



[Crystal \(Minn.\).](#)
[City Council Minutes and Agenda Packets.](#)

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Darlene

BOARD OF REVIEW AGENDA

May 21, 1991

Pursuant to due call and notice thereof, the City of Crystal Council convened as a Board of Review on May 21, 1991, at the City Hall, 4141 Douglas Drive, Crystal, Minnesota at 8:00 P.M.
The Secretary of the Council called the roll and the following were present:

Councilmembers

<u>A</u>	Carlson
<u>P</u>	Grimes
<u>P</u>	Herbes
<u>P</u>	Irving
<u>P</u>	Joselyn
<u>P</u>	Langsdorf
<u>P</u>	Moravec

Staff

<u>P</u>	Dulgar
<u>P</u>	Norris
<u>P</u>	Kennedy
<u>P</u>	Monk
<u>P</u>	Barber
<u>P</u>	George
<u>P</u>	Bjorn

The Mayor led the Council and the audience in the Pledge of Allegiance to the Flag.

The Board of Review reconvened to reconsider property located at 6812 Cloverdale Avenue North. *Property owner, Gary Bayle, appeared and was heard.*

I/L to affirm the assessment of property at 6812 Cloverdale Ave. No., P.I.D # 05-118-21-42-0019.

Motion Carried

L/I to adjourn the meeting of the Board of Review.

The Board of Review adjourned at 8:03 p.m.

COUNCIL AGENDA

May 21, 1991

Pursuant to due call and notice thereof, the Regular meeting of the Crystal City Council was held on May 21, 1991, at 8:00 P.M., at 4141 Douglas Drive, Crystal, Minnesota.

The Secretary of the Council called the roll and the following were present:

Councilmembers

A Carlson
P Grimes
P Herbes
P Irving
P Joselyn
P Langsdorf
P Moravec

Staff

P Dulgar
P Norris
P Kennedy
P Monk
P Barber
P George
P Brandeen

The VFW Ritual Squad presented an American flag, a Minnesota flag, and a City of Crystal flag to the City of Crystal to be placed in the Council Chambers.

The Mayor, on behalf of the Minnesota Vietnam Veterans Memorial Incorporated, presented a plaque to the VFW Post 494 in recognition of its sponsorship of the names of Sergeant Paul Conrad Johnson and PFC Richard Donald Sweet on the Minnesota Vietnam Veterans Memorial Wall. Mr. Johnson and Mr. Sweet were Crystal residents at the time of their service in Vietnam.

1. The City Council considered the minutes of the Board of Review Meeting of May 7, 1991 and the Regular City Council Meeting of May 7, 1991.

Moved by Councilmember L and seconded by Councilmember M to (approve) (approve, making the following exceptions: Board of Review minutes - change motion re: adjournment to indicate 8 pm May 21 rather than 7 p.m. to) the minutes of the Board of Review Meeting of May 7, 1991 and the Regular City Council Meeting of May 7, 1991.

Motion Carried.

REGULAR AGENDA

1. The City Council considered the First Reading of an Amendment to the Housing Maintenance Code.

Gary Boyle, 6812 Cloverdale Ave. No.

Reuben Lundquist, 3548 Jersey Av. N.

Rosemary Knutson, Representative of Mpls. Area Assoc. of Realtors

Mike Salik, 31st + Douglas Avenue

Michael Rader, 3429 Majan Av. N.

Paul Sigurdson, N.E. Minneapolis (Realtor)

Adrian Rygg, 4120 Brunswick Av. N.

Moved by Councilmember J and seconded by Councilmember L to adopt the following ordinance:

ORDINANCE NO. 91-

AN ORDINANCE RELATING TO HOUSING:
LICENSING RENTAL HOUSING UNITS:
REQUIRING DISCLOSURE AT TIME OF SALE:
AMENDING CRYSTAL CODE, SECTION 425

and further, that the second and final reading be held on June 4, 1991.

Motion Carried.

2. The City Council reconsidered authorization to issue a building permit for a 16' x 34' addition to the existing building at 4800 - 56th Avenue North, Crown CoCo, Inc. *Steve Miller, representative of the gas station, appeared and was heard.*

Moved by Councilmember I and seconded by Councilmember J to (approve as recommended by the Planning Commission) (deny) (continue until _____ the discussion of) authorization to issue a building permit for a 16' x 34' walk-in cooler addition to the existing building located at 4800 - 56th Avenue North, subject to standard procedure and with the condition that the existing shed be removed and screening be updated.

Motion Carried.

Staff was directed to look into an amendment to the ordinance to eliminate storage areas on vacant residential lots.

*Recess 9:32 p.m.
Resumed 9:45 p.m.*

3. The City Council considered a request from Chuck Tabor, owner of Minnesota Baseball Services, to use City ball fields for baseball camps.

Moved by Councilmember J and seconded by Councilmember G to (approve) (deny) (continue until _____ the discussion of) a request to use the three City of Crystal ball fields at the rate of \$25.00 per field per day, *plus \$10 per field for dragging.* Motion Carried.

4. The City Council considered the Second Reading of an Ordinance regarding composition of the Planning Commission.
5.

Moved by Councilmember I and seconded by Councilmember L to adopt the following ordinance:

ORDINANCE NO. 91-10

AN ORDINANCE RELATING TO CITY
GOVERNMENT: PLANNING COMMISSION:
AMENDING CRYSTAL CITY CODE,
SUBSECTION 305.67, SUBDIVISION 2

and further, that this be the second and final reading. Motion Carried.

*The City Council recessed at 10:04 p.m. to conduct a special meeting of the Economic Development Authority of the City of Crystal (EDA). The City Council meeting was reconvened at 10:33 p.m.
#16 next*

5. The City Council considered the Second Reading of an Ordinance regarding extension of the moratorium for Redevelopment Project No. 2.

Moved by Councilmember G and seconded by Councilmember J to adopt the following ordinance:

ORDINANCE NO. 91-11

AMENDMENT TO INTERIM ORDINANCE NO. 90-20 FOR
THE PURPOSE OF PROTECTING THE PLANNING PROCESS AND
HEALTH, SAFETY AND WELFARE OF THE RESIDENTS, AND
RESTRICTING DEVELOPMENT WITHIN REDEVELOPMENT
PROJECT NO. 2

and further, that this be the second and final reading.

Motion Carried.

7. 6. The City Council considered a plan amendment for Medicine Lake Road Project for parking inset at 6300 - 6400 Medicine Lake Road, Douglas Court Apartments. *The owner of Douglas Court Apartments left the mtg. prior to Council consideration due to a prior commitment.*

I/G to proceed with the plan agreement if the applicant agrees to pay 100% of the cost, and if he does not agree to pay 100% of the cost, he may come back to the Council at a future date.

Motion Carried

8. 7. The City Council considered a City of Crystal Employee Retirement Party Policy.

Moved by Councilmember I and seconded by Councilmember L to (approve) (deny) (continue until _____ the discussion of) a City of Crystal Employee Retirement Party Policy.

Motion Carried.

Aye: G, I, J, L, M
No: H
Absent: C

Staff change wording in item #5 of the policy to conform to personnel rules. (ie. Permanent full-time employees)

9. 8. The City Council considered the Second Reading of an Ordinance relating to secondhand goods dealer license renewals.

Moved by Councilmember J and seconded by Councilmember M to adopt the following ordinance:

ORDINANCE NO. 91-12

AN ORDINANCE RELATING TO SECONDHAND GOODS
DEALERS: AMENDING CRYSTAL CITY CODE,
SUBSECTIONS 1175.03, 1175.17, 1175.19,
1175.21 AND 1175.23

and further, that this be the second and final reading.

Motion Carried.

10. 9. The City Council considered the 1991 labor agreement between the City of Crystal and Law Enforcement Labor Services, Inc., Local #44. *no action was taken.*

Moved by Councilmember and seconded by Councilmember to (approve) (deny) (continue until the discussion of) the 1991 labor agreement between the City of Crystal and Law Enforcement Labor Services, Inc., Local #44.

Motion Carried.

10. The City Council considered a resolution in support of Larry Bakken, Mayor of Golden Valley, for League of Minnesota Cities' Vice President.

Moved by Councilmember ^{Mayor} H and seconded by Councilmember I to adopt the following resolution, the reading of which was dispensed with by unanimous consent:

RESOLUTION NO. 91-46

RESOLUTION OF SUPPORT FOR THE NOMINATION OF
LARRY A. BAKKEN AS VICE PRESIDENT OF THE
LEAGUE OF MINNESOTA CITIES

By roll call and voting aye: I, J, M, G, H,
_____, _____; voting no: _____, _____, _____, _____; absent, not
voting: C, _____, _____.

Abstain: L Motion carried, resolution declared adopted.

11. The City Council considered a resolution relating to a lawful gambling premises permit for Hartinger Foundation at Paddock Bar, 5540 Lakeland Avenue North.

Moved by Councilmember J and seconded by Councilmember G to adopt the following resolution, the reading of which was dispensed with by unanimous consent:

RESOLUTION NO. 91-47

RESOLUTION RELATING TO LAWFUL GAMBLING:
APPROVING CERTAIN PREMISES PERMITS

By roll call and voting aye: J, L, M, G, H,
I, _____; voting no: _____, _____, _____, _____; absent, not
voting: C, _____, _____.

Motion carried, resolution declared adopted.

12. The City Council considered a letter of resignation from Diane Christopher, 3506 Zane Avenue North, dated 4-18-91 and received 5-9-91 from the Environmental Quality Commission.

Moved by Councilmember M and seconded by Councilmember G to (accept) (deny) (continue until _____ the discussion of) the resignation of Diane Christopher, 3506 Zane Avenue North, from the Environmental Quality Commission, *and send a letter of thanks and appreciation.* Motion Carried.

13. The City Council considered no parking zone along Wilshire Boulevard adjacent to Twin Oak Park.

Moved by Councilmember I and seconded by Councilmember L to adopt the following resolution, the reading of which was dispensed with by unanimous consent:

RESOLUTION NO. 91-48

RESOLUTION PROHIBITING PARKING
ON PORTION~~S~~ OF WILSHIRE BOULEVARD
ADJACENT TO TWIN OAK PARK

By roll call and voting aye: L, M, G, H, I,
J, -; voting no: -, -, -, -; absent, not
voting: C, -.

Motion carried, resolution declared adopted.

14. The City Council considered membership in the Regional Mutual Aid Association.
15.

Moved by Councilmember I and seconded by Councilmember G to adopt the following resolution, the reading of which was dispensed with by unanimous consent:

RESOLUTION NO. 91-49

RESOLUTION AUTHORIZING JOINT AND COOPERATIVE
AGREEMENT FOR USE OF PERSONNEL AND EQUIPMENT
REGIONAL MUTUAL AID ASSOCIATION

By roll call and voting aye: M, G, H, I, J,
L, -; voting no: -, -, -, -; absent, not
voting: C, -, -.

Motion carried, resolution declared adopted.

15. The City Council considered a Joint Council/Planning Commission Workshop to review recommendations for the Image Portion of the Comprehensive Plan.
16.

Moved by Councilmember M and seconded by Councilmember J to set 6:30-8:00 p.m., June 10, 1991 as the date and time for a Joint Council/Planning Commission Workshop to review recommendations for the Image Portion of the Comprehensive Plan.

Motion Carried.

16. The City Council discussed a meeting on May 28 of the City Council and the Economic Development Authority regarding 36th Avenue/Highway 100 development.
4.

The Council set 8:15 p.m. on May 28, 1991 for a meeting of the City Council and the EDA regarding 36th Ave./Highway 100 development.

M/G to adopt the following resolution

Resolution No. 91-45

*Resolution Approving Contract For
Private Redevelopment Among The Crystal EDA,
The City and Super Value Stores, Inc.*

*Aye: G, H, I, J, L, M
Absent: C*

Motion carried, res. . . .

17. The City Council discussed the 1991 goals for the City Manager as suggested by the City Council.

It was the Concensus of Council to ^{continue to June 4 meeting,} appoint a committee to set 1991 goals for the City Manager, with the same committee reviewing City Manager's salary for 1992, based on 1991 Goals and Objectives.

Open Forum

Informal Discussion and Announcements

1. Discussion of presentation regarding Constitutional Issues in Land Use and Zoning: due Process, Equal Protection, and the taking issue on May 29, 1991 sponsored by AMM, LMC, Met Council and a Public Law Practice Group.

* The City attorney recommended a resolution of denial be prepared to be placed on the June 4 City Council meeting for variances denied at the May 7, 1991 City Council meeting relating to property at 5231 Douglas Drive.

* Councilmember Jocelyn recommended, ^{when considering an item,} Council procedure be to (1) hear from the public (2) debate (3) vote.

Public Works Director made Council + Audience aware of Public Works Week and demonstrations etc. taking place at City Garage.

Moved by Councilmember I and seconded by Councilmember M to approve the list of license applications, with the addition of C.J. Frank's Furniture itinerant food license for May 24-27, 1991 contingent upon review + approval by the Health Dept. Motion Carried.

Moved by Councilmember I and seconded by Councilmember L to adjourn the meeting.

Motion Carried.

Meeting adjourned at 11:13 p.m.

APPLICATIONS FOR LICENSE

May 21, 1991

GAS FITTERS LICENSE - \$30.25

A-Aaron's, division of Waste, Inc., 2511 Hwy. 7, Excelsior,
MN 55331
Blaine Heating & Air, 13562 Central Ave. NE, Anoka, MN 55304

PLUMBERS LICENSE - \$30.25

A-Aaron's, division of Waste, Inc., 2511 Hwy. 7, Excelsior,
MN 55331
Nygard Plumbing, 7435 Highway 65 NE, Minneapolis, MN 55432
Mark's Plumbing, 2078 159th Lane NW, Andover, MN 55304
Peterson Plumbing, 1080 Raymond Ave., Suite 117, St. Paul,
MN 55108

SIGN HANGERS LICENSE - \$66.00

Ad Aid/Sign Effects, 3396 Library Lane, St. Louis Park, MN
55426
Crosstown Signs, Inc., 10166 Central Ave. NE., Blaine, MN
55434
Nordquist Sign Co., 312 W. Lake St., Minneapolis, MN 55408

POOLS - Indoor (\$250.00)

Cedarwood Courts, 5500 Douglas Drive
Cedarwood Courts, 5450 Douglas Drive
The Lamplighter Apartments, 2900 Douglas Drive
Twin Lake North Condominium, 4710-58th Ave. No.

POOLS - Outdoor (\$200.00)

Cedarwood Courts, 5450 Douglas Drive
Crystal 54 Apartments, 6910 54th Ave. No.
Lamplighter Apartments, 2900 Douglas Drive
Twin Lake North Condominium, 4710 58th Ave. No.

FOOD ESTABLISHMENT - Itinerant (\$30.00 1st day + \$12.00
each addnl day)

Crystal Shopping Center, July 8 through 13, 1991, Crazy
Dazes

REFUSE HAULERS - \$75.00 Co. License + \$35.00 ea. vehicle

A & B Trucking, Minneapolis, MN
Baldy Sanitation, Maple Plaine, MN
Waste Management-Blaine, Circle Pines, MN

FOOD ESTABLISHMENT - Retail (\$190 for retail, \$123.50
Plan Review-65%)

Walgreens, 6918 56th Ave. No.

OFF-SALE LIQUOR LICENSES - \$200 + dram shop insurance

Rom-C, Inc. dba Crystal Liquors, 5924 West Broadway,
Crystal, MN 55429

Louie's Liquors, Inc., 4920 West Broadway, Crystal, MN
55429

Handy Superette, Inc. dba Adair Liquors, 6001 42nd Ave. N.,
Crystal, MN 55422

D.A.S., Inc. dba United Liquors #3, 3530 Douglas Drive,
Crystal, MN 55422

MGM Wine & Spirits, Inc. dba MGM Liquor Warehouse, 355
Willow Bend, Crystal, MN 55428

Palace Inn Pizza, Inc., 5607 West Broadway, Crystal, MN
55428

Chalet Liquors, Inc., 5306 36th Ave. N., Crystal, MN 55422

Lamplighter Liquor Barrel, Inc., 2728 Douglas Dr., Crystal,
MN 55422

PERMIT FOR WINE AND BEER IN PARK/COMMUNITY CENTER

Peggy Boyle at North Lion's Park, June 1, 1991 from 12:00
noon until 4:00 p.m., for a graduation party open
house.

Included with packet for 5-21-91 Council Mtg:

Minutes of the May 7, 1991 Board of Review.
Minutes of the May 7, 1991 City Council Mtg.
Memo from Community Dev. Director/Bldg. Inspector dated 5-16-91 re: Housing Maintenance Code.
Memo from Bldg. Inspector dated 5-16-91 re: 4800 - 56th Avenue North (E-Z Stop).
Memo from Park & Rec. Director dated 5-16-91 re: Use of Little League Fields for Baseball School.
Memo from Comm. Dev. Director dated 5-15-91 re: Composition of Planning Commission.
Memo from Comm. Dev. Director dated 5-15-91 re: Extension of Development Moratorium for Redevelopment Area #2.
Memo from City Engr. dated 5-13-91 re: Plan Modification on Medicine Lake Road.
Memo from Administrative Secretary dated 4-30-91 re: Crystal Employee Retirement Party Policy.
Memo from City Attorney dated 5-17-91 and memo dated 5-9-91; draft of ordinance amendment re: secondhand goods dealers.
Memo from Larry Bakken, Mayor of Golden Valley dated 5-10-91 re: Candidacy for LMC Vice President; resolution of support.
Memo from City Clerk dated 5-7-91 re: Eawful Gambling Premises Permit for Hartinger Foundation; Premises Permit Application; resolution.
Letter of resignation dated 4-18-91 - received 5-9-91 of Diane Christopher from the Environmental Quality Commission.
Memo from Public Works Director dated 5-15-91 re: Twin Oak Park Parking.
Memo from Public Works Director dated 5-15-91 re: Membership in Regional Mutual Aid Association.
Memo from Comm. Dev. Director dated 5-16-91 re: Joint Work Session of the City Council and Planning Commission.
City Manager Goals for 1991.
Letter from Senator Reichgott dated 5-9-91 re: fiscal disparities system.
Info re: seminar "Constitutional Issues In Land Use And Zoning: Due Process, Equal Protection, And The Taking Issue".

Letter from Northwest Hennepin Human Services Council dated April 1991 re: 1991 Community Social Services Act, Human Service Priority Report; brochure "Improving Opportunities for Children in Northwest Hennepin County".

Letter from Representative Rest dated 5-7-91 re: resolution opposing 13th Check pension bonus. Registration for the 1991 Crystal Frolics Parade.

Letter from Senator Reichgott dated 5-7-91 re: Peace Officer Liaison Services.

Off-Sale liquor license applications (8)

Memo from Asst. Finance Director dated 5-20-91 re: Hartinger Foundation Lawful Gambling Reports.

Memo from Lt. Gautsch dated 5-16-91 re: Secondhand Dealer, Records J.T. Pennypinchers; memo from Lt. Gautsch dated 5-16-91 re: Secondhand Dealer, Records Midwest Antique & Mercantile.

Letter from City Attorney dated 4-19-91 re: zoning variance requests.

Flyer re: Light Rail Transit Informational Meeting by TwinWest Chamber of Commerce May 28, 7:30 P.M.; Golden Valley City Hall (Cost \$10/person).

Decker

Memorandum

DATE: May 17, 1991
TO: Mayor and Council
FROM: Jerry Dulgar, City Manager
SUBJECT: Preliminary Agenda for the May 21, 1991 Council Meeting

Reconvene Board of Review to review 1991 estimated market value for property located at 6812 Cloverdale Avenue North. The Assessor's office has been trying to get a hold of the homeowner since our last meeting and has **not** been able to contact him to arrange for a review of the property. If they are not able to review the property, I don't believe any adjustment should be made and we should send it onto the County for their consideration.

Regular Agenda:

Item 1: Consideration of the First Reading of an Amendment to the Housing Maintenance Code. I believe we'll probably have some property owners and Realtors in attendance at the meeting to discuss the code with the Council. We do want to hear them out but we should remember that this is not a public hearing. Several public hearings have been held on the ordinance and this is simply consideration of the ordinance.

Item 2: Reconsideration of authorization to issue a building permit for a 16' x 34' addition to existing building at 4800 - 56th Avenue North, Crown CoCo, Inc. Dave Kennedy has reviewed the situation and indicated that there is no reason to deny the permit and that the permit on this lot should not be tied to adjoining uses or misuses of adjoining property. Therefore, we're recommending that the permit be issued.

Item 3: Consideration of a request to use City ball fields for baseball camps. Please review the attached letter from a local resident wishing to use the three baseball fields by the Community Center to run baseball camps. This operation is a for-profit operation. The youngsters will be charged to go to the camps. I'm told that it will not interfere with the Little League and that it shouldn't impose any problems on the City. I think the rental fee even at \$25 is very low considering the investment we have and what it costs us to maintain the diamonds. However, if the Council sees no problems with the camps being held there provided they provide us with adequate insurance, etc. it doesn't appear that it would cause any major interference with City operations or normal Park & Rec. uses.

Item 6: Consideration of plan amendment for Medicine Lake Road Project for parking inset at 6300 - 6400 Medicine Lake Road, Douglas Court Apartments. I believe the property owner who is

requesting this will be in attendance. The parking inset would not cause a problem in City operation, I don't believe, if the County is willing to do it. However, I would not recommend to the Council that we do it unless the property owner is willing to pay for it and proper sidewalks, etc. are provided for the youngsters at the school. I believe this property owner is responsible like all other property owners of the City to provide off street parking so we're really doing this as an extraordinary service for the property owner. I think that the property owner should pay the cost for it and provide all the facilities that are necessary for the public.

Item 7: Consideration of a City of Crystal Employee Retirement Party Policy. I've reviewed the policy and I don't have any problems with it. It was drafted by the Employees Committee after numerous meetings and discussion. We would budget money in the same fund where we take out for the boards and commissions' banquet and other awards.

Item 9: Consideration of the 1991 labor agreement between the City of Crystal and Law Enforcement Labor Services, Inc., Local #44. I've been trading phone calls with the Business Agent and haven't been able to contact the Union Steward but I believe we have reached agreement with them. Basically it calls for a 4 percent increase in salary and \$25 increase in insurance. If the agreement has been approved completely by the Union, I'd recommend that the Council approve it. Otherwise if there's still some specific points on their part, I'd recommend that we continue it until the next meeting.

Item 10: Consideration of a resolution supporting Larry Bakken, Mayor of Golden Valley, for League of Minnesota Cities' Vice President. Enclosed please find some information regarding Larry. Several members of the Council were contacted by Larry requesting support and by Councilmember Bob Long of St. Paul. I would recommend that we support Larry rather than Bob although they are both good people. I like them both but Bob is going to be President I believe it is of the AMM and I think he has large city interests more at heart than Larry does and I think we would be better off at this point in time with Larry as our Vice President and then President. Bob will have a chance the following year to be in the same position.

Item 11: Consideration of a resolution relating to a lawful gambling premises permit for Hartinger Foundation at Paddock Bar, 5540 Lakeland Avenue North. Please read the memo from Darlene relative to this. Basically the State went ahead and granted the licenses as I understand it. I sometimes question why we are even approving this. They've been operating all the time without our approving it.

Item 13: Consideration of no parking zone along Wilshire Boulevard adjacent to Twin Oak Park. The police department feels that there is a safety problem in this area and is recommending that we prohibit parking. Bill concurs with that so I would recommend that we adopt their proposal.

Item 14: Consideration of membership in Regional Mutual Aid Association. This Mutual Aid Association is for public works and its similar to the Police & Fire Mutual Aid Agreements that we have. Several cities have used it when they have been hit by windstorms and problems like that. St. Anthony has used it, Coon Rapids has used it, and I think Roseville used it when they had the tornado over there. I think it is very beneficial and there is really very little cost obligation, liability or that so I would recommend that we go ahead.

Item 15: Consideration of a Joint Council/Planning Commission Workshop to review recommendations for the Image Portion of the Comprehensive Plan. We only budgeted for one formal presentation of the Imaging Portion of the Comprehensive Plan so rather than run up the City costs substantially by budgeting a second session we thought we would combine the Council and Planning Commission review of this. I would recommend that the Council accept the Planning Commission's invitation for a joint meeting.

Item 16: Discussion of a meeting on May 28 of Council and Economic Development Authority regarding 36th Avenue/Highway 100 development. I put this on the agenda merely because we might not be in a position to approve the developer's agreement on the 21st and I wanted it on here for the Council to be able to consider it for a meeting on the 28th if everything falls apart for the 21st.

Item 17: Discussion of the 1991 goals for the City Manager as suggested by the Council. I look forward to your input on goals you would like to see myself and staff achieve in 1991.

Informal Discussion and Announcements:

This is a free meeting put on by a local law firm and I thought some of the Council might be interested in it. We have sent the invitation to the Planning Commission also.

Have a nice weekend. See you next Tuesday at 8 p.m. because of the School Board Election.

js

BOARD OF REVIEW

Call to order

Roll call

Reconvene Board of Review to review 1991 estimated market value for property located at 6812 Cloverdale Avenue North.

Adjournment

COUNCIL AGENDA - SUMMARY

COUNCIL MEETING OF
May 21, 1991

Call to order

Roll call

Presentation of flags by the VFW Ritual Squad and presentation of plaque to VFW in recognition of its sponsorship of the names of Sergeant Paul Conrad Johnson and PFC Richard Donald Sweet on the Minnesota Vietnam Veterans memorial Wall. Johnson and Sweet were Crystal residents at the time of their service in Vietnam.

Approval of the minutes of the Board of Review Meeting of May 7, 1991 and the Regular Meeting of May 7, 1991.

Regular Agenda Items

1. Consideration of the First Reading of an Amendment to the Housing Maintenance Code.
2. Reconsideration of authorization to issue a building permit for a 16' x 34' addition to existing building at 4800 - 56th Avenue North, Crown CoCo, Inc.
3. Consideration of a request to use City ball fields for baseball camps.
4. Consideration of the Second Reading of the Ordinance regarding composition of Planning Commission.
5. Consideration of the Second Reading of the Ordinance regarding extension of the moratorium in Redevelopment Project No. 2.
6. Consideration of plan amendment for Medicine Lake Road Project for parking inset at 6300 - 6400 Medicine Lake Road, Douglas Court Apartments.

- ✓ 7. Consideration of a City of Crystal Employee Retirement Party Policy.
- ✓ 8. Consideration of the Second Reading of the Ordinance relating to public hearings and investigations for secondhand goods dealer license renewal.
- ✓ 9. Consideration of the 1991 labor agreement between the City of Crystal and Law Enforcement Labor Services, Inc., Local #44.
- ✓ 10. Consideration of a resolution supporting Larry Bakken, Mayor of Golden Valley, for League of Minnesota Cities' Vice President.
- ✓ 11. Consideration of a resolution relating to a lawful gambling premises permit for Hartinger Foundation at Paddock Bar, 5540 Lakeland Avenue North.
- ✓ 12. Consideration of a letter of resignation from the Environmental Quality Commission dated 4-18-91 and received 5-9-91 from Diane Christopher, 3506 Zane Avenue North.
- ✓ 13. Consideration of no parking zone along Wilshire Boulevard adjacent to Twin Oak Park.
- ✓ 14. Consideration of membership in Regional Mutual Aid Association.
- ✓ 15. Consideration of a Joint Council/Planning Commission Workshop to review recommendations for the Image Portion of the Comprehensive Plan.
- ✓ 16. Discussion of a meeting on May 28 of Council and Economic Development Authority regarding 36th Avenue/Highway 100 development.
- 17. Discussion of the 1991 goals for the City Manager as suggested by the Council.

Open Forum

Informal Discussion and Announcements

- 1. Discussion of presentation regarding Constitutional Issues in Land Use and Zoning: due Process, Equal Protection, and the taking issue on May 29, 1991 sponsored by AMM, LMC, Met Council and a Public Law Practice Group.

Licenses

APPLICATIONS FOR LICENSE

May 21, 1991

GAS FITTERS LICENSE - \$30.25

A-Aaron's, division of Waste, Inc., 2511 Hwy. 7, Excelsior,
MN 55331
Blaine Heating & Air, 13562 Central Ave. NE, Anoka, MN 55304

PLUMBERS LICENSE - \$30.25

A-Aaron's, division of Waste, Inc., 2511 Hwy. 7, Excelsior,
MN 55331
Nygard Plumbing, 7435 Highway 65 NE, Minneapolis, MN 55432
Mark's Plumbing, 2078 159th Lane NW, Andover, MN 55304
Peterson Plumbing, 1080 Raymond Ave., Suite 117, St. Paul,
MN 55108

SIGN HANGERS LICENSE - \$66.00

Ad Aid/Sign Effects, 3396 Library Lane, St. Louis Park, MN
55426
Crosstown Signs, Inc., 10166 Central Ave. NE., Blaine, MN
55434
Nordquist Sign Co., 312 W. Lake St., Minneapolis, MN 55408

POOLS - Indoor (\$250.00)

Cedarwood Courts, 5500 Douglas Drive
Cedarwood Courts, 5450 Douglas Drive
The Lamplighter Apartments, 2900 Douglas Drive
Twin Lake North Condominium, 4710-58th Ave. No.

POOLS - Outdoor (\$200.00)

Cedarwood Courts, 5450 Douglas Drive
Crystal 54 Apartments, 6910 54th Ave. No.
Lamplighter Apartments, 2900 Douglas Drive
Twin Lake North Condominium, 4710 58th Ave. No.

FOOD ESTABLISHMENT - Itinerant (\$30.00 1st day + \$12.00
each addnl day)

Crystal Shopping Center, July 8 through 13, 1991, Crazy
Dazes

REFUSE HAULERS - \$75.00 Co. License + \$35.00 ea. vehicle

A & B Trucking, Minneapolis, MN
Baldy Sanitation, Maple Plaine, MN
Waste Management-Blaine, Circle Pines, MN

FOOD ESTABLISHMENT - Retail (\$190 for retail, \$123.50
Plan Review-65%)

Walgreens, 6918 56th Ave. No.

OFF-SALE LIQUOR LICENSES - \$200 + dram shop insurance

Rom-C, Inc. dba Crystal Liquors, 5924 West Broadway,
Crystal, MN 55429

Louie's Liquors, Inc., 4920 West Broadway, Crystal, MN
55429

Handy Superette, Inc. dba Adair Liquors, 6001 42nd Ave. N.,
Crystal, MN 55422

D.A.S., Inc. dba United Liquors #3, 3530 Douglas Drive,
Crystal, MN 55422

MGM Wine & Spirits, Inc. dba MGM Liquor Warehouse, 355
Willow Bend, Crystal, MN 55428

Palace Inn Pizza, Inc., 5607 West Broadway, Crystal, MN
55428

Chalet Liquors, Inc., 5306 36th Ave. N., Crystal, MN 55422

Lamplighter Liquor Barrel, Inc., 2728 Douglas Dr., Crystal,
MN 55422

PERMIT FOR WINE AND BEER IN PARK/COMMUNITY CENTER

Peggy Boyle at North Lion's Park, June 1, 1991 from 12:00
noon until 4:00 p.m., for a graduation party open
house.

May 7, 1991

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BOARD OF REVIEW

Pursuant to due call and notice thereof, the City of Crystal Council convened as a Board of Review on May 7, 1991, at the City Hall, 4141 Douglas Drive, Crystal, Minnesota at 7:00 P.M. The Secretary of the Council called the roll and the following were present: Carlson, Moravec, Irving, Grimes, Herbes, Langsdorf, Joselyn. Also in attendance were the following staff members: Jerry Dulgar, City Manager; Anne Norris, Community Development Director; David Kennedy, City Attorney; William Barber, Building Inspector; Darlene George, City Clerk; Ken Bjorn, Assessor; Jerry Hedlund, Appraiser.

The Mayor led the Council and the audience in the Pledge of Allegiance to the Flag.

Tom May, Assistant Hennepin County Assessor, was present to discuss the 1991 assessment rolls and answer questions from those present. Those residents heard were:

John Paulson, Jr., 4825 Vera Cruz Avenue North, PID 09-118-21-31-0010

Gary Boyle, 6812 Cloverdale Avenue North, PID 05-118-21-42-0019

James Irving, 2722 Vale Crest Road, PID 21-118-21-34-0032

William McPherson, Attorney for owner of 5237 Douglas Drive, PID 08-118-21-11-0084.

Moved by Councilmember Joselyn and seconded by Councilmember Langsdorf to affirm the assessment rolls as presented by the City Assessor.

Motion Carried.

Moved by Councilmember Joselyn and seconded by Councilmember Moravec to reconsider the previous motion.

Motion Carried.

Moved by Mayor Herbes and seconded by Councilmember Irving to preliminarily approve the assessment rolls as presented by the City Assessor with the exception of property at 6812 Cloverdale, PID #05-118-21-42-0019 which is referred to the City Assessor for further review and report to the Board at an adjourned meeting on May 21, 1991.

Motion Carried.

Moved by Councilmember Langsdorf and seconded by Councilmember Irving to adjourn the meeting of the Board of Review until 8 p.m. on May 21, 1991.

Motion Carried.

The Board of Review adjourned at 7:35 p.m.

May 7, 1991

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Mayor

ATTEST:

City Clerk

May 7, 1991

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Pursuant to due call and notice thereof, the Regular meeting of the Crystal City Council was held on May 7, 1991 at 7:00 P.M., at 4141 Douglas Drive, Crystal, Minnesota.

The Secretary of the Council called the roll and the following were present: Carlson, Grimes, Herbes, Irving, Joselyn, Langsdorf, Moravec. Also in attendance were the following staff members: Jerry Dulgar, City Manager; Anne Norris, Community Development Director; Dave Kennedy, City Attorney; William Monk, Public Works Director; Bill Barber, Building Inspector; Darlene George, City Clerk; Ed Brandeen, Park & Recreation Director.

The Mayor proclaimed May 11, 1991 as Crystal Hometown Day for Kelly and Kerby Norman of Crystal.

Area Girl Scouts presented a plaque to the Park & Recreation Department.

The City Council considered the minutes of the Regular City Council meeting of April 16, 1991 and the Special Work Session of April 30, 1991.

Moved by Councilmember Irving and seconded by Councilmember Langsdorf to approve the minutes of the Regular City Council Meeting of April 16, 1991 and the Special Work Session of April 30, 1991.

Motion Carried.

The City Council considered the following items on the Consent Agenda:

1. Consideration of the Crystal Fire Department's request to have a permit for a banner at 5354 Douglas Drive for May 10th through the 20th, 1991 with waiver of fee, for its Open House.
2. Consideration of a one-day Off-Site Lawful Gambling license on July 27, 1991 at Becker Park, 6225 - 56th Avenue North (Crystal Frolics), as requested by the Minneapolis/Crystal Elks Lodge #44.
3. Set public hearing for June 4, 1991 to consider second hand goods dealer license for Janet M. Wernet dba J.T. Pennypinchers, 3542 Douglas Drive.
4. Set public hearing for June 4, 1991 to consider second hand goods dealer license for Steven C. Leppa dba Midwest Antiques and Mercantile, 4611 - 36th Avenue North.

Moved by Councilmember Landgsdorf and seconded by Councilmember Grimes to approve the Consent Agenda.

Motion Carried.

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Councilmember Landgsdorf withdrew her motion and moved to approve items 1 and 2 of the Consent Agenda and remove items 3 and 4 to the end of the Regular Agenda for discussion. Motion was seconded by Councilmember Joselyn.

Motion Carried.

The City Council considered the following Public Hearings:

1. It being 7:00 p.m., or as soon thereafter as the matter may be heard, Mayor Herbes declared this was the date and time as advertised for a public hearing at which time the City Council will consider a variance to Section 645 of the Crystal City Code as it relates to noise levels, as requested by the Minnesota Department of Transportation for a proposed overlay of Trunk Highway 100 between 29th and 36th Avenues in Crystal as a night-time construction project. The Mayor asked those present to voice their opinions or to ask questions concerning this matter. No one was heard.

The Mayor closed the Public Hearing.

Moved by Councilmember Irving and seconded by Councilmember Langsdorf to grant the authorization to vary or modify the strict application of Section 645 of the Crystal City Code to allow the Minnesota Department of Transportation to complete an overlay of Trunk Highway 100 between 29th and 36th Avenue North in Crystal as a night-time construction project.

Motion Carried.

2. It being 7:00 p.m., or as soon thereafter as the matter may be heard, Mayor Herbes declared this was the date and time as advertised for a public hearing at which time the City Council will consider Seal Coat Improvement Project No. 91-2. The Mayor asked those present to voice their opinions or to ask questions concerning this matter. Those present and heard were: Robert Rotz, 3528 Lee Avenue North; Bonnie Caughey and father, 3624 Adair Avenue North; Adrian Rygg, former resident of 36th and Adair Avenue North; Vi Lutgens, 3457 Major Avenue North; Mamie Foss, 3523 Kyle Avenue North; Susan DeWendt, 3424 Quail Avenue North; Jim Kornmann, 3527 Kyle Avenue North.

The Mayor closed the Public Hearing.

Moved by Councilmember Grimes and seconded by Councilmember Carlson to adopt the following resolution, the reading of which was dispensed with by unanimous consent:

RESOLUTION NO. 91-37

RESOLUTION AUTHORIZING
IMPROVEMENT PROJECT NO. 91-2 SEAL COAT

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By roll call and voting aye: Carlson, Grimes, Herbes, Irving, Joselyn, Langsdorf, Moravec.

Motion carried, resolution declared adopted.

The Mayor called a recess at 8:25 p.m. and the meeting was reconvened at 8:36 p.m.

The City Council considered the following items on the Regular Agenda:

1. The City Council considered a petition relating to a mid-block stop sign on Welcome Avenue between 34th and 36th Avenues and the Municipal State Aid street designation process. Those present and heard were: Ken Devine, 3512 Welcome Avenue North; George Aebly, 3419 Welcome Avenue North; Jerry Johnson, 3815 Yates Avenue North; Mel Thornton, 3551 Welcome Avenue North; Judy Swenson, 3413 Welcome Avenue North; Rick Thompson, 3450 Welcome Avenue North; Delores Rautio, 3431 Welcome Avenue North; Margaret & Ed Hajder, 5600 - 35th Avenue North; Bonnie Menshek, 5607 - 36th Avenue North; Mary Kavanagh, 3500 Welcome Avenue North; Anita Shoemaker, 3534 Welcome Avenue North; Todd Moessner, 3519 Welcome Avenue North.

Moved by Councilmember Carlson to approve temporarily removing Welcome Avenue between 34th and 36th Avenues from the Municipal State Aid system.

Motion Failed For Lack of a Second.

Moved by Councilmember Irving and seconded by Councilmember Joselyn to deny the request for replacement of a stop sign on Welcome Avenue between 34th and 36th Avenues.

By roll call and voting aye: Grimes, Herbes, Irving, Joselyn, Langsdorf, Moravec; voting no: Carlson.

Motion Carried.

The Mayor called a recess at 10:13 p.m. and the meeting was reconvened at 10:22 p.m.

2. The City Council considered a solicitor's license for American Teens, 3710 Central Avenue N.E., Columbia Heights, to go door-to-door during the months of May and June, 1991. Kelly Skinner, applicant, appeared and was heard.

Moved by Councilmember Joselyn and seconded by Councilmember Grimes to approve a solicitor's license for American Teens, 3710 Central Avenue N.E., Columbia Heights, Minnesota to solicit in Crystal during the months of May and June, 1991.

By roll call and voting aye: Grimes, Herbes, Irving, Joselyn, Langsdorf, Moravec; voting no: Carlson.

Motion Carried.

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3. The City Council considered a variance to allow expansion of a non-conforming structure and a variance to allow curb cut closer than 50' to the corner at 5231 Douglas Drive North.

Moved by Councilmember Langsdorf and seconded by Councilmember Grimes to deny authorization pursuant to Section 515.55 of the Crystal City Code to vary or modify the strict application of Section 515.05, Subd. 2, to expand a non-conforming building, said non-conformity being the existing building encroaches 15.6 feet in the required 22 foot side street side yard setback, and to grant a variance of approximately 23 feet in the required 50 foot setback from the intersection for a curb cut (Section 515.09, Subd. 4 h) 4), to permit a 12' x 24' addition to the existing building at 5231 Douglas Drive North as requested in Applications #91-7 and #91-8.

By roll call and voting aye: Irving, Joselyn, Langsdorf, Moravec, Grimes; voting no: Herbes, Carlson.

Motion Carried.

4. The City Council considered authorization to issue a building permit for a 16' x 34' walk-in cooler addition at 4800 - 56th Avenue North. Dave Miller of E-Z Stop appeared and was heard.

Moved by Councilmember Moravec and seconded by Councilmember Irving to continue to the May 21st meeting to allow time to investigate the legality of storage on a vacant lot.

By roll call and voting aye: Irving, Joselyn, Langsdorf, Moravec, Carlson, Herbes; voting no: Grimes.

Motion Carried.

5. The City Council considered construction plans for MSA Project on 36th Avenue between Welcome Avenue and Douglas Drive.
- A. Moved by Councilmember Carlson and seconded by Councilmember Irving to adopt the following resolution, the reading of which was dispensed with by unanimous consent:

RESOLUTION NO. 91-38

RESOLUTION APPROVING PLANS AND SPECIFICATIONS FOR
RECONSTRUCTION OF 36TH AVENUE (SAP 116-313-07) AND
ESTABLISHING A NO PARKING ZONE BETWEEN DOUGLAS DRIVE
AND WELCOME AVENUE

By roll call and voting aye: Joselyn, Langsdorf, Moravec, Carlson, Grimes, Herbes, Irving.

Motion carried, resolution declared adopted.

- B. Moved by Councilmember Carlson and seconded by Councilmember Grimes to adopt the following resolution, the reading of which was dispensed with by unanimous consent:

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RESOLUTION NO. 91-39

RESOLUTION TO INDEMNIFY AND HOLD HARMLESS
THE STATE OF MINNESOTA FOR CONSTRUCTION OF
36TH AVENUE AS A NON-STANDARD MSA ROADWAY

By roll call and voting aye: Langsdorf, Moravec, Carlson,
Grimes, Herbes, Irving, Joselyn.

Motion carried, resolution declared adopted.

6. The City Council considered awarding tree trimming/removal contract for 1991.

Moved by Councilmember Irving and seconded by Councilmember Moravec to adopt the following resolution, the reading of which was dispensed with by unanimous consent:

RESOLUTION NO. 91-40

RESOLUTION AWARDING A BID

By roll call and voting aye: Moravec, Carlson, Grimes,
Herbes, Irving, Joselyn, Langsdorf.

Motion carried, resolution declared adopted.

7. The City Council considered accepting gambling funds from the VFW in the amount of \$8,000 to furnish and erect a picnic shelter near the Little League concession stand.

Moved by Councilmember Carlson and seconded by Councilmember Langsdorf to approve the acceptance of gambling funds from the VFW in the amount of \$8,000 to furnish and erect a picnic shelter near the Little League concession stand.

Motion Carried.

8. The City Council considered a resolution authorizing sales contract with the Department of HUD to purchase property at 5200 - 35th Avenue North.

Moved by Councilmember Carlson and seconded by Councilmember Joselyn to adopt the following resolution, the reading of which was dispensed with by unanimous consent:

RESOLUTION NO. 91-41

RESOLUTION AUTHORIZING SALES CONTRACT
TO PURCHASE 5200 - 35TH AVENUE NORTH

By roll call and voting aye: Carlson, Grimes, Herbes, Irving,
Joselyn, Langsdorf, Moravec.

Motion carried, resolution declared adopted.

9. The City Council considered a resolution relating to repayment of certain monies to the Public Improvement Revolving Fund

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which were advanced for the sale of bonds for the Bass Lake Road/Becker Park Redevelopment Project.

Moved by Councilmember Moravec and seconded by Councilmember Langsdorf to adopt the following resolution, the reading of which was dispensed with by unanimous consent:

RESOLUTION NO. 91-42

RESOLUTION RELATING TO REPAYMENT
OF CERTAIN MONIES TO THE
PUBLIC IMPROVEMENT REVOLVING FUND

By roll call and voting aye: Grimes, Herbes, Irving, Joselyn, Langsdorf, Moravec, Carlson.

Motion carried, resolution declared adopted.

10. The City Council considered accepting permanent easements for Medicine Lake Road Reconstruction Project.

Moved by Councilmember Irving and seconded by Councilmember Grimes to adopt the following resolution, the reading of which was dispensed with by unanimous consent:

RESOLUTION NO. 91-43

RESOLUTION ACCEPTING EASEMENTS FOR
CONSTRUCTION AND MAINTENANCE OF
PUBLIC IMPROVEMENT
(MEDICINE LAKE ROAD STREET WIDENING PROJECT)

By roll call and voting aye: Herbes, Irving, Joselyn, Langsdorf, Moravec, Carlson, Grimes.

Motion carried, resolution declared adopted.

11. The City Council considered New Hope's request for a Joint Project on Sumter Avenue closure at 30th Avenue.

Moved by Councilmember Langsdorf and seconded by Councilmember Irving to approve cooperation with New Hope on construction of a permanent barricade in a location agreeable to nearby Crystal and New Hope property owners, and further, to approve the allocation of monies from the Infrastructure Fund not to exceed \$2,000 to cover 50% of the costs of this joint project.

Motion Carried.

12. The City Council discussed composition of Planning Commission.

Moved by Councilmember Langsdorf and seconded by Councilmember Irving to adopt the following ordinance:

ORDINANCE NO. 91-

AN ORDINANCE RELATING TO CITY

May 7, 1991

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GOVERNMENT: PLANNING COMMISSION:
AMENDING CRYSTAL CITY CODE,
SUBSECTION 305.67, SUBDIVISION 2

and further, that the second and final reading be held on May 21, 1991.

Motion Carried.

13. The City Council considered stop sign installation at 38th and Adair, 38th and Welcome, and Hampshire & Fairview Avenues.

Moved by Councilmember Moravec and seconded by Councilmember Grimes to approve the installation of stop signs at the following locations changing existing two-way stops to four-way stops:

- 1) on 38th Avenue at its intersection with Adair Avenue.
- 2) on 38th Avenue at its intersection with Welcome Avenue.
- 3) on Hampshire Avenue at its intersection with Fairview Avenue.

Motion Carried.

14. The City Council considered an engineering services contract for design work on Wilshire Blvd./County Road 81 intersection.

Moved by Councilmember Moravec and seconded by Councilmember Grimes to approve authorization for Westwood Professional Services to proceed with engineering work, and for Mayor and City Manager to sign such contract.

Motion Carried.

15. The City Council considered an extension of the moratorium in Redevelopment Project No. 2 (Ordinance #90-20).

Moved by Councilmember Joselyn and seconded by Councilmember Langsdorf to adopt the following resolution, the reading of which was dispensed with by unanimous consent:

RESOLUTION NO. 91-44

RESOLUTION EXTENDING A MORATORIUM ON
DEVELOPMENT WITHIN REDEVELOPMENT PROJECT NO. 2

By roll call and voting aye: Irving, Joselyn, Langsdorf, Moravec, Carlson, Grimes, Herbes.

Motion carried, resolution declared adopted.

Moved by Councilmember Joselyn and seconded by Councilmember Langsdorf to adopt the following ordinance:

ORDINANCE NO. 91-

May 7, 1991

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AMENDMENT TO INTERIM ORDINANCE NO. 90-20 FOR
THE PURPOSE OF PROTECTING THE PLANNING PROCESS AND
HEALTH, SAFETY AND WELFARE OF THE RESIDENTS, AND
RESTRICTING DEVELOPMENT WITHIN REDEVELOPMENT
PROJECT NO. 2

and further, that the second and final reading be held on May 21, 1991.

Motion Carried.

16. The City Council discussed the 1991 goals for the City Manager. The Council was directed to submit goals to the Mayor to be placed on May 21st Agenda.
17. The City Council considered items 3 and 4 which were removed from the Consent Agenda regarding setting of public hearings for license renewal of secondhand goods dealer's license at 3542 Douglas Drive and 4611 - 36th Avenue North (J.T. Pennypinchers and Midwest Antiques and Mercantile, respectively).

Moved by Councilmember Moravec and seconded by Councilmember Irving to adopt the following ordinance:

ORDINANCE NO. 91-

AN ORDINANCE AMENDING SECTION 1175 OF THE
CRYSTAL CITY CODE RELATING TO PUBLIC
HEARINGS AND INVESTIGATIONS FOR SECONDHAND
GOODS DEALER LICENSE RENEWAL

and further, that the second and final reading be held on May 21, 1991.

Motion Carried.

Moved by Councilmember Langsdorf and seconded by Councilmember Moravec to approve the list of license applications as submitted by the City Clerk to the City Council, with the addition of Total Tree Service license, 652 - 3rd Avenue, Excelsior, Minnesota pending receipt of \$2,500 bond, a list of which is on file in the office of the City Clerk, and further, that such list be incorporated into and made a part of this motion as though set forth in full herein.

Motion Carried.

Moved by Councilmember Langsdorf and seconded by Councilmember Irving to adjourn the meeting.

Motion Carried.

Meeting adjourned at 11:27 p.m.

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Mayor

ATTEST:

City Clerk

M E M O R A N D U M

DATE: May 16, 1991

TO: Jerry Dulgar, City Manager

FROM: Anne Norris, Community Development Director *an*
Bill Barber, Building Inspector

RE: Housing Maintenance Code

BACKGROUND

Enclosed is the latest draft of the amended Housing Maintenance Code. This draft incorporates changes made by the City Council at their April 30th work session. One major change is the Board of Appeals has been eliminated and the City Manager and City Council will respond directly to appeals.

The other major change is that rental facilities of three or more units will not be required to go through a point-of-sale inspection provided such buildings can furnish a certificate of compliance issued by the Housing Inspector from the previous year's rental inspection. The draft ordinance still does not include phase-in and effective dates for the point-of-sale and rental licensing programs. It is anticipated that the point-of-sale inspection program could start January 1, 1992. Rental licensing would probably need to be phased in over a fairly extended period of time.

Also, attached is a draft fee structure for both point-of-sale inspections and rental licensing. As you recall the inspection fees are based on estimated time for an average inspection (initial inspection, one follow-up inspection and time for processing the necessary paperwork). The cost and revenues of both point-of-sale inspections and rental licensing will have to be monitored to ensure that the programs are self-supporting.

Other communities charge \$50 - \$75 for similar programs.

As you know, the Environmental Quality Commission, Economic Development Authority Advisory Commission and Planning Commission have reviewed and recommend adoption of the amended Housing Maintenance Code. In addition, the Planning Commission held several public informational meetings on the proposed amendments.

If the Council adopts the proposed amendments to the Housing Maintenance Code, it is recommended that several informational meetings be held throughout the community before the Code is in effect. The purpose of these meetings is to explain the elements of the Code and try to answer any questions about requirements of the Code.

RECOMMENDATION

Adopt the first reading of the ordinance relating housing licensing rental units and requiring disclosure at time of sale amending Crystal Code Section 425.

ALN:jt
Encl.

HOLMES & GRAVEN

CHARTERED

470 Pillsbury Center, Minneapolis, Minnesota 55402

Telephone (612) 337-9300

Facsimile (612) 337-9310

DAVID J. KENNEDY

Attorney at Law

Direct Dial (612) 337-9232

May 9, 1991

Ms. Ann Norris
Director of Community
Development
City of Crystal
4141 Douglas Drive North
Crystal, Minnesota 55422

Re: Housing Code

Dear Ann:

Enclosed find a new draft of the Housing Code reflecting the changes noted in the Council minutes of April 30.

The changes are as follows:

425.12 - Certificate of compliance or disclosure statement applies only to one-two-or three dwelling unit structures.

425.16 - Language about late penalty omitted. Code Section 1010.05 covers this adequately.

425.17, Subd. 2 (a) and (b) - "Exchanger" typo corrected.

425.17, Subd. 3 - "After consultation with the Environmental Quality Commission" deleted.

425.27 - Board of Appeals eliminated.

The draft ordinance still lacks the phase-in dates in 425.16, Subd. 5 and the effective dates for point of sale (425.12) and rental licensing (425.16).

Yours very truly,


David J. Kennedy

DJK:caw

Enclosures

cc: Jerry Dulgar (no/encl.)

ORDINANCE NO. 91-_____

AN ORDINANCE
RELATING TO HOUSING: LICENSING RENTAL
HOUSING UNITS: REQUIRING DISCLOSURE AT
TIME OF SALE: AMENDING CRYSTAL
CODE, SECTION 425

THE CITY OF CRYSTAL ORDAINS:

Section 1. Crystal City Code, Section 425 is amended to read:

Section 425 - Housing Maintenance Code

425.01. Short Title. This section may be cited as "The City of Crystal Housing Maintenance Code", or the "Housing Code".

425.03. Policy: Purpose: Intent. Subdivision 1. Policy. It is the policy of the City of Crystal to enhance the supply of safe, sanitary and adequate housing for its citizens and to prevent the deterioration of existing housing in the City.

Subd. 2. Purpose. The purpose of the Housing Maintenance Code is to carry out the policy stated in Subdivision 1 by establishing minimum standards, and procedures for their enforcement consistent with the right to personal privacy, for the protection of life, limb, health, property, safety, and welfare of the general public and the owners and occupants of residential buildings.

Subd. 3. Objectives. The objectives of this Code include, but are not limited to, the following:

- (a) Protection and preservation of the stability and residential character of residential areas in the City.
- (b) The prevention and correction of housing conditions ~~which~~ that adversely affect the life, safety, health and general well being of persons occupying dwellings in the City.
- (c) The establishment of minimum standards for light, ventilation, cooling, heating and sanitary equipment necessary to insure the health and safety of occupants of dwellings.
- (d) The establishment of minimum standards for the maintenance of residential dwellings, both owner occupied and rental dwellings.
- (e) The prevention of the emergence of blighted and deteriorating housing in the City.
- (f) The prevention of overcrowding of rental dwellings.
- (f) (g) The preservation of the value of land and buildings in the City.

Subd. 4. Intent: Relation to the Provisions of City Code. The City Council intends that the Housing ~~Maintenance~~ Code be an integral part of the City's program of health, safety, building, and land use regulation. This Code is to be construed liberally in conjunction with other provisions of the City Code to give effect to the policy, purpose, and objectives of this section, but is not to be construed to modify, amend or otherwise alter the provisions of the City Code relating to health, safety, building or land use regulation.

425.05. Adoption of Uniform Housing Code by Reference. Subdivision 1. Code Adopted. Chapters 4, 5, 6, 7, 8, 9 and 10 of the Uniform Housing Code, ~~1976~~ 1988 Edition (the "Uniform Housing Code") published by the International Conference of Building Officials is, except as modified or amended herein, adopted by reference and is made a part of this Code as if fully set out at length.

Subd. 2. Copy on File. One copy of the Uniform Housing Code, together with a copy of this Code, each marked "Official Copy", ~~shall~~ must be kept on file in the office of the City Clerk and available for public inspection. The Clerk and the Building Inspector ~~shall~~ must keep a reasonable number of additional copies of the Uniform Housing Code and this Code available for use and inspection by the public at reasonable times.

425.07. Definitions. Subdivision 1. General. For purposes of this Code the terms defined in this section have the meanings given them.

Subd. 2. "Dwelling" means a building or a portion of a building designed for residential occupancy: the term includes single family, two family and multiple family dwellings but does not include hotels, motels and boarding houses.

Subd. 3. "Dwelling unit" means (i) a single family dwelling and (ii) a discrete portion of a dwelling designed for occupancy by one family.

Subd. 4. "Common Areas" means halls, corridors, passageways, utility rooms, recreational rooms and extensive landscaped areas, not under the exclusive control of one person or family, in or adjacent to a multiple dwelling.

Subd. 5. "Owner", "owner-operator", or "operator" means any person, firm or corporation who alone or jointly or severally with others is in actual possession of or has charge, care or control of ~~any~~ a dwelling or dwelling unit ~~within~~ in the City as owner, employee or agent of the owner or as trustee or guardian of the estate or the person of the title holder, and such person is bound by the provisions of this Code to the same extent as the owner.

Subd. 6. "Repair" means to restore to a sound acceptable state of operation, serviceability or appearance.

Subd. 7. "Replace" means to remove an existing item or portion of a system and to construct or install a new item of similar or new quality as an existing item when new when repair of the item is impractical.

Subd. 8. "Code" or "this Code" means the Housing Maintenance Code; "City Code" means the Crystal City Code of Ordinances; "Building Code" means Chapter IV of the City Code; "Zoning Code" means the City Code, Appendix I, Section 515.

Subd. 9. "Housing Official" means the City officer or officers in the Department of Protective Inspection and other City departments designated by the City Manager to administer this Code.

Subd. 10. The terms "compliance official" and "corporation counsel" where those terms are used in the Uniform Housing Code mean the City Manager and the City Attorney, respectively.

Subd. 11. Relation to Other Code Definitions. Except as expressly provided in this Code, words, terms, and phrases used in this Code have the meanings given them by the City Code. In cases where conflicting definitions of a word, term, or phrase make its precise meaning unclear in its application to particular facts, the City Manager is authorized to resolve the conflict subject to the provisions of Subsection 425.27 relating to appeals.

425.09. Application. Subdivision 1. General. This Code applies to buildings, their premises, accessory structures thereto, and dwelling units therein, used or designed to be used for human habitation.

Subd. 2. Existing Buildings. A building lawfully existing under the Building Code ~~shall~~ must conform to this Code. A building need not be altered or changed to exceed the requirements of the Building Code in effect at the time of its construction, except in the following cases:

- (a) if the building is altered or enlarged pursuant to the Building Code;
- (b) if the building is moved or relocated; or
- (c) if the building is determined to be unsafe or hazardous by the Building Inspector pursuant to the Building Code or State Law.

Occupancy in buildings lawfully existing under the Building Code may be continued under this Code.

425.11. Duties of Owners and Occupants. Subdivision 1. Sanitation. The occupant of a dwelling or dwelling unit ~~shall~~ must maintain in a clean and sanitary condition that part of the dwelling, dwelling unit and yard ~~which he~~ that the occupant occupies and controls; and ~~shall be~~ is responsible for ~~his~~ the occupant's own misuse of areas and facilities available in common. The owner or operator of a two-family dwelling or multiple dwelling ~~shall~~ must maintain in a clean and sanitary condition the shared or public areas of the dwelling and yard. The occupant of a dwelling unit ~~shall~~ must keep all supplied facilities, including plumbing fixtures and cooking equipment, in a clean and sanitary condition and is responsible for the exercise of reasonable care in their proper use and operation.

Subd. 2. Removal of Waste Matter. The occupant of a dwelling unit ~~shall~~ must dispose of ~~all~~ rubbish, ashes, garbage and other organic waste in a clean and sanitary manner as provided by Section 605 of the City Code. The owner or operator of a multiple dwelling is responsible for the clean and sanitary maintenance of common storage or disposal facilities and ~~shall~~ must dispose of rubbish in a clean and sanitary manner as provided in Section 605 of the City Code.

Subd. 3. Pest Extermination. The occupant of a single dwelling unit is responsible for the extermination of vermin infestations or rodents on the premises. The occupant of a dwelling unit in a building containing more than one dwelling unit is responsible for such

extermination when the dwelling unit is infested. When infestation is caused by the failure of the owner or occupant to maintain a building containing dwelling units in a reasonably rodent-resistant or reasonably vermin-resistant condition, pest extermination is the responsibility of the owner or operator. After extermination, it is the responsibility of the owner or occupant, as the case may be, to correct such maintenance or other problems as designated by appropriate City officials to eliminate the source of the infestation. If infestation exists in two or more dwelling units in any dwelling, or in the shared or public parts of any dwelling containing two or more dwelling units, pest extermination is the responsibility of the owner or operator.

Subd. 4. Heat. The owner or operator of ~~every~~ a building containing two or more dwelling units ~~shall~~ must supply facilities capable of providing adequate heat to every habitable room therein; for purposes of this subdivision "adequate heat" means heat sufficient to maintain a temperature of 65 70° Fahrenheit at a height of three feet above the floor in all habitable rooms, bathrooms, and water closet compartments.

Subd. 5. Utilities. Except as otherwise provided by law, ~~no~~ an owner, operator or occupant ~~shall~~ may not cause any service equipment or utility service ~~which that~~ is required pursuant to by this Code to be removed, shut off or discontinued for any occupied dwelling let or occupied by ~~him~~ that person, except for such temporary interruption as may be necessary while actual repairs or alterations are in process or during temporary emergencies.

Subd. 6. Transfer of Responsibility. A contract between owner and operator, operator and occupant, or owner and occupant, with regard to compliance with this Code, does not relieve the owner or operator of ~~any~~ a duty imposed by this Code.

Subd. 7. Notice of Maximum Occupancy. An owner or operator ~~shall~~ must advise the occupant, in writing, by insertion in the lease between the parties or otherwise, of the maximum number of occupants permitted in occupied premises subject to this Code.

425.12. Sale of Property: Certificate of Inspection. Subdivision 1. Application. The owner of a structure containing one or two dwelling units must, prior to the execution of a document providing for the conveyance of the structure, furnish to the prospective buyer thereof, and obtain from the buyer a signed receipt therefor, a copy of a Certificate of Compliance issued by the Housing Official within one year preceding the date of the execution of the document of conveyance.

Subd. 2. Form of Certificate. The Housing Official must issue a Certificate of Compliance to the owner within 15 days after gaining access to the interior of all structures on the subject property when:

- (a) the owner or the owner's authorized agent has applied in writing to the Housing Official, giving consent to such inspection, and the owner or agent has agreed to a time during normal City working hours at which the subject property will be available for inspection, and has paid the inspection fee set forth in Appendix IV; and
- (b) the Housing Official has inspected the structure and grounds and has noted any conditions found during the inspection which are in violation of the City Code.

Subd. 3. Compliance. The Certificate of Compliance must contain a Compliance Order if the Housing Official has determined that the issuance of an order is required. The owner is responsible for the corrections required by the Compliance Order.

Subd. 4. Alternative Procedure; Disclosure. As an alternative to the Certificate of Compliance described in Subdivision 1, the owner of a single or two-family dwelling may provide to a prospective buyer at the date of execution of any document providing for the conveyance of such a building a written disclosure statement on a form provided and completed by the Housing Official, setting forth those conditions in the building which, if not corrected, will constitute a major structural defect or an immediate danger to the health and safety of the occupant, or which if not corrected will constitute a violation of this Code. In such a case, the buyer is presumed to have purchased with notice of such condition and is responsible for the corrective action required by a Compliance Order.

Subd. 5. Certificates: Disclosure Statements: Filing. A copy of the Certificate of Compliance or disclosure statement must be filed with the Housing Official. A prospective buyer may not occupy a dwelling unit that is the subject of a Compliance Order until the filing has been made. If the owner or buyer files an affidavit with the Housing Official setting forth the date by which the corrective action directed by the Compliance Order will be completed, occupancy is permitted pending completion of the corrective action specified in the Compliance Order unless the dwelling unit has been declared unfit for human habitation pursuant to Subsection 425.25.

Subd. 6. Effect of Certificate or Statement. Nothing in the Certificate of Compliance or the disclosure statement described in Subdivision 4 is to be construed as a representation by the City or the Housing Official that the dwelling meets minimum housing and building standards of the City.

Subd. 7. Prohibition. It is unlawful for an owner to convey a dwelling without providing to the buyer a Certificate of Compliance or a disclosure statement as required by this section. This section does not apply to conveyances to a public body, conveyances by a public or court officer in the performance of the officer's duties, or conveyances by a person acting under the direction of court order, except for conveyances ordered by a probate court.

425.13. Administration, Enforcement; Inspection. Subdivision 1. Administration and Enforcement. The City Manager is responsible for the administration and enforcement of this Code and the supervision of the Housing Official.

Subd. 2. Compliance. When the Housing Official determines that there exists in a building or any a portion thereof conditions which that constitute a violation of this Code, he may issue a compliance order setting forth the nature of the violations and ordering the owner or occupant as the case may be to correct the conditions. A compliance order shall:

- (a) be in writing;
- (b) be served personally or by certified mail, or if the address of the owner or occupant cannot be determined, posted in a conspicuous place in or about the building involved;
- (c) describe in specific terms the location and nature of condition in need of correction and the nature of corrective action needed; and
- (d) state that the condition is to be corrected within a reasonable time as set forth in the notice.

~~If upon the expiration of the time for compliance set forth in the notice the required corrective action has not been taken, the Housing Official shall may enforce the order as in the case of violations of the Building Code.~~

the Housing Official may begin enforcement procedures under Subsection 425.25.

425.15. (Repealed: Ord. No. 79-4, Sec. 1)

425.16. Licensing of Rental Units. Subdivision 1. General Rule. It is unlawful to operate a rental dwelling without first having obtained a license. The license is issued each year and expires on the anniversary date of issuance. An application for license renewal must be filed at least 90 days prior to license expiration date.

Subd. 2. Application. This subsection establishes minimum standards for maintaining rental dwellings, dwelling units, accessory structures and related premises. A building and its premises used in whole or in part as a home or residence, or as an accessory structure thereto, for a single family or person, and a building used in whole or in part as a home or residence of two or more persons or families living in separate units must conform to the requirements of this section without regard to when the building may have been constructed, altered, or repaired. This subsection is intended to provide standards for licensed rental housing and to provide standards to allow resolution of complaints regarding licensed rental housing.

Subd. 3. License. Subdivision 1. Fees. License fees are due 60 days prior to the license expiration date. In the cases of new unlicensed dwellings, license fees are due upon issuance of the certificate of occupancy. In the cases of licensing periods of less than two years, license fees are prorated monthly. License fees are set in Appendix IV.

Subd. 4. Conditions. A license is nontransferable. The license fee is not refundable upon revocation or suspension. The license fee is refundable, prorated monthly, upon proof of transfer of legal control or ownership.

Subd. 5. Licensing Phase-In Policy. Commencing on _____, 1991, initial licensing inspections will begin according to inspection areas established by the Housing Official. Rental properties will receive initial inspections to receive licensing no later than _____, 1992.

Subd. 6. Application. Subdivision 1. Information. Applications for a license or renewal of a license must be made by the owner of a rental unit. Application forms are filed with the Housing Official. The applicant must supply:

- (a) name, address, and telephone number of dwelling owner, owning partners if a partnership, corporate officers if a corporation;
- (b) name, address and telephone number of designated resident agent, if any;
- (c) name, address and telephone number of vendee, if the dwelling is being sold through a contract for deed;
- (d) legal address of the dwelling;

- (e) number of dwelling units within the dwelling; and
- (f) description of procedure by which tenant inquiries and complaints are to be processed.

Subd. 7. Notice of Change. The licensee must give notice in writing to the Housing Official within five business days after any change of the information in the application. Notice of transfer of ownership is governed by Subdivision 12.

Subd. 8. Resident Agent Required. An operating license will not be issued or renewed for a nonresident owner of rental dwelling units (an owner who does not reside in any of the following Minnesota Counties: Hennepin, Ramsey, Anoka, Carver, Dakota, Scott, or Washington) unless the owner designates in writing the name of a resident agent (an agent who does reside in any of the following Minnesota Counties: Hennepin, Ramsey, Anoka, Carver, Dakota, Scott, or Washington) who is (i) responsible for maintenance and upkeep, (ii) legally constituted and empowered to receive service of notice of violation of the provisions of the City ordinances, to receive orders and to institute remedial action to effect such orders, and (iii) to accept service or process pursuant to law. The Housing Official must be notified in writing by the owner of a change of resident agent.

Subd. 9. Conformance to Laws. An operating license will not be issued or renewed unless the rental dwelling unit and its premises conform to this section, the ordinances of the City and the laws of the State of Minnesota.

Subd. 10. Inspection Condition. An operating license will not be issued or renewed unless the owner of the rental unit agrees in the application to permit inspections pursuant to Subdivision 16.

Subd. 11. Posting of License. The licensee of a building containing three or more dwelling units must conspicuously post the current license in the main entry way or other conspicuous location in a frame with a glass or plastic cover.

Subd. 12. Transfer. The licensee must give notice in writing to the Housing Official within five business days after having legally transferred or otherwise disposed of the effective control of licensed rental dwelling. The notice must include the name and address of the person succeeding to the ownership or control of the rental dwelling or dwellings. For purposes of this subsection the term "effective control" means that control exercised over property by a business proprietor, whether as owner or lessee or by an owner or lessee of other property.

Subd. 13. Occupancy Register Required. The owner of a licensed rental dwelling containing one or more dwelling units must keep a current register of occupancy for each dwelling unit. The register must provide the following information:

- (a) dwelling unit address;
- (b) number of bedrooms in dwelling unit;
- (c) names of adult occupants and number of adults and children (under 18 years of age) currently occupying the dwelling units;
- (d) dates renters occupied and vacated dwelling units;

- (e) a chronological list of complaints and requests for repair by dwelling unit occupants, which complaints and requests are related to the provisions of this section; and
- (f) a similar chronological list of corrections made in response to requests and complaints.

The register must be available for viewing or copying by the Housing Official at reasonable times.

Subd. 14. License Suspension or Revocation. An operating license is subject to suspension or revocation by the Council if the licensed owner fails to operate or maintain licensed rental dwellings and units therein consistent with this section and the law. If an operating license is suspended or revoked by the Council, it is unlawful for the owner to permit new occupancy of vacant rental units until a valid operating license is issued by the Council.

Subd. 15. Enforcement: Inspection Authority. The Housing Official administers and enforces the provisions of this subsection. The Housing Official may inspect on complaint, change in ownership, or otherwise when reason exists to believe that a violation of this subsection has been or is being committed. Inspections must be conducted during reasonable daylight hours. The Housing Official must present evidence of official authority to the occupant in charge of a licensed dwelling unit.

Subd. 16. Inspection Access. If an owner, occupant, or other person in charge of a dwelling unit licensed under this section fails or refuses to permit free access and entry for inspection purposes, the Housing Official may, upon a showing of probable cause, obtain orders from a court of competent jurisdiction for the inspection.

425.17. Minimum Requirements; Implementation Standards; Policies. Subdivision 1. Minimum Requirements. The minimum requirements imposed by this Code include those standards or requirements in effect on the date of the construction of a building subject to this Code. and It is not the intention of this Code to require all buildings to be upgraded to meet all requirements of the present Building Code.

Subd. 2. Implementation Standards. In administering this Code, the Housing Official shall will treat the following as conditions constituting an immediate hazard to health and safety:

- (a) heating systems that are unsafe due to: burned out or rusted out heat ~~exchanges~~ exchangers (fire box); burned out or plugged flues; not being vented; being connected with unsafe gas supplies; or being incapable of adequately heating the living space;
- (b) water heaters that are unsafe due to: burned out or rusted out heat ~~exchanges~~ exchangers (fire box); burned out, rusted out, or plugged flues; not being vented; being connected with unsafe gas supplies; or lack of temperature and pressure relief valves;
- (c) electrical systems that are unsafe due to: dangerous overloading; damaged or deteriorated equipment; improperly tapped or spliced wiring; exposed uninsulated wires; distribution systems of extension cords or other temporary methods; ungrounded systems; ungrounded appliances in contact with earth;

- (d) plumbing systems that are unsanitary due to: leaking waste systems fixtures and traps; lack of a water closet; lack of washing and bathing facilities; or cross connection of pure water supply with fixtures or sewage lines;
- (e) structural systems, walls, chimneys, ceilings, roofs, foundations, and floor systems, that will not safely carry imposed loads;
- (f) refuse, garbage, human waste, decaying vermin or other dead animals, animal waste, other materials rendering it unsanitary for human occupancy, including lack of light and air;
- (g) infestation of rats, insects, and other vermin.

Subd. 3. Implementation Policies. The City Council ~~shall~~ will, upon recommendation of the City Manager, adopt by resolution policies and guidelines for the implementation and administration of this Code. These policies and guidelines ~~shall~~ must include, but are not limited to, standards and guidelines relating to:

- (a) procedures for housing inspections;
- (b) proper disposition of information gathered in connection with housing inspections;
- (c) conditional occupancy of housing during periods needed for compliance;
- (d) methods of encouraging the correction of deficiencies by cooperation between owner and proposed and current occupants.

425.19. Reporting: Forms: Records. The Housing Official ~~shall~~ must prepare ~~such~~ forms and certificates ~~as are~~ necessary to carry out the provisions of this Code. ~~He shall~~ The Housing Official must, in cooperation with the City and the Crystal Economic Development Housing and Redevelopment Authority (EDA) staffs, design appropriate systems of accumulating or organizing and cataloging data relating to the condition, adequacy, and availability of residential housing in the City and ~~shall~~ must report on these matters from time to time to the Authority EDA and at its request. The Official's report ~~shall~~ must also contain ~~his~~ recommendations for modifications in the provisions of this Code and its administration.

425.21. Hazardous Conditions: Built-In Deficiencies: Procedure. Subdivision 1. Procedure. ~~When If~~ the Housing Official determines that there exists in ~~any a~~ building a condition ~~which~~ that constitutes an immediate hazard to the health and safety of its occupants, ~~he the~~ official may:

- (a) issue a compliance order requiring immediate compliance if the condition can reasonably be corrected;
- (b) proceed against the building pursuant to applicable state laws relating to hazardous or unsafe structures; or
- (c) recommend that the City Council proceed to correct the condition by abating it as a nuisance under Minnesota Statutes, Section 429.101, and this ~~section shall~~ clause is to be construed as authorizing the imposition and billing of charges for the cost thereof and the assessment of ~~any such~~ unpaid charges against the property on which the building is located in the manner provided by Minnesota Statutes, Section 429.101.

Subd. 2. Built-In Deficiencies. It is hereby determined that certain conditions within existing buildings, lawful at the time of the construction of the building, may not comply with the minimum requirements of this Code. Such conditions are herein referred to as "built-in deficiencies", and the Housing Official, in administering this Code, shall must consider the following built-in deficiencies as being beyond reasonable correction:

- (a) Ceiling Heights: An existing habitable room with less than a 7 seven foot 6 six inch ceiling height.
- (b) Superficial Floor Area: An existing habitable room of less than 90 square feet.
- (c) Natural Light and Ventilation: An existing habitable room with window area less than 10% of the floor area; provided, however, that in no case may the required area of light and ventilation be less than 5% of the floor area.

~~425.23. Appeals: Stay of Compliance Order. Subdivision 1. Procedure. Any A person aggrieved by a compliance order issued pursuant to this Code may appeal the order to the Board of Adjustments and Appeals established by Section 305 _____ of the City this Code pursuant to rules and procedures established by the Board pursuant to that section. Except in cases where the compliance order requires immediate compliance, the appeal shall stay stays the effect of the order until determination of the appeal.~~

~~Subd. 2. Action on Appeal. The Board of Adjustments and Appeals may affirm the compliance order or it may modify the order in any particular way and attach such conditions to the order as it deems necessary and reasonable to carry out the policy, purpose and objectives of this Code. The Board may consider evidence as to financial hardship, the availability of governmental grants or loans to the appellant for compliance, or any other mitigating facts presented to it.~~

425.25. Inspections. Subdivision 1. Records. Inspections must be conducted during reasonable hours. The Housing Official must present evidence of authority to the owner or occupant in charge of a dwelling unit. Subject to the provisions of law, the Housing Official must keep evidence, exclusive of the inspection records, discovered or obtained in the course of an inspection confidential.

Subd. 2. Unfit for Human Habitation. A dwelling, dwelling unit or rooming unit or portion thereof that is damaged, decayed, dilapidated, unsanitary, unsafe, vermin or rodent infested or which lacks provision for basic illumination, ventilation or sanitary facilities to the extent that the defects create a hazard to the health, safety or welfare of the occupants or of the public may be declared unfit for human habitation. If a dwelling, dwelling unit or rooming unit has been declared unfit for human habitation, the Housing Official must order the same vacated within a reasonable time and post a placard on same indicating that it is unfit for human habitation. A operating license previously issued for such dwelling will be revoked pursuant to law.

Subd. 3. Correction. It is unlawful for a dwelling, dwelling unit or rooming unit or portion thereof to be used for human habitation until the defective conditions have been corrected and written approval has been issued by the Housing Official. It is unlawful to deface or remove the declaration placard from a dwelling, dwelling unit or rooming unit.

Subd. 4. Secure Unfit and Vacated Dwellings. The owner of a dwelling, dwelling unit, or rooming unit that has been declared unfit for human habitation or that is otherwise vacant for a period of 60 days or more must make the same safe and secure so that it is not

hazardous to the health, safety and welfare of the public and does not constitute a public nuisance. A vacant dwelling open at doors, windows, or wall opening, if unguarded, is deemed to be a hazard to the health, safety and welfare of the public and a public nuisance within the meaning of this Section.

Subd. 5. Hazardous Building Declaration. If a dwelling has been declared unfit for human habitation and the owner has not remedied the defects within a prescribed reasonable time, the dwelling may be declared a hazardous building and may be removed, razed or corrected pursuant to the provisions of Minnesota Statutes, Sections 463.15 to 463.26.

Subd. 6. Compliance Procedure. Subdivision 1. Order. If the Housing Official determines that a rental dwelling, rental dwelling unit or rooming unit or portion thereof is in violation of an order or this Code, the Housing Official may issue a Compliance Order setting forth the violations of such and ordering the owner occupant, operator or agent to correct such violation. The Compliance Order must:

- (a) be in writing;
- (b) describe the location and nature of the violations of this section;
- (c) establish a reasonable time for the correction of the violation and notify the owner of appeal procedures;
- (d) be served upon the owner, the owner's agent, or the occupant, as the case may be: the notice is deemed to be properly served upon owner or agent, or upon any such occupant, if a copy thereof is:
 - (i) served upon the owner or agent; or
 - (ii) sent by registered mail to the owner or agent's last known address; or
 - (iii) upon failure to effect notice through (a) or (b) as set out in this section, service may be made pursuant to Minnesota Statutes, Section 463.17, Subd. 2, which reads as follows:

"Service. This order shall be served upon the owner of record, or his agent if an agent is in charge of the building, and upon the occupying tenant, if there is one, and upon all lien holders of record, in the manner provided for service of a summons in a civil action. If the owner cannot be found, the order shall be served upon them by posting it at the main entrance to the building and by four weeks' publication in the official newspaper of the municipality if it has one, otherwise in a legal newspaper in the county"; or
 - (iv) pursuant to Minnesota Statutes, Section 145A.04.

425.27. Appeals. Right of Appeal. When it is alleged by a person to whom a Compliance Order is directed that the Compliance Order is based upon erroneous interpretation of this Section or upon a misstatement or mistake of fact, that person may appeal the Compliance Order to the City Manager. The Manager must forward the recommendation to the City Council within 30 days after receipt of this appeal. The appeal (i) must be in writing, (ii) must specify the grounds for the appeal, and (iii) must be filed with the Housing Official within five business days after service of the Compliance Order. The filing of an appeal stays proceedings in furtherance of the action appealed from unless such a stay in the judgment of the Housing Official would cause imminent peril to life, health or property.

The City Council must act promptly on the Manager's recommendation and the Manager's recommendation may be reversed, modified or affirmed in whole or in part by the Council. The Council's disposition of the appeal is final.

425.29. Restrictions on Transfer of Ownership. It is unlawful for the owner of a dwelling, dwelling unit or rooming unit upon whom a Compliance Order has been served to sell, transfer, mortgage or lease or otherwise dispose the dwelling, dwelling unit or rooming unit to another person until the Compliance Order has been complied with, unless the owner furnishes to the grantee, lessee or mortgagee a true copy of any notice of violation or Compliance Order and obtains and possess a receipt of acknowledgement. A person obtaining an interest in the dwelling, dwelling unit or rooming unit who has received notice of the existence of a Compliance Order is bound by the order without further notice and is subject to the penalties and procedures provided by this section.

425.31. Execution of Compliance Orders. Upon failure to comply with a compliance order within the time set therein, and no appeal having been taken, or upon failure to comply with a modified compliance order within the time set therein, the criminal penalty established hereunder notwithstanding, the City Council after due notice to the owner may by resolution cause the cited deficiency to be remedied as set forth in the Compliance Order. The cost of such remedy is a lien against the subject real estate and may be levied and collected as a special assessment in the manner provided by Minnesota Statutes, Chapter 429, for any of the reasons set forth in Section 429.101, Subdivision 1, and specifically for the removal or elimination of public health or safety hazards from private property. The assessment will be payable in a single installment. It is the intent of this section to authorize the City to utilize all of the provisions of Section 429.101 to promote the public's health, safety and general welfare.

~~425.29.~~ 425.33. Violations: Penalties. Subdivision 1. General. ~~No person may~~ It is unlawful to erect, construct, enlarge, alter, repair, move, improve, equip, use, occupy or maintain any building or structure within the City contrary to the provisions of this Code.

Subd. 2. Non-Compliance. Failure to comply with a lawfully issued compliance order is a violation of this Code.

Sec. 2. The fees for the various licenses and permits required by this ordinance are embodied in Resolution 91-_____. The Clerk is authorized and directed to include those fees in Appendix IV to the City Code.

Sec. 3. This ordinance is effective on _____, 1991. Subsection 425.12 (Point of Sale) is effective on _____, 1991; Subsection 425.16 (Licensing) is effective on _____, 1991.

Mayor

Attest:

City Clerk

POINT OF SALE INSPECTIONS & RENTAL LICENSING/INSPECTIONS

PROPOSED FEES

Single Family Homes	\$65.00
Duplexes, Triplexes	80.00
Multiples	90.00 per building plus \$5 per unit.

PROPOSED BUDGET

	<u>Expenses</u>	<u>Revenues</u>
Inspector*	\$43,779.00	
Clerk**	11,837.00	
Admin. Expenses***	4,000.00	
Point of Sale Inspections		
Single Family		\$19,045.00
Duplexes, Triplexes		560.00
Multiples		240.00
Rental Licensing		
Single Family		\$19,500.00
Duplexes, Triplexes		5,800.00
Multiples		14,540.00
Total	\$59,616.00	\$59,725.00

* Inspector's Hourly Rate (includes benefits) \$25.00

**Clerk's Hourly Rate (includes benefits) 15.00

***Administrative Costs including printing,
training, mileage, etc.

ASSUMPTIONS

Single Family Structure Inspections:

2 hours inspector's time (initial & follow-up inspections)
1 hour clerk's time

Duplexes, Triplexes Inspections:

2.5 hours inspector's time (initial & follow-up inspections)
1.3 hours clerk's time

Multiple Family Structure Inspections:

1 hour/building plus 10 minutes per unit
inspector's time
1.6 hours clerk's time

1990 Sales - Residential Structures

293 Single Family
7 Duplexes, Triplexes
1 Multiples

Rental Units in Crystal

300 Single Family
73 Duplexes, Triplexes
59 Multiples (1,846 total Units)

DATE: May 16, 1991
TO: Jerry Dulgar, City Manager
FROM: Bill Barber, Building Inspector
RE: 4800 56th Ave. N.
Crown CoCo, Inc. (E-Z Stop Store)
Request for a building permit

Crown CoCo, Inc. is a service station on 56th Ave. N. at the curve. This site was granted a conditional use in June, 1968. At that time they also did all of the required site improvements such as curbing, storm catch basins, etc.

The addition they are proposing is a 16'x34' which will include a 7'x23' walk-in cooler with 9' of additional floor space. Based on Section 515.35 subd. 4(f) I asked them to show us what areas of the building is used for automotive sales and normal service station operation. The area highlighted in yellow shows that area. The green area shows the area classified as storage with the remaining area being used for sale of products other than that necessary to conduct to business for a motor fuel station.

All setbacks will be met, parking as needed based on the use has been provided, and all screening is in place. I have met with the Engineering Department to go over any concerns that they might have had. We realize that this site is another one which is rather small but I think we have better traffic flow here than we have at some other sites.

It would be staff's recommendation for approval to issue a building permit since all requirements have been met. I will answer any questions you have at the meeting.

UPDATE FROM PLANNING COMMISSION 4/15/91

The Planning Commission recommended approval to issue a building permit for the proposed expansion subject to standard procedures:

1. Old storage shed be removed
2. Screening fence be repaired properly

UPDATE

At the last Council meeting of May 7, staff was asked to check the site at 5603 Orchard Ave. N. The property is zoned R-1 and is owned by Lonerock Oil Co., 319 Ulysses St. NE., Minneapolis. In checking storage on the site, I found 2 enclosed snowmobile trailers, 3 flat 2 wheel trailers, 1 car covered with a poly cover, and 2 boats on trailers.

This site is surrounded by a 6' high screening fence.

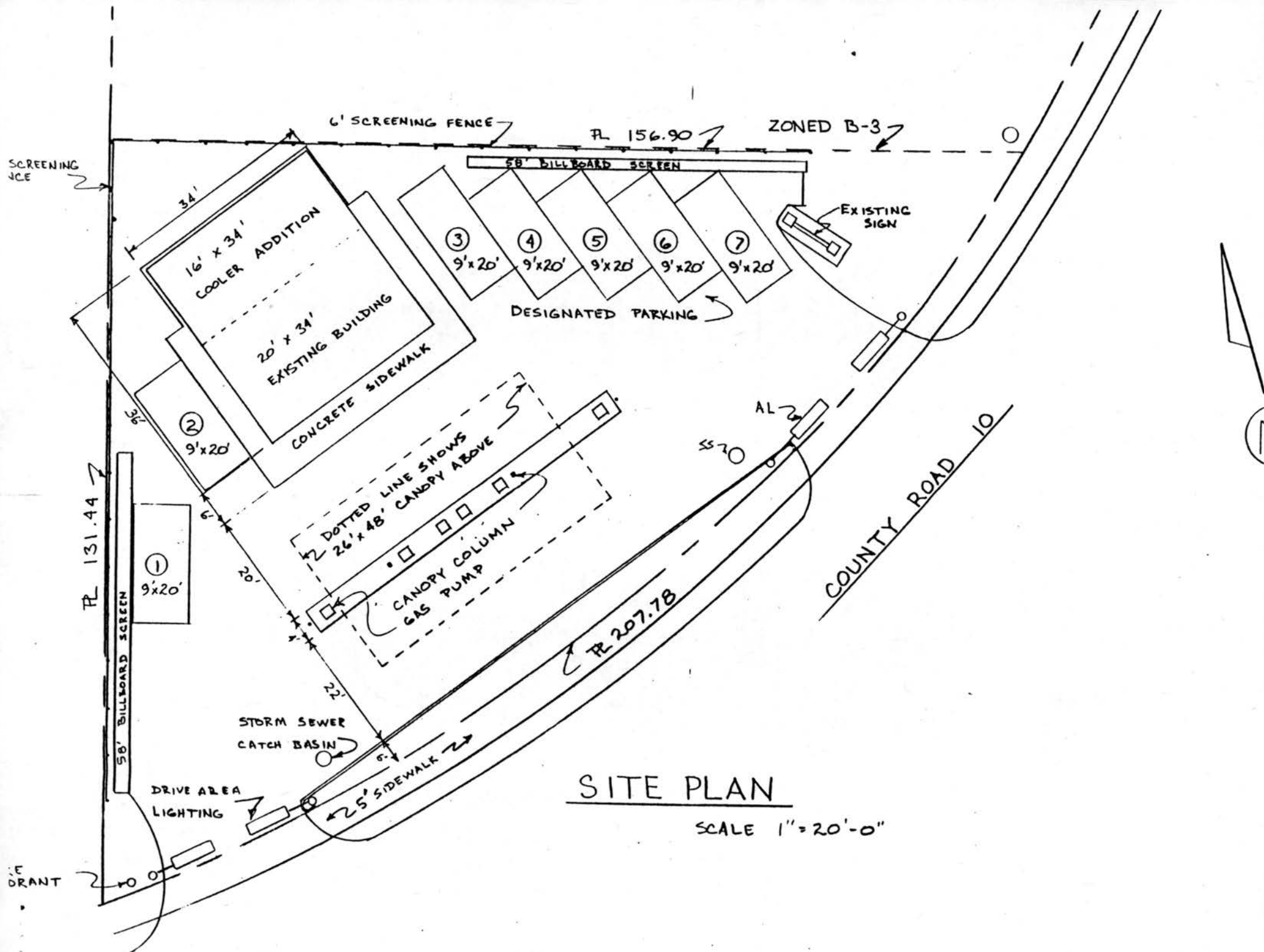
I did recheck the Zoning Ordinance for any section which might speak to this type of storage on an R-1 zoning. I was unable to find anything which prohibits this. I also received a phone call from Dave Kennedy, City Attorney, informing me that he was unable to find anything that prohibited this.

I would recommend that approval to issue a building permit be granted for the site at 4800 56th Ave. N. The owners representative, Mr. Dave Miller, has agreed to have the back of the screening wall painted, parking spaces marked with white lines, the storage sheds will be removed, and the screening fence along the perimeter will be fixed where needed.

I hope this answers any questions that you have. I will answer any questions you have at Tuesday's meeting.

kk

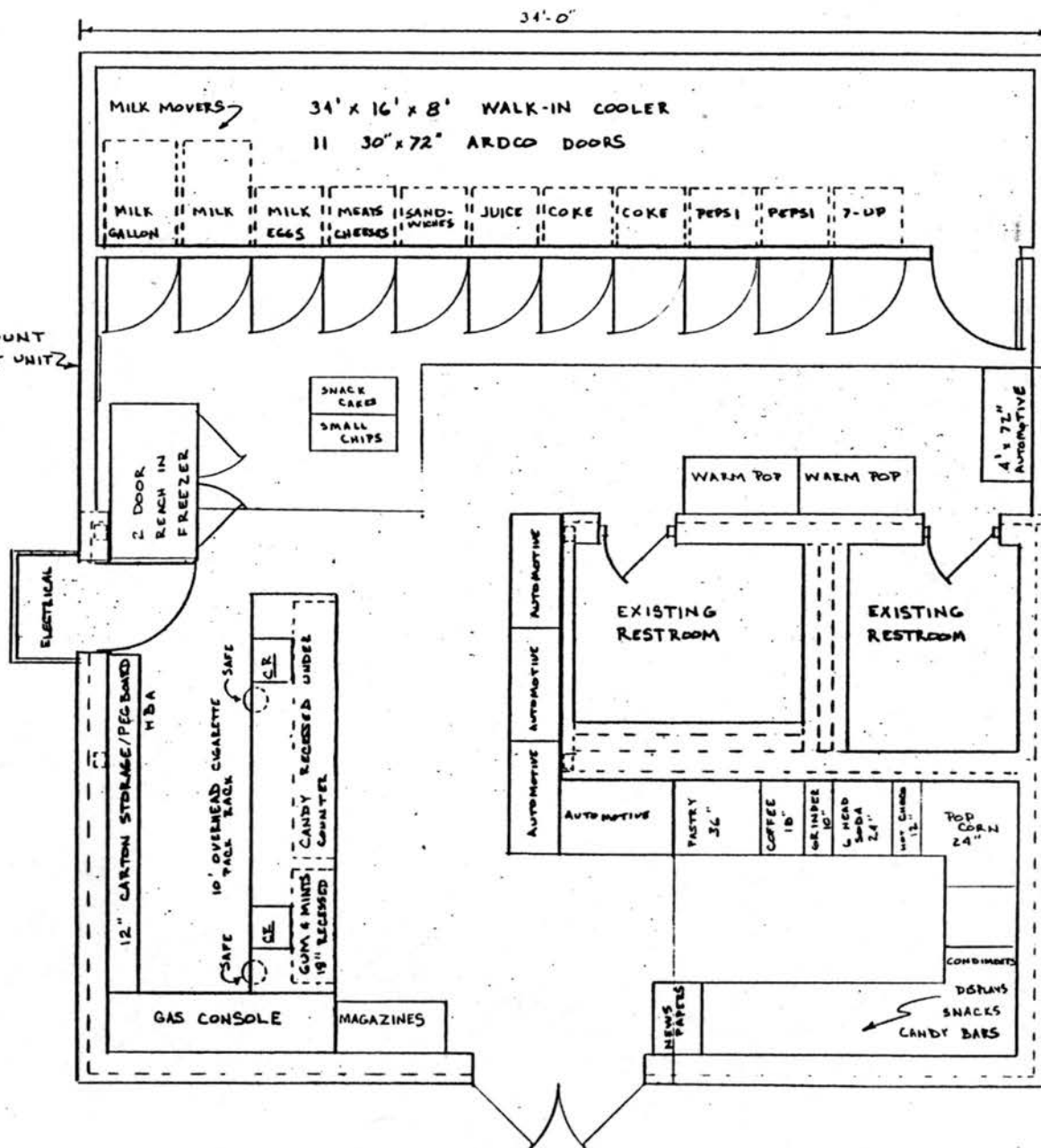




REVISED

2-12-91
2-15-91
2-20-91
3-12-91

WALL MOUNT
AC/HEAT UNIT



FLOOR PLAN

SCALE 1/4" = 1'-0"

NOTES

- ① ANGLE MIRROR ABOVE COOLER DOORS
- ② RED PLEXI PERIMETER OF INTERIOR.
- ③ 1" ROLLERS ON 12" CARTON STORAGE BEHIND COUNTER FOR CLEANING PURPOSES.
- ④ M^o GYB3243 CARRIER HEAT/COOL UNITS 9.2 EER 23,500 BTU COOLING 15,800 BTU HEATING H^o 17 1/4" W-24" D-18 1/4" 230V 13.0A
- ⑤ FLOOR SPACE 36' x 34' = 1224 SQUARE FEET, 50% FOR PRINCIPLE USE EQUALS 612 #, 614 # DEDICATED TO PRINCIPLE USE SHOWN.
- ⑥ PARKING REQUIREMENTS 515.09, SUBD. B 1224 #
 $\frac{1224}{1102} = 10\% \text{ REDUCTION FOR WALLS.}$
 $\frac{1102}{488} = 4 \text{ SPACES } 515.09, \text{ SUBD. B 5) } 4/488$
 $\frac{488}{250} = 1 \text{ SPACE } 515.09, \text{ SUBD. B 6a) } 1/500$
 $\frac{250}{2302} = 2 \text{ SPACES } 515.09, \text{ SUBD. B 7) } 1/140$
 7 REQUIRED PARKING SPACES

CRYSTAL E-Z STOP
4800 56TH AV N
CRYSTAL, MN 55429
COOLER ADDITION
DRAWN 2-11-91
DLM 331-9344 X124

DATE: May 16, 1991

MEMO TO: Jerry Dulgar, City Manager

FROM: Edward C. Brandeen, Park & Recreation Director

SUBJECT: Use of Little League Fields for a Baseball School

Attached is a request from Charles Tabor, owner of Minnesota Baseball Services, to conduct a series of baseball schools from June 24 to August 8. They are requesting the use of three fields east of the Community Center.

This would be the first request we have ever had for a baseball school of this type. Therefore, I checked with a few other cities to get some sort of track record. The only cities that have had outside groups rent their facilities are the following with their respective field charges:

Edina	-	\$35.00 per field per day (never rented, however)
Plymouth	-	\$10.00 per field per hour
Richfield	-	\$15.00 per field per hour
Bloomington	-	\$25.00 per field per day
Hopkins	-	\$35.00 for 3 fields per hour

They would want to use the 3 fields in Crystal for this school.

This program or school would not interfere with the Little League program, as they would be done by 2:30 p.m. This baseball school will have to get the proper amount of insurance. I have talked with Mike regarding the amount.

As far as the field use fee is concerned, I would recommend anywhere between \$15.00 and \$25.00 per field per day (but would prefer the \$25.00). For the Bloomington school (run by the Twins), they charged \$175.00 per youngster compared to this fee of \$75.00 per registrant. The field use fee was \$25.00 per field per day.

This is a for-profit venture by Mr. Tabor designed as a money maker for himself and the rest of the staff.

5224 Maryland Ave. No.
Crystal, Minn. 55428
May 14, 1991.

Mr. Ed Brandeen
Director Park & Rec.
Crystal, Minn.

Dear Ed:

Minnesota Baseball Services has received permission to conduct an instructional baseball school for (8-13) year olds at the Crystal Little League fields 4800 N. Douglas Drive.

There will be six sessions beginning June 24 and ending August 8. A session will be 9:30 A.M. - 2:30 P.M. each day Monday through Thursday. No lunch is provided during the 11:30 - 12:30 rest break.

The total fee is \$95.00.

2.

Please reserve a gym on the same dates in case of bad weather.

Session #1 - June 24 - June 27
Session #2 - July 8 - July 11
Session #3 - July 15 - July 18
Session #4 - July 22 - July 25
Session #5 - July 29 - Aug. 1
Session #6 - Aug. 5 - Aug. 8

Sincerely,
Chuck Tabor

For more information:

Chuck Tabor, owner
Minnesota Baseball Services
536-9568

M E M O R A N D U M

DATE: May 15, 1991
TO: Jerry Dulgar, City Manager
FROM: Anne Norris, Community Development Director *an*
SUBJECT: Composition of Planning Commission

BACKGROUND

At the May 7 meeting, the Council adopted the first reading of an ordinance revising the composition of Planning Commission to nine (9) members. A second reading of the ordinance is required prior to publication.

Attached is the ordinance revising the composition of the Planning Commission to nine (9) members.

RECOMMENDATION

Adopt the second reading of the ordinance revising the composition of the Planning Commission to nine (9) members.

ALN:jt
encl

ORDINANCE NO. 91-_____

AN ORDINANCE RELATING TO CITY
GOVERNMENT: PLANNING COMMISSION:
AMENDING CRYSTAL CITY CODE,
SUBSECTION 305.67, SUBDIVISION 2

THE CITY OF CRYSTAL ORDAINS:

Section 1. Crystal City Code, Subsection 305.67, Subdivision 2 is amended to read as follows:

Subd. 2. Membership. The Planning Commission ~~shall consist~~ consists of ten nine members. Two members must be appointed from each of the four wards of the City and one member is appointed at large. The City Manager, Building Inspector and Engineer Public Works Director shall act as consultants to the Planning Commission.

Sec. 2. This ordinance is effective in accordance with Crystal City Code, Subsection 110.11.

Mayor

Attest:

City Clerk

ORD03.

M E M O R A N D U M

DATE: May 15, 1991
TO: Jerry Dulgar, City Manager
FROM: Anne Norris, Community Development Director *an*
SUBJECT: Extension of Development Moratorium for
Redevelopment Area #2

BACKGROUND

At its May 7 meeting, the City Council adopted the first reading of an ordinance extending the moratorium on development in redevelopment area #2 (see attached map). This extension expires October 26, 1991. At that time the City will have the option of extending the moratorium for an additional 18 month period. The ordinance now needs a second reading prior to publication.

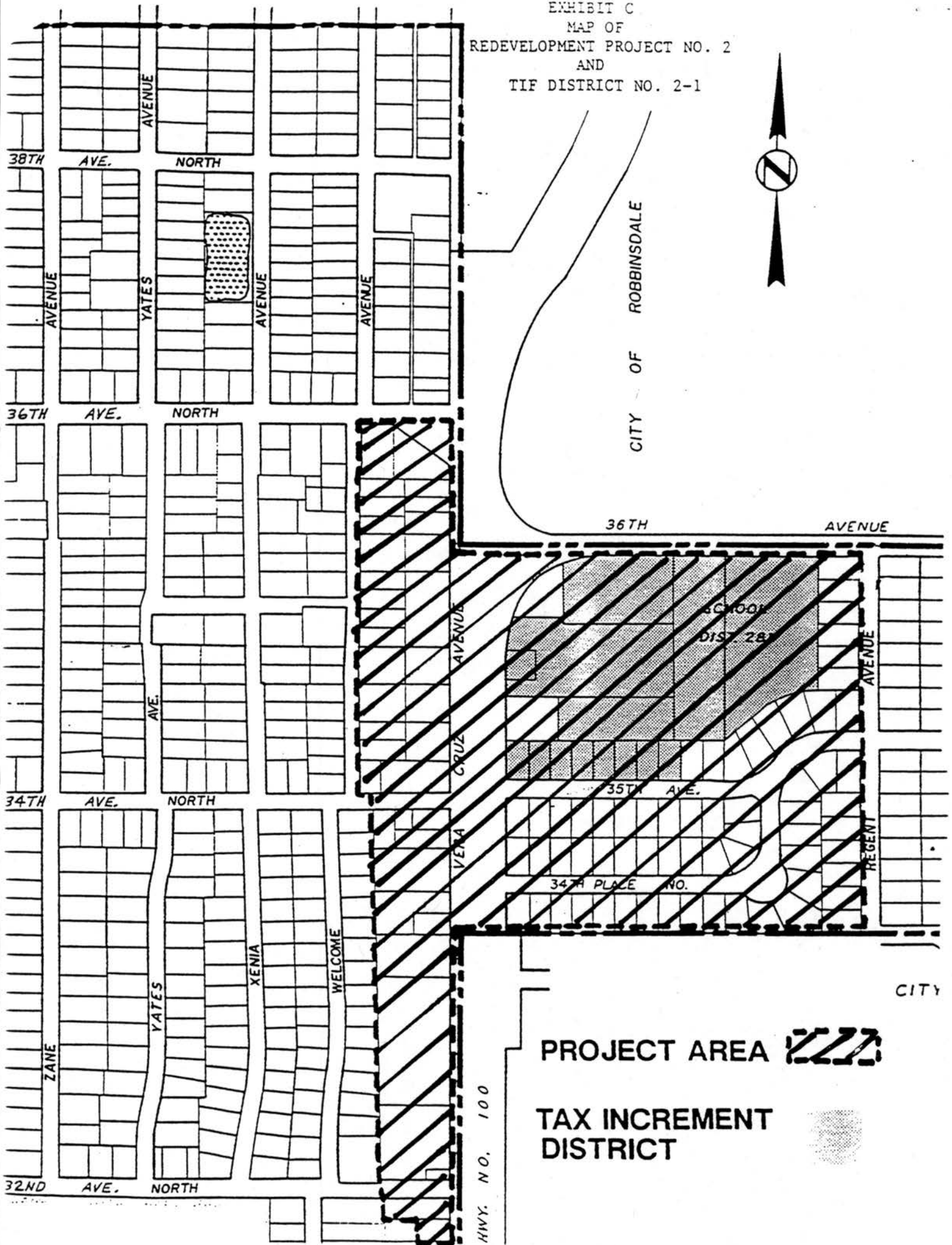
Attached is the ordinance extending the moratorium.

RECOMMENDATION

Adopt the second reading of the ordinance extending the expiration the development moratorium to October 26, 1991 in redevelopment area #2.

ALN:jt

EXHIBIT C
MAP OF
REDEVELOPMENT PROJECT NO. 2
AND
TIF DISTRICT NO. 2-1



PROJECT AREA 

TAX INCREMENT
DISTRICT 

ORDINANCE NO. 91-

CITY OF CRYSTAL

AMENDMENT TO INTERIM ORDINANCE No. 90-20 FOR THE PURPOSE
OF PROTECTING THE PLANNING PROCESS AND HEALTH,
SAFETY AND WELFARE OF THE RESIDENTS, AND RESTRICTING
DEVELOPMENT WITHIN REDEVELOPMENT PROJECT NO. 2.

The City of Crystal ordains:

Section 1. Background.

1.01 The Crystal Economic Development Authority ("EDA") and the City Council have approved creation of Redevelopment Project No. 2 ("Project") and Tax Increment Financing District No. 2-1 ("TIF District"), generally located at the intersection of Highway 100 and 36th Avenue in the City.

1.02 The City Council has also authorized and is currently conducting a major revision of the City's comprehensive plan.

1.03 The comprehensive plan revision will analyze long term development and redevelopment issues in the City, including the Project area and the TIF District.

1.04 On September 18, 1991, this Council adopted Ordinance No. 90-20 pursuant to Minnesota Statutes, Section 462.355, subd. 4 (the Act), which ordinance is an interim ordinance for the purpose of protecting the planning process and the health, safety, and welfare of the citizens of the City and to ensure that the City and its citizens retain the benefits of the City's comprehensive plan and zoning ordinance until the comprehensive plan update has been completed. The interim ordinance was effective on October 26, 1990 and expires on May 31, 1991.

1.05 In light of the City's particular interest in the Project area and the area's importance to the City as a whole, there is a need to continue and extend the restriction of development within the Project area until the comprehensive plan update has been completed and any modification to the City's zoning and land use regulations are accomplished.

1.06 The Act authorizes the City to adopt interim zoning ordinances applicable to all or a part of the City for the purpose of protecting the planning process and the health, safety and welfare of its citizens, which ordinances may regulate, restrict or prohibit any use or development within the City for a period up to one year, which period may be extended for additional periods up to 18 months.

1.07 It is hereby found and determined that it is in the best interests of the sound, economic, and efficient development of the Project area and the City as a whole, that the authority granted by the above section of the law be used by the City with reference to the Project area for an additional period of time.

Section 2. Interim Zoning.

2.01 A special zoning district of the City known as the Interim Zoning (IZ) District is hereby renewed and extended for the additional period of time specified in Section 3.01. The boundaries of the IZ District are the boundaries of the Project Area as described in the Redevelopment Project Plan therefore dated April 3, 1990.

2.02 Commencing on the effective date of this ordinance and ending on the date of its termination in accordance with Section 3.01, the following rules apply:

1. Building permits for the construction, reconstruction or alteration of structures within the Project area will not be granted by this Council except:
 - a. permits for the necessary repair of existing buildings;
 - b. permits to be issued pursuant to a planned development which has received Council approval prior to the effective date of Ordinance No. 90-22; and
 - c. permits for which application had been duly made to the City prior to September 4, 1990.
2. Proposals for rezoning of property in the Project area will not be approved by the Planning Commission or the Council, except that the Commission and the Council may consider rezoning proposals in connection with the comprehensive plan update as it relates to the Project area.
3. Land within the Project area may not be replatted or subdivided except for the purpose of consolidation of parcels of land in single ownership, land description clarification, or the facilitating of the conveyance of parcels of land in single ownership.

2.03 The City Council recognizes that the strict application of the rules set out in Section 2.02 may, in certain cases, cause undue hardship to properties and property owners in the Project area. Notwithstanding the provision of Crystal City Code, subsection 515.56, the Council may hear requests for such variances and shall grant them only upon a finding that

- 1) the variance will not affect the integrity of the comprehensive planning process; and
- 2) the intent and purpose of this ordinance will be served thereby.

Applications for and administration of variances under this section are made in accordance with Section 515.56 of the City Code (Appendix I, "Zoning") except that a public hearing is not required and the application will be considered by the Council without Planning Commission review unless otherwise directed by the Council.

Section 3. Effective Date.

3.01 This ordinance is effective in accordance with Crystal City Code, Subsection 110.11. The provisions of this ordinance expire on October 26, 1991, provided that the City Council specifically reserves its right to renew this ordinance for a period of time as permitted by the Act.

Dated: _____

First reading:

Adopted:

Betty Herbes, Mayor

Attest:

Darlene George
City Clerk

DATE: May 13, 1991
TO: Jerry Dulgar, City Manager
FROM: William Monk, City Engineer
SUBJECT: Plan Modification on Medicine Lake Road

I have been approached by the owner of the Douglas Court Apartments about constructing a parking inset area on the north side of Medicine Lake Road adjacent to the multi-family complex. The owner's intent is to provide a limited number of parking spaces outside the flow of traffic given the prohibition of street parking when the County's reconstruction project is complete. The apartment office area is directly accessible from the proposed parking area.

The proposed plan modification does not appreciably change the lengths of curb & gutter or sidewalk already included in the project. However, some cost would be incurred in extra grading and street construction work. At present, the feasibility study calls for assessment of curb & gutter and sidewalk costs to abutting property owners. In discussing this matter with the owner, it is evident he does not think any assessments to this property are in order given the curb and sidewalk installed by the owner when the apartment buildings were constructed and taxes paid over the years.

From an engineering viewpoint, the parking inset can be constructed rather simply. Hennepin County has given preliminary approval to this item as long as Crystal covers all additional cost items. Rough estimates of the work items involved total \$2,500. Before proceeding any further, the Council must consider a formal plan modification for the parking inset.

In making any motion on this item, a decision regarding the assessment of costs associated with this work must be addressed. In most instances, special project costs are assessed back to benefited property owners unless there is some overriding general purpose to the particular work item. In this case, the general purpose is questionable. If the Council proposes to assess the abutting property for the benefit of the parking lane, approval should be conditioned upon execution of an agreement to that effect being signed by the property owner. The property owner making the request has been invited to the Council meeting to allow a full discussion of this item.


WM:mb



LOCATION MAP

1" = 400'

DOUGLAS COURT ADD

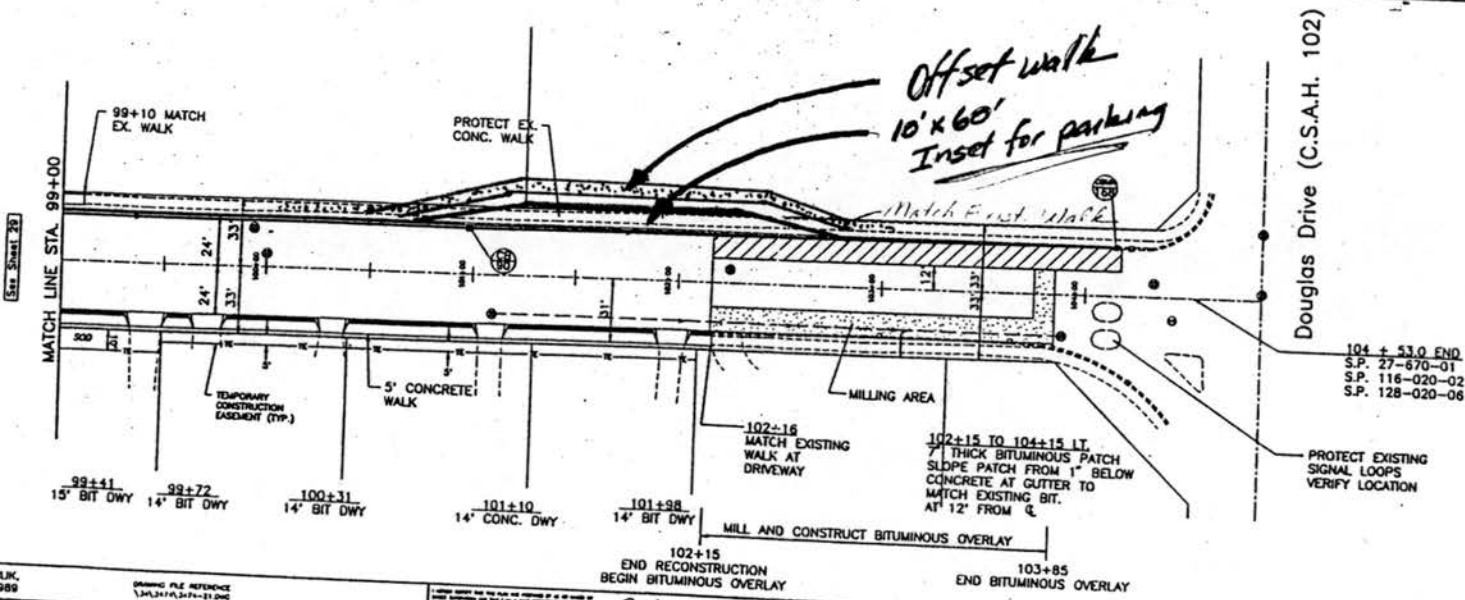
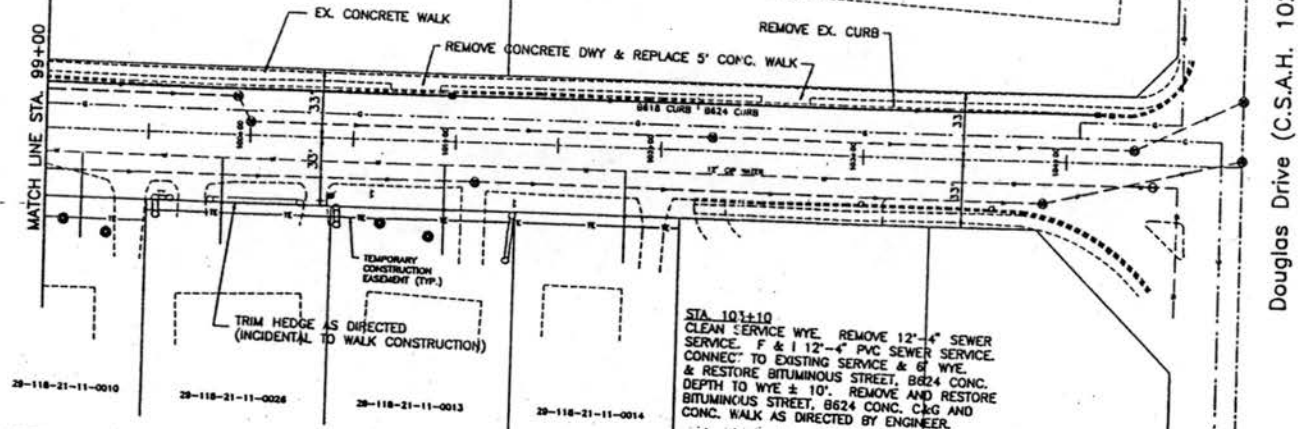
20-118-21-44-0018

1

DOUGLAS COURT 2ND ADD

20-118-21-44-0021

2



BONESTROO, ROSENE, ANDERLIK, AND ASSOCIATES, INC. 1989

DRAWING FILE REFERENCE 13412110, 13412111, 13412112

2nd

Memorandum

DATE: April 30, 1991
TO: Jerry Dulgar, City Manager
FROM: Joan Schmidt, Administrative Secretary
SUBJECT: Crystal Employee Retirement Party Policy

The Employee Committee approved the attached version of the Crystal Employee Retirement Party Policy at their meeting of April 17, 1991. I am recommending that this policy be placed on the City Council Agenda of May 21st for the Council's approval. Funds have already been allocated for this purpose for 1991.

CRYSTAL EMPLOYEE RETIREMENT PARTY POLICY

1. Each City employee with ten or more years of service will receive a retirement cake and coffee party (up to \$75 paid by the City) to which all employees will be invited. The Employee Committee will coordinate preparation for the party upon receiving notification from the City Manager that the employee is retiring.
2. This policy applies to employees retiring or resigning their position with the City.
3. A printed certificate made on the City's desktop publishing system will be presented instead of a plaque unless the retiree chooses to surrender their cash gift to receive a plaque. These certificates will be given to all employees, not just department heads.
4. Each retiree will receive a cash gift upon retirement according to the following schedule:
 - 10-20 years of service - \$50
 - 20 or more years of service - \$75
5. Only regular employees can receive these retirement benefits.
6. It will continue to be the option and responsibility of the retiree's department to coordinate an evening dinner party (paid for by the attendees of the party) if the retiree desires to have such a party held in their honor.
7. The Fire Department will maintain their existing policy to honor retirees and will be exempt from the above policy.

**CITY OF CRYSTAL
POLICE DEPARTMENT
MEMORANDUM**

DATE: May 16, 1991
TO: Chief James Mossey
FROM: Lt. Richard Gautsch
SUBJECT: SECOND-HAND DEALER, RECORDS

On 5/15/91 Sgt. Kenneth Varnold contacted the owner of J. T. Pennypinchers regarding their record keeping system. Sgt. Varnold observed that the business owner was maintaining a log of all items which were received at the store. He also learned that J. T. Pennypinchers does not purchase second-hand items, nor do they take on consignment second-hand items for re-sale. All goods received are donated. This eliminates the potential for stolen goods to be received at this location.

I think consideration should be given to whether it is necessary for the police to monitor the records of a second-hand dealer who only accepts donated items.

RWG/dh

**CITY OF CRYSTAL
POLICE DEPARTMENT
MEMORANDUM**

DATE: May 16, 1991
TO: Chief James Mossey
FROM: Lt. Richard Gautsch
SUBJECT: SECOND-HAND DEALER, RECORDS

On 5/15/91 Sgt. Kenneth Varnold contacted the owners of Midwest Antique & Mercantile regarding their record keeping system. Sgt. Varnold was informed that Midwest Antique & Mercantile is closing as of the end of May 1991. Thus, monitoring of their record keeping system will no longer be necessary.

RWG/dh

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RWG/dh

HOLMES & GRAVEN

CHARTERED

470 Pillsbury Center, Minneapolis, Minnesota 55402

Telephone (612) 337-9300

Facsimile (612) 337-9310

DAVID J. KENNEDY

Attorney at Law

Direct Dial (612) 337-9232

May 17, 1991

Ms. Darlene George
City Clerk
4141 Douglas Drive North
Crystal, Minnesota 55422

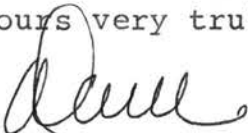
Re: Secondhand Goods Dealer

Dear Darlene:

Enclosed find a new draft of the amendments to the secondhand goods licensing ordinance.

Section 1 is new and reflects our discussion about the store where only donated items are resold. This change treats that store in the same manner as secondhand stores where only used costume jewelry and clothing is sold under the ordinance, that is, an exemption from the terms of the ordinance but a requirement for licensure with a modest fee. I think a license is necessary to enable the City to inspect for compliance with the terms of the exemption.

Yours very truly,



David J. Kennedy

DJK:caw

Enclosure

Draft 5/17/91

ORDINANCE NO. 91-_____

AN ORDINANCE
RELATING TO SECONDHAND GOODS
DEALERS: AMENDING
CRYSTAL CITY CODE, SUBSECTIONS 1175.03,
1175.17, 1175.19, 1175.21 AND 1175.23.

THE CITY OF CRYSTAL ORDAINS:

Section 1. Crystal City Code, Subsection 1175.03 is amended by adding a clause to read as follows:

- (j) The sale of items that have been donated to the seller and not purchased or received on consignment for resale by the seller; provided, however, that a license is required under Subsection 1175.11 for which the annual fee is \$44.

Sec. 2. Crystal City Code, Subsection 1175.17, is amended to read:

1175.17. Investigations. Subdivision 1. Conduct. The City, prior to the granting of an initial or renewed pawnbroker license or an initial secondhand goods dealer license, must conduct a preliminary background and financial investigation of the applicant. ~~Any person~~ Persons having a beneficial interest in the license must be investigated. The investigation ~~shall be~~ is conducted by the Chief of Police and the results reported to the City Council. The Chief of Police must verify the facts stated in the application, and must report all convicted violations of state law, federal law or municipal ordinances involving the applicant, interested persons, or the ~~license~~ licensed premises while under that applicant's proprietorship.

Sec. 3. Crystal City Code, Subsection 1175.19, is amended to read:

1175.19. Public Hearing. A pawnbroker or ~~secondhand goods~~ dealer license will not be issued or renewed without a public hearing. Any person having an interest in or who will be affected by the proposed license will be permitted to testify at the hearing. The public hearing must be preceded by at ten days' published notice specifying the location of the proposed licensed business premises.

Sec. 4. Crystal City Code, Subsection 1175.21, is amended to read:

1175.21. Granting of License. After review of the license application, investigation report and public hearing if required, the City Council may grant or refuse the application for a new or renewed pawnbroker or secondhand goods dealer license. A license will not be effective unless the application fee and bond have been filed with the City Clerk.

Sec. 5. Crystal City Code, Subsection 1175.23, clause (e), is amended to read:

(e) a person whom the City Council determines not to be of sufficient good moral character and repute; or

when the City Council determines, after investigation and public hearing if required, that issuance or renewal of the license would adversely affect the public health, safety or welfare.

Sec. 6. This ordinance is effective in accordance with Crystal City Code, Subsection 110.11, and applies to application for the renewal of secondhand goods dealer licenses made prior to and after its effective date.

Mayor

Attest:

City Clerk

CRYS7:ORD04.

HOLMES & GRAVEN

CHARTERED

470 Pillsbury Center, Minneapolis, Minnesota 55402

Telephone (612) 337-9300

Facsimile (612) 337-9310

DAVID J. KENNEDY

Attorney at Law

Direct Dial (612) 337-9232

May 9, 1991

Ms. Darlene George
City Clerk
4141 Douglas Drive North
Crystal, Minnesota 55422

Re: Ordinance Amending subsections 1175.17, 1175.19, 1175.21 and
1175.23 - Secondhand Goods Dealers
~~for Multifamily Dwellings~~

Dear Darlene:

Enclosed find a draft ordinance removing the investigation procedure and fee, and public hearing requirements for secondhand goods dealers. This ordinance was given first reading at the May 7, 1991 Council meeting.

Yours very truly,



David J. Kennedy

DJK:caw

Enclosure

cc: Jerry Dulgar

ORDINANCE NO. 91-_____

AN ORDINANCE
RELATING TO SECONDHAND GOODS
DEALERS: AMENDING
CRYSTAL CITY CODE, SUBSECTIONS
1175.17, 1175.19, 1175.21 AND 1175.23.

THE CITY OF CRYSTAL ORDAINS:

Section 1. Crystal City Code, Subsection 1175.17, is amended to read:

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Sec. 2. Crystal City Code, Subsection 1175.19, is amended to read:

1175.19. Public Hearing. A pawnbroker ~~or -secondhand -goods dealer~~ license will not be issued or renewed without a public hearing. Any person having an interest in or who will be affected by the proposed license will be permitted to testify at the hearing. The public hearing must be preceded by ~~at~~ ten days' published notice specifying the location of the proposed licensed business premises.

Sec. 3. Crystal City Code, Subsection 1175.21, is amended to read:

1175.21. Granting of License. After review of the license application, investigation report and public hearing if required, the City Council may grant or refuse the application for a new or renewed pawnbroker or secondhand goods dealer license. A license will not be effective unless the application fee and bond have been filed with the City Clerk.

Sec. 4. Crystal City Code, Subsection 1175.23, clause (e), is amended to read:

- (e) a person whom the City Council determines not to be of sufficient good moral character and repute; or

when the City Council determines, after investigation and public hearing if required, that issuance or renewal of the license would adversely affect the public health, safety or welfare.

Sec. 5. This ordinance is effective in accordance with Crystal City Code, Subsection 110.11, and applies to application for the renewal of secondhand goods dealer licenses made prior to and after its effective date.

Mayor

Attest:

City Clerk

CRYS7:ORD04.

RESOLUTION NO. 91-

RESOLUTION OF SUPPORT FOR THE NOMINATION OF
LARRY A. BAKKEN AS VICE PRESIDENT OF THE
LEAGUE OF MINNESOTA CITIES

WHEREAS, Larry A. Bakken served as Councilmember of the City of Golden Valley from 1984 until his selection as Mayor in 1991; and,

WHEREAS, Mr. Bakken has served as a member of the Board of Directors of the League of Minnesota Cities, President and Board Member of the Association of Metropolitan Municipalities, and in numerous committees and presentations undertaken to further the mission of these associations; and,

WHEREAS, Mr. Bakken's experience at Hamline University lends expertise in the areas of the law and public administration which enhance his contribution to debate any legislation on municipal issues and public policy in the State of Minnesota.

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Crystal, Minnesota, that it supports the nomination and election of Larry A. Bakken as 1991-1992 Vice president of the League of Minnesota Cities.

Adopted by the City Council this 21st day of May, 1991.

Mayor

ATTEST:

City Clerk

M E M O R A N D U MHAMLINE UNIVERSITY GRADUATE SCHOOL

TO: Betty Herbes, Mayor
Jerry Dulgar, Manager
Crystal, Minnesota

FROM: Larry A. Bakken
Golden Valley

DATE: May 10, 1991

RE: Candidacy for LMC Vice President

During my involvement with the League I have observed a number of Vice Presidential candidates and each has demonstrated certain common characteristics. Each has had considerable city and League experience. Each candidate has been a city council member or mayor for a number of years and in almost every case had completed their term on the League board. In addition each candidate usually was a leader of one of the subgroups of cities such as the Small Cities, the Coalition of Outstate Cities, or the Association of Metropolitan Municipalities.

Each candidate demonstrated leadership within the League. Usually this leadership related to League committees, or ad hoc LMC assignments. In most cases this participation extended over several years.

Another characteristic each candidate possessed was the ability to be an advocate on behalf of all cities either in St. Paul or Washington, D.C. Each candidate represented the LMC agenda of issues ahead of his or her own city interests.

A final characteristic of each candidate was an ongoing personal commitment to cities. Previous Vice Presidents continue to stay involved in League work and with few exceptions each still devotes considerable time and energy to city issues.

I have enclosed a resume for your review and welcome any questions you may have concerning my background. I would welcome questions after you have had time to examine it.

I have been involved in local government in Golden Valley for over twelve (12) years, first as a commission member (four years), and then as a council member for eight years. Most recently I was appointed Mayor when Mary Anderson became chair of the Metropolitan Council.

I became active in LMC when I began my term as a Golden Valley

Council member. My committee involvement included work with the Budget, Revenue, C.C. Ludwig Federal Legislation, and the Legislative Evaluation Committees. During my four years as a member of the LMC Board I chaired the Election and Ethics Committee.

I also served as a member of the League Property Tax Coordinating Committee which consisted of representatives from each of the state-wide city groups. This committee attempted to arrive at a common state-wide property tax policy. After two years on that committee I became a member of its successor, the Summit Group. I am also a member of the League's Legislative Coordinating Committee.

Along with League activity I have been involved in the Association of Metropolitan Municipalities. I have chaired the AMM Revenue Committee, the General Legislation Committee and the Legislative Coordinating Committee. In the National League of Cities I serve as a member of the Finance, Administration and Intergovernmental Relations Committee (FAIR) and the Committee for International Economic Development.

For six consecutive years I have been a speaker at NLC Annual and Congressional Meetings. I speak most often on the subjects of ethics, the role of council members and managers, international trade, and planning and policy making by council members. On the state level, I have also participated as a speaker for League of Minnesota programs and recently became a member of the Government Training Service Board.

Because of my involvement with many local government issues I was asked by Lt. Gov. Joanell Dyrstad to be a member of the Committee on State and Local Government Relations which is attempting to deal with mandates and with defining the role of local government in Minnesota. The committee is also attempting to deal with the difficult issue of financing local government.

During my time on the League Board I have been a very strong advocate for the position that the LMC must be the spokesperson for Minnesota cities. No one group should be able to influence policies affecting cities. Minnesota needs our cities and each city has much to offer its residents. Cities should support one another. As AMM President I counseled our cities to stand firm with League policy and AMM has conformed to League policy whenever it was available. I am a recognized advocate for metro cities and League policies which includes all cities. I hope to continue that advocacy by being elected League Vice President at our annual convention.

My interest in local government goes well beyond by involvement in Golden Valley. I have chaired several committees and subcommittees of the American Bar Association and have been a member of the Governing Board of the State and Local Government Section of ABA. I have also been Chair of the Local Government

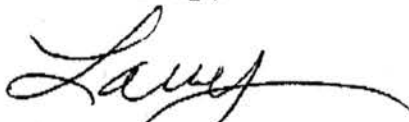
Section and Administrative Law Section of the Minnesota State Bar Association.

Finally, I have because of my professional interests been fortunate enough to participate in the creation of a law school, a graduate program, the Center for Women in Government and the Journal of Public Law and Policy. In the last few years I have also published several articles and books relating to government dispute resolution and administrative procedures.

Currently I am the Acting Dean of Hamline Graduate School. I have informed the Hamline President I will not continue in this position beyond the next school year. I intend to teach full time in our Law School.

My activities indicate my commitment to local government and I intend to keep my focus on local government if elected Vice President. I will make every effort to use my experience and background to help the League of Minnesota Cities make a significant contribution to all Minnesota Cities, represent our cities effectively before the Legislature and make sure Minnesota benefits from League actions.

Sincerely,



Larry A. Bakken

Business Address:
Hamline University Graduate School
1536 Hewitt Avenue
St. Paul, Minnesota 55014-1284

612-641-2013

LAB:cac

Enclosure

LARRY A. BAKKEN

Home: 2361 Kyle Ave. N.
Golden Valley, MN 55422
521-6011

Wk: Office of the Dean
Graduate School
Hamline University
1536 Hewitt
St. Paul, MN 55104
641-2013

Professional Experience

Acting Dean, Graduate School
Hamline University, St. Paul, MN

May, 1990 - Present

Lead four academic divisions that include Education, Liberal Studies, Continuing Studies and Management in program development, planning and implementation. Represent the Graduate School to the Office of the President, the University and the Greater Community.

Manage a \$3 million budget, 200 adjunct faculty and 25 administrative staff.

Professor of Law

1975 - Present

Hamline University School of Law, St. Paul, Minnesota

Teach regulatory and legislative classes to students in law and graduate schools. Including: Administrative Law, Antitrust, Regulated Industries, Banking Law, Public Finance Law, Legislation, Comparative International Regulation and Local Government Law.

Research and publish articles and papers addressing governmental issues. For example: Minnesota Administrative Practice and Procedure; "Conduct of Legislators," Ethics, Government and Public Policy; "Mediation and Public Policy,"; "Canada/U.S. International Trade Agreement;" "Economic Development for Small Communities"; and "Minnesota Regulatory Review Study"; (Complete list available).

Conducted research projects for the Minnesota Legislature in 1985 and 1986. Including: "Specials Laws: Statutory Index Project" for the Revisor of Statutes, Steve Cross; and "Minnesota Regulatory Review Study," for the Minnesota House of Representatives Majority Leader, Connie Levi.

Government Experience

Mayor, City of Golden Valley	1991 - Present
Council Member, City of Golden Valley	1984 - 1991
President, Association of Metropolitan Municipalities	1990 - 91
Board Member, League of Minnesota Cities	1986 - Present

Education

1984	<u>LL.M.</u> , University of Manitoba Faculty of Law, Winnipeg, Manitoba, CANADA
1969	<u>J.D.</u> , University of North Dakota School of Law, Grand Forks, North Dakota
1969	<u>M.S.</u> , Economics, North Dakota State University, Fargo, North Dakota
1965	<u>B.A.</u> , Economics, History/Political Science, Concordia College, Moorhead, Minnesota

Professional Associations

American Bar Association	1969 - Present
Minnesota State Bar Association	1974 - Present
Hennepin County Bar Association	1974 - Present
American Society of Public Administrators	1983 - Present
Center for Women in Government	1985 - Present
American Association of Law Schools	1974 - Present
Association of Metropolitan Municipalities	1984 - Present
League of Minnesota Cities	1984 - Present

PUBLICATIONS AND RELATED INFORMATION

BOOKS:

Minnesota Administrative Procedure Butterworth, St. Paul, Co-
Editors G. Beck and T. Muck. (1987)

"The Food Security Act of 1985: Promises, Politics and Problems"
79 Agricultural Law Bulletin, 4a Proceedings of the Euro-American
Agricultural Law Symposium and The Symposium of the C.E.D.R.
editor H.T. Spring (1986)

"The Conduct of Legislators" Ethics, Government and Public
Policy, Ed. J. Bowman, F. Elliston Greenwood Press, New York, Co-
Author Vince Coombs (1988)

Justice In The Wilderness: Fred B. Rothman & Co., Littleton,
Colorado. (1986)

OTHER:

"Mediation and Public Policy" 23 Urban Lawyer 179 (B. McAdoo, Contributing Author) (1990)

"Canada/United States Free Trade Agreement" 6 Ag Law Update 4. (June, 1989)

"Overview of Minnesota's New Property Tax," Municipal Law Forum: The Issues for 1989, Hamline ALE, p. 245. (November, 1988)

Editor, Urban State and Local Government Section Newsletter, Chicago, Illinois (1988-89)

Editor, "Special Laws: Statutory Index Project," 6 Hamline Journal of Public Law 87 (June, 1985)

"Canada: The Foreign Investment Review Act and the Combines Investigation Act," 52 Antitrust L.J. 979 (December, 1983)

"Professional Responsibilities of the Attorney Bill Drafter," Legal Services Section - 1981 Annual Meeting, National Conference of the State Legislatures (July, 1981)

SPEECHES AND PUBLIC PRESENTATIONS

"Mediation for Public Officials," Seminar, Hamline University. Golden Valley, MN. April, 1991

"Ethics for the Chief," Institute for Police Chiefs, Minneapolis, MN. March, 1991

"The New Council Member," Newly Elected Officials Meeting, League of Minnesota Cities, Minneapolis, MN. February, 1991

"The Role of Cities," TwinWest Chamber of Commerce Leadership Seminar, Minnetonka, MN. January, 1991

"In Defense of Citizens," Associated Metropolitan Municipalities Legislative Meeting, St. Paul, MN. January, 1991

"In Defense of Cities," Association of Metropolitan Municipalities Annual Meeting, Minneapolis, MN. May, 1990

"Legislative Influence on Metropolitan Property Tax," Association of Metropolitan Municipalities, St. Paul. October, 1989

"Assessment of Conflicting Social Programs in the Metropolitan Environment," Hamline Graduate School Seminar. October, 1989

"Ethics for Public Officials," League of Minnesota Cities, Minneapolis. June, 1989

"Economic Development for Small Communities," Minnesota Association of Townships, 1989 Legal Seminar, St. Paul. January, 1989

"Rulemaking and Reregulation," 'Strengthening Legislative Oversight,' National Conference of State Legislatures and Hamline University, St. Paul, MN. May, 1987

"Local Officials and Ethics," Policy Leaders Seminars, National League of Cities, Washington, D.C. February, 1987

Euro-American Agricultural Law Symposium, "Comite Europeen de Droit," Rural and the American Agricultural Law Association, Plymouth, England. September, 1986

"Regulatory Reform in the Minnesota Legislature," Administrative Law Section, Minnesota State Bar Association, Luncheon. March, 1986

"A Public Manager's Guide to Cutback Management," Supervisors' Conference, Minnesota Department of Revenue, Camp Ripley, MN. September, 1985

Minnesota House of Representatives, Training Session for Newly Elected Legislators. December, 1984

Administrative Rules and Regulations - "Writing Better Regulations" - Minn. Revisor of Statutes, St. Paul, Minnesota. June, 1981

Influencing State Regulations: Administrative Law for Citizens - "Judicial Review of Agency Decisions: The Role of the Courts," St. Paul, Minnesota. November, 1980

Legislative Drafting Workshops Co-Leader of Program and Speaker. Sponsored by National Conference of State Legislatures, Albany, New York and Portland, Oregon. October, 1980

Memorandum

DATE: May 7, 1991

TO: Jerry Dulgar, City Manager

FROM: Darlene George, City Clerk *D.G.*

SUBJECT: Minnesota Lawful Gambling Premises Permit
Hartinger Foundation, Inc.
Paddock Bar
5540 Lakeland Avenue North

The above referenced lawful gambling organization is the last of the organizations conducting charitable gambling in Crystal to be on a council agenda for approval of a premises permit. The State requires a resolution from the City to accompany the organization's application for a State license.

You will recall the Hartinger Foundation submitted a license application to the City in July of 1990. On August 2, 1990, as a result of a routine investigation required, a memo from the Police Chief recommended a license not be issued until questions regarding dual officer and memberships in the organizations conducting lawful gambling at the Paddock be cleared up.

On October 2, 1990, a memo from the Police Chief indicated information was received from the State Gaming Board that its investigation into the Hartinger Foundation had not been completed and that the Crystal Police Department would be notified upon the completion of that investigation. On October 16, 1990, a memo was received from Sergeant Pecchia of the Crystal Police Department stating that an update of the status of the State's investigation had still not been received. On January 23, 1991, a copy of Lawful Gambling Activity Summary And Tax Return for the Hartinger Foundation was received in my office and turned over to the Finance Department. On January 24, 1991, the Police Department was dispatched to the Paddock Bar to see if gambling was being conducted. Gambling was indeed taking place. On January 25, 1991, I received a call from John Hardinger stating they had a State license to operate.

After numerous calls to the City Attorney and to the State Gaming Division, it was concluded that a premises permit was not required until such time as the Hartinger Foundation renewed its State license to conduct charitable gambling at the Paddock Bar. This premises permit will go before the Council on May 21, 1991.

This memo will hopefully help to answer the Council's questions as to why the original charitable gambling license for the Hartinger Foundation did not come back to them for consideration.

If you have further questions, please contact me.

cc: Jim Mossey, Police Chief
Dave Kennedy, City Attorney

DG/js

MEMORANDUM

TO: Mayor and City Council

FROM: Jessie Hart, Assistant Finance Director

DATE: May 20, 1991

SUBJECT: Hartinger Foundation Lawful Gambling Reports

Attached is a summary report of the Hartinger Foundations Gambling activity at the Paddock Bar. They have been in business since December of 1990 and have sent their reports to me on a monthly basis.

They are showing a cumulative net profit of \$60,023.12 and qualifying contributions of \$840.00. The organization has until September 30, 1991 to meet the 10% requirement in the ordinance, but at a minimum would have to donate \$5,162.31 to qualifying organizations in the trade area or directly to the City.

Based on this information, the Hartinger Foundation is currently in compliance with the City's Lawfud Gambling Ordinance.

HARTINGER FOUNDATION – CHARITABLE FOUNDATION
GAMBLING ACTIVITY – October 1, 1990 to September 30, 1991

<u>MONTH</u>	<u>YEAR</u>	<u>(A) NET PROFIT</u>	<u>(B) DONATIONS MADE IN TRADE AREA</u>	<u>(C) 10% OF NET PROFIT</u>	<u>REQUIRED CONTRIBUTION TO CITY</u>
October	1990	NO ACTIVITY			
November	1990	NO ACTIVITY			
December	1990	\$10,984.45	\$0.00		
January	1991	14,765.20	0.00		
February	1991	16,087.80	0.00		
March	1991	8,618.22	0.00		
April	1991	9,567.45	840.00		
May	1991				
June	1991				
July	1991				
August	1991				
September	1991				
Total Year-To-Date		<u><u>\$60,023.12</u></u>	<u><u>\$840.00</u></u>	<u><u>\$6,002.31</u></u>	<u><u>\$5,162.31</u></u>
Direct Contributions Paid to the City					<u>0.00</u>
Contributions Due the City					<u><u>\$5,162.31</u></u>

- (A) Gambling Tax Return, Part III, Line 36
 (B) Donations Made in City, Schedule C
 (C) TOTAL (A) x 10%

April 18, 1991

Mayor Betty Herbes and
Commission Chair Beth Jarvis
City of Crystal
4141 Douglas Dr. N.
Crystal, MN 55422

Dear Mayor Herbes and Commission Chair Jarvis,

It gives me deep regret that I have to resign my position on the Crystal Environmental Commission. At this time, I believe that I cannot devote the time or energy to support the environmental commission or the residents of Crystal as a commission member.

I want to thank the city of Crystal for the opportunity to serve my community and especially thank the other commission members for their support.

Sincerely,

A handwritten signature in cursive script, appearing to read "Diane Christopher".

Diane Christopher
3506 Zane Ave. N.
Crystal, MN 55422

City of Crystal

Memorandum

DATE: May 15, 1991
TO: Jerry Dulgar, City Manager
FROM: William Monk, Public Works Director
SUBJECT: Twin Oak Park Parking

As noted in the attached memorandum from Officer Herkal, only on-street parking is available at Twin Oak Park. Given the alignment of Wilshire Blvd. in this area, the parking situation can cause traffic problems when the playground and wading pool are experiencing heavy usage. While parking near the park is very convenient, the traffic and safety issues raised by Officer Herkal need to be addressed. For this reason I recommend parking be prohibited along the north side of Wilshire Blvd. adjacent to the park. I have discussed this item with the Park and Recreation Director and he concurs with the recommendation.

A handwritten signature in cursive script, appearing to read "W. Monk", is written in dark ink.

CITY OF CRYSTAL
POLICE DEPARTMENT
MEMORANDUM

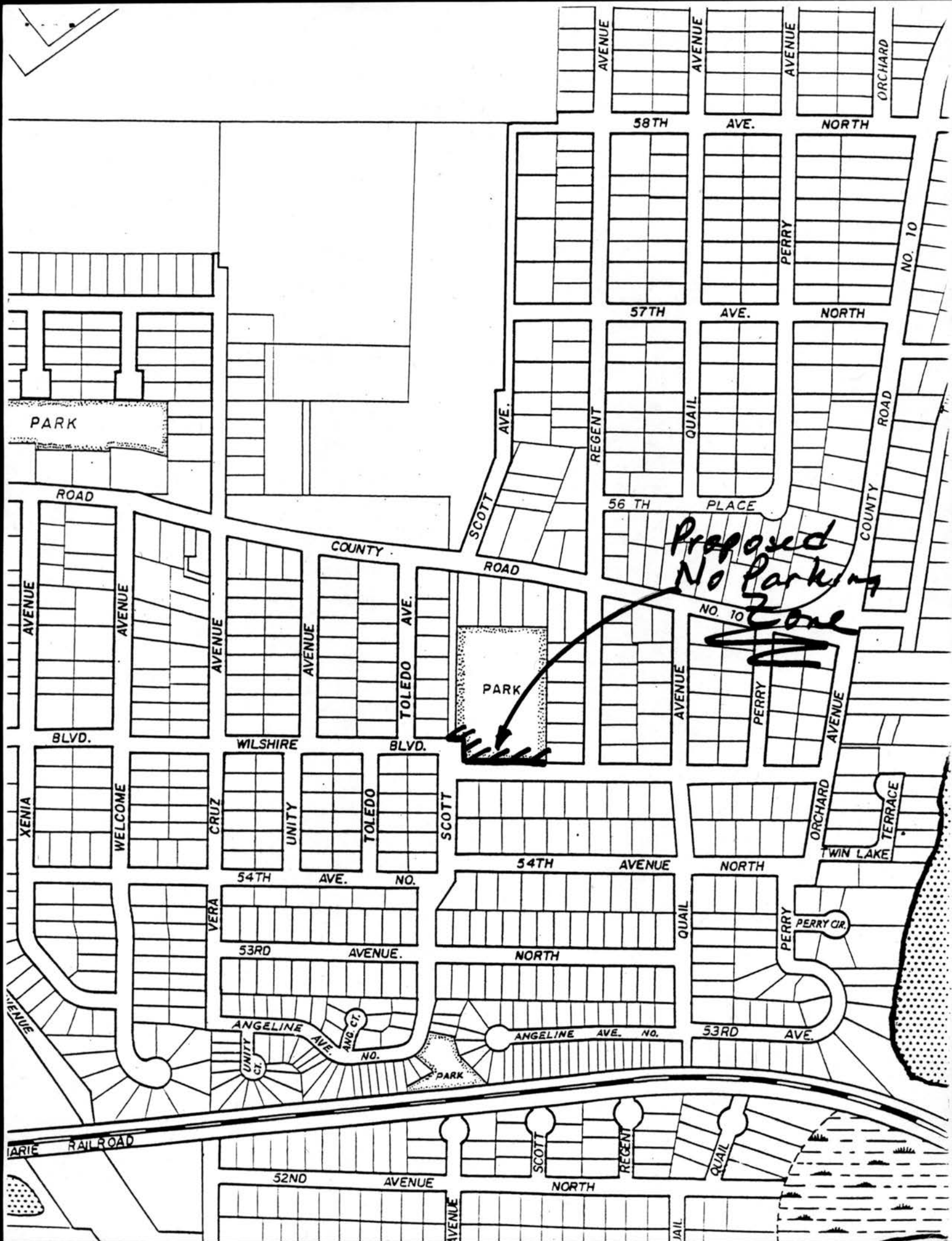
DATE: April 25, 1991
TO: Chief James Mossey
FROM: Officer Ken Herkal
SUBJECT: TWIN OAK PARK PARKING

I would like to bring the parking situation at Twin Oak Park (Wilshire & Scott) to someone's attention before a child gets killed. There is no real parking area, only on-street parking. When there are activities at the park, people are parked on both sides of the street, even through the sharp turn at the S.W. corner of the park. There is hardly room for a car to get through, and kids are running out from between the cars. Now that this is a through street without stops, the traffic will increase and it will most likely be faster.

I would like to recommend no parking on the park side of the streets.

Kenneth G. Herkal

KGH/dh



City of Crystal

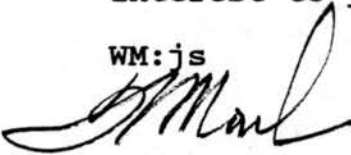
Memorandum

DATE: May 15, 1991
TO: Jerry Dulgar, City Manager
FROM: William Monk, Public Works Director
SUBJECT: Membership in Regional Mutual Aid Association (RMAA)

As noted by the length of the attached membership list, a considerable number of area cities, as well as Hennepin County, have banded together to form the Regional Mutual Aid Association. The RMAA was formed to allow the sharing of personnel and/or equipment when one or more members is faced with a local catastrophe such as a train wreck, flood or tornado. The attached agreement is set up as a statement of intent and does not require a member to respond to a request for assistance as a legal mandate.

Membership costs \$10 per year. I believe it is in Crystal's best interest to join RMAA and recommend the City become a member.

WM:js

A handwritten signature in dark ink, appearing to read "W. Monk", is written over the typed name "WM:js". The signature is fluid and cursive.



FRIDLEY MUNICIPAL CENTER • 6431 UNIVERSITY AVE. N.E. FRIDLEY, MN 55432 • (612) 571-3450 • FAX (612) 571-1287

April 22, 1991

PW91-81

Mr. Bill Monk
City of Crystal
4141 Douglas Dr., N.
Crystal, MN 55422

SUBJECT: Regional Mutual Aid Association (RMAA)

Dear Mr. Monk:

We are pleased to hear that the City of Crystal is interested in joining the Regional Mutual Aid Association. As of April 1, 1991, there are forty (40) members of RMAA.

As you can see by the attached material, we will need a signed copy of the Agreement. Also attached are the Constitution and By-Laws.

As established in the Agreement, each member of RMAA is to submit a \$10.00 fee for the 1991 dues to cover the administrative costs each year. Please use this letter as an invoice and remit your fee to the RMAA, attention John G. Flora.

An equipment inventory sheet is also in the packet. Please complete this form and send it to me with two (2) contact people in your organization. This list will be incorporated into our total Master Copy of all cities and equipment. Your agency will receive this Master List shortly after you join.

Please urge any adjoining cities that you know that are not signed up and request that they do so. Again, thank you for your interest in the RMAA.

Sincerely yours,



John G. Flora
Regional Mutual Aid Association

JGF/ts

Enclosures

Updated: 12-21-89

REGIONAL MUTUAL AID ASSOCIATION (RMAA)

Andover	Robbinsdale
Anoka	Roseville
Apple Valley	Rosemount
Blaine	St. Anthony
Bloomington	St. Louis Park
Brooklyn Center	Savage
Brooklyn Park	Shakopee
Burnsville	Shoreview
Chanhassen	Spring Lake Park
Columbia Heights	Vadnais Heights
Eden Prairie	Wayzata
Eagan	White Bear Lake
Falcon Heights	White Bear Township
Fridley	Woodbury
Golden Valley	
Hennepin County	
Hopkins	
Inver Grove Heights	
Little Canada	
Maple Grove	
Minnetonka	
MOUND VIEW	
New Hope	
N. St. Paul	
Prior Lake	
Richfield	

RESOLUTION NO. 91-

A RESOLUTION AUTHORIZING JOINT AND COOPERATIVE AGREEMENT
FOR USE OF PERSONNEL AND EQUIPMENT -
REGIONAL MUTUAL AID ASSOCIATION

BE IT RESOLVED by the City of Crystal, as follows:

WHEREAS, the City of Crystal desires to become a member of the Regional Mutual Aid Association and its Public Works Director is its authorized representative, and; Street Superintendent its alternative representative, and;

WHEREAS, a mutual need exists between members of the Regional Mutual Aid Association to share and assist one another in the areas of emergency, disaster control, and mitigation, and;

WHEREAS, the City of Crystal considers it to be in the best interests of the City to enter into a mutual agreement with the other members of the Regional Mutual Aid Association.

NOW, THEREFORE, BE IT RESOLVED, that the City of Crystal enter into agreement with the Regional Mutual Aid Association and hereby authorizes its Public Works Director to represent the City of Crystal in this association and the Mayor and City Manager are authorized to sign said agreement in behalf of said City of Crystal.

Adopted by the City of Crystal this 7th day of May, 1991.

Mayor

ATTEST:

City Clerk

JOINT AND COOPERATIVE AGREEMENT FOR USE OF
PERSONNEL AND EQUIPMENT DURING EMERGENCIES
REGIONAL MUTUAL AID ASSOCIATION

I. PURPOSE

The City/County recognizes that it has authority pursuant to the provisions of the Joint Exercise of Powers Act, Sec. 471.59, Minnesota Statutes, to enter into an agreement to jointly and cooperatively exercise a power common to each of the contracting powers, the result being to establish a regional Mutual Aid Association representative of the various communities with authority and responsibilities relating to utilization of resources to counteract natural and man made disasters common to all communities, together with power and authority to implement such services as set forth.

II. DEFINITION OF TERMS

For the purposes of this Agreement, the terms defined in this section shall have the meanings given them.

Subd. 1. "Party" means a governmental unit which is a party to this Agreement.

Subd. 2. "Eligible party" means a governmental or corporation unit which is entitled to become a party to this Agreement, at its own option.

Subd. 3. "Requesting party" means a party which requests assistance from other parties.

Subd. 4. "Responding party" means a party which provides assistance to a requesting party.

Subd. 5. "Assistance" includes personnel, materials and equipment.

Subd. 6. "Requesting official" means the person who has been designated by the requesting party to request assistance from other parties.

Subd. 7. "Responding official" means the person who has been designated by a party to determine whether and to what extent that party should provide assistance to a requesting party.

Subd. 8. "Emergency" means a sudden and unforeseen situation requiring immediate action beyond the requesting partys' capability.

III. PARTIES

Subd. 1. The parties to this Agreement shall consist of the members of the Regional Mutual Aid Association. Upon the adoption of a resolution by its governing body, an executed copy of this Agreement shall be forwarded by the member party together with a certified copy of the resolution authorizing the Agreement.

Subd. 2. The Secretary of the Regional Mutual Aid Association shall maintain a current list of the parties to this Agreement and, whenever there is a change in the parties to this Agreement, he shall notify the designated responding official of each of the parties of such change.

Subd. 3. Upon joining the Regional Mutual Aid Association, the party shall submit a list of their equipment to the Association Secretary. This equipment list shall be updated annually and submitted to the Association Secretary by December 31st of each year.

Subd. 4. The Association Secretary shall distribute the equipment lists to all members. An equipment addendum sheet shall be distributed to all member parties by January 30th of each year.

IV. PROCEDURE

Subd. 1. Each party shall designate, and keep on file with the Secretary of the Regional Mutual Aid Association the name of the person of that party who shall be its requesting official and responding official. A party may designate alternate officials to act in the absence of the primary official.

Subd. 2. Whenever, in the opinion of a requesting official of a party, there is a need for assistance from other parties to assist the requesting party, such requesting official may, in his discretion, call upon the responding official of any other party to furnish assistance to and within the boundaries of the requesting party. It is the intention of the parties to this contract to cooperate in the event of an emergency by making available to a requesting party necessary or requested personnel, materials, and equipment (without undue delay.)

Subd. 3. Upon the receipt of a request for assistance from a party, the responding official for any other party may authorize and direct the personnel of the responding party to provide assistance to the requesting party. Whether the responding party shall provide such assistance to the requesting party and, if so, to what extent such assistance shall be provided shall be determined solely by the responding official (subject to such supervision and direction as may be applicable to him within the governmental structure of the party by which he is employed.) Failure to provide assistance will not result in liability to a party.

Subd. 4. When a responding party provides assistance under the terms of this Agreement, it may in turn request assistance from other parties as "backup" during the time that it is providing assistance outside its boundaries.

Subd. 5. Whenever a responding party has provided assistance to a requesting party, the responding official may at any time recall such assistance or any part thereof to the responding party, if the responding official in his best judgment deems this is in the best interest of his own agency.

Subd. 6. When a responding party supplies equipment and personnel to a requesting party, said equipment and personnel shall remain under the direction and control of the responding party; shall be paid by the responding party; shall be protected by the Worker's Compensation of the responding party; and shall otherwise be deemed to be performing their regular duties for the responding party. However, the responding party shall undertake to coordinate with the requesting party the assistance which it provides. The requesting party shall provide all routine fueling and servicing of respondents equipment, materials, and assume all costs thereof during the assistance period.

Subd. 7. A responding party shall be responsible for its own personnel, equipment and materials and for injuries or death to any personnel or damage to any such equipment or materials, except that unused equipment and materials provided by the responding party shall be returned to the responding party by the requesting party when circumstances permit this to be done. The requesting and responding parties may review any equipment repaired to determine if such repair was directly related to the emergency operation. If mutually agreed that repairs are required, they shall be the responsibility of the requesting party. Any disagreement which cannot be resolved by the responding and requesting parties should be resolved by a committee established from the Regional Mutual Aid Association.

Subd. 8. The responding party shall maintain such records of the cost of labor, equipment and materials provided; and hours of work or operation as deemed necessary for recovery of costs in the event the incident becomes eligible for Federal or State Disaster Assistance. If declared eligible, these costs shall then be reimbursed by the requesting party in full or in a prorate share of assistance provided.

Subd. 9. The requesting party shall not be responsible for any injuries, losses or damages to persons or property arising out of the acts of any of the personnel of a responding party. Nor shall the responding party be responsible for injuries, losses or damages arising out of the acts of any of the personnel of the requesting party or the personnel of any other responding party.

Subd. 10. Technical service and assistance of non-emergency nature may be requested and/or provided by the parties to this Agreement.

V. INSURANCE

Each party to this Agreement shall maintain insurance policies covering personal and public liability in the amount of not less than \$300,000 for each of the above mentioned risks and Worker's Compensation for its personnel. Said policies shall cover damage or injury caused by negligent operation of its vehicles while operating under the terms of this Agreement outside of its corporate limits or contract areas. Each member shall furnish the association with a Certificate of Insurance on the policies in force, or letter stating self insurance at said limits.

VI. WITHDRAWAL AND TERMINATION

Any party may withdraw at any time upon thirty (30) days written notice to the Secretary of the Regional Mutual Aid Association; such a party may become a party if later entering into this Agreement. The Secretary of the Regional Mutual Aid Association shall thereupon give notice of such withdrawal, and of the effective date thereof, to all other parties, as hereinbefore provided.

VII. EFFECTIVE DATE

This Agreement shall become effective on _____ IN
WITNESS WHEREOF, the undersigned, on behalf of their governmental unit,
have executed this Agreement pursuant to authorization by the
_____ of _____ on the _____ day of
_____, 198__.

REGIONAL MUTUAL
AID ASSOCIATION

CITY OF _____

By: _____
President

By: _____
Mayor

By: _____
Secretary

Date: _____

Date: _____

COUNTY OF _____

RECOMMENDED BY:

ATTEST:

By: _____
City Manager/Clerk

By: _____
Chairman of County Board

By: _____
Director of Public Works/City Eng.

Date: _____

RECOMMENDED BY:

APPROVED AS TO EXECUTION

By: _____
County Engineer

By: _____
County/City Attorney

Date: _____

Date: _____

CONSTITUTION AND
BYLAWS OF THE
REGIONAL MUTUAL AID ASSOCIATION

(November 16, 1989)

ARTICLE I. Name and Purpose

1. The political subdivisions which are parties to the "Joint and Cooperative Agreement for Use of Personnel and Equipment during Emergencies" (the "Agreement"), providing for mutual assistance among public works departments, shall be known collectively as the "Regional Mutual Aid Association" (the "Association").
2. The purpose of the "Association" shall be to assist one another in an emergency, to exchange ideas of equipment and methods of dealing with emergencies, to protect lives and property of our respective areas in the case of any emergency or disaster, and to provide other types of mutual assistance in accordance with the "Agreement".
3. The intent of these bylaws is to establish procedures through which the representatives of members of the "Association" can organize and coordinate their efforts to provide mutual assistance.

ARTICLE II. Membership

1. Membership in the "Association" shall refer to public works departments or the equivalent.
2. Any city or county public works department in the area that can be of reciprocal service to the other members of the "Association" may become a member of the "Association" by signing the "Agreement", subject to the approval of a simple majority of the members of the "Association".

ARTICLE III. Coordination

1. The Coordinator of the "Association" shall perform the following duties:
 - a. Maintain a current list of all members of the "Association", including names, addresses, and telephone numbers of contact persons for each member department.
 - b. Maintain a current list of members' equipment, and annually distribute that list to each member.

- c. Maintain records of the activities of the "Association".
 - d. Annually give notice of the "Association's" annual meeting.
- 2. The Public Works Director of the City of Fridley shall serve as Coordinator of the "Association" unless and until a successor Coordinator is designated as provided in Section 5, below.
 - 3. Each member shall pay \$10.00 on January 31 of each year to the member city or county currently designated to provide the services of the Coordinator, as reimbursement for the costs of providing those services.
 - 4. The Public Works Director of the City of Bloomington shall serve as Chairman at the annual meeting, unless and until a successor chairman is designated as provided in Section 5, below.
 - 5. The members of the "Association" by a majority vote at a regular or special meeting may designate a successor Coordinator or Chairman. The Coordinator and Chairman so designated shall serve until a successor is again designated by majority vote at a regular or special meeting.
 - 6. The members of the "Association" by a majority vote at a regular or special meeting may amend the fee established by Section 3. Any other amendment to these Bylaws shall require a two-thirds vote of all the members of the "Association", and must first be proposed in writing to the members at a regular meeting.

ARTICLE V. Meetings

- 1. The regular meeting of the "Association" shall be held in November of each year, at a time and place determined by the Coordinator and Chairman.
- 2. Special meetings shall be called by the Chairman with at least seven days' notice to the membership.
- 3. A majority of the membership shall constitute a quorum.
- 4. Roberts Rules of Order shall govern.
- 5. Each member shall have one vote.

Bylaws of the
RMAA
Page Three

6. The purpose of meetings of the "Association" shall be to provide an opportunity for discussion of the procedures through which members provide assistance to each other and ways to improve those procedures and to correct problems that may have been encountered, and to share information about public works equipment and procedures. The members may adopt recommendations to the city councils of the member cities and counties for amendments to the "Agreement" that may be necessary or advisable to better serve the purposes of the "Agreement".

M E M O R A N D U M

DATE: May 16, 1991

TO: Jerry Dulgar, City Manager

FROM: Anne Norris, Community Development Director *an*

RE: Joint Work Session of the City Council
and Planning Commission

The consultant working on the image portion of the Comprehensive Plan has requested that he present his findings and recommendations regarding image and signage to both the Planning Commission and the City Council at a joint work session. The Planning Commission is meeting on May 20 and will suggest several possible dates for this joint workshop session.

In order to comply with the open meeting laws, the Council needs to schedule a joint session of the City Council and Planning Commission for this purpose.

ALN:jt

CITY OF CRYSTAL

RESOLUTION NO. _____

RESOLUTION APPROVING CONTRACT
FOR PRIVATE REDEVELOPMENT AMONG
THE CRYSTAL EDA, THE CITY AND
SUPER VALU STORES, INC.

WHEREAS, the Economic Development Authority in and for the City of Crystal, Minnesota (the "Authority") has properly created and is administering its Redevelopment Project No. 2 ("Project") pursuant to Minnesota Statutes, Sections 469.090 to 469.108 and 469.001 to 469.047 in an effort to encourage the development and redevelopment of certain designated areas within the City of Crystal ("City"); and

WHEREAS, among the development activities proposed to be assisted by the Authority in the Project area involve the development of a grocery store and other commercial facilities, commonly referred to as the Anthony Center Redevelopment; and

WHEREAS, there has been presented before the City a form of Contract for Private Redevelopment among the Authority, the City and Super Valu Stores, Inc. (the "Agreement") providing for the Anthony Center Redevelopment and the City's participation in such development; and

WHEREAS, this Council has reviewed the Agreement and finds that the execution of the same and the City's performance of its obligations thereunder are in the best interest of the City and its residents.

NOW, THEREFORE, be it resolved by the City Council of the City of Crystal, Minnesota as follows:

1. That the Agreement, as presented to the City, is hereby in all respects approved, subject to modifications which may be subsequently approved by the City Manager and the City Attorney.
2. That the proper City officers are hereby authorized to execute the Agreement on behalf of the City and to carry out, on behalf of the City, the City's obligations thereunder.

Approved by the City Council of the City of Crystal,
Minnesota this ____ day of May, 1991.

Betty Herbes, Mayor

Attest:

Darlene George, Clerk

Fourth Draft
5/17/91

**CONTRACT
FOR
PRIVATE REDEVELOPMENT**

By and Among

**THE ECONOMIC DEVELOPMENT AUTHORITY
IN AND FOR THE CITY OF CRYSTAL**

and

THE CITY OF CRYSTAL, MINNESOTA

and

SUPER VALU STORES, INC.

Dated as of: _____

This document was drafted by:

**HOLMES & GRAVEN, Chartered
470 Pillsbury Center
Minneapolis, Minnesota 55402
Telephone: 337-9300**

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CONTRACT FOR PRIVATE REDEVELOPMENT

THIS AGREEMENT, made on or as of the ____ day of _____, 1991, by and among the ECONOMIC DEVELOPMENT AUTHORITY IN AND FOR THE CITY OF CRYSTAL, MINNESOTA, a public body corporate and politic (the "Authority"), having its principal office at 4141 Douglas Drive North, Crystal, Minnesota 55422, the CITY OF CRYSTAL, a Minnesota municipal corporation (the "City") having its principal office at 4141 Douglas Drive North, Crystal, Minnesota 55422 and SUPER VALU STORES, INC., a Minnesota corporation (the "Redeveloper"), having its principal office at 11840 Valley View Road, Eden Prairie, Minnesota 55344.

WITNESSETH:

WHEREAS, the Authority was created pursuant to Minn. Stat., Sections 469.090 through 469.108 ("EDA Act") and was authorized to transact business and exercise its powers by a resolution of the City Council of the City; and

WHEREAS, the Authority has determined a need to exercise the powers of a Housing and Redevelopment Authority pursuant to the EDA Act and Minn. Stat., Sections 469.001 through 469.047 ("HRA Act"); and

WHEREAS, in furtherance of the objectives of the HRA Act, the Authority has undertaken a program to promote redevelopment of blighted conditions within the City and in this connection is engaged in carrying out a redevelopment project known as Redevelopment Project No. 2 (the "Project") in an area (the "Project Area") located in the City as shown in Schedule G hereto; and

WHEREAS, as of the date of this Agreement there has been prepared and approved by the Authority and the City Council of the City a redevelopment plan for the Project, dated April 3, 1990 (the "Redevelopment Plan"); and

WHEREAS, in connection with the Project, the Authority and City have created Tax Increment Financing District No. 2-1 (the "TIF District") within the Project Area pursuant to Minnesota Statutes, Sections 469.174 to 469.179 ("TIF Act"), the boundaries of which are shown in Schedule G hereto;

WHEREAS, in connection with the TIF District the Authority and City have prepared and approved a Tax Increment Financing Plan (the "TIF Plan"); and

WHEREAS, the Redeveloper has presented to the Authority a proposal for the development of commercial facilities on certain real property located in the Project Area which real property is hereinafter referred to as the "Redevelopment Property" and is legally described on Schedule A hereto and made a part hereof; and

WHEREAS, the redevelopment of the Redevelopment Property necessitates the realization by the Authority of Tax Increment generated from the completed redevelopment to reduce certain costs associated with the redevelopment; and

WHEREAS, the Authority believes that the redevelopment of the Project Area pursuant to this Agreement, and fulfillment generally of this Agreement, are in the vital and best interests of the Authority and the City, and the health, safety,

morals, and welfare of their residents, and in accord with the public purposes and provisions of the applicable State and local laws and requirements under which the Project has been undertaken.

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

ARTICLE I

Definitions

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

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

"Authority" means the Economic Development Authority in and for the City of Crystal, or any successor or assign.

"Certificate of Completion" means the certification provided to the Redeveloper, or the purchaser of any part, parcel or unit of the Redevelopment Property, pursuant to Section 4.4 of this Agreement.

"City" means the City of Crystal, Minnesota.

"Construction Plans" means the plans, specifications, drawings and related documents on the construction work to be performed by the Redeveloper on the Redevelopment Property which (a) shall be as detailed as the plans, specifications, drawings and related documents which are submitted to the appropriate building officials of the City, and (b) shall include at least the following for each building: (1) site plan; (2) foundation plan; (3) basement plans; (4) floor plan for each floor; (5) cross sections of each (length and width); (6) elevations (all sides); (7) landscape plan; and (8) such other plans or supplements to the foregoing plans as the Authority may reasonably request to allow it to ascertain the nature and quality of the proposed construction work.

"County" means the County of Hennepin, Minnesota.

"EDA Act" means Minnesota Statutes, Sections 469.090 to 469.108.

"Event of Default" means an action by the Redeveloper listed in Article IX of this Agreement.

"HRA Act" means the Municipal Housing and Redevelopment Act, Minnesota Statutes, Sections 469.001-469.047, as amended (formerly Sections 462.411-462-711).

"Holder" means the owner of a Mortgage.

"Maturity Date" means the date when the principal of and interest on the Note is paid in full.

"Minimum Improvements" means the construction on the Redevelopment Property of certain commercial facilities consisting of the following component Phases: an approximately _____ square foot grocery store (Phase 1); a commercial retail center (Phase 2); and commercial or office facilities (Phase 3).

"Mortgage" means any mortgage made by the Redeveloper which is secured, in whole or in part, with the Redevelopment Property and which is a permitted encumbrance pursuant to the provisions of Article VIII of this Agreement.

"Net Proceeds" means any proceeds paid by an insurer to the Redeveloper or the Authority under a policy or policies of insurance required to be provided and maintained by the Redeveloper pursuant to Article V of this Agreement and remaining after deducting all expenses (including fees and disbursements of counsel) incurred in the collection of such proceeds.

"Note" means the Limited Revenue Tax Increment Note in the form of Schedule F hereto.

"Parcel" means a portion of the Redevelopment Property.

"Permitted Encumbrances" means the encumbrances described in Schedule E of this Agreement.

"Phase" means a phase of the Minimum Improvements.

"Project" means Redevelopment Project No. 2 administered by the Authority.

"Project Area" means the real property located within the boundaries of the Project.

"Redeveloper" means Super Valu Stores, Inc., a Delaware corporation, or its successors and permitted assigns.

"Redevelopment Property" means the real property described in Schedule A of this Agreement.

"Redevelopment Plan" means the Redevelopment Plan for the Authority's Redevelopment Project No. 2, dated April 3, 1990, as it may be amended.

"State" means the State of Minnesota.

"Tax Increment" means that portion of the real property taxes which is paid with respect to the Redevelopment Property and which is remitted to the Authority as tax increment pursuant to the TIF Act.

"TIF Act" means the Tax Increment Financing Act, Minnesota Statutes, Sections 469.174-469.179 (formerly Sections 273.71-273.78), as amended.

"TIF District" means the Authority's Tax Increment Financing District No. 2-1 within Redevelopment Project No. 2.

"TIF Plan" means the Authority's Tax Increment Financing Plan for the TIF District, dated as of April 3, 1990, as it may be modified.

"Tax Official" means any City or County assessor; County auditor; County or State board of equalization, the commissioner of revenue of the State, or any State or federal district court, the tax court of the State, or the State Supreme Court.

"Unavoidable Delays" means delays beyond the reasonable control of the party seeking to be excused as a result thereof that are the direct result of: strikes, other labor troubles, fire, acts of God or other casualty to the Minimum Improvements; litigation commenced by third parties that, by injunction or other similar judicial action, directly results in delays; or acts of any federal, state or local governmental unit (other than the Authority in exercising its rights under this Agreement, except as otherwise specified herein). Unavoidable Delays shall include delays that are the direct result of the Authority's exercise of its powers of eminent domain to acquire the Redevelopment Property or any portion thereof. Unavoidable Delays shall not include delays in the Redeveloper's obtaining of permits or governmental approvals necessary to enable construction of the Minimum Improvements by the dates such construction is required under Section 4.3 of this Agreement.

ARTICLE II

Representations and Warranties

Section 2.1. Representations by the Authority and the City. The Authority and the City make the following respective representations as the basis for the undertakings on their part herein contained:

(a) The Authority is an economic development authority duly organized and existing under the laws of the State, and authorized to exercise the powers of a municipal housing and redevelopment authority under the laws of the State. Under the provisions of the EDA Act and the HRA Act, the Authority has the power to enter into this Agreement, to issue the Note, and carry out the Authority's obligations hereunder.

(b) The City is a municipal corporation duly organized and existing under the laws of the State, and under such laws has the power to enter into this Agreement and carry out its obligations hereunder.

(c) The Authority and the City have found that the Project is a "redevelopment project" within the meaning of the HRA Act and the Project was created, adopted and approved in accordance with the terms of the HRA Act.

(d) The Authority and the City have found that the TIF District is a "redevelopment tax increment financing district", pursuant to Section 469.174, Subd. 10 of the TIF Act.

(e) The Authority proposes to acquire and convey to the Redeveloper a portion of the Redevelopment Property.

(f) The Authority and the City will cooperate with the Redeveloper with respect to any litigation, other than litigation in which the Authority and Redeveloper are adverse parties, commenced with respect to the TIF Plan, Project, or Minimum Improvements; provided, that the Authority shall not be obligated to incur costs through the retaining of legal counsel or experts, or otherwise, in connection with such litigation.

(g) The Authority and the City will cooperate with the Redeveloper in its efforts to secure the granting of any permit, license, or other approval required to allow the construction and operation of the Minimum Improvements.

(h) The Authority has received no notice or communication from any local, state or federal official that the activities of the Authority or the Redeveloper in the Redevelopment Property may be or will be in violation of any environmental law or regulation (other than those notices or communications of which the Authority is aware). The Authority, to the best of its knowledge, is aware of no facts the existence of which would cause it to be in violation of or give any person a valid claim under any local, state or federal environmental law, regulation or review procedure with regard to the Redevelopment Property.

(i) Neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or

compliance with the terms and conditions of this Agreement is prevented, limited by or conflicts with or results in a breach of, the terms, conditions or provisions of any corporate restriction or any evidences of indebtedness, agreement or instrument of whatever nature to which the Authority is now a party or by which it is bound, or constitutes a default under any of the foregoing.

(j) If an Event of Default on the part of the Authority occurs and if the Redeveloper shall employ attorneys or incur other expenses for the collection of payments due or to become due or for the enforcement of performance or observance of any obligation or agreement on the part of the Authority under this Agreement, the Authority agrees that it shall, within ten days of written demand by the Redeveloper, pay to the Redeveloper the reasonable fees of such attorneys and such other expenses so incurred by the Redeveloper.

(k) When and if the Note is issued pursuant to this Agreement, the Note will be duly authorized by the Authority and delivered to the Redeveloper pursuant to the laws of the State.

Section 2.2. Representations and Warranties by the Redeveloper. The Redeveloper represents and warrants that:

(a) The Redeveloper (i) is a duly organized Delaware corporation, (ii) is not in violation of any provisions of its articles of incorporation, bylaws or the laws of the State, (iii) has power to enter into this Agreement and (iv) has duly authorized the execution, delivery and performance of this Agreement by proper corporate action.

(b) If the Redevelopment Property is conveyed to the Redeveloper, the Redeveloper will construct, operate and maintain the Minimum Improvements in accordance with the terms of this Agreement, the Redevelopment Plan and all local, state and federal laws and regulations (including, but not limited to, environmental, zoning, building code and public health laws and regulations), except for variances necessary to construct the Minimum Improvements contemplated in the Construction Plans approved by the Authority.

(c) The Minimum Improvements will constitute a permitted use under applicable zoning laws.

(d) The Redeveloper has received no notice or communication from any local, state or federal official that the activities of the Redeveloper or the Authority in connection with the Redevelopment Property may be or will be in violation of any environmental law or regulation (other than those notices or communications of which the Authority is aware). The Redeveloper, to the best of its knowledge, is aware of no facts the existence of which would cause it to be in violation of or give any person a valid claim under any local, state or federal environmental law, regulation or review procedure with regard to the Redevelopment Property.

(e) The Redeveloper will construct the Minimum Improvements in accordance with all local, state or federal energy-conservation laws or regulations.

(f) Subject to Unavoidable Delays, the Redeveloper will obtain, in a timely manner, all required permits, licenses and approvals, and will meet, in a timely manner, all requirements of all applicable local, state and federal laws and

regulations which must be obtained or met before the Minimum Improvements may be lawfully constructed.

(g) Neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms and conditions of this Agreement is prevented, limited by or conflicts with or results in a breach of, the terms, conditions or provisions of any corporate restriction or any evidences of indebtedness, agreement or instrument of whatever nature to which the Redeveloper is now a party or by which it is bound, or constitutes a default under any of the foregoing.

(h) The Redeveloper will cooperate with the Authority with respect to any litigation, other than litigation in which the Authority and Redeveloper are adverse parties, commenced with respect to the TIF Plan, the Project, or the Minimum Improvements; provided that the Redeveloper shall not be obligated to incur costs through the retaining of legal counsel or experts, or otherwise, in connection with such litigation.

(i) If an Event of Default on the part of the Redeveloper occurs and if the Authority shall employ attorneys or incur other expenses for the collection of payments due or to become due or for the enforcement of performance or observance of any obligation or agreement on the part of the Redeveloper under this Agreement, the Redeveloper agrees that it shall, within ten days of written demand by the Authority, pay to the Authority the reasonable fees of such attorneys and such other expenses so incurred by the Authority.

(j) The proposed development by the Redeveloper hereunder would not occur but for the tax increment financing assistance being provided by the Authority hereunder.

ARTICLE III

Acquisition and Conveyance of Property

Section 3.1. Status of Redevelopment Property. The title to the Redevelopment Property is presently held by various third parties. In order to assist the Redeveloper in making development of the Minimum Improvements economically feasible, the Authority, subject to all conditions set forth in this Agreement, will acquire certain Parcels of the Redevelopment Property as identified in the attached Schedule A, and convey such Parcels to the Redeveloper. The Redeveloper will acquire the remainder of the Redevelopment Property that is not designated for acquisition by the Authority on Schedule A. The Authority has no obligation to acquire any Parcel of the Redevelopment Property other than the Parcels designated for Authority acquisition in Schedule A and in Section 3.2 herein.

Section 3.2. Acquisition of Parcels.

(a) Mielke Field Parcel. In contemplation of the financial assistance to be provided by the Authority hereunder, and in order to reserve the Redeveloper's ability to acquire and develop the Redevelopment Property, the Redeveloper agrees that it will use its best efforts to negotiate and enter into a purchase agreement for the acquisition of the Mielke Field Parcel of the Redevelopment Property as described on the attached Schedule A. If successful, the Redeveloper will acquire the Mielke Field Parcel under the Purchase Agreement or, at the Authority's option, assign such Purchase Agreement to the Authority. The Authority will proceed to acquire the Mielke Field Parcel from the Redeveloper or from a third-party owner of such Parcel if the Authority accepts assignment of the Redeveloper's purchase agreement. If the Redeveloper notifies the Authority in writing that it is unable to secure a purchase agreement to acquire the Mielke Field Parcel, the Authority will proceed to acquire the Parcel through negotiation or the exercise of its powers of eminent domain. The Authority's obligation to acquire the Mielke Field Parcel under any of the above-described methods shall be subject to satisfaction of the following conditions precedent:

1. The Redeveloper not being in default hereunder;
2. The Redeveloper having provided to the Authority written commitments in a form acceptable to the Authority, together with any supporting documentation deemed necessary by the Authority, evidencing a commitment on the part of the Redeveloper or qualified third parties or both to construct at least Phase 1 of the Minimum Improvements at an estimated market value (including land) that will, in the opinion of the City's fiscal consultant, generate tax increments in an amount equal to Scheduled Payments on the Note proposed to be issued pursuant to Section 3.8 herein.
3. If the Authority acquires the Parcel from any party other than the Redeveloper, the Redeveloper having deposited with the Authority an amount which, together with the estimated investment earnings thereon, is equal to the amount of the purchase price to be paid by the Authority, together with projected costs of condemnation,

including relocation and reasonable attorneys' fees, all as estimated by the Authority; provided that the total amount of the deposit is subject to approval by the Redeveloper.

4. The Redeveloper having acquired fee title to the Parcels of the Redevelopment Property designated for acquisition by the Redeveloper in Schedule A, Section 3; and
5. The Redeveloper having submitted notice of internal financing for Phase 1, or the Authority having approved the evidence of the Redeveloper's financing for Phase 1, pursuant to Section 7.1 of this Agreement.

Within 30 days after satisfaction of the conditions precedent set forth in this Section 3.2(a), the Authority agrees that it will commence activities to acquire the Mielke Field Parcel. The Authority agrees that it will use its best efforts to conclude such acquisition within six months after it commences to acquire the Parcel.

(b) Nicklow's Parcel. The Authority will acquire the portion of the Redevelopment Property identified as the Nicklow's Parcel on Schedule A, subject to the following terms and conditions:

1. The Authority agrees to acquire the Nicklow's Parcel from the current fee owner of that Parcel for the purchase price of \$1, and it shall have no obligation to acquire that Parcel for any higher purchase price;
2. The Authority shall use its best efforts to conclude acquisition of the Nicklow's Parcel by May 31, 1991.

(c) Contingent Authority Acquisition Parcels. The Redeveloper will use its best efforts to acquire the Parcels identified as the Contingent Authority Acquisition Parcels on Schedule A. If the redeveloper notifies the Authority in writing that it is unable to acquire such Parcels, the Authority will acquire such Parcels through negotiation or the exercise of its powers of eminent domain, subject to satisfaction of the following conditions precedent:

1. The Redeveloper not being in default hereunder;
2. The Redeveloper having deposited with the Authority an amount which, together with estimated investment earnings thereon, is equal to the amount of the purchase price to be paid by the Authority for any Parcel to be acquired, together with projected costs of condemnation, including relocation and reasonable attorneys' fees, all as estimated by the Authority; provided that the total amount of the deposit is subject to approval by the Redeveloper.

Section 3.3. Conveyance to Redeveloper. (a) If no Event of Default on the part of the Redeveloper has occurred and is continuing, the Authority will execute and deliver to the Redeveloper the deed for the Nicklow's Parcel, the Mielke Field Parcel and, if applicable, each Contingent Authority Acquisition Parcel (which deeds will be substantially in the form of the deed attached as

Schedule B to this Agreement) on the date that the Authority takes title and possession of the Parcel, or on such date as the Authority and the Redeveloper mutually agree upon in writing. The Redeveloper will take possession of each such Parcel the day of execution and delivery of the deed for such Parcel by the Authority.

(b) The purchase price to be paid to the Authority by the Redeveloper in exchange for the conveyance for the deed for each Parcel is as follows:

- (i) Mielke Field Parcel: The Authority's actual cost of acquisition together with all costs of condemnation including relocation and attorneys' fees.
- (ii) Nicklow's Parcel: \$1.
- (iii) Contingent Authority Acquisition Parcels: The Authority's actual cost of acquisition together with all costs of condemnation including relocation and attorneys' fees.

The purchase price for any Parcel is payable upon execution and delivery of the deed, provided that such payments will first be drawn from any amounts deposited with the Authority pursuant to Section 3.2(a) with respect to the Mielke Field Parcel or 3.2(c) with respect to the Contingent Authority Acquisition Parcels.

(c) Unless otherwise mutually agreed by the Authority and the Redeveloper, the execution and delivery of all deeds and payment of any purchase price shall be made at the principal offices of the Authority.

(d) The conveyance of title to the Parcels conveyed by the Authority to the Redeveloper pursuant to the deed, and the Redeveloper's use of the Redevelopment Property, is subject only to all of the conditions, covenants, restrictions and limitations imposed by the TIF Plan, this Agreement, and the deed, Permitted Encumbrances, and building and zoning laws and ordinances and all other applicable local, state and federal laws and regulations.

(e) Each deed shall be in recordable form and shall be promptly recorded in the proper office for the recordation of deeds and other instruments pertaining to the Redevelopment Property. The Redeveloper agrees to pay all recording costs including state deed tax, in connection with the Authority's acquisition and conveyance of the Redevelopment Property.

Section 3.4. Title.

(a) Within 30 days after the date the Authority commences acquisition of the Mielke Field Parcel pursuant to Section 3.2(a) herein, the Authority must deliver a copy of a commitment for title insurance to the Redeveloper. The commitment must be obtained from a title insurance company licensed to do business in the State and must insure the title to the Parcel in at least the amount of the appraised value of the Parcel or the acquisition price, whichever is greater. The commitment must commit the insurer to the issuance of an owner's title insurance policy (i) (ALTA FORM "B"), (ii) name the Redeveloper as the proposed insured party, (iii) be certified to date, include searches for federal bankruptcies and state and federal judgments, tax and other liens and for all special assessments

levied or pending. The commitment must include full mechanic's lien coverage and coverage for matters revealed by a survey (including gaps). The Redeveloper will be allowed 20 days after receipt thereof for examination of the commitment and delivery to the Authority of a written list of all objections to title. The Authority will use its best efforts to cure any objections to title made by the Redeveloper. Thirty days prior to the delivery of the Parcel deed from the Authority to the Redeveloper, the Authority shall deliver to the Redeveloper a copy of an updated commitment for the issuance of an owner's title insurance policy with respect to the Parcel. The Redeveloper is allowed 20 days after receipt thereof for examination of the commitment and the making of any objections thereto, said objections to be made in writing and delivered to the Authority within said time or deemed to be waived.

(b) If any objection to the title held by the Authority to the Parcel as shown on the updated title commitment is made by the Redeveloper, the objection must be accompanied by a written election of one of the following: (i) delay of the date for transfer of the Parcel during which time the Authority shall take such actions as are necessary to cure the objections; (ii) authorization to proceed with transfer of the title to and possession of the Parcel to the Redeveloper upon the assumption by the Authority of the obligation to take any actions permitted by law to cure the objection; or (iii) termination of the Agreement. If the Redeveloper makes the election described in Section 3.4(b)(ii) of this Agreement, the risk that the objection cannot be cured (or that title cannot be rendered marketable) is entirely borne by the Redeveloper.

Section 3.5. Soil Conditions; Environmental Indemnity. The Redeveloper acknowledges that the Authority makes no representations or warranties as to the condition of the soils on the Parcels to be conveyed under this Article III, or as to their fitness for construction of the Minimum Improvements or any other purpose for which the Redeveloper may make use of such property. The Redeveloper further agrees that, upon conveyance of each Parcel under Section 3.3 herein, the Redeveloper will indemnify, defend, and hold harmless the Authority, its governing body members, officers, and employees, from any claims or actions arising out of the presence, if any, of hazardous wastes or pollutants on such Parcels; provided that before the Authority acquires any Parcel except the Nicklow's Parcel for conveyance to the Redeveloper, the Redeveloper may seek access to and conduct an environmental audit of such Parcel.

Section 3.6. Additional Public Improvements. The parties understand and acknowledge that the City intends to reconstruct 36th Avenue adjacent to the Redevelopment Property from Highway 100 to Regent Avenue, which activity is estimated to begin in 1993. The parties agree to cooperate in the planning and scheduling of such reconstruction.

Section 3.7. Payment of Authority Costs. On or before the effective date of this Agreement, Redeveloper must deposit with the Authority \$25,000, which amount the Authority will use to pay the costs of consultants and attorneys retained by the Authority in connection with the creation of the TIF district and the negotiation and preparation of this Agreement, other incidental agreements and documents related to the Redevelopment Property. At the Redeveloper's option, such amount may be added to the principal amount of the Note and be repaid according to the terms of the Note.

Section 3.8. Reimbursement of Redeveloper Costs. The Authority will reimburse the Redeveloper for a portion of its cost of acquisition of the Mielke Field Parcel and, at the Redeveloper's option, the administrative costs deposited pursuant to Section 3.7 herein, through issuance of the Note to the Redeveloper. The Authority will issue the Note upon the Authority's acquisition of the Mielke Field Parcel, provided that the Authority's obligation to issue the Note will be conditioned upon the Redeveloper having (i) satisfied all of the conditions set forth in Sections 3.2(a); and (ii) having obtained all governmental permits and approvals necessary for construction and operation of Phase 1 of the Minimum Improvements, including but not limited to, all approvals required under Section 4.2 herein, and all necessary environmental permits, approvals, and clearances. The principal amount of the Note, and the rate of interest thereon, shall be determined by mutual agreement of the parties at the time the Note is issued, in light of estimated tax increment pursuant to Section 3.2(a)2 herein.

ARTICLE IV

CONSTRUCTION OF MINIMUM IMPROVEMENTS

Section 4.1. Construction of Minimum Improvements. The Redeveloper agrees that it will construct or cause to be constructed the Minimum Improvements on the Redevelopment Property in accordance with this Agreement and the approved Construction Plans and at all times prior to the Maturity Date will operate and maintain, preserve and keep the Minimum Improvements or cause the Minimum Improvements to be maintained, preserved and kept with the appurtenances and every part and parcel thereof, in good repair and condition.

Section 4.2. Construction Plans.

(a) Prior to construction of any Phase of the Minimum Improvements, the Redeveloper must submit to the Authority "Preliminary Plans," consisting of typical floor plans and sketches of the typical exterior of the proposed Phase of the Minimum Improvements which illustrate the size and character of the proposed improvements. The Preliminary Plans may not be inconsistent with the TIF Plan, this Agreement and all applicable state and local laws and regulations, insofar as said consistency may be determined at said preliminary stage. If approval of the Preliminary Plans is requested in writing by the Redeveloper at the time of their submission to the Authority, said Preliminary Plans must be approved or rejected (in whole or in part) in writing by the Authority within 30 days after the date of their receipt by the Authority. If no written rejection is made within said 30 days, the Preliminary Plans are deemed approved by the Authority. Any rejection must set forth in detail the reasons therefor. If the Authority rejects the Preliminary Plans, in whole or in part, the Redeveloper may submit new or corrected Preliminary Plans at any time after receipt by the Redeveloper of the notice of rejection. The Authority's approval of the Preliminary Plans will not be unreasonably withheld.

(b) After the Authority approves the Preliminary Plans and prior to construction of the Minimum Improvements, the Redeveloper must submit the Construction Plans to the Authority. The Construction Plans must provide for the construction of the proposed Phase of the Minimum Improvements and must be in conformity with the TIF Plan, this Agreement, the Preliminary Plans, and all applicable state and local laws and regulations. The Authority will approve the Construction Plans in writing if: (a) the Construction Plans conform to the terms and conditions of the Preliminary Plans and this Agreement; (b) the Construction Plans conform to the goals and objectives of the TIF Plan; (c) the Construction Plans conform to all applicable federal, State and local laws, ordinances, rules and regulations; (d) the Construction Plans are adequate to provide for the construction of the Minimum Improvements; (e) if the Redeveloper is a person or entity other than Super Valu Stores, Inc., the Construction Plans do not provide for expenditures in excess of the funds available to the Redeveloper for the construction of the Minimum Improvements; and (f) no Event of Default on the part of the Redeveloper has occurred and is continuing. Approval by the Authority does not relieve the Redeveloper of the obligation to comply with the terms of this Agreement, the terms of the TIF Plan, applicable federal, state and local laws, ordinances, rules and regulations, or to construct the Minimum Improvements in accordance therewith. An approval by the Authority does not constitute a waiver of an Event of Default. If approval of the Construction Plans is requested by the Redeveloper in writing at the time of submission, the Construction Plans are deemed approved

unless rejected in writing by the Authority, in whole or in part. Such rejection must set forth in detail the reasons therefor and be made within 45 days after the date of their receipt by the Authority. If the Authority rejects any Construction Plans in whole or in part, the Redeveloper shall submit new or corrected Construction Plans within 30 days after written notification to the Redeveloper of the rejection. The provisions of this Section relating to approval, rejection and resubmission of corrected Construction Plans continue to apply until the Construction Plans have been approved by the Authority. The Authority's approval will not be unreasonably withheld. An approval will constitute a conclusive determination that the Construction Plans comply to the Authority's satisfaction with the provisions of this Agreement relating thereto. The Construction Plans may not be rejected due to any objection that could have been raised upon review of the Preliminary Plans and corrected more economically at that time.

(c) If the Redeveloper desires to make any material change in the Preliminary Plans or Construction Plans after their approval by the Authority, the Redeveloper must submit the proposed change to the Authority for its approval. If the Preliminary Plans or Construction Plans, as modified by the proposed change, conform to the requirements of this Section 4.2 of this Agreement with respect to such previously approved Construction Plans, the Authority will approve the proposed change and notify the Redeveloper in writing of its approval. Such change in the Preliminary Plans or Construction Plans will, in any event, be deemed approved by the Authority unless rejected, in whole or in part, by written notice by the Authority to the Redeveloper, setting forth in detail the reasons therefor. Such rejection must be made within ten days after receipt of the notice of such change.

Section 4.3. Commencement and Completion of Construction.

Subject to Unavoidable Delays, the Redeveloper must construct the Minimum Improvements according to the following schedule:

Phase 1 to be commenced by October 1, 1994, and completed by January 1, 1996.

Phase 2 to be commenced by October 1995, and completed by January 1, 1997.

Phase 3 to be commenced by October 1, 1996, and completed by January 1, 1998.

For the purposes of this Section 4.3, "commencement of construction" means construction activities above and beyond demolition of existing structures and site clearance.

Time lost as a result of Unavoidable Delays will be added to extend the completion date by the number of days lost as a result of Unavoidable Delays. All work with respect to the Minimum Improvements to be constructed or provided by the Redeveloper on the Redevelopment Property shall be in conformity with the Construction Plans as submitted by the Redeveloper and approved by the Authority.

(b) The Redeveloper agrees, and each deed for any Parcel of the Redevelopment Property, prior to issuance of the Certificate of Completion for the Phase to be constructed on that Parcel, shall contain covenants on the part of the Redeveloper for itself and its successors and permitted assigns, that the Redeveloper, and such successors and assigns, must promptly begin and diligently pursue to completion the redevelopment of the Redevelopment Property by the construction of the Minimum Improvements thereon, and that such construction shall in any event be commenced and completed within the period specified in this Section 4.3 of this Agreement. Subject to Unavoidable Delays, with respect to successors or permitted assigns relating to a portion of the Redevelopment Property only, the obligation of such successors or assigns will be limited to such portion of the Redevelopment Property. It is intended and agreed, and any deed for the Redevelopment Property must so expressly provide, that such agreements and covenants are covenants running with the land and that they will, in any event, and without regard to technical classification or designation, legal or otherwise, and except only as otherwise specifically provided in the Agreement itself, be, to the fullest extent permitted by law and equity, binding for the benefit of the Authority and enforceable by the Authority against the Redeveloper and its successors and permitted assigns. Subsequent to conveyance of the Redevelopment Property, or any part thereof, to the Redeveloper, and until construction of the Minimum Improvements has been completed, the Redeveloper shall make reports, in such detail and at such times as may reasonably be requested by the Authority, as to the actual progress of the Redeveloper with respect to such construction.

Section 4.4. Certificate of Completion.

(a) Promptly after completion of each Phase of the Minimum Improvements in accordance with those provisions of the Agreement relating solely to the obligations of the Redeveloper to construct the Phase of the Minimum Improvements (including the dates for beginning and completion thereof), the Authority will furnish the Redeveloper with an appropriate instrument so certifying. Such certification by the Authority will be a conclusive determination of satisfaction and termination of the agreements and covenants in the Agreement with respect to the obligations of the Redeveloper to construct the relevant Phase of the Minimum Improvements and the dates for the beginning and completion thereof. Such certification and such determination does not constitute evidence of compliance with or satisfaction of any obligation of the Redeveloper to any Holder of a Mortgage, or any insurer of a Mortgage, securing money loaned to finance the Minimum Improvements, or any part thereof.

(b) The certificate provided for in this Section 4.4 of this Agreement must be in such form as will enable the certificate to be recorded in the proper office for the recordation of deeds and other instruments pertaining to the Redevelopment Property. A representative form of the certificate is attached hereto as Schedule E. If the Authority refuses or fails to provide any certification in accordance with the provisions of this Section 4.4 of this Agreement, the Authority must, within 30 days after written request by the Redeveloper, provide the Redeveloper with a written statement, indicating in adequate detail in what respects the Redeveloper has failed to complete the relevant Phase of the Minimum Improvements in accordance with the provisions of this Agreement, or is otherwise in default, and what measures or acts it will be necessary, in the opinion of the Authority, for the Redeveloper to take or perform in order to obtain such certification.

(c) The construction of each Phase of the Minimum Improvements will be deemed to have been completed such Phase is substantially completed in accordance with the Constuction Plans, as determined by the Authority in the exercise of its reasonable discretion.

ARTICLE V

INSURANCE AND CONDEMNATION

Section 5.1. Insurance.

(a) The Redeveloper will provide and maintain at all times during the process of constructing the Minimum Improvements and, from time to time at the request of the Authority, furnish the Authority with proof of payment of premiums on:

(i) Builder's risk insurance, written on the so-called "Builder's Risk -- Completed Value Basis," in an amount equal to 100% of the insurable replacement value of the Minimum Improvements at the date of completion, and with coverage available in nonreporting form on the so-called "all risk" form of policy. The interest of the Authority shall be protected in accordance with a clause in form and content reasonably satisfactory to the Authority.

(ii) Comprehensive general liability insurance (including operations, contingent liability, operations of subcontractors, completed operations and contractual liability insurance) together with an Owner's Contractor's Policy with limits against bodily injury and property damage of not less than \$3,000,000 for each occurrence (to accomplish the above-required limits, an umbrella excess liability policy may be used).

(iii) Workers' compensation insurance, with statutory coverage.

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

(b) Upon completion of construction of the Minimum Improvements and prior to the Maturity Date, the Redeveloper must maintain, or cause to be maintained, at its cost and expense, and from time to time at the request of the Authority must furnish proof of the payment of premiums on, insurance as follows:

(i) Insurance against loss and/or damage to such improvements under a policy or policies in an "All Risk Form" in an amount not less than the full insurable replacement value of such improvements, with a standard coinsurance-insurance endorsement of not more than ninety percent (90.0%), but any such policy may have a deductible amount of not more than \$100,000.00. The term "full insurable replacement value" shall mean the actual replacement cost of the improvements (excluding foundation and excavation costs and costs of underground flues, pipes, drains and other uninsurable items) and equipment, and may be determined from time to time at the request of the Authority, but not more frequently than once every three years, by an insurance consultant or insurer, selected and paid for and

approved by the Authority. All policies evidencing insurance required by this subparagraph (i) with respect to the Minimum Improvements shall be carried in the names of the Redeveloper, the Redeveloper's Mortgagee and the Authority as their respective interests may appear and shall contain standard clauses which provide for Net Proceeds of insurance resulting from claims per casualty thereunder to the Minimum Improvements which are equal to or less than \$250,000.00 for loss or damage covered thereby to be made payable directly to the Redeveloper and its Mortgagee, and Net Proceeds from such claims in excess of \$250,000 to be made payable jointly to the Redeveloper, its Mortgagee and the Authority.

(ii) Comprehensive general public liability insurance with respect to the Redevelopment Property, which may be in the form of a blanket policy maintained by Redeveloper with respect to the Redevelopment Property and other property owned or leased by the Redeveloper. insuring against liability for injuries to persons and/or property, in the minimum amount for each occurrence and for each year of \$3,000,000, and shall be endorsed to show the Authority and the City as additional insured.

(iii) Such other insurance, including workers' compensation insurance respecting all employees of the Redeveloper engaged in work with respect to the construction of the Minimum Improvements, in such amount as is customarily carried by like organizations engaged in like activities of comparable size and liability exposure; provided that the Redeveloper may be self-insured with respect to all or any part of its liability for workers' compensation.

(c) All insurance required in Article V of this Agreement must be taken out and maintained in responsible insurance companies selected by the Redeveloper which are authorized under the laws of the State to assume the risks covered thereby. The Redeveloper will deposit annually with the Authority a certificate or certificates or binders of the respective insurers stating that such insurance is in force and effect. Unless otherwise provided in this Article V of this Agreement each policy must contain a provision that the insurer may not cancel nor modify it without giving written notice to the Redeveloper and the Authority at least 30 days before the cancellation or modification becomes effective. Prior to the expiration of any policy, the Redeveloper must furnish the Authority evidence satisfactory to the Authority that the policy has been renewed or replaced by another policy conforming to the provisions of this Article V of this Agreement, or that there is no necessity therefor under the terms hereof. In lieu of separate policies, the Redeveloper may maintain a single policy, blanket or umbrella policies, or a combination thereof, having the coverage required herein, in which event the Redeveloper must deposit with the Authority a certificate or certificates of the respective insurers as to the amount of coverage in force upon the Minimum Improvements.

Notwithstanding the foregoing, but subject to the consent of the Authority which consent shall not be unreasonably withheld, in lieu of purchasing and maintaining insurance policies, Redeveloper shall be entitled to self-insure the risks hereinbefore described.

(d) The Redeveloper agrees to notify the Authority immediately in the case of damage exceeding \$250,000 in amount to, or destruction of, the Minimum

Improvements or any portion thereof resulting from fire or other casualty. In the event that any such damage does not exceed \$250,000, the Redeveloper will forthwith repair, reconstruct and restore the Minimum Improvements to substantially the same or an improved condition or value as it existed prior to the event causing such damage and, to the extent necessary to accomplish such repair, reconstruction and restoration, the Redeveloper will apply the Net Proceeds of any insurance relating to such damage received by the Redeveloper to the payment or reimbursement of the costs thereof. Net Proceeds of any insurance relating to such damage will be paid directly to the Redeveloper.

In the event the Minimum Improvements or any portion thereof is destroyed by fire or other casualty and the damage or destruction is estimated to equal or exceed \$250,000, then the Redeveloper must within 120 days after such damage or destruction, proceed forthwith to repair, reconstruct and restore the damaged Minimum Improvements to substantially the same condition or utility value as it existed prior to the event causing such damage or destruction and, to the extent necessary to accomplish such repair, reconstruction and restoration, the Redeveloper, its Mortgagee and the Authority will apply the Net Proceeds of any insurance relating to such damage or destruction received by its Mortgagee and the Authority to the payment or reimbursement of the costs thereof. Any Net Proceeds remaining after completion of construction will be disbursed to the Redeveloper.

(e) Any Net Proceeds of insurance equal to or in excess of \$250,000 relating to such damage or destruction received by the Authority and the Redeveloper will be released from time to time by the Authority to the Redeveloper upon the receipt of:

(1) A certificate of an authorized representative of the Redeveloper specifying the expenditures made or to be made or the indebtedness incurred in connection with such repair, reconstruction and restoration and stating that such Net Proceeds, together with any other moneys legally available for such purposes, will be sufficient to complete such repair, construction and restoration; and

(2) If Net Proceeds equal or exceed \$50,000.00 in amount, the written approval of such certificate by an independent engineer.

The Redeveloper must complete the repair, reconstruction and restoration of the Minimum Improvements, whether or not the Net Proceeds of insurance received by the Redeveloper for such purposes are sufficient to pay for the same. Any Net Proceeds remaining after completion of such repairs, construction and restoration will be delivered to the Redeveloper.

(f) If the Redeveloper fails to reconstruct the Minimum Improvements as set forth in Section 5.1(d), the Authority may terminate the Note and this Agreement.

Section 5.2. Condemnation. In the event that title to and possession of the Minimum Improvements or any material part thereof shall be taken in condemnation or by the exercise of the power of eminent domain by any governmental body or other person (except the Authority) prior to the Maturity

Date, the Redeveloper shall, with reasonable promptness after such taking, notify the Authority as to the nature and extent of such taking. Upon receipt of any Condemnation Award the Redeveloper may elect to either: (i) use the entire condemnation Award to reconstruct the Minimum Improvements (or, in the event only a part of Minimum Improvements have been taken, then to reconstruct such part) within the Project Area; or (ii) forfeit all subsequent payments under the Note, in which case the Note is deemed terminated.

ARTICLE VI

TAX INCREMENT

Section 6.1. Right to Collect Delinquent Taxes. The Redeveloper acknowledges that the Authority is providing substantial aid and assistance in furtherance of the development through the issuance of the Note. The Redeveloper understands that the Tax Increment pledged to pay the Note in the form of real estate taxes must be promptly and timely paid. To that end, the Redeveloper agrees, in addition to the obligation pursuant to statute to pay real estate taxes, that it is also obligated by reason of this Agreement to pay before delinquency all real estate taxes assessed against the Redevelopment Property and the Minimum Improvements. The Redeveloper acknowledges that this obligation creates a contractual right on behalf of the Authority to bring appropriate legal proceedings against the Redeveloper or its successors and assigns to collect delinquent real estate taxes and any penalty or interest thereon and to pay over the same as a tax payment to the county auditor. In any such proceedings, the Authority will also be entitled to recover its costs, expenses and reasonable attorney fees.

Section 6.2. Review of Taxes. The Redeveloper agrees that prior to issuance of the Certificate of Completion for each Phase of the Minimum Improvements it will not take any of the following actions to the extent that such actions would result in a reduction in the assessor's market value of the Parcel on which such Phase is to be constructed below the amounts specified in Section 6.3: (1) it will not seek administrative review or judicial review of the applicability of any tax statute determined by any Tax Official to be applicable to the Parcel or raise the inapplicability of any such tax statute as a defense in any proceedings, including delinquent tax proceedings, with respect to any Parcel; (2) it will not seek administrative review or judicial review of the constitutionality of any tax statute determined by any Tax Official to be applicable to the Parcel or raise the unconstitutionality of any such tax statute as a defense in any proceedings, including delinquent tax proceedings; (3) it will not: (A) request the city assessor of the City or the county assessor of the County to reduce the assessed market value of all or any portion of the Parcel; (B) petition the board of equalization of the Authority or the board of equalization of the County to reduce the assessed market value of all or any portion of the Parcel; (C) petition the board of equalization of the State or the commissioner of revenue of the State to reduce the assessed market value of all or any portion of the Parcel; (D) initiate an action in a District Court of the State or the Tax Court of the State pursuant to Minnesota Statutes, Chapter 278, or any similar State or federal law, seeking a reduction in the Assessed Market Value of the Parcel; (E) file an application to the commissioner of revenue of the State requesting an abatement of real property taxes with respect to any Parcel pursuant to Minnesota Statutes, Chapter 270, or any similar State or federal law; or (F) initiate any other proceedings, whether administrative, legal or equitable, with any administrative body within the Authority, the County, or the State or with any court of the State or the federal government with respect to any Parcel. The Redeveloper shall not, prior to the Maturity Date, apply for a deferral of property tax on any Parcel pursuant to Minnesota Statutes, Section 469.181, or any similar law.

Section 6.3. Assessment Agreement.

(a) On or before the date the Redeveloper closes on the acquisition of any Parcel of the Redevelopment Property, the Redeveloper will, with the Authority, execute an assessment agreement pursuant to Section 469.177, Subdivision 8 of the TIF Act, specifying an assessor's minimum market value for such Parcel together with any then-existing improvements ("Initial Assessment Agreement"). The amount of the minimum market value shall be no less than the assessor's market value of such parcel and improvements most recently approved by the Commissioner of Revenue as of the date of the Initial Assessment Agreement; provided that the minimum market value of the Mielke Field Parcel shall be no less than the purchase price paid for such Parcel by the Redeveloper or the Authority, subject to the assessor's concurrence that such value is reasonable.

The Initial Assessment Agreement shall be substantially in the form attached hereto as Schedule C. Nothing in the Initial Assessment Agreement shall limit the discretion of the assessor to assign a market value to the property in excess of such assessor's minimum market value, nor prohibit the Redeveloper from seeking through the exercise of legal or administrative remedies a reduction in such market value for property tax purposes, provided however, that the Redeveloper agrees not to seek a reduction of such market value below the assessor's minimum market value in any year so long as the Initial Assessment Agreement in effect.

Each Initial Assessment Agreement shall remain in effect until the date of: (i) issuance of the Certificate of Completion for the Phase to be constructed on such Parcel; (ii) termination of this Agreement, or (iii) termination of the TIF District, whichever date is first.

ARTICLE VII

FINANCING

Section 7.1. Financing. Prior to commencing construction of each Phase of the Minimum Improvements the Redeveloper must submit to the Authority either (i) written notice of its intent to finance such construction internally; or (ii) evidence of a commitment for financing or other evidence of financing sufficient for construction of the Minimum Improvements. If the Authority finds that the financing is sufficiently committed, adequate in amount to provide for the construction of the Minimum Improvements, and contains other terms and conditions which are not inconsistent with the objectives and needs of the Authority, then the Authority will notify the Redeveloper in writing of its approval, provided that no approval is required if the Redeveloper complies with clause (i) herein. The Authority's approval will not be unreasonably withheld and either approval or rejection shall be given within 30 days from the date when the Authority is provided the evidence of such financing. If the Authority rejects the evidence of financing as inadequate, it must do so in writing specifying the basis for the rejection. In any event the Redeveloper must submit adequate evidence of financing within 30 days after such rejection.

Section 7.2. Limitation Upon Encumbrance of Property. Prior to the completion of the Minimum Improvements, as certified by the Authority, neither the Redeveloper nor any successor in interest to the subject portion of the Redevelopment Property or any part thereof may engage in any financing or any other transaction creating any mortgage or other encumbrance or lien upon the Redevelopment Property, whether by express agreement or operation of law, or suffer any encumbrance or lien to be made on or attach to the Redevelopment Property, except: (i) for the purposes of obtaining funds only to the extent necessary for constructing the Minimum Improvements or refinancing that construction (including, but not limited to, land and building acquisition, including the purchase price paid for the Redevelopment Property, labor and materials, professional fees, real estate taxes, construction interest, organizational and other indirect costs of development, costs of constructing and finishing out the Minimum Improvements, and an allowance for contingencies); (ii) only upon the prior written approval of the Authority, which approval will not be unreasonably withheld or delayed; (iii) the creation and existence of a right of first refusal and option to purchase portions of the Redevelopment Property in favor of Anthony Shopping Center, a Minnesota partnership, pursuant to the terms of that certain Purchase Agreement dated November 30, 1990 by and between Redeveloper and Anthony Shopping Center; and (iv) the Permitted Encumbrances. For the purposes of such financing as may be made pursuant to the Agreement, the Redevelopment Property may, at the option of the Redeveloper (or successor in interest), be divided into several parts or parcels, provided that such subdivision, in the opinion of the Authority, is not inconsistent with the purposes of the TIF Plan and this Agreement and is approved in writing by the Authority.

Section 7.3. Approval of Mortgage. The Authority will approve a Mortgage pursuant to Section 7.1(ii) if: (i) the Authority first receives a copy of all mortgage documents; (ii) the Authority determines, in its reasonable discretion, that the mortgagee is a responsible lender capable of and authorized to make the mortgage loan; (iii) the Authority determines, in its reasonable discretion, that the mortgage

loan, together with other funds available to the Redeveloper, will be sufficient to construct the subject Phase of the Minimum Improvements; (iv) the Authority determines that no Event of Default has occurred and is continuing; and (v) the Authority determines, in its reasonable discretion, that the terms of the Mortgage conform to the terms of Section 7.6 of this Agreement. The approval of the Authority will not be unreasonably withheld.

Section 7.4. Copy of Notice of Default to Mortgagee. Whenever the Authority delivers a notice or demand to the Redeveloper with respect to any breach or default by the Redeveloper in its obligations or covenants under the Agreement, the Authority must at the same time forward a copy of such notice or demand to each Holder of any Mortgage authorized by the Agreement at the last address of such Holder shown in the records of the Authority.

Section 7.5. Mortgagee's Option to Cure Defaults. If the Redeveloper fails to cure any default after any breach or default referred to in Section 7.4 hereof, each such Holder shall (insofar as the rights of the Authority are concerned) have 10 days (in the case of a non-payment default) or 30 days (in the case of any other default) after notice from the Authority of Redeveloper's failure to cure, to cure or remedy such breach or default (or such breach or default to the extent that it relates to the part of the Redevelopment Property covered by its Mortgage), or if such default is of a nature which cannot reasonably be cured within 30 days, to commence the cure thereof within 30 days and to prosecute such cure with reasonable diligence, and to add the cost thereof to the Mortgage debt and the lien of its Mortgage: Provided, that if the breach or default is with respect to construction of the Minimum Improvements, nothing contained in this Section or any other Section of this Agreement shall be deemed to permit or authorize such Holder, either before or after foreclosure or action in lieu thereof, to undertake or continue the construction or completion of the Minimum Improvements (beyond the extent necessary to conserve or protect Minimum Improvements or construction already made) without first having expressly assumed the obligation to the Authority, by written agreement satisfactory to the Authority, to complete, in the manner provided in the Agreement, the Minimum Improvements on the Redevelopment Property or the part thereof to which the lien or title of such Holder relates. Any such Holder who shall properly complete the Minimum Improvements relating to the Redevelopment Property or applicable party thereof shall be entitled, upon written request made to the Authority, to a certification by the Authority to such effect in the manner provided in Section 4.4 of this Agreement.

Section 7.6. Authority's Option to Cure Default on Mortgage. If the Redeveloper is in default under any Mortgage authorized pursuant to this Agreement, the mortgagee, within ten days after it or any of its agents or employees become aware of any such default and prior to exercising any remedy available to it due to such default, must notify the Authority in writing of: (i) the fact of the default; (ii) the elements of the default; and (iii) the actions required to cure the default. If, within 30 days after receipt of said notice, the Authority cures any monetary defaults under the Mortgage and commences the actions necessary to cure any other default (and cures the other default within six months after receipt of said notice), then the mortgagee may not pursue its remedies under the Mortgage based upon the said default of the Redeveloper. In the event of a transfer of the title to the Redevelopment Property to the Authority, or a third party approved by the Authority, whether or not required to cure a default under

the Mortgage, said transfer does not constitute an event of default under the Mortgage unless the security of the mortgagee has, in fact, been impaired by said transfer. In the event of said transfer (which does not impair the security of the mortgagee), the mortgagee must permit the transferee to assume all outstanding obligations (and receive all remaining disbursements) under the Mortgage and the loan secured by the Mortgage.

ARTICLE VIII

Prohibitions Against Assignment and Transfer; Indemnification

Section 8.1. Representation as to Redevelopment. The Redeveloper represents and agrees that its purchase of the Redevelopment Property, and its other undertakings pursuant to the Agreement are, and will be used, for the purpose of development and redevelopment of the Redevelopment Property and not for speculation in land holding. The Redeveloper further recognizes that, in view of (a) the importance of the development of the Redevelopment Property to the general welfare of the Authority; (b) the substantial financing and other public aids that have been made available by the Authority for the purpose of making such redevelopment possible; and (c) the fact that any act or transaction involving or resulting in a significant change in the identity of the parties in control of the Redeveloper or the degree of their control is for practical purposes a transfer or disposition of the property then owned by the Redeveloper, the qualifications and identity of the Redeveloper are of particular concern to the Authority. The Redeveloper further recognizes that it is because of such qualifications and identity that the Authority is entering into the Agreement with the Redeveloper, and, in so doing, is further willing to accept and rely on the obligations of the Redeveloper for the faithful performance of all undertakings and covenants hereby by it to be performed.

Section 8.2. Prohibition Against Transfer of Property and Assignment of Agreement. Also, for the foregoing reasons the Redeveloper represents and agrees that prior to the issuance of the Certificate of Completion for each Phase of the Minimum Improvements:

(a) Except (i) only by way of security for, and only for, the purpose of obtaining financing or refinancing necessary to enable the Redeveloper or any successor in interest to the Redevelopment Property, or any part thereof, to perform its obligations with respect to the Minimum Improvements under this Agreement, and any other purpose authorized by this Agreement; (ii) the creation and existence of a right of first refusal and an option to purchase portions of the Redevelopment Property in favor of Anthony Shopping Center, a Minnesota general partnership, pursuant to the terms of that certain Purchase Agreement dated November 30, 1990 by and between Redeveloper and Anthony Shopping Center, a Minnesota general partnership; and (iii) the creation and existence of leases with tenants of the Minimum Improvements; the Redeveloper has not made or created and will not make or create or suffer to be made or created any total or partial sale, assignment, conveyance, or any trust or power, or transfer in any other mode or form of or with respect to the Agreement or the Redevelopment Property or any part thereof or any interest therein, or any contract or agreement to do any of the same, without the prior written approval of the Authority unless the Redeveloper remains liable and bound by this Redevelopment Agreement in which event the Authority's approval is not required. Any such transfer shall be subject to the provisions of this Agreement.

(b) In the event the Redeveloper, upon transfer or assignment of the Redevelopment Property or any portion thereof, seeks to be released from its obligations under this Redevelopment Agreement as to the portions of the Redevelopment Property that is transferred or assigned, the Authority shall be

entitled to require, except as otherwise provided in the Agreement, as conditions to any such release that:

(i) Any proposed transferee must have the qualifications and financial responsibility, in the reasonable judgment of the Authority, necessary and adequate to fulfill the obligations undertaken in this Agreement by the Redeveloper as to the portion of the Redevelopment Property to be transferred.

(ii) Any proposed transferee, by instrument in writing satisfactory to the Authority and in form recordable among the land records, must, for itself and its successors and assigns, and expressly for the benefit of the Authority and the owner of the Note, have expressly assumed all of the obligations of the Redeveloper under this Agreement as to the portion of the Redevelopment Property to be transferred and agreed to be subject to all the conditions and restrictions to which the Redeveloper is subject as to such portion; provided, however, that the fact that any transferee of, or any other successor in interest whatsoever to, the Redevelopment Property, or any part thereof, shall not, for whatever reason, have assumed such obligations or so agreed, and shall not (unless and only to the extent otherwise specifically provided in this Agreement or agreed to in writing by the Authority) deprive the Authority of any rights or remedies or controls with respect to the Redevelopment Property or any part thereof or the construction of the Minimum Improvements; it being the intent of the parties as expressed in this Agreement that (to the fullest extent permitted at law and in equity and excepting only in the manner and to the extent specifically provided otherwise in this Agreement) no transfer of, or change with respect to, ownership in the Redevelopment Property or any part thereof, or any interest therein, however consummated or occurring, and whether voluntary or involuntary, shall operate, legally or practically, to deprive or limit the Authority of or with respect to any rights or remedies or controls provided in or resulting from this Agreement with respect to the Minimum Improvements that the Authority would have had, had there been no such transfer or change. In the absence of specific written agreement by the Authority to the contrary, no such transfer or approval by the Authority thereof is to be deemed to relieve the Redeveloper, or any other party bound in any way by this Agreement or otherwise with respect to the construction of the Minimum Improvements, from any of its obligations with respect thereto.

(iii) Any and all instruments and other legal documents involved in effecting the transfer of any interest in this Agreement or the Redevelopment Property governed by this Article VIII, shall be in a form reasonably satisfactory to the Authority.

In the event the foregoing conditions are satisfied then the Redeveloper shall be released from its obligation under this Agreement, as to the portion of the Redevelopment Property that is transferred, assigned or otherwise conveyed.

Section 8.3 Release and Indemnification Covenants.

(a) The Redeveloper releases from and covenants and agrees that the Authority and the governing body members, officers, agents, servants and

employees thereof shall not be liable for and agrees to indemnify and hold harmless the Authority and the governing body members, officers, agents, servants and employees thereof against any loss or damage to property or any injury to or death of any person occurring at or about or resulting from any defect in the Minimum Improvements.

(b) Except for any negligent or willful misrepresentation or any negligent, willful or wanton misconduct of the following named parties, the Redeveloper agrees to protect and defend the Authority and the governing body members, officers, agents, servants and employees thereof, now or forever, and further agrees to hold the aforesaid harmless from any claim, demand, suit, action or other proceeding whatsoever by any person or entity whatsoever arising or purportedly arising from this Agreement, or the transactions contemplated hereby or the acquisition, construction, installation, ownership, and operation of the Minimum Improvements.

(c) The Authority and the governing body members, officers, agents, servants and employees thereof shall not be liable for any damage or injury to the persons or property of the company or its officers, agents, servants or employees or any other person who may be about the Redevelopment Property, Minimum Improvements or Public Improvements due to any act of negligence of any person, other than the negligence and misconduct of Authority employees.

(d) All covenants, stipulations, promises, agreements and obligations of the Authority contained herein shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the Authority and not of any governing body member, officer, agent, servant or employee of the Authority in the individual capacity thereof.

ARTICLE IX

Events of Default

Section 9.1. Events of Default Defined. The following are "Events of Default" under this Agreement and the term "Event of Default" means whenever it is used in this Agreement (unless the context otherwise provides), any one or more of the following events:

(a) Failure by the Redeveloper to pay when due any payments or to provide any funds required to be paid or provided under Article III or Article VI of this Agreement.

(b) Failure by the Redeveloper to provide and maintain any insurance required to be provided and maintained by Section 5.1 of this Agreement or failure by the Redeveloper to reconstruct the Minimum Improvements when required pursuant to Section 5.1 of this Agreement.

(c) Failure by the Redeveloper to submit notice of internal financing or evidence of financing to the Authority in a timely manner pursuant to the terms and conditions of Section 7.1 of this Agreement.

(d) Failure of the Redeveloper to submit satisfactory Construction Plans in accordance with Section 4.2 of this Agreement.

(e) Failure by the Redeveloper to commence and complete construction of the Minimum Improvements pursuant to the terms, conditions and limitations of Article IV of this Agreement.

(f) Failure by the Redeveloper to substantially observe or perform any covenant, condition, obligation or agreement on its part to be observed or performed hereunder.

(g) The Holder of any Mortgage accelerates the indebtedness secured by the Mortgage.

(h) The Redeveloper:

(i) files any petition in bankruptcy or for any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under the United States Bankruptcy Act of 1978, as amended or under any similar federal or state law; or

(ii) makes an assignment for the benefit of its creditors; or

(iii) admits in writing its inability to pay its debts generally as they become due; or

(iv) is adjudicated as bankrupt or insolvent; or if a petition or answer proposing the adjudication of the Redeveloper as bankrupt or its reorganization under any present or future federal bankruptcy act or any similar federal or state law shall be filed in any court and such petition or

answer shall not be discharged or denied within 90 days after the filing thereof; or a receiver, trustee or liquidator of the Redeveloper or of the Redevelopment Property, or part thereof is appointed in any proceeding brought against the Redeveloper and is not be discharged within ninety (90) days after such appointment, or if the Redeveloper consents to or acquiesces in such appointment.

(i) Failure by the Authority to issue the Note in accordance with the terms and conditions of this Agreement; and

(j) Failure by the Authority, after acquisition of any Parcel, to convey such Parcel to the Redeveloper in accordance with the terms and conditions of this Agreement.

Section 9.2. Authority's Remedies on Default. Whenever any Event of Default on the part of the Redeveloper referred to in Section 9.1 occurs, the Authority may take one or more of the following actions after providing 30 days written notice to the Redeveloper of the Event of Default, but only if the Event of Default has not been cured within said 30 days, or if the Event of Default is by its nature incurable within said 30 day period, the Redeveloper fails to provide the Authority with written assurances, deemed satisfactory in the reasonable discretion of the Authority, that the Event of Default will be cured as soon as reasonably possible:

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

(b) Terminate the Agreement.

(c) Suspend payments on the Note;

(d) Withhold the Certificate of Completion.

(e) Withhold the Net Proceeds from the insurance policies provided to the Authority pursuant to Section 5.1 of this Agreement in accordance with the terms of the policies.

(f) Take whatever action, including legal, equitable or administrative action, which may appear necessary or desirable to the Authority, including any actions to collect any payments due under this Agreement, or to enforce performance and observance of any obligation, agreement, or covenant of the Redeveloper under this Agreement.

Section 9.3. Redeveloper's Remedies on Default. Whenever any Event of Default on the part of the Authority referred to in Section 9.1 occurs, the Redeveloper may take the following actions after providing 30 days written notice to the Authority of the Event of Default, but only if the Event of Default has not been cured within said 30 days, or if the Event of Default is by its nature incurable within said 30 day period, the Authority fails to provide the Redeveloper with written assurances, deemed satisfactory in the reasonable discretion of the Redeveloper, that the Event of Default will be cured as soon as reasonably possible:

(a) Take whatever action, including legal, equitable or administrative action, which may appear necessary or desirable to the Redeveloper, including any actions to collect any payments due under this Agreement, or to enforce performance and observance of any obligation, agreement, or covenant of the Authority under this Agreement.

Section 9.4. No Remedy Exclusive. No remedy herein conferred upon or reserved to the Authority is intended to be exclusive of any other available remedy or remedies, but each and every such remedy is cumulative and is in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. A delay or omission to exercise any right or power accruing upon any default does not impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Authority or the Redeveloper to exercise any remedy reserved to it, it shall not be necessary to give notice, other than such notice as may be required in this Article IX.

Section 9.5. No Additional Waiver Implied by One Waiver. If any undertaking or obligation contained in this Agreement is breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and may not be deemed to waive any other concurrent, previous or subsequent breach hereunder.

ARTICLE X

Additional Provisions

Section 10.1. Conflict of Interests; Authority Representatives Not Individually Liable. A member, official, or employee of the Authority may not have any personal interest, direct or indirect, in the Agreement, nor may any such member, official, or employee participate in any decision relating to the Agreement which affects the members' personal interests or the interests of any corporation, partnership, or association in which the member is, directly or indirectly, interested. A member, official, or employee of the Authority will not be personally liable to the Redeveloper, or any successor in interest, in the event of any default or breach by the Authority or for any amount which may become due to the Redeveloper or successor or on any obligations under the terms of the Agreement, except in the case of willful misconduct.

Section 10.2. Equal Employment Opportunity. The Redeveloper, for itself and its successors and assigns, agrees that during the construction of the Minimum Improvements provided for in the Agreement that it will comply with all applicable equal employment opportunity and non-discrimination laws, ordinances and regulations.

Section 10.3. Restrictions on Use. The Redeveloper agrees for itself, and its successors and assigns, and every successor in interest to the Redevelopment Property, or any part thereof, that the Redeveloper, and such successors and assigns, will devote the Redevelopment Property to, and only to and in accordance with, the uses specified in the TIF Plan and this Agreement.

Section 10.4. Provisions Not Merged With Deed. The provisions of this Agreement are not intended to and will not be merged by reason of any deed transferring any interest in the Redevelopment Property and any such deed shall not be deemed to affect or impair the provisions and covenants of this Agreement.

Section 10.5. Titles of Articles and Sections. Any titles of the several parts, Articles, and Sections of the Agreement are inserted for convenience of reference only and are to be disregarded in construing or interpreting any of its provisions.

Section 10.6. Notices and Demands. Except as otherwise expressly provided in this Agreement, a notice, demand, or other communication under the Agreement by either party to the other will be sufficiently given or delivered if dispatched by registered or certified mail, postage prepaid, return receipt requested, or delivered personally; and

(a) in the case of the Redeveloper, is addressed to or delivered personally to the Redeveloper at 11840 Valley View Road, Eden Prairie, Minnesota 55344, Attn: Director of Legal Affairs; and

(b) in the case of the Authority, is addressed to or delivered personally to the Authority at 4141 Douglas Drive North, Crystal, Minnesota 55422, Attn: Executive Director;

or at such other address with respect to either such party as that party may, from time to time, designate in writing and forward to the other as provided in this Section.

Section 10.7. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall constitute one and the same instrument.

Section 10.8. Amendment. This Agreement may be amended at any time by mutual consent of the parties in writing.

ARTICLE XI

Termination of Agreement

Section 11.1. Options to Terminate. The Authority, the City or the Redeveloper may terminate this Agreement upon either of the following occurrences:

(a) The Redeveloper fails to acquire the Parcel designated to be acquired by the Redeveloper on Schedule A, Section 3, by July 10, 1991; or

(b) The Redeveloper fails to submit to the Authority the written commitment specified in Section 3.2(a)2 by July 1, 1993.

Section 11.2. Action to Terminate. Termination of this Agreement pursuant to Section 11.1 must be accomplished by the giving of 10 days written notification to the other parties of a party's intent to terminate.

Section 11.3. Effect of Termination. Following the termination of this Agreement under this Article XI, no action, claim or demand may be based on any term or covenant in this Agreement.

IN WITNESS WHEREOF, the Authority has caused this Agreement to be duly executed in its name and behalf and its seal to be hereunto duly affixed and the Redeveloper has caused this Agreement to be duly executed in its name and behalf on or as of the date first above written.

ECONOMIC DEVELOPMENT
AUTHORITY IN AND FOR THE
CITY OF CRYSTAL, MINNESOTA

By _____
Its President

And by _____
Its Executive Director

STATE OF MINNESOTA)
) ss
COUNTY OF HENNEPIN)

On this _____ day of _____, 19____, before me, a notary public
within _____ and _____ for Hennepin County, personally appeared
_____ and _____,
the President and Executive Director, respectively, of the Economic Development
Authority in and for the City of Crystal ("Authority"), and acknowledged the
foregoing instrument on behalf of said Authority.

Notary Public

CITY OF CRYSTAL, MINNESOTA

By _____
Its Mayor

And by _____
Its City Manager

STATE OF MINNESOTA)
) ss
COUNTY OF HENNEPIN)

On this _____ day of _____, 19____, before me, a notary public
within _____ and _____ for _____ Hennepin County, personally appeared
_____ and _____, the
Mayor and City Manager, respectively, of the City of Crystal ("City"), and
acknowledged the foregoing instrument on behalf of said City.

Notary Public

SUPER VALU STORES, INC.

By _____
Its _____

And by _____
Its _____

STATE OF _____)
) ss
COUNTY OF _____)

On this _____ day of _____, 19____, before me, a notary public
within _____ and _____ for _____ County, personally appeared
_____ and _____, the
_____, respectively, of Super Valu
Stores, Inc., a Minnesota corporation, and acknowledged the foregoing instrument
on behalf of said corporation.

Notary Public

This instrument was drafted by:

HOLMES & GRAVEN, CHARTERED
470 Pillsbury Center
Minneapolis, Minnesota 55402

SCHEDULE A

DESCRIPTION OF REDEVELOPMENT PROPERTY

1. **Parcels to be acquired by the Authority:**
 - (a) Mielke Field Parcel: Lots 23, 24, Block 1, Crystal Heights View Second Addition, County of Hennepin
 - (b) Nicklow's Parcel: Lot 20, Block 1, Crystal Heights View Second Addition, County of Hennepin
2. **Contingent Authority Acquisition Parcels:**
 - (a) Lots 15, 16, 17, 18, 19, Block 1, Crystal Heights View Second Addition, County of Hennepin
 - (b) Leasehold interests in any Parcel identified in Section 3 below.
3. **Parcels to be acquired by the Redeveloper:**
[Insert Anthony Center legals]

SCHEDULE B

QUIT CLAIM DEED

THIS INDENTURE, between the Economic Development Authority in and for the City of Crystal, a public body corporate and politic (the "Grantor"), and Super Valu Stores, Inc., a Minnesota corporation (the "Grantee").

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

LEGAL DESCRIPTION

To have and to hold the same, together with all the hereditaments and appurtenances thereunto belonging in anywise appertaining, to the said Grantee, its successors and assigns, forever,

Provided:

SECTION 1.

It is understood and agreed that this Deed is subject to the covenants, conditions, restrictions and provisions of an agreement entered into between the Grantor and Grantee on the _____ day of _____, 19____, identified as "Contract for Private Redevelopment" (hereafter referred to as the "Agreement") and that the Grantee shall not convey this Property, or any part thereof, except as permitted by the Agreement until a certificate of completion releasing the Grantee from certain obligations of said Agreement as to this Property or such part thereof then to be conveyed, has been placed of record. This provision, however, shall in no way prevent the Grantee from mortgaging this Property in order to obtain funds for the purchase of the Property hereby conveyed or for erecting improvements thereon in conformity with the Agreement, any applicable development program and applicable provisions of the zoning ordinance of the City of Crystal, Minnesota, or for the refinancing of the same.

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

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

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

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

SECTION 2.

The Grantee agrees for itself and its successors and assigns to or of the Property or any part thereof, hereinbefore described, that the Grantee and such successors and assigns shall:

(a) Devote the Property to, and only to and in accordance with the uses specified in the Redevelopment Plan approved as of the date hereof.

(b) Not discriminate on the basis of race, color, creed, national origin, or sex in the sale, lease, rental, or in the use or occupancy of the Property or any improvements erected or to be erected thereon, or any part thereof;

(c) Not apply for or seek through administrative or judicial proceedings a reduction in assessor's market value if such reduction would reduce such market value to an amount below the amount specified in Section 6.3 of the Agreement

(d) Comply with the provisions of Sections 5.1, and 6.1 of the Agreement relating to insurance coverage and the timely payment of real property taxes.

It is intended and agreed that the above and foregoing agreements and covenants shall be covenants running with the land, and that they shall, in any event, and without regard to technical classification or designation, legal or otherwise, and except only as otherwise specifically provided in this Deed, be binding, to the fullest extent permitted by law and equity for the benefit and in favor of, and enforceable by, the Grantor against the Grantee, its successors and assigns, and every successor in interest to the Property, or any part thereof or any interest therein, and any party in possession or occupancy of the Property or any part thereof.

In amplification, and not in restriction of, the provisions of the preceding section, it is intended and agreed that the Grantor shall be deemed beneficiaries of

the agreements and covenants provided herein, both for and in its own right, and also for the purposes of protecting the interest of the community and the other parties, public or private, in whose favor or for whose benefit these agreements and covenants have been provided. Such agreements and covenants shall run in favor of the Grantor without regard to whether the Grantor has at any time been, remains, or is an owner of any land or interest therein to, or in favor of, which such agreements and covenants relate. The Grantor shall have the right, in the event of any breach of any such agreement or covenant to exercise all the rights and remedies, and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breach of agreement or covenant, to which it or any other beneficiaries of such agreement or covenant may be entitled; provided that Grantor shall not have any right to re-enter the Property or re-vest in the Grantor the estate conveyed by this Deed on grounds of Grantee's failure to comply with its obligations under this Section 2.

SECTION 3.

This Deed is also given subject to:

(a) Covenants, conditions and restrictions contained in Redevelopment Plan for Redevelopment Project No. 2, as amended as of the date of the Agreement.

(b) Provision of the ordinances, building and zoning laws of the City of Crystal, state and federal laws and regulations in so far as they affect this real estate.

IN WITNESS WHEREOF, the Grantor has caused this Deed to be duly executed in its behalf by its _____ and _____ and has caused its corporate seal to be hereunto affixed this _____ day of _____, 19__.

ECONOMIC DEVELOPMENT
AUTHORITY IN AND FOR THE
CITY OF CRYSTAL

By _____
Its _____

By _____
Its _____

STATE OF MINNESOTA)
) ss.
COUNTY OF HENNEPIN)

On this _____ day of _____, 19__, before me, a notary public within and for Hennepin County, personally appeared _____ and _____ to me personally known who by me duly sworn, did say that they are the _____ and _____ of the Economic Development Authority in and for the City of Crystal (the "Authority") named in the foregoing instrument; that the seal affixed to said instrument is the seal of said Authority; that said instrument was signed and sealed on behalf of said Authority pursuant to a resolution of its governing body; and said _____ and _____ acknowledged said instrument to be the free act and deed of said Authority.

Notary Public

This instrument was drafted by:

Holmes & Graven, Chartered
470 Pillsbury Center
Minneapolis, Minnesota 55402

SCHEDULE C

INITIAL ASSESSMENT AGREEMENT

and

ASSESSOR'S CERTIFICATION

By and among

**ECONOMIC DEVELOPMENT AUTHORITY
IN AND FOR THE CITY OF CRYSTAL, MINNESOTA**

SUPER VALU STORES, INC.

and

COUNTY ASSESSOR OF THE COUNTY OF HENNEPIN

This Document was drafted by:

**HOLMES & GRAVEN, Chartered
470 Pillsbury Center
Minneapolis, Minnesota 55402**

INITIAL ASSESSMENT AGREEMENT

THIS AGREEMENT, made on or as of the ____ day of _____, and among the ECONOMIC DEVELOPMENT AUTHORITY IN AND FOR THE CITY OF CRYSTAL, MINNESOTA, a public body, corporate and politic (the "Authority") and SUPER VALU STORES, INC., a Minnesota corporation (the "Redeveloper"), and the COUNTY ASSESSOR OF THE COUNTY OF HENNEPIN (the "Assessor").

WITNESSETH, that

WHEREAS, on or before the date hereon, the Authority and Redeveloper have entered into a contract for private redevelopment dated _____, 1991 (the "Redevelopment Contract") regarding certain real property located in the Authority's Tax Increment Financing District No. 2-1 ("TIF District") in the City of Crystal; and

WHEREAS, pursuant to the Redevelopment Contract, the Redeveloper is obligated to acquire certain parcels located in the TIF District, hereinafter referred to as the "Redevelopment Parcels" and legally described in Exhibit A hereto; and

WHEREAS, pursuant to the Redevelopment Contract, the Redeveloper is obligated to construct certain commercial improvements (the "Minimum Improvements") on property within the TIF District, including the Redevelopment Parcels and other parcels to be acquired by the Authority and conveyed to the Redeveloper; and

WHEREAS, until such time as the Authority and Redeveloper execute and record an agreement regarding a minimum market value for the Minimum Improvements pursuant to the Redevelopment Contract, the Authority and Redeveloper desire to establish a minimum market value for the Redevelopment Parcels and all existing improvements thereon, pursuant to Minnesota Statutes, Section 469.177, Subdivision 8; and

WHEREAS, the Authority and the Assessor have reviewed the market values assigned to the Redevelopment Parcels and the existing improvements thereon;

NOW, THEREFORE, the parties to this Agreement, in consideration of the promises, covenants and agreements made by each to the other, do hereby agree as follows:

1. The minimum market value which shall be assessed for the Redevelopment Parcels described in Exhibit A, with the existing improvements constructed thereon, for ad valorem tax purposes, shall be \$_____.

2. The minimum market value herein established shall be of no further force and effect and this Agreement shall terminate on the earlier of the following: (a) the date of recording of the Assessment Agreement related to the Minimum Improvements, pursuant to the Redevelopment Contract; (b) termination of the Redevelopment Contract; or (c) termination of TIF District.

3. This Agreement shall be promptly recorded by the Redeveloper with a copy of Minnesota Statutes, Section 469.177 Subdivision 8, set forth in Exhibit B hereto, the provisions of which are incorporated herein by reference. The Redeveloper shall pay all costs of recording.

4. Neither the preambles nor provisions of this Agreement are intended to, nor shall they be construed as, modifying the terms of the Redevelopment Contract between the Authority and the Redeveloper.

5. This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the parties.

6. Each of the parties has authority to enter into this Agreement and to take all actions required of it, and has taken all actions necessary to authorize the execution and delivery of this Agreement.

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

8. The parties hereto agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements, amendments and modifications hereto, and such further instruments as may reasonably be required for correcting any inadequate, or incorrect, or amended description of the Redevelopment Parcels, or for carrying out the expressed intention of this Agreement, including, without limitation, any further instruments required to delete from the description of the Redevelopment Parcels such part or parts as may be included within a separate assessment agreement.

9. Except as provided in Section 8 of this Agreement, this Agreement may not be amended nor any of its terms modified except by a writing authorized and executed by all parties hereto.

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

11. This Agreement shall be governed by and construed in accordance with the laws of the State of Minnesota.

ECONOMIC DEVELOPMENT
AUTHORITY IN AND FOR THE
CITY OF CRYSTAL, MINNESOTA

By _____
Its _____

By _____
Its _____

SUPER VALU STORES, INC.

By _____
Its _____

And By _____
Its _____

COUNTY ASSESSOR OF THE
COUNTY OF HENNEPIN

By _____
Title _____

STATE OF MINNESOTA)
) ss.
COUNTY OF HENNEPIN)

On this _____ day of _____, 19____, before me, a notary public
within and for _____ County, personally appeared
_____ and _____, the
_____, respectively,
of the Economic Development Authority in and for the City of Crystal (the
"Authority") named in the foregoing instrument and acknowledged said instrument
on behalf of the Authority.

Notary Public

STATE OF _____)
) ss.
COUNTY OF _____)

On this _____ day of _____, 19____, before me, a notary public
within and for _____ County, personally appeared
_____ and _____, the
_____, respectively,
respectively, of Super Valu Stores, Inc., a Minnesota corporation, and acknowledged
the foregoing instrument on behalf of said corporation.

Notary Public

STATE OF _____)
) ss.
COUNTY OF _____)

On this _____ day of _____, 19____, before me, a notary public
within and for _____ County, personally appeared
_____ and acknowledged the foregoing instrument on
behalf of said County Assessor.

Notary Public

EXHIBIT A

Legal Description of Redevelopment Parcels

CERTIFICATION BY COUNTY ASSESSOR

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

County Assessor for the County
of Hennepin

STATE OF MINNESOTA)
) ss
COUNTY OF HENNEPIN)

The foregoing instrument was acknowledged before me this ____ day of _____, 19__ by _____, the County Assessor of the County of Hennepin.

Notary Public

EXHIBIT B

Section 466.177, Subd. 8. Assessment agreements. An authority may enter into a written assessment agreement in recordable form with the developer or redeveloper of property within the tax increment financing district which establishes a minimum market value of the land and completed improvements to be constructed thereon until a specified termination date, which date shall be not later than the date upon which tax increment will no longer be remitted to the authority pursuant to section 469.176, subdivision 1. The assessment agreement shall be presented to the county assessor, or city assessor having the powers of the county assessor, of the jurisdiction in which the tax increment financing district is located. The assessor shall review the plans and specifications for the improvements to be constructed, review the market value previously assigned to the land upon which the improvements are to be constructed and, so long as the minimum market value contained in the assessment agreement appears, in the judgment of the assessor, to be a reasonable estimate, shall execute the following certification upon such agreement:

The undersigned assessor, being legally responsible for the assessment of the above-described property upon completion of the improvements to be constructed thereon, hereby certifies that the market value assigned to such land and improvements upon completion shall not be less than \$_____.

Upon transfer of title of the land to be developed or redeveloped from the authority to the developer or redeveloper, such assessment agreement, together with a copy of this subdivision, shall be filed for record and recorded in the office of the county recorder or filed in the office of the registrar of titles of the county where the real estate or any part thereof is situated. Upon completion of the improvements by the developer or redeveloper, the assessor shall value the property pursuant to Section 273.11, except that the market value assigned thereto shall not be less than the minimum market value contained in the assessment agreement. Nothing herein shall limit the discretion of the assessor to assign a market value to the property in excess of the minimum market value contained in the assessment agreement nor prohibit the developer or redeveloper from seeking, through the exercise of administrative and legal remedies, a reduction in market value for property tax purposes; provided, however, that the developer or redeveloper shall not seek, nor shall the city assessor, the county assessor, the county auditor, any board of review, any board of equalization, the commissioner of revenue or any court of this state grant a reduction of the market value below the minimum market value contained in the assessment agreement during the term of the agreement filed of record regardless of actual market values which may result from incomplete construction of improvements, destruction or diminution by any cause, insured or uninsured, except in the case of acquisition or reacquisition of the property by a public entity. Recording or filing of an assessment agreement complying with the terms of this subdivision shall constitute notice of the agreement to any subsequent purchaser or encumbrancer of the land or any part thereof, whether voluntary or involuntary, and shall be binding upon them.

SCHEDULE D

CERTIFICATE OF COMPLETION AND RELEASE OF FORFEITURE

WHEREAS, the Economic Development Authority in and for the City of Crystal, Minnesota, a public body, corporate and politic (the "Grantor"), by a Deed recorded in the Office of the County Recorder or the Registrar of Titles in and for the County of Hennepin and State of Minnesota, as Deed Document Number(s) _____ and _____, respectively, has conveyed to _____, a Minnesota corporation (the "Grantee"), the following described land in County of Hennepin and State of Minnesota, to-wit:

and

WHEREAS, said Deed contained certain covenants and restrictions, the breach of which by Grantee, its successors and assigns, would result in a forfeiture and right of re-entry by Grantor, its successors and assigns, said covenants and restrictions being set forth in Sections 1 and 2 of said Deed; and

WHEREAS, said Grantee has performed said covenants and conditions insofar as it is able in a manner deemed sufficient by the Grantor to permit the execution and recording of this certification;

NOW, THEREFORE, this is to certify that all building construction and other physical improvements specified to be done and made by the Grantee have been completed and the above covenants and conditions in said Deed and the agreements and covenants in the Agreement (as described in said Deed) have been performed by the Grantee therein and that the provisions for forfeiture of title and right to re-entry for breach of condition subsequent by the Grantor therein is hereby released absolutely and forever insofar as it applies to the land described herein, and the County Recorder or the Registrar of Titles in and for the County of Hennepin and State of Minnesota is hereby authorized to accept for recording and to record, the filing of this instrument, to be a conclusive determination of the

satisfactory termination of the covenants and conditions of the contract referred to in said Deed, the breach of which would result in a forfeiture and right of re-entry, but the covenants created by Section 3 of said Deed shall remain in full force and effect.

Dated: _____, 19__.

ECONOMIC DEVELOPMENT
AUTHORITY IN AND FOR THE
CITY OF CRYSTAL, MINNESOTA

(SEAL)

By _____
Its _____

By _____
Its _____

STATE OF MINNESOTA)
) ss.
COUNTY OF HENNEPIN)

On this _____ day of _____, 19__, before me, a Notary Public within and for said County, personally appeared _____, to me personally known, who, being by me duly sworn, did say that (s)he is the _____ of the Authority named in the foregoing instrument; that the seal affixed to said instrument is the seal of said Authority; that said instrument was signed and sealed in behalf of said Authority by authority of its governing body; and said _____ acknowledged said instrument to be the free act and deed of said Authority.

Notary Public

STATE OF MINNESOTA)
) ss.
COUNTY OF HENNEPIN)

On this _____ day of _____, 19__, before me, a Notary Public within and for said County, personally appeared _____, to me personally known, who, being by me duly sworn, did say that (s)he is the _____ of the Authority named in the foregoing instrument; that the seal affixed to said instrument is the seal of said Authority; that said instrument was signed and sealed in behalf of said Authority by authority of its governing body; and said _____ acknowledged said instrument to be the free act and deed of said Authority.

Notary Public

SCHEDULE E

PERMITTED ENCUMBRANCES

The following shall be permitted encumbrances on the title to the Redevelopment Property:

(a) such encumbrances as are mutually agreed to in writing by the Authority and the Redeveloper;

(b) any encumbrances or defects in the title not of record not known to the Redeveloper, but known to the Redeveloper on a date twenty (20) days from the date of Authority's receipt of a commitment for title insurance for the Redevelopment Property;

(c) governmental regulations, if any, affecting the use and occupancy of the Redevelopment Property and Minimum Improvements;

(d) zoning laws of the City, County, and State;

(e) all rights in public highways upon the land;

(f) reservations to the State, in trust for the taxing districts concerned, of minerals and mineral rights in those portions of the Redevelopment Property the title to which may have at any time heretofore been forfeited to the State for nonpayment of real estate taxes;

(g) the lien of unpaid special assessments, if any, not presently payable but to be paid as a prt of the annual taxes to become due; and

(h) the lien of unpaid real estate taxes, if any, not presently payable but to be paid as a part of the annual taxes to become due.

SCHEDULE F

UNITED STATES OF AMERICA
STATE OF MINNESOTA
COUNTY OF HENNEPIN
ECONOMIC DEVELOPMENT AUTHORITY
IN AND FOR THE CITY OF CRYSTAL

LIMITED REVENUE TAXABLE TAX INCREMENT NOTE

<u>Rate</u>	<u>Principal Amount</u>
%	\$ _____

The Economic Development Authority in and for the City of Crystal (the "Authority"), hereby acknowledges itself to be indebted and, for value received, promises to pay to the order of Super Valu Stores, Inc., Inc. (the "Owner"), solely from the source, to the extent and in the manner hereinafter provided, the principal amount of this Note, being _____ (\$ _____) (the "Principal Amount"), together with interest thereon accrued from the date hereof at the rate of interest of _____ % per annum (the "Stated Rate"), on the dates (the "Scheduled Payment Dates") set forth on the Payment Schedule attached as Exhibit A hereto and in the amounts stated thereon (the "Scheduled Payments").

Upon 30 days' prior written notice from the Authority to the Owner, the Principal Amount is subject to prepayment at the option of the Authority in whole or in part on August 1, 19__, and on each August 1 and February 1 thereafter.

Any payments on this Note shall be applied first to accrued interest and then to the Principal Amount in respect of which such payment is made.

Each payment on this Note is payable in any coin or currency of the United States of America which on the date of such payment is legal tender for public and private debts and shall be made by check or draft made payable to the Owner and mailed to the Owner at its postal address within the United States which shall be designated from time to time by the Owner.

The Note is a special and limited obligation and not a general obligation of the Authority or the City of Crystal (the "City"), which has been issued by the Authority pursuant to and in full conformity with the Constitution and laws of the State of Minnesota, including Minnesota Statutes, Section 469.178, subdivision 4, to aid in financing a "project", as therein defined, of the Authority consisting generally of defraying certain capital and administration costs incurred and to be incurred by the Authority within and for the benefit of its Redevelopment Project No. 2 (the "Project").

THE NOTE IS NOT A DEBT OF THE AUTHORITY OR THE CITY OR THE STATE OF MINNESOTA (THE "STATE"), AND NEITHER THE AUTHORITY, CITY, THE STATE NOR ANY POLITICAL SUBDIVISION THEREOF SHALL BE LIABLE ON THE NOTE, NOR SHALL THE NOTE BE PAYABLE OUT OF ANY FUNDS OR PROPERTIES OTHER THAN AVAILABLE TAX INCREMENT, AS DEFINED BELOW.

The Scheduled Payment of this Note due on any Scheduled Payment Date is payable solely from and only to the extent that the Authority shall have received, as of such Scheduled Payment Date, Available Tax Increment, hereby defined by the Authority as ninety-seven percent (97%) of the Tax Increment, as defined in that certain Contract for Private Development between the Owner and Authority dated _____, 1991 (the "Contract"), received as of a Scheduled Payment Date, but not used to make a Scheduled Payment as of such Scheduled Payment Date, with respect to the taxable real property within Tax Increment Financing District No. 2-1..

The Authority shall pay on each Scheduled Payment Date to the Owner the lesser of the Available Tax Increment and the Scheduled Payment due hereon on that date. To the extent that on any Scheduled Payment Date the Authority is unable to make the total Scheduled Payment due on such date as a result of its having received as of such date insufficient Available Tax Increment, such failure shall not constitute a default under this Note. If on any Scheduled Payment Date there is available to the Authority insufficient Available Tax Increment to make the Scheduled Payment due on such date the amount of such deficiency in the Scheduled Payment shall be deferred and shall be paid, without interest thereon, on the next Scheduled Payment Date on which the Authority has available to it Available Tax Increment in excess of the amount necessary to make the Scheduled Payment due on such Scheduled Payment Date.

The Authority makes no representation or covenant, express or implied, that the Available Tax Increment will be sufficient to pay, in whole or in part, the amounts which are or may become due and payable hereunder.

The Authority's payment obligations hereunder shall be further conditioned on the fact that there shall not at the time have occurred and be continuing an Event of Default under the Contract, but such unpaid amounts shall become subsequently payable, without interest accruing thereon in the interim, if said Event of Default shall thereafter have been cured in accordance with the Contract; and, further, if pursuant to the occurrence of an Event of Default under the Contract the Authority elects to terminate the Contract in accordance with its terms, the Authority shall have no further debt or obligation under this Note whatsoever. Reference is hereby made to all of the provisions of the Contract for a full statement of limitations or conditions affecting this Note and of the rights and obligations of the City to pay the principal of this Note and the interest thereon, and said provisions are hereby incorporated into this Note as though set out in full herein.

This Note shall not be payable from or constitute a charge upon any funds of the Authority or the City, and neither the Authority nor the City shall be subject to any liability hereon or be deemed to have obligated itself to pay hereon from any funds except the Available Tax Increments, and then only to the extent and in the manner herein specified.

The Owner shall never have or be deemed to have the right to compel any exercise of any taxing power of the Authority or of any other public body, and neither the Authority nor any director, commissioner, council member, board member, officer, employee or agent of the Authority, nor any person executing or registering this Note shall be liable personally hereon by reason of the issuance or registration hereof or otherwise.

This Note shall not be transferred to any person other than an affiliate, or other related entity, of the Owner unless the Authority has been provided with an opinion of counsel or a certificate of the transferor, in a form satisfactory to the Authority, that such transfer is exempt from registration and prospectus delivery requirements of federal and applicable state securities laws. Each permitted transferee shall take the Note subject to the foregoing conditions and subject to all provisions stated or referenced herein.

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

IN WITNESS WHEREOF, the Economic Development Authority in and for the City of Crystal, by its Board of Commissioners, has caused this Note to be executed by the manual signatures of the _____ and the _____ of the Authority and has caused this Note to be dated as of the ____ day of ____, 199_.

ECONOMIC DEVELOPMENT AUTHORITY
IN AND FOR THE CITY OF CRYSTAL

SCHEDULE G
MAP OF
REDEVELOPMENT PROJECT NO. 2
AND
TIF DISTRICT NO. 2-1

