRUSTEES: MEETING MINUTES

Wednesday, September 6th, 2023

Approved Item 6.
10/4/2023

ATTENDANCE INFORMATION FOR THE PUBLIC

Members of the public who wished to attend could do so in-person, by calling 1-312-626-6799 and entering **meeting ID 862 5221 5747** and **passcode 039390**, or by Zoom at <https://us02web.zoom.us/j/86252215747> at the scheduled meeting time. For questions, please call the library at 763-706-3690.

The meeting was called to order in the Library Community Room by Gerri Moeller at 5:32pm.

Members physically present: Rachelle Waldon; Carrie Mesrobian; Chris Polley; Melanie Magidow; Justice Spriggs (Council Liaison). **Members remotely present:** N/A. **Members absent:** Gerri Moeller. **Also present:** Renee Dougherty (Library Director); Nick Olberding (Board Secretary). **Public present:** N/A.

1. The Meeting's **Agenda** was approved as-is.
2. The **Minutes** of the **August 2nd, 2023**, Board Meeting were **moved and approved**.
3. **Review 2023 Operating Budget:** 66.58% of the year and 60.44% of the budget encumbered; no concerns raised.
 - a. **42183:** E-book expenses through Anoka County Library were higher than anticipated; Columbia Heights accounted for ~4.3% of their 756,338 e-checkouts. Usage in Anoka County/Columbia Heights is still on the rise, as opposed to some other systems, which have plateaued.

Community Forum: Opportunity for public input. No correspondence or members of the public in attendance.

Old Business:

4. **Heights Pride Fest – Sat, Sept 23, 10am-4pm (Kordiak Park):** The Library does not currently have enough staff to additionally host a booth this event over the weekend, so the Board was asked to help represent us at Pride Fest. Chris and Gerri (at last month's meeting) offered to be there on our behalf at Kordiak Park. We will supply them with a canopy and supplies for the event.
5. **Library Volunteer Recognition Event – Mon, Sept 25, 5:30pm (Library & Council Chambers):** The Library will be recognizing the work and devotion of both our teen and adult volunteers in the form of a recognition event in the Library's Community Room, followed by a proclamation at the City Council Meeting in the new City Hall. Board Members are encouraged to attend and show their support if able.
6. **Communication Strategies (Print, Cable, Website):** This will be an ongoing discussion, possibly each month. We will update the Board Outreach Presentation to include Sora Student E-Book App information for use by the Board; Chris needs a copy sent to him (or copied to a flash drive) for a presentation to the School Board. The Board also talked about options for events in the future like more puzzle contests (with the Friends), Book Ambassador Awards, MailChimp for email outreach, Community FaceBook Groups to post Library Promotions (CH Buy Nothing, Peaceful Page, etc), and a dedicated Library website. The Library's page of the City website is not very robust and allows for only minimal features (no catalog, no e-book browsing, no news, no social media feeds, no dedicated calendar). We will research and compile information on what we would like to see in a potential website, and Rachelle will research this as well.

New Business:

7. **Staffing Update: Resignation of Adult Services Librarian:** Cortni O'Brien has accepted a position with Anoka County Library Community Engagement & Programming and announced her resignation from CHPL. She will be greatly missed. Over the course of her time she connected the Library with local Community Groups/Organizations, curated great programming/events, and created positive relationships with Library visitors. The posting for the position garnered 30 applicants, 6 of which have signed up for interviews for

Thursday and Friday of this week; we hope to onboard someone no later than early October.

8. **Request for Funding from the CHPL Foundation:** Renee is in the process of requesting funds from the CHPL Foundation in the amount of \$17-20,000. \$10,000 would be to help under right the cost of providing SORA E-Book services to students in the Columbia Heights School District; \$7,000 will make up for the loss of 21st Century Grant funds (which we have received for the last several years via ISD-13) in order to continue offering youth STEM-related programming that the grant covered; and may request an additional \$3,000 for an author series (like the previous 6-part Doug Ohman history program.)
9. **Summer Reading and Youth Programming Review:** Provided in the packet was an overview of the Summer Reading Program activities and stats. A summary is that it felt like we were finally back to normal after the pandemic with lots of participation and full program attendance. Onsite summer lunch was not as well attended and due to the required staff involvement, we may discontinue it next year. Eliza met with Anoka County Library staff for a summer debriefing this morning, but we do not know what was revealed at the meeting.

Director's Update:

10. **July Board Report:** Provided as an FYI.

11. **From the Floor:**

- a. **Volunteer Recognition:** Honoring of volunteers will occur at a Council Meeting later this month.
- b. **Next Meeting:** Continued discussion and ideas on Board Outreach to local community groups; Library Promotion (communications, services, materials); Future opportunities for collaboration/special events (i.e. more book sales, puzzle contests).

There being no further business, a motion to adjourn was made and seconded at 6:31 pm; the **meeting was adjourned.**

Respectfully submitted,

N

Nicholas P. Olberding
Recording Secretary, CHPL Board of Trustees



COLUMBIA HEIGHTS PUBLIC LIBRARY

3939 Central Ave NE, Columbia Heights, MN 55421

BOARD OF TRUSTEES: MEETING MINUTES

Wednesday, October 4th, 2023

Approved Item 6.
11/1/2023

ATTENDANCE INFORMATION FOR THE PUBLIC

Members of the public who wished to attend could do so in-person, by calling 1-312-626-6799 and entering **meeting ID 862 5221 5747** and **passcode 039390**, or by Zoom at <https://us02web.zoom.us/j/86252215747> at the scheduled meeting time. For questions, please call the library at 763-706-3690.

The meeting was called to order in the Library Community Room by Gerri Moeller at 5:34pm.

Members physically present: Gerri Moeller; Rachelle Waldon; Melanie Magidow; Justice Spriggs (Council Liaison).

Members remotely present: Chris Polley. **Members absent:** Carrie Mesrobian. **Also present:** Renee Dougherty (Library Director); Nick Olberding (Board Secretary). **Public present:** N/A.

1. The Meeting's **Agenda** was approved as-is.
2. The **Minutes** of the **September 6th, 2023**, Board Meeting were **moved and approved**.
3. **Review 2023 Operating Budget:** 74.79% of the year and 67.29% of the budget encumbered; no concerns raised.

Community Forum: Opportunity for public input. No correspondence or members of the public in attendance.

Old Business:

4. **Staffing Update: Adult Services Librarian:** We have made an employment offer to one of the candidates, but we are currently waiting on a response; the candidate is currently participating in the MLA Conference at the Saint Paul RiverCentre on October 4-5, and will follow-up with us afterwards.
5. **Update on Library Volunteer Recognition Event – Mon, Sept 25, 5:30pm:** Only one VolunTeen was present, but we had a good turnout otherwise and those in attendance were appreciative of the recognition. One person commented to Renee that they should have had more time in the spotlight and been presented their certificates by the City Council, but the recognition was a nice moment and there was time for a group photo with the Council members during the meeting.
6. **Update on Funding Request to the CHPL Foundation:** Renee's submitted grant request for \$20,000 has been verbally approved; funds should be released in January 2024. We are very thankful for these funds because it will mean not having to cut programming that was previously funded by the 21st Century Learning Grant that we shared with Parks & Rec and ISD-13 (that 3-year grant is ending, and their re-application was not chosen for funding this next cycle). \$6,000 from the CHPL Foundation grant will cover the 21st Century style youth programming, \$10,000 will be used for SORA E-book access for the Columbia Heights School District students, and \$4,000 for an adult author series (like the 6-part Doug Ohman local history series we hosted in Winter 2022-Spring 2023). Thank you to the Columbia Heights Public Library Foundation for your support and generosity!
7. **Update on 2024 Budget Proposal:** City Departments are currently presenting their proposed budgets to the City Council. The main comments during the presentation were about our staffing challenges and e-book usage (as the actual costs for e-books this year are double what was budgeted); in Columbia Heights print book vs. e-book usage is about 80/20. The City Council has not said we need to make any cuts to the proposed budget at this time; Anoka County Libraries are currently under a hiring freeze and have been asked to cut their proposed 2024 budget by 2%.
8. **Communication Outreach Strategies (In-Person, Print, Cable, Web):** Most of the discussion at this meeting focused on the Library's need for a dedicated website; it being stated that many institutions are judged by their websites (as this is the first point of contact for many prospective), and a comprehensive dedicated website could improve our image and serve as a place for people to get acquainted with our Library before they first visit.
 - a. Currently we have a section of the City website (as a City department) that is not comprehensive and does not have the functionality or ability to relay all the information and resources we'd like; addition

we are an affiliate of the Anoka County Library so our shared catalog is hosted on their website, but the webpage does not reflect our Library much as we are only a footnote on their page, with no ability to make changes.

- b. Things that could be included: embedded catalog, reader's advisory, photo gallery, local resources/social services information, hours, directions, mission/who we are, history, updates, alerts, how-tos, policies, library card registration, local partnerships, etc.
- c. Potentially the Library Foundation could help support the creation of a dedicated CHPL webpage. The SpringShare and Granicus platforms were mentioned. Other Library webpages to look at include Brooklyn, Stillwater, Willmar, Fergus Falls, Troy (MI)...with more to be found.
- d. Renee will have staff express their opinions on what a CHPL website could look like and contain; Library Board members should brainstorm the same, as well as check out the mentioned library websites and search for other impressive independent public library websites from around the country and beyond. What questions could be answered on a potential website rather than in-person or over the phone; what information and resources could benefit the Library and the Community; what could improve our image and attract more visitors, readers, and users; more discussion to come.

New Business: N/A

Director's Update:

9. **August Board Report:** Provided as an FYI.

10. From the Floor:

- a. **MPR Article:** Last Friday we were contacted and visited by MPR Journalist, Regina Medina, about our participation in the DNR State Park Pass Program; we were not included in the broadcast story, but were mentioned in the print article: <https://www.mprnews.org/story/2023/10/03/some-minnesota-libraries-offer-users-chance-to-check-out-the-great-outdoors>
- b. **Brooklyn Public Library and PEN America's Freedom to Read Advocacy Institute** will be hosting a four-week (Oct 19-Nov 9) online education and training program for high school students called **Books Unbanned** to prepare and certify the next generation of free expression advocates to combat book banning and fight for the freedom to read in their schools, libraries, and communities across the country.
- c. **Next Meeting:** Strategic Planning

There being no further business, a motion to adjourn was made and seconded at 6:27 pm; the **meeting was adjourned.**

Respectfully submitted,



Nicholas P. Olberding
Recording Secretary, CHPL Board of Trustees



COLUMBIA HEIGHTS PUBLIC LIBRARY

3939 Central Ave NE, Columbia Heights, MN 55421

BOARD OF TRUSTEES: MEETING MINUTES

Wednesday, November 1st, 2023

Approved Item 6.
12/6/2023

ATTENDANCE INFORMATION FOR THE PUBLIC

Members of the public who wished to attend could do so in-person, by calling 1-312-626-6799 and entering **meeting ID 862 5221 5747** and **passcode 039390**, or by Zoom at <https://us02web.zoom.us/j/86252215747> at the scheduled meeting time. For questions, please call the library at 763-706-3690.

The meeting was called to order in the Library Community Room by Gerri Moeller at 5:33pm.

Members physically present: Gerri Moeller; Rachelle Waldon; Melanie Magidow; Carrie Mesrobian; Chris Polley; Connie Buesgens (back-up Council Liaison). **Members remotely present:** N/A. **Members absent:** N/A. **Also present:** Renee Dougherty (Library Director); Elizabeth Ripley (Adult Services Librarian); Nick Olberding (Board Secretary). **Public present:** N/A.

1. The Meeting's **Agenda** was **approved as-is**.
2. New Adult Services Librarian, Elizabeth Ripley, was introduced to the Library Board and vice-versa. Elizabeth received her Master's degree from Simmons College in Boston; has previously worked for East Central Regional Libraries and more recently for the Anoka County Libraries.
3. The **Minutes** of the **October 4th, 2023**, Board Meeting were **moved and approved**.
4. **Review 2023 Operating Budget:** 83.29% of the year and 73.62% of the budget encumbered; no concerns raised.
 - a. **43810 (Electric):** The last two years electricity has been overspent, but could be right on this year.

Community Forum: Opportunity for public input. No correspondence or members of the public in attendance.

Old Business:

5. **Ongoing Discussion on a Dedicated Library Website:** The Board Members were assigned the task of visiting other library websites and noting ones with the best aesthetic, functionality, and user friendliness. In addition to this they noted what features or items are a must have for a potential CHPL site, and what should be front and center on the homepage.
 - a. Favorite library websites found: Winona, Stillwater, Rochester (both PC/mobile), Duluth, Baraboo (WI), Menasha (WI), Neenah (WI), T.J. Jones (North Central University).
 - b. Items mentioned as being the most important to be front and center on the landing page (homepage) were a Catalog Search, Upcoming Events/Calendar, Banner Announcements (when applicable), "I Want To" Tab (essentially contains frequently clicked items like library card registration, search, hours, etc.), and a carousel cycling through pertinent info/resources/events.
 - c. Other important features to consider: Quick Links (updated in real time), Analytics for staff, Mobile Friendliness (if mobile users need to endlessly scroll to find what they are looking for, they'll likely move on), revamp and update the "About" Page (and review every 1-5 years), and Book Recommendations/Reader's Advisory.
 - d. Renee will have staff express their opinions on what a CHPL website could look like and contain and determine staff roles in ongoing maintenance and updates for the potential website. What questions could be answered on a potential website rather than in-person or over the phone? What information and resources could benefit the Library and the Community?
 - e. What could improve our image and attract more visitors, readers, and users? An institution's web presence strongly influences its perception by potential visitors; some may not even take an organization seriously if they have no website or a subpar or outdated web presence. More discussion to come...

New Business:

6. **Approve 2024 Library Board of Trustees Meeting Dates:** The proposed meeting dates were reviewed and it was unanimously agreed that the July meeting should be cancelled; a dedicated strategic planning session may be scheduled to make up for the cancelled July date. **MOTION: A Motion was made to approve all the 2024 Library Board of Trustees meeting dates, except for the cancellation of the July 3rd meeting date; the motion was seconded and unanimously approved.**
7. **Approve 2024 Library Holiday/Closed Dates:** The anticipated holiday/closed dates for 2024 were presented to the Library Board; all proposed dates are based on Columbia Heights official holidays except for May 16th (off-site staff in-service training day with Anoka County Library staff). Juneteenth (June 19) was added as a City holiday in 2023 (became a MN State holiday in 2023), it is yet unclear if Indigenous Peoples' Day (October 14) will also be added by the City (since it also became a MN State holiday in 2023); also unsure as to whether Good Friday (March 29) will remain or be removed as a city holiday. It was mentioned that the school will be closed on Eid (April 10) for the first time in 2024; it's anticipated that the City/Library will remain open that day, but it could be beneficial for the students who may opt to visit the Library while class is out. If the City makes any changes to 2024 holidays, we will review and amend the closed dates as needed. **MOTION: A motion to approve the 2024 CHPL Holiday/Closed days as proposed was made; it was seconded and unanimously approved.**

Director's Update:

8. **September Board Report:** Provided as an FYI.
9. **From the Floor:**
 - a. **Tiny Art on Display:** The 2023 Tiny Art Show is now on display in the display case through the end of December. These tiny artworks (3"x3") were done by patrons and residents who signed up to receive a kit in September (which were due October 31). Stop by and check it out!
 - b. **ESL Family Nights:** Last week's North Park family night was attended by 95 people and was very successful with some families using the library long after the event ended. It is our hope to host (in partnership with local teachers with assistance from Jen Blake) these for each of the Columbia Heights elementary/middle schools.
 - c. **Next Meeting:** Discussion of a potential Strategic Planning Session to be scheduled.

There being no further business, a motion to adjourn was made and seconded at 6:26 pm; the **meeting was adjourned.**

Respectfully submitted,



Nicholas P. Olberding
Recording Secretary, CHPL Board of Trustees



YOUTH COMMISSION
City Hall—Shared Vision Room, 3989 Central Ave NE
Wednesday, October 11, 2023
6:00 PM

MINUTES

The following are the minutes for the Meeting of the Youth Commission held at 6:00 pm on Wednesday, October 11, 2023, in the City Council Chambers, City Hall, 3989 Central Avenue NE, Columbia Heights, Minnesota.

CALL TO ORDER

Meeting called to order at approximately 6:05 pm by Commission Vice Chair Rogne.

ROLL CALL/STATUS OF MEMBERSHIP

Members Present: Hussien, Israelson, Mamo, Morales, Rogne, Tabor, Williams

Members Excused: Marquez, Kucera

Council Liaison: Mayor Márquez Simula

Also Present: Will Rottler, Communications Coordinator

APPROVAL OF AGENDA

MOTION: Move to approve the October 11, 2023, Youth Commission agenda. All ayes, motion carried.

APPROVAL OF MINUTES

Approve the September 13, 2023 Youth Commission Meeting Minutes.

MOTION: Move to approve the September 13, 2023 Youth Commission Meeting minutes. All ayes, motion carried.

OLD BUSINESS

Review Upcoming Volunteer Opportunities.

Communications Coordinator Rottler discussed with the commission upcoming volunteering opportunities and that he would email a sign-up list for the Truck or Treat event on October 28.

NEW BUSINESS

Welcome New Youth Commission Members.

Communication Coordinator Rottler introduced new Commissioner Morales.

Officer Elections: Nominations and Voting for Chair, Vice-Chair, and Secretary.

Commissioner Rogne was voted in as Chair, Commissioner Hussein as Vice-Chair and Commissioner Israelson as Secretary.

Discussion Regarding Reading “The First Thirty” (book) as a Commission.

Communications Coordinator Rottler presented information about a book that he would like the commission to read as a group. The group will read the book over Winter Break.

ADJOURNMENT

Meeting adjourned at approximately 6:45 pm by Commission Vice Chair Rogne.

Respectfully Submitted,

Sara Ion, City Clerk



CITY COUNCIL MEETING

Item 8.

AGENDA SECTION	CONSENT AGENDA
MEETING DATE	DECEMBER 14, 2023

ITEM:	Consideration of Resolution 2023-81, Updating Income Limit for Senior Citizen Utility Rates.		
DEPARTMENT: Finance		BY/DATE: Andrew Splinter, November 27, 2023	
CORE CITY STRATEGIES: <i>(please indicate areas that apply by adding an "X" in front of the selected text below)</i>			
<input type="checkbox"/> Healthy and Safe Community		<input type="checkbox"/> Thriving and Vibrant Destination Community	
<input checked="" type="checkbox"/> Equitable, Diverse, Inclusive, and Friendly		<input checked="" type="checkbox"/> Strong Infrastructure and Public Services	
<input type="checkbox"/> Trusted and Engaged Leadership		<input type="checkbox"/> Sustainable	

BACKGROUND:

For many years, the City Council has annually updated the income eligibility limit for reduced senior citizen utility rates. Currently, the income limit for reduced senior citizen rates is set at \$45,300. **Attached is a resolution raising the income limit, beginning in 2024, to \$47,700 for reduced senior citizen rates.**

The formula the City has used for this limit is the maximum current year (2024) Social Security benefit for an individual at full retirement age, plus 4%, rounded to the next even \$100 increment. This limit is then compared to applicants' prior year (2023) income. This formula is intended to allow for a modest amount of income beyond the maximum Social Security benefit possible. The maximum Social Security benefit for an individual at full retirement age for 2024 is \$45,864.

The City Council can set any formula or amount for income eligibility. If the City establishes the income eligibility guideline at a higher level, more people will qualify. As more people qualify for reduced rates, the rates for non-qualifying people will have to be raised to ensure adequate revenue in the utility fund. For many years, the number of seniors receiving the reduced rate has remained relatively constant at approximately 120 residents.

STAFF RECOMMENDATION:

It is the staff's recommendation that we maintain the current formula and increase the senior citizen utility rate to \$47,700.

RECOMMENDED MOTION(S):

MOTION: Move to waive the reading of Resolution 2023-81 there being ample copies available to the public.
MOTION: Move to adopt Resolution 2023-81, being a resolution updating the income limit for senior citizen utility rates.

ATTACHMENT(S):

Resolution 2023-81

RESOLUTION NO. 2023-81

A resolution of the City Council for the City of Columbia Heights, Minnesota, establishing eligibility standards for senior citizen utility rates.

Now, therefore, in accordance with all ordinances and regulations of the City of Columbia Heights, the City Council of the City of Columbia Heights makes the following:

ORDER OF COUNCIL

WHEREAS, the City Council has previously established eligibility standards for senior citizen rates for refuse service, sewage disposal and water supply; and

WHEREAS, it has been the City's practice to maintain uniform eligibility standards whenever possible:

NOW, THEREFORE, BE IT RESOLVED by the City of Columbia Heights as follows:

That anyone over 62 years of age with a maximum household income of \$47,700 will be eligible for reduced rates.

BE IT FURTHER RESOLVED that the above eligibility standard is effective January 1, 2024.

Passed this _____ day of _____, 2023

Offered by:

Seconded by:

Roll Call:

Amáda Márquez Simula, Mayor

Attest:

Sara Ion, City Clerk/Council Secretary

CITY COUNCIL MEETING

AGENDA SECTION	CONSENT
MEETING DATE	DECEMBER 11, 2023

ITEM:	Adopt Resolution 2023-082 Establishing Senior Citizens or Retired and Disabled Persons Hardship Special Assessment Deferral.								
DEPARTMENT: Public Works		BY/DATE: City Engineer / December 5, 2023							
<p>CORE CITY STRATEGIES: <i>(please indicate areas that apply by adding an "X" in front of the selected text below)</i></p> <table> <tr> <td><input type="checkbox"/> Healthy and Safe Community</td> <td><input type="checkbox"/> Thriving and Vibrant Destination Community</td> </tr> <tr> <td><input checked="" type="checkbox"/> Equitable, Diverse, Inclusive, and Friendly</td> <td><input type="checkbox"/> Strong Infrastructure and Public Services</td> </tr> <tr> <td><input type="checkbox"/> Trusted and Engaged Leadership</td> <td><input type="checkbox"/> Sustainable</td> </tr> </table>				<input type="checkbox"/> Healthy and Safe Community	<input type="checkbox"/> Thriving and Vibrant Destination Community	<input checked="" type="checkbox"/> Equitable, Diverse, Inclusive, and Friendly	<input type="checkbox"/> Strong Infrastructure and Public Services	<input type="checkbox"/> Trusted and Engaged Leadership	<input type="checkbox"/> Sustainable
<input type="checkbox"/> Healthy and Safe Community	<input type="checkbox"/> Thriving and Vibrant Destination Community								
<input checked="" type="checkbox"/> Equitable, Diverse, Inclusive, and Friendly	<input type="checkbox"/> Strong Infrastructure and Public Services								
<input type="checkbox"/> Trusted and Engaged Leadership	<input type="checkbox"/> Sustainable								

BACKGROUND

In 1982 the City Council adopted a resolution allowing the deferral of assessments for senior citizens and disabled persons. The resolution established eligibility criteria including a maximum income. The income level is updated annually by resolution.

SUMMARY OF CURRENT STATUS

The income eligibility amount for senior citizens or retired and disabled persons hardship special assessment deferral is being updated for 2024.

STAFF RECOMMENDATION

The attached resolution retains the criteria in the 2023 resolution and updates the previous income eligibility amount of \$45,300. The 2024 income eligibility amount is \$47,700, which is the same dollar amount used for reduced rates for senior citizens utility bills.

RECOMMENDED MOTION(S):
<p>MOTION: Move to waive the reading of Resolution No. 2023-082 there being ample copies available to the public.</p> <p>MOTION: Move to adopt Resolution No. 2023-082 being a resolution establishing a new maximum income of \$47,700 for Senior or Retired and Disabled Persons to be eligible for special assessment deferral.</p>

ATTACHMENT(S): Resolution 2023-082

RESOLUTION NO. 2023-082

A resolution of the City Council for the City of Columbia Heights, Minnesota,

WHEREAS, immediate payment of special assessments or installments on special assessments cast an undue hardship on some persons owning homestead properties who are 65 years of age or older or retired by virtue of a permanent and total disability for whom it would be a hardship to make payments, and

WHEREAS, Minnesota Statutes 435.193 – 435.195 makes it possible for a home rule charter city to pass a resolution establishing standards and guidelines for determining the existence of a hardship and for determining the existence of a disability.

Now, therefore, in accordance with the foregoing, and all ordinances and regulations of the City of Columbia Heights, the City Council of the City of Columbia Heights makes the following:

FINDINGS OF FACT

1. This deferral procedure shall apply only to assessments which are payable in five or more annual installments.
2. This deferral procedure shall apply only to property owned and occupied by the elderly, retired, or disabled applicant. Ownership and occupancy must be the same nature as would qualify the applicant for a homestead exemption for tax purposes.
3. This deferral procedure shall apply only to homestead property owned by a person 65 years of age or older or retired by virtue of a permanent and total disability for whom it would be a hardship to make payments. Permanent and total disability shall have the same definition for purposes of assessment deferral as is used for social security purposes.
4. This deferral procedure shall not be construed as to prohibit the determination of hardship on the basis of exceptional and unusual circumstances not covered by the standards and guidelines herein so long as determination is made in a nondiscriminatory manner and does not give the applicant an unreasonable preference or advantage over other applicants.
5. In order to obtain a deferral of an assessment, the homeowner must make application on the forms prescribed by the City Clerk.
6. The option of the homeowner to defer the payment of special assessments shall terminate and all amounts accumulated plus applicable interest shall become due and payable upon the occurrence of any of the following events:
 - a. the death of the owner, provided that the spouse is not otherwise eligible for benefits hereunder;
 - b. the sale, transfer or subdivision of the property or any part thereof;
 - c. if the property should for any reason lose its homestead status; or
 - d. if for any reason the City shall determine that there would be no hardship to require immediate or partial payment.

7. No deferral may be granted unless the homeowner makes application to the City Clerk within thirty (30) days after adoption of the assessment by the Council.
8. The deferral shall apply to only 50% of the annual installment payment. If the 50% is not paid in a timely manner, the balance of the annual installment along with all future installments shall become immediately due and payable.
9. No deferral shall be granted to any owner who has a gross annual household income from all sources in excess of \$47,700.
10. No deferral may be continued from year to year unless the owner shall file a renewal application before September 15th of each year.
11. No special assessment may be deferred for a period longer than the time set by the Council as the time over which the project is to be assessed.
12. Interest on deferred assessments shall be at the rate set by the Council in its resolution adopting the assessment roll, and such interest shall be added to the amount deferred and shall be paid in accordance with Minnesota Statute 435.195 and this Resolution.

ORDER OF COUNCIL

Passed this 11th day of December 2023

Offered by:

Seconded by:

Roll Call:

Amáda Márquez Simula, Mayor

Attest:

Sara Ion, City Clerk/Council Secretary



CITY COUNCIL MEETING

AGENDA SECTION	CONSENT AGENDA
MEETING DATE	DECEMBER 11, 2023

ITEM:	Adopt Resolution 2023-084 Establishing the City of Columbia Heights Fee Schedule for 2024.		
DEPARTMENT: Administration		BY/DATE: Kevin Hansen / December 7, 2023	
CORE CITY STRATEGIES: <i>(please indicate areas that apply by adding an "X" in front of the selected text below)</i>			
<input type="checkbox"/> Healthy and Safe Community		<input type="checkbox"/> Thriving and Vibrant Destination Community	
<input type="checkbox"/> Equitable, Diverse, Inclusive, and Friendly		<input checked="" type="checkbox"/> Strong Infrastructure and Public Services	
<input type="checkbox"/> Trusted and Engaged Leadership		<input type="checkbox"/> Sustainable	

BACKGROUND:

Staff has reviewed the 2023 City wide Fee schedule and submitted changes for 2024. A draft version of the updated fee schedule is attached, with changes and updates highlighted in yellow / with red text and strike through where needed.

RECOMMENDED MOTION(S):

MOTION: Move to waive the reading of Resolution No. 2023-084, there being ample copies available to the public.

MOTION: Motion to adopt Resolution No. 2023-084, approving the 2023 City Wide Fee Schedule.

ATTACHMENT(S):

Draft 2024 Fee Sch
Resolution 2023-084



DRAFT

The City of Columbia Heights Fee Schedule

Adopted _____, 2024

ADMINISTRATION/GENERAL

DATA PRACTICES REQUEST FEES

Paper Copies/Documents (100 pages or fewer of 8.5 x 11 or 8.5 x 14)*

.25/copy; .50/2 sided

Special requests from public for information (electronic or more than 100 pages)*

Hourly wage of lowest paid employee able to retrieve/copy data plus copying, materials and mailing cost:

*Waived if the total cost is under \$5.00

Library copier

.10 per black and white copy; .50 per color copy

Copy of City Charter

\$5

City Code-Book (unbound)

\$100

City Code-Chapter

\$15

Copy of meeting- CD, DVD or flash drive

\$20

ABATEMENT FEES

Immediate Abatement Administrative Fee

\$75.00 per abatement

Immediate Abatement w/Search Warrant Administrative Fee

\$125.00 per abatement

Abatement Administrative Fee

\$200.00 per abatement

COMMUNITY DEVELOPMENT

Comprehensive Plan

\$10

Multiple Dwelling List

.50 for 1st Copy

.25 for each additional copy

Appeal

\$200

Comprehensive Plan Amendment

\$1,000

Conditional Use Permit (Residential)

\$250

Conditional Use Permit (All Others)

\$500

Site Plan (Under 1 acre)

\$500

Site Plan (1 acre and Over)

\$1,000

Preliminary Plat

\$1,000

Final Plat

Included w/prelim plat fee

Interim Use

\$250

Minor Subdivision (Lot Split)

\$275

Vacation

\$150

Variance (Residential)

\$250

Variance (All Others)

\$500

Zoning Amendment

\$1,000

Zoning Letter

\$75

BUSINESS LICENSE FEES

Arcades/Amusement Centers

(\$5,000 Bond/\$100 Inv. Fee) (PD)

\$500

Auto Recycling Dealer/Junk Yard

\$500

(\$10,000 Surety Bond) PD,FD, ZA

Beer Sales

On Sale (\$250 Inv. Fee 1st time application)

\$400

Off Sale (\$250 Inv. Fee 1st time application) Formerly \$150

\$200

Merchants & Brewers

\$200

Temporary Beer (per day basis)

\$100

(\$250 Investigation Fee)

Brewer Taprooms & Brew Pubs (On Sale)

(\$250 Investigation Fee 1st time Applicant)

Brewers manuf. Less than 2,000 barrels/yr.

\$150

Brewers manuf. 2,000-3,500 barrels/yr.

\$500

Brewers manuf. 3,500+ barrels/yr.

\$4,000

Carnivals

\$50/day

(\$500 deposit & insurance)

Christmas Tree Sales

\$50

(\$200 Clean-up Deposit)

Contractor's License/Registration*

City of Columbia Heights Fee Register

Item 10.

(Bond and Insurance Required)	
Building –Commercial Projects (not licensed by State)	\$80
Blacktop	\$80
Excavator	\$80
Masonry/Concrete	\$80
Moving	\$80
Demolition	\$80
Plaster/Stucco	\$80
Heating/Cooling	\$80
Sign Installation	\$80
*City contractor licenses may only be issued to contractors who are not required to be licensed by the State	
Courtesy Benches	\$25/each
(Insurance Required)	
Exhibition/Convention/Shows/Expos	
(\$5,000 Bond)	
First Day	\$50
Each Additional Day	\$10
Food Truck Registration Fee	\$100
Games of Skill	\$15/Location, Plus \$15/machine
Kennels	\$50
Each additional cage	\$10
Massage Therapist, Business	\$500
(\$250 Inv. Fee)	
Massage Therapy, Individual	\$100
(\$250 Inv. Fee)	
Motor Vehicle Fuel Dispensing Stations	
First Metering Device	\$50
Each Additional Metering Device	\$10
L.P. Gas per Metering Device	\$50
Motor Vehicle Rental/Leasing	
New Application	\$75
Renewal Application	\$50
Motor Vehicle Sales (New & Used)	\$300
Pawnbroker	\$12,000
(\$5,000 Bond/\$100 Inv. Fee)	
Peddlers/Solicitors & Transient Merchant	
Itinerant Hawker/Peddler	\$50/day; \$100/mo.; \$500/yr.
Transient Merchant	\$50/day; \$100/mo.; \$500/yr.
Pet Shop	\$50
Pool/Billiard Hall	\$100
(\$100 Inv. Fee)	
Popcorn, Candy, Food Catering Vehicles	\$50
(Insurance - Public & Vehicle Liability)	
Precious Metal Dealers	
(\$5,000 Bond, \$100 Inv. Fee)	
New Applicant	\$300
Renewal	\$200
Secondhand Merchant Business	\$100
(\$5,000 Bond, \$100 Inv. Fee)	

City of Columbia Heights Fee Register

Item 10.

Sexually Oriented/Adult Business (Inv. Fee \$500-\$10,000)	\$10,000
Tobacco Sales	
Accessory Sales	\$500
Smoke Shop (no indoor sampling)	\$500
Smoke Shop (indoor sampling)	\$1,000
Tree Removal & Treatment (Insurance Required)	\$80
LIQUOR LICENSING FEE	
Intoxicating Liquor Sales	
Class A (Inv. Fee \$500-\$2000)	\$8,000
Class B (Inv. Fee \$500-\$2000)	\$6,500
Class C (Inv. Fee \$500-\$2000)	\$6,500
Class D (Inv. Fee \$500-\$2000)	\$8,000
Class E (Inv. Fee \$500-\$2000)	\$5,500
On Sale Wine (Inv. Fee \$500-\$2000)	\$1,200/\$2,000
(\$1,200 for restaurants w/ seats 25-74; \$2,000 for seats 75+)	
Sunday On-Sale Liquor	\$200
Temporary On-Sale (Inv. Fee \$500-\$2000)	\$ 100/day
2:00 am Closing Time Adopted in June 2017	\$300
Club On-Sale Liquor (Inv. Fee \$500-\$2000)	Per membership
1 to 200 members	\$300
201 to 500 members	\$500
501 to 1,000 members	\$650
1,001 to 2,000 members	\$800
2,001 to 4,000 members	\$1,000
4,001 to 6,000 members	\$2,000
Over 6,000 members	\$3,000
BUILDING PERMITS, FIRE ALARM SYSEMS, AND FIRE SUPPRESSION SYSTEM FEES	
Total Valuation	Fee
\$1.00 to \$500.00	\$65.00 minimum
\$501.00 to \$2,000.00	\$65.00 for the first \$500.00, plus \$3.70 for each additional \$100.00 or fraction thereon, to and including \$2,000.0
\$2,001.00 to \$25,000.00	\$107 for the first \$2,000.00, plus \$17.50 for each additional \$1,000.00 or fraction thereof, to and including \$50,000.0
\$25,001.00 to \$50,000.00	\$510.00 for the first \$25,000, plus \$13.40 for each additional \$1,000.00 or fraction thereof, to an including \$50,00
\$50,001.00 to \$100,000.00	\$845.00 for the first \$50,000.00, plus \$9.15 for each additional \$1,000.00 or fraction thereof, to and including \$100,000.0
\$100,001.00 to \$500,000.00	\$1,302.50 for the first \$100,000.00, plus \$6.18 for each additional \$1,000.00 or fraction thereof, to and including \$500,000.0
\$500,001.00 to \$1,000,000.00	\$4,262.50 for the first \$500,000.00 plus \$6.18 for each additional \$1,000.00 or fraction thereof, to and including \$1,000,000.0
\$1,000,001.00 and up	\$7,352.50 for the first \$1,000,000.00, plus \$4.80 for each additional \$1,000.00 or fraction thereof
Plan Review Fees- 65% of Permit Fees	
Surcharge- As mandated by State of Minnesota	
BUILDING PERMIT FIXED FEE	
Residential roofing replacement	\$160 + Surcharge
Residential roofing repair (limited to 300sq.ft.)	\$120 + Surcharge
Residential roofing multi-family (townhomes)	\$70 per unit + Surcharge
Residential siding replacement	\$160 + Surcharge
Residential siding repair (limited to one side/elevation of the house)	\$120 + Surcharge
Residential siding and roofing combined	\$300 + Surcharge
Residential siding multi-family (townhomes)	\$70 per unit + Surcharge
Residential windows	\$160 + Surcharge
Residential roofing, windows, and siding combined	\$450 + Surcharge
HEATING/COOLING PERMIT FEES	
Minimum permit fee	\$65 + surcharge
Fireplace	\$75 + Surcharge
Furnace and/or AC	\$75 + Surcharge

Boiler (also requires backflow preventer permit) \$75 + Surcharge
 All other plumbing fees to remain with a minimum fee of \$65 applied to all permit applications

Fees for Residential Mechanical Permits shall be calculated as follows on a per unit basis, with a minimum permit fee of \$65.00. Surcharges shall be collected as mandated by the State

Air to Air Exchanger	\$15
Chimney liner	\$10
Ductwork	\$10
Gas Dryer	\$10
Gas Piping	\$10
Gas Range/Oven	\$10
Gas Grill	\$10
Pool Heater	\$10

Fees for Commercial/Industrial/Institutional Mechanical Permits will be based on total cost of work calculated by using the Building Permit Fee Schedule. The total cost of work shall include all labor and materials supplied by the contractor. The minimum Permit fee shall be \$65.00. The surcharge shall be calculated as mandated by the State.

PLUMBING/GAS PIPING PERMITS

PLUMBING PERMIT FEES/GAS PIPING PERMITS

Residential Permit Fees shall be computed on the basis of the number of fixtures provided for in the permit in accordance with the following schedule
 Residential is defined as single family, two family dwelling, townhouse unit and multi-family unit.

Fees for Group "A" fixtures at \$10.00 each with a minimum fee of \$65.00

bathtub	laundry tray	washer
bidet	lavatory	gas piping
dryer	shower	water supply-inside
dishwasher	sink	sewer repair-inside
floor drain	water closet	water supply-outside
pool heater		

Minimum permit fee	\$65 + Surcharge
Water heater	\$65 + Surcharge
Water softener	\$65 + Surcharge
Backflow preventer	\$65 + Surcharge
All other plumbing fees to remain with a minimum fee of \$65 applied to all permit applications.	

Surcharges shall be collected as mandated by the State.

Fees for Commercial/ Industrial/Institutional Plumbing
 Installations/Repairs will be based on the total cost of the work calculated by using the Building Permit Fee Schedule. The total cost of the work shall include all labor and materials supplied by the Contractor. The Minimum Fee shall be \$65.00. The surcharge shall be calculated as mandated by the State.

SEWER/WATER PERMITS

Permits will be required for all installation, alterations, repairs of any domestic water or sewer lines, commercial water/sewer lines or any water line to be used for fire suppression systems. For any job requiring City crews to make a water or sewer tap, the Contractor must provide an OSHA approved trench box before City Crews will perform tapping operations. Fees will be \$35.00 plus parts and tax when applicable. Surcharges shall be collected as mandated by the State.

WATER METER PERMITS

The fees collected for the installation of water meters for residential, commercial, industrial, institutional installations will be calculated at 15% over the cost of the meter, plus sales tax. No surcharge will be collected.

DEMOLITION PERMITS

Permit fees and surcharges will be based on same schedule as for Building Permits, based on the cost of the job

MOVING PERMITS

Fees for the moving or raising of any minor building such as a utility building or garage will be calculated at a fee of \$50.00 per structure. Fees for the moving or raising of all other building will be calculated at a fee of \$100 per structure. Permits will be required if passing through the City off of US Highways or County streets. Fees shall be calculated at \$50 per structure.

INSTALLATION/REMOVAL OF FLAMMABLE/COMBUSTIBLE STORAGE TANKS and LP GAS TANKS

Fees for the installation, removal, or alteration of any above ground or below ground storage tanks or LP tanks will be calculated at \$35.00 per tank. All installations must be approved by the State Fire Marshall and the local Fire Department.

STREET EXCAVATION/DUMPSTER PERMITS

Permits are obtained at the Public Works Department. Fees will be charged for the permits, but no surcharge is collected.

ADDITIONAL FEES

Inspections for which no fee is specifically indicated	\$65.00 per hour (minimum 1 hour)
Inspections outside normal business hours	\$92.00 per hour (minimum 1 hour)
Reinspection fee:	\$32.50 for the first and \$65 for each inspection thereafter
Reinstate expired permit	½ the permit fee
Business use certificate of occupancy	\$120.00 to meet on site with the fire department. One reinspection included. Additional inspections see fee schedule for reinspection fee
Investigation fee	Up to but not to exceed the permit fee.
Initial Rental Inspection Fee:	\$160.00 for single-family dwellings. \$320 for two-family dwellings. \$320.00 plus \$25.00 for each unit over 2 rental units for multiple-family dwellings
	No initial rental inspection fee for new construction of two-family and multiple-family residential dwellings.

PERMIT REFUND POLICY

The Building Official may authorize refunding of not more than 80 percent of the permit fee paid when no work has been done under a permit issued in accordance with this code. The Building Official may also authorize refunding of not more than 80 percent of the plan review fee when an application for a permit for which a plan review fee has been paid is withdrawn or canceled before any plan reviewing is done. The Building Official shall only authorize refunding of any fee paid when a written request has been submitted, by the original applicant, not later than 180 days after the date of fee payment.

ECONOMIC DEVELOPMENT

Proposal Consideration	\$100
Single Family Home Lot Sales Program Application	\$50
Tax Exempt Conduit Revenue Bond Application	\$1,000
Escrow Deposit	\$20,000
Tax Increment Financing Application	\$1,000
Escrow Deposit	\$20,000
Legal or Financial Consultant Review Escrow Deposit	\$3,000

*Please Note: The unused amount of an escrow deposit will be refunded upon the completion of legal or financial consultant services. If additional expenses are incurred beyond the amount of the escrow deposit, an

FINANCE

Abandoned account fee	\$1 per month
Convenience fee for payments by telephone for Water, Sewer, and Refuse Bills	\$3 per transaction
Convenience fee for customer deposits made by debit card, credit card, or paypal	The deposit amount multiplied by 3%

FIRE**RENTAL LICENSING FEES**

Rental property license - 1 thru 3 units	\$300 per building
Rental property license — over 3 units	\$250 per building plus \$22 per unit
Family Exempt properties	\$75 per bldg

License Reinstatement after Revocation/Suspension	Five times annual license fee
License Transfer Fee	\$50.00

Licensing Late Fee	\$150.00
Reinspection Fee	\$150.00 per inspection
Posting/Notice and Letters Fee	\$140 base fee plus \$10 per unit

FIRE DEPARTMENT SERVICE CHARGES

Engine	Refer to DNR Fee Schedule
Ladder Truck	Refer to DNR Fee Schedule
Rescue Truck Crew of 3	Refer to DNR Fee Schedule
Ambulance Crew of 3	Refer to DNR Fee Schedule
Any Other Apparatus	Refer to the DNR Fee Schedule
Fire Watch	Actual Cost

REPEAT NUISANCE CALL SERVICE FEES

Repeat False Smote of Fire Alarms: 3rd Event	\$250
Repeat False Smote of Fire Alarms: 4+ Events	\$350

FIRE PERMITS

Recreational Fire Permit:	
Daily (up to 9 per year)	\$0.00
Annual	\$25.00
Festival Bonfire	\$200.00
Permit Burn (requires Council approval)	\$500.00

Explosives:

Operational permit required for the manufacture, storage, handling, sale or use of any quantity
(Permits obtained by State Fire Marshal)

Fireworks:

Outdoor fireworks displays by State certified operator.

Plan review and date of display inspection conducted by Fire Department \$75.00

Fireworks sales in existing retail establishments. \$0.00

Fireworks stands or tent sales. (NFPA 1124) \$200.00

Fire Code Operational Permits \$200.00

Operational Permits as set forth in Section 105.6

NEW CONSTRUCTION/ MODIFICATIONS/FIRE PLAN REVIEW:

For all occupancies with the exception of detached one- and two-family dwellings.

Structures:

New construction/modification fire review fee. \$75.00

Automatic Fire-Extinguishing Systems:

New construction/modification fire review fee. \$90.00

Fire Alarm and Detection Systems and Related Equipment:

New construction/modification fire review fee. \$75.00

Fire Pumps and Related Equipment:

New construction/modification fire review fee. If part of an automatic fire-extinguishing system review no separate fee will be charged. \$50.00

Standpipe Systems: \$50.00

Spray Rooms, Dip Tanks, or Paint Booths: \$50.00

LP Gas:

Exterior installations only: Plan review and inspections to be conducted by Fire Department \$180.00

Interior installations only: New construction/modification fire review fee \$90.00

Flammable & Combustible Liquids: \$90.00

New construction/modification fire review fee.

(includes tank installations & removals)

Hazardous Materials: \$90.00

New construction/modification fire review fee.

Temporary Membrane Structures, Tents and Canopies:

Less than 180 days: Plan review and inspections to be conducted by Fire Department \$90.00

Under a Conditional Use Permit. \$50.00

Greater than 180 days: New construction/modification fire review fee \$50.00

LIBRARY

Replacement library card \$2.00

Out-of-State/Non-resident library card \$60.00 (annually)

Earbuds **\$5.00** \$2.00

Flash Drive \$5.00

Hardcover adult sale book \$1.00

Trade/Oversize paperback sale book \$0.75

Mass Market paperback sale book \$0.50

Children's hardcover sale book \$1.00

Children's paperback sale book \$0.25

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Sale DVD	\$1.00
Sale audiobook	\$2.00
Sale audio CD	\$1.00
Print/Copy (black and white)	\$0.10
Print/Copy (color)	\$0.50
Misc.	Variable
Dishonored check fee	\$30.00
Replacement of lost or damaged materials	Discounted cost of item plus a \$8.00 processing charge for print material or a \$10.00 processing charge for media material.

Barcode	Magazines = \$6.00 or list price if higher	
	\$0.50 (charged if 5 or more barcodes are missing or damaged.)	
RFID tag	\$0.25 (charged if 5 or more tags are missing or damaged.)	\$0.50 (charged if 5 or more tags are missing or damaged.)
Book Jacket	\$0.50 (charged if 3 or more are missing or damaged)	
Compact disc Jewel case (CD)	\$0.75	
CD book case (up to 10 in a case)	\$2.50	
CD book case (11-24/case)	\$5.00	
CD book case (25+/case)	\$15.00	
DVD case (1-4 in case)	\$1.00	
DVD case (5+/case)	\$2.50	
Compact disc or DVD insert (1 page)	\$1.00	
Compact disc or DVD insert (multiple pages)	\$3.00	
Community Room Rental	\$25.00 per hour	

POLICE

False alarm response by police		
Third in calendar year	\$50.00	\$60
Fourth in calendar year	\$75.00	\$85
Fifth and any subsequent in a calendar year	\$100.00	\$110
No parking 2 a.m. to 6 a.m.	\$25.00	
No parking April 1 to May 1 when there is 3 ½ inches of snow or more on the streets	\$25.00	
Copies of Reports	\$.25 per page	No charge for 9 or fewer pages; \$.25 per page for 10 or more pages
Report on an Address or Person	\$5.00	
Administrative Vehicle Impound Fee	\$35.00	
Administrative Animal Impound Fee	\$8.00	
Digital Photos	\$5.00	
Copy of Color Photos	\$5.00 for 1st page, \$1 each additional page	
Audio/Video CD	\$15.00	\$25
Letter of Good Standing	\$10.00	\$20
Weekly Accident Report	\$5.00	
Admin Parking/Moving Violations	Varies	
Repeat Nuisance Call Service Fee	\$250 plus add'l fees for excess costs	
No Trespassing Signs (yellow)	\$4/each	
Dangerous Dog Registration (annual)	\$50.00	\$150.00

PUBLIC WORKS

Right of Way Permits	
Annual Registration for Utility Companies	\$75.00
Small Cell	\$850.00 per site
Street Excavation	\$150.00 per Street Penetration
Trench or Boring	\$150.00 plus \$.25 per Lineal Foot of Trench
Boulevard Excavation	\$50.00 per Boulevard Disturbance
Non-Excavation (Obstruction)	\$50.00 plus \$.05 per Lineal Foot
Extension	\$35.00 plus \$15.00 per Week Extension
Penalty	Two (2) times the amount of the Standard Permit
Degradation*	To be calculated by City (see below for estimates)
Resident Boulevard Excavation	\$35.00

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Resident Boulevard Excavation Deposit	\$750.00
Resident Driveway Apron/Curb and Gutter Deposit	\$750.00
Senior Excavation Permit (over 62 years old)	\$35.00 per Excavation
Sidewalk by Property Owners	
Senior Sidewalk (over 62 years old)	\$20.00
Property Owner Sidewalk	\$40.00

***Degradation**

Due to the difficulty in determining the possible scope of some projects, the City will only be able to provide an estimate of the degradation fee when a permit is issued. The City Right-of-Way inspector will calculate the degradation fee after the complete scope of work is determined.

Degradation Fee Estimates for Bituminous Street:

	HOLE (Maximum length=street width)	TRENCH
New Street - 0 to 5 Years	$(\$2.25 \times \text{street width} \times \text{length}) +$ $(\$3.75 \times \text{lane width} \times \text{hole length})$	$(\$2.25 \times \text{street width} \times \text{length}) +$ $(\$3.75 \times \# \text{ of lanes} \times \text{lane width} \times \text{lengths})$
Existing Street - 5 years old to 20 years old	$(\$2.00 \times \text{lane width} \times \text{length}) +$ $(\$3.00 \times \text{lane width} \times \text{hole length})$	$\$3.00 \times \# \text{ of lanes} \times \text{lane width} \times \text{length}$
Existing Street - over 20 years old	$\$2.75 \times (\text{hole width} + 4 \text{ feet}) \times$ $(\text{hole length} + 4 \text{ feet})$	$\$2.75 \times (\text{trench width} + 4 \text{ feet}) \times \text{length}$
Street to be reconstructed in next two (2) years	$\$2.00 \times (\text{hole width}) \times (\text{hole length})$	$\$2.00 \times \text{trench width} \times \text{length}$

Degradation Fee Estimates for Concrete Street:

	HOLE	TRENCH
New Street-0 to 5 Years	$(\$3.00 \times \text{street width} \times \text{length}) +$ $(\$4.50 \times \text{lane width} \times \text{hole length})$	$(\$3.00 \times \text{street width} \times \text{length}) +$ $(\$4.50 \times \# \text{ of lanes} \times \text{lane width} \times \text{lengths})$
Existing Street- 5 years old to 20 years old	$(\$2.75 \times \text{lane width} \times \text{length}) +$ $(\$4.25 \times \text{lane width} \times \text{hole length})$	$\$3.75 \times \# \text{ of lanes} \times \text{lane width} \times \text{length}$
Existing Street – over 20 years old	$\$3.75 \times (\text{hole width} + 4 \text{ feet}) \times$ $(\text{hole length} + 4 \text{ feet})$	$\$3.75 \times (\text{trench width} + 4 \text{ feet}) \times \text{length}$
Street to be reconstructed in next 2 years	$\$3.25 \times (\text{hole width}) \times (\text{hole length})$	$\$3.25 \times \text{trench width} \times \text{length}$

Street Obstruction Permit

Street Obstruction Permit (Valid for 30 days)	\$30.00
Extension Fee	\$15.00 per week
Flasher Deposit	\$150.00

Load Limit Permit

Load limit permit required for spring weight restrictions	N/C
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Water Hydrant Meter Rentals

5/8" Water Meter	\$200.00	\$300.00
2-1/2 Water Meter with 2" RPZ Backflow Preventer	\$2,500.00	

Special Assessment Search

Basic special assessment search	\$25.00
Additional information	\$15.00

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Engineering Copy Requests	
AsBuilt's	\$2.50 per sheet
Plotter Copies (22" x 34" or 24" x 36")	\$15.00 each
Regular Photocopies (8-1/2 x 11, 8-1/2 X 14, 11 x 17)	\$.25 each

Maps	
Full color city map, zoning map or parks map	\$15.00
Shaded Relief Map (36" x 36")	\$15.00
Standard Address Map	\$20.00
Large Address Map	\$30.00
Utility Maps (watermain, sanitary sewer, storm sewer) (36" by 28")	\$20.00
Property Only (Urban) 1/2 Section (22" x 34")	\$15.00
Property & Planimetric (Urban) 1/2 Section (22" x 34")	\$25.00
Property, Planimetric & Contours (Urban) 1/2 Section (22" by 34")	\$50.00
Color Aerial Photo (Urban) 1/2 Section (22" x 34")	\$30.00
Special Request (See City Engineer)	\$15.00 plus \$50/hour (\$25.00 minimum)

GIS Data Requests (Digital Data)	
Planimetric & Contours	\$15.00 plus \$50/hour (\$25.00 minimum)
CD ROM	\$12.00

Notary	N/C
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RECREATION

RENTAL INFORMATION		2024-2025 RATES		
RENTAL INFORMATION	2024 RATES (Updated to Include Sales Tax)		2025 RATES	
	(Mon - Thur)	(Fri - Sun)	(Mon - Thur)	(Fri - Sun)
Hall/Kitchen/LaBelle Lounge w/Tax	\$1,872.16	\$3,054.11	\$1,928.32	\$3,146.52
Hall/Kitchen/LaBelle Lounge	\$1,731.48	\$2,824.61	\$1,783.42	\$2,909.35
LaBelle Lounge w/tax	\$429.04	\$620.72	\$479.51	\$639.34
Senior Center or Maithaire/McKenna Room w/tax	\$487.54	\$587.74	\$502.16	\$605.37
Down Payment (non-refundable)	\$800 / \$100	\$800 / \$100	\$800 / \$100	\$800 / \$100
Damage Deposit (refundable)	\$800 / \$250	\$800 / \$250	\$800 / \$250	\$800 / \$250
Security Officer Deposit	\$250	\$250	\$250	\$250
Security Officer hourly rate	\$35	\$35	\$35	\$35
Pop/CO2 Charge	\$100/\$150/\$200	\$100/\$150/\$200	\$100/\$150/\$200	\$100/\$150/\$200
Early Entry Fee *Preapproved*	\$60	\$60	\$60	\$60
Custodial Charge per hour	\$40	\$40	\$40	\$40
Events Lasting 2 hours or less	50%	N/A	50%	N/A
Events Lasting 4 hours or less	25%	N/A	25%	N/A
Heights Resident Discount**	25%	25%	25%	25%

All rental rates, fees, and deposits are subject to State Sales Tax.

All JPM rentals end at 1:00 am. An \$80 plus tax late fee will be assessed every 30 minutes. Saturday/Sunday rental time: 12:00 noon - 1:00 am. Friday rental time: 9:00 am - 1:00 am. A storage fee of \$100 will be charged for items left in the building outside of rental time. Single room rentals have a maximum rental time of 7 hours.

Linen and Napkin rental is available upon request. 2024 Prices are as follows:

White or Ivory Linens \$7.00 per hall table (60" rounds and 8' x 2 1/2' banquet tables) Tax additional \$3.50 per bar table .70 per napkin (various colors available)

White Melamine Dinnerware, Silverware and Plastic Tumblers are available for a rental fee of \$50 plus tax per rental.

Saturday rentals may decorate Friday before their event from 9:00 am - 4:30 pm for a \$150 fee. This reservation can only be made if the hall is available within 3 weeks of the rental date.

PARK RENTAL FEES	w/tax included
Resident	\$50
Non-Resident	\$150
Large groups 100+ people	\$125
EVENT WAGON	\$65

BALLFIELD RENTAL	\$40 per day or \$10 per hr	\$75 per day or \$20 per hr
GARDEN PLOTS	\$25	\$30

BUILDING PERMIT FEES

Valuation	Fee	Valuation	Fee
\$ 0 - 800	35.00		
801 - 900	35.70		
901 - 1,000	38.75	25,001 - 26,000	401.35
1,001 - 1,100	41.80	26,001 - 27,000	411.45
1,101 - 1,200	44.85	27,001 - 28,000	421.55
1,201 - 1,300	47.90	28,001 - 29,000	431.65
1,301 - 1,400	50.95	29,001 - 30,000	441.75
1,401 - 1,500	54.00	30,001 - 31,000	451.85
1,501 - 1,600	57.05	31,001 - 32,000	461.95
1,601 - 1,700	60.10	32,001 - 33,000	472.05
1,701 - 1,800	63.15	33,001 - 34,000	482.15
1,801 - 1,900	66.20	34,001 - 35,000	492.25
1,901 - 2,000	69.25	35,001 - 36,000	502.35
2,001 - 3,000	83.25	36,001 - 37,000	512.45
3,001 - 4,000	97.25	37,001 - 38,000	522.55
4,001 - 5,000	111.25	38,001 - 39,000	532.65
5,001 - 6,000	125.25	39,001 - 40,000	542.75
6,001 - 7,000	139.25	40,001 - 41,000	552.85
7,001 - 8,000	153.25	41,001 - 42,000	562.95
8,001 - 9,000	167.25	42,001 - 43,000	573.05
9,001 - 10,000	181.25	43,001 - 44,000	583.15
10,001 - 11,000	195.25	44,001 - 45,000	593.25
11,001 - 12,000	209.25	45,001 - 46,000	603.35
12,001 - 13,000	223.25	46,001 - 47,000	613.45
13,001 - 14,000	237.25	47,001 - 48,000	623.55
14,001 - 15,000	251.25	48,001 - 49,000	633.65
15,001 - 16,000	265.25	49,001 - 50,000	643.75
16,001 - 17,000	279.25	50,001 - 51,000	650.75
17,001 - 18,000	293.25	51,001 - 52,000	657.75
18,001 - 19,000	307.25	52,001 - 53,000	664.75
19,001 - 20,000	321.25	53,001 - 54,000	671.75
20,001 - 21,000	335.25	54,001 - 55,000	678.75
21,001 - 22,000	349.25	55,001 - 56,000	685.75
22,001 - 23,000	363.25	56,001 - 57,000	692.75
23,001 - 24,000	377.25	57,001 - 58,000	699.75
24,001 - 25,000	391.25	58,001 - 59,000	706.75
59,001 - 60,000	713.75	106,001 - 107,000	1032.95
60,001 - 61,000	720.75	107,001 - 108,000	1038.55
61,001 - 62,000	727.75	108,001 - 109,000	1044.15
62,001 - 63,000	734.75	109,001 - 110,000	1049.75
63,001 - 64,000	741.75	110,001 - 111,000	1055.35
64,001 - 65,000	748.75	111,001 - 112,000	1060.95
65,001 - 66,000	755.75	112,001 - 113,000	1066.55
66,001 - 67,000	762.75	113,001 - 114,000	1072.15
67,001 - 68,000	769.75	114,001 - 115,000	1077.75
68,001 - 69,000	776.75	115,001 - 116,000	1083.35
69,001 - 70,000	783.75	116,001 - 117,000	1088.95
70,001 - 71,000	790.75	117,001 - 118,000	1094.55
71,001 - 72,000	797.75	118,001 - 119,000	1100.15
72,001 - 73,000	804.75	119,001 - 120,000	1105.75
73,001 - 74,000	811.75	120,001 - 121,000	1111.35
74,001 - 75,000	818.75	121,001 - 122,000	1116.95
75,001 - 76,000	825.75	122,001 - 123,000	1122.55
76,001 - 77,000	832.75	123,001 - 124,000	1128.15
77,001 - 78,000	839.75	124,001 - 125,000	1133.75
78,001 - 79,000	846.75	125,001 - 126,000	1139.35
79,001 - 80,000	853.75	126,001 - 127,000	1144.95
80,001 - 81,000	860.75	127,001 - 128,000	1150.55
81,001 - 82,000	867.75	128,001 - 129,000	1156.15
82,001 - 83,000	874.75	129,001 - 130,000	1161.75
83,001 - 84,000	881.75	130,001 - 131,000	1167.35
84,001 - 85,000	888.75	131,001 - 132,000	1172.95

85,001 - 86,000	895.75	132,001 - 133,000	1178.55
86,001 - 87,000	902.75	133,001 - 134,000	1184.15
87,001 - 88,000	909.75	134,001 - 135,000	1189.75
88,001 - 89,000	916.75	135,001 - 136,000	1195.35
89,001 - 90,000	923.75	136,001 - 137,000	1200.95
90,001 - 91,000	930.75	137,001 - 138,000	1206.55
91,001 - 92,000	937.75	138,001 - 139,000	1212.15
92,001 - 93,000	944.75	139,001 - 140,000	1217.75
93,001 - 94,000	951.75	140,001 - 141,000	1223.35
94,001 - 95,000	958.75	141,001 - 142,000	1228.95
95,001 - 96,000	965.75	142,001 - 143,000	1234.55
96,001 - 97,000	972.75	143,001 - 144,000	1240.15
97,001 - 98,000	979.75	144,001 - 145,000	1245.75
98,001 - 99,000	986.75	145,001 - 146,000	1251.35
99,001 - 100,000	993.75	146,001 - 147,000	1256.95
100,001 - 101,000	999.35	147,001 - 148,000	1262.55
101,001 - 102,000	1,004.95	148,001 - 149,000	1268.15
102,001 - 103,000	1,010.55	149,001 - 150,000	1273.75
103,001 - 104,000	1,016.15	150,001 - 151,000	1279.35
104,001 - 105,000	1,021.75	151,001 - 152,000	1284.95
105,001 - 106,000	1,027.35	152,001 - 153,000	1290.55
Valuation	Fee	<u>\$100,001.00 to \$500,000.00</u>	
154,001 - 155,000	1,296.15	\$993.75 for the first	
155,001 - 156,000	1,301.75	\$100,000.00 of valuation plus	
156,001 - 157,000	1,307.35	\$5.60 for each additional	
157,001 - 158,000	1,312.95	\$1,000.00 or fraction thereof	
158,001 - 159,000	1,318.55	up to and including	
159,001 - 160,000	1,324.15	\$500,000.00.	
160,001 - 161,000	1,329.75	<u>\$500,001.00 to \$1,000,000.00</u>	
161,001 - 162,000	1,335.35	\$3,233.75 for the first	
162,001 - 163,000	1,340.95	\$500,000.00 plus \$4.75 for each	
163,001 - 164,000	1,346.55	additional \$1,000.00 of value	
164,001 - 165,000	1,352.15	or fraction thereof to and	
165,001 - 166,000	1,357.75	including \$1,000,000.00.	
166,001 - 167,000	1,363.35	<u>\$1,000,001.00 and up</u>	
167,001 - 168,000	1,368.95	\$5,608.75 for the first	
168,001 - 169,000	1,374.55	\$1,000,000.00 of value plus	
169,001 - 170,000	1,380.15	\$3.65 for each additional	
170,001 - 171,000	1,385.75	\$1,000.00 of value or fraction	
171,001 - 172,000	1,391.35	thereof.	
172,001 - 173,000	1,396.95		
173,001 - 174,000	1,402.55		
174,001 - 175,000	1,408.15		
175,001 - 176,000	1,413.75		
176,001 - 177,000	1,419.35		
177,001 - 178,000	1,424.95		
178,001 - 179,000	1,430.55	<u>Plan Review Fees -</u>	
179,001 - 180,000	1,436.15	65% of Permit Fees	
180,001 - 181,000	1,441.75		
181,001 - 182,000	1,447.35		
182,001 - 183,000	1,452.95		
183,001 - 184,000	1,458.55	<u>Investigation Fees - Equal to</u>	
184,001 - 185,000	1,464.15	and in addition to permit fee.	
185,001 - 186,000	1,469.75		
186,001 - 187,000	1,475.35		
187,001 - 188,000	1,480.95		
188,001 - 189,000	1,486.55	<u>Surcharge - As mandated</u>	
189,001 - 190,000	1,492.15	by State of Minnesota	
190,001 - 191,000	1,497.75		
191,001 - 192,000	1,503.35		
192,001 - 193,000	1,508.95		
193,001 - 194,000	1,514.55		
194,001 - 195,000	1,520.15		

195,001 - 196,000	1,525.75
196,001 - 197,000	1,531.35
197,001 - 198,000	1,536.95
198,001 - 199,000	1,542.55
199,001 - 200,000	1,548.15
200,001 - 201,000	1,553.75

HEATING/COOLING PERMITS FEES

Fees for Residential Mechanical Permits shall be calculated as follows on a per unit basis, with a minimum permit fee of \$35.00. Surcharges shall be collected as mandated by the State.

Air Conditioner	\$25	Gas Dryer	\$10
Air to Air Exchanger	\$15	Gas Piping	\$10
Chimney liner	\$10	Gas Range/Oven	\$10
Ductwork	\$10	Gas Grill	\$10
Fireplace (Gas or Wood)	\$50	Pool Heater	\$10
Furnaces/boilers up to 125,000 btu input	\$50		
Furnaces/boilers over 125,000 btu input	\$75		

Fees for Commercial/Industrial/Institutional Mechanical Permits will be based on total cost of work calculated by using the Building Permit Fee Schedule. The total cost of work shall include all labor and materials supplied by the contractor. The minimum Permit fee shall be \$35.00. The surcharge shall be calculated as mandated by the State.

PLUMBING/GAS PIPING PERMITS

Residential Permit Fees shall be computed on the basis of the number of fixtures provided for in the permit in accordance with the following schedule:

Residential is defined as single family, two family dwelling, townhouse unit and multi-family unit.

Fees for Group "A" fixtures at \$10.00 each with a minimum fee of \$35.00

bathtub	pool heater	washer
bidet	laundry tray	water softener
backflow prev.	lavatory	water heater
dryer	shower	gas Piping
dishwasher	sink	water supply-inside
floor drain	water closet	sewer repair-inside
		water supply-outside

Surcharges shall be collected as mandated by the State.

Fees for Commercial/ Industrial/Institutional Plumbing Installations/Repairs will be based on the total cost of the work calculated by using the Building Permit Fee Schedule. The total cost of the work shall include all labor and materials supplied by the Contractor. The Minimum Fee shall be \$35.00. The surcharge shall be calculated as mandated by the State.

SEWER/WATER PERMITS

Permits will be required for all installation, alterations, repairs of any domestic water or sewer lines, commercial water/sewer lines or any water line to be used for fire suppression systems. ~~For any job requiring City crews to make a water or sewer tap, the Contractor must provide an OSHA approved trench box before City Crews will perform tapping operations.~~ Fees will be \$35.00 plus parts and tax when applicable. Surcharges shall be collected as mandated by the State.

WATER METER PERMITS

The fees collected for the installation of water meters for

The fees collected for the installation of water meters for residential, commercial, industrial, institutional installations will be calculated at 15% over the cost of the meter, plus sales tax. No surcharge will be collected.

FIRE SUPPRESSION/SPRINKLER PERMITS

Permit fees and surcharge will be figured by using the same fee chart as for Building Permits based on the cost of the job.

DEMOLITION PERMITS

Permit fees and surcharges will be based on same schedule as for Building Permits, based on the cost of the job.

MOVING PERMITS

Fees for the moving or raising of any minor building such as a utility building or garage will be calculated at a fee of \$50.00 per structure. Fees for the moving or raising of all other building will be calculated at a fee of \$100 per structure. Permits will be required if passing through the City off of US Highways or County streets. Fees shall be calculated at \$50 per structure.

INSTALLATION/REMOVAL of FLAMMABLE/COMBUSTIBLE STORAGE TANKS and LP GAS TANKS

Fees for the installation, removal, or alteration of any above ground or below ground storage tanks or LP tanks will be calculated at \$35.00 per tank. All installations must be approved by the State Fire Marshall and the local Fire Department.

STREET EXCAVATION/DUMPSTER PERMITS

Permits are obtained at the Public Works Department. Fees will be charged for the permits, but no surcharge is collected.

PERMIT REFUND POLICY

The Building Official may authorize refunding of not more than 80 percent of the permit fee paid when no work has been done under a permit issued in accordance with this code. The Building Official may also authorize refunding of not more than 80 percent of the plan review fee when an application for a permit for which a plan review fee has been paid is withdrawn or canceled before any plan reviewing is done. The Building Official shall only authorize refunding of any fee paid when a written request has been submitted, by the original applicant, not later than 180 days after the date of fee payment.

RESOLUTION APPROVING THE CITY OF COLUMBIA HEIGHTS FEE SCHEDULE

BE IT RESOLVED BY the City Council (the “Council”) for the City of Columbia Heights, Minnesota (the “City”) as follows:

WHEREAS, certain fees are associated within the various city departments; and

WHEREAS, occasionally, fees are evaluated and adjusted based on comparable area rates as well as staff time used for processing and evaluating requests; and

WHEREAS, the passage of this Resolution will update the comprehensive city-wide fee schedule.

NOW, THEREFORE BE IT RESOLVED that the City Council hereby adopts the attached City of Columbia Heights Fee Schedule, which will take effect January 1st, 2024

ORDER OF COUNCIL

Passed this 11th day of December, 2022

Offered by:

Seconded by:

Roll Call:

Amáda Márquez Simula, Mayor

Attest:

Sara Ion, City Clerk/Council Secretary

**CITY COUNCIL MEETING**

Item 11.

AGENDA SECTION	CONSENT AGENDA
MEETING DATE	DECEMBER 11, 2023

ITEM:	Consideration of Resolution 2023-86, Amending 2023 Budget to Use Certain Additional Revenue.		
DEPARTMENT: Finance		BY/DATE: Andrew Splinter, November 6, 2023	
CORE CITY STRATEGIES: <i>(please indicate areas that apply by adding an "X" in front of the selected text below)</i>			
_ Healthy and Safe Community		_ Thriving and Vibrant Destination Community	
_ Equitable, Diverse, Inclusive, and Friendly		_ Strong Infrastructure and Public Services	
_ Trusted and Engaged Leadership		X Sustainable	

BACKGROUND:

The City Charter and generally accepted accounting principles treat any dollar amount expended over the legally adopted budget as a reportable compliance violation, even if there are additional funds on hand to pay for the excess expenditures.

During 2023 certain unpredictable revenue items were received that prompted additional spending. We are recommending the budget be amended to reflect additional offsetting revenues and expenditures for the following items:

Source	Fund	Amount	Purpose
State of MN	101	\$30,000	Supplemental Fire Aid contributed to Paid-On-Call Firefighter pension fund
Washington County	101	\$756	Narcan purchase reimbursement
Centerpoint	101	\$1,750	Community Safety Grant, radar sign purchase
		<u>\$32,506</u>	

STAFF RECOMMENDATION:

It is the staff's recommendation that we amend the 2023 budget to allow for the collection and expenditure of certain unanticipated revenues.

RECOMMENDED MOTION(S):

MOTION: Move to waive the reading of Resolution 2023-86 there being ample copies available to the public.
MOTION: Move to adopt Resolution 2023-86, being a resolution amending the 2023 budget to Use Certain Additional Revenue

ATTACHMENT(S):

Resolution 2023-86

A resolution of the City Council for the City of Columbia Heights, Minnesota, amending the 2023 budget to use certain additional revenue.

Whereas, the City has contracted for or received the following revenue:

Source	Fund	Amount	Purpose
State of MN	101	\$30,000	Supplemental Fire Aid contributed to Paid-On-Call Firefighter pension fund
Washington County	101	\$756	Narcan purchase reimbursement
Centerpoint	101	\$1,750	Community Safety Grant, radar sign purchase
		<u>\$32,506</u>	

Whereas, this revenue was not included in the initial 2023 budget adopted by resolution 2022118, nor in any subsequent amendments to that budget; and

Whereas, accordingly, the expense necessary to earn this revenue was also not previously included in the 2023 budget; and

Whereas, the activity related to this revenue and expense is consistent with the goals and objectives of the City of Columbia Heights;

Now, therefore, in accordance with all ordinances and regulations of the City of Columbia Heights, the City Council of the City of Columbia Heights makes the following:

ORDER OF COUNCIL

IT IS HEREBY RESOLVED, that the 2023 budget for revenue and expense is amended as shown above, for a combined increase of \$32,506.

Passed this 11th day of December 2023

Offered by:

Seconded by:

Roll Call:

Amáda Márquez Simula, Mayor

Attest:

Sara Ion, City Clerk/Council Secretary

CITY COUNCIL MEETING

AGENDA SECTION	CONSENT
MEETING DATE	DECEMBER 11, 2023

ITEM:	Approve Closing of Transfer Agreement for City Hall Condo Unit								
DEPARTMENT: Community Development		BY/DATE: CD Director/Assistant City Manager/ December 08, 2023							
<p>CORE CITY STRATEGIES: <i>(please indicate areas that apply by adding an "X" in front of the selected text below)</i></p> <table> <tr> <td><input type="checkbox"/> Healthy and Safe Community</td> <td><input type="checkbox"/> Thriving and Vibrant Destination Community</td> </tr> <tr> <td><input type="checkbox"/> Equitable, Diverse, Inclusive, and Friendly</td> <td><input checked="" type="checkbox"/> Strong Infrastructure and Public Services</td> </tr> <tr> <td><input type="checkbox"/> Trusted and Engaged Leadership</td> <td><input type="checkbox"/> Sustainable</td> </tr> </table>				<input type="checkbox"/> Healthy and Safe Community	<input type="checkbox"/> Thriving and Vibrant Destination Community	<input type="checkbox"/> Equitable, Diverse, Inclusive, and Friendly	<input checked="" type="checkbox"/> Strong Infrastructure and Public Services	<input type="checkbox"/> Trusted and Engaged Leadership	<input type="checkbox"/> Sustainable
<input type="checkbox"/> Healthy and Safe Community	<input type="checkbox"/> Thriving and Vibrant Destination Community								
<input type="checkbox"/> Equitable, Diverse, Inclusive, and Friendly	<input checked="" type="checkbox"/> Strong Infrastructure and Public Services								
<input type="checkbox"/> Trusted and Engaged Leadership	<input type="checkbox"/> Sustainable								

BACKGROUND

In October of 2020, the City executed the City Hall Transfer Agreement with BPOZ Columbia Heights, LLC (Alatus). The Transfer Agreement specified the terms for completion and conveyance of the City Hall condo unit by Alatus to the City. Since execution of the agreement, Alatus has completed the City Hall condo unit and delivered on their obligations under the agreement. However, the City has not taken ownership of the unit. Rather, the City was allowed to move into the new City Hall under a Move In Agreement that was executed in July of this year. The delay in transferring ownership to the City relates to challenges and delays at the County level with recording the CIC plat (condo plat). Due to the complex chain of ownership for the underlying parcels that make up the redevelopment site, it has taken the City, Alatus, and the County more time than expected to unpack all of the encumbrances that affect the title transfer and recording of a new clean plat. Despite these challenges, the County has indicated that they will be ready to sign off on recording of the CIC plat by the end of the year, therefore paving the way for the City and Alatus to complete the transfer of ownership for the City Hall condo. To prepare for the transfer, the City's real estate counsel at BGS has prepared the following documents that are attached to this report for execution by the City Manager:

- Resolution 2023-88, approving closing of the Transfer Agreement. This resolution affirms that the terms of the agreement have been met and the City is free to close on the title transfer and authorizes the City Manager to execute documents necessary to close the transfer as contemplated in the Transfer Agreement. (The original authorizing resolution for the Transfer Agreement is 2020-79).
- Acknowledgement of Completion. This document will be recorded at the County to memorialize completion of the City's condo unit and signify that the contractual obligations have been met. Execution of this document is authorized under Resolution 2023-88.
- Appointment/Designation of Director. This document assigns the board seat for the City on the condo association board of directors to the City Manager. Execution of this document is authorized under Resolution 2023-88.

RECOMMENDED MOTION(S):

MOTION: Move to waive the reading of Resolution 2023-88, there being ample copies available to the public.

MOTION: Move to approve Resolution 2023-88, a resolution approving closing of transfer agreement which recites terms for conveyance to City of City Hall component and providing authority to sign necessary and customary closing documentation.

ATTACHMENT(S):

- Resolution 2023-88
- Acknowledgement
- Condo Board Designation
- Resolution 2020-79
- Transfer Agreement

CITY OF COLUMBIA HEIGHTS, MINNESOTA

RESOLUTION NO. 2023-88

RESOLUTION APPROVING CLOSING OF TRANSFER AGREEMENT WHICH RECITES TERMS FOR CONVEYANCE TO CITY OF CITY HALL COMPONENT AND PROVIDING AUTHORITY TO SIGN NECESSARY AND CUSTOMARY CLOSING DOCUMENTATION.

BE IT RESOLVED by the City Council (“Council”) of the City of Columbia Heights, Minnesota (“City”) as follows:

Section 1. Recitals.

1.01. The City and the Columbia Heights Economic Development Authority (the “Authority”) have previously established the NE Business Center Tax Increment Financing District (“TIF District”) within the Downtown Central Business District Redevelopment Project to promote the development and redevelopment of land which is underutilized within the City.

1.02. The City, the Authority, and BPOZ Columbia Heights, LLC (“Developer”) have entered into a Purchase and Redevelopment Contract (the “Contract”), which provides for the conveyance by the City and the Authority of the City/Authority Parcels described in Exhibit A (the “Redevelopment Property”) to the Developer, and the construction of improvements by the Developer of a multi-use facility comprising commercial space, a city hall, and multi-family housing (the “Minimum Improvements”).

1.03. The Contract recites the consideration to be received by the City for the City Parcels as cash and the Commercial Unit for use as a city hall.

1.04. The Contract provides that the Commercial Unit shall be conveyed by the Developer to the City after completion of the Minimum Improvements on the Redevelopment Property.

1.05. A Transfer Agreement between the City and Developer (the “Transfer Agreement”) recites that upon completion and formation of the Commercial Unit (the “City Hall Component”) in a Grey Shell Condition as described therein, the Developer shall convey this Commercial Unit to the City for no additional consideration.

Section 2. Transfer Agreement Closing Authorization.

2.01 The Transfer Agreement as presented to the Council has been in all respects approved.

2.02. That Kevin Hansen, as City Manager is hereby authorized to execute on behalf of the City any and all necessary or customary closing documents and any documents referenced in

such Transfer Agreement requiring execution by the City, and to carry out, on behalf of the City, its obligations under the Transfer Agreement.

2.03. City staff and consultants are authorized to take any action necessary to carry out the intent of this resolution.

Adopted by the City Council of the City of Columbia Heights this ____ day of _____, 2023.

Mayor

ATTEST:

City Clerk

4126761_1

EXHIBIT A TO RESOLUTION
APPROVING TRANSFER AGREEMENT

Tract A, REGISTERED LAND SURVEY NO. 250.

Subject to the reservation to the State of Minnesota in trust for the taxing districts concerned of minerals and mineral rights therein.

AND

That part of Lot Twenty-three (23), Block One (I), Walton's Rearrangement of Lots Thirty-three (33), and Thirty-four (34), Block Six (6), Reservoir Hills lying Southwesterly and westerly of the following described line:

Beginning at a point on the south line of said Block I, Walton's Rearrangement, said point being 18.00 feet west of the southeast corner of Lot 23 of said Block I, Walton's Rearrangement; thence northerly on a line 18.00 feet west of and parallel with said east line of Lot 23, a distance of 87.00 feet; thence on a straight line to a point on the north line of Lot 30 of said Block 6, Reservoir Hills, said point being 47.23 feet easterly of the northwest corner of said Lot 30 and there terminating according to the plat thereof on file and of record in the office of the Register of Deeds of and for Anoka County, Minnesota.

Subject to the reservation to the State of Minnesota in trust for the taxing districts concerned of minerals and mineral rights therein.

AND

Tract B, REGISTERED LAND SURVEY NO. 250.

Subject to the reservation to the State of Minnesota in trust for the taxing districts concerned of minerals and mineral rights therein.

AND

Lot 19, Block 1, Walton's Rearrangement of Lots 33 and 34, Block 6, Reservoir

Hills AND

The east 18.00 feet of Lot 23, Block 1, Walton's Rearrangement of Lots 33 and 34, Block 6, Reservoir Hills, measured parallel with the east line of said Lot 23.

Subject to the reservation to the State of Minnesota in trust for the taxing districts concerned of minerals and mineral rights therein.

AND

Lots 24, 25, and 26, Block 6, RESERVOIR HILLS, Anoka County, Minnesota.

Lots 20, 21, and 22, Block 1, WALTON'S REARRANGEMENT OF LOTS 33 AND 34, BLOCK 6, RESERVOIR HILLS, and all of the vacated alley adjacent to said Lots 20, 21, and 22, Anoka County, Minnesota.

That part of Lot 27, Block 6, RESERVOIR HILLS which lies westerly of the northerly extension of the east line of Lot 23, Block 1, , WALTON'S REARRANGEMENT OF LOTS 33 AND 34, BLOCK 6, RESERVOIR HILLS and lying easterly of the following described line:

Beginning at a point on the south line of said Block 1, WALTON'S REARRANGEMENT OF LOTS 33 AND 34, BLOCK 6, RESERVOIR HILLS, said point being 18.00 feet west from the Southeast corner of Lot 23 of said Block 1, WALTON'S REARRANGEMENT OF LOTS 33 AND 34, BLOCK 6, RESERVOIR HILLS; thence northerly on a line 18.00 feet west of and parallel with the east line of said Lot 23, to the north line of said Block 6, RESERVOIR HILLS.

AND

Lot 32, Block 6, RESERVOIR HILLS, Anoka County, Minnesota.

Lots 25 through 28, Block 1, WALTON'S REARRANGEMENT OF LOTS 33 AND 34, BLOCK 6, RESERVOIR HILLS, Anoka County, Minnesota.

The vacated alley adjacent to Lots 25 through 28, Block I, WALTON'S REARRANGEMENT OF LOTS 33 AND 34, BLOCK 6, RESERVOIR HILLS, Anoka County, Minnesota.

Those parts of Lots 28 through 31, Block 6, RESERVOIR HILLS; Lot 24, Block I, WALTON'S REARRANGEMENT OF LOTS 33 AND 34, BLOCK 6, RESERVOIR HILLS; and of the vacated alley adjacent to Lot 24, Block 1, WALTON'S REARRANGEMENT OF LOTS 33 AND 34, BLOCK 6, RESERVOIR HILLS; lying Southwesterly and Westerly of the following described line:

Beginning at a point on the South line of Block 1, WALTON'S REARRANGEMENT OF LOTS 33 AND 34, BLOCK 6, RESERVOIR HILLS, said point being 18.00 feet West of the Southeast corner of Lot 23, of said Block 1, WALTON'S REARRANGEMENT OF LOTS 33 AND 34, BLOCK 6, RESERVOIR HILLS; thence Northerly on a line 18.00 feet West of and parallel with the East line of said Lot 23, a distance of 87.00 feet; thence on a straight line to a point on the North line of Lot 30 of said Block 6, RESERVOIR HILLS, said point being 47.23 feet Easterly of the Northwest corner of said Lot 30 and there terminating.

Parcel 2:

Those parts of Lots 27 through 31, Block 6, RESERVOIR HILLS and those parts of Lots 23 and 24, Block 1, WALTON'S REARRANGEMENT OF LOTS 33 AND 34, BLOCK 6, RESERVOIR HILLS and of the vacated alley abutting Block 1, "WALTON'S REARRANGEMENT OF LOTS 33 AND 34, BLOCK 6, RESERVOIR HILLS", as dedicated in said plat, lying within the following described tract:

Commencing at a point on the South line of said Block, I, WALTON'S REARRANGEMENT OF LOTS 33 AND 34, BLOCK 6, RESERVOIR HILLS distant 18.00 feet West of the

Southeast corner of Lot 23, said Block 1, WALTON'S REARRANGEMENT OF LOTS 33 AND 34, BLOCK 6, RESERVOIR HILLS; thence Northerly on a line 18.00 feet West of and parallel with the East line of said Lot 23, a distance of 87.00 feet, to the actual point of beginning of the tract to be described; thence continuing Northerly on the extension of said parallel line to the North line of Block 6, RESERVOIR HILLS; thence Westerly along said North line of Block 6, to a point being 47.23 feet Easterly of the Northwest corner of Lot 30, Block 6, RESERVOIR HILLS; thence Southeasterly, to the point of beginning;

Excepting therefrom Tract A, REGISTERED LAND SURVEY NO. 250, Anoka County, Minnesota.

CITY OF COLUMBIA HEIGHTS, MINNESOTA

ACKNOWLEDGMENT OF COMPLETION OF CONTRACTUAL OBLIGATION

BE IT ACKNOWLEDGED by the City of Columbia Heights, Minnesota (“City”) as follows:

Section 1. Recitals.

1.01. The City and the Columbia Heights Economic Development Authority (the “Authority”) have previously established the NE Business Center Tax Increment Financing District (“TIF District”) within the Downtown Central Business District Redevelopment Project to promote the development and redevelopment of land which is underutilized within the City.

1.02. The City, the Authority, and BPOZ Columbia Heights, LLC (“Developer”) have entered into a Purchase and Redevelopment Contract (the “Contract”), which provides for the conveyance by the City and the Authority of the City/Authority Parcels described in Exhibit A (the “Redevelopment Property”) to the Developer, and the construction of improvements by the Developer of a multi-use facility comprising commercial space, a city hall, and multi-family housing (the “Minimum Improvements”) and including Unit 1, the city hall portion of the Minimum Improvements (“Commercial Unit”).

1.03. The Contract recites the consideration to be received by the City for the City Parcels as cash and the Commercial Unit for use as a city hall.

1.04. The Contract provides that the Commercial Unit shall be conveyed by the Developer to the City after completion of the Minimum Improvements on the Redevelopment Property.

1.05. A Transfer Agreement between the City and Developer (the “Transfer Agreement”) recites that upon completion and formation of the Commercial Unit in a Grey Shell Condition as described therein, the Developer shall convey this Commercial Unit to the City for no additional consideration and the City shall acknowledge such transfer and completion of Developer’s contractual obligation regarding the same.

Section 2. Acknowledgment of Satisfaction of Conveyance Obligation.

2.01 The City hereby acknowledges that upon transfer of the Commercial Unit to the City that Developer has fully satisfied its obligations pursuant to Section 3.2 of the Contract in relation to the transfer of the Commercial Unit and the Minimum Improvements related thereto.

2.02. Notwithstanding any provision to the contrary, this acknowledgment shall not be construed to restrict, limit, terminate or otherwise impact any punch list, and/or any warranty, rights or obligations which may exists, and continue to exist, between the parties by other contractual agreement.

[signature page follows this page]

Acknowledged by the City of Columbia Heights this _____ day of _____, 2023.

CITY OF COLUMBIA HEIGHTS

Kevin Hansen, City Manager

EXHIBIT A TO RESOLUTION
APPROVING TRANSFER AGREEMENT

Tract A, REGISTERED LAND SURVEY NO. 250.

Subject to the reservation to the State of Minnesota in trust for the taxing districts concerned of minerals and mineral rights therein.

AND

That part of Lot Twenty-three (23), Block One (I), Walton's Rearrangement of Lots Thirty-three (33), and Thirty-four (34), Block Six (6), Reservoir Hills lying Southwesterly and westerly of the following described line:

Beginning at a point on the south line of said Block I, Walton's Rearrangement, said point being 18.00 feet west of the southeast corner of Lot 23 of said Block I, Walton's Rearrangement; thence northerly on a line 18.00 feet west of and parallel with said east line of Lot 23, a distance of 87.00 feet; thence on a straight line to a point on the north line of Lot 30 of said Block 6, Reservoir Hills, said point being 47.23 feet easterly of the northwest corner of said Lot 30 and there terminating according to the plat thereof on file and of record in the office of the Register of Deeds of and for Anoka County, Minnesota.

Subject to the reservation to the State of Minnesota in trust for the taxing districts concerned of minerals and mineral rights therein.

AND

Tract B, REGISTERED LAND SURVEY NO. 250.

Subject to the reservation to the State of Minnesota in trust for the taxing districts concerned of minerals and mineral rights therein.

AND

Lot 19, Block 1, Walton's Rearrangement of Lots 33 and 34, Block 6, Reservoir

Hills AND

The east 18.00 feet of Lot 23, Block 1, Walton's Rearrangement of Lots 33 and 34, Block 6, Reservoir Hills, measured parallel with the east line of said Lot 23.

Subject to the reservation to the State of Minnesota in trust for the taxing districts concerned of minerals and mineral rights therein.

AND

Lots 24, 25, and 26, Block 6, RESERVOIR HILLS, Anoka County, Minnesota.

Lots 20, 21, and 22, Block 1, WALTON'S REARRANGEMENT OF LOTS 33 AND 34, BLOCK 6, RESERVOIR HILLS, and all of the vacated alley adjacent to said Lots 20, 21, and 22, Anoka County, Minnesota.

That part of Lot 27, Block 6, RESERVOIR HILLS which lies westerly of the northerly extension of the east line of Lot 23, Block 1, , WALTON'S REARRANGEMENT OF LOTS 33 AND 34, BLOCK 6, RESERVOIR HILLS and lying easterly of the following described line:

Beginning at a point on the south line of said Block 1, WALTON'S REARRANGEMENT OF LOTS 33 AND 34, BLOCK 6, RESERVOIR HILLS, said point being 18.00 feet west from the Southeast corner of Lot 23 of said Block 1, WALTON'S REARRANGEMENT OF LOTS 33 AND 34, BLOCK 6, RESERVOIR HILLS; thence northerly on a line 18.00 feet west of and parallel with the east line of said Lot 23, to the north line of said Block 6, RESERVOIR HILLS.

AND

Lot 32, Block 6, RESERVOIR HILLS, Anoka County, Minnesota.

Lots 25 through 28, Block 1, WALTON'S REARRANGEMENT OF LOTS 33 AND 34, BLOCK 6, RESERVOIR HILLS, Anoka County, Minnesota.

The vacated alley adjacent to Lots 25 through 28, Block I, WALTON'S REARRANGEMENT OF LOTS 33 AND 34, BLOCK 6, RESERVOIR HILLS, Anoka County, Minnesota.

Those parts of Lots 28 through 31, Block 6, RESERVOIR HILLS; Lot 24, Block I, WALTON'S REARRANGEMENT OF LOTS 33 AND 34, BLOCK 6, RESERVOIR HILLS; and of the vacated alley adjacent to Lot 24, Block 1, WALTON'S REARRANGEMENT OF LOTS 33 AND 34, BLOCK 6, RESERVOIR HILLS; lying Southwesterly and Westerly of the following described line:

Beginning at a point on the South line of Block 1, WALTON'S REARRANGEMENT OF LOTS 33 AND 34, BLOCK 6, RESERVOIR HILLS, said point being 18.00 feet West of the Southeast corner of Lot 23, of said Block 1, WALTON'S REARRANGEMENT OF LOTS 33 AND 34, BLOCK 6, RESERVOIR HILLS; thence Northerly on a line 18.00 feet West of and parallel with the East line of said Lot 23, a distance of 87.00 feet; thence on a straight line to a point on the North line of Lot 30 of said Block 6, RESERVOIR HILLS, said point being 47.23 feet Easterly of the Northwest corner of said Lot 30 and there terminating.

Parcel 2:

Those parts of Lots 27 through 31, Block 6, RESERVOIR HILLS and those parts of Lots 23 and 24, Block 1, WALTON'S REARRANGEMENT OF LOTS 33 AND 34, BLOCK 6, RESERVOIR HILLS and of the vacated alley abutting Block 1, "WALTON'S REARRANGEMENT OF LOTS 33 AND 34, BLOCK 6, RESERVOIR HILLS", as dedicated in said plat, lying within the following described tract:

Commencing at a point on the South line of said Block, I, WALTON'S REARRANGEMENT OF LOTS 33 AND 34, BLOCK 6, RESERVOIR HILLS distant 18.00 feet West of the Southeast corner of Lot 23, said Block 1, WALTON'S REARRANGEMENT OF LOTS 33 AND 34, BLOCK 6, RESERVOIR HILLS; thence Northerly on a line 18.00 feet West of and parallel with the East line of said Lot 23, a distance of 87.00 feet, to the actual point of beginning of the tract

to be described; thence continuing Northerly on the extension of said parallel line to the North line of Block 6, RESERVOIR HILLS; thence Westerly along said North line of Block 6, to a point being 47.23 feet Easterly of the Northwest corner of Lot 30, Block 6, RESERVOIR HILLS; thence Southeasterly, to the point of beginning;

Excepting therefrom Tract A, REGISTERED LAND SURVEY NO. 250, Anoka County, Minnesota.

APPOINTMENT/DESIGNATION OF DIRECTOR

(Heights Condominium Owners Association.)

Effective as of _____, 2023, or the date of closing on the sale of Unit 1, Common Interest Community No. 342, Heights Condominium, Anoka County, Minnesota, to the City of Columbia Heights, Minnesota, whichever is later, _____, City Manager is hereby appointed/designated by the City of Columbia Heights as a board member of Heights Condominium Owners Association, a Minnesota nonprofit corporation.

Dated: _____, 2023

City of Columbia Heights

_____ (print name)

_____ (print title)

CITY OF COLUMBIA HEIGHTS, MINNESOTA

RESOLUTION NO. 2020-79

RESOLUTION APPROVING TRANSFER AGREEMENT WHICH RECITES TERMS AND PROVIDES FOR CONVEYANCE TO CITY OF THE CITY HALL COMPONENT OF THE REDEVELOPMENT SITE AT CENTRAL AND 40th AVENUE BY BPOZ, LLC.

BE IT RESOLVED by the City Council (“Council”) of the City of Columbia Heights, Minnesota (“City”) as follows:

Section 1. Recitals.

1.01. The City and the Columbia Heights Economic Development Authority (the “Authority”) have previously established the NE Business Center Tax Increment Financing District (“TIF District”) within the Downtown Central Business District Redevelopment Project to promote the development and redevelopment of land which is underutilized within the City.

1.02. The City, the Authority, and BPOZ Columbia Heights, LLC (“Developer”) have entered into a Purchase and Redevelopment Contract (the “Contract”), which provides for the conveyance by the City and the Authority of the City/Authority Parcels described in Exhibit A (the “Redevelopment Property”) to the Developer, and the construction of improvements by the Developer of a multi-use facility comprising commercial space, a city hall, and multi-family housing (the “Minimum Improvements”).

1.03. The Contract recites the consideration to be received by the City for the City Parcels as cash and the Commercial Unit for use as a city hall.

1.04. The Contract provides that the Commercial Unit shall be conveyed by the Developer to the City after completion of the Minimum Improvements on the Redevelopment Property.

1.05. A Transfer Agreement between the City and Developer (the “Transfer Agreement”) recites that upon completion of the Commercial Unit (the “City Hall Component”) in a Grey Shell Condition as described therein, the Developer shall convey this Commercial Unit to the City for no additional consideration.

Section 2. Transfer Agreement Approval.

2.01 The Transfer Agreement as presented to the Council is hereby in all respects approved, subject to modifications that do not alter the substance of the transaction and that are approved by the Mayor and City Manager, provided that execution of the Agreement by such officials shall be conclusive evidence of approval.

CITY HALL TRANSFER AGREEMENT

THIS CITY HALL TRANSFER AGREEMENT (the “**Agreement**”) is made as of October 27, 2020 (the “**Effective Date**”) by and between BPOZ Columbia Heights, LLC, a Delaware limited liability company (“**Transferor**”), and the City of Columbia Heights, a Minnesota municipal corporation (“**Transferee**”).

RECITALS

A. Transferor, Transferee and Columbia Heights Economic Development Authority (the “**Authority**”) are parties to that certain Purchase and Redevelopment Contract dated September 28, 2020 (the “**Contract**”) whereby Transferor intends to purchase from the Authority real property legally described on Exhibit A attached hereto and as defined herein as the “**Redevelopment Property**”.

B. The Contract contains certain development and other obligations related to certain improvements to be constructed on the Redevelopment Property (collectively, the “**Project**”), including, a mixed-use building (the “**Building**”) consisting of (i) approximately 266 multifamily rental apartment dwellings and approximately 3,280 square feet of commercial space (the “**Housing Component**”), and (ii) approximately 21,256 square feet of gray-shell finish space designed for use as a city hall to be owned and operated initially by Transferee (the “**City Hall Component**”).

C. The Contract requires Transferor to construct the City Hall Component to a gray-shell finish, as more specifically described on Exhibit B attached hereto (the “**Gray Shell Improvements**”) and transfer the City Hall Component to Transferee in satisfaction of the remaining consideration owing under the Contract for the Redevelopment Property.

D. To legally subdivide the City Hall Component from the remainder of the Project, Transferor intends create on the Redevelopment Property a two-unit condominium to be known as Common Interest Community No. ____, “The Heights” (the “**Condominium**”), the City Hall Component of which will be one of the two separate condominium units referred to in the governing common interest community declaration and common interest community plat (collectively, the “**CIC Declaration**”) as “**Unit 1**” or the “**Commercial Unit**”.

E. In addition, Transferee has requested and Transferor has agreed to construct or install certain upgrades within the Commercial Unit or on limited common elements allocated by the CIC Declaration for the exclusive use of the Commercial Unit (the “**Commercial LCEs**”), some of which upgrades (such as the façade and vestibule serving the City Hall Component) are to the Building (the “**City Building Upgrades**”), some of which (such as the heated sidewalk and bollards) are to the surrounding landscape (the “**City Landscape Upgrades**”), and all of which are more specifically set forth on Exhibit C attached hereto and in the construction plans and specifications mutually approved by the parties hereto. The City Building Upgrades and the City Landscape Upgrades are hereinafter collectively referred to as the “**City Upgrades**”.

F. Finally, operation of the Commercial Unit will require use of certain other limited common elements allocated by the CIC Declaration for the exclusive use of the Commercial Unit, (including a portion of the parking garage designed to hold 28 vehicle stalls and related drive lanes,

variant refrigerant flow (VRF) units, rooftop heating, ventilation and air conditioning (HVAC units), and use of a shared emergency generator, all of which Transferor has agreed to construction or install (collectively, the “**Additional Installations**”) as more specifically set forth on Exhibit C.

G. Subject to the terms and conditions of this Agreement, upon substantial completion of the Gray Shell Improvements, the City Building Upgrades, and the Additional Installations, and the recording of the CIC Declaration, Transferor intends to convey to Transferee, and Transferee intends to accept from Transferor, the City Hall Component in the form of Unit 1 of the Condominium.

H. The City will place a portion of the proceeds from the sale of the Redevelopment Property into escrow with First American Title Insurance Company, pursuant to a Construction Escrow and Disbursing Agreement (the “**Escrow Agreement**”) in substantially the form attached hereto as Exhibit D for the purpose of reimbursing Transferor for the costs of the City Upgrades as construction thereof progresses.

NOW THEREFORE, in consideration of the mutual covenants and agreements set forth herein, Transferor and Transferee agree as follows:

1. Construction of Condominium. Transferor agrees to construct the Building, including the Gray Shell Improvements, the Additional Installations and the City Upgrades, in accordance with the Project Manual for the Full Building Permit Set issued August 31, 2020 by Doran Companies, hereby incorporated herein by reference (the “**Project Manual**”), and to create a condominium which will house the City Hall Component in a single condominium unit to be known as:

Unit Number 1, Common Interest Community No. ____, a Condominium, The Heights, located in Anoka County, Minnesota.

and the Commercial LCEs. Pursuant to Minnesota Statutes Section 515B.2-104(c), the conveyance of Unit 1 will include all easements and rights benefiting or appurtenant to the Commercial Unit, including without limitation, an undivided interest in the Commercial LCEs and common elements of the Condominium (collectively, the “**Property**”).

2. Conveyance of Property. Subject to compliance with the material terms of this Agreement, Transferor agrees to convey to Transferee, and Transferee agrees to accept from Transferor, title to the Property, including all Gray Shell Improvements, the Additional Installations and the City Building Upgrades on the Closing Date (defined below), subject only to Permitted Encumbrances (defined below). City Landscape Upgrades located within the Commercial LCEs which are not completed prior to the Closing Date, shall be shown on the CIC Plat as “MUST BE BUILT” pursuant to Minn. Stat. Sec. 515B.4-117, to the extent such component or improvement is permitted or allowed to be labeled as such thereunder.
3. Satisfaction of Consideration Owed under Contract. Transferor and Transferee hereby acknowledge that (i) delivery of the Gray Shell Improvements and the Additional

Installations with the transfer of title to the Property at Closing will satisfy Transferor's remaining contractual obligation to perform the City Hall Component Development Obligations under Section 3.2 of the Contract for the Redevelopment Property (the cash portion of the Purchase Price, as defined in the Contract, therefor having been previously paid), and (ii) the construction of City Upgrades are in addition to those obligations and are governed by the Escrow Agreement.

4. Contingencies.

- a) The obligations of Transferor under this Agreement are contingent upon:
 - i) The Authority's conveyance of the Redevelopment Property to Transferor in accordance with the Contract;
 - ii) The Authority and Transferee having complied with each of their respective obligations under the Contract required thereunder to have been completed on or prior to Closing (defined below);
 - iii) The prior execution and delivery by Transferee of the Escrow Agreement.
- b) The obligations of Transferee under this Agreement are contingent upon:
 - i) Transferor's construction of the Gray Shell Improvements, the Additional Installations and the City Building Upgrades having been substantially completed in accordance with the Project Manual and the Contract (the "**Completion Contingency**");
 - ii) The Transferor having complied with each of its obligations under the Contract required thereunder to have been completed on or prior to Closing;
 - iii) Title to the Property being in the condition as set forth in Section 6 of this Agreement (the "**Title Contingency**"); and
 - iv) The prior execution and delivery by Transferor of the Escrow Agreement.

If any such contingency is not satisfied on or before the Closing Date, then this Agreement may be terminated by the party in whose favor the contingency runs, by thirty (30) days' prior written notice to the other party. If such contingency has not been satisfied within such period, this Agreement shall terminate. Upon such termination, neither party will have any further rights or obligations regarding this Agreement.

5. Closing. Notwithstanding anything to the contrary contained in this Agreement, the consummation of the transaction contemplated by this Agreement (the "**Closing**") shall occur within ten (10) days following (i) certification to Transferee by Transferor and Transferor's general contractor and architect that the Gray Shell Improvements, the Additional Installations and the City Building Upgrades have been substantially completed in accordance with the Project Manual as certified by Transferor's general contractor and architect and completion of any inspection by Transferee as specified herein, and (ii) final

acceptance of the fully executed CIC Declaration for recording (the “**Closing Date**”), but not later than December 31, 2022. Transferor agrees to complete the common interest community plat, for approval by Transferee, which approval will not be unreasonably withheld, conditioned or delayed, within a reasonable time following substantial completion of the structural components of the Building and the mechanical systems serving more than one unit in such Building. Transferor agrees to deliver possession of the Property to Transferee on the Closing Date free of possession by others except with respect to and as permitted in the Permitted Encumbrances.

- a) Transferor’s Closing Obligations. On the Closing Date, Transferor shall execute and/or deliver to Transferee the following items which (in the case of documents) are referred to as “**Transferor’s Closing Documents.**” Transferor’s Closing Documents shall be duly executed and, where appropriate, be in recordable form.
 - i) Deed. A Limited Warranty Deed, substantially in the form attached hereto as Exhibit F (the “**Deed**”), conveying the Property to Transferee subject to Permitted Encumbrances.
 - ii) Assignment of Warranties. An Assignment of Warranties and Guaranties, if any, given to, assigned to or benefitting Transferor to Transferee assigning all warranties for any equipment or machinery installed on or exclusively serving the Property, in a form reasonably satisfactory to Transferee, but solely to the extent any such warranties are assignable by Transferor to Transferee without third party consents.
 - iii) Transferor’s Affidavit. A standard form Seller’s Affidavit, duly executed by Transferor and completed without exceptions for bankruptcy, judgments, tax liens, mechanic’s liens, parties in possession and other unrecorded contracts.
 - iv) FIRPTA Affidavit. A non-foreign affidavit, containing such information as is required by IRC § 1445(b)(2) and its regulations.
 - v) IRS Reporting Form. The appropriate federal income tax reporting form, if any is required.
 - vi) Settlement Statement. A settlement statement consistent with this Agreement.
 - vii) CIC Declaration. A copy of the CIC Declaration as submitted for recording and substantially in the form attached hereto as Exhibit G.
 - viii) CIC Plat. A copy of the common interest community plat for “The Heights” (the “**CIC Plat**”) as submitted for recording which will conceptually adhere to the drawing attached hereto as Exhibit H, which shall include references to “MUST BE BUILT” as specified herein.

- ix) Articles of Incorporation. A copy of the articles of incorporation of “The Heights Owners Association” (the “**Association**”) filed with Minnesota Secretary of State substantially in the form attached hereto as Exhibit I.
 - x) Bylaws for Association. A copy of the corporate bylaws of the Association substantially in the form attached hereto as Exhibit J.
 - xi) Rules and Regulations of the Association. A copy of the rules and regulations of the Association adopted by the Board of Directors for the Association substantially in the form attached hereto as Exhibit K.
 - xii) License Agreement. A license agreement in substantially the form attached as Exhibit L, allowing the City shared use of a portion of the parking garage in the Housing Component, on the terms set forth in such license.
 - xiii) Voting Agreement. A voting agreement to be signed by Transferor and Transferee as the members of the Association, substantially in the form attached hereto as Exhibit M (the “**Voting Agreement**”).
 - xiv) Proof of Insurance. Evidence that Transferor carries insurance in the amounts and in the form contemplated by Section 7.9 of the CIC Declaration, naming the Association as an additional insured and evidence that the Association carries insurance in the amounts and in the form contemplated by the CIC Declaration.
 - xv) Bring Down Certificate. Deliver to Transferee a certificate reaffirming the truth and accuracy of Transferor’s representations and warranties set forth in this Agreement (or, if such representations and warranties are no longer true or accurate, describing the reasons why they are no longer true and accurate).
 - xvi) Agreement Reducing Statute of Limitations. An agreement reducing statute of limitations to be signed by Transferor and Transferee, substantially in the form attached hereto as Exhibit N (the “**SOL Agreement**”).
 - xvii) Other Documents. All other documents reasonably determined by Title or Transferee to transfer the Property to Transferee free and clear of all encumbrances, except the Permitted Encumbrances.
- b) Transferee’s Closing Obligations. On the Closing Date, Transferee will execute and/or deliver to Transferor the following which (in the case of documents) are referred to as “**Transferee’s Closing Documents**”. Transferee’s Closing Documents shall be duly executed and, where appropriate, be in recordable form.
- i) Title Documents. Such purchaser’s affidavits, certificates of value or other documents as may be reasonably required by the Title Company in order to record the Transferor’s Closing Documents.

- ii) Settlement Statement. A settlement statement consistent with this Agreement.
- iii) License Agreement. Transferee's counterpart signatures to the License Agreement.
- iv) Voting Agreement. Transferee's counterpart signatures to the Voting Agreement.
- v) Agreement Reducing Statute of Limitations. Transferee's counterpart signature on the SOL Agreement.
- vi) Proof of Insurance. Evidence that Transferee carries insurance in the amounts and in the form contemplated by Section 7.9 of the CIC Declaration, naming the Association as an additional insured.
- vii) City Hall Component Development Obligations. At Closing, Transferee shall acknowledge in writing that, combined with the cash Purchase Price previously paid by Transferor to Transferee, the conveyance by Transferor back to Transferee of the Property, improved with the Gray Shell Improvements, and the Additional Installations constitutes full satisfaction of the Transferor's remaining contractual obligation to perform the City Hall Component Development Obligations under Section 3.2 of the Contract for the Redevelopment Property.

6. Costs and Allocations. Transferor and Transferee agree to the following allocation of costs regarding this Agreement:

- a) Title Insurance, Closing Fee, Taxes and Recording Costs. Transferor shall pay the cost of the Title Commitment (defined below), and Transferee shall pay the premium for the Title Policy (defined below) and any endorsements thereto. Transferee and Transferor shall each pay one-half (1/2) of the closing fees charged by the Title Company. Transferee shall pay the cost of recording the Deed and Transferor shall pay the cost of recording the CIC Declaration and all such other documents necessary to place record title in Transferor's name in the condition required by this Agreement.
- b) Real Estate Taxes and Special Assessments. Real property taxes, including without limitation any installments of special assessments payable with general real estate taxes in the tax year in which the Closing Date occurs, shall be prorated between Transferor and Transferee as of the Closing Date based on the their respective undivided interests in the common elements of the Condominium (as set forth in the CIC Declaration). Transferee shall assume all special assessments levied, pending or constituting a lien against the Property as of the Closing Date unless related to Transferor's development of the Property.
- c) Attorneys' Fees. Each of the parties will pay its own attorneys' fees.

7. Title.

- a) Condition of Title. The parties hereby acknowledge the Property being reconveyed hereunder to Transferee is part of the Redevelopment Property conveyed to Transferor by the Authority as set forth in Section 3.5 of the Contract. Transferor shall reconvey to Transferee title to the Property subject only to the lien of real estate taxes and special assessments, the CIC Declaration, any encumbrances existing as of the date of the conveyance by the Authority to Transferor and any other encumbrances imposed at the request or with the consent of Transferee or the Authority (collectively, the “**Permitted Encumbrances**”). Except as otherwise provided herein, Transferor shall have no obligation to cure any title objections of Transferee related to the Property.
- b) Condition of Title at Closing. Between the Effective Date and the Closing, Transferor shall not allow any liens or encumbrances against the Improvements, or shall remove them prior to Closing, other than the Permitted Encumbrances and any other document ancillary to, required by or described in the Contract (“**Intervening Liens**”). Prior to Closing, to verify the existence of any Intervening Liens, Transferor shall deliver to Transferee a commitment (the “**Title Commitment**”) from the Title Company for a current ALTA Form B Owner’s Policy of Title Insurance for the Property (the “**Title Policy**”) insuring marketable fee simple title to the Property subject only to the Permitted Encumbrances. If the Title Commitment reflects any Intervening Liens, Transferor shall promptly cause removal of the same from title to the Property. In lieu thereof, Transferor may, if agreed to by Transferee in writing prior thereto, cause the Title Company to affirmatively insure over such Intervening Liens rather than delete the same as exceptions to the Title Policy. Transferor shall provide to Title Company such lien waivers or indemnifications as reasonably required to allow Title Company to issue the Title Policy to Transferee with the standard mechanic’s lien exception removed. Notwithstanding the foregoing, the parties acknowledge that Transferor may encumber the Property with one or more mortgage liens prior to Closing, but that the Property will be released from any and all such mortgage liens at or prior to the Closing.

8. Representations and Warranties by Transferor. Transferor represents and warrants to Transferee as follows:

- a) Authority. Transferor has the requisite power and authority to enter into and perform this Agreement and those Transferor’s Closing Documents signed by it; such documents have been duly authorized by all necessary action on the part of Transferor and have been duly executed and delivered; such execution, delivery and performance by Transferor of such documents does not conflict with or result in a violation of any judgment, order, or decree of any court or arbiter or any other agreements of any nature to which Transferor is a party; such documents are valid and binding obligations of Transferor, and are enforceable in accordance with their terms.

- b) Rights of Others to Purchase Property. Transferor has not entered into any other contracts for the sale of the Property, nor are there any rights of first refusal or options to purchase the Property or any other third party rights that might prevent the consummation of this Agreement.
- c) FIRPTA. Transferor is not a “foreign person,” “foreign partnership,” “foreign trust” or “foreign state” as those terms are defined in § 1445 of the Internal Revenue Code.
- d) Proceedings. To Transferor’s knowledge, there is no action, litigation, investigation, condemnation or proceeding of any kind pending or threatened against Transferor or any portion of the Property that would have a material adverse effect on the Property or Transferor’s right and authority to convey the Property to Transferee.
- e) Wells, Storage Tanks. To Transferor’s knowledge, there are no wells or storage tanks located on the Property.
- f) Legal Action. Transferor shall deliver to Transferee a written notice of the commencement of any legal action by any governmental authority or third party affecting the Property and will make no concessions or settlements with respect to any such action which would have a future continuing impact on the Property without Transferee’s prior written consent, which consent shall not be unreasonably delayed, conditioned, or withheld.
- g) Methamphetamines. Transferor is not aware of any methamphetamine production on the Property.
- h) Environmental Condition. Prior to Closing, any release or disposal by Transferor, including any contractors, subcontractors, agents or other party acting on behalf of Transferor, of hazardous substances, as defined in the Comprehensive Environmental Response Compensation and Liability Act (CERCLA), on, in or under the Project in violation of applicable laws, will be remediated or otherwise addressed in accordance with applicable laws, by Transferor.
- i) Violations. Prior to Closing, Transferor will correct, or otherwise address to the reasonable satisfaction of Transferee, violations of any applicable law, ordinance or regulation with regard to the Commercial Unit or Condominium caused by Transferor.

Each of the representations and warranties herein contained shall survive one year after the Closing Date and shall not merge with the deed being delivered by Transferor at Closing and Transferee must commence any action based on any breach of the representation or warranties prior to the expiration of such one-year period.

9. Representations and Warranties by Transferee. Transferee represents and warrants to Transferor that Transferee has the requisite power and authority to enter into this Agreement and the Transferee’s Closing Documents signed by it; such documents have

been duly authorized by all necessary action on the part of Transferee and have been duly executed and delivered; that the execution, delivery and performance by Transferee of such documents do not conflict with or result in violation of any judgment, order or decree of any court or arbiter to which Transferee is a party; such documents are valid and binding obligations of Transferee, and are enforceable in accordance with their terms.

10. Damage. If, prior to the Closing Date, all or any part of the Property is substantially damaged by fire, casualty, the elements or any other cause, the terms of Section 5.1 (d) and (e) of the Contract shall apply.
11. Inspection. Upon completion of the Gray Shell Improvements, the Additional Installations and the City Building Upgrades, the Transferor's general contractor and architect shall certify that such improvements are substantially completed in accordance with the Project Manual and any other requirement specified herein related to completion of such improvements. Transferee, at its sole cost and expense, shall, within ten (10) days after receiving notice of substantial completion from Transferor, (i) dispatch its governmental building inspector to complete a final inspection of the Gray Shell Improvements, the Additional Installations and the City Building Upgrades and pass same, and (ii) inspect such Gray Shell Improvements, the Additional Installations and City Building Upgrades to determine that they were completed in conformance with the Project Manual. If Transferee and/or the governmental building inspector finds that the Gray Shell Improvements, the Additional Installations or the City Building Upgrades do not materially conform to the Project Manual, Transferee shall submit its findings within five (5) days of such inspection to the Transferor's architect for review. Within ten (10) days of receipt of Transferee's findings, Transferor's architect shall provide a detailed written response explaining the reasons for its professional opinion as to the Transferee's findings and status of such Improvements. If Transferor's architect disagrees with the Transferee's findings, Transferee has the option, within ten (10) days thereafter, to notify Transferor of Transferee's decision whether to i) accept the findings and proceed to Closing; ii) proceed with mediation or, iii) if the parties fail to resolve their dispute through mediation, proceed to arbitration with binding dispute resolution. Unless the parties mutually agree otherwise, mediation and arbitration shall be administered promptly by the American Arbitration Association in accordance with its Construction Industry Mediation/Arbitration Procedures in effect on the date of the Agreement. If the Transferor's architect agrees with the Transferee's findings, Transferor shall promptly proceed to correct such applicable nonconformities and, if such corrections cannot be completed prior to Closing, the Closing Date shall be extended as reasonably necessary to complete said corrections, provided that Transferor has commenced such corrections and is diligently proceeding toward completion of the same.
12. Waiver of Certain Minnesota Common Interest Ownership Act Requirements. Minnesota Statutes §§ 515B.4-101 – 515B.4-118 require the developer of a condominium to make certain disclosures and to give certain express and implied warranties to the purchaser of condominium units, but allow the developer and the purchaser of a nonresidential condominium unit to disclaim, waive and/or modify certain requirements. Transferee acknowledges and agrees that it has had an opportunity to review Minnesota Statutes §§ 515B.4-101 – 515B.4-118 and has had an opportunity to discuss the protections of those

laws with an attorney, and that the Redevelopment Property is restricted by the CIC Declaration to nonresidential uses (as contemplated by Minnesota Statutes Chapter 515B). Based on Transferee's review and understanding of those laws, and not on any representations or statements made by Transferor or Transferor's agents, Transferee hereby waives, and Transferor hereby disclaims, all of the requirements and protections of Minnesota Statutes §§ 515B.4-101 – 515B.4-118 solely related to statutory disclosures and warranties and agrees that none of such disclosure or warranty provisions shall apply to Transferee's purchase of the Property from Transferor, except that (i) Minnesota Statutes § 515B.4-110, regarding the release of liens upon transfer of a unit, shall apply despite waiver of any obligation to provide any other statutory disclosures; and (ii) the statutory warranties set forth in Minnesota Statutes §§ 515B.4-112 and 515B.4-113 shall apply but, notwithstanding anything in Minnesota Statutes §§ 515B.4-1152 to the contrary, any claims thereunder must be brought within one (1) year from the date the cause of action accrues thereunder. Thereafter, said warranties shall have no further force or effect. The parties acknowledge that the reduced statute of limitations is part of the benefit of the bargain between them and that, but for Transferor's agreement to modify the statute of limitations as set forth above as permitted by Minnesota Statutes §§ 515B.4-114 in the case of a condominium restricted to nonresidential use, Transferor would not have entered into this Agreement. At Closing, the parties agree to execute, deliver and record the Agreement Reducing Statute of Limitations attached hereto as Exhibit N. Subject to the express and implied statutory warranties described in this Section 12, the limited warranty in Section 29, the representations and warranties in Section 8 and the assignment of warranties contemplated Section 5(a)(ii), Transferee shall accept the Property "AS-IS", "WHERE IS", with all faults and without warranty, whether express or implied, including without limitation the warranties of habitability and fitness for a particular purpose. Without limiting the generality of the foregoing waiver and modification, Transferee hereby acknowledges that under the CIC Declaration the Association may elect to reserve for replacements but Transferee hereby waives any requirement for such reserves to be held by the Association. This Section 12 shall survive the Closing and delivery of the Deed.

13. Working Capital Deposit. Intentionally omitted.
14. Broker's Commission. Transferor and Transferee represent and warrant to each other that they have dealt with no other brokers, finders or the like in connection with this Agreement. Subject to any statutory limitations affecting Transferee, Transferor and Transferee agree to indemnify each other and to hold each other harmless against all claims, damages, costs or expenses of or for any other such fees or commissions resulting from their actions or agreements regarding the execution or performance of this Agreement, and will pay all costs of defending any action or lawsuit brought to recover any such fees or commissions incurred by the other party, including reasonable attorneys' fees. This Section 14 shall survive termination of this Agreement or the Closing and delivery of the Deed.
15. Assignment. Transferee or Transferor may not assign its rights under this Agreement without the consent of the other party.
16. Survival. All of the terms of this Agreement will survive and be enforceable after the Closing and delivery of the Deed, provided that any action by either party for breach of

this Agreement or for any other claim related to this Agreement must be commenced within one year after date the Closing occurs.

17. Notices. Any notice required or permitted to be given by any party to the other shall be given in writing, and shall be (i) delivered to the receiving party (or any officer of such party), or (ii) mailed by United States registered or certified mail, return receipt requested, postage prepaid, or (iii) properly deposited with a nationally recognized, reputable overnight courier, properly addressed as follows:

If to Transferor: BPOZ Columbia Heights, LLC
Attn: Robert Lux
800 Nicollet Mall, Suite 2850
Minneapolis, MN 55402

with a copy to: Winthrop & Weinstine, PA
Attn: John Stern
225 South 6th Street, Suite 3500
Minneapolis, MN 55402

If to Transferee: City of Columbia Heights
Attn: City Manager
590 40th Avenue NE
Columbia Heights, MN 55421

with a copy to: Barna, Guzy & Steffen, Ltd.
Attn: Timothy Erb
200 Coon Rapids Boulevard NW, #400
Coon Rapids, MN 55433

Notices shall be deemed effective on the earlier of the date of receipt or in the case of such deposit in the mail or overnight courier, on the next business day following such deposit. Any party may change its address for the service of notice by giving written notice of such change to the other party, in any manner above specified, at least ten (10) days prior to the effective date of such change.

18. Captions. 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.
19. Entire Agreement. This written Agreement (including all exhibits hereto) and the Contract and other agreements required thereunder constitute the complete agreement between the parties and supersedes any and all other oral or written agreements, negotiations, understandings and representations between the parties regarding the Property. There are no verbal or written side agreements that change this Agreement.

20. Amendment; Waiver. No amendment of this Agreement, and no waiver of any provision of this Agreement, shall be effective unless set forth in a writing expressing the intent to so amend or waive, and the exact nature of such amendment or waiver, and signed by all parties (in the case of amendment) or the waiving party (in the case of waiver). No waiver of a right in any one instance shall operate as a waiver of any other right, nor as a waiver of such right in a later or separate instance.
21. Binding Effect. This Agreement binds and benefits the parties and their successors and assigns.
22. Controlling Law. This Agreement has been made under the laws of the State of Minnesota, and such laws will control its interpretation and effect.
23. Remedies.
- a) If Transferee materially defaults under this Agreement and Transferor is not in material default of this Agreement and the Completion Contingency and Title Contingency conditions are met, Transferor shall, in its sole and absolute discretion, have the right to bring an action for either:
 - i) specific performance (in which event, and notwithstanding anything contained herein or implied hereby or in the SOL Agreement to the contrary, the warranty periods provided hereunder and the SOL Agreement, including under Sections 5(a)(ii), 8, 12 and 29, shall be reduced by the number of days Closing was delayed due breach of this Agreement by Transferee), or
 - ii) liquidated damages in the form of retention by Transferor of title to the Redevelopment Property, including the Property and improvements thereto, free and clear of any claims by Transferee thereto, plus the release from escrow to Transferor of all deposits held in escrow pursuant to the Escrow Agreement. Because the Gray Shell Improvements, the Additional Installations and the City Upgrades constructed or to be constructed by Transferor on the Property would not have been constructed but for this Agreement, Transferor and Transferee agree that Transferor's damages resulting from Transferee's default are difficult, if not impossible, to determine, and that the liquidated damages calculation above is a fair and reasonable estimate of those damages, which has been agreed to in an effort to cause the amount of said damages to be certain. Accordingly, Transferee and Transferor agree that it would be reasonable in such event to award such liquidated damages to Transferor. In the event this option (ii) is elected as Transferor's remedy, the Contract shall, nevertheless, remain unaffected, except that Transferor's obligations thereunder to convey the City Hall Component and related amenities to Transferee shall be deemed to have been satisfied in full.
 - b) If Transferor materially defaults under this Agreement and fails to cure such default within thirty (30) days after written notice from Transferee (or if such default is not

curable within thirty (30) days, then such longer period as is reasonably necessary provided Transferor commences such cure and is diligently proceeding toward completion) and Transferee is not in material default of this Agreement, Transferee shall, in its sole and absolute discretion, have the right to bring an action for specific performance or actual out-of-pocket damages.

24. Counterparts. For the convenience of the parties, any number of counterparts hereof may be executed and each such executed counterpart shall be deemed an original, but all such counterparts together shall constitute one in the same Agreement. Counterpart signatures may be delivered via electronic mail (including any .pdf or electronic signature complying with the U.S. Federal ESIGN Act of 2000, e.g. www.docusign.com) or other transmission method and any such counterpart so delivered shall be deemed to be an original and have been duly and validly delivered and be valid and effective for all purposes.
25. Exhibits. All Exhibits referred to in this Agreement are attached and shall be considered a part of this Agreement.
26. Severability. If any provision of this Agreement is held to be unenforceable or void, such provision shall be deemed to be severable and shall in no way affect the validity of the remaining terms of this Agreement.
27. Time of Essence. Transferor and Transferee agree that time shall be of the essence of this Agreement. Notwithstanding the foregoing, in no event shall either party be liable or responsible for delays caused directly by matters beyond its control (collectively, “**Unavoidable Delays**”) such as strikes or other labor troubles or shortages, civil unrest, prolonged adverse weather or acts of God, epidemics, pandemics, or similar public health emergencies (including COVID-19), government mandated quarantine, fire or other casualty to the Minimum Improvements, litigation commenced by third parties which, by injunction or other similar judicial action, directly results in delays, or acts of any federal, state or local governmental unit (other than, in the case of Transferee, acts of the Authority or Transferee).
28. Capitalized Terms. Capitalized terms not otherwise defined herein shall have the meanings given such terms in the Contract.
29. Miscellaneous. The Transferor warrants to the Transferee that the materials and equipment furnished under this Agreement will be new and of good quality. In addition to the Transferor’s other obligations, including warranties under this Agreement, the Transferor shall, for a period of one year after the conveyance of Unit 1 to the Transferee, correct or otherwise address to the reasonable satisfaction of Transferee, work not conforming to the requirements of this Agreement. The Transferor shall obtain and pay for the building permit and other permits and governmental fees, and licenses necessary for the proper completion of the Minimum Improvements. At the completion of the Gray Shell Improvements, the Additional Installations and the City Building Upgrades, the Transferor shall remove tools, construction equipment, machinery and surplus materials from the Commercial Unit, and shall properly dispose of waste materials and leave the Commercial Unit in a neat and clean condition.

The Transferee may, after the Effective Date, order reasonable changes in the City Hall Component within the general scope of this Agreement with the reasonable approval of Transferor. Any change that eliminates an item described in the City Hall Component shall be deemed reasonable if Transferor has not commenced construction thereof or contracted for the purchase of the materials or labor therefor, which contract cannot be terminated or modified without cost or penalty. Change orders to the Gray Shell Improvements, the Additional Installations or the City Building Upgrades may require reasonable extensions of the Closing Date, and change orders to the City Building Upgrades or City Landscape Upgrades that will result in additional costs may require an additional contribution to the escrow account maintained in accordance with the Escrow Agreement extensions of the Closing Date.

[Signature Pages Follow]

**SIGNATURE PAGE OF TRANSFEROR
TO
TRANSFER AGREEMENT**

Transferor has executed this Agreement as of the date first written above.

TRANSFEROR:

BPOZ Columbia Heights, LLC

By: 

Name: Robert C. Lux

Its: President

**SIGNATURE PAGE OF TRANSFeree
TO
TRANSFER AGREEMENT**

Transferee has executed this Agreement as of the date first written above.

TRANSFeree:

City of Columbia Heights

By: Donna K. Schmitt

Name:

Its: Mayor

By: Will Bongio

Name:

Its: City Manager

EXHIBIT A

LEGAL DESCRIPTION OF REDEVELOPMENT PROPERTY

Real property in the City of Columbia Heights, County of Anoka, State of Minnesota, described as follows:

PARCEL 1 (Abstract and Torrens-Certificate of Title No. 142077):

Lot 32, Block 6, Reservoir Hills, Anoka County, Minnesota.

Lots 25 through 28, Block 1, Walton's Rearrangement of Lots 33 and 34, Block 6, Reservoir Hills, Anoka County, Minnesota.

The vacated alley adjacent to Lots 25 through 28, Block 1, Walton's Rearrangement of Lots 33 and 34, Block 6, Reservoir Hills, Anoka County, Minnesota.

Those parts of Lots 28 through 31, Block 6, Reservoir Hills; Lots 23, and 24, Block 1, Walton's Rearrangement of Lots 33 and 34, Block 6, Reservoir Hills; and of the vacated alley adjacent to Lot 24, Block 1, Walton's Rearrangement of Lots 33 and 34, Block 6, Reservoir Hills; lying southwesterly and westerly of the following described line: Beginning at a point on the south line of Block 1, Walton's Rearrangement, said point being 18.00 feet West of the southeast corner of Lot 23, of said Block 1, Walton's Rearrangement; thence Northerly on a line 18.00 feet West of and parallel with the east line of Lot 23 a distance of 87.00 feet; thence on a straight line to a point on the north line of Lot 30 of said Block 6, Reservoir Hills, said point being 47.23 feet Easterly of the northwest corner of said Lot 30 and there terminating.

The following portion of the above description being registered land:

That part of Lot Twenty-three (23), Block One (1), Walton's Rearrangement of Lots Thirty-three (33) and Thirty-four (34), Block Six (6), Reservoir Hills, lying southwesterly and westerly of the following described line: Beginning at a point on the South line of said Block 1, Walton's Rearrangement, said point being 18.00 feet West of the southeast corner of Lot 23 of said Block 1, Walton's Rearrangement; thence Northerly on a line 18.00 feet West of and parallel with said east line of Lot 23, a distance of 87.00 feet; thence on a straight line to a point on the north line of Lot 30 of said Block 6, Reservoir Hills, said point being 47.23 feet Easterly of the northwest corner of said Lot 30 and there terminating.

PARCEL 2 (Abstract):

Those parts of Lots 27 through 31, Block 6, Reservoir Hills and those parts of Lots 23 and 24, Block 1, Walton's Rearrangement of Lots 33 and 34, Block 6, Reservoir Hills and of the vacated alley abutting Block 1, "Walton's Rearrangement of Lots 33 and 34, Block 6, Reservoir Hills", as dedicated in said plat, lying within the following described tract: Commencing at a point on the south line of said Block 1, Walton's Rearrangement distant 18.00 feet west of the southeast corner of Lot 23, said Block 1, Walton's Rearrangement; thence northerly on a line 18.00 feet west of and parallel with the east line of said Lot 23, a distance of 87.00 feet, to the actual point of beginning of the tract to be described; thence continuing northerly on the extension of said line to the north line of Block 6, Reservoir Hills; thence westerly along said north line of Block 6, to a point being 47.23 feet easterly of the northwest corner of Lot 30, Block 6, Reservoir Hills; thence southeasterly, to the point of beginning;

Excepting therefrom Tract A, Registered Land Survey No. 250, Anoka County, Minnesota.

PARCEL 3 (Torrens-Certificate of Title No. 142076):

Tract A, Registered Land Survey No. 250, Anoka County, Minnesota.

PARCEL 4 (Torrens-Certificate of Title No. 116494)

Tract B, Registered Land Survey No. 250, Anoka County, Minnesota.

PARCEL 5 (Abstract)

Lots 24, 25 and 26, Block 6, Reservoir Hills. Lots 20, 21 and 22, Block 1, Walton's Rearrangement of Lots 33 and 34, Block 6, Reservoir Hills, and all of the vacated alley adjacent to said Lots 20, 21 and 22. Those parts of Lots 27, Block 6, Reservoir Hills and of Lot 23, Block 1, Walton's Rearrangement of Lots 33 and 34, Block 6, Reservoir Hills and of that part of the vacated alley abutting Block 1, "Walton's Rearrangement of Lots 33 and 34, Block 6, Reservoir Hills", as dedicated in said plat, which lies Westerly of the Northerly extension of the East line of Lot 23, said Block 1, lying easterly of the following described line: Beginning at a point on the South line of said Block 1, Walton's Rearrangement, said point being 18.00 feet West from the Southeast corner of Lot 23 of said Block 1, Walton's Rearrangement; thence Northerly on a line 18.00 feet West of and parallel with the East line of said Lot 23, to the North line of said Block 6, Reservoir Hills;

Excepting therefrom Tract B, Registered Land Survey No. 250, Anoka County, Minnesota.

PARCEL 6 (Torrens-Certificate of Title No. 115040)

Lot 19, Block 1, Walton's Rearrangement of Lots 33 and 34, Block 6, Reservoir Hills, Anoka County, Minnesota.

EXHIBIT B
GRAY SHELL MINIMUM IMPROVEMENTS

The Gray Shell Improvements shall include any portion of the Commercial LCEs located within the Garage (as defined in the CIC Declaration) and all ducts, pipes, conduits, utility infrastructure and mechanical systems located within the common elements (as defined in the CIC Declaration) or another unit within the Condominium which are part of and/or intended to serve the Commercial Unit as improved with the Gray Shell Improvements (so as to allow immediate access to and improvement of the Commercial Unit after the Closing Date).

EXHIBIT B
SELLER WORK LETTER
10-23-2020

3989 Central Ave Columbia Heights, Minnesota

Seller's Work: Seller shall provide, at no cost to Buyer other than the itemized costs derived from the City Upgrades explicitly stated in Exhibit C and Additional City Upgrades defined below, the following (collectively "Seller's Work") as set forth in the current design documents by Leo A Daly labeled "95% Construction Documents – Not For Construction", dated June 22, 2020 ("Buyer's 95% Plans"). Seller's Work is to be completed prior to delivering possession of the Premises to the Buyer, and in a good and workmanlike manner, using first quality new materials and in compliance with standard construction practices and all applicable codes.

Buyer's Plans: Notwithstanding the foregoing, Seller acknowledges that Buyer's 95% Plans are currently incomplete and may require more detail in certain areas including but not limited to in-slab coordination items. Buyer will have the opportunity to submit updated plans by December 11th, 2020 that would ~~effectively replace~~ amend the Buyer's 95% Plans, dated June 22, 2020, but will not be considered the Buyer's 100% plans.

Buyer will be solely responsible for any added costs to the Project that are a direct result of Buyer's changes to the plans ("Additional City Upgrades"), these costs will be distributed from the City Hall Upgrades escrow account to either reimburse the Seller or pay contractor directly for certain upgrades to the Gray Shell, in accordance with the City Hall Upgrades Escrow Agreement (Exhibit D). Seller shall so notify the Buyer, in writing, and as soon as possible (but in no event later than thirty (30) days after such notice) the Buyer shall deposit in escrow an amount, in cash, equal to one hundred twenty-five percent (125%) of the estimated additional costs. Seller shall have no responsibility to pay or cause to be paid, any costs, charges or expenses incurred in connection with the construction and completion of the City Upgrades and/or change orders thereto in excess of amounts in the account from time to time.

Shell Building

Seller shall deliver the Premises free of all interior walls and ceilings. The Premises will have a clearance variation of 11'4" - 14' from floor slab to any overhead structures or obstructions as coordinated to date with Buyer's 95% Plans. Where modifications of the clearances coordinated within the Buyer's spaces may be required to be changed or altered by construction practices and/or unforeseen elements of the construction of the development overall, the Seller will notify the Buyer prior to the Seller's commencement of the work to allow for discussion with Buyer and for the Buyer to avoid unforeseen design costs that may negatively alter their space. Where the Buyer's current design documents do not clearly indicate coordination requirements with the Seller's work, then the Transfer Agreement shall govern Seller's work. If the Transfer Agreement does not provide the required information, Seller will contact Buyer prior to commencement of Seller's work.

Restrooms

The Buyer will be required to submit plans for plumbing services by December 11th, 2020. Any concrete penetrations required that are not shown on the submitted plans will require Buyer to have Ground Penetrating Radar (GPR) and/or X-Ray services done prior to construction. Seller shall review plans and if required request additional engineering at the expense of the Buyer. Seller will provide 13 floor drains location sleeves through the post-tension concrete slab, with PVC DWV / PEX & CPVC piping. No fixtures are included.

Utility Service

Seller to furnish Buyer-specified electrical, gas, and sanitary service to the final points of connection (including all meters) within the Premises in coordination with Buyer's 95% Plans. In the event the

referenced documents do not provide clear connection information or more information is required, the Buyer will be required to submit revised plans December 11th, 2020.

Water Distribution

The Seller shall provide the Buyer with a sub-metered capped water line with meter and shut-off valve. This service line shall be sized and located in coordination with the Buyer's 95% Plans. In the event the referenced documents do not provide clear connection information or more information is required, the Buyer will be required to submit revised plans by December 11th, 2020. The fire protection system and domestic water system may not be supplied from the same service. Seller to provide a minimum 2" water service line for domestic from the meter room to the City Hall space.

Sanitary Sewage

Seller is responsible for ensuring all lines and infrastructure beyond Buyer's point of connection has adequate capacity, positive flow, and is in good working order and cleaned out prior to Delivery to Buyer. The point of connection locations shall be coordinated with the Buyer's 95% Plans for all sleeving and work required by Buyer prior to possession of the Premises. In the event the referenced documents do not provide clear connection information or more information is required, the Buyer will be required to submit revised plans by December 11th, 2020.

Gas Distribution

The Seller shall deliver sub-metered natural gas service with pressure regulator and shut off stubbed to Utility Area as noted on plan. Buyer will be required to provide any necessary piping from that location. Natural gas shall be connected to all HVAC equipment provided by Seller (See HVAC). This service shall be sized in coordination with Buyer's 95% Plans. In the event the referenced documents do not provide clear connection information or more information is required, the Buyer will be required to submit revised plans by December 11th, 2020. Seller to provide gas line stubbed into City Hall space and capped.

Sidewalks & Patios

Sidewalks and Patios provided as detailed per Seller's Full Building Permit Set. Any added structures to patio areas to be reviewed by Seller for size, weight, and anchoring requirements prior to installation. The concrete patio must be smooth, level and properly cured and ready to accept Buyer's patio furniture. Any Buyer requested changes to the sidewalk design shall be at the sole cost of Buyer and shall not negatively impact Seller's construction timeline.

Flooring

Seller will provide reinforced concrete slab, in stable, dry condition. Any alterations to the concrete slab within the boundaries of the Gray Shell not coordinated with the Buyer's 95% Plans, must be approved by Buyer prior to construction. All flooring must meet all applicable building, structural and ADA jurisdictional requirements.

Entrances, Storefronts, and Exterior Building Finishes

Seller will provide aluminum storefront system in like-new condition to include but not be limited to: thermally broken frame with non-tinted, double pane insulated and safety rated, impact resistant storefront glass and entry doors per Buyer's 95% Plans. In the event the referenced documents do not provide clear intent or more information is required, the Buyer will be required to submit revised plans by December 11th, 2020. Seller will provide both (a) all entrances at street or walkway level, and (b) entrances in compliance with all applicable codes that meet federal, state, provincial, local building, life safety, and handicap accessibility codes.

Exterior Metal Doors & Frames

Seller to furnish and install multiple commercial grade heavy-duty hollow metal exterior service doors in coordination with Buyer's 95% Plans. In the event the referenced documents do not provide clear connection information or more information is required, the Buyer will be required to submit revised plans by December 11th, 2020. These openings will be in compliance with all building and fire agencies having jurisdiction. Seller will furnish and install all exterior door hardware including panic hardware and door

closure in coordination with Buyer's 95% Plans. In the event the referenced documents do not provide clear connection information or more information is required, the Buyer will be required to submit revised plans by December 11th, 2020.

Gypsum Board

All non-masonry fire-rated demising walls shall be framed, insulated, sheet rocked and fire-taped up to the underside of roof structure as per code requirements. All perimeter walls to be insulated, dry walled, and finished to deck. Walls to be fire taped only.

Fire Detection and Alarm

If required by applicable codes Seller shall: Permit, furnish, install, monitor, and maintain base building monitoring and fire protection alarm system. The system must be programmed and functional prior to Buyer taking possession of Premises. System shall be designed for Buyer to make all final connections as per local code.

Fire-Suppression Sprinkler Systems

Seller to provide and install complete sprinkler system for the Buyer's space (if required by code for Buyer's use) including, but not be limited to, the following: Distribution piping and heads based upon an open space layout and in accordance with local, state and national fire codes. The installed height of these elements will be coordinated with the Buyer's 95% Plans. In the event the referenced documents do not provide clear connection information or more information is required, the Buyer will be required to submit revised plans by December 11th, 2020. Buyer will be responsible for final drops and modifications based upon Buyer's plans. Seller will be responsible for engineering, shop drawings, and permitting as needed. The Buyer's System must be pressure tested, fully operational, inspected and approved by local agencies having jurisdiction.

Fire-Suppression Sprinkler Details:

- 1.) Provide a design/build wet sprinkler system to meet NFPA #13, the International Building/Fire codes with state amendments & the city of Columbia Heights, MN
- 2.) Provide drawings and hydraulic calculations that are to be submitted and approved by the city of Columbia Heights, MN
- 3.) Provide a separate sprinkler zone to serve the City Hall space. The sprinkler zone control assembly is to be located in the stairwell that serves the City Hall space
- 4.) Provide standard or extended coverage brass upright sprinklers on exposed black steel pipe throughout. 1" openings are provided for future modifications
- 5.) Sprinkler spacing to be up to a maximum of 12'x12' (change from 20'x20' to 12'x12' may cause an increase in cost, any increase in cost would qualify as a City Upgrade and be paid for pursuant Exhibit D)
- 6.) Piping and material to be UL listed and/or FM Global approved and to conform to NFPA #13
- 7.) Fire sprinkler systems in the City Hall space is to be designed as Light Hazard, 0.10 gpm /SF over 1,500 SF with 100 gpm outside hose stream included
- 8.) Any revisions to the sprinkler grid system to accommodate the space is the Buyer's-responsibility and expense
- 9.) Buyer's shall provide and install a fire alarm system in accordance with any and all codes at Buyer's expense.

HVAC

The HVAC is a Variable Refrigerant Flow or (VRF) system. Exterior Make-up Air Units and associated connections points to be provided by Seller in coordination with Buyer's 95% Plans for interior HVAC systems. The system components provided by the Seller is manufactured by LG. Buyer is required to use LG and/or LG authorized firm for all programming and final connections to heating/cooling recovery terminals. All HVAC thermostats, humidification, and accessories must be LG manufactured products. Buyer to submit all final HVAC design and vendor plans for approval by Seller prior to commencement of Buyers work.

Seller to provide and install copper heat pump line roughed into space (no equipment, ductwork or piping are not included) and one (1) louver. Seller's Work includes an opening in the PT roof slab for RTU supply and returns. Buyer shall be responsible for all other work including but not limited to RTUs, VTUs, Fan coils, piping, ductwork, HVAC thermostats, humidification, and accessories.

Electrical Distribution

Electrical Amperage is to be provided in coordination with Buyer's 95% Plans. All sleeve locations for points of connection within the Buyer's space are to be coordinated with Buyer's 95% Plans. In the event the referenced documents do not provide clear connection information or more information is required, the Buyer will be required to submit revised plans by December 11th, 2020.

Electrical Distribution Details:

- 1.) Electric Service will be a 600 amp fed from mechanical room, adequate pipe runs to just inside envelope
- 2.) 200 amp panel for construction mounted on wall in city hall space
- 3.) Temp lighting in space (6 pendant 11,000 lumens omni directional)
- 4.) Pipe to just inside envelope for data run.
- 5.) Wire and temp t-stats connection for Reznor temp heater.
- 6.) Seller is responsible for all interior and exterior emergency lighting, and all required exit lighting Cooper Universal (high efficiency LED red exits with battery backup if permitted per code).
- 7.) Seller will provide generator access below grade into the parking garage and sleeve up into the electrical room of the Buyer's unit as shown in Buyer's 95% Drawings. (any increase in cost for additional in-slab punching would qualify as a City Upgrade and be paid for pursuant Exhibit D)

Audio/Visual Raceway/Distribution

At Buyer's cost, Seller to provide in-slab AV back boxes, j-boxes, and in-slab conduits to stub up from floor as coordinated with Buyer's 95% Plans. In the event the referenced documents do not provide clear connection information or more information is required, the Buyer will be required to submit revised plans by December 11th, 2020. These elements shall be located for, but not limited to spaces such as conference rooms, open office furniture locations, and City Council room/meeting rooms.

Site Signage

Seller to provide and install conduit from the Premises to all site signage as detailed per Seller's Full Building Permit Set. Seller to provide circuit back j-box in ceiling space location to be determined by Buyer.

Overall Site and Accessibility

Seller shall provide a site that is in conformance to all current local codes and ordinance including but not limited to recording of plat, landscape compliance, drive aisle sizes, etc. Seller shall provide parking of adequate size, type (including handicap parking), and quantity as agreed upon in the Condominium

Declaration, Transfer Agreement, and Parking License Agreements. Seller shall provide adequate loading zone area as required for uses. Seller shall provide accessible routes constructed with approved surfaces from the public right-of-way and accessible parking spaces to the accessible building entry/entries as required by local codes and ordinances. [Not related to Gray Shell Improvements.]

Miscellaneous

Buyer will not be responsible for any fees associated with work performed by Seller.

Seller shall satisfy all requirements and obtain all approvals relating to work/amenities outside of the Premises as required by the governing authorities, as necessary for the Buyer to apply for and obtain building permits based on the square footage of the proposed facility and the operational use including but not limited to: utilities, planning and zoning, site plan approval, land use, land division, architectural, environmental, and traffic. Seller is responsible to demise Premises and provide fire separation as required by code, based on Buyer's square footage and proposed use.

Seller is responsible for satisfying all vehicular and pedestrian requirements outside of the premises as required by code, including, but not limited to access, walks, parking, loading, circulation, ADA requirements.

Seller and Buyer agree that any changes or amendments to improvements listed herein shall be communicated timely by Seller to Buyer and changes to plans and specifications shall be coordinated between Seller and Buyer to minimize impacts to Buyer's useable space and budget.

EXHIBIT C

CITY BUILDING UPGRADES, CITY LANDSCAPE UPGRADES AND ADDITIONAL INSTALLATIONS

CITY BUILDING UPGRADES

Description	Location	QTY	UNIT	UNIT COST	TOTAL COST
Framed Ceiling	Parking Garage Vestibule	756	sf	\$ 6.50	\$ 4,914
Framed Walls	Parking Garage Vestibule	290	sf	\$ 5.50	\$ 1,595
Soffit Framing	Parking Garage Vestibule	113	lf	\$ 45.00	\$ 5,085
Fur Column	Parking Garage Vestibule	132	lf	\$ 7.00	\$ 924
Drywall Lid	Parking Garage Vestibule	276	sf	\$ 3.50	\$ 966
Storefront	Parking Garage Vestibule	526	sf	\$ 50.00	\$ 26,300
Storefront Door	Parking Garage Vestibule	2	ea	\$ 3,500.00	\$ 7,000
Paint Walls in Vestibule	Parking Garage Vestibule	198	sf	\$ 1.00	\$ 198
Floor Tile	Parking Garage Vestibule	226	sf	\$ 12.00	\$ 2,712
Metal Panel Wrapped Column	Parking Garage Vestibule	72	sf	\$ 40.00	\$ 2,880
Metal Panel Soffit	Parking Garage Vestibule	883	sf	\$ 40.00	\$ 35,320
Fire Protection	Parking Garage Vestibule	1	ls	\$ 750.00	\$ 750
Soffit Lighting	Parking Garage Vestibule	1	ls	\$ 2,000.00	\$ 2,000
Bollards	Parking Garage Vestibule	4	ea	\$ 350.00	\$ 1,400
				TOTAL	\$ 92,044

Description (Reference Façade Breakouts)	Location	QTY	UNIT	UNIT COST	TOTAL COST
Stone	City Hall Façade	2,274	SF	\$ 28.01	\$ 63,700
Vapor Barrier	City Hall Façade	2,274	SF	\$ 0.42	\$ 959
Storefront	City Hall Façade	2,305	SF	\$ 1.99	\$ 4,589
Dri Design Aluminum Panel	City Hall Façade	1,772	SF	\$ 71.11	\$ 126,000
ACM Panel	City Hall Façade	979	SF	\$ (15.83)	\$ (15,500)
Flush Metal Panel	City Hall Façade	55	SF	\$ (535.45)	\$ (29,450)
Fiber Cement Lap Siding	City Hall Façade	-	SF	\$ -	\$ (4,200)
Fiber Cement Soffit	City Hall Façade	670	SF	\$ 6.02	\$ 4,032
Air Barrier	City Hall Façade	3,476	SF	\$ (0.07)	\$ (226)
				TOTAL	\$ 149,904

Description (Added Gray Shell Coordination)	Location	QTY	UNIT	UNIT COST	TOTAL COST
Allowance for recessed elec and AV floor boxes or conduit.	Interior Coordination	1	LS	\$ 15,000.00	\$ 15,000
				TOTAL	\$ 15,000

CITY LANDSCAPE UPGRADES

Description	Location	QTY	UNIT	UNIT COST	TOTAL COST
Sidewalks - Color Banding	City Hall Streetscapes	2,660	SF	\$ 9.81	\$ 26,100
Heated Sidewalk - City Hall Entrance	City Hall Streetscapes	504	SF	\$ 25.00	\$ 12,600
Decorative Bollards (Included in Barrier1)	City Hall Streetscapes	-	EA	\$ -	\$ -
Standard concrete and steel bollards	City Hall Streetscapes	3	EA	\$ 750.00	\$ 2,250
Monolithic Stones - Standard Sizes	City Hall Streetscapes	1	LS	\$ 9,408.59	\$ 9,409
Foundations for stone benches and Barrier-1	City Hall Streetscapes	104	LF	\$ 185.00	\$ 19,240
Barrier-1 Crash protection bollards	City Hall Streetscapes	-	EA	\$ 2,144.00	\$ -
Installation of Barrier 1 bollards	City Hall Streetscapes	-	EA	\$ 500.00	\$ -
Add landscaping to replace deleted benches	City Hall Streetscapes	5	EA	\$ 500.00	\$ 2,500
Wood Slat Topped Bench - Standard Sizes	City Hall Streetscapes	1	LS	\$ 3,101.20	\$ 3,101
Screen Wall - City Hall Generator	City Hall Streetscapes	70	LF	\$ 75.00	\$ 5,250
				TOTAL	\$ 80,450

ADDITIONAL INSTALLATIONS

Additional Installations
L1 Commercial Parking Garage City Hall Rooftop HVAC Unit City Hall VRF Risers Shared Emergency Generator
<i>* these items will be constructed and all rights provided therein per the recorded CIC Declaration (Exhibit G)</i>

EXHIBIT D

CONSTRUCTION ESCROW AND DISBURSING AGREEMENT

CONSTRUCTION ESCROW AND DISBURSING AGREEMENT (City Upgrades)

This CONSTRUCTION ESCROW AND DISBURSING AGREEMENT (“**Agreement**”) is effective as of _____, 2020 (the “**Effective Date**”) by and among BPOZ Columbia Heights, LLC, a Delaware limited liability company (“**BPOZ**”), and the City of Columbia Heights, a Minnesota municipal corporation (“**City**”) and First American Title Insurance Company (“**Escrow Agent**”).

RECITALS

- A. BPOZ has acquired title to certain land (the “**Redevelopment Property**”) pursuant to a certain Purchase and Redevelopment Contract by and among BPOZ, the City and the Columbia Heights Economic Development Authority dated _____ (the “**Contract**”), under which BPOZ has agreed to construct a mixed-use building (the “**Project**”) consisting of approximately 266 multifamily rental apartment dwellings, approximately 3,280 square feet of commercial space, and associated structured and surface parking all to be owned and operated initially by BPOZ (the “**Housing Component**”), and (ii) approximately 21,256 square feet of gray-shell finish space designed for use as a City hall to be owned and operated initially by City (the “**City Hall Component**”).
- B. The Contract requires BPOZ to construct the City Hall Component to a gray shell finish by constructing the “**Gray Shell Improvements**”, as more specifically defined in a Transfer Agreement, dated _____ between BPOZ and the City (the “**Transfer Agreement**”) and then transfer the City Hall Component to the City in partial satisfaction of the consideration owed by BPOZ under the Contract in exchange for the Redevelopment Property.
- C. To legally subdivide the City Hall Component from the remainder of the Project, BPOZ intends to create on the Redevelopment Property a two-unit condominium to be known as Common Interest Community No. ____, “The Heights” (the “**Condominium**”), the City Hall Component of which will be one of the two separate condominium units referred to in the governing common interest community declaration and common interest community plat (collectively, the “**CIC Declaration**”) as “**Unit 1**” or the “**Commercial Unit**”.
- D. In addition, the City has requested and BPOZ has agreed to construct certain upgrades within the Commercial Unit or on limited common elements allocated by the CIC Declaration for the exclusive use of the Commercial Unit (the “**Commercial LCEs**”), some of which upgrades (such as the façade and vestibule serving the City Hall Component) are to the Building (the “**City Building Upgrades**”), and some of which (such as the heated sidewalk and bollards) are to the surrounding landscape (the “**City Landscape Upgrades**”), and all of which are more specifically set forth in the Transfer Agreement and in the construction plans and specifications mutually approved by the parties hereto. The City

Building Upgrades and the City Landscape Upgrades are hereinafter collectively referred to as the “**City Upgrades**”.

- E. BPOZ intends to complete and deliver the City Building Upgrades, along with the Gray Shell Improvements at closing on the transfer of the Premises to the City, and to complete and deliver the City Landscape Upgrades as weather conditions allow.
- F. In order to assure that the City Upgrades are properly made and paid for in a timely manner, the parties desire to enter into this Construction Escrow and Disbursement Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Construction of City Upgrades. BPOZ shall construct and deliver the City Upgrades substantially in accordance with the construction plans and specifications prepared by _____ and approved by the City and BPOZ (the “**Construction Plans**”) and shall use its best efforts to meet the schedule set forth on Exhibit A attached hereto, subject to any mutually approved change orders and Unavoidable Delays.
 - (A) The City Upgrades will utilize materials specified in the Construction Plans and be constructed in a workmanlike manner, in accordance with good building practices, in compliance with all applicable laws, ordinances, permits, rules and regulations, and consistent with any insurance underwriting requirements.
 - (B) BPOZ will substantially complete the City Building Upgrades and deliver the same with the Gray Shell Improvements on or before the Closing Date set forth in the Transfer Agreement, subject to Unavoidable Delays.
 - (C) BPOZ will substantially complete the City Landscape Upgrades, as soon as practicable after substantial completion of the Gray Shell Improvements and the City Building Upgrades, as weather conditions allow after said Closing Date but no later than December 31, 2022, subject to Unavoidable Delays.
 - (D) As used in this Agreement, “**Unavoidable Delays**” means delays beyond the reasonable control of BPOZ, including, those which are the direct result of strikes, other labor troubles, prolonged adverse weather or acts of God, epidemics, pandemics, or similar public health emergencies (including COVID-19), government mandated quarantines, civil unrest, fire or other casualty, litigation commenced by third parties which, by injunction or other similar judicial action, directly results in delays, or acts of any federal, state or local governmental unit, including without limitation condemnation or threat of condemnation of any portion of the Redevelopment Property, which directly result in delays.
 - (E) The City warrants and represents to BPOZ that the City Upgrades are not subject to public bidding laws, prevailing wage laws or similar laws.

2. Escrow Account.

- (A) Establishment. The Escrow Agent acknowledges that the City has deposited into an account maintained by the Escrow Agent (the “**Escrow Account**”) the sum of Four Hundred Twenty-one Thousand, Seven Hundred Forty-Seven and 50/100ths Dollars (\$ 421,747.50) (together with any additions thereto or interest thereon, the “**Escrow Deposit**”), being approximately 125% of the estimated costs of labor, materials and related expenses for the City Upgrades (as the same may be increased by change orders as provided herein, collectively, the “**City Upgrade Costs**”). The Escrow Agent agrees to hold and disburse the Escrow Deposit as construction of the City Upgrades progresses, pursuant to this Agreement.
- (B) Sufficiency; Change Orders. Absent change orders, BPOZ agrees that the City Upgrades do not require expenditures in excess of the funds available to construct the City Upgrades. In the event of one or more change orders are mutually approved that increase the City Upgrade Costs, however, the City shall deposit into the Escrow Account an additional amount equal to the lesser of 125% of the estimated cost increase due to such change order or 125% of the estimated cost of the remaining work necessary to complete the City Upgrades as modified by the change order.
- (C) Use. The Escrow Deposit shall, except as otherwise stated in this Agreement, be used exclusively for the purpose of paying or reimbursing BPOZ for the costs of the construction and installation of the City Upgrades from time to time as construction progresses.
- (D) Accounting. The Escrow Agent shall account for all funds deposited with it and shall hold the Escrow Deposit in a non-risk, interest bearing account. Interest earned on any portion of the Escrow Deposit shall be added to the Escrow Deposit and be available to pay for the City Upgrade Costs.

3. Conditions for Disbursement.

- a. First Disbursement of Funds. Prior to the first disbursement hereunder, Escrow Agent shall be furnished:
 - i. A copy of the construction budget or use of proceeds schedule executed by BPOZ setting forth the amounts budgeted for all items which in the aggregate constitute the City Upgrade Costs.
 - ii. A disbursement request, in the form attached to this Agreement as Exhibit B (“**Disbursement Request**”), executed by BPOZ in connection with the requested disbursement.
 - iii. Sufficient funds to cover the requested disbursements, all unpaid charges owed under this Agreement, and all remaining City Upgrade Costs.

- b. Conditions of Subsequent Disbursements. Prior to each disbursement hereunder, the Escrow Agent shall be furnished:
- i. An up-to-date construction budget prepared by BPOZ.
 - ii. A Disbursement Request executed by BPOZ in connection with the requested disbursement.
 - iii. Sufficient funds to cover the requested disbursements and to pay for extras or change orders for which waivers have not been deposited and for which funds have not previously been deposited.
 - iv. Sufficient funds to cover the disbursement, and all unpaid charges owed under this Agreement.
 - v. A sworn construction statement and unconditional lien waivers, satisfactory to Escrow Agent, with respect to amounts disbursed for City Upgrade Costs pursuant to the immediately preceding Disbursement Request. The parties acknowledge that the sworn construction statements required under this Agreement will be those prepared for all of the improvements on the Redevelopment Property, including the Minimum Improvements (as defined in the Contract) and the City Upgrades.
 - vi. Copies of all pending or approved change orders.
- c. Conditions of Final Disbursement.
- i. An up-to-date Project Budget prepared by BPOZ.
 - ii. Copies of all pending or approved change orders.
 - iii. The Disbursement Request executed by BPOZ in connection with the requested disbursement.
 - iv. Sufficient funds to cover the requested disbursements, and to pay for extras or change orders for which waivers have not been deposited and for which funds have not previously been deposited.
 - v. Sufficient funds to cover unpaid charges owed under this Agreement.
 - vi. Sworn construction statement and lien waivers, satisfactory to Escrow Agent, with respect to amounts disbursed for City Upgrade Costs pursuant to the immediately preceding Disbursement Request.

- vii. Conditional final lien waivers from all contractors or subcontractors confirming the amount to be paid pursuant to the Disbursement Request.
 - viii. Copy of a certificate of substantial completion from the City, as set forth in Section 7 below, satisfactory to Escrow Agent, that the City Upgrades have been completed. The City's issuance of a certificate of substantial completion of the City Upgrades shall be deemed a certification by the City that the City Upgrades have been completed in a manner satisfactory to the City and in accordance with applicable building, zoning or other codes, ordinances, statutes, laws, regulations or requirements of any governmental authority or agency, except that such certification shall not be deemed to be a further waiver by the City of any statutory warranty or right to the extent such statutory warranty or right has not already been waived or modified under the Transfer Agreement.
4. Supervision. The City acknowledges and agrees that the direction and supervision of the work force constructing or installing the City Upgrades, including subcontractors, rests exclusively with BPOZ, and the City agrees not to issue any instructions to or otherwise interfere with the same. The City further agrees not to negotiate with BPOZ's subcontractors for additional work or otherwise interfere with their work.
 5. Cooperation. If the City will be completing certain interior finishes to the Commercial Unit other than the City Upgrades ("**City's Work**"), the City agrees, for the benefit of BPOZ (and The Heights Owners Association, as the case may be (the "**Association**")) (i) to cooperate with BPOZ, if the Project, including without limitation, the City Upgrades, are not then completed, to minimize any inconvenience to or delays of BPOZ's contractors and agents in timely completing the same, (ii) to minimize any disturbance to the occupants, if any, of the Housing Component, (iii) to hold BPOZ and the Association harmless from and fully indemnify them, subject to any applicable statutory limits, for all damage, injury, claims, loss, cost, and expense that results from City's Work, except as may relate to, or arise from, the gross negligence or intentional conduct of BPOZ, (iv) to ensure that those performing the labor for or providing the materials directly to City are fully insured, and (v) to keep the Housing Component and all common elements of the Condominium free and clear of mechanics' and materialmen's liens resulting from City's Work. If BPOZ will be completing certain work to Housing Component ("**BPOZ's Work**"), BPOZ agrees: (i) to cooperate with the City, if the Project is not then completed, to minimize any inconvenience to or delays of the City's contractors and agents in timely completing the City's Work, (ii) to minimize any disturbance to the occupants, if any, of the City Hall Component and any limited common element allocated to the City, (iii) to hold the City harmless from and fully indemnify the City, for all damage, injury, claims, loss, cost, and expense that results from BPOZ's Work, except as may relate to, or arise from, the gross negligence or intentional conduct of the City, (iv) to ensure that those performing the labor for or providing the materials directly to BPOZ are fully insured, and (v) to keep the City Hall Component and all common elements of the Condominium free and clear of mechanics' and materialmen's liens resulting from BPOZ's Work. The indemnification obligations under this Section shall survive termination of this Agreement.

6. Inspections and Warranty. BPOZ will permit the City or any person designated by the City and any interested governmental authority, from time to time and, except in the event of an emergency, upon 48 hours' advance written notice, to inspect the City Upgrades and to examine and copy all contracts and bills or other documents required hereunder to be provided to Escrow Agent pertaining to the City Upgrades. BPOZ agrees to promptly cause the replacement of any material or work that is defective, unworkmanlike, does not comply with any applicable law, ordinance, rule or regulation, or does not comply with the requirements of this Agreement. The statutory warranties under the Minnesota Common Interest Ownership Act shall apply to the City Upgrades to the extent specified by the Transfer Agreement.

7. Substantial Completion. The City shall determine substantial completion of the City Building Upgrades pursuant to Section 11 of the Transfer Agreement. Upon notice to City by BPOZ of substantial completion of the City Landscape Upgrades, City shall promptly inspect the City Landscape Upgrades to determine that they were completed in conformance with the plans therefor. If City accepts the City Landscape Upgrades, City shall promptly issue a certificate of completion therefor effective as of BPOZ's notice to the City. If City finds such City Landscape Upgrades do not materially conform to such plans, City shall submit its findings to the BPOZ's architect for review. Within five (5) business days of receipt of City's findings, BPOZ's architect shall provide a written response rendering its professional opinion as to the City's findings and status of such City Landscape Upgrades. If BPOZ's architect disagrees with the City's findings, City shall accept such City Landscape Upgrades and issue to BPOZ a certificate of completion to evidence City's acceptance thereof. If the BPOZ's architect agrees with the City's findings, BPOZ shall promptly proceed to correct such applicable nonconformities, whereupon a certificate of completion shall be promptly issued by City effective as of BPOZ's renewed notice of substantial completion.

8. Use of Escrow Account; Lien Protection. BPOZ shall promptly pay, or cause to be paid from the Escrow Account, when due all costs, charges and expenses incurred in connection with the construction and completion of the City Upgrades, and, subject to the City's performance hereunder and under the Transfer Agreement to fund the Escrow Deposit and any other deposits required as a result of change orders, shall keep the Premises and common elements of the Condominium free and clear of any and all mechanic's liens relating to the City Upgrades. All disbursements for City Upgrade Costs may be made either to BPOZ as reimbursement for costs paid or advanced, or to the contractor (who it is expected will thereafter promptly pay subcontractors for the work or amounts listed in the draw request) or may be made directly to the subcontractors, in the discretion of Escrow Agent, solely to pay for materials, labor and services, or to pay costs and expenses for which such disbursement is requested. BPOZ may, by written direction, require that all payments be made directly to subcontractors.

9. Insurance Requirements. BPOZ shall provide or cause to be provided workers' compensation, builder's risk, and public liability insurance and other insurance required under applicable law in connection with any of the City Upgrades.

10. Insufficient Account. If BPOZ determines in its reasonable discretion that the money in the Escrow Account is insufficient to pay for completion of the City Upgrades due to change orders, BPOZ shall so notify the City, in writing, and as soon as possible (but in no event later than twenty (20) days after such notice) the City shall deposit with the Escrow Agent an amount, in cash, equal to one hundred twenty-five percent (125%) of such deficiency. BPOZ shall have no responsibility to pay or cause to be paid, any costs, charges or expenses incurred in connection with the construction and completion of the City Upgrades and change orders thereto in excess of amounts in the Escrow Account from time to time.

11. Default. If BPOZ abandons or fails to proceed diligently with the City Upgrades or otherwise is in default under this Agreement, the City shall have the right (but not the obligation) to take over and cause the completion of the City Upgrades following ten (10) days' advance written notice to BPOZ and the Escrow Agent (the "**Default Notice**"). Unless BPOZ disputes the Default Notice, as evidenced by written notice delivered by BPOZ to the City and the Escrow Agent within ten (10) days following the receipt (or deemed receipt as the case may be) of the Default Notice, the City may demand release of so much of the remaining Escrow Deposit to cover the City's out-of-pocket costs incurred to complete the City Upgrades. In the event BPOZ timely disputes the Default Notice, Escrow Agent may, at its option, either (i) continue to hold the remaining Escrow Deposit until such time as BPOZ and the City resolve their dispute and issue joint written instructions relative to disbursement of the Escrow Deposit, or (ii) deposit the Escrow Deposit with a court of competent jurisdiction, in which event Escrow Agent shall thereupon be relieved from all further obligations hereunder. If the City defaults under this Agreement, after written notice of such default is provided to the City and the City has not cured such default within ten (10) business days, BPOZ shall, in its sole discretion, have the right (i) to bring an action for either specific performance or (ii) to all amounts then remaining in the Escrow Account as liquidated damages, it being agreed that BPOZ would not have constructed the City Upgrades but for this Agreement and that BPOZ's damages resulting from the City's default are difficult, if not impossible, to determine, and that the liquidated damages calculation above is a fair and reasonable estimate of those damages, which has been agreed to in an effort to cause the amount of said damages to be certain.

12. Liability of Escrow Agent. The functions and duties assumed by Escrow Agent include only those described in this Agreement, and Escrow Agent is not obligated to act except in accordance with the terms and conditions of this Agreement. Escrow Agent does not insure that the City Upgrades will be completed, nor does it insure that the City Upgrades, when completed will be in accordance with any plans or specifications, nor that sufficient funds will be available for the completion, nor does it assume any liability for the City Upgrades. Escrow Agent has no liability for loss caused by an error in the certification furnished hereunder as to work in place. Escrow Agent shall not be responsible for any loss of documents or funds while such documents or funds are not in its custody. Documents or funds which are deposited in the United States mail shall not be construed as being in the custody of Escrow Agent. Escrow Agent is not responsible for loss due to false affidavits of contractors and subcontractors. If Escrow Agent discovers a misstatement in an affidavit furnished by the contractor or BPOZ, it shall stop

disbursement until the misstatement has been corrected to BPOZ's and Escrow Agent's satisfaction. The parties acknowledge that Escrow Agent shall not be responsible for creating, furnishing or reporting any IRS 1099 notices or filings for any payments it disburses under this Agreement for the parties.

13. Indemnification of Escrow Agent. Except for Escrow Agent's negligence or willful misconduct in the performance of its duties under this Agreement, BPOZ and the City (subject to any statutory limits), jointly and severally, agree to indemnify Escrow Agent against all losses, claims, damages, liability, and expenses, including, without limitation, costs of investigation and legal counsel fees which may be imposed on Escrow Agent or incurred by Escrow Agent in connection with the performance of its duties under this Agreement, including, without limitation, any litigation arising from this Agreement or involving the subject matter of this Agreement.
14. Fees. BPOZ and the City shall share equally in payment of all escrow-related charges due under this Agreement, including any search update fees, and any Escrow Agent an administrative fee of \$350.00 (or more in the event of a non-routine draw, which may be considered non-routine because of unresolved liens, insufficient project or lien waiver documentation, disputes between parties, etc.) per disbursement.
15. Termination. Except as it may relate to warranties, this Agreement shall terminate upon the completion of the City Upgrades in accordance with this Agreement and BPOZ's reasonable satisfaction, and the full disbursement by the Escrow Agent of the City Upgrade Costs. In the event there are funds remaining in the Escrow Account after the City Upgrades have been completed in accordance with this Agreement and the City Upgrade Costs have been paid in full, such funds remaining in the Escrow Account shall be promptly refunded by the Escrow Agent to the City.
16. Notices. Any notice required to be given to BPOZ, the City or Escrow Agent pursuant to this Agreement shall be in writing and shall be deemed duly given: (i) on the date of personal delivery; (ii) on the date of e-mail delivery as evidenced by a receipt of transmission report (provided such email is followed by delivery by one of the other means identified in (iii) or (iv) below); (iii) one (1) business day following dispatch by Federal Express or equivalent overnight delivery service or (iv) three (3) business days after mailing certified or registered mail, postage prepaid, return receipt requested, to respective addresses of the parties set out below:

ESCROW AGENT:
 First American Title Insurance Company
 121 South 8th Street, Suite 1250
 Minneapolis, MN 55402
 Attn: Kathy Estenson
 E-mail: kestenson@firstam.com

BPOZ:
 BPOZ Columbia Heights, LLC
 IDS Center
 80 South 8th Street, Suite 4155
 Minneapolis, MN 55402
 Attn: Robert C. Lux
 E-mail: rclux@alatusllc.com

CITY:
 City of Columbia Heights
 Attn: City Manager
 590 40th Avenue NE
 Columbia Heights, MN 55421
 E-mail: KBourgeois@columbiaheightsmn.gov

17. Choice of Law. This Agreement shall be construed and enforced in accordance with the laws of the State of Minnesota.
18. Successors and Assigns. No party hereunder may assign its rights and interests under this Agreement, in whole or in part, without the prior written consent of the other party. The terms used to designate any of the parties herein shall be deemed to include the permitted successors and assigns of such parties.
19. Entire Agreement. This Agreement and the Transfer Agreement represent the final agreement between the parties with respect to the City Upgrades and the Escrow Account and may not be contradicted by evidence of prior, contemporaneous or subsequent oral agreements. There are no unwritten oral agreements between the parties. All prior or contemporaneous agreements, understandings, representations, and statements, oral or written, with respect to the City Upgrades and the Escrow Account are merged into this Agreement and the Transfer Agreement. Neither this Agreement nor any of its provisions may be waived, modified, amended, discharged, or terminated except in writing signed by the party against which the enforcement of the waiver, modification, amendment, discharge, or termination is sought, and then only to the extent set forth in that writing as agreed to by the parties.
20. Time of Essence. BPOZ and the City agree that time shall be of the essence of this Agreement. Notwithstanding the foregoing, in no event shall either party be liable or responsible for Unavoidable Delays.
21. Captions. 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.
22. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall constitute an original document and all of which together shall constitute one agreement. Counterpart signatures may be delivered via electronic mail (including any .pdf or electronic signature complying with the U.S. Federal ESIGN Act of 2000, e.g.

www.docusign.com) or other transmission method and any such counterpart so delivered shall be deemed to be an original and have been duly and validly delivered and be valid and effective for all purposes.

[Signature Page to Follow]

IN WITNESS WHEREOF, the undersigned have executed this Agreement effective as of the day and year first above written.

BPOZ:

BPOZ COLUMBIA HEIGHTS, LLC, a
Delaware limited liability company

By: _____

Its: _____

CITY:

CITY OF COLUMBIA HEIGHTS, a
Minnesota municipal corporation

By: _____

Its: Mayor

And by: _____

Its: City Manager

Approved as to Form:

FIRST AMERICAN TITLE INSURANCE
COMPANY

By: _____

Its: _____

EXHIBIT A

CITY UPGRADES SCHEDULE

Alatus Columbia Heights
City Hall Upgrade Breakdown

Description	Location	QTY	UNIT	UNIT COST	TOTAL COST
Framed Ceiling	Parking Garage Vestibule	756	sf	\$ 6.50	\$ 4,914
Framed Walls	Parking Garage Vestibule	290	sf	\$ 5.50	\$ 1,595
Soffit Framing	Parking Garage Vestibule	113	lf	\$ 45.00	\$ 5,085
Fur Column	Parking Garage Vestibule	132	lf	\$ 7.00	\$ 924
Drywall Lid	Parking Garage Vestibule	276	sf	\$ 3.50	\$ 966
Storefront	Parking Garage Vestibule	526	sf	\$ 50.00	\$ 26,300
Storefront Door	Parking Garage Vestibule	2	ea	\$ 3,500.00	\$ 7,000
Paint Walls in Vestibule	Parking Garage Vestibule	198	sf	\$ 1.00	\$ 198
Floor Tile	Parking Garage Vestibule	226	sf	\$ 12.00	\$ 2,712
Metal Panel Wrapped Column	Parking Garage Vestibule	72	sf	\$ 40.00	\$ 2,880
Metal Panel Soffit	Parking Garage Vestibule	883	sf	\$ 40.00	\$ 35,320
Fire Protection	Parking Garage Vestibule	1	ls	\$ 750.00	\$ 750
Soffit Lighting	Parking Garage Vestibule	1	ls	\$ 2,000.00	\$ 2,000
Bollards	Parking Garage Vestibule	4	ea	\$ 350.00	\$ 1,400
TOTAL					\$ 92,044
Description	Location	QTY	UNIT	UNIT COST	TOTAL COST
Sidewalks - Color Banding	City Hall Streetscapes	2,660	SF	\$ 9.81	\$ 26,100
Heated Sidewalk - City Hall Entrance	City Hall Streetscapes	504	SF	\$ 25.00	\$ 12,600
Decorative Bollards (Included in Barrier1)	City Hall Streetscapes	-	EA	\$ -	\$ -
Standard concrete and steel bollards	City Hall Streetscapes	3	EA	\$ 750.00	\$ 2,250
Monolithic Stones - Standard Sizes	City Hall Streetscapes	1	LS	\$ 9,408.59	\$ 9,409
Foundations for stone benches and Barrier-1	City Hall Streetscapes	104	LF	\$ 185.00	\$ 19,240
Barrier-1 Crash protection bollards	City Hall Streetscapes	-	EA	\$ 2,144.00	\$ -
Installation of Barrier 1 bollards	City Hall Streetscapes	-	EA	\$ 500.00	\$ -
Add landscaping to replace deleted benches	City Hall Streetscapes	5	EA	\$ 500.00	\$ 2,500
Wood Slat Topped Bench - Standard Sizes	City Hall Streetscapes	1	LS	\$ 3,101.20	\$ 3,101
Screen Wall - City Hall Generator	City Hall Streetscapes	70	LF	\$ 75.00	\$ 5,250
TOTAL					\$ 80,450
Description (Reference Façade Breakouts)	Location	QTY	UNIT	UNIT COST	TOTAL COST
Stone	City Hall Façade	2,274	SF	\$ 28.01	\$ 63,700
Vapor Barrier	City Hall Façade	2,274	SF	\$ 0.42	\$ 959
Storefront	City Hall Façade	2,305	SF	\$ 1.99	\$ 4,589
Dri Design Aluminum Panel	City Hall Façade	1,772	SF	\$ 71.11	\$ 126,000
ACM Panel	City Hall Façade	979	SF	\$ (15.83)	\$ (15,500)
Flush Metal Panel	City Hall Façade	55	SF	\$ (535.45)	\$ (29,450)
Fiber Cement Lap Siding	City Hall Façade	-	SF	\$ -	\$ (4,200)
Fiber Cement Soffit	City Hall Façade	670	SF	\$ 6.02	\$ 4,032
Air Barrier	City Hall Façade	3,476	SF	\$ (0.07)	\$ (226)
TOTAL					\$ 149,904
Description (Added Gray Shell Coordination)	Location	QTY	UNIT	UNIT COST	TOTAL COST
Allowance for recessed elec and AV floor boxes or conduit.	Interior Coordination	1	LS	\$ 15,000.00	\$ 15,000
TOTAL					\$ 15,000
Grand Total					\$ 337,398

EXHIBIT B

DISBURSEMENT REQUEST

On _____, 20____, BPOZ Columbia Heights, LLC, a Delaware limited liability company (“**BPOZ**”) hereby requests the disbursement of funds to the following persons in the amounts set forth below (“**Disbursement Request**”) from the Escrow Account established pursuant to the Escrow and Disbursing Agreement dated _____, 20__ (the “**Agreement**”) executed by and among BPOZ, the City and First American Title Insurance Company to pay for City Upgrades located at Common Interest Community No. __, The Heights Condominium in Columbia Heights, Minnesota. *All capitalized terms not defined herein shall have the meanings ascribed to them in the Agreement.*

	Name and Address of Payee	Amount Requested to be Paid
a.	_____ _____ _____	\$ _____
b.	_____ _____ _____	\$ _____
c.	_____ _____ _____	\$ _____
d.	_____ _____ _____	\$ _____

The undersigned hereby represents and warrants to Escrow Agent that the following information and certifications provided in connection with this Disbursement Request are true and correct:

1. Attached hereto are invoices and any other documentation which may be required pursuant to the Agreement with respect to each item for which payment is requested above.
2. Estimated costs of completing the uncompleted City Upgrades as of the date of this Disbursement Request:

3. The undersigned certifies that:

- (A) the disbursement requested pursuant to this Disbursement Request will be used solely to pay a cost or costs allowable under the Agreement;
- (B) none of the items for which disbursement is requested pursuant to this Disbursement Request has formed the basis for any disbursement previously made from the Escrow Account;
- (C) all labor and materials for which disbursements have been requested have been incorporated into the City Upgrades or suitably stored upon the Project in accordance with reasonable and standard building practices, the Agreement and all applicable laws, ordinances, rules and regulations of any governmental authority having jurisdiction over the Project; and
- (D) the materials, supplies and equipment furnished or installed for the City Upgrades are not subject to any lien or security interest or that the funds to be disbursed pursuant to this Disbursement Request are to be used to satisfy any such lien or security interest.

IN WITNESS WHEREOF, the undersigned has executed this Disbursement Request as of the day and date first above written.

BPOZ:

BPOZ COLUMBIA HEIGHTS, LLC, a
Delaware limited liability company

By: _____

Its: _____

EXHIBIT E

[INTENTIONALLY LEFT BLANK]

EXHIBIT F
FORM OF DEED

(reserved for recording data)

LIMITED WARRANTY DEED

eCRV number: _____

DEED TAX DUE HEREON: \$ _____

Date: _____, 20__

FOR VALUABLE CONSIDERATION, **BPOZ Columbia Heights, LLC**, a limited liability company under the laws of Delaware (“**Grantor**”), hereby conveys and quit claims to the **City of Columbia Heights**, a municipal corporation (“**Grantee**”), real property in Anoka County, Minnesota, described as follows:

Unit 1, Common Interest Community No. ____, a Condominium, The Heights, Anoka County, Minnesota.

together with all hereditaments and appurtenances belonging thereto.

This Deed conveys after-acquired title. Grantor warrants that Grantor has not done anything to encumber the property except as set forth on Exhibit A attached hereto and hereby made a part hereof.

Consideration paid for this transfer was \$3000 or less.

Check here if all or part of the described real property is Registered (Torrens) ☒

Affix Deed Tax Stamps

BPOZ Columbia Heights, LLC,
a limited liability company

By: _____
Robert C. Lux
Its: President

STATE OF _____)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 20__, by Robert C. Lux, the President of BPOZ Columbia Heights, LLC, for and on behalf of the company.

Notary Public

DRAFTED BY:
WINTHROP & WEINSTINE, P.A.
Suite 3500
225 South Sixth Street
Minneapolis, MN 55402
(612) 604-6400

Tax Statements for the real property described in this
instrument to be sent to:
City of Columbia Heights

EXHIBIT A
Permitted Encumbrances

[TO BE COMPLETED PER TERMS OF TRANSFER AGREEMENT]

20447979v1
15056.15

EXHIBIT G
FORM OF CIC DECLARATION

(Above Space Reserved for Recording Data)

**COMMON INTEREST COMMUNITY
NUMBER [_#_]**

A Condominium

THE HEIGHTS

DECLARATION

**COMMON INTEREST COMMUNITY NUMBER [_#_]
 A Condominium**

THE HEIGHTS

DECLARATION

THIS DECLARATION FOR COMMON INTEREST COMMUNITY NUMBER [_#_], **A Condominium, THE HEIGHTS**, Anoka County, Minnesota, is made as of this ____ day of _____, 20__ by BPOZ COLUMBIA HEIGHTS, LLC, a Delaware limited liability company (the “**Declarant**”), pursuant to Minnesota Statutes, Chapter 515B, known as the “**Minnesota Common Interest Ownership Act**,” and laws amendatory thereof and supplemental thereto (the “**Act**”).

RECITALS

A. Declarant is the owner in fee simple of the real property situated in the City of Columbia Heights in Anoka County, Minnesota, legally described on Exhibit A attached hereto and incorporated herein by reference (the “**Property**”).

B. Declarant has constructed a building and related structures, improvements and other permanent fixtures on the Property in fulfillment of an agreement with the City of Columbia Heights, a municipality under the laws of Minnesota (the “**City**”), whereby Declarant will sell to the City, and the City will purchase from Declarant, a portion of the Property for use as a city hall.

C. Declarant intends to retain the remainder of the Property for use as multifamily rental apartments and for limited retail.

D. To subdivide the building and preserve the value of the Property, Declarant desires to submit the same, along with all structures, improvements and other permanent fixtures now or hereafter constructed thereon, to the provisions of the Act, and to incorporate under the laws of the State of Minnesota “**The Heights Owners Association**” as a nonprofit corporation for the purpose of administering the Property.

E. Declarant intends then to sell and convey to the City a condominium interest or estate in and to the Property, and any and all rights and privileges belonging to or in any way appertaining thereto.

F. Declarant desires and intends that the Owners, Secured Parties, Occupants and other Persons (each as defined in **Article I**) hereafter acquiring any interest in the Property shall at all times enjoy the rights, easements, privileges, and restrictions set forth in this Declaration, all of which are declared to be in furtherance of a plan to promote and protect the cooperative aspect of the condominium form of ownership of the Property and are established for the purposes of enhancing and perfecting the value, desirability and attractiveness of the same.

NOW, THEREFORE, Declarant, as the sole owner of the Property, hereby subjects the Property as a condominium to both the Act and this Declaration under the name “**Common**

Interest Community No. [#], The Heights,” consisting of the Units referred to in *Article 2* and related Common Elements, declares that this Declaration shall constitute covenants to run with the Property, and that the Property shall be owned, occupied and conveyed subject to the covenants, restrictions, easements, charges and liens set forth herein, all of which shall be binding upon all Persons owning, or acquiring any right, title or interest therein, and their heirs, personal representatives and assigns.

ARTICLE 1. Definitions

The terms and phrases used in this Declaration shall have the meanings ascribed to them in Section 515B.1-103 of the Act except as those meanings are modified or supplemented below.

1.1 Applicable Laws. “**Applicable Laws**” means any and all applicable laws, statutes, ordinances, codes, regulations, rules, requirements, licenses or decisions of any governmental or quasi-governmental authority having jurisdiction over, and all judicial orders, judgments, decrees and injunctions, whether foreseen or unforeseen, ordinary or extraordinary, now or at any time hereafter applicable to the Property, the Association or this Condominium.

1.2 Articles. “**Articles**” means the articles of incorporation of the Association on file with the Minnesota Secretary of State, as the same may be amended from time to time.

1.3 Association. “**Association**” means the association of Unit Owners organized under Section 515B.3-101 of the Act in general and in particular “**The Heights Owners Association,**” a nonprofit corporation organized under Chapter 317A of Minnesota Statutes, as amended, of which each Owner shall by virtue of such ownership interest be a Member, and which has been established for the purpose of administering, managing, maintaining, operating, repairing, altering and improving the General Common Elements of the Property, and such other improvements as set forth herein, for the collective benefit of the Members.

1.4 Board. “**Board**” means the board of directors of the Association.

1.5 Building. “**Building**” means the structure contemplated to be built on the Property and containing the Units.

1.6 Bylaws. “**Bylaws**” means the corporate bylaws of the Association, as amended from time to time.

1.7 CIC Plat. “**CIC Plat**” means that certain common interest community plat of the Condominium meeting the requirements of Section 515B.2-1101 of the Act, including any amended common interest community plat recorded from time to time in accordance with the Act.

1.8 Commercial Garage. “**Commercial Garage**” means that part of the Garage located on the westerly side of the street level of the Building and shown on the CIC Plat as a Commercial Limited Common Element. The Commercial Garage was designed to include twenty-eight (28) parking stalls, and related drive aisles.

1.9 Commercial Limited Common Elements. “**Commercial Limited Common Elements**” means those Common Elements reserved by this Declaration, the CIC Plat or the Act

for the exclusive use of the Commercial Unit, and includes among them the following: the outdoor benches, the heated sidewalk outside the westerly entrance to the Commercial Unit, ground level crash barriers originally installed and any replacements thereof, signage serving or benefitting solely the Commercial Unit, the exterior façade (limestone) outside the Commercial Unit, the Commercial Garage, the ramp thereto, the westerly exterior Garage door and its frame, the entrance gate and all parking technology within and serving the Commercial Garage, the emergency generator for non-fire and life safety systems serving only the Commercial Unit, as well as those items described in **Section 1.22** serving exclusively the Commercial Unit.

1.10 Commercial Owner. “**Commercial Owner**” means the Owner, from time to time, of the Commercial Unit.

1.11 Commercial Unit. “**Commercial Unit**” shall mean Unit 1, as depicted on the CIC Plat, which Unit will initially be owned and occupied by the City.

1.12 Common Elements. “**Common Elements**” has the meaning ascribed to it in the Act, and includes all parts of the Property except the Units. The term includes within its scope both Limited Common Elements and General Common Elements.

1.13 Common Expenses. “**Common Expenses**” means expenditures made or liabilities incurred by or on behalf of the Association together with any allocations for reserves, including the following: premiums for any and all insurance maintained by the Association, including any deductible or co-insurance amount not covered by such insurance; professional management fees for services rendered to the Association; common utilities that are not separately metered; legal and accounting fees; the cost of the fidelity bonds, if any, required by the Board; all costs for the maintenance, operation, alteration, improvement and replacement of the General Common Elements, and any other components of the Property or easements which the Association is obligated to maintain in whole or in part; electrical and heating costs for the Garage as set forth in Section 2.10; and any other expenses for the administration, operation and management of the Association and the Condominium as determined and assessed by the Board. Notwithstanding any provision to the contrary, during any period in which the Owner of the Commercial Unit is the City or a governmental or quasi-governmental entity affiliated with the City, the term “Common Expenses” expressly does not include any unpaid portion of any assessment against a Unit that is acquired pursuant to a mortgage foreclosure proceeding or a deed in lieu of foreclosure and not required to be paid by such acquirer and deficits remaining from any prior assessment period but such items shall be included in Common Expenses thereafter, if applicable.

1.14 Condominium. “**Condominium**” means a common interest community, portions of which are designated for separate ownership and the remainder of which is designated for common ownership solely by the Owners of those portions. Specifically, as the term is used herein, it means and refers to Common Interest Community Number [_#_], a Condominium, The Heights, Anoka County, Minnesota, the Condominium established by this Declaration.

1.15 Declarant. “**Declarant**” means BPOZ COLUMBIA HEIGHTS, LLC, a Delaware limited liability company, its successors or assigns;

1.16 Eligible Mortgagee. “**Eligible Mortgagee**” means the owner or owners of any First Mortgage on a Unit, and the successors or assigns of such Eligible Mortgagee or any Persons named as vendor or seller under any recorded contract for deed of a Unit and the successors or assigns of such vendor which holder, assignee, vendor, successor, or seller, as the case may be, has requested in writing that the Association notify it regarding any proposed action which requires approval by a specified number of Eligible Mortgagees.

1.17 First Mortgage. “**First Mortgage**” means a recorded mortgage on a Unit which is first in priority upon foreclosure to all other mortgages that encumber such Unit.

1.18 Garage. “**Garage**” means the garage located in the basement and surface levels of the Building and which is partially located within the Multifamily Unit and partially located within the Commercial Limited Common Elements.

1.19 General Common Elements. “**General Common Elements**” mean the Common Elements other than Limited Common Elements. Without limiting the generality of this definition, the structure and shell of the Building (but not the facades), the pocket park, the sidewalks (other than the heated sidewalk outside the westerly entrance to the Commercial Unit), the exterior landscaping, exterior lighting, exterior signage (except as may be designated as Limited Common Elements), roads (including the turn-around space along Gould Avenue Northeast), the interior vertical Garage door between the Commercial Garage and the Multifamily Garage, the interior hallway located south of the Commercial Unit, the storm water drainage system and the land surrounding the Building (except those portions designated as Limited Common Elements), as well as the shared emergency generator and the shared fire and life safety system, are General Common Elements. Any chute, flue, duct, wire, pipe, conduit, bearing wall, bearing column, or other fixture or improvement serving all of the Units or the Common Elements is a part of the General Common Elements, notwithstanding anything contained herein or implied hereby to the contrary.

1.20 Governing Documents. “**Governing Documents**” mean this Declaration, and the Articles and the Bylaws, as amended from time to time, all of which shall govern the use and operation of the Property.

1.21 Hazardous Substances. “**Hazardous Substances**” means any toxic or hazardous substances or wastes, pollutants or contaminants (including asbestos, urea formaldehyde, the group or organic compounds known as polychlorinated biphenyls, petroleum products including gasoline, fuel oil, crude oil and various constituents of such products), as defined in any state, local or federal law, regulation, rule, policy or order relating to the protection of the environment.

1.22 Limited Common Element. “**Limited Common Element**” means a portion of the Common Elements allocated by this Declaration, the CIC Plat or by operation of Section 515B.2-109(c) or (d) of the Act, for the exclusive use of one or more but fewer than all of the Units. Specifically, but without limiting the foregoing, any chute, flue, duct, wire, pipe, conduit, bearing wall, bearing column, vent, chimney, chases or any other fixture or improvement which serves one or more but fewer than all Units and lies wholly or partially outside of the Unit boundaries, is a Limited Common Element allocated solely to the Unit or Units served. All improvements such as shutters, awnings, window boxes, doorsteps, stoops, porches, balconies,

decks, railings, retaining walls, and patios, constructed as part of the original construction to serve one or more but fewer than all Units, and authorized replacements and modifications thereof, if located outside the Unit boundaries, are Limited Common Elements allocated exclusively to the Unit or Units served. Security systems, variable refrigerant flow (VRF) systems, and rooftop heating, ventilation and air conditioning/air intake (HVAC) equipment, in each case serving one or more units but fewer than all Units and located wholly or partially outside of the benefitted Unit's boundaries, are Limited Common Elements of the Unit or Units served, whether located in whole or in part on the Common Elements or within another Unit. For added clarity, the location of the VRF systems, and the HVAC equipment benefitting the Commercial Unit is depicted on [the CIC Plat and] Exhibit B attached hereto. Other significant Limited Common Elements include, among others, those items defined above as Commercial Limited Common Elements, and the Multifamily Limited Common Elements. Notwithstanding Section 515B.2-109 of the Act to the contrary, perimeter windows and window frames, doors and door frames (other than Garage doors and their frames) serving a single Unit are not Limited Common Elements hereunder but are each part of the Unit served.

1.23 Member. “**Member**” means each Owner of a Unit. Where a Unit is being sold by the Owner to a contract vendee who is entitled to possession, the contract vendee shall be considered the Member if (i) the rights of the contract vendor hereunder are delegated to the vendee under such contract for deed; and (ii) the vendee shall furnish proof of such delegation to the Association. Membership shall be appurtenant to and may not be separated from ownership of the Unit.

1.24 Multifamily Garage. “**Multifamily Garage**” means those parts of the Garage located in the basement level of the Building and the easterly side of the street level of the Building and included within the Multifamily Unit as shown on the CIC Plat.

1.25 Multifamily Limited Common Elements. “**Multifamily Limited Common Elements**” means those Common Elements reserved by this Declaration, the CIC Plat or the Act for the exclusive use of the Multifamily Unit, and include among them signage serving the Multifamily Unit, the ramp to the easterly vehicular entrance to the Garage, the easterly exterior Garage door and its frame, the dog run and outdoor café patio, the exterior mixed-surface façade (brick, metal panel, fiber cement) outside the Multifamily Unit, as well as those items described in **Section 1.222** serving exclusively the Multifamily Unit. Parking technology serving said easterly entrance to the Garage is part of the Multifamily Unit and not a Multifamily Limited Common Element.

1.26 Multifamily Owner. “**Multifamily Owner**” means the Owner, from time to time, of the Multifamily Unit.

1.27 Multifamily Unit. “**Multifamily Unit**” means Unit 2, as depicted on the CIC Plat.

1.28 Occupant. “**Occupant**” means any person or persons, other than an Owner, in possession of a Unit or any portion thereof.

1.29 Owner. “**Owner**” means Declarant, for so long as it owns a Unit, and each Person to whom ownership of a Unit is hereafter conveyed or transferred, but does not include a Secured

Party, other than a contract vendor's interest (unless such interest is delegated to a contract vendee as provided in *Section 1.23*).

1.30 Person. “**Person**” shall mean a natural individual, corporation, limited liability company, partnership, trustee or other legal entity capable of holding title to real property.

1.31 Preventative Maintenance Plan. “**Preventative Maintenance Plan**” means the preventative maintenance plan, maintenance schedule and maintenance budget approved from time to time by the Board in accordance with *Section 5.3* for maintenance of those Common Elements the Association is obligated to maintain.

1.32 Prohibited Uses. Commercial uses which are not permitted by Applicable Laws, which produce noise pollution or odors generally considered offensive, which result in excessive noise, light, vibration or otherwise cause an unreasonable disturbance to the Property's Occupants, which are reasonably likely lead to an increase in loitering or crime around the Property; or any use that would otherwise be generally considered incompatible with multifamily residential apartment uses, including, by way of example, a massage parlor, hot tub facility; a liquor store or other store the principal business of which is the sale of alcoholic beverages for consumption off premises; vehicle repair services; on-premises dry cleaners (but drop off facilities for dry cleaners is permitted); night club; pawn shop; game arcade; flea market; bowling alley; gun shop (including shops for the sale, lease, trade or other transfer of firearms); shooting range; funeral home; headshops; growth, production, sale or dispensary of marijuana other derivatives of marijuana or other edibles and products containing marijuana or other derivatives of marijuana; sale or distribution of other drugs or any drug-related paraphernalia or other “adult” oriented materials; any “adult use”; adult book/film store or other facility for the sale or distribution of pornographic or sexually explicit materials, or sex paraphernalia; drug or alcohol treatment facilities or clinics, adult motion picture arcade, adult motion picture show, strip show or sale of nudity or sexual services; any exhibition, either live or by other means, to any degree, of nude or partially clothed dancers or wait staff; escort service or dating bureau; a payday loan business (provided; however, a bank, credit union, savings and loan or similar financial institution shall be permitted); bail bonds business; any use that emits noxious or unreasonably offensive odors (provided that this provision shall under absolutely no circumstances be construed to apply to odors normally associated with a restaurant); any use not permitted under the zoning laws in effect in the City of Columbia Heights governing the Property; any use that is illegal or otherwise violates any applicable law; industrial or manufacturing uses; gambling or lottery establishments; any use which produces environmental hazards regulated under applicable environmental laws (but excluding ordinary materials customarily used in operating a retail or commercial business in accordance with applicable environmental laws); any use which would constitute a health or safety hazard to Occupants of the Building, and which is not a typical or usual retail or commercial use for retail or commercial space in similar mixed-use developments; any use providing parole, juvenile detention or similar services; 24-hour establishments; tattoo parlors; outdoor storage of any kind; billboards or advertising signs erected on the land or Building exterior (other than business signage complying with the Rules, the Governing Documents and Applicable Laws); commercial bus station or other commercial transportation depot; For the avoidance of doubt, the parties acknowledge and agree that “massage parlor” shall mean and include any establishment which provides services solely related to massage or massage-related activities, but excluding a salon which provides hair, beauty and massage services or a fitness center that provides massage services; and that “gambling or

lottery establishments” shall mean and include any business that includes solely the sale of lottery tickets or the sale or operation of any pull-tab machines, or bingo or other games of chance. Nothing herein shall be deemed to prohibit use of the Property for governmental office purposes such as a city hall.

1.33 Property. “**Property**” means that certain real property situated in the City of Columbia Heights, Anoka County, Minnesota, legally described on Exhibit A of this Declaration, together with the buildings, structures, and other permanent fixtures of whatsoever kind, from time to time thereon, and any and all rights and privileges belonging to or in any other way appertaining thereto.

1.34 Purchaser. “**Purchaser**” means the holder of an interest in a Unit (i.e., whether in fee or as a contract for deed vendee), or the proposed purchaser of such an interest who holds a valid and binding purchase agreement for a Unit.

1.35 Recording Officer. “**Recording Officer**” means the Registrar of Titles in and for Anoka County, Minnesota.

1.36 Right of First Offer. “**Right of First Offer**” means the right, more fully described in Section 4.26, of the Multifamily Owner to purchase the Commercial Unit prior to the Commercial Owner’s offering the Commercial Unit to other unaffiliated third parties.

1.37 Rules. “**Rules**” means the rules and regulations of the Association adopted by the Declarant prior to conveyance of the first Unit in the CIC, and as amended thereafter from time to time by the Board.

1.38 Secured Party. “**Secured Party**” means the holder of a perfected interest in a Unit, created by contract or conveyance, which secures payment or performance of an obligation, including a vendor under a contract for deed, an Eligible Mortgagee, a Purchaser of a sheriff’s certificate of sale during the period of redemption, or the holder’s interest in a lien.

1.39 Unit. “**Unit**” means a portion of the Condominium, designated hereby for separate ownership, the boundaries of which are delineated on the CIC Plat and described in **Section 2.8** herein. The Units are identified herein and on the CIC Plat as “**Unit 1**” and “**Unit 2**” and are also referred to herein as the “**Commercial Unit**” and the “**Multifamily Unit**”, respectively.

ARTICLE 2. Submission of Property to Act; Act Requirements

2.1 Submission. Declarant hereby submits the Property to the provisions of the Act, and the Property shall be conveyed, encumbered, held, leased, occupied, rented and used subject to all conditions, covenants, limitations, obligations, restrictions and uses expressed in this Declaration and the Act. All such conditions, covenants, limitations, obligations, restrictions and uses are declared and agreed to be in furtherance of a plan for and be a burden and benefit to Declarant, its grantees, successors and assigns and any Persons acquiring or owning an interest in the Property, their grantees, successors and assigns.

2.2 Name; Common Interest Community Number; Type of Common Interest Community. The Property shall be a “**Condominium**” (as defined in the Act) and shall hereafter be known as “**The Heights**.” The Common Interest Community Number for the Property is [_#_].

2.3 Division of the Property into Separate Estates in Fee Simple Absolute. Declarant, in accordance with the Act and in order to establish a plan of condominium unit ownership, does hereby divide the Property into two (2) Units, in fee simple absolute, together with each Unit’s undivided interest in the Common Elements. Descriptions as to the boundaries of the Units and restrictions as to their use are hereinafter set forth.

2.4 Creation of Additional Units by Subdivision or Conversion. Each Owner may, with the consent of the Board solely as to compliance with the Act and the Governing Documents, subdivide its Unit into no more than three (3) Units in accordance with the requirements and procedures set forth in Section 515B.2-112 of the Act; provided all Units resulting from a subdivision must have direct or easement access to the Common Elements and other easement areas benefitting a Unit, and allocate between them the interests, Common Expense liability and voting rights initially allocated to the original Unit. However, the Owner of a Unit may physically reconfigure, consolidate or divide the space within that Unit to accommodate different financing or rental agreements without prior approval of the Owners or the Board, as long as such reconfiguration, consolidation or division does not increase the number of rental apartments above the number of rental apartments approved by the City, materially affect use and enjoyment of parking rights by the Commercial Unit Owner, materially change the use of the space on the floor above the Commercial Unit or on the floor below the Multifamily Unit in a manner which has a negative acoustical effect on use of the other Unit, decrease the size or floor space of the Common Elements or otherwise adversely affect the Common Elements and so long as it otherwise complies with the Governing Documents and the Rules. All such changes shall be subject to the Act and other Applicable Laws.

2.5 Association. The Association has been incorporated as a nonprofit corporation organized under Chapter 317A of Minnesota Statutes, as amended, to act as an association of Unit Owners under Section 515B.3-101 of the Act. All power and authority of the Association shall be vested in the Board unless action or approval by the Owners is specifically required by the Governing Documents.

2.6 No Master Association. The Condominium is not subject to any master association, as that term is defined in the Act.

2.7 Legal Description of Real Estate Included in the Common Interest Community. The legal description of the Property is as set forth in Exhibit A of this Declaration. The Units will be conveyed by use of the following legal description, or any other valid description allowed by law:

UNIT NUMBER ____, THE HEIGHTS, A CONDOMINIUM, COMMON
INTEREST COMMUNITY NUMBER [_#_], ANOKA COUNTY, MINNESOTA

There are no appurtenant easements affecting the Property necessary for access to a public street or highway, nor are there any other appurtenant easements benefitting the Property.

2.8 Description of Boundaries of Units. The boundaries of each Unit are the interior, unfinished surfaces of the walls, floors and ceilings, the interior unfinished surfaces of the Garage doors and their frames, and the exterior unfinished surfaces of their other exterior perimeter doors, windows and doors and window and door frames. Any paneling, tiles, wallpaper, paint floor coverings, drop ceilings and any other finishing materials applied to the interior unfinished surfaces of the walls, floors and ceilings is a part of the Unit. The fence or barrier (other than the interior Garage door) separating the Commercial Garage and the Multifamily Garage is part of the Multifamily Unit but shall not be removed without the consent of the Commercial Owner and any replacement thereof shall be a functional equivalent to the existing fence or barrier. Certain Limited Common Elements, such as VRF systems, may exist within a Unit for the exclusive use of another Unit, as indicated herein, with reasonable access thereto provided by easements described in *Article 3*.

2.9 CIC Plat. The CIC Plat, meeting the requirements of Section 515B.2-1101 of the Act, as amended, is incorporated herein by reference and made a part hereof.

2.10 Allocation of Common Element Interests, Common Expense Liabilities and Votes to Units. Each Unit shall be allocated an undivided interest in the Common Elements, Common Expense liabilities and, subject to *Section 2.10.1*, voting rights. Said interests, liabilities and rights shall not be separated or conveyed separately, and any conveyance, encumbrance, judicial sale or other transfer of any allocated interest, liabilities or rights, separate from the title to that Unit, shall be void. The allocation of said interests, Common Expenses and voting rights is based upon the approximate percentage ratio that the gross square footage of all floors within that Unit bears to the total gross square footage of all floors within all Units in the Condominium, all as set forth in *Exhibit C* attached hereto, *except* that (i) the Common Expense liability allocated to a Unit shall be subject to *Sections 6.4* and *7.8* herein and Sections 515B.2-108(d) and 515B.3-1151(e) of the Act, (ii) Common Expenses associated with maintenance of the chain link fence and interior vertical Garage door separating the Commercial Garage from the Multifamily Garage, and electrical and heating costs of the Garage (so long as the Commercial Garage is not separately metered for electrical and/or heating) shall be assessed 28/332nds to the Commercial Unit and 304/332nds to the Multifamily Unit, and (iii) the voting power allocated to a Unit shall be subject to *Subsection 2.10.1* below:

2.10.1 Appointment of Directors. In lieu of elections, the members of the Board shall be appointed as follows: The Owner of the Commercial Unit shall appoint one (1) director to the Board. The Owner of the Multifamily Unit shall appoint two (2) directors to the Board. The appointment of directors is more specifically described in the Bylaws. Consistent with *Section 1.15*, by accepting a deed to a Unit, a transferee is deemed automatically to agree to allow the Declarant or an affiliate (as defined in the Act) of Declarant, while it owns a Unit, to occupy a majority of seats on the Board, and such transferee is deemed to agree to cast its vote accordingly.

2.10.2 Class Voting. In the event a Unit is subdivided into two (2) or more Units, the Units resulting from such subdivision shall elect as a class by majority vote the director (in the case of the subdivision of the Commercial Unit) or directors (in the case of the subdivision of the Multifamily Unit) which the underlying Unit was entitled to appoint to the Board, the weight of each such vote within the class being determined by the relative

gross square footage included within each Unit resulting from the subdivision vis a vis the total square footage within all of the Units resulting from the subdivision.

2.11 Statement Pursuant to Section 515B.1-106 of the Act. The Condominium has not been created in violation of any zoning, subdivision, building, housing, environmental protection, heritage preservation, or other real estate use law, ordinance, regulation, rule or charter provision. Any conditions of any such law, ordinance, regulation, rule or charter provision have been complied with in the creation of the Condominium. The Condominium is not “conversion property” as that term is defined in the Act.

2.12 Shore Land. The Condominium does not include “shore land”, as defined in Minnesota Statutes Section 103F.205.

2.13 No Restraint on Alienation. Neither the Governing Documents nor the Rules impose a right of first refusal or other restraint on the free alienability of the Property or any portion thereof, other than pursuant to **Section 4.26**. However, nothing herein prevents an Owner from granting any other option, right of first refusal or other restriction on its Unit.

ARTICLE 3. Easements

3.1 Easements for Encroachments. If by reason of the construction, reconstruction, rehabilitation, alteration, improvement, settlement or shifting of any existing or future Building, any Common Element improvement encroaches upon any Unit, or any improvement constructed within any Unit encroaches upon the Common Elements or upon another Unit, or if by reason of the design or construction of utility systems and ventilation systems, any main, pipe, duct, or conduit serving more than one Unit encroaches or shall hereafter encroach upon any part of any Unit, valid easements for the use and maintenance of such encroachments, are hereby established and shall exist for the exclusive benefit of such Units and/or the Association, as the case may be, so long as the encroachment exists; provided, however, that (i) in no event shall a valid easement for any such encroachment be created in favor of any Unit or the Association if such encroachment is materially detrimental to or materially interferes with the reasonable use and enjoyment of the Condominium or any portion thereof by any Owner or Occupant and if it occurred due to the willful conduct of any Owner; and (ii) with respect to Regulated Improvements added pursuant to **Article 4**, no easement shall exist unless the proposed Regulated Improvements have been approved and constructed as required by the Declaration and the Board. Such easements shall not affect marketability of title.

3.2 Easements for Certain Utilities and Other Purposes. Subject to Section 515B.3-102(a)(9) of the Act, the Board acting on behalf of the Association may grant easements for public utilities, public rights-of-way or other public purposes, and cable television or other communication, through, over or under the Common Elements; and, subject to approval by vote of Owners, grant other easements, leases, and licenses through, over or under the Common Elements. Each Owner hereby grants to the Association an irrevocable power of attorney to execute, acknowledge, and record or file, for and in the name of each such Owner, such instruments as may be necessary to effectuate the foregoing. The Board shall approve a request to grant reasonable easements as specified in this Section 3.2 upon the request of the Commercial Owner, except for good cause.

3.3 Easements Through Walls Within Units and Upkeep of Condominium. Mutual, non-exclusive easements are hereby granted and declared within and through each Unit and the Common Elements for the benefit of each Unit and the Association to install, lay, maintain, repair, replace and utilize any wires, pipes, flues, ducts, conduits, public utility lines, or structural components running through or between the physical walls, floors and ceilings of the Units and the Common Elements. These easements are granted to the Association if such wires, pipes, flues, conduits, public utility lines, or structural components are part of the Common Elements. These easements are granted in favor of the Units and the Association if such wires, pipes, flues, ducts, conduits, public utility lines, or structural components are Limited Common Elements reserved for the exclusive use of such Units. Notwithstanding the foregoing, the easement rights granted under this paragraph shall be exercised so as not unreasonably to interfere with the use and quiet enjoyment of the Units by the Owners and Occupants, nor adversely affect the structural, acoustical or architectural integrity of the Units, or the Building, and access rights to install, maintain, repair and replace such facilities and components shall be exercised upon reasonable advance notice and at reasonable times, except in the event of an emergency, in which event notice shall be given as soon as practical. In addition, the Association shall have an easement over all of the Common Elements for the purpose of maintaining, repairing and replacing the improvements and landscaping in the Common Elements. The initial location of such wires, pipes, flues, conduits, public utility lines or structural components within the Common Elements shall not be changed without the prior written consent of the Owners, which consent shall not be unreasonably withheld.

Nothing in this **Article 3** shall be interpreted to limit or modify the access easements described in Section 515B.3-107 of the Act.

3.4 General Access Easements. Each Unit shall be the beneficiary of a non-exclusive easement for access to a public roadway on or across the General Common Elements, as shown on the CIC Plat or designated by the Board.

3.5 Easements for Maintenance. Mutual non-exclusive easements are hereby granted and declared within and through each Unit and the Common Elements for the benefit of each Unit and the Association as may be reasonably necessary for the purpose of discharging their respective obligations hereunder, and if reasonably necessary for the alteration, maintenance, repair, improvement or replacement of the other Unit or the Common Elements; provided, however, that the exercise of such rights through a Unit or Limited Common Elements shall be upon reasonable notice and at reasonable times, except in the event of an emergency, in which event no advance notice need be given (but notice shall be provided afterwards), and shall not interfere unreasonably with the use and occupancy of the burdened Unit, shall be exercised in such a way as to minimize any other adverse effects upon a burdened Unit, and be conducted in the minimum time practical under the circumstances.

3.6 Easements in favor of Multifamily Unit. Without limiting the generality of **Section 3.5**, the Multifamily Unit shall be the beneficiary of a non-exclusive easement for reasonable access to and use of fire and life safety panels located within the Commercial Unit, if any, and a non-exclusive easement for reasonable access through the driveway which is located within the Commercial Garage by vehicles unable to exit the Garage through other exits due to size limitations.

3.7 Easements in favor of Commercial Unit. Without limited the generality of **Section 3.5**, the Commercial Unit shall be the beneficiary of a non-exclusive easement for use of the trash room for temporary storage of trash and recycling pending regular pick-ups, use of the maintenance rooms in the northeast corner on the first level of the Multifamily Unit, the VRF room in the mezzanine space above the Garage down ramp, and the MEP room in the southeast corner on the first floor of the Multifamily Unit to house mechanical equipment and supplies necessary or reasonable for the ongoing maintenance, operation and repair of the Commercial Unit and the Commercial Limited Common Elements, together, in each case, with reasonable access thereto over and across the street level of the Multifamily Garage. The Commercial Unit shall also be the beneficiary of a non-exclusive easement through the Multifamily Unit to access the Building roof and the HVAC equipment located thereon serving the Commercial Unit, as shown on [the CIC Plat] and Exhibit B. Use of such easements shall be subject to reasonable rules and regulations established by the Multifamily Owner, from time to time, upon reasonable notice to the Commercial Owner.

3.8 Limitation on Access Via Multifamily Unit. Notwithstanding anything in this **Article 3** granting easements in favor of the Commercial Unit through the Multifamily Unit, only specific Commercial Unit personnel pre-authorized by the Multifamily Owner, which authorization shall not be unreasonably withheld, or personnel accompanied by the management agent for the Multifamily Unit (except in the event of an emergency) may exercise such rights to enter the Multifamily Unit to access the roof, and shall do so in a manner designed to minimize interference with the use and enjoyment of the Multifamily Unit, its Owner and Occupants.

3.9 Structural Support Easements. Each Unit shall be subject to, and the beneficiary of, a non-exclusive easement for structural support in all walls, columns, joists, girders and other structural components located in another Unit in the Building and contributing to the support of the Building.

3.10 Emergency Access. The Common Elements shall be subject to an easement for access to each Unit by emergency vehicles and personnel, including fire, police and ambulance personnel.

3.11 Sign Easements. The Association shall have the right to erect, use, maintain, repair and replace monument, directional or other signs on the exterior Building surfaces identifying the Condominium, its Owners or their tenants in such locations as the Board may reasonably allow, except that the Association shall not approve, erect, use, maintain, repair or replace signage serving or benefitting the a Unit which signage is located upon any portion of the façade allocated as a Limited Common Element of the other Unit without the written consent of the Owner of the Unit to which such façade is allocated. An easement to erect upon the exterior Building surfaces temporary signs offering the Units or any part thereof, for sale or lease, in each case, in locations reasonably determined by the Board, is hereby declared and granted for the benefit of each Unit, except that signage serving or benefitting one Unit shall not be located upon any portion of the façade allocated as a Limited Common Element to the other Unit. In addition, each Unit shall have the benefit of an easement to install permanent signage on the exterior surface of the Building in locations as set forth in the plans for this development approved by the City. Additional exterior signage may be approved by the Board from time to time except as may be limited by this **Section 3.11**. All signage must satisfy reasonable criteria established by the Board and comply

with all Applicable Laws, as well as **Section 4.11** hereof. In exercising their rights under the easements, the easement holders shall take reasonable care to avoid damaging the improvements on the Property and shall repair in a good and workmanlike manner any damage caused by such actions. In addition, the Multifamily Unit shall have the right to window décor and exterior trade dress serving the retail space in the southwest corner of the first floor of the Building and the Commercial Unit shall have the right to window décor, exterior trade dress and interior monitors/screens providing public notices and other information, consistent with Applicable Laws, Section 4.17 and reasonable standards adopted by the Board.

3.12 Temporary Construction Easements. Each Owner shall have a temporary easement for itself and its employees, agents, contractors and invitees over, through and across the Common Elements for the purpose of completing the initial interior improvements and installing permitted signage to that Owner's Unit. In addition, if all of the Owners agree in writing to make certain improvements to the Common Elements, then a temporary easement through the Common Elements shall automatically be deemed to be granted to the Owners and their contractors as reasonably necessary to perform such improvements. This easement shall expire within twelve (12) months following issuance by the City of the final certificate of completion of the Building. The exercise of this easement shall be upon reasonable notice and without undue disruption to the use of the other Units by the Owner of the other Unit and shall be subject to the terms and conditions hereof.

3.13 Easements to Run With Land. All easement rights and obligations created in this **Article 3** are affirmative and negative easements, running with the land, perpetually in full force and effect and at all times shall inure to the benefit of, and be binding upon, all of the Owners, unless otherwise indicated, and their respective successors and assigns.

3.14 Scope. The easements set forth in this Section shall supplement and not limit any easements described elsewhere in this Declaration or recorded and shall include reasonable access to the easement areas for purposes of maintenance, repair, replacement and reconstruction.

3.15 Recorded Easements. The Property shall be subject to and benefited by such other easements as may have been recorded against it or otherwise shown on the CIC Plat. Any recorded easement benefiting or burdening the Property shall be construed in a manner consistent with, and not in conflict with, the easements created by this Declaration. Any obligations under such easements shall, unless otherwise determined by the Board, be obligations of the Association.

3.16 Easement Restriction. Use of any easement through the Commercial Unit pursuant to this Article 3, while the Commercial Unit is owned by the City or an affiliated entity, shall be utilized with an understanding that the City may maintain records which may or may not be public in nature. Any party using an easement through the Commercial Unit while the Commercial Unit is owned by the City shall use such easement in a reasonable manner in a way which is protective of the City's obligations to protect public and nonpublic information, records or other data which may be held in the Commercial Unit and shall comply with any reasonable request by the City regarding the same.

ARTICLE 4. Restrictions, Conditions and Covenants

4.1 Membership in Association. Each Owner shall, by virtue of such ownership interest, be a Member of the Association and shall remain a Member of the Association until such time as the ownership interest in the Unit ceases for any reason, at which time the Owner's membership in the Association shall automatically cease and the successor Owner shall become a Member. When more than one Person holds an ownership interest in a Unit, all such Persons shall be Members, but the voting power allocated to each Unit may not be divided among that Unit's Owners.

4.2 Compliance with Declaration, Bylaws and Rules. Each Owner and all Occupants of a Unit shall comply with all of the provisions of this Declaration, the Bylaws, such Rules as may be promulgated from time to time by the Association and decisions of the Association made pursuant to the authority granted to the Association in the foregoing documents, and failure to comply with the same shall be grounds for an action to recover actual out-of-pocket damages or for injunctive relief.

4.3 Administration of Condominium. The administration of the Condominium shall be by the Board in accordance with the provisions of this Declaration and the Bylaws.

4.4 Purposes for Which Units are Restricted as to Use. The Commercial Unit may be used for commercial, retail and/or office purposes, including parking rights in any Commercial Limited Common Element. The Multifamily Unit may be used only as (i) a multifamily rental apartment complex containing approximately two hundred sixty-six (266) individual apartment dwellings and related amenities, none of which may constitute a separate unit under the Act, (ii) approximately 4000 square feet of commercial, retail or office space, (iii) a leasing and management office for the Multifamily Unit, (iv) a Garage for the parking of motor vehicles by Occupants of the Building, as determined by the Multifamily Owner. In addition, the Multifamily Owner may unilaterally permit home occupations within the Multifamily Unit incidental to the residential use of the apartment dwellings therein (such as a home office or studio and such other uses customarily considered accessory to a dwelling and allowed under Applicable Laws) at that Owner's discretion except: (i) such use shall be in compliance with all Applicable Laws; and (ii) such use shall not involve any observable business activities, such as signs, advertising, displays, frequent deliveries, or disturbing pedestrian or vehicular traffic to and from the apartment dwelling by customers, vendors, or employees. Any use of a Unit for purposes other than the uses permitted in this Declaration shall be subject to the approval of the Owner of the other Unit, which approval may be withheld in the sole discretion of the Owner of the other Unit. This Declaration may not be amended to prohibit the foregoing uses without the written consent of the Owner(s) of the Unit(s) affected. Notwithstanding anything to the contrary contained in this **Section 4.4**, no Unit may be used for Prohibited Uses.

4.5 Restriction on Renting or Leasing of Units. Leasing or licensing of Units, or portions thereof (including parking stalls) by the Owner of such Unit, shall be allowed, subject to reasonable regulation by the Association, and provided that (i) all leases must be in writing, (ii) all leases must provide that they are subject to this Declaration, the Rules, and the Act, and that any failure of the lessee to comply with the terms of such documents shall be a default under the lease, and (iii) all commercial leases must incorporate the requirements of **Section 5.5**.

4.6 Impairment of Structural Integrity of Unit or Building. Nothing shall be done, placed, installed, or erected in any Unit or in, upon or to the Common Elements which would impair the structural or mechanical integrity, the weather tight soundness, or safety of any part of the Building, any Building system or equipment or any improvement on the Property, except as is otherwise provided herein.

4.7 Improvements. No modifications, improvements, repairs or replacements of any type, temporary or permanent, structural, aesthetic or otherwise, in any part of the Common Elements, or in any part of a Unit that is visible from the exterior of the Unit, or that affects the Common Elements or another Unit, including Building utilities, access, acoustical and weight-bearing integrity and support (collectively referred to as “**Regulated Improvements**”) shall be made, or caused or allowed to be made, by any Owner or Occupant, or their invitees, without the prior written authorization of the Board (which authorization shall not be unreasonably withheld), and in compliance with the requirements of this **Article 4** and any reasonable Rules promulgated by the Board, except as is authorized by Section 4.17. The purpose of the requirements established by the Board shall be (i) to preserve the architectural style, the quality and the value of the Property; and (ii) to protect the Association and the Owners from undue liability arising out of the Regulated Improvements or any construction activity in connection therewith. Notwithstanding the foregoing, it is understood that the Owners will make alterations and improvements within their respective Units from time to time, modifications and alterations that do not affect the Common Elements or another Unit and which are not visible from the exterior of a Unit shall not be subject to Board review and approval.

4.8 Improvement Procedures. The Board shall have authority to establish reasonable procedures for applying for authorization for Regulated Improvements, and reasonable Rules governing Regulated Improvements, and shall be the sole judge of whether the criteria are satisfied, subject to any restrictions imposed by any Applicable Laws. The Board shall apply consistent procedures and Rules which apply generally to all Units on their face and in effect.

4.9 Appurtenant Easements. Approval of Regulated Improvements which encroach upon another Unit or the Common Elements shall create an appurtenant easement for such encroachment in favor of the Unit with respect to which the Regulated Improvements are approved, notwithstanding any contrary requirement in the Governing Documents or the Act. Any encroachment of a Regulated Improvement upon another Unit shall not be approved without the prior written consent of the Owner of the Unit subject to the encroachment. A file of the Board resolutions approving all Regulated Improvements shall be maintained permanently as a part of the Association’s records.

4.10 Wiring or Penetrations. No exterior wiring, including DSL lines, cable television transmission lines or cables for satellite television systems, nor antennae or satellite dishes, may penetrate the walls, window frames or roofs of the exterior of the Building, or be installed upon the exterior of the Building, except as authorized by the Board (which authorization shall comply with all Applicable Laws) or as part of the construction of the initial improvements.

4.11 Signs. Signs or other displays of any type visible from the exterior of a Unit may be erected (i) only at locations as originally constructed in accordance with the plans for the development approved by the City or as subsequently established by the Board, and (ii) in

compliance with Applicable Laws and design standards established for the Property by the Board, except for signs installed in compliance with the plans for the development approved by the City shall not be subject to Board review. Signs, including lighting on and noise from said signs, shall not materially interfere with the reasonable use and occupancy of the Units. An Owner may erect and post signs within its Unit if reasonably intended not to be visible from the exterior of the Unit, and the Board shall not unreasonably withhold its approval of other signs within a Unit or a Unit's Limited Common Elements necessary to direct traffic, identify spaces and facilitate other internal operations of the Building. For the avoidance of doubt, window décor, exterior trade dress and monitors/screens providing public notices and other information do not require Board approval.

4.12 Exterior Lighting and Security. The location, size, color and design of all lighting fixtures or similar equipment used or shown outside of or on the exterior of the Building must be (i) in compliance with local lighting requirements, (ii) consistent with the design standards, if any, established for the Property approved by the Board, pursuant to **Section 4.6**. Exterior illumination (including exterior monitors and screens) shall be directed away from the windows of the Multifamily Unit to the extent practicable, and shall not blink, vibrate or otherwise move. Monitors and screens located within the Commercial Unit which are intended to be directed outward toward the windows of the Commercial Unit to provide public notices are specifically permitted.

4.13 Hazardous Materials. No Owner or Occupant shall generate, treat, store, transfer, release, dispose of or otherwise place, deposit or locate, nor allow to be generated, treated stored, transferred released, disposed of or otherwise placed, deposited or located, on the Property any Hazardous Substances, nor undertake any activity on the Property that would cause or contribute to its becoming a treatment, storage or disposal facility within the meaning of, or otherwise bring the Property within the ambit of, any state, local or federal law, regulation, rule, policy or order relating to the protection of the environment. Notwithstanding the foregoing, Owners and Occupants may utilize Hazardous Substances on the Property in small quantities for ordinary household, office or retail purposes if handled, used and disposed of in accordance with all Applicable Laws. An Owner or Occupant who violates this **Section 4.13**, or knowingly permits a violation, shall indemnify the Association and the other Owners against any and all costs, damages and liability arising therefrom.

4.14 Quiet Enjoyment; Interference Prohibited. All Owners and Occupants shall have a right of quiet enjoyment in their respective Units, subject to the usual and customary sights, sounds, odors and activities commonly associated with the operation of businesses such as those located on the Property from time to time. Subject to the foregoing, the Property shall be owned, occupied and used in such a manner as will not cause a nuisance, nor unduly restrict, interfere with or impede the use of the Building and/or quiet enjoyment of the Property by its respective Owners, Occupants and their invitees.

4.15 Rubbish. Garbage, trash and recyclable materials shall be disposed of in the containers designated for such purpose in the trash room on the street level of the Multifamily Unit. Each Unit Owner shall maintain its own trash containers and separately contract for trash removal. The Common Elements, the Garage and other easement areas utilized by Owners and Occupants, their guests and invitees, shall otherwise be kept free and clear of rubbish, debris and other unsightly materials.

4.16 Mechanical and Maintenance Rooms. The shared mechanical rooms, though within the Multifamily Unit, are designed to be used by both Units and the Association, for the installation, operation, maintenance, repair and replacement of equipment for heating, plumbing, air conditioning, communications, venting, utilities and such other uses reasonably compatible therewith. The maintenance room on the first floor of the Multifamily Unit is designed to be used for storage and to facilitate the maintenance and repair of both Units and the Common Elements as necessary to keep the Building in good operating condition.

4.17 Exterior Exposure of Building. No Owner or Occupant shall cause or permit anything to be hung, displayed, or placed in windows (with the exception of draperies, blinds, shades and natural plants in any Unit; window décor, exterior trade dress, sales displays of or related to inventory, products and services in the Commercial Unit and the commercial portion on the first level of the Multifamily Unit; and in the Commercial Unit while owned by the City or another governmental or quasi-governmental entity affiliated with the City, monitors/screens providing public notices and other information and other similar items which may be standardly used by cities to provide information to the public), or on the outside walls or roof of the Building (except authorized signage), without the prior written consent of the Board.

4.18 Construction Standards; Indemnity. An Owner who causes an improvement to be made, wherever located, regardless of whether the improvement is approved by the Board, shall do so in a good and workmanlike manner and shall be solely responsible for the construction standards and specifications relating to the improvement, and for the construction work. The Owner, and not the Association, is responsible for determining whether any improvement is in compliance with Applicable Laws and any other requirements imposed by any governmental authority having jurisdiction over the Property. The applicable Owner shall hold harmless, indemnify and defend the Association and all other Members, and their respective officers and directors and partners, from and against any expenses, claims, damages, losses or other liabilities, including attorneys' fees and costs of litigation arising out of (i) any improvement which violates any Applicable Laws; (ii) the inadequacy of the specifications for construction of the improvements; (iii) defects in the construction of the improvements; or (iv) any improvements which negatively and materially affect the use of any other Unit or the Common Elements.

4.19 Indemnification for Unit or Common Element Alterations. The Board shall require that an Owner intending to make alterations to the Common Elements, or alterations to the Owner's Unit that may affect the Common Elements or another Unit, furnish to the Association, prior to approval by the Board, adequate assurances that such Owner will indemnify, defend and hold harmless the Board, Association and other Owners from mechanics' liens or other claims arising from improvements to, or alterations or modifications of the Units or Common Elements. The Board shall require that an Owner provide a deposit, performance bond or other assurance that any removed or altered Common Element will be repaired and restored as required by the Board. The Board shall have the right to complete, pay for and assess the Unit and the Owner for any alterations commenced but not completed. after reasonable notice and a reasonable time to cure based upon the nature of the alterations has been provided to the Owner that commenced the alterations. Notwithstanding any provision to the contrary in this Section 4.19, while the City or a governmental or quasi-governmental entity affiliated with the City is the Commercial Owner, the City shall not be required to provide indemnification which exceeds any statutory liability applicable to cities and the amount of the deposit, performance bond or other assurances required

must share a nexus to the nature of the alterations to be made and shall not exceed one and one-half times the estimated amount of the alteration.

4.20 Pets. The policy of the Condominium with respect to pets shall be as from time to time established in the Rules of the Association. Notwithstanding the foregoing, the Rules may not prohibit the keeping of a qualified service dog or similar animal by a person who is handicapped within the meaning of the Fair Housing Amendments Act of 1988 or comparable state law. The Owner of each Unit may impose its own more restrictive rules governing the keeping of pets within its Unit, provided such rules do not conflict with the Rules of the Association. Animals and pets may not be kept, bred or maintained for any commercial purposes. No animals and pets shall be kenneled outside the Units or in the Garage. No fence enclosure or doghouse, other than as may apply to any dog run, shall be constructed to kennel dogs outside the Units or in the Garage.

4.21 Rules. In addition to the foregoing restrictions, conditions and covenants concerning the use of the Condominium, reasonable Rules that do not conflict with and are supplementary to this Declaration may be promulgated and amended from time to time by the Board. Copies of such Rules and amendments thereto shall be furnished by the Association to each Owner. Each Owner of a Unit may establish additional restrictions as to the use, occupancy and alienation of its Unit consistent with the Governing Documents and the Rules. Notwithstanding any provision to the contrary, during the time the Commercial Unit is owned by the City or governmental entity or quasi-governmental entity affiliated with the City, no Rule shall be adopted or enforced without the written consent of the Commercial Unit Owner which materially affects the Commercial Owner or Commercial Unit or impairs the ability of the Commercial Owner to operate the Commercial Unit as a city hall. All Rules shall be of general applicability to all Units, both as drafted and in effect.

4.22 Restrictions, Conditions and Covenants to Run With Land. Each Owner, and any party acquiring an interest in the Condominium from such Owner hereafter, accepts such deed or such interest, as the case may be, subject to all restrictions, conditions, covenants, reservations, liens and charges, and the jurisdiction, rights and powers created or reserved by this Declaration, and all rights, benefits and privileges of every character hereby granted, created, reserved or declared, and all impositions and obligations hereby imposed shall be deemed and taken to be covenants running with the land, and shall bind any Person having, at any time, any interest or estate in the land, and shall inure to the benefit of the Owner in like manner as though the provisions of this Declaration were recited and stipulated at length in each and every deed or other conveyance.

4.23 Non-Waiver of Covenants. No covenants, restrictions, conditions, obligations or provisions contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

4.24 Termination. Except in the case of a taking of all the Units by eminent domain, any decision to terminate the Condominium shall require the approval of the Owners of Units to which one-hundred percent (100%) of the votes are allocated, and shall otherwise follow the procedures set forth in **Section 10.2** hereof and in Section 515B.2-119 of the Act.

4.25 Time Shares Prohibited. The time share form of ownership, or any comparable form of lease, occupancy rights or ownership which has the effect of dividing the ownership or occupancy of a Unit into separate time periods is prohibited.

4.26 Right of First Offer. The Commercial Unit shall not be sold or marketed/listed for sale to anyone other than a governmental or quasi-governmental entity affiliated with the City, except as provided in this Section.

4.26.1 If at any time the Commercial Owner, in its sole discretion, decides in good faith that it is interested in selling the Commercial Unit to anyone other than a governmental or quasi-governmental entity affiliated with the City, the Commercial Owner shall first notify the Multifamily Owner in writing of said intent (the "First Offer Notice"). The Multifamily Owner shall have the exclusive right, for thirty (30) days after its receipt of the First Offer Notice to present to the Commercial Owner, a purchase offer, on terms commercially reasonable and customary under the circumstances, to purchase the Commercial Unit at its then fair market value (the "Purchase Offer").

4.26.2 For a period of sixty (60) days thereafter, the Multifamily Owner and the Commercial Owner shall negotiate exclusively with each other, in good faith, the terms of a purchase agreement including the fair market value for the purchase price, to allow the parties to execute a purchase agreement for the sale and purchase of the Commercial Unit. Unless determined by mutual agreement, the fair market value shall be determined by a licensed appraiser mutually acceptable to both the Multifamily Owner and the Commercial Owner, the fees and costs of such appraiser to be shared equally by the parties. In the event the parties are unable to agree upon an appraiser within ten (10) days of delivery of the Purchase Offer, the Multifamily Owner and the Commercial Owner shall each, at its sole cost and expense, hire an appraiser to perform an appraisal of the Commercial Unit. If the difference between the two (2) appraisals is within ten percent (10%) of the higher of the two appraisals, the fair market value shall be the average of the two (2) appraisals. If the difference between the two appraisals is greater than ten percent (10%), then the two (2) appraisers shall jointly select a third (3rd) appraiser to perform an appraisal, the fees and costs of which shall be shared equally by the parties, and the mean of the three (3) appraised values shall be the purchase price. Any appraiser selected pursuant to this Section 4.26.2 shall be an independent MAI appraiser in business for at least five (5) years and with experience in valuing commercial condominiums in the greater Minneapolis/Saint Paul metropolitan area. The sixty (60)-day negotiation period shall be extended if and as reasonably necessary to accommodate the appraisal requirements set forth herein.

4.26.3 If the Multifamily Owner is willing and able to pay the purchase price established in accordance with Section 4.26.2 above, the Commercial Owner either (i) shall accept the Purchase Offer as evidenced by an executed purchase agreement signed by both parties, and the parties shall proceed pursuant to its terms; or (ii) the Commercial Owner shall decline the Purchase Offer, this Right of First Refusal shall continue in full force and effect and before conveying the Commercial Unit to a third party the Commercial Owner must again provide the Multifamily Owner with a new First Offer Notice and comply with the provisions of this Section 4.26.

4.26.4 In the event either (i) Multifamily Owner declines or fails to timely submit a written Purchase Offer to Commercial Owner as described at 4.26.1 above, (ii) the parties agree in writing to voluntarily cancel the terms of the purchase agreement entered hereunder, or (iii) the Multifamily Owner declines to enter into a purchase agreement at the price established under Section 4.26.2, the Commercial Owner may market and sell the Commercial Unit to third parties free and clear of any further obligation to Multifamily Owner with respect to this Right of First Offer for a period eighteen (18) months after:

- delivery of a written declination, or expiration of the time provided in which, to submit a Purchase Offer (in the case of (i) above),

- the date of a written voluntary cancellation of the purchase agreement executed by both parties (in the case of (ii) above), or

- delivery of a written declination or expiration of the time provided above to enter into a purchase agreement (in the case of (iii) above).

Thereafter, this Right of First Offer shall be deemed reinstated and the Commercial Owner must, after expiration of said eighteen (18)-month period, provide the Multifamily Owner with a new First Offer Notice and again comply with the provisions of this Section 4.26 before conveying the Commercial Unit to a third party. Notwithstanding the foregoing, if the Multifamily Owner breaches any purchase agreement entered into hereunder by failing to close on the acquisition and such purchase agreement is cancelled pursuant to statute or court order, then the Commercial Owner may market the Commercial Unit to third parties free and clear of any further obligation to the Multifamily Owner with respect to this Right of First Offer.

4.26.5 This Section 4.26 shall terminate and be of no further force or effect with respect to such identified Right of First Offer upon the later of (i) the tenth (10th) anniversary of the recording of this Declaration with the Anoka County Registrar of Titles, or (ii) the transfer of title to the Multifamily Unit to an entity neither owned nor controlled by BPOZ Columbia Heights, LLC, its members or officers, but in no event later than the fifteenth (15) anniversary of the recording of this Declaration.

4.26.6 In the event the Commercial Unit is sold to a third party in compliance with the terms hereof, the Multifamily Owner shall, upon request of the Commercial Owner, confirm the same in writing as may be necessary or beneficial to clear title of the Multifamily Owner's rights under this Section 4.26 with respect to such identified Right of First Offer. A "sale" hereunder shall mean the execution of a binding purchase agreement by all parties thereto, subject only to customary contingencies.

4.26.7 Any sale of the Commercial Unit to a third party in violation of the foregoing shall entitle the Multifamily to all available remedies at law or in equity.

4.26.8 In the event of a subdivision of the Commercial Unit into two (2) or more Units, this Right of First Offer shall apply equally to each Unit resulting from such subdivision.

4.26.9 In the event Multifamily Owner, or an affiliate of Multifamily Owner owned or controlled by Multifamily Owner, acquires title to the Commercial Unit, the restrictions on the use of the Commercial Unit in this Article 4 shall automatically terminate, whereupon (a) the Commercial Unit may thereafter be used for any purposes allowed by Applicable Laws and Ordinances, except that it may not be put to residential use, as defined by the Act, and (b) this Right of First Offer shall terminate and be of no further effect.

4.26.10 In the event Multifamily Owner, or an affiliate of Multifamily Owner owned or controlled by Multifamily Owner, acquires title to the Commercial Unit, the restrictions on the use of the Commercial Unit in this Article 4 shall automatically terminate, whereupon (a) the Commercial Unit may thereafter be used for any purposes allowed by Applicable Laws, except that it may not be put to residential use, as defined by the Act, and (b) this Right of First Offer shall terminate and be of no further effect.

ARTICLE 5. Management, Maintenance, Repairs, Alterations and Improvements

5.1 Common Elements, Certain Limited Common Elements. Except to the extent otherwise provided in Section 515B.3-113 of the Act, the Association shall be responsible for the maintenance, repair, decoration, alteration, improvements, restoration and replacement of the General Common Elements, as well as periodic window washing. All other Limited Common Elements shall be the responsibility of the Owner of the Unit to which they are allocated unless responsibility for them is expressly assumed by the Association. The Association shall carry out such responsibilities, including the repair of any damage to the Property for which the Association is responsible, ensuring that such Property is repaired and restored to as good a condition or to a better condition as they were in immediately prior to such damage. Each Owner shall be responsible for ordinary maintenance, repair and replacement of the Limited Common Elements allocated to it herein, by the CIC Plat or by the Act, unless otherwise provided above or expressly assumed by the Association. For clarification, but without limiting the generality of the foregoing, the maintenance allocations attached hereto as Exhibit D outlines respective maintenance obligations of the Association and each Owner, but is not intended to be an exhaustive list. The Association may, in its discretion, elect to assume the obligation for maintenance, in whole or in part, of any Limited Common Elements allocated to an Owner's Unit and charge the costs thereof as a limited assessment in accordance with **Section 6.4**.

5.2 Management Agent. The Association may elect to delegate its duties hereunder to a managing agent and may enter into a management contract for such purpose.

5.3 Preventative Maintenance Plan. The Board shall prepare, approve and abide by a written Preventative Maintenance Plan for the Common Elements for which it is responsible, based on the best available information listing all building elements to which the Preventative Maintenance Plan will apply and generally accepted standards of maintenance, and which shall be updated and amended from time to time. A copy of the Preventative Maintenance Plan shall be provided to all Owners in accordance with Section 515B.3-107(b) of the Act.

5.4 Units, Limited Common Elements. Except to the extent otherwise provided in this Declaration, and in Section 515B.3-113 of the Act, or by express assumption by the Association or by private agreement between the Owners, each Owner is responsible for the maintenance, repair, alteration, improvement and replacement of that Owner's Unit and the Limited Common Elements allocated to it, including any fixtures and equipment of that Owner, wherever located. Members shall perform their responsibilities in such manner as not to unreasonably disturb other Owners or Occupants; shall not impair any easement; shall comply with the Rules, Bylaws and Declaration; shall promptly report to the Association any defect or need for repairs to the General Common Elements; shall keep and maintain the Limited Common Elements and any easement areas for which it is responsible in a clean and good condition and repair; and shall not do anything that will or might jeopardize or impair the safety and/or soundness of any of the improvements or equipment, without the prior written consent of the Board, which consent may be withheld for any reason. If any Owner fails to perform appropriate maintenance, then the Association will have the right to enter upon such Unit, or the Limited Common Elements, to perform such maintenance, and the cost thereof will be charged to the Owner; provided that reasonable notice and an opportunity to cure the violation shall first be given to the Owner (except in an emergency involving actual or imminent threat of danger to human health or safety or damage to or contamination of property).

5.5 Damage. If damage is inflicted on the Common Elements, or any Unit, by an Owner or Occupant, or its invitees, or by any condition in the Unit or its Limited Common Elements which the Owner or Occupant has caused or allowed to exist, the Owner is liable at its expense for the prompt repair thereof except as provided in **Section 7.10**. In addition, if any Owner enters into an easement, lease or use agreement permitting a third party to use any portion of that Owner's Unit or the Limited Common Elements allocated to such Unit (but not including any agreement with individual residents of the Multifamily Unit), such agreement will be deemed to include a provision whereby the third party agrees to indemnify, defend and hold harmless all the other Owners, the Association, and its members, officers, directors, and agents from and against any claim, loss or expense arising out of injury, death or property loss or damage caused by the third party, or any of its agents, employees, guests or invitees.

5.6 Owner Obligated to Pay. If an Owner or Occupant performs any construction, alteration, modification, remodeling, or renovation on or to any portion of the Common Elements (whether or not authorized), or on or to any Unit that affects the Common Elements, the Owner or Owners so involved shall promptly pay for all material, equipment, and labor used in any such construction, alteration, modification, remodeling, renovation, or other activity. If a mechanic's lien is filed in connection with such work, whether or not such work was approved by the Association, the Owner or Occupant performing such work on or to the Common Elements shall satisfy such mechanic's lien within thirty (30) days of the date the mechanic's lien was filed; provided, however, that if any such Owner or Occupant chooses to contest the validity of such mechanic's lien, the Association may require such Owner or Occupant to post a bond in favor of the Association, or deposit funds with the Association, such bond or funds to be equal to one hundred twenty-five percent (125%) of the amount claimed by the holder of the mechanic's lien, which bond or funds shall indemnify the Association and other non-involved Owners and Occupants against such mechanic's lien. Nothing contained herein shall be deemed to permit an Owner or Occupant to perform any construction, alteration, modification, remodeling or

renovation of the Common Elements, including the Limited Common Elements without the prior approval by the Association.

ARTICLE 6. Assessments and Liens for Assessments

Assessments against the Units shall be levied by a majority vote of the Board and paid by the Owners to the Association in accordance with the following provisions:

6.1 Obligation for Assessments. Each Owner of a Unit, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, or in the case of Declarant, by execution of this Declaration, is deemed to covenant and agree to pay to the Association: (i) annual assessments or charges; and (ii) special assessments, such assessments to be established, levied and collected as hereinafter provided. The annual and special assessments, together with interest, costs, and reasonable attorneys' fees, shall be a charge on the land and shall be a continuing lien upon the Unit against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorneys' fees, shall also become the personal obligation of the Owner at the time the assessment becomes due. The personal obligation for delinquent assessments shall not pass to the successors in title to an Owner's Unit, unless expressly assumed by them. However, any sale or transfer pursuant to foreclosure or deed-in-lieu of foreclosure shall not relieve the Purchaser or transferee of a Unit of the Unit itself from liability for the lien of any assessment made thereafter. Upon request of an Owner, the Association shall issue a certificate to such person(s) as the Owner may designate stating the status of the current and delinquent assessments assessed against that Owner's Unit. The Person for whose benefit such certificate is made shall be entitled to rely conclusively on such certificate and such certificate shall limit such Person's personal liability and the liability of the Unit for any other prior assessments. Except as provided by *Sections 6.4* and *7.8* below, assessments shall be allocated among the Units based on the percentages set forth on Exhibit C attached hereto. The failure or delay of the Board to send to each Member prior written notice of the assessment due for the following year shall not constitute a waiver or release in any manner of the Member's obligation to pay the assessment whenever it shall be determined, and in the absence of any notice each Member shall continue to pay the annual assessment at the then existing rate until such Member has receipt of the assessment notice reflecting the new amount.

6.2 Annual Assessment. The annual assessment shall be established by the Board in accordance with the provisions of this *Article 6* and the Act.

6.3 Special Assessments. In addition to the annual assessments levied as provided in this *Article 6*, upon approval of all members of the Board, the Board may, in its discretion, levy special assessments against all of the Units, or fewer than all of the Units to the extent allowed by Section 515B.3-1151 of the Act, at such other and additional times as, in the Board's judgment, are required for the proper management, maintenance, repair and operation of the Condominium, to defray in whole or in part the cost of, among other things, (i) to cover expenditures of an emergency nature, (ii) to cover unbudgeted capital expenditures, or (iii) to replace any components of the CIC.

6.4 Limited Assessment Allocation. Both annual and special assessments shall be assessed among the Units based on the percentages set forth on Exhibit C attached hereto and may be collected in installments as set forth in **Section 6.8**, except as follows:

6.4.1 Any Common Expense benefiting one or more but fewer than all of the Units may be assessed solely against the benefited Unit(s), as provided in Section 515B.3-1151(e)(2) of the Act, subject to any use of this provision being fair and equitable and which is applied consistently to all Owners and Units and is neutral on its face and in effect.

6.4.2 Subject to **Section 6.4.3**, a Common Expense associated with the maintenance, operation, repair or replacement of a Limited Common Element, if any, shall, to the extent reasonably discernable, be assessed against the Unit or Units to which that Limited Common Element was assigned at the time the expense was incurred as provided in Section 515B.3-1151(e)(1) of the Act.

6.4.3 Unless covered by insurance maintained by the Association, expenses arising directly from an Owner's or Occupant's acts or omissions, or from its invitees shall be assessed against that Owner's Unit and be immediately due in full from the Owner directly or indirectly at fault.

6.4.4 The cost of common utilities not separately metered may be assessed in proportion to usage.

6.4.5 The costs of insurance may be assessed in proportion to risk or coverage, with such allocation to be reasonably determined by the Board.

6.5 Lien for Unpaid Assessments, Interest and Late Fees. All assessments, both annual and special, shall become a lien upon a Unit on the date the assessment or the installment of an assessment becomes due, or if the assessment is not payable in installments, then on the date the Board determines the assessment is due and payable. The lien for all unpaid assessments shall include interest, charges, fines, late charges, costs, receiver's fees, collection fees, filing fees, reasonable attorneys' fees and late fees.

6.6 Priority of Lien; Purchaser at Foreclosure Sale Not Liable for Certain Unpaid Assessments; Association Responsible for Certain Unpaid Assessments. The lien for assessments, as against all other liens and encumbrances, shall be determined pursuant to Section 515B.3-116 of the Act. This provision does not affect the priority of mechanics' or materialmen's liens.

6.7 Preparation of Proposed Budget and Levying of Assessment. Each year, at least thirty (30) days prior to the beginning of the Association's fiscal year, the Board shall estimate the total amount necessary to pay the Common Expenses during the next fiscal year including any amounts the Board, in its reasonable discretion, determines desirable to hold in reserve for future replacement of components the Association is obligated to maintain, as well as alterations and improvements thereto, and for emergencies. The Association shall keep replacement reserves, if any, in an account or accounts separate from the Association's operating funds and other reserves, and shall not use or borrow from the replacement reserves to fund the Association's operating expenses, provided that this restriction shall not affect the Association's authority to pledge the replacement reserves as security for a loan to the Association for capital improvements but not for

shortfalls in the operating account. Nothing herein shall require that the Association maintain a replacement reserve. At least thirty (30) days prior to the beginning of the Association's fiscal year, the Board shall provide to each Owner the amount of the assessment that Owner shall pay in the next fiscal year.

6.8 Payment of Assessments. All sums assessed by the Association for annual assessments and any special assessments allocable to any Unit shall be payable at least annually or in more frequent installments as designated by the Board. Except as otherwise provided by the Board, within thirty (30) days following the levying of an assessment as provided in **Section 6.7**, and on the first day of each and every installment period thereafter, each Member shall be obligated to pay to the Association the full assessment or installment of assessment levied.

6.9 Replacement Reserves. The Association may, in its discretion, elect to maintain a replacement reserve account or accounts separate from the Association's operating funds and other reserves for the purpose of replacing General Common Elements and any other components for which the Association is responsible to maintain. In establishing such reserves and the amounts to be collected from each Unit, the Association shall take into account any reserves held by any mortgagee holding a mortgage on that Unit and any restrictions on access to such funds. The Association shall not use or borrow from any replacement reserves to fund the Association's operating expenses, provided that this restriction shall not affect the Association's authority to pledge the replacement reserves as security for a loan to the Association. Nothing herein shall require that the Association maintain a replacement reserve.

6.10 Failure to Prepare Annual Budget and Levy Annual Assessment. The failure or delay of the Board to prepare the proposed annual budget and to levy assessments upon each Unit as provided above shall not constitute a waiver or release in any manner of such Member's obligation to pay annual assessments whenever the same shall be determined, and in the absence of any annual budget, each Member shall continue to pay the annual assessment at the then existing installment rate until such Member has received notice of the new annual or special assessment levied.

6.11 Late Fees and Interest on Unpaid Assessments; Acceleration. All assessments and installments not paid on or before the date when due shall bear a late fee determined by the Board from time to time. In addition, interest shall be accrue in accordance with **Article 9** assessed for each month thereafter that such fee is late. All payments upon account shall be applied first to any late fee, then to accrued interest and then to the assessment payment first due. If any installment of an assessment, whether annual or special, becomes more than thirty (30) days past due, then the Board may, upon ten (10) days' written notice to the Owner, declare the entire amount of the assessment immediately due and payable in full, along with any late fees and collection costs.

6.12 Certificate of Assessments. A certificate made by the Association as to the status of a Unit's assessment account shall limit the liability of any Person for whom such certificate is made. The Association shall issue such certificates to such additional persons as a Member may authorize in writing.

6.13 No Exception or Waiver of Payment of Assessments. No Member shall be exempt from liability for contributions towards the Common Expenses by waiver of the Member's use or

enjoyment of the Common Elements or any portion of the Member's Unit or by the abandonment of the Member's Unit, or any other improvement.

6.14 Foreclosure of Lien. The Association's lien may be foreclosed as provided by laws of the State of Minnesota as if it were a lien under a mortgage containing a power of sale. The rights of the parties shall be the same as those provided by the law except that (i) the period of redemption shall be six (6) months from the date of sale or a lesser period authorized by law; (ii) in a foreclosure by advertisement under Minnesota Statutes, Chapter 580, the foreclosing party shall be entitled to costs and disbursements of foreclosure, and attorneys' fees in the amount provided by Section 515B.3-116 of the Act; (iii) in a foreclosure by action under Minnesota Statutes, Chapter 581, the foreclosing party shall be entitled to costs and disbursements of foreclosure and attorneys' fees as the court may determine, and (iv) the amount of the Association's lien shall be deemed to be adequate consideration for the Unit subject to foreclosure, notwithstanding the value of the Unit.

6.15 No Further Perfection or Notice Required. The recording of this Declaration constitutes record notice and perfection of the lien and no further recording of any claimed lien for assessment is required.

ARTICLE 7. Insurance and Eminent Domain

7.1 Required Coverage. [Send to insurance company for review and approval.]

7.1.1 Property Insurance. The Association shall maintain, in the name of the Association, property insurance on the Property issued by financially sound insurers authorized to do business in the State of Minnesota, which such insurance shall be in special form covering all risks of physical loss in an amount equal to one hundred percent of the insurable "replacement cost" of the Property, but excluding land, footings, excavation and other items normally excluded from coverage (but including all common building service equipment and machinery), and also excluding ceiling or wall finishing materials, cabinetry, finished millwork, finished flooring, electrical, heating, ventilating, and air conditioning equipment and plumbing fixtures serving a single Unit, built-in appliances, light fixtures and other improvements and betterments within the Units regardless of when installed. Notwithstanding the foregoing, the Association is not obligated to maintain property insurance with respect to any improvements made by the lessees of any Unit or with respect to any personal property owned by any lessee. The policy or policies shall cover personal property owned by the Association, contain "Inflation Guard" and "Agreed Amount" endorsements, if available, and contain a waiver of any right of subrogation against the Association and each other Owner, if available. To the extent not a named insured on any policy under this **Subsection 7.1.1**, the Owners shall each be named as an additional named insured.

7.1.2 Liability Insurance. The Association shall, at all times from and after the date hereof, maintain commercial general liability insurance against claims and liabilities arising in connection with the ownership, existence, use, or management of the Property, with minimum limits of \$1,000,000 per occurrence, \$2,000,000 in the aggregate against claims for death, bodily injury and property damage, and such other risks as are customarily

covered by such policies for projects similar in construction, location and use to the Property. The policy shall contain a “severability of interest” endorsement which shall preclude the insurer from denying the claim of an Owner or Occupant because of negligent acts of the Association or other Owners or Occupants, and the Association shall obtain appropriate waivers of subrogation from the insurance company respecting same. Declarant shall be included as an additional insured in its capacity as an Owner and, if applicable, as a Person having power to appoint members of the Board. Each Owner, their partners and members, as their interests may appear, shall be included as an additional insured, but only for claims and liabilities arising in connection with the ownership, existence, use or management of the Common Elements. The insurance shall cover claims of one or more insured parties against any other insured party, pursuant to a “severability of interest” clause and the Association shall obtain appropriate waivers of subrogation from the insurance company respecting same. The Association shall not enter into employment contracts or independent contractor contracts of any kind unless the contracting party provides evidence (such as a Certificate of Insurance) to the Board that such party has current satisfactory insurance, including workers compensation insurance, commercial general liability insurance and automobile insurance on all of which the Association is named as an additional insured.

7.1.3 Excess Coverage. The Association shall maintain excess liability coverage in the minimum amount of \$5,000,000 per occurrence, \$5,000,000 in the aggregate.

7.1.4 Fidelity Insurance. The Association shall maintain a fidelity bond or insurance coverage against dishonest acts on the part of directors, officers, managers, trustees, employees or persons responsible for handling funds belonging to or administered by the Association, in an amount not less than three (3) months’ current assessments as calculated from the current annual budget of the Association. An appropriate endorsement to the policy to cover any persons who serve without compensation shall be added if the policy would not otherwise cover volunteers, or a waiver of defense based upon the exclusion of persons serving without compensation shall be added.

7.1.5 Directors and Officers. The Association shall maintain directors' and officers' liability insurance protecting the current and past members of the Board and the officers of the Association against claims made against them by reason of their service in such capacities to the extent reasonably available and with such reasonable limits and coverages as the Board shall determine from time to time.

7.1.6 Other Insurance. The Association shall maintain worker’s compensation, and other insurance as required by law or as the Board may determine from time to time to be in the best interests of the Association and the Owners. In addition, the Association shall ensure that any third party management agent hired by the Association carries such commercial general liability, worker’s compensation, errors and omissions, employment practices liability and/or crime/fidelity insurance, as the Association, in its sole discretion, deems appropriate in light of coverages provided by the Association’s insurance policies.

7.2 Additional Coverages. The policies shall include such additional endorsements, coverages and limits with respect to such hazards as may be reasonably required by any party insuring, purchasing or financing a mortgage on a Unit; provided, however, any additional costs to the Association associated with such additional endorsements, coverages or limits, to the extent they primarily benefit that Unit's Owner, shall be payable solely by that Unit's Owner and assessed against that Unit. The Board may also, on behalf of the Association, enter into binding written agreements with a Secured Party, its insurer or loan servicer, obligating the Association to keep certain specified coverages or endorsements in effect, to obtain approvals of insurance adjustments on claims in excess of a certain amount, or to escrow insurance proceeds attributable to damage or destruction of Common Elements and intended for restoration, repair, replacement or rebuilding, on such terms and conditions as the Board determines to be reasonable and appropriate to facilitate such restoration, repair, replacement or rebuilding in compliance with the Act.

7.3 Premiums; Improvements; Deductibles. Subject to **Section 6.4**, all insurance premiums shall be assessed and paid as an annual assessment. In the case of a claim for damage to a Unit or Units, the Association may, as authorized by Section 515B.3-1151(g) of the Act, (i) pay the deductible amount as a Common Expense; or (ii) assess the deductible amount against one or more of the Units affected in any reasonable manner. The Board's decision as to who shall be charged with paying the deductible amount shall be rationally based on fault or benefit if such deductible is not charged as a Common Expense. In addition, as authorized by Section 515B.3-1151(e)(3), if the insurance rates increase as a result of the activities on a Unit or the Limited Common Elements allocated to such Unit, the increased insurance costs may be assessed only against such Unit. If any damage to the Common Elements or another Unit is caused by the act or omission of any Owner or Occupant of a Unit, or their invitees, the Association may assess the costs of repairing the damage exclusively against the Owner's Unit to the extent not covered by insurance.

7.4 Loss Payee; Insurance Trustee. All insurance coverage maintained by the Association shall be written in the name of, and the proceeds thereof shall be payable to, the Association (or a qualified insurance trustee selected by it) as trustee for the benefit of the Owners and Secured Parties. The Association, or any insurance trustee selected by the Association, shall have exclusive authority to negotiate, settle and collect upon any claims or losses under any insurance policy maintained by the Association, and shall apply the proceeds in accordance with said Section 515B.3-113 of the Act.

7.5 Required Policy Provisions. All policies of property insurance carried by the Association shall provide that:

7.5.1 Each Owner and Secured Party is an insured Person under the policy with respect to liability arising out of the Owner's interest in the Common Elements or membership in the Association.

7.5.2 The insurer waives its right to subrogation under the policy against any Owner or such Owner's partners or members, and against the Association and members of the Board.

7.5.3 The coverage shall not be prejudiced by or conditioned upon (i) any act or omission of an Owner or Secured Party, unless acting within the scope of authority on behalf of the Association; or (ii) any failure of the Association to comply with any warranty or condition regarding any portion of the Property over which the Association has no control.

7.5.4 If at the time of a loss under the policy there is other insurance in the name of an Owner covering the same property covered by the policy, the Association's policy is primary.

7.5.5 Each Owner shall be an additional named insured under each policy of insurance procured under **Sections 7.1 and 7.2**.

7.6 **Cancellation: Notice of Loss.** Property and commercial general liability insurance policies maintained by the Association shall provide that the policies shall not be canceled or substantially modified, for any reason, without at least sixty (60) days' prior written notice to the Association, the Owners, all Secured Parties to whom certificates of insurance have been issued, and the additional insureds.

7.7 **Restoration in Lieu of Cash Settlement.** Property insurance policies maintained by the Association shall provide that, despite any provisions giving the insurer the right to elect to restore damage in lieu of a cash settlement, such option shall not be exercisable (i) without the prior written approval of the Association (or any insurance trustee); or (ii) when in conflict with provisions of any insurance trust agreement to which the Association may be a party, or any requirement of law.

7.8 **Allocation of Insurance.** The cost of insurance premiums shall be reviewed annually by the Board and to the extent reasonably determined by the Board, the allocations to each Unit will be adjusted in proportion to risk or coverage of the Unit and Limited Common Elements, taking into consideration the occupancy of each Unit and any prior insurance claims made in relation to any Unit.

7.9 **Individual Owner's and Commercial Tenant's Insurance.** Each Owner shall obtain at its own expense, or cause to be obtained, property insurance coverage covering fire and other casualty for all the Owner's property which is not otherwise insured by the policy of property insurance referred to in **Section 7.1.1** above, including ceiling and wall finishing materials, floor coverings, cabinetry, appliances, light fixtures and other improvements and betterments within the Unit. In addition, each Owner shall obtain liability insurance naming the Owner providing coverage on an "occurrence" basis, and including a combined general comprehensive liability insurance policy limit of at least \$1,000,000 for each occurrence, \$2,000,000 in the aggregate, and with a \$3,000,000 umbrella policy. Such liability insurance policy shall name the Association as an additional insured and certificate holder entitled to thirty (30) days' notice if terminated, not renewed or cancelled. Insurance policies maintained by Owners shall be without contribution as against the insurance purchased by the Association, except as to deductible amounts or other items not covered under the Association's policies. Any such policies shall contain waivers of subrogation and contribution rights if possible. Each Owner shall provide the Association a certificate assuring the Association that the coverage required by this paragraph is in force, and

shall provide a replacement certificate at least thirty (30) days' prior to each policy anniversary date. Upon failure to provide such certificate that is not cured within ten (10) days after written notice, the Board shall have the right to obtain such insurance, the cost of which shall constitute a special assessment levied against the applicable Unit as of the date on which the notice of special assessment is sent to the applicable Owner who has not provided such certificates and/or who has not maintained the applicable insurance in force.

7.10 Waiver of Claim. Anything herein to the contrary notwithstanding, the Association agrees that it shall make no claim against an Owner, its members, the members of the Board, officers of the Association, or employees or agents of any thereof, or against the manager, if any, or its officers, employees or agents, and each Owner agrees not to make a claim against the Association, the members of the Board, officers of the Association, or employees or agents of any thereof, or against the manager, if any, or its officers, employees or agents, or other Owners for any loss or damage to the Condominium, or to a Unit or Common Element, or to personal property, even if caused by the act or neglect of any one or more of such persons, due to a peril insured against by casualty insurance purchased by the Association, or any Owner, to the extent of the insurance proceeds recovered under all such policies of insurance, and all such claims, to the extent of such recovery, are hereby waived and released; provided, however, that this waiver shall not apply to vandalism or malicious mischief and shall apply only during such time as the applicable policy or policies shall contain a clause or endorsement to the effect that any such release shall not adversely affect or impair said policy or policies, or prejudice the right of the insured to recover thereunder, and each Owner and the Board agree that their respective insurance policies shall contain such a clause or endorsement if available at reasonable cost in the opinion of the party insured thereunder. The Board shall have the right to determine who shall pay the deductible portion not covered by insurance provided such a determination shall be rationally based upon fault or benefit if not charged as a Common Expense.

7.11 Required Insurance Not Available. If any insurance required hereunder ceases to be available, or is available on terms so unacceptable that prudent owners of similar property generally do not carry such insurance, then in lieu of such insurance the pertinent party may carry the most comparable insurance which is available and generally carried by prudent parties.

7.12 Eminent Domain. The procedures that the Association must follow in the event of a taking (or a purchase in lieu of a taking) of part or all of the Common Elements by a condemning authority are set forth in Section 515B.1-107 of the Act and shall be complied with by the Association. The Association shall represent the Owners in any condemnation proceedings or in negotiations, settlements and agreements with the condemning authority for acquisition of the Common Elements, or part thereof. Each Owner hereby grants the Board an irrevocable power of attorney for such purpose. Any proceeds from the settlement should be payable to the Association for the benefit of the Owners and their mortgage holders. Any distribution of funds in connection with the termination of the Condominium must be made on a reasonable and equitable basis to the Owners and mortgage holders as their interests appear.

ARTICLE 8. Amendments to Declaration

8.1 Percentage of Owners. Except as expressly permitted or required by the Act or *Articles 8* and *10*, this Declaration may be amended by the Association only by a vote or written

agreement of Owners of Units to which at least sixty-seven percent (67%) of the votes in the Association are allocated; subject to the limitations specified herein.

8.2 Recordation. Every amendment to the Declaration shall be recorded in the office of the Recording Officer, and is effective only when recorded.

8.3 Limitations. No amendment may create special declarant rights; increase the number of Units beyond the maximum allowed by subdivision hereunder; change the allocations of Common Expense liabilities, interests in Common Elements or voting strength in the Association (including both voting by the Members and voting by the Board) or change the allocation of Limited Common Elements, except reallocations as may be required of a subdivided Unit among the Units resulting from such subdivision; convert General Common Elements to Limited Common Elements; change the authorized use of a Unit from nonresidential to residential (as defined by the Act) or conversely; change the boundaries of any Unit; materially and negatively affect the right to sell or the marketability of a Unit; change the percentage of Owners needed to terminate the Condominium; or take any action specified in Section 10.1 of this Declaration, in the absence of unanimous written agreement of the Owners. No provision in this Declaration which expressly benefits or protects the Commercial Unit or Commercial Owner may be amended without the consent of the Commercial Owner. Alteration of Limited Common Elements. In accordance with Section 515B.2-109(f) of the Act, a reallocation of Limited Common Elements shall not be permitted without an amendment to this Declaration executed by the Owners of the Units to which the affected Limited Common Elements are allocated.

8.4 Secretary's Affidavit. An affidavit of the secretary of the Association stating that the votes or agreements required by this **Article 8** have occurred shall be attached to the amendment and shall constitute prima facie evidence of the representations contained therein.

ARTICLE 9. Remedies

9.1 Entitlement to Relief. Legal relief may be sought by the Association, at its discretion, against any Owner, or by an Owner against the Association or another Owner, to enforce compliance with the Governing Documents, the Rules, the Act or the decisions of the Association. However, no Owner may withhold any assessments payable to the Association, nor take or omit other action in violation of the Governing Documents, the Rules or the Act, as a measure to enforce such Owner's position, or for any other reason.

9.2 Remedies. In addition to any other remedies or sanctions, expressed or implied herein, whether administrative or legal, the Association shall have the right, but not the obligation, to implement any one or more of the following actions against Owners and Occupants and/or their invitees, who violate the provisions of the Governing Documents, the Rules or the Act:

9.2.1 Commence legal action for damages or equitable relief in any court of competent jurisdiction.

9.2.2 Impose late charges for each past due assessment or installment thereof, as set forth in **Section 6.11**, and impose interest not to exceed the highest rate permitted by

law accruing beginning on the first day of the month after the assessment or installment was due.

9.2.3 Accelerate any unpaid installments of any assessments assessed against the Unit owned by the defaulting Owner in accordance with **Section 6.11**, which assessments shall then be payable in full together with all attorneys' fees and other professional fees, costs and late charges.

9.2.4 Impose reasonable fines, penalties or charges for each violation of the Act, the Governing Documents or the Rules, which fines, penalties and charges shall be added to the assessments against the Unit at fault.

9.2.5 Enter any Unit or Limited Common Element and restore any portions of the Unit, or Limited Common Element used, damaged or altered, or allowed to be used, damaged or altered, by any Owner or Occupant, or their invitees, in violation of the Governing Documents, and to assess the cost of such restoration against the responsible Owners and their Units.

9.2.6 Enter any Unit, Common Elements or Limited Common Element in which, or as to which, a violation or breach of the Governing Documents or the Rules exists which materially affects, or is likely to materially affect, the health or safety of the other Owners or Occupants, or their invitees, the safety or soundness of any Unit or other part of the Property or the property of the Owners, Occupants or their invitees, or the uniform and harmonious appearance of the Building. The Association may summarily abate, demolish and remove, at the expense of the offending Owner or Occupant, any structure, thing or condition in the Unit, Common Elements or Limited Common Elements which is causing the violation; provided, that any improvements which are a part of a Unit may be altered, demolished or removed only pursuant to a court order or with the agreement of the Owner.

9.2.7 Foreclose any lien arising under the provisions of the Governing Documents or under law, in the manner provided by the Act.

9.3 Enforcement by Owners. The provisions of this **Article 9** shall not limit or impair the independent rights of other Owners to enforce the provisions of the Governing Documents, the Rules, and the Act as provided therein.

ARTICLE 10. Provisions for Eligible Mortgagees

The following provisions shall take precedence over all other provisions of this Declaration, and in the event of any inconsistency or contradiction, the following provisions shall control:

10.1 Approval of Eligible Mortgagees. In addition to the requirements of **Article 8**, unless the Owners of Units to which at least sixty-seven percent (67%) of the votes in the Association agree (or such higher percentage as required by the Act or this Declaration), and at least fifty-one percent (51%) of Eligible Mortgagees (one vote for each mortgage owned) consent, the Association shall not be entitled to amend any provision of this Declaration or the Bylaws or

add any material provision thereto which establishes, provides for, governs or regulates any of the following:

- 10.1.1 voting;
- 10.1.2 assessment liens or the subordination of any such lien;
- 10.1.3 reserves for maintenance, repair or replacement of the Common Elements;
- 10.1.4 insurance or fidelity bonds;
- 10.1.5 rights to use the Common Elements;
- 10.1.6 responsibility for maintenance or repair of any portion of the Condominium;
- 10.1.7 expansion or contraction of the Condominium or the addition, annexation or withdrawal of property to or from the Condominium;
- 10.1.8 boundaries of any Unit (except as may be permitted herein related to subdivision of Units);
- 10.1.9 interests in the Common Elements or Limited Common Elements; and
- 10.1.10 convertibility of Units into Common Elements or Common Elements into Units.

This Section 10.1 shall not apply in the case of a subdivision of a Unit and the reallocation of the Common Element interests, Common Expense liability and voting rights of the subdivided Unit among the Units resulting from such subdivision.

10.2 Approval of First Mortgagees. Without the approval of the Owners of Units to which one hundred percent (100%) of the votes are allocated, and at least eighty percent (80%) of the holders of First Mortgages (based upon one vote for each mortgage owned)

10.2.1 the Condominium cannot be terminated (unless all of the Units are taken by eminent domain); and

10.2.2 the legal form of the Condominium cannot be changed.

10.3 Notice to Eligible Mortgagees. Eligible Mortgagees shall be entitled to timely written notice of:

10.3.1 any proposed amendment of the Governing Documents effecting a change in (i) the boundaries of any Unit or the exclusive easement rights appertaining thereto; (ii) the interests in the Common Elements or Limited Common Elements appertaining to any Unit or the liability for Common Expenses; (iii) the number of votes in

the Association appertaining to any Unit; or (iv) the purposes to which any Unit or the Common Elements are restricted;

10.3.2 any proposed termination of the Condominium;

10.3.3 any condemnation loss or any casualty loss which affects a material portion of the Condominium or which affects any Unit on which there is a First Mortgage held, insured or guaranteed by such Eligible Mortgagee;

10.3.4 any delinquency in the payment of assessments or charges owed by an Owner subject to the mortgage of such Eligible Mortgagee, where such delinquency has continued for a period of thirty (30) days;

10.3.5 any lapse, cancellation or material modification of any insurance policy maintained by the Association.

10.4 Liens Prior to First Mortgage. All taxes, assessments and charges which may become liens prior to any First Mortgage on any Unit under local law, shall relate only to the individual Unit and not to the Condominium project as a whole.

10.5 Rights to Condemnation Proceeds. No provision of the Condominium constituent documents gives an Owner or any other party priority over any rights of the holder of any First Mortgage on the Unit pursuant to its mortgage in the case of condemnation awards for losses or the taking of Units and/or Common Elements.

10.6 Consent/Approval. Consent by any Secured Party entitled by law or by this Declaration to consent to an action by the Association, including consent to an amendment of this Declaration, the Bylaws or articles of incorporation of the Association by an Eligible Mortgagee, shall be deemed granted if the Secured Party's written refusal to consent is not received by the Association within sixty (60) days after the Secured Party receives from the Association notice and copy of the amendment by certified mail, postage prepaid and return receipt requested in accordance with Section 515B.2-118(a)(5) of the Act.

ARTICLE 11. General Provisions

11.1 Interpretation of Declaration. This Declaration is intended to comply with requirements of the Act. In the event of any conflict between this Declaration and the provisions of the Act, the provisions of the Act shall control. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the ownership and operation of a multi-use common interest community project. Compound words beginning with the prefix "here" shall be read as referring to this Declaration and not merely to the part of it in which they appear. The term "include" or "including" in a statement shall mean include or including as an example, without limiting the generality of the statement. References to both Common Elements and Limited Common Elements within the same sentence are for emphasis only. Limited Common Elements are a subset of Common Elements, and unless clearly to the contrary, references herein to Common Elements include both General Common Elements and Limited Common Elements.

11.2 Examination of Records. Owners, lenders and holders, insurers or guarantors of any First Mortgage shall be entitled to inspect current copies of the Declaration, the Bylaws, and the Rules governing the Condominium, the books, records and financial statements of the Association and all documentation specified by Section 515B.3-118 of the Act, upon request during normal business hours or under other reasonable circumstances. Purchasers shall be entitled to inspect current copies of the Declaration, the Bylaws, and the Rules governing the Condominium and the most recent annual audited financial statement, if such is prepared. Any Person which has an interest or prospective interest in the Condominium shall be entitled, upon written request, to have an audited financial statement for the immediately preceding fiscal year prepared within a reasonable time, at the expense of such Person.

11.3 Notices. All notices, objections, demands and other communications required or permitted to be given or served under this Declaration shall be in writing and shall be deemed to have been duly given if delivered in person or deposited in the United States mail, postage prepaid, for mailing by certified or registered mail, return receipt requested as follows:

If to any Member, to:

That Member's last address as shown on the records of the Association, or if not obtainable or known, to its registered office in the State of Minnesota or publically available city hall address (in relation to the City).

If to the Association, to:

The president or management agent at the last address shown for such person on the records of the Association, or if not obtainable, to its registered office in the State of Minnesota.

11.4 Successors and Assigns. This Declaration shall be binding upon and inure to the benefit of the Association, its Members and the Declarant, and their heirs, successors and assigns.

11.5 Severable Provisions. Each provision of this Declaration is intended to be severable. If any term or provision herein is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of this Declaration.

11.6 Titles, Headings or Captions and Reference to Gender. All titles, headings or captions in the articles or sections of this Declaration are inserted for convenience of reference only and shall not constitute a part of this Declaration or as a limitation of the scope of the particular articles or sections to which they apply. The masculine gender may be read as the feminine gender or the neuter gender, the neuter gender may be read as the masculine gender or feminine gender and the feminine gender may be read as the masculine gender or the neuter gender. Where appropriate the singular may be read as the plural and the plural may be read as singular.

11.7 Minor Revisions. At any time prior to the recording of a deed transferring title to the Commercial Unit to the City or a third party, the Declarant reserves the right to make minor, non-material changes to the Declaration and Bylaws in order to comply with the requirements of the Recording Officer and any change in the Act.

11.8 Minnesota Law to Govern. This Declaration shall be construed and enforced in accordance with the laws of the State of Minnesota.

11.9 Association's Right of Entry. The Association shall have a right of entry upon each Unit and the Limited Common Elements allocated to it at any time to effect emergency repairs and, upon 24 hours advance notice, between the hours of 9:00 a.m., and 5:00 p.m. to effect other repairs, improvements, replacements or maintenance deemed necessary by the Association.

11.10 Consent. Whenever consent is required by an Owner, such consent shall not be unreasonably withheld, delayed or denied.

11.11 Right of Action. Failure of any Owner or the Association to comply with the provisions of this Declaration, the Bylaws or the Rules adopted pursuant thereto shall give rise to a cause of action by any aggrieved Owner or the Association.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the undersigned has executed this Declaration as of the day and year first above written.

BPOZ Columbia Heights, LLC,
a Delaware limited liability company

By: _____
Its: _____

[illegible]

The foregoing instrument was acknowledged before me this ____ day of _____, 20__, by _____, the _____ of **BPOZ Columbia Heights, LLC**, a Delaware limited liability company, on behalf of the company.

Notary Public.

THIS INSTRUMENT WAS DRAFTED BY:
WINTHROP & WEINSTINE, P.A.
Capella Tower, Suite 3500
225 South Sixth Street
Minneapolis, Minnesota 55402-4629
Telephone: (612) 604-6400

19349818v13

15056.15

EXHIBIT A
TO DECLARATION
COMMON INTEREST COMMUNITY NUMBER [_#_]
A Condominium
THE HEIGHTS
LEGAL DESCRIPTION

[confirm legal description once title registration is complete]

PARCEL 1 (Abstract and Torrens-Certificate of Title No. 142077):

Lot 32, Block 6, Reservoir Hills, Anoka County, Minnesota.

Lots 25 through 28, Block 1, Walton's Rearrangement of Lots 33 and 34, Block 6, Reservoir Hills, Anoka County, Minnesota.

The vacated alley adjacent to Lots 25 through 28, Block 1, Walton's Rearrangement of Lots 33 and 34, Block 6, Reservoir Hills, Anoka County, Minnesota.

Those parts of Lots 28 through 31, Block 6, Reservoir Hills; Lots 23, and 24, Block 1, Walton's Rearrangement of Lots 33 and 34, Block 6, Reservoir Hills; and of the vacated alley adjacent to Lot 24, Block 1, Walton's Rearrangement of Lots 33 and 34, Block 6, Reservoir Hills; lying southwesterly and westerly of the following described line: Beginning at a point on the south line of Block 1, Walton's Rearrangement, said point being 18.00 feet West of the southeast corner of Lot 23, of said Block 1, Walton's Rearrangement; thence Northerly on a line 18.00 feet West of and parallel with the east line of Lot 23 a distance of 87.00 feet; thence on a straight line to a point on the north line of Lot 30 of said Block 6, Reservoir Hills, said point being 47.23 feet Easterly of the northwest corner of said Lot 30 and there terminating.

The following portion of the above description being registered land:

That part of Lot Twenty-three (23), Block One (1), Walton's Rearrangement of Lots Thirty-three (33) and Thirty-four (34), Block Six (6), Reservoir Hills, lying southwesterly and westerly of the following described line: Beginning at a point on the South line of said Block 1, Walton's Rearrangement, said point being 18.00 feet West of the southeast corner of Lot 23 of said Block 1, Walton's Rearrangement; thence Northerly on a line 18.00 feet West of and parallel with said east line of Lot 23, a distance of 87.00 feet; thence on a straight line to a point on the north line of Lot 30 of said Block 6, Reservoir Hills, said point being 47.23 feet Easterly of the northwest corner of said Lot 30 and there terminating.

PARCEL 2 (Abstract):

Those parts of Lots 27 through 31, Block 6, Reservoir Hills and those parts of Lots 23 and 24, Block 1, Walton's Rearrangement of Lots 33 and 34, Block 6, Reservoir Hills and of the vacated alley abutting Block 1, "Walton's Rearrangement of Lots 33 and 34, Block 6, Reservoir Hills", as dedicated in said plat, lying within the following described tract: Commencing at a point on the south line of said Block 1, Walton's Rearrangement distant 18.00 feet west of the southeast corner of Lot 23, said Block 1, Walton's Rearrangement; thence northerly on a line 18.00 feet west of and parallel with the east line of said Lot 23, a distance of 87.00 feet, to the actual point of beginning of the tract to be described; thence continuing northerly on the extension of said line to the north line of Block 6, Reservoir Hills; thence westerly along said north line of Block 6, to a point being 47.23 feet easterly of the northwest corner of Lot 30, Block 6, Reservoir Hills; thence southeasterly, to the point of beginning;

Excepting therefrom Tract A, Registered Land Survey No. 250, Anoka County, Minnesota.

PARCEL 3 (Torrens-Certificate of Title No. 142076):

Tract A, Registered Land Survey No. 250, Anoka County, Minnesota.

PARCEL 4 (Torrens-Certificate of Title No. 116494)

Tract B, Registered Land Survey No. 250, Anoka County, Minnesota.

PARCEL 5 (Abstract)

Lots 24, 25 and 26, Block 6, Reservoir Hills. Lots 20, 21 and 22, Block 1, Walton's Rearrangement of Lots 33 and 34, Block 6, Reservoir Hills, and all of the vacated alley adjacent to said Lots 20, 21 and 22. Those parts of Lots 27, Block 6, Reservoir Hills and of Lot 23, Block 1, Walton's Rearrangement of Lots 33 and 34, Block 6, Reservoir Hills and of that part of the vacated alley abutting Block 1, "Walton's Rearrangement of Lots 33 and 34, Block 6, Reservoir Hills", as dedicated in said plat, which lies Westerly of the Northerly extension of the East line of Lot 23, said Block 1, lying easterly of the following described line: Beginning at a point on the South line of said Block 1, Walton's Rearrangement, said point being 18.00 feet West from the Southeast corner of Lot 23 of said Block 1, Walton's Rearrangement; thence Northerly on a line 18.00 feet West of and parallel with the East line of said Lot 23, to the North line of said Block 6, Reservoir Hills;

Excepting therefrom Tract B, Registered Land Survey No. 250, Anoka County, Minnesota.

PARCEL 6 (Torrens-Certificate of Title No. 115040)

Lot 19, Block 1, Walton's Rearrangement of Lots 33 and 34, Block 6, Reservoir Hills, Anoka County, Minnesota.

EXHIBIT B
TO DECLARATION
COMMON INTEREST COMMUNITY NUMBER [_#_]
A Condominium
THE HEIGHTS
ADDITIONAL DEPICTION OF LIMITED COMMON ELEMENTS

EXHIBIT C
TO DECLARATION
COMMON INTEREST COMMUNITY NUMBER [_#_]
A Condominium
THE HEIGHTS

**ALLOCATION OF VOTING RIGHTS, INTEREST IN COMMON ELEMENTS AND
LIABILITY FOR COMMON EXPENSES (EXCEPT COMMON EXPENSES RELATED TO
CERTAIN GARAGE EXPENSES)**

<u>Unit</u>	<u>Voting Rights, Common Expense Liability, and Undivided Interest in Common Elements</u>
1	___%*
2	___%
	100%

EXHIBIT D**TO DECLARATION****COMMON INTEREST COMMUNITY NUMBER [_#_]****A Condominium****THE HEIGHTS****MAINTENANCE ALLOCATION TABLES**

Costs of maintenance, repair and operation of the Condominium is governed by the text of the Declaration. The following tables are for clarification purposes only and do not represent an exhaustive list of all expenses of the Association or the Unit Owners.

Ownership Units – Table 1 includes a breakdown of the components within each Ownership Unit of the Association (Office and Multifamily). *Separate from the Association*, each respective Unit will be responsible for the sourcing of and costs associated with the maintenance and repair/replacement of the following items:

Table 1: Ownership Units	
Commercial Unit	Multifamily Unit
Office Windows and Doors	Multifamily Windows and Doors Gates, and Parking Technology Underground & Ground Level Parking (L1 + P1) Maintenance, MEP and Trash Rooms

Limited Common Elements – Table 2 includes a breakdown of Limited Common Elements by the Unit they serve. *Separate from the Association*, each respective Unit will be primarily responsible for the sourcing of and costs associated with the maintenance and repair/replacement of these components. If any costs are nevertheless incurred for such components by the Association, they will be billed back in their entirety (100%) to the respective Units that such components serve:

Table 2: Limited Common Elements	
Commercial Unit	Multifamily Unit
Commercial Unit Façade	Multifamily Unit Façade
Heated Sidewalk, benches, crash barriers, emergency generator serving only Commercial Unit	Multifamily Garage Doors
Office VRF Unit(s)	Multifamily VRF Unit(s)
Office Roof HVAC Unit	Multifamily Roof HVAC Unit(s)
Office Interior Security System	Multifamily Interior Security System
Commercial Garage Doors, Gates and Parking Technology	

General Common Elements – Table 3 includes a list of General Common Elements and services that serve all Units of the Condo Association. The sourcing of and costs associated with the maintenance and repair/replacement of these components will be the responsibility of the Association; the Commercial Unit will contribute its share of the costs, as determined by Exhibit C, and the Multifamily Unit will cover all other costs associated with the maintenance and repair/replacement of the General Common Elements listed below:

Table 3: General Common Elements & Services	
General Common Elements & Services	
Insurance	Exterior Grounds & Landscaping
Management Fee	Exterior Utilities (Electric/Water)
Fire & Life Safety System	Snow Removal
Window Washing	Pocket Park
Storm water Management System	Roof
Shared Emergency Generator	Interior Garage Door, subject to Section 2.10

Utilities – Table 4 includes a breakdown of how utilities will be metered and/or paid for if not separately metered. To the extent possible, it is the intention of Ownership to have the utilities that serve each unit separately metered and billed direct by provider separate from the Association. The Commercial Unit will also be responsible for all utility costs associated with the use of their VRF Unit and the Multifamily Unit will rebill the Commercial Unit for those costs on a monthly basis. Utility costs related to the exterior of the building (electric/water) are considered common services (see above) and will be the responsibility of the Association, as will heat and electricity to the Garage subject to Section 2.10.

Table 4: Utilities	
Commercial Unit	Multifamily Unit
Office Electric Meter	Multifamily Electric Meter
Office VRF Unit Electric Submeter (rebill)	Multifamily VRF Unit(s) Meter
Office Gas Meter	Multifamily Gas Meter
Office Trash Contract	Multifamily Trash Contract
Office Water/Sewer Meter	Multifamily Water/Sewer Meter

THE HEIGHTS

(A Condominium)

CONSENT TO DECLARATION

The undersigned is the holder of a certain [name of mortgage] executed by _____, a _____, in favor of the undersigned, as Mortgagee, dated _____, and filed in the Office of the Anoka County Registrar of Titles, on _____, 20____, as Document No. _____ (the “**Mortgage**”) against the Property described in the foregoing Declaration (the “**Declaration**”). The undersigned hereby consents to and joins in this Declaration and confirms that the undersigned’s interest in the Mortgage is made subject to the terms and conditions of the Declaration; *provided that* by consenting to and joining in this Declaration, (i) the undersigned does not in any manner constitute itself or obligate itself as a declarant, as defined in Minnesota Statutes Chapter 515B; and (ii) the lien created by the Mortgage shall remain on the Property described therein, prior to any assessment liens or other liens imposed under the Declaration, until released or satisfied.

By: _____

Its:_____

And By: _____

Its:

STATE OF _____)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 20____,
by _____, the _____, and by
_____, the _____, of
_____, a _____,
for and on behalf of the _____.

Notary Public

EXHIBIT H
FORM OF CIC PLAT

COMMON INTEREST COMMUNITY NUMBER _____

A CONDOMINIUM

THE HEIGHTS

This CIC Plat is part of the Declaration for CIC Number _____,
A CONDOMINIUM, THE HEIGHTS, recorded as _____.

Document Number _____ on this
_____ day of _____, 20____.

Anoka County Recorder/Registrar of Titles

I, Peter Goers, do hereby certify that the work was undertaken by or reviewed and approved by me for this CIC Plat of Common Interest Community Number _____, a condominium, THE HEIGHTS, being located upon:

Lot 32, Block 6, RESERVOIR HILLS, Anoka County, Minnesota.

Lots 25 through 28, Block 1, WALTON'S REARRANGEMENT OF LOTS 33 AND 34, BLOCK 6, RESERVOIR HILLS, Anoka County, Minnesota.

The vacated alley adjacent to Lots 25 through 28, Block 1, WALTON'S REARRANGEMENT OF LOTS 33 AND 34, BLOCK 6, RESERVOIR HILLS, Anoka County, Minnesota.

Those parts of Lots 28 through 31, Block 6, RESERVOIR HILLS; Lots 23 and 24, Block 1, WALTON'S REARRANGEMENT OF LOTS 33 AND 34, BLOCK 6, RESERVOIR HILLS; and of the vacated alley adjacent to Lot 24, Block 1, WALTON'S REARRANGEMENT OF LOTS 33 AND 34, BLOCK 6, RESERVOIR HILLS; lying Southwesterly and Westerly of the following described line: Beginning at a point on the South line of Block 1, WALTON'S REARRANGEMENT, said point being 18.00 feet West of the Southeast corner of Lot 23, of said Block 1, WALTON'S REARRANGEMENT; thence Northerly on a line 18.00 feet West of and parallel with the East line of Lot 23, a distance of 87.00 feet; thence on a straight line to a point on the North line of Lot 30 of said Block 6, RESERVOIR HILLS, said point being 47.23 feet Easterly of the Northwest corner of said Lot 30 and there terminating.

The following portion of the above description being registered land:
That part of Lot Twenty-three (23), Block One (1), WALTON'S REARRANGEMENT OF LOTS THIRTY-THREE (33) AND THIRTY-FOUR (34), BLOCK SIX (6), RESERVOIR HILLS lying southwesterly and westerly of the following described line: Beginning at a point on the South line of said Block 1, WALTON'S REARRANGEMENT, said point being 18.00 feet West of the southeast corner of Lot 23 of said Block 1, WALTON'S REARRANGEMENT; thence Northerly on a line 18.00 feet West of and parallel with said east line of Lot 23, a distance of 87.00 feet; thence on a straight line to a point on the north line of Lot 30 of said Block 6, RESERVOIR HILLS, said point being 47.23 feet Easterly of the northwest corner of said Lot 30 and there terminating.

AND

Those parts of Lots 27 through 31, Block 6, RESERVOIR HILLS and those parts of Lots 23 and 24, Block 1, WALTON'S REARRANGEMENT OF LOTS 33 AND 34, BLOCK 6, RESERVOIR HILLS and of the vacated alley abutting Block 1, "WALTON'S REARRANGEMENT OF LOTS 33 AND 34, BLOCK 6, RESERVOIR HILLS", as dedicated in said plat, lying within the following described tract: Commencing at a point on the South line of said Block 1, WALTON'S REARRANGEMENT distant 18.00 feet West of the Southeast corner of Lot 23, said Block 1, WALTON'S REARRANGEMENT; thence Northerly on a line 18.00 feet West of and parallel with the East line of said Lot 23, a distance of 87.00 feet, to the actual point of beginning of the tract to be described; thence continuing Northerly on the extension of said line to the North line of Block 6, RESERVOIR HILLS; thence Westerly along said North line of Block 6, to a point being 47.23 feet Easterly of the Northwest corner of Lot 30, Block 6, RESERVOIR HILLS; thence Southeasterly, to the point of beginning;

Excepting therefrom Tract A, REGISTERED LAND SURVEY NO. 250, Anoka County, Minnesota.

AND

Tract A, REGISTERED LAND SURVEY NO. 250, Anoka County, Minnesota.

AND

Tract B, REGISTERED LAND SURVEY NO. 250, Anoka County, Minnesota

AND

Lots 24, 25 and 26, Block 6, RESERVOIR HILLS. Lots 20, 21 and 22, Block 1, WALTON'S REARRANGEMENT OF LOTS 33 AND 34, BLOCK 6, RESERVOIR HILLS, and all of the vacated alley adjacent to said Lots 20, 21 and 22. Those parts of Lots 27, Block 6, RESERVOIR HILLS and of Lot 23, Block 1, WALTON'S REARRANGEMENT OF LOTS 33 AND 34, BLOCK 6, RESERVOIR HILLS and of that part of the vacated alley abutting Block 1, "WALTON'S REARRANGEMENT OF LOTS 33 AND 34, BLOCK 6, RESERVOIR HILLS", as dedicated in said plat, which lies Westerly of the Northerly extension of the East line of Lot 23, said Block 1, lying easterly of the following described line: Beginning at a point on the South line of said Block 1, WALTON'S REARRANGEMENT, said point being 18.00 feet West from the Southeast corner of Lot 23 of said Block 1, WALTON'S REARRANGEMENT; thence Northerly on a line 18.00 feet West of and parallel with the East line of said Lot 23, to the North line of said Block 6, RESERVOIR HILLS;

Excepting therefrom Tract B, REGISTERED LAND SURVEY NO. 250, Anoka County, Minnesota.

AND

Lot 19, Block 1, WALTON'S REARRANGEMENT OF LOTS 33 AND 34, BLOCK 6, RESERVOIR HILLS, Anoka County, Minnesota

and that this CIC Plat fully and accurately depicts all information required by Minnesota Statutes, Section 515B.2-1101, and that I am a Duly Licensed Land Surveyor under the laws of the State of Minnesota.

Dated this _____ day of _____, 20____.

Peter Goers, Licensed Land Surveyor
Minnesota License No. 44110

STATE OF MINNESOTA
COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 20____, by Peter Goers, a Licensed Land Surveyor.

Signature

Printed Name

Notary Public, _____ County, Minnesota

My Commission Expires _____

I, _____, pursuant to Minnesota Statutes, Section 515B.2-101(c), do hereby certify that the structural components of the structures containing the units and the mechanical systems serving more than one unit, are substantially completed, and that I am a duly Licensed Architect under the laws of the State of Minnesota.

Dated this _____ day of _____, 20____.

_____, Licensed Architect

Minnesota License No. _____

STATE OF MINNESOTA
COUNTY OF _____

This instrument was acknowledged before me on this _____ day of _____, 20____, by _____, a Licensed Architect.

Signature

Printed Name

Notary Public, _____ County, Minnesota

My Commission Expires _____

County Surveyor
Pursuant to Minnesota Statutes, Section 389.09,Subd. 2, this CIC Plat has been reviewed and approved this _____ day of _____, 20____.

By: _____
Charles F. Gitzen
Anoka County Surveyor

County Auditor/Treasurer

Pursuant to Minnesota Statutes, Section 515B.1-116, taxes payable in the year 20____ on the land hereinbefore described have been paid. Also, pursuant to Minnesota Statutes, Section 272.12, there are no delinquent taxes and transfer entered this _____ day of _____, 20____.

Property Tax Administrator

By _____, Deputy

County Recorder/Registrar of Titles
County of Anoka, State of Minnesota

I hereby certify that this plat of COMMON INTEREST COMMUNITY NO. _____ was filed in the office of the County Recorder/Registrar of Titles for public record on this _____ day of _____, 20____, at ____ o'clock ____M. and was duly recorded as Document Number _____.

County Recorder/Registrar of Titles
By _____, Deputy

DRAFT COPY
SUBJECT TO DESIGN
CHANGES

407TH AVENUE NE
407TH AVENUE NE

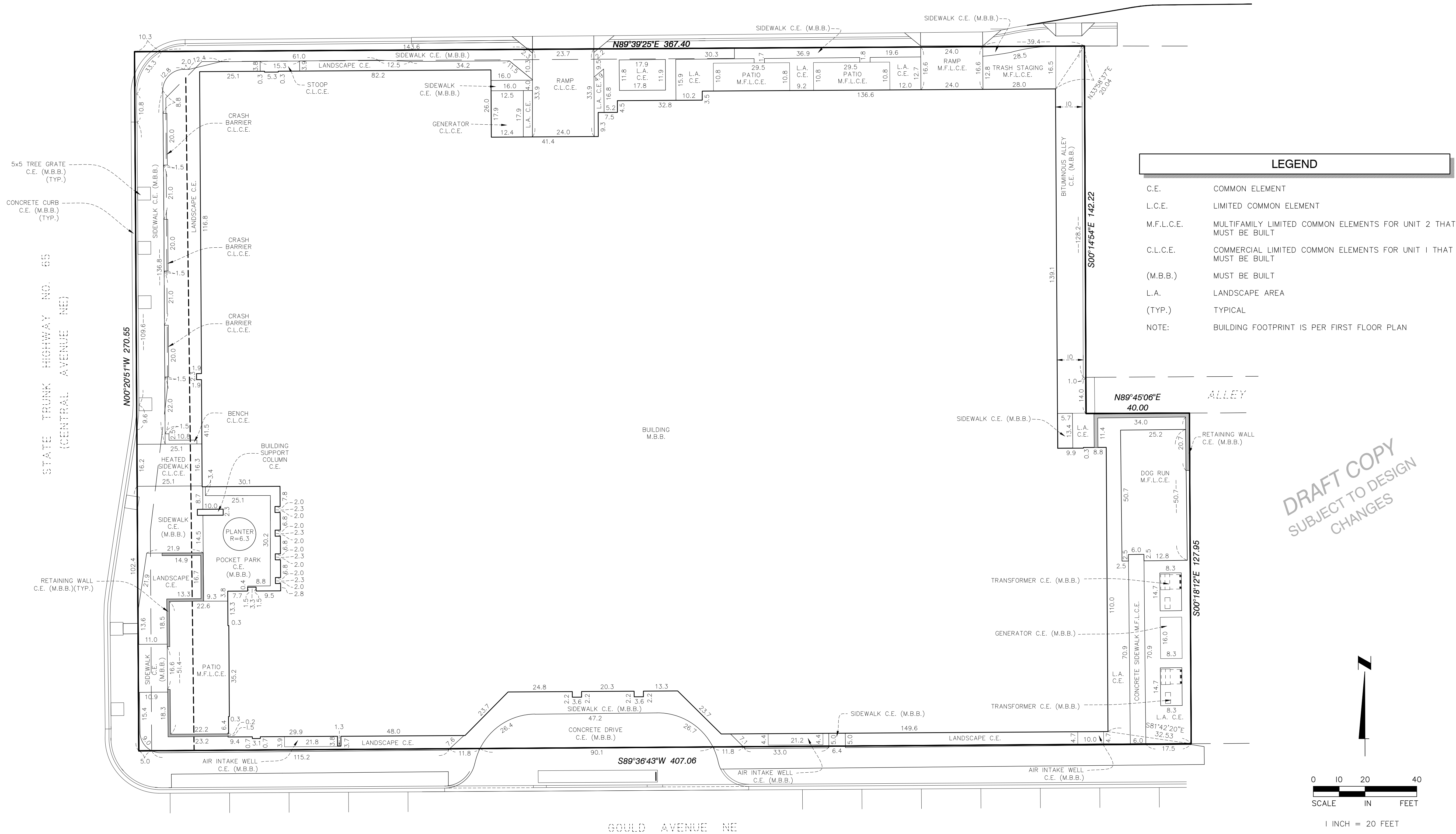
COMMON INTEREST COMMUNITY NUMBER _____

A CONDOMINIUM

THE HEIGHTS

CITY OF COLUMBIA HEIGHTS
COUNTY OF ANOKA
SEC. 36, T. 30N, R. 24W

SITE PLAN



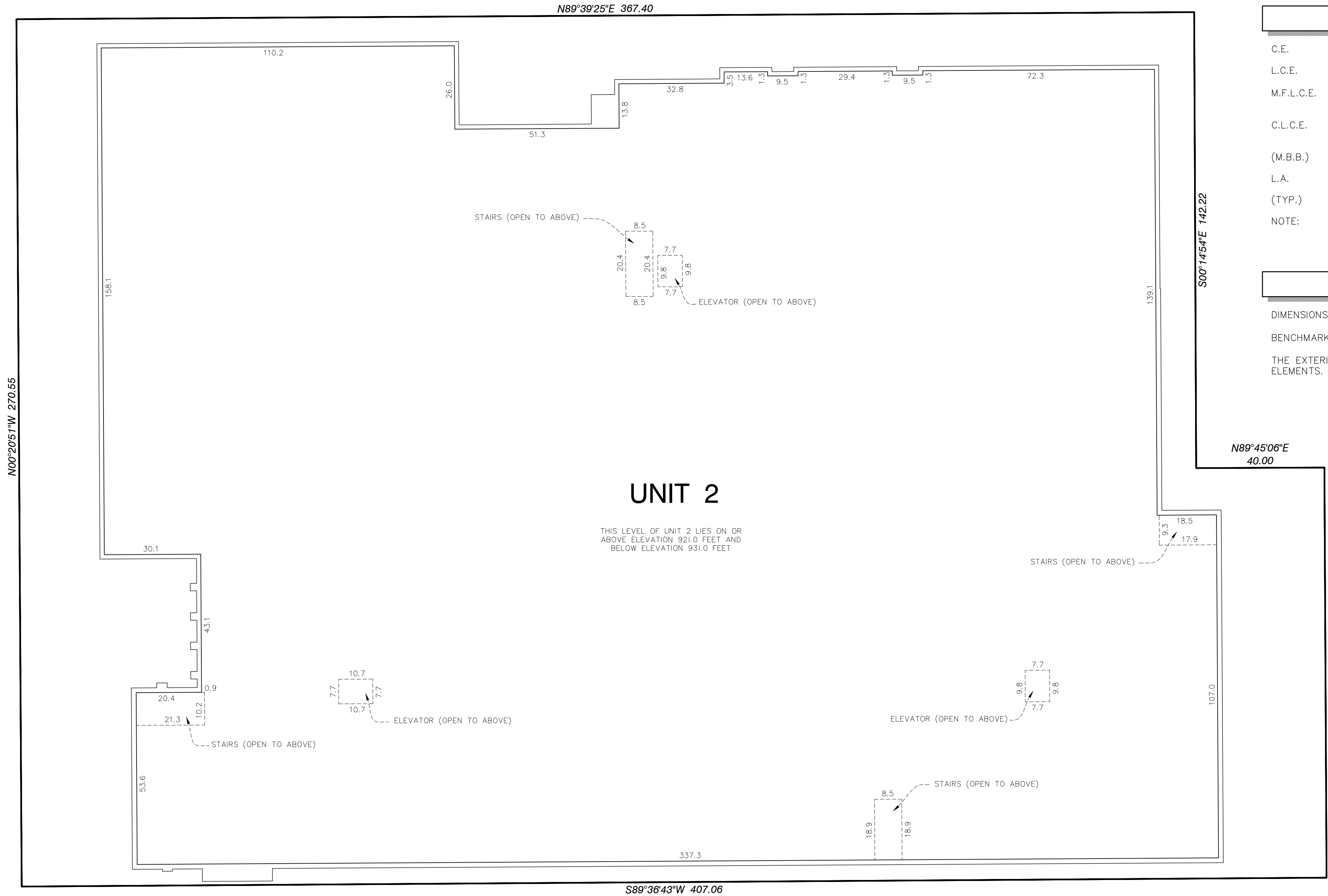
COMMON INTEREST COMMUNITY NUMBER _____

A CONDOMINIUM

THE HEIGHTS

CITY OF COLUMBIA HEIGHTS
COUNTY OF ANOKA
SEC. 36, T. 30N, R. 24W

UNIT DETAIL



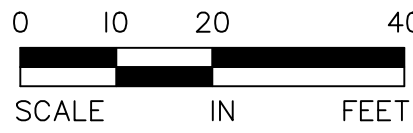
LEGEND

C.E.	COMMON ELEMENT
L.C.E.	LIMITED COMMON ELEMENT
M.F.L.C.E.	MULTIFAMILY LIMITED COMMON ELEMENTS FOR UNIT 2 THAT MUST BE BUILT
C.L.C.E.	COMMERCIAL LIMITED COMMON ELEMENTS FOR UNIT 1 THAT MUST BE BUILT
(M.B.B.)	MUST BE BUILT
L.A.	LANDSCAPE AREA
(TYP.)	TYPICAL
NOTE:	BUILDING FOOTPRINT IS PER FIRST FLOOR PLAN

NOTES

DIMENSIONS ARE TO THE NEAREST ONE-TENTH OF A FOOT.
BENCHMARK AS NOTED ON SHEET 2 OF 9 SHEETS.
THE EXTERIOR FACADES EXTENDING FROM EACH UNIT ARE LIMITED COMMON ELEMENTS.

DRAFT COPY
SUBJECT TO DESIGN
CHANGES



1 INCH = 20 FEET

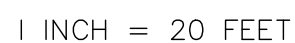
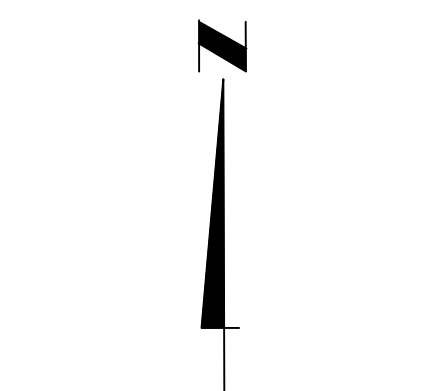


UNIT DETAIL



NOTES

DRAFT COPY
SUBJECT TO DESIGN
CHANGES



LOWER LEVEL

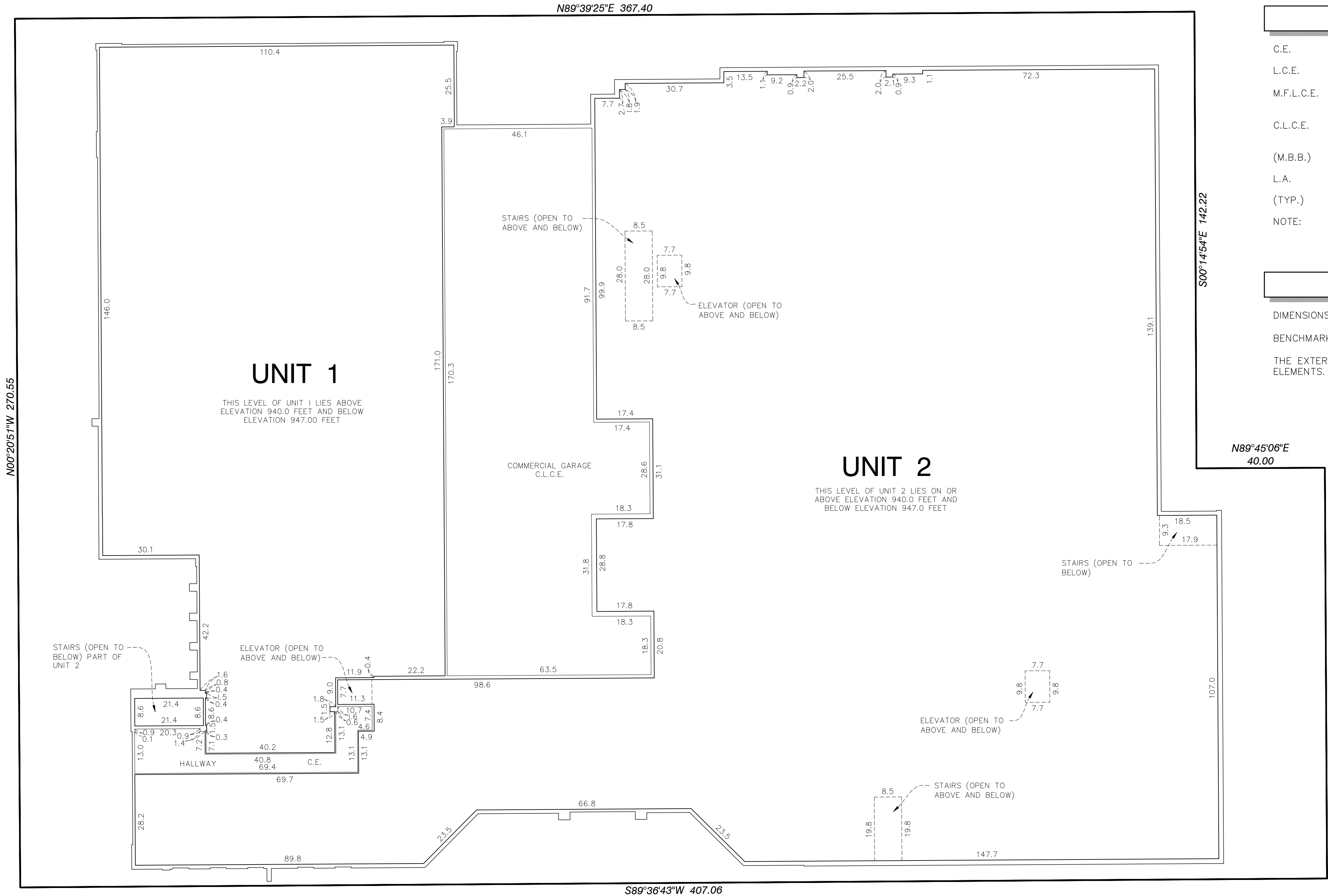
COMMON INTEREST COMMUNITY NUMBER _____

A CONDOMINIUM

THE HEIGHTS

CITY OF COLUMBIA HEIGHTS
COUNTY OF ANOKA
SEC. 36, T. 30N, R. 24W

UNIT DETAIL



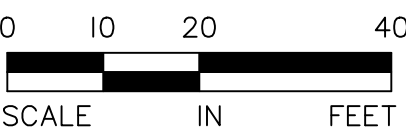
LEGEND

C.E.	COMMON ELEMENT
L.C.E.	LIMITED COMMON ELEMENT
M.F.L.C.E.	MULTIFAMILY LIMITED COMMON ELEMENTS FOR UNIT 2 THAT MUST BE BUILT
C.L.C.E.	COMMERCIAL LIMITED COMMON ELEMENTS FOR UNIT 1 THAT MUST BE BUILT
(M.B.B.)	MUST BE BUILT
L.A.	LANDSCAPE AREA
(TYP.)	TYPICAL
NOTE:	BUILDING FOOTPRINT IS PER FIRST FLOOR PLAN

NOTES

DIMENSIONS ARE TO THE NEAREST ONE-TENTH OF A FOOT.
BENCHMARK AS NOTED ON SHEET 2 OF 9 SHEETS.
THE EXTERIOR FACADES EXTENDING FROM EACH UNIT ARE LIMITED COMMON ELEMENTS.

DRAFT COPY
SUBJECT TO DESIGN
CHANGES



1 INCH = 20 FEET



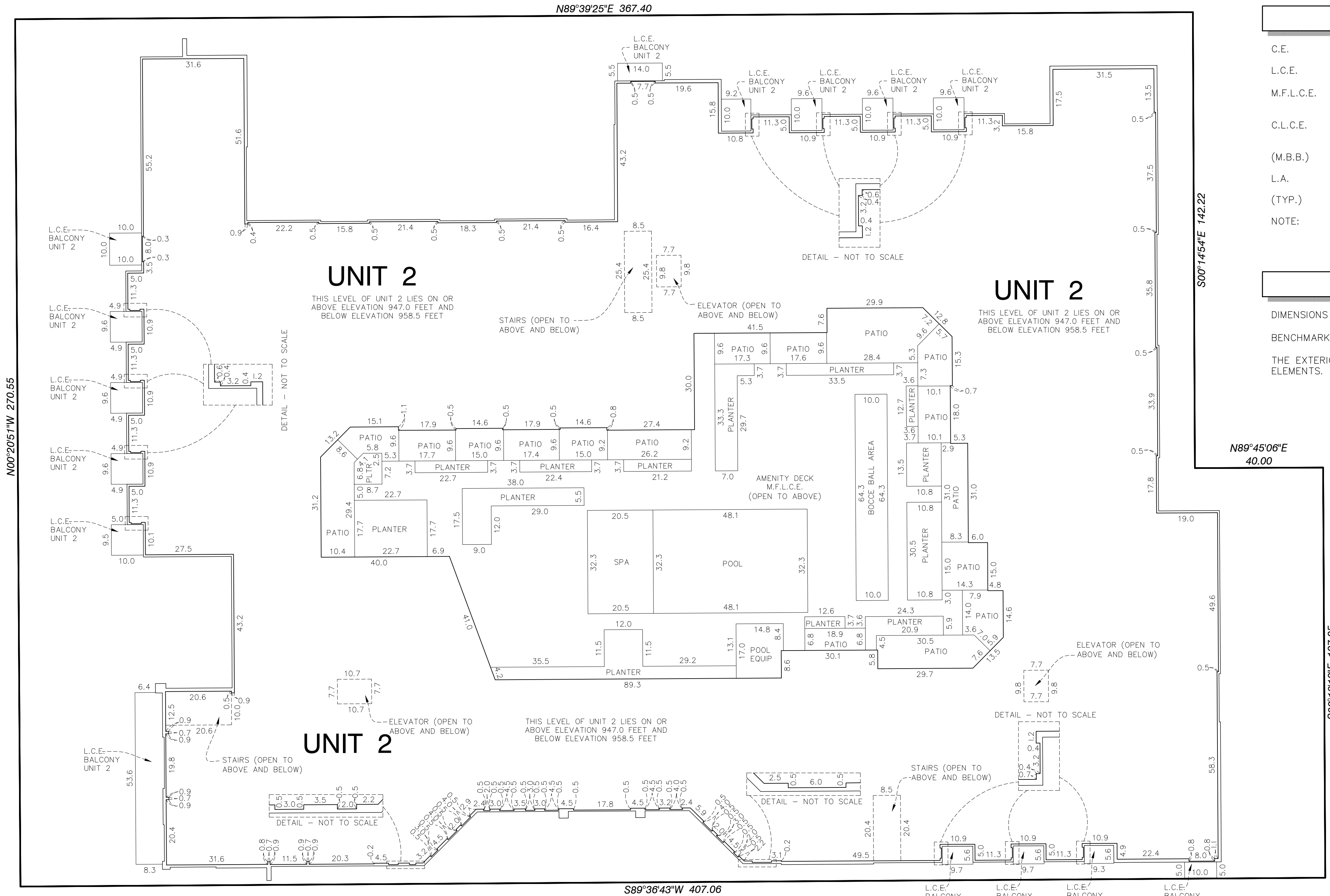
COMMON INTEREST COMMUNITY NUMBER _____

A CONDOMINIUM

THE HEIGHTS

CITY OF COLUMBIA HEIGHTS
COUNTY OF ANOKA
SEC. 36, T. 30N, R. 24W

UNIT DETAIL



LEGEND

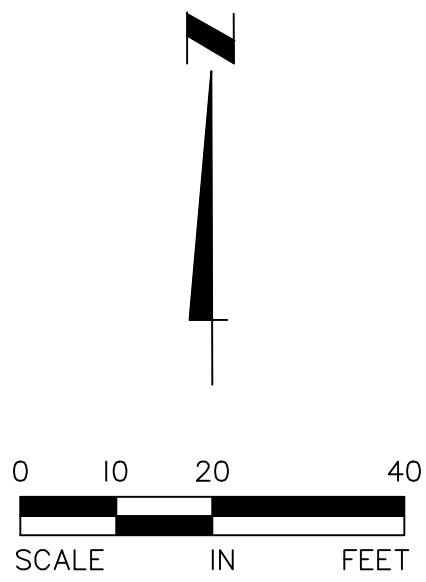
C.E.	COMMON ELEMENT
L.C.E.	LIMITED COMMON ELEMENT
M.F.L.C.E.	MULTIFAMILY LIMITED COMMON ELEMENTS FOR UNIT 2 THAT MUST BE BUILT
C.L.C.E.	COMMERCIAL LIMITED COMMON ELEMENTS FOR UNIT 1 THAT MUST BE BUILT
(M.B.B.)	MUST BE BUILT
L.A.	LANDSCAPE AREA
(TYP.)	TYPICAL
NOTE:	BUILDING FOOTPRINT IS PER FIRST FLOOR PLAN

NOTES

DIMENSIONS ARE TO THE NEAREST ONE-TENTH OF A FOOT.
BENCHMARK AS NOTED ON SHEET 2 OF 9 SHEETS.
THE EXTERIOR FACADES EXTENDING FROM EACH UNIT ARE LIMITED COMMON ELEMENTS.

DRAFT COPY
SUBJECT TO DESIGN
CHANGES

SECOND LEVEL



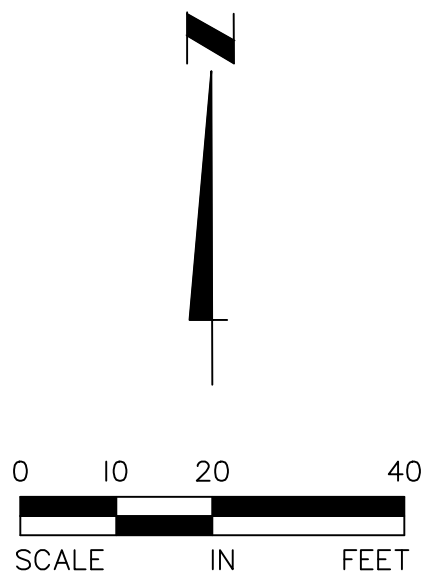
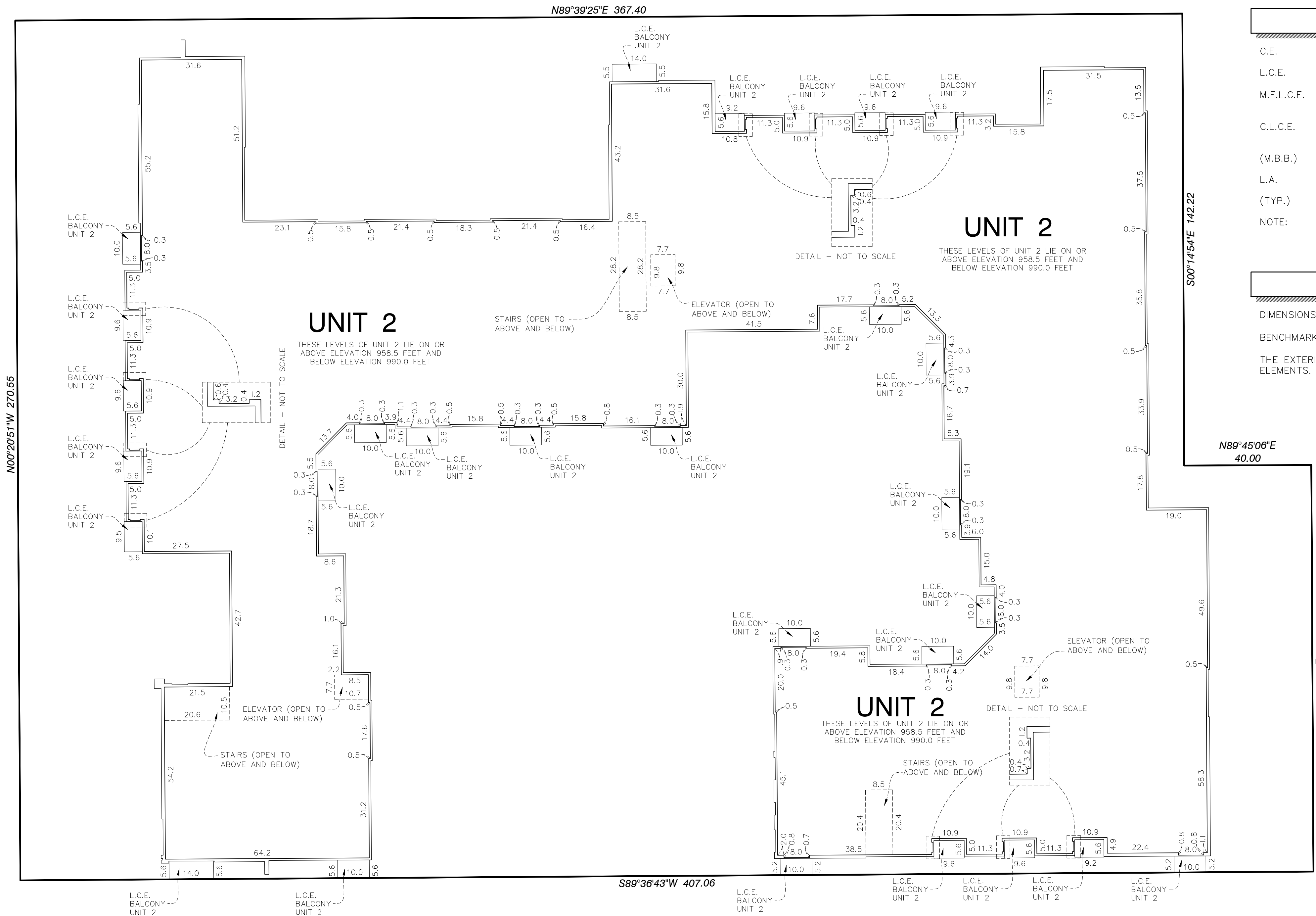
COMMON INTEREST COMMUNITY NUMBER _____

A CONDOMINIUM

THE HEIGHTS

CITY OF COLUMBIA HEIGHTS
COUNTY OF ANOKA
SEC. 36, T. 30N, R. 24W

UNIT DETAIL



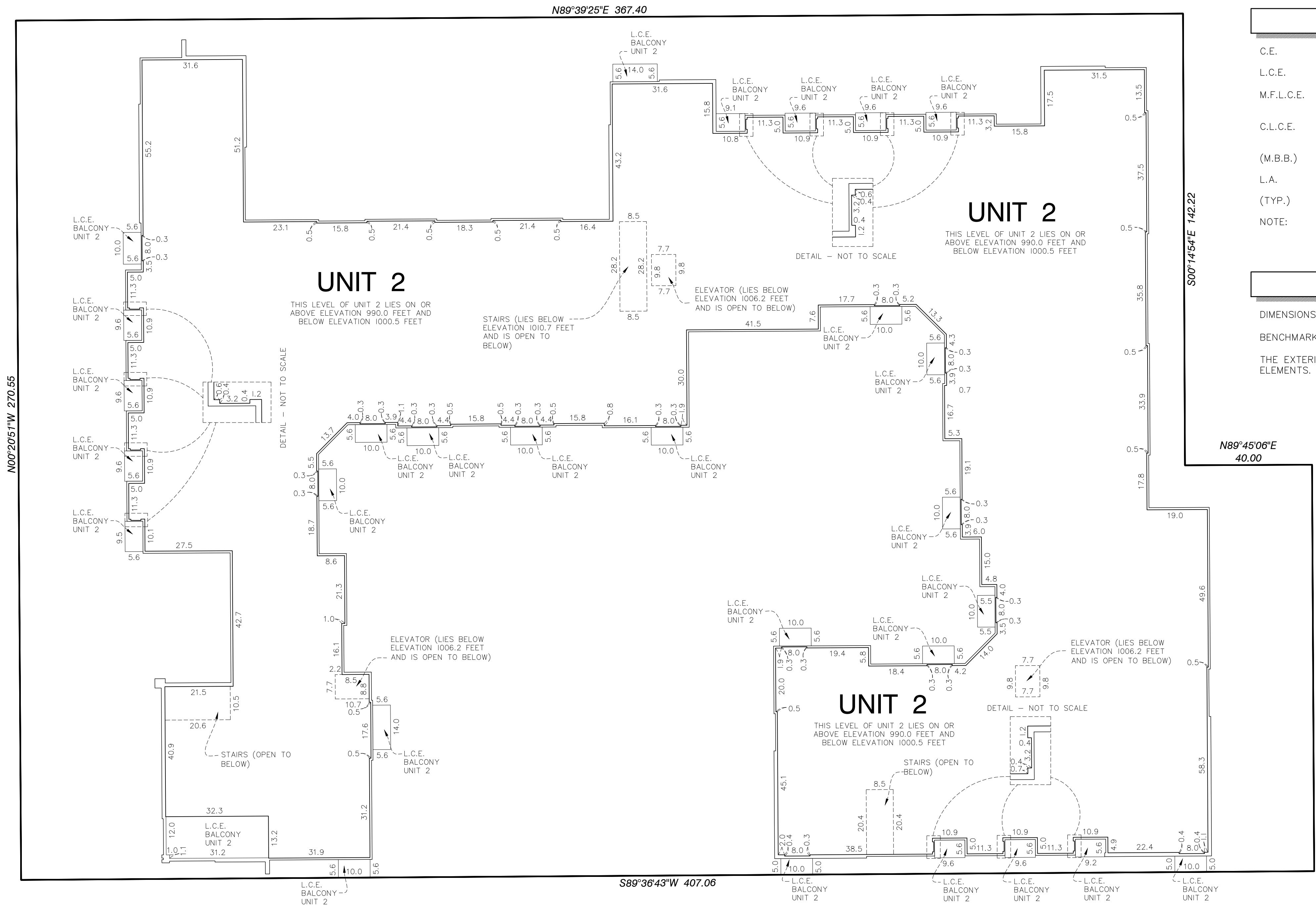
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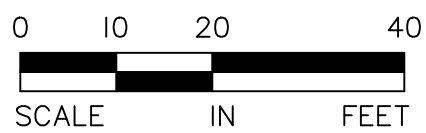
LEGEND

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CHANGES



1 INCH = 20 FEET



EXHIBIT I
FORM OF ARTICLES OF INCORPORATION

ARTICLES OF INCORPORATION OF THE HEIGHTS OWNERS ASSOCIATION

The undersigned, desiring to form a non-profit corporation under Chapter 317A of Minnesota Statutes, known as the “Minnesota Non-Profit Corporation Act,” and laws amendatory and supplementary thereof (the “**Corporate Act**”), does hereby make, subscribe and acknowledge the following Articles of Incorporation:

ARTICLE I

Name

The name of the corporation shall be “The Heights Owners Association”, which shall hereinafter be referred to as the “**Association**”.

ARTICLE II

Purpose

The purpose of this corporation is to provide for the maintenance, preservation and architectural control, together with the regulation of activities in the Units and Common Elements of **The Heights** (A Condominium), Common Interest Community No. [#] (the “**Condominium**”) located in Anoka County, Minnesota, which is to be formed pursuant to Minnesota Statutes Chapter 515B, known as the “Minnesota Common Interest Ownership Act” (the “**Act**”) on property legally described in the Declaration for Common Interest Community No. [#], The Heights (the “**Declaration**”) and incorporated herein by reference, and to promote the health, safety, welfare, comfort, convenience and economic well-being of the present and future Owners of Units in the Condominium and for those purposes to:

- (a) Exercise all of the powers and privileges and perform all of the duties and obligations of the Association as the same may be set forth in these Articles, the Bylaws of the Association (the “**Bylaws**”) and the Declaration, recorded, or to be recorded, in the Office of the Registrar of Titles in and for Anoka County, Minnesota, and as the same may be amended from time to time as therein provided.
- (b) Fix, levy, collect and enforce payment by any lawful means of all charges, assessments and expenses pursuant to the terms of the Declaration and to pay all expenses in connection therewith and incident to the conduct of the business of the Association.
- (c) To carry insurance pertinent to the ownership, use and maintenance of the Condominium, as well as on any personal property of the Association, exclusive of any coverage for contents and personal property belonging to any of the Members, to collect all premiums and charges for the same from the Members, to use, reimburse, or expend the proceeds for the rebuilding, repair, renovation, rehabilitation, and/or replacement of any loss or damage to any of the above property, as provided for in more pertinent detail in the Declaration and the Bylaws.

- (d) To make and enforce reasonable rules and regulations concerning the use and enjoyment of the Condominium.
- (e) Acquire by gift, purchase or otherwise, own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use, or otherwise dispose of real or personal property in connection with the affairs of the Association.
- (f) To do anything required of or permitted to it as the administrator and operator of the Condominium or as the association of Unit Owners which are consistent with the foregoing purposes by the Act and the Corporate Act, and any further laws amendatory thereof and supplementary thereto, and by the Declaration and Bylaws, as amended from time to time.

Unless otherwise defined herein, capitalized terms shall have the meaning ascribed to them in the Declaration.

ARTICLE III No Pecuniary Gain

This Association does not and shall not, incidentally or otherwise, afford pecuniary gain to its Members, directors or officers; provided, however, that this Association may pay to its Members, directors and officers out-of-pocket expenses incurred in the performance of their duties, may lease, license and purchase from, sell to, and otherwise deal with its Members, directors and officers and others with respect to real and personal property situated in Anoka County, Minnesota, and may hire Members, with Association approval, to perform professional services, (e.g. accountants and attorneys), and shall have the power to own, encumber and sell Units within the Condominium.

ARTICLE IV Duration of Corporate Existence

The period of duration of the existence of this Association shall be perpetual, subject to dissolution in accordance with Article VI.

ARTICLE V Registered Office

The registered office of the Association shall be located at: _____.

ARTICLE VI Dissolution

This Association may be dissolved as provided in applicable Minnesota Statutes. Upon dissolution of the Association and termination of the Condominium, and after payment of all costs of dissolution, and the debts and obligations of the Association, all remaining corporate assets shall be distributed to the Members of the Association and secured parties, as their interests may appear, in accordance with Section 515B.2-119 of the Act, or laws amendatory thereof.

ARTICLE VII
Incorporator of the Corporation

The name and address of the incorporator of the Association, who is a natural person of full age, is as follows:

Joanne L. Matzen
Winthrop & Weinstine, P.A.
225 South Sixth Street, Suite 3500
Minneapolis, MN 55402

ARTICLE VIII
Board of Directors

The general conduct and management of the affairs of the corporation shall be vested in the Board of Directors of the Association, all of whom must be Members or representatives of Members. The first Board of Directors shall consist of three (3) natural persons, of full age who shall serve until the first annual meeting of the Association following conveyance by the Declarant of the first Unit to an Owner not an affiliate of the Declarant, at which meeting their successors shall be duly elected as set forth in the Declaration. The names and addresses of the persons comprising the first Board of Directors are as follows:

<u>NAME</u>	<u>ADDRESS</u>
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ARTICLE IX
Board Action without a Meeting

Any action required or permitted to be taken at a Board meeting may be taken by written action signed by all of the directors, provided that all directors must be notified of the text of the written action prior to signing by any of the directors. The written action is effective when signed unless a different effective time is provided in the written action. Any action, other than an action also requiring approval of the Members, may be taken by written action signed or consented to by authenticated electronic communication by all of the directors.

ARTICLE X
No Personal Liability

Members, directors and officers of this Association shall not be personally liable to any extent whatsoever for corporate obligations. In addition, no person who serves without compensation as a director, officer, Member or agent of the Association shall be held civilly liable for an act or

omission by that person if the act or omission was in good faith, was within the scope of the person's responsibilities as director, officer, Member or agent of the Association, and did not constitute willful or reckless misconduct, except as follows:

- (a) An action or proceeding brought by the attorney general for a breach of a fiduciary duty as a director;
- (b) A cause of action to the extent it is based on federal law; or
- (c) A cause of action based on the person's express contractual obligation.

The foregoing does not limit an individual's liability for physical injury to the person of another or wrongful death personally and directly caused by the individual.

ARTICLE XI No Capital Stock

This Association shall have no capital stock, either authorized or issued.

ARTICLE XII No Corporate Seal

This Association shall have no corporate seal.

ARTICLE XIII Members

The membership of the Association shall consist of Unit Owners within the Condominium, as defined in the Declaration. There are two classes of Membership, one consisting of the Owners of the Commercial Units, and one consisting of the Owners of the Multifamily Unit. Membership in the Association shall be appurtenant to and shall not be separated from ownership of a Unit within the Condominium, as defined in the Declaration. Membership is not transferable except in connection with the transfer by Members of the Association of their respective Units. All Unit Owners within the Condominium shall be Members of the Association and be entitled to the voting power allocated in the Declaration for each Unit owned; provided that if there are multiple Owners of a Unit, the Owner authorized to cast the vote allocated to the Unit shall be determined in accordance with the Bylaws. Membership in the Association shall automatically pass when ownership of a Unit within the Condominium is transferred in any manner.

ARTICLE XIV Amendment

An amendment to these Articles or the Bylaws shall require the approval of the Owners of Units to which are allocated at least sixty-seven percent (67%) of the votes in the Association; provided, however, that any amendment that would materially and negatively affect the right to sell a Unit, the amount of assessments allocable to a Unit, the right to limited common elements appurtenant to a Unit, or the right to vote on the termination of the CIC, shall require the approval of the Owner of that Unit. Notwithstanding the foregoing, the registered office may be changed by majority

vote of the Board by filing a Certificate of Change of Registered Office in accordance with the law.

IN WITNESS WHEREOF, the undersigned has hereunto set her hand this ____ day of _____, 20__.

Joanne L. Matzen

19376066v2
15056.15

EXHIBIT J
FORM OF BYLAWS

**BYLAWS
OF
THE HEIGHTS OWNERS ASSOCIATION**

**ARTICLE 1.
Name and Location**

The name of this nonprofit corporation is **THE HEIGHTS OWNERS ASSOCIATION**, a Minnesota nonprofit corporation, hereinafter referred to as the Association. The principal office of the corporation shall be located at

The Heights Owners Association

**ARTICLE 2.
Definitions**

The terms and phrases used in these Bylaws shall have the meanings set forth in the Declaration of The Heights, (a Condominium), Common Interest Community No. [#] (the “**Declaration**”) as filed for record in the Office of the Anoka County Recorder.

**ARTICLE 3.
Meetings of Members**

3.1. Annual Meetings. The first annual meeting of the Members shall be held within sixty (60) days after conveyance of the first Unit to an Owner not an affiliate of Declarant at a time and place to be determined by the Board. Subsequent annual meetings shall be held yearly at such time and place as is specified by the Board. An annual meeting of Members shall be held to appoint the Board, if appropriate, in accordance with **Section 4.2**, and to transact any other business authorized to be transacted by the Members. A report shall be made to the Members on the activities and financial condition of the Association at each annual meeting.

3.2. Special Meetings. Special meetings of the Members may be called at any time by the president, the vice president, or by a director.

3.3. Notice of Annual and Special Meetings. Notice of all meetings of the Members, stating the time and place and the purpose for which the meeting is called shall be given by the secretary of the Association. The secretary shall, at least twenty-one (21) days but no more than thirty (30) days in advance of any annual meeting or regularly scheduled meeting, and at least seven (7) days but no more than thirty (30) days in advance of any special meeting, send to each Member a notice containing the time, place and complete agenda of the meeting. The notice shall be sent by United States mail, postage-prepaid, or hand delivered to all Members of record at the address of their respective Units, or to other addresses as may have been designated to the

secretary. Notices may also be sent by email to any Member that has consented in writing to receive notices by email. Notice of a meeting may be waived by any Member before, during or after a meeting, whether given in writing, orally or by attendance at the meeting.

3.4. Quorum. The presence of at least two (2) Owners, one representing the Commercial Unit (or, if subdivided, at least one of the Units into which the Commercial Unit has been subdivided) and one representing the Multifamily Unit (or, if subdivided, at least one of the Units into which the Multifamily Unit has been subdivided), but in any event, Owners holding more than _____ percent (___%) of the votes in the Association, in person or by proxy, shall constitute a quorum for the transaction of business at any annual or special meeting. [This number should be large enough to include Alatus' and the City's Units and will be filled in once percentage interests are known.] No Member may purposefully and intentionally avoid attendance at properly called meetings with a primary purpose to delay or prevent establishment of a quorum and such action shall constitute a willful failure to comply with the Governing Documents and the Act. When such quorum is not present or represented by proxy, the meeting shall be adjourned until no longer than ten (10) days later. No notice, other than the announcement of the second meeting at the time the first meeting is adjourned, shall be necessary, but a courtesy notice stating the date, time and location of the adjourned meeting shall be sent to each Member promptly after the adjournment of a meeting of the Members. The inadvertent failure to send a courtesy notice shall not invalidate any action of the Members taking at the meeting. If a quorum fails a second time to be formed for an annual or special meeting, the meeting shall again be adjourned until no longer than ten (10) days later, and this process may continue until a quorum is achieved. However, if a meeting must be adjourned a second time due to the willful failure of a Member to attend, then the quorum requirement for the meeting again rescheduled shall be reduced to a Members holding more than twenty percent (20%) of the votes in the Association. When a quorum is present at an annual or special meeting, but certain Members have withdrawn from the meeting so that less than a quorum remains, the then remaining Members may continue to transact business.

3.5. Proxies. At all meetings of the Members, each voting Member may vote in person or by proxy. All proxies shall be in writing and filed with the Association, or its manager as an agent for the Association, before any meeting. Every proxy shall be revocable and shall automatically cease upon adjournment of the annual or special meeting for which such proxy was given. Every notice of an annual or special meeting shall set forth procedures for the appointment of proxies.

3.6. Voting.

3.6.1. Votes shall be allocated to each Unit as provided in the Declaration, however, no vote shall be exercised as to a Unit while the Unit is owned by the Association. Where the record Owner is a legal entity or comprised of more than one Person, such Owner or Owners shall, within thirty (30) days after ownership is acquired, designate in writing to the Board, the name and address of one natural person entitled to vote on behalf of said Owner or Owners, and to receive notices on behalf of the Owner or Owners of the Unit. If the Owners of a Unit fail to agree and notify the Association as to who shall cast the vote, the vote shall not be cast. Such designation shall remain in effect until a written change, signed by each and every Person comprising the record Owner, is delivered to the Board.

3.6.2. An Owner's right to vote, or affect quorum requirements, cannot be restricted by reason of nonpayment of assessments, or a purported violation of any provision of the documents governing the Condominium.

3.6.3. The entire vote on any single issue may be by electronic means or by mailed ballots in accordance with Section 515B.3-110 of the Act if so stated in the notice required by **Section 3.3** above. Such a vote shall have the same force and effect of a vote taken at a regular or special meeting, provided that the votes cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action, and (ii) the approval votes equals or exceeds the votes that would be required to approve the matter at a meeting at which the total votes cast was the same as the votes cast by ballot.

3.6.4. There shall be no cumulative voting.

3.6.5. In accordance with Minnesota Statutes Section 317A.457, two or more members may provide for how they will vote on matters affecting Board composition and voting power by signing an agreement for that purpose.

3.7. Telephone Conference Meetings. A meeting among Members, or among the members of any committee designated by the Board, by any means of communications through which the participants may simultaneously hear each other, constitutes a meeting of the Members, or the committee, provided the same notice is given of such a conference as would be required for a meeting, and provided the number of persons participating in the conference would be sufficient to constitute a quorum at the meeting. Participation in a conference meeting constitutes personal presence at the meeting.

ARTICLE 4.

Board of Directors-Selection-Term of Office

4.1. Initial Board. The affairs of the Association shall be governed by a Board consisting of three (3) Directors. The initial Board shall consist of the directors named in the Articles who shall serve until the first organizational meeting of the Members, which special meeting shall be called by Declarant and occur no later than sixty (60) days after conveyance by the Declarant of the first Unit to an Owner not an affiliate of Declarant. At this first meeting, the initial Board shall resign, and the Members shall appoint the directors to serve on the next Board as set forth in **Section 4.2** below.

4.2. Number; Appointments. Each successive Board following the resignation of the initial Board shall be determined, and shall consist of three (3) natural persons: (i) one (1) appointed solely by the Commercial Owner, upon the expiration of the term of the preceding director appointed by the Commercial Owner; and (ii) two (2) appointed by the Multifamily Owner, upon expiration of the term of the preceding director appointed by the Multifamily Owner; provided, however, if a director appointed by one or more of the Members ceases to qualify under **Section 4.3** below during the term of his or her office, the term of that director shall terminate and a new director shall be appointed in his or her place by the same Member that appointed the director being replaced, to fulfill the uncompleted term.

In the event a Unit is subdivided into two (2) or more Units, the Units into which the original Unit was subdivided (the “Resulting Units”) shall appoint as a class the director or directors that the Owner of the original Unit had been entitled to appoint. The appointment shall be determined by majority vote of the Owners of each Resulting Unit, with the weight of each such vote being based on the relative gross square footage of each of the Resulting Units in the class to the total gross square footage of all of the Resulting Units in that class. By way of example, if the Commercial Unit were subdivided into three (3) Units of equal size, those three (3) Resulting Units would collectively have the right to appoint a single director to the Board, to be determined by majority vote, the weight of each such vote being equal among them.

4.3. Qualifications. Each director shall be a natural person and shall be either (i) an Owner in his or her individual capacity, (ii) a designated agent of any legal entity that owns a Unit, or (iii) a trustee of any trust that owns a Unit. All directors must be in good financial and legal standing with the Association.

4.4. Meetings. Upon the appointment of new directors, any then serving directors and officers shall resign unless re-appointed. Immediately after such meeting, the directors so appointed shall conduct their organizational meeting at which new officers shall be selected. No notice shall be necessary to the newly appointed directors in order legally to constitute such meeting - provided all of the directors are present.

4.5. Term of Office. Subject to **Section 4.6**, the terms of office of the directors shall be three (3) years; provided that a director shall continue in office until the appointment of his or her successor by the Member entitled to appoint that successor. A director appointed to fill an uncompleted term shall serve until the natural termination of that term.

4.6. Removal; Vacancy. A director may be removed, with or without cause, by the Member(s) that appointed such director, if a successor is immediately appointed to fill the vacancy. A vacancy left by a director shall be filled by an appointment by the Member that originally appointed such director. However, if such Unit is owned by the Association, a majority of the remaining directors shall vote to fill the vacancy even though the remaining directors may constitute less than a quorum. A director or appointed or elected to fill an uncompleted term shall serve until the natural termination of that term, unless removed in accordance with these Bylaws.

4.7. Compensation. No director shall receive compensation for any service rendered to the Association. However, any director may be reimbursed for actual expenses incurred in the performance of his or her duties.

ARTICLE 5.

Meetings of Directors

5.1. Regular Meetings. Regular meetings of the Board shall be held at such place and hour as may be fixed from time to time by the notice of such meeting of the Board, but at least biannually.

5.2. Special Meetings. Special meetings of the Board shall be held when called by the president of the Association or by a director, in each case after not less than five (5) days' notice to the other directors. Notice may be waived by any director.

5.3. Notice. To the extent practicable, the Board shall give reasonable notice to Members of the date, time and place of a Board meeting. A director may waive his right to notice of a meeting as provided by law. If the date, time and place of meeting is announced at a previous Board meeting, is posted in a location accessible to Members and designated by the Board from time to time, or if an emergency requires immediate consideration of a matter by the Board, notice to Members is not required. Discussions at Board meetings shall be among the directors only, but shall be open to Members for observation. Notwithstanding the foregoing, Board meetings may be closed to discuss the following:

5.3.1. personnel matters;

5.3.2. pending or potential litigation, arbitration or other potentially adversarial proceedings between Members, between the Board or Association and Members, or other matters in which any Member may have an adversarial interest, if the Board determines that closing the meeting is necessary to discuss strategy or to otherwise protect the position of the Board or Association or the privacy of an Owner or Occupant of a Unit; and

5.3.3. criminal activity arising within the Condominium if the Board determines that closing the meeting is necessary to protect the privacy of the victim or that opening the meeting would jeopardize investigation of the activity.

5.4. Quorum. A quorum for the transaction of business at any meeting of directors shall exist when all Directors are present. No director may purposefully and intentionally avoid attendance at properly called board meetings with a primary purpose to delay or prevent establishment of a quorum and such action shall constitute a willful failure to comply with the Governing Documents and the Act. In the absence of a quorum, if at least two (2) directors are present they may adjourn the meeting until no longer than ten (10) days later and a courtesy notice stating the date, time and location of the adjourned meeting shall be sent to each director promptly after the adjournment. However, if a meeting must be adjourned a second time to a later date within ten (10) days after the adjournment due to the willful failure of a director to attend, then the quorum requirement for the meeting again rescheduled shall be reduced to a majority of the directors. A quorum, once established, shall continue to exist, regardless of the subsequent departure of any directors. The vote of a majority of the directors present at any meeting at which a quorum is present shall be sufficient to adopt any action. Proxies shall not be permitted.

5.5. Presiding Officer. The presiding officer of the meeting shall be the president.

5.6. Meetings by Conference. A meeting among directors, or among members of any committee designated by the Board, by any means of communication through which the participants may simultaneously hear each other during the meeting, constitutes a meeting of the Board, or the committee, provided the same notice is given of the conference as would be required for a meeting, and provided the number of persons participating in the conference are sufficient to

constitute a quorum at the meeting. Participation in a conference meeting constitutes personal presence at the meeting.

ARTICLE 6.
Powers and Duties of the Board of Directors

6.1. Powers. The powers of the Association are generally exercised by the Board, including those existing under common law, statutes, the Articles of Incorporation, and those powers designated to the Board by the Declaration and the Rules.

6.2. Duties. It shall be the duty of the Board to:

6.2.1. Cause to be kept a complete record of all of its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting of the Members when such statement is requested in writing by a Member;

6.2.2. Make and file all elections and documents required in order to exempt from taxation, insofar as possible, the income of the Association consisting of assessments paid by Members;

6.2.3. Supervise all officers, agents and employees of this Association, and see that their duties are properly performed;

6.2.4. Prepare and distribute to the Members at or before the annual meeting an Annual Report, which shall contain, at a minimum, the following:

- (i) a statement of any capital expenditures in excess of two percent (2%) of the current budget or \$5,000, whichever is greater, which capital expenditure is approved by the Association for the current fiscal year or succeeding two (2) fiscal years;
- (ii) a statement of the Association's total reserves, if any, the components of the Condominium for which such reserves are set aside, and the amounts of any such reserves that the Board has allocated for the replacement of each of those components;
- (iii) a statement of revenues and expenses for the Association's last fiscal year and a balance sheet as of the end of said fiscal year;
- (iv) a statement of the status of any pending litigation or judgments to which the Association is a party;
- (v) a detailed description of the insurance coverage provided by the Association including a statement as to which of the items referred to in Minn. Stat. § 515B.3-113(b) are insured by the association; and

(vi) a statement of the total past due assessments on all Units, which statement shall be current as of not more than sixty (60) days prior to the annual meeting.

6.2.5. The Board shall have the power to:

(i) adopt and amend budgets for revenues, expenditures and reserves;

(ii) fix the amount of the annual assessment against each Unit at least thirty (30) days in advance of each annual assessment period, and levy the assessment, in accordance with the Declaration;

(iii) send written notice of each assessment to each Owner subject thereto at least thirty (30) days in advance of each annual assessment period;

(iv) subject to **Section 6.3** of the Declaration, levy special assessments against the Units;

(v) collect and enforce each annual and special assessment, including imposition of fines and charges, foreclosure of the lien against the property for which assessments are not paid within thirty (30) days after the due date, or pursuing an action at law against the Owner personally obligated to pay the same.

(vi) issue, or cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

(vii) procure and maintain adequate liability and hazard insurance on the Property as set forth in the Declaration;

(viii) establish and implement a preventative maintenance plan, maintenance schedule and maintenance budget for the maintenance, repair and replacement of the Common Elements;

(ix) make contracts and incur liabilities consistent with the approved budget;

(x) regulate the use, maintenance, repair and replacement of all Common Elements, and portions of Units and Limited Common Elements as designated or allowed by the terms of the Declaration;

(xi) grant the following: (i) public utility easements, cable and other electronic communications easements and public or private access easements through, over or under the Common Elements, (ii) licenses to Unit Owners for the use of distinct portions of the Common Elements to the extent expressly authorized by the Declaration, if any; and (iii) subject to approval by a vote of the Unit Owners

other than Declarant or its affiliates (as defined by the Act), other public or private easements, leases and licenses through, over or under the Common Elements; provided that, in each case, such easements, leases or licenses do not unreasonably interfere with pedestrian or utility access to a Unit;

(xii) provide for the indemnification of its officers and directors, and maintain directors' and officers' liability insurance as provided in the Governing Documents;

(xiii) adopt, amend and revoke Rules, not inconsistent with the Governing Documents, facilitating and/or regulating the operation of the Property, subject to the requirements of **Section 1.36** of the Declaration;

(xiv) enforce the Governing Documents and the Rules; and

(xv) exercise any other powers conferred by the Governing Documents, or which are necessary and proper for the governance of the Association.

6.3. **Reserve Fund.** The Board in its discretion, may, but need not, levy, as part of the annual assessment or as a special assessment, in accordance with the Act and subject to **Section 6.10** of the Declaration, such sums of money as it shall determine necessary, together with past and future contributions to replacement reserve funds, to provide when needed for the payment of maintenance and replacement of all Common Elements and such other areas or facilities, if any, that the Association is contractually obligated to maintain, repair or replace. Such monies shall be credited to an appropriate account on the books of the Association with the designation "Reserve Funds".

ARTICLE 7. Officers

7.1. **Enumeration of Officers.** The officers of this Association shall be a president, a vice president, a secretary, and a treasurer, who are members of the Board. Any person may hold two or more offices, except that the offices of president and vice president and the offices of president and treasurer shall be held by different persons. The Board shall, from time to time, elect such other officers and designate their powers and duties as the Board shall find to be required to manage the affairs of the Association.

7.2. **Election of Officers.** The election of officers shall take place at the first meeting of the Board following each annual meeting of the Members.

7.3. **Term.** The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless the officer shall sooner resign, or shall be removed, or is otherwise disqualified to serve.

7.4. **Resignation and Removal.** Any officer may be removed from office with cause by the Board. Any officer may resign at any time by giving written notice to the Board, the president

or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

7.5. Vacancies. A vacancy in any office shall be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer being replaced.

7.6. Duties. The duties of the officers are as follows:

7.6.1. President. The president shall be the chief executive officer of the Association. The president shall have all of the powers and duties which are usually vested in the office of the president of a corporation, including, but not limited to, the duty to preside at all meetings of directors and Members, and the general supervision over other officers and the affairs of the Association. The president shall execute all contracts, agreements and obligations of the Association except as such authority may be otherwise delegated by resolution of the Board.

7.6.2. Vice President. The vice president shall, in the absence or disability of the president, exercise the powers and perform the duties of the president. The vice president also shall assist the president and exercise such other powers and perform such other duties as shall be prescribed by the directors.

7.6.3. Secretary. The secretary shall keep the minutes of all proceedings of the directors and the Members and attend to the giving and serving of all notices to the Members and directors and other notices required by law. The secretary shall keep the records of the Association, and shall perform all other duties incident to the office of a secretary of a corporation and as may be required by the directors or the president.

7.6.4. Treasurer. The treasurer shall have custody of all intangible property of the Association, including funds, securities and evidences of indebtedness, and shall give bond in such sum and with such sureties as the directors may require; and shall keep the assessment rolls and accounts of the Members, shall keep the books of the Association in accordance with good accounting practices and shall submit them together with all vouchers, receipts, records and other papers to the directors for their examination and approval as often as they may require. The treasurer shall deposit all monies and other valuable effects in the name of or to the credit of the Association in such depositories as may be designated by the Board, shall disburse the funds of the Association as ordered by the Board, and shall perform all other duties incident to the office of a treasurer of a corporation. If a managing agent or manager be employed, the Board may designate some or all of the foregoing functions to be entrusted to said agent or manager, subject to bonding and subject to oversight and control by the treasurer.

ARTICLE 8.
Fiscal Management

8.1. Property Held for Members' Benefit. All funds and the titles of all properties acquired by the Association, and the proceeds thereof, after deducting therefrom the costs incurred by the Association in acquiring the same, shall be held for the benefit of the Members for the purposes stated in the Declaration and herein.

8.2. Depository. The depository of the Association shall be such financial institutions as shall be designated from time to time by the directors and in which the monies of the Association shall be deposited. Withdrawal of monies from such accounts shall be only by instruments signed by such persons as are authorized by the directors and all three (3) directors shall be required to withdraw, pay or otherwise disburse funds in excess of fifty thousand dollars (\$50,000.00) if such withdrawal is not contemplated by the annual budget.

ARTICLE 9.
Assessments

Unless otherwise specified, the term “**Assessments**” includes annual and special assessments, which are secured by a continuing lien upon the property against which the assessment is made and are the personal obligation of the Owner of the Unit. All Assessments shall be levied and collected in accordance with the Declaration.

ARTICLE 10.
Maintenance and Alterations by the Member

Members shall perform their responsibilities in such manner as not unreasonably to disturb other Members; shall not unreasonably impair any easement affecting the Condominium; shall comply with the Bylaws, the Declaration, and the Rules to the extent such Rules have been duly adopted in accordance with the requirements of the Declaration; and shall promptly report to the Association any defect or need for repairs to the Common Elements.

ARTICLE 11.
Limitation on Contract Duration

No contract, lease, management contract or employment contract, which is directly or indirectly made by or on behalf of the Association, shall be entered into for a period exceeding two (2) years.

ARTICLE 12.
Books and Records

The books, records and papers of the Association shall at all times, during reasonable business hours, be available for inspection by any Member or any mortgagee, insurer or guarantor upon request to the secretary of the Association.

ARTICLE 13.
Indemnification

The Association shall, to the extent the alleged liability is not covered by insurance, indemnify every individual acting in any official capacity on behalf of the Association, pursuant to the provisions of Minnesota Statutes Section 317A.521.

ARTICLE 14.
Amendments

The Board or any Member may propose an amendment to the Bylaws. Such amendment(s) shall be submitted for adoption at a meeting of the Members. Notice of the meeting of the Members shall be given to all Members and shall state the purpose of the meeting and give details of the proposed amendment(s). The amendment shall be approved and adopted by a vote of the Owners of Units to which are allocated at least sixty-seven percent (67%) of the votes in the Association; provided, however, that any amendment that amends voting rights, the Board structure, quorum requirements or disbursement/withdrawal of funds requires unanimous Member approval and any amendment that amends a provision which expressly benefits or protects the Commercial Unit or Commercial Owner, shall require the approval of the Commercial Owner. Consent to an amendment shall not be unreasonably withheld.

ARTICLE 15.
Fiscal Year

The fiscal year of the Association shall begin on the 1st day of January and end on the 31st day of December in each year, except that the first fiscal year shall begin on the date of incorporation.

ARTICLE 16.
Notices

Unless specifically provided otherwise in the Act, the Declaration or these Bylaws, all notices required to be given by or to the Association, the Board, the Association officers or the Owners or Occupants shall be in writing and shall be effective upon hand delivery, or mailing if

properly addressed with postage prepaid and deposited in the United States mail. Pursuant to Minnesota Statutes Section 317A.450, Subdivision 5(a)(2), notices may also be given to any Owner or Occupant by electronic mail, when directed to an electronic mail address at which the Owner or Occupant has consented to receive notice.

ARTICLE 17.
Miscellaneous

Invalidation of any one of these Bylaws by judgment or court order shall in no way affect any other provision which shall remain in full force and effect. No restriction, condition, obligation or provision contained in these Bylaws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur. In the case of any conflict between the Declaration and these Bylaws or Articles of Incorporation, the Declaration or Articles of Incorporation shall control. The captions herein are for convenience of reference only and in no way limit or proscribe the scope of these Bylaws or the intent of any provision hereof.

[The balance of this page is intentionally left blank.]

The undersigned hereby executes these Bylaws and certifies that they were duly adopted by The Heights Owners Association, a nonprofit corporation incorporated under the laws of Minnesota, effective as of the date hereof.

Dated: _____, 20__

_____, Secretary
The Heights Owners Association

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15056.15

EXHIBIT K
FORM OF RULES AND REGULATIONS

RULES & REGULATIONS

The Heights, a Condominium
Columbia Heights, MN

FirstService Residential
(952) 277-2700
Telephones Answered 24 Hours a Day

**RULES & REGULATIONS
THE HEIGHTS**

Property Management

FirstService Residential
8100 Old Cedar Ave S., Suite 300
Minneapolis, MN 55425

Telephone Number: (952) 277-2700
Fax Number: (952) 277-2739

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GOVERNANCE AND MANAGEMENT

ASSOCIATION BOARD OF DIRECTORS

These Rules and Regulations (the “**Rules**”) are enacted by the Board of Directors (the “**Board**”) for The Heights Owners Association (the “**Association**”) to provide reasonable, practical guidelines for the operation of The Heights, a condominium (the “**Condominium**”) created under the Minnesota Common Interest Ownership Act, Minnesota Statutes Chapter 515B (the “**Act**”). The Act contains additional rules and regulations applicable to the condominium’s operation. All Owners and Occupants are obligated to comply with these Rules as well as the Declaration for Common Interest Community No. ____, and the Articles and Bylaws of the Association.

The terms used in these Rules have the same meanings as set forth in the Declaration. The Board maintains and approves the Rules based upon authority contained in **Section 4.21** of the Declaration. Owners are responsible for their own conduct and that of its Unit’s Occupants, their employees, agents, guests and invitees.

BUILDING MANAGEMENT (FIRSTSERVICE RESIDENTIAL MINNESOTA, INC.)

The Heights is managed by FirstService Residential Minnesota, Inc. FirstService Residential hires, trains and supervises all operating personnel. It is the direct employer of all such persons and is strictly responsible for their performance.

Staff personnel, under the direction and supervision of FirstService Residential, are responsible for the general housekeeping, day-to-day maintenance and upkeep of the common areas, security and certain managerial functions. Personnel are accountable only to FirstService Residential.

Owners and Occupants are requested to communicate complaints, matters of concern or grievances involving management, policy or personnel to FirstService Residential, not to staff personnel. In the event of an emergency situation or on matters of importance requiring immediate attention when security attendants on duty, for whatever reason, cannot be reached, Owners and Occupants should call FirstService Residential at (952) 277-2700 (answered 24 hours).

DISPUTES

In case of a dispute regarding enforcement of these Rules, Occupants shall first try to resolve the matter with Building Management. At the discretion of Building Management or at the request of the Owner, the president of the Association’s Board may be consulted to help resolve the dispute. If the dispute is still not resolved, the Occupant may ask the Association’s Board to consider the issue, and may address the Board in person or in writing on the issue before it is considered and decided by the Board.

INTERNAL OPERATIONAL GUIDELINES

CONDUCT / APPEARANCE IN COMMON AREAS

Boisterous, noxious or offensive activity that may become an annoyance or nuisance to Owners and Occupants is not permissible.

Owners and Occupants will keep the noise level of microphones, electronic equipment, appliances, etc., at reasonable levels at all times, particularly during normal business hours or public meeting hours of any Unit owned by the City or affiliated entity (noting that use of microphones by the City for public meetings in a standard and typical fashion shall not be a violation of this provision), and in all events after 11:00 p.m. This provision shall not be amended without the consent or approval of all members of the Board.

Entrances, garages, stairways and corridors may not be obstructed, encumbered or defaced in any manner or used for any purpose other than entering or leaving the premises.

Common Elements / facilities must not be altered or impaired. Personal property of the Association must not be removed from the Common Elements at any time except by the Association.

Garbage cans, trash barrels or any type of personal property or refuse, debris and discarded items are not to be left or placed, even temporarily, in any of the Common Elements and facilities,

Roller skating, skateboarding and ball games are forbidden on the premises and grounds.

SMOKING

Smoking is prohibited in all Common Elements except a designated outdoor smoking area, which shall not be located adjacent to the Commercial Unit or any Commercial Limited Common Element. This provision shall not be amended without the consent or approval of all members of the Board.

For purposes of this policy, all restrictions on smoking shall also apply to e-cigarettes (vaping).

WATER LEAKAGE

Owners and Occupants should routinely check for leaks and water infiltration:

1. Immediately report any water infiltration problems, no matter how minor.
2. Periodically check for any signs of water leakage at all water sources in a Unit.

BICYCLES

Bicycles may only be stored in racks provided in the Garage or as may be placed by the Commercial Unit Owner within a Commercial Limited Common Element. Bicycle racks shall be placed so as not to obstruct or unreasonably interfere with the passage of persons or vehicles with rights to use or pass through the Garage. Bicycles should be locked and secured at all times when not in use. This provision shall not be amended without the consent or approval of all members of the Board

ANIMALS

Common domestic pets, such as dogs, cats, caged birds and fish housed in an aquarium are permitted. No other animals are permitted. The Owner of each Unit may impose additional rules governing pets in its Unit.

All animals in the Common Elements must be caged or leashed, and under the direct control of an Occupant or a responsible person designated by the Occupant. Any domestic animal waste, whether inside or outside the Building, shall be cleaned up immediately and Owner of the Unit in which said animal resides or is visiting shall ultimately be responsible for any damage caused by the animal, regardless of who owns the animal. The Owner or Occupant shall indemnify the Association and hold it harmless against and from any loss or liability of any kind or character whatsoever arising from or growing out of having any animal on the Property.

Notwithstanding the foregoing pet restrictions, nothing herein shall limit, in violation of any Applicable Laws, the keeping of a service or assistance animal. However, service and assistance animals are subject to the foregoing Rules applied to animals to the extent the Rules do not impair the service or assistance animal from being able to provide the service or assistance needed.

FLAGS

Nothing herein shall prevent the flying of a flag of the United States or the State of Minnesota by the Association on the General Common Elements or by the Commercial Unit Owner on the Commercial Limited Common Elements. This provision shall not be amended without the consent or approval of all members of the Board.

HAZARDOUS SUBSTANCES

Gasoline and other combustible, explosive, flammable or otherwise dangerous articles are forbidden on the premises except usual substances in reasonable quantities commonly used in the cleaning and operation of mixed use apartment/office buildings. Paint, oil, gasoline, fluorescent tubes or bulbs, and other hazardous substances may not be disposed of on the Property and should be taken directly to a hazardous waste drop-off facility.

LIMITED COMMON ELEMENTS

A Limited Common Element is a Common Element that is restricted for the exclusive use of one or more but less than all Unit Owners. Examples of Limited Common Elements include but are not limited to: pipes serving less than all Units (this may include the areas of pipes behind a wall or sheetrock area). The repair or replacement of Limited Common Elements may be charged back to the Unit Owner(s) any such repair or replacement may benefit.

MAINTENANCE / SERVICE TO RESIDENTIAL UNITS

The exterior side of all windows will be washed once per year. The annual washing does not include screens.

Owners should contract with vendors, contractors, or service companies for repair and maintenance work that is the Owner's responsibility. If the Association contracts for emergency repairs or repairs that include both Association and Owner responsibility, charges for the work that is the Owner's responsibility will be billed to the Owner and will appear on the monthly dues statement.

BUILDING ROOF

Neither Occupants, nor their employees or guests should at any time enter upon the roof of the building except by prior arrangement with Building Management.

REMODELING OF UNITS

BOARD APPROVAL

Pursuant to the constituent documents of the Association, Owners may not make any Regulated Improvements to their Units, without prior written consent of the Board. Remodeling plans/requests are required to be submitted to Building Management or directly to the Board. These remodeling rules shall not apply to the initial construction of Units, including the buildout of the interior of Units, or Common Elements, including signage. Approval letters will be generated in a timely manner once the details of the remodel are disclosed and reviewed. The Board may authorize Building Management to assist with certain remodeling projects on its behalf but the Board may not delegate its right to approve such projects. An Owner's general contractor must consult with Building Management before work begins to resolve any questions or concerns.

Without limiting the generality of the definition of "Regulated Improvements" in the Declaration or any express exception thereto which supersedes the requirements below, the following constitute Regulated Improvements to the Units:

1. All alterations, modifications or additions to plumbing, except for routine repair, cleaning or replacement of faucets or plumbing fixtures of a like type and size.
2. All alterations, modifications or additions to the heating and ventilation systems, except for repair or replacement of equipment of a like type and size.
3. All alterations, modifications or additions to security or life safety equipment located in Units.
4. All alterations, modifications or additions visible from the exterior of a Unit.
5. All alterations, modifications or additions that contemplate or require penetration into or through the surface of the floor deck or ceiling of a Unit.
6. All alterations, modifications or additions that could increase sound transmission between the walls, floors or ceilings separating one Unit from the other.

7. All types of alterations, modifications or additions, the result of which could adversely affect other Units or Common Elements that are located above, below or adjacent to a Unit in which remodeling is contemplated.

BUILDING PERMITS, CODE COMPLIANCE AND OWNER RESPONSIBILITY

1. Owners are responsible to obtain all permits that are required by code to be obtained from the City of Columbia Heights prior to commencement of work to such Owner's Unit, and all work that is undertaken to such Owner's Unit is to be completed in full compliance with all applicable building and fire codes and ordinances.
2. Owners are responsible for any consequential damage to Units located above, below and adjacent to the Unit in which remodeling is completed and of Common Elements resulting from any remodeling or alterations performed by such Owners.

CLEAN UP, STORAGE AND REMOVAL OF CONSTRUCTION MATERIALS & DEBRIS

Construction materials, supplies and debris are not permitted to be stored in or on the Common Elements of the Property, even if for only short intervals of time. Owners shall require their contractors and vendors to haul away construction debris, cartons, wrapping, etc. from the premises and to provide a dumpster for this purpose if warranted.

LIMITATIONS ON WORK HOURS AND DURATION

Construction and remodeling work hours are from 8:30 a.m. to 5:00 p.m. Monday through Friday. No construction work is permitted in evenings or on weekends, or during national holidays.

For extensive remodeling or construction projects that will last more than thirty (30) days, the Board requires submission of a construction schedule and anticipated timeline and reserves the right to require reasonable changes to construction or reasonable noise mitigation plans as a condition of its approval in order to minimize effects on Occupants. Failure to provide a schedule, adhere to a schedule or provide notice of changes to these plans may result in daily fines and/or other imposed restrictions and fines by the Board in its reasonable discretion. Construction or remodeling work must stop until the plan is revised and approved by the Board. The Board shall enforce these provisions against the different Unit Owners in an equal manner whereby requirements imposed upon one Owner shall be imposed upon any other Owner in the event of the same or similar extensive remodeling or construction projects. This provision shall not be amended without the consent or approval of all members of the Board.

LIABILITY INSURANCE

Contractors must be licensed and bonded and must provide both the Owner and the Association a Certificate of Liability Insurance. After completion of the work, any changes to plumbing, electrical wiring and interior wall locations, along with a copy of the blueprints, must be provided to Building Management for documentation in the Unit files.

TURN OFF OF WATER SUPPLY

Except in absolute emergency situations, the water supply to the Building may not be turned off unless required and reasonable advance notice to the Owners and Occupants who will be affected by a scheduled turn off is duly given.

OPERATING EXPENSE / ANNUAL ASSESSMENT

The annual operating budget will be approved each year by the Association's Board, and is the basis for determining the annual assessments of Owners. The budget will be distributed to Owners after approval by the Board, and Owners will be notified of the amount of their respective assessments. The assessments may be adjusted by the Board at other times of year if deemed necessary by the Board because of unanticipated costs. Owners will be notified at least 30 days prior to any change in the assessments. The assessment for Common Expenses is payable in monthly installments, in advance, on the first day of each month within the year for which the assessment is made.

Special assessments may be levied by the Board from time to time for capital projects and are payable as prescribed by the Board.

Late payments of monthly or special assessments, maintenance charges, rental fees, and all other charges, are subject to a late fee of \$__ per month.

FINES

Minnesota Statutes, Section 515B.3-102 grants condominium boards of directors the power to impose charges for late payment of assessments and, after notice and opportunity to be heard, to levy reasonable fines for violations of Declaration, Bylaws and Rules of the Association. The Board shall enforce these provisions against the different Unit Owners in an equal manner whereby fines imposed upon one Owner shall be imposed upon any other Owner in the event of the same or similar conduct leading to such fine. This provision may not be amended without the consent or approval of all members of the Board.

The reasonable fines described are in addition to, and not as substitutes for any rights or remedies which the Association otherwise has at law or under the Declaration, Bylaws and any amendments thereto. Association Members are responsible for the conduct and actions of their guests, tenants, and contractors, and are subject to reasonable fines for any usage contrary to the Governing Documents and Rules and amendments thereto in effect from time to time.

1. **PROCEDURE:** Any complaint or information relating to any alleged violation of the Association's Declaration, Bylaws or these Rules may be made by any person to Building Management. Building Management will take all steps reasonably necessary to investigate the allegations and report to the Board: (a) that Building Management has received information of an alleged violation; (b) the nature of the alleged violation; (c) the facts and circumstances involving the alleged violation; (d) the possible reasonable fine which could be imposed pursuant to this resolution.

In the event that Board finds that there is reason to believe a violation has occurred and that it is of such a nature that reasonable fines should be considered by the Board, a written notice should be delivered to the Association Member inviting the Member to be present at a time and place for the purposes of being heard and presenting evidence bearing on the alleged violation.

After the Board has reviewed the situation, it will deliberate and determine whether a violation has occurred, assessing reasonable fines it deems reasonable.

Strict rules of evidence will not be required, but the Board will allow Building Management and all parties the opportunity to be heard. The Board may use its discretion in assessing reasonable fines and may consider the severity of the violation, its harm or potential harm to the Members or common facilities and its repetitious nature.

2. **FINES FOR USES OF UNIT CONTRARY TO POLICIES:** Any Member, or its guest, tenant, or contractor, using a Unit contrary to the provisions contained in the Declaration or the Rules (including reasonable rules adopted by a Unit Owner governing use by the Owner of the other Unit and its Occupants of easements over and across the servient Unit) in effect at the time, subjects the Member or tenant to a fine to be determined by the Board.
3. **FINES FOR DAMAGE OR OTHER ACTIONS ADVERSELY AFFECTING COMMON FACILITIES OR EXTERNAL APPEARANCES:** Any Member or its guest, tenant, or contractor causing damage or using any Common Element contrary to these policies, or that fails to fulfill its maintenance or repair obligations as provided in the Rules in effect at the time, may be subject to a reasonable fine as determined by the Board or required to pay the cost of restoring the condition of the affected facilities, after notice and opportunity for hearing as stated in paragraph 1 of this section.

DAMAGE TO PERSONAL PROPERTY / INSURANCE PROVISIONS

The master insurance policy carried by the Association does not, under any circumstances, cover personal property owned by Owners/occupants for any type of loss. Personal property includes furniture, draperies, clothing, jewelry and other personal effects.

The master insurance policy carried by the Association does not provide coverage for carpeting, hardwood flooring, tile, or other types of flooring, wall coverings including paint and wallpaper, light fixtures, wood molding and trim, and all types of built-ins, appliances, cabinetry, counters, desks, and window treatments within Units. It is important therefore, that Owners include coverage for these items under their individual Owner's policy.

Owners and occupants, therefore, are informed that the Association does not under any circumstances assume liability for loss or damage to personal property or for improvements defined above.

It is essential, therefore, that Owners carry their own Condominium Commercial Unit or Business Owners Policy in an amount sufficient to cover the value of all personal property and all betterments and improvements specified above, except that if a Unit is owned by the City or an affiliated entity that the City, or such affiliated entity, may procure coverage through the League of Minnesota Cities. An All Risk Policy includes liability coverage for accidents occurring within the individual Units.

Each Owner shall be liable for the expense of any maintenance, repair or replacement rendered necessary by its act, neglect or carelessness or by that of any of its guests, employees, agents or tenants.

EXTERNAL OPERATIONAL GUIDELINES

BUILDING EXTERIOR

1. Changes or modifications to exterior windows or Common or Limited Common Elements of the Building are not permitted, except in the case of a uniform modification as authorized by the Association.
2. Owners and Occupants must not install wiring for any electrical installation such as television, or radio antenna, on the exterior of the Building without Board approval. Such equipment may not protrude through the walls, windows, or the roof of the Building, unless limitations on the same would violate Applicable Laws.
3. “For Sale,” “For Rent” and all other types of signs, illumination, identification or advertisements are not to be placed in windows or elsewhere on the exterior of the Building, except that each Unit is entitled to identification and directional signage in accordance with the original development plans for the Property, and the retail component of the Multifamily Unit is entitled to separate illuminated identification signage as approved by the Board. Additional signage requests should be directed to the Board for approval.
4. The landscaped areas, including grass, trees, shrubs, hedges, flowers or flowerbeds, must not to be harmed or littered.
5. Decorations for observed holidays may be displayed within or on each Unit and its Limited Common Elements for a limited period of time. Any holiday décor on the General Common Elements requires approval of the Board.

ENTRY OF UNITS

EMERGENCY ENTRY

The Declaration allows immediate entry to the Units by emergency personnel.

In addition, the Association may need to perform emergency maintenance, installations, alterations or repairs to mechanical or electrical systems. Building Management and related personnel may enter Units for non-emergency repairs with prior notice subject to the terms of the Declaration.

Examples of emergency situations are:

1. Broken water or sewer pipe, or suspicion of the same;
2. Flooding from sprinkler system or overflow from toilet or sewer line, or suspicion of the same;
3. Fire or smoke, or suspicion of the same; and,
4. Reasonable belief that a person may be disabled by illness or accident.

If an emergency situation dictates the necessity of immediate entry, the following procedures shall be strictly observed in the order listed:

1. A conscientious effort is to be made to first call and attempt to locate the Owner or Occupant, time permitting, prior to entering;
2. The entry door is to be soundly pounded on prior to entering;
3. Whenever possible, two or more Building Management or staff personnel are to enter at the same time;
4. An appropriate note giving time of entry, reason and other pertinent detail is to be sent to the Owner and any Occupant affected.

LEASING

GENERAL RULES

General Common Elements shall not be used for business or commercial purposes, except as may be authorized by the Declaration or by unanimous agreement of all Owners. Owners may not contract to rent, or offer or advertise to rent, any General Common Elements in the Building.

Owners may lease any portion of their respective Units (including the leasing of usage and parking rights in the Multifamily Garage) and the Commercial Owner may lease usage and parking rights within the Commercial Garage, subject to the requirements set forth in the Declaration. Upon leasing all or a portion of any Unit, the name and contact information of the Occupant, and identification of the part of the Unit leased, shall be delivered to Building Management. This paragraph may not be amended without the consent or approval of all Members.

RULES AMENDMENTS AND WAIVERS

The Board has the authority to amend the Rules, and make other Rules, from time to time, as it deems necessary for the use, safety, maintenance and preservation of the Property, and for securing the common comfort and convenience of the Occupants, subject to any requirement specified herein for all Members of the Board to consent or approve such rule and subject to any limitation specified in the Declaration. However, except for “time urgent” rules, a minimum comment period of 30 days by Owners and Occupants will be normal before implementation of any new Rule.

Waivers from the provisions of these Rules for specific situations may be granted by the Board for good cause shown if, (i) in the judgment of the Board, the waiver will not violate the Governing Documents or law, nor interfere with the rights of other Occupants, and (ii) the waiver is granted to other Occupants under the same circumstances. However, waivers will not be granted unless an emergency or highly extenuating circumstance exists.

20186043v3

EXHIBIT L

FORM OF SHARED PARKING LICENSE AGREEMENT

SHARED PARKING LICENSE AGREEMENT

This Shared Parking License Agreement (this “**Agreement**”) dated and entered into as of _____, 20__ (the “**Effective Date**”) is made by and between BPOZ Columbia Heights, LLC, a limited liability company under the laws of Delaware (“**BPOZ**”), and the City of Columbia Heights, a municipality under the laws of Minnesota (“**City**”).

RECITALS

- A. The parties hereto constitute the owners of all of the units in Common Interest Community No. ____, a Condominium, The Heights, Anoka County, Minnesota (the “**Condominium**”) created by that certain Declaration, dated _____, to be recorded with the Registrar of Titles in and for Anoka County, Minnesota (the “**Declaration**”), and located at _____, in Columbia Heights, Minnesota.
- B. The Condominium building is six (6) stories in height and includes a two (2)-story parking garage designed to accommodate parking for approximately 332 motor vehicles (the “**Garage**”).
- C. The City owns Unit 1, in the Condominium (the “**Commercial Unit**” as defined in the Declaration), which the City utilizes as its city hall.
- D. BPOZ owns Unit 2, in the Condominium (the “**Multifamily Unit**” as defined in the Declaration), which BPOZ utilizes as a multifamily rental apartment project, a retail space and related amenities.
- E. The first floor of the Garage is physically divided into a westerly section and an easterly section by a chain link fence and a vertical electronic garage door, the westerly section of the first floor being a limited common element allocated to the Commercial Unit (the “**Commercial Garage**”) and the easterly section of the first floor and the entire lower floor (the “**Multifamily Garage**”) being part of the Multifamily Unit, all as shown on the common interest community plat filed of record with the Declaration.
- F. Pursuant to Section 4.5 of the Declaration, BPOZ has the right to lease or license Garage parking stalls within any portion of the Multifamily Garage.
- G. The City desires, and BPOZ is willing to grant, certain parking rights within the Multifamily Garage on the terms and conditions contained herein, subject at all times to the Declaration and the rules and regulations (the “**Rules**”) adopted pursuant thereto by The Heights Owners Association, a Minnesota nonprofit corporation formed to govern and administer the Condominium (the “**Association**”).

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, City and BPOZ, for themselves and their successors and permitted assigns, agree as follows:

1. Grant of Licenses. BPOZ grants to the City, for itself, its employees and agents,
 - a) an exclusive right and license to use thirty-eight (38) motor vehicle parking stalls on the first floor of the Multifamily Garage located to the extent practicable along the northerly side of, and adjacent to, the Commercial Garage (the “**Licensed Spaces**”) for parking, by employees and agents of the City, but only during the hours of 7:30 a.m. to 5:00 p.m. on Business Days (the “**Permitted Hours**”). As used herein, “**Business Days**” shall mean Monday through Friday, inclusive, except holidays for which the City’s offices are officially closed; and
 - b) a non-exclusive right and license to use the most easterly Garage entrance on the northerly side of the Garage and, as necessary, the drive aisles as may exist from time to time in the Multifamily Garage (the “**Access Area**”) for access between and among the Licensed Spaces, the common elements of the Condominium and adjacent public streets.

In no event shall the City, its employees or agents have the right to utilize more than thirty-eight (38) stalls on the first floor and associated drive aisles, park in the Licensed Spaces outside of the Permitted Hours or park in any stalls on the lower floor of the Garage. The foregoing rights and licenses are subject to the other terms of this Agreement and are referred to collectively as the “**License**,” and the Licensed Spaces and the Access Area are referred to collectively as the “**Licensed Areas**”.

2. Sublicenses. The City shall limit usage of the Licensed Spaces to those employees and agents who have received from the City parking tags or other entry permits and visibly display them on their vehicles or dashboards and in its use the City shall be bound by this License, the Condominium Documents, the Rules and all Applicable Laws.

3. Term. The term of this License (the “**Term**”) shall commence as of the date hereof (the “**Commencement Date**”), and continue until:

- a) the City transfers ownership or possession of the Commercial Unit to a person or entity other than a governmental entity or quasi-governmental entity affiliated with the City (such as an economic development authority or housing and redevelopment authority) (collectively, a “**Permitted Affiliate**”); or
- b) The City voluntarily terminates this Agreement.

Notwithstanding the foregoing, the City may, at its option, release Licensed Spaces from this Agreement at any time, upon sixty (60) day’s prior written notice to BPOZ. Any Licensed Spaces so released from this Agreement shall be permanently released, BPOZ shall thereafter be free to

lease or license those spaces so released to third parties, and the City shall thereafter have no further right, title or interest in such released spaces.

4. Fees. The City shall pay to BPOZ a license fee (the “**License Fee**”) initially in the amount of \$60.00 per month for each Licensed Stall, but increasing by one percent (1%) on the first anniversary of the Commencement Date and each anniversary thereafter (each a “**License Year**”), which License Fee shall be due and payable in advance on the first day of each calendar month during the Term. If the License is terminated in accordance with Section 3(a) above, the City shall receive a prorata refund of the License Fee for such period based on the actual number of days elapsed in the calendar month in which such termination occurs. A failure to pay the License Fee within ten (10) days of the date due shall entitle BPOZ to collect a late fee of five percent (5%) of the amount due.

5. Use. The City covenants and agrees, as of the commencement of the Term, to:

a) accept the Licensed Areas “AS IS,” “WITH ALL FAULTS,” in its existing condition without any warranties or representations whatsoever with respect to the Licensed Areas or any improvements or conditions thereon, except that BPOZ will deliver the Licensed Areas in the condition depicted and described on the final construction plans and specifications of the Condominium;

b) assume all responsibility for the protection of City and its employees, agents, guests and invitees and the property of City and its employees, agents, guests and invitees against the acts of third parties, other than BPOZ as specified herein, while using the Licensed Areas;

c) comply with all applicable laws, ordinances, regulations, permits (including zoning permits) and orders of any governmental authority, court, board of fire underwriters or quasi-governmental authority having jurisdiction over City’s use of the Licensed Areas, including, but not limited to, those applicable to noise, nuisance, environmental protection, public safety and land use (collectively, the “**Applicable Laws**”),

d) comply with all obligations and provisions of the Declaration and the Rules, insofar as the same relate to the Licensed Areas;

e) surrender the Licensed Spaces to BPOZ at the termination of this Agreement in substantially the condition they exist as of the date hereof, ordinary wear and tear excepted, and free of all vehicles and other personal property.

6. BPOZ’s Obligations. BPOZ shall:

a) repair and maintain, at BPOZ’s sole cost and expense, the easterly exterior garage door any other parking technology allowing entry or exit from the Multifamily Garage and perform day to day maintenance such as striping, sweeping, cleaning, oil spill clean-up, litter pick-up, garbage removal;

b) issue parking fobs, permits and/or parking tags (and instructions on their visible display) allowing ingress and egress to and from the Multifamily Garage, for

distribution by the City; provided that BPOZ shall be entitled to charge a reasonable fee for the same and any replacements thereof;

c) install reasonably acceptable signage in prominent locations on the first floor of the Multifamily Garage at BPOZ's sole expense, regarding use of the Licensed Spaces, the Permitted Hours, as well as directional signage in the Multifamily Garage and post any reasonable rules of BPOZ as to the use of the Multifamily Garage not inconsistent with this License; and

d) regulate use of the Licensed Areas, including towing vehicles parked in violation of the Declaration, the Rules, this License, and/or Applicable Laws;

e) comply with all requirements of any mortgage encumbering the Multifamily Unit to prevent foreclosure of any such mortgage and termination by operation of law of this Agreement; and

f) assign this Agreement to any purchaser of the Multifamily Unit, inform such purchaser of this Agreement and provide a copy to such purchaser to provide such purchaser with actual notice of this Agreement, prior to conveying the Multifamily Unit.

7. Temporary Closures. The City, for itself, its employees, agents and invitees, shall reasonably cooperate with the maintenance and repair of the Multifamily Garage and agrees that the Multifamily Garage or portions of it may be temporarily closed from time to time where necessary to complete periodic repairs and maintenance. Such temporary closures shall not be considered a default by BPOZ hereunder provided that the same are temporary, commercially reasonable efforts are made to minimize parking disruptions and such repair and/or maintenance work proceeds in a reasonably diligent manner.

8. Hazardous Materials. The City shall not cause, permit or allow any hazardous material, substance, waste, contaminant, or pollutant regulated by any governmental entity or agency (collectively, "**Hazardous Materials**") to be placed, stored, dumped, dispensed, released, discharged, used, transported, or located on or within any portion of the Licensed Areas. The City agrees to give BPOZ prompt written notice of any discovery, discharge, release or threatened discharge or threatened release of any Hazardous Materials on or about the Licensed Areas and agrees to promptly and fully clean-up, remediate and dispose of at its sole expense and in accordance with all Applicable Laws any Hazardous Materials that are introduced to the Licensed Areas during the Term by the City, or any of its employees, agents, guests or invitees, in coordination with BPOZ and any applicable governmental entity or agency.

9. Insurance and Indemnity.

a) The City and BPOZ shall, at its own expense, each obtain and during the Term maintain (i) commercial general liability insurance with a single limit of One Million and No/100 Dollars (\$1,000,000.00) and umbrella liability coverage in the amount of at least Two Million and No/100 Dollars (\$2,000,000.00), and (ii) workers' compensation insurance if, and to the extent, required by applicable law.

b) Each general liability insurance policy issued to the City shall name BPOZ, its Mortgagee(s) and its designated property manager(s) as additional insureds, and a certificate of insurance or a true copy of the insurance policies shall be furnished to BPOZ prior to the commencement of the Term.

c) If at the time of any loss arising from the use of the Licensed Area by the City or its agents, guests, invitees, tenants or employees, except as it may relate to an obligation of BPOZ under paragraph/section 6 hereof under such policy issued to the City there is other insurance on the Licensed Areas in the name of BPOZ, the City's policy is primary. If at the time of any loss arising from the use of the Licensed Area by BPOZ or its agents, guests, invitees, tenants or employees or related to a failure to maintain the Licensed Area as specified herein under such policy issued to BPOZ there is other insurance on the Licensed Areas in the name of the City, BPOZ's policy is primary.

d) The City and BPOZ each hereby waives any and all rights of recovery, claim, action, or cause of action, against the other party and its respective agents, officers, directors, shareholders, partners, members, managers and employees, for any loss or damage to the Licensed Areas or any property of the waiving party located on the Licensed Areas, by reason of fire, the elements, or any other causes to the extent such loss or damage is insured under the applicable terms of the insurance maintained (or required to be maintained) by the waiving party, regardless of cause or origin; but specifically excluding from such waiver any and all rights of recovery, claims, actions, or causes of action held by the waiving party arising out of the gross negligence or willful misconduct of the other party or any of its agents, officers, directors, shareholders, partners, members, managers and employees. All liability insurance obtained by the City or BPOZ shall contain a waiver by the insurer of any rights of subrogation or indemnity to which the insurer might otherwise be entitled, and permit and recognize the mutual waiver of subrogation set forth above and the indemnity provided below.

e) To the fullest extent permitted by applicable law subject to any statutory limitations on liability applicable to the City, but specifically excluding any and all rights of recovery, claims, actions, or causes of action arising out of (i) any failure of BPOZ, its, agents, officers, directors, affiliates, managers and employees to perform any of its obligations under this Agreement as and when required, and (ii) the negligence or willful misconduct of BPOZ or its agents, officers, directors, affiliates, managers and employees, City shall defend, indemnify and hold harmless BPOZ and its agents, officers, directors, affiliates, managers, employees, and lenders from and against any claim, loss, cost, damage, liability and expense, including attorneys' fees, arising directly or indirectly from City's and its employees, agents, guests and invitees use of the Licensed Areas.

10. Enforcement of Rules. While this License is between BPOZ and the City, the parties recognize that the City will sub-license the right to park in the Licensed Spaces to various employees of the City who shall prominently display a parking permit on their vehicles. The City agrees to maintain a list of the persons to whom it assigns a Licensed Space and a description of their respective vehicles, including make, model and license plate number. If there is a material or repeated breach of this Agreement or the rules reasonably imposed by BPOZ governing use of the Garage, which rules will be generally applicable to all users of the Garage, then, upon being

notified thereof, the City agrees to take reasonable steps to address such violations promptly, including without limitation, revoking a right of such assignee to park in the Licensed Spaces. Failure to address such violations, after reasonable written notice to the City of such violations, will entitle BPOZ to take appropriate actions, including without limitation, the imposition of reasonable fines or revocation of a sublicensee's right to park (without revocation of this Agreement). Notwithstanding any provision to the contrary, appropriate actions do not include revocation of this License or prohibition of use of the Licensed Areas by the City. In addition, if the Licensed Spaces are utilized by the City, or any employees to whom the City has sublicensed its right to park, outside of the dates and times allowed in Section 1.a above, three (3) or more times in a calendar month, upon written notice to the City of the time, date, license plate number of the violating vehicle and Parking Stalls involved in such violations and amount owed pursuant to this section, and so long as the City is not disputing any claimed violation, the City shall pay or cause to be paid to BPOZ with the following month's License Fee, an amount equal to the monthly rate charged by BPOZ to residents using Licensed Spaces for one Licensed Space in the Multifamily Garage. Notwithstanding the grace periods set forth herein, any sublicensee who parks his or her vehicle outside of the Licensed Spaces, in the Licensed Spaces but outside of the authorized dates and times, or otherwise parks in such a way as to materially obstruct drive aisles or prevent or materially impair use of an adjacent stall is subject to having his or her vehicle towed without notice. A copy of the rules in effect as of the date hereof governing use of the Multifamily Garage is attached hereto as Exhibit A, subject to reasonable amendment from time to time, and subject to the limitation that no rule may directly and materially impair the right to utilize the Licensed Areas for the purposes and during the times specified herein (noting that the current rules attached hereto or similar rules shall not be construed to materially impair the right to utilize the Licensed Areas for the purposes or during the times specified herein), violate or contradict any provisions of this Agreement or create or increase any fines or other penalties required hereunder, beyond those customarily charged in commercial suburban parking ramps or garages in first-ring suburbs of Minneapolis and Saint Paul. Any amendment to the rules that sets or increases fees relating to electrical vehicle charging stations, lost fobs, and permits shall bear a reasonable nexus to the increased costs incurred by BPOZ.

11. Notice. Whenever under this Agreement a provision calls for notice of any kind, such notice shall be given in writing, and it shall be deemed sufficient notice if the notice is delivered to the other party at the address set forth below. Each notice or other communication shall be deemed given if sent by prepaid overnight delivery service or by certified mail, return receipt requested, postage prepaid or in any other manner, with delivery in any case evidenced by a receipt, and shall be deemed to have been given on the day of actual delivery to the intended recipient or on the business day delivery is refused. Either party may designate a new address for notice by giving written notice to the other party of such new address.

BPOZ's Notice Address:

BPOZ COLUMBIA HEIGHTS, LLC
 800 Nicollet Mall, Suite 2850
 Minneapolis, MN 55402
 Attention: Robert Lux
 Email: rclux@alatusllc.com

With a copy to:

WINTHROP & WEINSTINE, P.A.
 225 South Sixth Street
 Suite 3500
 Minneapolis, MN 55402
 Attention: John Stern
 Email: jstern@winthrop.com

City's Notice Address:

CITY OF COLUMBIA HEIGHTS
 590 40th Avenue NE
 Columbia Heights, MN 55421
 Attn: City Manager
 Email: _____

With a copy to:

BARNA, GUZY & STEFFEN, LTD.
 200 Coon Rapids Boulevard NW, #400
 Coon Rapids, MN 55433
 Attn: Timothy Erb
 Email: terb@bgs.com

12. Assignment. This Agreement and the License granted hereby are personal to the City, do not run with the land and may not be assigned by the City (nor by any of its successors or assigns) except to another governmental entity or a Permitted Affiliate. Any such assignee shall step into the shoes of and be bound as the City under this Agreement as of the date of such assignment. A true, correct and complete copy of any assignment to a governmental entity or a Permitted Affiliate shall be delivered promptly to BPOZ. Any attempted assignment by the City in violation of this Agreement shall be void unless specially consented to in writing by BPOZ. This Agreement shall be assigned by BPOZ to any purchaser of the Multifamily Unit and BPOZ shall inform such Purchaser of this Agreement and provide a copy to such Purchaser to provide such Purchaser with actual notice of this Agreement prior to conveying the Multifamily Unit.

13. Entire Agreement. This Agreement contains the entire understanding and agreement of the parties with respect to the matters set forth herein and may not be amended or otherwise modified except by written instrument signed by both BPOZ and City. Time is of the essence of each and every provision of this Agreement, but either party's failure to enforce or exercise its rights under any term, condition or covenant of this Agreement shall not be construed as a waiver of such rights or such term, covenant or condition. All recitals and exhibits referred to in this Agreement are incorporated herein by such reference and made a part of this Agreement for all purposes as if they had been set forth in the body of this Agreement.

14. Severability. If any term or provision of this Agreement is held to be or rendered invalid or unenforceable at any time in any jurisdiction, such term or provision shall not affect the validity or enforceability of any other terms or provisions of this Agreement, or the validity or enforceability of such affected terms or provisions at any other time or in any other jurisdiction.

15. Governing Law and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Minnesota. Any litigation or other court proceeding with respect to any matter arising from or in connection with this Agreement shall be conducted in the courts of the State of Minnesota, Anoka County, or the United States District Court for the District of Minnesota, and BPOZ and City each hereby submits to jurisdiction and consent to venue in such courts.

16. Estoppel Certificates. Both parties agree that they will, from time to time upon reasonable prior written request by the other party, execute and deliver to such party and such other parties as the requesting party may reasonably designate, within ten (10) business days following the request therefor, written certification, if true, that: (i) this Agreement is unmodified and in full force and effect (or if there have been modifications, that the same are in full force and effect as modified), (ii) that to the knowledge of the party proving the estoppel certificate there are no defaults under this Agreement (or specifying any claimed defaults), or (iii) certifying as to payments of fees being current (or specifying any claimed deficiency).

17. Prevailing Party. If any litigation or other court action, arbitration or similar adjudicatory proceeding is sought, taken, instituted or brought by BPOZ or City to enforce its rights under this Agreement, the prevailing party will be entitled to recover its fees, costs and expenses, including, without limitation, reasonable attorneys' fees and court costs. For purposes of this Agreement, a prevailing party is a party who receives substantially the relief sought whether by judgment, summary judgment, dismissal, or otherwise.

18. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall constitute an original instrument, but all of which shall constitute one and the same agreement. Counterparts may be delivered via facsimile, electronic mail (including .pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

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[Signature pages follow]

IN WITNESS WHEREOF, BPOZ and the City have executed this Agreement as of the Effective Date first above written.

OWNER:

BPOZ Columbia Heights, LLC,
a Delaware limited liability company

By: _____
Name:
Its:

STATE OF MINNESOTA)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 20__, by _____, the _____ of BPOZ Columbia Heights, LLC, a Delaware limited liability company, on behalf of the company.

Notary Public

LICENSEE:

City of Columbia Heights,
a Minnesota municipality

By: _____
Name:
Its: Mayor

By: _____
Name:
Its: City Manager

STATE OF MINNESOTA)
)
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 20__, by _____, the Mayor of the City of Columbia Heights, a municipality under the laws of Minnesota, for and on behalf of the municipality.

Notary Public

STATE OF MINNESOTA)
)
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 20__, by _____, the City Manager of the City of Columbia Heights, a municipality under the laws of Minnesota, for and on behalf of the municipality.

Notary Public

EXHIBIT A

Rules Governing Use of Multifamily Garage

1. Thirty-eight (38) designated parking stalls on the street level of the Multifamily Garage are reserved for City employees between the hours of 7:30 a.m. and 5:00 p.m. Tenants of the apartment project utilizing such spaces during those hours may be towed.
2. Between the hours of 5:01 p.m. and 7:29 a.m. those same thirty-eight (38) stalls on the street level of the Multifamily Garage are reserved for residents of the apartment project. City employees or others utilizing such stalls during those hours may be towed.
3. Trash and recycling must be disposed of in containers in the Multifamily Garage marked therefor.
4. Motorists must exercise caution when operating motor vehicles in, and upon entering and leaving, the Multifamily Garage. Vehicles should be driven with the lights on and at a reasonable speed commensurate with apparent hazards and the prevailing conditions. A maximum speed of 10 miles per hour is considered reasonable.
5. Horns may not be sounded except as necessary for safe operation.
6. Parking Stalls are designed and intended for use by standard size automobiles only. Parking of oversized vehicles, such as trucks, large sport utility vehicles or the like, may be restricted, prohibited or unavailable. All vehicles shall be parked within the boundaries of striped parking stalls and not needlessly close to adjacent parking stalls. Vehicles may not be parked in such a manner as to interfere with the driving lanes or the ability of others to park or open their vehicle doors.
7. Personal property, including but not limited to, trailers, boats, recreational equipment or “auxiliary” transportation devices, may not be parked or stored in the Multifamily Garage.
8. Access to the Multifamily Garage is via a common garage door utilizing a remote access system. Motorists are asked to take particular care when entering or leaving the Multifamily Garage area, for security reasons.
9. Except for emergency repairs, no mechanical work of any kind may be done in the Multifamily Garage to a motor vehicle. Motorists are responsible for the prompt clean up and removal of any oil, grease, or other fluids spilled or leaked on the garage floor. The cost of any specialized cleaning required will be assessed to the responsible tenant or licensee.
10. Inoperative or unlicensed vehicles or recreational equipment may not be left anywhere in the Multifamily Garage. In the event a vehicle should suddenly become inoperable and be unable to vacate a space shared between the City and the multifamily apartment project, motorists should contact the management agent named below who will allow a reasonable time for the vehicle to be safely towed for service or otherwise repaired.

11. Parking in the Garage may be limited during maintenance or repair of the Garage.
Motorists are responsible for moving vehicles and any personal items on a temporary basis for Garage maintenance as requested by the owner of the Multifamily Garage or its management agent.
12. All vehicles must be licensed or registered, must have current registration and license tags, as applicable.
13. Violators' motor vehicles (or other personal property) are subject to towing or removal by the management agent without notice to the owner of the vehicle or personal property. Neither the owner of the Multifamily Garage nor its management agent will be responsible for any cost or damage caused to any vehicle or personal property due to towing or removal.
14. In the event that a fob or permit is lost or stolen, the vehicle's owner must contact management immediately so the fob or permit can be deactivated. A new replacement fob or permit can be replaced for a fee of \$25.
15. Electric Vehicle Charging Stations.
 - a. A motorist who owns a hybrid or electric vehicle that requires charging must connect to the electrical service panel specifically installed for electric vehicles. See the management agent for the electric vehicle policy for procedures and costs for installation and use.
 - b. To use electrical service, outlets, or other fixtures in a Multifamily Garage stall, motorists must obtain prior written approval from the management agent. All costs related to the use of electrical service, outlets, and fixtures are the responsibility of the vehicle's owner.
16. The management agent can be contacted at:

First Service Residential
(952) 277-2700
(Telephones Answered 24 Hours a Day)

EXHIBIT M
FORM OF VOTING AGREEMENT

VOTING AGREEMENT

FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, BPOZ COLUMBIA HEIGHTS, LLC has created a 2-unit condominium located in Columbia Heights, Minnesota for the purpose of housing its multifamily apartment project in one unit and offices to serve as the City Hall for Columbia Heights in the other. As part of the basis of the bargain upon which the sale of one unit to the City of Columbia Heights, a municipality under the laws of Minnesota, nonprofit corporation is based, the undersigned hereby irrevocably agree as follows:

1. The undersigned are all of the members of The Heights Owners Association, a Minnesota nonprofit corporation under the Minnesota Statutes Chapter 317A (the “**Association**”) by virtue of owning a condominium unit (each a “**Unit**”) within Common Interest Community No. ____, The Heights, a condominium (the “**CIC**”), Anoka County, Minnesota, created by the Declaration for Common Interest Community No. ____, The Heights, a condominium, dated ____, and filed of record with the Anoka County Registrar of Titles on ____, as Document No. ____ (the “**Declaration**”).
2. Irrespective of any provision of Minnesota Statutes Chapter 515B (the “**Act**”) to the contrary, and in accordance with the Declaration and the articles and bylaws of the Association, the owner of Unit 1 within the CIC (the “**Commercial Unit**”) shall have the right to appoint one natural person to the board of directors of the Association, and the Owner of Unit 2 within the CIC (the “**Multifamily Unit**”) shall have the right to appoint two natural persons to the board of directors. Each director shall have equal rights and preferences, all regardless of whether one or more Units is owned by, or owned by an affiliate of, the declarant under the Declaration.
3. In any vote held on whether to allow representatives designated by the declarant or an affiliate of the declarant to hold a majority of seats on the board of directors of said Association, the City will cast its votes in favor of so allowing such representatives to serve.
4. This Voting Agreement and the Declaration and Bylaws are the complete agreements between the undersigned concerning the subject matter hereof, and shall be governed by the laws of the State of Minnesota.

5. This Agreement shall automatically terminate and be of no further force or effect as of the date that neither BPOZ Columbia Heights, LLC, nor any of its affiliates, or the City of Columbia Heights, nor any of its affiliates, has a fee interest in a Unit within the CIC.

City of Columbia Heights,
a Minnesota municipality

By _____
Its Mayor

And by _____
Its City Manager

BPOZ Columbia Heights, LLC, a
Minnesota limited liability company

By _____
Its

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EXHIBIT N

FORM OF AGREEMENT REDUCING STATUTE OF LIMITATIONS

[RESERVED FOR RECORDING DATA]

AGREEMENT REDUCING STATUTE OF LIMITATIONS

THE HEIGHTS

A Condominium

Common Interest Community Number [#]

This Agreement is made by and between BPOZ COLUMBIA HEIGHTS, LLC, a Delaware limited liability company, as “**Transferor**”, and the CITY OF COLUMBIA HEIGHTS, a Minnesota municipal corporation, as “**Transferee**” as of the ____ day of _____, 20__.

In consideration for certain land in Anoka County, Minnesota, conveyed by Transferee and the Columbia Heights Economic Development Authority to Transferor pursuant to the Purchase and Development Contract, Transferor dated _____, 2020, Transferor, among other things, formed upon said land Common Interest Community No. [#], a Condominium, The Heights (the “**CIC**”), and, pursuant to a City Hall Transfer Agreement between the parties hereto, dated _____, 2020 (the “**Transfer Agreement**”), contemporaneously herewith reconveyed to Transferee a unit in the CIC legally described as follows (the “**Unit**”):

See Exhibit A attached hereto and hereby made a part hereof.

The CIC is subject to the Minnesota Common Interest Ownership Act codified in Minnesota Statutes Chapter 515B (“**MCIOA**”).

MCIOA §§ 515B.4-112 and 515B.4-113, copies of which are attached hereto as Exhibit B and hereby made a part hereof, impose certain statutory warranties which, under MCIOA § 515B.4-114, are capable of being waived, modified and/or excluded in transactions involving units restricted to nonresidential uses.

NOW, THEREFORE, the parties hereto hereby acknowledge and agree as follows:

- (1) This Agreement constitutes part of the basis of the bargain for which Transferor has contemporaneously conveyed title to the Unit to Transferee.

- (2) The CIC, and the Units within the CIC, are restricted by the Declaration for Common Interest Community Number ____, The Heights, recorded in the Office of the Registrar of Titles in and for Anoka County, Minnesota as Document No. T_____ to nonresidential uses. Specifically, no part of the CIC may be used for “residential use” as defined by Minnesota Statutes § 515B.1-103(30).
- (3) Transferor agrees to be bound by the MCIOA Warranties, but only if and to the extent that Transferee commences a legal action for breach of the MCIOA Warranties within one (1) year after the date the cause of action accrues pursuant to MCIOA § 515B.4-1152(c), and any statute of limitations on asserting a claim under the MCIOA Warranties is hereby reduced from six (6) years to one (1) year after such cause of action accrues. Thereafter, the MCIOA Warranties shall have no further force or effect.
- (4) Any challenge to the foregoing reduction of the statute of limitation by Transferee shall be conclusively deemed a complete waiver of and void all MCIOA Warranties.
- (5) This Agreement is subject to any further reduction in the statute of limitations as set forth in Section 23 of the Transfer Agreement.
- (6) This Agreement and the Transfer Agreement constitute the complete agreement between the parties as to the subject matter hereof and supersede any and all other oral or written agreements, negotiations, understandings and representations between the parties as to the same. There are no verbal or written side agreements that change this Agreement.
- (7) This Agreement has been made under the laws of the State of Minnesota, and such laws will control its interpretation and effect.
- (8) This Agreement shall survive the closing of the transfer of the Unit from Transferor to Transferee transaction, shall not merge with the deed given to Transferee, and shall run with the land and be binding on the parties, their successors and assigns. Transferee consents to the recordation of this Agreement with the Registrar of Titles in and for Anoka County, Minnesota.

[The balance of this page is intentionally left blank.]

TRANSFEROR:

BPOZ COLUMBIA HEIGHTS, LLC

By: _____
Its: _____

And by: _____
Its: City Manager

[illegible]

The foregoing instrument was acknowledged before me this _____ day of _____, 20__, by _____ the Mayor of the City of Columbia Heights, Minnesota, a Minnesota municipal corporation, for and on behalf of the municipality.

Notary Public
My Commission Expires: _____

[illegible]

The foregoing instrument was acknowledged before me this _____ day of _____, 20__, by _____ the City Manager of the City of Columbia Heights, Minnesota, a Minnesota municipal corporation, for and on behalf of the municipality.

Notary Public
My Commission Expires: _____

[illegible]

The foregoing instrument was acknowledged before me this _____ day of _____, 20__, by _____, the _____ of BPOZ Columbia Heights, LLC, a Delaware limited liability company, on behalf of the company.

Notary Public
My Commission Expires: _____

THIS INSTRUMENT WAS DRAFTED BY:

Winthrop & Weinstine, P.A.
225 South Sixth Street, Suite 3500
Minneapolis, Minnesota 55402-4629
(612) 604-6400

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EXHIBIT A

Legal Description of Unit

Unit No. 1, Common Interest Community No. [#], The Heights Condominium, Anoka County, Minnesota, together with all hereditaments and appurtenances.

EXHIBIT B

MCIOA Warranties

515B.4-112 EXPRESS WARRANTIES.

(a) Express warranties made by a declarant or an affiliate of a declarant to a purchaser of a unit, if reasonably relied upon by the purchaser, are created as follows:

(1) Any affirmation of fact or promise which relates to the unit; use of the unit; rights appurtenant to the unit; improvements to the common interest community that would directly benefit the purchaser or the unit; or the right to use or have the benefit of facilities which are not a part of the common interest community, creates an express warranty that the unit and related rights and uses will conform to the affirmation or promise.

(2) Any model or description of the physical characteristics of a unit or the common interest community, including plans and specifications of or for a unit or other improvements located in the common interest community, creates an express warranty that the unit and the common interest community will conform to the model or description. A notice prominently displayed on a model or included in a description shall prevent a purchaser from reasonably relying upon the model or description to the extent of the disclaimer set forth in the notice.

(3) Any description of the quantity or extent of the real estate comprising the common interest community, including plats or surveys, creates an express warranty that the common interest community will conform to the description, subject to customary tolerances.

(b) Neither the form of the word "warranty" or "guaranty," nor a specific intention to make a warranty, are necessary to create an express warranty of quality, but a statement purporting to be merely an opinion or commendation of the real estate or its value does not create a warranty.

(c) Any conveyance of a unit transfers to the purchaser all express warranties.

515B.4-113 IMPLIED WARRANTIES.

(a) A declarant warrants to a purchaser that a unit will be in at least as good condition at the earlier of the time of the conveyance or delivery of possession as it was at the time of contracting, reasonable wear and tear excepted.

(b) A declarant warrants to a purchaser that:

(1) a unit and the common elements in the common interest community are suitable for the ordinary uses of real estate of its type; and

(2) any improvements subject to use rights by the purchaser, made or contracted for by the declarant, or made by any person in contemplation of the creation of the common interest community, will be (i) free from defective materials and (ii) constructed in accordance with applicable law, according to sound engineering and construction standards, and in a workmanlike manner.

(c) In addition, a declarant warrants to a purchaser of a unit which under the declaration is available for residential use that the residential use will not violate applicable law at the earlier of the time of conveyance or delivery of possession.

(d) Warranties imposed by this section may be excluded or modified only as specified in section [515B.4-114](#).

- (e) For purposes of this section, improvements made or contracted for by an affiliate of a declarant are made or contracted for by the declarant.
- (f) Any conveyance of a unit transfers to the purchaser all implied warranties.
- (g) This section does not in any manner abrogate the provisions of chapter [327A](#) relating to statutory warranties for housing, or affect any other cause of action under a statute or the common law.
- (h) A development party shall not have liability under this section for loss or damage caused by the failure of the association or a unit owner to comply with obligations imposed by section [515B.3-107](#), unless the loss or damage is caused by failure to comply with section [515B.3-107](#) while the declarant controlled the board.

CITY COUNCIL MEETING

AGENDA SECTION	CONSENT
MEETING DATE	DECEMBER 11, 2023

ITEM:	Replacement of Portable Welder.								
DEPARTMENT: Public Works	BY/DATE: Interim Public Works Director / November 17, 2023								
<p>CORE CITY STRATEGIES: <i>(please indicate areas that apply by adding an "X" in front of the selected text below)</i></p> <table> <tr> <td><input type="checkbox"/> Healthy and Safe Community</td> <td><input type="checkbox"/> Thriving and Vibrant Destination Community</td> </tr> <tr> <td><input type="checkbox"/> Equitable, Diverse, Inclusive, and Friendly</td> <td><input checked="" type="checkbox"/> Strong Infrastructure and Public Services</td> </tr> <tr> <td><input type="checkbox"/> Trusted and Engaged Leadership</td> <td><input type="checkbox"/> Sustainable</td> </tr> </table>				<input type="checkbox"/> Healthy and Safe Community	<input type="checkbox"/> Thriving and Vibrant Destination Community	<input type="checkbox"/> Equitable, Diverse, Inclusive, and Friendly	<input checked="" type="checkbox"/> Strong Infrastructure and Public Services	<input type="checkbox"/> Trusted and Engaged Leadership	<input type="checkbox"/> Sustainable
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<input type="checkbox"/> Equitable, Diverse, Inclusive, and Friendly	<input checked="" type="checkbox"/> Strong Infrastructure and Public Services								
<input type="checkbox"/> Trusted and Engaged Leadership	<input type="checkbox"/> Sustainable								

BACKGROUND: Unit 0337 is a portable Miller welder acquired in 1978. For over four decades this unit has been instrumental in servicing a wide range of municipal equipment, especially in situations where transporting large or heavy machinery to the welding bay of the Municipal Service Center is not feasible. Its primary role has been to provide on-site repairs, a critical function that ensures the uninterrupted operation of our city's equipment.

SUMMARY OF CURRENT STATUS: Due to age and the unavailability of replacement parts, Unit 0337 has reached a point where it no longer meets the operational demands, or the technological advancements required for efficient and effective field service.

STAFF RECOMMENDATION: Pricing was received from three vendors. Staff strongly recommends the acquisition of the Miller Trailblazer 302 Air Pak from Central McGowan. This equipment is not just a replacement for our aged mobile welder, but a significant upgrade, offering capabilities currently absent in our city shop. It is a comprehensive, state-of-the-art tool that adeptly combines welding, air compression, and both 12 and 24 volt battery charging functions. This is particularly crucial for servicing the city's electric vehicles, for which we presently have no jump-starting equipment.

The multifunctional nature and advanced features of the Miller Trailblazer 302 Air Pak are precisely what our municipal operations need to keep pace with modern requirements.

RECOMMENDED MOTION(S):
MOTION: Move to authorize purchase of a Miller Trailblazer 302 Air Pak from Central McGowan in the amount of \$20,082.19 with funding from 701.9950.45180.

**CITY COUNCIL MEETING**

AGENDA SECTION	CONSENT AGENDA
MEETING DATE	DECEMBER 11, 2023

ITEM:	Approval of Contract with Baker Tilly to Conduct a Search for City Manager.		
DEPARTMENT: Administration		BY/DATE: Kelli Wick / December 7, 2023	
CORE CITY STRATEGIES: <i>(please indicate areas that apply by adding an "X" in front of the selected text below)</i>			
<input type="checkbox"/> Healthy and Safe Community		<input type="checkbox"/> Thriving and Vibrant Destination Community	
<input type="checkbox"/> Equitable, Diverse, Inclusive, and Friendly		<input type="checkbox"/> Strong Infrastructure and Public Services	
<input type="checkbox"/> Trusted and Engaged Leadership		<input type="checkbox"/> Sustainable	

BACKGROUND:

The City received three proposals from executive search firms to conduct a nationwide search for a City Manager, and assist in the hiring process. Following the proposal review, the City Council conducted interviews of two of those firms. By consensus the city council recommended entering into an agreement with Baker Tilly.

RECOMMENDED MOTION(S):

MOTION: Move to approve contract with Baker Tilly to conduct a search for City Manager.

ATTACHMENT(S):

Baker Tilly Contract



December 7, 2023

Kelli Wick, Human Resources Director
City of Columbia Heights
3989 Central Avenue Northeast
Columbia Heights, MN 554221

Dear Kelli:

This letter agreement (the “Agreement”) documents the City of Columbia Heights’ (“you/r” or “Client”) engagement of Baker Tilly US, LLP (“we” or “Baker Tilly”) to conduct an executive search for a City Manager (the “Project”). This Agreement defines our and your respective obligations for the Project.

Scope, Objectives and Approach

A team approach, which uses a combination of your personnel and ours, is critical to the success of the Project. Your organization and its team members bring the knowledge of your particular needs and we bring a deep understanding of public sector executive recruitment and selection practices.

PHASE	DESCRIPTION OF BAKER TILLY’S PROFESSIONAL SERVICES
Phase I	<p><u>Task 1</u> – Develop the candidate profile and define the advertising and marketing strategy.</p> <p><u>Task 2</u> – Identify qualified candidates that meet the profile.</p>
Phase II	<p><u>Task 3</u> – Screen and submit list of recommended semi-finalists to client.</p> <p><u>Task 4</u> – Conduct reference checks, and academic verifications. A criminal and/or credit history report may also be conducted at this Phase or at the conclusion of Phase III, as specified by you.</p>
Phase III	<p><u>Task 5</u> – Final process/interviews with finalists.</p> <p><u>Task 6</u> – Assist Client in making offer, which may be made contingent upon the successful completion of a background check as specified by you.</p>
Conclusion	Acceptance of offer by candidate.

Project Timing and Budget

The Project will commence upon your execution of this Agreement and will remain in effect for the period necessary for successful completion of the Project.

1. Patty Heminover will lead the Project, and other professionals will be involved as required. The all-inclusive professional fee to complete the Project is \$26,950 (the “Fee”) and includes the cost of professional services by the Project Team Leader and the project support staff, and all project-related expenses such as advertising, printing, candidate background and reference checks, and travel expenses for on-site visits by the Project Team Leader. Travel expenses incurred by candidates for on-site interviews with the Client are not the responsibility of Baker Tilly and shall be handled directly by the Client. The Client will make payments upon receipt of an invoice submitted by Baker Tilly. Payment to Baker Tilly is due upon receipt.

All invoices will be forwarded to the Client for processing unless otherwise directed. For reporting purposes, Baker Tilly's tax identification number is 39-0859910.

2. The Fee will be billed in four installments; 30% of the Fee will be billed upon execution of this Letter; 30% at the implementation of Phase I; 30% at the implementation of Phase II; and the final 10% upon acceptance of offer by the candidate. The Fee is not contingent. If you terminate this engagement before completion, Baker Tilly shall invoice you for any unpaid portion of the Fee.
3. If Client requests Baker Tilly to perform additional services beyond the services described above, such as conducting an employee/community survey or making additional on-site visits, such additional services shall result in additional fees. For an employee/community survey, the additional fee shall be \$1650. For additional on-site visits (beyond the three on-site visits which include four consulting days), the additional fee would be an hourly rate of \$275 plus expenses.

Baker Tilly's Guarantees

1. Baker Tilly shall remain on the Project until you find a candidate to hire. If you are unable to make a selection from the initial group of semifinalists or finalists, Baker Tilly will work to identify additional candidates for your selection.
2. We promise that if the candidate you select is terminated or resigns within 12 months from being hired, Baker Tilly will conduct an additional search for you for no additional professional fee, but only for project-related expenses. Internal candidates selected from within your organization do not qualify for this guarantee. Except as stated above, Baker Tilly cannot guarantee the success of any candidate or guarantee that he or she shall perform to your expectations, as those things are beyond Baker Tilly's control.
3. Baker Tilly will not solicit the candidate you select for any other position while the candidate is employed by your organization.
4. When Baker Tilly obtains a criminal or credit history report on the candidates, Baker Tilly shall comply with the Fair Credit Reporting Act (the "FCRA") in obtaining the reports. Baker Tilly cannot guarantee the completeness or accuracy of the information in the reports.
5. In identifying and screening candidates, Baker Tilly will not discriminate against any candidate on the basis of age, race, creed, color, religion, sex, sexual orientation, national origin, disability, marital status, or any other basis that is prohibited by federal, state, or local law. Proactively, we shall make a good faith effort to include a diverse pool of qualified candidates in our search assignments.

Client's Obligations

1. You agree that you are responsible for candidate selections and that you will not discriminate against any candidate on the basis of age, race, creed, color, religion, sex, sexual orientation, national origin, disability, marital status, or any other basis that is prohibited by federal, state or local law.
2. If you decide to not hire a candidate as a result of a criminal or credit history report, you agree to comply with the FCRA with regard to any pre- or post-adverse action notices and requirements.
3. You agree to respond to drafts of documents and reports in a timely manner. Failure to do so on your part will protract timelines and can negatively influence the outcome of the process.

Management's Responsibilities

It is understood that Baker Tilly will serve in an advisory capacity with Client. The Client is responsible for management decisions and functions, and for designating an individual with suitable skill, knowledge, or

experience to oversee the services we provide. The Client is responsible for evaluating the adequacy and results of the services performed and accepting responsibility for such services. The Client is responsible for establishing and maintaining internal controls, including monitoring ongoing activities.

The procedures we perform in our engagement will be heavily influenced by the representations that we receive from Client personnel. Accordingly, false representations could cause material errors to go undetected. The Client, therefore, agrees that Baker Tilly will have no liability in connection with claims based upon a failure to detect material errors resulting from false representations made to us by any Client personnel and our failure to provide an acceptable level of service due to those false representations.

The ability to provide services according to timelines established and at fees indicated will rely in part on receiving timely responses from the Client. The Client will provide information and responses to deliverables within the timeframes established in this Agreement unless subsequently agreed otherwise in writing.

The responsibility for auditing the records of Client rests with the Client's separately retained auditor and the work performed by Baker Tilly shall not include an audit or review of the records or the expression of an opinion on financial data.

Terms and Conditions

1. To the extent allowed under applicable law, the aggregate liability (including attorney's fees and all other costs) of either party and its present or former partners, principals, agents or employees to the other party related to the services performed under this Agreement shall not exceed the fees paid to Baker Tilly under the portion of this Agreement to which the claim relates, except to the extent finally determined to have resulted from the gross negligence, willful misconduct or fraudulent behavior of the at-fault party. Additionally, in no event shall either party be liable for any lost profits, lost business opportunity, lost data, consequential, special, incidental, exemplary or punitive damages, delays or interruptions arising out of or related to this Agreement even if the other party has been advised of the possibility of such damages.
2. Each party recognizes and agrees that the warranty disclaimers and liability and remedy limitations in this Agreement are material bargained for bases of this Agreement and that they have been taken into account and reflected in determining the consideration to be given by each party under this Agreement and in the decision by each party to enter into this Agreement.
3. Neither this Agreement nor any rights or obligations hereunder shall be assigned or delegated by Baker Tilly without your prior written consent. This Agreement shall be modified only by a written agreement duly executed by you and Baker Tilly. Should any of the provisions hereunder be found to be invalid, void, or voidable by a court, the remaining provisions shall remain in full force and effect.
4. Copies of all hard copy documents associated with the recruitment will be retained for three (3) years from the anniversary date of the hiring of the candidate. Retention of records beyond three (3) years must be requested in writing before the conclusion of the Project.
5. Baker Tilly US, LLP is an independent member of Baker Tilly International. Baker Tilly International Limited is an English company. Baker Tilly International provides no professional services to clients. Each member firm is a separate and independent legal entity, and each describes itself as such. Baker Tilly US, LLP is not Baker Tilly International's agent and does not have the authority to bind Baker Tilly International or act on Baker Tilly International's behalf. None of Baker Tilly International, Baker Tilly US, LLP, nor any of the other member firms of Baker Tilly International has any liability for each other's acts or omissions. The name Baker Tilly and its associated logo is used under license from Baker Tilly International Limited.

If this Agreement correctly sets for your understanding, please sign below, and return one copy to us for our files. We look forward to working with you on this important project.

[Signature page follows]

Sincerely,

Anne Lewis, Practice Leader | Director

Client Signature:

Name: _____

Title: _____

Date: _____

THIS IS NOT AN INVOICE

Order Form
Prepared for
Columbia Heights, MN

Granicus Proposal for Columbia Heights, MN

ORDER DETAILS

Prepared By: Astrid Xu
Phone:
Email: astrid.xu@granicus.com
Order #: Q-319658
Prepared On: 07 Dec 2023
Expires On: 31 Oct 2023

ORDER TERMS

Currency: USD
Payment Terms: Net 30 (Payments for subscriptions are due at the beginning of the period of performance.)
Current Subscription End Date: 31 Oct 2023
Initial Order Term End Date: 31 Dec 2026
Period of Performance: 01 Nov 2023 - 31 Dec 2024

PRICING SUMMARY

The pricing and terms within this Proposal are specific to the products and volumes contained within this Proposal.

Renewing Subscription Fees					
Solution	Period of Performance	Billing Frequency	Quantity/ Unit	Annual Fee	Prorated Fee
CaptionPM	01 Jan 2024 - 31 Dec 2024	Annual	1 Hours	\$8,570.70	\$8,570.70
Avior™ 50	01 Nov 2023 - 31 Dec 2024	Annual	1 Each	\$21,763.80	\$25,391.10
EASE™ 50	01 Nov 2023 - 31 Dec 2024	Annual	1 Each	\$0.00	\$0.00
SUBTOTAL:				\$30,334.50	\$33,961.80

FUTURE YEAR PRICING

Solution(s)	Period of Performance	
	01 Jan 2025 - 31 Dec 2025	01 Jan 2026 - 31 Dec 2026
CaptionPM	\$9,170.65	\$9,812.59
Avior™ 50	\$23,287.27	\$24,917.37
EASE™ 50	\$0.00	\$0.00
SUBTOTAL:	\$32,457.92	\$34,729.96

PRODUCT DESCRIPTIONS

Solution	Description
CaptionPM	CaptionPM - Post Meeting/Event Captioning Service in English, per hour. Video On-Demand closed captioning, with a VOD captions turnaround time of 4 - 5 business days from the end of the meeting.
Avior™ 50	AVIOR™ 50 Managed Service SaaS: Remote Switching for up to 50 meetings per year.
EASE™ 50	EASE™ 50 Managed Service SaaS: Up To 50 Indexed Meetings per year (EASE™) - Includes Media On- Demand, 24/7 LIVE Stream and up to 120 hours of additional specialty content per year (No staff involvement—Hands Free).

TERMS & CONDITIONS

- This quote, and all products and services delivered hereunder are governed by the terms located at <https://granicus.com/legal/licensing>, including any product-specific terms included therein (the "License Agreement"). If your organization and Granicus has entered into a separate agreement or is utilizing a contract vehicle for this transaction, the terms of the License Agreement are incorporated into such separate agreement or contract vehicle by reference, with any directly conflicting terms and conditions being resolved in favor of the separate agreement or contract vehicle to the extent applicable.
- If submitting a Purchase Order, please include the following language: The pricing, terms and conditions of quote Q-319658 dated 07 Dec 2023 are incorporated into this Purchase Order by reference and shall take precedence over any terms and conditions included in this Purchase Order.
- This quote is exclusive of applicable state, local, and federal taxes, which, if any, will be included in the invoice. It is the responsibility of Columbia Heights, MN to provide applicable exemption certificate(s).
- Any lapse in payment may result in suspension of service and will require the payment of a setup fee to reinstate the subscription.

BILLING INFORMATION

Billing Contact:		Purchase Order Required?	[] - No [] - Yes
Billing Address:		PO Number: <i>If PO required</i>	
Billing Email:		Billing Phone:	

If submitting a Purchase Order, please include the following language:

The pricing, terms, and conditions of quote Q-319658 dated 07 Dec 2023 are incorporated into this Purchase Order by reference and shall take precedence over any terms and conditions included in this Purchase Order.

AGREEMENT AND ACCEPTANCE

By signing this document, the undersigned certifies they have authority to enter the agreement. The undersigned also understands the services and terms.

Columbia Heights, MN	
Signature:	
Name:	
Title:	
Date:	

CITY COUNCIL MEETING

AGENDA SECTION	CONSENT AGENDA
MEETING DATE	DEC 11, 2023

ITEM:	Approval of Granicus Contract Renewal for City Council and Planning Commission Meeting Production.								
DEPARTMENT: Administration		BY/DATE: Will Rottler / Dec 7, 2023							
<p>CORE CITY STRATEGIES: <i>(please indicate areas that apply by adding an "X" in front of the selected text below)</i></p> <table border="0"> <tr> <td><input checked="" type="checkbox"/> Healthy and Safe Community</td> <td><input type="checkbox"/> Thriving and Vibrant Destination Community</td> </tr> <tr> <td><input checked="" type="checkbox"/> Equitable, Diverse, Inclusive, and Friendly</td> <td><input checked="" type="checkbox"/> Strong Infrastructure and Public Services</td> </tr> <tr> <td><input checked="" type="checkbox"/> Trusted and Engaged Leadership</td> <td><input type="checkbox"/> Sustainable</td> </tr> </table>				<input checked="" type="checkbox"/> Healthy and Safe Community	<input type="checkbox"/> Thriving and Vibrant Destination Community	<input checked="" type="checkbox"/> Equitable, Diverse, Inclusive, and Friendly	<input checked="" type="checkbox"/> Strong Infrastructure and Public Services	<input checked="" type="checkbox"/> Trusted and Engaged Leadership	<input type="checkbox"/> Sustainable
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BACKGROUND

The new City Hall Council Chambers saw a total replacement of cable broadcasting and recording equipment from existing equipment from the former City Hall.

Since 2020, Swagit LLC (now Granicus) has been recording and live streaming City Council meetings. In 2022, Granicus also started recording and live streaming Planning Commission meetings. In addition to the recording, Granicus provides captioning to help meet accessibility standards.

Live streaming, recording, and captioning are important to providing residents with access to public meetings.

Compared to in-house staffing or other local vendors, Granicus was able to offer more options to better fit the needs of streaming City meetings.

Granicus is proposing the City of Columbia Heights a three-year contract renewal to offer its services for live video production, captioning, and streaming.

COST

- Avior Production Platform Annual Fee Nov 1, 2023-Oct 31, 2024: \$21,763.80 – Prorated Fee \$25,391.10
- Avior Production Platform Annual Fee Nov 1, 2024-Oct 31, 2025: \$23,287.27
- Avior Production Platform Annual Fee Nov 1, 2025-Oct 31, 2026: \$24,917.37
- CaptionPM Annual Fee Jan 1, 2024-Dec 31, 2024: \$8,570.70
- CaptionPM Annual Fee Jan 1, 2025-Dec 31, 2025: \$9,170.65
- CaptionPM Annual Fee Jan 1, 2026-Dec 31, 2026: \$9,812.59

STAFF RECOMMENDATION

Approve the contract renewal of Granicus remote recording, broadcasting, and captioning.

RECOMMENDED MOTION(S):
MOTION: Move to approve a three (3) year contract renewal with Granicus for City Council meeting production services; and authorize the Mayor and City Manager to enter into an agreement for the same.

ATTACHMENT(S):

Granicus Quote 319658 for Columbia Heights.

CITY COUNCIL MEETING

AGENDA SECTION	CONSENT
MEETING DATE	DECEMBER 11, 2023

ITEM:	Contract for Yard Waste Collection and Hauling Services.								
DEPARTMENT: Public Works		BY/DATE: Interim Public Works Director / Refuse & Recycling Coordinator / November 30, 2023							
<p>CORE CITY STRATEGIES: <i>(please indicate areas that apply by adding an "X" in front of the selected text below)</i></p> <table> <tr> <td><input type="checkbox"/> Healthy and Safe Community</td> <td><input type="checkbox"/> Thriving and Vibrant Destination Community</td> </tr> <tr> <td><input checked="" type="checkbox"/> Equitable, Diverse, Inclusive, and Friendly</td> <td><input checked="" type="checkbox"/> Strong Infrastructure and Public Services</td> </tr> <tr> <td><input type="checkbox"/> Trusted and Engaged Leadership</td> <td><input type="checkbox"/> Sustainable</td> </tr> </table>				<input type="checkbox"/> Healthy and Safe Community	<input type="checkbox"/> Thriving and Vibrant Destination Community	<input checked="" type="checkbox"/> Equitable, Diverse, Inclusive, and Friendly	<input checked="" type="checkbox"/> Strong Infrastructure and Public Services	<input type="checkbox"/> Trusted and Engaged Leadership	<input type="checkbox"/> Sustainable
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BACKGROUND

The City of Columbia Heights provides organized yard waste (bags and bundles) hauling services to over 6,300 residential households as required by City Code Chapter 4: Municipal Services, Article VII: Garbage and Recycling Services, and further detailed in the City's Solid Waste Operating Policy. It is illegal to throw yard waste in the trash in Minnesota.

The City has picked up bagged and bundled yard waste off the curb for over 30 years. This provides a convenient way for residents to remove excess vegetative waste from lawns as there are very few drop-off options. The curbside service also helps keep the material off the street as it clogs stormwater drains and hinders street sweeping operations. Further this is a pollution prevention best practice to keep excess organic material out of the stormwater.

The City currently offers a compost cart service. However, Specialized Environmental Technologies (the composter) has informed us that **"after March of 2024 they will no longer accept our compost cart materials (mixed food organics and yard waste)"**. The city will be evaluating a new separated food organics curbside collection system by April 2024.

This contract is for collecting bags and bundles of yard waste off the street curb citywide during the season. The vendor will also empty city yard waste "only" carts at properties that request it, note prior to the compost cart there were only 400 yard waste carts in the city. This contract also specifies a service for picking up live Christmas trees (typically 100) in January.

SUMMARY OF CURRENT STATUS

An RFP was posted on October 3rd and two bids were received on November 20th. See Bid pricing comparison below.

Company	2024 Total Price
Shoreview Hunks (local College Hunks Haul Junk franchise)	\$311,900
Waste Container Systems	\$374,650

Shoreview Hunks had the best pricing and is 4% higher than the current 2023 charges. Shoreview Hunks also has experience in this work as they picked up all the yard waste in 2023. A minimum 3% increase will be automatically applied each year of the contract.

STAFF RECOMMENDATION

Staff recommends approving the contract with Shoreview Hunks, LLC for providing yard waste collection and hauling services for the next five years.

RECOMMENDED MOTION(S):

MOTION: Move to approve a 5 year contract with Shoreview Hunks LLC (a franchise of College H.U.N.K.S. Hauling Junk & Moving) for yard waste collection services; and authorize the Mayor and City Manager to enter into an agreement for the same.

ATTACHMENT(S): Yard Waste Services Contract

City of Columbia Heights Yard Waste (bagged and bundled) Collection and Hauling Services Contract

Table of Contents:

- 1. OVERVIEW:**
- 2. DEFINITIONS:**
- 3. GENERAL REQUIREMENTS:**
- 4. OTHER REQUIREMENTS:**
- 5. FAILURE TO PERFORM/TERMINATION INFORMATION:**
- 6. LEGAL AND INSURANCE REQUIREMENTS:**
- 7. PRICE SHEET:**

1. OVERVIEW:

- 1.1. This Agreement is by and between the City of Columbia Heights, Minnesota (the “City) and SHOREVIEW HUNKS LLC . As authorized by CITY OF COLUMBIA HEIGHTS, MINNESOTA CODE OF ORDINANCES CHAPTER 4: MUNICIPAL SERVICES, ARTICLE VII: GARBAGE AND RECYCLING SERVICES and further detailed in the SOLID WASTE OPERATING POLICY.
- 1.2. The length of this contract shall be from April 2024 through March 2029. The City and Contractor may elect to extend the Agreement for a one (1) year extension. The terms and conditions of this Agreement shall apply to any such Agreement extension. Nothing in this Agreement shall be interpreted to imply or infer that the City or Contractor is committing to such extension.

2. DEFINITIONS: Refer to: SWOP (Solid Waste Operating Policy)

3. GENERAL REQUIREMENTS:

3.1. Primary tasks:

- 3.1.1. Collect bags and bundles of yard waste off the street curb citywide and empty a yard waste cart for those properties that pay for the city cart.
- 3.1.2. The service will be provided during the yard waste season (first full week in April to the week after Thanksgiving). The period is further defined as a “green” season (April-September) and a “brown” season (October & November). Exact start and end dates may be changed based on snow cover.
- 3.1.3. The yard waste will be collected weekly following the city’s compost/yard waste daily schedule.
- 3.1.4. Contractor shall only take yard waste material that is acceptable to the composter and the loads must be compacted, although exemptions can be made such as during weeks of

heavy leaf loads when additional personnel and equipment may be needed

Noncompacted load exemptions must be approved by the City and requests will address the following points.

- 3.1.4.1. The contractor must prove they are maximizing the use of compact trucks they own.
- 3.1.4.2. The contractor must prove they are maximizing the grace period (see paragraph 5.1) for schedule delays and working every day the transfer station is open. All yard waste set out for pickup must be removed prior the transfer station closing date.
- 3.1.4.3. The contractor and the city will negotiate with transfer stations to find the lowest price for 'loose' yard waste loads and determine a cost share scheme if there are extra expenses beyond the compacted load fees
- 3.1.5. Provide curbside Christmas tree collection in January and coordinate with residents to schedule the pickup.
- 3.1.6. Material will be transported to Malcolm transfer station where the City has an account and will pay tipping fees directly to the composter. The city reserves the right to change disposal/processing site locations although must compensate hauler for any additional expenses they may incur.
- 3.1.7. Contractor shall also cleanup spot if material has fallen out of bags and bundles when handling them.
- 3.2. **Billing:**
 - 3.2.1. Contractor will bill the city directly for the collection and hauling services at least monthly.
 - 3.2.2. The City will only pay the service/disposal charges (as noted on price sheet) plus a fuel surcharge and any applicable taxes, but will not pay any other fees or charges.
 - 3.2.3. Contractor must notify the City if collecting material from non-contracted properties on city loads and rebate the city for tipping fees for that material.

4. **OTHER REQUIREMENTS:**

- 4.1.1. **Customer Service:** The city will provide information/notifications to the public, but the contractor must communicate with properties when directed by the City for escalated issues. Contractor will notify the city of any mass delays, and the City will in turn notify affected properties.
- 4.1.2. **Records:** Hauler will utilize the City's work order management software. Contractor will maintain service records on each property. Haulers may be required to provide monthly tonnage and customer service reports, plus any other reports or information as requested by the City.
- 4.1.3. **Audits.** The City will conduct audits of service/billing records regularly. The City may also schedule a disposal audit, if it deems necessary, to track all materials and disposal location/processes etc. the contractor will pay for the audit if issues are noted.
- 4.1.4. **Subcontracting** is generally not allowed, and it must be approved by the City.

5. **FAILURE TO PERFORM/TERMINATION INFORMATION:**

- 5.1. **Liquidated Damages/Failure to Perform:** A “liquidated damage” (financial penalty) process is included for poor performance issues that may arise and be assessed to the contractor.
- 5.1.1. Failure to respond to legitimate service complaints, or city requests for information required to be provided under this agreement within one business day in a reasonable and professional manner - fifty dollars (\$50) per incident.
- 5.1.2. Failure to perform services for a property on scheduled day-ten dollars (\$10) per incident. Contractor will have one working day (days Malcolm is open) to complete after notified of the missed pickup before taking effect.
- 5.1.3. Failure to perform services for entire block(s) on scheduled day-twenty dollars (\$20) per property that reports their material was not collected. If Contractor notifies the City of delays they will have a grace period (one working day during the green season and two days during the brown season) to finish before taking effect.
- 5.1.4. Failure to clean up spills during Collection operations - fifty dollars (\$50) per incident.
- 5.2. **Force Majeure** - Whenever a period of time is provided for in this Agreement for either the City or Contractors to do or perform any act or obligation, neither party shall be liable for any delays or inability to perform due to causes beyond the control of said party such as terrorist act, war, riot, unavoidable casualty or damage to personnel, materials or equipment, fire, flood, storm, earthquake, tornado or any act of God, strike or lockout other than their own strike or lockout. The time period for the performance in question shall be extended for only the actual amount of time said party is so delayed.
- 5.3. **Termination.**
- 5.3.1. The City can terminate this Agreement if Contractor violates the terms of this Agreement, if such violation has occurred a second time (after a Failure to Perform notice was sent for the first offense). The City will notify contractor in writing of the repeating conditions leading to the termination actions. In the event these services are not performed or are underperformed, the City may invoice the contractor for all reasonable expenses the City incurs above and beyond the amounts the City is obligated to pay for such services under this Agreement or, the City may, utilize the Performance Bond for such expenses until a new contract is executed by the City, but no longer than the term of current contract.
- 5.3.2. The City may also terminate this Agreement if Contractor fails to maintain County permits and licenses required to collect and transport MSW and/or Recyclables.

6. LEGAL AND INSURANCE REQUIREMENTS:

- 6.1. **Binding Effect.** The terms, covenants, and conditions of this Agreement shall apply to, and shall bind and inure to the benefit of the parties, their successors, and assigns.
- 6.2. **Waste Handling Responsibilities:** Upon collection of the refuse by the Contractor, the solid waste becomes the property and responsibility of the Contractor. Operations must comply with MN Statutes concerning solid waste handling regulations, plus the Anoka County Solid Waste Management Plan, and be acceptable to the City. Proposers must be licensed by Anoka County and the State of MN before award of contract.
- 6.3. **Insurance:** Contractor’s insurance must indemnify the City from accidents or problems caused by contractor operations. Must provide proof of insurance.

- 6.4. **Bond:** Contractor may be required to file a performance bond with the City.
- 6.5. **Data Practices.** Contractor agrees to comply with the Minnesota Government Data Practices Act and all other applicable state and federal laws relating to data privacy or confidentiality. Contractor must immediately report to the City any requests from third parties for information relating to this Agreement. Contractor agrees to hold the City, its officers, and employees harmless from any claims resulting from Contractor's unlawful disclosure or use of data protected under state and federal laws.

7. PRICE SHEET:

The city will pay contractor \$5,795 per week during the 2024 yard waste green season and \$10,950 per week during the brown season, and \$3.025/per cart/week, plus -\$85/Christmas tree collected in January 2025, plus a fuel surcharge when applies see below.

Fuel/Energy Surcharge Table <https://www.eia.gov/petroleum/gasdiesel/>

Price of Diesel Fuel Per Gallon Exceeds	\$5.50	\$6.00	\$6.50	\$7.00	\$7.50
Surcharge % Applied to Invoice collection services	1%	2%	3%	4%	5%

Starting for 2025 yard waste season an annual 3% increase will be added to the charges year over year. Additional increases can be requested, but work must continue to meet contract standards during negotiations.

*Does not apply to tipping/material processing fees. Will need notice from transfer station/composter for fee increases.

8. Authorized Signatories: Owner and Contractor hereby agree to the Terms stipulated in this contract.

Owner:

City of Columbia Heights, Minnesota

By:

Kevin Hansen, Interim City Manager

By:

Amáda Márquez Simula, Mayor

Attest:

Title:

Contractor:

Shoreview Hunks LLC

By:

(individual's signature)

Date:

(date signed)

Name:

Ryan Spille

Title:

Owner

(If CONTRACTOR is a corporation, a partnership, or a joint venture, attach evidence of authority to sign.)

Attest:

(individual's signature)

Title:

(typed or printed)

CITY COUNCIL MEETING

AGENDA SECTION	CONSENT
MEETING DATE	DECEMBER 11, 2023

ITEM:	Authorize the Fire Service, Emergency Medical Services and Rental Licensing program contract with the City of Hilltop.								
DEPARTMENT: Fire Department		BY/DATE: Chief Charlie Thompson / Dec 7, 2023							
<p>CORE CITY STRATEGIES: <i>(please indicate areas that apply by adding an "X" in front of the selected text below)</i></p> <table> <tr> <td><input checked="" type="checkbox"/> Healthy and Safe Community</td> <td><input type="checkbox"/> Thriving and Vibrant Destination Community</td> </tr> <tr> <td><input type="checkbox"/> Equitable, Diverse, Inclusive, and Friendly</td> <td><input checked="" type="checkbox"/> Strong Infrastructure and Public Services</td> </tr> <tr> <td><input type="checkbox"/> Trusted and Engaged Leadership</td> <td><input type="checkbox"/> Sustainable</td> </tr> </table>				<input checked="" type="checkbox"/> Healthy and Safe Community	<input type="checkbox"/> Thriving and Vibrant Destination Community	<input type="checkbox"/> Equitable, Diverse, Inclusive, and Friendly	<input checked="" type="checkbox"/> Strong Infrastructure and Public Services	<input type="checkbox"/> Trusted and Engaged Leadership	<input type="checkbox"/> Sustainable
<input checked="" type="checkbox"/> Healthy and Safe Community	<input type="checkbox"/> Thriving and Vibrant Destination Community								
<input type="checkbox"/> Equitable, Diverse, Inclusive, and Friendly	<input checked="" type="checkbox"/> Strong Infrastructure and Public Services								
<input type="checkbox"/> Trusted and Engaged Leadership	<input type="checkbox"/> Sustainable								

BACKGROUND

The current one-year contract between the City of Columbia Heights and the City of Hilltop for Emergency Medical Services (EMS) and Fire protection services is set to expire on December 31, 2023. Following a thorough review and under the guidance of the City manager, the Fire Chief examined previous contracts and formulated a comprehensive three-year contract. The proposal presented to the Hilltop City Council included an 8% increase for the year 2024 and a 4% increase for the years 2025 and 2026 when the services will be rendered. The Hilltop City Council approved this contract during a regular City Council meeting on November 20, 2023.

Furthermore, the City's agreement with the City of Hilltop to manage a rental licensing program, facilitated through the fire department, is set to expire on December 31, 2023. After a careful review, the Fire Chief and Assistant Fire Chief presented a proposal for the years 2024-2026 to maintain alignment with the EMS and Fire Protection services contract. This renewed contract will see a 4% increase in the years 2024 through 2026. The City of Hilltop gave unanimous approval to this contract during a regular City Council meeting on November 20, 2023.

RECOMMENDED MOTION(S):

MOTION: Move to authorize the Mayor and City Manager to enter into a three-year agreement for Fire suppression and EMS services contract with the city of Hilltop starting January 1, 2024, and ending December 31, 2026

MOTION: Move the authorize the Mayor and City Manager to enter into a three-year agreement for rental property licensing with the city of Hilltop starting January 1, 2024, and ending December 31, 2026

ATTACHMENT(S):

Fire Service and Emergency Medical Services contract.
Rental Licensing contract with the City of Hilltop.

**JOINT AGREEMENT AND CONTRACT
BETWEEN THE CITY OF COLUMBIA HEIGHTS
AND THE CITY OF HILLTOP
FOR RENTAL LICENSING SERVICES**

This agreement made and entered into by and between the City of Columbia Heights, hereinafter referred to as “Columbia Heights” and the City of Hilltop, hereinafter referred to as “Hilltop;”

WITNESSETH:

WHEREAS, Hilltop is desirous of contracting with Columbia Heights for the performance of various services within the Municipality related to enforcement of Hilltop’s rental licensing ordinance to include;

WHEREAS, Columbia Heights Fire Department presently provides rental licensing services in Columbia Heights; and,

WHEREAS, Columbia Heights, by and through the Columbia Heights Fire Department, is agreeable to rendering services on the terms and conditions hereinafter set forth.

THEREFORE, in consideration of the covenants herein contained the parties hereto agree as follows:

SECTION I

That During the term of the agreement, Columbia Heights by and through its Fire Department, shall furnish rental licensing services to Hilltop to the same extent as is afforded to Columbia Heights by Fire Department of Columbia Heights, with some administrative differences as provided herein.

SECTION II

That Columbia Heights Fire Department shall provide the required enforcement and administration of Hilltop’s currently adopted Rental Housing Regulations and Licensing Ordinance; work in conjunction with the Columbia Heights Police Department to enforce Crime Free Housing Program contained within the Rental Housing Regulations and Licensing; and, represent the Hilltop as its Rental Inspector.

SECTION III

This section is set forth to clarify the responsibilities of the Hilltop and Columbia Heights and to establish procedures for performing Residential Rental Housing inspection services.

A. Responsibility of Hilltop:

1. Administer the Residential Rental Housing Program.
2. Complete all periodic reports and government surveys.
3. Prosecute all violations, by and through its City Attorney, as it deems necessary and appropriate.
4. Provide Residential Rental Housing Regulation and Licensing Ordinance information to citizens and/or refer citizens to the Columbia Heights Fire Department for complaints and additional information.

B. Responsibility of Columbia Heights:

1. Perform all on-site inspections required for Rental Housing Regulation and Licensing Ordinance enforcement.
2. Bill licensees for established license fees and other program charges, collect payment, and remit collected fees and charges to Hilltop.
3. Provide inspection reports, accounting reports, and other information for the permanent records kept by Hilltop.
4. Assist in all Rental Housing Regulation and Licensing Ordinance prosecutions and/or with the fire department's time, testimony as required, and records and provide nuisance abatement services related to rental properties for Hilltop.
5. Respond to citizen inquiries and provide education to residents related to Rental Housing Regulation and Licensing Ordinance enforcement.
6. Investigate rental complaints as requested by Hilltop.
7. Recommend updating of Rental Housing Regulation and Licensing Ordinances.
8. Represent Hilltop as its Rental Inspector.
9. Serve as authority to administer and enforce the Rental Housing Regulation and Licensing Ordinance.
10. Provide Hilltop with timely reports as reasonably requested by Hilltop which include but are not limited to; a monthly summary of the inspections performed.
11. Assist Hilltop on City Rental Housing Regulation and Licensing Ordinance related issues.
12. Attend City Council Meetings, as requested, to discuss issues related to the Rental Housing Regulation and Licensing Ordinance, rental inspections, and program administration.
13. Columbia Heights shall be responsible for maintenance of required or appropriate certification and continuing education as Rental Inspector under the laws of the State of Minnesota and shall be responsible for supplying any and all technical manuals and reference materials.

14. Columbia Heights shall provide, at its sole expense, all necessary equipment, vehicles and supplies to carry out its obligations under this agreement.

SECTION IV

That as for compensation for these contracted services, Hilltop shall pay to Columbia Heights for rental licensing services as described the following covering the period corresponding thereto as described below, to-wit:

January 1, 2024, through December 31, 2024	\$16,224.00
January 1, 2025, through December 31, 2025	\$16,872.96
January 1, 2026, through December 31, 2026	\$17,547.84

SECTION V

That the contract is for a three-year term beginning January 1, 2024, and ending on December 31, 2026. Either party may terminate this Agreement effective the anniversary date of January 1 only upon material breach by the other party of the terms of this agreement and only upon five months' written notice to the other party, except as follows:

Should substantial and material changes in conditions occur which are beyond the control of either Columbia Heights or Hilltop, Hilltop and Columbia Heights agree to good faith renegotiations of the Contract terms. Should substantial or material changes occur such that performance by Columbia Heights or Hilltop becomes impossible, then this Agreement can be terminated by Columbia Heights or Hilltop upon five months (5 months) written notice by either city and remit to Hilltop a prorated amount of the contract fee.

That Columbia Heights may terminate this Agreement upon forty-five (45) days' written notice when any annual payment required by Hilltop has not been received by Columbia Heights during normal business hours thirty (30) calendar days after January 1. Payments made thirty (30) days after January 1, but prior to the forty-five (45) days' notice of cancellation, shall void the cancellation.

SECTION VI

That Hilltop shall pay the contract compensation in full upon commencement of the contract. Payment made after the due date shall bear interest at the rate of 8% on the delinquent balance until paid.

SECTION VII

That Hilltop shall indemnify Columbia Heights and hold it harmless from all claims, actions, suits, proceedings, costs, expenses, damages, and liabilities arising out of rental licensing services furnished by Columbia Heights to Hilltop. However, such indemnification liability of Hilltop to Columbia Heights shall specifically exclude workers' compensation claims, motor vehicle no-fault claims (PIP), health and medical care costs for Columbia Heights employees.

Hilltop has obtained insurance coverage from LMCIT to cover this contractual liability. Hilltop's liability to Columbia Heights shall be limited to the coverage afforded by this insurance policy, except that the \$10,000.00 deductible provision of the policy shall not apply to Hilltop's responsibility to indemnify Columbia Heights. Hilltop shall name Columbia Heights as a certificate holder on said insurance policy, and the policy shall bear a provision that requires that insurer give Columbia Heights not less than thirty (30) days' written notice of termination, cancellation, or any change in coverage under the policy. The cancellation provision may not bear a disclaimer limiting the obligation of the insurer to only "endeavor" to give notice and may not contain a disclaimer that the insurer shall bear no responsibility by failing to provide such notice.

Columbia Heights shall have the right to examine and inspect any policies of insurance issued to cover Hilltop's contractual liability established by this Agreement, including the first policy to be issued hereunder. Columbia Heights shall further have the right to demand reasonable assurances from Hilltop's insurers that Hilltop's insurers will not attempt to invalidate the indemnity provisions of the contract.

Hilltop agrees to use its best efforts to maintain the same or similar liability insurance during the term of this Agreement.

This Agreement to indemnify and hold harmless does not constitute a waiver by either Columbia Heights or Hilltop of limitations on liability provided by Minnesota Statutes, Chapter 466.

SECTION XI

Notwithstanding any provision herein to the contrary, in the event that Hilltop fails to maintain and furnish to Columbia Heights required policies of insurance as satisfactory to Columbia Heights or if Hilltop's insurer fails to provide the assurances required, Columbia Heights may at any time during the term of this Agreement terminate this Agreement effective upon sixty (60) days' written notice to Hilltop.

SECTION XII

Columbia Heights and Hilltop agree to resolve all disputes among them arising from this Agreement by arbitration and without the time and expense associated with court proceedings, pursuant to the terms of the Minnesota Arbitration Act, Minnesota Statutes Chapter 572, et seq., and in agreeing to refrain from bringing suit against each other for the duration of this Agreement, the arbitration established by this Agreement shall be conducted according to the rules of the American Arbitration Association.

[Signature page to follow]

IN WITNESS WHEREOF, the parties have duly executed this Agreement by their duly authorized officers and caused their respective seals to be hereunto affixed.

Dated this _____ day of _____, 20__.

Approved as to form:

CITY OF COLUMBIA HEIGHTS
A Municipal Corporation

By _____
Jim Hoeft, City Attorney

By _____
Amáda Márquez Simula, Mayor
For Columbia Heights

and _____
Kevin Hansen, Interim City Manager

Approved as to form:

CITY OF HILLTOP
A Municipal Corporation

By Peggy Larkin
Peggy Larkin, City Attorney

By Terry Wiggin
Terry Wiggin, Mayor
For Hilltop

and Ruth Nelsen
Ruth Nelsen, City Clerk

**JOINT AGREEMENT AND CONTRACT
BETWEEN THE CITY OF COLUMBIA HEIGHTS
AND THE CITY OF HILLTOP
FOR FIRE FIGHTING AND
EMERGENCY MEDICAL SERVICES**

This agreement made and entered into by and between the City of Columbia Heights, hereinafter referred to as "Columbia Heights" and the City of Hilltop, hereinafter referred to as "Hilltop;"

WITNESSETH:

WHEREAS, Columbia Heights presently has a Fire Department suitably equipped for firefighting and emergency medical service;

WHEREAS, Hilltop has no adequate firefighting equipment of its own and desires to obtain the use of Columbia Heights equipment as well as the services of its firefighters, instructors, inspectors, and emergency medical responders for the properties and persons within the territorial limits of Hilltop, Anoka County, Minnesota.

THEREFORE, in consideration of the covenants herein contained the parties hereto mutually agree as follows:

SECTION I

That Columbia Heights shall furnish to Hilltop firefighting services and emergency medical services to the same extent as it is afforded to properties and persons in the City of Columbia Heights by the fire department of Columbia Heights, including fire suppression, Minnesota State Fire Code inspections, emergency medical services, and fire education programs in schools, and public education, including all administration and capital costs associated with said services.

SECTION II

That as and for compensation, Hilltop shall pay to Columbia Heights for firefighting and emergency medical services the following amount covering the period corresponding thereto as described below, to-wit:

January 1, 2024, through December 31, 2024	\$94,813.65
January 1, 2025, through December 31, 2025	\$98,606.19
January 1, 2026, through December 31, 2026	\$102,550.44

This contract price includes any annual capital contributions for equipment.

SECTION III

That the contract is for a three-year term beginning January 1, 2024, and ending on December 31, 2026. Either party may terminate this Agreement for substantial and material breach of the terms of this Agreement upon five (5) months' prior written notification to the other party.

That Columbia Heights may terminate this Agreement upon forty-five (45) days' written notice when any semi-annual fee required to be paid by Hilltop has not been received by Columbia Heights during the normal business hours thirty (30) calendar days after July 31 and December 31, respectively. Payments made thirty (30) calendar days after July 31 and after December 31, respectively, but prior to the forty-five (45) days' notice of cancellation, shall void the cancellation. Further, should substantial and material changes in conditions occur which are beyond the control of the City of Columbia Heights such that performance by Columbia Heights becomes impossible, then this Agreement can be terminated by Columbia Heights upon five (5) months' written notice to Hilltop.

SECTION IV

Payment adjustments for following contract terms shall be based on per capita calculations based on the respective populations of Columbia Heights and Hilltop, including changes in populations, the Columbia Heights Fire Department budget, and taking into account actual equipment purchases minus any state and federal grants, aid, or contributions. Population figures for Hilltop and Columbia Heights shall be based on the most recent population figures compiled by the Metropolitan Council.

On the effective date of this Agreement, the parties hereto have had discussions about forming an Emergency Medical Services Taxing District (EMS District) covering the corporate boundaries of Columbia Heights and Hilltop. If an EMS District is created during the term of this Agreement, any tax revenue generated from Hilltop will be used to reduce Hilltop's contract costs as set forth in Section II hereof.

Costs assessed of the City of Hilltop associated with the Anoka County Fire Protection Council Join Powers Agreement and the Anoka County Public Safety Data System are not included in the terms of this contract.

SECTION V

That where deemed necessary by statute or by law enforcement agencies, arson investigation services shall be rendered by Columbia Heights to Hilltop. Said services shall be rendered at a rate of Forty-Five and no/100 dollars (\$45.00) per hour, plus expenses incurred by Columbia Heights for gathering and processing evidence. Columbia Heights shall notify Hilltop

in advance should estimated arson investigation services and expenses exceed Five Hundred and no/100 dollars (\$500.00) per investigation.

That where deemed necessary by the Fire Chief of Columbia Heights, if present and available, or the next in command or the chief's agent, expenses incurred from emergency abatement for the health and safety of residents or to secure property shall be rendered to Columbia Heights by the City of Hilltop at the actual costs of the emergency abatement.

SECTION VI

That payments of fees under the term of this contract shall be due and payable by Hilltop to Columbia Heights as follows:

January 1, 2024	\$47,406.82
July 1, 2024	\$47,406.83
January 1, 2025	\$49,303.09
July 1, 2025	\$49,303.10
January 1, 2026	\$51,275.22
July 1, 2026	\$51,275.22

Payment made after the due date shall bear interest at the rate of 8% on the delinquent balance until paid.

SECTION VII

That the operation of the equipment and the direction of its use at the scene of a fire, together with its firefighters, shall be under the complete charge of the Fire Chief of Columbia Heights, if present and available, or the next in command or the chief's agent. The question of fact in each instance as to whether or not the fire equipment and personnel of Columbia Heights are ready and able to respond to a call in Hilltop shall be determined by the Fire Chief, if present and available, or the next in command or the chief's agent. As a member of a mutual aid firefighting pact, Columbia Heights may commit equipment or pact partner communities as needed to fight a fire or fires in Hilltop, should Columbia Heights equipment and personnel be deemed unavailable by the Fire Chief, if present and available, or the next in command or the chief's agent. In the event that the Fire Chief, the next in command, or the chief's agent determines Columbia Heights equipment or personnel to be insufficient to fight a fire or fires in the City of Hilltop, necessitating the need to commit equipment of a pact partner community, Hilltop agrees to pay an additional sum of Two Hundred and Seventy and no/100 dollars (\$270.00) to Columbia Heights for payments to the pact partner community for the purpose of defraying the expense of that pact partner community incurred through responding to a Hilltop fire.

SECTION VIII

That Hilltop shall indemnify Columbia Heights and hold it harmless from all claims, actions, suits, proceedings, costs, expenses, damages, and liabilities arising out of firefighting, emergency medical, and inspection services furnished by Columbia Heights to Hilltop. However, such indemnification liability of Hilltop to Columbia Heights shall specifically exclude workers' compensation claims, motor vehicle no-fault claims (PIP), health and medical care costs for Columbia Heights employees.

Hilltop has obtained insurance coverage from LMCIT to cover this contractual liability. Hilltop's liability to Columbia Heights shall be limited to the coverage afforded by this insurance policy, except that the \$10,000.00 deductible provision of the policy shall not apply to Hilltop's responsibility to indemnify Columbia Heights. Hilltop shall name Columbia Heights as a certificate holder on said insurance policy, and the policy shall bear a provision that requires that insurer give Columbia Heights not less than thirty (30) days' written notice of termination, cancellation, or any change in coverage under the policy. The cancellation provision may not bear a disclaimer limiting the obligation of the insurer to only "endeavor" to give notice and may not contain a disclaimer that the insurer shall bear no responsibility by failing to provide such notice.

Columbia Heights shall have the right to examine and inspect any policies of insurance issued to cover Hilltop's contractual liability established by this Agreement, including the first policy to be issued hereunder. Columbia Heights shall further have the right to demand reasonable assurances from Hilltop's insurers that Hilltop's insurers will not attempt to invalidate the indemnity provisions of the contract.

Hilltop agrees to use its best efforts to maintain the same or similar liability insurance during the term of this Agreement.

This Agreement to indemnify and hold harmless does not constitute a waiver by either Columbia Heights or Hilltop of limitations on liability provided by Minnesota Statutes, Chapter 466.

SECTION IX

Notwithstanding any provision herein to the contrary, in the event that Hilltop fails to maintain and furnish to Columbia Heights required policies of insurance as satisfactory to Columbia Heights or if Hilltop's insurer fails to provide the assurances required, Columbia Heights may at any time during the term of this Agreement terminate this Agreement effective upon thirty (30) days' written notice to Hilltop.

SECTION XI

That this Agreement contains the entire agreement of Columbia Heights and Hilltop and no representations, inducements, promises of any other agreements, oral or otherwise, not embodied herein, shall be of any force or effect.

IN WITNESS WHEREOF, the parties have duly executed this Agreement by their duly authorized officers and caused their respective seals to be hereunto affixed.

Dated this _____ day of _____, 20__.

Approved as to form:

CITY OF COLUMBIA HEIGHTS
A Municipal Corporation

By _____
Jim Hoeft, City Attorney

By _____
Amáda Márquez Simula, Mayor
For Columbia Heights

and _____
Kevin Hansen, Interim City Manager

Approved as to form:

CITY OF HILLTOP
A Municipal Corporation

By Peggy Larkin
Peggy Larkin, City Attorney

By Terry Wiggin
Terry Wiggin, Mayor
For Hilltop

and Ruth Nelsen
Ruth Nelsen, City Clerk

CITY COUNCIL MEETING

AGENDA SECTION	CONSENT
MEETING DATE	DECEMBER 11, 2023

ITEM:	Final Compensating Change Order and Payment for 2022 Miscellaneous Concrete, Project No. 2200.								
DEPARTMENT: Public Works		BY/DATE: City Engineer / December 5, 2023							
<p>CORE CITY STRATEGIES: <i>(please indicate areas that apply by adding an "X" in front of the selected text below)</i></p> <table> <tr> <td><input type="checkbox"/> Healthy and Safe Community</td> <td><input type="checkbox"/> Thriving and Vibrant Destination Community</td> </tr> <tr> <td><input type="checkbox"/> Equitable, Diverse, Inclusive, and Friendly</td> <td><input checked="" type="checkbox"/> Strong Infrastructure and Public Services</td> </tr> <tr> <td><input type="checkbox"/> Trusted and Engaged Leadership</td> <td><input type="checkbox"/> Sustainable</td> </tr> </table>				<input type="checkbox"/> Healthy and Safe Community	<input type="checkbox"/> Thriving and Vibrant Destination Community	<input type="checkbox"/> Equitable, Diverse, Inclusive, and Friendly	<input checked="" type="checkbox"/> Strong Infrastructure and Public Services	<input type="checkbox"/> Trusted and Engaged Leadership	<input type="checkbox"/> Sustainable
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<input type="checkbox"/> Equitable, Diverse, Inclusive, and Friendly	<input checked="" type="checkbox"/> Strong Infrastructure and Public Services								
<input type="checkbox"/> Trusted and Engaged Leadership	<input type="checkbox"/> Sustainable								

BACKGROUND

The contractor has completed all 2022 Miscellaneous Concrete Repairs and Installations. This annual program consisted of curb and gutter, driveway, concrete alley/roadway, refuse cart pads, sidewalk, pedestrian ramps, and concrete bollard improvements/repairs throughout the city.

The Miscellaneous Concrete program is set up on an annual basis with a preliminary estimate of quantities. The quantities of work will vary from year to year based upon actual work performed in two phases (late spring and fall).

SUMMARY OF CURRENT STATUS

The contractor completed Phase 1 of the 2022 Miscellaneous Concrete Repairs and installations in fall 2022. Due to temperatures dropping, the contractor was not able to complete Phase 2 of the project in 2022 so this work was delayed and completed in 2023.

STAFF RECOMMENDATION

Staff recommends approval of the final payment to Standard Sidewalk, Inc. and acceptance of the work. The Engineer's Report of Final Acceptance is attached.

RECOMMENDED MOTION(S):
<p>MOTION: Move to approve the final compensating change order and accept the work for 2022 Miscellaneous Concrete Repairs and Installations, City Project No. 2200, and authorize final payment of \$24,265.73 to Standard Sidewalk, Inc. of Blaine, Minnesota.</p>

ATTACHMENT(S): Final Compensating Change Order
Engineer's Report of Final Acceptance

FINAL COMPENSATING CHANGE ORDER

Project: 2022 Miscellaneous Concrete Repairs and Installations

City Project: 2200

Owner: City of Columbia Heights 3989 Central Avenue NE Columbia Heights, MN 55421	Date of Issuance: December 5, 2023
Contractor: Standard Sidewalk, Inc. PO Box 490504 Blaine, MN 55449	Engineer: City Engineer

You are directed to make the following changes in the Contract Documents.

Description: Change in original contract price to compensate for additional work added to the contract by the City.

No.	Item Description	Unit	Quantity	Unit Price	Total
1	Remove curb and gutter	L.F.	50.0	\$12.00	\$600.00
2	Construct concrete curb and gutter	L.F.	50.0	\$44.00	\$2,200.00
3	Construct concrete V curb, 8"	L.F.	30.6	\$50.00	\$1,530.00
4	Remove street/alley/apron	S.F.	677.0	\$11.00	\$7,447.00
5	Construct 8" concrete street/alley/apron	S.F.	677.0	\$11.00	\$7,447.00
6	Remove sidewalk	S.F.	1,500.0	\$5.50	\$8,250.00
7	Construct 4" concrete sidewalk	S.F.	1,500.0	\$6.60	\$9,900.00
8	Truncated dome panel	S.F.	9.0	\$55.00	\$495.00
9	Construct 4" concrete refuse cart pad	S.F.	360.0	\$13.20	\$4,752.00
10	Concrete bollards	EA	6.0	\$2,000.00	\$12,000.00
TOTAL CHANGE ORDER					\$54,621.00

Purpose of Change Order: The contract has been modified to include additional quantities for removal/ construction of concrete curb and gutter, alley/roadway repairs, refuse cart pads, sidewalk, pedestrian ramp, and concrete bollard installation.

CHANGE IN CONTRACT PRICE	CHANGE IN CONTRACT TIME
Original Contract Price: \$ 32,835.50	Original Contract Time:
Additional to the contract approved by Council: \$ 0.00	Net Change from Previous Change Order:
Contract Price Prior to this Change Order: \$ 32,835.50	Contract Time Prior to this Change Order:
Net increase of this Change Order: \$ 54,621.00	Net Increase (Decrease) of Change Order:
Contract Price with all Approved Change Orders: \$ 87,456.50	Contract Time with Approved Change Orders:
Approved By: <u>Sulmaan Khan</u> <small>Digitally signed by Sulmaan Khan DN: cn=Sulmaan Khan, c=US, o=City of Columbia Heights, ou=Engineering, email=skhan@columbiaheightsmn.gov Date: 2023.12.05 12:36:53 -06'00'</small>	Approved By: _____ Contractor

City Manager Kevin Hansen

**CITY OF COLUMBIA HEIGHTS
ANOKA COUNTY, MINNESOTA**

ENGINEER'S REPORT OF FINAL ACCEPTANCE

**2022 MISCELLANEOUS CONCRETE REPAIRS AND INSTALLATIONS
CITY PROJECT NUMBER 2200**

December 5, 2023

**TO THE CITY COUNCIL
COLUMBIA HEIGHTS, MINNESOTA**

HONORABLE MAYOR AND CITY COUNCIL MEMBERS:

This is to advise you that I have reviewed the work under contract to Standard Sidewalk, Inc. The work consisted of curb and gutter, driveway, concrete alley/roadway, refuse cart pads, sidewalk, pedestrian ramps, and concrete bollard improvements/repairs throughout the City. The contractor has substantially completed the project in accordance with the contract.

It is recommended; herewith, that final payment be made for said improvements to the contractor in the amount as follows:

ORIGINAL CONTRACT PRICE	\$32,835.50
CHANGE ORDERS	<u>\$54,621.00</u>
FINAL CONTRACT AMOUNT	\$87,456.50
FINAL WORK APPROVED	\$87,456.50
ALL PRIOR PAYMENTS	<u>(\$63,190.77)</u>
BALANCE DUE	\$24,265.73

Sincerely,

CITY OF COLUMBIA HEIGHTS

**Sulmaan
Khan**

Digitally signed by Sulmaan Khan
DN: cn=Sulmaan Khan, c=US, o=City
of Columbia Heights, ou=Engineering,
email=skhan@columbiaheightsmn.gov
Date: 2023.12.06 10:29:45 -06'00'

Sulmaan Khan
City Engineer



CANCELED - CITY COUNCIL MEETING
City Hall—Council Chambers, 3989 Central Ave NE
Wednesday, December 27, 2023
6:00 PM

Mayor
Amáda Márquez Simula
Councilmembers
Connie Buesgens
Kt Jacobs
Rachel James
Justice Spriggs
Interim City Manager
Kevin Hansen

AGENDA

**The City Council Meeting scheduled for Wednesday,
December 27, 2023 at 6:00 pm has been canceled.**

**CITY COUNCIL MEETING**

AGENDA SECTION	CONSENT AGENDA
MEETING DATE	12/11/2023

ITEM:	License Agenda		
DEPARTMENT: Community Development		BY/DATE: Mitchell Forney, 12-6-23	
CORE CITY STRATEGIES:			
<input checked="" type="checkbox"/> Healthy and Safe Community		<input type="checkbox"/> Thriving and Vibrant Destination Community	
<input type="checkbox"/> Equitable, Diverse, Inclusive, and Friendly		<input type="checkbox"/> Strong Infrastructure and Public Services	
<input type="checkbox"/> Trusted and Engaged Leadership		<input type="checkbox"/> Sustainable	

BACKGROUND

Attached is the business license agenda for the December 11, 2023, City Council meeting. This agenda consists of applications for 2023 & 2024: contractor licenses, a food truck registration, a motor vehicle sales license, cigarette/tobacco licenses, tree service contractor's licenses, games of skill licenses, a billiards license, a liquor/beer/wine licenses, massage business and massage individual licenses, courtesy bench license, and a commercial kennel license.

At the top of the license agenda there is a phrase stating "**Signed Waiver Form accompanied application", noting that the data privacy form has been submitted as required. If not submitted, certain information cannot be released to the public.

RECOMMENDED MOTION(S):
MOTION: Move to approve the items as listed on the business license agenda for December 11, 2023, as presented.

ATTACHMENT(S):

1. License Agenda 12-11-23

TO CITY COUNCIL DECEMBER 11, 2023

*Signed Waiver Form accompanied application

Contractor Licenses – 2023 & 2024

*HORWITZ	7400 49 TH AVE N, NEW HOPE, MN	\$80
*SEMPLE EXCAVATING	91 RIDDER CIR, ST PAUL, MN	\$80

Food Truck Registration - 2023

*EL TACO LOCO LLC	4220 CENTRAL AVE, COLUMBIA HEIGHTS, MN	\$0
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Motor Vehicle Sales/Leasing Business License – 2024

*CAPITAL FLEET & REMARKETING	5009 UNIVERSITY AVE NE, COLUMBIA HEIGHTS, MN	\$300
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Cigarette/Tobacco Business License – 2024

*TOP VALU LIQUOR	5225 UNIVERSITY AVE NE, COLUMBIA HEIGHTS, MN	\$500
*TOP VALU LIQUOR	2105 37 TH AVE NE, COLUMBIA HEIGHTS, MN	\$500
*TOP VALU LIQUOR	4950 CENTRAL AVE NE, COLUMBIA HEIGHTS, MN	\$500

Tree Services Contractors License – 2024

*AUSTIN'S TREE & LANDSCAPING	P.O. BOX 120542 NEW BRIGHTON, MN	\$80
*ARBOR TREE SERVICE	7300 NOBLE AVE N, BROOKLYN PARK, MN	\$80
*MIKES DIRTWORK LLC	6655 NORTHWOOD LN, ST. CLOUD, MN	\$80

Games of Skill/Billiards Business License – 2024

*LEIBERMAN COMPANIES INC	9361 PENN AVE S, BLOOMINGTON, MN	\$60
*JIMMY'S PRO BILLIARDS	440 CENTRAL AVE NE, COLUMBIA HEIGHTS, MN	\$100
*JIMMY'S PRO BILLIARDS	440 CENTRAL AVE NE, COLUMBIA HEIGHTS, MN	\$45

Liquor/Wine/Beer License – 2024

*MILLER’S CORNER BAR	547 40 TH AVE, COLUMBIA HEIGHTS, MN	\$2,100
*DON GOYO	2301 37 TH PL, COLUMBIA HEIGHTS. MN	\$2,100
*EL TACO LOCO	4220 CENTRAL AVE NE, COLUMBIA HEIGHTS, MN	\$650
*BOBBY & STEVES AUTO WORLD	3701 CENTRAL AVE NE, COLUMBIA HEIGHTS, MN	\$450
*SARNA’S CLASSIC GRILL	3939 UNIVERSITY AVE NE. COLUMBIA HEIGHTS, MN	\$7,200
*JIMMY’S PRO BILLIARDS	440 CENTRAL AVE NE, COLUMBIA HEIGHTS, MN	\$7,200

Massage Business/ Massage Individual Licenses- 2024

*CINDY SITTHIXAY	3986 CENTRAL AVE NE, COLUMBIA HEIGHTS, MN	\$350
*ZENTRAL MASSAGE INC	3986 CENTRAL AVE NE, COLUMBIA HEIGHTS, MN	\$750
*CHONG THAO	3986 CENTRAL AVE NE, COLUMBIA HEIGHTS, MN	\$350
*HU SAIZHEN	4230 CENTRAL AVE #22, COLUMBIA HEIGHTS, MN	\$350
*HART LAKE MASSAGE	3813 HAYES ST NE, COLUMBIA HEIGHTS, MN	\$100

Courtesy Benches – 2024

*U.S. BENCH CORP	3300 SNELLING AVE, MINNEAPOLIS, MN	\$450
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Pet Shop/Commercial Kennel – 2024

*RUFF LOVE DOGS	3801 3 RD ST NE, COLUMBIA HEIGHTS, MN	\$210
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**CITY COUNCIL MEETING**

AGENDA SECTION	CONSENT
MEETING DATE	DECEMBER 11, 2023

ITEM:	Rental Occupancy Licenses for Approval.	
DEPARTMENT: Fire Department		BY/DATE: Assistant Fire Chief Dan O'Brien / Dec 7, 2023
CORE CITY STRATEGIES: <i>(please indicate areas that apply by adding an "X" in front of the selected text below)</i>		
<input checked="" type="checkbox"/> Healthy and Safe Community		<input type="checkbox"/> Thriving and Vibrant Destination Community
<input type="checkbox"/> Equitable, Diverse, Inclusive, and Friendly		<input checked="" type="checkbox"/> Strong Infrastructure and Public Services
<input type="checkbox"/> Trusted and Engaged Leadership		<input type="checkbox"/> Sustainable

BACKGROUND

Consideration of approval of attached list of rental housing license applications.

RECOMMENDED MOTION(S):
MOTION: Move to approve the items listed for rental housing license applications for December 11, 2023, in that they have met the requirements of the Property Maintenance Code.

ATTACHMENT(S):

Rental Occupancy Licenses for Approval – 12-11-23



COLUMBIA HEIGHTS

PROPERTY MAINTENANCE

REDISCOVER THE HEIGHTS

Item 21.

825 41st Avenue NE • Columbia Heights, MN 55421 • Ph: (763) 706-8156 • Email: fireinspections@columbiaheightsmn.gov • heightsfire.com

Rental Occupancy Licenses for Approval - 12/11/23

LICENSEE	LICENSE ADDRESS	LICENSE INFORMATION
Abraham, Joseph Peters Place LLC/Pergola Property Managment 201 Western Ave N Saint Paul, MN 55102	3940 Peters Pl NE	23-0006055 Rental License [Over 3 Units] Number of licensed units: 16 \$602.00
Castro, Antonio Lisa Telkamp-Castro 2203 94th Way N Brooklyn Park, MN 55444	4607 Tyler St NE	23-0006093 Rental License [Over 3 Units] Number of licensed units: 4 \$338.00
Dahmes, Vitchuda/Brian New Summit Solutions, LLC 10380 S Rosemont Lane Oak Creek, WI 53154	4201 Washington St NE	23-0006744 Rental License [1 - 3 Units] Number of licensed units: 1 \$300.00
<i>*New License</i>		
Dubay, Robert 906 St. Clair Ave. Saint Paul, MN 55105	4143 Main St NE	23-0007077 Rental License [1 - 3 Units] Number of licensed units: 1 \$300.00
Edlich, Richard CEL Monton LLC 1845 Stinson Pkwy NE#212 Minneapolis, MN 55418	968 42nd Ave NE	23-0006978 Rental License [1 - 3 Units] Number of licensed units: 1 \$300.00
Farah, Abdirashid 13995 Napier St Fitzroy, VIC, 3065	954 42nd Ave NE	23-0006975 Rental License [1 - 3 Units] Number of licensed units: 1 \$450.00
Freeman, Aleah 804 51st Ave NE#1 Columbia Heights, MN 55421	804 51st Ave NE Up/Down	23-0006795 Rental License [1 - 3 Units] Number of licensed units: 2 \$300.00
Hambley, Crystal 4356 7th St NE Columbia Heights, MN 55421	4341 7th St NE	23-0006751 Rental License [1 - 3 Units] Number of licensed units: 1 \$300.00
Hardy, Adam AA Homes LLC 10508 Major Ave N Brooklyn Park, MN 55443	4217 Central Ave NE	23-0006894 Rental License [1 - 3 Units] Number of licensed units: 1 \$300.00
Head, Martha Northeast Seniors Housing 8441 Wayzata Blvd#200 Golden Valley, MN 55426	3850 Stinson Blvd NE	23-0006869 Rental License [Over 3 Units] Number of licensed units: 85 \$2,120.00

LICENSEE	LICENSE ADDRESS	LICENSE INFORMATION
Hellweg, Benjamin SFR Borrower 2022-1 LLC 6500 International Pkwy#1100 Plano, TX 75093	4651 6th St NE	23-0006939 Rental License [1 - 3 Units] Number of licensed units: 1 \$450.00
Hellweg, Benjamin HPA II Borrower 2021-1 LLC 6500 International Pkwy#1100 Plano, TX 75093	577 38th Ave NE	23-0006960 Rental License [1 - 3 Units] Number of licensed units: 1 \$450.00
Jaimes, David 167 Pecanwood N Kyle, TX 78640	4152 Tyler St NE	23-0006204 Rental License [1 - 3 Units] Number of licensed units: 2 \$300.00
Lee, Grace 901 Lahinch Circle Richardson, TX 75081	4209 Washington St NE Up/Down	23-0006893 Rental License [1 - 3 Units] Number of licensed units: 2 \$300.00
Lemke, Lorraine 2809 116th Avenue NE Blaine, MN 55449	4643 University Ave NE	23-0006608 Rental License [Over 3 Units] Number of licensed units: 11 \$492.00
Loja, Segundo 1330 43rd Ave NE Columbia Heights, MN 55421	1332 Circle Terrace Blvd NE 1334 Circle Terrace Blvd NE	23-0006847 Family Exempt Rental License Number of licensed units: 2 \$225.00
Lysyj, Bohdan 245 Park Lane Concord, MA 01742	4000 Hayes St NE	23-0006880 Rental License [1 - 3 Units] Number of licensed units: 2 \$300.00
Merhi, Omar 5 Meadowwood Road Boxford, MA 01921	1022 42 1/2 Ave NE	23-0006691 Rental License [1 - 3 Units] Number of licensed units: 1 \$450.00
Ogunleye, Ayodele 15275 319th Ave NW Princeton, MN 55371	1161 Cheery Ln NE 1163 Cheery Ln NE	23-0006841 Rental License [1 - 3 Units] Number of licensed units: 2 \$300.00
<i>*New License</i>		
Pallchizaca, Jesus 3653 Lincoln St NE Minneapolis, MN 55418	4230 Reservoir Blvd NE	23-0007076 Rental License [1 - 3 Units] Number of licensed units: 1 \$300.00
Pulgarin, Enrique 1327 43 1/2 Ave NE Columbia Heights, MN 55421	1087 Polk Cir NE 1089 Polk Cir NE	23-0006528 Rental License [1 - 3 Units] Number of licensed units: 2 \$450.00
Rivera, Esteban Amazon River Properties Inc. 310 4th Ave S#7000 Minneapolis, MN 55415	4733 University Ave NE	23-0006254 Rental License [Over 3 Units] Number of licensed units: 6 \$300.00

LICENSEE	LICENSE ADDRESS	LICENSE INFORMATION
Schreiber, Austin 3809 Pierce St NE Columbia Heights, MN 55421	3809 Pierce St NE 3807 Pierce St NE	23-0006722 Rental License [1 - 3 Units] Number of licensed units: 2 \$450.00
Sentyrz, Walter 1612 2nd St NE Minneapolis, MN 55413	3721 Van Buren St NE	23-0006548 Rental License [1 - 3 Units] Number of licensed units: 1 \$300.00
Sentyrz, Walter 1612 2nd St NE Minneapolis, MN 55413	3913 Arthur St NE	23-0006559 Rental License [1 - 3 Units] Number of licensed units: 1 \$300.00
Solls, Mark IH2 Property Illinois, LP 1717 Main St#2000 Dallas, TX 75201	4240 6th St NE	23-0006901 Rental License [1 - 3 Units] Number of licensed units: 1 \$300.00
Sultana, Zehra Clifton Properties LLC 8445 Center Dr Spring Lake Park, MN 55432	1020 40th Ave NE	23-0006011 Rental License [Over 3 Units] Number of licensed units: 4 \$338.00
Sultana, Zehra Clifton Properties, LLC 8445 Center Dr Spring Lake Park, MN 55432	1853 39th Ave NE	23-0005879 Rental License [1 - 3 Units] Number of licensed units: 1 \$300.00
Sultana, Zehra Fairfield Investments, Inc. 8445 Center Dr Spring Lake Park, MN 55432	3858 Tyler St NE	23-0006051 Rental License [1 - 3 Units] Number of licensed units: 1 \$300.00
Sultana, Zehra Freeport Investments, Inc 8445 Center Dr Spring Lake Park, MN 55432	4111 7th St NE	23-0006738 Rental License [1 - 3 Units] Number of licensed units: 1 \$300.00
Sultana, Zehra Clifton Properties LLC 8445 Center Dr Spring Lake Park, MN 55432	4235 University Ave NE 4233 University Ave NE	23-0006069 Rental License [1 - 3 Units] Number of licensed units: 2 \$300.00
Sultana, Zehra Minneapolis Properties Services LLC 8445 Center Dr Spring Lake Park, MN 55432	4520 Stinson Blvd NE	23-0006085 Rental License [1 - 3 Units] Number of licensed units: 1 \$300.00
Sultana, Zehra Clifton Properties LLC 8445 Center Dr Spring Lake Park, MN 55432	4526 Washington St NE 4524 Washington St NE	23-0006086 Rental License [1 - 3 Units] Number of licensed units: 2 \$300.00
Sultana, Zehra Clifton Properties LLC 8445 Center Dr Spring Lake Park, MN 55432	4622 Johnson St NE 4624 Johnson St NE	23-0006764 Rental License [1 - 3 Units] Number of licensed units: 2 \$300.00

LICENSEE	LICENSE ADDRESS	LICENSE INFORMATION
Swanson, Jeffrey 9705 289th Ave NW Zimmerman, MN 55398	4532 Washington St NE 4530 Washington St NE	23-0007074 Rental License [1 - 3 Units] Number of licensed units: 2 \$300.00
Tohey, Joseph Millennium Carpet Inc. 544 Summit Street NE Columbia Heights, MN 55421	1236 Circle Terrace Blvd NE 1238 Circle Terrace Blvd NE	23-0006703 Rental License [1 - 3 Units] Number of licensed units: 2 \$300.00
<i>*New License</i>		
Wickstrom, Diana DWW Casa 5040 Madison St NE Columbia Heights, MN 55421	4336 6th St NE	23-0007066 Family Exempt Rental License Number of licensed units: 1 \$75.00
Wilson, Kelly Belden River Real Estate, LLC 1730 New Brighton Blvd#107 Minneapolis, MN 55413	4721 5th St NE	23-0006943 Rental License [1 - 3 Units] Number of licensed units: 1 \$300.00
Winter, Anton 610 Pierce St NE Minneapolis, MN 55413	4401 Reservoir Blvd NE	23-0006363 Rental License [1 - 3 Units] Number of licensed units: 1 \$450.00
Wolbeck, Kurtis 14226 Nebula St NE Circle Pines, MN 55014	4624 Taylor St NE 4626 Taylor St NE	23-0006099 Rental License [1 - 3 Units] Number of licensed units: 2 \$300.00

**CITY COUNCIL MEETING**

AGENDA SECTION	CONSENT AGENDA
MEETING DATE	DECEMBER 11, 2023

ITEM:	Review of Bills.		
DEPARTMENT: Finance Department		BY/DATE: December 11, 2023	
CORE CITY STRATEGIES: <i>(please indicate areas that apply by adding an "X" in front of the selected text below)</i>			
<input type="checkbox"/> Healthy and Safe Community		<input type="checkbox"/> Thriving and Vibrant Destination Community	
<input type="checkbox"/> Equitable, Diverse, Inclusive, and Friendly		<input type="checkbox"/> Strong Infrastructure and Public Services	
<input checked="" type="checkbox"/> Trusted and Engaged Leadership		<input type="checkbox"/> Sustainable	

BACKGROUND

The Finance Department prepares a list of all payments made for approval of the Council.

STAFF RECOMMENDATION

Approve payments since previous City Council Meeting.

RECOMMENDED MOTION(S):
MOTION: Move that in accordance with Minnesota Statute 412.271, subd. 8 the City Council has reviewed the enclosed list to claims paid by check and by electronic funds transfer in the amount of \$893,459.24.

ATTACHMENT(S):

List of Claims

12/07/2023 10:43 AM
User: heathers
DB: Columbia Heights

CHECK DISBURSEMENT REPORT FOR CITY OF COLUMBIA HEIGHTS
CHECK DATE FROM 11/23/2023 - 12/07/2023

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Check Date	Bank	Check #	Invoice	Payee	Description	GL #	Amount
11/30/2023	MAIN	197165	6482-2024	ALCOHOL & GAMBLING ENFORCEME	2024 RETAILER CARD	609.9791.44390	20.00
		197165	7710-2024		2024 RETAILER CARD	609.9792.44390	20.00
		197165	6248-2024		2024 RETAILER CARD	609.9793.44390	20.00
							60.00
11/30/2023	MAIN	197166	11/27/2023	ALEXANDER JEWISON	UB refund for account: 105-0585-00-601.0000.20120		63.40
		197166	11/27/2023		UB refund for account: 105-0585-00-602.0000.20120		30.01
							93.41
11/30/2023	MAIN	197167	3575734996	AMERICAN BOTTLING COMPANY	110923 INV	609.0000.14500	516.27
		197167	3562839972		110823 INV	609.0000.14500	395.88
							912.15
11/30/2023	MAIN	197168	11/27/2023	AMY GROTH	UB refund for account: 110-0500-00-433.0000.20120		1.39
		197168	11/27/2023		UB refund for account: 110-0500-00-601.0000.20120		52.68
		197168	11/27/2023		UB refund for account: 110-0500-00-602.0000.20120		34.86
		197168	11/27/2023		UB refund for account: 110-0500-00-603.0000.20120		43.53
		197168	11/27/2023		UB refund for account: 110-0500-00-604.0000.20120		8.01
							140.47
11/30/2023	MAIN	197169	24971	BLACK STACK BREWING	111423 INV	609.0000.14500	158.00
11/30/2023	MAIN	197170	201517	BOURGET IMPORTS LLC	110823 INV	609.0000.14500	728.00
		197170	201517		110823 INV	609.9791.42199	16.00
							744.00
11/30/2023	MAIN	197171	11/27/2023	BRENT LALONE	UB refund for account: 111-0335-00-433.0000.20120		2.46
		197171	11/27/2023		UB refund for account: 111-0335-00-601.0000.20120		39.36
		197171	11/27/2023		UB refund for account: 111-0335-00-602.0000.20120		29.43
		197171	11/27/2023		UB refund for account: 111-0335-00-603.0000.20120		20.70
		197171	11/27/2023		UB refund for account: 111-0335-00-604.0000.20120		14.23
							106.18
11/30/2023	MAIN	197172	7637894821851	CENTURYLINK	110423 763 789-4821 851	101.2100.43210	163.24
		197172	7637894821851		110423 763 789-4821 851	101.2200.43210	163.25
							326.49
11/30/2023	MAIN	197173	11/27/2023	CHANTANITA WILSON	UB refund for account: 100-0588-00-433.0000.20120		1.46
		197173	11/27/2023		UB refund for account: 100-0588-00-601.0000.20120		41.90
		197173	11/27/2023		UB refund for account: 100-0588-00-602.0000.20120		28.59
		197173	11/27/2023		UB refund for account: 100-0588-00-603.0000.20120		12.31
		197173	11/27/2023		UB refund for account: 100-0588-00-604.0000.20120		

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Check Date	Bank	Check #	Invoice	Payee	Description	GL #	Amount
11/30/2023	MAIN	197174	187581764	COMCAST	111523 934571297	101.1110.43250	19.44
		197174	187581764		111523 934571297	101.1320.43250	29.16
		197174	187581764		111523 934571297	101.1510.43250	63.18
		197174	187581764		111523 934571297	101.1940.43250	4.86
		197174	187581764		111523 934571297	101.2100.43250	131.23
		197174	187581764		111523 934571297	101.2200.43250	121.50
		197174	187581764		111523 934571297	101.3100.43250	68.04
		197174	187581764		111523 934571297	101.3121.43250	9.72
		197174	187581764		111523 934571297	101.5000.43250	34.02
		197174	187581764		111523 934571297	101.5129.43250	9.72
		197174	187581764		111523 934571297	101.5200.43250	9.72
		197174	187581764		111523 934571297	201.2400.43250	14.58
		197174	187581764		111523 934571297	204.6314.43250	19.44
		197174	187581764		111523 934571297	225.9844.43250	14.58
		197174	187581764		111523 934571297	240.5500.43250	204.13
		197174	187581764		111523 934571297	601.9600.43250	4.86
		197174	187581764		111523 934571297	602.9600.43250	4.86
		197174	187581764		111523 934571297	609.9791.43250	641.31
		197174	187581764		111523 934571297	609.9792.43250	617.01
		197174	187581764		111523 934571297	609.9793.43250	602.43
		197174	187581764		111523 934571297	701.9950.43250	9.72
		197174	187581764		111523 934571297	720.9980.43250	131.24
							2,764.75
11/30/2023	MAIN	197175	502947	CRYSTAL SPRINGS ICE LLC	111523 INV	609.0000.14500	291.36
		197175	502947		111523 INV	609.9791.42199	4.00
							295.36
11/30/2023	MAIN	197176	IN-1788	DANGEROUS MAN BREWING CO LL	111523 INV	609.0000.14500	288.00
11/30/2023	MAIN	197177	11/27/2023	DELAND FERRAND	UB refund for account: 211-0655-00-433.0000.20120		1.89
		197177	11/27/2023		UB refund for account: 211-0655-00-601.0000.20120		34.20
		197177	11/27/2023		UB refund for account: 211-0655-00-602.0000.20120		25.01
		197177	11/27/2023		UB refund for account: 211-0655-00-603.0000.20120		15.99
		197177	11/27/2023		UB refund for account: 211-0655-00-604.0000.20120		10.99
							88.08
11/30/2023	MAIN	197178	10711260110	DELL MARKETING LP	COMPUTERS, MONITORS AND PERIPHERALS	101.2100.42011	19,818.82
		197178	10711260110		COMPUTERS, MONITORS AND PERIPHERALS	101.2200.42011	1,832.99
		197178	10711260110		COMPUTERS, MONITORS AND PERIPHERALS	101.3121.42011	2,232.99
		197178	10711260110		COMPUTERS, MONITORS AND PERIPHERALS	101.5129.42011	65.87
		197178	10711260110		COMPUTERS, MONITORS AND PERIPHERALS	240.5500.42011	1,
		197178	10711260110		COMPUTERS, MONITORS AND PERIPHERALS	411.9999.42011.1911	1,

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Check Date	Bank	Check #	Invoice	Payee	Description	GL #	Amount
		197178	10711260110		COMPUTERS, MONITORS AND PERIPHERALS	601.9600.42011	1,116.50
		197178	10711260110		COMPUTERS, MONITORS AND PERIPHERALS	602.9600.42011	1,116.49
		197178	10711260110		COMPUTERS, MONITORS AND PERIPHERALS	720.9980.42011	934.38
							29,842.00
11/30/2023	MAIN	197179	11/27/2023	DOROTHY WILLIAMS	UB refund for account: 314-0485-00-603.0000.20120		5.82
11/30/2023	MAIN	197180	11/27/2023	DWAINE E ANDERSON	UB refund for account: 306-0270-00-433.0000.20120		5.61
		197180	11/27/2023		UB refund for account: 306-0270-00-601.0000.20120		74.33
		197180	11/27/2023		UB refund for account: 306-0270-00-602.0000.20120		57.89
		197180	11/27/2023		UB refund for account: 306-0270-00-603.0000.20120		47.31
		197180	11/27/2023		UB refund for account: 306-0270-00-604.0000.20120		32.51
							217.65
11/30/2023	MAIN	197181	0134194-IN	EARL F ANDERSEN INC	HEATED SIDEWALK SIGNS	101.3170.42171	181.30
11/30/2023	MAIN	197182	974271	ECM PUBLISHERS INC	FREQUENCE STREAMING 111523	609.9791.43420	235.00
		197182	974269		FREQUENCE PROGRAMMATIC 111523	609.9791.43420	470.00
		197182	974270		SEM NOVEMBER 2023	609.9791.43420	235.00
		197182	974271		FREQUENCE STREAMING 111523	609.9792.43420	185.00
		197182	974269		FREQUENCE PROGRAMMATIC 111523	609.9792.43420	370.00
		197182	974270		SEM NOVEMBER 2023	609.9792.43420	185.00
		197182	974271		FREQUENCE STREAMING 111523	609.9793.43420	80.00
		197182	974269		FREQUENCE PROGRAMMATIC 111523	609.9793.43420	160.00
		197182	974270		SEM NOVEMBER 2023	609.9793.43420	80.00
							2,000.00
11/30/2023	MAIN	197183	11/27/2023	EDWARD WOJCIAK	UB refund for account: 315-0635-00-601.0000.20120		43.94
11/30/2023	MAIN	197184	95643	EHLERS & ASSOCIATES INC	ALATUS HYVEE SITE REDEVELOPMENT	393.7000.43050	750.00
11/30/2023	MAIN	197185	11/27/2023	ERICA HARTSE	UB refund for account: 303-0330-00-601.0000.20120		60.46
11/30/2023	MAIN	197186	11/27/2023	ERNEST DACOSTA	UB refund for account: 201-0660-00-603.0000.20120		929.81
11/30/2023	MAIN	197187	11/27/2023	EUGENE B WALTERS	UB refund for account: 213-0500-00-101.0000.20120		2.91
		197187	11/27/2023		UB refund for account: 213-0500-00-433.0000.20120		2.90
		197187	11/27/2023		UB refund for account: 213-0500-00-601.0000.20120		58.48
		197187	11/27/2023		UB refund for account: 213-0500-00-602.0000.20120		41.96
		197187	11/27/2023		UB refund for account: 213-0500-00-603.0000.20120		24.49
		197187	11/27/2023		UB refund for account: 213-0500-00-604.0000.20120		16.83
							147.57
11/30/2023	MAIN	197188	11/27/2023	FRANCES K GAUSE	UB refund for account: 103-0025-00-433.0000.20120		
		197188	11/27/2023		UB refund for account: 103-0025-00-601.0000.20120		

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		197188	11/27/2023		UB refund for account: 103-0025-00-602.0000.20120		11.31
		197188	11/27/2023		UB refund for account: 103-0025-00-603.0000.20120		7.02
		197188	11/27/2023		UB refund for account: 103-0025-00-604.0000.20120		4.83
							41.03
11/30/2023	MAIN	197189	11/27/2023	GERONIMO GUASCO CHIMBORAZO	UB refund for account: 203-0215-00-433.0000.20120		3.27
		197189	11/27/2023		UB refund for account: 203-0215-00-601.0000.20120		51.69
		197189	11/27/2023		UB refund for account: 203-0215-00-602.0000.20120		38.79
		197189	11/27/2023		UB refund for account: 203-0215-00-603.0000.20120		27.67
		197189	11/27/2023		UB refund for account: 203-0215-00-604.0000.20120		19.02
							140.44
11/30/2023	MAIN	197190	11/27/2023	GRAHAM TAYLOR	UB refund for account: 203-0420-00-433.0000.20120		1.97
		197190	11/27/2023		UB refund for account: 203-0420-00-601.0000.20120		50.81
		197190	11/27/2023		UB refund for account: 203-0420-00-602.0000.20120		35.13
		197190	11/27/2023		UB refund for account: 203-0420-00-603.0000.20120		16.60
		197190	11/27/2023		UB refund for account: 203-0420-00-604.0000.20120		11.41
							115.92
11/30/2023	MAIN	197191	38400947017	GREAT LAKES COCA-COLA DISTRI	110623 INV	609.0000.14500	815.44
11/30/2023	MAIN	197192	11/27/2023	GREGORY WILSON	UB refund for account: 317-0495-00-433.0000.20120		0.44
		197192	11/27/2023		UB refund for account: 317-0495-00-601.0000.20120		31.90
		197192	11/27/2023		UB refund for account: 317-0495-00-602.0000.20120		14.14
		197192	11/27/2023		UB refund for account: 317-0495-00-603.0000.20120		3.66
		197192	11/27/2023		UB refund for account: 317-0495-00-604.0000.20120		2.52
							52.66
11/30/2023	MAIN	197193	11/27/2023	HALIMA MUHUMED	UB refund for account: 307-0260-00-603.0000.20120		640.58
11/30/2023	MAIN	197194	664959	HOHENSTEINS INC	111723 INV	609.0000.14500	3,851.39
11/30/2023	MAIN	197195	11/27/2023	JAMES GESLIN	UB refund for account: 302-0530-00-603.0000.20120		41.76
11/30/2023	MAIN	197196	11/27/2023	JASON KNUTSON	UB refund for account: 209-0195-00-101.0000.20120		1.71
		197196	11/27/2023		UB refund for account: 209-0195-00-433.0000.20120		1.71
		197196	11/27/2023		UB refund for account: 209-0195-00-601.0000.20120		36.96
		197196	11/27/2023		UB refund for account: 209-0195-00-602.0000.20120		26.22
		197196	11/27/2023		UB refund for account: 209-0195-00-603.0000.20120		14.41
		197196	11/27/2023		UB refund for account: 209-0195-00-604.0000.20120		9.90
							90.91
11/30/2023	MAIN	197197	11/27/2023	JESSICA SCOTT	UB refund for account: 301-0290-00-101.0000.20120		
		197197	11/27/2023		UB refund for account: 301-0290-00-433.0000.20120		
		197197	11/27/2023		UB refund for account: 301-0290-00-601.0000.20120		

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		197197	11/27/2023		UB refund for account: 301-0290-00-602.0000.20120		87.91
		197197	11/27/2023		UB refund for account: 301-0290-00-603.0000.20120		57.48
		197197	11/27/2023		UB refund for account: 301-0290-00-604.0000.20120		39.51
							318.10
11/30/2023	MAIN	197198	11/27/2023	JOHN F BOREEN	UB refund for account: 208-0405-00-101.0000.20120		3.03
		197198	11/27/2023		UB refund for account: 208-0405-00-433.0000.20120		3.03
		197198	11/27/2023		UB refund for account: 208-0405-00-601.0000.20120		74.73
		197198	11/27/2023		UB refund for account: 208-0405-00-602.0000.20120		51.96
		197198	11/27/2023		UB refund for account: 208-0405-00-603.0000.20120		112.20
		197198	11/27/2023		UB refund for account: 208-0405-00-604.0000.20120		17.46
							262.41
11/30/2023	MAIN	197199	11/27/2023	JORDAN PREVITE	UB refund for account: 211-0570-00-433.0000.20120		0.40
		197199	11/27/2023		UB refund for account: 211-0570-00-601.0000.20120		15.17
		197199	11/27/2023		UB refund for account: 211-0570-00-602.0000.20120		10.05
		197199	11/27/2023		UB refund for account: 211-0570-00-603.0000.20120		12.54
		197199	11/27/2023		UB refund for account: 211-0570-00-604.0000.20120		2.31
							40.47
11/30/2023	MAIN	197200	11/27/2023	JOSEPH CHASE	UB refund for account: 303-0395-00-433.0000.20120		1.31
		197200	11/27/2023		UB refund for account: 303-0395-00-601.0000.20120		32.14
		197200	11/27/2023		UB refund for account: 303-0395-00-602.0000.20120		22.36
		197200	11/27/2023		UB refund for account: 303-0395-00-603.0000.20120		10.98
		197200	11/27/2023		UB refund for account: 303-0395-00-604.0000.20120		7.55
							74.34
11/30/2023	MAIN	197201	177620	KENNEDY & GRAVEN	LEGAL SERVICES FOR THE PURCHASE OF 408.6414.43050		4,319.23
11/30/2023	MAIN	197202	11/27/2023	LFI INVESTMENTS MN 4141	UB refund for account: 303-0190-00-601.0000.20120		94.69
		197202	11/27/2023		UB refund for account: 303-0190-00-602.0000.20120		56.78
							151.47
11/30/2023	MAIN	197203	64692	LIBATION PROJECT	111423 INV 609.0000.14500		536.04
11/30/2023	MAIN	197204	11/27/2023	LORENZ C PEHLING JR	UB refund for account: 214-0300-00-601.0000.20120		289.66
11/30/2023	MAIN	197205	11/27/2023	MIGUEL FERNANDEZ	UB refund for account: 204-0095-00-433.0000.20120		3.29
		197205	11/27/2023		UB refund for account: 204-0095-00-601.0000.20120		124.86
		197205	11/27/2023		UB refund for account: 204-0095-00-602.0000.20120		82.70
		197205	11/27/2023		UB refund for account: 204-0095-00-603.0000.20120		27.82
		197205	11/27/2023		UB refund for account: 204-0095-00-604.0000.20120		19.09

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11/30/2023	MAIN	197206	20106911	MN DEPT OF AGRICULTURE	2024 TREE CARE REGISTRY LIAM GENTE	101.6102.44330	25.00
11/30/2023	MAIN	197207	111623	MN DEPT OF HEALTH	100123-123123 CONN FEE	601.9600.44320	15,795.00
11/30/2023	MAIN	197208	E-46181	MODIST BREWING CO LLC	111623 INV	609.0000.14500	453.00
11/30/2023	MAIN	197209	3045	NORTHLAND REFRIGERATION INC	(TROUBLESHOOT DRIPPING WATER-PSB	705.9970.44020	343.00
11/30/2023	MAIN	197210	ESA000632-1	NUSS TRUCK & EQUIPMENT	EQ00032058 GRADING BUCKET	601.9600.42010	4,609.00
11/30/2023	MAIN	197211	11/27/2023	PAUL CRAVEN	UB refund for account: 304-0450-00-601.0000.20120		139.28
11/30/2023	MAIN	197212	11/27/2023	PEGGIE STEWARD	UB refund for account: 207-0675-00-603.0000.20120		208.07
11/30/2023	MAIN	197213	11/27/2023	PORFIRIO & MONICA DIAZ	UB refund for account: 100-0204-00-603.0000.20120		137.15
11/30/2023	MAIN	197214	Q1068136	QUADIENT LEASING USA, INC.	LEASE 091623-121523	101.1940.43220	693.72
		197214	Q1068136		LEASE 091623-121523	101.1940.44100	75.16
		197214	Q1068136		LEASE 091623-121523	601.9690.44100	225.47
		197214	Q1068136		LEASE 091623-121523	602.9690.44100	225.47
		197214	Q1068136		LEASE 091623-121523	603.9520.44100	112.73
		197214	Q1068136		LEASE 091623-121523	603.9530.44100	112.73
							1,445.28
11/30/2023	MAIN	197215	2006966157	RED BULL DISTRIBUTION CO INC	110823 INV	609.0000.14500	193.40
11/30/2023	MAIN	197216	11/27/2023	RITA SCHULTZ	UB refund for account: 311-0140-00-101.0000.20120		10.77
		197216	11/27/2023		UB refund for account: 311-0140-00-433.0000.20120		10.76
		197216	11/27/2023		UB refund for account: 311-0140-00-601.0000.20120		142.68
		197216	11/27/2023		UB refund for account: 311-0140-00-602.0000.20120		111.14
		197216	11/27/2023		UB refund for account: 311-0140-00-603.0000.20120		90.77
		197216	11/27/2023		UB refund for account: 311-0140-00-604.0000.20120		62.46
							428.58
11/30/2023	MAIN	197217	11/27/2023	ROBERT BOULKA	UB refund for account: 101-0575-00-101.0000.20120		0.74
		197217	11/27/2023		UB refund for account: 101-0575-00-433.0000.20120		0.74
		197217	11/27/2023		UB refund for account: 101-0575-00-601.0000.20120		42.86
		197217	11/27/2023		UB refund for account: 101-0575-00-602.0000.20120		17.18
		197217	11/27/2023		UB refund for account: 101-0575-00-603.0000.20120		6.25
		197217	11/27/2023		UB refund for account: 101-0575-00-604.0000.20120		4.30
							72.07
11/30/2023	MAIN	197218	120123	ROSS NESBIT AGENCIES, INC	INSURANCE SERVICE 1223	884.0000.15510	1,000.00
11/30/2023	MAIN	197219	CD99503011	S.J. ELECTRO SYSTEMS INC	SCADA EQUIPMENT UPGRADE - FLEX CONT	651.9699.45185	20,821.00
		197219	CD99503011		SCADA EQUIPMENT UPGRADE - FLEX CONT	652.9699.45185	27,
		197219	CD99503011		SCADA EQUIPMENT UPGRADE - FLEX CONT	653.9699.45185	6,

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							54,794.00
11/30/2023	MAIN	197220	11/27/2023	SAMUEL SPENCER	UB refund for account: 206-0040-00-603.0000.20120		25.08
11/30/2023	MAIN	197221	11/27/2023	SARAH DOHM	UB refund for account: 311-0390-00-433.0000.20120		3.52
		197221	11/27/2023		UB refund for account: 311-0390-00-601.0000.20120		64.11
		197221	11/27/2023		UB refund for account: 311-0390-00-602.0000.20120		46.83
		197221	11/27/2023		UB refund for account: 311-0390-00-603.0000.20120		29.76
		197221	11/27/2023		UB refund for account: 311-0390-00-604.0000.20120		20.43
							164.65
11/30/2023	MAIN	197222	11/27/2023	SETH & CAROLINE GIVENS	UB refund for account: 315-0490-00-603.0000.20120		268.97
11/30/2023	MAIN	197223	MN70757	SMALL LOT MN	102623 INV	609.0000.14500	888.24
		197223	MN70757		102623 INV	609.9791.42199	12.00
							900.24
11/30/2023	MAIN	197224	102523	SPLINTER/ANDREW	BS&A CONFERENCE 102123-102523	101.1510.43320	486.12
11/30/2023	MAIN	197225	11/27/2023	STEVEN W JOSEPHSON	UB refund for account: 317-0220-00-433.0000.20120		1.59
		197225	11/27/2023		UB refund for account: 317-0220-00-601.0000.20120		21.09
		197225	11/27/2023		UB refund for account: 317-0220-00-602.0000.20120		16.42
		197225	11/27/2023		UB refund for account: 317-0220-00-603.0000.20120		50.20
		197225	11/27/2023		UB refund for account: 317-0220-00-604.0000.20120		9.23
							98.53
11/30/2023	MAIN	197226	11/27/2023	THERESA VERNIER	UB refund for account: 104-0835-00-603.0000.20120		27.40
11/30/2023	MAIN	197227	11/27/2023	TIM HOGLUND	UB refund for account: 215-0150-00-603.0000.20120		495.55
11/30/2023	MAIN	197228	9947762062	VERIZON WIRELESS	102523 586753132-00001	101.2200.43210	495.17
11/30/2023	MAIN	197229	0340034-IN	VINOCOPIA INC	110923 INV	609.0000.14500	1,879.25
		197229	0340039-IN		110923 INV	609.0000.14500	490.75
		197229	0339228-IN		102723 INV	609.0000.14500	1,200.63
		197229	0339228-CM		111323 INV	609.0000.14500	(168.00)
		197229	0340034-IN		110923 INV	609.9791.42199	16.00
		197229	0339228-IN		102723 INV	609.9791.42199	18.00
		197229	0339228-CM		111323 INV	609.9791.42199	(1.00)
		197229	0340039-IN		110923 INV	609.9792.42199	5.00
							3,440.63
11/30/2023	MAIN	197230	11202023-CH	VIRIDI INVESTMENTS LLC	112023 SOLAR GARDEN	609.9791.43810	297.14
11/30/2023	MAIN	197231	251304	WINE COMPANY/THE	110823 INV	609.0000.14500	
		197231	251304		110823 INV	609.9791.42199	

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							524.80
11/30/2023	MAIN	197232	1073134943	XCEL ENERGY (N S P)	110723 51-7867659-8	101.3160.43810	198.36
		197232	1073121283		110723 INV	101.5200.43810	21.56
		197232	1073150080		110723 51-0011039127-7	101.5200.43810	38.26
		197232	1073130297		110723 51-9597586-9	101.5200.43810	39.35
		197232	1073143333		110723 51-0010057576-7	101.5200.43810	106.74
		197232	1073166424		110723 51-0013059132-8	228.6317.43810	837.12
		197232	1073139644		110723 51-0010836533-8	604.9600.43810	127.15
		197232	1067054908		100923 51-4436024-5	609.9793.43810	691.74
		197232	1073096834		110723 51-4436024-5	609.9793.43810	508.74
		197232	1073215589		110723 51-0014068181-7	609.9793.43810	115.17
							2,684.19
11/30/2023	MAIN	916 (A)	17-000566	ARES NEE HOLDINGS, LLC	111723 SOLAR GARDEN	609.9791.43810	1,156.02
		916 (A)	17-000566		111723 SOLAR GARDEN	609.9792.43810	740.53
							1,896.55
11/30/2023	MAIN	917 (A)	3641869	ARTISAN BEER COMPANY	111623 INV	609.0000.14500	512.00
		917 (A)	3641081		111423 INV	609.0000.14500	1,122.50
							1,634.50
11/30/2023	MAIN	918 (A)	0107590900	BELLBOY BAR SUPPLY	110823 INV	609.0000.14500	116.20
		918 (A)	0107621000		111523 INV	609.0000.14500	178.26
		918 (A)	0107590900		110823 INV	609.9791.42171	255.75
		918 (A)	0107621000		111523 INV	609.9791.42171	621.65
							1,171.86
11/30/2023	MAIN	919 (A)	0107562400	BELLBOY CORPORATION	110123 INV	609.0000.14500	726.62
		919 (A)	0201495400		110823 INV	609.0000.14500	2,633.85
		919 (A)	0201471900		110823 INV	609.0000.14500	264.00
		919 (A)	0201401700		110123 INV	609.0000.14500	6,016.25
		919 (A)	0201319000		102523 INV	609.0000.14500	1,575.95
		919 (A)	0201586400		111523 INV	609.0000.14500	1,720.00
		919 (A)	0201495600		110823 INV	609.0000.14500	1,292.85
		919 (A)	0107611200		111323 INV	609.0000.14500	(46.20)
		919 (A)	0201553600		111023 INV	609.0000.14500	(132.00)
		919 (A)	0201495400		110823 INV	609.9791.42199	46.34
		919 (A)	0201471900		110823 INV	609.9791.42199	6.00
		919 (A)	0201401700		110123 INV	609.9791.42199	56.00
		919 (A)	0201319000		102523 INV	609.9791.42199	18.00
		919 (A)	0201586400		111523 INV	609.9791.42199	
		919 (A)	0201553600		111023 INV	609.9791.42199	

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		919 (A)	0201495600		110823 INV	609.9792.42199	24.00
							14,216.01
11/30/2023	MAIN	920 (A)	112907985	BREAKTHRU BEVERAGE MN BEER	1110323 INV 700297782	609.0000.14500	1,687.50
		920 (A)	112808329		103123 INV 700297717	609.0000.14500	14,766.15
		920 (A)	411577684		103123 INV 700297736	609.0000.14500	(5.85)
		920 (A)	411606234		110723 INV 700297717	609.0000.14500	(60.80)
		920 (A)	411584244		110323 INV 700297717	609.0000.14500	(24.80)
		920 (A)	411584245		110323 INV 700297717	609.0000.14500	(2.39)
		920 (A)	411584246		110323 INV 700297717	609.0000.14500	(1.98)
							16,357.83
11/30/2023	MAIN	921 (A)	113008349	BREAKTHRU BEVERAGE MN W&S LI	1111023 INV 700297782	609.0000.14500	322.68
		921 (A)	113051519		111423 INV 700297717	609.0000.14500	400.00
		921 (A)	11300838		111023 INV 700297717	609.0000.14500	233.95
		921 (A)	113008338		111023 INV 700297717	609.0000.14500	772.82
		921 (A)	113003527		111023 INV 700297717	609.0000.14500	451.27
		921 (A)	113008334		111023 INV 700297717	609.0000.14500	48.00
		921 (A)	113008337		111023 INV 700297717	609.0000.14500	661.50
		921 (A)	113008335		111023 INV 700297717	609.0000.14500	132.00
		921 (A)	113008333		111023 INV 700297717	609.0000.14500	263.68
		921 (A)	113008330		111023 INV 700297717	609.0000.14500	1,966.68
		921 (A)	113008336		111023 INV 700297717	609.0000.14500	599.00
		921 (A)	113008341		111023 INV 700297736	609.0000.14500	362.45
		921 (A)	113008345		111023 INV 700297736	609.0000.14500	2,130.57
		921 (A)	113002227		111023 INV 700297736	609.0000.14500	103.50
		921 (A)	113008344		111023 INV 700297736	609.0000.14500	3,750.00
		921 (A)	113008340		111023 INV 700297736	609.0000.14500	405.90
		921 (A)	113008347		111023 INV 700297736	609.0000.14500	1,114.23
		921 (A)	113008343		111023 INV 700297736	609.0000.14500	4,360.00
		921 (A)	112255375		092223 INV 700297717	609.0000.14500	1,600.00
		921 (A)	112154762		091523 INV 700297717	609.0000.14500	176.09
		921 (A)	112357563		092923 INV 700297717	609.0000.14500	160.50
		921 (A)	113114452		111723 INV 700297717	609.0000.14500	450.00
		921 (A)	113114442		111723 INV 700297717	609.0000.14500	476.95
		921 (A)	113114445		111723 INV 700297717	609.0000.14500	584.98
		921 (A)	113114449		111723 INV 700297717	609.0000.14500	1,208.00
		921 (A)	113114443		111723 INV 700297717	609.0000.14500	95.00
		921 (A)	113114446		111723 INV 700297717	609.0000.14500	144.90
		921 (A)	411462207		092823 INV 700297717	609.0000.14500	(128.00)
		921 (A)	411441546		092123 INV 700297717	609.0000.14500	
		921 (A)	411502276		101023 INV 700297717	609.0000.14500	
		921 (A)	113051519		111423 INV 700297717	609.9791.42199	6.90

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		921 (A)	11300838		111023 INV 700297717	609.9791.42199	2.30
		921 (A)	113008338		111023 INV 700297717	609.9791.42199	34.50
		921 (A)	113003527		111023 INV 700297717	609.9791.42199	0.38
		921 (A)	113008334		111023 INV 700297717	609.9791.42199	1.15
		921 (A)	113008337		111023 INV 700297717	609.9791.42199	3.45
		921 (A)	113008335		111023 INV 700297717	609.9791.42199	3.45
		921 (A)	113008333		111023 INV 700297717	609.9791.42199	2.30
		921 (A)	113008330		111023 INV 700297717	609.9791.42199	13.80
		921 (A)	113008336		111023 INV 700297717	609.9791.42199	5.75
		921 (A)	112255375		092223 INV 700297717	609.9791.42199	34.50
		921 (A)	112154762		091523 INV 700297717	609.9791.42199	2.30
		921 (A)	112357563		092923 INV 700297717	609.9791.42199	2.30
		921 (A)	113114452		111723 INV 700297717	609.9791.42199	6.90
		921 (A)	113114442		111723 INV 700297717	609.9791.42199	1.15
		921 (A)	113114445		111723 INV 700297717	609.9791.42199	12.65
		921 (A)	113114449		111723 INV 700297717	609.9791.42199	8.05
		921 (A)	113114443		111723 INV 700297717	609.9791.42199	1.15
		921 (A)	113114446		111723 INV 700297717	609.9791.42199	1.15
		921 (A)	411462207		092823 INV 700297717	609.9791.42199	(2.30)
		921 (A)	411441546		092123 INV 700297717	609.9791.42199	(1.15)
		921 (A)	411502276		101023 INV 700297717	609.9791.42199	(1.15)
		921 (A)	113008341		111023 INV 700297736	609.9792.42199	3.45
		921 (A)	113008345		111023 INV 700297736	609.9792.42199	14.95
		921 (A)	113002227		111023 INV 700297736	609.9792.42199	1.15
		921 (A)	113008344		111023 INV 700297736	609.9792.42199	28.75
		921 (A)	113008340		111023 INV 700297736	609.9792.42199	6.90
		921 (A)	113008347		111023 INV 700297736	609.9792.42199	12.65
		921 (A)	113008343		111023 INV 700297736	609.9792.42199	23.00
		921 (A)	113008349		111023 INV 700297782	609.9793.42199	3.45
							22,878.73
11/30/2023	MAIN	922 (A)	2911518	CAPITOL BEVERAGE SALES LP	110923 INV	609.0000.14500	2,485.15
		922 (A)	2914473		111623 INV	609.0000.14500	5,683.55
		922 (A)	2911517		110923 INV	609.0000.14500	(80.95)
		922 (A)	2914472		111623 INV	609.0000.14500	(70.51)
							8,017.24
11/30/2023	MAIN	923 (A)	INV341151	COORDINATED BUSINESS SYSTEMS	MAINT 111623-121523	101.1940.44000	855.95
11/30/2023	MAIN	924 (A)	22-556-00016	DORAN SPECIAL PROJECTS, LLC	CONSTRUCTION MANAGEMENT SERVICES FO411.0000.20610		(14.24)
		924 (A)	22-556-00016		CONSTRUCTION MANAGEMENT SERVICES FO411.9999.43050.1911		453.85

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11/30/2023	MAIN	925 (A)	DRAW #15	FIRST AMERICAN TITLE INS CO	CITY HALL BUILDOUT	411.0000.20610	(146.39)
		925 (A)	DRAW #15		CITY HALL BUILDOUT	411.9999.45120.1911	2,927.70
						2,781.31	
11/30/2023	MAIN	926 (A)	SP-035-000206	HINTERLAND CSG, LLC	111623 SOLAR GARDEN	101.2100.43810	153.65
		926 (A)	SP-035-000206		111623 SOLAR GARDEN	101.2200.43810	153.66
						307.31	
11/30/2023	MAIN	927 (A)	2419972	JOHNSON BROTHERS LIQUOR CO.	110723 INV	609.0000.14500	505.00
		927 (A)	24199711		110723 INV	609.0000.14500	64.00
		927 (A)	2422167		111023 INV	609.0000.14500	117.00
		927 (A)	2422169		111023 INV	609.0000.14500	105.00
		927 (A)	2422178		111023 INV	609.0000.14500	126.00
		927 (A)	2422168		111023 INV	609.0000.14500	120.00
		927 (A)	2420331		110823 INV	609.0000.14500	570.00
		927 (A)	2422176		111023 INV	609.0000.14500	1,402.00
		927 (A)	2422172		111023 INV	609.0000.14500	48.00
		927 (A)	2421056		110823 INV	609.0000.14500	769.00
		927 (A)	2421052		110823 INV	609.0000.14500	1,092.00
		927 (A)	2421051		110823 INV	609.0000.14500	104.00
		927 (A)	2422177		111023 INV	609.0000.14500	168.00
		927 (A)	2422175		111023 INV	609.0000.14500	1,216.00
		927 (A)	2422173		111023 INV	609.0000.14500	221.00
		927 (A)	2422171		111023 INV	609.0000.14500	120.00
		927 (A)	2422170		111023 INV	609.0000.14500	584.00
		927 (A)	2421057		110823 INV	609.0000.14500	962.74
		927 (A)	2421050		110823 INV	609.0000.14500	484.00
		927 (A)	2421046		110823 INV	609.0000.14500	191.58
		927 (A)	2421049		110823 INV	609.0000.14500	188.40
		927 (A)	2419975		110823 INV	609.0000.14500	5,210.49
		927 (A)	2419976		110823 INV	609.0000.14500	1,287.00
		927 (A)	2422181		111023 INV	609.0000.14500	417.00
		927 (A)	2422180		111023 INV	609.0000.14500	618.72
		927 (A)	2422179		111023 INV	609.0000.14500	126.00
		927 (A)	2422174		111023 INV	609.0000.14500	120.00
		927 (A)	2426942		111723 INV	609.0000.14500	1,781.05
		927 (A)	2426938		111723 INV	609.0000.14500	48.00
		927 (A)	2426952		111723 INV	609.0000.14500	630.00
		927 (A)	2426954		111723 INV	609.0000.14500	624.00
		927 (A)	2426956		111723 INV	609.0000.14500	496.00
		927 (A)	2426955		111723 INV	609.0000.14500	
		927 (A)	2426946		111723 INV	609.0000.14500	
		927 (A)	2419977		110723 INV	609.0000.14500	2,334.50

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		927 (A)	2426939		111723 INV	609.0000.14500	168.00
		927 (A)	2426943		111723 INV	609.0000.14500	141.00
		927 (A)	2426945		111723 INV	609.0000.14500	110.00
		927 (A)	2426937		111723 INV	609.0000.14500	210.00
		927 (A)	2426944		111723 INV	609.0000.14500	596.00
		927 (A)	2426948		111723 INV	609.0000.14500	252.00
		927 (A)	2426950		111723 INV	609.0000.14500	586.64
		927 (A)	2421058		110923 INV	609.0000.14500	56.40
		927 (A)	2421055		110923 IN	609.0000.14500	309.00
		927 (A)	2421054		110923 INV	609.0000.14500	312.00
		927 (A)	2421047		110923 INV	609.0000.14500	752.00
		927 (A)	2421053		110923 INV	609.0000.14500	308.00
		927 (A)	2421048		110923 INV	609.0000.14500	360.00
		927 (A)	2424679		111523 INV	609.0000.14500	240.00
		927 (A)	2424680		111523 INV	609.0000.14500	1,730.19
		927 (A)	2424677		111523 INV	609.0000.14500	448.26
		927 (A)	2424674		111523 INV	609.0000.14500	605.00
		927 (A)	2424678		111523 INV	609.0000.14500	291.10
		927 (A)	2424681		111523 INV	609.0000.14500	678.00
		927 (A)	2422176		111023 INV	609.9791.42199	18.20
		927 (A)	2422172		111023 INV	609.9791.42199	1.40
		927 (A)	2421056		110823 INV	609.9791.42199	18.20
		927 (A)	2421052		110823 INV	609.9791.42199	19.60
		927 (A)	2421051		110823 INV	609.9791.42199	4.20
		927 (A)	2422177		111023 INV	609.9791.42199	5.60
		927 (A)	2422175		111023 INV	609.9791.42199	12.60
		927 (A)	2422173		111023 INV	609.9791.42199	7.00
		927 (A)	2422171		111023 INV	609.9791.42199	7.00
		927 (A)	2422170		111023 INV	609.9791.42199	7.00
		927 (A)	2421057		110823 INV	609.9791.42199	5.60
		927 (A)	2421050		110823 INV	609.9791.42199	5.60
		927 (A)	2421046		110823 INV	609.9791.42199	2.80
		927 (A)	2421049		110823 INV	609.9791.42199	1.40
		927 (A)	2419978		110823 DEL	609.9791.42199	6.30
		927 (A)	2419975		110823 INV	609.9791.42199	49.05
		927 (A)	2419976		110823 INV	609.9791.42199	7.70
		927 (A)	2426942		111723 INV	609.9791.42199	25.20
		927 (A)	2426938		111723 INV	609.9791.42199	1.40
		927 (A)	2426952		111723 INV	609.9791.42199	4.20
		927 (A)	2426954		111723 INV	609.9791.42199	11.20
		927 (A)	2426956		111723 INV	609.9791.42199	
		927 (A)	2426955		111723 INV	609.9791.42199	

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		927 (A)	2426946		111723 INV	609.9791.42199	11.20
		927 (A)	2426939		111723 INV	609.9791.42199	5.60
		927 (A)	2426943		111723 INV	609.9791.42199	4.20
		927 (A)	2426945		111723 INV	609.9791.42199	1.40
		927 (A)	2426937		111723 INV	609.9791.42199	5.60
		927 (A)	2426944		111723 INV	609.9791.42199	7.02
		927 (A)	2426948		111723 INV	609.9791.42199	7.00
		927 (A)	2426950		111723 INV	609.9791.42199	11.20
		927 (A)	2424679		111523 INV	609.9791.42199	4.21
		927 (A)	2424680		111523 INV	609.9791.42199	53.20
		927 (A)	2424677		111523 INV	609.9791.42199	12.60
		927 (A)	2424674		111523 INV	609.9791.42199	8.41
		927 (A)	2424678		111523 INV	609.9791.42199	1.40
		927 (A)	2424681		111523 INV	609.9791.42199	4.90
		927 (A)	2422181		111023 INV	609.9792.42199	12.60
		927 (A)	2422180		111023 INV	609.9792.42199	4.20
		927 (A)	2422179		111023 INV	609.9792.42199	4.20
		927 (A)	2422174		111023 INV	609.9792.42199	7.00
		927 (A)	2419977		110723 INV	609.9792.42199	19.61
		927 (A)	2421058		110923 INV	609.9792.42199	1.40
		927 (A)	2421055		110923 IN	609.9792.42199	4.20
		927 (A)	2421054		110923 INV	609.9792.42199	9.80
		927 (A)	2421047		110923 INV	609.9792.42199	11.20
		927 (A)	2421053		110923 INV	609.9792.42199	11.20
		927 (A)	2421048		110923 INV	609.9792.42199	12.60
		927 (A)	2419972		110723 INV	609.9793.42199	9.00
		927 (A)	24199711		110723 INV	609.9793.42199	1.50
		927 (A)	2422167		111023 INV	609.9793.42199	1.40
		927 (A)	2422169		111023 INV	609.9793.42199	2.80
		927 (A)	2422178		111023 INV	609.9793.42199	4.20
		927 (A)	2422168		111023 INV	609.9793.42199	4.20
							32,318.12
11/30/2023	MAIN	928 (A)	SP-151-000130	MADISON ENERGY INVESTMENTS	111623 SOLAR GARDEN	101.2100.43810	124.56
		928 (A)	SP-150-000130		111623 SOLAR GARDEN	101.2100.43810	107.66
		928 (A)	SP-151-000130		111623 SOLAR GARDEN	101.2200.43810	124.56
		928 (A)	SP-150-000130		111623 SOLAR GARDEN	101.2200.43810	107.66
							464.44
11/30/2023	MAIN	929 (A)	SP-001-000271	MADISON ENERGY INVESTMENTS	111623 SOLAR GARDEN	101.1940.43810	59.14
11/30/2023	MAIN	930 (A)	6688429	PHILLIPS WINE & SPIRITS INC	111023 INV	609.0000.14500	
		930 (A)	6692084		111723 INV	609.0000.14500	

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		930 (A)	6692085		111723 INV	609.0000.14500	220.00
		930 (A)	6687595		110923 INV	609.0000.14500	1,939.40
		930 (A)	6688427		111023 INV	609.0000.14500	256.00
		930 (A)	6692084		111723 INV	609.9791.42199	15.40
		930 (A)	6692085		111723 INV	609.9791.42199	7.00
		930 (A)	6687594		110923 DEL	609.9792.42199	2.80
		930 (A)	6687595		110923 INV	609.9792.42199	16.80
		930 (A)	6688427		111023 INV	609.9792.42199	8.40
		930 (A)	6688429		111023 INV	609.9793.42199	7.00
		930 (A)	6629318		072123 DEL	609.9793.42199	(8.40)
							<hr/> 4,025.72
11/30/2023	MAIN	931 (A)	2408087	SOUTHERN GLAZER'S	110223 INV	609.0000.14500	1,010.88
		931 (A)	2408084		110223 INV	609.0000.14500	1,574.00
		931 (A)	2405550		102623 INV	609.0000.14500	1,296.00
		931 (A)	2405548		102623 INV	609.0000.14500	547.50
		931 (A)	2410520		110923 INV	609.0000.14500	360.15
		931 (A)	2410519		110923 INV	609.0000.14500	1,574.37
		931 (A)	2410518		110923 INV	609.0000.14500	5,161.35
		931 (A)	2410517		110923 INV	609.0000.14500	1,425.21
		931 (A)	2410522		110923 INV	609.0000.14500	1,867.50
		931 (A)	2413059		111623 INV	609.0000.14500	211.45
		931 (A)	2413062		111623 INV	609.0000.14500	205.80
		931 (A)	2413063		111623 INV	609.0000.14500	686.60
		931 (A)	2413064		111623 INV	609.0000.14500	839.50
		931 (A)	2413065		111623 INV	609.0000.14500	1,842.50
		931 (A)	2413066		111623 INV	609.0000.14500	1,105.25
		931 (A)	2413067		111623 INV	609.0000.14500	855.00
		931 (A)	2413068		111623 INV	609.0000.14500	688.14
		931 (A)	2413069		111623 INV	609.0000.14500	355.16
		931 (A)	2413070		111623 INV	609.0000.14500	463.60
		931 (A)	2413072		111623 INV	609.0000.14500	868.75
		931 (A)	2413073		111623 INV	609.0000.14500	240.00
		931 (A)	2413074		111623 INV	609.0000.14500	1,152.00
		931 (A)	2408095		110223 INV	609.0000.14500	1,695.87
		931 (A)	2410524		110923 INV	609.0000.14500	5,161.35
		931 (A)	2408087		110223 INV	609.9791.42199	16.64
		931 (A)	2410516		110923 DEL	609.9791.42199	5.76
		931 (A)	2408084		110223 INV	609.9791.42199	16.64
		931 (A)	2405550		102623 INV	609.9791.42199	11.52
		931 (A)	2405548		102623 INV	609.9791.42199	
		931 (A)	2410520		110923 INV	609.9791.42199	

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		931 (A)	2410519		110923 INV	609.9791.42199	10.24
		931 (A)	2410518		110923 INV	609.9791.42199	26.88
		931 (A)	2410517		110923 INV	609.9791.42199	3.84
		931 (A)	2410522		110923 INV	609.9791.42199	23.04
		931 (A)	2413059		111623 INV	609.9791.42199	1.60
		931 (A)	2413062		111623 INV	609.9791.42199	5.12
		931 (A)	2413063		111623 INV	609.9791.42199	6.40
		931 (A)	2413064		111623 INV	609.9791.42199	7.68
		931 (A)	2413065		111623 INV	609.9791.42199	10.24
		931 (A)	2413066		111623 INV	609.9791.42199	21.76
		931 (A)	2413067		111623 INV	609.9791.42199	14.08
		931 (A)	2413068		111623 INV	609.9791.42199	15.36
		931 (A)	2413069		111623 INV	609.9791.42199	7.68
		931 (A)	2413070		111623 INV	609.9791.42199	14.08
		931 (A)	2413072		111623 INV	609.9791.42199	11.52
		931 (A)	2413073		111623 INV	609.9791.42199	3.84
		931 (A)	2413074		111623 INV	609.9791.42199	8.96
		931 (A)	2413061		111623 DEL	609.9791.42199	1.28
		931 (A)	2408095		110223 INV	609.9792.42199	20.48
		931 (A)	2410523		110923 DEL	609.9792.42199	0.64
		931 (A)	2410524		110923 INV	609.9792.42199	26.88
							31,498.01
11/30/2023	MAIN	932 (A)	7449878	WINE MERCHANTS	110823 INV	609.0000.14500	100.00
		932 (A)	7449877		110823 INV	609.0000.14500	790.00
		932 (A)	7449878		110823 INV	609.9791.42199	7.00
		932 (A)	7449877		110823 INV	609.9791.42199	12.84
							909.84
12/07/2023	MAIN	197233	5624649	56 BREWING LLC	112123 INV	609.0000.14500	210.33
		197233	5624630		112023 INV	609.0000.14500	204.00
							414.33
12/07/2023	MAIN	197234	232544-001	ABLE HOSE & RUBBER INC	HOSE ADAPTERS, GASKETS	101.3121.42171	156.53
		197234	232549-001		COUPLER, ADAPTER	101.6102.42171	38.05
							194.58
12/07/2023	MAIN	197235	3751860	ADAM'S PEST CONTROL, INC	PEST CONTROL CH 111723	411.9999.43050.1911	97.31
12/07/2023	MAIN	197236	7954	ALEXANDRA HOUSE INC	2023 DOMESTIC ASSAULT SVCS	101.2100.43050	5,000.00
12/07/2023	MAIN	197237	CI00043661	ALLINA HEALTH SYSTEMS	MED DIRECTORSHIP Q4 1023-1223	101.2200.43105	1,
12/07/2023	MAIN	197238	3575735004	AMERICAN BOTTLING COMPANY	110923 INV	609.0000.14500	

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12/07/2023	MAIN	197239	117857	ANCOM COMMUNICATIONS INC	REPLACE PAGER USB PORT	101.2200.42010	70.00
		197239	117858		REPLACE USB PORT RADIO G5 DUAL BAND	101.2200.42010	90.00
							160.00
12/07/2023	MAIN	197240	1717	ANOKA COUNTY LIBRARY	1023 NOTICES	240.5500.43050	100.00
12/07/2023	MAIN	197241	428747	APPLIED CONCEPTS INC	STALKER RADARS	101.2100.42010	13,022.50
12/07/2023	MAIN	197242	323337	ASPEN MILLS, INC.	PANTS	101.2100.42172	129.90
		197242	323556		BODY ARMOR, VEST CARRIER, BADGE HOL	101.2100.42172	134.69
		197242	323795		UNIFORMS	101.2100.42172	1,152.47
		197242	323556		BODY ARMOR, VEST CARRIER, BADGE HOL	101.2100.42173	485.00
		197242	323382		ASPEN EMS SUIT	101.2200.42171	289.50
		197242	315901		POLO, BADGE EMB	101.2200.42172	55.85
		197242	323256		PANTS, SHIRTS, PATCHES, JACKET, CAP	101.2200.42172	545.44
		197242	322414		POLO, EMBROIDERY	101.2200.42172	59.85
		197242	322247		NAME TAG	101.2200.42172	14.85
							2,867.55
12/07/2023	MAIN	197243	01P106076	ASTLEFORD INTERNATIONAL	AIR LINE ELBOW FITTING	701.0000.14120	18.46
12/07/2023	MAIN	197244	2037947940	BAKER & TAYLOR	BOOK ORDER	240.5500.42180	558.57
		197244	2037939993		BOOK ORDER	240.5500.42180	31.60
		197244	2037937415		BOOK ORDER	240.5500.42180	192.92
		197244	2037933493		BOOK ORDER	240.5500.42180	454.98
		197244	2037953588		BOOK ORDER	240.5500.42180	369.87
							1,607.94
12/07/2023	MAIN	197245	3492	BARREL THEORY BEER COMPANY	111923 INV	609.0000.14500	299.00
12/07/2023	MAIN	197246	1899	BAUER SERVICES II INC	BOARDING UP - 941 44TH AVE	408.6414.43050	749.02
12/07/2023	MAIN	197247	67-131474	BMJ CORPORATION	COPPER PLUGS, POWER PLUGS	701.0000.14120	95.80
12/07/2023	MAIN	197248	23352	BRADLEY LAW LLC	LEGAL - COMCAST FRANCHISE 1023	225.9844.43050	68.75
		197248	23309		LEGAL - COMCAST FRANCHISE 0923	225.9844.43050	550.00
		197248	23272		LEGAL - COMCAST FRANCHISE 0823	225.9844.43050	426.25
							1,045.00
12/07/2023	MAIN	197249	8000014661-5	CENTERPOINT ENERGY	111423 8000014661-5	101.1940.43830	542.49
		197249	8000014661-5		111423 8000014661-5	101.5129.43830	613.07
		197249	8000014661-5		111423 8000014661-5	101.5200.43830	233.60
		197249	8000014661-5		111423 8000014661-5	601.9600.43830	80.83
		197249	8000014661-5		111423 8000014661-5	609.9791.43830	
		197249	8000014661-5		111423 8000014661-5	609.9792.43830	

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		197249	8000014661-5		111423 8000014661-5	609.9793.43830	31.94
		197249	8000014661-5		111423 8000014661-5	701.9950.43830	467.30
							2,784.14
12/07/2023	MAIN	197250	4175418695	CINTAS INC	TOWELS, AIR FRESH 112923	101.2100.44020	25.00
		197250	4175418695		TOWELS, AIR FRESH 112923	101.2200.44020	25.00
		197250	4174516332		MOPS JPM 112023	101.5129.44020	38.29
		197250	4175302005		MOPS, MATS JPM 112823	101.5129.44020	120.77
		197250	4174313407		UNIFORM, RUG RENTAL 111623	701.9950.42172	31.99
		197250	4175032584		UNIFORM RENTAL 112323	701.9950.42172	31.99
		197250	4174313407		UNIFORM, RUG RENTAL 111623	701.9950.44020	37.20
							310.24
12/07/2023	MAIN	197251	239562	COLUMBIA HEIGHTS RENTAL INC	STUMP GRINDER RENTAL	101.6102.44100	205.00
12/07/2023	MAIN	197252	23329A20205002B001	COLUMBIA HEIGHTS VOLUNTEER	2023 STATE FIRE AID	101.2200.41240	150,546.29
12/07/2023	MAIN	197253	27083	COMMERCIAL STEAM TEAM	CARPET CLEANING PW 111823	701.9950.44020	584.35
12/07/2023	MAIN	197254	T955770	CORE & MAIN LP	OMNI METER & FITTINGS	601.9600.42990	2,212.79
12/07/2023	MAIN	197255	502946	CRYSTAL SPRINGS ICE LLC	111523 INV	609.0000.14500	89.97
		197255	502949		111523 INV	609.0000.14500	197.04
		197255	502949		111523 INV	609.9792.42199	4.00
		197255	502946		111523 INV	609.9793.42199	4.00
							295.01
12/07/2023	MAIN	197256	16247-01	DO-GOOD.BIZ INC	MAIL SVC, POSTAGE WINTER 2023 NEWSL	225.9844.43050	2,876.90
12/07/2023	MAIN	197257	0134766-IN	EARL F ANDERSEN INC	RED SOLAR LED FLASHERS	212.3190.42171	304.95
12/07/2023	MAIN	197258	1710801	EBSCO PUBLISHING	MAGAZINE SUBSCRIPTIONS 2024	240.5500.42181	2,661.74
		197258	2307053		0623 MID MOD TREASURES MAGAZINE CRE	240.5500.42181	(32.00)
		197258	2303116		1222 MARTHA STEWART LIVING MAGAZINE	240.5500.42181	(16.80)
							2,612.94
12/07/2023	MAIN	197259	130005	EMERGENCY APPARATUS MAINT	IREPAIR PRIMING VALVE LADDER 1	101.2200.42280	854.91
12/07/2023	MAIN	197260	0521818	FERGUSON WATERWORKS INC	STUBBY IMPACT WRENCH	601.9600.42010	179.00
12/07/2023	MAIN	197261	112729761	FLEETPRIDE INC	FILTERS, LED FLASHERS, LUBE ELEMENT	701.0000.14120	275.55
		197261	112729830		FILTERS	701.0000.14120	20.22
		197261	112815736		FILTER	701.0000.14120	99.35
		197261	112861351		FILTER-INVENTORY	701.0000.14120	5.47

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12/07/2023	MAIN	197262	4342-942049	GENUINE PARTS/NAPA AUTO	V-BELT	701.0000.14120	16.75
		197262	4342-942068		V-BELT	701.0000.14120	89.80
							106.55
12/07/2023	MAIN	197263	1022574-00	GOODIN CO INC	BALL VALVE	101.3121.42010	837.06
		197263	1024285-00		HEX BUSHING	101.6102.42171	19.24
							856.30
12/07/2023	MAIN	197264	666780	HOHENSTEINS INC	112423 INV	609.0000.14500	547.90
		197264	665249		111723 INV	609.0000.14500	5,377.65
		197264	663813		111723 INV	609.0000.14500	174.00
		197264	665248		111723 INV	609.0000.14500	1,262.50
		197264	663814		111723 INV	609.0000.14500	123.00
							7,485.05
12/07/2023	MAIN	197265	IN308841	JEFFERSON FIRE & SAFETY INC	CLASS A FOAM	101.2200.42161	612.00
12/07/2023	MAIN	197266	112123	KIWANIS COLUMBIA HTS-FRIDLE	PROCEED SHARE-LOES, RE-ALLIANCE	603.9530.44200	453.46
12/07/2023	MAIN	197267	20152798	KLINKE/KEITH OID#219241	RETURN SEIZED FUNDS CASE#20152798	265.0000.22210	367.00
12/07/2023	MAIN	197268	02-1034650	LANO EQUIPMENT	2023 METAL PLESS BLADE PRO1248-20LE	431.3121.45180	41,805.00
12/07/2023	MAIN	197269	408349	LEADSONLINE LLC	POWERPLUS INVESTIGATION SYSTEM 2024	101.2100.44030	3,016.00
12/07/2023	MAIN	197270	93361	LOE'S OIL COMPANY INC	ANTI-FREEZE DISPOSAL RECYCLING CENT	603.9540.43050	41.25
12/07/2023	MAIN	197271	17288	LUCID BREWING LLC	111423 INV	609.0000.14500	148.00
12/07/2023	MAIN	197272	372539	M AMUNDSON CIGAR & CANDY CO	111723 INV	609.0000.14500	3,388.38
		197272	372542		111723 INV	609.0000.14500	1,842.79
		197272	372541		111723 INV	609.0000.14500	1,386.03
							6,617.20
12/07/2023	MAIN	197273	INV11823025	MARCO, INC	FAILING CAMERA AT LIBRARY	240.5500.44000	225.00
		197273	INV11858557		COPY MAINT 111523-121423	240.5500.44000	220.45
							445.45
12/07/2023	MAIN	197274	41115805	MARTIN MARIETTA MATERIALS,	1MV4 WEAR ASPHALT	101.3121.42160	400.00
12/07/2023	MAIN	197275	718813	MCDONALD DISTRIBUTING CO	111723 INV	609.0000.14500	280.75
12/07/2023	MAIN	197276	IN5534	MEGA BEER LLC	110823 INV	609.0000.14500	132.00
12/07/2023	MAIN	197277	99462	MENARDS CASHWAY LUMBER-FRID	OIL DRI 25LB, SPONGE, VINEGAR, LAUN	101.2200.42171	68.98
		197277	99109		GLASS CLEANER	101.3121.42171	
		197277	99505		SHOP VAC, SCREWS	101.3170.42171	

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		197277	99673		HOLE SAW KIT	101.3170.42171	54.99
							204.55
12/07/2023	MAIN	197278	803318	MIDWAY FORD	BRAKE PADS	701.0000.14120	59.99
12/07/2023	MAIN	197279	0000135401	MINNESOTA PETROLEUM SRVC INC	DIESEL NOOZLE	701.0000.14120	111.95
12/07/2023	MAIN	197280	298180	MINNESOTA SHERIFFS' ASSOCIA	BASIC DATA PRACTICES CLASS 0124	101.2100.43105	90.00
12/07/2023	MAIN	197281	15462	MN DEPT OF HEALTH	CLASS D LICENSE OLSON	601.9600.44390	23.00
12/07/2023	MAIN	197282	6794	MN STATE FIRE CHIEFS ASSN	2024 MEMBERSHIP AC, TM, DO, CT	101.2200.44330	280.00
12/07/2023	MAIN	197283	E-46322	MODIST BREWING CO LLC	112123 INV	609.0000.14500	300.00
12/07/2023	MAIN	197284	111623	NEUS/C JANE	556 40TH FACADE IMPROVEMENT GRANT	408.6411.44600	4,265.00
12/07/2023	MAIN	197285	3174	NORTHLAND REFRIGERATION INC	AHU #1 LEAK	101.5129.44020	343.00
12/07/2023	MAIN	197286	PSO058706-1	NUSS TRUCK & EQUIPMENT	FILTERS, GREASE	701.0000.14120	178.31
12/07/2023	MAIN	197287	47210	NYSTROM PUBLISHING COMPANY	PRINT NEWSLETTER WINTER 2023	225.9844.43050	6,208.16
12/07/2023	MAIN	197288	338849145001	OFFICE DEPOT	W2 ENVELOPES	101.1510.42000	163.72
		197288	341719614001		COPY PAPER, FOREVER STAMPS	101.3100.42000	6.43
		197288	341719614001		COPY PAPER, FOREVER STAMPS	101.3100.43220	3.77
		197288	341719614001		COPY PAPER, FOREVER STAMPS	101.3121.42000	6.43
		197288	341719614001		COPY PAPER, FOREVER STAMPS	101.3121.43220	3.77
		197288	341719614001		COPY PAPER, FOREVER STAMPS	101.5200.42000	6.43
		197288	341719614001		COPY PAPER, FOREVER STAMPS	101.5200.43220	3.77
		197288	341719614001		COPY PAPER, FOREVER STAMPS	601.9600.42000	6.43
		197288	341719614001		COPY PAPER, FOREVER STAMPS	601.9600.43220	3.77
		197288	341719614001		COPY PAPER, FOREVER STAMPS	602.9600.42000	6.43
		197288	341719614001		COPY PAPER, FOREVER STAMPS	602.9600.43220	3.77
		197288	341719614001		COPY PAPER, FOREVER STAMPS	603.9530.42000	6.42
		197288	341719614001		COPY PAPER, FOREVER STAMPS	603.9530.43220	3.77
		197288	341719614001		COPY PAPER, FOREVER STAMPS	701.9950.42000	6.42
		197288	341719614001		COPY PAPER, FOREVER STAMPS	701.9950.43220	3.78
							235.11
12/07/2023	MAIN	197289	111623	PARCEL ARTS	111623 NEEDLE FELTED SUCCULENTS	240.5500.43050	363.00
12/07/2023	MAIN	197290	01CU8598	PIONEER RIM & WHEEL CO.	AXEL	701.0000.14120	178.91
12/07/2023	MAIN	197291	446843	PLAYAWAY PRODUCTS LLC	READ-ALONG BOOK ORDER	240.5500.42187	506.91
12/07/2023	MAIN	197292	0000001	PLIEGO-GENIZ/BRENDA	SPANISH PREP AND INSTRUCTION CLASS	101.2100.43050	618.00
12/07/2023	MAIN	197293	000185	RED CEDAR CONSULTING, LLC	INTERVIEWS AND INVESTIGATIVE REPORT	101.2100.43050	5,314.00

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12/07/2023	MAIN	197294	112423	SHOREVIEW HUNKS LLC	BULK, APPLIANCE, ELECTRONICS PICKUP	603.9510.42910	3,640.00
		197294	112423		BULK, APPLIANCE, ELECTRONICS PICKUP	603.9510.42920	1,665.00
		197294	112423YW		YARD WASTE PICKUP 112023-112423	603.9510.42930	10,518.00
		197294	111723YW		YARD WASTE PICKUP 111323-111723	603.9510.42930	10,518.00
		197294	112423		BULK, APPLIANCE, ELECTRONICS PICKUP	603.9540.43050	25.00
							26,366.00
12/07/2023	MAIN	197295	52823	STEEL TOE BREWING LLC	112223 INV	609.0000.14500	156.00
		197295	52680		111423 INV	609.0000.14500	255.00
							411.00
12/07/2023	MAIN	197296	11666935	STREICHER'S GUN'S INC/DON	BOOTS, GLOVES	101.2100.42172	226.97
12/07/2023	MAIN	197297	415706	SUN BADGE COMPANY INC	BADGES #133	101.2100.42172	367.25
12/07/2023	MAIN	197298	24823	SUNDAE/LAXMAN	RENTAL LIC REFUND 3919 ULYSSES	101.0000.32125	300.00
12/07/2023	MAIN	197299	880761	TRIO SUPPLY COMPANY INC	HAND SOAP, CAN LINERS, TP, TOWELS,	101.1940.42171	835.28
		197299	880763		CAN LINERS	101.1940.42171	87.37
		197299	853280		RTN FLOOR CLEANER, GLASS CLEANER	101.1940.42171	(91.67)
							830.98
12/07/2023	MAIN	197300	17027	TRUSCO MANUFACTURING COMPAN	TRULINE STRIPER PAINT MACHINE	101.3121.42010	1,024.00
		197300	17027		TRULINE STRIPER PAINT MACHINE	101.3170.42010	1,500.00
		197300	17027		TRULINE STRIPER PAINT MACHINE	101.5200.42010	1,500.00
		197300	17027		TRULINE STRIPER PAINT MACHINE	604.9600.42010	1,023.00
							5,047.00
12/07/2023	MAIN	197301	230601P	TULL BEARINGS INC	INSERT BEARINGS, FLANGE MOUNT	701.0000.14120	51.00
12/07/2023	MAIN	197302	171207895	ULINE INC	HANDGUN EVIDENCE BOXES	101.2100.42171	349.05
12/07/2023	MAIN	197303	6116444	UNIQUE MANAGEMENT SERVICES	0823 PLACEMENTS	240.5500.43050	58.25
12/07/2023	MAIN	197304	BO12084889	UNIVERSITY OF CHICAGO PRESS	BOOK ORDER	240.5500.42180	24.10
12/07/2023	MAIN	197305	5312	VENN BREWING COMPANY	112123 INV	609.0000.14500	383.00
		197305	5299		112023 INV	609.0000.14500	303.00
							686.00
12/07/2023	MAIN	197306	9949009305	VERIZON WIRELESS	111023 742128747-00001	101.2100.43250	886.06
12/07/2023	MAIN	197307	2564	VERTEX UNMANNED SOLUTIONS	PART 107 PREP CLASS	101.2100.43105	199.00
12/07/2023	MAIN	197308	SF-0022905	WORLD BOOK	2024 WORLD BOOK ENCYCLOPEDIA SET	240.5500.42180	1,
12/07/2023	MAIN	197309	1075580522	XCEL ENERGY (N S P)	112023 51-7085831-0	101.1940.43810	

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		197309	1073523442		110923 51-4217828-3	101.2200.43810	62.50
		197309	51-4159573-1		111423 51-4159573-1	101.3121.43810	16.57
		197309	51-4159573-1		111423 51-4159573-1	101.3160.43810	13,440.11
		197309	1075526573		112023 51-4350334-8	101.5129.43810	624.14
		197309	1074448537		111423 51-7654903-4	101.5200.43810	268.65
		197309	1074447543		111423 51-5950185-0	101.5200.43810	165.26
		197309	51-4159573-1		111423 51-4159573-1	101.5200.43810	614.58
		197309	51-4159573-1		111423 51-4159573-1	212.3190.43810	534.62
		197309	51-4159573-1		111423 51-4159573-1	601.9600.43810	1,097.59
		197309	51-4159573-1		111423 51-4159573-1	602.9600.43810	488.77
		197309	51-4159573-1		111423 51-4159573-1	603.9530.43810	117.14
		197309	51-4159573-1		111423 51-4159573-1	604.9600.43810	12.68
		197309	51-4159573-1		111423 51-4159573-1	701.9950.43810	403.16
							18,757.53
12/07/2023	MAIN	933 (A)	15013019	ALLIED UNIVERSAL SECURITY S	SECURITY JPM 111823-111923	101.5129.43050	200.00
12/07/2023	MAIN	934 (A)	3642677	ARTISAN BEER COMPANY	112023 INV	609.0000.14500	309.15
		934 (A)	3642676		112023 INV	609.0000.14500	720.00
		934 (A)	3642295		111723 INV	609.0000.14500	1,705.05
							2,734.20
12/07/2023	MAIN	935 (A)	0107621600	BELLBOY BAR SUPPLY	111523 INV	609.0000.14500	219.98
		935 (A)	0107621600		111523 INV	609.9792.42171	181.50
							401.48
12/07/2023	MAIN	936 (A)	0201586200	BELLBOY CORPORATION	111523 INV	609.0000.14500	410.00
		936 (A)	0201586200		111523 INV	609.9792.42199	6.00
							416.00
12/07/2023	MAIN	937 (A)	101092042	BLUE CLOUD DISTRIBUTION OF	1112423 INV	609.0000.14500	450.25
12/07/2023	MAIN	938 (A)	113114444	BREAKTHRU BEVERAGE MN W&S LI	111723 INV 700297717	609.0000.14500	405.00
		938 (A)	113114448		111723 INV 700297717	609.0000.14500	594.00
		938 (A)	113114450		111723 INV 700297717	609.0000.14500	678.04
		938 (A)	113114451		111723 INV 700297717	609.0000.14500	540.00
		938 (A)	113114447		111723 INV 700297717	609.0000.14500	346.50
		938 (A)	112900020		110323 INV 700297717	609.0000.14500	190.87
		938 (A)	112472446		100623 INV 700297717	609.0000.14500	751.90
		938 (A)	112472451		100623 INV 700297717	609.0000.14500	454.60
		938 (A)	113114462		111723 INV 700297782	609.0000.14500	385.50
		938 (A)	113114463		111723 INV 700297782	609.0000.14500	
		938 (A)	113114464		111723 INV 700297782	609.0000.14500	
		938 (A)	411632800		111423 INV	609.0000.14500	

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(46.87)

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CHECK DISBURSEMENT REPORT FOR CITY OF COLUMBIA HEIGHTS
CHECK DATE FROM 11/23/2023 - 12/07/2023

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Item 22.

Check Date	Bank	Check #	Invoice	Payee	Description	GL #	Amount
		938 (A)	411653633		112023 INV 700297717	609.0000.14500	(62.40)
		938 (A)	411653634		112023 INV 700297717	609.0000.14500	(90.92)
		938 (A)	113114444		111723 INV 700297717	609.9791.42199	3.45
		938 (A)	113114448		111723 INV 700297717	609.9791.42199	13.80
		938 (A)	113114450		111723 INV 700297717	609.9791.42199	3.45
		938 (A)	113114451		111723 INV 700297717	609.9791.42199	5.75
		938 (A)	113114447		111723 INV 700297717	609.9791.42199	2.30
		938 (A)	112900020		110323 INV 700297717	609.9791.42199	1.53
		938 (A)	112472446		100623 INV 700297717	609.9791.42199	8.05
		938 (A)	112472451		100623 INV 700297717	609.9791.42199	19.55
		938 (A)	411632800		111423 INV	609.9791.42199	(0.38)
		938 (A)	411653633		112023 INV 700297717	609.9791.42199	(1.15)
		938 (A)	411653634		112023 INV 700297717	609.9791.42199	(4.60)
		938 (A)	113114462		111723 INV 700297782	609.9793.42199	3.45
		938 (A)	113114463		111723 INV 700297782	609.9793.42199	5.75
		938 (A)	113114464		111723 INV 700297782	609.9793.42199	17.25
							5,105.37
12/07/2023	MAIN	939 (A)	2916011	CAPITOL BEVERAGE SALES LP	112123 INV	609.0000.14500	6,190.15
		939 (A)	2916686		112123 INV	609.0000.14500	340.00
		939 (A)	2915334		112023 INV	609.0000.14500	2,672.15
		939 (A)	2916010		112123 INV	609.0000.14500	(39.60)
							9,162.70
12/07/2023	MAIN	940 (A)	2426119	JOHNSON BROTHERS LIQUOR CO.	111623 INV	609.0000.14500	454.65
		940 (A)	2425801		111623 INV	609.0000.14500	153.00
		940 (A)	2424686		111523 INV	609.0000.14500	81.00
		940 (A)	2424682		111523 INV	609.0000.14500	320.00
		940 (A)	2425800		111623 INV	609.0000.14500	36.00
		940 (A)	2425799		111623 INV	609.0000.14500	284.00
		940 (A)	2424688		111523 INV	609.0000.14500	152.00
		940 (A)	2424676		111523 INV	609.0000.14500	218.00
		940 (A)	2424687		111523 INV	609.0000.14500	316.00
		940 (A)	2424685		111523 INV	609.0000.14500	96.00
		940 (A)	2424684		111523 INV	609.0000.14500	583.00
		940 (A)	2424683		111523 INV	609.0000.14500	171.00
		940 (A)	2424675		111523 INV	609.0000.14500	1,646.50
		940 (A)	2426957		111723 INV	609.0000.14500	496.00
		940 (A)	2426940		111723 INV	609.0000.14500	240.00
		940 (A)	2426947		111723 INV	609.0000.14500	240.00
		940 (A)	2426119		111623 INV	609.9791.42199	
		940 (A)	2425801		111623 INV	609.9792.42199	
		940 (A)	2424686		111523 INV	609.9792.42199	2.80

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Item 22.

Check Date	Bank	Check #	Invoice	Payee	Description	GL #	Amount
		940 (A)	2424682		111523 INV	609.9792.42199	11.20
		940 (A)	2425800		111623 INV	609.9792.42199	1.50
		940 (A)	2425799		111623 INV	609.9792.42199	4.50
		940 (A)	2424676		111523 INV	609.9792.42199	2.80
		940 (A)	2424688		111523 INV	609.9793.42199	4.20
		940 (A)	2424687		111523 INV	609.9793.42199	4.20
		940 (A)	2424685		111523 INV	609.9793.42199	2.80
		940 (A)	2424684		111523 INV	609.9793.42199	7.00
		940 (A)	2424683		111523 INV	609.9793.42199	4.20
		940 (A)	2424675		111523 INV	609.9793.42199	15.43
		940 (A)	2426957		111723 INV	609.9793.42199	1.40
		940 (A)	2426940		111723 INV	609.9793.42199	2.81
		940 (A)	2426947		111723 INV	609.9793.42199	11.20
							5,568.39
12/07/2023	MAIN	941 (A)	504635095	MIDWEST TAPE	DVD ORDER	240.5500.42189	500.00
		941 (A)	504665839		DVD ORDER	240.5500.42189	627.38
							1,127.38
12/07/2023	MAIN	942 (A)	6692088	PHILLIPS WINE & SPIRITS INC	111723 INV	609.0000.14500	220.00
		942 (A)	510949		101623 INV	609.0000.14500	(1.34)
		942 (A)	6692088		111723 INV	609.9793.42199	7.00
							225.66
12/07/2023	MAIN	943 (A)	2413224	SOUTHERN GLAZER'S	111623 INV	609.0000.14500	1,220.52
		943 (A)	2413225		111623 INV	609.0000.14500	1,245.90
		943 (A)	2413226		111623 INV	609.0000.14500	855.00
		943 (A)	2413075		111623 INV	609.0000.14500	855.00
		943 (A)	2413077		111623 INV	609.0000.14500	360.15
		943 (A)	2413079		111623 INV	609.0000.14500	310.80
		943 (A)	2413080		111623 INV	609.0000.14500	899.00
		943 (A)	2413081		111623 INV	609.0000.14500	180.00
		943 (A)	2413082		111623 INV	609.0000.14500	1,772.72
		943 (A)	2413083		111623 INV	609.0000.14500	600.00
		943 (A)	2413076		111623 DEL	609.9792.42199	1.28
		943 (A)	2413075		111623 INV	609.9792.42199	14.08
		943 (A)	2413077		111623 INV	609.9792.42199	8.96
		943 (A)	2413079		111623 INV	609.9792.42199	8.32
		943 (A)	2413080		111623 INV	609.9792.42199	11.52
		943 (A)	2413081		111623 INV	609.9792.42199	1.28
		943 (A)	2413082		111623 INV	609.9792.42199	
		943 (A)	2413083		111623 INV	609.9792.42199	
		943 (A)	2413223		111623 DEL	609.9793.42199	1.28

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CHECK DISBURSEMENT REPORT FOR CITY OF COLUMBIA HEIGHTS
CHECK DATE FROM 11/23/2023 - 12/07/2023

Check Date	Bank	Check #	Invoice	Payee	Description	GL #	Amount
		943 (A)	2413224		111623 INV	609.9793.42199	8.96
		943 (A)	2413225		111623 INV	609.9793.42199	29.44
		943 (A)	2413226		111623 INV	609.9793.42199	14.08
							8,420.05
TOTAL - ALL FUNDS					TOTAL OF 173 CHECKS		644,576.42

Check Register Report For City Of Columbia Heights
For Check Dates 11/18/2023 to 12/01/2023

Check Date	Bank	Check Number	Name	Check Gross	Physical Check Amount	Direct Deposit	Status
12/01/2023	PR	100216	MN CHILD SUPPORT PAYMENT CENTE	298.50	298.50	0.00	Open
12/01/2023	PR	100217	LELS #311 OFFICERS UNION	1,417.50	1,417.50	0.00	Open
12/01/2023	PR	100218	LELS #342 SERGEANT UNION	270.00	270.00	0.00	Open
12/01/2023	PR	EFT1074	COL HTS LOCAL 1216	200.00	200.00	0.00	Open
12/01/2023	PR	EFT1075	COLHTS FIREFIGHTER ASSN	110.00	110.00	0.00	Open
12/01/2023	PR	EFT1076	MSRS MNDP PLAN 650251	2,437.21	2,437.21	0.00	Open
12/01/2023	PR	EFT1077	HSA BANK	8,808.92	8,808.92	0.00	Open
12/01/2023	PR	EFT1078	PMA UNION DUES	60.00	60.00	0.00	Open
12/01/2023	PR	EFT1079	COL HGTS POLICE ASSN	175.50	175.50	0.00	Open
12/01/2023	PR	EFT1080	IRS	96,291.70	96,291.70	0.00	Open
12/01/2023	PR	EFT1081	MISSION SQUARE 401 (ROTH)	2,243.35	2,243.35	0.00	Open
12/01/2023	PR	EFT1082	MISSION SQUARE 457(B)	18,723.41	18,723.41	0.00	Open
12/01/2023	PR	EFT1083	MISSION SQUARE RHS	647.14	647.14	0.00	Open
12/01/2023	PR	EFT1084	PERA 397400	96,783.58	96,783.58	0.00	Open
12/01/2023	PR	EFT1085	STATE OF MN TAX	20,416.01	20,416.01	0.00	Open

Totals:		Number of Checks: 015	248,882.82	248,882.82	0.00
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Total Physical Checks:	3
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Total Check Stubs:	12
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CITY COUNCIL MEETING

AGENDA SECTION	PUBLIC HEARINGS
MEETING DATE	DECEMBER 11, 2023

ITEM:	Resolution 2023-083, Adopting a Budget for the Year 2024, Setting the City Levy, Approving the HRA Levy, and Approving a Tax Rate Increase	
DEPARTMENT: Finance		BY/DATE: Joseph Kloiber, Finance Director / December 6, 2023
CORE CITY STRATEGIES: (please indicate areas that apply by adding an "X" in front of the selected text below)		
<input checked="" type="checkbox"/> Healthy and Safe Community		<input checked="" type="checkbox"/> Thriving and Vibrant Destination Community
<input checked="" type="checkbox"/> Equitable, Diverse, Inclusive, and Friendly		<input checked="" type="checkbox"/> Strong Infrastructure and Public Services
<input checked="" type="checkbox"/> Trusted and Engaged Leadership		<input checked="" type="checkbox"/> Sustainable

BACKGROUND

As required under the city charter, the city manager provided the city council with a proposed 2024 budget in August 2023. That document, available on the city's website, explains the proposed 2024 budget with 112 pages of summary and detail information, including comparisons to the current year and two prior years. This information was then reviewed at three council work sessions.

In November, Anoka County mailed a notice to each property owner listing their property's share of the proposed 2024 property tax levy included in the city's proposed 2024 budget. This notice also reports the proposed 2024 property taxes for all other applicable jurisdictions (county, school district, HRA and other special taxing districts.)

SUMMARY OF CURRENT STATUS

The proposed 2024 gross tax levy is an 8.4% increase in the amount received by the city. The annual portion of the city tax levy subsidized by the Metro Area Fiscal Disparities program will decrease by 11% for 2024 under the state formula for that program. These two changes combine to yield a 14.2% increase to local property owners for the portion of the city levy not subsidized by the Metro Area Fiscal Disparities program.

We note that 2024 changes in taxable market values within the City vary significantly depending on property type:

Property Type	Change in 2024 Taxable Market Value
Apartments (4 or more dwelling units)	16%
Commercial	21%
Residential (less than 4 dwelling units)	-2%

This shift in taxable value between the different types of property within the city will shift a greater portion of the 2024 tax levy to commercial property and apartment buildings than to residential property. Consequently

the 2024 increase on a median value single family home will be approximately 11% despite the local levy increase to all types of property combined being just over 14%. This basically reverses the shift in values that occurred for 2023, when residential property values increased significantly more than commercial property and apartment buildings.

Under state statute, at the December 11th public hearing the city council cannot adopt a 2024 tax levy greater than the amount reported by Anoka County in the individual notices sent to each property owner in November.

RECOMMENDED MOTION(S):

MOTION: Move to waive the reading of Resolution 2023-083, there being ample copies available to the public.

MOTION: Move to close the public hearing and adopt Resolution 2023-083, being a resolution adopting a budget for the year 2024, setting the city levy, approving the HRA levy, and approving a tax rate increase.

ATTACHMENT(S):

Resolution 2023-083

ADOPTING A BUDGET FOR THE YEAR 2024, SETTING THE CITY LEVY, APPROVING THE HRA LEVY, AND APPROVING A TAX RATE INCREASE.

Now, in accordance with all ordinances and regulations of the City of Columbia Heights, the City Council of the City of Columbia Heights makes the following:

ORDER OF COUNCIL

Section A. The budget for the City of Columbia Heights for the year 2024 is hereby approved and adopted with appropriations for each of the funds listed below. The estimated gross revenues to fund the budget for the year 2024, including general ad valorem tax levies and use of fund balances, are also listed below.

	<u>Revenue</u>	<u>Expense</u>
Governmental Funds		
General Fund	17,923,700	17,923,700
Planning & Inspections	608,900	604,800
Economic Development Authority Admin.	313,700	313,700
Cable Television	138,500	186,000
Library	1,262,000	1,262,000
After School Programs	-	25,000
Downtown Parking	56,600	56,600
Capital Project Funds	3,255,000	2,569,800
Debt Service Funds	7,906,900	7,888,900
Proprietary Funds		
Water Fund	4,536,700	5,661,600
Sewer Fund	3,402,900	4,158,900
Refuse Fund	3,600,000	4,240,700
Storm Sewer Fund	785,100	567,500
Liquor Fund	10,256,500	10,137,300
Municipal Service Center	1,075,200	1,320,200
Information Systems	957,800	940,300
Change in Fund Balance	<u>1,777,500</u>	<u>-</u>
Total Including Interfund Transfers	57,857,000	57,857,000

Section B. The following sums of money are levied for the current year, collectable in 2024 upon the Taxable property in the City of Columbia Heights, for the following purposes:

Estimated General Fund Levy	15,139,000
Estimated Library Levy	1,248,000
Estimated EDA Fund Levy	<u>310,000</u>
Total	16,697,000

Section C. The City Council of the City of Columbia Heights hereby approves the Columbia Heights Housing and Redevelopment Authority Tax Levy for the fiscal year 2024 in the amount of \$310,000.

BE IT FURTHER RESOLVED: That the County Auditor is authorized to fix a property tax rate for taxes payable in the year 2024 that is higher than the tax rate calculated for the City of Columbia Heights for taxes payable in 2023.

BE IT FURTHER RESOLVED: That the City has adequate fund balances and reserves to pay bond principal and interest payments on General Obligation Bond Series 2015A in the amount of \$233,012 and that the County Auditor is authorized to cancel \$233,012 of the related Bond Levy for taxes payable in 2024, leaving a balance of \$248,400 to be levied for taxes payable 2024 for Series 2015A.

BE IT FURTHER RESOLVED: That the City has adequate fund balances and reserves to pay bond principal and interest payments on General Obligation Bond Series 2017A in the amount of \$339,019 and that the County Auditor is authorized to cancel \$339,019 of the related Bond Levy for taxes payable in 2024, leaving a balance of \$0 to be levied for taxes payable in 2024 for Series 2017A.

BE IT FURTHER RESOLVED: That the City has adequate fund balances and reserves to pay bond principal and interest payments on General Obligation Bond Series 2017B in the amount of \$231,983 and that the County Auditor is authorized to cancel \$231,983 of the related Bond Levy for taxes payable in 2024, leaving a balance of \$331,200 to be levied for taxes payable in 2024 for Series 2017B.

BE IT FURTHER RESOLVED: That the City has adequate fund balances and reserves to pay bond principal and interest payments on General Obligation Bond Series 2018A in the amount of \$20,019 and that the County Auditor is authorized to cancel \$20,019 of the related Bond Levy for taxes payable in 2024, leaving a balance of \$96,400 to be levied for taxes payable in 2024 for Series 2018A.

BE IT FURTHER RESOLVED: That the City has adequate fund balances and reserves to pay bond principal and interest payments on General Obligation Bond Series 2023B in the amount of \$118,706 and that the County Auditor is authorized to cancel \$118,706 of the related Bond Levy for taxes payable in 2024, leaving a balance of \$0 to be levied for taxes payable in 2024 for Series 2023B.

The Finance Director is hereby instructed to transmit a certified copy of this resolution to the County Auditor of Anoka County, Minnesota.

Passed this 11th day of December, 2023

Offered by:
Seconded by:
Roll Call:

Mayor Amáda Márquez Simula

Attest: _____
Sara Ion, City Clerk/Council Secretary

CITY COUNCIL MEETING

AGENDA SECTION	ITEMS FOR CONSIDERATION
MEETING DATE	DECEMBER 11, 2023

ITEM:	Approval of Second Amended Loan Agreement and Related Documents for the 4300 Central Avenue NE Redevelopment Site		
DEPARTMENT: Community Development		BY/DATE: CD Director/Assistant City Manager/ December 06, 2023	
CORE CITY STRATEGIES: <i>(please indicate areas that apply by adding an "X" in front of the selected text below)</i>			
_Healthy and Safe Community		X Thriving and Vibrant Destination Community	
_Equitable, Diverse, Inclusive, and Friendly		X Strong Infrastructure and Public Services	
_Trusted and Engaged Leadership		_Sustainable	

BACKGROUND

In July of 2021, The City partnered with Alatus LLC, to acquire the priority redevelopment site at 4300 Central Avenue NE. To facilitate the acquisition and preparation of the property, the City made a bridge loan that allowed Alatus to purchase the property, demolish the existing buildings, and cover costs associated with environmental testing and clearance. To provide the loan, the City issued Taxable General Obligation Temporary Tax Increment Bonds (Series 2021A), in the amount of \$5,935,000. The initial loan amount to Alatus represented the full bond issuance amount of \$5,935,000, and the loan had a maturity date of July 31, 2023. In May of 2023, the City agreed to extend the maturity date of the loan to December 15, 2023 to allow Alatus more time to close on phase one financing for the project and repay the loan. Due to market conditions, the project has been delayed and phase one is now expected to start in mid to late 2024. This means that Alatus will need more time to repay the City.

To extend the repayment timeline, the City cannot simply amend the current loan with Alatus, as the maturity date for the Series 2021A bonds that were issued to make the initial loan is February 1, 2024. This means that the City must repay the first series of bonds by issuing new bonds that will repay the first series. To this end, staff worked with the City's financial consultant Ehlers, and redevelopment Counsel, Kennedy and Graven to issue the Series 2023A bonds that were approved by the Council on November 27 of this year. The principal amount of the Series 2023A bond issuance is \$6,615,000. This new series of bonds will be used to refund the Series 2021A bonds and issue a new loan to Alatus. The new bond issuance is \$680,000 more than the first issuance to account for closing costs and capitalized interest that is subject to a higher rate. The key provisions of the proposed amended loan agreement(s) are as follows:

- The maturity date of the new loan is July 31, 2025
- There are no interest or principle payments due in the interim period between closing and the repayment deadline for the loan. Interest will accrue during the loan term and be paid when Alatus closes on their permanent financing.

SUMMARY OF CURRENT STATUS

Right now, it is imperative that the City and Alatus renegotiate the terms of the original loan and execute a new loan agreement. The City has already taken the steps to pay off the first bond issuance with the issuance of the Series 2023A bonds. If a new loan agreement is not secured with Alatus, the City is ultimately responsible for the repayment of the Series 2023A bonds by which have a maturity date of February 1, 2026.

STAFF RECOMMENDATION

Staff recommends approval of Resolution 2023-87, a resolution approving modification of the loan agreements with Alatus that reflect the full amount of the Series 2023A bond issuance. This modification will give the City and Alatus the additional time needed to further the development plans for the site, and allow Alatus the time necessary to secure permanent financing for phase one of the redevelopment project.

RECOMMENDED MOTION(S):

MOTION: Move to waive the reading of Resolution 2023-87, there being ample copies available to the public.

MOTION: Move to approve Resolution 2023-87, a resolution approving modification of certain terms of a loan from the City to Alatus Columbia Heights II LLC and approving forms of second amended and restated loan documents.

ATTACHMENT(S):

- Resolution 2023-87
- Second Amended and Restated Loan Agreement
- Second Amended and Restated Promissory Note
- Second Amended and Restated Mortgage
- Second Amended and Restated Escrow Agreement

CITY OF COLUMBIA HEIGHTS, MINNESOTA

RESOLUTION NO. 2023-87

**RESOLUTION APPROVING MODIFICATION OF CERTAIN
TERMS OF A LOAN FROM THE CITY TO ALATUS
COLUMBIA HEIGHTS II LLC AND APPROVING FORMS OF
SECOND AMENDED AND RESTATED LOAN DOCUMENTS**

BE IT RESOLVED by the City Council of the City of Columbia Heights, Minnesota (the “City”) as follows:

Section 1. Recitals.

1.01. In order to facilitate the acquisition by Alatus Columbia Heights II LLC, a Delaware limited liability company (the “Borrower”), of certain property located at 4300 Central Avenue NE in the City (the “Property”), within the Alatus TIF District (the “TIF District”), a redevelopment district located within the Downtown Central Business Redevelopment Project in the City (the “Redevelopment Project”), the Borrower requested a bridge loan from the City to finance a portion of the purchase price of the Property, legal, closing, and other transaction costs associated therewith, costs of demolition, and costs associated with reports (collectively, the “Project Costs”), all of which are qualified public redevelopment costs reimbursable from tax increment under Minnesota Statutes, Sections 469.174 through 469.1794, as amended (the “TIF Act”).

1.02. Pursuant to the terms and conditions of a Loan Agreement, dated July 29, 2021 (the “Original Loan Agreement”), between the City and the Borrower, the City loaned to the Borrower the sum of \$5,935,000 (the “Loan”), from proceeds of the Taxable General Obligation Temporary Tax Increment Bonds, Series 2021A (the “Series 2021A Bond”), issued by the City in the original aggregate principal amount of \$5,935,000, to finance a portion of the Project Costs.

1.03. The Series 2021A Bond matures on February 1, 2024. The principal of the Series 2021A Bond and interest thereon are payable primarily from tax increments resulting in increases in the taxable value of real property in the TIF District (the “Tax Increment Revenues”) and from proceeds of definitive bonds or additional temporary bonds to be issued by the City prior to the maturity of the Series 2021A Bond, as set forth in the resolution adopted by the City Council of the City on July 12, 2021, awarding the sale of the Series 2021A Bond (the “Series 2021A Bond Resolution”). As provided in the Series 2021A Bond and Series 2021A Bond Resolution, if the Series 2021A Bond cannot be paid at maturity from Tax Increment Revenues or from other funds appropriated by the City Council, the Series 2021A Bond will be paid from the proceeds of definitive or additional temporary bonds that will be issued and sold prior to the maturity date of the Series 2021A Bond.

1.04. To evidence the Loan, the Borrower delivered a Promissory Note, dated July 29, 2021 (the “Original Note”), to the City, which Original Note is secured by a Mortgage, dated July 29, 2021 (the “Original Mortgage”), by the Borrower in favor of the City. In addition, the Borrower, the City and Commercial Partners Title (“Title”) executed an Escrow Agreement, dated July 29, 2021 (the “Original Escrow Agreement”), pursuant to which Title, as escrow agent, holds a portion of the Loan in escrow for disbursement to the Borrower to pay for Project Costs. As provided in the Original Escrow Agreement, the date of the final draw on the Loan was June 30, 2023 (the “Original Final Draw Date”).

1.05. Section 2(a) of the Original Loan Agreement provided that the entire unpaid amount of principal of the Loan, plus interest equal to the amount of interest paid by the City in excess of the par amount of the Series 2021A Bond, if any, would be due and payable on July 31, 2023 (the “Original Loan Payment Date”), unless prepaid earlier. The maturity date of the Original Note and the Original Mortgage, as set forth in such documents, was the Original Loan Payment Date (July 31, 2023).

1.06. Section 2(a) of the Original Loan Agreement also provided that the Columbia Heights Economic Development Authority (the “Authority”) and the Borrower (or an affiliate) must in good faith negotiate and work toward execution of a definitive Purchase and Redevelopment Contract (the “Contract”) as contemplated under the Preliminary Development Agreement (the “Preliminary Agreement”) with respect to the redevelopment of the Property for the construction of a mixed-use (multifamily residential and commercial) development thereon, which Contract must set forth the terms of reimbursement by the Authority to the Borrower of qualified redevelopment costs of the Redevelopment Project pursuant to the TIF Act. If the parties are unable to successfully negotiate and execute the Contract prior to the Loan Payment Date, then Section 2(a) of the Original Loan Agreement provided that the Borrower must convey title to the Property to the City in full satisfaction of the unpaid balance of the Loan and any interest thereon, at which time the Borrower will be released from the Original Loan Agreement, the Original Note and the Original Mortgage, and will have no further liability thereunder and under the Original Escrow Agreement.

1.07. The Borrower previously represented to the City that it anticipates repaying the Loan from proceeds of short-term financing, long-term mortgage financing, a bridge loan with a long-term take-out financing commitment, or a combination of the foregoing (the “Other Financing”), but that closing on the Other Financing was delayed and was expected to occur after the Original Loan Payment Date. Accordingly, the Borrower requested a modification to the terms of the Loan to extend the Original Loan Payment Date to a date not later than December 15, 2023 (the “Modified Loan Payment Date”), to make a corresponding extension of the Original Final Draw Date of the Loan to a date not later than October 31, 2023 (the “Modified Final Draw Date”), and to amend the terms of the Loan to provide that conveyance of title to the Property shall also occur if the Borrower does not close on the Other Financing prior to the Modified Loan Payment Date.

1.08. On May 22, 2023, the City Council of the City adopted a resolution approving, among other things, the extension of the Original Loan Payment Date and the Original Final Draw Date and the execution and delivery of amended and restated loan documents. To memorialize the modifications to the Loan, the City and the Borrower entered into an Amended and Restated Loan Agreement, dated June 30, 2023, which amended and restated the Original Loan Agreement. As security, the Borrower executed and delivered to the City an Amended and Restated Promissory Note, dated June 30, 2023, which amended and restated the Original Note, and an Amended and Restated Mortgage, dated June 30, 2023, which amended and restated the Original Mortgage. The City, the Borrower, and Title entered into an Amended and Restated Escrow Agreement, dated June 30, 2023, which amended and restated the Original Escrow Agreement. The amended and restated loan documents describe in this Section 1.08 are referred to collectively as the “Amended and Restated Loan Documents.”

1.09. The Borrower has represented to the City that a portion of the proceeds of the Loan funded with the proceeds of the Series 2021A Bond on deposit with Title remains unexpended; as such, the Borrower has requested that the Modified Final Draw Date be extended.

1.10. The Borrower has also represented to the City that the Other Financing has been further delayed; as such, the Borrower has requested that the Modified Loan Payment Date be extended to a date later than the maturity date of the Series 2021A Bond of February 1, 2024. Accordingly, because the Series 2021A Bond cannot be paid at maturity, the City Council has determined to pay the Series 2021A Bond from the proceeds of additional temporary bonds that will be issued and sold prior to the maturity date of the Series 2021A Bond, pursuant a resolution adopted by the City Council of the City on November 27, 2023, awarding the sale of the City's Taxable General Obligation Temporary Tax Increment Refunding Bonds, Series 2023A (the "Series 2023A Bond"). The Series 2023A Bond will redeem and prepay the Series 2021A Bond, and thereby provide additional temporary financing for the Project Costs. The Series 2023A Bond matures on February 1, 2026, but is subject to optional redemption on or after August 1, 2024.

1.11. The City is proposing to: (i) increase the principal amount of the Loan payable by the Borrower under the Amended and Restated Loan Documents to \$6,615,000, representing the principal amount of the Series 2023A Bond to be issued by the City, the proceeds of which will be used to redeem and prepay the Series 2021A Bond and to pay financing and other related costs with respect to the Series 2023A Bond, (ii) extend the Modified Loan Payment Date to a date not later than July 31, 2025, and (iii) extend the Modified Final Draw Date of the Loan to a date not later December 31, 2024.

1.12. Forms of documents further modifying the Loan, including a Second Amended and Restated Loan Agreement, a Second Amended and Restated Promissory Note, a Second Amended and Restated Mortgage, and a Second Amended and Restated Escrow Agreement (collectively, the "Second Amended and Restated Loan Documents"), have been prepared and are on file with the City. It is the intention of the City that the Second Amended and Restated Loan Documents will amend and restate the Amended and Restated Loan Documents.

Section 2. Authority Approval; Other Proceedings.

2.01. The City Council hereby approves: (i) the increase in the principal amount of the Loan payable by the Borrower to \$6,615,000, representing the principal amount of the Series 2023A Bond to be issued by the City, the proceeds of which will be used to redeem and prepay the Series 2021A Bond and to pay financing and other related costs with respect to issuing the Series 2023A Bond, and thereby provide additional temporary financing for the Project Costs, (ii) the extension of the Modified Loan Payment Date to a date not later than July 31, 2025, and (iii) the extension of the Modified Final Draw Date to a date not later than December 31, 2024, all as set forth in the Second Amended and Restated Loan Documents.

2.02. The Second Amended and Restated Loan Documents as presented to the City Council are hereby in all respects approved, subject to modifications that do not alter the substance of the transaction and that are approved by the Mayor and the City Manager, provided that execution of the Second Amended and Restated Loan Agreement and the Second Amended and Restated Escrow Agreement by such officials shall be conclusive evidence of approval.

2.03. The Mayor and the City Manager are hereby authorized to execute on behalf of the City the Second Amended and Restated Loan Agreement and the Second Amended and Restated Escrow Agreement, and any documents referenced therein requiring execution by the City, and to carry out on behalf of the City its obligations thereunder.

2.04. City staff and consultants are authorized to take any actions necessary to carry out the intent of this resolution.

Approved this 11th day of December, 2023, by the City Council of the City of Columbia Heights, Minnesota.

Offered by:
Seconded by:
Roll Call:

Amáda Márquez Simula, Mayor

ATTEST:

Sara Ion, City Clerk

**Second Draft
December 1, 2023**

SECOND AMENDED AND RESTATED LOAN AGREEMENT

This Second Amended and Restated Loan Agreement is made this 14th day of December, 2023 (the “Loan Agreement”), between the City of Columbia Heights, Minnesota, a home rule city organized under its Charter and the laws of the State of Minnesota (the “Lender” or the “City”), and Alatus Columbia Heights II LLC, a Delaware limited liability company (the “Borrower”).

WITNESSETH:

WHEREAS, the Columbia Heights Economic Development Authority (the “Authority”) desires to promote redevelopment of certain property within the City consisting of property owned by a third party and located at 4300 Central Avenue NE, which property is legally described in EXHIBIT A attached hereto and hereinafter known as the “Property”; and

WHEREAS, on June 7, 2021, the Board of Commissioners of the Authority approved a tax increment financing plan (the “TIF Plan”) for the Alatus TIF District (the “TIF District”), a redevelopment district located within the Downtown Central Business Redevelopment Project in the City (the “Redevelopment Project”), which was approved by the City Council of the City on June 14, 2021, following a duly noticed public hearing, all in accordance with Minnesota Statutes, Sections 469.174 through 469.1794, as amended (the “TIF Act”); and

WHEREAS, the Property is located within the TIF District; and

WHEREAS, Alatus LLC and the Authority have entered into a Preliminary Development Agreement (the “Preliminary Agreement”) with respect to the redevelopment of the Property for the construction of a mixed-use (multi-family residential and commercial) development thereon; and

WHEREAS, in order to facilitate the acquisition of the Property by the Borrower, the Borrower requested a bridge loan from the Lender to finance a portion of the purchase price of the Property, legal, closing, and other transaction costs associated therewith, costs of demolition, and costs associated with reports, and agreed to pay the City’s financing and other related costs related to issuing the Series 2021A Bond (as hereinafter defined) and making the loan (the “City Costs”) (collectively, the “Project Costs”), all of which are qualified public redevelopment costs reimbursable from tax increment; and

WHEREAS, on July 12, 2021, the City approved by resolution (the “Series 2021A Bond Resolution”) the issuance of its Taxable General Obligation Temporary Tax Increment Bonds, Series 2021A (the “Series 2021A Bond”), in the original aggregate principal amount of \$5,935,000,

to pay all or a portion of the public redevelopment costs incurred or to be incurred within the Redevelopment Project as identified in the TIF Plan; and

WHEREAS, the Series 2021A Bond matures on February 1, 2024, and the principal of the Series 2021A Bond and interest thereon are payable primarily from tax increments resulting in increases in the taxable value of real property in the TIF District (the “Tax Increment Revenues”) and from proceeds of definitive bonds or additional temporary bonds to be issued by the City prior to the maturity of the Series 2021A Bond, as set forth in the Series 2021A Bond Resolution; and

WHEREAS, the Series 2021A Bond and Series 2021A Bond Resolution provide that if the Series 2021A Bond cannot be paid at maturity from Tax Increment Revenues or from other funds appropriated by the City Council, the Series 2021A Bond will be paid from the proceeds of definitive or additional temporary bonds that will be issued and sold prior to the maturity date of the Series 2021A Bond; and

WHEREAS, pursuant to a Loan Agreement, dated July 29, 2021, as amended and restated by an Amended and Restated Loan Agreement, dated June 30, 2023 (together, the “Original Loan Agreement”), the Lender agreed to loan to the Borrower the sum of Five Million Nine Hundred Thirty-Five Thousand and no/100ths Dollars (\$5,935,000.00) (the “Loan”), from proceeds of the Series 2021A Bond, to finance a portion of the Project Costs, pursuant to the terms and conditions of the Original Loan Agreement; and

WHEREAS, the Original Loan Agreement provided that the Loan would be due and payable on December 15, 2023 (the “Original Loan Payment Date”), and the repayment obligation of the Borrower with respect to the Loan was evidenced by a Promissory Note, dated July 29, 2021, as amended and restated by an Amended and Restated Promissory Note, date June 30, 2023 (together, the “Original Note”), payable by the Borrower to the Lender,

WHEREAS, the Original Note is secured by a Mortgage, dated July 29, 2021, as amended and restated by an Amended and Restated Mortgage, dated June 30, 2023 (together, the “Original Mortgage”), by the Borrower in favor of the Lender; and

WHEREAS, the proceeds of the Loan allocated to Project Costs, net of the City Costs, were wired to Commercial Partners Title, a Division of Chicago Title Insurance Company (“Title”), and are currently held by Title for application to the payment of the Project Costs, net of City Costs, in accordance with the terms and conditions of the Original Loan Agreement and an Escrow Agreement, dated July 29, 2021, as amended and restated by an Amended and Restated Escrow Agreement, dated June 30, 2023 (together, the “Original Escrow Agreement”), between the City, the Borrower, and Title, pursuant to which the final draw date of the Loan is October 31, 2023 (the “Original Final Draw Date”); and

WHEREAS, the Borrower has represented to the City that it anticipates repaying the Loan from proceeds of short-term financing, long-term mortgage financing, a bridge loan with a long-term take-out financing commitment, or a combination of the foregoing (the “Other Financing”), but the closing on the Other Financing has been delayed and is expected to occur after the Original

Loan Payment Date and the maturity date of the Series 2021A Bond; as such, the Borrower has requested that the Original Loan Payment Date be extended; and

WHEREAS, the Borrower has also represented to the City that a portion of the proceeds of the Loan on deposit with Title remains unexpended; as such, the Borrower has requested that the Original Final Draw Date be extended; and

WHEREAS, because the Series 2021A Bond cannot be paid at maturity, the City Council has determined to pay the Series 2021A Bond from the proceeds of additional temporary bonds that will be issued and sold prior to the maturity date of the Series 2021A Bond; and

WHEREAS, on November 27, 2023, the City Council of the City adopted a resolution awarding the sale of the Taxable General Obligation Temporary Tax Increment Refunding Bonds, Series 2023A (the "Series 2023A Bond"), to be issued by the City in the original aggregate principal amount of \$6,615,000, the proceeds of which are being used to redeem and prepay the Series 2021A Bond and to pay financing and other related costs with respect to issuing the Series 2023A Bond, thereby providing additional temporary financing for the Project Costs; the Series 2023A Bond matures on February 1, 2026, but is subject to optional redemption on or after August 1, 2024; and

WHEREAS, on December 11, 2023, the City Council of the City adopted a resolution approving the execution and delivery of amended documents with respect to the Loan and approved: (i) the increase in the principal amount of the Loan payable by the Borrower to \$6,615,000, representing the principal amount of the Series 2023A Bond to be issued by the City, the proceeds of which will be used to redeem and prepay the Series 2021A Bond and to pay financing and other related costs with respect to issuing the Series 2023A Bond, (ii) the extension of the Original Loan Payment Date to a date not later than July 31, 2025, and (iii) the extension of the Original Final Draw Date to a date not later than December 31, 2024; and

WHEREAS, in consideration for the Loan contemplated by this Loan Agreement, the terms of which Loan are hereby amended and restated, and repayment thereof on the Loan Payment Date (as defined in Section 2(a) hereof) and disbursement of the proceeds of the Loan funded by the Series 2021A Bond on or before the Final Draw Date (as defined in Section 3(b) hereof), the Borrower is executing and delivering this Loan Agreement to the Lender; and

ACCORDINGLY, to induce the Lender to issue the Series 2023A Bond to redeem and prepay the Series 2021A Bond and pay related costs, and thereby provide additional temporary financing for the Project Costs, and to extend the Original Payment Date and Original Final Draw Date, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. The Loan Amount. Subject to and upon the terms and conditions of this Loan Agreement, the Loan made by the Lender to the Borrower pursuant to the Original Loan Agreement from the proceeds of the Series 2021A Bond, which Series 2021A Bond is being redeemed and prepaid on or about December 29, 2023 with the proceeds of the Series 2023A Bond, shall hereafter be in the sum of Six Million Six Hundred Fifteen Thousand and no/100ths Dollars (\$6,615,000.00), which amount represents the principal amount of the Series 2023A Bond to be issued by the City.

The Loan, the amount of which is increased by this Loan Agreement, shall be evidenced by a Second Amended and Restated Promissory Note of even date herewith (the “Note”), by the Borrower in favor of the Lender. The Note shall be secured by the Original Mortgage, as amended and restated by the Amended and Restated Mortgage, as further amended and restated by a Second Amended and Restated Mortgage of even date herewith (the “Mortgage”) by the Borrower in favor of the Lender. Any remaining proceeds of the Loan funded with the proceeds of the Series 2021A Bond shall be disbursed in accordance with Section 3 hereof.

In the event that the entire amount of the Loan funded with the proceeds of the Series 2021A Bond is not needed to pay Project Costs (including without limitation any City Costs), any such unused proceeds of the Loan shall be credited as prepayment in part of the Loan and applied to the payment of debt service on the Series 2023A Bond.

2. Repayment of Loan. The Loan shall be repaid as follows:

(a) The Original Loan Payment Date is hereby extended such that the entire unpaid amount of principal of the Loan of \$6,615,000, plus interest equal to the amount of interest paid by the City in excess of the par amount of the Series 2023A Bond, if any, shall be due and payable on July 31, 2025 (the “Loan Payment Date”), unless prepaid earlier; provided, however, that the Authority and the Borrower (or an affiliate) shall in good faith negotiate and work toward execution of a definitive Purchase and Redevelopment Contract (the “Contract”) as contemplated under the Preliminary Agreement, pursuant to which the parties shall negotiate the terms of reimbursement by the Authority to the Borrower of qualified redevelopment costs of the Redevelopment Project pursuant to the TIF Act. If the parties are unable to successfully negotiate and execute the Contract and the Borrower is unable to close on the Other Financing prior to the Loan Payment Date, then (i) the Borrower shall convey title to the Property to the Lender in full satisfaction of the unpaid balance of the Loan and any interest thereon; (ii) the Lender shall release the Borrower from this Loan Agreement, the Note, and the Mortgage; and (iii) the Borrower shall have no further liability under this Loan Agreement, the Note, the Mortgage, or the Original Escrow Agreement, as amended and restated by the Amended and Restated Escrow Agreement, as further amended and restated by a Second Amended and Restated Escrow Agreement of even date herewith (the “Escrow Agreement”) between the Lender, the Borrower, and Title.

(b) The Borrower may prepay the Loan, in whole or in part, on any date.

3. Disbursement of Loan Proceeds.

(a) At closing on the Series 2021A Bond, the proceeds of the Loan allocated to City Costs shall be received by the City and disbursed to pay the City Costs when and as payable by the City.

(b) As provided in the Original Escrow Agreement, the proceeds of the Loan allocated to Project Costs, net of the City Costs, were wired to Title and held by Title and applied to payment of the Project Costs, net of City Costs, in accordance with the terms and conditions of the Original Loan Agreement. The terms and conditions of the Original

Escrow Agreement and the Amended and Restated Escrow Agreement, which along with the Escrow Agreement, are incorporated herein by reference. Notwithstanding anything to the contrary herein, any excess of the Project Costs over any amount loaned by the City to the Borrower pursuant to the Original Loan Agreement, net of the City Costs, shall be the sole responsibility of the Borrower.

(b) The parties hereto represent that the proceeds of the Loan funded with the proceeds of the Series 2021A Bond shall be disbursed to the Borrower not later than December 31, 2024 (the “Final Draw Date”) to pay for Project Costs. Disbursement of the proceeds of the Loan will be made subject to the conditions precedent that:

(i) prior to the first draw, the Lender has received from the Borrower, without expense to the Lender, executed copies of the Original Loan Agreement, the Original Note, the Original Mortgage, and the Original Escrow Agreement;

(ii) prior to the first draw, the Lender has received a copy of the settlement statement from Title, evidencing the use of the first draw of the Escrowed Funds (as defined in the Escrow Agreement) for, among other things, the acquisition of the Property by the Borrower;

(iii) prior to the first draw, the Lender has received a signed acknowledgement from Title of the Lender’s letter of instruction regarding disbursement of the proceeds of the Loan;

(iv) at least ten (10) days prior to each draw (or, with respect to the first draw for the purchase price of the Property, as much advance as reasonably possible), Title has received an executed disbursement request from the Borrower, in substantially the form provided in the Escrow Agreement, countersigned by the City Manager, accompanied by paid invoices or other comparable evidence that the cost has been incurred and paid or is payable by the Borrower, as well as the Borrower’s form of updated sworn construction statement and unconditional lien waivers for payments made pursuant to prior draw requests to contractors or service providers with lien rights; and

(v) as of the date of each draw, no Event of Default under this Loan Agreement, the Escrow Agreement, or the Preliminary Agreement shall have occurred and be continuing.

(c) Each draw request shall constitute a representation and warranty by the Borrower that all representations and warranties set forth in this Loan Agreement are true and correct as of the date of such draw request.

(d) Upon receipt of each draw following the first draw, the Escrow Agent shall order a search of the title records for the presence of any mechanic’s liens. The Escrow Agent shall notify the Borrower and the Lender via email if any mechanic’s liens appear of record.

(e) If the Borrower has performed all of its agreements and complied with all requirements to be performed or complied with hereunder and under the Escrow Agreement, including satisfaction of all applicable conditions precedent contained in this Section, Title shall make a disbursement to the Borrower in the amount of the requested disbursement or such lesser amount as shall be approved, within twenty (20) days after the date of the receipt by the Lender and Title of the draw request.

(f) The Lender shall have no obligation to disburse proceeds of the Loan from and after December 31, 2024.

4. No Business Subsidy. The parties agree and acknowledge that the Loan is not a business subsidy as defined in Minnesota Statutes, Section 116J.993, because the Loan is not provided at an interest rate below those rates commercially available to the Borrower. The parties hereby allocate the assistance provided by the City to the Borrower in the form of the Loan to the housing portion of the mixed-use development to be constructed on the Property, and equity of the Borrower to the commercial portion of such development.

5. Representations and Warranties. The Borrower represents and warrants to the Lender that:

(a) The Borrower is duly authorized and empowered to execute, deliver, and perform this Loan Agreement, the Note, the Mortgage, and the Escrow Agreement, and to borrow money from the Lender.

(b) The execution and delivery of this Loan Agreement, the Note, the Mortgage, and the Escrow Agreement and the performance by the Borrower of its obligations hereunder and thereunder, do not and will not violate or conflict with any provision of law and do not and will not violate or conflict with, or cause any default or event of default to occur under, any agreement binding upon the Borrower.

(c) The execution and delivery of this Loan Agreement, the Note, the Mortgage, and the Escrow Agreement have been duly approved by all necessary action of the Borrower, and this Loan Agreement, the Note, the Mortgage, and the Escrow Agreement have in fact been duly executed and delivered by the Borrower and constitutes its lawful and binding obligations, legally enforceable against it.

(d) The Borrower warrants that it shall keep and maintain books, records, and other documents relating directly to the receipt and disbursements of Loan proceeds and that any duly authorized representative of the Lender shall, at all reasonable times, have access to and the right to inspect, copy, audit, and examine all such books, records, and other documents of the Borrower pertaining to the Loan until the completion of all closeout procedures and the final settlement and conclusion of all issues arising out of this Loan.

(e) The Borrower warrants that it has fully complied with all applicable state and federal laws pertaining to its business and will continue to comply throughout the terms

of this Loan Agreement, the Note, the Mortgage, and the Escrow Agreement. If at any time the Borrower receives notice of noncompliance from any governmental entity, the Borrower agrees to take any necessary action to comply with the state or federal law in question.

(f) The Borrower warrants that it will use the proceeds of the Loan made by the Lender solely for Project Costs.

6. Event of Default by Borrower. The following shall be Events of Default under this Loan Agreement:

(a) failure to pay any principal of or interest, if any, on the Loan when due;

(b) any representation or warranty made by the Borrower herein or in any document, instrument, or certificate given in connection with this Loan Agreement, the Escrow Agreement, the Note, or the Mortgage is false when made;

(c) the Borrower fails to pay its debts as they become due, makes an assignment for the benefit of its creditors, admits in writing its inability to pay its debts as they become due, files a petition under any chapter of the Federal Bankruptcy Code or any similar law, state or federal, now or hereafter existing, becomes “insolvent” as that term is generally defined under the Federal Bankruptcy Code, files an answer admitting insolvency or inability to pay its debts as they become due in any involuntary bankruptcy case commenced against it, or fails to obtain a dismissal of such case within sixty (60) days after its commencement or convert the case from one chapter of the Federal Bankruptcy Code to another chapter, or be the subject of an order for relief in such bankruptcy case, or be adjudged a bankrupt or insolvent, or has a custodian, trustee, or receiver appointed for, or has any court take jurisdiction of its property, or any part thereof, in any proceeding for the purpose of reorganization, arrangement, dissolution, or liquidation, and such custodian, trustee, or receiver is not discharged, or such jurisdiction is not relinquished, vacated, or stayed within sixty (60) days of the appointment;

(d) a garnishment summons or writ of attachment is issued against or served upon the Lender for the attachment of any property of the Borrower in the Lender’s possession or any indebtedness owing to the Borrower, unless appropriate papers are filed by the Borrower contesting the same within thirty (30) days after the date of such service or such shorter period of time as may be reasonable in the circumstances;

(e) the Borrower breaches or fails to perform any other term or condition of this Loan Agreement, the Note, the Mortgage, or the Escrow Agreement not specifically described as an Event of Default in this Loan Agreement, the Note, the Mortgage, or the Escrow Agreement and such breach or failure continues for a period of thirty (30) days after the Lender has given written notice to the Borrower specifying such default or breach, unless the Lender agrees in writing to an extension of such time prior to its expiration; provided, however, if the failure stated in the notice cannot be corrected within the applicable period, the Lender will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by the Borrower within the applicable period and

is being diligently pursued until the default is corrected, but no such extension shall be given for an Event of Default that can be cured by the payment of money (i.e., payment of taxes, insurance premiums, or other amounts required to be paid hereunder);

(f) any breach by the Borrower of any other agreement between the Borrower and the Lender and/or the Authority.

7. Lender's Remedies upon Borrower's Default. Upon an Event of Default by the Borrower and after provision by the Lender of written notice, the Lender shall have the right to exercise any or all of the following remedies (and any other rights and remedies available to it); provided, however, that if the Lender exercises any of its remedies under this Section or any other rights or remedies available to it, then the Borrower may, in its sole discretion, elect to convey title to the Property to the Lender in full satisfaction of the unpaid balance of the Loan and any interest thereon, and in that event, the Lender shall release the Borrower from this Loan Agreement, the Escrow Agreement, the Note, and the Mortgage, and the Borrower shall have no further liability under this Loan Agreement, the Escrow Agreement, the Note, and the Mortgage:

(a) declare the principal amount of the Loan and any accrued interest thereon, if any, to be immediately due and payable upon providing written notice to the Borrower;

(b) suspend its performance under this Loan Agreement and the Escrow Agreement;

(c) take any action provided for at law to enforce compliance by the Borrower with the terms of this Loan Agreement and the Note;

(d) exercise its rights under the Mortgage.

8. Lender's Costs of Enforcement of Agreement. If an Event of Default has occurred as provided herein, then upon demand by the Lender, the Borrower shall pay or reimburse the Lender for all expenses, including all attorneys' fees and expenses incurred by Lender in connection with the enforcement of this Loan Agreement, the Note and the Mortgage, or in connection with the protection or enforcement of the interests and collateral security of the Lender in any litigation or bankruptcy or insolvency proceeding or in any action or proceeding relating in any way to the transactions contemplated by this Loan Agreement. No provision of this Loan Agreement shall require the Borrower to pay costs, expenses, or attorneys' fees incurred by the Lender in excess of commercially reasonable amounts.

9. Indemnification.

(a) The Borrower shall and does hereby agree to indemnify against and to hold the Lender, and its officers, agents, and employees, harmless of and from any and all liability, loss, or damage that it may incur under or by reason of the transactions contemplated by this Loan Agreement, and of and from any and all claims and demands whatsoever that may be asserted against the Lender by reason of any alleged obligations or undertakings on its part to perform or discharge any of the terms, covenants, or agreements

contained herein, except to the extent that such liability, loss or damage is a result of the Lender's intentional misconduct.

(b) Should the Lender, or its officers, agents, or employees incur any such liability or be required to defend against any claims or demands pursuant to this Section, or should a judgment be entered against the Lender, the amount thereof, including costs, expenses, and attorneys' fees, shall bear interest thereon at the rate then in effect on the Note, if any, shall be secured hereby, shall be added to the Loan, and the Borrower shall reimburse the Lender for the same immediately upon demand, and upon the failure of the Borrower to do so, the Lender may declare the Loan immediately due and payable; provided, however, that if the Lender declares the Loan immediately due and payable under this Section, then the Borrower may, in its sole discretion, elect to convey title to the Property to the Lender, in full satisfaction of the unpaid balance of the Loan and any interest thereon, and in that event, the Lender shall release the Borrower from this Loan Agreement, the Note, the Escrow Agreement, and the Mortgage, and the Borrower shall have no further liability under this Loan Agreement, the Note, the Escrow Agreement, and the Mortgage.

(c) This indemnification and hold harmless provision shall survive the execution, delivery, and performance of this Loan Agreement and the creation and payment of any indebtedness to the Lender. Borrower waives notice of the acceptance of this Loan Agreement by the Lender.

(d) Nothing in this Loan Agreement shall constitute a waiver of or limitation on any immunity from or limitation on liability to which the Borrower is entitled under law.

10. Miscellaneous.

(a) Waiver. The performance or observance of any promise or condition set forth in this Loan Agreement may be waived, amended, or modified only by a writing signed by the Borrower and the Lender. No delay in the exercise of any power, right, or remedy operates as a waiver thereof, nor shall any single or partial exercise of any other power, right, or remedy.

(b) Assignment. This Loan Agreement shall be binding upon the Borrower and its successors and assigns and shall inure to the benefit of the Lender and its successors and assigns. All rights and powers specifically conferred upon the Lender may be transferred or delegated by the Lender to any of its successors and assigns. The Borrower's rights and obligations under this Loan Agreement may be assigned only when such assignment is approved in writing by the Lender.

(c) Governing Law. This Loan Agreement is made and shall be governed in all respects by the laws of the State of Minnesota. Any disputes, controversies, or claims arising out of this Loan Agreement shall be heard in the state or federal courts of Minnesota, and all parties to this Loan Agreement waive any objection to the jurisdiction of these courts, whether based on convenience or otherwise.

(d) Severability. If any provision or application of this Loan Agreement is held unlawful or unenforceable in any respect, such illegality or unenforceability shall not affect other provisions or applications that can be given effect, and this Loan Agreement shall be construed as if the unlawful or unenforceable provision or application had never been contained herein or prescribed hereby.

(e) Notice. All notices required hereunder shall be given by depositing in the U.S. mail, postage prepaid, certified mail, return receipt requested, to the following addresses (or such other addresses as either party may notify the other):

To Lender: City of Columbia Heights
590 40th Avenue NE
Columbia Heights, MN 55421
Attn: Community Development Director

To Borrower: Alatus Columbia Heights II LLC
c/o Alatus LLC
800 Nicollet Mall, Suite 2850
Minneapolis, MN 55402
Attn: Robert C. Lux

(f) [Intentionally omitted.]

(g) Entire Agreement. This Loan Agreement, together with any exhibits hereto, which are incorporated by reference, constitutes the complete and exclusive statement of all mutual understandings between the parties with respect to this Loan Agreement, superseding all prior or contemporaneous proposals, communications, and understandings, whether oral or written, concerning the Loan.

(h) Headings. The headings appearing at the beginning of the several sections contained in this Loan Agreement have been inserted for identification and reference purposes only and shall not be used in the construction and interpretation of this Loan Agreement.

(The remainder of this page is intentionally left blank.)

IN WITNESS WHEREOF, this Second Amended and Restated Loan Agreement has been duly executed and delivered by the proper officers of the Lender and the Borrower thereunto duly authorized on the date and year first written above.

**CITY OF COLUMBIA HEIGHTS,
MINNESOTA**

By _____
Its Mayor

By _____
Its City Manager

Execution page of the Borrower to the Second Amended and Restated Loan Agreement, dated the date and year first written above.

**ALATUS COLUMBIA HEIGHTS II
LLC**, a Delaware limited liability company

By _____
Robert C. Lux
Its President

EXHIBIT A**PROPERTY**

Lots One (1), Two (2), Three (3), Four (4), Five (5), Six (6), Seven (7), Eight (8), Nine (9), Ten (10), Eleven (11), and Twelve (12), Block One (1), and the East 107.3 feet of Lots One (1), Two (2), Three (3), Four (4), Five (5), and Six (6), Block Two (2),

All in Rearrangement of Block "A", Columbia Heights Annex to Minneapolis, according to the recorded plat thereof on file in the office of the Register of Deeds in and for Anoka County, Minnesota, together with that part of vacated Jackson Street on said plat described as follows: Commencing at a point 10 feet North of the Southeast corner of said Lot 6, Block 2; thence North a distance of 590 feet, more or less to the Northeast corner of said Lot 1, Block 2; thence East a distance of 30 feet, more or less, to the Northwest corner of said Lot 12, Block 1; thence South a distance of 590 feet, more or less to a point 10 feet North of the Southwest corner of said Lot 7, Block 1; thence West a distance of 30 feet, more or less, to the point of beginning and there terminating.

**Second Draft
December 1, 2023**

**SECOND AMENDED AND RESTATED
PROMISSORY NOTE**

\$6,615,000

Originally dated: July 29, 2021

First amendment and restatement: June 30, 2023

Second amendment and restatement: December 14, 2023

Alatus Columbia Heights II LLC, a Delaware limited liability company (the “Maker”), for value received, hereby promises to pay to the City of Columbia Heights, a home rule city organized under its Charter and the laws of the State of Minnesota, or its assigns (collectively, the “Holder”), at its designated principal office or such other place as the Holder may designate in writing, the principal sum of Six Million Six Hundred Fifteen Thousand and no/100ths Dollars (\$6,615,000.00), representing the principal amount of the Series 2023A Bond, the proceeds of which are being used to redeem and prepay the Series 2021A Bond and to pay financing and other related costs with respect to issuing the Series 2023A Bond, thereby providing additional temporary financing for the Project Costs, with interest thereon from the date hereof as hereinafter provided, in any coin or currency that at the time or times of payment is legal tender for the payment of private debts in the United States of America. This Second Amended and Restated Promissory Note (“Note”) amends, restates, replaces and supersedes the Promissory Note, dated July 29, 2021, from the Maker to the Holder, as subsequently amended and restated by the Amended and Restated Promissory Note, dated June 30, 2023, from the Maker to the Holder. The principal of and interest on this Note are payable as follows:

1. The entire unpaid amount of principal of this Note, plus interest equal to the amount of interest paid by the City in excess of the par amount of the Bond, if any, shall be due and payable on July 31, 2025 (the “Maturity Date”), unless prepaid earlier, subject to the terms set forth in Section 2 of the Second Amended and Restated Loan Agreement of even date herewith (the “Loan Agreement”) between the Holder and the Maker. Capitalized terms used herein that are otherwise not defined shall have the meanings provided in the Loan Agreement.

3. The Maker shall have the right to prepay the principal of this Note, in whole or in part, on any date. The amount to be prepaid shall consist of the principal amount, plus any interest paid by the City in excess of the par amount of the Bond as of the date of prepayment.

4. This Note is given pursuant to the Loan Agreement and secured by a Mortgage, dated July 29, 2021, as amended and restated by an Amended and Restated Mortgage, dated June 30, 2023, as further amended and restated by a Second Amended and Restated Mortgage of even date herewith (the “Mortgage”) by the Maker to the Holder.

All of the agreements, conditions, covenants, provisions, and stipulations contained in the Loan Agreement, the Mortgage, or any other instrument securing this Note are hereby made a part of this Note to the same extent and with the same force and effect as if they were fully set forth herein. It is agreed that time is of the essence of this Note. If an Event of Default occurs under the Loan

Agreement, the Mortgage, or any other instrument securing this Note, then the Holder of this Note may at its right and option, without notice, declare immediately due and payable the principal balance of this Note and interest accrued thereon, if any, together with reasonable attorneys' fees and expenses incurred by the Holder of this Note in collecting or enforcing payment hereof, whether by lawsuit or otherwise, and all other sums due hereunder or any instrument securing this Note; provided, however, that if the Holder declares the principal balance of this Note and interest accrued thereon, if any, immediately due and payable or pursues any other available remedies under this Note, then the Maker may, in its sole discretion, elect to convey title to the Property to the Holder in full satisfaction of the unpaid balance of the Loan and any interest thereon, and in that event, the Holder shall release the Maker from its obligations under this Note, the Loan Agreement, the Escrow Agreement, and the Mortgage, and the Maker shall have no further liability under this Note, the Loan Agreement, the Escrow Agreement, and the Mortgage.

5. The remedies of the Holder of this Note as provided herein, and in the Loan Agreement, the Mortgage, or any other instrument securing this Note shall be cumulative and concurrent and may be pursued singly, successively, or together, and, at the sole discretion of the Holder of this Note, may be exercised as often as occasion therefor shall occur; and the failure to exercise any such right or remedy shall in no event be construed as a waiver or release thereof.

The Holder of this Note shall not be deemed, by any act of omission or commission, to have waived any of its rights or remedies hereunder unless such waiver is in writing and signed by the Holder and then only to the extent specifically set forth in the writing. A waiver with reference to one event shall not be construed as continuing or as a bar to or waiver of any right or remedy as to a subsequent event. This Note may not be amended, modified, or changed except only by an instrument in writing signed by the Maker and Holder.

6. If any term of this Note, or the application thereof to any person or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Note, or the application of such term to persons or circumstances other than those to which it is invalid or unenforceable shall not be affected thereby, and each term of this Note shall be valid and enforceable to the fullest extent permitted by law.

7. It is intended that this Note is made with reference to and shall be construed as a Minnesota contract and is governed by the laws thereof. Any disputes, controversies, or claims arising out of this Note shall be heard in the state or federal courts of Minnesota, and all parties to this Note waive any objection to the jurisdiction of these courts, whether based on convenience or otherwise.

8. The performance or observance of any promise or condition set forth in this Note may be waived, amended, or modified only by a writing signed by the Maker and the Holder. No delay in the exercise of any power, right, or remedy operates as a waiver thereof, nor shall any single or partial exercise of any other power, right, or remedy.

9. Notwithstanding anything to the contrary contained in this Note, the Loan Agreement, the Escrow Agreement, and the Mortgage, neither the Maker nor any member, officer, director, governor, direct or indirect owner, employee or agent of the Maker shall have any personal liability for the Maker's obligations hereunder, it being recognized by the Holder that the obligations hereunder are non-recourse obligations and that the remedies of the Holder are limited to the security provided in connection with the Mortgage given by the Maker in favor of the Holder.

10. IT IS HEREBY CERTIFIED AND RECITED that all conditions, acts, and things required to exist, happen, and be performed precedent to or in the issuance of this Note do exist, have happened, and have been performed in regular and due form as required by law.

(The remainder of this page is intentionally left blank.)

IN WITNESS WHEREOF, the Maker has caused this Second Amended and Restated Promissory Note to be duly executed as of the date and year first written above.

**ALATUS COLUMBIA HEIGHTS II
LLC**, a Delaware limited liability company

By _____
Robert C. Lux
Its President

**Second Draft
December 1, 2023**

THE MAXIMUM PRINCIPAL INDEBTEDNESS SECURED BY THIS MORTGAGE IS \$6,615,000.00.

This Mortgage alters an existing mortgage by providing for an increase in the amount of debt secured by the Original Mortgage (as hereinafter defined), and therefore shall be taxed based upon the increase in the amount of the debt secured by this Mortgage (\$680,000.00). This Mortgage is an “amendment” as defined in Minnesota Statutes, Section 287.01, subdivision 2, and as such it does not secure an increased amount of debt, other than as set forth above.

SECOND AMENDED AND RESTATED MORTGAGE

THIS SECOND AMENDED AND RESTATED MORTGAGE is made this 14th day of December, 2023 (the “Mortgage”), by Alatus Columbia Heights II LLC, a Delaware limited liability company (the “Mortgagor”), in favor of the City of Columbia Heights, Minnesota, a home rule city organized under its Charter and the laws of the State of Minnesota, whose address is 590 40th Avenue NE, Columbia Heights, Minnesota 55421 (the “Mortgagee”), amends and restates that certain Mortgage, dated July 29, 2021, filed in the office of the County Recorder/Registrar of Titles of Anoka County, Minnesota on August 9, 2021, as Document No. 591491.002 (the “2021 Mortgage”), as amended and restated by that certain Amended and Restated Mortgage, dated June 30, 2023 (the “2023 Mortgage Amendment”), filed in the office of the County Recorder/Registrar of Titles of Anoka County, Minnesota on July 24, 2023, as Document No. 611286.001. The 2021 Mortgage, as amended by the 2023 Mortgage Amendment is hereafter referred to as the “Original Mortgage.”

WHEREAS, pursuant to a Loan Agreement, dated July 29, 2021, as amended and restated by an Amended and Restated Loan Agreement, dated June 30, 2023 between the Mortgagor and the Mortgagee, the Mortgagor was indebted to the Mortgagee in the principal sum of U.S. \$5,935,000.00, which indebtedness was evidenced by the Mortgagor’s Promissory Note, dated July 29, 2021 (the “2021 Note”), as amended and restated by an Amended and Restated Promissory Note, dated June 30, 2023 (the “2023 Note Amendment,” and together with the 2021 Note, the “Original Note”), providing for principal and interest, if any, if not sooner paid, due and payable on the maturity date set forth in the Original Note or such other date as specified in the Original Note.

WHEREAS, at the request of the Mortgagor, and pursuant to the terms of a Second Amended and Restated Loan Agreement of even date herewith (the “Loan Agreement”) between

the Mortgagor and the Mortgagee, the Mortgagor is indebted to the Mortgagee in the principal sum of U.S. \$6,615,000.00, which indebtedness is evidenced by the Mortgagor's Second Amended and Restated Promissory Note of even date herewith (the "Note"), which Note amends, restates, replaces and supersedes the Original Note and provides for principal and interest, if any, if not sooner paid, due and payable on the maturity date set forth in the Note or such other date as specified in the Note.

TO SECURE to the Mortgagee the repayment of the indebtedness evidenced by the Note, with interest, thereon, if any, and all renewals, extensions and modifications; the payment of all other sums, with interest thereon, if any, advanced in accordance herewith to protect the security of this Mortgage; and the performance by the Mortgagor of the covenants by the Mortgagor and agreements contained herein and contained in the Note. The Mortgagor does hereby mortgage, grant and convey to the Mortgagee the property located in the County of Anoka, State of Minnesota that is legally described in EXHIBIT A attached hereto,

TOGETHER with all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances and rents, all of which shall be deemed to be and remain a part of the property covered by this Mortgage; and all of the foregoing, together with said property (or the leasehold estate if this Mortgage is on a leasehold) are hereinafter referred to as the "Property."

THE MORTGAGOR COVENANTS that the Mortgagor is lawfully seized of the estate hereby conveyed and has the right to grant and convey the Property, and that the Property is unencumbered, except for all matters, liens, and encumbrances appearing on the Mortgagee's loan policy of title insurance issued by Commercial Partners Title, a Division of Chicago Title Insurance Company, a Florida corporation, on August 9, 2021, with File Number 58271 and Policy No. 72307-224772669 (the "Permitted Encumbrances"). The Mortgagor covenants that the Mortgagor warrants and will defend generally the title to the Property against all claims and demands, subject to the Permitted Encumbrances.

PROVIDED, NEVERTHELESS, that if the Mortgagor shall pay the Mortgagee the sums evidenced by the Note according to the terms of the Note, and shall repay to the Mortgagee, at the times and with interest, if any, as specified, all sums advanced in protecting the lien of this Mortgage, in payment of taxes on the Property and assessments payable therewith, insurance premiums covering buildings thereon, principal or interest on any prior liens, expenses and attorney's fees herein provided for and sums advanced for any other purpose authorized herein, and shall keep and perform all the covenants and agreements herein contained, then this Mortgage shall be released at the Mortgagor's expense.

UNIFORM COVENANTS. The Mortgagor and the Mortgagee covenant and agree as follows:

1. Payment of Principal and Interest. The Mortgagor shall promptly pay when due, subject to the terms of the Note, the principal and interest, if any, indebtedness evidenced by the Note and late charges as provided in the Note, and keep and perform all covenants contained in the Note.

2. Application of Payments. Unless applicable law provides otherwise, all payments received by the Mortgagee under the Note and Paragraph 1 hereof shall be applied by Mortgagee first to interest payable on the Note, if any, and then to the principal of the Note.

3. Charges; Liens. The Mortgagor shall pay or cause to be paid all taxes, assessments and other charges, fines and impositions attributable to the Property which may attain a priority over this Mortgage, leasehold payments or ground rents, if any.

4. Hazard Insurance.

(a) The Mortgagor shall keep the improvements now existing on the Property insured against loss by fire and other hazards included within the term "extended coverage" so long as the improvements now existing on the Property are occupied by a tenant with a leasehold interest in the Property (a "Tenant").

(b) The Mortgagor shall keep the improvements hereafter erected by the Mortgagor on the Property insured against loss by fire and other hazards included within the term "extended coverage."

5. Preservation and Maintenance of Property; Leaseholds. The Mortgagor shall keep the portion of the improvements now existing on the Property that are occupied by a Tenant in good repair and shall not commit waste or permit impairment or deterioration of such improvements so long as such improvements are occupied by a Tenant. The Mortgagor shall comply with the provisions of any lease so long as there is a leasehold interest in the Property.

6. Protection of Mortgagee's Security. If the Mortgagor fails to perform the covenants and agreements contained in this Mortgage, the Note, or in any other document executed in connection with this Mortgage, or if any action or proceeding is commenced which materially affects the Mortgagee's interest in the Property, then the Mortgagee, at Mortgagee's option, upon notice to the Mortgagor, may make such appearances, disburse such sums, including reasonable attorneys' fees, and take such other action as is necessary to protect the Mortgagee's interest.

Any amounts disbursed by the Mortgagee pursuant to this Paragraph 6, with interest thereon, if any, at the Note rate, shall become additional indebtedness of the Mortgagor secured by this Mortgage. Unless the Mortgagor and the Mortgagee agree to other terms of payment, such amounts shall be payable upon notice from the Mortgagee to the Mortgagor requesting payment thereof. Nothing contained in this Paragraph 6 shall require the Mortgagee to incur any expense or take any action hereunder.

7. Inspection. Subject to the rights of any Tenant, the Mortgagee may make or cause to be made reasonable entries upon and inspections of the Property, provided that the Mortgagee shall give the Mortgagor notice prior to any such inspection specifying reasonable cause therefor related to the Mortgagee's interest in the Property.

8. Mortgagor Not Released; Forbearance by Mortgagee Not a Waiver. Extension of the time for payment or modification of amortization of the sums secured by this Mortgage, granted by the Mortgagee to any successor in interest of the Mortgagor, shall not operate to

release, in any manner, the liability of the original Mortgagor and the Mortgagor's successors in interest. The Mortgagee shall not be required to commence proceedings against such successor or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Mortgage by reason of any demand made by the original Mortgagor and/or the Mortgagor's successors in interest. Any forbearance by the Mortgagee in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy.

9. Successors and Assigns Bound. The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of the Mortgagee and the Mortgagor, subject to the provisions of Paragraph 13 hereof.

10. Notice. Except for any notice required under applicable law to be given in another manner, (a) any notice to the Mortgagor provided for in this Mortgage shall be given, in writing and by personally delivering it or by mailing such notice by certified mail to the Mortgagor's address provided herein or such other address as the Mortgagor may designate by notice to the Mortgagee as provided herein, and (b) any notice to the Mortgagee shall be given in writing and by certified mail to the Mortgagee's address provided herein or to such other address as the Mortgagee may designate by notice to Mortgagor as provided herein. Any notice provided for in the Mortgage shall be deemed to have been given to the Mortgagor or the Mortgagee upon receipt when served personally, or upon mailing when sent by certified mail when given in the manner designated herein.

11. Governing Law; Severalties. The state and local laws applicable to this Mortgage shall be the laws of the jurisdiction in which the Property is located. The foregoing sentence shall not limit the applicability of Federal law to this Mortgage. In the event that any provision or clause of this Mortgage or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage or the Note which can be given effect without the conflicting provision, and to this end, the provisions of this Mortgage and the Note are declared to be severable. As used herein, "costs," "expenses" and "attorneys' fees" include all sums to the extent not prohibited by applicable law. No provision of this Mortgage shall require the Mortgagor to pay costs, expenses, or attorneys' fees incurred by Mortgagee in excess of commercially reasonable amounts.

12. Mortgagor's Copy. The Mortgagor shall be furnished by the Mortgagee with a conformed copy of the Note and of this Mortgage at the time of execution or after recordation hereof.

13. Transfer of the Property or a Beneficial Interest in Mortgagor. If the Mortgagor sells or conveys all or any part of the Property or any interest in the Property (or if a beneficial interest in the Mortgagor is sold or transferred and the Mortgagor is not a national person) without the Mortgagee's prior written consent, the Mortgagee may, at its option, require immediate payment in full of all sums secured by this Mortgage; provided, however, that if the Mortgagee requires the immediate payment in full of all sums secured by this Mortgage, then the Mortgagor may, in its sole discretion, elect to convey title to the Property to the Mortgagee in full satisfaction of the unpaid balance of the Loan and any interest thereon, and in that event, the Mortgagee shall release the Mortgagor from this Mortgage, the Note, the Escrow Agreement, and the Loan Agreement, and the Mortgagor shall have no further liability under this Mortgage,

the Note, the Escrow Agreement, and the Loan Agreement. However, the Mortgagee shall not exercise its option if such exercise is prohibited by federal or state law as of the date of this Mortgage.

If the Mortgagee exercises such option, the Mortgagee shall give the Mortgagor notice of acceleration. The notice shall provide a period of not less than thirty (30) days from the date the notice is delivered or mailed within which the Mortgagor must pay all sums secured by this Mortgage or elect to convey title to the Property to the Mortgagee in lieu of such accelerated payment. If the Mortgagor fails to pay these sums or to elect to convey title to the Mortgagee prior to the expiration of this period, the Mortgagee may invoke any remedies permitted by this Mortgage without further notice or demand on the Mortgagor.

14. Additional Covenants. The Mortgagor covenants (a) to warrant title to the Property; (b) to pay all other mortgages, liens, charges or encumbrances against the Property as and when they become due; (c) to pay the indebtedness of the Note as herein provided; (d) to pay all real estate taxes on the Property; (e) that the Property shall be kept in repair and that no waste shall be committed as provided in Paragraph 5; (f) that the Mortgagor shall keep any buildings on the Property insured against loss by fire and other hazards for at least the sum of the full insurable value of the Property for the protection of the Mortgagee as provided in Paragraph 4; and (g) that the whole of the principal sum shall become due after default in the payment of any installment of principal or interest, or of any tax, or in the performance of any other covenant, at the option of the Mortgagee; provided, however, that if the Mortgagee declares such a default and requires payment in full of all sums secured by this Mortgage, then the Mortgagor may, in its sole discretion, elect to convey title to the Property to the Mortgagee in full satisfaction of the unpaid balance of the Loan and any interest thereon, and in that event, the Mortgagee shall release the Mortgagor from its obligations under this Mortgage, the Note, the Escrow Agreement, and the Loan Agreement, and the Mortgagor shall have no further liability under this Mortgage, the Note, the Escrow Agreement, and the Loan Agreement.

15. Acceleration; Remedies. Upon the Mortgagor's breach of any covenant or agreement of the Mortgagor in this Mortgage, including the covenants to pay when due any sums secured by this Mortgage, the Mortgagee, prior to acceleration, shall give notice to Mortgagor as provided in Paragraph 10 hereof specifying (1) the breach; (2) the action required to cure such breach; (3) a date, not less than thirty (30) days from the date the notice is mailed to the Mortgagor, by which such breach must be cured or within a longer period not to exceed sixty (60) days if such cure cannot be rendered in thirty (30) days but is commenced within thirty (30) days and continuously pursued; and (4) that failure to cure such breach on or before the date specified in the notice may result in acceleration of the sums secured by this Mortgage and sale of the Property. The notice shall further inform the Mortgagor of the right to reinstate after acceleration and the right to bring a court action to assert the nonexistence of a default or any other defense of the Mortgagor to acceleration and sale. If the breach is not cured on or before the date specified in the notice, the Mortgagee, at the Mortgagee's option, may declare all of the sums secured by this Mortgage to be immediately due and payable without further demand; provided, however, that if the Mortgagee declares all of the sums secured by this Mortgage to be immediately due and payable, then the Mortgagor may, in its sole discretion, elect to convey title to the Property to the Mortgagee in full satisfaction of the unpaid balance of the Loan and any interest thereon, and in that event, the Mortgagee shall release the Mortgagor from this Mortgage, the Note, the Escrow Agreement, and the Loan Agreement, and the Mortgagor shall

have no further liability under this Mortgage, the Note, the Escrow Agreement, and the Loan Agreement. The Mortgagee shall be entitled to collect all reasonable costs and expenses incurred in pursuing the remedies provided in this Paragraph 15, including, but not limited to, reasonable attorneys' fees.

16. Mortgagor's Right to Reinstate. Notwithstanding the Mortgagee's acceleration of the sums secured by this Mortgage due as a result of the Mortgagor's breach, if Mortgagor meets certain conditions, the Mortgagor shall have the right to have any proceedings begun by the Mortgagee to enforce this Mortgage discontinued at any time prior to the entry of a judgment enforcing this Mortgage if: (a) the Mortgagor pays the Mortgagee all sums constituting the default actually existing under this Mortgage and the Note at the time of the Mortgagee's notice to the Mortgagor of such default; (b) the Mortgagor cures all breaches of any other covenants or agreements of Mortgagor contained in this Mortgage; (c) the Mortgagor pays all reasonable expenses incurred by the Mortgagee in enforcing the covenants and agreements of the Mortgagor contained in this Mortgage, and in enforcing the Mortgagee's remedies as provided in this Mortgage including, but not limited to, reasonable attorneys' fees; and (d) Mortgagor takes such action as the Mortgagee may reasonably require to assure that the lien of this Mortgage, the Mortgagee's interest in the Property and the Mortgagor's obligation to pay the sums secured by this Mortgage shall continue unimpaired. Upon such payment and cure by the Mortgagor, this Mortgage and the obligations secured hereby shall remain in full force and effect as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under Paragraph 15 hereof.

17. Release. Upon payment of all sums secured by this Mortgage, the Mortgagee shall discharge this Mortgage without charge to the Mortgagor. The Mortgagor shall pay all costs of recordation, if any.

18. Acceleration; Additional Provisions. The Mortgagee may declare all amounts secured by this Mortgage due and payable if: (a) the Mortgagor omits or misrepresents a material fact in any document executed in connection with this Mortgage; (b) any prior mortgage is in default or foreclosure; or (c) as otherwise provided in this Mortgage or the Note; provided, however, that if the Mortgagee declares all of the sums secured by this Mortgage to be immediately due and payable, then the Mortgagor may, in its sole discretion, elect to convey title to the Property to the Mortgagee in full satisfaction of the unpaid principal balance of the Loan and any interest thereon, and in that event, the Mortgagee shall release the Mortgagor from its obligations under this Mortgage, the Note, the Escrow Agreement, and the Loan Agreement, and the Mortgagor shall have further liability under this Mortgage, the Note, the Escrow Agreement, and the Loan Agreement.

19. Maturity Date. The maturity date of this Mortgage is July 31, 2025, subject to the terms of the Note and Section 2 of the Loan Agreement.

20. Defined Terms. Capitalized terms used herein that are otherwise not defined shall have the meanings provided in the Loan Agreement.

(The remainder of this page is intentionally left blank.)

BY SIGNING BELOW, the Mortgagor accepts and agrees to the terms and covenants contained in this Second Amended and Restated Mortgage.

**ALATUS COLUMBIA HEIGHTS II
LLC**, a Delaware limited liability company

By _____
Robert C. Lux
Its President

STATE OF MINNESOTA)
) ss
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 2023, by Robert C. Lux, the President of Alatus Columbia Heights II LLC, a Delaware limited liability company, on behalf of the Mortgagor.

Notary Public

This document drafted by:

Kennedy & Graven, Chartered (SEL)
150 South Fifth Street, Suite 700
Minneapolis, MN 55402-1299
(612) 337-9300

EXHIBIT A
LEGAL DESCRIPTION

Third-Party Parcel

Lots One (1), Two (2), Three (3), Four (4), Five (5), Six (6), Seven (7), Eight (8), Nine (9), Ten (10), Eleven (11), and Twelve (12), Block One (1), and the East 107.3 feet of Lots One (1), Two (2), Three (3), Four (4), Five (5), and Six (6), Block Two (2),

All in Rearrangement of Block "A", Columbia Heights Annex to Minneapolis, according to the recorded plat thereof on file in the office of the Register of Deeds in and for Anoka County, Minnesota, together with that part of vacated Jackson Street on said plat described as follows: Commencing at a point 10 feet North of the Southeast corner of said Lot 6, Block 2; thence North a distance of 590 feet, more or less to the Northeast corner of said Lot 1, Block 2; thence East a distance of 30 feet, more or less, to the Northwest corner of said Lot 12, Block 1; thence South a distance of 590 feet, more or less to a point 10 feet North of the Southwest corner of said Lot 7, Block 1; thence West a distance of 30 feet, more or less, to the point of beginning and there terminating.

**Second Draft
December 1, 2023**

SECOND AMENDED AND RESTATED ESCROW AGREEMENT

This Second Amended and Restated Escrow Agreement (the “Escrow Agreement”) is made this 14th day of December, 2023, between the City of Columbia Heights, Minnesota, a home rule city organized under its Charter and the laws of the State of Minnesota (the “Lender” or the “City”), Alatus Columbia Heights II LLC, a Delaware limited liability company (the “Borrower”), and Commercial Partners Title, a Division of Chicago Title Insurance Company, a Florida corporation (the “Escrow Agent”).

RECITALS

Reference is hereby made to the Second Amended and Restated Loan Agreement of even date herewith (the “Loan Agreement”) between the City of Columbia Heights, Minnesota, a home rule city organized under its Charter and the laws of the State of Minnesota (the “Lender” or the “City”), and Alatus Columbia Heights II LLC, a Delaware limited liability company (the “Borrower”), for the full recitals.

The parties are entering into this Escrow Agreement to govern the disbursement of the sum of \$5,804,951.97 (the “Escrowed Funds”) from the proceeds of the Loan (as defined in the Loan Agreement) and to extend the final draw date of such funds to December 31, 2024 (the “Final Draw Date”).

NOW, THEREFORE, the parties hereto hereby agree as follows:

Section 1. Escrowed Funds. The Escrowed Funds shall be held by the Escrow Agent in a non-interest bearing account (the “Escrow Account”) and shall be disbursed in accordance with the terms hereof to the Borrower for the payment of Project Costs or to reimburse the Borrower for Project Costs. Notwithstanding anything to the contrary herein, any excess of the Project Costs over the amount of the Escrowed Funds shall be the sole responsibility of the Borrower.

Section 2. Conditions Precedent to Disbursement.

(a) Disbursement of the Escrowed Funds from the Escrow Account will be made subject to the following conditions precedent:

(i) prior to the first draw, the Lender has received from the Borrower, without expense to the Lender, executed copies of the Original Loan Agreement, the Original Note, the Original Mortgage, and the Original Escrow Agreement;

(ii) prior to the first draw, the Lender has received a copy of a draft settlement statement from the Borrower, evidencing the use of the first draw of the Escrowed Funds for, among other things, the acquisition of the Property by the Borrower;

(iii) at least ten (10) days prior to each draw (or, with respect to the first draw for the purchase price of the Property, as much advance as reasonably possible), the Escrow Agent has received an executed disbursement request from the Borrower, in substantially the form attached hereto as EXHIBIT B, countersigned by the City Manager of the City, accompanied by paid invoices or other comparable evidence that the cost has been incurred and paid or is payable by the Borrower, as well as the Borrower's form of updated sworn construction statement and unconditional lien waivers for payments made pursuant to prior draw requests to contractors or service providers with lien rights; and

(iv) as of the date of each draw, no Event of Default under the Loan Agreement, the Preliminary Agreement shall have occurred and be continuing.

(c) Each draw request shall constitute a representation and warranty by the Borrower that all representations and warranties set forth in the Loan Agreement are true and correct as of the date of such draw request.

(d) Upon receipt of each draw following the first draw, the Escrow Agent shall order a search of the title records for the presence of any mechanic's liens. The Escrow Agent shall notify the Borrower and the Lender via email if any mechanic's liens appear of record.

(e) If the Borrower has performed all of its agreements and complied with all requirements to be performed or complied with hereunder, including satisfaction of all applicable conditions precedent contained in this Section, the Escrow Agent shall make a disbursement to the Borrower in the amount of the requested disbursement or such lesser amount as shall be approved, within twenty (20) days after the date of the receipt by the Escrow Agent of the draw request.

Section 3. Final Draw Date. The parties agree and acknowledge that the final Draw under this Escrow Agreement is expected to take place on or before December 31, 2024. Any Escrowed Funds remaining in the Escrow Account following such date shall be returned to the Lender.

Section 4. Fees. The Borrower shall pay all charges due under this Escrow Agreement, including search update fees. The Borrower shall pay to the Escrow Agent an escrow administrative set-up fee of \$500.00 in connection with the Original Escrow Agreement, a fee of \$500.00 to open and administer an interest-bearing account, and a fee of \$450.00 (or more in the event of a non-routine draw, which may be considered non-routine because of unresolved liens, insufficient project or lien waiver documentation, disputes between parties,

etc.) per disbursement. The Escrow Agent acknowledges receipt of the sum of \$500.00 as a deposit against such charges.

Section 5. No IRS-1099 Reporting by Escrow Agent. The parties acknowledge that the Escrow Agent shall not be responsible for creating, furnishing or reporting any IRS 1099 notices or filings for any payments disbursed under this Escrow Agreement for the parties.

Section 6. Escrow Agent Liability. The sole duties of the Escrow Agent shall be those described herein, and the Escrow Agent shall be under no obligation to determine whether the other parties hereto are complying with any requirements of law or the terms and conditions of any other agreements among said parties. The Escrow Agent may conclusively rely upon and shall be protected in acting on any notice believed by it to be genuine and to have been signed or presented by the proper party or parties, consistent with reasonable due diligence on the Escrow Agent's part. The Escrow Agent shall have no duty or liability to verify any such notice or to verify any amounts deducted from the Escrowed Funds, and its sole responsibility shall be to act expressly as set forth in this Escrow Agreement.

Section 7. Notices. All notices required hereunder shall be given by depositing in the U.S. mail, postage prepaid, certified mail, return receipt requested, to the following addresses (or such other addresses as the parties may notify the other):

To the Lender: City of Columbia Heights
590 40th Avenue NE
Columbia Heights, MN 55421
Attn: Community Development Director

To the Borrower: Alatus Columbia Heights II LLC
c/o Alatus LLC
800 Nicollet Mall, Suite 2850
Minneapolis, MN 55402
Attn: President

To the Escrow Agent: Commercial Partners Title
200 South Sixth Street, Suite 1300
Minneapolis, MN 55402
Attn: Jennifer Malinak

Section 8. Binding Effect; Governing Law. This Escrow Agreement shall be binding upon the parties hereto and their respective successors and assigns. This Escrow Agreement is made solely by the signatory parties hereto, and no other persons (except the successors and assigns of the signatory parties) shall have any right to rely on or enforce or have the benefit of any provision of this Escrow Agreement. This Escrow Agreement shall be governed by the laws of the State of Minnesota.

Section 9. Amendments. This Escrow Agreement can be amended or modified only in writing by all parties hereto.

Section 10. Investment of Escrowed Funds. The Borrower may invest the Escrowed Funds. Any earnings thereon will be used to repay the principal of or any interest on the Loan.

(The remainder of this page is intentionally left blank.)

IN WITNESS WHEREOF, the Lender, the Borrower, and the Escrow Agent have caused this Second Amended and Restated Escrow Agreement to be duly executed as of the day and year first above written.

**CITY OF COLUMBIA HEIGHTS,
MINNESOTA**

By _____
Its Mayor

By _____
Its City Manager

Execution page of the Borrower to the Second Amended and Restated Escrow Agreement, dated the date and year first written above.

**ALATUS COLUMBIA HEIGHTS II
LLC**, a Delaware limited liability company

By _____
Robert C. Lux
Its President

Execution page of the Disbursing Agent to the Second Amended and Restated Escrow Agreement, dated the date and year first written above.

**COMMERCIAL PARTNERS TITLE, a
division of Chicago Title Insurance
Company**

By _____
Its _____

EXHIBIT A
PROPERTY

Lots One (1), Two (2), Three (3), Four (4), Five (5), Six (6), Seven (7), Eight (8), Nine (9), Ten (10), Eleven (11), and Twelve (12), Block One (1), and the East 107.3 feet of Lots One (1), Two (2), Three (3), Four (4), Five (5), and Six (6), Block Two (2),

All in Rearrangement of Block "A", Columbia Heights Annex to Minneapolis, according to the recorded plat thereof on file in the office of the Register of Deeds in and for Anoka County, Minnesota, together with that part of vacated Jackson Street on said plat described as follows: Commencing at a point 10 feet North of the Southeast corner of said Lot 6, Block 2; thence North a distance of 590 feet, more or less to the Northeast corner of said Lot 1, Block 2; thence East a distance of 30 feet, more or less, to the Northwest corner of said Lot 12, Block 1; thence South a distance of 590 feet, more or less to a point 10 feet North of the Southwest corner of said Lot 7, Block 1; thence West a distance of 30 feet, more or less, to the point of beginning and there terminating.

EXHIBIT B

FORM OF DRAW REQUEST

TO: Commercial Partners Title, a Division of Chicago Title Insurance Company
 200 South Sixth Street, Suite 1300
 Minneapolis, MN 55402
 Attn: Jennifer Malinak

City of Columbia Heights, Minnesota
 590 40th Avenue NE
 Columbia Heights, MN 55421
 Attn: Community Development Director

DISBURSEMENT DIRECTION

The undersigned representative of Alatus Columbia Heights II LLC, a Delaware limited liability company (the “Borrower”), hereby authorizes and requests you to disburse from the Escrowed Funds, in accordance with the terms of the Escrow Agreement, dated July 29, 2021, as amended and restated by the Amended and Restated Escrow Agreement, dated June 30, 2023, as further amended and restated by the Second Amended and Restated Escrow Agreement, dated December __, 2023 (the “Escrow Agreement”), between the City of Columbia Heights, Minnesota (the “Lender”), the Borrower, and Commercial Partners Title, a Division of Chicago Title Insurance Company, a Florida corporation (the “Escrow Agent”), the following amount to the following person and for the following Project Costs:

1. Amount:
2. Payee:
3. Purpose:

The undersigned further certifies to the Lender and the Escrow Agent that (a) none of the items for which the payment is proposed to be made has formed the basis for any payment previously made under Section 2 of the Escrow Agreement (or before the date of the Escrow Agreement); and (b) that each item for which the payment is proposed is a Project Cost eligible for funding from the proceeds of the Loan.

Capitalized terms used herein that are otherwise not defined shall have the meanings provided in the Escrow Agreement.

Dated: _____

**ALATUS COLUMBIA HEIGHTS II
LLC**, a Delaware limited liability company

By _____
Robert C. Lux
Its President

Countersigned by:

**CITY OF COLUMBIA HEIGHTS,
MINNESOTA**

By _____
Its _____